

WHO WE ARE



A Leader in North American Steelmaking

1847

—
Founded

28K

—
Employees across our
operations in the U.S. and
Canada.

56

—
Operating Facilities

As of Dec. 31, 2023 • 10-K 2023

\$22 billion

Full-Year 2023 Consolidated Revenues

\$1.9 billion

Full-Year 2023 Adjusted EBITDA

WHO WE ARE

A FULLY-INTEGRATED STEELMAKING SYSTEM



Vertically integrated in ferrous raw materials sourced from own U.S.-based operations



Pellets

HBI

Prime Scrap



7 operational blast furnaces and 5 electric arc furnaces



Steel Making & Rolling



WHO WE ARE

2023 By The Numbers

28K Employees

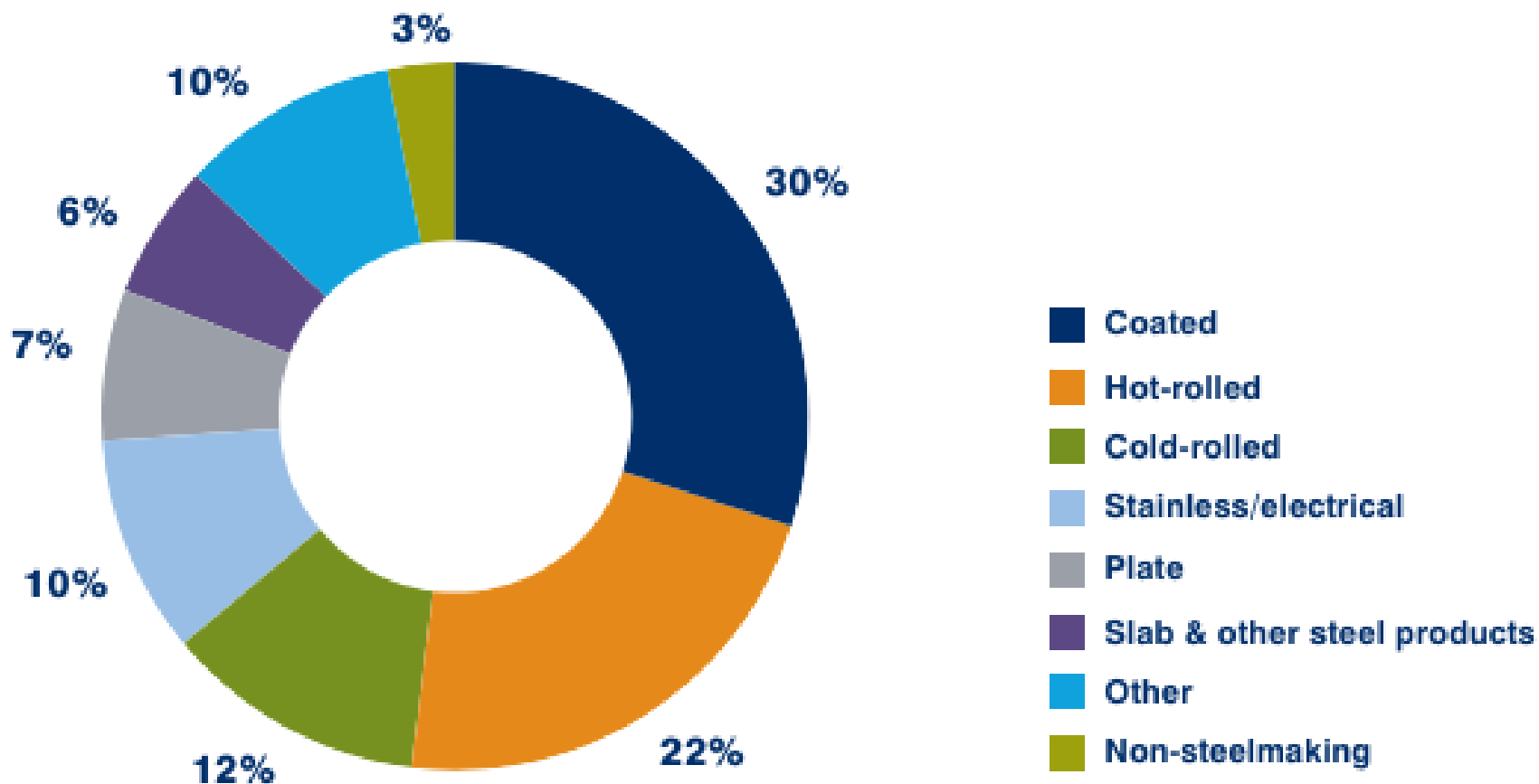
16.4M Net Tons Record Steel Shipments

90% Hourly Workforce Represented by Unions

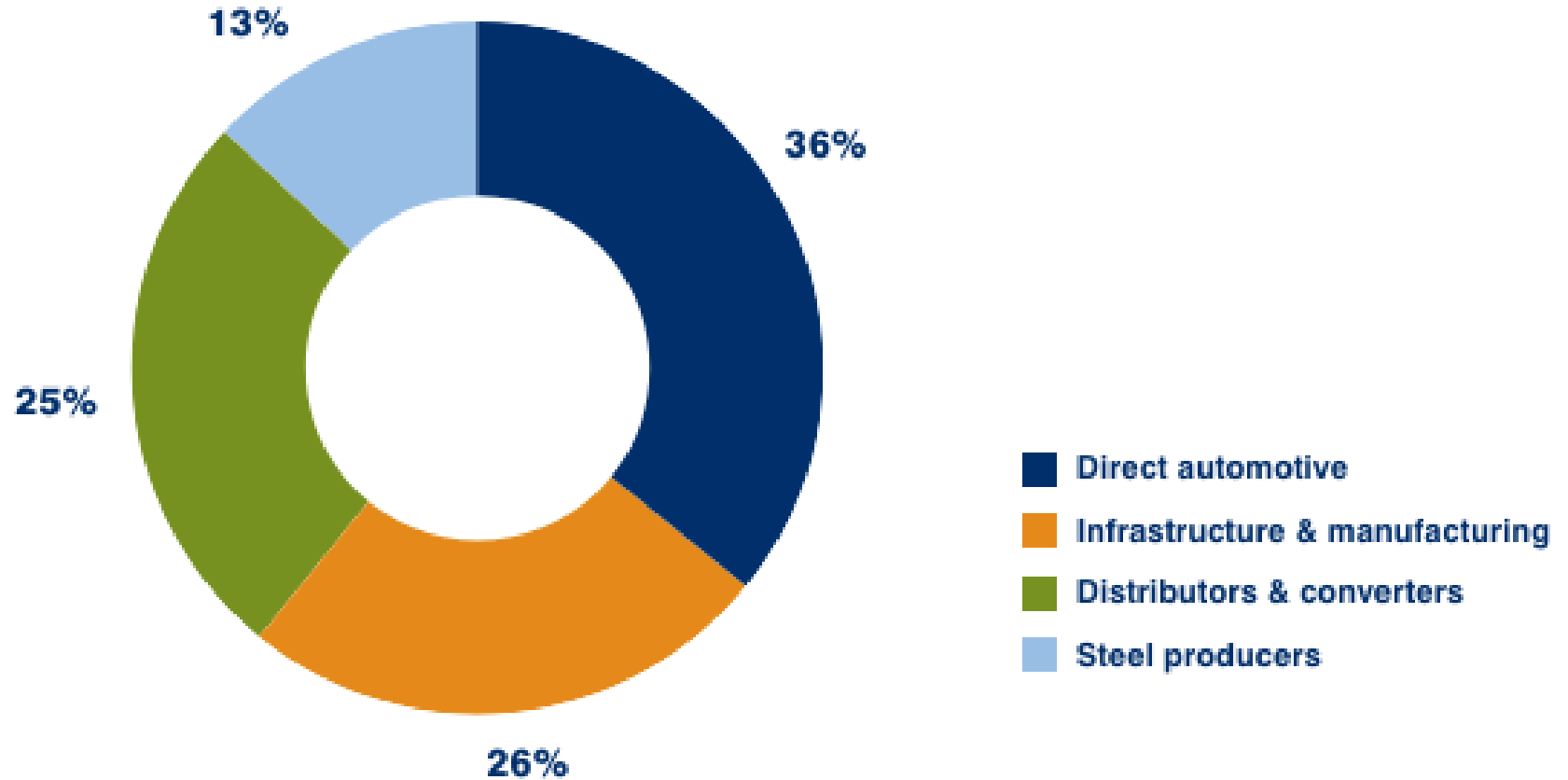
3rd Consecutive Year With Revenues Above \$20 Billion

36% Record High Sales to Direct Automotive Customers

2023 Product Mix (By Revenue)



2023 End-Markets (By Revenue)



Average Emissions Intensity of Cliffs' Integrated Mills (Scope 1 & 2)

metric tons CO₂e / metric ton crude steel



⁽¹⁾ Source: CRU as of 2/22/24

HOT ROLLED COIL SPOT PRICING – 5 YEAR VIEW

U.S. Midwest Domestic Hot-Rolled Coil Steel (CRU) Index
Futures chart >

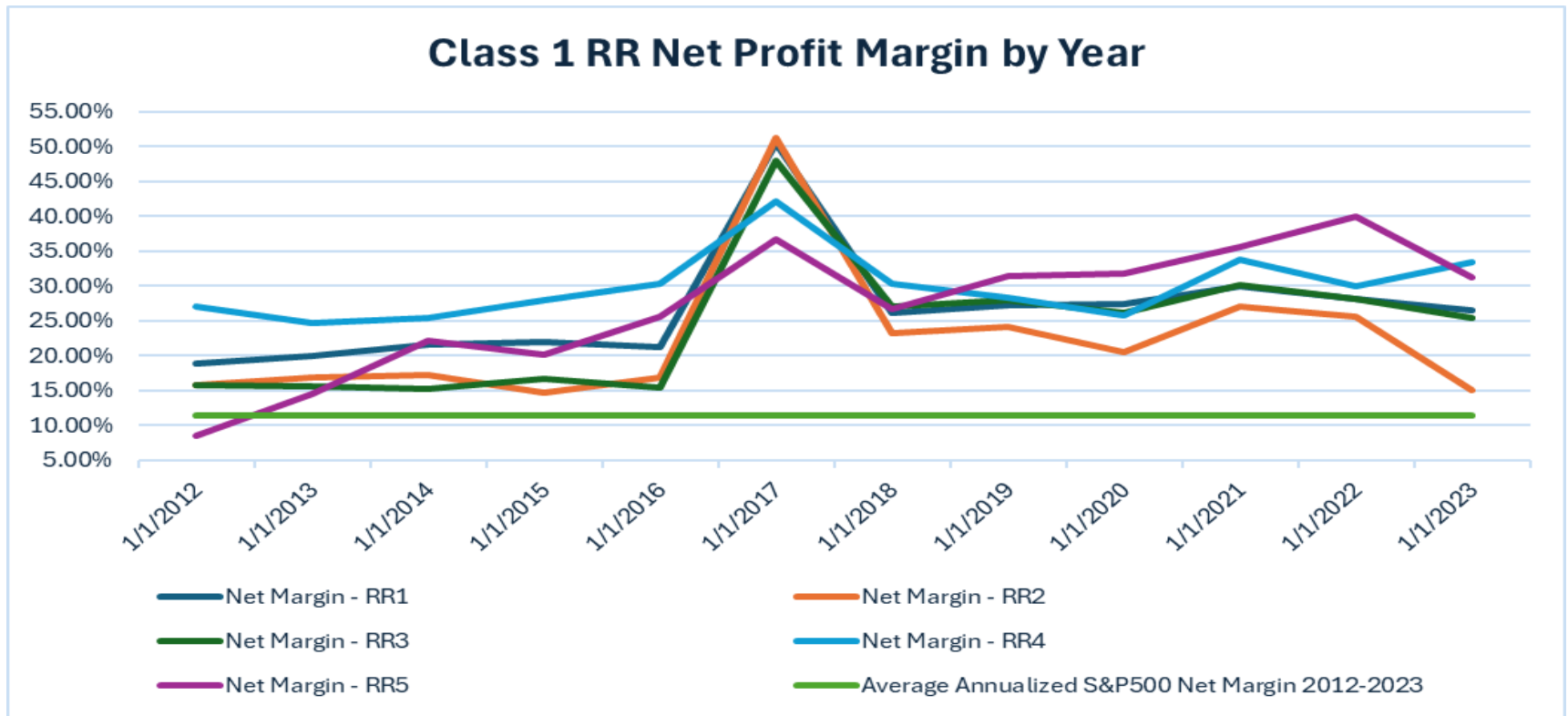


- \$1930/ton peak price in Q3 2021
- \$674/ton currently
- Variation of +/- 40% every year since 2020
- Similar inflationary pressures to every other industry

BARRIERS TO SHIPPING RAIL

- Network rigidity: trucks are incredibly flexible, rail is incredibly rigid
 - Batch production is common in manufacturing, every week will not be like the one before
- Shipper and receiver perceptions (particularly receivers)
 - A supplier and customer relationship is a partnership, this needs to be reflected in the day-to-day operations as well as the commercial agreements and contracts
- Demurrage costs
 - A lot of shippers and receivers moved away from rail in 2017-19 due to sharp increases in demurrage costs, and never came back
 - Increased costs of \$100-250 per car per day can quickly make rail less cost-effective than truck
 - Shippers/receivers can't always tailor their schedules to match the railroad
- Cost Variables: Truck vs Rail
 - Transit times (inventory)
 - Accessorial charges
 - Freight rates
- Infrastructure requirements

VOLUME VS MARGIN



- At some point, railroads will need to choose what the sustainable balance is between profit margins and volumes. Several class 1's have already pivoted towards customer service
- At Cliffs, we are eager to support railroads that are fair and deliver on their commitments



THANK YOU!