

**CLEVELAND-CLIFFS INC.**  
**GOVERNANCE AND NOMINATING COMMITTEE CHARTER**

**Purpose**

The purpose of the Governance and Nominating Committee (the "Committee") of the Board of Directors (the "Board") of Cleveland-Cliffs Inc. ("Cliffs") is to assist the Board in fulfilling the Board's responsibilities to ensure that Cliffs is governed in a manner consistent with the long-term interests of Cliffs and its shareholders.

**Committee Membership**

The Committee will consist of at least three members, with the actual number to be determined from time to time by the Board. Each Committee member must meet the independence criteria of the New York Stock Exchange, Inc. and the Board, and under other applicable law, rules and regulations. Members of the Committee must be suitably knowledgeable in matters pertaining to corporate governance. Other desirable qualifications for Committee members include experience in business management, personnel or human resource management and organizational behavior.

**Duties and Responsibilities**

The Committee has the following responsibilities.

***Governance Oversight***

1. At least annually, review Cliffs' Corporate Governance Guidelines, Cliffs' Guidelines for Selection of Non-Employee Directors and related documents, and recommend to the Board any advisable changes.
2. Periodically review, and make recommendations to the Board regarding, external developments in corporate governance matters generally.
3. Oversee the performance and effectiveness of (a) the self-evaluation process for the Board, its committees, including reviewing each Committee's self-evaluation report submitted by each Committee Chair and (b) the independent director reviews to be held by the Lead Director at least annually and reported to the Committee Chair.
4. Establish and maintain procedures for interested parties to communicate with Cliffs' non-employee directors.
5. Periodically review and make recommendations to the Board regarding the Chief Executive Officer's authorized levels for corporate expenditures.
6. With the Audit Committee, establish and maintain procedures for the review of "related party transactions" as defined by rules promulgated by the Securities and Exchange Commission, and make recommendations to the Board whether any such transactions are required to be reported.

***Board Composition***

1. Periodically review Board structure and size and advise the Board of any recommended changes, subject to the limitations on the number of directors set forth in Cliffs' Regulations.

2. Review performance and qualifications of incumbent directors and qualifications of proposed candidates to Cliffs' Board, including candidates suggested by shareholders, and recommend to the Board as director-nominees for the next annual meeting of shareholders (or to fill vacancies or newly-created directorships) those candidates who possess qualifications consistent with the Board-approved criteria and other criteria deemed appropriate by the Committee consistent with Cliffs' Corporate Governance Guidelines, including business experience and other attributes and skills complementary to Cliffs' business and structure.
3. Recommend to the Board the individual to serve as Board Chairman and assist the Board in evaluating the qualifications of the candidates for this position.
4. Recommend to the Board the individual to serve as Lead Director and assist the Board in evaluating the qualifications of the candidates for this position.
5. Periodically review the Board's existing committees, committee structure, committee operations and duties, committee member qualifications and committee member and chair appointments, and recommend any changes to the Board.
6. Review and make recommendations to the Board regarding resignations tendered by directors.

#### ***Director Compensation and Benefits***

1. At least annually, review and make recommendations to the Board regarding the remuneration of, and share ownership guidelines applicable to, non-employee directors in relation to comparable companies and other factors the Committee deems appropriate.
2. Periodically review and make recommendations to the Board regarding the adequacy of Cliffs' Director & Officer insurance coverage.

#### ***Other Responsibilities***

1. Review and make recommendations to the Board regarding (a) the service of directors on other public company boards, and (b) requests by directors to accept a seat on any additional public company board.
2. Oversee the annual evaluation of the Board and Chief Executive Officer.
3. Oversee and monitor risks associated with Board organization, membership and structure, succession planning and other corporate governance matters and to take appropriate actions to mitigate any such risks. In addition, this Committee will periodically review with management their findings with respect to regulatory and public policy risks.
4. At least annually, and in such manner and at such times as the Committee and the Board deem appropriate, report the Committee's activities, findings and recommendations to the Board.
5. Annually evaluate the Committee's performance and the Committee's charter, and discuss the results and any recommended changes with the Board.
6. Annually consider whether the members of the Board need additional continuing director education or training not already provided through Cliffs to allow Board members to carry out their duties, and if the Committee determines that additional director education or training is needed, the Committee will report such need to the Board for action.

## Resources and Authority

To assist the Committee in carrying out its purpose, duties and responsibilities, the Committee will have:

1. The sole authority to retain and terminate independent consultants, independent counsel and other independent advisors, including the sole authority to retain, terminate, and approve fees and other retention terms for, any search firms to assist with identifying director candidates.
2. Appropriate resources and authority to discharge its responsibilities and duties as required by law, including, without limitation, such funding as the Committee deems necessary to compensate any consultants and advisors retained by the Committee.
3. The authority, at its discretion, to delegate any of its responsibilities to a subcommittee.

August 15, 2017



Secretary