

CLEVELAND-CLIFFS INC.
COMPENSATION AND ORGANIZATION COMMITTEE CHARTER

Purpose

The purposes of the Compensation and Organization Committee (the "Committee") of the Board of Directors (the "Board") of Cleveland-Cliffs Inc. ("Cliffs") are to (a) establish and administer Cliffs' policies, programs and procedures for compensating management; (b) assist the Board in its selection and evaluation of Cliffs' executive officers; and (c) evaluate compensation structure and strategies for attracting, developing and retaining management resources, and monitor the impact that such structure and strategies may have on risk decisions. "Executive officers" means the Chief Executive Officer ("CEO") and/or President, all officers who directly report to the CEO and/or President and the principal accounting officer (including Cliffs' Section 16 "officers" as defined under Rule 16a-1(f) under the Securities Exchange Act of 1934).

Committee Membership; Meetings

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 ("NYSE") and the Board, and under other applicable law, rules and regulations. Each Committee member must satisfy the requirements to be a "non-employee director" within the meaning under Rule 16b-3 of the Securities Exchange Act of 1934. Other desirable qualifications for Committee members include experience in business management, executive compensation, employee benefits and human resources. The Board will select the members and chair of the Committee based on recommendations of the Governance & Nominating Committee. Each Committee member will serve at the pleasure of the Board for such term as the Board may decide or until such Committee member is no longer a Board member. The Committee will meet as frequently as necessary to carry out its responsibilities under the charter. The Committee chair will, in consultation with the other members of the Committee and appropriate officers of Cliffs, establish the agenda for each Committee meeting. Any Committee member may submit items to be included on the agenda. Committee members may also raise subjects that are not on the agenda at any meeting. The Committee chair or a majority of the Committee members may call a meeting of the Committee at any time. The Committee shall conduct its business as provided in Cliffs' code of regulations. The Committee chair will supervise the conduct of the meetings and will have other responsibilities as the Committee may specify from time to time.

Duties and Responsibilities

The Committee has the following responsibilities:

Oversee Compensation Policies and Programs

1. Oversee development and implementation of Cliffs' compensation policies and programs for executive officers.
2. Ensure that the criteria for awards under Cliffs' Executive Management Performance Incentive Plan, Cliffs' Management Performance Incentive Plan, and Cliffs' Amended and Restated 2015 Equity and Incentive Compensation Plan (or their successors) are appropriately related to Cliffs' strategic plan and operating performance objectives.
3. Approve performance targets for executive officers under Cliffs' Executive Management Performance Incentive Plan (or other applicable plan) and targets for other employees

participating in Cliffs' Management Performance Incentive Plan (or other applicable plan) for a particular fiscal year during the first quarter of that year, with the assistance of the Committee's independent compensation consultant.

4. Make recommendations to the Board with respect to the approval, adoption and amendment of all cash- and equity-based incentive compensation plans in which any executive officer of Cliffs participates, and with respect to the approval, adoption and amendment of all other equity-based plans.
5. Oversee and administer employee equity-based incentive compensation plans and other plans adopted by the Board as are contemplated to be administered by the Committee.

Review Executive Officer Performance and Approve Compensation

1. At least annually, evaluate the performance of the executive officers and determine and approve such executive officers' compensation levels, except for the CEO and/or President.
2. Approve the compensation level of the CEO and/or President, subject to ratification by the independent members of the Board, after the evaluation of the CEO's and/or President's performance. The Chairman of the Board, or the Lead Director if the Chairman is not separate from the CEO and/or President, will discuss the results of the review with the CEO and/or President.
3. Determine and measure achievement of corporate and individual goals and objectives for the executive officers under Cliffs' incentive compensation plans. In determining the incentive compensation of the CEO and/or President, which will be ratified by the independent members of the Board, consider Cliffs' performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO and/or President in past years.
4. Approve stock options and other equity-based awards granted to employees or, with respect to equity-based awards intended for non-executive officers, delegate such authority to the CEO and/or President.

Review Employment and Severance Plans; Assist in Succession Planning; Review Candidates

1. Review and recommend to the Board candidates for election as executive and non-executive officers, and review and approve offers of employment or employment agreements with such officers.
2. Review and approve severance or retention plans, and any severance or other termination payments proposed to be made to executive and non-executive officers.
3. Review Cliffs' organizational structure for determining and staffing non-executive officers and other key management positions.
4. Assist the Board with respect to management development and succession planning (including identifying potential successors) and contingency planning in case the executive Chairman of the Board and/or CEO and/or President dies or becomes disabled.

Oversee Regulatory Compliance and Related Party Transactions

1. In consultation with appropriate officers of Cliffs, oversee regulatory compliance with respect to compensation matters, including oversight of compensation programs intended to be tax deductible.
2. With the Governance and Nominating Committee, establish and maintain procedures for the review of “related party transactions” as defined by the rules promulgated by the Securities and Exchange Commission, and make recommendations to the Board whether any such transactions are required to be reported.

Other Responsibilities

1. Annually review the Compensation Discussion and Analysis (“CD&A”) prepared by management, and recommend to the Board the text of the CD&A that should be included in Cliffs’ annual proxy statement. Prepare the Committee report to be included in Cliffs’ annual proxy statement.
2. 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.
3. Annually evaluate the Committee’s performance and the Committee’s charter and review the results and any recommended changes with the Board.

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 or obtain the advice of and terminate independent compensation consultants, legal counsel and other advisors, including the sole authority to retain, terminate, and approve fees and other retention terms for such consultants, counsel or advisors to assist in the evaluation of executive officer compensation. The Committee will be directly responsible for overseeing the work of such consultants, counsel or advisors. In selecting or obtaining advice from such independent compensation consultants, legal counsel or other advisors, the Committee shall first take into consideration all of the factors relevant to that person’s independence from management including the following:
 - a. The provision of other services to Cliffs by the employer of the compensation consultant, legal counsel or other advisor;
 - b. The amount of fees received from Cliffs by the person that employs the compensation consultant, legal counsel or other advisor, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other advisor;
 - c. The policies and procedures of the person that employs the compensation consultant, legal counsel or their advisor that are designed to prevent conflicts of interest;

- d. Any business or personal relationship of the compensation consultant, legal counsel or other advisor with a member of the Committee;
- e. Any capital stock of Cliffs owned by the compensation consultant, legal counsel or other advisor; and
- f. Any business or personal relationship of the compensation consultant, legal counsel, other advisor or the person employing the advisor with an executive officer of Cliffs.

The Committee does not need to conduct this independent assessment with respect to any (x) in-house legal counsel or (y) compensation consultants, legal counsel or other advisors whose role is limited to the following activities for which no disclosure would be required under Item 407(e)(3)(iii) of Regulation S-K: consulting on any broad-based plan that does not discriminate in scope, terms, or operation in favor of executive officers or directors of Cliffs, and that is available generally to all salaried employees; or providing information that either is not customized for a particular company or that is customized based on parameters that are not developed by the compensation consultant, and about which the compensation consultant does not provide advice.

- 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, counsel and advisors retained by the Committee.
- 3. The authority, at its discretion, to delegate any of its responsibilities to a subcommittee.

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