







Safety Scorecard

- The safety scorecard assigns points and measures specific criteria regarding total reportable incident rates (including number of injuries), proactive initiatives, and sustaining safety performance and permission to operate (which incorporates safety, industrial hygiene, environmental and product quality measures) at our mining operations. Sustainability is core to our business and closely related to safety. Due to that relationship, while this metric is not specifically identified as a "sustainability" metric, in reality sustainability is embedded in our safety scorecard and in a number of our strategic initiatives.
- Cliffs' safety performance for 2017 exceeded the maximum metric.

Strategic Initiatives

- The 2017 strategic initiatives were recommended by management, vetted with the Compensation Committee and accepted by the full Board.
- The strategic initiatives were chosen to evaluate activities that helped strengthen the long-term viability of Cliffs, which activities are not easily captured or attainable within the Adjusted EBITDA metric. Collectively, these initiatives accounted for 50% of the total short-term incentive because they were so critical to the overall future success of Cliffs and its shareholders.
- The strategic initiatives chosen by the Compensation Committee in 2017 were:

Refinancing of our capital structure



We established a goal at the beginning of 2017 to aggressively reduce debt and optimize our capital structure. We achieved this goal by the end of 2017.

[Redacted]

[Redacted]

[Redacted]

