

Risk Factors Comparison 2025-02-25 to 2024-02-08 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

An investment in our common shares or other securities is subject to risks inherent in our businesses and the industries in which we operate. We describe below certain risks and uncertainties, the occurrences of which could have a material adverse effect on us. The risks and uncertainties described below include known material risks that we face currently, but our material risks are ~~constantly~~ **continually** evolving, and the below descriptions may not include future risks that are not presently known, **risks** that are not currently believed to be material or **risks** that ~~are common~~ **generally apply** to ~~all~~ **most** businesses. ~~Investors should not interpret the disclosure of any risk to imply that such risk has not already materialized.~~ Although we have extensive risk management policies, practices and procedures in place that are aimed at mitigating these risks, the occurrence of these uncertainties may nevertheless impair our business operations and adversely affect the actual outcome of matters as to which forward- looking statements are made. This report is qualified in its entirety by these risk factors. Before making an investment decision, investors should carefully consider all ~~of~~ the risks described below together with the other information included in this report and the other reports we file with the SEC. Management has identified several categories of material risks that we are subject to, including: (I) economic and market ~~;~~ (II) regulatory ~~;~~ (III) financial ~~;~~ (IV) operational ~~;~~ (V) sustainability and development ~~;~~ and (VI) human capital. Although we have organized the risks by these headings and we have discussed each risk separately, many of the risks are interrelated.

I. ECONOMIC AND MARKET RISKS The volatility of commodity prices, including steel, **scrap metal and iron ore and scrap metal**, directly and indirectly affects our ability to generate revenue, maintain stable cash flows and fund our operations. Our profitability is dependent upon the historically volatile market prices of steel, **scrap metal and iron ore and scrap metal**. We experience direct impacts of steel price fluctuations through customer sales, as well as direct and indirect impacts of **scrap metal and iron ore and scrap metal** price fluctuations through third- party sales and the impacts that movements in **scrap metal and iron ore and scrap metal** prices have on steel prices. As described elsewhere in this report, the prices of steel, **scrap metal and iron ore and scrap metal** have fluctuated significantly in the recent past, and these pricing shifts are unpredictable and affected by factors beyond our control, including: international demand for, and the impact of higher rates of inflation on, raw materials used in steel production; availability of scrap metal substitutes such as pig iron; commodity price speculation; rates of global economic growth, especially construction and infrastructure activity that requires significant amounts of steel; changes in the levels of economic activity in the U. S., China, India, Europe and other industrialized or developing economies, including as a result of geopolitical conflicts or otherwise; changes in China's emissions policies and environmental compliance enforcement practices; changes in the production capacity, production rate and inventory levels of other steel producers, distributors, iron ore suppliers and scrap metal processors and traders; changes in trade laws; volumes of unfairly traded imports; imposition or termination of duties ~~;~~ or tariffs, **including tariffs and retaliatory tariffs that have recently been and may in the future be instituted following the recent change in U. S. presidential administrations, which among other things may affect our cross- border shipments**, import and export controls ~~;~~ and other trade barriers impacting the steel and iron ore markets; climate change and other weather- related disruptions, infectious disease outbreaks ~~;~~ ~~such as the COVID- 19 pandemic~~, or natural disasters that may impact the global supply of steel, **scrap metal or iron ore or scrap metal**; and the proximity, capacity and cost of infrastructure and transportation. Our revenues, therefore, vary in accordance with the prices of the products we sell. During **2023-2024**, for example, we experienced lower average selling prices for our steel products as compared to **2022-2023** due to the impact from lower index pricing, which resulted in lower revenues ~~despite increased~~. **In addition, we had lower sales volumes in 2024, which also contributed to lower revenues**. To the extent that commodity prices, including the HRC price, coated and other specialty steel prices, international steel prices and scrap metal prices, significantly decline for an extended period, we may have to further revise our operating plans, including curtailing production, reducing operating costs and deferring capital expenditures. As a result, we also may have to record impairments on our goodwill, intangible assets, long- lived assets and / or inventory. Sustained lower prices also could cause us to further reduce existing mineral reserves if certain reserves can no longer be economically mined or processed at prevailing prices. Particularly during periods of increased inflation resulting in higher input costs, we may be unable to decrease our costs in an amount sufficient to offset reductions in revenues and may incur losses. These events could have a material adverse effect on us. We sell a significant portion of our steel products to the automotive market, and fluctuations or changes in the automotive market could adversely affect our business operations and financial performance. The largest end user for our steel products is the automotive industry in North America. Beyond these direct sales to the automotive industry, we make additional sales to distributors and converters, which may ultimately resell some of that volume to the automotive market. In addition to the magnitude of our exposure to the automotive industry, we face risks arising from our relative concentration of sales to certain specific automotive manufacturers, and our sales volumes and revenues may be adversely affected if we are unable to renew our fixed price contracts with one or more significant automotive customers or if those customers choose to move certain portions of their parts business to alternate suppliers. Automotive production and sales are cyclical and sensitive to general economic conditions and other factors, including interest rates, consumer credit, spending and preferences, and supply chain disruptions. If automotive production and sales decline, whether due to consumers facing reduced purchasing power caused by inflation, higher interest rates or otherwise, our sales and shipments to the automotive market are likely to decline in a corresponding manner. Adverse impacts that we may sustain as a result include, without limitation, lower margins because of the need to sell our steel to less profitable customers and markets, higher fixed costs from lower steel production if we are unable to sell the same amount of steel to other customers and markets, and lower sales,

shipments, pricing and margins generally as our competitors face similar challenges and compete vigorously in other markets that we serve. These adverse impacts could negatively affect our revenues, financial results and cash flows. 17-18 | CLF 2023-2024 FORM 10-K

Moreover, despite our position as the largest a leading North America-based flat-rolled steel producer in North America, competition for automotive business has intensified in recent years, as steel producers and companies producing alternative materials have focused their efforts on capturing and / or expanding their market share of automotive business because of less favorable conditions in other markets for steel and other metals, including commodity products. As a result, the potential exists that we may lose market share to existing or new entrants or that automotive manufacturers will take advantage of the intense competition among potential suppliers during periodic contract renewal negotiations to pressure our pricing and margins in order for us to maintain or expand our market share with them, which could negatively affect our revenues, financial results and cash flows. Global steelmaking overcapacity and overproduction, steel imports, and oversupply of iron ore could lead to lower or more volatile global steel and iron ore prices, directly or indirectly impacting our profitability. Significant existing global steel capacity and new or expanded production capacity in recent years could potentially cause capacity to exceed demand globally. Although certain American steel producers of our U. S. competitors have shut down production capacity, certain of our competitors have announced and are moving ahead with plans to develop new steelmaking capacity in the near term. In addition, certain foreign competitors, which may have cost advantages due to being owned, controlled or subsidized by foreign governments, have substantially increased their steel steelmaking capacity and / or production capacity in the last few years and in some instances appear to have targeted the U. S. market for imports. The risk of even greater levels of imports may continue, depending upon foreign market and economic conditions, changes in trade agreements and treaties, laws, regulations or government policies affecting trade, the ability of foreign producers to circumvent U. S. trade sanctions and policy (including in the markets for tin mill products and electrical steels), the value of the U. S. dollar relative to other currencies and other variables beyond our control. In addition, higher sustained market prices of steel and iron ore products could cause new producers to enter the market or existing producers to further expand productive capacity, which could in turn lead to lower steel prices and increasing prices of steelmaking inputs, such as scrap metal. Excess steel and iron ore supply combined with reduced global steel demand and increased imports could also lead to lower steel and iron ore prices. Downward pressure on steel and / or iron ore prices could have an adverse effect on our results of operations, financial condition and profitability. Severe financial hardship or bankruptcy of one or more of our major customers or key vendors could adversely affect our business operations and financial performance. Sales and operations for a majority of our customers are sensitive to general economic conditions in the North American automotive, housing, construction, appliance, energy, defense and other industries. Some of our customers are highly leveraged. If there is a significant sustained weakening of current economic conditions, whether because of operational, cyclical, supply chain or other issues, including inflationary pressures, higher interest rates or an infectious disease outbreak, it could cause customers to reduce, delay or cancel their orders with us, impact significantly the creditworthiness of our customers, and lead to other financial difficulties or even bankruptcy filings by our customers. Failure to receive payment from our customers for products that we have delivered could adversely affect our results of operations, financial condition and liquidity. The concentration of customers in a specific industry, such as the automotive industry, may increase our risk because of the likelihood that circumstances may affect multiple customers at the same time. Such events could cause us to experience lost sales or losses associated with the potential inability to collect all outstanding accounts receivable as well as reduced liquidity. Similarly, if certain of our key vendors face have recently suffered, and from time to time may continue to suffer, financial hardship, including or need to operate in bankruptcy, as we experienced with one of our major steel mill slag services providers during 2022-2023, such Such vendors could suffer face operational disruption or even face be forced to liquidation liquidate, which could result in such vendor vendors defaulting on its their obligations to us or in our inability to secure replacement materials or services on a timely basis, or at all, or cause us to incur increased costs to do so. Such events could adversely impact our continuity of operations, financial results and cash flows. II. REGULATORY RISKS U. S. government actions on and other countries' reactions in respect of trade agreements and treaties, laws, regulations, or policies affecting trade could lead to lower or more volatile global steel prices, impacting our profitability. In recent years, the U. S. government has altered its approach to international trade policy, both generally and with respect to matters directly and indirectly affecting the steel industry, including by undertaking certain unilateral actions affecting trade, renegotiating existing bilateral or multilateral trade agreements, and entering into new agreements or treaties with foreign countries. For example, in March 2018, the U. S. government issued a proclamation pursuant to Section 232 imposing a 25 % tariff on imported steel. These Section 232 tariffs were imposed on national security grounds and addressed imported steel that was being unfairly traded by certain foreign competitors at artificially low prices. In retaliation against the Section 232 tariffs, the European Union subsequently imposed its own tariffs against certain steel products and other goods imported from the U. S. Following the November 2020 U. S. presidential election, negotiations between the U. S. government and other governments have resulted in revisions to these measures. For example, the U. S. government agreed to modified tariff rate quota systems with each of the European Union, Japan and the United Kingdom that allow allowed more imports from those trading partners to enter the U. S. market free of Section 232 tariffs. The However, in early 2025, the U. S. government announced that the 25 % Section 232 tariffs on steel imports would be re- imposed without exemptions and exclusions, beginning in March 2025. Even so, as has occurred in the past, the U. S. government may also later determine to negotiate reductions or eliminations of exemptions and exclusions from Section 232 duties tariffs with other certain trading partners. If And if the Section 232 measures are further removed, modified or substantially lessened weakened, whether through legal challenge, legislation, further executive action or otherwise, imports of foreign steel would likely increase and steel prices in the U. S. would likely fall, which could materially adversely affect our revenues, financial results and cash flows. 19 | CLF 2024 FORM 10-K

In addition, during 2020, the USMCA was implemented among the U. S., Mexico and Canada in place of the North American Free Trade Agreement. Because all of our steel manufacturing facilities are located in North America and one of our

principal markets is automotive manufacturing in North America, we believe that the USMCA has the potential to positively impact our business by incentivizing automakers and other manufacturers to increase manufacturing production in North America and to use North American steel. However, it is difficult to predict the short- and long-term implications of changes in trade policy and, therefore, whether the USMCA or other new or renegotiated trade agreements, treaties, laws, regulations or policies that may be implemented by the U. S. government, or otherwise, will have a beneficial or detrimental impact on our business and our customers' and suppliers' businesses. Adverse effects could occur directly from a disruption to trade and commercial transactions and / or indirectly by adversely affecting the U. S. economy or certain sectors of the economy, impacting demand for our customers' products and, in turn, negatively affecting demand for our products. Important links of the supply chain for some of our key customers, including automotive manufacturers, could be negatively impacted by the USMCA or other new or renegotiated trade agreements, treaties, laws, regulations or policies. While we may currently benefit from certain antidumping and countervailing duty orders, any such relief is subject to periodic reviews and challenges, which can result in revocation or modification of the orders or reduction of the duties. **Currently During 2022 and 2023, there are ongoing U. S. International Trade Commission reviewed and continued antidumping and countervailing duty orders covering investigations involving imports from several major trading partners of some of our key products, including corrosion-resistant steel into the U. S. from various countries, including Canada, Mexico, Brazil, Australia, the Netherlands, South Korea, Taiwan, Turkey, Vietnam and the United Arab Emirates. The outcomes of those investigations are uncertain and could adversely affect the competitiveness and viability of our U. S. and / or Canadian corrosion-rolled-resistant steel businesses. Following the recent change in U. S. presidential administrations, the U. S. government may seek to alter the USMCA and has imposed and may in the future impose new or additional tariffs on goods imported into the U. S. (including steel or critical production inputs), which has led to and could in the future lead to other countries imposing or threatening to impose retaliatory tariffs on exports of American-rolled-made products (including steel) and cut-to-length plate those countries or other retaliatory efforts, such as restricting exports of critical production inputs to the U. S. In addition**, previously granted petitions for trade relief may not be successful or fully effective at preventing harm from **subsidized and dumped and subsidized imports into the U. S.** Any of these actions and their direct and indirect impacts could materially adversely affect our revenues, financial results and cash flows. We are subject to extensive governmental regulation, which imposes potentially significant costs and liabilities on us. Future laws and regulations or the way they are interpreted and enforced could increase these costs and liabilities or limit our ability to produce our raw materials and products. New laws or regulations, or changes in existing laws or regulations, or the manner of their interpretation or enforcement, could increase our cost of doing business and restrict our ability to operate our businesses or execute our strategies. This includes, among other things: • changes in, and enforcement of, MSHA regulations, such as respirable silica standards and surface mobile equipment rules; • reevaluation-- evaluation of the National Ambient Air Quality Standards, such as revised nitrogen dioxide, sulfur dioxide, lead, ozone and particulate matter criteria; • changes in the interpretation of OSHA regulations, such as standards for occupational exposure to noise, **certain ergonomics, protection from chemicals or hazardous substances, infectious diseases, heat stress** and potentially hazardous machinery; and • changes in tax laws and regulations, including the possible taxation under U. S. or foreign country laws of certain income from worldwide operations. **Our** We and our operations are subject to various international, foreign, federal, state, provincial and local laws and regulations relating to protection of the environment and human health and safety, including those relating to: • air quality, water quality and conservation; • plant, wetlands, natural resources and wildlife protection (including endangered or threatened species); • reclamation, remediation and restoration of properties and related surety bonds or other financial assurances; • land use; • the discharge of materials into the environment; and • the effects that industrial operations and mining have on groundwater quality and availability, **such as the management of electrical equipment containing polychlorinated biphenyls, and other-- the potential effects of laws or regulations related matters to per- and polyfluoroalkyl substances ("PFAS")**. Despite implementation of rigorous environmental protocols and management systems, we cannot be certain that we have been or will be at all times in complete compliance with all such laws and regulations. If we violate or fail to comply with these laws or regulations, we could be fined, required to **retrofit or** cease operations, subject to criminal or civil liability, or otherwise sanctioned by regulators or barred from participating in government contracts. In addition, **federal or state** regulatory agencies have the authority to order a mine or production facility to be temporarily or permanently closed where imminent danger that could cause death or serious physical harm is perceived. Compliance with the complex and extensive laws and regulations to which we are subject imposes substantial costs on us, which could increase over time because of heightened regulatory oversight, adoption of more stringent environmental, health and safety standards and greater demand for remediation services leading to shortages of equipment, supplies and labor, as well as other factors. **20 | CLF 2024 FORM 10- K** Specifically, there are several notable proposed or recently enacted rulemakings or activities to which we would be subject or that would further regulate and / or tax us and our customers, which may also require us or our customers to reduce or otherwise change operations significantly or incur significant additional costs, potentially limiting our ability to produce our raw materials and products, depending on their ultimate outcome. These emerging or recently enacted rules, regulations and policy guidance include, but are not limited to: • trade regulations, **such as the USMCA and / or other trade agreements, treaties or related policies;** • changes in tariff policy, including with respect to the 25 % tariff on certain imported steel imposed under Section 232, **and including the new or additional tariffs recently imposed by the U. S. government on Canada, China and Mexico and the retaliatory tariffs that have already been, or may in the future be, imposed in response to such tariffs;** • climate change mitigation strategies and GHG regulation; selenium discharge regulation; revisions to the sulfate wild rice water quality standard and its implementation; Minnesota's Mercury TMDL and associated federal rules governing mercury air emission reductions; the Regional Haze FIP Rule; ozone transport regulations; agency decisions related to environmental justice initiatives; revised National Ambient Air Quality Standards, particularly for ozone and particulate matter; revised National

Emission Standards for Hazardous Air Pollutants in the taconite, **integrated iron and steel, and coke, and iron and steel sectors; • climate change mitigation strategies and GHG regulation; • selenium discharge regulation; • revisions to the sulfate wild rice water quality standard and its implementation; • Minnesota’s Mercury TMDL; • ozone transport regulations; • state agency decisions related to environmental justice initiatives; • reduction of SO2 levels at steel plants in Canada; • revised National Ambient Air Quality Standards, particularly for particulate matter; and •** additional regulations regarding **PFAS per- and polyfluoroalkyl substances**. We similarly expect **some** both federal and state governments to continue to propose more stringent environmental regulation, in particular related to climate change. Any new or more stringent legislation, regulations, rules, interpretations or orders, when enacted and enforced, including any related to required monitoring and reporting or reductions in, or taxes on, levels of carbon emissions, could have a material adverse effect on our business, results of operations, financial condition or profitability. **In addition, judicial decisions or executive actions limiting the authority of regulatory agencies, or impacting current regulations and policies implemented by such agencies, could create uncertainty regarding the regulatory landscape and impact our ability to operate our existing business and plan for future investments.** Our operations may be impacted by the recent enactment, and ongoing consideration, of significant federal and state laws and regulations relating to certain mine- related issues, such as the stability of tailings basins, mine drainage and fill activities, reclamation and safety in underground and surface mines. ~~With respect to underground mines, for example, these laws and regulations include requirements for constructing and maintaining eaches for the storage of additional self-contained self-rescuers throughout the mines; installing rescue chambers in the mines; continuous tracking of and communication with personnel in the mines; installing cable lifelines from the mine portal to all sections of the mine to assist in emergency escape; submission and approval of emergency response plans; and additional safety training.~~ Additionally, there are requirements for the prompt reporting ~~19 | CLF 2023 FORM 10- K~~ of accidents and increased fines and penalties for violations of these **laws and regulations. Enforcement of existing mine- related laws and regulations .These, as well as enactment of any new such laws and-or regulations, may cause us to incur substantial additional compliance costs and fines and penalties for any violations**. In addition, certain of our operations are subject to the risks of doing business abroad and we must comply with complex foreign and U. S. laws and regulations, which may include, but are not limited to, the Foreign Corrupt Practices Act and other anti- bribery laws, regulations related to import / export and trade controls, the European Union’s General Data Protection Regulation and other U. S. and foreign privacy regulations, and transportation and logistics regulations. These laws and regulations may increase our costs of doing business in international jurisdictions and expose our operations and employees to elevated risk. We require our employees, contractors and agents to comply with these and all other applicable laws and regulations, but failure to do so could result in possible administrative, civil or criminal liability and reputational harm to us and our employees. As a supplier on ~~federal, state and local~~ public procurement projects, including projects that may arise out of proposed or recently enacted governmental legislation regarding infrastructure investments such as the Infrastructure Investment and Jobs Act of 2021, we may be subject to certain stringent ~~procurement~~ regulations that may present compliance challenges or may increase the costs of securing certain business. **For example, in order to remain eligible for DOE funding, our major Butler and Middletown capital projects are subject to extensive U. S. government and DOE- specific regulations with which we must comply, including with respect to restrictions related to the use of foreign contractors and workers. Also, the U. S. government has rights to, and imposes restrictions on, intellectual property from the projects. The additional burdens and restrictions imposed by these regulations increase our costs, may limit our operational and contracting flexibility, and may disincentivize certain technology providers or other vendors from working with us**. We may also be indirectly affected through regulatory changes that impact our customers, which in turn could reduce the quantity of our products they demand, adversely impact the terms upon which they purchase or the prices for our products they are willing to pay. Regulatory changes that impact our suppliers, such as any changes in labor or environmental standards in China, could decrease the availability of products or services they sell to us or could increase the price they demand for products or services they sell to us. **21 | CLF 2024 FORM 10- K** Our operations use hazardous materials and inadvertently may impact the environment, which could result in material liabilities to us. Our operations currently use, and have in the past used, hazardous materials and substances, and we have generated, and expect to continue to generate, solid and hazardous waste. We have been, and may in the future be, subject to claims under ~~international, foreign, federal, state, provincial and local~~ laws and regulations for toxic torts, natural resource damages and other damages as well as for the investigation and clean- up of soil, surface water, sediments, groundwater and other natural resources and reclamation of properties. Such claims for damages, as well as investigation, remediation and reclamation requirements, have arisen and may arise in the future out of current, future or former conditions at sites that we or our acquired companies own, lease or operate, as well as sites that we or our acquired companies formerly owned, leased or operated, and at contaminated sites that are or have been owned, leased or operated by our joint venture partners. We may also have liability for contamination at third- party sites where we have sent hazardous wastes. Our liability for these claims may be strict and / or joint and several, such that we may be held responsible for more than our share of the contamination or other damages, or even for entire claims regardless of fault. We may be named as a potentially responsible party at other third- party sites in the future, and we cannot be certain that the costs associated with these additional sites will not exceed any reserves we have established or otherwise be material. We may be unable to obtain, maintain, renew or comply with permits and licenses necessary for our operations or be required to provide additional financial assurances, which could reduce our production, cash flows, profitability and available liquidity. We must obtain, maintain and comply with numerous permits and licenses that require approval of operational plans and impose strict conditions on various environmental, health and safety matters in connection with our steel production and processing and mining and other operations. These include permits and approvals issued by various ~~federal, state, provincial, foreign and local~~ agencies and regulatory bodies, with which we may not always be able to comply. The permitting rules are complex and may change over time, making our ability to comply with the applicable requirements more difficult or potentially impractical and costly, possibly precluding the continuance of ongoing

operations or the development of future operations. Interpretations of rules may also change over time and may lead to requirements, such as additional financial assurances, making it costlier to comply. Moreover, despite our ongoing efforts to reduce our environmental footprint and improve the resiliency of our business model, heightened levels of regulatory oversight focused on addressing climate change and industrial activities that generate GHG emissions, such as our steelmaking, cokemaking and mining operations, could impact, delay, or disrupt our ability to obtain new or renewed permits or modifications to existing permits. In addition, the public, including special interest groups, **Tribal nations** and individuals, have certain rights under various **statutes-laws** and burgeoning environmental justice policies to comment upon, submit objections to, and otherwise engage in the permitting process, including bringing citizens' lawsuits to challenge such permits or activities. For example, we have encountered and expect to continue to encounter public objections to permit renewal applications relating to ~~certain of our major steelmaking facilities, including our Indiana Harbor Works~~. Due to these factors or for other reasons, required permits may not be issued or renewed in a timely fashion or at all, or permits issued or renewed may include conditions that we cannot meet, **may require additional capital investments**, or **otherwise be conditioned in ways that** may restrict our ability to conduct our production, mining and processing activities efficiently or. **Such conditions could** include requirements for additional financial assurances that we may not be able to provide on commercially reasonable terms or at all, which could reduce available borrowing capacity under our ABL Facility. Such conditions, restrictions or requirements could also reduce our production, cash flows or profitability. ~~20 | CLF 2023 FORM 10-K~~ III. FINANCIAL RISKS Our existing and future indebtedness may limit cash flow available to invest in the ongoing needs of our businesses, which could prevent us from fulfilling our obligations under our senior notes, ABL Facility and other debt, and we may be forced to take other actions to satisfy our obligations under our debt, which may not be successful. As of December 31, ~~2023~~ **2024**, we had ~~\$ 3,192.1 million~~ **\$ 3,192.1 billion** aggregate principal amount of long-term debt outstanding, ~~\$ 829 million of which was secured~~ (excluding \$ ~~56.62~~ **62** million of outstanding letters of credit and \$ ~~215.382~~ **215.382** million of finance leases), and \$ ~~198.54~~ **198.54** million of cash on our statement of consolidated financial position. As of December 31, ~~2023~~ **2024**, we had ~~\$ 3,192.6 million~~ **\$ 3,192.6 billion** aggregate principal amount of our senior notes ~~was and~~ **and \$ 1.6 billion aggregate borrowings under our ABL Facility outstanding**. **Our aggregate amount of outstanding debt has increased year-over-year due primarily to additional debt we incurred and / or assumed in connection with completing the Stelco Acquisition during the fourth quarter of 2024**. The aggregate principal amount of revolver commitments under our ABL Facility is \$ 4.75 billion, **comprised of \$ 4.25 billion of lending commitments available to be borrowed by us and certain of our U. S. subsidiaries, and \$ 500 million of lending commitments available to be borrowed by certain of our Canadian subsidiaries**. As of December 31, ~~2023~~ **2024**, we had ~~no outstanding borrowings under our ABL Facility, and the principal amount of letters of credit obligations and other~~ **the aggregate commitments totaled \$ 56 million**. As of December 31, 2023, borrowing availability under our ABL Facility was \$ ~~4,341.2.5 million~~ **4,341.2.5 billion** based on outstanding letters of credit obligations and our borrowing base ~~at that time~~. A portion of our cash flow from operations is used to service debt under our senior notes and ABL Facility, reducing the availability of cash to fund capital expenditures, acquisitions or strategic development initiatives, and other general corporate purposes or to **retire debt or** return capital to shareholders, including via share repurchases. Although it is uncertain whether the U. S. Federal Reserve will lower, maintain or ~~further~~ raise interest rates during ~~2024~~ **2025** and beyond, higher rates would increase the amount of cash we would need to allocate to servicing the interest expense on our debt ~~in the event for so long as~~ we have an outstanding balance drawn under our ABL Facility. ~~22 | CLF 2024 FORM 10-K~~ Our ability to make scheduled payments on the principal, premium, if any, and interest on our debt, or to refinance our debt obligations, depends on our ability to generate cash in the future and our financial condition and operating performance, which are subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control, as described elsewhere in this "Risk Factors" section. If we are unable to service our debt obligations, we could face substantial liquidity problems and we may be forced to reduce or delay investments, capital expenditures and share repurchases, or to sell assets, seek additional capital, including additional secured or unsecured debt, or restructure or refinance our debt, and we may be unable to continue as a going concern. We may be unable to consummate any proposed asset sales or recover the carrying value of these assets, and any proceeds may not be adequate to meet any debt service obligations then due. Any of these examples potentially could have a material adverse impact on our results of operations, profitability, shareholders' equity and capital structure. In addition, a failure to comply with any applicable covenants in the instruments governing our debt could result in an event of default that, if not cured or waived, would have a material adverse effect on us. Our level of indebtedness could have further consequences, including, but not limited to, increasing our vulnerability to adverse economic or industry conditions, placing us at a competitive disadvantage compared to other businesses in the industries in which we operate that are not as leveraged and that may be better positioned to withstand economic downturns and recessionary environments, limiting our flexibility to plan for, or react to, changes in our businesses and the industries in which we operate, and requiring us to refinance all or a portion of our existing debt. We may not be able to refinance on commercially reasonable terms or at all, and any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, making it more difficult to obtain surety bonds, letters of credit or other financial assurances that may be demanded by our vendors or regulatory agencies, particularly during periods in which credit markets are weak. In addition, our cost of financing or refinancing, access to the capital markets, and the terms under which we purchase goods and services could be adversely affected if credit ratings agencies downgrade our ratings, whether due to factors specific to our business or debt profile, a prolonged cyclical downturn in the steel, scrap metal and mining industries or macroeconomic trends (such as global or regional recessions), increases in pension and OPEB obligations, adverse impacts of inflation and high interest rates, or trends in credit and capital markets more generally. A portion of our borrowing capacity and any outstanding indebtedness under our ABL Facility bears interest at a variable rate based on SOFR. To the extent these interest rates increase, our interest expense will increase. Restricted access to capital markets and / or increased borrowing costs could have an adverse effect on our results of operations, cash flows, financial condition and

liquidity. Our actual operating results may differ significantly from our guidance. From time to time, we release guidance, including that set forth under “ Management ’ s Discussion and Analysis of Financial Condition and Results of Operations – Outlook ” in our Annual Reports on Form 10- K and our Quarterly Reports on Form 10- Q, regarding our future performance. This guidance, which consists of forward- looking statements, is prepared by our management and is qualified by, and subject to, the assumptions and the other information included in our Annual Reports on Form 10- K and our Quarterly Reports on Form 10- Q. Our guidance is not prepared with a view toward compliance with published guidelines of the American Institute of Certified Public Accountants, and neither our independent registered public accounting firm nor any other independent or outside party compiles or examines the guidance and, accordingly, no such person expresses any opinion or any other form of assurance with respect thereto. Guidance is based upon a number of assumptions and estimates that, while presented with numerical specificity, are inherently subject to business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond our control and are based upon specific assumptions with respect to future business decisions, some of which will change. The principal reason that we release such data is to provide a basis for our management to discuss our business outlook with analysts and investors. We do not accept any responsibility for any projections or reports published by any such third parties. ~~21 | CLF 2023 FORM 10- K~~ Guidance is necessarily speculative in nature, and it can be expected that some or all of the assumptions of the guidance furnished by us will not materialize or will vary significantly from actual results. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date of release. Actual results will vary from the guidance. Investors should also recognize that the reliability of any forecasted financial data diminishes the further in the future that the data are forecast. Considering the foregoing, investors are urged to put the guidance in context and not to place undue reliance on it. Any failure to successfully implement our operating strategy or the occurrence of any of the risks described in our Annual Reports on Form 10- K or our Quarterly Reports on Form 10- Q could cause actual operating results to differ from the guidance, and such differences may be adverse and material. We may be subject to various lawsuits, claims, arbitrations or governmental proceedings that could result in significant expenditures. We are from time to time subject to various lawsuits, claims, arbitrations or governmental proceedings relating to commercial and business disputes, antitrust claims, environmental matters, government investigations, occupational or personal injury claims, property damage, labor and employment matters, or suits involving legacy operations and other matters. For example, certain of our subsidiaries have been named in lawsuits claiming exposure to asbestos, many of which have been dismissed and / or settled for non- material amounts. Nevertheless, it is likely that similar types of claims will continue to be filed in the future, and we could experience material adverse judgments or incur significant costs to defend such claims or any other existing and future lawsuits, claims, arbitrations or governmental proceedings, **including those discussed in Part I- Item 3. Legal Proceedings, which could adversely affect our results of operations, cash flows, financial condition and liquidity**. The insurance we maintain **may not cover certain claims and, even when coverage applies, it** may not be adequate to protect us in the event of significant claims. **23 | CLF 2024 FORM 10- K**

IV. OPERATIONAL RISKS Our operating expenses could increase significantly if the prices of raw materials, electrical power, fuel or other energy sources increase. Our operations require significant use of energy, **water** and raw materials. Although we are ~~fully~~ **largely** self- sufficient in iron ore and partially self- sufficient in coke, metallurgical coal and scrap metal, we are wholly or partially dependent on third- party suppliers for certain critical raw materials and production inputs, including industrial gases, graphite electrodes, chrome, zinc, coke, metallurgical coal, scrap metal, **fluxing compounds** and other alloys. Prices for electricity, natural gas, diesel fuel, oils and raw materials can fluctuate widely with availability and demand levels from other users, including fluctuations caused by the impact of ~~recent~~ inflationary pressures, supply chain constraints, infectious disease outbreaks and geopolitical conflicts. For example, increased electricity demand to the grid in response to physical climate- related risks, adverse or extreme weather events and electrification of the economy could adversely impact energy prices. During periods of peak usage, although some operations have contractual arrangements in place whereby they receive certain offsetting payments in exchange for electricity load reduction, supplies of energy and raw materials in general may be curtailed and we may not be able to purchase them at historical rates. A disruption in the transmission of energy, inadequate energy transmission infrastructure, or the termination of any of our energy supply contracts could interrupt our energy supply and adversely affect our operations. While we have some long- term contracts with electrical, natural gas and raw material suppliers, we are exposed to fluctuations in energy, natural gas and raw material costs that can affect our production costs. We **regularly** enter into ~~many~~ market- based pricing supply contracts for electricity, natural gas and diesel fuel for use in our operations. Those contracts expose us to price increases in energy costs, which could cause our profitability to decrease significantly. In addition, U. S. public utilities may impose rate increases and / or pass through additional capital and operating cost increases to their customers related to new or pending U. S. environmental regulations or other charges that may require significant capital investment and / or use of cleaner fuels in the future. **New or revised** ~~Recent executive orders from President Biden regarding the environment and climate change, and the regulations providing for~~ **or other government actions related to** GHG emissions standards ~~proposed by the EPA, indicate that new or revised regulations or other government actions~~ could result in rate and / or cost increases from U. S. public utilities, which could significantly increase the costs of operating our **manufacturing and** ~~mining and manufacturing~~ facilities. Although we regularly monitor and from time to time challenge rate cases initiated by these utilities or other sources seeking to increase the amounts that our facilities must pay for electricity, natural gas or water, there is no assurance that our challenges will be successful in reducing or eliminating proposed rate and / or cost increases. The majority of our steel shipments are sold under contracts that do not allow us to pass through all increases in raw materials, supplies and energy costs. Some of our customer contracts include variable- pricing or surcharge mechanisms allowing us to adjust the total sales price based on changes in specified raw materials, supplies and energy costs. Those adjustments, however, rarely reflect all of our underlying raw materials, supplies and energy cost changes. The scope of the adjustment may also be limited by the terms of the negotiated language, including limitations on when and to what extent the adjustment occurs. Further, **due to** ~~as a result of~~ recent inflationary pressures, many of our vendors have been seeking

substantial price increases in order to continue providing critical goods and services, and to the extent we are required to pay relatively more for our steelmaking inputs and are unable to recognize corresponding sales price increases, we would realize lower margins on sales of our products, negatively impacting our results of operations. Our need to consume existing inventories may also delay the impact of a change in prices of raw materials or supplies. Significant changes in raw material costs may also increase the potential for inventory value write-downs in the event of a reduction in selling prices and our inability to realize the cost of the inventory. As we source a portion of our critical supplies, manufacturing equipment and raw materials from China, such as refractories, electrodes, chemicals and spare parts, existing tensions or further adverse geopolitical developments between the U. S. and China triggering or exacerbating sanctions or trading restrictions could lead to us experiencing disruptions, delays or higher costs in supplying our operations and maintaining steady-state production. In addition, even though we are partially self-sufficient in scrap metal, if the market price of scrap metal were to experience a sustained price increase, our cost to produce steel would be adversely affected due to the higher ~~22 | CLF 2023 FORM 10-K~~ prices we would need to pay to acquire third-party scrap metal for consumption in our operations, which would adversely affect the margins we would realize on our fixed price contracts. Our sales and competitive position depend on transporting our products to customers at competitive rates and in a timely manner, and our ability to optimize our operational footprint depends on predictably and cost effectively moving products and raw materials internally among our facilities. Disruption of the rail, trucking, lake and other waterway transportation services because of weather-related problems, including ice and winter weather conditions on the Great Lakes or St. Lawrence Seaway, climate change, strikes, lock-outs, driver shortages and other disruptions in the trucking industry, train crew shortages or other rail network constraints, infectious disease outbreaks, or other events and lack of alternative transportation options could impair our ability to move products internally among our facilities and to supply products to our customers at competitive rates or in a timely manner and, thus, could adversely affect our operations, revenues, margins and profitability. For example, if the vessel shipping season on the Great Lakes were to be interrupted or shortened as compared to historical levels, whether due to extended winter conditions, operational failure of critical shipping locks or otherwise, our ability to transport iron ore pellets to our steel mills could be adversely affected, resulting in potential operational disruptions and reduced production volumes. Further, dredging issues and environmental changes, particularly at Great Lakes ports or along navigable rivers, could adversely impact our ability to move certain of our products or result in higher freight rates. Similarly, we depend on third-party transportation services for delivery of raw materials and other production inputs to us, and failures or delays in delivery would have an adverse effect on our ability to maintain steady-state production and processing operations to meet customer obligations. **24 | CLF 2024 FORM 10-K** The cost or time to implement a strategic or sustaining capital project may prove to be greater than originally anticipated. Most of our mines and production and processing facilities have been in operation for several decades, and the equipment is aged, requiring that we continually and successfully implement extensive and costly maintenance practices, programs and upgrades, which may take longer or be more costly than expected. From time to time, we undertake capital projects to enhance, expand, maintain or upgrade our production, mining and processing capabilities. **For example, we are engaged in major initiatives such as the 2022 blast furnace reline project at each of our Cleveland Works, or our Butler and Middletown facilities to diversify leverage DOE funding to complete capital projects intended to increase our customer base, such as competitiveness and reduce GHG emissions relating to our Toledo direct steelmaking operations. In addition, we are developing an electrical transformer reduction-production plant at our former Weirton tinplate facility.** Our ability to **complete these and other capital projects that we may undertake on time and on budget and** achieve the anticipated production volumes, revenues or otherwise realize acceptable returns ~~on capital projects that we may undertake~~ is subject to a number of risks, many of which are beyond our control, including a variety of market, operational, **funding**, permitting and labor-related factors. Further, the cost to implement any given capital project may prove to be greater or may take more time than originally anticipated, including due to supply chain issues that may be experienced by our vendors, and the scope of a capital project may expand or otherwise be modified. Capital projects **undertaken at existing active operations, such as Butler and Middletown,** may also interrupt production capabilities, which could have an adverse effect on costs and profitability. Inability to achieve the expected results from the implementation of our capital projects, incurring unanticipated costs or delays, or the inability to meet contractual obligations could adversely affect our results of operations, future earnings and cash flow generation. Natural or human-caused disasters, weather conditions, disruption of energy, unanticipated geological conditions, equipment failures, infectious disease outbreaks, and other unexpected events may lead our customers, our suppliers, or our facilities to curtail production or shut down operations. Operating levels within our industry and the industries of our customers and suppliers are subject to unexpected conditions and events that are beyond the industries' control. Those events, including the occurrence of an infectious disease **outbreak**, widespread illness or public health emergency, could cause industry members or their suppliers to curtail production or shut down a portion or all of their operations, which could reduce the demand for our products and adversely affect our revenues, margins and profitability. ~~For example, the temporary production shutdowns in the automotive industry that occurred during 2020 due to the onset of the COVID-19 pandemic and associated reduction in demand for our products led to our decision to temporarily idle certain steelmaking facilities and iron ore mines.~~ Our operating levels are subject to conditions beyond our control that can delay deliveries or increase the cost of production for varying lengths of time. Factors that could cause production disruptions could include adverse weather conditions ~~due to~~ **influenced by** climate change or otherwise (such as severe winter weather, tornadoes, floods, temperature extremes and the lack of availability of process water due to drought) and natural and human-caused disasters, lack of adequate raw materials, energy or other supplies, and infectious disease outbreaks. Additional factors that could adversely impact production and operations at our mining facilities include tailings dam failures, pit wall failures **or ground subsidence**, unanticipated geological conditions, including variations in the amount of **overburden rock and soil** overlying deposits of iron ore and metallurgical coal, and processing changes. Our mining operations, processing facilities, **logistics capabilities and** steelmaking and ~~logistics~~ operations depend on critical pieces of equipment. This equipment

may, on occasion, be out of service because of unanticipated failures or unplanned outages, **including due to long lead times for replacement of critical spares**. ~~In the future~~ **From time to time**, we may experience ~~additional~~ lengthy shutdowns or periods of reduced production because of equipment failures or unplanned maintenance activities. Further, remediation of any interruption in production capability may require us to make large capital expenditures that could have a negative impact on our profitability and cash flows. Our business interruption insurance may not be available to cover lost revenues associated with ~~equipment failures or maintenance difficulties~~ **or damage to or failures of equipment**. Longer-term business disruptions could result in a loss of customers, which could adversely affect our future sales levels and revenues. Many of our production facilities and mines are dependent on a sole source for electric power, natural gas, water, industrial gases and / or certain other raw materials or supplies. A significant interruption in service from our suppliers due to production or transportation issues, workforce difficulties, terrorism or sabotage, weather conditions ~~such as heat waves~~ that may be **influenced by** ~~attributable~~ **23 | CLF 2023 FORM 10-K** to climate change, natural disasters, equipment **damage or** failure, or any other cause could result in substantial losses that may not be fully recoverable, either from our business interruption insurance or responsible third parties. A disruption in or failure of our IT systems, including those related to cybersecurity, could adversely affect our business operations, reputation and financial performance **and could expose us to third-party liability**. We rely on the ~~accuracy~~ **availability, capacity, confidentiality**, integrity and security of our IT systems for the operation of many of our business processes and to comply with regulatory, legal and tax requirements. While we maintain some of our critical IT systems, we are also dependent on third parties to provide important IT services relating to, among other things, off-site content hosting, operational process technology at our facilities, human resources, electronic communications and certain finance functions. Further, ~~in connection with our recent acquisitions, we inherited~~ **operate** certain ~~legacy~~ **IT** hardware and software ~~IT~~ systems that can be supported only by a very limited number of specialists **still remaining** in the market **with the required skill sets**, and our ~~increased~~ **continued** reliance on these ~~legacy~~ **IT** systems may increase the risk of IT system disruption or failure, which could adversely affect our operations. Despite the security measures that we have implemented, including those related to cybersecurity and data privacy, our IT systems could be breached or damaged by computer viruses, ransomware, natural or human-caused incidents or disasters, or unauthorized physical or electronic access or intrusions, any of which could result in the loss, theft or corruption of sensitive or essential business or personal information and the inability to access or control our IT systems or information. Given our status as a critical supplier of steel to U. S. business and defense interests and the U. S. government's broad support of Ukraine in defending against Russia's invasion, we may be the target of malicious cyber activities sponsored by the Russian or Chinese governments or other state **25 | CLF 2024 FORM 10-K** actors like those described in ~~recent~~ **threat advisories issued from time to time** by the U. S. Cybersecurity & Infrastructure Security Agency. **Cybersecurity threat actors also may attempt to exploit vulnerabilities through software, including software commonly used by companies in cloud-based services and bundled software.** Though we have controls in place and regularly conduct employee training, we cannot provide assurance that a **cybersecurity incident or** cyberattack will not occur or cause damage or business interruption. Furthermore, despite our efforts to audit certain critical vendors' information security controls, significant risk may remain with respect to security measures employed by third-party service providers, which may ultimately prove to be ineffective at countering threats. Failures of our IT systems, whether caused maliciously or inadvertently, may result in the disruption of our business processes, or in the unauthorized release of sensitive, confidential, personally identifiable or otherwise protected information, or result in the corruption of data, **or a cybersecurity incident**, each of which could adversely affect our businesses. For example, cybersecurity vulnerabilities **or other cybersecurity incidents** could result in an interruption of the functionality of our automated manufacturing, operating, or health ~~and~~ **safety and environmental** systems, which, if compromised, could cease, threaten, delay or slow down our ability to produce or process steel or any of our other products for the duration of such interruption or lead to unanticipated health ~~or~~ **safety or environmental** incidents. **This, which in turn, could result in reputational harm and lead to litigation, including individual claims or class actions, commercial litigation, administrative, civil or criminal investigations or actions, regulatory intervention and sanctions or fines, investigation and remediation costs,** and may adversely affect our employees, results of operations, financial condition and cash flows. In addition, any compromise of the security of our IT systems could result in a loss of confidence in our security measures ~~and or~~ **in the unauthorized release of third-party confidential information stored in our systems, which could** subject us to litigation, regulatory investigations and negative publicity that could adversely affect our reputation and ~~financial condition~~ **expose us to third-party liability**. Our customers, suppliers and vendors may also access or store certain of our sensitive information on their IT systems, which, if breached, attacked or accessed by unauthorized persons, could likewise expose our sensitive information and adversely impact our businesses. Furthermore, as cybersecurity threats continue to evolve and ~~may~~ become more sophisticated, including ~~through~~ **in connection with the use of ongoing development of artificial** ~~Intelligence~~ **Artificial Intelligence**, we may be required to incur significant costs and invest additional resources to protect against and, if required, remediate the damage caused by such disruptions or system failures in the future. The amount of insurance coverage we maintain and require our vendors to maintain may be inadequate to cover claims or liabilities resulting from cybersecurity **incidents and** attacks, **and there is no guarantee that such coverage will continue to be available on commercially reasonable terms or at all**. The closure of an operating facility or mine entails substantial costs. If our assumptions underlying our accruals for closure costs prove to be inaccurate or we prematurely close one or more of our facilities or mines, our results of operations and financial condition would likely be adversely affected. If faced with overcapacity in the market, regulatory challenges or other adverse conditions, we may seek to rationalize manufacturing and production assets through sales, temporary shutdowns, indefinite idles or facility closures. If we indefinitely idle or permanently close any of our facilities or mines, our production and revenues would be reduced unless we were able to increase production at our other facilities or mines in an offsetting amount, which may not be possible, and could result in customers responding negatively by taking current or future business away from us if we seek to transition production to a different facility. Alternatively, we could fail to meet customer

specifications at the facilities to which products are transitioned, resulting in customer dissatisfaction or claims. To the extent an idled or closed facility formerly supplied critical inputs to our upstream production facilities, we may need to secure alternate sources for such critical inputs, the cost and availability of which may be uncertain. **For example, during 2024, we indefinitely idled our Weirton, West Virginia tinplate production facility, which caused us to recognize costs of approximately \$ 210 million in respect of employee- related costs, asset impairments and exit costs.** The closure of a steelmaking or other operating facility or mining operation involves significant closure costs, including reclamation and other environmental costs, the costs of terminating long- term obligations, including customer, energy and transportation contracts and equipment and real property leases, costs associated with the altered tax profile of an idled or closed facility, and certain accounting charges, including asset impairment and accelerated depreciation. In addition, a permanent facility or mine closure could accelerate and significantly increase employment legacy costs, including our expense and funding costs for pension and OPEB obligations and multiemployer pension withdrawal liabilities. For example, ~~a number of employees would~~ **could** be eligible for immediate retirement under special eligibility rules that apply upon a steelmaking facility or mine closure. The employees eligible for immediate retirement under the pension plans at the time of the permanent closure also could be eligible for OPEB, thereby accelerating our obligation to provide these benefits. Certain closures ~~would~~ **could** precipitate a pension closure liability significantly greater than an ongoing operation liability and may trigger certain severance liability obligations. In addition, we are party to several joint ventures relating to iron ore mining, downstream steel processing and scrap metal recycling, and if our joint venture partners experience financial hardships or fail to perform their obligations upon closure, we may be required to assume significant ~~24 | CLF 2023 FORM 10- K~~ additional obligations on behalf of the joint venture, including costs of environmental remediation and pension and OPEB obligations. Although we base our assumptions regarding the life of our mines on detailed studies we perform from time to time, which are reviewed and validated by QPs, those studies and assumptions are subject to uncertainties and estimates that may not be accurate. We recognize the costs of reclaiming open pits, stockpiles, tailings ponds, roads and other mining support areas based on the estimated mining life of our properties. If our assumptions underlying our accruals for closure costs, including reclamation and other environmental costs, prove to be inaccurate or insufficient, or our liability in any particular year is greater than currently anticipated, our results of operations and financial condition could be adversely affected. In addition, if we were to significantly reduce the estimated life of any of our mines, the mine closure costs would be applied to a shorter period of production, which would increase costs per ton produced and could adversely affect our results of operations and financial condition. **26 | CLF 2024 FORM 10- K** We incur certain costs when production capacity is idled, as well as increased costs to resume production at previously idled facilities. Our decisions concerning which facilities to operate and at what production levels are made based in part upon our customers' orders for products, as well as the quality, performance capabilities and cost of our operations. During depressed market conditions, we may concentrate production at certain facilities and not operate others in response to customer demand or other reasons, and as a result we may incur idle costs that could offset our anticipated savings from not operating the idled facility. For example, due to increased scrap usage and less demand for iron ore pellets in our steelmaking operations, our Northshore mining and pelletizing facility was temporarily idled during portions of 2022 and 2023, and we incurred certain fixed costs at that facility during the idle periods. We cannot predict whether our operations will experience additional similar or dissimilar disruptions in the future. When we restart idled facilities, we incur certain costs to replenish inventories, prepare the previously idled facilities for operation, perform the required repair and maintenance activities, and prepare employees to return to work safely and resume production responsibilities. The amount of any such costs could be significant, depending on a variety of factors, such as the period of idle time, necessary repairs and available employees, and is difficult to project. **We face ongoing risks relating to the recent Stelco Acquisition. During the fourth quarter of 2024, we completed the Stelco Acquisition. The Stelco Acquisition may be less accretive than expected, or may be dilutive, to our earnings per share, which could cause the price of our common shares to decline. In addition, the Stelco Acquisition involves significant risks and uncertainties that may adversely affect us over the short, medium and long terms, including the following:**

- we may be unable to realize anticipated synergies or other expected benefits or cost savings from the Stelco Acquisition;
- additional debt incurred or assumed in connection with the Stelco Acquisition could limit our financial flexibility;
- we have assumed additional environmental liabilities, commitments, contingencies, and remediation and reclamation projects relating to Stelco, including the obligation to pay taxes on Stelco' s GHG emissions and the potential requirement to implement desulfurization capabilities at Stelco' s operations;
- potential impairment of recorded tangible and intangible asset values for Stelco, including goodwill, could result in material non- cash charges to our results of operations in the future;
- we face challenges associated with managing international cokemaking, steelmaking and finishing operations, including complying with existing and emerging Canadian regulatory requirements, as well as other risks of operating in multiple countries, such as fluctuations in currency exchange rates, potentially adverse tax consequences due to overlapping or differing tax structures, burdens to comply with multiple and potentially conflicting foreign laws and regulations, including with respect to import or export controls, tariffs, duties and other trade barriers;
- we may be unable to satisfy our operational, employment, environmental or other undertakings or commitments made to the Canadian government in connection with the Stelco Acquisition;
- exposure to unknown liabilities and unforeseen costs relating to Stelco that were not disclosed to us or discovered during due diligence could adversely affect our results of operations;
- the potential loss of key employees, suppliers, customers or other business partners of Stelco could adversely affect our operating and financial performance; and
- tariffs imposed by the U. S. government on Canadian products could effectively increase the price of any steel products that Stelco seeks to sell into the U. S., and retaliatory tariffs imposed by the Canadian government on U. S. products could effectively increase the cost of any production inputs that Stelco sources from U. S. suppliers, either of which could adversely affect Stelco' s results of operations to the extent it is required to bear any such increases. If one or more of these risks and uncertainties were to materialize, we

could experience reduced revenues, higher costs, lower profitability and other adverse impacts to our operations and businesses. We may not have adequate insurance coverage for some business risks. Our operations are generally subject to a number of hazards and risks that could result in personal injury or damage to, or destruction of, equipment, properties or facilities. Depending on the nature and extent of a loss, the insurance that we maintain to address risks that are typical in our businesses may not be adequate or available to fully protect or reimburse us, or our insurance coverage may be limited, canceled or otherwise terminated. Insurance against some risks, such as liabilities for environmental pollution, tailings basin breaches, or certain hazards or interruption of certain business activities, may not be available at an economically reasonable cost, or at all. Even if available, we may self-insure or maintain high deductibles where we determine it is most cost effective to do so. As a result, despite the insurance coverage that we carry, accidents or other negative developments involving our production, mining, processing or transportation activities causing losses in excess of policy limits, or losses arising from events not covered under insurance policies or subject to substantial deductibles, could have a material adverse effect on our financial condition and cash flows. In addition, the potential increase in extreme weather events ~~due to~~ **influenced by** climate change or otherwise may adversely impact our access to cost effective insurance in the future. The risk of increased insurance costs may have greater impact where the adverse event results in us asserting an insurance claim, the cost of which our insurers may seek to recoup during a future insurance renewal through increased premiums or limitations on coverage. **27 | CLF 2024 FORM 10- K** V.

SUSTAINABILITY AND DEVELOPMENT RISKS As we and our **stakeholders customers, competitors and investors** seek reduced carbon footprints, transition toward carbon neutrality and enhance business sustainability, we face increased financial, regulatory, legal, and reputational risks and potential loss of business opportunities because our operations utilize carbon-based energy sources and produce GHG emissions. As described in detail in Part I- Item 1. Business- Environmental Matters- Regulatory Developments- Climate Change and GHG Regulations above, because our operations use carbon-based energy and produce GHG emissions, we are subject to ~~a number of~~ risks relating to decarbonization initiatives being undertaken by regulators and other stakeholders as part of global efforts to address the potential impacts of climate change. For example, as part of climate change mitigation strategies, ~~federal, state, local or foreign~~ governmental authorities may introduce mandatory carbon pricing obligations, carbon emissions limitations, carbon taxes or carbon trading mechanisms, **such as the carbon taxes we are required to pay in respect of Stelco's emissions,** any of which could impose significant costs on our operations, including causing us to incur higher energy and supplier costs, invest in costly and potentially unproven emissions control or reduction technologies, and engage in more intensive environmental monitoring and reporting efforts. In addition, complying with current or future international treaties and ~~federal, state, local or foreign~~ laws or regulations concerning climate change and GHG emissions could negatively impact our ability, and that of our customers and suppliers, to compete with companies located in areas not subject to or not complying with such constraints. We may also face more limited access to, or increased costs of, capital to the extent financial institutions and investors increase expectations relating to lowering GHG emissions or reduce investments in carbon-intensive businesses or industries. Further, increased pressure from customers or other business partners seeking to reduce their indirect carbon footprints and achieve certain overall decarbonization targets, including by sourcing a larger percentage of steel products from recycled steel, could result in the potential loss of business opportunities if we are unable to meet their carbon, GHG emissions or sustainability expectations, or if we are perceived to have higher GHG intensity than our competition. **25 | CLF 2023 FORM 10- K** In addition, as part of our decarbonization strategy, we are investigating and from time to time may consider investments in or other relationships with various renewable and clean energy initiatives. For example, we **have** engaged in various discussions with other companies, universities and national research laboratories to leverage funding available under ~~the various~~ DOE's Regional Clean Hydrogen Hubs **programs to support GHG emissions reductions. In 2024, the DOE awarded us Funding funding Opportunity Announcement to pursue to two develop innovative projects intended to enhance business competitiveness and implement clean-reduce GHG emissions at our Butler Works facility in Pennsylvania and our Middletown Works facility in Ohio. The Butler Works project involves replacing natural gas furnaces with electric induction furnaces for high- temperature reheating of GOES. The Middletown Works project involves a flex- fuel plant capable of consuming hydrogen solutions or natural gas for our industrial applications the production of direct reduced iron, as well as two electric melting furnaces to melt the direct reduced iron into molten iron for use in the existing co- located BOF to produce the quality of steel currently produced at the mill . The During 2024, the DOE awarded funding to seven multiple hydrogen hubs, and we have expressed interest in oftaking hydrogen from two of them and have recently hubs near our operations. We commissioned a pipeline and completed a successful hydrogen injection trial at our Indiana Harbor blast furnace # 7 in 2024, with the aim of enabling us to utilize clean hydrogen once it becomes commercially available --- viable at industrial quantities . We In addition, we continue to engage with renewable energy developers on clean energy projects, including the previously announced 200- with an emphasis on behind - the- meter solar projects located megawatt Headwaters III Wind Farm being proposed for construction in Indiana as well as onsite solar applications at our operating facilities . While we are actively pursuing these decarbonization and energy- related projects with the aim of contributing to a greener power grid and lowering our GHG emissions in alignment with our targets , there are no guarantees that sufficient funding or the necessary advanced technology will be available to complete any of these projects under currently anticipated timeframes or at all , and we may experience delays and higher - than - anticipated costs to install the necessary infrastructure to implement such renewable and clean energy initiatives . Additionally In addition , we may not be successful in achieving our current or any future short, medium or long- term GHG emissions reduction goals, including any net-zero or near- zero goals, due to adverse changes in business conditions over time, unanticipated financial challenges , or operational improvement efforts like carbon capture, utilization and sequestration projects at certain of our facilities that may not be as successful as originally forecasted, or regulatory developments arising after such goals were initially announced. To maintain consistent operational performance and foster growth in our businesses, we must maintain our social license to operate with our stakeholders. Maintaining a strong reputation and consistent operational, environmental and safety track records is vital**

to continuing to foster business growth and maintaining our permission to operate. As stakeholders' sustainability expectations increase and regulatory requirements continue to evolve, maintaining our social license to operate becomes increasingly important. Our ability to maintain our reputation and strong operating track record could be threatened, including by challenges relating to the integration of our recent acquisitions or by circumstances outside of our control, such as disasters caused or suffered by other companies in the steel and mining industries. Our social license to operate could also be adversely affected and claims have been and could continue to be made against us to the extent that environmental factors negatively impact local communities, such as air emissions, discharges to water, dust, odors, noise and other factors that are inherent in industrial activities like our steelmaking, cokemaking, scrap metal processing and mining operations, even if such activities are conducted in accordance with legal, regulatory and permit requirements. If we are not able to respond effectively to these and other challenges to our social license to operate, our reputation could be damaged significantly. Damage to our reputation or third-party claims initiated in response to our ongoing activities could adversely affect our continuity of operations, current and prospective business relationships, and ability to foster growth projects. We rely on estimates of our recoverable mineral reserves, which are complex due to geological characteristics of the properties and the number of assumptions made. We regularly evaluate, and engage third-party QPs to review and validate, our mineral reserves based on revenues and costs and update them as required in accordance with SEC regulations. Estimates of mineral reserves and future net cash flows necessarily depend upon a number of variable factors and assumptions, some of which are beyond our control, such as production capacity, effects of governmental regulations, future prices for minerals we mine, future industry conditions and operating costs, severance and excise taxes, development costs, and costs of extraction and reclamation. Estimating the quantity and grade of mineral reserves requires us to **28 | CLF 2024 FORM 10-K** determine the size, shape and depth of our mineralized bodies by analyzing geological data, such as samplings of drill holes, and a QP to review and validate our determinations. Estimated mineral reserves could be affected by future industry conditions, future changes in the SEC's mining property disclosure requirements, variation in geological conditions and ongoing mine planning. Actual volume and grade of reserves recovered, production rates, revenues on third-party sales and expenditures with respect to our reserves will likely vary from estimates, and if such variances are material, our sales and gross margins could be adversely affected. Defects in title or loss of any access rights or leasehold **or option** interests in our mining properties could limit our ability to mine these properties or result in significant unanticipated costs. Many of our mining operations are conducted on properties we lease, license or **for as to** which we have easements, **, options** or other possessory interests. We generally do not maintain title insurance on our mining properties, and certain of our land access arrangements were negotiated many years ago and have not been updated. Any title defect, inability to negotiate future access rights required by our mine plans, or the loss of any lease, license, **, option**, easement or other possessory interest for any mining property could adversely affect our ability to **access and** mine any associated reserves. In addition, from time to time the rights of third parties for competing uses of adjacent, overlying or underlying lands, such as for roads, easements, public facilities or other mining activities, may result in disputes and affect our ability to operate as planned if our title is not superior or mutually acceptable arrangements cannot be negotiated. Any challenge to or inability to establish our title or access could delay the exploration and development of some reserves, resources, deposits or surface rights, cause us to incur unanticipated costs, and could ultimately result in the loss of some or all of our interest in those properties. In the event we lose reserves, resources, deposits or surface rights, we may be required to shut down or significantly alter impacted mining operations, thereby affecting future production, internal supply patterns and margins, revenues and cash flows. **26 | CLF 2023 FORM 10-K**

VI. HUMAN CAPITAL RISKS We depend on our senior management team and other key employees, and the loss of these employees could adversely affect our businesses. Our success depends in part on our ability to attract, retain, develop and motivate our senior management and key employees. Achieving this objective may be difficult due to a variety of factors, including fluctuations in global economic and industry conditions, competitors' hiring practices, cost reduction activities, and the effectiveness of our compensation programs. Competition for qualified personnel can be intense. We must continue to recruit, retain, develop and motivate our senior management and key personnel to maintain our businesses and support our projects. A loss of senior management and key personnel could prevent us from capitalizing on business opportunities, and our operating results could be adversely affected. Our profitability could be adversely affected if we fail to maintain satisfactory labor relations. Our production is dependent upon the efforts of our employees. We are party to labor agreements with various labor unions that represent employees at most of our operations. Such labor agreements are negotiated periodically, and, therefore, we are subject to the risk that these agreements may not be able to be renewed on reasonably satisfactory terms. It is difficult to predict what issues may arise as part of the collective bargaining process, and whether negotiations concerning these issues will be successful. Due to union activities or other employee actions, we could experience labor disputes, work stoppages or other disruptions in our production that could affect us adversely. **While Although** we successfully negotiated all **three** of our labor agreements that expired in **2023-2024** and a new labor agreement at our Northshore operation, we have several other labor agreements that will expire in **2024-2025**, including those covering union workers at our **Dearborn Butler**, **Rockport Monessen, Zanesville** and **Toledo certain FPT** operations, and the outcomes of those labor negotiations are uncertain. If we enter into a new labor agreement with any union that significantly increases our labor costs relative to our competitors or fail to come to an agreement upon expiry, our ability to compete or continuity of production may be materially and adversely affected. Our expenditures for pension and OPEB obligations could be materially higher than we have predicted if our underlying assumptions differ from actual outcomes, there are regulatory changes or the funded status of the multiemployer plans that we participate in degrade. We provide retiree benefits through defined benefit pension and OPEB plans to certain eligible employees and retirees. Certain defined benefit pension plans are underfunded and may be subject to minimum cash contributions required by ERISA. Certain OPEB plans have funding requirements that are set under our collective bargaining agreements. Our funding obligations can significantly increase if plan assets underperform, the interest rates used to calculate minimum funding levels decrease, there are changes in laws and regulations affecting funding

requirements or if there are increases to the benefit obligations. The calculation of the benefit obligation is based on several assumptions, including discount rates, healthcare trend rates, benefit levels pursuant to collective bargaining, mortality and other demographic assumptions. We have seen significant changes in retiree healthcare costs in recent years, which can be affected by changes in laws and regulations. If our assumptions do not materialize as expected and we make adverse changes to these assumptions, our earnings and cash flows could be unfavorably impacted. We also contribute to certain multiemployer pension plans, including the Steelworkers' Pension Trust, for which we are one of the largest contributing employers. Contribution amounts are determined during collective bargaining with our unions and could increase during future collective bargaining negotiations. Our obligations to these multiemployer plans could also increase if the funded status were to decline, which could be due to poor plan asset performance or if other contributors do not meet their obligations. If a multiemployer plan were to terminate or if we choose to withdraw, we could be subject to a liability based on the plan's underfunded status. **29 | CLF 2024 FORM 10- K** In addition, some of the transactions in which we previously sold or otherwise disposed of our non-core assets included provisions transferring certain pension and other liabilities to the purchasers or acquirers of those assets. While we believe that all such transfers were completed properly and are legally binding, if the purchaser fails to fulfill its obligations, we may be at risk that a court, arbitrator or regulatory body could disagree and determine that we remain responsible for pension and other liabilities that we intended to and did transfer. We may encounter labor shortages for critical operational positions, which could adversely affect our ability to produce our products. We are predicting a long-term shortage of skilled workers in heavy industry, such as electricians, and in certain highly specialized IT roles, **such as legacy systems support**, and competition for available workers limits our ability to attract and retain employees as well as engage third-party contractors. We may face potential labor shortages, as many of our most specialized and skilled roles are held by our more senior, experienced employees. As we lose these employees through attrition or otherwise, we may lose these workers' specialized institutional knowledge of our legacy businesses and systems, and we may have difficulty replacing them at competitive wages or at all.