­Jemison Metals Contingency Plan

1. **Purpose**

Jemison recognizes that unforeseen circumstances can occur, and that structure and pre-planning can be beneficial in preparation for unforeseen events. This document provides some guidance and structure to the methodology that will be applied in these situations as well as providing some guidance for some of the most common circumstances that could result in outages and plant/equipment/facility downtime.

1. **Scope**

This contingency plan (the plan) is not expected to take the place of common sense nor is it expected to cover every eventuality. The plan’s goal is to establish guidelines to responding to the most common events that could disrupt operations for more than 2 days as well as to establish responsibilities and communication channels during these events.

Examples of Events That May Require Use of the Plan:

* Hurricanes (power outage, flooding, high winds)
* Tornados
* Severe Weather (flooding, high winds, power outage)
* Fire
* Other Climate Change Related Events
1. **Applicable Documents**

Appendix A: I.T. Contingency Plan

Appendix B: CLV/SMT/LYN Contingency Plan

Appendix C: Fabrication (GAD/LYN/SM2) Contingency Plan

Appendix D: DEC Contingency Plan

Appendix E: Corporate Contingency Plan

Appendix F: Purchasing Contingency Plan

1. **Responsibility**

Responsbility for contingency planning lies with the Jemison Metals Executive Team. Responsibility for execution of the contingency plan lies with the Head of Operations. It is expected that cross-functional teams (Operations, Sales, Purchasing/Materials Management & Quality) will be utilized, as required by the nature of the emergency.

1. **Application**
2. In the event of a known or possible event that could impact operations, the head of operations, or their designee, will coordinate with local facility management, and cross-functional teams as required, regarding preparation and communication to include:
	1. Anticipated length of event impact
	2. Facility/shift schedule adjustments
	3. Facility/equipment preservation preparation
	4. Movement of inventory
	5. Communication with customers regarding shutdown schedules at Jemison and at the customer
	6. Impact upon the ability to deliver material due to road/weather conditions
3. In the event of an unknown event that has impacted operations, local facilities management will contact the head of operations to provide detailed information regarding:
	1. Any injuries to employees
	2. The nature of the disruption
	3. Damage to facilities, equipment and inventory
	4. Anticipated length of time the facility and/or equipment is expected to be down
	5. Impact upon the ability to deliver material due to road/weather conditions

The head of operations, or their designee, will coordinate with local facility management, and cross-functional teams as required, regarding alternate operating plans if downtime is determined to be excessive.

1. It is expected that the plan will evolve and be updated based on experience using the plan. After use and application of the plan, an after-action review of what worked and what didn’t should be performed (i.e. conference call etc.) to determine if any changes should be made.

**Appendix A**

I.T. Contingency Plan

Servers

* Stelplan server hosted at Invera. Invera maintains disaster recovery and failover support.

* All Windows servers, (VM) are backed up with a cloud-based solution, and AD servers are replicated to Azure based servers. Failover for these servers will be spinning up a VM in Azure.
	+ Failover to be conducted by IT Department. Estimated time for failover eight hours.

All executive staff computers are backed up with RMM Backup.

Email is hosted through Office 365.

 Any issues will be handled by IT Department along with Microsoft support.

Phone systems are hosted. Back up is cellular.

 Phones are managed by provider.

**Appendix B**

Cleveland/Sumter/Lynchburg Contingency Plan

These facilities have very redundant machine capabilities and similar coil inventory. The order of planned contingency is as follows:

1. Produce/ship material from an alternate Jemison location utilizing disrupted location’s inventory, if available.
2. Produce/ship material from an alternate Jemison location utilizing similar master coil inventory.
3. Produce/Ship material from an alternate Jemison location utilizing “ready at the mill” or spot purchased inventory OR Produce/Ship Material from a suitable outside processor utilizing “ready at the mill” or spot purchased material.

**Appendix C**

Fabrication (Gadsden/Lynchburg/SM2) Contingency Plan

These facilities have similar capabilities, except on formed parts > 12’ long. The order of planned contingency is as follows:

1. Produce/ship material from the alternate Jemison location utilizing disrupted location’s WIP sheet inventory, if available.
2. Produce/ship material from the alternate Jemison location utilizing similar WIP sheet inventory.
3. Produce/Ship material from the alternate Jemison location utilizing “ready at Decatur” or spot purchased inventory OR Produce/Ship Material from a suitable outside processor utilizing “ready at Decatur” or spot purchased material.

**Appendix D**

Decatur Contingency Plan

This facility has unique capabilities above ¼” thick material and wider than 72” within Jemison Metals.

For material ¼” and thinner and 72” wide and narrower, the contingency plan is:

1. Produce/ship material from the Sumter Cut Line utilizing disrupted location’s inventory, if available.
2. Produce/ship material from the Sumter Cut Line utilizing similar master coil inventory.
3. Produce/Ship material from the Sumter Cut Line utilizing “ready at the mill” or spot purchased inventory OR Produce/Ship Material from a suitable outside processor utilizing “ready at the mill” or spot purchased material.

For material greater than ¼” in thickness and/or greater than 72” wide, the contingency plan is:

1. Produce/ship material from outside processors (see below) utilizing Decatur’s inventory, if available.
2. Produce/ship material from outside processors (see below) utilizing “ready at the mill” or spot purchased inventory.
3. Direct spot purchase of finished plate from Nucor Tuscaloosa or Service Centers (i.e. Feralloy, O’Neal, Olympic etc.).

Nearby Outside Processors with Similar Lines/Capabilities:

Feralloy – Decatur AL

Ferrosouth – Iuka MS

Olympic – Winder GA

**Appendix E**

Corporate Contingency Plan

Most corporate employees utilize laptop computers and cell phones and can work remotely in the event of issues at the corporate office. In the event of a corporate office event that prevents the use of on-site facilities, the Executive Team will communicate to corporate employees on the plan of action.

**Appendix F**

Purchasing Contingency Plan

In the event of an unforeseen circumstance, such as an unplanned mill outage, the following steps will be managed by the head of purchasing:

1. The supply disruption will be analyzed to determine its scope, inventory impact and estimated duration.
2. Material managers will be directed to review the impact of the disruption to affected customers/buckets.
3. As required, the following temporary measures will be implemented under the direction of the head of purchasing:
	1. Inventory will be shifted between buckets
	2. Purchase plans will be shifted to alternate mill sources
	3. Spot purchases will be initiated to cover gaps
4. Upon completion of the supply disruption, the head of purchasing will coordinate the return to “normal” state.