

## Management Review Minutes

Date: 1/26/26 Location: Corporate/Virtual via Teams

Attendees: Pete Heinke, Craig Mathiason, Christopher Sweet, Joe Ross Merritt, Robert Heinke, Frank Mareno, Rick Rowland, Jonathan Spear, Tanner Williams

Inputs	Outputs (Comments, Attachments, <a href="#">Action Items</a> )
<b>Status of Actions from Previous Mgmt. Reviews</b>	No open actions from 1/17/25 Management Review
<b>Changes in External &amp; Internal issues that are relevant to the QMS.</b>	<ul style="list-style-type: none"> <li>• Transition from Stelplan &amp; FIT to Invex &amp; BEST in Q2 2025.</li> <li>• Logan Shinn removed as QA technician in GAD</li> </ul>
<b>Customer Satisfaction &amp; Feedback from relevant interested parties</b>	<p>Complaints – Complaints were reviewed with the April transition showing no complaints. It was discussed that this was due to not being able to enter complaints in Invex properly.</p> <p><u>DPPMs</u> – 2025 DPPM performance was reviewed for all plants and total company. The DPPM performance is as follows and includes pricing errors: (CLV 2060 vs Goal ≤3500, DCT 1785 vs Goal ≤3500, GAD 2315 vs Goal ≤3500, GAD Fab 933 vs Goal ≤3500, LYN 4062 vs Goal ≤3500, LYN Fab 781 vs Goal ≤2000, SMT 3990 vs Goal ≤3500, SM2 1724 vs Goal ≤1174, Total Company 2683 vs Goal ≤3400). DPPMs without pricing errors were also reviewed. Without pricing errors: (CLV 1113, DCT 591, GAD 895, GAD Fab 650, LYN 3438, LYN Fab 496, SMT 2248, SM2 1603, Total Company 1566). <a href="#">Action: Charts viewed on slides 7, 12 and 13 go out monthly to be posted in the plants. R. Rowland to start sending these out each month with the end of month quality summaries. Action: R. Rowland to send these charts to IT so they can investigate possibly displaying them on the monitors in the plants.</a></p> <p>Historical DPPM performance was reviewed. 2021 was our record performance year. In 2025 our DPPM performance was the third best since 2009 and was a strong performance in this area.</p> <p>Pareto analysis of the top rejection causes was reviewed. Sales Entry (mainly pricing errors) was #1, while packaging/shipping was #2 and Shape was #3.</p> <p><u>On Time Delivery</u> – On Time Delivery (OTD) performance was reviewed. Full Year OTD performance is as follows: (CLV 86%, GAD 80%, GAD Fab 61%, LYN 85%, LYN Fab 77%, SMT 82%, SM2 78%, Total Company 78%). Discussion around the general uptick in trend after the ERP transition. <a href="#">Action: Joe Ross would like to see the weekly lates that aren't late to address it with insides sales on his weekly call. R. Rowland will have Beverly copy him on the weekly info she sends to the plants for details on why items are late.</a></p>

<p><b>Customer Satisfaction &amp; Feedback from relevant interested parties (continued)</b></p>	<p><u>Action</u>: Pete Heinke asked about Swainsboro metrics and reporting as none of their statistics are in this management review. They are under separate certification, so they are not included here. R. Rowland to send a couple of months' worth of quality reporting to Pete.</p> <p><u>Devaluations</u> – Devaluation performance was reviewed and along with customer returns was a highlight of performance in 2025. Full Year Devaluation performance is as follows (goals set specifically to each plant, see slide 13) (CLV 0.12%, DCT 0.28%, GAD 0.12%, GAD Fab 0.48%, LYN 0.36%, LYN Fab 0.57%, SMT 0.41%, SM2 0.48%, Total Company 0.31%). GAD, CLV, LYN Fab &amp; Total Co met goal. Additionally, Operations was at 0.23% of revenue against a goal of &lt;0.15% and sales was at 0.07% of revenue against a goal of &lt;0.15%.</p> <p>Pareto analysis of causes was reviewed. This showed Material Handling Fault as the #1 cause. Machine malfunction was the #2 cause and operator error was the #3 cause. Most of the material handling faults were discussed as being caused by the ERP transition and material not being correctly accounted for in the system. 2026 should see this cause reduce significantly.</p> <p>Customer feedback via formal corrective action requests was reviewed by plant location. 23 requests were made in versus 32 in 2024.</p> <p><u>Audit Results (External)</u> – 3 Customer audits and PRI audits were reviewed. PRI Surveillance results resulted in renewed registration in January (BHM, SMT &amp; CLV). See slide 17 for details.</p> <p><u>Audit Results (Internal)</u> – 2025 internal audits fell slightly short of the audit schedule requirements and the results were reviewed. 6 Minor Findings, and 11 Observations were reported.</p>
<p><b>Customer Satisfaction &amp; Feedback from relevant interested parties (continued)</b></p>	<p><u>Performance of External Providers</u> – Supplier ratings and scorecards, for our top mill suppliers, were reviewed. Nucor Locations: Berkeley, Gallatin, Decatur as well as Metal One, Arcelor Mittal Cleveland Cliffs and NLMK were rated through Q4 2025.</p> <p>The overall rejection rate YTD was 0.56%, which is one of the best years' performance since 2014. The overall aggregate trend score is still positive (see slide 19).</p>
<p><b>Quality Policy</b></p>	<p>The Quality Policy was reviewed and determined to be appropriate and suitable. See slide 3</p>
<p><b>Adequacy of Resources</b></p>	<ul style="list-style-type: none"> <li>• Quality area of BEST needs some adjustments now that we've been using it for several months. <u>Action</u>: R. Rowland to send the changes needed to IT likely in February or March.</li> <li>• MRB needs tag remarks to pull in. We are currently using Vlookup to manually transfer this information from one MRB to the next. <u>Action</u>: R. Rowland to send this request to IT in February.</li> </ul>

<b>Effectiveness of Actions to Address Risks and Opportunities</b>	<p>Actions to Address Risks/Opportunities (From risk scoring matrix)</p> <ol style="list-style-type: none"> <li>1. Nothing new to report here.</li> </ol> <ul style="list-style-type: none"> <li>• Interested Parties Log, JDM-F-100 was reviewed for continuing suitability.</li> </ul>
<b>Opportunities for Improvement</b>	<ul style="list-style-type: none"> <li>• We are seeing some efficiencies from the BEST/Invex implementation and will likely see substantially more in 2026 as we have full-time programmers working on this.</li> </ul>

# JEMISON

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## METALS

### MANAGEMENT REVIEW

1/26/26



# Management Review Requirements (ISO 9001)

*“Top management shall review the organization’s quality management system (QMS), at planned intervals, to ensure its continuing suitability, adequacy, effectiveness **and alignment with strategic direction of the organization.**”*

## Review Inputs

- a) Status of actions from previous Management Reviews
- b) Changes in external & Internal issues that are relevant to the QMS
- c) Information on the performance & effectiveness of the QMS, including trends in:
  - 1) Customer satisfaction & feedback from relevant interested parties
  - 2) The extent to which quality objectives have been met
  - 3) Process performance & conformity of products & services
  - 4) Nonconformities & corrective actions
  - 5) Monitoring & measuring results
  - 6) Audit results
  - 7) The performance of external providers

- d) The adequacy of resources
- e) The effectiveness of actions taken to address risks and opportunities
- f) Opportunities for improvement

**Review Outputs: The output from the management review shall include any decisions and actions related to:**

- a) Opportunities for improvement
- b) Any need for changes to the quality management system
- c) Resource Needs



# REVIEW FOR CONTINUING SUITABILITY

Quality Policy

Interested Parties Log (JDM-F-100)

## Corporate Quality Policy

- To meet or exceed internal and external expectations represented in our Four Customer Service Cornerstones:
  - Quality
  - On-Time Delivery
  - Personal Service
  - Complete & Accurate Inventory
- Provide a safe working environment for our employees.
- To continually improve the skills of our employees through training and education.
- To continually improve our processes, equipment, systems, and Quality Management System effectiveness.



# STATUS OF ACTIONS FROM PREVIOUS MANAGEMENT REVIEWS

## From 1/17/25 Management Review

1. No actions from 1/17/25 Management Review. All open items from 3/18/24 management review were finalized.

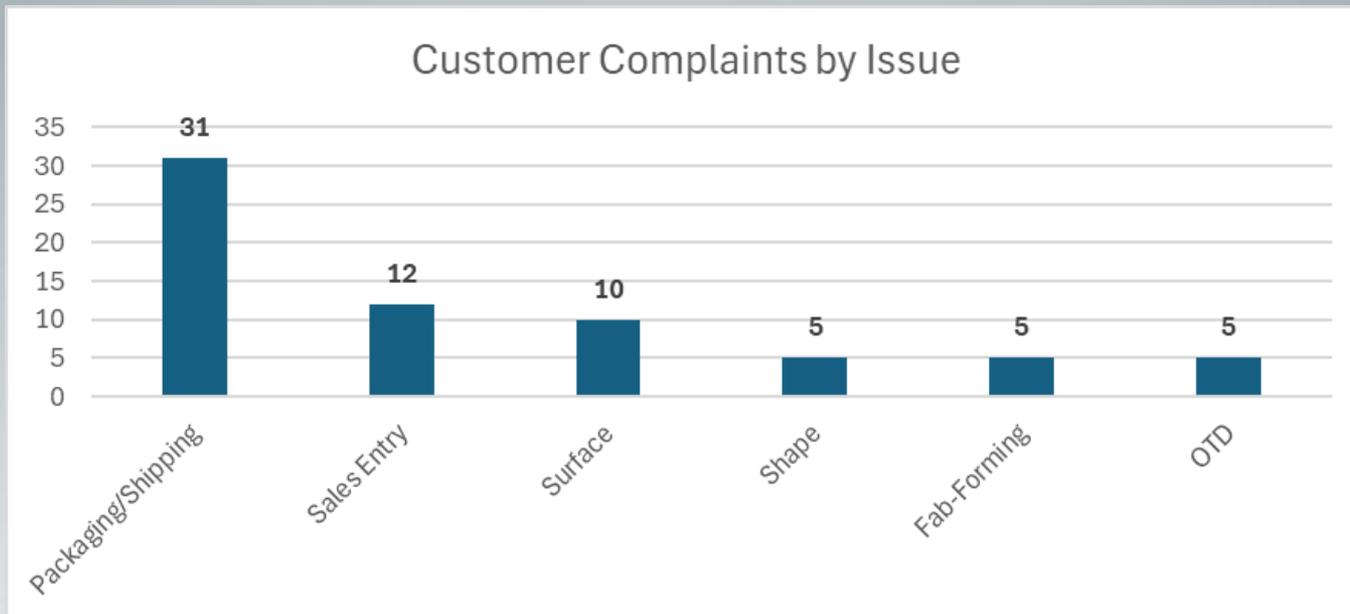
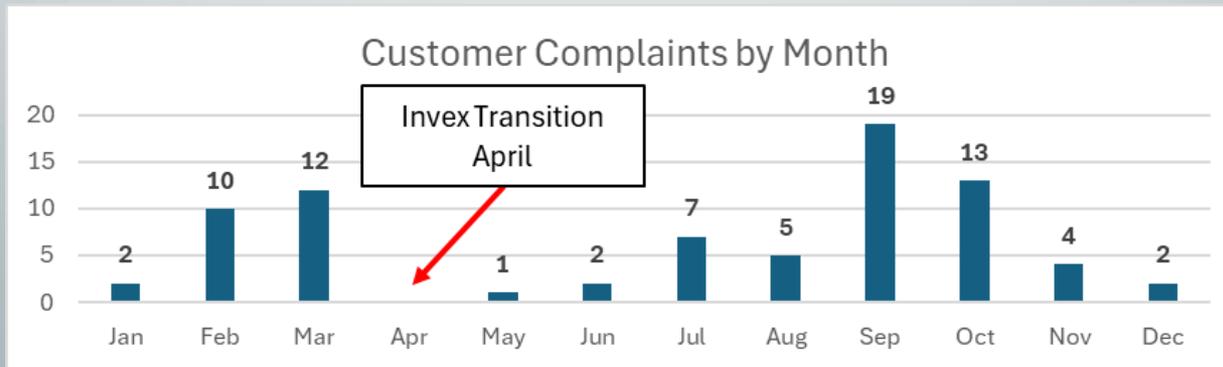


## CHANGES IN EXTERNAL & INTERNAL ISSUES THAT ARE RELEVANT TO THE QMS

- Transition from Stelplan & FIT to Invex & BEST in Q2 2025.
  - Besides effect on mill claims, customer credits, inventory etc, numerous quality manual, procedure and form changes were required to reflect this update.
- Logan Shinn removed as QA Technician in GAD.

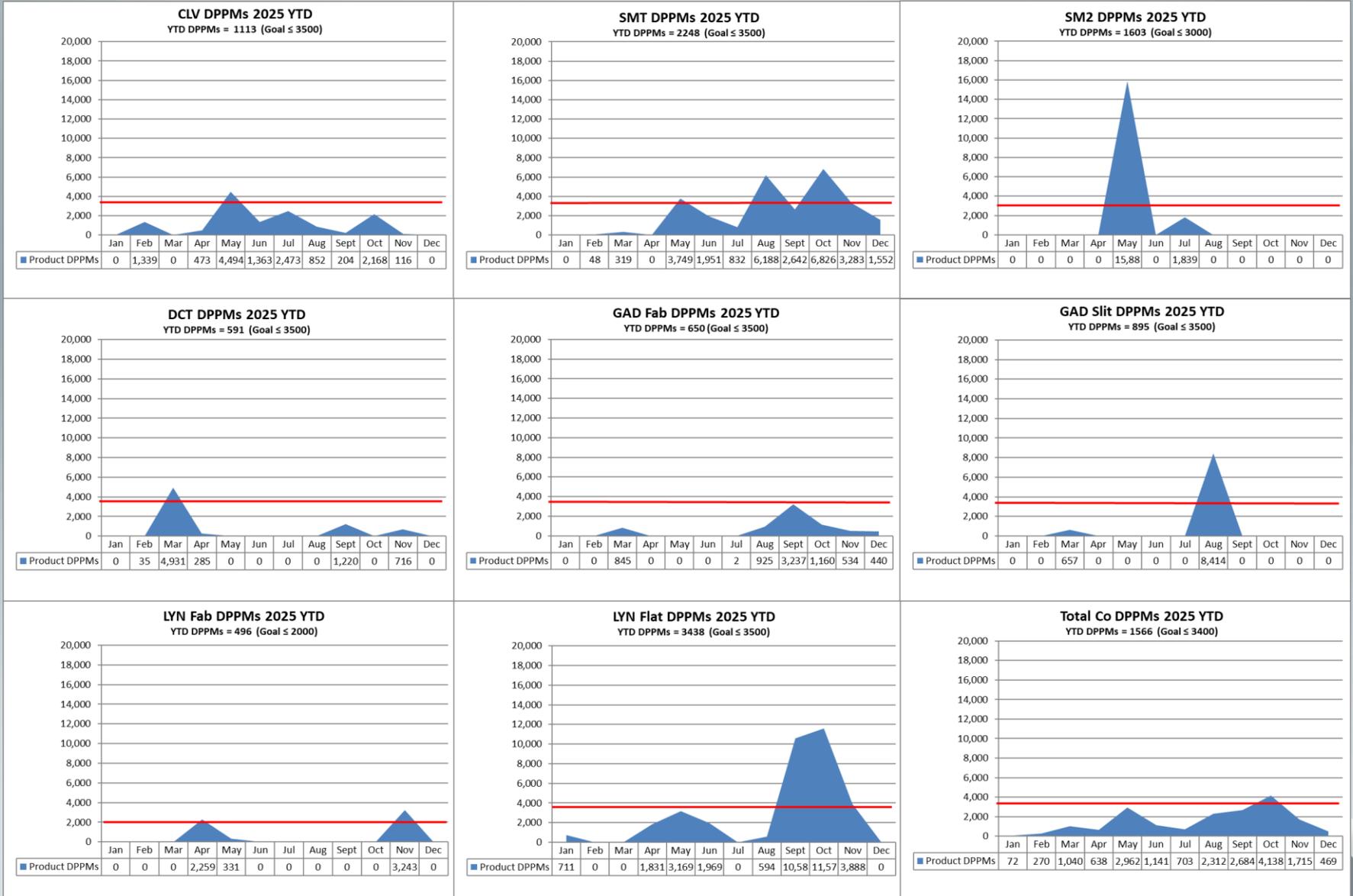


# Customer Feedback Complaints (No Credit/Return)



# Customer Feedback DPPMs

(Less Price Errors, what our plant personnel see)



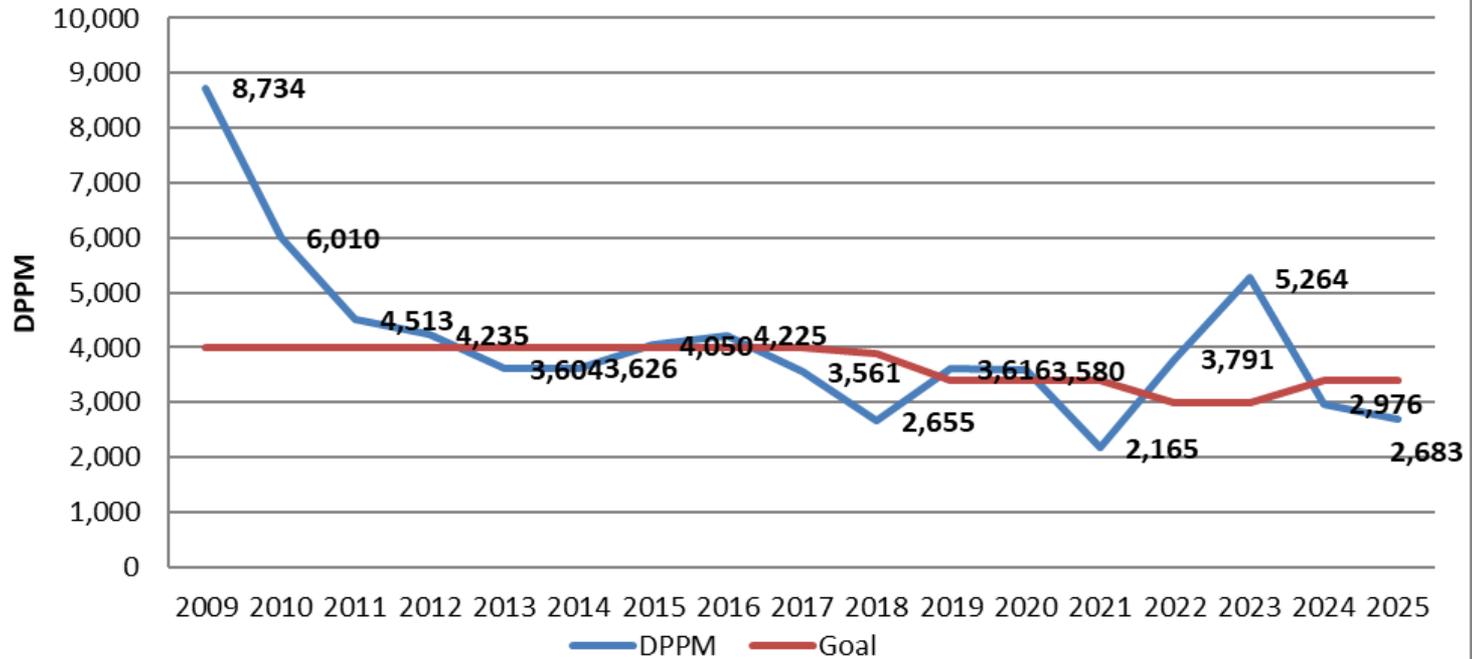
# Customer Feedback DPPMs

## 2025 Credit Summary

	CLV	DCT	GAD Fab	GAD Slit	LYN Fab	LYN Flat	SMT	SM2	NBM	Total Co
2025 DPPM	2060	1785	933	2315	781	4062	3990	1724	2358	2683
2025 DPPM - Sales Errors	1113	591	650	895	496	3438	2248	1603	839	1566
Goal	≤ 3500	≤ 3500	≤ 3500	≤ 3500	≤ 2000	≤ 3500	≤ 3500	≤ 3000	≤ 3500	≤ 3400

2025 Actual was 2683 DPPM. Goal was ≤ 3400 DPPM

### Historic JM Total Co DPPMs



# Customer Feedback DPPM Analysis

Top Causes - Total Co. 2025



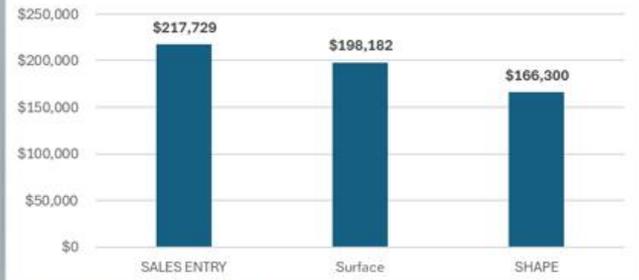
•2024 Data Showed:

- 1) Sales Entry \$217k
- 2) Surface \$198k
- 3) Shape \$166k

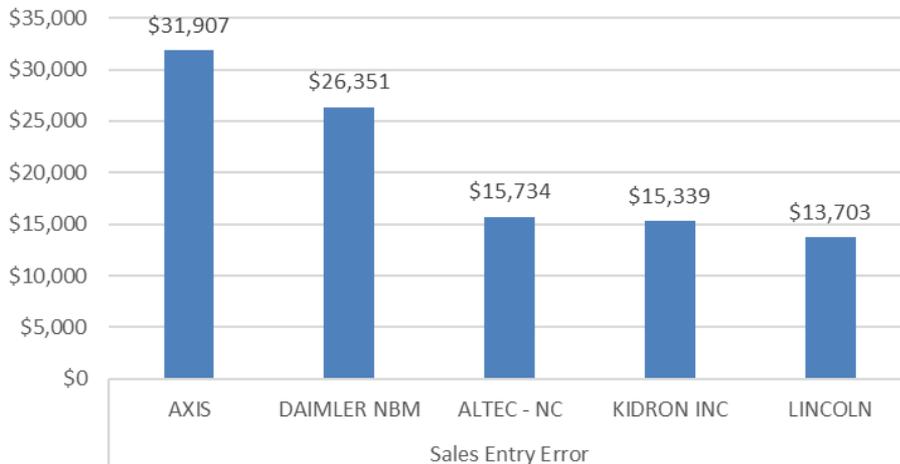
•2025 Data shows Sales Entry Errors as #1 \$247k, Packaging/Shipping at #2 \$169k and Surface at #3 \$61k.

2024 Data

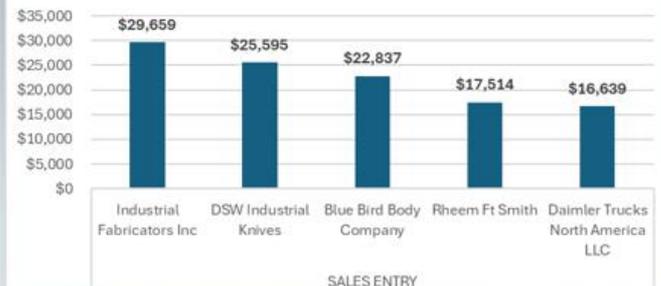
Top Causes - Total Co. 2024



Top 5 Customers - Sales Entry Errors

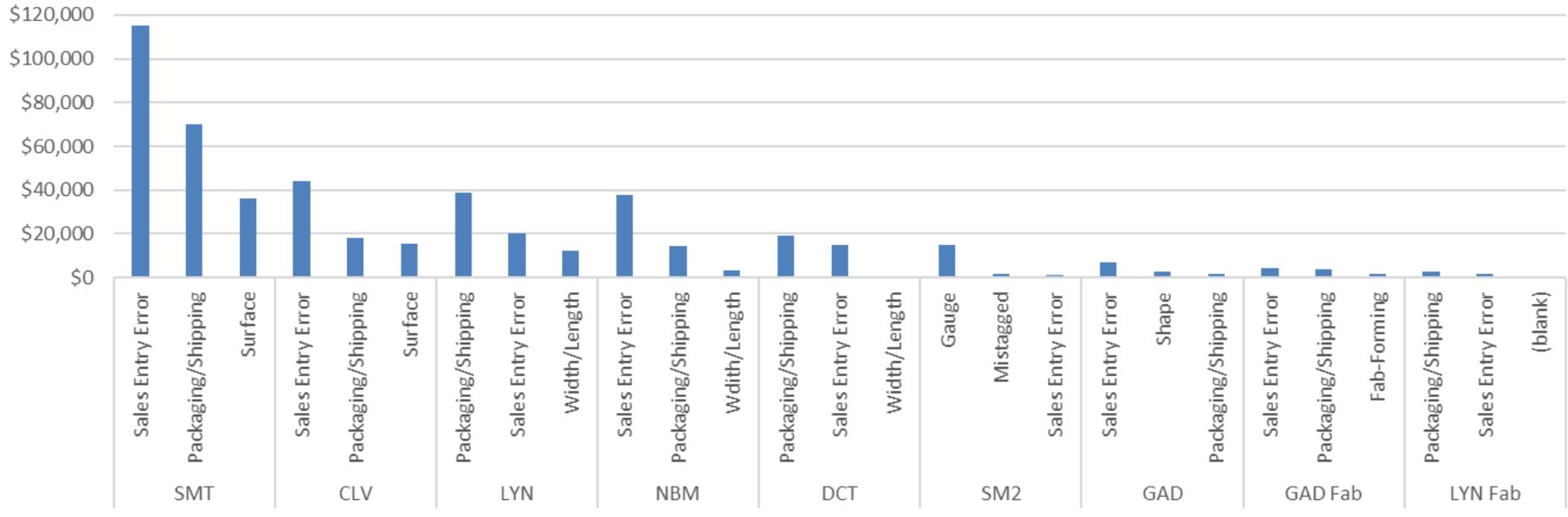


Top 5 Customers - Sales Entry



# Customer Feedback DPPM Analysis

Top 3 Credit Reasons, by Plant/BU

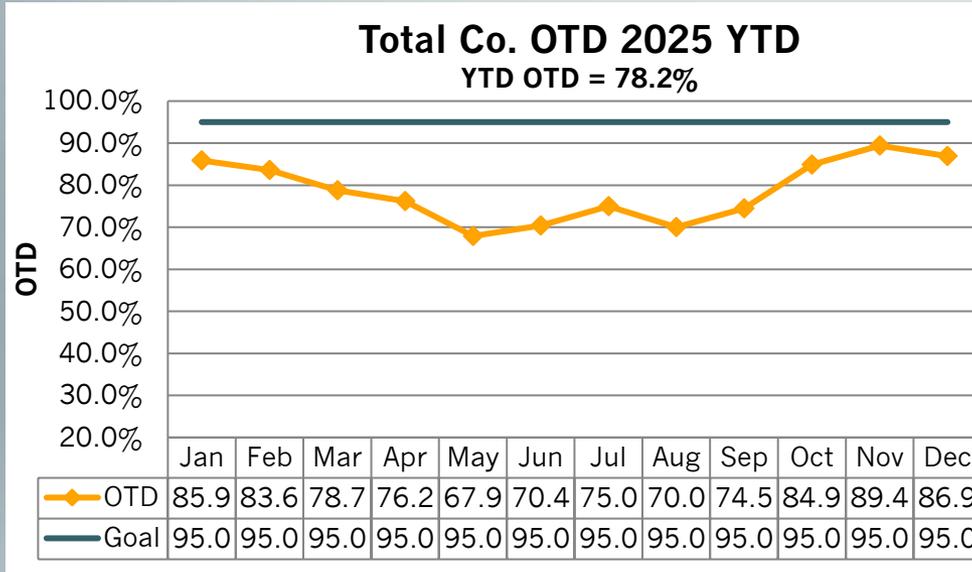


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<b>Goal</b>	≤ 3500	≤ 3500	≤ 3500	≤ 3500	≤ 2000	≤ 3500	≤ 3500	≤ 3000	≤ 3500	≤ 3400



# Customer Feedback On-Time Delivery (Full Year 2025)

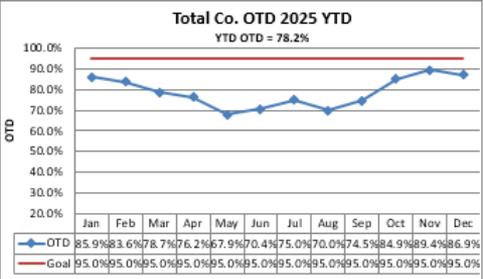
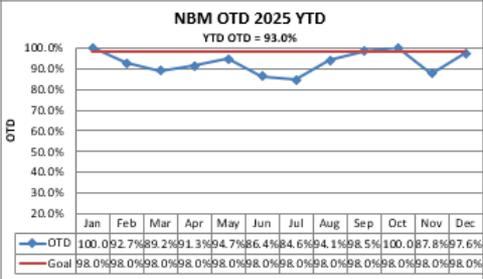
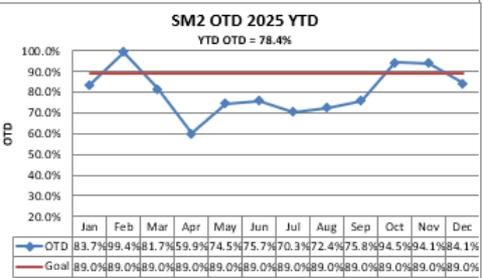
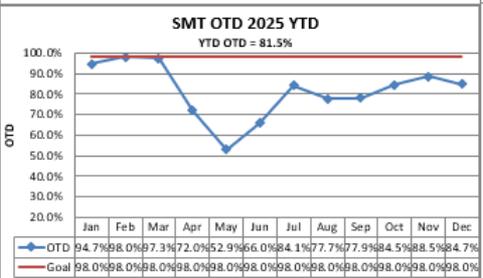
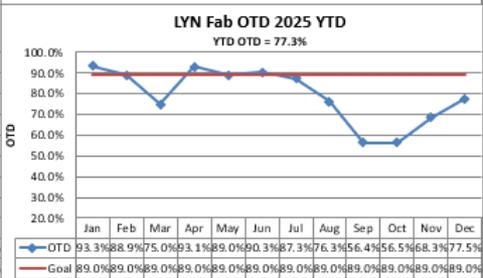
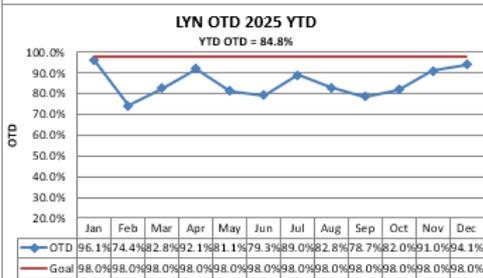
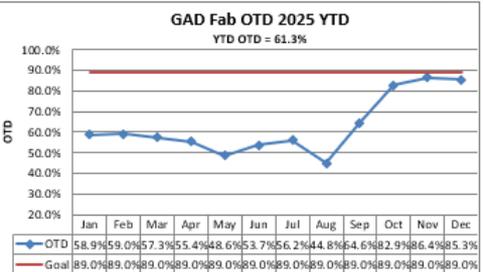
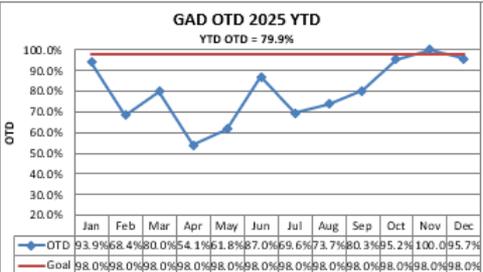
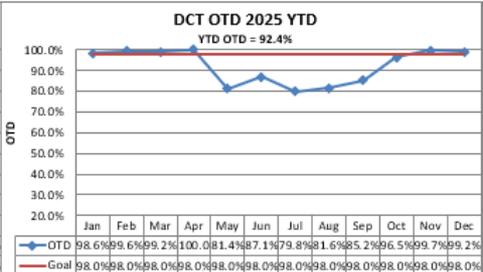
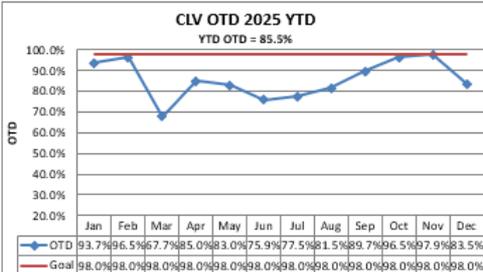


Flat	Fab	Total Co
>98%	>89%	>95%
95%-98%	86%-89%	92%-95%
<95%	<86%	<92%

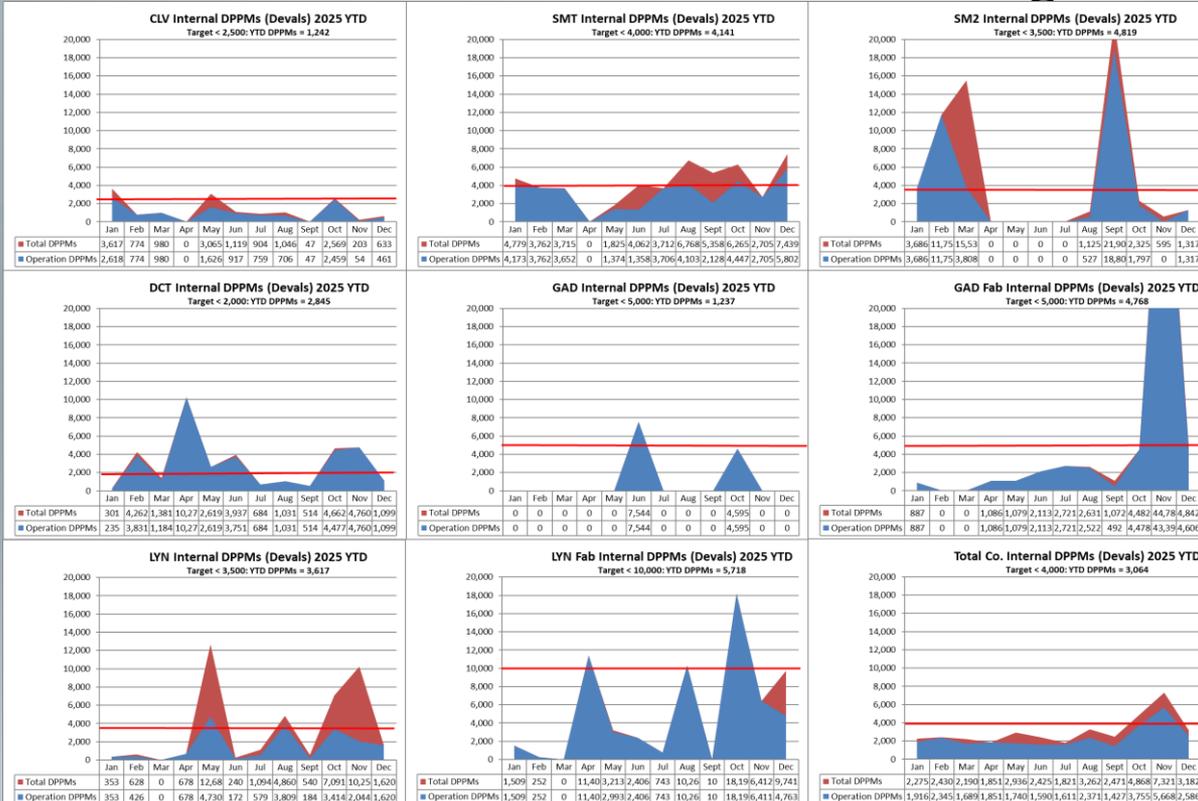
	CLV	DCT	GAD	GAD Fab	LYN	LYN Fab	SMT	SM2	NBM	Total Co
2025 %OT	86%	92%	80%	61%	85%	77%	82%	78%	93%	78%
Goal	≥ 98%	≥ 98%	≥ 98%	≥ 89%	≥ 98%	≥ 89%	≥ 98%	≥ 89%	≥ 98%	≥ 95%



# Customer Feedback On-Time Delivery (Full Year 2025)



# Devaluation Tracking (Full Year 2025)



Blue Area =  
Operational Deval,  
Red Area =  
Inventory Related  
Deval

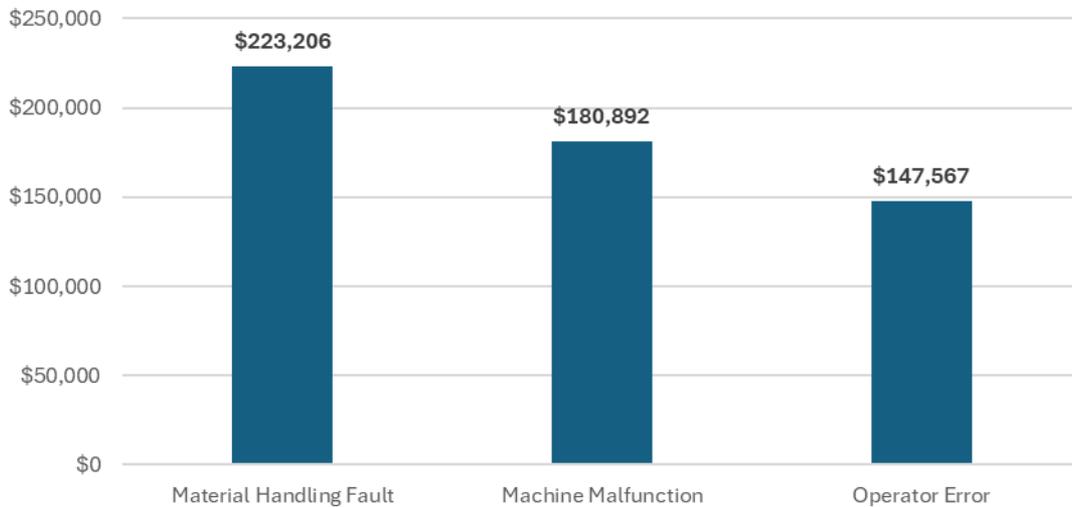
2025 0.31% of Rev.  
2024 0.25% of Rev.  
2023 0.50% of Rev.  
2022 0.54% of Rev.  
2021 0.21% of Rev.  
2020 0.49% of Rev.

Full Year 2025 Devaluations										
	GAD	GAD FAB	DEC	CLV	LYN	LYN FAB	SMT	SM2	NBM	Total
Actual	\$6,296	\$120,159	\$123,135	\$59,132	\$122,702	\$31,102	\$305,655	\$51,113	\$7,675	\$826,969
Goal	\$36,909	\$119,798	\$84,952	\$120,986	\$99,784	\$54,782	\$330,657	\$36,752	\$117,717	\$1,002,337
% of Revenue	0.12%	0.48%	0.28%	0.12%	0.36%	0.57%	0.41%	0.48%	0.03%	0.31%
% of Revenue Goal	0.50%	0.50%	0.20%	0.25%	0.35%	1.00%	0.40%	0.35%	0.40%	0.40%
Operations (Goal <0.15%)	0.12%	0.46%	0.28%	0.10%	0.16%	0.53%	0.29%	0.42%	0.00%	0.23%
Sales (Goal <0.15%)										0.07%
Deval DPPM	1,239	4,768	2,845	1,242	3,617	5,718	4,147	4,819	310	3,064



# Devaluation Tracking

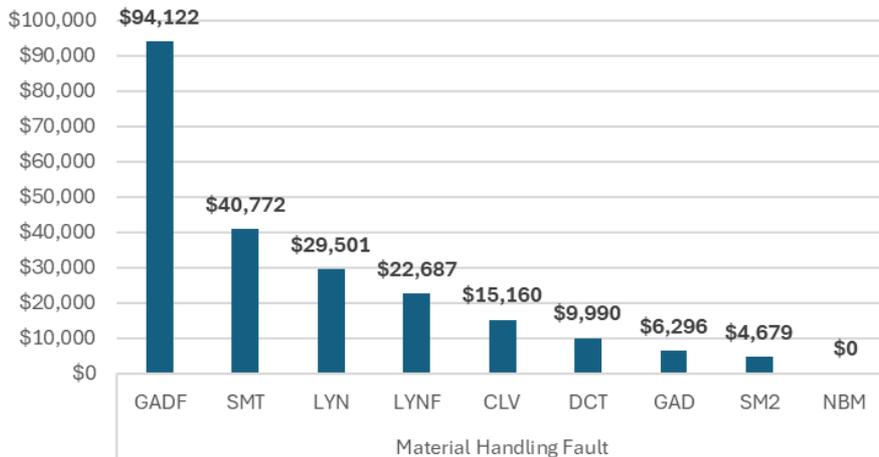
2025 Devaluations (Top 3) Causes



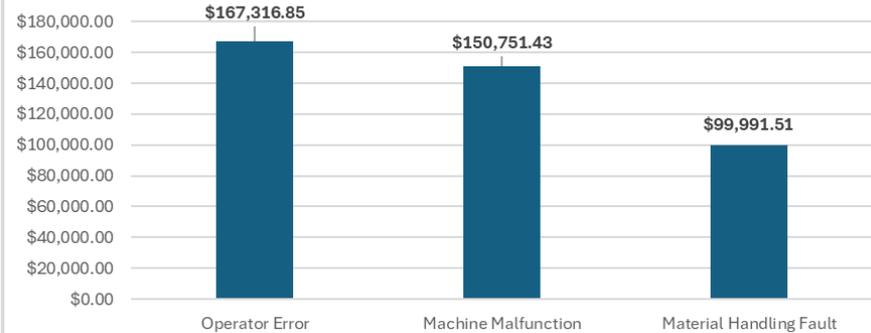
2024 Data:

#1 Operator Error  
 #2 Machine Malfunction & #3 Material Handling Fault

Material Handling Fault by Branch



2024 Devaluations (Top 3) Causes



# Devaluation Tracking

	Full Year 2025 Devaluations									
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% of Revenue	0.12%	0.48%	0.28%	0.12%	0.36%	0.57%	0.41%	0.48%	0.03%	0.31%
% of Revenue Goal	0.50%	0.50%	0.20%	0.25%	0.35%	1.00%	0.40%	0.35%	0.40%	0.40%
Operations (Goal <0.15%)	0.12%	0.46%	0.28%	0.10%	0.16%	0.53%	0.29%	0.42%	0.00%	0.23%
Sales (Goal <0.15%)										0.07%
Deval DPPM	1,239	4,768	2,845	1,242	3,617	5,718	4,147	4,819	310	3,064

GAD at **0.12%** of Revenue. Top Causes 1) Material Handling Fault \$6.3k

GAD Fab at **0.48%** of Revenue. Top Causes 1) Material Handling Fault \$94.1k 2) Operator Error \$21.4k 3) Too Old to Claim \$2.4k

DEC at **0.28%** of Revenue. Top Causes 1) Machine Malfunction \$101.6k 2) Material Handling Fault \$9.9k 3) Operator Error \$7.7k

CLV at **0.12%** of Revenue. Top Causes 1) Mill Claim Denied \$17.9k 2) Material Handling Fault \$15.2k 3) Operator Error \$10k

LYN at **0.36%** of Revenue. Top Causes 1) Material Handling Fault \$94.1k 2) Too Old to Claim \$24.7k 3) Reallocation of Material \$16k

LYN Fab at **0.57%** of Revenue. Top Causes 1) Material Handling Fault \$22.7k 2) Operator Error \$5.3k 3) Customer Accomodation \$2.3k

SMT at **0.41%** of Revenue. Top Causes 1) Operator Error \$86.7k 2) Misapplied Material \$60.2k 3) Too Old to Claim \$46.7k

SM2 at **0.48%** of Revenue. Top Causes 1) Machine Malfunction \$14.2k 2) Operator Error \$8.9k 3) Misapplied Material \$7k

NBM at **0.03%** of Revenue. Top Causes 1) Customer Accomodation \$3.1k 2) Sales Order Error \$3k 3) Modeled Incorrectly \$0.9k

Total Co at **0.31%** of Revenue. Top Causes 1) Material Handling Fault \$223k 2) Machine Malfunction \$181k 3) Operator Error \$148k



**Customer Feedback via Corrective Action Requests in 2025**  
 24 Formal Corrective Action Requests (External)

Plant	External CA Detail
Cleveland (3)	Feb. <b>Versafab</b> -oily material, May. <b>Lincoln</b> -out of thickness tolerance, Jul. <b>Lincoln</b> -Rust on aged material.
Decatur (3)	May. <b>Versafab</b> -Rollmarks, Oct. <b>Eaton MX</b> -Coilbreaks, Dec. <b>Eaton MX</b> -Cracking.
Gadsden Slit (0)	None
Gadsden Fab (8)	All <b>Bluebird</b> . 4 broke backwards (2 in Jan, 1 Feb, 1 Jun). 3 formed incorrectly (Apr, Jun, Oct). 1 incorrect revision level (Jun).
Lynchburg Flat (5)	Aug. <b>Nordfab</b> -Tagging Issues, Sep. <b>Nordfab</b> -Material Lead Time, Sep. <b>Nordfab</b> -timeliness of pickups/credits, Sep. <b>Nordfab</b> -Part descriptions on tags incorrect, Sep. <b>Nordfab</b> -RoHS chem treat
Lynchburg Fab (1)	Nov. <b>HPX Fab</b> -late delivery due to turret failure.
Sumter (2)	Nov. <b>Altec</b> -GVS-GNS mixup by mill, Nov. <b>Altec</b> -Bow.
Sumter 2 (1)	Nov. <b>Bluebird</b> -formed incorrectly.
NBM (1)	Oct. <b>Vertiv Geist</b> -Flatness (was in tolerance)



# EXTERNAL AUDIT RESULTS

## Since 1/27/25 Management Review

Decatur – None

Lynchburg – None

Cleveland – Jan 2025 – PRI Renewal Audit. No findings no observations.

April 2025 – Wabtec Full System Audit. Minor Finding 1: Supplier doesn't have portal access to latest revision specs (we worked with SQE to try to get this and it didn't work). OFI 1: Audit of sub supplier (steel mill).

Sumter – Feb 2025 – Doosan Virtual Audit. Scored 97% for Mandatory Elements. Scored 75% overall and assigned "Approved" Status.

Jan 2025 – PRI Renewal Audit. No findings no observations.

SM2 – None

Gadsden – Feb 2025 – Heil. Final Audit Score 81.2%. Assigned "Complies" Status.

Corporate – Jan 2025 – PRI Renewal Audit. No findings no observations.

**Next External Audit (LYN, Corporate, DCT)**

**Weeks of 1/26/26 & 2/2/26 PRI Surveillance Audit**



# PROCESS & INTERNAL AUDITS

Location	Internal Audit Results	2025 Process Audits
CLV	<b>Findings (CA 41101):</b> <u>Minor 1:</u> JDM-F-001 (receiving form) not consistently used. Actions Complete <u>Minor 2:</u> Calibrations due previous month. Actions Complete <u>Observation 1:</u> 2 reject tags with no remark.	10
SMT	<b>Findings:</b> <u>Observation 1:</u> Operator needed minor assistance finding procedure. <u>Observation 2:</u> Reject tag had fallen off bundle.	12
SM2	<b>Findings:</b> <u>Observation 1:</u> First piece inspection not filled out. <u>Observation 2:</u> December preventive maintenance completed but calendar not updated.	6
DCT	<b>Findings (CA 41229):</b> <u>Minor 1:</u> Shipping procedure out of date. Actions Complete <u>Observations 1-5:</u> Remaining references to Stelplan and FIT.	9
GAD	<b>Findings (CA 41143):</b> <u>Minor 1:</u> Material required didn't match material used. Part setup error. Actions Complete <u>Minor 2:</u> Annual crane inspections not performed in 2024. Actions Complete	8
LYN	<b>Findings:</b> <u>Observation 1:</u> Reject area had tags that should have been scrapped but weren't due to the new ERP system.	10
Corp.	<b>Findings (CA 41203):</b> <u>Minor 1:</u> Audit schedule shows minimum of 1 per month at the plants. We only achieved this in SMT. Actions Complete	n/a

55 Process Audits in 2025, down from 63 Process Audits in 2024 up from 41 in 2023

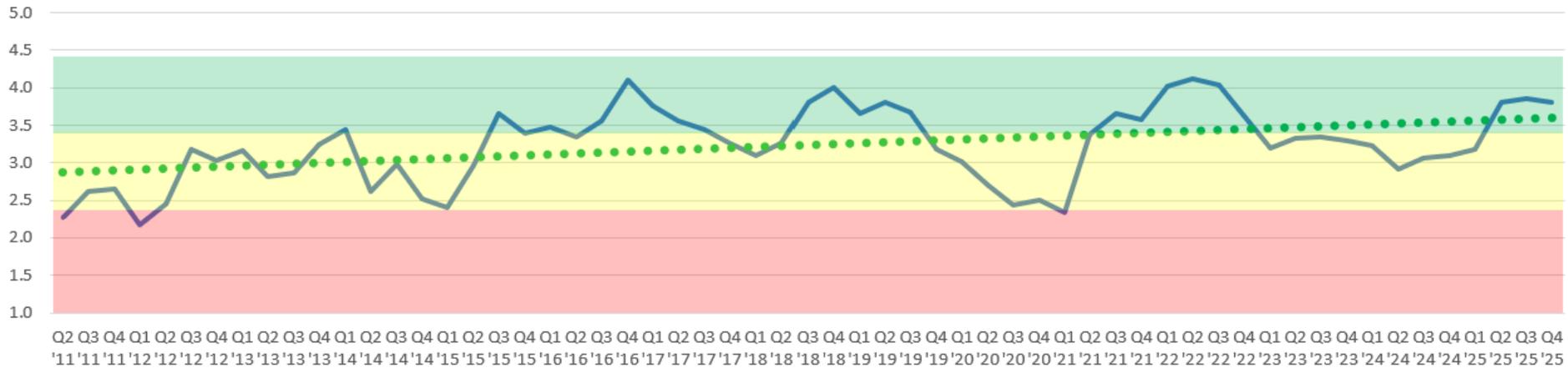


# Supplier Scorecards

Mill Source	Q4 '24	Q1 '25	Q2 '25	Q3 '25	Q4 '25
Nucor-Berkeley	2.4	1.8	3.0	4.2	3.3
Nucor Gallatin	2.0	2.1	4.5	4.5	4.6
Metal One America	3.7	3.7	3.8	2.3	3.7
Nucor-Decatur	4.3	4.1	4.4	4.3	4.3
CLEVELAND CLIFFS	2.0	3.8	3.5	4.0	3.9
NLMK	3.1	4.2	4.2	4.1	3.1
ARECLOR MITTAL	4.2	2.6	3.2	3.6	3.8

Final Rating Scale	
3.5-5	Good
2.5-3.4	Marginal
<2.4	Poor

Aggregate Score (All Mills)



## Overall Claims Rate by Year

2014 = 2.1%  
 2015 = 1.3%  
 2016 = 0.83%  
 2017 = 1.17%

2018 = 0.66%  
 2019 = 1.45%  
 2020 = 1.70%  
 2021 = 0.24%

2022 = 0.86%  
 2023 = 0.84%  
 2024 = 1.04%  
 2025 = 0.56%



## Resource Needs

- Quality area of BEST needs some adjustments now that we've been using it for several months. I will put together a list of what is needed.

Other Business?

