

## Management Review Minutes

Date: 3/18/24 Location: Corporate/Virtual via Teams

Attendees: Pete Heinke, Craig Mathiason, Christopher Sweet, Randy Richards (Teams), Joe Ross Merritt, Robert Heinke, Frank Mareno, Rick Rowland, Patrick Macias, Craig Scott (Teams), Sarah Singleterry, Jonathan Spear, Tanner Williams

Inputs	Outputs (Comments, Attachments, <a href="#">Action Items</a> )
<b>Status of Actions from Previous Mgmt. Reviews</b>	<p>From 2/23/23 Management Review</p> <ol style="list-style-type: none"> <li>1. <u>On Time Delivery</u> – On Time Delivery (OTD) performance was reviewed. YTD OTD performance is as follows: (CLV 98.72%, GAD 81.31%, LYN 96.01%, SMT 94.75%, SM2 70.81%, Total Company 88.30%). There was significant discussion around OTD and not achieving our 98% goal. The importance of this metric needs to be stressed. Per Pete Heinke “We need to increase our passion on OTD performance...”. The industry mill performance and material shortages are not helping and it was also discussed that we may not be setting clear startup timing expectations with customers. <b>Action Item:</b> QA (R. Rowland) will document actions taken throughout the year to improve our OTD. <b>Update:</b> JAN/FEB/MAR-Weekly HPX Fab, SM2 Fab &amp; SM2 BEST Rollout meetings, APR/MAY- Weekly HPX Fab, SM2 Fab, SM2 BEST Productivity Analysis Meetings, JUN/JUL- Weekly HPX Fab, SM2 Fab &amp; SM2 BEST Rollout meetings + Bi-Weekly GAD Fab Production Analysis + SM2 BEST App Rollout &amp; Machine Status Dashboard, AUG- Added SM2 Daily production review for 2 weeks, SEP-DEC-Same as June/July. <b>2/23/23 Update:</b> This continued all year in 2022 and for 2023 we have separated out all branches/plants &amp; fabrication for Credits, Devaluations &amp; On Time Delivery. 3/18/24 Update: Fab meetings continue. 2024 Targets adjusted for flat vs fab OTD. <b>Action Item:</b> March 2024, manual HFI tracking to see how it goes.</li> <li>2. <u>DPPM Sales Errors</u>. <u>Action from 2023 Mgmt Review: Craig &amp; Joe Ross were personally reviewing every credit before entry into FIT to make sure sales error credits were addressed properly.</u> 2024 Update: Actions resulted in fewer pricing errors. 2022 had 1267 DPPMs attributed to sales errors, while 2023 had 667 DPPMs.</li> <li>3. <u>Internal Audit Results</u>. <b>2023 Action Item:</b> Rick to send out monthly reminders about these to get closer to goal. 2024 Update: 41 process audits in 2023 vs 31 in 2022, so improvement was made.</li> <li>4. <u>Performance of External Providers</u>. <b>Action Item:</b> Rick will provide this data (weighted scoring) after Q1 2023 scorecards come out and will present it to the group. We can then see if we want to continue with this. 2024 Update: Q1-Q4 weighted scoring presented. No need to continue.</li> </ol>

<b>Changes in External &amp; Internal issues that are relevant to the QMS.</b>	<ul style="list-style-type: none"> <li>• Surveillance Audit with SRI occurred in March/April 2023. No nonconformances were noted during the audits of Corporate, Decatur and Lynchburg.</li> <li>• Cody Mathis moved to GAD Shipping and Logan Shinn moved to GAD QA.</li> <li>• ERP replacement planning. Moving away from Stelplan to Invex (both Invera Products).</li> <li>• Acquisition of AMC (Advanced Metal Components) Swainsboro Georgia, anticipated close Q1 2024.</li> <li>• Began separating fabrication from flat roll in metrics for GAD &amp; LYN in 2023</li> <li>• New Targets for DPPMs, Devaluations and On-Time delivery by Branch/BU for 2024</li> <li>• ISO 9001:2015 February 2024 Amendment <ul style="list-style-type: none"> <li>○ Action Item: Rick to research the exact meaning and options on how we can address this within the QMS so the executive team determine our stance. Target Q2 2024 for Update of the QMS with the appropriate language.</li> </ul> </li> </ul>
<b>Customer Satisfaction &amp; Feedback from relevant interested parties</b>	<p><u>DPPMs</u> – 2023 DPPM performance was reviewed for all plants and total company. In 2022 we reduced our DPPM Goal from <math>\leq 3400</math> to <math>\leq 3000</math>. The DPPM performance, against the goal of 3,000 or less goal is as follows and includes pricing errors: (CLV 3908, DEC 4074, GAD 5837, GAD Fab 3788, LYN 4170, LYN Fab 2145, SMT 5675, SM2 3223, Total Company 5264). DPPMs without pricing errors were also reviewed. Without pricing errors: (CLV 3709, DEC 3295, GAD 5676, GAD Fab 3463, LYN 1885, SMT 5675, SM2 2433, Total Company 4446). CLV improved from 4798 to 3908, DEC was steady from 4064 to 4074, GAD/GAD Fab were not previously tracked separately nor were LYN/LYN Fab, SM2 went up from 1939 to 3223, SMT went up from 3880 to 5675 and total company went up from 4126 to 5264.</p> <p>Historical DPPM performance was reviewed. 2021 was our record performance year. In 2022 our DPPM performance was at or slightly above our 10-year average and in 2023 we trended up. It was commented by Christopher Sweet that we had at least 8 external audits with no findings. In discussion between Christopher and Pete the question it was hypothesized that we have a good QMS with the proper controls in place but that our warehouse personnel must not be adhering to those controls.</p> <p>Pareto analysis of the top rejection causes was reviewed. Shape was #1, while Surface was #2 and Width/Length was #3. Additionally, the top 3 causes by plant were reviewed (slide 10).</p> <p><u>On Time Delivery</u> – On Time Delivery (OTD) performance was reviewed. Full Year OTD performance is as follows: (CLV 98.8%, GAD 79.8%, GAD Fab 63.6%, LYN 89.8%, LYN Fab 81.4%, SMT 95.8%, SM2 60.9%, Total Company 84.3%). Relative to 2021: <b>CLV +2.3%, GAD +3.3%, LYN -0.5%, SMT +7.6%, SM2 -4.4%, Total Company +7.7%</b>. Therefore, year over year, basically all branches improved except for SM2.</p>

<b>Customer Satisfaction &amp; Feedback from relevant interested parties (continued)</b>	<p><u>Devaluations</u> – Devaluation performance was reviewed. Full Year Devaluation performance is as follows, against the goal of &lt;0.35% of revenue (CLV 0.25%, DEC 0.22%, GAD 0.81%, GAD Fab 0.70%, LYN 0.37%, LYN Fab 2.00%, SMT 0.61%, SM2 0.44%, Total Company 0.50%). Additionally, Operations was at 0.25% (0.36% in 2022) of revenue against a goal of &lt;0.15% and sales was at 0.16% (0.13% in 2022) of revenue against a goal of &lt;0.15%. Goals were updated in 2024 based on 2023 performance in order to set realistic improvement goals for each location.</p> <p>Pareto analysis of causes were reviewed. This showed operator error as the #1 cause. Machine malfunction was the #2 cause and material handling fault was the #3 cause. Digging into the operator error category revealed that large single events contributed to this cause.</p> <p>Customer feedback via formal corrective action requests was reviewed, by plant location. 17 requests were made while there were 6 in 2022.</p> <p><u>Audit Results (External)</u> – Customer audits and SRI audits were reviewed. SRI Surveillance results resulted in continued registration in March (BHM, DEC &amp; LYN). See slide 17 for details.</p> <p><u>Audit Results (Internal)</u> – 2023 internal audits met the audit schedule requirements and the results were reviewed. 2 Minor Findings (BHM &amp; LYN), 7 Observations were reported.</p> <p>Action Item: Christopher Sweet mentioned the corrective actions associated with the operations continuous improvement activities and that they should be reported here along with all internal corrective actions. Rick will include these in the next management review.</p>
<b>Customer Satisfaction &amp; Feedback from relevant interested parties (continued)</b>	<p><u>Performance of External Providers</u> – Supplier ratings and scorecards, for our top mill suppliers, were reviewed. Nucor Berkeley, Nucor Decatur, Nucor Gallatin, Metal One, Arcelor Mittal and NLMK were rated throughout 2023.</p> <p>The overall rejection rate was 0.84%, which was not our best year ever, but it was one of our better years.</p> <p>The long term trend, aggregate score, chart was reviewed on slide 19. The trend is positive.</p>
<b>Quality Policy</b>	<p>The Quality Policy was reviewed and determined to be appropriate and suitable. See slide 3</p>
<b>Adequacy of Resources</b>	<ul style="list-style-type: none"> <li>60/40 QA/Operations Employee budgeted in SM2 for 2024?</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. Invex/BEST implementation. ERP implementation added to Jemison business risk assessment in January 2024.</li> <li>2. Organizational knowledge added to Jemison business risk assessment in January 2024.</li> </ol> <ul style="list-style-type: none"> <li>• Interested Parties Log, JDM-F-100 was reviewed for continuing suitability. No changes needed. See slide 3</li> </ul>
<b>Opportunities for Improvement</b>	<ul style="list-style-type: none"> <li>• Additional operation continuous improvement activities as initiated in Q3 2023.</li> <li>• Substantial labor and error improvements expected with the implementation of Invex &amp; Best in 2025.</li> </ul>

# JEMISON

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## METALS

### MANAGEMENT REVIEW

3/18/24



# 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)

ISO 9001:2015, February 2024 Amendment 1 Discussion

## 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.

## ISO 9001:2015, February 2024 Amendment 1:

- 4.1 The organization shall determine whether climate change is a relevant issue.
- 4.2 Relevant interested parties can have requirements related to climate change.





# STATUS OF ACTIONS FROM PREVIOUS MANAGEMENT REVIEWS

## From 2/23/23 Management Review

1. On Time Delivery – Action: We will continue the fabrication tracking calls as well as continue the BEST software implementation. R. Rowland to continue to report out weekly and monthly on OTD, HFI's and separate fabrication metrics. 2023 Update: this continued all year in 2022 and for 2023 we have separated out all branches/plants & fabrication for Credits, Devaluations & On Time Delivery. 2024 Update: Fab meetings have continued. 2024 OTD targets adjusted for Flat vs Fabrication. Additionally, in March 2024 we are experimenting with HFI tracking from the planning board for each branch. This is a manual method and we will see how it works.
2. DPPMs Sales Errors. At the previous management review, sales errors were discussed. It was subjectively stated by Gary J. that pricing errors were significant, but we did not have good data about it. About 1 month prior to the mgmt. review Craig M. mentioned that he or Joe Ross were personally reviewing every credit before entry into FIT. **Action Item:** Craig & Joe Ross handling this. Rick to get a Q1 Update to see what was learned. Depending upon what was learned, maybe a Q2 update as well? 2024 Update: Actions resulted in fewer pricing errors. 2022 had 1267 DPPMs attributed to sales errors, while 2023 had 667 DPPMs.





# STATUS OF ACTIONS FROM PREVIOUS MANAGEMENT REVIEWS (CONTINUED)

## From 2/23/23 Management Review

1. Audit Results (Internal). Process audit quantity was reviewed. There is room to improve here and we will work on this in 2023. **Action Item:** Rick to send out monthly reminders about these. 2024 Update: monthly reminders were sent out. 41 process audits in '23 vs 31 in '22. More detail will be provided in the audit results section later in this presentation.
2. Performance of External Providers. Long term trend, aggregate score chart on slide 19. Craig M. thought it would be interesting to see the “weighted” version of the aggregated graph. This would weight performance by lbs received. **Action Item:** Rick will provide this data after Q1 2023 scorecards come out and will present it to the group. We can then see if we want to continue with this. 2024 Update: Detail below.

Q1 '23	Weight Received	Claims %	Weighting	Rating	Weighted Rating
NUCOR-BERKELEY	35,396,068	1.82%	35.3%	0.9	0.31774352
Nucor Decatur	28,994,117	0.57%	28.9%	3.7	1.07001725
METAL ONE AMERI	23,387,033	0.56%	23.3%	3.6	0.83976312
NLMK	10,753,220	0.05%	10.7%	3.7	0.39684364
Arcelor Mittal	102,103	0.00%	0.1%	4.3	0.00437911
Nucor Gallatin	1,625,873	0.00%	1.6%	4.1	0.06648898
	100,258,414	0.94%	Average Rating	3.4	2.7

Q3 '23	Weight Received	Claims %	Weighting	Rating	Weighted Rating
NUCOR-BERKELEY	28,011,340	2.08%	33.1%	2.4	0.794327
METAL ONE AMERI	12,362,432	0.77%	14.6%	4.2	0.61349
NLMK	5,038,390	0.42%	6.0%	3.1	0.184547
Arcelor Mittal	9,677,902	0.06%	11.4%	4.3	0.491704
Nucor Decatur	28,414,992	0.05%	33.6%	4.3	1.443678
Nucor Gallatin	1,129,097	0.00%	1.3%	2.7	0.03602
	84,634,153	0.85%	Average Rating	3.5	3.6

Q2 '23	Weight Received	Claims %	Weighting	Rating	Weighted Rating
NUCOR-BERKELEY	26,620,260	1.36%	28.7%	1.9	0.54535054
Nucor Decatur	33,346,280	0.00%	36.0%	3.5	1.25841907
METAL ONE AMERI	18,422,903	0.00%	19.9%	4.5	0.8938825
NLMK	11,635,680	1.55%	12.5%	2.8	0.35128504
Arcelor Mittal	1,125,212	0.00%	1.2%	4.5	0.05459548
Nucor Gallatin	1,594,588	1.84%	1.7%	3.9	0.06705373
	92,744,923	0.62%	Average Rating	3.5	3.2

Q4 '23	Weight Received	Claims %	Weighting	Rating	Weighted Rating
NUCOR-BERKELEY	30,669,050	1.65%	27.0%	2.4	0.648436
METAL ONE AMERI	19,354,435	0.72%	17.1%	3.7	0.630867
NLMK	8,732,100	2.53%	7.7%	2.2	0.169238
Arcelor Mittal	14,288,058	1.20%	12.6%	3.7	0.465726
Nucor Decatur	39,128,365	0.01%	34.5%	4.0	1.378818
Nucor Gallatin	1,340,741	0.00%	1.2%	4.2	0.049608
	113,512,749	0.92%	Average Rating	3.4	3.3



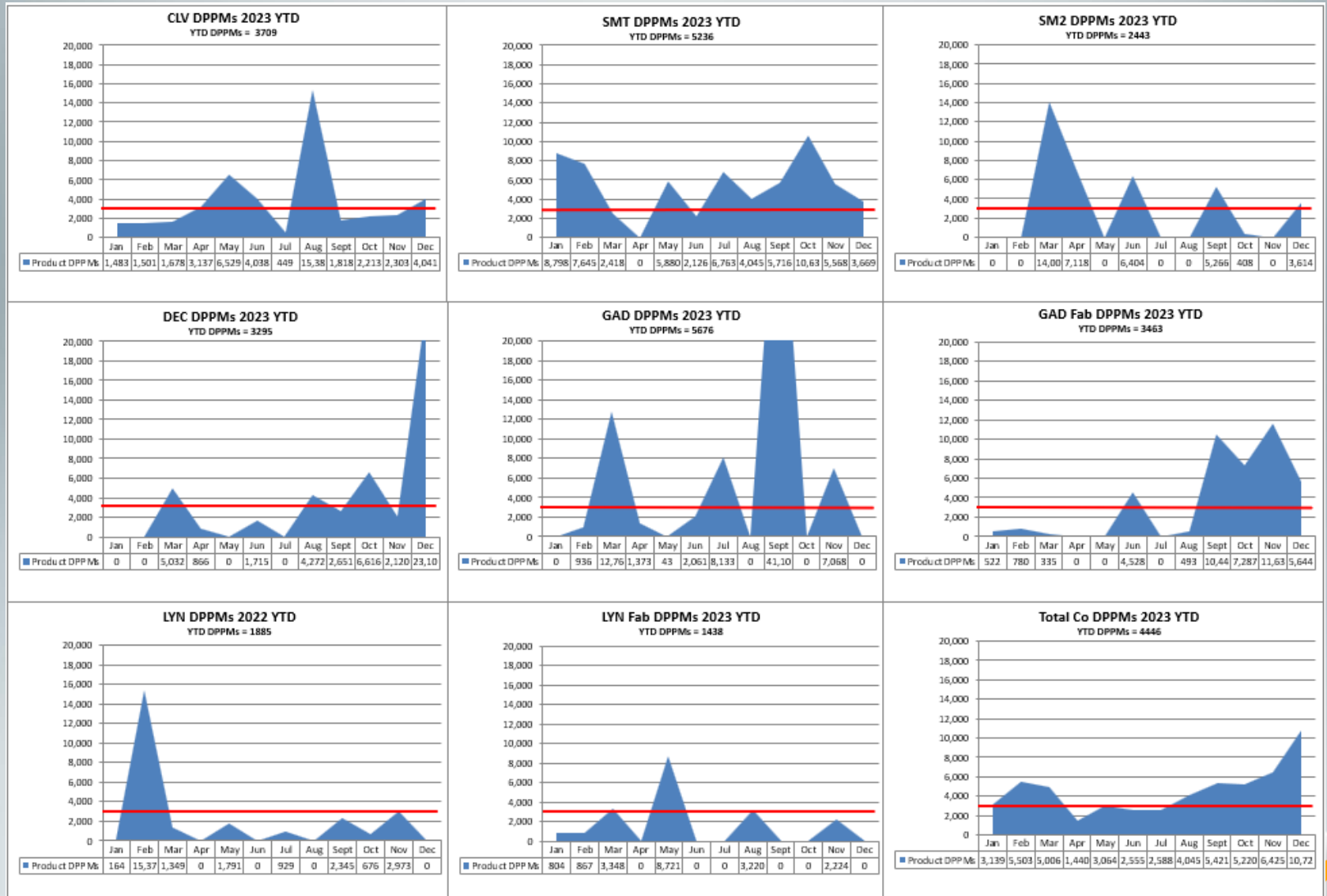
## CHANGES IN EXTERNAL & INTERNAL ISSUES THAT ARE RELEVANT TO THE QMS

- Surveillance Audit with SRI occurred in March/April 2023. No nonconformances were noted during the audits of Corporate, Decatur and Lynchburg.
- Cody Mathis moved to GAD Shipping and Logan Shinn moved to GAD QA.
- ERP replacement planning. Moving away from Stelplan to Invex (both Invera Products).
- Acquisition of AMC (Advanced Metal Components) Swainsboro Georgia, anticipated close Q1 2024.
- Began separating fabrication from flat roll in metrics for GAD & LYN in 2023
- New Targets for DPPMs, Devaluations and On-Time delivery by Branch/BU for 2024



# Customer Feedback DPPMs

(Less Price Errors, what our plant personnel see)

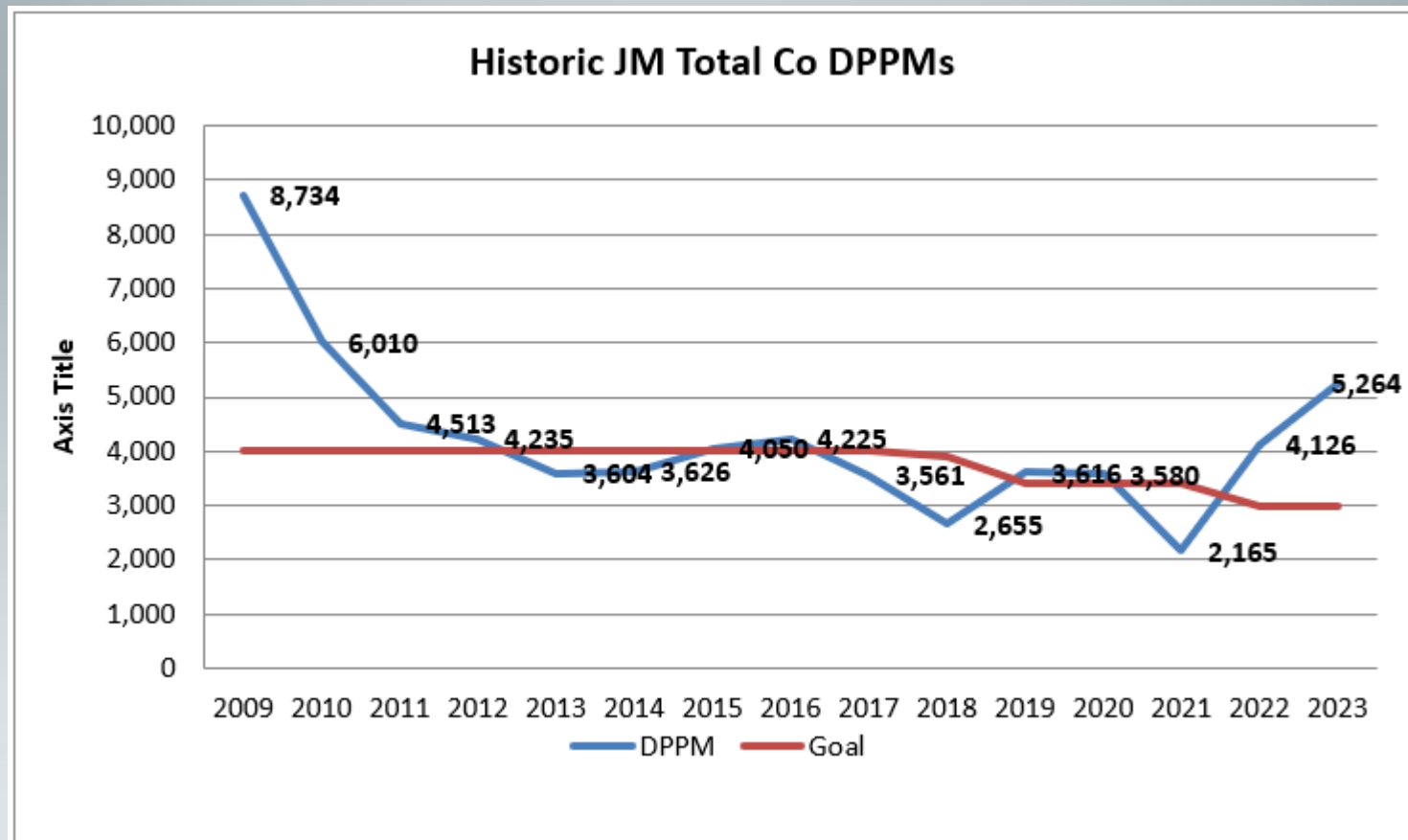


# Customer Feedback DPPMs

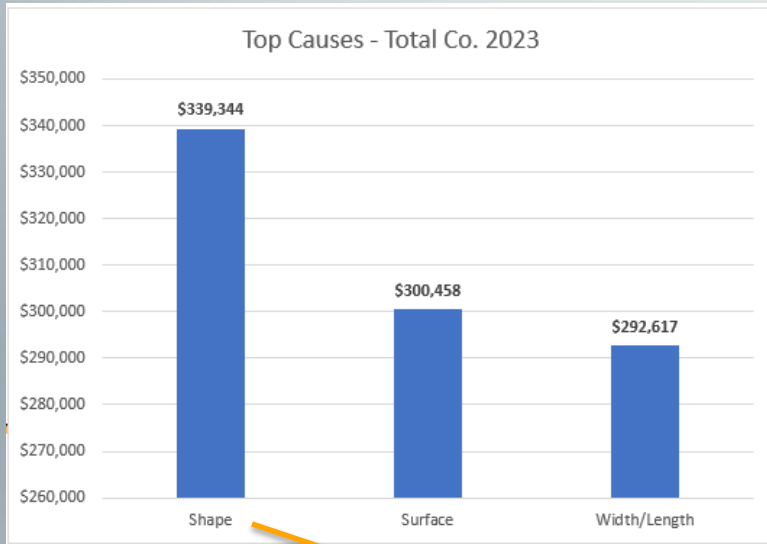
## 2023 DPPMs

	CLV	DEC	GAD	GAD Fab	LYN	LYN Fab	SM2	SMT	Total Co	Goal
2023 DPPM	3908	4074	5837	3788	4170	2145	3223	5675	5264	< 3000
2023 DPPM - Sales Errors	3709	3295	5676	3463	1885	1438	2433	5236	4446	< 3000

2023 was above our 10 year average. Goal was  $\leq 3000$  DPPM vs 5264 Actual



# Customer Feedback DPPM Analysis

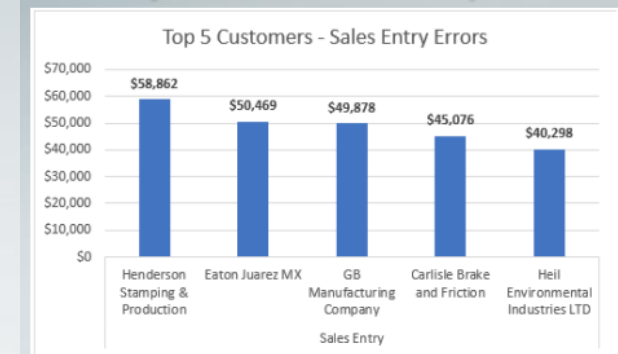
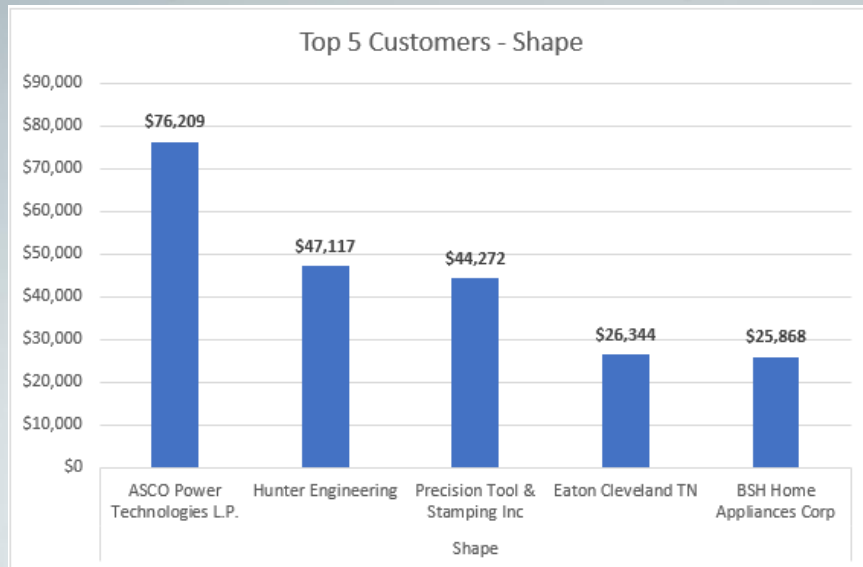


## •2022 Data Showed:

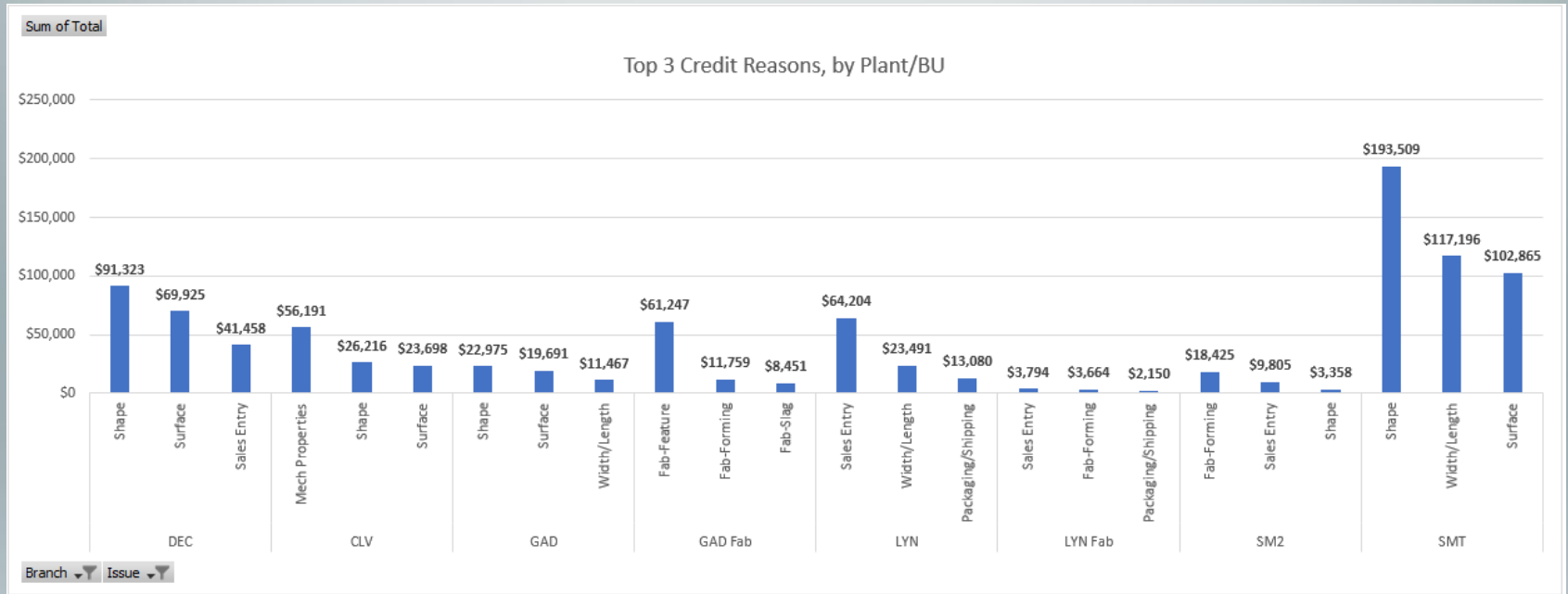
- 1) Price Errors \$532k
- 2) Shape \$350k
- 3) Packaging/Shipping \$282k

•2023 Data shows Shape as #1 \$339k, Surface at #2 \$300k and Width/Length at #3 \$293k.

## 2022 Data



# Customer Feedback DPPM Analysis



## 2023 DPPMs

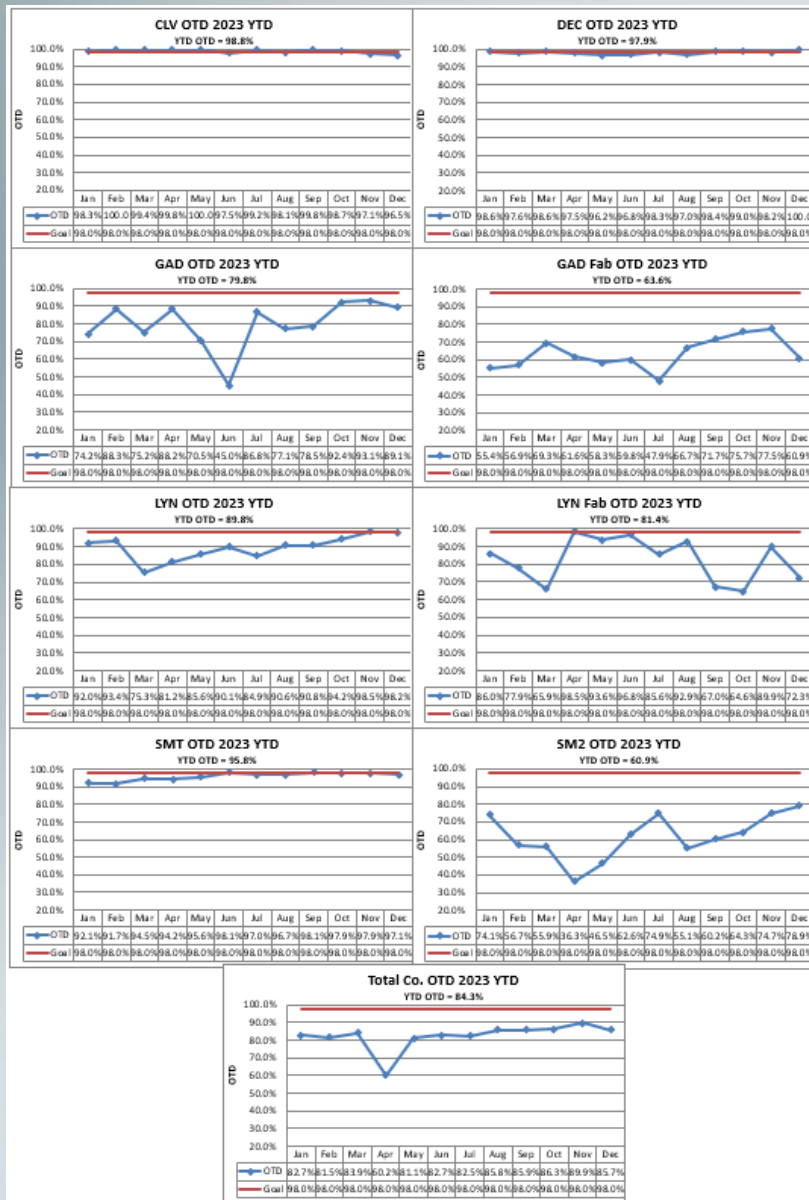
	CLV	DEC	GAD	GAD Fab	LYN	LYN Fab	SM2	SMT	Total Co	Goal
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2023 DPPM - Sales Errors	3709	3295	5676	3463	1885	1438	2433	5236	4446	< 3000

## 2024 Goals

	CLV	DEC	GAD Fab	GAD Slit	LYN Fab	LYN Flat	SMT	SM2	Total Co
Goal	≤ 3500	≤ 3500	≤ 3500	≤ 3500	≤ 2000	≤ 3500	≤ 3500	≤ 3000	≤ 3400



# Customer Feedback On-Time Delivery (Full Year 2023)



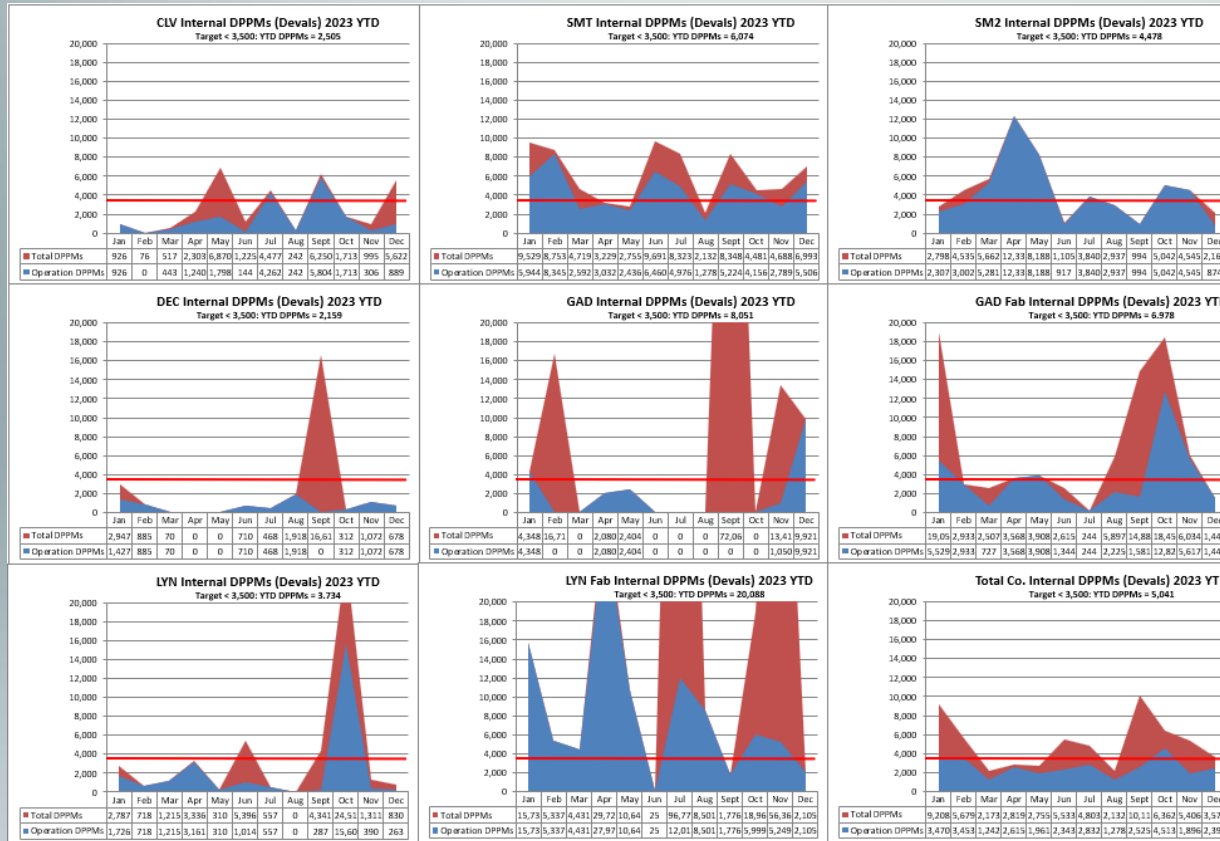
- General Uptrend in 2023
- Tracking in 2023 separated out all business units.
- New 2024 goals (below), take into account flat roll vs fabrication expectations.

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





# Devaluation Tracking (Full Year 2022)



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

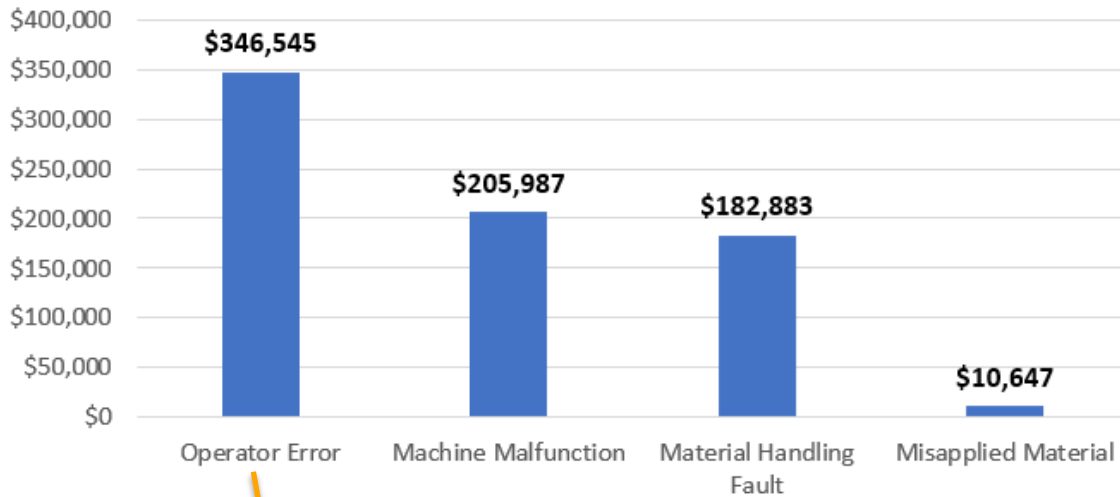
2021 0.21% of Rev.  
2020 0.49% of Rev.

	2023 Full Year Devaluations								
	GAD	GAD FAB	DEC	CLV	LYN	LYN FAB	SMT	SM2	Total
Actual	\$86,969	\$174,357	\$115,052	\$98,965	\$104,926	\$107,721	\$552,717	\$55,723	\$1,474,115
Goal	\$36,617	\$95,583	\$178,755	\$151,218	\$86,938	\$19,010	\$343,553	\$43,880	\$1,040,622
% of Revenue	0.81%	0.70%	0.22%	0.25%	0.37%	2.00%	0.61%	0.44%	0.50%
% of Revenue Goal	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%
Operations (Goal <0.15%)	0.13%	0.35%	0.06%	0.15%	0.20%	0.71%	0.43%	0.43%	0.25%
Sales (Goal <0.15%)									0.16%
Deval DPPM	8,051	6,978	2,159	2,505	3,734	20,088	6,074	4,478	5,041



# Devaluation Tracking

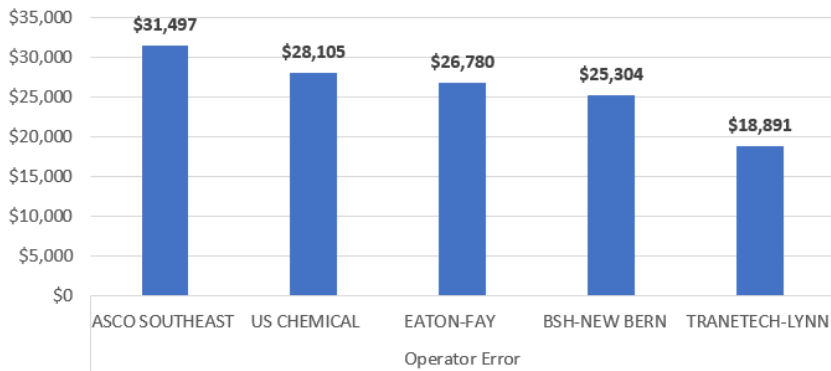
2023 Devaluations (Top 4)



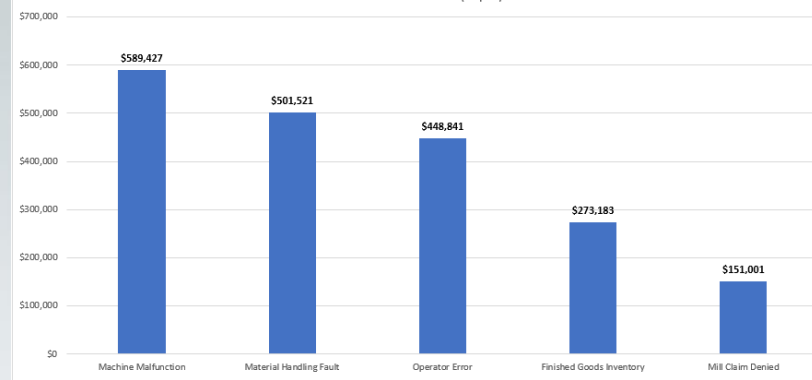
2022 Data:

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

Operator Error by Customer



2022 Devaluations (Top 5)



# Devaluation Tracking

	2023 Full Year Devaluations								
	GAD	GAD FAB	DEC	CLV	LYN	LYN FAB	SMT	SM2	Total
Actual	\$86,969	\$174,357	\$115,052	\$98,965	\$104,926	\$107,721	\$552,717	\$55,723	\$1,474,115
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Sales (Goal <0.15%)									0.16%
Deval DPPM	8,051	6,978	2,159	2,505	3,734	20,088	6,074	4,478	5,041

GAD at **0.81%** of Revenue. Top Causes 1) Operator Error \$6k 2) Material Handling Fault \$6k 3) Machine Malfunction \$2k

GAD Fab at **0.70%** of Revenue. Top Causes 1) Material Handling Fault \$29k 2) Machine Malfunction \$29k 3) Operator Error \$28k

DEC at **0.22%** of Revenue. Top Causes 1) Operator Error \$17k 2) Material Handling Fault \$9k 3) Machine Malfunction \$8k (Note: Eaton MX devals didn't finalize till Jan. 2024)

CLV at **0.25%** of Revenue. Top Causes 1) Machine Malfunction \$26k 2) Operator Error \$26k 3) Material Handling Fault \$7k

LYN at **0.37%** of Revenue. Top Causes 1) Material Handling Fault \$37k 2) Operator Error \$20k

LYN Fab at **2.00%** of Revenue. Top Causes 1) Operator Error \$23k 2) Material Handling Fault \$13k 3) Machine Malfunction \$2.7k

SMT at **0.61%** of Revenue. Top Causes 1) Operator Error \$194k 2) Machine Malfunction \$135k 3) Material Handling Fault \$65k

SM2 at **0.44%** of Revenue. Top Causes 1) Operator Error \$33k 2) Material Handling Fault \$18k 3) Machine Malfunction \$3.3k

Total Co at **0.50%** of Revenue. Top Causes 1) Operator Error \$346k 2) Machine Malfunction \$206k 3) Material Handling Fault \$183k



# Devaluation Tracking

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	GAD	GAD FAB	DEC	CLV	LYN	LYN FAB	SMT	SM2	Total
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% of Revenue Goal	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%	0.35%
Operations (Goal <0.15%)	0.13%	0.35%	0.06%	0.15%	0.20%	0.71%	0.43%	0.43%	0.25%
Sales (Goal <0.15%)									0.16%
Deval DPPM	8,051	6,978	2,159	2,505	3,734	20,088	6,074	4,478	5,041

	2024 Devaluation Goals								
	GAD	GAD FAB	DEC	CLV	LYN	LYN FAB	SMT	SM2	Total
% of Revenue Goal	0.50%	0.50%	0.20%	0.25%	0.35%	1.00%	0.40%	0.35%	0.40%
Operations (Goal <0.15%)									
Sales (Goal <0.15%)									

## Updated 2024 Goals.

- Goals based on prior year performance with improvement goal.
- Revenue \$ goals vary each month, as a percent of revenue, based on the 2024 locked budget.

## Customer Feedback via Corrective Action Requests in 2023

### 17 Formal Corrective Action Requests (External)

#### CLV 1 CA Requests

1 Lincoln Electric – length out of tolerance on blanks.

#### GAD 5 CA Requests

1 Freudenberg – scratches on slit coil.

2 Bluebird – parts bent backwards & formed parts out of tolerance.

1 Bush Hog – narrow slot on deckplate.

1 Eaton Puerto Rico – slit width out of tolerance.

#### SMT 5 CA Requests

5 Eaton Fayetteville – Laser slag, bow, camber, blanks out of tolerance, edge deformation

#### SM2 0 CA Requests

#### LYN 1 CA Requests

1 Munters – Acrylic streaks.

#### DEC 5 CA Requests

3 Hunter Engineering – Bundle Stacking, Bow, Residual Stress.

1 BTD – Bow.

1 Eaton Mexico – Bow.



# EXTERNAL AUDIT RESULTS

## Since 2/23/23 Management Review

### Decatur

- 3/30/24: SRI Surveillance Audit. No Findings.
- 1/10/24: Young Touchstone quality audit, no report, no findings.

### Lynchburg

- 4/25 & 4/26/23: SRI Surveillance Audit. No Findings.
- 3/14/24: Nordfab Audit. No findings reported.

Cleveland – 11/15/23: Lincoln Audit. 2 Opportunities for Improvement.

Sumter – 4/18/23 Container Products. No findings.

SM2 – 2/6/23: OPW (Dover), no report.

Gadsden – 3/7/24: Heil. No report, no findings.

Corporate – 3/28 & 3/29/23: SRI Surveillance Audit. No Findings.

**Next External Audit (BHM, GAD, SM2)**  
**Week of 3/25/24 SRI Surveillance Audit**



# PROCESS & INTERNAL AUDITS

Location	Internal Audit Results	2023 Process Audits
CLV	Findings: None Observation 1: Material that has been removed from inventory system should be removed from reject area in a timely manner.	6
SMT	Findings: None Observation 1: Operator performed checks but had not recorded on inspection sheet prior to job end. Observation 2: Operator was able to pull up the receiving procedure with some minor assistance.	7
SM2	Findings: None Observation 1: Measurements were taken for first part inspection but not recorded at halfway point on first skid.	5 (+ Weekly Dock Audits)
DEC	Findings: None Observation 1: PM sheets have old dates. Whitney has been hand adjusting dates to provide record. Should get updated sheets made (Target Q1 2024).	7
GAD	Finding 1: None Observation 1: Quality Policy not well known understood.	5
LYN	Finding 1: (Minor) No legible ID marking on measuring tool. Corrected prior to end of audit. Observations: None	11
BHM	Finding 1: (Minor) Quality Manual, #6 Planning, under "Applicable Quality Management Procedures and Documents" and Miscellaneous "List of Management Procedures" both list QMP 6.3 as "Management of Change" but the actual title is "Planning of Changes". Observation 1: Quality Intranet listing of Internal/Process audits not up to date with most recent audit data to 10/31/23.	n/a





# Supplier Scorecards

Mill Source	Q1-2023	Q2-2023	Q3-2023	Q4-2023
Nucor Berkeley	0.9	1.9	2.4	2.4
Nucor Gallatin	4.1	3.9	2.7	4.2
NLMK	3.7	2.8	3.1	2.2
Metal One America	3.6	4.5	4.2	3.7
Nucor Decatur	3.7	3.5	4.3	4.0
Arcelor Mittal	4.3	4.5	4.3	3.7

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

Total (All Groups)				
Vendor	Weight Claimed	Weight Received	Claims %	Top Claim Reasons (in order)
NUCOR-BERKELEY	2,093,216	120,696,718	1.73%	EDGEWAVE, RUST, SCALE
NLMK	428,136	36,159,390	1.18%	SURFACE, COATING AND SHAPE ISSUES
Arcelor Mittal	177,931	25,193,275	0.71%	RUST, EDGEWAVE & COIL BREAKS
Nucor Gallatin	29,406	5,690,299	0.52%	SCALE
METAL ONE AMERI	363,405	73,526,803	0.49%	COIL BREAK, FRICITON DIGS, SCRATCHES
Nucor Decatur	183,283	129,883,754	0.14%	RIDGE & BRUISING
<b>Total (All Groups):</b>	<b>3,275,377</b>	<b>391,150,239</b>	<b>0.84%</b>	

2014 = 2.1%

2018 = 0.66%

2022 = 0.86%

2015 = 1.3%

2019 = 1.45%

2023 = 0.84%

2016 = 0.83%

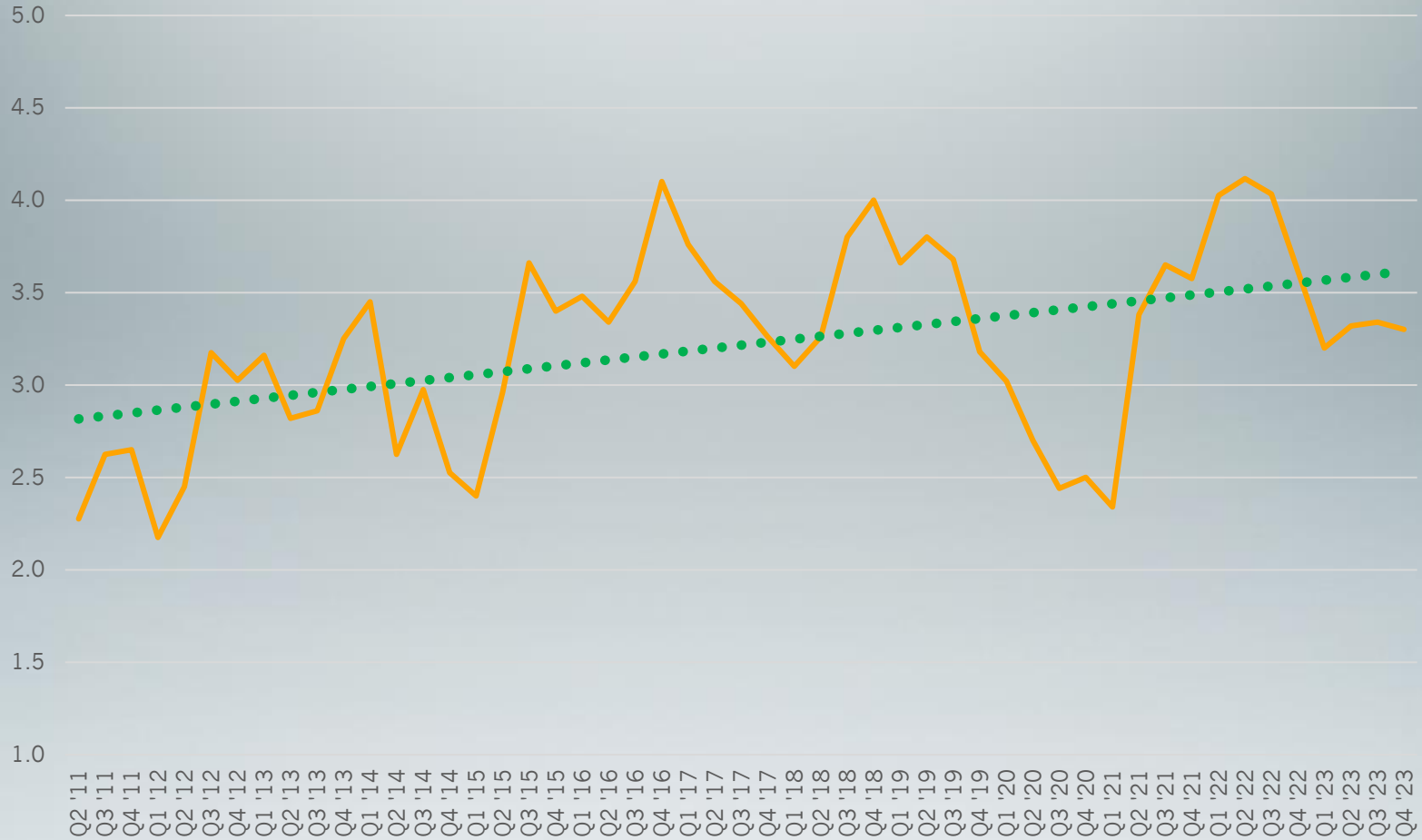
2020 = 1.70%

2017 = 1.17%

2021 = 0.24%

# Supplier Scorecards

Aggregate Score (All Mills)



## Resource Needs

- 60/40 QA/Operations Employee budgeted in SM2 for 2024?

Other Business?

