

STEEL DYNAMICS INC  
Form DEF 14A  
March 30, 2015

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. 1)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**Steel Dynamics, Inc.**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
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o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

To our Stockholders:

You are cordially invited to attend the Annual Meeting of Steel Dynamics, Inc. The information for the meeting is as follows:

WHEN 9:00 a.m. EDT on Thursday, May 21, 2015

WHERE Calhoun Ballroom in the Grand Wayne Center 120 West Jefferson Boulevard, Fort Wayne, Indiana 46802

ITEMS OF BUSINESS	Board Recommendations	
	Proposals	
	To elect eleven (11) Directors for a one-year term.	FOR
	To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015.	FOR
	To approve the Steel Dynamics, Inc. 2015 Equity Incentive Plan.	FOR
	To hold an advisory vote to approve the compensation of the Named Executive Officers.	FOR

Please refer to the detailed information on each of these proposals in the following proxy statement.

WHO CAN VOTE You are entitled to vote all shares of common stock registered in your name at the close of business on March 23, 2015. If your shares are held in the name of your broker or bank, your broker or bank will provide you with a form of proxy giving them authority to vote your shares.

HOW TO VOTE If you received the paper form of these proxy materials, you may vote your shares in person by attending the meeting, you may vote by using the Internet or by toll-free telephone, or you may vote by completing and executing the proxy card and returning it by mail in the enclosed postage paid envelope.

If you received only the Notice of Annual Meeting, in accordance with the Securities and Exchange Commission's "notice and access" rules, you may vote using the Internet by obtaining the proxy materials in the manner described in the Notice and by following the instructions in the Notice or on the proxy form.

**Please note that if you received only the Notice, you cannot vote your shares by filling out and returning the Notice itself. Instead, you should follow the instructions contained in the Notice on how to vote by using the Internet.**

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You may always revoke your proxy before it is voted at the meeting by following the instructions in the accompanying proxy statement.

WE ENCOURAGE YOU TO VOTE PROMPTLY, EVEN IF YOU INTEND TO ATTEND THE ANNUAL MEETING.

MARK D. MILLETT  
*President and Chief Executive Officer*

April 10, 2015

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on May 21, 2015: all materials are available on the Internet at the following website: <http://materials.proxyvote.com/858119>. These proxy materials are also available on our Internet site at [www.steeldynamics.com](http://www.steeldynamics.com) under the heading "Investor Center."**

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**STEEL DYNAMICS, INC.**

7575 West Jefferson Blvd.  
Fort Wayne, IN 46804  
Telephone: (260) 969-3500

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**PROXY STATEMENT**

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**ANNUAL MEETING OF STOCKHOLDERS**

To be Held on May 21, 2015

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**Voting Information**

**Purpose.** We are providing you with this Proxy Statement and these proxy materials in connection with the solicitation of proxies by our Board of Directors, to be voted at our 2015 Annual Meeting of Stockholders and at any postponement or adjournment thereof. We will hold the meeting on May 21, 2015, beginning at 9:00 a.m. EDT, in the Calhoun Ballroom of the Grand Wayne Center, 120 West Jefferson Boulevard, Fort Wayne, Indiana 46802.

Our fiscal year begins on January 1 and ends on December 31. References in this Proxy Statement to the year 2014, therefore, refer to the twelve-month period ended December 31, 2014.

**Internet Availability of Proxy Materials.** As permitted by the Securities and Exchange Commission's ("SEC") "notice and access" rules, this year we are making our proxy statement and 2014 annual reports (which are not part of the proxy solicitation materials) available to most of our stockholders via the Internet rather than by mail. Accordingly, by April 10, 2015, we will begin distributing to our stockholders either (i) for some, a paper copy of our proxy statement, the accompanying form of proxy card, and our 2014 annual reports, or (ii) for most, only a *Notice of Internet Availability of Proxy Materials* (the "Notice"), explaining how to access this proxy statement and other materials via the Internet, how to vote your shares, and, if you prefer, how to obtain a paper copy of these materials at no charge.

**Who Can Vote.** You are entitled to notice of and to vote at the Annual Meeting if you were a stockholder of record at the close of business on March 23, 2015.

**Shares Outstanding.** On March 23, 2015, there were 241,655,699 shares of common stock outstanding. A list of stockholders entitled to vote at the meeting is available at our corporate office and will also be available at the meeting. Each share is entitled to one vote on each matter properly brought before the meeting.

**Annual Meeting Webcast.** We will be webcasting this year's Annual Meeting. You may access the webcast at [www.steeldynamics.com](http://www.steeldynamics.com) under "Investor Center Annual Meeting." Aside from our Proxy Statement and form of proxy, no other information on our website, including the audio webcast, is to be considered a part of our proxy soliciting materials.

**Voting of Shares.** If your shares of common stock are registered in your name with our transfer agent, Computershare Trust Company, N.A., you are the stockholder of record. But if your shares are held in the name of a broker, custodian, bank, or other nominee, that person is the stockholder of record and you are only considered the "beneficial" owner.



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**Voting Shares Held by Brokers, Custodians, Banks or Other Nominees.** Many stockholders' shares are held by brokers, banks, custodians or other nominees ("Broker Held Shares"). In this situation, the "registered holder" on our stock register is that particular broker, bank, custodian or nominee. This is referred to as holding shares in "street name." In such cases, your name, as the actual "beneficial owner," does not appear in our stockholder register. Therefore, for Broker Held Shares, distributing the proxy materials and tabulating votes is a two-step process. The broker first informs us how many of their clients are beneficial owners, and we provide them with that number of sets of proxy materials. *Each broker then forwards the proxy materials to its clients*, who are the beneficial owners, *to obtain their voting instructions*. If you receive a paper copy of the proxy materials from your broker, the accompanying return envelope is addressed to return your executed proxy card to your broker. Shortly before the meeting, each broker totals the votes and submits a proxy card to our vote tabulator reflecting the aggregate votes of the beneficial owners for whom it holds shares.

For this reason, if your shares are held by your broker, you should follow your broker's instructions included on that form.

**If you do not give your voting instructions to your broker, your broker may not be able to vote your shares.** Under applicable rules of self-regulatory organizations governing brokers, your bank, broker, custodian or other nominee will be able to vote your shares only with respect to so-called "discretionary" items, not with respect to "non-discretionary" items. Discretionary items are proposals considered routine under the rules of the New York Stock Exchange, under which your broker may vote shares held in street name, even in the absence of your voting instructions. For the 2015 Annual Meeting, the only discretionary item is Proposal No. 2, the ratification of the selection of our independent auditors. *On the other non-discretionary items*, including the *Election of Directors* (Proposal No. 1), the *Approval of the Steel Dynamics, Inc. 2015 Equity Incentive Plan* (Proposal No. 3) and the non-binding *Advisory Vote to Approve the Compensation of the Named Executive Officers* (Proposal No. 4), *if you do not give voting instructions to your broker, those shares will not be voted and will be treated as "broker non-votes."*

**Voting Shares Held in Your Name.** If you are the record owner and whether you have received a paper copy of these proxy materials or only a Notice of Internet Availability of Proxy Materials, you may vote your shares only if you do so in person at the Annual Meeting, if you submit your instructions by telephone or on the Internet following the instructions contained in these proxy materials, or by proxy if you properly fill in and sign your proxy card and mail it in the enclosed, prepaid and addressed envelope. Your "proxy" that is, the persons named in your proxy card will then vote your shares as you have directed.

*With respect to shares you hold in your own name*, if you send in your proxy and do not revoke it, your shares will be voted in accordance with your instructions, or if you do not specify how you want your shares voted with respect to one or more proposals, your shares will be voted FOR Proposal No. 1 (the election as directors of all nominees listed under "Election of Directors"); FOR Proposal No. 2 (the "Ratification of the Appointment of Independent Registered Public Accounting Firm as Auditors"); FOR Proposal No. 3 (the "Approve the Steel Dynamics, Inc. 2015 Equity Incentive Plan"); and FOR Proposal No. 4 (the non-binding "Advisory Vote to Approve the Compensation of the Named Executive Officers").

We realize that most of you will probably not be able to attend the meeting in person. Therefore, regardless of whether you are the record owner or the beneficial owner, it is very important that your shares be represented by proxy. We can only take action at the Annual Meeting, with respect to a particular matter, if a quorum, or majority, of the total number of shares of common stock outstanding and entitled to vote on that matter is present at the Annual Meeting, in person or by proxy. *Therefore, we are asking for your proxy to authorize the persons named in the proxy to be present at the Annual Meeting, to represent you, and to vote your shares at the Annual Meeting in accordance with your instructions.*



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**Required Vote.**

*Quorum.* The presence, in person or by proxy, of the holders of a majority of the shares entitled to vote at the Annual Meeting is necessary to constitute a quorum for all purposes and all proposals.

*Election of Directors.* For purposes of the election of directors (Proposal No. 1), a director nominee will be elected if he or she receives a majority of the votes cast FOR that person. However, in the event that a nominee receives a "WITHHOLD" vote (which shall be deemed a vote *against* that nominee) of greater than 50% of the votes, that nominee will be subject to the Board's automatic resignation policy and, therefore, will be deemed to have resigned as a director, subject only to the Board's ability, in the exercise of its discretion, to override the resignation if, upon a consideration of all pertinent factors, the Board makes an affirmative determination that accepting such resignation would not be in the best interest of the Company and its stockholders.

Accordingly, you may vote "FOR ALL" of the director nominees, "WITHHOLD ALL" of the director nominees, or "WITHHOLD" your vote from one or more nominees by checking the "For All Except" box and writing in the name of the director or directors *from whom you want to withhold your vote*. Checking the "For All Except" box for that nominee will have the same effect as a vote "AGAINST" that nominee and will trigger that nominee's resignation if the total "WITHHOLD" votes for that nominee aggregate more than 50% of the total votes cast for or withheld from, and therefore, deemed as voted against that nominee.

*Other Proposals.* For all proposals, *other than Proposal No. 1* (the election of directors), the affirmative vote of a majority of the shares represented, in person or by proxy, and entitled to vote on the item will be required for approval. On such matters, you may vote "FOR," "AGAINST" or "ABSTAIN." A proxy marked "Abstain" with respect to an item will not be voted, although it will be counted for purposes of determining whether there is a quorum. Accordingly, an abstention will have the same effect as a negative vote.

**Your Choices on How to Vote by Proxy.** We are offering you four possible choices of how to vote by proxy:

Mail: if you have received a paper copy of these proxy materials, by marking, signing, dating and returning your enclosed proxy card in the enclosed envelope (if your shares are registered directly in your name) or by voting card (if your shares are registered in the name of your broker);

Telephone: if you have received a paper copy of these proxy materials, by using the toll-free telephone number and instructions shown on your proxy or voting card, if your shares are registered directly in your name or, if not, if this option is also offered by your bank or broker;

Internet: whether in paper form or by Notice only, by using the web site information and instructions listed on your proxy or voting card or in the form of Notice, if your shares are registered directly in your name or, if not, if this option is also offered by your bank or broker; and

In person at the meeting.

We anticipate that telephone and Internet voting will be available 24 hours a day, 7 days a week. Both the Internet and telephone voting instructions are designed to prompt you on how to proceed, and you will be able to confirm that your instructions have been properly received and recorded. For both of these methods, you will also need a control number, which is noted on your proxy or voting card or, in the case of Internet voting, in the Notice if you did not receive a paper copy of the proxy materials. The telephone and Internet voting facilities will close at 11:59 p.m. EDT on May 20, 2015.

The method by which you vote will not limit your right to vote in person at the meeting if you decide to attend the meeting.

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We do not know of any business to be transacted at the Annual Meeting, other than those matters described in this Proxy Statement. However, should any other matters properly come before the Annual Meeting, including consideration of a motion to adjourn the meeting to another time or place in order to solicit additional proxies in favor of the recommendations of the Board of Directors, the persons named as proxies and acting thereunder will have the discretion to vote on those matters according to their best judgment, to the same extent as the person granting the proxy.

**Revocation of a Proxy.** You may revoke your proxy at any time before it is voted at the meeting in one of four ways:

Notify our Chief Financial Officer, Theresa E. Wagler, in writing and before the meeting;

Submit another proxy with a later date than your earlier proxy;

Vote by telephone or Internet on a later date than the date you earlier voted; or

Vote in person at the meeting.

**Multiple Stockholders Sharing the Same Address.** Under rules adopted by the SEC, we are permitted and have delivered a single copy of our Proxy Statement and Annual Report, or notice of availability of these materials, to stockholders sharing the same last name and address. This process, called house holding, allows us to reduce the number of copies of these materials that we must print and mail. However, if you share the same last name and address with other Steel Dynamics stockholders and would like to stop house holding for your account, you may contact our Investor Relations Department in the manner described below under the heading "Investor Relations Department," including your name, address, and account number.

**Cost of Preparing, Mailing and Soliciting Proxies.** We will pay all of the costs of preparing, printing and mailing this Proxy Statement and of soliciting these proxies. We will ask brokers to forward the proxy materials, our 2014 Annual Report and our Form 10-K to the persons who were our beneficial owners on the record date. We will also reimburse such brokers for their expenses incurred in sending proxies and proxy materials to our beneficial owners.

In addition, proxies may be solicited on our behalf in person, or by telephone, e-mail or other electronic means, by our officers, directors, and employees who will receive no additional compensation for soliciting. We have also engaged the firm of Okapi Partners to assist us in the solicitation of proxies. We have agreed to pay Okapi Partners a fee of approximately \$7,500 plus expenses for these services.

**Voting Results.** We will publish the voting results on our Company's website at [www.steeldynamics.com](http://www.steeldynamics.com) under "Investor Center" following the Annual Meeting as well as in a current report on Form 8-K, which we will file with the SEC within four business days following the Annual Meeting.

**Investor Relations Department.** You may contact our Investor Relations Department in one of three ways:

Writing to Steel Dynamics, Inc., Investor Relations Department, 7575 West Jefferson Blvd., Fort Wayne, Indiana 46804;

E-mail to [investor@steeldynamics.com](mailto:investor@steeldynamics.com); or

Phone the Investor Relations Department at 260.969.3500.

**Stockholder Communications with Directors.** If you wish to communicate with the Board of Directors, our non-executive Chairman of the Board, our Lead Independent Director, any individual director, or any particular Board committee, you may do so by sending a communication, marked "Stockholder Communication," in care of our Chief Financial Officer at our corporate offices, 7575

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West Jefferson Blvd., Fort Wayne, Indiana 46804. Your letter should describe your share ownership and how held. Our Chief Financial Officer will review each such communication and, depending upon the subject matter, will either forward the communication to the director or committee chair to whom it is addressed, or, as appropriate, to our non-executive Chairman of the Board, to our Lead Independent Director or to the Company's legal counsel. Our Chief Financial Officer may also attempt to deal with the subject matter directly where it is a request for general information about the Company, or may elect to not forward or act on the matter where it consists of junk mail, contains resumes, is primarily commercial in nature, involves personal grievances or is otherwise irrelevant to the Board governance process.

**Governance of the Company**

**Governance Policy.** Our business affairs are managed under the direction of our Board of Directors in accordance with the Indiana Business Corporation Law and our Amended and Restated Articles of Incorporation and Bylaws. The role of our Board of Directors is to effectively govern the affairs of the Company for the benefit of our stockholders and other constituencies. The Board strives to ensure the success and continuity of the Company and its mission through the election and appointment of qualified management, which regularly keeps Board members informed regarding our business and regarding our industry. The Board is also responsible for ensuring that Steel Dynamics, Inc.'s activities are conducted in a responsible and ethical manner. We are committed to the maintenance of sound corporate governance principles.

We operate under corporate governance principles and practices that are reflected in a set of written Corporate Governance Policies, which is available on our Company's website at [www.steeldynamics.com](http://www.steeldynamics.com) under "Investor Center Corporate Governance." These include the following principles:

At least a majority of our directors and all of the members of our Audit, Compensation and Corporate Governance and Nominating Committees are required, at a minimum, to meet, and do meet, all applicable objective and subjective standards, including the Nasdaq Listing Rules for director independence, as more fully described in the discussion of "Director Independence" below.

Our Board and each Board committee have the authority to engage independent legal, financial or other advisors as they deem necessary, at our expense.

Our Board, at least annually, engages in a strategic planning meeting, during which it reviews and assesses our business strategies, although board-level discussions involving strategic issues occur regularly, as appropriate, throughout the year.

Independent and non-employee directors meet in executive session no less than quarterly.

Our Board and Board committees conduct an annual self-evaluation.

Our Board regularly reviews succession planning and related consideration of corporate talent development issues at all critical management levels, and, with respect to Chief Executive Officer and senior management succession, no less than annually.

Directors have unrestricted access to our officers and employees.

Our independent directors utilize input from the Corporate Governance and Nominating Committee and from the Compensation Committee to conduct an annual review of our Chief Executive Officer's performance.

**Board Leadership Structure.** Mr. Keith E. Busse serves as our non-independent, non-executive Chairman of the Board. If elected at the Annual Meeting, Mr. Busse will continue to serve as a member of our Board of Directors and, if so appointed again by the Board, as its

non-independent,

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non-executive Chairman. Since 2010, the Board has operated with a Lead Independent Director, selected annually from among the independent directors. James C. Marcuccilli served as our Lead Independent Director during 2014. Mr. Marcuccilli, if elected at the Annual Meeting, will continue to serve as a member of our Board of Directors and, if so appointed again, as the Board's Lead Independent Director. The Chairman and Lead Independent Director serve at the pleasure of the Board and are appointed annually following the Annual Meeting.

The non-executive Chairman presides at meetings of the Board and assists the Chief Executive Officer and Lead Independent Director in establishing the agenda for Board meetings. The non-executive Chairman is also available to perform other functions and responsibilities as may be requested by the Chief Executive Officer, the Lead Independent Director, or the Board, from time to time.

The Lead Independent Director presides at all Board meetings at which the Chairman is not present, presides at all meetings of the executive sessions of the independent directors, serves as a liaison between management and the Board as well as between the Chairman and the independent directors, approves Board meeting agendas, assists the Board committee chairs in preparing agendas for the respective committee meetings, and has the authority to call meetings of the independent directors. In addition, he may perform such other functions and responsibilities as may be requested by the Board or the independent directors from time to time. The Lead Independent Director also serves as the Chair of the Board's Succession Planning Committee. The Lead Independent Director also has the authority to call additional executive sessions of the independent directors, in addition to those that are pre-planned. The Board considers that the Lead Independent Director's active involvement in the foregoing functions and activities will ensure the Board will be able to maintain an appropriate level of independent oversight over its critical information flow and decision-making processes.

**Board's Role in Risk Oversight.** The Board oversees the Company's risk management processes, including the identification of risk areas and issues and the oversight of risk assessment and risk management. Management reviews the processes with the full Board on a rolling periodic basis, by subject matter, including identification of key risk areas, including a consideration of the relationship between elements of risk and the Company's strategic planning process and key strategies as well as the Company's risk tolerance, and the steps taken to address them. More specifically, our Chief Financial Officer, in consultation with our Chief Executive Officer, business unit leaders, the corporate treasurer, internal audit director, legal counsel, and other necessary individuals, regularly undertakes various risk assessment analyses involving the principal risks we face, both separately and comprehensively; assessing how and in what ways these risks affect or may affect the Company or our operations; and how management, through compliance training, best practices awareness, and implementation of various programs and practices, identifies, evaluates, and undertakes to mitigate these risks. Whether involving financial, credit, tax, operational, electronic data systems, safety, environmental, employment-related, trade, regulatory, litigation, or other legal risks, management, in addition to its reports to the Board, periodically reports to:

the *Audit Committee*, regarding:

- (i) risks related to its duties and responsibilities prescribed in its charter;
- (ii) management's policies and processes for risk assessment and risk management and its periodic evaluation of the Company's risks and the steps management is taking, or proposes to take, to monitor and mitigate those risks; and
- (iii) the status and reasonableness of its disclosure controls and Sarbanes-Oxley Section 404 controls;

the *Compensation Committee*, regarding risk assessment and mitigation activities related to our compensation programs, policies and practices, to ensure that they do not encourage or

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engender unreasonable risk-taking or risk-inducing practices that might adversely impact stockholders and long-term stockholder value, and how such factors must be considered in formulating and reviewing our compensation programs, policies, and practices. Because:

- (i) our incentive compensation at the senior corporate and senior divisional level is team-based and, during 2014, was based, at the corporate level, on the Company's consolidated pre-tax income in excess of a pre-established minimum percentage return of stockholders equity and was based, at the divisional level, on profitability in excess of a return-on-assets hurdle rate;
- (ii) our annual incentive compensation at the operational or production level is also team-based and is based upon quality and volume of production and upon the cost to convert raw materials to quality finished products;
- (iii) our long-term performance based incentive compensation is based on how the Company performs on four key Company-wide operating metrics (revenue growth, operating margin, return on invested capital, and return on equity) as compared to a pre-established group of our steel sector competitors over a rolling three-year period; and
- (iv) our compensation programs do not reward risk-taking for short-term gain. We believe that the risks associated with our compensation policies and practices are within our ability to effectively monitor and manage and that these risks are not reasonably likely to have a material adverse effect on the Company; and

the *Corporate Governance and Nominating Committee*, regarding the risks related to the duties and responsibilities prescribed in its Charter, including:

- (i) the institution, oversight, and monitoring of the Company's good governance best practices;
- (ii) the oversight of the Company's company-wide and senior officer level ethics rules and practices; and
- (iii) maintenance of effective Board representation by ensuring that thoughtful, well qualified and diligent people are selected as director candidates and as committee members.

**Committees and Meetings of the Board of Directors.** During 2014, the Board of Directors had three standing committees: an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee. Our Compensation Committee consisted of four directors. Our Audit Committee and our Corporate Governance and Nominating Committee each consisted of five directors.

The Board, together with management, periodically reviews the applicable provisions of the Sarbanes-Oxley Act of 2002, the Dodd-Frank Act, the rules of the SEC, pertinent provisions of the Internal Revenue Code of 1986 (the "Code"), and the Listing Rules of the Nasdaq Stock Market regarding corporate governance policies, processes, and listing standards, including applicable audit and compensation committee independence standards. In conformity with such requirements, the committees of the Board operate under written charters. All three committees, the Audit Committee, the Compensation Committee, and the Corporate Governance and Nominating Committee, updated and revised their charters during 2013 to take into account increased charter, legislative, regulatory and listing standards requirements as well as other governance changes. We also operate under a set of Corporate Governance Policies, which were also updated and revised during 2013. The Audit Committee Charter, the Compensation Committee Charter, the Corporate Governance and Nominating Committee Charter, and the Corporate Governance Policies, all as amended, may be found on our Company's website, at [www.steeldynamics.com](http://www.steeldynamics.com) under "Investor Center Corporate Governance", or by writing to Steel Dynamics, Inc., Attention: "Investor Relations Department," 7575 West Jefferson Blvd., Fort Wayne, Indiana 46804 and requesting copies.

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The members of each committee, and the chair of each committee, are appointed annually by the Board. Each committee had the following members during 2014:

	<b>Corporate Governance and Nominating</b>	<b>Compensation</b>	<b>Audit</b>
Mark D. Millett			
Richard P. Teets, Jr.			
John C. Bates			
Keith E. Busse			
Frank D. Byrne, M.D.	x	x	
Traci M. Dolan		x	Chair
Paul B. Edgerley			x
Dr. Jürgen Kolb	x		x
James C. Marcuccilli	Chair	x	x
Bradley S. Seaman	x		x
Gabriel L. Shaheen	x	Chair	
<b>Committee Meetings Held</b>	<b>4</b>	<b>4</b>	<b>8</b>

The Board also has a Succession Planning Committee. The Succession Planning Committee works with management and with the Board to review, monitor, and make recommendations regarding the succession planning process and procedures at all senior levels, including those relating to the Chief Executive Officer, and to the identification, development, and promotion of critical talent at senior management levels to address both planned leadership transition and unexpected transition challenges. The Succession Planning Committee consists of the Lead Independent Director and the chairpersons of each of the three other standing committees. The Succession Planning Committee consisted of four members during 2014 and was chaired by James C. Marcuccilli, our Lead Independent Director and chairperson of our Corporate Governance and Nominating Committee.

The Board held eight regularly scheduled and special meetings during 2014. All directors attended at least 75% of those meetings as well as the meetings of each of the committees on which they served. The Company's independent directors met in executive session four times during 2014, without management present.

We encourage all members of the Board to attend our Annual Stockholders Meeting. At the 2014 Annual Meeting, all of the Board members were in attendance.

**Director Independence.** Each of our Audit, Compensation, and Corporate Governance and Nominating Committee charters require that each member of each committee meet the following:

all applicable criteria defining "independence" prescribed from time to time under Rule 5605(a)(2) of the Listing Rules for Nasdaq-listed companies as well as those additional independence requirements for Audit Committee members prescribed pursuant to Rule 10A-3(b)(1) under the Securities Exchange Act of 1934, as amended (the "Exchange Act");

the enhanced standards of independence, in effect during 2014, applicable to compensation committee members, including the requirement to consider the impact upon independence of the receipt of any consulting, advisory, or compensatory fee paid by the company (other than board fees), or of the existence of any "affiliate" relationship between the member and the company or any of its subsidiaries or affiliates;

the criteria for a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act; and



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the criteria for what constitutes an "outside director" within the meaning of Section 162(m) of the Code.

The Board must also annually make both an objective and an affirmative subjective determination that all such "independence" standards have been, and continue to be, met by the independent directors and members of each of our three standing committees as well as the additional heightened independence standards prescribed by SEC and Nasdaq Listing Rules for audit committee and compensation committee members. To be found to be objectively independent, each director must be neither an officer nor an employee of Steel Dynamics, Inc. or any of its subsidiaries, nor an individual that has any relationship with Steel Dynamics, Inc. or any of its subsidiaries, or with management (either directly or as a partner, stockholder or officer of an entity that has such a relationship) which, in the Board's opinion, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In addition, a director is presumptively considered not independent if:

the director or a family member, directly or indirectly through either a family or entity relationship, received any payments from Steel Dynamics or any of its subsidiaries, during any period of twelve consecutive months within the preceding three years, (other than for Board or Committee service, from investments in the Company's securities, or from any Company retirement plan) relating to the provision of accounting, consulting, legal, investment banking, or financial advisory services;

the director has received, or has an immediate family member who has received, during any 12-month period within the last three years, more than \$120,000 in direct compensation from the Company, other than director and committee fees;

the director is a family member of a person who is, or at any time during the three prior years was employed as an executive officer by Steel Dynamics or any of its subsidiaries;

the director is, or has a family member who is, a partner in, an executive officer or controlling stockholder of any entity to which Steel Dynamics made, or from which Steel Dynamics received payments for property or services, in the current or prior three years, that exceed 5% of the recipient's consolidated gross revenues for that year, or \$200,000, whichever is more (other than, with other minor exceptions, payments arising solely from investments in the company's securities);

the director is, or has a family member who is, employed as an executive officer of another entity where, at any time within the prior three years, any of Steel Dynamics' executive officers served on the compensation committee of the other entity; or

the director is, or has a family member who is, a current partner of Steel Dynamics' outside auditors, or was a partner or employee of that outside auditor who worked on the Company's audit at any time during the prior three years.

The Board made its independence determination with respect to each director for calendar year 2014 and for each director nominee for election to the Board of Directors at the 2015 Annual Meeting. The Board has similarly made an additional affirmative determination of independence with respect to each member of the Audit Committee and the Compensation Committee, under the special audit committee and compensation committee independence criteria set forth under applicable SEC rules and Nasdaq Listing Rules.

The Board determined that during 2014 seven of the eleven members of our Board of Directors, Frank D. Byrne, M.D., Traci M. Dolan, Paul B. Edgerley, Dr. Jürgen Kolb, James C. Marcuccilli, Gabriel L. Shaheen and Bradley S. Seaman, met all independence requirements thus, at all times constituting more than a majority of the eleven member Board. The Board has determined that, if elected at the 2015 Annual Meeting, of the eleven persons nominated as candidates for election as

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directors, the same seven directors would continue to meet all such independence criteria. The Board also determined that during 2014 and, if elected at the Annual Meeting, during 2015, four of our eleven directors, John C. Bates, Keith E. Busse, Mark D. Millett and Richard P. Teets, Jr., were and will continue to remain non-independent. Mr. Millett and Mr. Teets are, and will continue to be, considered non-independent because of their current employment. Mr. Busse is considered objectively non-independent as a result of his three-year consulting agreement which ended on December 31, 2014. Mr. Bates is considered non-independent as a result of ownership and control of Heidtman Steel Products, Inc. ("Heidtman"), which purchases steel from our Company, representing 3% of consolidated net sales for 2014.

***The Corporate Governance and Nominating Committee***

The Corporate Governance and Nominating Committee is responsible, among other things, for:

reviewing and evaluating developments in corporate governance practices, and reviewing and recommending to the Board effective corporate governance policies and procedures and appropriate charter provisions applicable to the Company as well as Board organization, size and composition;

establishing criteria for and identifying, evaluating, and recommending for election as directors both incumbent and prospective nominees who fit within the Committee's and the Board's criteria of board member requirements, and who, by virtue of their background, knowledge, attributes, skills, business, financial, and life experience and expertise, are willing and able to actively and materially contribute as a board member for election by Steel Dynamics' stockholders at each Annual Meeting, or for appointments by the Board to fill any director vacancies;

identifying Board members for assignment to various Board committees;

drafting and overseeing a Code of Ethics for Principal Executive Officers and Senior Financial Officers, a Company-wide Code of Business Conduct and Ethics, and from time to time such other policies as are necessary or appropriate in the interest of good governance practices (such as the policies listed below), copies of the foregoing policies are available on our Company's website at [www.steeldynamics.com](http://www.steeldynamics.com) under "Investor Center Corporate Governance":

Statement of Policy for the Review, Approval or Ratification of Transactions With Related Persons;

Policy Pertaining to Related Party Relationships;

Policy on Recoupment of Incentive-Based Executive Bonuses in the Event of Certain Restatements;

Policy Regarding Insider Trading and Certain Prohibited Transactions (Prohibition on Hedging, Short-Term Trading, and Options, and Restrictions on Pledging);

Antitrust and Commercial Fair Dealing Policy; and

Policy Governing the Receipt, Retention and Treatment of Complaints Regarding Accounting, Internal Accounting Controls, Auditing Matters, or Other Business or Financial Misconduct.

determining, recommending to the Board, or rendering advice regarding applicable statutory, regulatory or Nasdaq Listing Rules "independence" requirements for board or committee membership as well as rendering objective and subjective independence determinations; and



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reviewing and evaluating, at least annually, the performance of Board and Board committee members and making recommendations to the Board concerning the number, function, and composition of the Board's committees.

**Director Nomination Process.** When considering a proposed candidate for nomination as a director for consideration by stockholders at an Annual Meeting or when a vacancy occurs on the Board, including a vacancy created by an increase in the number of directors, the Corporate Governance and Nominating Committee first identifies any potential gaps of skillsets, or additional skills that are or may be warranted and then identifies potential nominees to fill the need. Proposed nominees may be referred or recommended to the Committee from many different sources, including but not limited to members of the Committee, by other directors, by outside persons or advisors, by a stockholder in accordance with the procedures described below, or under the direction of the Committee and for its consideration at approval, by an outside independent professional firm.

The Committee reviews background information on each proposed nominee, including the proposed nominee's accomplishments, experience, and skills. In addition to a candidate's inventory of skills and substantive qualifications, the Committee looks for various other demonstrated attributes, including:

business acumen;

financial literacy;

integrity;

independence;

informed judgment and practical wisdom;

collegiality;

a commitment to represent the long-term interests of the Company and its stockholders;

a willingness to devote the necessary time and attention to the Company's business and the needs of the Board, and its committees; and

the nominee's ability to work in and help maintain a productive environment.

Additionally, the Committee considers industry knowledge, operational knowledge, international knowledge and other experiences, including safety, logistics, legal/governmental/regulatory, information technology and environmental as part of the director nomination process.

Generally, the members of the Corporate Governance and Nominating Committee first consider current Board members for re-nomination to the extent they have determined that these persons, through their prior performance, have demonstrated that they meet the applicable criteria and have developed a valuable in-depth knowledge of the Company, its history, its strengths and weaknesses, and its goals and objectives. In the case of a proposed nominee recommended by a stockholder, the Corporate Governance and Nominating Committee may take into account the number of shares held by the recommending stockholder and the length of time that such shares have been held.

**Stockholder Nominations.** The Corporate Governance and Nominating Committee will consider suggestions from stockholders for

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potential director nominees. In order to provide the Committee sufficient time to evaluate proposed nominees, a stockholder desiring to recommend a proposed nominee for consideration by the Committee, for nomination at the 2016 Annual Meeting of Stockholders, should send any such recommendation to Steel Dynamics, Inc., Attention: Chief Financial Officer, 7575 West Jefferson Blvd., Fort Wayne, Indiana 46804, no later than December 10, 2015, who will then forward it to the Committee. Any such recommendation should include a description of the proposed nominee's qualifications for Board service, the proposed nominee's written consent to be

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considered for nomination and to serve if nominated and elected, stock ownership information, including date or dates of purchase, the proposed nominee's resume, information regarding any relationship, as well as any understandings between the proposing stockholder, the proposed nominee, and any other person or organization regarding the proposed nominee's board service, if elected, and the addresses and telephone numbers for contacting the stockholder and/or the proposed nominee for more information.

*The Compensation Committee*

The Board determined that all members of the Compensation Committee were independent during 2014 within the meaning of Rule 5605(a)(2) of the Nasdaq Listing Rules as well as Rule 5605(d)(2)(A) of the Nasdaq Listing Rules (which contains the enhanced Nasdaq independence standards applicable to compensation committee members) and has also met the definition of a "non-employee director" within the scope of Exchange Act Rule 16b-3, and met the definition of an "outside director" within the meaning of Section 162(m) of the Code.

The Compensation Committee is responsible, among other things, for:

establishing, reviewing, and approving corporate goals and objectives relating to our Chief Executive Officer's and Named Executive Officers' compensation;

evaluating our Chief Executive Officer's and other executive officers' as well as the Company's overall performance, at least annually, in light of those corporate goals and objectives and determining and approving their compensation based on this evaluation;

reviewing and approving the Company's executive compensation plans and agreements, including its equity-based plans; and, at least annually, reviewing the operation of all such plans and agreements and assessing the relationship between the Company's overall compensation policies and practices and financial risk;

exercising general oversight with respect to the Company's compensation agreements and incentive and equity-based plans relating to our Chief Executive Officer and other executive officers;

reviewing and making recommendations to the Board, taking into account Company performance and the duties and responsibilities of each board or committee position, regarding compensation of non-employee Board members;

overseeing regulatory compliance with respect to compensation matters and engaging the services of independent professional compensation consultants and advisors, with costs paid by the Company;

reviewing and determining compliance, with respect to each Committee member, of all required objective and subjective factors governing independence as well as the independence of the Committee's advisors, including its compensation consultants and advisors;

acting as the "Administrator" or "Committee" in connection with the operation and administration of our equity and cash-based incentive compensation programs, with the authority to approve and authorize both equity and cash-based awards, options, and grants thereunder; and

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