2013 SUSTAINABILITY PERFORMANCE

Constellium

Altogether more sustainable

Contents

KEY PICTOGRAM
Through its Sustainability Roadmap, Constellium indentified 12 main targets.
You can find them through this report thanks to this symbol.

Altogether
more sustainable

WE ARE COMMITTED TO DEVELOPING, PRODUCING AND SELLING SUSTAINABLE **PRODUCTS** THAT MEET OUR CUSTOMERS' NEEDS NOW AND IN THE FUTURE.

WE WILL

1. Maximize recycling rates of our products, including after end of use life
2. Continuously innovate and offer lighter, safer and infinitely recyclable solutions

WE ARE COMMITTED TO ENSURING OUR **PEOPLE** ARE SAFE, SKILLED, MOTIVATED AND ENGAGED.

WE WILL

1. Protect the safety and health of our employees, contractors and visitors as a top priority
2. Strive to enhance employee engagement and development

WE ARE COMMITTED TO MINIMIZING THE ENVIRONMENTAL IMPACT OF ALL OUR **OPERATIONS** IN TERMS OF ENERGY, WASTE AND WATER.

WE WILL

1. Further develop recycling
2. Optimize the use of natural resources, especially energy
3. Prevent and minimize environmental impacts

WE ARE COMMITTED TO UNDERTAKING THE HIGHEST STANDARDS OF **GOVERNANCE** OF OUR ACTIVITIES IN LINE WITH CONSTELLIUM'S VALUES.

WE WILL

1. Subscribe to the highest levels of transparency and accountability and commit to develop company and industry sustainability programs
2. Promote the adoption and implementation of sustainability policies by our suppliers and contractors

SUSTAINABILITY PROGRAMS

Our approach **to sustainability**

Constellium's key objective is to improve the sustainability of its operations and of the whole industry, while being fully transparent about the progress it achieves. These activities involve working closely with the following international organizations.

CDP: a forum for sustainability

The Carbon Disclosure Project (CDP) offers companies a forum for disclosing information and metrics regarding their sustainability. Constellium participated in the CDP for a second time in 2013 – disclosing its greenhouse gas emissions and actions against climate change, providing more detailed information than in its 2012 submission.

EcoVadis: performance monitoring

A rating agency that specializes in sustainable development and ethics, EcoVadis offers a collaborative platform that allows companies to assess the environmental and social performance of their suppliers worldwide. In 2013, EcoVadis awarded Constellium the Silver Recognition Level rating for its sustainability performance.

UN Global Compact: key principles

The world's largest voluntary CSR initiative allows enlightened companies to become partners of the UN for a sustainable and inclusive global economy. As a signatory, Constellium undertakes to align its strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

ASI: an industry initiative

Constellium is a founding member of the Aluminium Stewardship Initiative (ASI), which aims to produce a global standard of sustainability for the aluminium industry by the end of 2014. The standard will define principles and performance criteria for the supply chain – from bauxite mining through to recycling – in terms of governance, environmental and social practices. The standard-setting group features 14 companies and 15 non-industry bodies with expertise in sustainability and governance.

GRI: a reporting framework

Recognized internationally, the Global Reporting Initiative (GRI) provides a voluntary framework for the drawing up of companies' sustainability reports. In 2013, Constellium's Sustainability Report 2012 ('Altogether more sustainable') received a check level A for its level of disclosure.

TARGETS AND PERFORMANCE

OBJECTIVES	TARGETS	PROGRESS
PRODUCTS DEVELOPING, PRODUCING AND SELLING SUSTAINABLE PRODUCTS: MEETING NEEDS AND REDUCING THE ENVIRONMENTAL IMPACT OF OUR CUSTOMERS NOW AND IN THE FUTURE	75% beverage can recycling rate in Europe by 2015	↗
	All major new innovation projects through LCA by 2015	↗
	10% of sales from innovative products by 2015	↗
PEOPLE ENSURING OUR EMPLOYEES ARE SAFE, SKILLED AND MOTIVATED WITH ETHICAL BEHAVIORS AND REGULATORY COMPLIANCE	60% improvement in recordable cases by 2014	→
	No serious injuries in 2015	→
	50% improvement in employee contributions by 2014	↗
	75% participation rate in the employee survey in 2014	NA
	6-point improvement in the employee satisfaction rate in 2014	NA
OPERATIONS MINIMIZING THE ENVIRONMENTAL IMPACT OF ALL OUR OPERATIONS IN THE FOLLOWING KEY AREAS: ENERGY, WATER AND WASTE	10% decrease in energy consumption per processed unit by 2015	↗
	Major European sites reaching ISO 50001 certification by 2015	↗
	75% total landfill reduction by 2020	→
GOVERNANCE SUBSCRIBING TO THE HIGHEST LEVELS OF TRANSPARENCY AND ENSURING A RESPONSIBLE SUPPLY CHAIN	100% of key suppliers joining the UNGC by 2015	→

NA Not available → Needs improvement ↗ On track

INTERVIEW

The road **to a sustainable future**

Constellium's Chief Executive Officer Pierre Vareille and Laurent Musy, Chairman of the Constellium Sustainability Council, discuss the company's sustainability agenda and performance over the past year, and the challenges it faces in the years ahead.

How would you define Constellium's approach to sustainability?

Pierre Vareille: Sustainability means a license to operate, at least in some markets, and is clearly growing in importance. Our portfolio of products helps sustainability worldwide particularly through lightweighting of cars and airplanes for instance, thereby reducing both energy consumption and CO_2 emissions. In addition, all aluminium products can be recycled, whether it is after a useful life of a few weeks for a beverage can or after more than 20 years for an aircraft. When you combine the savings made during the use phase and at the time of recycling, you offer a solution to sustainability challenges. Yet sustainability doesn't stop at CO_2 emissions as it encompasses many more topics that Constellium must address. These range from customer satisfaction to community engagement and responsible purchasing. Having not only sustainable products but also sustainable activities is key for our core markets.

What were the key events of 2013 for Constellium in terms of sustainability?

Laurent Musy: Constellium's engagement goes beyond its products. Indeed, we have been witnessing a great deal of progress at our plants, thanks largely to the LEAN transformation. In terms of sustainability KPIs, we continued to improve energy efficiency and we remain on course for ISO 50001 certification at all our main European sites. The Constellium Sustainability Council is meeting on a regular basis, the Aluminium Stewardship Initiative (ASI) is making good progress on a standard of governance for the industry, and our reports to the Carbon Disclosure Project and Global Reporting Initiative both show improvements. Sales of innovative solutions like AIRWARE® and Body-in-White products, which both have very positive life cycle impacts, are increasing at a spectacular rate.
However, we faced a major disappointment in 2013: safety. We experienced two fatalities (in Levice, Slovakia and Ravenswood, USA) and five additional serious injuries. The safety of our employees and contractors is our first priority – and we failed last year. We are doing everything we can in 2014 to ensure that our safety record, which had seen a decade of annual improvement, returns to its previous level before improving again.
In our 2012 Sustainability Report, we set out a 12-point agenda with each a clear target for improvement over the year ahead. Our performance on safety was clearly unacceptable. More work is also needed in two other targets – supplier engagement and landfill. All the other ones – from employee contributions to energy efficiency, and ISO certification to can recycling – showed progress.

To what extent is sustainability being driven by customers?

PV: I think it's a significant factor and reflects a trend in society in general. People want to buy products that are "responsible" because so much is at stake for the future of the planet. The feedback we get from our customers – and also their customers – is an ever-greater demand for "responsible aluminium" solutions. That means we have to create products that are not just acceptable but are actually requested by the end consumer. It's why we helped to found the Aluminium Stewardship Initiative. We wanted to engage with downstream customers and non-governmental organizations (NGOs); in other words, with people from outside our industry.

Carmakers are increasingly turning to aluminium. How can that demand be met while still maintaining sustainability?

LM: By looking beyond just the production stage and assessing the entire life cycle. Aluminium is excellent for cars and the improvement in fuel consumption and CO_2 emissions over a car's lifetime will more than offset its production footprint. What's more, the aluminium in cars is fully recycled – because it's simply too valuable to go to landfill. It's true that there is a phenomenon of "downcycling" – where alloys of different value are mixed in recycling furnaces, typically to make engine blocks. In the long run, this problem will need to be addressed by the industry as increased volumes from end-of-life vehicles will call for better alloy sorting in order to allow for their recycling in wrought products. Today, better alloy segregation is already needed to extract most of the value from car manufacturing scrap, for instance.

In terms of sustainability, what are the priorities for 2014?

LM: At plant level, there are three of them – with safety undoubtedly being top of the list, followed by energy efficiency and effective recycling. Safety has always been an absolute priority, and there are comprehensive policies and measures already in place to deliver that. I think the challenge is one of focusing our employees on the need for safe behaviors on a day-to-day basis. We've done a lot in terms of implementing new safety systems, but the bulk of the injuries that are still occurring are linked to people's behavior. That said, it's also a management issue; we have to ensure that the rules are clear and simple, that they can be applied and that the rigor and discipline are there to make sure they are followed.

PV: We have been working hard at our plants for many years to improve Environment, Health and Safety (EHS), along with energy consumption. But putting it all together in a single sustainability framework is more recent. It is a long journey and we are still not where we want to be. The publication of our first Sustainability Report last year, along with sustainability targets showed to our employees that individual actions are consistent and part of a global sustainability policy. It is also important to realize that we are part of a value chain and that what we do internally is essential – but cannot be enough. We need to work closely with our suppliers and customers to provide solutions that benefit all stakeholders. That means making sure we buy aluminium in a responsible way, that we recycle as much as possible, and that our products help to meet the CO_2 challenge. We are certainly a very important link in the chain – but ultimately we are only one link. Otherwise we will miss the big picture.

At company level, we have defined four key sustainability themes in our objectives and roadmaps. The first of these is safety. More than an indicator of good management, it is our first ethical responsibility to make sure that our people are safe at work. The second is to provide products that meet

CONSTELLIUM AND THE UN GLOBAL COMPACT

"I am pleased to confirm that Constellium reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of human rights, labor, environment and anti-corruption. We have embedded these principles in our sustainability roadmap including key commitments and action plans, which we share in this report."
Pierre Vareille, Chief Executive Officer

our customers' needs and bring the benefits I mentioned earlier. Even though our own activity is by far not the most energy intensive in the value chain, efficient operations are another key theme, as our plants have energy-consuming processes and produce both emissions and waste. All of these need to be minimized and I think we are doing a good job on that front. We can't ask our suppliers to be more efficient if we are not efficient ourselves. Finally, governance is also an important theme in our approach to sustainability.

What are the plans for energy efficiency and recycling?

LM: Energy efficiency is a mixture of straightforward capital projects and technical improvements on the one hand, but also people's behavior on the other. For example, simply closing a furnace door as soon as possible saves energy, as does switching off lights. People really can make a difference. To encourage that, we have put a lot of effort into communication at shop floor level – which is also an important part of our LEAN transformation program. LEAN is partly about making sure that supervisors and managers are spending most of their time on the shop floor with operators – communicating, motivating and instilling the right rigor and discipline. They need to make sure that people understand and have the right behavior. As for recycling, we're doing a good job on internal aluminium scrap – none of which is wasted. Where we still have room for improvement is to minimize the generation of scrap not only in our plants but also in downstream activities. 2014 is the Year of Quality and that will help reduce internal scrap and improve the quality of products we ship to our customers. Innovative products and solutions will also save metal. But we also keep increasing our recycling capacities. Finally, Constellium is a partner in a wide variety of national and international recycling initiatives – from R&D and sorting projects to scrap collection programs.

How do those objectives fit with the business imperative?

PV: You can't have one without the other. We want to remain the most profitable company in our industry and to do that we need both excellence and sustainability in customer relations, operations and innovation. We cannot have commercial success without satisfied customers, without plants that are working well and without new products. In the long run, financial performance and sustainability performance are linked. It's just good management.

What are the main challenges facing Constellium in terms of sustainability?

LM: The main challenge is the engagement of our people, which is also a key element of the LEAN transformation and its KPIs. We have communication tools, well-defined processes for employee suggestions, participation in improvement workshops and other activities. It's about getting people actively involved in what the company is doing – making people more aware of what customers want and how we provide our solutions. Sustainability clearly has a great deal to do with our products and processes. But ultimately, it all comes down to people.

PV: Five years ago, we had individual sustainability practices, but there was no overall framework. That's what we have now, although it remains a "work in progress" and we still need to bring those individual threads closer together. Five years from now, I would like us to have an agenda that is widely shared across the company, so that people are conscious of sustainability in the work they do, whatever their activity, be it designing a new product or operating machinery.

Finally, would you like your relationship with the wider community to change?

PV: I would like our company to engage more with external stakeholders. For example, we have a dialogue with non-governmental organizations through the ASI, but we don't have NGOs or anyone else directly challenging us on what we are doing on sustainability. Today, the Constellium Sustainability Council is purely internal, but one of my goals is to introduce people from outside. Similarly, I think we should look for opportunities to invite a broader range of stakeholders into our plants. It may sound counter-intuitive, but being challenged on our sustainability will actually help the business – as it will help us to address an issue that I believe will be a key factor in being competitive in the future.

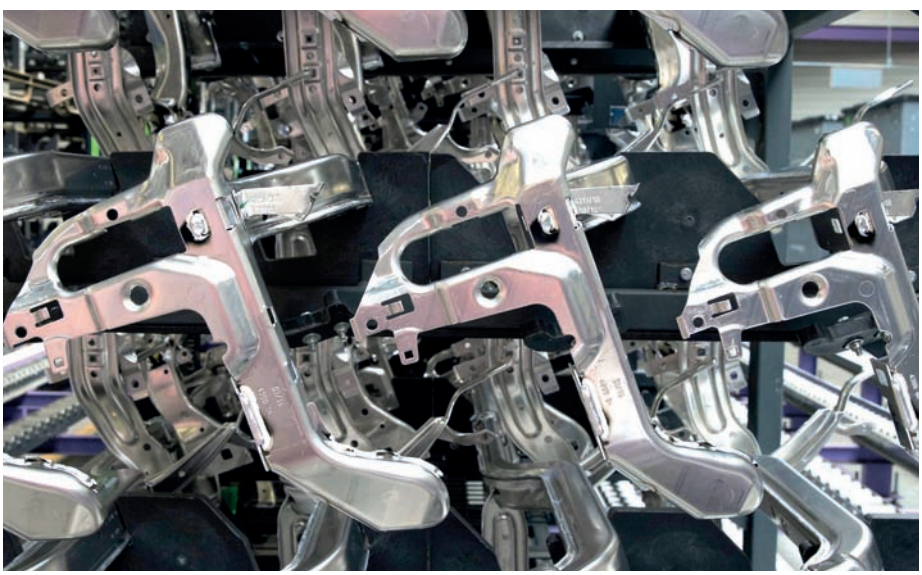
PRODUCTS

MAKING ALUMINIUM COUNT

A portfolio of **sustainable products**

Whether it's the aerospace, automotive or packaging markets, Constellium has developed products that highlight the unique properties of aluminium. With their strong focus on recyclability, innovation and lightweighting, these products were created with our customers' needs in mind.

Far from being an abstract idea, sustainability can actually be seen as Constellium's core product. Its strong, lightweight aluminium alloys help to cut fuel consumption and CO_2 emissions in aircraft and automobiles, while its recycling operations contribute to saving CO_2 emissions. Innovation in all three areas focuses on exploiting aluminium's intrinsic properties: mechanical strength, low density, formability, thermal and electrical conductivity, corrosion resistance, and infinite recyclability.



LIGHTER, STRONGER AND SAFER

From Crash Management Systems that make cars safer and lighter to AIRWARE® technology that cuts weight up to 25% compared with conventional aircraft materials, sustainability is clearly a key driver for innovation. Lightweighting also has widespread applications in transportation and industry. Along with innovative ideas, however, recycling also has a major role to play. Recycling aluminium requires only 5% of the energy needed to produce primary metal. As a result, Constellium invests in its own recycling circuits and is also involved in programs to recycle aluminium-intensive products with industry and the general public. These include notably the Clean Sky initiative in aerospace, Every Can Counts in beverage can packaging and the Technological Research Institute for Materials, Metallurgy and Processes (IRT M2P). Along with its physical properties, the other true test of a product's sustainability is customer satisfaction. For this reason, Constellium has developed training and visit programs which ensure that all its employees – including production staff – understand the key needs of customers.

RECYCLING

An infinite **life cycle**

Recycling is an integral part of Constellium's business model. The fact that aluminium can be endlessly melted down and recast without any loss of its mechanical properties is the key to its sustainability.

The importance of recycling to Constellium's activities cannot be overestimated. Producing primary aluminium from bauxite ore requires around 20 times more energy than creating new metal from recycled aluminium. No other major material exhibits such a huge difference in the environmental impacts of its two potential sources. As a result, recycling is both a major driver of sustainability and a business imperative. Its importance is reflected in the fact that recycling is carried out at all three stages of

SCRAP PROCESSING IN DECIN

A new recycling furnace opened in Decin in September 2013 to treat two types of scrap: "closed loop" process scrap from customers in Germany and the Czech Republic, plus a variety of end-of-life products including coated aluminium sheets from building demolition. The furnace, which has an annual capacity of 5,000 tons of molten metal, also introduces a new technology to the Constellium group. Complementary to the existing rotary furnaces, the new unit will broaden both the recycling skills and the industrial capacity to deal with various types of scrap.

75%
BEVERAGE CAN RECYCLING RATE IN EUROPE BY 2015

the life cycle – using the internal process scrap created during transformation; customers' scrap produced by stamping, milling and other processes; and the recovery of end-of-life products. Although progress can still be made in alloy segregation, the first two stages are generally dealt with efficiently. The main challenge in this area is to increase the recycling of end-of-life products. Constellium is engaged in numerous short and long-term initiatives to increase the amount of recycling *(see insets)*. A combination of internal programs and projects with partners, these initiatives concentrate on three priority areas for improvement: collection rate, sorting and recycling processes. Every Can Counts, a campaign to increase beverage can collection, is one example of a project with immediate benefits. The IRT M2P program, of which Constellium is a co-founder, is a French government R&D initiative for the

Recycling is both a major driver of sustainability and a business imperative.

Every Can Counts: can recycling made easy

Every Can Counts was launched in 2009 to encourage consumers to recycle beverage cans. Caroline Archer, Marketing and Key Account Director for Crown's beverage can business in Europe and Middle East and Chairwoman of Every Can Counts, explains.

every® can counts

WATCH CAROLINE ARCHER'S FULL INTERVIEW ONLINE

What is Every Can Counts?
Around 30% of beverage cans are consumed in workplaces or by people "on the go". Every Can Counts is a communication program that spurs consumers to recycle their cans when away from home. The message is simple, credible and fun: put your can in a collection bin and it will be recycled. Launched in the United Kingdom, today the program operates seven licensed country programs (France, Austria, Hungary, Romania, Ireland, United Kingdom, and Montenegro), and will soon launch in Greece.

How is Constellium involved with the program?
Constellium has been involved as a funding partner and supportive of Every Can Counts from the start. The Constellium plant in Colmar (Neuf-Brisach) has been a great ambassador for the program in the Alsace region.

What progress has been made and what challenges lie ahead?
More than 3,000 workplaces have now implemented Every Can Counts messaging, and there are over 11,500 branded collection points in place across Europe. Together the country programs have taken part in a total of 590 outdoor events. Today recycling rates for beverage cans across Europe are close to 70%. Industry's target is to reach 80% by 2020, and I think through cooperation in infrastructure and communication we can help make this happen.

longer term. Designed to promote technology transfer from university to industry, part of its remit is to develop measurement and separation techniques for recycling.

Constellium's Research and Technology agenda addresses this issue through a series of projects dealing with re-melting process optimization in rotary furnaces or oxy-fuel technology to enhance both metal recovery and energy efficiency. Other projects focus on new methods of scrap sorting and preparation, along with the development of enhanced computer-modeling techniques for assessing the thermal and flow properties of molten material.

Constellium is active in all these areas, and is a firm advocate of better scrap separation at every level of collection. Effective separation is the key to avoiding unnecessary scrap mixing and unwanted contamination – thereby preserving both the performance and value of the alloys involved. Another contribution should come from product designs that take future recycling into account. Preventing an accumulation of mixed alloys is also important since unsorted metal is expected to lose value in the long term as demand decreases. The ability to keep more of the valuable wrought alloys in a closed production loop is therefore vital for the future and is a key reason for Constellium's involvement in the IRT M2P recycling taskforce.

Constellium's aim is not to increase the recycled content of a specific product, as the limited availability of secondary aluminium means the

EVERY CAN COUNTS IN FRANCE

In 2012, Constellium's Neuf-Brisach site helped to launch Chaque Canette Compte (CCC), the French counterpart of Every Can Counts *(see page 11)*, with the support of the Beverage Can Makers Europe (BCME). The site hosts two business students in charge of prospecting new collection sites, and promotion, through events, public relations, and communication. They help joining members, such as Eiffage or the University of Upper Alsace, to find existing collection systems or offer them tailor-made collection solutions. CCC is also present at such events as the motorcycle "Dark Dog Tour" or the WRC French round "Rallye de France-Alsace", deploying ad hoc collection systems. Thanks to CCC, 7 million cans were collected in two years, saving more than 1,000 tons of CO_2 emissions.

company would be simply diverting recycled metal from elsewhere. Clearly, there is no environmental benefit in increasing the recycled content of one product to the detriment of another. The goal is instead to increase the efficiency of the entire lifecycle.

RECYCLING INITIATIVE

Constellium has joined the Center for Resource Recovery and Recycling (CR^3), an initiative that brings together universities and industrial partners in Europe and the US. CR^3 deploys projects with a common aim of using new technology to achieve "zero waste" 100% recycling. Projects such as automated scrap sorting, the conditioning of machining chips and molten metal composition measurement are of direct interest to Constellium, which is represented by the Constellium Techology Center.

IRT M2P: preparing the future of recycling

How can aluminium recovery be improved? Constellium and Derichebourg Environment are sharing ideas as part of the IRT M2P industry research program, says Derichebourg's R&D Director Manuel Burnand.

The LCA and Recycling working group of the IRT M2P, which comprises representatives from French institutes (UTT, IRT M2P, Mines Nancy) and industry (ArcelorMittal, Constellium, Derichebourg, Renault and Safran).

How are Derichebourg and Constellium involved in the IRT M2P?

Derichebourg is a longstanding major player in aluminum recycling; active in sorting, improvement of scrap quality and refining. Constellium is also involved in aluminum recycling.

IRT M2P provides a collaborative platform to work on sorting technologies for aluminium scrap. For instance, together with the car industry we analyze the composition of end-of-life vehicles and the efficiency of the various sorting steps. There is also a need to provide more information to feed Life Cycle Analysis databases and IRT M2P aims to address this.

The program also provides an opportunity to check the compatibility of both strategies and think about ways to improve the cooperation between our companies.

What are the key areas of progress for both companies?

One key improvement area is the recovery of the added value of aluminum alloys produced by the aluminum industries for various markets: automotive, aerospace, packaging, etc.

New products will arrive on the recycling market, such as aluminium alloys from airplane recycling. Aluminium parts in cars have also increased in recent years and will create both issues and opportunities for aluminium recycling. The two companies will have to pool their expertise to address these emerging issues.

INNOVATION

Embedding sustainability **into innovation**

Constellium's research programs and innovation have delivered a wide array of new products, all of which include sustainability as a key component.

As a technology company, innovation is key to Constellium's future growth. To ensure that innovation plays a vital role in our activities, the company has set itself an ambitious target of achieving 10% of its annual sales by 2015 from products or processes created within the previous five years. Constellium is now very close to meeting that target, having earned 9.3% of its sales from these products in 2013, and is confident that this percentage will continue to increase.

In a complex technological environment, delivering innovation has to rely on effective project management. To manage its projects, Constellium uses a gate process that takes a product from the idea stage through to development, industrialization and delivery to the customer. Gate reviews are carried out cross-

functionally to ensure that all requirements are met before the product moves to the next stage.

LIFE CYCLE ASSESSMENT

Since the end of 2013, Constellium introduced the use of Life Cycle Assessments (LCA) to analyze the potential environmental impact of a new product or process. The starting point for any innovative new product is an assessment of how it performs against a sustainability checklist that covers not only the environmental aspects, but also the possible health, safety, and social implications.
The results then lead to a decision as to whether an LCA is required or not. If one is needed, an assessment will be conducted using standard LCA tools and calculations. All of these assessments and checklists will be used when "Go-No go" decisions need to be taken at various milestones during a project. The checklists and the assessments have been designed as practical tools to help with decision-making. Their use will also help to raise a more general awareness of sustainability issues within the company.

ALL
MAJOR NEW INNOVATION PROJECTS THROUGH LCA BY 2015

10%
OF SALES FROM INNOVATIVE PRODUCTS BY 2015

Protecting the environment with Clean Sky

Dassault and Constellium are part of Clean Sky, a European Commission program with the aerospace industry to improve the environmental impact of aviation. Jérôme Lery, Senior Project Manager at Dassault, explains the project and the involvement of the two companies.

What is Dassault's role in Clean Sky?
We are working on several Integrated Technology Demonstrator (ITD) and are co-leaders of the Eco-Design ITD, which has two parts: Eco-Design Airframe (EDA), which looks mainly at manufacturing with lower environmental impacts, and Eco-Design Systems (EDS), which aims to replace certain hydraulics with electrical systems – e.g. for actuators – so as to reduce fuel consumption and the use of hydraulic fluids.

How does Constellium fit into this?
In EDA, we're cooperating on a project to develop a new aluminium-lithium-magnesium alloy – with lower density and better intrinsic resistance to corrosion – for fuselage panels. In parallel, we are developing new surface treatments without Chromium VI and are able to mill panels by mechanical rather than chemical means. Our Life Cycle Assessments (LCAs) show there are significant benefits from this.

What does Constellium bring to Clean Sky?
It brings the perspective of a raw material supplier, and that's important because LCA studies on parts of our aircraft show that raw materials have a very big impact at the production stage. So if we, as Dassault, want to reduce our environmental impact we need to work with our suppliers, both of metals and composites.

New products and programs

A variety of new aluminium products were launched in 2013, offering enhanced performance for the automotive, transportation and industry sectors.

FORMALEX® PLUS

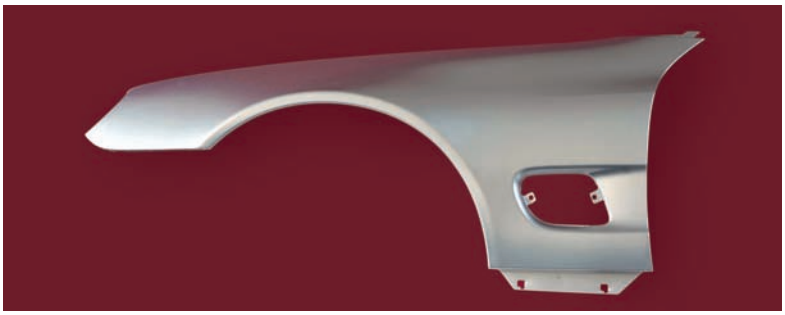
A highly formable alloy for car doors, FORMALEX® PLUS allows automotive manufacturers to use their existing steel stamping tool with only minimal changes – enabling them to produce a door that is 40% lighter.

NEW HIGH-STRENGTH ALLOY FOR CRASH MANAGEMENT SYSTEMS

Constellium has launched a new ultra-high strength 6xxx alloy to make car bumpers even safer and lighter. This alloy reduces the intrusion distance by 14% and the bumper mass by 15% compared with existing solutions – weight savings that also lowers CO_2 emissions.

GRIPSTER™

A new design pattern for aluminium tread plates, GRIPSTER™ has mainly been developed for use on commercial trucks to improve safety and delivery efficiency, while also reducing noise levels. It is also significantly more resistant to wear (compared to plastic or wood), enabling truck manufacturers to build more durable vehicles.



HYBRID MONORAIL

A hybrid aluminium-composite monorail has been jointly developed by Constellium and its partner Scomi for more sustainable urban transport. Introduced in Mumbai, India, the hybrid offers a mass improvement of 5-10% and reduced energy consumption.

BPA NON-INTENT LACQUERS

A project to produce a metallic packaging lacquer with no intentional traces of Bisphenol A (BPA) has enabled Constellium's Neuf-Brisach plant to become one of Europe's first suppliers of BPA non-intent lacquer for coated aluminium, used for beverage can ends and food cans.

STAYBRIGHT™

A product for car trims, STAYBRIGHT™ combines the brilliance of aluminium with a surface treatment that is highly resistant to regular washing with high pH products; the trim stays bright for the car's lifetime and there is no need for recoating.

NEW SOLAR ABSORBER SURFACE

This new solution is a new generation of surfaces for solar thermal energy collectors that make solar absorbers more affordable and effective. With its unique surface treatment technology, this solution offers an efficient manufacturing process for solar absorbers and makes it possible to use aluminium instead of copper.

(1) "BPA non-intent" refers to the fact that Bisphenol A (BPA) is ubiquitous in the natural environment, and very small amounts may be detected in "non-BPA" substances, as current technology measures in parts per billion. We refer to "BPA non-intent," rather than "BPA-still free" as a more accurate term for these circumstances. Moreover, current food contact materials have been in use for over 40 years, and are considered safe by the US Food and Drug Administration (FDA) and other regulatory authorities around the world. Our industry-leading conversion to BPA non-intent can linings is strictly to remove any consumer concerns that may arise from health-related allegations about the use of BPA epoxy linings, rather than from any specific knowledge or concern on Constellium's part regarding their safety.

CUSTOMER SATISFACTION

Working closely with **our customers**

Constellium believes in making its production teams aware our customers' needs by bringing the two sides together during plant visits.

Satisfying the needs of customers is fundamental for any company. At Constellium, an important way of delivering that satisfaction is to make our production teams fully aware of our customers' needs, particularly in terms of quality. As a result, Constellium takes the initiative of visiting the facilities of major customers and inviting clients to the company's plants. Working in partnership with customers is one of Constellium's basic principles: by bringing the two sets of production teams together, the partnership takes on a human scale. Furthermore, we systematically introduce our collaborators to the profiles of our key accounts in order to raise their awareness of their needs.

Constellium employees visit the Audi Neckarsulm plant in Germany.

PRESTIGIOUS VISITORS

The value of this approach was highlighted in numerous exchanges throughout 2013. The process team of Neuf-Brisach's Automotive Production Unit visited the Audi plant at Neckarsulm, Germany, where the automaker's technical experts explained the surface quality checks and expectations they apply at every stage of the production process – from aluminium coil to finished assembly. For its part, Constellium's Decin plant was visited by a team from major automotive customer Bosch, while the Ravenswood facility hosted Lockheed Martin's F-35 Lightning II flight simulator as part of a site visit by the US defense company.

LASTING PARTNERSHIPS

Constellium aims to build long-term relationships with its customers and to support their development. It has been successful on both counts. Herti JSC was producing aluminium closures as a small family-run business in Bulgaria when Constellium made its first delivery of a dozen kilos of metal some 20 years ago. Today, thousands of tons later, Herti has subsidiaries across Europe and exports to 35 countries. Constellium also helps customers by supporting their campaigns. For example, the company has joined the "Turn 360°" campaign by manufacturers of aluminium wine closures to promote their product's benefits compared with cork or plastic.

INVOLVED PEOPLE

WHERE SKILLS AND SAFETY MEET

SAFETY

Facing up to **the safety challenge**

By its own admission, Constellium's safety record in 2013 was unacceptable. Two fatal accidents tragically underlined the need for constant vigilance at the company's plants, even though many safety measures are in place.

The safety of employees, subcontractors and visitors is of paramount importance to Constellium and a concerted Environment, Health and Safety (EHS) program – EHS FIRST – has helped the company to significantly improve its safety record in recent years. However, this only serves to highlight the contrast between recent progress and an unacceptable record in 2013 of two fatalities – at the company's Levice and Ravenswood plants respectively – and a further five accidents involving serious injury. The Recordable Case Rate, which had been declining year on year since 2004, remained largely unchanged in 2013.

Constellium has stepped up its safety improvement program at the company's plants over the course of 2013. A self-assessment process devoted to serious injury risks has been carried out at each site, leading to action plans, implementation and subsequent auditing by Environment, Health and Safety teams. Five key areas were covered by the self-assessment: cranes and lifting devices, mobile equipment-pedestrian safety, stacking, working at height and man-machine interface. In addition, each individual Autonomous Production Unit at every plant uses a LEAN manufacturing tool known as 8D[1] to determine and address the root causes of a minimum of one potential hazard or near miss every quarter. Dedicated auditors are assessing the quality of 8Ds carried out at plants on a quarterly basis. In addition, to

underline the need for our safety rules to be strictly applied, coaching is being provided at sites to make the recently-introduced Compliance To Rules Tours fully effective. Furthermore, EHS FIRST leadership training is being provided to new plant managers and existing line management, and communication tools including safety videos are being produced with increased frequency. Finally, to further improve safety when dealing with hazardous chemicals, a specific audit program is focusing on the risks associated with the transport and use of hydrofluoric acid.

(1) 8D is a team-based, structured, step-by-step problem-solving methodology used to analyse the root causes of a safety or environmental incident, based on an eight-step roadmap. The EHS 8D is designed to avoid recurrence of the incident as well as similar incidents caused by the same root causes elsewhere in the plant.

MONITORING PROGRESS

These measures, all of which are monitored at regular intervals throughout the year, are part of a drive towards zero accidents – a target that is already being achieved at various company sites. At the end of 2013, Constellium's plant at Decin, Czech Republic, had not had a recordable accident since April 2010 – representing more than 4.5 million working hours. Decin was one of nine Constellium plants not to experience a single recordable accident over the course of last year – with five of those plants operating accident-free for more than 1 million working hours.

Progress in improving safety risk awareness was also tracked during 2013 with the reporting of high-potential first aid cases, near misses and hazards. Constellium has strongly encouraged employees to flag-up all such situations – as a means of preventing serious injuries – and 72 were reported in 2013, up from 18 in 2011. An 8D exercise to determine the root causes and remedial actions is carried out in every case.

0
SERIOUS INJURIES
IN 2015

SUBCONTRACTORS: A WIDER SAFETY NET

Safety at Constellium plants is not just a matter for the company's employees. It also needs to be a priority for the many subcontractors who work at its facilities and who are included in the safety process. At Issoire, for example, several hundred audits are carried out a year on some 150 subcontractors – who are responsible for more than 10% of the total hours worked at the plant. Issoire subcontractors also have their own EHS awards competition, with separate categories for best results, best progress and best achievement. An annual forum is held with Issoire's subcontractors, providing an opportunity to underline safety regulations and requirements, and also to assess the past year's performance and areas for improvement.

60%
IMPROVEMENT
IN RECORDABLE CASES
BY 2014

SHARING BEST PRACTICES

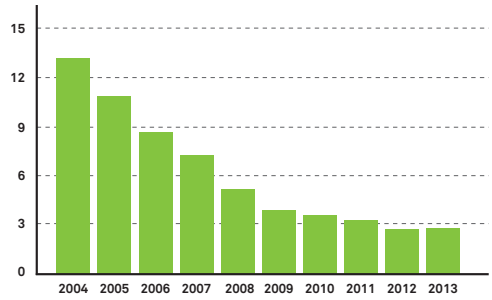
Recognition for the EHS efforts being made by teams and individuals at site level is clearly important. That recognition is provided in a number of ways, notably in the "EHS FIRST and Sustainability" category of the company's annual Thank You Awards for its employees. In 2013, the Gold Award was presented by Constellium CEO Pierre Vareille to a team from Issoire for their work on the identification and storage of casting tools, thereby reducing molten metal risk. The Silver Award went to employees from Neuf-Brisach for a project that avoids the need for casting operators to assist in the drop start-up of the casting system. A fall-arrest system introduced at Landau for truck loading took the Bronze Award.
Similar recognition is given in Shared Practice Competitions organized during EHS Network Meetings held at plants during the year. Teams from several plants are brought together to learn from each other and to vote for the best new safety measures to have been introduced.

INDUSTRY RECOGNITION

A "Safety solutions competition" held during the European Aluminium Association (EAA) Safety Workshop in June saw Constellium take the top three places out of 39 entrants, selected by some 50 participants from EAA member companies at the session. Winning entries have included new low-energy LED lighting at the casthouse in Singen and a fall-arrest system introduced at the Landau plant for the repair of skylights on roofs. These two measures, along with the casting tool identification initiative at Issoire, helped Constellium to earn external recognition for its work to improve site safety.

RECORDABLE CASE RATE

Recordable case rate is the number of recordable cases per 1,000,000 working hours.



NUMBER OF SERIOUS INJURIES (SI) INCLUDING FATALITIES

Project contractors and visitors have been systematically included in these statistics since 2008. Before that, only "extended" contractors, such as canteen and security staff, were included.

HEALTH AND SAFETY

Constellium supports a variety of projects to promote employee safety and wellbeing. Singen made 2013 the "Year of the Healthy Back," providing presentations and shop-floor training on ergonomics in the workplace, along with back-related gymnastics exercises. At Voreppe, a working group was set up to find ways of measuring and dealing with stress. One of the actions implemented was to have every employee attend a training session devoted to raising awareness of psychosocial risks in the workplace.

SKILL DEVELOPMENT

Where training **and apprenticeships count**

To develop the skills it needs, Constellium has turned to a combination of apprentice programs and management training.

In a rapidly changing environment, Constellium's future depends on having the right people with the rights skills – whatever their role in the company. Over the past year, Constellium has focused on two areas for its development and transformation as a company: apprenticeships and training for front line managers.

Apprenticeships not only provide specific skills that are not taught at school or college, they also provide a talent pool for the wider range of competences needed in Constellium's activities. Since recruitment is localized, they are also a way of bringing the company closer to the communities where its facilities are based, providing employment and training. Following successful programs at Constellium plants in Germany and Switzerland, a group of 15 young men and women were hired at the Neuf-Brisach plant in France last September for a two-year apprenticeship to become production line operators. The plant plans to repeat the exercise in 2014.

MORE TRAINING

Across the company, training for front line managers is a key driver of the transformation program underway at the company and significant resources were invested over the course of 2013. More than 50 trainers achieved certification in 4 leadership modules, and went on to deliver more than 6,300 hours of courses – training more than 300 front line managers.

MOTIVATION AND ENGAGEMENT

Listening **to our people**

Constellium carried out an extensive employee survey in 2012, which led to a number of improvement programs. A new survey in 2014 will assess their effectiveness.

Job satisfaction is clearly important to all employees. The survey carried out in 2012 indicated a number of areas where employee satisfaction could be improved. Among the needs expressed were better communication about the company's strategy and results, a greater sense of belonging within the organization and more visibility for the challenges and results at plant level.

CONCRETE ACTIONS

A series of action plans have been carried out based on the expressed needs. Constellium's plant in Montreuil-Juigné has revived and updated its quarterly employee/management meetings along LEAN principles to inform people about plant and company strategy, and to provide a Q&A session. Such initiatives are similar in scope to those for making employees more aware of customer needs through plant visits *(see p. 17)*. A weekly plant newspaper that focuses on success stories in production improvement is now published at Issoire, while Neuf-Brisach has introduced screens in production areas showing company and customer videos. At Singen, management addressed the question of a sense of belonging by organizing a workshop on Constellium's vision and values. The event, which brought together 80 people from all areas of the plant, saw employees work together to describe their mission at Singen. Their text has since become a brochure for managers to use with their teams.

Along with these measures, Constellium also invested in a financial recognition of its employees' contribution and commitment in 2013. The company offered each employee 25 shares (worth $370 or €285 each at the time) at no cost, subject to certain conditions.

50%
IMPROVEMENT IN EMPLOYEE CONTRIBUTIONS BY 2014

6 POINT
IMPROVEMENT IN THE EMPLOYEE SATISFACTION RATE IN 2014

75%
PARTICIPATION RATE IN THE EMPLOYEE SURVEY IN 2014

ETHICAL BEHAVIOR

Ensuring an effective **code of conduct**

Constellium has set out in writing what it expects from its employees in terms of ethical behavior. The Constellium Code of Conduct set rules such as – among others – the fight against corruption and respect of human rights, in consonance with the principles of the United Nations Global Compact (UNGC).

In many ways, people's conscious awareness of a code of conduct is as important as the policies themselves. Constellium has therefore developed an e-learning tool to make its employees aware of the company's rules on ethical behavior. The interactive program creates a series of practical scenarios involving ethical dilemmas which the respondent then has to resolve, if necessary with the help of summaries of the code. All new managers are expected to complete a training session on the Constellium Code of Conduct using this tool, while existing management is expected to undergo a refresher course every year. In 2013, more than 95% managers completed these training sessions. The objective is to reach 100% in 2014.

THE IMPORTANCE OF ETHICS

Constellium's policy on ethical behavior and its stand on anti-corruption are an integral part of the way it conducts business.
To remove any doubt and to promote best practices for people at all levels of the organization, the Code of Conduct sets out the company's expectations of its employees. Available in six languages on the company intranet and website* so as to be accessible to all employees, it covers areas such as respect for human rights and equality in the workplace, and conforming to EHS policies and practices. The ethical conduct expected in business dealings – including policies on gifts and entertainment, integrity and competition issues – is also explained.
The Code of Conduct is an essential tool in the fight against corruption and to make sure that human rights are respected within the company. Both are key principles of the UNGC.

* http://www.constellium.com/media/literature

COMMUNITY ENGAGEMENT

Being part **of the community**

Constellium plants have a role to play in their local communities that goes beyond economics and employment.

Constellium is a willing participant in community engagement, either directly or through the voluntary efforts of its employees. Typically, these involve supporting a local charity event or opening the doors of our plants to employees' families and friends for a special occasion.
For example, nearly 50 Constellium Singen employees and family members took part in the 2013 edition of a sponsored walk, jog and wheelchair event. Together they covered more than 800 kilometers, earning a €2,500 check from Constellium for BeTreff, a social institution for people with mental disabilities, partly funded by charitable donations.

The Singen team at the BeTreff event.

FAMILY ACTIVITIES

Plant management at Ravenswood arranged a series of events for the benefit of staff and their families over the course of 2013. More than 800 employees and family members came together to watch an evening baseball game in nearby Charleston, West Virginia, with the sporting entertainment accompanied by a picnic dinner. Ravenswood also organized pool parties, with dinner provided and prizes for the youngsters. In December 2013, more than 600 employees and their families enjoyed a "Breakfast with Santa." Similarly, Constellium's joint venture plant in Changchun, China, organizes an annual "Show Me Your Company Day" for the families and friends of its employees. For half a day, guests get to visit the plant and listen to presentations about EHS and the company, while operators show people how their particular machines work. Along with raising the company's profile locally, a key aim is to make people aware of the importance of workplace health and safety and protecting the environment.

OPERATIONS

IMPROVING
RESOURCES
EFFICIENCY

ENERGY

The drive **for efficiency**

Energy is required for transforming aluminium into products that subsequently save CO_2 emissions in planes, cars and other weight-saving applications. Through investment, Constellium is consistently improving its energy efficiency.

Energy, and its efficient use, is a daily priority for Constellium's plants. Turning ingots, billets or scrap into plates, sheets and extrusions requires energy and has long been a focus of efficiency improvements. Though energy consumption and greenhouse gas emissions contribute to global warming at the start of the product cycle, fossil fuel consumption and CO_2 emissions are then reduced throughout the life of the end product, notably by lightweighting *(see Products, p. 9)*. In addition, recycling aluminium allows for the substitution of primary aluminium production at a dramatically reduced energy cost *(see Recycling, pp. 10-13)*.

GROWING DEMAND

In 2013, Constellium's product mix for the aerospace and automotive sectors switched to new alloys that offer better environmental performance over the life of the end product. However, the new alloys required more energy to produce, leading to an increase in consumption in 2013. Other contributions to the increase of energy consumption come from increase of recycling activity in Neuf-Brisach, or the ramp-up phase of Decin's new recycling oven *(see Recycling, pp. 10-13)*. Reflecting the increase in energy, greenhouse gas emissions (GHG) also rose in 2013. However, a key aspect of the energy question is the efficiency with which it is consumed. A series of projects at Constellium plants in 2013 supported further progress in the company's energy efficiency index. The index, which is calculated on the basis of energy consumption per processed metric ton – corrected from the effect of product mix change – consistently improved in 2013, for the third year in a row. Constellium is still on track for its 2015 objective of 10% improvement of the ratio compared with the 2010 baseline. Further investment in more energy-efficient production tools is expected to help reaching this target.

AIMING FOR THE ISO 50001 STANDARD

Introduced by the International Organization for Standardization in 2011, ISO 50001 is a standard for implementing and maintaining an energy management system. Constellium's plants in Germany have all been ISO 50001 certified 2012. Issoire is the most advanced elsewhere, having completed the first evaluation stage in September 2013, while Neuf-Brisach, Valais and Decin are at an earlier stage of the process. All the major European plants – accounting for two thirds of Constellium's total energy consumption – are due to be certified by the end of 2015.

ISO 50001
MAJOR EUROPEAN SITES REACHING CERTIFICATION BY 2015

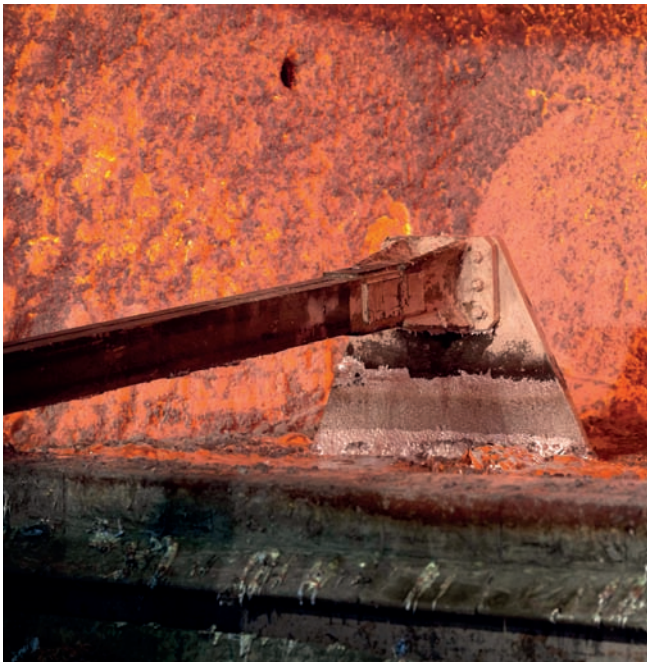
The energy-saving projects cover a wide range of activities. Some involve improvements in process recovery, such as the reduction of the scrap ratio in Levice, Slovakia, for instance. Others take the opportunity of tools revamping or investment in new tools to bring better energy efficiency due to state-of-the-art equipment. This was in particular the case for the new furnace in Burg, Germany, or the new electric oven in Ravenswood, West Virginia, US. Last but not least, some projects aimed at reducing energy consumption bring other benefits at the same time, like investment in LED lighting at Issoire and Singen *(see below)*. Technology and EHS networks also play a role to accelerate the diffusion of best practices within Constellium regarding energy consumption reduction.

SINGEN'S EXAMPLE

As part of the energy-saving initiatives carried out in 2013 for ISO 50001 certification, the Singen plant has begun replacing its high-pressure mercury-

ENERGY EFFICIENCY VS. ENERGY CONSUMPTION INDICATORS

Increasing the share of high performance products that enable energy savings during their use more than compensates for the extra energy spent during production. Similarly, increasing recycling activity at Constellium sites enables to recycle more aluminium scrap, on the sites where they are going to be transformed into new products and substituted for primary metal. Yet in both cases this leads to an increase of Constellium's energy consumption (as well as direct and indirect GHG emissions), as the resulting environmental benefits occur outside Constellium. Consequently, Constellium did not set absolute targets for energy consumption or reduction of GHG emissions but instead decided to use an energy-efficiency performance indicator. The basis of this indicator is the amount of energy per metric ton needed to manufacture products. It is corrected from the effect of product mix changes to reflect inherent production process performance.



REVISED FIGURES

In 2013, two French plants in Ham and Saint-Florentin were divested. As their environmental impacts (emissions and consumption of resources) occurred while part of Constellium until their divestment, their contribution has been included in the 2013 figures. However, since these plants are no longer under Constellium control, their contribution has been excluded from the company's environmental performance indicators that are based on relative data (energy efficiency and the target of reducing landfill waste by 75%). Moreover, from this year onward, the waste production indicators also exclude recycled aluminium scrap that had previously been accounted for as recycled waste by a number of plants. While this negatively contributes to the share of recycled waste, it is more accurate from a methodological point of view as aluminium scrap should not be considered as waste.

vapor (HQL) lamps with low-energy LED lighting. The new lamps are three times brighter than HQLs – thereby providing a better, safer workplace – while electricity savings of around 70-80% mean that the installation costs of the new equipment should be recovered in less than 2.5 years. The first phase of the project saw a third of all the casthouse lamps replaced.

The brighter environment has been particularly appreciated by night-shift workers and also makes it easier to identify potential product quality issues in the sharper, higher-contrast light. Shop floor employees are also able to contribute to further energy savings by switching to power-save mode where appropriate. However, improved cost competitiveness, sustainability and safety are not the only benefits of the new equipment. With the service life of an LED lamp being in excess of 50,000 hours – around six years – there is also a clear benefit for the plant's maintenance department, especially as the bulbs in the casthouse are suspended at heights of 12 to 15 meters.

10%
DECREASE IN ENERGY CONSUMPTION PER PROCESSED UNIT BY 2015

ENERGY CONSUMPTION

	2010	2011	2012	2013
Total energy consumption (TJ)	10,890	10,810	10,936	11,677
Energy efficiency index	1,000	0,957	0,934	0,926
Greenhouse gas (GHG) emissions (kt CO_2 eq.)	694	686	701	743

WASTE

Action plans **to reduce waste**

Constellium is working to reduce the amount of waste created during production, setting ambitious goals for the years ahead.

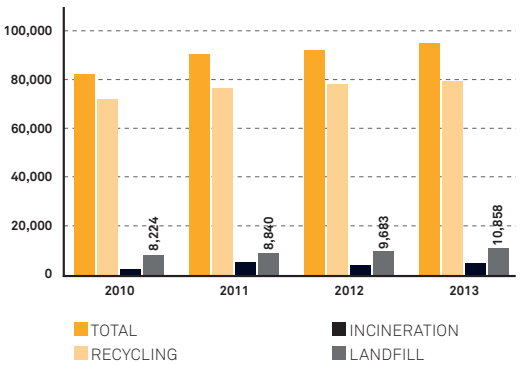
Though waste is an inevitable by-product of the manufacturing process, Constellium has long used recycling as a way of reducing the amount of production waste it sends to landfill. In 2013, a total of 83.6% of Constellium's waste was recycled, with only 11.4% going to landfill facilities. However, production waste tends to increase with aluminium casting and recycling activities – as indicated in the company's 2013 results compared to 2012 – and it has not yet been possible to improve the situation regarding landfill waste. We acknowledge the challenge ahead and have for this reason set an ambitious target of reducing landfill waste by 75% by 2020.

NEW TARGET

Constellium is committed to addressing the upward trend in waste volumes, not only to further improve its sustainability but also to reflect its view that landfill availability will become increasingly restricted in the years ahead. As a result, Constellium is taking a proactive approach by setting a target that would reduce its landfill waste in weight terms by around 8,000 metric tons a year. With just three plants – Neuf-Brisach, Issoire and Ravenswood – accounting for 95% of this waste, the company's initial focus for improvement has been on the two plants in France. Testing is underway at Neuf-Brisach on process to recycle flue gas filtration dust. At Issoire, trials are being carried out to improve the sorting of bricks and concrete to allow for their recycling, while permission has been obtained to incinerate the "mixed municipal waste" produced. These actions cover around 50% of the 2020 target and are expected to start delivering their first results in 2014. Althought these will be significant milestones, further action will obviously be needed in the future to meet the 2020 target.

75%
TOTAL LANDFILL REDUCTION BY 2020

PRODUCTION WASTE (IN METRIC TONS)



WATER AND EMISSIONS TO AIR

Working towards **higher standards**

A major project carried out in 2013 has led to a marked improvement in water treatment, while emissions to air showed no significant trend.

Constellium's water policy is guided by the results of a consumption assessment carried out at its major sites using the Global Water Tool. Since the results showed there to be no significant risk of water scarcity in the decades ahead, the company's main focus has been on improving the quality of its water discharges – particularly in the light of increasing regulation.

STABLE EMISSIONS

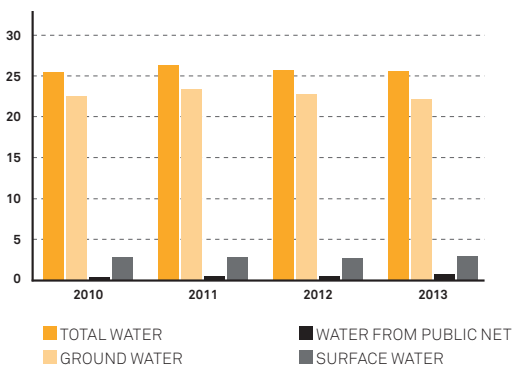
Constellium's emissions to air are both stable and on a limited scale. Because of this limited impact, which is mainly linked to Constellium's energy mix, the company does not currently consider this subject to be a high priority – beyond the respect of current and anticipated future legislation.

A NEW PROCESS AT NEUF-BRISACH

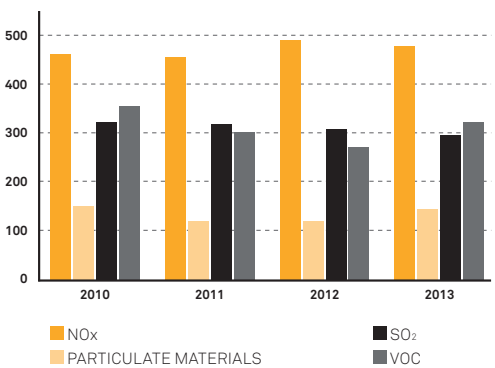
70% of Constellium's water is consumed at its Neuf-Brisach plant, which draws on local groundwater, primarily for cooling in the casting shop and rolling mill. To meet new regulations as part of its operating license renewal by the local authorities, Neuf-Brisach has delivered a remarkable improvement in water discharges from rolling mill – reducing the chemical oxygen demand (COD)[1] from 2,000 mg/l to 300 mg/l.
The plant invested in a new process for treating rolling emulsions, involving cross filtration and reverse osmosis. The process was the result of a two-year project that brought together production, environmental management and research and development teams.

(1) COD is used to measure the amount of organic components (pollutants) in water.

WATER CONSUMPTION (IN 10^6 m^3)



EMISSIONS (IN METRIC TONS)




GOVERNANCE
SETTING
INDUSTRY
STANDARDS

GOVERNANCE

A culture **of transparency**

Constellium is committed to effective governance, transparency in its activities and improving the sustainability performance of the sector with industry associations.

Transparency is the key to effective governance. In 2013, Constellium continued a policy of improving transparency by providing the highest level of disclosure to the Global Reporting Initiative (GRI) and the Carbon Disclosure Project. The aim is a simple one : to provide data that will enable people to draw their own conclusions about Constellium's environmental performance. Constellium also has similar ambitions for its supply chain.

An important goal is for as many of its key suppliers as possible to become fellow signatories of the UN Global Compact – a plan still in its early stages. The company is currently working on the methodology for embedding sustainability into its purchasing policy, while also developing the future process for auditing the supply chain. The need to comply with Dodd-Frank Act regarding the Conflict Minerals[1] reporting requirement was a good opportunity to check the traceability of our raw materials, all along the supply chain.

GOVERNANCE AT INDUSTRY LEVEL

Traceability is also important, as it will figure in the industry standard being developed by the Aluminium Stewardship Initiative (ASI), of which Constellium is a co-founder. An early draft of the ASI standard – which will define principles and performance criteria in the areas of governance, the environment and social practice – was drawn up in 2013. The first full version is due to be published in November 2014, following two separate public consultations and three review meetings by the standard-setting group over the course of this year. Constellium's involvement in industry-wide governance is not limited to the work of the ASI, however.

Through its membership of the European Aluminium Association (EAA), the company favors the dialog with governments and supranational authorities, such as European commission. One key topic of this dialog

(1) Conflict minerals involve ores mined in the Democratic Republic of Congo and neighboring countries that are used to produce tin, tantalum, tungsten and gold.

is the impact of EU regulations on the competitiveness of the European aluminium industry.
Another area of growing discussion is Extended Producer Responsibility (EPR), a concept that developed in the 1990s in Europe and makes manufacturers responsible for the entire life-cycle of their products – and specifically the end-of-life, either through schemes for take-back, recycling or final disposal. The EAA has been discussing the guidelines for these initiatives with the EU, notably with a view to making them more effective across Europe. Current schemes have revealed a lack of consistency at national level in recovering packaging from both households and public areas. Laurent Musy, Chairman of the EAA Packaging Board and President of Constellium's Packaging and Automotive Rolled Products *(see interview, pp. 4-7),* underlined the challenge facing the industry in September 2013. "Efficient collection and sorting systems are essential steps in the fight for higher recycling ambitions," he told a seminar in Berlin. "The aluminium industry encourages policymakers and all stakeholders to implement best practices and consistent approaches throughout Europe."

EPR is a concept that makes manufacturers responsible for the entire life-cycle of their products, and specifically at the end-of-life.

WORKING CLOSELY WITH OUR SUPPLIERS

For a global organization such as Constellium, the ability to draw on an experienced and reliable supply chain is a major business asset. Building long-term relationships and working with our suppliers to improve performance on both sides have long been

guiding principles of the company. An improvement program involving aluminium slab supplier Rio Tinto Alcan (RTA) in 2013 illustrates how the theory translates into practice. RTA's Dunkerque plant is the largest external supplier of rolling slab to our site in Neuf-Brisach. As part of the improvement, RTA invested in the plant and worked with Constellium to optimize our stock of slab and the associated inventory costs. A prototype pull-flow process that linked production to firm customer orders was introduced so as to minimize overproduction. More effective communication between Constellium and RTA was also built into the program.

POSITIVE RESULTS

The results proved to be highly satisfactory. The achievements were also recognized by Constellium's senior management during a visit to the Dunkerque plant after it succeeded in delivering 100% of the company's orders on time and in full for 30 consecutive weeks. The RTA Dunkerque team also provided a step change in product quality. Building on the program, a pull-flow process is now being implemented at Neuf-Brisach for its highest-volume products. RTA will be responsible for the supply chain and inventory up to the Neuf-Brisach scalping machine in exchange for a rationalization of the ordered references, which will result in increased capacity for Dunkerque. For all of these projects, the key to success has been a shared commitment to transparency and recognition of the need to create value for both sides.

100%
OF KEY SUPPLIERS JOINING THE UNGC BY 2015

ASI: the view from BMW Group

The Aluminium Stewardship Initiative (ASI) is supported by several of the world's leading automotive brands. Dr. Alexander Nick, a Team Lead in the Sustainability and Environmental Protection Department at BMW Group, explains his company's involvement with the initiative.

Why has BMW Group joined the ASI?
Our objective is to be the most sustainable automotive company and we have a comprehensive set of measures – both internally and for our suppliers. We work with our suppliers to firmly establish sustainability throughout our supplier network. Therefore, we defined a risk management process including a risk filter, self-assessment questionnaires and audits. Beyond the boundaries of our company, we are involved in various industry and cross-industry initiatives such as the ASI to further establish environmental and social standards in supply chains.

What are your expectations of the ASI?
We want to help create a global standard that covers the supply chain from extraction to finished product; what's vital is that it doesn't become merely a niche standard – for which companies have to pay a premium. We want the bar to be raised for the whole industry, providing a more transparent chain of custody with more traceability of the material we buy.

How do you see Constellium's role?
I'm very happy that Constellium is an active participant and is moving the ASI through the business, positioning it within Constellium as an initiative that will define the future of aluminium. The world is changing, and externalities need to be taken into account. If we are successful, I think this can really be groundbreaking in the way that aluminium is produced and perceived.

GRI INDEX

Global Reporting Initiative **Disclosure Index**

Constellium reporting was checked by GRI Report Services, which concluded that the report fulfilled the requirements of Application Level A.

Key for GRI 3.1 disclosure levels:
◢ Fully disclosed ◿ not disclosed ◢ partially disclosed

For the full report, our GRI Appendix is available on our website: www.constellium.com

Location and status of disclosures: R-Report and A-Appendix

Indicator	Status	Location R/A	Page
STRATEGY AND ANALYSIS			
1.1	◢	R	4-7
1.2	◢	R & A	2-3
ORGANIZATIONAL PROFILE			
2.1	◢	R	Cover
2.2	◢	A	
2.3	◢	A	
2.4	◢	R & A	
2.5	◢	A	
2.6	◢	A	
2.7	◢	A	
2.8	◢	A	
2.9	◢	A	
2.10	◢	A	
REPORT PARAMETERS			
3.1	◢	A	
3.2	◢	A	
3.3	◢	A	
3.4	◢	A	
3.5	◢	R & A	2-3
3.6	◢	R & A	11, 21, 34-35
3.7	◢	A	
3.8	◢	R & A	29
3.9	◢	A	
3.10	◢	A	
3.11	◢	A	
3.12	◢	R	36-37
3.13	◢	A	

Indicator	Status	Location R/A	Page
GOVERNANCE, COMMITMENTS AND ENGAGEMENTS			
4.1	◢	A	
4.2	◢	A	
4.3	◢	A	
4.4	◢	A	
4.5	◢	A	
4.6	◢	A	
4.7	◢	A	
4.8	◢	R & A	1, 19-21, 24
4.9	◢	A	
4.10	◢	A	
4.11	◢	A	
4.12	◢	R & A	2-3
4.13	◢	A	
4.14	◢	A	
4.15	◢	A	
4.16	◢	A	
4.17	◢	A	
DISCLOSURE ON MANAGEMENT APPROACH (DMA)			
DMA EC	◢	A	
DMA EN	◢	R & A	2,5-8, 9-16, 27-31
DMA LA	◢	R & A	19-22
DMA HR	◢	R & A	17, 24, 33-35
DMA SO	◢	R & A	2, 24, 25, 33-35
DMA PR	◢	A	

Indicator	Status	Location R/A	Page
ECONOMIC			
EC1	◢	A	
EC2	◢	A	
EC3	◢	A	
EC4	◢	A	
EC5	◢	A	
EC6	◢	A	
EC7	◢	A	
EC8	◢	A	
EC9	◢	A	
ENVIRONMENTAL			
EN1	◢	A	
EN2	◢	A	
EN3	◢	A	
EN4	◢	A	
EN5	◢	R & A	27-29
EN6	◢	R & A	9-16
EN7	◢	A	
EN8	◢	A	
EN9	◢	R & A	31
EN10	◿	A	
EN11	◢	A	
EN12	◢	A	
EN13	◢	A	
EN14	◿	A	
EN15	◿	A	
EN16	◢	A	
EN17	◢	A	
EN18	◢	R	27-29
EN19	◢	A	
EN20	◢	A	
EN21	◢	A	
EN22	◢	R & A	29, 30
EN23	◢	A	
EN24	◢	A	
EN25	◢	A	
EN26	◢	R & A	9-13, 26-31
EN27	◢	R & A	9-13, 30
EN28	◢	A	
EN29	◢	A	
EN30	◿	A	
LABOR PRACTICES			
LA1	◢	A	
LA2	◢	A	
LA3	◢	A	
LA4	◢	A	
LA5	◢	A	
LA6	◿	A	
LA7	◢	R & A	19-22
LA8	◢	A	
LA9	◢	A	
LA10	◿	A	
LA11	◢	A	
LA12	◢	A	
LA13	◢	A	
LA14	◢	A	
LA15	◢	A	
HUMAN RIGHTS			
HR1	◢	A	
HR2	◢	A	
HR3	◢	A	
HR4	◢	A	
HR5	◢	A	
HR6	◢	A	
HR7	◢	A	
HR8	◢	R & A	24
HR9	◿ not material	A	
HR10	◢	A	
HR11	◢	A	
SOCIETY			
SO1	◢	R	25
SO2	◢	A	
SO3	◢	R & A	24
SO4	◢	A	
SO5	◢	A	
SO6	◢	A	
SO7	◢	A	
SO8	◢	A	
SO9	◢	A	
SO10	◢	A	
PRODUCT RESPONSIBILITY			
PR1	◢	R	14-15
PR2	◢	A	
PR3	◢	A	
PR4	◢	A	
PR5	◢	A	
PR6	◢	R & A	26
PR7	◢	A	
PR8	◢	A	
PR9	◢	A	

Forward-looking statements

This report contains statements that relate to future events and expectations and as such constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those statements containing such words as “expects,” “intends,” “plans,” “scheduled,” “should,” “could,” “will,” or other words of similar meaning. All statements that reflect Constellium’s expectations, assumptions or projections about the future other than statements of historical fact are forward-looking statements. The forward-looking statements contained in this report are subject to a number of known and unknown risks, uncertainties, and other factors and are not guarantees of future performance. These risks and uncertainties include, but are not limited to, those set forth under the heading “Risk Factors” in our Annual Report on Form 20-F, and described from time to time in subsequent reports, filed with the US Securities and Exchange Commission. Constellium disclaims any obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law.

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DRIVING THE SUSTAINABILITY AGENDA

Sustainability at Constellium is based on clear commitments in four key areas – products, people, operations and governance – each of them backed by 12 concrete targets and associated metrics for monitoring performance. These commitments are set out in the company's Sustainability Charter, which builds on the continuity of Constellium's sustainability efforts over many years.

Recycling and innovation are the hallmarks of Constellium's strategy for products, while safety performance is clearly the overriding concern for our people. Energy efficiency based on recognized management systems, along with significant improvement plans for waste are the main priorities for operations. Our action on governance involves partnerships with suppliers, customers, industry associations and multi-stakeholder initiatives – the company is clear about the need for transparency over the impact of its activities.

Given its importance for every company, delivering customer satisfaction is woven into our actions in all four of these areas.

Constellium's ambition is to develop its sustainability agenda through teamwork, both internally and with its external partners. With this collective effort, we can achieve our goal of being "Altogether more sustainable".