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Infinite possibilities

Business and **sustainability** performance report 2014

Ideas. Materialized.

Constellium – **Business** and **sustainability** performance report 2014

Constellium

Inside this report:

Business in focus

We explain our organization and our strategy, as well as the progress that our business units have made during the year.

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About this report

Reporting period	Financial year 2014 (January 1, 2014 to December 31, 2014)
Reporting cycle	Annual
Date of publication	June 2015
Report scope	The data or financials relate to Constellium worldwide falling within the scope of consolidation at December 31, 2014. Wise Metals data is not included since the acquisition of Wise Metals occurred on January 5, 2015.
Report content	The content of this report is based on our business data and the results of our dialog with stakeholders, the Global Reporting Initiative G4 requirements and other sustainability ratings and rankings.
Global Reporting Initiative	GRI G4 guidelines – Core
Assurance	The report is in compliance with the GRI G4 guidelines and maintains code of reporting as advised by GRI. It is not externally assured.
Contact	For further information please contact: **communications@constellium.com** or **sustainability@constellium.com**

Have a look at the new Constellium microsite dedicated to our business and sustainability report:

www.business-sustainability.constellium.com

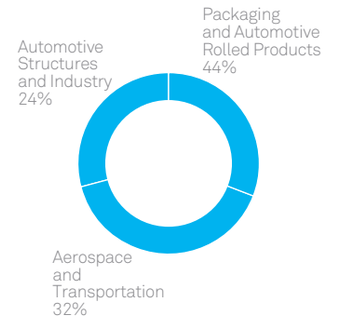
Key figures

as of December 31, 2014

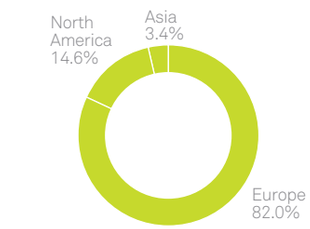
Group sales
€3,666m

Adjusted EBITDA
€275m

Revenue by business unit



Full-time employees by geographic region



Full-time employees*

*Permanent and fixed-term employees

#1
Worldwide for aerospace plates

#1
Worldwide for closure stock

#2
Worldwide for Crash Management Systems

#1
In the USA for large coils

#1
In Europe for hard alloy extrusions

#1
In Europe for large profiles

#2
In Europe for can body stock

For more information see **page 8**

Infinite possibilities

We are Constellium.

We are a global leader in aluminium solutions whose business is to materialize today's and tomorrow's ideas.

For us, aluminium is more than a metal.

It is part of the solution for tomorrow's lighter, faster economy. Abundant, endlessly recyclable and reusable, aluminium's unique properties mean that, together with our partners, we can shape a future of infinite possibilities.

Value we create

Our vision, objective and values underpin a business model that continues to meet the demands of world-leading customers through three business units.

Our vision

To be the most profitable and the fastest growing company in our industry.

Our objective

To achieve leadership positions in our global target markets by continuously enhancing our portfolio of products and improving the levels of service, quality and added value we provide to our customers.

Our values

These are the core beliefs that guide our actions:

Teamwork and mutual trust

We develop and utilize relationships across Constellium to leverage mutually beneficial outcomes and opportunities.

Entrepreneurship and decisiveness

We lead, engage and inspire employees to pursue our vision, encouraging growth and improvements that support business objectives.

Sense of urgency and decentralized decision-making

We relentlessly focus on actions that drive business forward, creating structures, processes and communications to enable swift decisions at the point of impact.

Responsibility and accountability

We engage personally in actions that continuously improve our performance, challenging the status quo and taking risks.

Rigor and discipline

We objectively assess the situation and act immediately on deviations, refusing to compromise on quality and integrity.

Transparency and highest standards of ethics

We act honestly, ethically and honorably. We show beliefs through behaviors and lead by example. We enrich our community and make responsible, sustainable decisions.

Our business model

We are a global sector leader strongly committed to designing and manufacturing innovative aluminium products and solutions for a broad range of applications dedicated primarily to aerospace, automotive and packaging markets. Our business model is to add value by converting aluminium into semi-fabricated products, and we are the supplier of choice to numerous blue-chip customers.

Our facilities are strategically located in the United States, Europe and China. These comprise 23 production sites, 10 administrative and commercial sites and a world-class technology center. We collaborate with around 40 external scientific partners aiming at sharing emerging knowledge, exploring innovative concepts and identifying new talents. Our International Scientific Council gathers several of the world's top material scientists to further strengthen our technical leadership and innovation performance.

We are the leading global supplier of aluminium aerospace plates and closure stock, the leading European supplier of large profiles and hard alloy extrusions as well as a leading global supplier of can body stock and automotive structures. Our unique platform has enabled us to develop stable, diversified and long-standing customer relationships – in fact we have worked with most of our largest customers for over 25 years.

We operate through three business units:

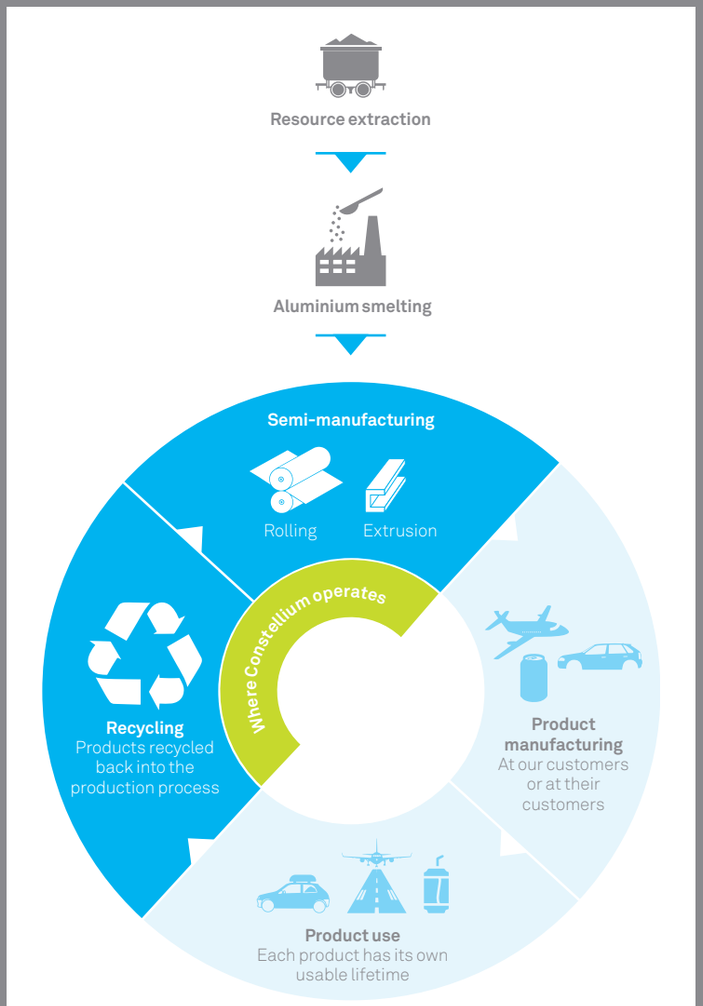
- Aerospace and Transportation
- Packaging and Automotive Rolled Products
- Automotive Structures and Industry

Key customers include:

Aerospace:
Airbus, Boeing, Bombardier, Dassault Aviation, Embraer, KAI, Lockheed Martin, Pilatus, SpaceX

Packaging:
Amcor, Anheuser-Busch InBev, Ball, Can-Pack S.A., Coca-Cola, Crown, Rexam

Automotive:
Audi, BMW Group, Ford, General Motors, Mercedes-Benz, Porsche, PSA Peugeot Citroën, Tesla, Valeo



Highlights of the year

From major investments and a landmark acquisition to the supply of aluminium products for the new F-150 pickup truck that is changing the face of our industry, 2014 saw many examples of achievement and progress at Constellium.

Announced acquisition of Wise Metals

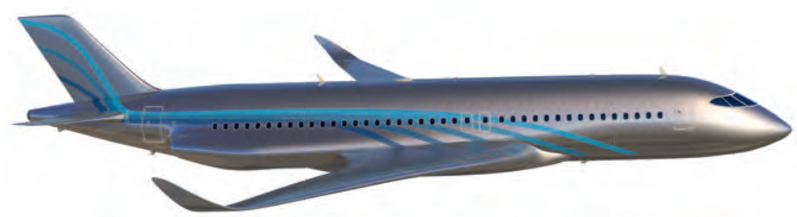
We announced the acquisition of Alabama-based Wise Metals in a capacity-expanding move. We plan to invest up to $750 million by 2022 in the Muscle Shoals plant which is currently focused on the can market, to increase capacity and start producing automotive body sheets for the car industry. See case study on page 21 for more information.

Significantly expanded Body-in-White (BiW) production in Europe

We announced a planned €200 million investment over the next three years to grow our European BiW business – which produces automotive body sheets.

Increased AIRWARE® production capabilities

We invested in a new casthouse in Issoire, France, enabling us to meet increasing demand for our AIRWARE® technology – which allows aircraft manufacturers to reduce the weight of aerospace components. AIRWARE® is onboard to be part of major new aerospace programs.



Joined forces with global can manufacturer Rexam to convert production lines

We expect can makers across Europe to continue converting their production lines from steel to aluminium due to its many advantages for packaging applications.

Endorsed new global aluminium sustainability standard

Constellium is a member of the Aluminium Stewardship Initiative, a unique value chain program that has delivered the first voluntary standard for responsible aluminium. This new voluntary standard is the culmination of a year-long consultative dialog involving industry leaders and civil society organizations.

Won contract to supply structural parts for the new lightweight Ford F-150 pickup truck

We provide Ford Motor Co. with aluminium structural parts for the all-new Ford F-150 pickup truck. The truck delivers the industry's best towing and payload capability among full-size, lightduty pickups, enabled by reducing its weight through the use of high-strength aluminium alloy in the body.

Invested in North America to produce Body-in-White (BiW) products

We signed a joint-venture with UACJ to produce BiW aluminium sheets in Bowling Green, Kentucky. We have started building the new facility that will be hosting a first BiW finishing line.

Increased passenger safety with new lightweight and high-strength material

We launched new Crash Management Systems (CMS) technology for the front and the rear of vehicles to improve protection in the event of a collision. Now we can produce aluminium CMS 15% lighter or 10% stronger than the current options.

Joined research consortium led by MIT

We joined the Massachusetts Institute of Technology (MIT) Industrial Fracture Consortium, reinforcing our commitment to partnering with leading institutions to achieve breakthrough innovations. The consortium will use simulation software to predict how automotive structural components behave during accidents and help us improve safety.

Invested in Decin including recycling technology

We finalized a €15 million investment in Decin, Czech Republic, to boost production of high-volume alloy products for the automotive industry by almost 10,000 tons per year. The investment includes a new extrusion line and a casthouse to process and recycle both machining scrap from our customers and demolition.

Company organization

Constellium is a global sector leader strongly committed to designing and manufacturing innovative and high value-added aluminium products and solutions for a broad range of applications. Our primary markets are aerospace, automotive and packaging – and we meet the needs of customers in these markets through three business units.

Aerospace and Transportation

Provides technologically advanced aluminium alloys with wide applications across the global aerospace, defense, transportation and industrial sectors. The business unit offers a wide range of products including plates, sheets and extrusions which allow Constellium to provide tailored solutions to our customers.

For more information see **page 18**

Revenues €m

2014	1,197
2013	1,204
2012	1,188

Adjusted EBITDA €m

2014	91
2013	120
2012	106

Packaging and Automotive Rolled Products

Develops, provides and recycles aluminium sheets and coils for packaging applications (beverage and food cans, closures, foils) as well as automotive solutions, including high-performance products for Body-in-White (BiW) and heat exchangers.

For more information see **page 20**

Revenues €m

2014	1,576
2013	1,480
2012	1,561

Adjusted EBITDA €m

2014	118
2013	105
2012	92

Automotive Structures and Industry

Produces advanced solutions for the global automotive industry, including Crash Management Systems (CMS) and other structural and safety parts and extrusions. This business unit also manufactures large profiles mainly for road and rail transportation, energy and other industrial applications.

For more information see **page 22**

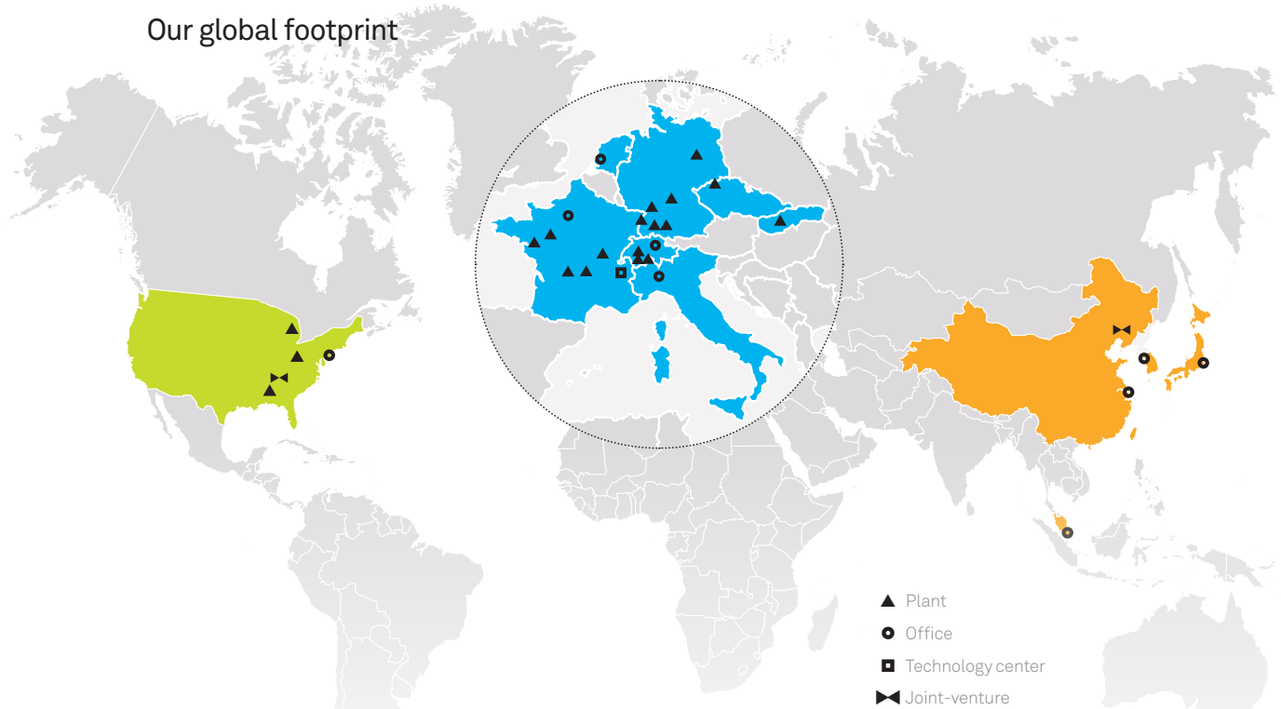
Revenues €m

2014	921
2013	859
2012	910

Adjusted EBITDA €m

2014	73
2013	58
2012	46

Our global footprint



Main plants

North America

Van Buren, MI

- Produces customized automotive structures and Crash Management Systems (CMS)
- Features advanced prototyping and development capabilities

Bowling Green, KY

- Joint-venture with UACJ (Japan), majority owned by Constellium
- One Body-in-White finishing line
- Designed to allow for expansion beyond 100,000 tons

Ravenswood, WV

- Worldwide unique assets for aerospace plates
- Recognized supplier to the highly demanding defense industry
- Wide-coil capabilities and largest stretcher worldwide enabling unique product creation

Muscle Shoals, AL

- Widest strip mill in the US
- World-class recycling center

Europe

Singen, Germany

- Integrated hot/cold-rolling line
- Recognized for closure stock and functional surfaces
- One of the largest extrusion presses in the world
- Advanced and highly productive integrated CMS manufacturing lines

Issoire, France

- One of the world's two leading aerospace plate mills, with wingskin capabilities
- New AIRWARE® casthouse for low-density alloys
- Recycling facility

Voreppe, France

- C-TEC, our world-class technology center

Neuf-Brisach, France

- Second largest volume, fully integrated, rolling mill in Europe
- Dedicated primarily to can stock and Body-in-White
- World-class recycling center

Valais, Switzerland

- Precision plate shop for general engineering products
- Leading large profile supplier for high-speed train manufacturers
- Casthouses in Steg and Chippis
- Sierre plate shop and Steg casthouse qualified for aerospace

Decin, Czech Republic

- Europe's largest hard alloys extrusion plant

Asia

Changchun, China

- Joint-venture with Engley, majority owned by Constellium
- Provides global customers with CMS and other structural modules

Chief Executive Officer insights

2014 was a pivotal year for Constellium in many respects. Pierre Vareille, Chief Executive Officer, highlights the main achievements of the last 12 months, before outlining his expectations for the period ahead.

What have been your personal highlights as Chief Executive Officer over the last year?

One of the events that will have a great influence on the long-term future of Constellium was the acquisition of Wise Metals, which is a real game-changer for us. Not only has it made us a more international company and the third largest hot rolling company in the world, it has also given us the capability and presence to participate in the fast-growing Body-in-White (BiW) market in the US. This is part of a program that sees us investing massively in new and improved production facilities on a global scale, to help us achieve our long-term growth ambitions.

From a business, innovation and operational standpoint, our overall great performance in 2014 has been achieved first and foremost by the dedication of our talented teams around the globe. We all share the same ambition for our company, an ambition supported by an aggressive strategy both in terms of growth and of improving our operations and service to our customers.

But there have also been some low points, notably our safety performance. Sadly, we experienced a fatality at Chippis in Switzerland in December. My thoughts, and those of everybody at Constellium, are very much focused on this tragic loss. This puts everything in perspective: we can succeed in all we do, but nothing really counts compared to such an event. Our first and utmost responsibility is to make sure that all our colleagues get back home safely, every day.

How would you describe Constellium's financial performance over the last year?

It has been a solid performance, which could have been stronger still. But we were impacted by higher metal premiums and by the disappointing performance of one of our business units, Aerospace and Transportation.

The dynamic global automotive industry, and the increasing importance of aluminium to both structures and BiW were again the chief drivers for our growth. Against this background, the Automotive Structures and Industry business unit performed well and we have expanded our plants at Decin in the Czech Republic, Gottmadingen in Germany and Van Buren in the US, and built a new plant in China to meet the rapidly-increasing demand.

Packaging and Automotive Rolled Products also recorded a good performance, with the plant at Neuf-Brisach in France breaking several records for volume, quality and service to our customers. The plant at Singen in Germany experienced a less satisfactory year due to subdued demand.

Aerospace and Transportation returned figures well below expectations. The issues at Aerospace and Transportation, which were associated with operational challenges and capacity constraints, are not yet fully resolved. However, we have taken the necessary actions and are confident that improvement will begin to be demonstrated.

What progress has been made with the Lean Transformation program?

Over the last two years, Lean has been the platform for a significant improvement in the service we provide to customers, in terms of quality as well as delivery performance, and this helped us continue to take market share from our competitors. Among the many success stories around Lean, I am especially proud to note that over half of our employees now contribute at least one helpful suggestion every month.

Although there is still room for considerable improvement, we have already accomplished a lot. We are now continuing our Lean journey with a five-year phase two, which will see us empower even more of our people at plants and extend Lean into our office and support functions.

2014 has been a big year for investments. How will this impact 2015 and the following years?

Firstly, it is important to understand that the only reason that we have been able to make these investments is because Constellium's success has generated a high level of Free Cash Flow during the two last years. In other words, we are investing because we have the means and because of all the work we have accomplished together in previous years.

These investments form the foundations for our future success. In a few years, I believe Constellium will be ranked either number 1 or number 2 globally in all our markets. This will ensure the long-term future of our Company. We also aim to be recognized as the most innovative and reliable partner in the industry and the natural home for its best talents.

Finally, following the acquisition of Wise Metals, Constellium is now a major player in the US packaging market. We plan to invest up to $750 million in our Muscle Shoals plant to start producing auto body sheets and take advantage of the very promising appetite of the automotive industry for aluminium solutions.

Looking at the aluminium industry, what are the key challenges and opportunities that lie ahead?

In the automotive sector, the challenge will be to meet increasing demand for high-quality and innovative aluminium body sheet and structural parts, as this industry moves away from steel and towards aluminium. This is why we are so active with R&D and investments to build new capacity.

With regard to packaging, I strongly believe steel will finally disappear as a material for cans, with aluminium taking 100% of the market over the next few years. The market will continue to grow in Europe, albeit at a low rate. In order to maintain and increase our market share, we have to learn to be more flexible and more at the service of our customers.

In the aerospace industry, no new aircraft are scheduled to be in design then production before 2030, which means that market shares for Constellium and our peers will remain relatively stable for the foreseeable future. We have to take advantage of this opportunity to dramatically improve our operations, control our costs and prove that Constellium can get back to the pole position we held in the past in this high-tech industry.

What were the key sustainability achievements of 2014 – and the disappointments?

The major downside concerned our safety record, which has now stagnated for two years. Our response has been to launch a vigorous plan to make sure that we once again make progress in this vital area. The latest employee survey also showed that we still have much work to do to deliver satisfaction to all our employees, despite the marked progress achieved since 2012. Our record on production waste is another area where significant improvements are required if we want to reach our targets.

On a positive note, in addition to the increase in employee suggestions, we have improved our energy efficiency and already hit our 2015 target. In addition, we have accelerated the speed of innovation, where we are ahead of target, and taken important strides forward with our Life Cycle Assessment program.

It was also rewarding to see the launch of the Aluminium Stewardship Initiative's new global sustainability standard for the aluminium industry in December 2014. Constellium has been one of the prime movers of an initiative that seeks to mobilize a broad base of stakeholders to establish and promote responsible practices across the aluminium value chain, including business ethics and environmental performance.

What are your hopes and ambitions for the next 12 months and beyond?

I expect to see the projects initiated during 2014 come to fruition in 2015. They include the successful integration of the newly acquired Muscle Shoals plant, the turnaround of Aerospace and Transportation, good progress with the investments announced over the last 12 months, a successful launch of Lean phase 2 and a return to an improving safety performance following the stagnation of the past two years.

At a personal level, I again look forward to leading a team of committed, talented individuals. Our people are aligned along the same vision, with the same shared values and commitment to delivering our strategy. It was a privilege to work alongside them during 2014 and I thank them unreservedly for their skills, support and tireless enthusiasm.

Our commitment to the United Nations Global Compact

"We have reaffirmed our support of the Ten Principles of the United Nations Global Compact (UNGC) in the areas of human rights, labor, environment and anti-corruption. These principles lie at the heart of our commitment to sustainability. In this report we communicate on our progress and have referenced the UNGC Communication on Progress logo where applicable."

Our strategy

Our strategy is consistent and proven. It aims to establish Constellium as the most profitable and fastest growing aluminium company in the world.

Our strategy

Our ambition is to become the most profitable and the fastest growing company in our industry. We aim to achieve leadership positions in our global target markets of aerospace, automotive and packaging by continuously enhancing our portfolio of products and improving the quality of the service we provide to our customers.

Our strategy is based on three strategic pillars:

1. Focus on profitable markets and segments

- Strengthen our leading position in the aerospace market
- Expand our market share in the automotive segment
- Increase margins and volumes in the can stock market

2. Build global capabilities to drive growth

- Continue to lead our industry in innovation
- Expand our Body-in-White (BiW) and automotive structures activities in the US
- Continue to evaluate selective potential investments in Asia
- Develop our technological expertise
- Become an industry leader in the area of sustainability

3. Accelerate performance

- Be best-in-class in safety
- Control costs
- Monitor trade working capital
- Continue to improve operational performance through our Lean Transformation program and improve service through the extension of the program to additional functions

Focusing on profitable markets and segments

During 2014, we made overall progress in our main markets.

In the US automotive market, a number of expansion projects and the strategic acquisition of Wise Metals are giving us the capacity we need to grow in this booming segment. We have invested $40 million to double capacity at Van Buren in Michigan, which will enable us to take advantage of North American demand for automotive structural parts. Early in 2015, we announced a major contract with Ford for the new Ford F-150, which incorporates extensive use of aluminium. This is the first time that aluminium will feature heavily in a mass market vehicle and we believe it will be a game changer for the automotive industry. In addition, we made significant investments at our plants in China, Germany, Czech Republic and France to boost production for the automotive industry in Europe.

Our strategy in automotive is further enabled by the acquisition of Wise Metals (see 'Building global capabilities to drive growth' opposite) which has the widest hot strip mill in North America. Wise Metals provides us with immediate access to 450,000 metric tons of hot mill capacity.

Our packaging strategy is also supported by Wise Metals which has a steady revenue stream driven by long-term contracts with most American beverage can customers. We now hold leading positions in the can body stock markets in both North America (#3) and Europe (#2), where we announced a partnership with Rexam to switch two of their steel can lines to aluminium in Spain. Although growing at a relatively modest rate, packaging remains the cornerstone of Constellium; it is a stable, high-volume business where our technical strengths can play to good effect.

In aerospace, our progress against the strategy was disappointing, due to capacity constraints and operational issues. However, this market remains very attractive to us and we are addressing the challenges experienced in 2014. We are confident that we have the right leadership team, products and services, and anticipate a marked improvement in 2015 and beyond.

Building global capabilities to drive growth

The explosive growth of BiW is currently the single most powerful trend in the automotive sector. Our acquisition of Wise Metals has transformed Constellium from a relatively Europe-centric organization to a truly global player able to serve global customers better and faster. The BiW market in the US is expected to grow from 100,000 metric tons in 2012 to over one million tons in 2020 and around two million tons in 2025.

The Wise Metals acquisition will help us meet that demand. We plan to invest up to $750 million by 2022 to increase Muscle Shoals' current hot mill capacity to over 700,000 metric tons and build 200,000 metric tons of dedicated BiW finishing capacity to help us continue to grow in this value-added market.

Our vision is to become a leading global player in all three of our main markets. Our success in seizing opportunities across the globe depends primarily on our ability to deliver innovations, which is central to our strategy. Relative to our sales, we already invest more in R&D than our competitors and this has created a track record of proven innovations. These include a new AIRWARE® casting system that enables us to produce aluminium-lithium billets using advanced alloys, new Crash Management Systems (CMS) and GRIPSTER™, which brings reduced noise qualities to refrigerated vehicles (see page 44). Our reputation for innovation is further endorsed by the high-value output delivered by our International Scientific Council as well as by close working relationships with external organizations, such as the new partnership with Massachusetts Institute of Technology (MIT) that we established during 2014.

Accelerating performance

Our Lean Transformation program is already changing the way we work. Lean is based on relying on all our employees to contribute to the progress of our Company and providing specific, very efficient tools to produce a major impact on our people, our customers and our operations. In 2012, we identified six Lean KPIs, and targeted progress of at least 2% per month on each KPI.

1. Safety

This is our utmost priority and we are disappointed that we have failed to live up to our high expectations. We have reduced the number of accidents by 80% since 2004 and in 2014 these stood at only one-third of those of the European Aluminium benchmark. However, it is with great regret that we have to again report that while the recordable injury rate remained broadly stable, we experienced one fatality during the year. Please see page 51 for details of how we intend to improve our safety performance in 2015.

2. Empowering our people

We aim to involve our employees in the transformation of our Company by asking them to make suggestions that will improve performance. Our ambition was for 50% of employees to make at least one suggestion per month. In reality, the figure at the end of 2014 was 58%, so we have outperformed our Lean target.

3. Quality

Two years ago we were receiving too many quality-based customer complaints each month. Today, thanks to engaging our people through initiatives such as designating 2014 as the 'Year of Quality' and due to our relentless deployment of very precise tools and methodologies, we have decreased the number of complaints by around 70%, exceeding the Lean target of a 50% improvement.

4. On-time, in-full delivery

We have successfully met our target and reduced the number of late deliveries by half from 2012 to 2014.

Our strategy
continued

5. Inventory

We have reduced inventory by 17% since 2012, with minor progress in 2014, so this initiative has not yet had the anticipated impact on our flexibility and our service to our customers. Transforming the supply chain is a mid-term process and 2015 has been designated the 'Year of Just in Time', in order to drive inventory reduction and accelerate flows.

6. Equipment downtime

Due to organizational or technical issues, some key equipment was not operational for up to 30% of the time in 2012. We have now reduced this figure to 15%, meeting our Lean target and freeing up capacity to increase production without capital expenditure.

The Lean journey continues

The first phase of Lean has been a resounding success, driving a marked improvement in our operations and the service provided to customers. We have made a tremendous difference in the space of 24 months. But this is just the beginning – in January 2015, we announced Lean phase 2, which has three new dimensions:

Longer

Phase 2 is a five-year program which will anchor a culture of continuous improvement in the Company, ensuring that this is a permanent change for the better. We have set the target of 2% month-on-month improvement, which equates to a year-on-year reduction of 20%. Our objective is to reach a 70% improvement over the five years of the program.

Deeper

Instead of being implemented at a plant level, phase 2 is now being implemented at Autonomous Production Unit (APU) level. Each APU Manager will be coached and challenged on KPIs in order to drive continuous improvement deeper into Constellium.

Wider

The original six production-based KPIs will continue. But phase 2 will also embrace the Lean office, covering non-manufacturing functions such as sales, purchasing, finance, IT, R&D and HR. We have identified KPIs for each function and these will be measured company-wide and by each site.

"The Lean transformation program is only starting and the second phase in the next five years will make Constellium the benchmark in our industry."

Pierre Vareille
Chief Executive Officer

Innovation

Innovation is the oxygen that feeds Constellium's strategy. At C-TEC, our world-class technology center, over 250 specialists from 22 nationalities are responsible for creating the innovations that bring new standards of performance to customers in the aerospace, automotive and packaging sectors. World leaders in R&D for aluminium and related solutions, we invested €42 million in innovation during 2014 and helped bring several new products to market (see Products on page 44 for details).

C-TEC provides us with a 'lab to industrial-scale' capability which enables us to de-risk innovations for our customers. During 2014, we accelerated and finalized a major change in the way C-TEC works. The facility now operates through a project management approach with a sharp focus on execution. This project-driven focus empowers people to take responsibility and helps us work faster and smarter, bringing ideas to fruition more quickly and enabling customers to seize competitive advantage.

Eyes on the future

A key role for C-TEC is to use 'watch' processes to continuously monitor and evaluate technology trends that may open up new opportunities for our business units. Our International Scientific Council brings together several of the world's top material scientists and nurtures our innovation strategy with new perspectives. The center integrates this latest thinking, together with other inputs from its 'watch' processes, into its strategy and works closely with the business units to create a product/process roadmap and portfolio. Developments that we are exploring include 3D printing, which is advancing at phenomenal speed leading to new potential opportunities. Nanotechnology is enabling sensors to be integrated into inanimate objects – the basis for the 'internet of things' that could create possibilities for products and applications in our markets. Web-integrated production could revolutionize manufacturing processes.
In automotive, many Original Equipment Manufacturers (OEMs) are developing driverless car technology. What new demands would this create on the shape of vehicles, and hence for aluminium body parts?

Reducing time to market

C-TEC launched the first platform dedicated to automotive Body-in-White (BiW) projects for faster R&D. This generated immediate benefits including better communication within the teams, more efficient project management and faster decision-making. The Auto hub, inspired by the Toyota 'Oobeya' (Japanese for 'big project room') concept, is a large space where the Project Manager, lab team members and R&D scientists with various competencies (metallurgy, forming, modeling) work together. This is an important step in the deployment of Lean tools at C-TEC, and seven further project platforms are planned to be in operation by the end of 2015. C-TEC is also working on creating "competency platforms" aimed at maintaining a good balance between project efficiency and building skills.

"The Auto hub, enabled by Lean tools, is another concrete step in our commitment to dramatically reduce the time to market for our innovations."

Simon Laddychuk
Vice President and Chief Technical Officer

Working with the best

Through C-TEC, we collaborate with the brightest minds in the academic world.

USA: Massachusetts Institute of Technology (MIT), Northwestern University, University of South Carolina, Worcester Polytechnic Institute

UK: Brunel University, University of Manchester, University of Oxford

France: CNRS/University laboratories, IRT M2P, IRT Jules Verne

Germany: RWTH Aachen, German Aerospace Center DLR

Switzerland: EPFL Lausanne

Netherlands: TU Delft

Market overview

Lloyd O'Carroll is an experienced metals equity analyst and the author of 'The O'Carroll Aluminum Bulletin', one of the industry's most respected research services. Here, he outlines the latest developments in the automotive sector and the opportunities that face the aluminium industry.

What are the major trends in the wider aluminium industry?

Aluminium has been the fastest growing metal for the last 20 years and consumption is continuing to grow at around 7% per year, compared with 2% for steel. There is more to come, especially in light-weight, high-volume vehicles following the landmark decision by Ford to incorporate so many aluminium parts in the F-150.

The US is the biggest aluminium market and is experiencing the strongest growth, propelled by the transportation sector. Auto production volumes are high and we are seeing many new applications for Body-in-White (BiW) as well as structures such as bumpers, engine cradles and drive shafts. There is also good growth for aluminium in heavy and medium sized trucks and trailers.

Europe is up slightly, and some experts are now upgrading their forecasts. The weaker euro will help export markets, while the stronger dollar will take some growth away from the US.

In the emerging markets, we are seeing strong growth in the Pacific Rim, Southeast Asia and in India, while Brazil has stuttered a little.

Although China is not achieving the 15–18% growth of recent years, it is still seeing high single digit growth. This is being driven by factors including the increase in major infrastructure projects, especially the power grid – high and medium voltage power lines are aluminium, not copper.

How significant is Ford's switch to aluminium for the new F-150?

This is little short of a game changer. By transforming its best-selling vehicle in the US, Ford sent a clear message to the rest of the automotive industry: the future is aluminium. Historically, aluminium was used in transmission casings, engine blocks and heat exchangers but as far as bodywork is concerned, it was limited to premium cars. Ford's decision signals a new era.

The switch by Ford makes perfect sense. It is moving from mild steel to a blend of aluminium and high-strength steel as a way of reducing mass and increasing fuel efficiency. This is a very important trend for aluminium as it will add an additional 1–1.5% to total global growth for this metal.

What role is regulation playing?

Regulation is the major factor here, driven by concerns over climate change – and those concerns are likely to become even more pronounced in the years to come, as regulation increases across all major markets.
In the US, the requirements of the Corporate Average Fuel Economy (CAFE) standards are set to double by 2025, from 27 miles per gallon (7km per liter) across an automaker's fleet to 55 miles per gallon (14km per liter). In Europe, regulations are even more aggressive and the forecasts are that Japan will shortly adopt the more stringent European model, with China and India probably doing the same at some point.

The auto manufacturers are doing what they can to increase fuel economy, but there is only so much that can be achieved by adapting drive frames and engine transmissions. The rest will be delivered by lowering vehicle weight, and that is where aluminium comes into its own. Switching from steel to aluminium is not only cheaper. Lighter weight also means more economical engines with lower CO_2 emissions. Electric vehicles may play a part too, but range and price remain serious shortcomings.

What is likely to happen in the longer term?

As aluminium companies become a driving force in the automotive industry, steel producers will take a back seat. Although new high-strength steel alloys will continue to play a part in vehicle chassis construction, their use will be limited. Along with its light-weighting properties, aluminium provides better corrosion resistance and greater energy absorption in a crash. What is more, it is not clear how cars made of lighter, high-strength steel could be cut into by rescue services in the event of an accident.

What should the aluminium industry be doing for automakers?

Anything that makes it easier and more efficient for them to use aluminium in their manufacturing. That could mean coatings or better gauge control, and anything in alloy development. Metallurgists should be tweaking existing alloys and determining whether something new is needed. It is no longer a case of 'whatever we sell them must be cheap'.

Now it is 'how can we improve the product to make it more efficient and create value for everyone involved?' That should be the focus. It is a massive opportunity, and it is essential that aluminium producers execute flawlessly, develop as good a product as possible and continue to add capacity. It is a tall order, but the future is bright.

Aerospace and Transportation

"2014 was a challenging year for Aerospace and Transportation, with management changes and operational issues hampering progress. However, the business is essentially strong and the turnaround is already well underway. The efforts of my team are demonstrating that we can deliver on our potential in the coming years."

Laurent Musy, President of Aerospace and Transportation

How we meet customer needs

Constellium is the world leader in value-added aerospace plates, a market that is continuously expanding thanks to healthy growth in aircraft production, driven by the steady increase in global air travel. Customers all over the world rely on our wide range of innovative aluminium rolled and extruded products which contribute to decreased aircraft weight and deliver fuel efficiency gains. These products include rectangular and machined plates, as well as extrusions for aircraft wings (including skins, ribs and stringers), as well as frames and fuselage sheets. We are also proud to serve the space industry, a segment characterized by the highest requirements in terms of technology and performance.

In addition, we provide advanced aluminium solutions that enable manufacturers in transportation, industry and defense to address their technology challenges. We have strong market positions in rolled aluminium for truck floors, tank trailers and dump bodies, railcars and roof coils in North America and Europe. We also provide specialized plate for armored vehicles.

In all of our markets we offer customized services designed to improve the effectiveness of operations and reduce costs, including pre-machining, advanced welding and recycling.

Innovation is a key competitive advantage for our customers in Aerospace and Transportation.

Constellium's products are onboard major aerospace programs

Our manufacturing skills and capabilities in Europe and North America are supported by C-TEC, our world-class technology center in Voreppe, France. The center develops new technology and aluminium-based solutions addressing current and future market needs, such as our internationally-respected AIRWARE® portfolio of products.

Highlights of 2014

2014 was characterized by a disappointing performance from our Aerospace and Transportation business unit, primarily due to operational challenges and capacity constraints. As the year progressed, the improvements we put in place to effect a business turnaround began to have an impact. Primary focus at Aerospace and Transportation is to improve operational performance and to secure and strengthen the business' position in its key segments. The early signs of progress include an uplift in delivery performance to customers and reduced customer complaints, both of which were achieved before the end of the financial year. We were also pleased to report excellent progress on safety performance within the business unit during 2014.

We continued to serve our major customers during 2014, primarily through long-term contracts secured in previous years. These customers include the world's major aircraft manufacturers such as Airbus, Boeing, Bombardier and Dassault and their suppliers. We supply a wide range of alloys for Original Equipment Manufacturers (OEMs) leading commercial and military programs via multi-year contracts.

Furthermore, the range of plant investments planned for 2014 were also implemented as expected, including recalibrating burners at several sites and the extension of aerospace capacity at our plants in Valais, Switzerland.

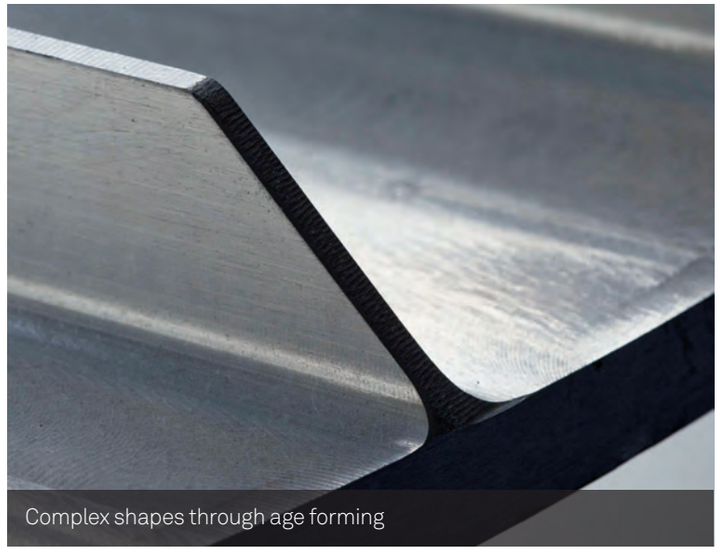
Meeting demand for AIRWARE® technology

Our AIRWARE® technology is driving significant improvements in performance for aerospace customers including Airbus, Bombardier, Lockheed Martin and SpaceX. With demand continuing to increase, early in the last financial year we announced plans to expand our AIRWARE® manufacturing capacity at Issoire, in France.

We are building a new AIRWARE® casthouse that is expected to ramp up production during 2015. As the brand for our patented range of aluminum-lithium alloys, AIRWARE® is changing the face of the aerospace industry based on its unique combination of strength, lightness and improved corrosion resistance.

Taking advantage of lower alloy density and improved material properties, AIRWARE® enables structural parts to be redesigned and allows manufacturers to reduce significantly the weight of aerospace components, thus improving fuel consumption of commercial aircraft. AIRWARE® also eases the production of complex parts, guarantees higher durability and contributes to the development of a more sustainable aerospace industry due to its infinite recyclability.

These qualities explain why it has been selected for several major aerospace programs, including Airbus' A350 XWB, Bombardier's CSeries, NASA's Orion spacecraft built by Lockheed Martin and the Falcon 9 Launcher from SpaceX. The new casthouse will enable us to meet increased demand for AIRWARE® and clearly illustrates our long-term commitment to strengthen our leading position in the aerospace market.



Complex shapes through age forming

Moreover, the highlight of the year was the decision to build a new casthouse at Issoire in France, to meet accelerating demand for AIRWARE® technology (see the case study to the left).

Plans for 2015 and beyond

Looking at the year ahead, the focus will remain on returning the business to its growth trajectory. Much of the work essential to achieving this began towards the end of the last financial year, and we will be redoubling our efforts throughout 2015. Specifically, we will:

- implement the operational transformational program to improve reliability and deliver on our commitment to customers;
- increase capacity and grow our business to support our customers' own growth ambitions, not only by supporting programs in ramp-up phase but also by anticipating future increases in production – for example, the single-aisle aircraft projects at Airbus and Boeing;
- strengthen collaboration across our production network which serves the aerospace market – Issoire, Ravenswood and Valais;
- develop and ramp up production at the new casthouse at Issoire to increase AIRWARE® capacity;
- continue to develop new, innovative solutions for our customers in aerospace as well as in other markets such as defense;
- reduce costs and improve efficiency; and
- maintain our focus on safety at all our sites, at all times.

Packaging and Automotive Rolled Products

"This was a good year for our Packaging and Automotive Rolled Products business. We made a number of key decisions that will impact positively the business unit's future and that of Constellium as a whole. These include the acquisition of Wise Metals as part of our ambitious investment plan to develop our Body-in-White capability both in the US and in Europe."

Pierre Vareille, President of Packaging and Automotive Rolled Products ad interim

How we meet customer needs

Being now the world #1 for closure stock and #1 in Europe and #3 in North America for can stock, we are market leaders in aluminium for packaging, as well as a growing and leading supplier to the automotive industry both in Europe and the US. Customers worldwide trust us to provide them with the innovative products and advanced alloys that they need to create value and competitive advantage. Our customers include major beverage and food can manufacturers such as Anheuser-Busch InBev, Ball, Coca-Cola, Crown and Rexam, specialty packaging producers like Amcor and leading automotive companies including Audi, Mercedes-Benz, BMW Group, PSA Peugeot Citroën and Tesla.

Packaging, which accounts for the majority of the business unit's revenue is a large, strong and stable business that is expected to grow by around 2% annually.

Demand in the automotive sector is growing at a much faster pace, particularly for Body-in-White (BiW) products such as car hood, door and roof panels.

The business unit is also the largest non-integrated producer of foil stock in Europe and a world leader in aluminium solutions for bright and functional surfaces in lighting, decorative applications and cosmetics.

Tabstock production at Constellium

Highlights of 2014

The most significant development of 2014 was our announcement of the acquisition of Wise Metals that was completed on January 5, 2015 (see case study opposite). We also decided to invest €200 million in BiW capacity in Europe, of which €180 million is being invested in a new continuous annealing and conversion line in Neuf-Brisach, France. We are also investing in a new line at Singen, Germany, that is already producing revenue and meeting increased demand in Europe.

Driven by the Corporate Average Fuel Economy (CAFE) regulations in the US, which require significant reductions in fuel consumption, aluminium BiW is now penetrating the automotive mass market. In May, we signed a joint-venture agreement with United Aluminium Corporation of Japan (UACJ) to supply BiW aluminium sheet to the fast-growing US automotive industry. The joint-venture will have an initial target capacity of 100,000 metric tons of finished products. The semi-products – cold rolled coils – will be supplied from both partners' rolling mills. Production is scheduled to start at the new Bowling Green, Kentucky, facility in the first half of 2016, with full capacity expected to be reached by 2018.

In packaging, we announced a partnership with Rexam to switch two of its steel can lines to aluminium in Spain. As Spain is one of the largest can markets in Europe and the largest market for steel cans, this is a significant landmark in the drive towards 100% aluminium beverage cans. Currently, approximately 80% of cans in Europe are made from aluminium.

Plans for 2015 and beyond

2015 will be a year of implementation, with the decisions taken in 2014 translating into tangible activities across Constellium. Specifically, we will:

- ensure efficient integration of Wise Metals within Constellium and make it even more competitive, drawing on the skills and experience developed at our European plants – particularly the Lean program;
- begin to ramp up capacity at Wise Metals to meet the North American demand for BiW;
- work closely with our JV partner UACJ to start and ramp up on time the new BiW plant at Bowling Green (USA) scheduled for 2016;
- continue to build our global BiW capacity, including execution of our investments in new production lines in Europe, at Neuf-Brisach (France) and Singen (Germany); and
- as aluminium continues to penetrate the mass automotive market, partner with Original Equipment Manufacturers (OEMs) worldwide on R&D projects for aluminium-intensive solutions for the cars of the future.

Benefiting from the Wise Metals acquisition

The growing importance of aluminium to the automotive industry is nowhere better demonstrated than by Ford's decision to incorporate many aluminium parts in the 2015 F-150, the most popular vehicle in North America for the last 20 years. BiW will play a major role in this industry transformation – we estimate that the North American market for BiW aluminium rolled products could grow from less than 100,000 metric tons in 2012 to approximately two million tons by 2025.

On January 5, 2015 we completed the acquisition of Wise Metals, a private aluminium sheet producer located in Muscle Shoals, Alabama, for $1.4 billion. The acquisition of Wise – which has the widest hot strip mill in North America – provides us with immediate access to 450,000 metric tons of hot mill capacity. In parallel, we intend to invest up to $750 million by 2022 to increase current hot mill capacity to over 700,000 metric tons and build 200,000 metric tons of dedicated BiW finishing capacity to serve the rapidly growing US automotive market. As part of the $750 million strategic investment plan, we have recently decided to build a $160 million finishing line in North America with a capacity of 100,000 metric tons. This second line is due to start in early 2018.

A key milestone for Constellium, the Wise Metals deal will enable us to provide greater sustainable value to our customers globally.

In addition to being a profitable business in its own right, with a customer base that includes leading names such as Anheuser-Busch InBev and Coca-Cola, Wise Metals enhances our global footprint and offering: firstly by increasing our exposure to the North American market; and secondly by supplementing our leading position in Europe. Over time, we expect to benefit from increased product development resources and technological capabilities, wider global reach and greater operational flexibility.

Aluminium ingots getting ready for the hot line at the Muscle Shoals plant

Automotive Structures and Industry

"The business unit has enjoyed another very successful year, significantly outperforming our competitors. We have grown adjusted EBITDA by 23% over 2013 and for the fifth consecutive year achieved record levels of adjusted EBITDA per metric ton. In addition, we have continued to win important nominations and lay the groundwork for future success, particularly in the automotive market."

Paul Warton, President of Automotive Structures and Industry

How we meet customer needs

Automotive Structures and Industry is a global business unit operating in two principal areas: automotive structural parts and Crash Management Systems (CMS); and hard and soft alloy extrusions for the automotive, transport and industrial markets, such as components for trains, trucks, buses, and power rails. The business unit is the #1 or #2 player in all key market segments.

We enjoy strong, long-term and well-established relationships with many of the world's leading automotive Original Equipment Manufacturers (OEMs) including Audi, BMW Group, Fiat Chrysler Automobiles, Ford, General Motors, Jaguar Land Rover, Mercedes-Benz and PSA Peugeot Citroën, all of which rely on aluminium's physical properties and Constellium's know-how to create vehicles that are lighter and therefore more fuel efficient and environmentally friendly. (See case study opposite for details of our role in the new Ford F-150.)

Environmental regulation, particularly the Corporate Average Fuel Economy (CAFE) standards in North America, in combination with resurgent automotive market growth, is fueling an unprecedented and fast-growing demand for both aluminium structural parts and CMS among volume manufacturers of cars and trucks. Automotive sector analysts expect that by 2018 aluminium will account for 30% share of the total CMS market in Europe and 20% in the US respectively, and that combined aluminium CMS production for China, Europe and North America will reach more than 28 million units.


New production lines for automotive structures at the Van Buren plant

Automotive Structures and Industry has a global footprint, with operations in Europe, North America and China. The business unit has two additional integrated remelting centers that guarantee both a supply of prime extrusion billets and also contribute to our recycling efforts.

Highlights of 2014

Our strong performance in 2014 creates opportunities for all our stakeholders, including our people, and underpins our plans for the years ahead.

At our Van Buren plant in the US, we invested $40 million to double production capacity in order to take advantage of surging North American demand for automotive structural parts, as evidenced by the new Ford F-150 (see case study opposite). During 2014, we carried out a successful production ramp-up with Ford with the official inauguration of the plant extension in April 2015. The coming year will see production running at full capacity.

At the same time, we invested €10 million in new buildings and equipment at Gottmadingen in Germany, to meet demand from European customers including BMW Group. This line will be operational in 2015.

At Decin in the Czech Republic, we completed a €15 million casthouse and tube press line, and launched another growth program that invests a further €22.5 million in additional casting, extrusion and fabrication capacity at the same facility.

During 2014, we progressed the new state-of-the-art research facility in the UK which we jointly share with Brunel University and Jaguar Land Rover. With completion planned for the third quarter of 2015, the Advanced Light Metals Processing Research Center will give us by far the most rapid prototyping capability in our industry, with a full-sized extrusion press and casting equipment.

This will enable us to deliver advanced products to customers with unparalleled speed.

Plans for 2015 and beyond

- Bring our new production capabilities up to full capacity and ensure they can deliver high quality, on time, every time.
- Continue to win nominations from existing and new OEMs, including for relatively new product areas such as body structures and chassis. The industry trend is towards common platforms with a larger number of different vehicle models sharing the same components including front and rear CMS. The nominations we have won will drive the business in 2017 and beyond. With fewer in volume but more significant nominations likely to be available, it is more important than ever to have the proven global capacity and quality to deliver.
- Capitalize on the partnership with Brunel University and Jaguar Land Rover, including the opening of the Advanced Light Metals Processing Research Center. This will incorporate a fully integrated direct chill casting facility and a full-size extrusion press. We expect to see the center begin to make progress in three key areas: light-weight material design; sustainability and recycling; and joining, pre-treatment and vehicle integration.
- Maintain the focus on Lean programs and processes, which drive costs down and customers' satisfaction up. Lean made an important contribution to our quality, our on-time delivery and our working capital in 2014. Now we need to build on that progress in 2015 and generate an even better performance for our customers.

Changing the game

In January 2015, Ford launched the new F-150, which is a game changer for the automotive industry worldwide. The new Ford F-150 – the most famous and popular vehicle in North America with sales running at approximately one every 45 seconds – is built with extensive use of high-strength, military-grade aluminium alloy. This is the first time that a mass market vehicle is built with such a high reliance on aluminium, and we are proud to be one of Ford's largest suppliers of F-150 components.

Through the use of high-strength steel in the frame and aluminium alloy in the body, Ford has reduced the weight of the new F-150 by up to 700lbs and this has delivered the industry's best towing and payload capability among full-size light-duty pickups. This is a tipping point for an industry coming to terms with tighter emissions standards worldwide. In the US, the CAFE standards are set to double by 2025, from 27 miles per gallon (7km per liter) to 55 miles per gallon (14km per liter). It is a similar story elsewhere in the world, with automotive manufacturers globally turning to aluminium to reduce weight and improve fuel efficiency.

Our role is to help customers exploit the advantages of aluminium and therefore we continue to meet consumer and legislative demands. In the wake of this landmark contract – which has established us not only as one of Ford's largest suppliers of aluminium structural parts, but also the #1 provider in the US – we are already working with other high-volume OEMs to help them achieve similarly impressive weight savings. They are seeking opportunities to replicate the success of the F-150 and with aluminium now proven on a high automotive manufacturing platform, barriers no longer exist to prevent its rise as a truly mass market solution.


Ford F-150 windshield headers produced by Constellium

Board of Directors

Richard B. Evans – 1
Mr. Evans has served as Chairman of our Board since December 2012 and as a member of our Board of Directors since January 2011.

Pierre Vareille – 2
Mr. Vareille has served as Chief Executive Officer of Constellium and as a member of our Board of Directors since March 2012.

Michiel Brandjes* – 3
Mr. Brandjes has served as a member of our Board of Directors since June 2014.

Philippe Guillemot* – 4
Mr. Guillemot has served as a member of our Board of Directors since May 2013.

Peter F. Hartman* – 5
Mr. Hartman has served as a member of our Board of Directors since June 2014.

Guy Maugis* – 6
Mr. Maugis has served as a member of our Board of Directors since January 2011.

Matthew H. Nord (Not photographed)
Mr. Nord has served as a member of our Board of Directors since May 2010.

John Ormerod* – 7
Mr. Ormerod has served as a member of our Board of Directors since June 2014.

Werner P. Paschke* – 8
Mr. Paschke has served as a member of our Board of Directors since May 2013.

Lori A. Walker* – 9
Ms. Walker has served as a member of our Board of Directors since June 2014.

*Independent Director

For full biographies visit
www.constellium.com

Executive Committee

Pierre Vareille – 1
Chief Executive Officer
President, Packaging and Automotive Rolled Products business unit on an interim basis

Marc Boone – 2
Vice President, Human Resources

Nicolas Brun – 3
Vice President, Communications

Béatrice Charon – 4
Vice President, Business Planning

Didier Fontaine – 5
Chief Financial Officer

Simon Laddychuk – 6
Vice President and Chief Technical Officer

Jeremy Leach – 7
Vice President and Group General Counsel

Yves Mérel – 8
Vice President, EHS and Lean Transformation

Laurent Musy – 9
President, Aerospace and Transportation business unit

Wesley N. Oberholzer – 10
Vice President, Packaging and Automotive Rolled Products North America

Vittorio Rossetti – 11
Chief Information Officer

Jun Tao – 12
Vice President, Strategy and Business Development

Paul Warton – 13
President, Automotive Structures and Industry business unit

For full biographies visit
www.constellium.com

Governance

We are committed towards maintaining the highest standards of corporate governance to ensure our business is run in the best interests of our shareholders. This is a vital element of building trust and in acting with integrity.

Director independence

We maintain a one-tier Board of Directors consisting of both Executive Directors and Non-Executive Directors (each a 'Director'). Under Dutch law, the Board of Directors is responsible for our policy and day-to-day management. The Non-Executive Directors supervise and provide guidance to the Executive Director.

As a foreign private issuer under the Securities and Exchange Commission (SEC) rules, we are not required to have Independent Directors on our Board of Directors, except to the extent that our Audit Committee is required to consist of Independent Directors. However, our Board of Directors has determined that, under current NYSE listing standards regarding independence (which we are not currently subject to), and taking into account any applicable committee standards, Messrs. Brandjes, Guillemot, Hartman, Maugis, Ormerod, Paschke and Ms. Walker are Independent Directors.

Our Board

The Board of Directors is responsible for our policy and day-to-day management. The Non-Executive Directors supervise and provide guidance to the Executive Director.

For more information on the members of our Board of Directors see **pages 24–25**

Board meetings in 2014

The Board of Directors held 10 meetings in 2014 and reviewed matters including:

- reports from the Board's committees;
- reports from the Chief Executive Officer (including EHS and M&A activity);
- approval of the 2013 Annual Accounts;
- approval of filing of Form 20-F with the SEC;
- approval of the draft agenda for the Constellium General Meeting of Shareholders of June 11, 2014, including nomination of the new Non-Executive Directors;
- amendment of the Delegation Authority;
- approval of the Wise Metals acquisition;
- approval of re-financing through issue of high-yield bonds issue and new revolving credit facility;
- reports from the business units (on any major projects); and
- approval of 2015 budget.

Our Committees

Audit Committee

Members

Our Audit Committee currently consists of five Independent Directors under the NYSE requirements:

Werner P. Paschke, Chair, Philippe Guillemot, Guy Maugis, John Ormerod, Lori A. Walker

Function

Our Board of Directors has determined that three members, John Ormerod, Werner P. Paschke and Lori A. Walker, are audit committee 'financial experts' as defined by the SEC and also meet the additional criteria for independence of audit committee members under the Securities Exchange Act of 1934, as amended.

The principal duties and responsibilities of the Audit Committee are to oversee and monitor the following:

- our financial reporting process and internal control system;
- the integrity of our consolidated financial statements;
- the independence, qualifications and performance of our independent registered public accounting firm;
- the performance of our internal audit function;
- our related party transactions; and
- our compliance with legal, ethical and regulatory matters.

Remuneration Committee

Members

Our Remuneration Committee currently consists of three Directors:

Matthew H. Nord, Chair, Richard B. Evans, Peter F. Hartman

Function

The principal duties and responsibilities of the Remuneration Committee are as follows:

- to review, evaluate and make recommendations to the full Board of Directors regarding our compensation policies and establish performance-based incentives that support our long-term goals, objectives and interests;
- to review and approve the compensation of our Chief Executive Officer, all employees who report directly to our Chief Executive Officer and other members of our senior management;
- to review and make recommendations to the Board of Directors with respect to our incentive and equity-based compensation plans;
- to set and review the compensation of and reimbursement policies for members of the Board of Directors;
- to provide oversight concerning selection of officers, management succession planning, expense accounts, indemnification and insurance matters, and separation packages; and
- to provide regular reports to the Board of Directors and take such other actions as are necessary and consistent with our Amended and Restated Articles of Association.

Nominating/Corporate Governance Committee

Our Nominating/Corporate Governance Committee currently consists of three Directors.

Members

Richard B. Evans, Chair, Michiel Brandjes, Matthew H. Nord

Function

The principal duties and responsibilities of the Nominating/Corporate Governance Committee are as follows:

- to establish criteria for Board and Committee membership and recommend to our Board of Directors proposed nominees for election to the Board of Directors and for membership on committees of our Board of Directors; and
- to make recommendations to our Board of Directors regarding Board governance matters and practices.

Executive Committee

Function

- reviews all strategic issues and evaluates all significant proposed acquisitions or divestments, financial restructuring, alliances and strategic partnerships;
- develops and monitors implementation of key strategic, financial, investment and organizational decisions;
- controls the execution of the five-year plan and of the Budget;
- reviews reports and proposals made by the Operations Committee to evaluate its economic and financial consequences; and
- as and when required, submits reports, proposals and recommendations on all matters within its scope of responsibility to the Board of Directors.

For more information on our Executive Committee see **pages 26–27**

Operations Committee

Chairman

Pierre Vareille, Chief Executive Officer

Members

- Business Unit Presidents
- Chief Financial Officer
- Vice President Strategy and Business Development
- Vice President Human Resources

Function

- develops and implements the operational business decisions, as defined by management and the Board of Directors;
- monitors the implementation and progress of significant operational projects;
- monitors the execution of the Budget, and in particular the Free Cash Flow generation of the business; and
- submits reports, proposals and recommendations on all matters relating to the operations to the Executive Committee.

Code of Conduct

Our Worldwide Code of Employee and Business Conduct sets out the standard of behavior we expect from our employees. The Code governs the way Constellium acts in business, and how we expect our partners and suppliers to behave. It applies to all Constellium employees, subject to applicable local law. Compliance with the Code is essential to preserving and enhancing the Company's reputation as a responsible corporate citizen, and ultimately, to maximizing shareholder value.

Whistleblower policy

We have implemented a whistleblower policy to foster an environment where our employees can act without fear of retaliation and report wrongdoing or suspected wrongdoing or irregularities of a financial, accounting, banking or corruption nature in Constellium to a reporting official. To facilitate this reporting, we are in the process of establishing an external hotline in all the countries and languages we have operations in.

Insider Trading policy

We have an Insider Trading policy which sets out the restrictions on, inter alia, trading in Constellium securities and the use of inside information.

Engaging with stakeholders

Our stakeholders include suppliers, customers, employees, Non-Governmental Organizations (NGOs), local communities, industry organizations and others in the aluminium value chain. Engaging with them proactively helps us to govern our business in line with their expectations and needs.

Who we engage with	How we engage	When we engage
Analysts and investors	Annual analyst day, regular exchanges through our Investor Relations team	• Quarterly earnings conference calls • Analyst day once a year • Exchanges on a regular basis
Customers	Visits, industry associations, regular customer satisfaction surveys, trade shows	• Bi or tri-annual customer satisfaction surveys organized within business units • Meetings with customers for commercial and technical aspects
Employees	Employee feedback collection, works councils, Management Days, management calls, Environment, Health and Safety (EHS) days, customer presentations and business unit President roadshows, Chief Executive Officer plant visits, Chief Executive Officer memos as appropriate, Lean workshops, THANK YOU AWARDS, interaction with employee representatives	• Exchanges throughout the year • Biennial Global Employee Survey • Annual business unit President roadshows • Quarterly LIVE magazine (internal newsfeed) • Weekly newswires • Annual employee recognition program
Industry stakeholders	Aluminium Stewardship Initiative (ASI), industry associations including European Aluminium, The Aluminum Association, International Aluminium Institute (IAI), Groupement des Industries Françaises Aéronautiques et Spatiales (GIFAS) and others. See 'Memberships' on page 77	• General meetings and many other meetings for various working groups, taskforces
Local communities	This is managed at local levels. See 'Supporting communities' on pages 56 and 57	• One community program in each site
NGOs	ASI, community engagement activities	• 3–4 general meetings/year but many other meetings for various working groups, taskforces
Shareholders	Annual General Meeting, roadshows	• Annual General Meeting once a year • Roadshows as appropriate
Suppliers	Code of Conduct, visits, sustainability targets	• Visits are organized for new suppliers • Regular audits

For more information
see 'Stakeholder perspectives'
pages 39–41

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"Constellium is making good progress delivering on our commitment to sustainability. Along with our rapid growth, we are working hard to shape the future of a responsible and sustainable aluminium industry."

Laurent Musy
Chairman, Constellium Sustainability Council

Sustainability in focus

Sustainability highlights

We continued to work hard in 2014 to embed sustainability across the business. These are some of the many achievements we recorded during the year.

Carried out the 2014 Global Employee Survey

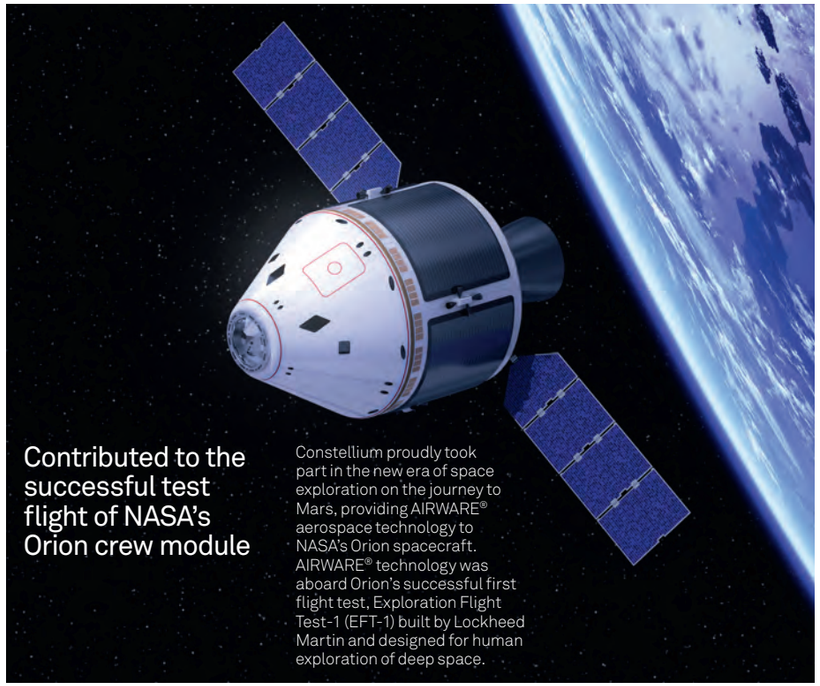
Our second Global Employee Survey revealed a high overall participation rate of 75%, an 11% increase from 2012. We made headway in most categories, including employee engagement, customer focus, training and development, and providing clarity around our strategic direction.

Improved energy efficiency at Ravenswood

Our unit at Ravenswood (USA) reduced electricity consumption by nearly 20,000 MWh, notably thanks to investing in a new motor drive for a rolling mill and replacing 80% of the plant lighting with LED lighting.

Implemented ISO 50001 at Decin

Our Decin plant in the Czech Republic implemented the ISO 50001 standard on energy management. The standard specifies requirements for establishing, implementing, maintaining and improving an energy management system.

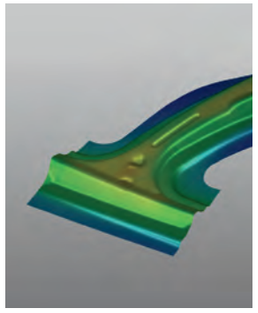


Contributed to the successful test flight of NASA's Orion crew module

Constellium proudly took part in the new era of space exploration on the journey to Mars, providing AIRWARE® aerospace technology to NASA's Orion spacecraft. AIRWARE® technology was aboard Orion's successful first flight test, Exploration Flight Test-1 (EFT-1) built by Lockheed Martin and designed for human exploration of deep space.

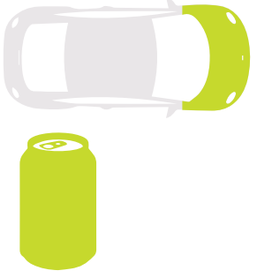
Worked in partnership to develop the world's first '2l/100km' vehicle

In partnership with car manufacturers Renault and PSA Peugeot Citroën, and parts and tools supplier SNOP, we are participating in the Allegria project which was filed and validated by ADEME[1]. This project aims to develop materials and technologies that will enable the development of a 2 litre/100km vehicle by 2020.



Reinforced our commitment to Leadership Safety Tours

We extended our program of Leadership Safety Tours. These tours are a company-wide initiative through which all our leaders – from senior management to shift supervisors – interact with their teams on a weekly basis and encourage all our people to identify simple, sustainable solutions on the shop floor.



Performed Life Cycle Assessment studies on aluminium cans and car hoods

We performed third-party verified Life Cycle Assessment studies on two key products – a beverage can model and a car hood model, following the introduction of a sustainability check for every new product or process within our innovation process in 2013.

Launched our first materiality matrix based on GRI G4 guidelines

We launched our first materiality assessment exercise in line with international standards (Global Reporting Initiative's G4). This has allowed us to identify the issues that are most important to internal and external stakeholders.

Won recognition at the European Business Awards

Constellium was named Environmental and Corporate Responsibility Champion in France by the European Business Awards, which recognizes and rewards excellence, best practice and innovation in companies across the European Union.

1. ADEME: Agence de l'Environnement et de la Maîtrise de l'Energie. ADEME is the French state operator that supports environmental and energy transition.

Altogether more sustainable

We have identified a series of commitments and targets which we use to evaluate our progress towards becoming a more sustainable business.

On track
Needs improving
Achieved
Missed

This symbol identifies sustainability Key Performance Indicators throughout this report

Products

We are committed to developing, producing and selling sustainable products that meet our customers' needs now and in the future.

We will

Maximize recycling rates of our products, including after the end of their useful life

Continuously innovate and offer lighter, safer and infinitely recyclable solutions

Targets	Progress
75% beverage can recycling rate in Europe by 2015	On track
All major new innovation projects through Life Cycle Assessments by 2015	On track
10% of sales from innovative products by 2015	Achieved

For more information see **page 43**

People

We are committed to ensuring our people are safe, skilled, motivated and engaged.

We will

Protect the safety and health of our employees, contractors and visitors as a top priority

Strive to enhance employee engagement and development

Targets	Progress
60% improvement in recordable cases by 2014	Missed
No serious injuries in 2015	Needs improving
50% improvement in employee contributions by 2014	Achieved
75% participation rate in the employee survey in 2014	Achieved
Six-point improvement in the employee satisfaction rate in 2014	Missed

For more information see **page 51**

Operations

We are committed to minimizing the environmental impact of all our operations in terms of energy, waste and water.

We will

Further develop recycling

Optimize the use of natural resources, especially energy

Prevent and minimize environmental impacts

Targets	Progress
10% decrease in energy consumption per processed unit by 2015	Achieved
Major European sites reaching ISO 50001 certification by 2015	On track
75% total landfill reduction by 2020	Needs improving

For more information see **page 59**

Responsible business

We are committed to undertaking the highest standards of governance across all our activities in line with Constellium values.

We will

Subscribe to the highest levels of transparency and accountability, and commit to develop company and industry sustainability programs

Promote the adoption and implementation of sustainability policies by our suppliers and contractors

Targets	Progress
100% of key suppliers joining the UNGC by 2015	On track

For more information see **page 65**

Our materiality assessment

Our materiality assessment process guides our approach to sustainability by allowing us to identify and manage the issues that are most likely to impact the business and the stakeholders we surveyed.

Our approach

During 2014, we undertook a materiality assessment to identify the issues that matter most to Constellium and our surveyed stakeholders.

Based on surveys and regular engagement with our internal and external stakeholders, we identified a total of 17 material issues that form the basis of the potential issues covered in this report.

Pierre Vareille, Chairman of European Aluminium, introduces the Sustainability Roadmap towards 2025

Consulting with internal and external stakeholders

The first step in our materiality process was to consult with internal and external stakeholders to find out which sustainability issues they see as most important for Constellium.

- Internal assessment:
  We administered a questionnaire to representatives from senior management and our Sustainability Council, of which 84 provided input.
- External assessment:
  We spoke to and conducted surveys with 27 external stakeholders, including customers, suppliers, investors, Non-Governmental Organizations, regulators, scrap traders and dealers, union representatives, certification bodies and industry associations.

We asked each participant to rate the relative importance of 35 sustainability topics, which were identified through external benchmarking and grouped under five areas: environment, health and safety, people, supply chain and economy. We then asked participants to choose two or three priority issues within each area to create a comprehensive list of material issues.

Implementing the outcomes

The exercise has shown good alignment between our internal and external stakeholder expectations for sustainability. It has confirmed that our four priority areas of products, people, operations and responsible business, are still the most relevant for our business. It has also given us focus within those areas as we look ahead and develop.

Gathering additional insight

As part of the consultation, we asked open-ended questions. These were intended to give us a fuller understanding of what stakeholders are particularly interested in, and what they want to see more of.

Three main areas emerged:

1. Recycling, particularly related to creating a circular economy
2. Management transparency, including accountability for our sustainability charter
3. Our ambition regarding energy policy and relevant Key Performance Indicators

See **page 39** for more information on how we are engaging with stakeholders, and an overview of the main topics raised in 2014

Mapping and prioritizing issues

We used the outcomes of our stakeholder survey to map all 35 issues. The 17 issues that were in the upper right half of the matrix were identified as our material issues and have been indicated in the chart below.

The following issues did not emerge as highly material: labor and human rights, treating suppliers with respect, local communities, work/life balance, diversity and absenteeism, water, renewable energy in operations, global warming, biodiversity, expanding our markets, traceability of our products, selecting suppliers on sustainability and performance.

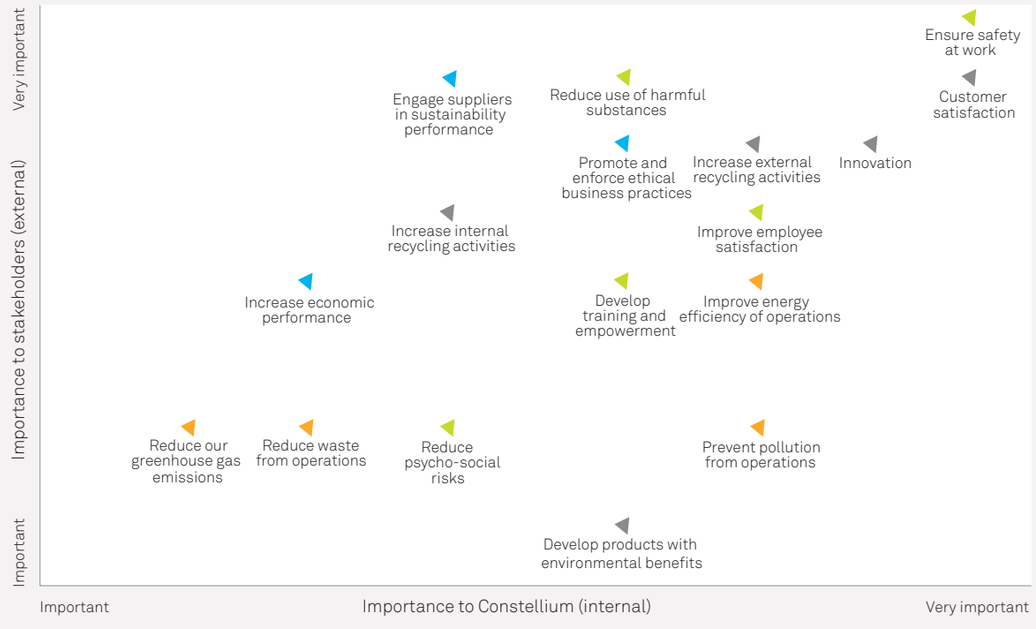
Of the issues that did not emerge as highly material, two in particular are of high interest to us, namely diversity and local communities. These topics have been communicated within the People pillar of this report.

The remainder will be reported to interested stakeholders through other channels, such as our website (www.constellium.com). Initiatives regarding these issues are already underway, even though they have not been identified as material issues by our materiality assessment process.

Materiality matrix key

Use this color key to see how each material issue fits within the four pillars of Constellium's sustainability strategy:

- Products
- People
- Operations
- Responsible business

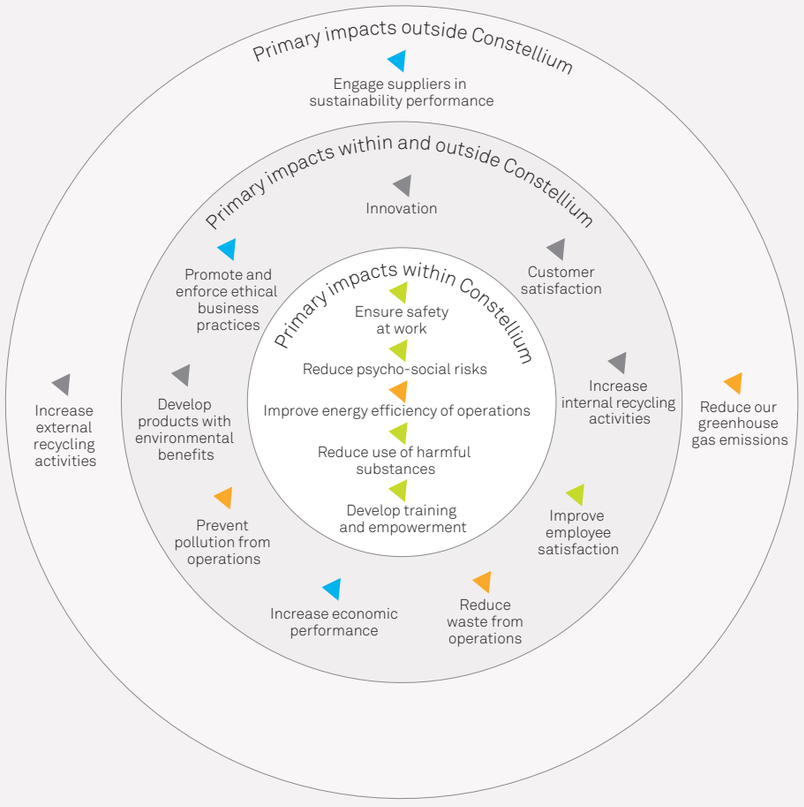


Our materiality assessment
continued

The chart below shows where the primary impacts for each of the issues sit with respect to the boundaries of our business.

In the following chapters, we will explain how we are managing these potential issues, engaging with people and partners across the supply chain, as necessary.

- Products
- People
- Operations
- Responsible business



Scope and boundaries

This materiality exercise has been conducted for Constellium in its entirety, and therefore considers the impacts of all of Constellium's consolidated operations. We involved a range of stakeholders across different regions and business units in the materiality assessment process. This was an extensive process, but does not necessarily represent the totality of all our internal and external stakeholders' views.

We also used the guidance notes on accountability and the material aspects criteria defined by Global Reporting Initiative to inform our approach.

Stakeholder perspectives

Stakeholder engagement ensures that our approach to sustainable business is relevant and effective. It gives us an outside perspective, helping us to evolve our business in line with both internal and external expectations.

Our approach

There are many ways that we engage with our stakeholders – from meetings and business activities to membership and participation in organizations.

Our stakeholders include employees and employee representatives, customers, suppliers, our Board of Directors, shareholders and investors, regulators and policy makers. They also include the communities in which we operate as well as sustainability organizations, including Non-Governmental Organizations and academic institutions concerned about the social, environmental and climate impacts of the production and use of aluminium products. Through our materiality assessment exercise, we have started to engage with our stakeholders in a more systematic manner. We have also connected closely with selected stakeholders during the development of this report.

See **page 30** for a summary of the main ways that we engage with our key stakeholder groups

"This stakeholder consultation process should enable Constellium to further develop its sustainability policy, beyond already recognized strengths like the management of safety at work. This will help them tackle important sustainability challenges and improve the quality of the information included in the sustainability performance report."

Pascal Thomas
AFNOR

"By engaging in such a consultation process, Constellium took a relevant approach to define its sustainability priorities. As shareholders, we strongly support this determined attention to environmental, social and governance factors, as we understand sustainability as a potent lever for corporate competitiveness."

Sébastien Blot
Bpifrance


Constellium Prize 2014 awarded to Dr. Thierry Loiseau

Customers seek leading action on environmental impacts

Many of our customers expect Constellium to lead on reducing the environmental impacts of our products. Others emphasized the importance of improving sustainability across the supply chain, and some suggested that we could usefully carry out further work on improving beverage can recycling rate.

Some regulatory bodies push for us to retain industry leadership

Some regulatory bodies we interact with acknowledge our performance with regard to safety and also that we have given due attention to the environmental impacts of our business activities. However, in 2014 they also emphasized the importance of us retaining our leading industry position. A number of them also expressed concern regarding psycho-social risks and reducing stress levels among employees.

Research organizations call for continued investment

Innovation is fundamental to creating products that customers want. Through our engagement in 2014, several research organizations encouraged us to continue investing in research and development.

Stakeholder perspectives
continued

Human rights

Industry associations emphasize the importance of transparency

Some industry associations have asked us to work towards increased levels of transparency and accountability, including an increase in our external reporting activities.

Investors support our sustainability approach

We are focused on ensuring that investors see Constellium as a leader in high value-added aluminium products and solutions. The surveyed investors indicated that we must continue to work on positioning ourselves as a leader in sustainability. In 2014, they acknowledged our continued commitment to ensuring safety at work. They also stressed the importance of good corporate ethics and transparency and indicated they would welcome additional communication on these topics.

Non-Governmental Organizations see us as a valuable player

We engage with Non-Governmental Organizations, especially those operating in the social and environmental sectors. They stress that because of our very specific position in the center of the aluminium value chain, we have an opportunity to be a key player. Most of them also emphasize the importance of working towards reducing the environmental footprint of our products and operations – with recycling possibilities and increased investment in renewable energy being specific issues raised in 2014. They also stressed the importance of having a clear and well-defined greenhouse gas (GHG) emissions target, which we are currently working on.

Developing the world's first sustainable aluminium standard

Leaders from the aluminium sector unveiled a new comprehensive standard that aims to improve the industry's environmental, social and governance performance throughout its entire value chain, including plans to reduce its greenhouse gas emissions.

This is the culmination of a year-long consultative dialog involving industry leaders and civil society organizations.

Constellium joined Aluminium Stewardship Initiative (ASI) at its inception and we have participated in the development of the new standard under the leadership of the International Union for Conservation of Nature (IUCN).

asi Aluminium Stewardship Initiative

The voluntary standard will allow the industry to better respond to growing customer and consumer demand for a more sustainable supply chain.

Once implemented, the new standard will allow industry participants to certify aluminium products through a third-party certification system. This certification will signal that products have been produced in line with the standard's principles relating to environmental performance, social responsibility and governance practices. We see the new ASI standard as a natural extension of our own sustainability efforts. By working together with our stakeholders, we can become more sustainable as an industry. We are proud of our contribution to the development of the ASI standard. In our view, this standard is truly groundbreaking as it brings together players across the entire aluminium value chain and defines a Chain of Custody, which directly links sustainable practices to the end products used by businesses and consumers.

Read more at www.aluminium-stewardship.org

Suppliers want common standards and increased recycling

Suppliers are a crucial part of our value chain and play an important role in the overall sustainability of our business. Most of our suppliers express the need for a clear and well-defined supply chain strategy.

Our scrap dealers and traders emphasize the need to promote the benefits of recycling for the environment.

Suppliers are supportive of creating shared standards across the supply chain with the Aluminium Stewardship Initiative (ASI)

Strengthening sustainability in the supply chain

In 2014, we launched a supplier assessment campaign to strengthen our suppliers' sustainability credentials and align them with our vision and strategy.

Part of this campaign included the launch of a pilot program with an external and independent assessment company – an online platform which allows companies to monitor the environmental and social performance of their global suppliers.

We have also been promoting our Code of Conduct to key suppliers and encouraging them to adopt the principles set out by the United Nations Global Compact (UNGC). Setting up the process has not been straightforward, but we are starting to see positive results. For example, one of our suppliers has joined the UNGC as a result of this dialog.

See **pages 65 –67** to see how we are engaging with suppliers

Key stakeholders interacting at the launch of European Aluminium Industry's Sustainability Roadmap towards 2025

Creating an industry-wide roadmap to 2025

We have helped develop the European Aluminium Industry's Sustainability Roadmap towards 2025. The roadmap seeks to create a vision, future outlook, priority areas and targets which will help enhance sustainability in the aluminium value chain.

We have supported European Aluminium as it engaged with the European Union decision-makers and the wider policy community to promote the outstanding properties of aluminium and optimize the contribution our metal can make to meeting Europe's sustainability challenges.

Certification bodies encourage greater consistency

Some of the certification bodies we engaged with in 2014 encouraged us to be consistent across all aspects of our sustainability communications.

Maintaining healthy relationships with union representatives

In 2014, union representatives expressed the need to maintain healthy management–union relationships, and some shared their views on the environmental impacts of our business.

We take our stakeholders and their expectations very seriously. We are trying to address the expectations that stakeholders have raised. This report provides information on the key actions taken.

Making our products more sustainable

We must design, manufacture and sell products that meet our customers' needs – both now and into the future. For us, this boils down to delivering high-quality products efficiently, developing innovations that anticipate market needs and reducing the environmental impacts across the aluminium life-cycle.

Materiality coverage

- Customer satisfaction
- Innovation
- Develop products with environmental benefits
- Increase recycling activities

Targets

- 75% beverage can recycling rate in Europe by 2015
- All major new innovation projects through Life Cycle Assessments (LCAs) by 2015
- 10% of sales from innovative products by 2015

Performance

- Latest available data show continuous improvement with 69.5% beverage can recycling rate in Europe in 2012
- Over the last 12 months, 73% of new projects incorporated a sustainability checklist as part of their project reviews. Depending on the outcome of this checklist, LCAs were performed
- Ahead of our target with 13% of sales from innovative products in 2014

Customer satisfaction

Our customers include some of the largest manufacturers in the aerospace, packaging and automotive industries. Meeting their expectations and anticipating their needs are fundamental to building enduring relationships and our long-term business success.

At the Packaging and Automotive Rolled Products business unit, we monitor how satisfied our customers are through bi-annual satisfaction surveys which help to identify areas where we need to take action. Results are already visible. Between 2012 and 2014, we witnessed a clear improvement in customer satisfaction at Packaging and Automotive Rolled Products. The business unit mandated an external research agency to conduct its customer satisfaction survey, covering all aspects of our offer, including the quality of our products, logistics, technical support, sales service, management, level of innovation, as well as sustainability and communication topics. The global satisfaction rate at Packaging and Automotive Rolled Products has increased by 10 points since 2012.

Since its launch two years ago, our company-wide Lean Transformation program has made a significant contribution to customer satisfaction. Our focus on quality control and just in time production have helped us reduce the percentage of missed deliveries by half and the number of customers complaints by 70%. For more on Lean Transformation see pages 13 and 14.

Our Chief Executive Officer Pierre Vareille named 2014 the 'Year of Quality', reinforcing quality at the heart of our approach to building customer satisfaction, supported by our slogan 'Quality makes the difference'. This philosophy was clearly demonstrated in late 2014 by the Automotive Structures and Industry extrusions plant at Sierre. We organized an extensive Total Productive Maintenance (TPM) level one workshop that took place at one of the site's major rail production facilities. Key highlights of this workshop included strong team motivation, great team effort, a high participation rate (32 people) and excellent overall results. Thanks to the workshop, the team has now defined clear improvement actions as part of TPM level two and three workshops, reinforcing our Lean culture.

We also held a Truck Preparation Area workshop to improve our on-time in-full delivery performance and reduce inventory at our casthouse in Issoire, in line with our Lean culture. Truck Preparation Areas play an important role in the process efficiency of our operations. They involve organizing the shipping area of a production unit around specific customer orders to control incoming and outgoing product flow.

2015 is the 'Year of Just In Time', to ensure optimum customer satisfaction. We will pursue continuous improvement on this front.

Partnering with customers to increase efficiency

In 2014, Constellium's Ravenswood plant created a Lean system for leading tank trailer manufacturer Heil Trailer International. Working with Champagne Metals, the team reduced the manufacturer's lead-time while improving delivery times and reducing time-lags across the entire supply chain.

"The driving force behind this was to improve the overall business processes between the two companies."

Andrew Cordell
Sales Manager, Constellium

Making our products more sustainable
continued

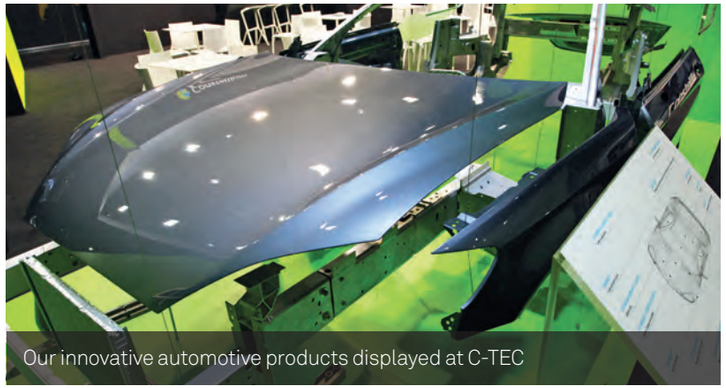
Innovation

With its properties of lightness, strength, formability, corrosion-resistance and infinite recyclability, aluminium is the ideal solution for many applications.

Constellium products bring innovative qualities to our three main markets of automotive, aerospace and packaging, including reduced fuel consumption and reduced greenhouse gas (GHG) emissions.

However, constant innovation is required to make sure that aluminium remains a material of choice, capable of delivering sustainable and proven advantages to our customers and to consumers worldwide.

Based in Voreppe, France, C-TEC, our technology center, has a proven track record of conceiving and incubating ideas that shape the world (see 'Innovation' on page 15). Sometimes these innovations may take the form of incremental improvements. At other times, they can be true breakthroughs. At all times, we believe that an innovation must be commercially viable if it is to be adopted by our customers and incorporated in transformational products that must deliver in the marketplace. So instead of focusing on the number of patents we file, we monitor the percentage of annual Constellium sales generated by products or processes created in the previous five years. Our objective is 10% by the end of 2015, and in 2014 we achieved 13%, so we are already well ahead of target.



Our innovative automotive products displayed at C-TEC

In one of the highlights of the year, we perfected a new AIRWARE® casting system that enables us to produce aluminium-lithium billets using advanced alloys which bring the advantages of AIRWARE® to new aerospace applications and deliver improved buy-to-fly ratios[1]. Developed at C-TEC, this system is now in the final stages of trials.

1. In the aerospace industry, the 'buy-to-fly' ratio is routinely used to describe the amount of raw material required to produce a finished part.

13%
of sales from innovative products in 2014

GRIPSTER™: the quiet revolution

Refrigerated trailer deliveries to city premises can cause excessive noise and disturb local residents and businesses. Launched in 2014, our new GRIPSTER™ product offers a superior tread pattern for refrigerated vehicle floors. It is the only solution on the market that combines greater durability and better grip with reduced noise qualities that meet the requirements of PIEK, the organization in Europe which certifies low noise vehicles.

GRIPSTER™ is a differentiated product offer for the tread plate market and we anticipate converting customers from polyester or extruded floors. Testing began in the summer of 2014 with vehicles operated by French truck Original Equipment Manufacturers (OEMs) Aubineau, Chereau and Lamberet. Feedback was positive and demand is now increasing. We believe that soon, several hundred vehicles manufactured by these OEMs will incorporate GRIPSTER™.

GRIPSTER™ pattern for tread plate

We also developed new lighter-weight, stronger alloys to be used in Crash Management Systems for the automotive industry and supported our plants in developing a Body-in-White (BiW) capability by improving processes and optimizing equipment for R&D.

Developing products with environmental benefits

Aluminium is a finite resource. Its manufacture uses energy and water, and waste is formed as a by-product. But it is also a lightweight, more readily recyclable alternative to other materials – offering opportunities to reduce environmental impacts across its life-cycle.

As a major manufacturer of aluminium products, it is our responsibility to work closely with others in the value chain to minimize these impacts, from production and distribution through to design and end-use. Across all markets, our customers look to us to offer solutions that are cost-effective, efficient, and help them meet their environmental objectives.

We have the opportunity to drive significant change with our products by bringing new solutions to existing markets.

In the automotive industry, for example, the Aluminum Association highlights that using aluminium instead of steel in cars could save up to 44 million tons of carbon emissions each year. Last year we worked in partnership with car manufacturers Renault, PSA Peugeot Citroën, and parts supplier SNOP to develop the world's first affordable 2 litre/100km car. This effort forms part of our work for the Allegria project (see 'Sustainability highlights' on page 33 for more), which aims to address the challenge of significantly lowering industry-wide fuel consumption.

In the aerospace market, our AIRWARE® lightweight alloys are reducing the weight of components, and reaping significant fuel reduction benefits (see 'Innovation' on the opposite page). And in the aviation industry, our emphasis on end-of-life recycling through projects such as SENTRY (see 'Recycling partnerships' on page 49 for more) are helping to close the loop of our value chain, avoid waste and reduce energy use, water and greenhouse gas emissions.

Collaboration has been central to this drive. In 2014, we continued our work with the Aluminium Stewardship Initiative (ASI) to bring together organizations from across the value chain as well as NGOs to establish a standard for responsible aluminium.

We also contributed to the European Aluminium Industry's Sustainability Roadmap towards 2025, helping to develop targets that enhance sustainability (see 'Creating an industry-wide roadmap to 2025' on page 41 for more).

Life Cycle Assessment (LCA)

To improve the overall sustainability of our products, we look to identify ways of embedding environmental benefits throughout a product's life. One of the key ways to achieve this is to conduct a Life Cycle Assessment (LCA).

At the end of 2013, we introduced a sustainability check for every new product or process at the innovation phase of product development. Here, members from our research and technology, sales, marketing, strategy, general management and production teams meet to decide whether or not to pursue a project based on criteria including environmental risks or opportunities. Over the last 12 months, 73% of project reviews performed at our C-TEC technology center incorporated this check.

During the sustainability check, we also decide if an LCA should be conducted. LCA tools are used to support our decision-making process and can be used across common products and processes to broadly identify the most significant environmental impacts. In 2014, no mandatory LCA studies took place, as no case of significant uncertainties or potential negative impacts were found.

Assessing lifetime impact

LCA is a technique to assess the environmental impacts of a given product throughout its life, from raw materials extraction for the original manufacturing process through usage to its end-of-life. This is a vital tool in mapping the upstream impacts and downstream benefits of our products, and helps identify where environmental improvements can be made at various stages of the product life-cycle. It provides an overview of impacts across different categories such as greenhouse gas emissions water eutrophication, acidification, resource depletion, toxicity and waste production.

73%
of new projects incorporated a sustainability checklist as part of their project reviews in 2014

Making our products more sustainable
continued

There were a significant number of cases where an LCA was recommended to support product promotion, two of them leading to a decision to proceed – both detailed in 'Life Cycle Assessment in practice' below.

In 2014, we extended the scope of our LCA tools to cover a broader range of products and processes. In addition, we increased the number of impact categories from 5 to 22 and these now cover most of those identified by IMPACT 2002+ and CML[1]. We also developed some more specialized LCA models for specific product categories. Our target is for all new major innovation projects to go through a screening using LCA tools by the end of 2015.

1. Impact 2002+ and CML are LCA methodologies, covering a wide range of impacts, from water, soil and air impacts as well as GHG, land occupation, resources depletion and toxicity.

Life Cycle Assessment in practice

In 2014, we conducted two full LCA studies to improve our understanding of the sustainability risks and opportunities relating to aluminium automobile hoods and beverage cans, and to demonstrate the intrinsic performance of our products.

Automobile hoods

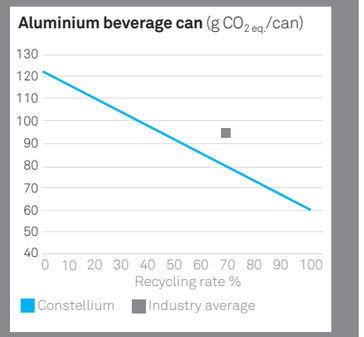
We wanted to investigate the effects of using an aluminium car hood produced by Constellium instead of a traditional steel version. Assessed by a third party critical review led by Quantis and using real manufacturing data from plant processes and metal supply, the LCA showed that the proposed aluminium hood had significantly lower greenhouse gas (GHG) emissions than its steel alternative.

More precisely, GHG impacts of the aluminium hood (156kg $CO_{2\ eq.}$) based on our material were found to be 37% lower than for a steel one (247kg $CO_{2\ eq.}$). Despite higher impacts associated with the upstream aluminium processes, the aluminium hood showed lower overall impacts throughout the whole life-cycle. This is mainly because the combination of strength and lightness of aluminium achieves major weight savings, and hence lower fuel consumption during use. Its efficient recycling also helps to recover a significant part of the initial investment.

Aluminium beverage cans

We were also keen to understand the effects of recycling rates on carbon emissions for aluminium cans manufactured with our metal. Once again using real manufacturing data, we proved that an average recycling rate of 69.5% yields a carbon footprint of 80g $CO_{2\ eq.}$ for our own cans[1]. This is a favorable figure when compared to the European average of 94g $CO_{2\ eq.}$

Based on a recycling rate of 90%, which is representative of many European countries, this figure further reduces to 67g $CO_{2\ eq.}$ per can[2].



These results highlight the vital importance of increasing end-of-life recycling rates to improve the sustainability of the industry, and confirm Constellium's strong position relative to competitors.

"Rio Tinto Alcan is proud to collaborate with Constellium for the evaluation of the environmental footprint of their products. Rio Tinto Alcan's very low carbon footprint aluminium helps Constellium and its customers to reduce their global environmental footprint and to make aluminium an always better solution."

Jérome Lucaes
Director Material Stewardship, Rio Tinto Alcan

1. 69.5% is the EU+EFTA average recycling rate for 2012 (most recently published).
2. Germany, Belgium, Luxembourg, Sweden, Norway, Finland, Switzerland all perform at 90% or higher recycling rates, according to the most recent data currently available (2012) – press release from European Aluminium, March 16, 2015.

Recycling

Using recycled aluminium reduces the need for primary aluminium and therefore reduces waste, avoids resource depletion and reduces GHGs across an aluminium product's life-cycle.

In the aluminium industry there are two key sources of recycled material:

- end-of-life scrap metal, which is material that has already been used and disposed of; and
- process scrap metal, produced during the manufacturing process.

From an environmental point of view, only end-of-life scrap can be associated with a lower environmental footprint, because its impacts have already been taken into account during its initial life. Of course, process scrap is always recycled because we acknowledge our responsibility to retain it in the manufacturing loop.

The misleading concept of recycled content

Some players in the industry use 'recycled content' as a metric, which measures the amount of recycled aluminium in products as an indication of how environmentally friendly that product is. For us, this metric is misleading because:

- it fails to distinguish between end-of-life and other scrap content. This can encourage inefficiencies in production because it rewards wasteful processes that produce more scrap; and
- there is only a limited amount of recycled aluminium available globally. Logically, this means that increasing recycled material on one product line will remove it from others, thus offering no actual benefit for the environment.

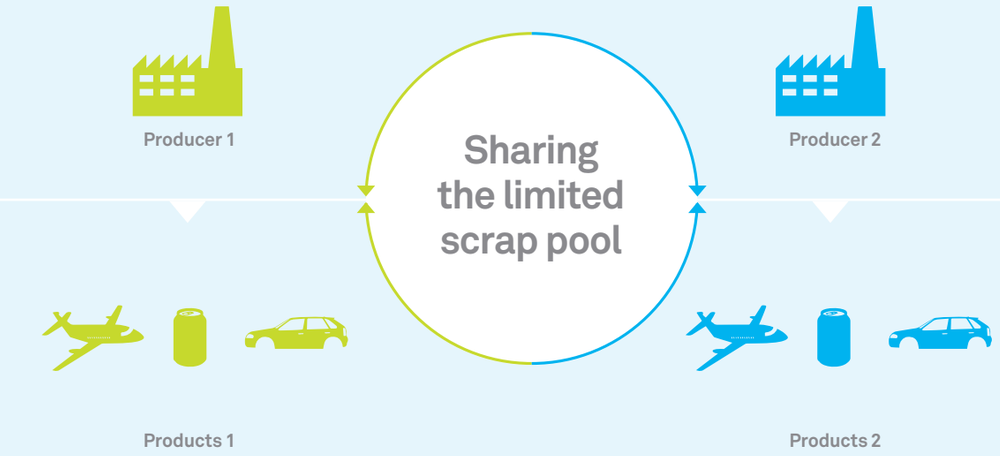
69.5%
beverage can recycling rate achieved in Europe in 2012

Therefore, having products with higher than average amounts of 'recycled content' does not make any difference to the overall impact of the aluminium industry (see diagram below).

We have continued to engage in industry initiatives to promote better handling of recycling and recycling metrics, notably in relation with Metal Packaging Europe and European Aluminium initiatives[1].

1. See 'Recycling rate vs recycled content' and 'Metal as a permanent material' documents at http://metalpackagingeurope.org/what-we-stand-for/

Increasing recycled content offers no actual environmental benefit
With a limited scrap pool, increasing the recycled content of one product is made possible by decreasing the recycled content of another. This is why, at Constellium, we focus on making the scrap pool bigger by increasing end-of-life recycling rates.



Making our products more sustainable
continued

Core project team at Decin, inaugurating the new furnace

Repurposing 6,000 tons of waste

The new recycling furnace in Decin operated at its full annual capacity for the first time in 2014, recycling 6,000 tons of aluminium.

The furnace recycles two different sorts of material, both of which are traditionally difficult to recycle: small spirals of waste aluminium, known as turnings; and painted or coated end-of-life scrap.

Not only does the furnace mean that our customers can now access an efficient solution to recycle their turnings, it also allows us to efficiently transform end-of-life demolition scrap back to wrought products.

Increasing end-of-life recycling across the industry

Our approach is to focus our efforts on increasing end-of-life recycling and designing with end-of-life recycling in mind. Recycling is a shared challenge, and increasing end-of-life recycling is the best way of getting more recycled metal back for a new life.

At the same time we aim to minimize the amount of scrap generated across our operations, and recycle any scrap that we do produce, despite our best efforts.

Key activities in 2014 included:

- Improving end-of-life collection rates, particularly in packaging. We have endorsed the collective target set by the European beverage can industry to raise the recycling rate to 75% by the end of 2015, and are partners in the 'Every Can Counts' initiative – a consumer campaign to increase recycling rates of beverage cans. Latest available data show continuous improvement with 69.5% achieved in 2012, up from 52% in 2005 (and 43% in 2000);
- Improving end-of-life processes, particularly dismantling and shredding. See our partnerships with IRT M2P, CR3 and SENTRY on the opposite page;
- Enhancing the recycling of wrought products into new wrought products, through better sorting. We have been working with metal recyclers to validate the feasibility of recycling properly sorted demolition scrap and turning it into new products;
- Lowering the amount of scrap generated by our customers, particularly in the aerospace market; and
- Developing more scrap-friendly alloys that will further develop the use of scrap in wrought alloys, thus avoiding potential down-cycling in cast products.

Next steps include our involvement in recycling in the US, notably through the recent acquisition of Wise Metals.

Recycling partnerships:

Aluminium Stewardship Initiative: We are collaborating to establish a standard for responsible aluminium across the value chain.

Canibal: A one-of-a-kind machine at Constellium Paris and the Neuf-Brisach plant that gobbles up used beverage cans, plastic bottles and plastic cups. The Canibal also sorts and crushes used containers. Every ton of waste generated by Canibal is equivalent to 2.5 tons of carbon credits.

CR³: We are a member of the Center for Resource Recovery and Recycling that brings together universities and industry partners to improve recycling processes, through better sorting, metal composition analysis and conditioning of scrap.

Industry Associations: As members of European Aluminium and International Aluminium Institute we work with others on industry challenges, including the Aluminum Association in the US.

Every Can Counts: We are working together on a communication and collection program to boost beverage can recycling rates.

IRT M2P: We are associated with its 'LCA and Recycling' program, sharing and improving knowledge and practices in the field of end-of-life recycling – especially in automotive.

Metal Packaging Europe: We are advocating for the notion of metals as permanent material and on the use of relevant recycling metrics.

SENTRY: Led by the Basque GAIKER-IK4, IK4-LORTEK and IK4-AZTERLAN R&D centres, SENTRY is part of the Clean Sky program. Its objective is to define dismantling and recycling operations for new metallic aero-structures with the minimum environmental impact, to maximize potential reuse of the recovered materials. Through SENTRY, the Europe-based companies Dassault Aviation, AELS and Constellium, together with the Israeli IAI, are working with IK4 members to develop new fuselage technologies and end-of-life procedures to benefit the aviation sector, aluminium industry and environmental assessment in general.

Looking ahead

- Maintain our commitment to customer satisfaction by working on projects such as Lean phase 2 (see page 43 for more information)
- Push for new innovations such as lightweighting and more scrap tolerant alloys that bring environmental benefits to our products
- Continue to invest in research and technology to create successful new products and prepare for future developments
- Further expand our use of Life Cycle Assessments (LCAs) and ensure they are undertaken on all new major developments
- Continue to work with key stakeholders to create and enhance efficient end-of-life recycling processes for aluminium products

Supporting our people

Our aim is for Constellium to be recognized as the natural home for talented and dedicated employees. We know that a safe, content and engaged workforce translates directly into improved business performance, and we will continue to invest in initiatives to support our people.

Materiality coverage

- Ensuring safety at work
- Reducing use of harmful substances
- Improving employee satisfaction
- Reducing psycho-social risks (work-related stress)
- Developing training and empowerment

Targets

- 60% improvement in recordable cases by 2014
- No serious injuries in 2015
- 50% improvement in employee suggestions by 2014
- 75% participation rate in the employee survey in 2014
- Six-point improvement in the employee satisfaction rate in 2014

Performance

- Our Recordable Case Rate remained largely unchanged at 2.8
- It is with great sadness that we report one fatality in 2014. The number of serious injuries including this fatality was four
- Improvement in number of employee suggestions, with 58% now making at least one suggestion per month
- 11.4% improvement in employee survey participation in 2014 to 75%
- Two-point improvement in employee satisfaction rate

Ensuring safety at work

Environment, Health and Safety (EHS) is the number one priority for Constellium – we want every employee, visitor and contractor to return home safely every day.

Using *EHS FIRST*, our comprehensive and integrated EHS management system, has improved our safety record in recent years, yet we can – and must – do better. In 2014, the number of serious injuries including fatalities decreased from seven to four. However, the single fatality we experienced during the year detracts significantly from this achievement. In December, at Chippis, Switzerland an employee was killed in a molten metal explosion during the casting process. We deeply regret this tragic accident, which strengthens our resolve to do everything we can to ensure the safety of all our people.

Learning from this incident, we have introduced several new measures to protect employees during casting. These include constructing new physical structures, such as screens and cabins, and replacing manual activities where possible.

Our Recordable Case Rate[1] remained largely unchanged at 2.8. This rate has reduced over the last decade, from 13 in 2004, largely through the introduction of best practice measures. Achieving a further reduction is a key challenge, but it is one we face with resolve and commitment.

All our plants use a structured problem-solving methodology to identify the root cause of safety or environmental incidents under an EHS directive. All recordable cases, high potential near misses, high potential first aid incidents and environmental events must be investigated through our 8D (Discipline)[2] problem-solving process within five days. During 2014, we continued to assess the effectiveness of how we implement this methodology with our effectiveness score rising from 75% in 2013 to 87%.

204
8D investigations
in Constellium in 2014

This score measures how effectively the 8D process has been performed three months after the incident, against a 100% ideal assessment. At the same time, we increased the number of 8D investigations from 72 to 204.

Improving safety performance

We continue to develop new processes and modify existing ones to improve our safety performance. The two fatalities in 2013 and the fatality in 2014 have led to significant new programs. These include a range of initiatives to address the dangers of crane operation and working at height, following the fatalities at our plants in Ravenswood, West Virginia and Levice, Slovakia in 2013 (see ‘Working safely at height’ on page 52).

1. Recordable Case Rate measures the number of fatalities, serious injuries, lost time injuries, restricted work injuries or medical treatments per one million hours worked.
2. The 8D (Discipline) problem-solving method is a structured, step-by-step approach to understanding a problem and developing solutions. It prevents problem solvers from jumping to premature conclusions before a problem is properly defined and its root cause identified.

Supporting our people
continued

Working safely at height

Working at height is inherently dangerous, yet sometimes essential to our operations. In 2014, following a height-related fatality at the plant in the previous year, the EHS team at Levice in Slovakia developed and implemented an innovative yet relatively simple solution which reduced height-related risk to employees and contractors by 89%.

The Working @ Height initiative (W@H) included the installation of new fixed ladders and railings to working platforms as well as the purchase of dedicated safety equipment. The Levice plant now features a total of 13 new safe working areas and three new service platforms on existing crane tracks.

THANK YOU AWARDS to the Working @ Height team

In September 2014, W@H was a Gold Winner at the Constellium THANK YOU AWARDS which were hosted by Chief Executive Officer Pierre Vareille. These annual awards are designed to foster excellence throughout the Company and pay tribute to the talented people who support our business.

For more information on THANK YOU AWARDS see **page 54**

We extended our program of Leadership Safety Tours during 2014. These tours are a company-wide initiative through which all our leaders – from senior management to shift supervisors – interact with their teams on a weekly basis and encourage all our people to identify simple, sustainable solutions on the shop floor. This is a direct and effective means of gathering feedback to improve safety performance on the ground and is now a dedicated EHS Key Performance Indicator. A new EHS template for daily Compliance to Rules Tours and the Leadership Safety Tours makes it easier and more effective to monitor and follow-up on situations that are potentially harmful. Compliance to Rules tours of our plants help us identify any deviations from rules and to take the necessary corrective actions.

We also launched a new communications program based on the *FIRST* acronym below, to remind employees of our five key safety behaviors:

F	ollow EHS rules even if you are in a hurry
I	ntervene immediately if somebody is taking risks or deviating from EHS rules
R	eport EHS hazards to prevent injury
S	earch out EHS risks before any changed or non-routine activity
T	ake EHS as your first priority

Every year, we take time to remind our people about the importance of safety through our *EHS FIRST* Day. In 2014, this event engaged thousands of Constellium employees. The theme this year was behavior as the key driver to improving safety. Our Chief Executive Officer Pierre Vareille voiced his concern at Constellium's current safety performance and invited all employees to "make safety an everyday priority". In addition, many sites organized activities to improve EHS performance. For example, we carried out emergency procedure tests in Dahenfeld, Decin, Paris, Levice, Carquefou and Neuf-Brisach and health workshops in Ravenswood, Crailsheim and Landau. Contractors participated in these events alongside Constellium employees and generated suggestions for safety improvement during work sessions.

Strengthening stakeholder interaction

Contractors, suppliers and visitors to our sites are expected to comply with the same high EHS requirements as employees. Each person receives a plant-specific orientation and is fully supervised throughout their visit. Each person entering a Constellium managed area is included in the Constellium Injury Record Keeping System.

We are committed to sharing best practices on EHS across the broader industry and in 2014 again collaborated with European Aluminium, the International Aluminium Institute and the Aluminum Association in the US on a range of initiatives.

For more information see 'Stakeholder perspectives' on **pages 39–41**

Reducing use of harmful substances

As our use of chemicals is a material issue, during the year we continued to evaluate how we handle harmful substances such as hydrofluoric acid, which remains essential to our manufacturing processes. As a result, we improved the ways in which we use, transport and store this substance.

Improving employee satisfaction

We value our employees highly and work hard to ensure they enjoy maximum job satisfaction; we believe this translates into improved business performance.

In 2012, we launched our biennial employee survey program, which is designed to understand our employees' needs and improve satisfaction. Every employee had the opportunity to take part in the survey, either via the internet or on paper. The survey identified our key strengths and areas for improvement, and in 2014 we carried out a second survey to evaluate the progress we had made.

75%
participation rate in the employee survey in 2014

Creating a great place to work

Our Gottmadingen automotive production site in Germany recorded the highest scores in the employee survey, with a participation score of 98% and a satisfaction score of 90%, up from 85% and 77% respectively in 2012. This performance was achieved despite the plant's rapid growth from around 30 employees when it was established in 2000 to some 550 today.

At the heart of this strong performance is a culture of teamwork and trust, empowerment and mutual respect. The key performance tool deployed by the plant's stable management team is to lead and work alongside people, listening to what employees say but also hearing what they are not saying. Quality and high-performance delivery are core objectives for managers, but so too are 'leading with a smile', being approachable and being alert to employee stress.

The results at Gottmadingen were achieved through a twin focus on engagement and communication. For example, in 2014, managers at the plant again increased their shop floor tours, ensuring that employees are treated with respect and that managers are aware of any issues. Employees responded with a high level of suggestions per month, with around 85% of all employees making at least one improvement suggestion per month. This feedback underlines the value of direct face-to-face engagement.

The management team organizes twice-yearly meetings with all employees to inform them about key business and site issues. The meetings include: an assessment of the market; a forecast of future performance; an outline of projects currently underway and planned; an outline of any development plans for the plant; and a Q&A session where employees are encouraged to interact with management.


Annual *EHS FIRST* day at the Gottmadingen plant

Supporting our people
continued

Promising results

In 2014, participation in the survey reached 75%, in line with our target. Promisingly, our employee satisfaction metric has increased by 2%, but this was not sufficient to reach the six-point improvement we had targeted for 2014.

We have made good progress in several areas. The results show that our people have a better understanding of the vision and strategy of the Company, and they are more confident that our Senior Managers and leaders can execute this strategy and make the right decisions promptly. Furthermore, our people increasingly adhere to our goals and objectives, have a better understanding of our values and greater belief in our products and services. They believe that Constellium is improving its customer focus and are more confident that they will be able to develop to their full potential. Concerning their job, they now have a better understanding of their roles and performance objectives, and their appreciation of immediate management has improved.

However, there remains significant room for improvement. As Constellium has moved from being a division of a large group to a fully independent company listed on the New York Stock Exchange, the survey clearly showed the impact of change. Although our values are better understood, people have signaled that we need to do more in order to build a strong company culture in which they can fully engage. They also expressed concerns about how they are recognized in their daily activities. We have therefore developed a specific training program on giving and receiving feedback, as part of the Lean program.

Finally, we must make further progress in encouraging our people to take more pride in product quality, and this was addressed through 'Year of Quality' campaign, which was implemented widely in 2014.

To improve our performance ahead of the 2016 survey, we are empowering each site to take accountability for improvement. In September 2014, each site presented the main drivers behind their highest scoring categories to senior management. Based on best practice sharing, all sites have set up relevant local action plans, with their achievements subject to quarterly reviews.

Furthermore, we exceeded our target of achieving a 50% improvement in employee suggestions by 2014. On average, each employee now provides eight suggestions every year, which are duly considered and treated as required.

8
suggestions per employee every year

Recognition and reward

The THANK YOU AWARDS are one way in which we recognize the great work of our people during the year. This program celebrates individual employees and teams across the Company for their remarkable efforts and accomplishments, which combine to advance our collective ambition, goals and values.

The Lean Team Development Fund was created earlier this year. Each Team Leader receives a sum of €1,000 to be used by operators to implement improvement ideas and generate team spirit. The teams are free to spend it as they wish, and since January 2014, the teams have used the funds to make several investments. For example, a production team at Nuits-Saint-Georges in France used its €1,000 fund to capture benchmarks and share best practices by visiting the Crailsheim site in Germany.

Promoting health and reducing stress

Promoting health and reducing stress underlines our commitment to all aspects of employee wellbeing.

Over the last 12 months, our teams in Germany carried out important work to help people return to Constellium following absence. Also in Germany, we launched an extensive health campaign at our Singen, Gottmadingen and Dahenfeld plants, focused on five key elements:

- stress management, including stress analysis through a heart scan, together with seminars on how to reduce stress and how leaders can encourage health;
- promoting physical activity, through eight-week circuit training programs;
- ergonomics, including a physiotherapy consultation and expert personal advice;
- nutrition, based on improving nutrition by promoting balanced menus in our canteens; and
- vaccination, including influenza vaccinations.

Work related stress can affect employees in every organization. At our Issoire and C-TEC locations we have implemented a multidisciplinary approach to this complex issue. Working with employees, unions, management and health experts, we have launched several initiatives, including:

- using an employee survey to identify the main causes and consequences of stress. More than 1,200 employees have participated at Issoire;
- creating a multidisciplinary pilot group that is helping us monitor our stress prevention initiatives;
- reviewing stress indicators quarterly to identify and address key situations. At C-TEC, for example, we have identified 10 indicators while at Issoire we have created a 34-point action plan which will be deployed by the end of 2015;
- launching a training and awareness program for managers and employees. 80% of employees at C-TEC and 100% of Issoire managers have been trained to date; and
- creating a "preventer network", trained to listen, alert and advise on work related stress. We have 15 preventers at C-TEC and 25 at Issoire.

Training and empowerment

At Constellium, we know that training and empowerment not only ensure that we meet our business objectives but also that our people fulfill their own personal potential.

As part of our Lean leadership program, over 3,500 operators each received two hours of training on feedback and the 5 Whys methodology. STAR feedback is a pragmatic tool that improves performance by giving feedback through a simple method: identify the Situation, the Task, the Action and the Result. The 5 Whys methodology tackles root causes, questioning why something has happened and analyzing how improvements could make a difference to the outcome.

Because our people understand where and how we can improve, we set a Lean target of half of all employees making a suggestion each month. During 2014, we exceeded that target, with 58% of employees giving us the benefit of their experience and knowledge. The aim is to analyze most suggestions within 24 hours and to implement them as soon as possible.

At the same time, we have continued to deliver training programs to Front Line Managers, this year focusing on adaptive leadership sessions which aim to enhance leadership and communication skills. In 2015, managers will receive training on conflict resolution.

In addition, we developed an Emerging Leaders program in 2014, with 20 selected employees being coached on a week-long residential course in Germany, and also provided with mentoring for 12 months. In addition to our corporate programs, each site provides safety, technical and personal development training to employees, in line with local needs. In return, each team was given a €1,000 development fund to spend in any way they chose (see 'Recognition and reward' on the opposite page for more information).

Employee behavior is guided by our Code of Conduct and the year saw us again deliver e-training modules and refresher courses.

Encouraging gender diversity

Currently, we manage diversity at a local level. The year saw a focus on recruiting more young women, specifically in production functions including Lean Manager, supervisor and operator roles.

Government legislation in France also requires organizations to reach agreement with unions on gender equality. C-TEC, our technology center, was the first Constellium facility to sign up to the agreement in 2012. Today, women account for 30% of employed staff in C-TEC.

Supporting sporting excellence

Majid Jabbour, who works in our IT department, has been passionate about kayaking since the age of 14. Today, he is a member of the Kayak National Team of Morocco and was ranked 27th worldwide in 2011, as well as third at the last African championship in 2013. Majid is now aiming for qualification for the 2016 Olympic Games in Rio de Janeiro, Brazil. This year, he will participate in two World Cups, the World Championship in Milan,

and several other international regattas. To help Majid maintain his training and preparations, we provide him with flexibility at work, as well as financial sponsorship for his equipment and training.

Supporting our people
continued

Labour

Preparing the workforce of tomorrow – apprentices at the Neuf-Brisach plant

Fueling our future

The young people of today are the future of Constellium. We work hard to ensure that they have the skills they need to succeed, with a primary focus on apprenticeships.

During 2014, we increased the number of apprentices by 29% over 2013. We have doubled our intake of apprentices at Neuf-Brisach and Issoire in France. At Neuf-Brisach, for example, we launched a new vocational training program to help 59 young people, including 20 women, become production line operators.

At Singen in Germany, over 100 apprentices and students take part in a three-and-a-half-year program at our Industrial Training Center. The program covers the different disciplines that the site depends on, including mechatronics, mechanics, process mechanics, materials testing and mechanical engineering. Singen also delivers training for a wide range of other roles such as sales, marketing and human resources. Each year, more than 20 apprentices graduate and take their places on the Singen shop floor or in our offices.

The Singen approach, where public education resources are integrated into our facilities, is a training model that we believe offers great opportunities. We work closely with local schools at Singen and deliver the majority of the training within the site, ensuring that apprentices gain practical knowledge of the working environment.
This integrated approach, which is well-established in Germany and at Valais in Switzerland, is now being rolled out to other Constellium sites, particularly in France.

Towards the end of 2014, our Chief Executive Officer Pierre Vareille, as well as Executive Committee members Marc Boone and Laurent Musy, met a number of apprentices at Singen.

The agreement at C-TEC included 10 action points that will enable us to: increase diversity during recruitment; support the promotion of women; ensure salaries are paid fairly, independent of gender and improve the balance between work and home life.

Following the agreement, we have already made good progress on a number of issues. These include ensuring equality in promotion opportunities for men and women and providing individual coaching to support the promotion of women. In addition, 25% of women and 11% men have seen their salaries adjusted. Constellium has also partnered with other local companies to facilitate nursery access in case of emergencies related to employees' children.

Finally, we permit some flexibility to part-time employees, and we allow them to work from home in case of specific situations with the agreement of their manager.

Supporting communities

We rely on local communities to provide people with the skills, commitment and experience that we need to maintain our competitive edge. So we are keen to play an active part in supporting those communities wherever and whenever possible.

Each plant adapts its initiatives to its own local environment, rather than merely adopting a company-wide approach.

Every site was involved in valuable community work during the year, from health and sport initiatives at Issoire, Montreuil-Juigné and Carquefou in France and Gottmadingen, Dahenfeld and Singen in Germany to educational projects at Valais in Switzerland. At Neuf-Brisach in France, we organized a day when youngsters could find out about their parents' jobs and also held several student visitor days. At Decin in the Czech Republic, initiatives included an award presented to the best high school student. We also supported environmental schemes at C-TEC, Paris and Zurich, made financial donations at Ravenswood and Van Buren for the Toys "R" Us foundation and restored an ancient building at Valais (see 'Restoring a hamlet, building a team' opposite). In addition, many of our facilities regularly organize Open House days where families, friends and neighbors can visit the site to see our work at close quarters. During 2014, we held these events at Levice in Slovakia, and Carquefou in France, as well as at our joint-venture at Changchun, China.

Restoring a hamlet, building a team

During 2014, a team of new apprentices from our site at Valais in Switzerland spent a week restoring the culturally important hamlet of Chiessio in the Alps. Supervised by professionals, they carried out various tasks including building lime walls, installing doors and water pipes, repairing roofs and cutting wood.

The purpose of the project was not only to rebuild the hamlet and the access paths in order to support tourism – but also to build a team among the apprentices, who slept on-site and shared cooking and cleaning responsibilities at the camp.

Apprentices at camp in Valais

Looking ahead

Environment, health and safety

- Integrate the Muscle Shoals plant in the US with the EHS organization and align it to Constellium standards. The integration program will include the introduction of proven Constellium initiatives such as a number of serious injury prevention programs as well as Leadership Safety Tours
- Roll out the Contained Hazards program, in line with the Lean phase 2 KPI, which encourages immediate action to identified risks
- Reduce the time taken by new employees, or those joining to complete their EHS introductory modules, from six months to four weeks
- Implement the Business Unit (BU) President site visit program. Under this initiative, every BU President will visit each plant once a year, with the visit focused solely on EHS matters, as a demonstration of *EHS FIRST* in action
- Standardize our environmental risk assessment methods
- Participate in the 2015 biennial European Aluminium safety workshop, building on our success at the 2013 workshop where we took the top three places, out of 39 entrants. This event facilitates the sharing of best practice to further improve our industry safety performance
- Produce two new safety videos: Safe Behavior at Machines and Contractor Management to encourage the adoption of safety behavior in the workplace
- Carry out a site-by-site analysis of potential emergency situations, including chemical spills, and evaluate our capability to manage an emergency situation that has escalated into a crisis

Employee engagement

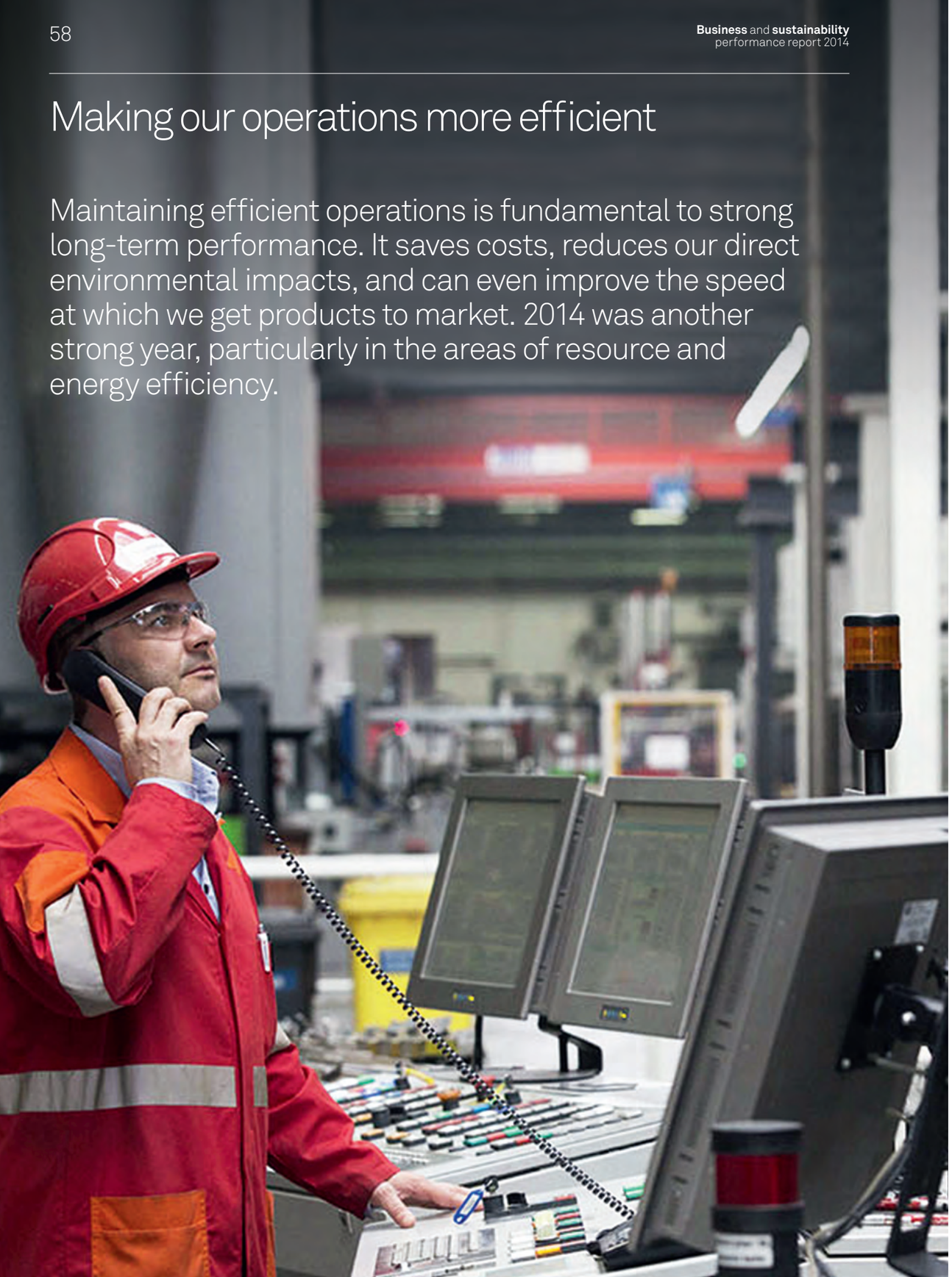
- Work to improve our engagement and satisfaction scores ahead of the next survey, scheduled for 2016. This includes implementation of action plans in all sites, and several organization development initiatives in the Aerospace and Transportation unit in order to address the identified weaknesses
- Encourage every site to lead community activities and share best practice with other sites

Training and empowerment

- Launch the Constellium University, a formal onboarding program aimed at new managers
- Implement Conflict Management training for Front Line Managers and presentation skills for manufacturing support functions
- Continue to encourage employees to suggest areas for improvement, through the Lean training program
- Launch AIRWARE® school, which aims to develop technical training on AIRWARE®
- Enable open enrollment in leadership program
- Develop Lean program and functional training for support functions
- Activate a central Human Resource Information System (HRIS)

Making our operations more efficient

Maintaining efficient operations is fundamental to strong long-term performance. It saves costs, reduces our direct environmental impacts, and can even improve the speed at which we get products to market. 2014 was another strong year, particularly in the areas of resource and energy efficiency.



Materiality coverage

- Improve energy efficiency of operations
- Control and reduce our greenhouse gas emissions
- Prevent pollution from operations
- Reduce waste from operations

Targets

- 10% decrease in energy consumption per processed unit by 2015 (2010 baseline)
- All five major European sites achieving ISO 50001 certification by 2015
- 75% total landfill reduction by 2020 (2010 baseline)

Performance

- Improved energy consumption per processed unit by 10% ahead of 2015 target date
- Achieved ISO 50001 certification at Decin. Neuf-Brisach, Issoire and Valais are all expected to follow suit during 2015
- Reduced landfill waste in 2014 by around 1,212 metric tons (mainly due to change in non-recurrent activities), but we still need to make significant improvements regarding our recurrent activities

Improving the energy efficiency of our operations

With its properties of lightness with strength and infinite recyclability, aluminium has clear advantages in terms of energy efficiency.

Although the initial process to manufacture aluminium is necessarily energy intensive, aluminium products such as cars and airplanes enable greater energy efficiency during usage, while recycling requires only moderate energy consumption.

We address the challenge of energy efficiency by developing and supporting improved recycling (see 'Recycling' on pages 47–49), by increasing the performance of our products and by working on the energy efficiency of our own operations, which in turn improves the performance of end products (see 'Products' on page 43).

Improving efficiency by 10%

Even though our energy consumption makes only a minor contribution to the lifetime energy used by an aluminium product, we remain committed to becoming more energy efficient. Our target was to improve efficiency by 10% by 2015, from a 2010 baseline, and we are pleased to report that we have achieved this target in 2014.

2010	2011	2012	2013	2014
1.00	0.96	0.93	0.93	0.90

10%
decrease in energy consumption per processed unit

We calculate our energy efficiency by using an 'energy consumption to produced ton' ratio, which is then modified by a product mix factor. This is because although more complex products deliver greater environmental benefits during use, they also require more energy to manufacture. We introduced Life Cycle Assessments (LCAs) specifically to ensure that the energy efficiency benefits during usage are taken into account when discussing the extra energy consumed during production (see 'Life Cycle Assessment' on page 45).

Our improved performance in 2014 was driven by several factors, including enhanced metal recovery processes, which provide more metal output for the same energy input. In addition, we invested in new and more efficient production tools as well as ancillary equipment such as boilers and lighting. We also revitalized our energy network during 2014, to improve how we share best practice across Constellium.

ISO 50001 certification

Our target is that all our major European sites will be certified under the ISO 50001 energy management scheme by the end of 2015. These sites account for over 60% of our energy consumption.

ISO 50001
Certification achieved at Decin. Neuf-Brisach. Issoire and Valais are all expected to follow suit during 2015

Making our operations more efficient
continued

Energy efficient LED lighting at the Ravenswood plant

Oxy-fuel combustion technology at the Neuf-Brisach plant

Taking a total approach to energy efficiency

Improving energy efficiency is one of our key objectives, and during 2014 we again launched, extended and rolled out a wide range of energy-saving initiatives.

For example, we optimized heating systems and boilers at several sites, including the introduction of energy recovery systems at Decin in the Czech Republic and Burg in Germany, and installed a new pusher furnace at Neuf-Brisach in France which has led to around 7% improvement in energy consumption.

In addition, we invested in new motor drives at our rolling mills at Issoire in France and Ravenswood in the US. Ravenswood also achieved efficiencies through a new LED lighting project, following on from the success of similar projects at Singen in Germany in 2012 and Issoire in 2013.

In fact the LEDs, which save energy and also improve safety and working conditions because of their added brightness, now account for 80% of Ravenswood's lighting.

Ravenswood provides an instructive example of how a number of separate improvements combined to have a major impact on total energy efficiency during 2014. Together, the new motor drive and LED lighting have reduced electricity consumption by almost 20,000 MWh. At the same time, we have increased production capacity at the site by optimizing metal composition and processing, and balancing the upstream and downstream heat treatments to reduce natural gas consumption per ton by 4%.

Working together

Our strategy is not only to share best practice and collaborate with colleagues but also with our suppliers, building long-term relationships that deliver mutual benefits.

In our 2012 sustainability report, we highlighted a project where we worked with our oxygen and gas supplier Linde to reduce energy consumption and CO_2 emissions. In 2014, we continued that collaboration by fitting new oxy-fuel technology to one rotary furnace at our Neuf-Brisach plant. Early results show energy consumption falling by 50% and the melting rate increasing by 20%. This is part of a joint development agreement between our companies which will see the remaining furnaces at Neuf-Brisach converted by the end of 2016.

"This project is very significant for Linde in terms of our commitment to technological progress as a sustainable solutions provider. We welcome this joint development with Constellium as it will advance the development of the oxy-fuel process, save energy and increase efficiency for fully ramped-up plants."

Thomas Niehoff
Head of Non-Ferrous and Mining at Linde

Reducing greenhouse gas emissions (GHG)

In common with all progressive industrial companies, we are committed to reducing our impact on the environment by cutting GHG emissions wherever possible.

However, this is a complex issue for the aluminium industry. In order to ensure understanding of the true impact of our operations, we need to encourage a holistic view. Specifically, we wish to raise awareness of GHGs throughout the entire life-cycle of aluminium products, not only during manufacturing processes.

We acknowledge that the manufacturing processes that create aluminium are indeed energy intensive. LCA studies consistently show that reducing GHG emissions over the full life-cycle depends on two factors: being able to deliver high-performance products, which require less material and reduce energy consumption during usage; and further improving end-of-life recycling rates.

For instance, although the manufacture of aluminium parts for cars initially produces relatively high levels of GHGs, the lighter weight of these parts has a dramatic effect on the energy efficiency – and therefore the GHG emissions – of the car during its lifetime. Furthermore, aluminium can be infinitely recycled through processes that require significantly less energy than the original manufacturing processes (see 'Recycling' on page 47). This means that when the car has reached the end of its useful life, the aluminium can be transformed into new products extremely efficiently.

What does this mean for Constellium? Firstly, we are continuing to work hard to cut GHGs through initiatives such as improvements on our production lines and by making sure we use as little material as possible. Secondly – and this will ultimately lead to a far greater understanding of aluminium's role in GHG emissions – we are keen to report our performance under Scopes 1, 2 and 3[1], and are preparing to do so in the near future. Now favored by many regulators and proposed to be used as the basis for new legislation, reporting under Scope 3 will provide a clearer picture of our GHG emissions because it will take into account factors other than our manufacturing processes, including the life-cycle benefits of aluminium and recycling.

In 2014, our Scopes 1 and 2 emissions increased by 1.6% to 755kt $CO_{2\ eq.}$, in line with our increased energy consumption. The principal contribution to this increase is the increased production of automotive parts in our Van Buren facility and the recycling operation in Decin associated with our new furnace (see page 48). Although recycling helps reduce the overall GHG emissions (through Scope 3), it comes at the cost of local higher emissions for Scopes 1 and 2.

Preventing pollution on-site

Pollution prevention is overseen by a dedicated organization supported by commitment at all levels of our workforce.

Pollution is a material risk at all production sites. In two of our sites, there are significant risks being posed by soil contaminated by chlorinated solvents during previous operations, which could have an adverse impact on water quality. These require constant monitoring, and we have decontamination treatment underway. In addition, other risks relate to our use of chemical compounds, notably fuel, lubricants, raw materials for coatings and surface treatment. The potentially significant impacts are pollution of soil, groundwater or river courses.

We have rigorous internal directives in place regarding issues including spill containment, underground tank storage and soil and groundwater monitoring. These cover all key aspects of environmental protection, and these are complemented by written guidelines. We have now added new guidelines to the directive on emergency preparedness and crisis management. These include improved emergency procedures, particularly where the situation demands external support. The new guidelines will be rolled out across all Constellium production sites in 2015.

Our EHS Managers meet and share best practice twice a year, under the umbrella of the EHS network. An internal mandatory auditing program verifies that we are following the directives and implementing the correct procedures at all times. In addition, during 2014 we introduced an external audit in one pilot site to evaluate our performance, and we have decided to roll-out this audit in 2015 and forward, towards covering all our sites. Each plant also carries out an annual drill to optimize the performance of our people and processes in the event of a pollution or emergency incident and during the year we also implemented a full-scale emergency response drill (see 'Ensuring the right response' on page 62).

1. Scope 1 emissions are direct emissions from owned or controlled sources.
Scope 2 emissions are indirect emissions from the generation of purchased energy.
Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions.

Making our operations more efficient
continued

Ensuring the right response

We work hard to minimize the likelihood of on-site pollution incidents, and as a responsible organization, have plans in place to protect employees, the community and the site in the event of an incident. There is no substitute for first-hand experience, which is why in 2014 we carried out a full-scale emergency response and crisis management drill at our Neuf-Brisach plant in France. This involved 50 of our people, including our own on-site fire brigade, working alongside the external emergency and rescue services as well as local authorities.

The scenario at Neuf-Brisach was a fire on a lacquering line, followed by an explosion in a furnace that led to chemical leaks and major injuries. We selected this scenario because it could lead to the greatest potential impact and required the intervention of a number of specialist teams. We deployed the Emergency Response Plan, which mobilized our teams on-site and guided how we worked with the external rescue services, with all actions managed from a dedicated crisis management center.

The drill highlighted the robustness of our plans and demonstrated excellent cooperation between the internal and external teams.

It also endorsed the ability of the crisis management team to support their colleagues in the field, and to handle all aspects of communication. Following the drill, we discussed the challenges of such a large-scale incident with the external emergency rescue services and shared thoughts on how our response could be improved. These included the need to provide additional training to members of the crisis management team in order to give them a greater understanding of their personal roles.

Crisis preparation emergency drill


Casthouse at the Issoire plant

We have not received a fine for environmental issues for a decade, and this again applied in 2014. Our risk prevention processes and compliance with regulations are recognized by ISO 14001 certification, which states that sites must prevent pollution. In addition, our sites have to fulfill legal requirements, meet the requirements of insurers or insurance and follow our own internal directives and guidelines. All our fully-owned industrial sites are now certified to ISO 14001. We also adopt a systematic approach to identify potential ongoing cases of non-compliance, and this is additionally reviewed by the Executive Committee of Constellium. Although we have the highest standards supported by commitment at all levels of our workforce, we will never be complacent.

Reducing waste from our operations

Aluminium is a highly recyclable product. However, the manufacturing process produces waste products – such as salt slag, filtration dust and sludge from wastewater treatment. We aim to reduce these waste products wherever practicable.

We have an ambitious target to reduce the waste we send to landfill by 75% by 2020, against a 2010 baseline. This will require a reduction of around 8,000 metric tons per year.

To meet this ambitious target, we are developing solutions to help us recycle waste that goes to landfill that is not currently widely classified as recyclable. The solution must be technically feasible and economically viable in order for it to be implemented.

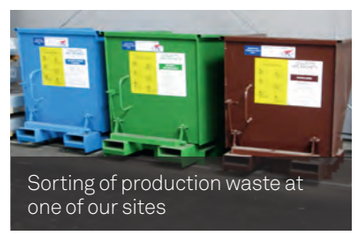
In 2014, a solution was found to recycle 300 tons of municipal waste which is produced annually at our Issoire plant in France but which was previously incinerated. We also conducted trials on recycling filtration dust alongside salt slag during the year, and continued our work towards reducing waste sent to landfill.

Although we aim to go beyond legislative requirements at all our plants, the program to reduce waste is complicated by the different legislative environments that govern our plants worldwide. A more rigorous regime in Europe has led to the development of more facilities for recycling, and therefore more opportunities for us to reduce waste sent to landfill.

In the US, where there are fewer cost-effective recycling solutions, our acquisition of Wise Metals has had the effect of making our target more challenging. In order to rise to this challenge, we will engage with partners to deliver common solutions to waste recycling.

Looking ahead

- Further improve energy efficiency by rolling out new practices such as upgrading to oxy-fuel burner the rotary furnaces, at our Neuf-Brisach plant
- Roll out ISO 50001 certification to three major plants: Issoire, Neuf-Brisach and Valais
- Define a new set of operational targets, notably in the area of energy efficiency and reducing GHG emissions
- Deploy a new employee guide for emergency situations based on 2014 drills and learning throughout the year
- Integrate the Muscle Shoals plants in Alabama. This will involve preparing the plants to meet ISO 14001 and OHSAS 18001 certification, sharing best practice and ensuring the plants meet Constellium policy
- Endorse the future Aluminium Stewardship Initiative (ASI) standard (see page 40 for more information)
- Further engage in reducing the amount of waste sent to landfill, despite challenging targets


Sorting of production waste at one of our sites

Doing business responsibly

We are committed to transparency and improving the sustainability of our sector. Our approach is underpinned by the principles of fairness, responsibility and due-diligence and is maintained through strong relationships that adhere to applicable regulations. We endorse the United Nations Global Compact (UNGC) principles and actively work towards encouraging our suppliers to become fellow signatories.

Materiality coverage

- Promoting and enforcing ethical business practices
- Engaging suppliers in sustainability performance
- Increasing economic performance (see pages 2, 10 and 70)

Targets

- 100% of key suppliers joining the UNGC by 2015

Performance

- We provided 60 customers with information relating to the use of conflict minerals
- 10 suppliers had their sustainability performance assessed through a new pilot program
- Around half of our key suppliers are signatories to UNGC by 2014

Promoting and enforcing ethical business practices

We view compliance as an opportunity to add value and mitigate risk. The way that our employees conduct themselves is key to managing this risk.

Promoting and enforcing ethical business practices through our Code of Conduct helps us to embed appropriate behaviors across our business and our supply chain.

Updating our Code of Conduct

We regularly review and update our Code of Conduct which lays down strict guidelines on the behaviors we expect from all our people, on all sites (see page 77 for details on Code of Conduct Training programs).

No conflict minerals

With the launch of the Dodd-Frank Act in the US, it is now a legal requirement for manufacturing companies to provide information relating to where they source some specific raw materials. This call for increased transparency aims to control the use of minerals such as gold, tantalum, tin and tungsten obtained from conflict zones – such as the eastern provinces of the Democratic Republic of Congo and neighboring countries.

In 2014, we were contacted by over 60 customers to provide information about the use of conflict minerals in the production process. In line with companies registered on the New York Stock Exchange, we filed a disclosure document with the US Securities and Exchange Commission (SEC) in May 2014, which can be found on our website. The results were based on an investigation which involved tracing materials down the supply chain to the smelting phase of production.

By engaging with our suppliers, we were able to determine that none of the minerals used in our products originated from conflict zones during the previous year. We also set up a dedicated team to answer any specific questions relating to our use of minerals during production.

This process will continue in the future, so that we are able to provide answers to our stakeholders on an ongoing basis.

Engaging suppliers in sustainability performance

At Constellium, sustainability does not just mean ensuring that our own social, environmental and ethical standards are in place. It also means making sure our values are reflected across the supply chain.

Our comprehensive and company-wide sustainable supply chain policy outlines the behaviors we expect from our suppliers, including social and environmental behaviors. In 2014, we assessed the sustainability performance of our key metal and energy suppliers, as well as those suppliers identified as posing greater risk to our business, primarily due to their location. We launched a pilot program with 10 suppliers to identify the risks and opportunities of our engagement with them. We are currently analyzing the results before deciding how to progress.

Aligned with the UNGC, our supply chain policy is a proven way of encouraging meaningful dialog with our stakeholders. It also supports our target of ensuring that all key suppliers adhere to UNGC principles by 2015. Unfortunately, despite engaging closely with our key suppliers to encourage them to become signatories, the process is taking longer than expected, as it requires companies to evaluate and sometimes realign their strategy and compliance models. To date, nine of our 16 key suppliers are signatories to UNGC.

Doing business responsibly
continued

Team at Oddo Metals

Oddo Metals: Paving the way

Our long-term partnership with supplier Oddo Metals went from strength to strength in 2014. Oddo has made it a priority to support our sustainability agenda and has taken steps to align its practices with our policy. By adhering to our standards,

Oddo has embedded a number of sustainability principles in the way it works, including:

- adhering to the United Nations Global Compact (UNGC) principles;
- being evaluated on sustainability processes and practices by an external and independent assessment company; and
- establishing a Code of Conduct at the locations of its own suppliers.

"At Oddo, we have immediately understood and given full support to Constellium's sustainable supply chain strategy."

Antoine Chacun
Managing Director, Oddo Metals

"We have been very pleased to have Oddo supporting us from the very beginning of our efforts towards a more sustainable supply chain, and we look forward to all our suppliers following suit."

Christian Keidel
Group Director, Strategic Purchasing, Metal and Energy Procurement, Constellium

ODDO METALS

Anti-corruption

As well as our supply chain policy, we also have a dedicated Supplier Code of Conduct in place. The Code meets all pillars of the UNGC principles and we are currently in the process of ensuring that it is signed up to by all our suppliers. The Supplier Code of Conduct applies to all suppliers, subsidiaries, consultants, contractors and affiliates of Constellium. A copy can be found on our website.

As an active member of the Aluminium Stewardship Initiative (ASI), this standard is one of the focal points of our dialog with the industry and with our suppliers. We intend to comply with the standard, with our key target being to involve our aluminium suppliers and to encourage them to be compliant.

The essence of the ASI standard is that it enables transparency, not only regarding the sustainability of our suppliers, but also of the entire value chain. Moreover, the Chain of Custody will ensure that the metal we buy has been certified. This serves as an important step towards fulfilling our commitment towards supplier sustainability. We look forward to welcoming more members into this project and to all participants across the value chain becoming ASI certified, which forms an integral aspect of our approach to our supply chain (see page 40 for information about our work with the ASI).

Our ability to be a safe and responsible corporate citizen also depends in part on the capability and performance of those who help us carry out our operations (see 'Strengthening stakeholder interaction' on page 52 for more information).

Looking ahead

- Encourage our suppliers to sign up to the Aluminium Stewardship Initiative (ASI)
- Roll out our company-wide Supply Chain policy

Using train to transport metal supply, be it metal slabs or used beverage cans, to be recycled

Managing sustainability

Above: (from left) Rovertos Gross, Béatrice Charon, Olivier Néel, Catherine Athènes, Laurent Musy, Didier Vasner, Frédéric Dunod

Our Sustainability Council was formed in 2012, to provide a formal body to develop and implement our sustainability goals and practices. It includes representatives from every aspect of our business, because sustainability is a collective agenda. We believe it is important for each department to have a voice and be able to share its perspective.

The council defines and updates our sustainability policy and links it with the overall Constellium corporate strategy. As part of this, council members discuss feedback and any sustainability projects proposed by key stakeholders, including customers, suppliers and NGOs.

The team is responsible for agreeing on key environmental and social objectives, targets and indicators, and tracking our performance against them. In addition, the council's role is to ensure accurate disclosure of sustainability data, together with alignment to Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP) and United Nations Global Compact (UNGC) amongst others (see 'Memberships' on page 77).

The Sustainability Council meets on a regular basis four times a year. One of these events is a special meeting with the Executive Committee of Constellium where members recap actions and decide the key priorities for the years ahead.

The key discussions and outcomes from the 2014 meetings included:

- 2014 results versus objectives of the roadmap;
- launch of specific actions: materiality assessment, LCAs of key products; and
- definition of new objectives.

Members

Laurent Musy
President, Aerospace and Transportation
Chairman, Sustainability Council

Catherine Athènes
Sustainability Council Leader
Director, Marketing, Packaging and Automotive Rolled Products

Olivier Néel
Sustainability Manager

Laura Berneri
Director, External Communications

Volker Brockhagen
Director, Group EHS (Environment, Health and Safety)

Béatrice Charon
Vice President, Business Planning

Frédéric Dunod
Director, External Reporting

Sophia Elasri
Manager, Strategic Purchasing Energy Procurement

Rovertos Gross
Director, Strategy, Automotive Structures and Industry

Carole Michalland
Human Resource Consultant

Guy-Michel Raynaud
Director, Technology

Didier Vasner
Group Environment Manager

"Our council has moved from an informal group of engaged executives to an established committee of managers. They represent all business units and functions at high levels, and beyond their genuine interest in this subject, they bring the right expertise and momentum for Constellium to improve. Areas for improvement include better representation of our US activities and accelerating our sustainability projects."

Béatrice Charon
Vice President, Business Planning

"I joined the Council recently representing the 'Automotive Structures and Industry' business unit and I truly appreciate the work that is being done and the commitment of participants. As a newcomer to Constellium, it is also interesting to gain a global view of the company through its approach to sustainability."

Rovertos Gross
Director, Strategy, Automotive Structures and Industry

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Performance in detail

Consolidated income statement

(in millions of Euros)	**Year ended December 31, 2014**	Year ended December 31, 2013	Year ended December 31, 2012
Revenues	**3,666**	3,495	3,610
Cost of sales	**(3,183)**	(3,024)	(3,136)
Gross profit	**483**	471	474
Selling and administrative expenses	**(200)**	(210)	(212)
Research and development expenses	**(38)**	(36)	(36)
Restructuring costs	**(12)**	(8)	(25)
Other (losses)/gains – net	**(83)**	(8)	62
Income from operations	**150**	209	263
Other expenses	**–**	(27)	(3)
Finance income	**30**	17	4
Finance costs	**(88)**	(67)	(64)
Finance costs – net	**(58)**	(50)	(60)
Share of (loss)/profit of joint-ventures	**(1)**	3	(5)
Income before income tax	**91**	135	195
Income tax expense	**(37)**	(39)	(46)
Net income from continuing operations	**54**	96	149
Discontinued operations			
Net income/(loss) from discontinued operations	**–**	4	(8)
Net income for the period	**54**	100	141
Net income attributable to:			
Owners of the Company	**51**	98	139
Non-controlling interests	**3**	2	2
Net income	**54**	100	141

Consolidated statement of financial position

(in millions of Euros)	**At December 31, 2014**	At December 31, 2013
Assets		
Non-current assets		
Intangible assets (including goodwill)	**28**	21
Property, plant and equipment	**632**	408
Investments in joint-ventures	**21**	1
Deferred income tax assets	**190**	177
Trade receivables and other	**48**	60
Other financial assets	**33**	7
	952	674
Current assets		
Inventories	**432**	328
Trade receivables and other	**568**	483
Other financial assets	**57**	25
Cash and cash equivalents	**989**	233
	2,046	1,069
Assets classified as held for sale	**14**	21
Total assets	**3,012**	1,764
Equity		
Share capital	**2**	2
Share premium	**162**	162
Retained deficit and other reserves	**(207)**	(132)
Equity attributable to owners of the Company	**(43)**	32
Non-controlling interests	**6**	4
	(37)	36
Liabilities		
Non-current liabilities		
Borrowings	**1,205**	326
Trade payables and other	**31**	35
Deferred income tax liabilities	**–**	1
Pension and other post-employment benefit obligations	**654**	507
Other financial liabilities	**40**	36
Provisions	**61**	65
	1,991	970
Current liabilities		
Borrowings	**47**	22
Trade payables and other	**872**	646
Income taxes payable	**11**	19
Other financial liabilities	**71**	24
Provisions	**49**	38
	1,050	749
Liabilities classified as held for sale	**8**	9
Total liabilities	**3,049**	1,728
Total equity and liabilities	**3,012**	1,764

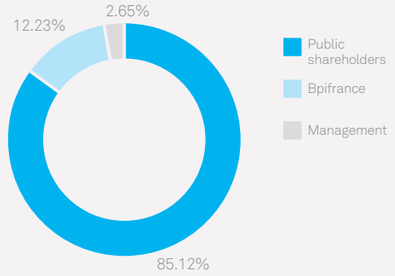
Consolidated statement of cash flows

(in millions of Euros)	**Year ended December 31, 2014**	Year ended December 31, 2013	Year ended December 31, 2012
Cash flows from/(used in) operating activities			
Net income from continuing operations	**54**	96	149
Adjustments	**241**	133	81
Changes in working capital:			
Inventories	**(95)**	41	35
Trade receivables	**(48)**	9	26
Margin calls	**11**	4	7
Trade payables	**170**	(1)	20
Other working capital	**(33)**	(9)	27
Changes in other operating assets and liabilities:			
Provisions	**(12)**	(17)	(31)
Income tax paid	**(27)**	(29)	(28)
Pension liabilities and other post-employment benefit obligations	**(49)**	(43)	(40)
Net cash flows from operating activities	**212**	184	246
Cash flows (used in)/from investing activities			
Purchases of property, plant and equipment	**(199)**	(144)	(126)
Proceeds from disposals, including joint-venture	**(2)**	7	–
Investment in joint-venture	**(19)**	–	–
Proceeds from finance lease	**6**	6	8
Other investing activities	**(2)**	(1)	(13)
Net cash flows used in investing activities	**(216)**	(132)	(131)
Cash flows from/(used in) financing activities			
Net proceeds received from issuance of share	**–**	162	–
Interim dividend paid	**–**	(147)	–
Withholding tax reimbursed/(paid)	**20**	(20)	–
Distribution of share premium to owners of the Company	**–**	(103)	–
Interest paid	**(39)**	(36)	(28)
Net cash flows used in factoring	**–**	–	(49)
Proceeds received from Term Loan and Senior Notes	**1,153**	351	154
Repayment of Term Loan	**(331)**	(156)	(148)
Proceeds of other loans	**13**	2	6
Payment of deferred financing costs	**(27)**	(8)	(14)
Transactions with non-controlling interests	**(2)**	(2)	–
Other financing activities	**(34)**	–	(7)
Net cash flows from/(used in) financing activities	**753**	43	(86)
Net increase in cash and cash equivalents	**749**	95	29
Cash and cash equivalents – beginning of period	**236**	142	113
Effect of exchange rate changes on cash and cash equivalents	**6**	(1)	–
Cash and cash equivalents – end of period	**991**	236	142
Less: Cash and cash equivalents classified as held for sale	**(2)**	(3)	–
Cash and cash equivalents as reported in the Statement of Financial Position	**989**	233	142

Share information

Share price evolution In US$ (from May 16, 2014)

Shareholding structure (as of December 31, 2014)



Average number of daily shares traded:
So far the average number of shares traded for Constellium since May 30, 2014 is

884,472
shares

Sustainability data

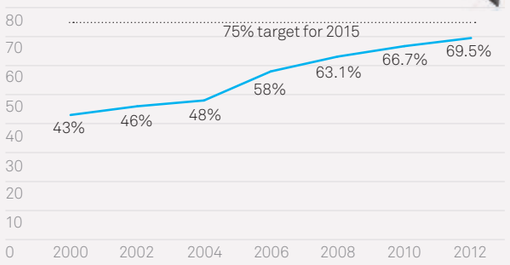
In this section (pages 74-77), we provide our performance across the four pillars of Constellium's sustainability strategy: Products, People, Operations and Responsible Business.

Throughout this section, the following symbols included in some charts help the reader identify our progress on those Key Performance Indicators where we disclose data.

Key Performance Indicators: Products People Operations Responsible business

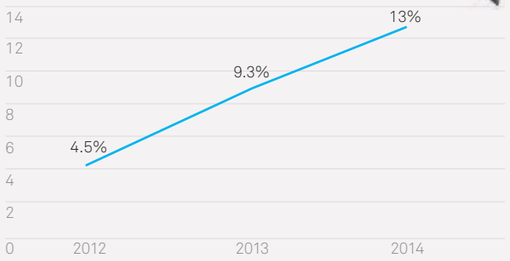
Products

Beverage can recycling rate*



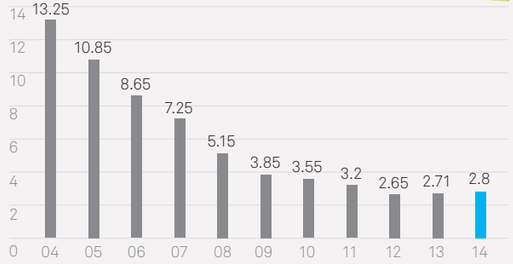
*This is the most recent data. Figures for this data-point consume long processing time and 2012 data was made available only in 2015. Since 2000, the beverage can recycling rate has seen tremendous improvement from 43% (in 2000) to 69.5% (in 2012).

Sales from innovative products



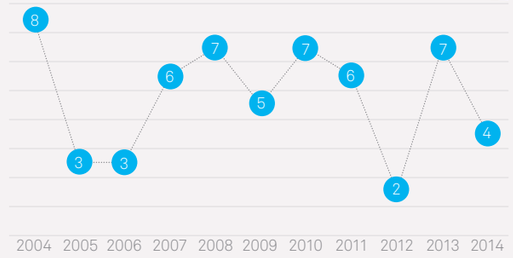
People

Recordable case rate*



*Recordable case rate is a ratio that measures the number of fatalities, serious injuries, lost time injuries, restricted work injuries or medical treatments per one million hours worked.

Number of serious injuries including fatalities



GRI G4–10: Total workforce

		Apprentice	Inactive restructuring	Inactive without pay	Permanent	Fixed-term	Temporary (agency, excluding contractors)
All Constellium							
Number of employees per specific employment type	Male	260	7	40	–	–	–
	Female	57	6	21	–	–	–
Number of employees per employment contract	Male	–	–	–	7,671	499	601
	Female	–	–	–	872	106	
Number of employees working full/part time	Full-time	296	8	47	8,227	594	363
	Part-time	21	5	14	316	11	238
Total full-time employees (permanent and fixed-term)							**9,148**
Total workforce							**10,140**
Europe							
Number of employees per specific employment type	Male	260	7	20	–	–	–
	Female	57	6	19	–	–	–
Number of employees per employment contract	Male	–	–	–	6,514	201	601
	Female	–	–	–	749	40	
Number of employees working full/part time	Full-time	296	8	25	6,947	237	363
	Part-time	21	5	14	316	4	238
Total workforce							**8,474**
Asia							
Number of employees per specific employment type	Male	–	–	–	–	–	–
	Female	–	–	–	–	–	–
Number of employees per employment contract	Male	–	–	–	7	257	–
	Female	–	–	–	7	45	
Number of employees working full/part time	Full-time	–	–	–	14	302	–
	Part-time	–	–	–	–	–	–
Total workforce							**316**
North America							
Number of employees per specific employment type	Male	–	–	20	–	–	–
	Female	–	–	2	–	–	–
Number of employees per employment contract	Male	–	–	–	1,150	41	–
	Female	–	–	–	116	21	
Number of employees working full/part time	Full-time	–	–	22	1,266	55	–
	Part-time	–	–	–	–	7	–
Total workforce							**1,350**

GRI G4–LA1: Employee turnover

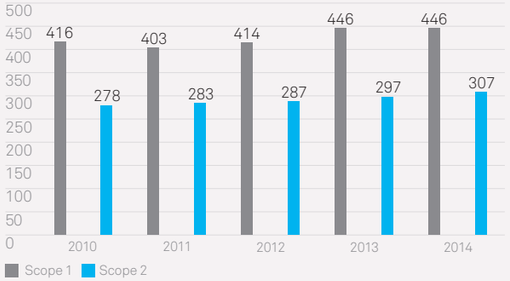
Apprentices and fixed-term employees have not been included, for accuracy in turnover rate calculation

		Under 26	Between 26 and 45	Between 46 and 55	Above 56	**Total**
Europe						
Number of new employees hired in 2014	Male	83	184	67	5	**339**
	Female	8	52	8	3	**71**
Number of employees who left the Company in 2014	Male	29	92	30	108	**259**
	Female	–	32	7	15	**54**
Number of employees on December 31, 2014	Male	211	2,917	2,313	944	**6,385**
	Female	23	406	226	101	**756**
Turnover rate	Male	14%	3%	1%	11%	**4%**
	Female	–	8%	3%	15%	**7%**
North America						
Number of new employees hired in 2014	Male	35	146	38	19	**238**
	Female	5	24	9	5	**43**
Number of employees who left the Company in 2014	Male	4	21	19	26	**70**
	Female	1	10	5	3	**19**
Number of employees on December 31, 2014	Male	31	439	407	209	**1,086**
	Female	2	41	25	15	**83**
Turnover rate	Male	13%	5%	5%	12%	**6%**
	Female	50%	24%	20%	20%	**23%**
Asia						
Number of new employees hired in 2014	Male	–	2	–	–	**2**
	Female	–	5	–	–	**5**
Number of employees who left the Company in 2014	Male	–	1	–	–	**1**
	Female	–	1	1	–	**2**
Number of employees on December 31, 2014	Male	–	11	2	–	**13**
	Female	1	11	2	–	**14**
Turnover rate	Male	–	9%	–	–	**8%**
	Female	–	9%	50%	–	**14%**

Sustainability data
continued

Operations

Greenhouse gas emissions In kt $CO_{2\ eq}$



Indirect energy consumption* (in TJ)

Source	2010	2011	2012	2013	2014
Electricity	3,982	4,111	4,071	4,089	4,007

Direct energy consumption* (in TJ)

Energy sources	2010	2011	2012	2013	2014
Anthracite	459	395	439	519	492
Liquefied Petroleum Gas	10	10	10	11	13
Natural Gas	6,570	6,463	6,618	7,254	7,295
Diesel	115	112	109	114	113
Heavy fuel	188	190	168	187	182
Total	**7,342**	**7,170**	**7,344**	**8,085**	**8,095**

Total energy consumption (in TJ)

In TJ/year	10,890	10,810	10.936	11,677	11,815

*This includes, in some cases, our own energy generation.

Water consumption In 10^6 m^3

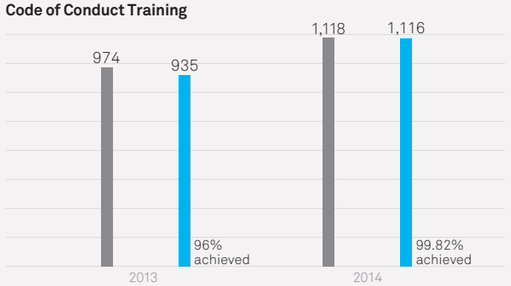
Air emissions In metric tons

Production waste and handling In metric tons

Key Performance Indicators: Products People Operations Responsible business

Responsible business

Code of Conduct Training



Memberships

Memberships and associations	Has positions in governance	Participates in projects and committees
Aluminum Association (AA)	Member	Yes
Aluminium Stewardship Initiative (ASI)	Member and part of Standard Setting Group	Yes
ARPAL, Spain	Member	No
Association Française de l'Aluminium (AFA)	President, Béatrice Charon	Yes
Carbon Disclosure Project (CDP)	No	No
Cercle de l'Industrie	Member	No
Emballages et Bouchages Métalliques (SNFBM)	Member	No
European Aluminium Foil Association (EAFA)	Member	Yes
European Aluminium (EA)	Chairman, Pierre Vareille	Yes
France Aluminium Recyclage (FAR)	Chairman, Laurent Musy	Yes
Gesamtverband der Aluminium Industrie (GDA)	Member of Board, Laurent Musy	Yes
Groupement des Industries Françaises Aéronautiques et Spatiales (GIFAS)	Member	No
Global Reporting Initiative (GRI)	No	No
International Aluminium Institute (IAI)	Member	Yes
La Boîte Boisson (BCME)	Member	Yes
Swiss Aluminium Association (alu.ch)	Member	No
Syndicat National des Fabricants de Boîtes, emballages et bouchages Métalliques (SNFBM)	Member	Yes
United Nations Global Compact (UNGC)	No	No
Wirtschafts Vereinigung Metalle (WVM)	Member of Board, Laurent Musy	Yes

GRI G4 disclosure index

We have achieved full disclosure against the general standard disclosures and specific standard disclosures listed below, and reported against the mining and mineral sector guidelines (which are marked with a *).

GENERAL STANDARD DISCLOSURES			
DMA and Indicators		Cross reference/Additional information	Page
STRATEGY AND ANALYSIS			
G4-1	Statement from the most senior decision-maker of the organization	Chief Executive Officer insights	10–11
ORGANIZATIONAL PROFILE			
G4-3	Name of the organization	Constellium	
G4-4	Primary brands, products, and/or services	Business operational performance Our main brands are: AIRWARE®, SEALIUM®, ALUMOLD®, Surfalex®, Formalex®, Strongalex®, Ultralex®, Skybright®, Inoxal®, Solar Surface®, LONGLINEFINISH®, BUTLERFINISH®, STAYBRIGHT®, KEIKOR™ and GRIPSTER™	18–23
G4-5	Location of the organization's headquarters	Amsterdam (Netherlands)	Back Cover
G4-6	Countries where the organization operates	Company organization	9
G4-7	Nature of ownership and legal form	Constellium is a public company that aims to operate with the highest ethical standards and best practices, to answer to our shareholders and other stakeholders, and operates under a worldwide Code of Conduct. We are listed on NYSE and on Euronext under the ticker symbol "CSTM." Shareholders as of December 31, 2014 – public shareholders 85.12%, Bpifrance 12.23%, and management 2.65%	
G4-8	Markets served	Company organization	9
G4-9	Scale of the reporting organization	Performance in detail	70-77
G4-10	Workforce characteristic	Performance in detail	75
G4-11	Employees covered by collective bargaining agreements	Approximately 80% of our total headcount are represented by unions or equivalent bodies or are covered by collective bargaining or similar agreements that are subject to periodic renegotiation. The vast majority of employees based in Europe and approximately 53% of U.S. employees are covered by collective bargaining agreements.	
G4-12	Organization's supply chain	Value we create	5
G4-13	Changes in organization's size, structure, ownership or its supply chain	Acquisition of Wise Metals in the US closing on January 5, 2015, disposal of Sabart facility in France, creation of the joint-venture with UACJ in Bowling Green, Kentucky, and closure of Kunshan facility in China	
G4-14	Precautionary approach	Our strategy Governance	12–14 28–29
G4-15	Externally developed charters, principles or initiatives to which the organization subscribes	Memberships	77
G4-16	Membership of associations or organizations	Memberships Stakeholder perspectives	77 39-41
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	Entities included in the organization reports	Our materiality assessment	38
G4-18	Reporting principles for defining report content	About the report	IFC
G4-19	Process for defining content and aspect boundaries	Our materiality assessment	37
G4-20	Material aspects within the organization	Our materiality assessment	38
G4-21	Material aspects outside the organization	Our materiality assessment	38
G4-22	Restatements of information provided in earlier reports	None	
G4-23	Significant changes from previous reporting periods in scope and aspect boundaries	About the report	IFC
STAKEHOLDER ENGAGEMENT			
G4-24	Stakeholder groups engaged by the organization	Engaging with stakeholders Stakeholder perspectives	30 39–41
G4-25	Identification and selection of stakeholders to engage	Our materiality assessment	36
G4-26	Organization's approach to stakeholder engagement	Engaging with stakeholders	30
G4-27	Key topics collected through stakeholder engagement	Our materiality assessment	37
REPORT PROFILE			
G4-28	Reporting period	About the report	IFC
G4-29	Date of the last report	Issued in 2014 (Available on the sustainability page at www.constellium.com)	
G4-30	Reporting cycle	About the report	IFC
G4-31	Contact point for questions regarding the report	About the report	IFC
G4-32	GRI Content Index	GRI G4 disclosure index	78–80
G4-33	External assurance	About the report	IFC
GOVERNANCE			
G4-34	Governance structure	Governance	28–29
ETHICS AND INTEGRITY			
G4-56	Organization's values, principles, standards and norms of behavior	Governance Promoting and enforcing ethical business practices	28–29 64–67

IFC stands for inside front cover

SPECIFIC STANDARD DISCLOSURES			
CATEGORY: ECONOMIC			
DMA and Indicators		Cross reference/Additional information	Page
INCREASE ECONOMIC PERFORMANCE			
MATERIAL ASPECT: ECONOMIC PERFORMANCE			
G4-DMA	Generic Disclosures on Management Approach	Our strategy	12–14
G4-EC1	Direct economic value generated and distributed	Performance in detail	70–73
G4-EC2	Financial implications, risks and opportunities for the organization's activities due to climate change	Due to the uncertainty of the effects of climate change it is difficult to quantify its impact. Possible scenarios that could create financial risks for our business include availability of water, additional regulation to mitigate climate change, serious weather events causing damage to operations and supply chain, and climate warming/cooling trends in different regions positively or negatively affecting the sales of finished products in particular beverage cans. As a participant since 2013 in the EU ETS (European Union Emission Trading Scheme), changes to this system and a higher price of carbon could have an impact. There are, however, opportunities from climate change and associated legislative changes. New technology and products which are lightweight and recyclable and are being used to lower fuel emissions in vehicles present an opportunity for aluminium, including, increased sales and opening of new markets as well as increasing aluminium share in existing markets, promotion of aluminium for new markets, providing innovative solution for customer needs, R&D investment, and expansion of manufacturing facilities. Opportunities from the EU ETS include being able to trade excess emissions certificates, which would provide an additional income, and no costs except those to reduce emissions to the required level to have excess certificates.	
CATEGORY: ENVIRONMENTAL			
INCREASE RECYCLING ACTIVITIES			
MATERIAL ASPECT: MATERIALS*			
G4-DMA	Generic Disclosures on Management Approach	Recycling	47–49
G4-EN2	Percentage of materials used that are recycled input materials	Recycling	47
IMPROVE ENERGY EFFICIENCY OF OPERATIONS			
MATERIAL ASPECT: ENERGY			
G4-DMA	Generic Disclosures on Management Approach	Improving the energy efficiency of our operations	59, 60
G4-EN3	Energy consumption within the organization	Performance in detail	76
G4-EN4	Energy consumption outside of the organization	Performance in detail	76
G4-EN5	Energy intensity	Improving the energy efficiency of our operations At Constellium, 'energy efficiency' is the way we define 'energy intensity'.	59
G4-EN6	Reduction of energy consumption	Improving the energy efficiency of our operations	59, 60
G4-EN7	Reductions in energy requirements of products and services	Developing products with environmental benefits	45, 46
REDUCE GREENHOUSE GAS (GHG) EMISSIONS			
MATERIAL ASPECT: EMISSIONS			
G4-DMA	Generic Disclosures on Management Approach	Reducing greenhouse gas emissions	61
G4-EN15	Direct GHG emissions (Scope 1)	Performance in detail	76
G4-EN16	Energy indirect GHG emissions (Scope 2)	Performance in detail	76
G4-EN19	Reduction of GHG emissions	Reducing greenhouse gas emissions	61
G4-EN20	Emissions of ozone-depleting substances (ODS)	None recorded in the reporting year	
G4-EN21	NO_X, SO_2, and other significant air emissions	Performance in detail	76
REDUCE WASTE FROM OPERATIONS			
PREVENT POLLUTION FROM OPERATIONS			
MATERIAL ASPECT: EFFLUENTS AND WASTE			
G4-DMA*	Generic Disclosures on Management Approach	Reducing waste from our operations Preventing pollution on-site	63 61
G4-EN22	Water discharge	Performance in detail	76
G4-EN23	Waste disposal	Performance in detail	76
G4-EN24	Significant spills	No major spills recorded in the reporting year	
DEVELOP PRODUCTS WITH ENVIRONMENTAL BENEFITS			
MATERIAL ASPECT: PRODUCTS AND SERVICES			
G4-DMA	Generic Disclosures on Management Approach	Developing products with environmental benefits	45
G4-EN27	Mitigation of environmental impacts of products and services	Life Cycle Assessment (LCA)	45, 46

GRI G4 disclosure index
continued

SPECIFIC STANDARD DISCLOSURES			
CATEGORY: ENVIRONMENTAL CONTINUED			
DMA and Indicators		Cross reference/Additional information	Page
DEVELOP PRODUCTS WITH ENVIRONMENTAL BENEFITS CONTINUED			
MATERIAL ASPECT: COMPLIANCE			
G4-DMA	Generic Disclosures on Management Approach	Promoting and enforcing ethical business practices	65-67
G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	None recorded in the reporting year	
ENGAGE SUPPLIERS IN SUSTAINABILITY PERFORMANCE			
MATERIAL ASPECT: SUPPLIER SUSTAINABILITY			
G4-DMA	Generic Disclosures on Management Approach	Engaging suppliers in sustainability performance	65–67
G4-EN32	Suppliers screened using environmental criteria	No quantitative data available currently Engaging suppliers in sustainability performance	65–67
CATEGORY: SOCIAL			
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK			
IMPROVE EMPLOYEE SATISFACTION			
MATERIAL ASPECT: EMPLOYMENT			
G4-DMA*	Generic Disclosures on Management Approach	Improving employee satisfaction	53, 54
G4-LA1	Number and rates of new employee hires and employee turnover	Performance in detail	75
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Part-time workers have pro-rata benefits of full-time employees; temporary workers are not eligible for the same benefits. Some select benefits related to health insurance are granted depending on seniority.	
MATERIAL ASPECT: LABOR/MANAGEMENT RELATIONS			
G4-DMA	Generic Disclosures on Management Approach	Strengthening stakeholder interaction	52, 53
G4-LA4	Minimum notice periods regarding operational changes	The minimum notice period changes depending on the country of operation and is based on local regulations. We follow the rules of the country in question.	
G4-MM4*	Number of strikes and lock-outs exceeding one week's duration	None recorded in the reporting year	
ENSURE SAFETY AT WORK			
REDUCE PSYCHO-SOCIAL RISKS			
REDUCE USE OF HARMFUL SUBSTANCES			
MATERIAL ASPECT: SAFETY			
G4-DMA	Generic Disclosures on Management Approach	Ensuring safety at work	51, 52
G4-LA5	Workforce represented in health and safety committees	100% of our sites have workforce representation in health and safety committees.	
G4-LA6*	Injuries, occupational diseases, lost days, absenteeism and total number of work-related fatalities	Performance in detail	74
G4-LA8	Health and safety topics covered in formal agreements with trade unions	Promoting health and reducing stress Health and safety topics are covered not only in agreements with trade unions but also in our procedures and directives. Psychological risks prevention was specially covered in 2014.	54, 55
DEVELOP TRAINING AND EMPOWERMENT			
MATERIAL ASPECT: TRAINING AND EDUCATION			
G4-DMA	Generic Disclosures on Management Approach	Training and empowerment	55, 56
G4-LA11	Employees receiving regular performance and career development reviews	Training and empowerment 100% of professional grade employees receive annual performance and career development through the IPCM (Individual Performance and Career Management). This has been extended to some supervisory levels in France. All other employees receive an annual performance review but this is done on a site-by-site basis and tracked centrally for all managers	55
SUB-CATEGORY: HUMAN RIGHTS			
PROMOTE AND ENFORCE ETHICAL BUSINESS PRACTICES			
MATERIAL ASPECT: NON-DISCRIMINATION			
G4-DMA	Generic Disclosures on Management Approach	Promoting and enforcing ethical business practices	65
G4-HR3	Incidents of discrimination and corrective actions taken	None recorded in the reporting year	
MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
G4-DMA	Generic Disclosures on Management Approach	Promoting and enforcing ethical business practices	65
G4-HR4	Risks to the right to exercise freedom of association and collective bargaining	None identified	
SUB-CATEGORY: PRODUCT RESPONSIBILITY			
INNOVATION			
G4-DMA	Generic Disclosures on Management Approach	Innovation	44, 45
CUSTOMER SATISFACTION			
G4-DMA	Generic Disclosures on Management Approach	Customer satisfaction	43

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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