BEYOND ALUMINUM

2014 SUSTAINABILITY REPORT

Aleris

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CEO Letter

DEAR ALERIS STAKEHOLDERS,

At Aleris, sustainability has always been core to our operations – starting when the company was created 10 years ago through the merger of a rolled aluminum products company and an aluminum recycling company. This combination laid the foundation for one of our company's core competencies, which is the recovery and processing of scrap aluminum so it can be re-used by our customers. Whether it's working with our building and construction customers to meet demand for more sustainable material for gutters, downspouts and window trim, or partnering with our more technically demanding aerospace and automotive customers to develop closed-loop processes that allow them to capture and effectively re-use more scrap, Aleris is helping to drive sustainable solutions. As society addresses issues such as the reduction of greenhouse gas emissions and energy conservation, the properties of aluminum make it a terrific solution for the manufacturing challenges of the future. Aleris has both the know-how and the experience to partner with our customers to help them capitalize on the unlimited potential of aluminum, driving trends such as automotive light-weighting, more fuel-efficient airplanes and greener buildings that will shape the future.

We recognize that sustainability has many dimensions, and the products we make represent only one piece of a much broader commitment. Being a sustainable company also requires an exceptional focus on creating a positive and safe work environment for our employees, conducting business according to the highest ethical standards, and giving back to the communities that support our business. It's this mindset that led us to the theme of this, our first, sustainability report – *Beyond Aluminum*. Our sustainability story is built around our partnership with customers, our commitment to responsible management of resources, and the high degree to which we value the people who make possible what we do every day.

Aleris is a relatively young company, and thus we are still early in our sustainability journey. We are proud of our performance to date and also eager to continue our development, as evidenced by the goals we've set in areas including energy efficiency, employee safety and employee satisfaction. We look forward to making progress on these objectives, as well as adding new initiatives in the future.

We hope you find our report informative and thank you for your continued interest in Aleris.

Warm regards,

STEVE DEMETRIOU

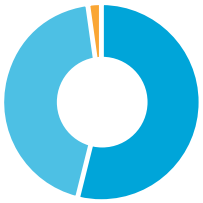
Aleris Chairman and
Chief Executive Officer

About Aleris

Aleris is a global leader in the manufacture and sale of aluminum rolled products.* Formed in 2004, we set out on an aggressive path to help our customers capture aluminum's unlimited potential. Our 14* manufacturing operations are strategically located across North America, Europe and China, and serve a variety of industries. Our products can be tailored to customer specifications, allowing us to design and create solutions that meet our diverse customers' needs. In 2014, Aleris generated revenues of nearly $3 billion, mainly from sales in North America and Europe.

The company is privately held and headquartered in Cleveland, Ohio.

2014 REVENUE BY REPORTABLE SEGMENT**



- **54%** North America
- **44%** Europe
- **2%** Asia Pacific

INDUSTRIES SERVED

We sell our diverse range of products to a variety of end use industries, including:

Aerospace

Automotive

Building & Construction

Defense

Heat Exchanger

Commercial Transportation

Our customers in these industries are sophisticated and innovative, and Aleris brings the quality, technology, creativity and customization necessary to meet and exceed our customers' expectations

IN THIS REPORT

In this, our first corporate sustainability report, we cover the progress made on our sustainability journey between 2011 and 2014, while the data included in this report represent our performance between 2011 and 2013. We also present our first set of sustainability goals; these goals focus on the environmental, social and governance issues that matter most to our business and our stakeholders.

This report is developed in accordance with the Global Reporting Initiative's (GRI) G4 Core guidelines. While the economic and social metrics in this report cover global operations, our environmental metrics cover all but our Zhenjiang facility in China as this plant was not fully operational until late 2013. **In early 2015, Aleris completed the sale of its extrusions and recycling and specification alloys businesses. The GRI data and related goals included in this report are still reflective of these businesses; we expect to account for this change in organizational boundary in our next report after the transaction is completed.**

Please refer to page 33 for the complete GRI Index and list of G4 disclosures.

2014 REVENUE BY END-USE**

- **23%** North America Building & Construction
- **21%** Distribution
- **11%** Automotive
- **11%** Aerospace
- **8%** Transportation
- **19%** Other

CONTACT INFORMATION

We value feedback from our stakeholders regarding our sustainability performance and the content of this report. Please direct any comments, questions or concerns to:

Aleriscommunications@aleris.com

*In early 2015, Aleris completed the sale of its extrusions and recycling and specification alloys businesses. The GRI data and related goals included in this report are still reflective of these businesses; we expect to account for this change in organizational boundary in our next report after the transaction is completed.

**Continuing operations only

Sustainability at Aleris

We believe that Aleris, and aluminum, plays an important role in improving the sustainability performance of the customers we serve. We are working to reduce our environmental footprint, and increase the use of recycled content in our products. In 2012, we further evolved our program, appointing a Vice President of Sustainability to oversee development of a holistic sustainability strategy for our company.

To form our strategy, we engaged over 40 internal and external stakeholders, including functional leaders, customers, suppliers, members of the investment community and industry organizations, to better understand the economic, social and environmental issues driving sustainability across our entire value chain.

We used these insights to conduct our first materiality assessment, ranking each issue according to its importance to stakeholders and our business strategy. The assessment identified 22 material issues and these helped to guide the development of our first set of sustainability goals, which are highlighted throughout this report.

ALERIS MATERIALITY ASSESSMENT

Environment, Health & Safety	Employee & Community Well-Being	Governance & Ethics	Product/Supply Chain Responsibility
ENERGY AND CLIMATE CHANGE	COMMUNITY INVESTMENT	BRIBERY AND CORRUPTION	INNOVATION
WATER	COMPENSATION AND BENEFITS	CORPORATE GOVERNANCE	PRODUCT LIFECYCLE IMPACTS
WORKPLACE SAFETY AND HEALTH	DIVERSITY	MANAGEMENT SYSTEMS	RECYCLABILITY
	EMPLOYEE DEVELOPMENT	RISK MANAGEMENT	RECYCLED CONTENT
	HUMAN RIGHTS	STAKEHOLDER ENGAGEMENT	RECYCLING CAPACITY
	LABOR PRACTICES	TRANSPARENCY AND REPORTING	SCRAP SOURCING
			SUPPLY CHAIN MANAGEMENT

We partner with our customers, suppliers, industry groups and peers to address the issues that are important to our business. We have mapped these issues to our value chain and reach out to stakeholders to better understand and identify opportunities for collaboration.

OUR VALUE CHAIN

STAKEHOLDER ENGAGEMENT

Our primary sustainability objective is to produce and sell increasingly sustainable aluminum products. We continuously work to develop innovative solutions that will better position aluminum as the material of choice for customers and consumers seeking high-performance and sustainable products. Through formal and informal business channels, we regularly engage with key stakeholders including customers, suppliers and industry organizations to stay abreast of sustainability opportunities, risks and emerging trends. For example, we hold regular technical seminars for key customers, allowing us to share product innovations while gathering insights on how to improve future product offerings. For employees, we hold global quarterly meetings where leadership discusses important topics affecting the business and answers questions in real time. We also engage with industry groups to share best practices and learn how others are approaching shared sustainability concerns. In 2014, our Vice President of Sustainability was chair of the sustainability committee for the European Aluminum Association, which is tasked with developing a 2025 roadmap to guide the organization's sustainability efforts.

To stay engaged with our industry peers and other important stakeholders, we participate in a number of association groups and membership organizations. Between 2011 and 2014, we maintained memberships with the following groups:

- Aluminum Association (AA)
- Aluminium Stewardship Initiative (ASI)
- Association of the U.S. Army (AUSA)
- European Aluminium Association (EAA)
- German Aluminium Association (GDA)
- Metalle Pro Klima
- Metals Service Center Institute (MSCI)
- Institute for Scrap Recycling Industries (ISRI)
- German Chamber of Commerce, Shanghai
- European Chamber of Commerce, Nanjing
- China Non-Ferrous Association
- Shanghai Aluminum Association

The table below lists our primary stakeholder groups, our methods to engage them, and the topics we address.

Stakeholder Group	Engagement Approach	Topics
Customers	Technical seminars, in-person meetings	Product innovation, closed-loop opportunities, environmental footprint (life cycle assessments), recyclability
Employees	Quarterly town hall meetings, informal lunches, newsletters, training	Business strategy, progress on key initiatives, safety, employee development programs
Suppliers	In-person meetings	Material sourcing (including conflict minerals), environmental footprint, process optimization
Industry Groups	Participation and membership in industry associations and groups	Industry trends, regulatory updates, development of voluntary standards
Communities	Outreach, emergency response, volunteer opportunities, financial investment	Safety, disaster relief, community reinvestment
Government	In-person meetings	Regulatory requirements, environment, safety

SUSTAINABILITY STANDARDS FOR THE ALUMINUM INDUSTRY

Aleris supports the Aluminium Stewardship Initiative (ASI), an industry initiative created in 2012 to foster greater sustainability and transparency throughout the aluminum industry. Under the coordination of the International Union for Conservation of Nature (IUCN), ASI is convening key industry players and mobilizing a broad base of stakeholders to develop the ASI Standard, a unifying framework to define and promote responsible environmental, social and governance practices across the aluminum value chain.

The Standard will address a range of issues, including environmental topics such as air, energy and greenhouse gas emissions, water use, waste generation and biodiversity; social issues such as human rights, labor rights, health and safety and community engagement; and governance issues including business ethics, transparency and responsible sourcing. ASI plans to launch the Standard in late 2014. The ASI Standard will help us develop programs around critical issues such as reducing our greenhouse gas emissions throughout our product lifecycle.

More information about ASI is available on its website: **http://aluminium-stewardship.org/**

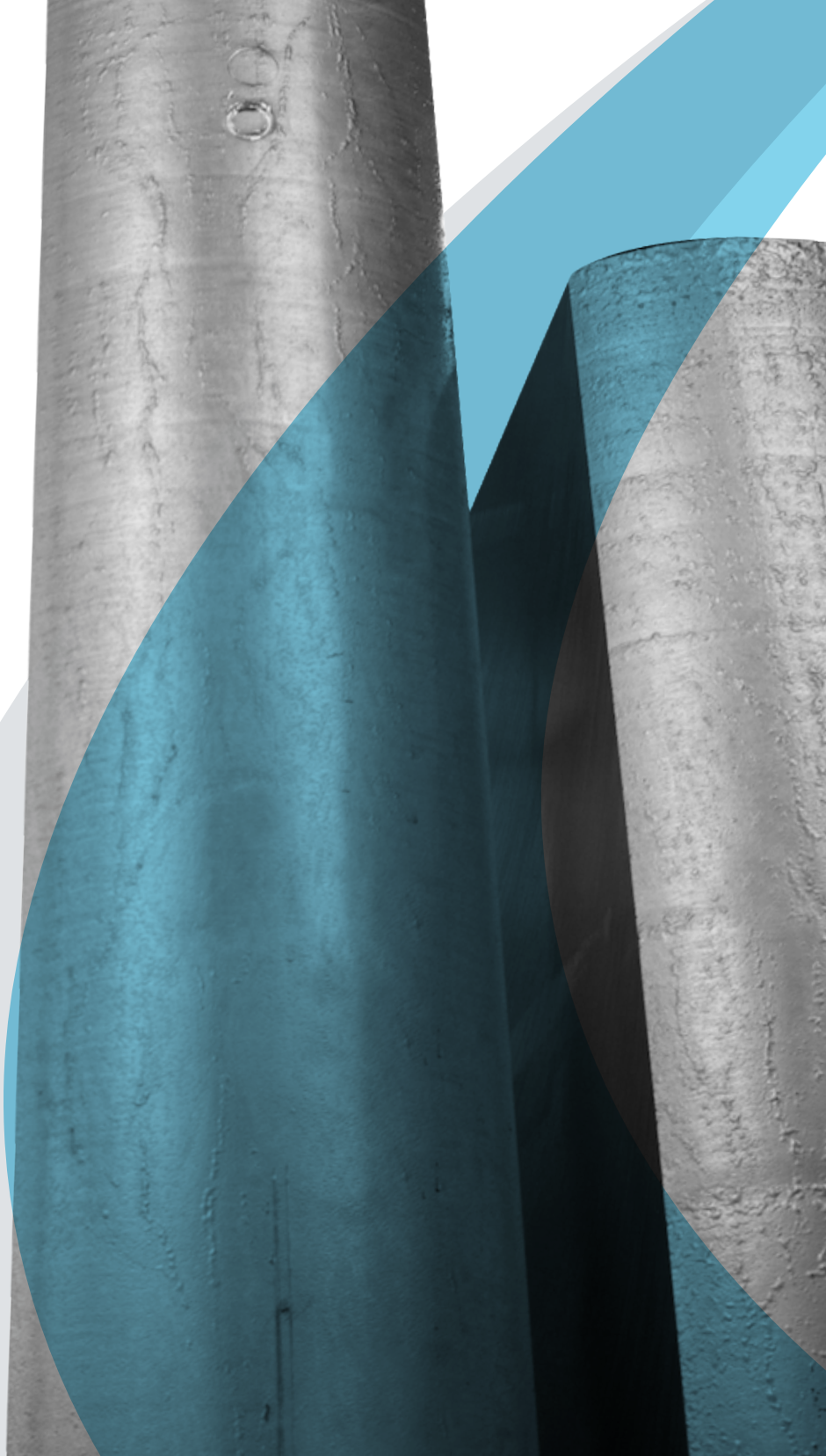
"The ASI Standard creates a valuable framework that will help drive sustainability practices and improve transparency in the aluminum industry. The Standard's success depends on participating companies, and we are very pleased that leaders like Aleris are actively engaging in the development of the Standard."

Giulia Carbone

DEPUTY DIRECTOR, BUSINESS AND BIODIVERSITY PROGRAMME, IUCN

THINK BEYOND

Aluminum is, in many ways, an inherently sustainable product. Its versatility, lightweight properties and infinite recyclability make it extremely competitive when compared to other materials. Furthermore, aluminum products made with recycled content require 95 percent less energy than products made with primary aluminum.[1] At Aleris, we are harnessing this unique material to pioneer game-changing solutions to create a better world.



[1] European Aluminium Association and Aluminum Association

With applications across many sectors, we are not only able to deliver superior performance, but also improve the sustainability profile of many of the products in which aluminum is used. Some of these benefits include:

Light-weighting

Aleris has developed some of the lightest alloys available today. Use of these alloys in the automotive and aerospace industries results in lighter vehicles and aircraft that reduce fuel use and associated greenhouse gas (GHG) emissions. On an aircraft, on average, every kilogram of weight reduced by using our specialty alloys can result in the reduction of carbon dioxide (CO_2) emissions by approximately 1,250 tonnes over the life of an airplane.

Recyclability

Recycling aluminum eliminates waste and reduces the need for primary metal that require more energy to produce. On average, products made with recycled aluminum require 95 percent less energy than those made with primary aluminum.

Recycled content

At Aleris, we continuously work to create and develop new alloys that can incorporate higher percentages of recycled content. Our Innovation Centers remain focused on increasing our scrap absorption rate as an integral part of our sustainability vision and long-term strategy. By bringing new, innovative products to market, integrating more aluminum scrap into our processes, and expanding closed-loop partnerships with customers, we are improving the overall environmental footprint of the products we produce. Some of our alloys today, such as our 3105 Alloy used in the building and construction segment, contain 96 percent recycled content. This content is among the highest available in the industry today.

Aleris works every day to harness aluminum's potential for a better world.

ALUMINUM'S ROLE IN IMPROVING AUTOMOBILE EFFICIENCY

Today, the automotive industry faces continued pressure to improve fleet efficiency due to increasing consumer demand for more fuel-efficient vehicles and changing regulatory requirements such as the Corporate Average Fuel Economy (CAFE) standards in the U.S. By increasing the amount of aluminum used in automobiles, automakers are able to light-weight vehicles, which, in turn, creates a number of benefits for drivers and the environment.

A 2014 Ducker Worldwide study found that in 2012, aluminum's average share of a 3,828-pound curb-weight vehicle in North America was 350 pounds, or 9 percent. In 2015, the average share is expected to climb to 10.4 percent (394 pounds of the average 3,798-pound curb-weight vehicle). By 2025, aluminum content is predicted to reach 19 percent of the total weight for body and closure parts.[2] Substitution of aluminum for steel has already resulted in significant environmental and safety benefits, including:

- Lighter cars mean lighter engines and transmission systems, which reduce fuel use and lower GHG emissions. A 5 to 7 percent fuel savings can be realized for every 10 percent weight reduction by using lightweight aluminum in automobiles.
- Lighter bodies lower the center of gravity, resulting in better drivability.
- Aluminum allows car manufacturers to use smaller engines, gears and other parts, which improves safety. The lower auto body mass makes cars easier to control, maneuver and break.
- Nearly 90 percent of automotive aluminum is recovered and recycled.
- Sixty percent of aluminum used on today's vehicles is sourced from recycled metal.[3]

[2] Summary of Ducker study published by Drive Aluminum; http://www.drivealuminum.org/research-resources/2014-ducker-worldwide-survey-of-automakers

[3] The Aluminum Association, http://www.aluminum.org/

INNOVATING FOR THE FUTURE

Increasingly, customer product requirements include sustainability attributes. In the United States, the increase in buildings adhering to Leadership in Energy and Environmental Design (LEED) standards is fueling demand for products with higher recycled content. Similarly, the automotive industry is seeking ways to further light-weight components, reduce manufacturing waste, increase use of sustainable materials and improve end-of-life recyclability. To meet evolving customer demands, Aleris has four Innovation Centers (IC), as well as a fifth currently in development, focused on developing high-performance, sustainable solutions for our customers as well as continuously improving processes within Aleris. Each center includes two teams – one focused on R&D and one focused on production. The R&D team engineers new materials that help Aleris become the supplier of choice. The product team helps identify the most efficient processes and technologies for making each product. Together, the centers are helping drive innovation in materials, recyclability and process efficiency:

Aachen IC GERMANY

Uses advanced research and modeling techniques to support customers' Internal R&D and process improvement efforts to help them meet their design, development and manufacturing objectives

Koblenz IC GERMANY

Focuses on our aerospace, heat exchanger and commercial plate business segments

Examples of recent innovations include:

- Development of high-strength alloys for structural plate applications for use in the aerospace industry
- Development of aluminum magnesium scandium alloys for lighter fuselage sheets associated with new joining and forming technologies
- Development of heat exchanger products that use new flux-free brazing technology and corrosion-resistant alloys for specific applications such as charge air coolers required for the new generations of downsized and turbocharged engines
- Creation of wear-resistant commercial plate alloys for use in tipper trucks

Duffel IC BELGIUM

Focuses on our automotive coil and sheet business segments

Examples of recent initiatives include:

- Definition of alloys, processes and products that allow automotive customers to move from steel to aluminum bodies, and enable the use of high levels of recycled content or closed-loop partnerships with our customers
- Particular focus on corrosion-resistant external body sheet that provides larger design freedom due to improved formability and increased passenger and pedestrian safety in the event of a crash

Zhenjiang IC CHINA

Opened in July 2014 to support the development of dedicated aircraft and commercial plate products from our Chinese plant

United States

Currently establishing a fifth innovation center

Entails the addition of a new wide cold mill, two continuous annealing lines and an automotive innovation center

BE A PARTNER

At Aleris, our success depends upon our customers' ability to meet their financial, product and sustainability goals. Aluminum offers innovative customer applications that not only enhance product performance, but also improve the environmental profile of their products and operations.

PARTNERING FOR INNOVATION

We have partnered with customers to:

- Understand their key business and sustainability drivers to inform new product development
- Implement closed-loop manufacturing processes to help our customers reduce waste and incorporate more recycled content into their products
- Pursue life cycle assessments (LCAs) and environmental certification to quantify the environmental benefits of certain products

These efforts, paired with our reliable performance and focus on quality, are helping position Aleris as the supplier of choice within our sector.

2020 GOALS

Increase recycled content from 65 percent in 2011 to **73 percent in 2020**

HELPING CUSTOMERS MEET THEIR GOALS

Every industry we support faces different sustainability challenges. We collaborate with each customer to understand their unique challenges and strategize how to address them. In some cases, this includes methods for light-weighting products. In other cases, it includes helping our customers make specific environmental claims.

Sector	What Aleris Provides	Sustainability Impact
Aerospace	Aluminum for airplanes, helicopters, and space and military equipment Applications include engines, wings, fuselages, wheels, landing gear and fastening systems	Lighter-weight materials developed by Aleris reduce energy consumption and lower emissions. Aleris partners with customers to recycle scrap waste through closed-loop projects (for every ton of plate aluminum delivered to aerospace customers, 70 to 80 percent can be returned as scrap and reused).
Automotive	Applications include engine housings, car bodies, anti-lock braking systems, shock absorbers and heat exchangers	Aluminum provides a lighter-weight, fuel-efficient alternative to steel used in automobile manufacturing. Lighter cars produce fewer emissions and have better driving specifications. Aleris also recycles waste scrap through closed-loop operations.
Building & Construction	Aluminum sheet for building products Products offer heat and sound insulation, resistance to corrosion and weathering, and a high strength-to-weight ratio	A majority of builders in the United States see "green" as important, and 90 percent of builders are trying to recycle and use recycled materials.[4] Our GreenCircle certification products for building and construction provide builders with sustainable products that have above 90 percent recycled content.
Defense	Aluminum armor plate products for the defense industry High-performance alloys are manufactured in extreme thicknesses and widths, providing solutions to address a variety of military challenges	The aluminum produced for our defense clients has the right properties to excel in the most adverse environments. Our high-performance alloys create safer military vehicles.
Heat Exchanger	A wide range of customized brazed and non-brazed coils, sheets and shapes, as well as fin stock material Applications are used in the automotive, aerospace, heating and air-conditioning, and processing industries	High-strength, long-life alloys allow the use of much thinner aluminum to produce heat exchangers, thus saving resources and weight. Furthermore, increasing the recyclability of our products has been our top priority for several years. As a result, we have been able to drastically increase the recycled content in our alloys, reaching levels which were unimaginable some years ago.
Commercial Transportation	Large-sheet and coated aluminum products used in the construction of trucks, trailers, buses, recreational vehicles, rail cars, ships and boats	Lightweight vehicles, made out of aluminum, require less energy to travel, which reduces overall fuel costs and associated GHG emissions.

[4] Professional Builder Green Building Survey

Using Life Cycle Assessments to Support Customer Decision-Making

Audi

LIFE CYCLE ASSESSMENT

"We are always looking for new ways to improve the environmental performance of our fleet, so we were pleased when Aleris approached us about developing an LCA on their Superlite alloys. The results have helped us better understand the benefits of using recycled aluminum in our vehicles."

Dr. Christoph Haberling

ENVIRONMENTAL PRODUCT, NEW MATERIALS AND RENEWABLE ENERGIES, AUDI

Today, many automotive companies are working to understand the full environmental impact of their products using a life cycle assessment (LCA) approach. LCAs can help automotive customers improve decision-making as they work to design lightweight vehicles.

In 2012, we developed the first LCA to assess the impact of aluminum automotive panels using actual manufacturing data. We partnered with Audi, the German automobile manufacturer and a long-term customer, to develop our methodology in alignment with industry needs. The LCA focuses on our family of automotive Superlite 200® alloys. These alloys, which come in a variety of sizes and formats, are lightweight, yet extremely strong, making them ideal for automobile components such as outer door panels. Moreover, the alloys include over 20 percent recycled content and are produced in Duffel, a plant that sources 90 percent of its energy from green sources. Our LCA documents the product impact from bauxite extraction to final production at our facilities. The LCA was audited and received its certification from TÜV NORD.

By using our data, Audi, as well as other customers, now better understands the environmental impact of our products, is able to improve purchasing decisions, and can use the information in its communication with external stakeholders.

We have also used the results to identify opportunities for improving the environmental profile of our Superlite 200® alloys through increased use of scrap and implementation of closed-loop partnerships with customers.

Meeting Customer Demands for Certified Products

PLY GEM
BUILDING PRODUCTS. BUILDING SUCCESS.

"A growing number of our customers are interested in the environmental footprint of the material they buy. Our relationship with Aleris assists us in meeting the need for more sustainable materials."

Jerry Blais

SENIOR VICE PRESIDENT OF MARKETING,
PLY GEM SIDING GROUP

For 17 years, Aleris has supplied Ply Gem with aluminum for use in the manufacturing of building products, including siding, soffit, fascia, trim and rainware products. Aleris provides Ply Gem with third-party GreenCircle Certified, LLC, audited material which enables Ply Gem to deliver building solutions that not only promote the efficient use of energy, but also reduce waste and environmental impacts associated with their operations. For the past several years, Aleris has also helped facilitate the recycling of scrap metal, by collecting Ply Gem's aluminum scrap and returning it in the form of new product.

GreenCircle Certified Building Products

In the building and construction sector, many tenants and homeowners are seeking offices and homes that incorporate environmentally responsible construction materials. To meet this demand, we partnered with GreenCircle Certified in 2011 to verify the amount of recycled content in products manufactured at three of our U.S. facilities – our Lewisport, Uhrichsville and Richmond plants. Some specific alloys manufactured at these plants contain up to 89 percent recycled content. For example, our Transportation 3004 alloy, used to make truck trailer sheet, horse trailers and irrigation pipes, incorporates 69 percent recycled content, whereas our Building & Construction 3025 alloy, used in gutter & downspouts and sidings, incorporates 84 percent recycled content. To verify these benefits, GreenCircle conducts a rigorous on-site evaluation to certify that each plant:

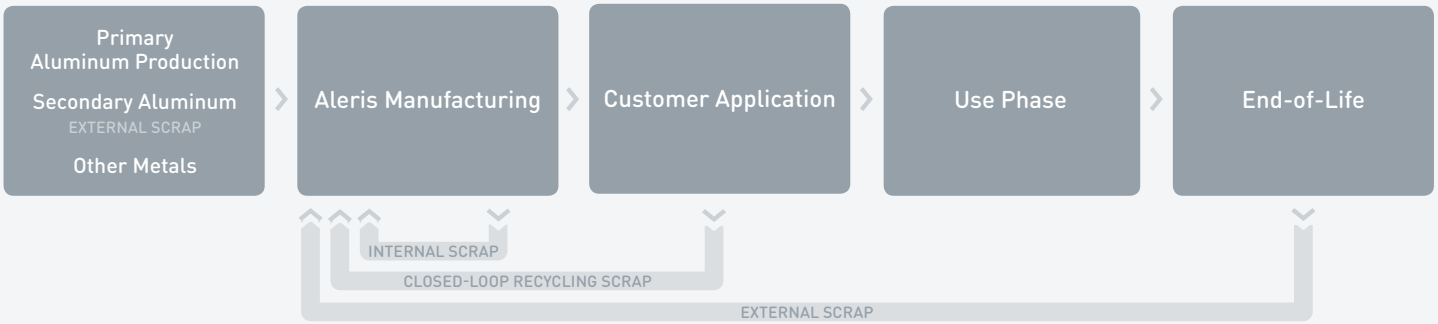
- Complies with the environmental and sustainable claims that are posted
- Demonstrates conformance with ISO standards
- Demonstrates conformance with the materials and resources criteria for recycled content as specified in the U.S. Green Building Council's LEED and the National Association of Home Builders programs

Certification reinforces to our customers that we are committed to becoming a sustainable leader in the aluminum industry.

IMPROVING SUSTAINABILITY UP AND DOWN OUR VALUE CHAIN

Material sourcing is an important piece of our value chain and we work to streamline our purchasing to minimize costs, while reducing our environmental impact. Across the value chain, our greatest opportunity for reducing environmental impacts is by maximizing the content of scrap in our products, which directly reduces the amount of primary metal, energy use and waste. Aleris products are sold with a minimum amount of packaging neccessary to protect our products during transport to our customers. Wood, paper, plastic and metal belts compose the vast majority of packaging material used, all of which are recyclable. Many of our customers resell our packaging materials and, in some cases, also reuse them to ship their products on to their own customers.

REDUCING OUR ENVIRONMENTAL IMPACT THROUGH SCRAP

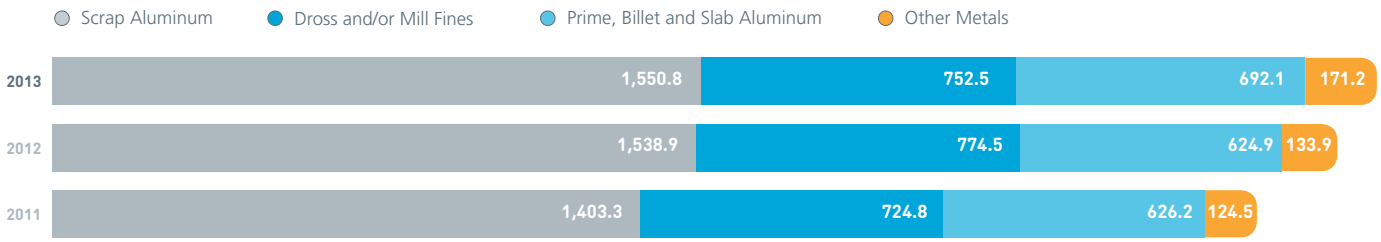


Increasing Scrap Use in Products

For many years, Aleris has partnered with suppliers and customers to identify new sources of scrap and ways to reuse it. In 2013, we consumed more than 2.4 million tonnes of aluminum* and other materials, of which 64 percent was scrap. Our scrap includes scrap bought from traders and distributors, as well as scrap from customer operations. We also recycle scrap from our own rolling and extrusion facilities. We are working to increase the amount of scrap we use to 73 percent by 2020, and we will continue to find new ways to increase the recycled content of our products.

MATERIAL USE BY TYPE

IN THOUSANDS OF TONNES



Closed-Loop Recycling

Many of our customers further process our alloys into finished products, which creates scrap along the way. Rather than selling this high-quality scrap on the open market, Aleris partners with a number of customers to take their scrap back and recycle it into a new product for that same customer. This closed-loop process maintains the integrity of the product, reduces energy and material costs and use, and decreases customer waste streams. We also recycle scrap from our own rolling and extrusion processes to minimize use of raw materials.

To accelerate aluminum recovery through closed-loop operations, we recently appointed a closed-loop manager, who will work with plants to identify additional partnership opportunities.

*excludes dross or mill fines

Closed-Loop Recycling for Figeac Aéro

"We were very enthusiastic when Aleris came to us to develop this closed-loop process. The approach is innovative and in line with our sustainability strategy. Indeed the recycling of our scrap with Aleris has helped us to reduce our carbon footprint and also improve our supply chain through this win-win agreement. It's a new way of manufacturing aerospace parts that addresses both the economic challenges of our industry and tomorrow's environmental expectations."

Cyril Houvenaghel
VICE PRESIDENT OF PURCHASING, FIGEAC AÉRO

To reduce the need for primary aluminum as well as manufacturing waste, Aleris works with customers to create closed-loop processes, in which customers send their waste back to Aleris to be recycled into new products.

In 2014, we began a closed-loop partnership with Figeac Aéro, which uses our aluminum plates to make aeronautical subassemblies, structural parts, engine parts and precision parts for customers such as Airbus, Boeing, Bombardier, Embraer and others. In designing the process, we incorporated quality, logistics, volume and schedule requirements to ensure that product needs are met and that the appropriate scrap is collected and returned to Aleris for recycling. This successful project has a number of benefits including:

- A reduction in greenhouse gases and other environmental impacts through the use of recycled content aluminum as opposed to primary aluminum
- Improved business continuity for both partners as the supply is guaranteed through this agreed process
- The creation of a consistently high grade of aluminum alloy
- Lower financial risk for both Aleris and Figeac Aéro as the recycled metal does not need to be procured on the London Metal Exchange and is therefore not subject to market swings or hedging

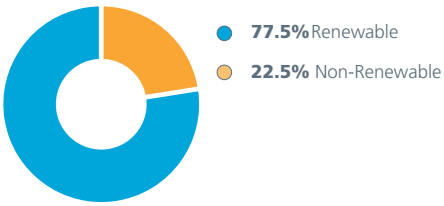
OUR CLOSED-LOOP RECYCLING PROCESS

Sourcing Responsibly

When sourcing primary aluminum, slabs, billets or other metals, we work to find responsible and reputable sources. For example, in Europe, we concentrate on sourcing primary aluminum from suppliers that manufacture their products using electricity made with renewable resources. We also have introduced processes and procedures designed to help us comply with our conflict minerals disclosure obligations under the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act.

RESPONSIBLY SOURCED ALUMINUM, 2013

ENERGY SOURCE FOR ALL ALERIS PRIMARY ALUMINUM DELIVERIES IN EUROPE



Responsible Sourcing and Conflict Minerals

In 2010, the U.S. Congress passed the Dodd-Frank Wall Street Reform and Consumer Protection Act, which imposes disclosure requirements on us and other companies that manufacture products for which conflict minerals (such as cassiterite, columbite-tantalite, gold and wolframite, including their derivatives, which are limited to tantalum, tin and tungsten) are necessary to the functionality or production of such products.

We believe our processes and procedures are reasonably designed to aid us in our determination whether potential conflict minerals used by us (if any) originate in the Democratic Republic of the Congo or certain adjoining countries. To this end, we have:

- Created a conflict minerals policy;
- Updated our internal controls and procedures to address conflict minerals;
- Updated our procurement and sales efforts to address conflict minerals;
- Designed and implemented an ongoing due diligence effort to gather information from our supply chain concerning the country of origin of potential conflict minerals in the supply chain; and
- Educated our directors, officers, employees and agents, as applicable, regarding our conflict minerals disclosure obligations, policy and procedures.

Based upon our review and assessment, we determined that, except as noted below, we do not source any of our slabs, hardeners or recycled and/or scrap materials from any of the countries, and no aluminum alloy product manufactured by us intentionally includes any alloy containing a conflict mineral as a specified element. During the 2013 calendar year, we determined that our Extrusions segment (which Aleris divested in early 2015) manufactured products from aluminum alloy 6262A in which tin was a specified element and, therefore, necessary to its functionality. This tin-containing aluminum alloy was manufactured for select customers. We purchased tin-containing hardeners and billets from two suppliers to use in the manufacture of these products.

We have asked these two tin suppliers to make progress toward obtaining independent third-party certifications that the tin-containing hardeners and billets provided to us come from certified conflict-free smelters.

Based upon our good faith reasonable country of origin inquiry for the 2013 calendar year with respect to our tin-containing aluminum alloy 6262A products, we have no reason to believe the tin-containing hardeners or billets used in the manufacture of these products may have originated from any covered country.

DO IT RIGHT

Maintaining the trust of our customers and communities requires that we act in accordance with the highest standards for environmental, health and safety excellence. Across our organization, we are focused on responsibly managing our own environmental impacts and protecting the safety of our employees. We are also committed to fostering a positive workplace environment that rewards employee innovation, collaboration and flexibility.

IMPROVING ENVIRONMENTAL PERFORMANCE

To enhance our environmental performance, we have implemented a robust environmental management system and corresponding technology solution to help us track and monitor performance. We have used this information to help us set environmental goals for recycled content, energy intensity and GHG emissions intensity. We also track and work to ensure responsible water use and waste minimization.

2020 GOALS

Reduce energy intensity by **12 percent from 2011 baseline**

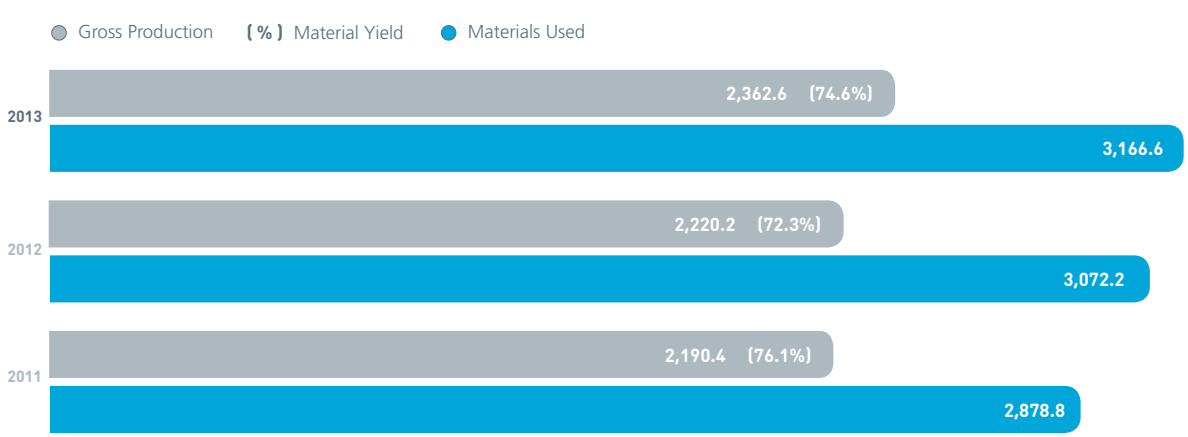
Reduce GHG emissions intensity by **16 percent from 2011 baseline**

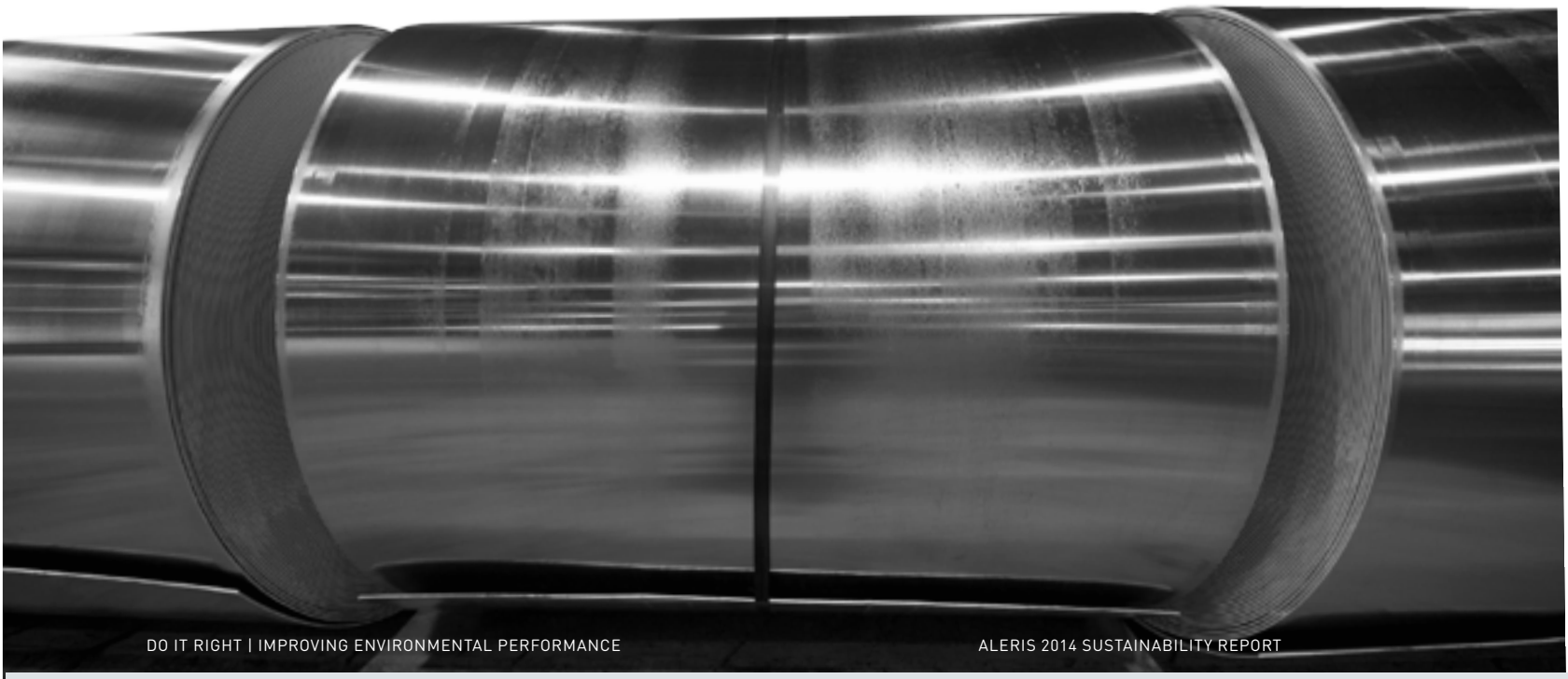
Efficient Use of Materials

We strive to be as efficient as possible in our use of materials, not only as a good business practice but also to conserve natural resources. We are proud to report that, in 2013, our material yield was approximately 75 percent, meaning that for every 100 tonnes of material we used, 75 tonnes ended up in our product. As described on page 12, we are also working to increase the amount of recycled content in our products through scrap sourcing, internal recycling programs and closed-loop partnerships with customers.

MATERIAL YIELD

IN THOUSANDS OF TONNES



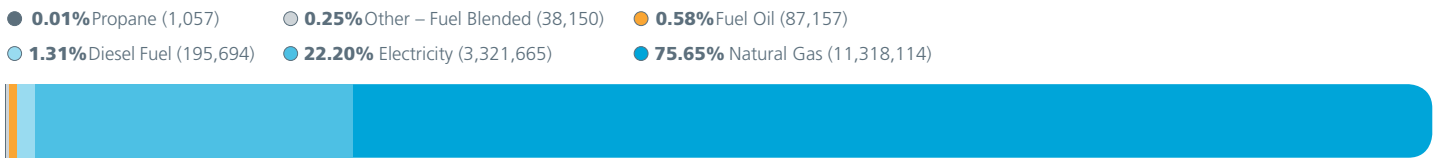


Energy and Greenhouse Gas Emissions – Reducing Intensity

Our manufacturing facilities require large amounts of energy to melt, cast, roll, extrude and recycle aluminum. We primarily rely on natural gas, but also use a substantial amount of electricity. Over the last three years, energy intensity per tonne of product produced has remained fairly consistent in alignment with production. By 2020, we plan to meet our goal to reduce energy intensity by 12 percent from 2011 levels. To offset the GHG emissions from our electricity use, we buy green energy certificates for which we pay a premium to secure the property rights to the environmental, social and other non-power qualities of renewable electricity generation. In 2013, renewable energy represented 34 percent of our total electricity purchases.

ENERGY USE BY TYPE

GIGAJOULES



TOTAL ENERGY USE

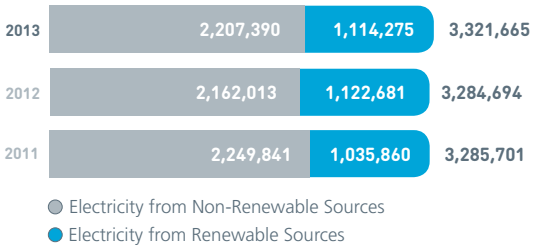
GIGAJOULES

ENERGY INTENSITY

GIGAJOULES/TONNE

ELECTRICITY USE

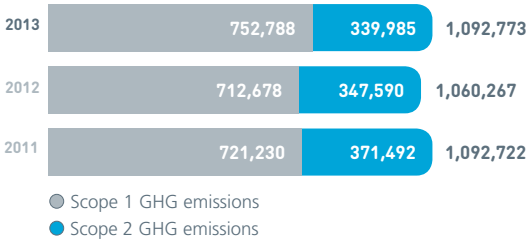
GIGAJOULES



Our use of energy is directly tied to our GHG emissions. Since 2011, our total emissions and emissions intensity have remained fairly consistent. We set a goal to reduce GHG emissions intensity by 2020 by 16 percent from 2011 levels.

GREENHOUSE GAS EMISSIONS

CO_2E METRIC TONNES



CO_2E INTENSITY

CO_2E PER TONNE GROSS PRODUCTION

Partnering with Our Neighbors to Reduce Emissions

Avangard Malz is Germany's largest malting company, with capacity of up to 340,000 tonnes per year. The malt, made from processed barley, is used in large beer-brewing operations. Base or standard malts are kiln-dried for two to four hours, typically with a finish heat of 82 to 88 degrees Celsius (179.6 to 190.4 degrees Fahrenheit). Drying malt at these temperatures requires a significant quantity of hot air. Historically, Avangard has used natural gas as heating fuel to run its kilns.

Aleris's Koblenz plant, which borders the Avangard facility, produces large quantities of heat and steam as a byproduct of its operations. In 2011, the two companies came together to develop a shared process that now benefits both businesses.

Over a nine-month period, the two companies worked together to build 2.4 kilometers of conductive pipeline between their facilities. The pipeline allows up to 200 cubic meters of hot water to travel from Aleris to Avangard Malz each hour. Avangard Malz uses this steam to generate power for its kiln dehydration operations, reducing the company's consumption of natural gas.

This collaborative effort saves an estimated 24,000 MWh of energy each year — the equivalent required to heat and supply hot water to 2,500 households. It also prevents release of an estimated 5,000 tonnes of CO_2 emissions annually.

AVANGARD MALZ

"Through the casting process, Aleris Koblenz generates heat, which is then transferred in the form of hot water to our malting plant. Through heat exchangers, we can transfer this heat directly to our malt drying process. This project, which was audited, not only saves money, but also leads to annual saving of around 5,000 tonnes of CO_2."

Volker Steinberg

MANAGER OPERATIONS KOBLENZ OF THE AVANGARD MALZ AG

Reducing Transportation Impacts in Koblenz

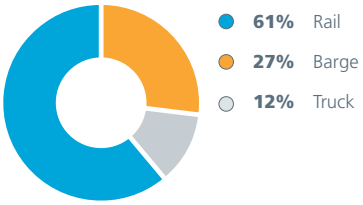
In 2013, our manufacturing facilities processed more than 2.4 million tonnes of aluminum and other metals, which we acquire directly from primary aluminum manufacturers, scrap traders and other third-party wholesalers. To reduce the cost and environmental impacts associated with transport of these materials to our facilities, we work to leverage low-impact modes of transport, such as barge and rail, where possible. In addition to being more cost-competitive, these vehicles are also a lot less energy- and GHG-intensive than truck transport.

For example, last year, at one of our largest production facilities located in Koblenz, Germany, we received over 61 percent of our aluminum and other metals supplied via rail, 27 percent via barge and only 12 percent via truck. We estimate that this saved $301,455 and prevented the release of 3,785 CO_2e tonnes of carbon dioxide equivalents compared to shipping all of this material via truck.

Where we do rely upon trucks, we seek out transport partners with high-efficiency fleets. In Europe, the vast majority of our logistics suppliers use tractors with Euro 5 or Euro 6 norm engines. These engines are considerably more efficient than older engine models, which directly reduces GHG emissions associated with transportation.

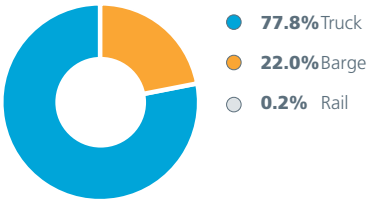
TRANSPORT METHOD FOR ALL RAW MATERIALS FOR KOBLENZ PLANT

2013



TRANSPORT METHOD FOR PRIMARY ALUMINUM SHIPMENTS TO EUROPEAN ALERIS LOCATIONS

2013

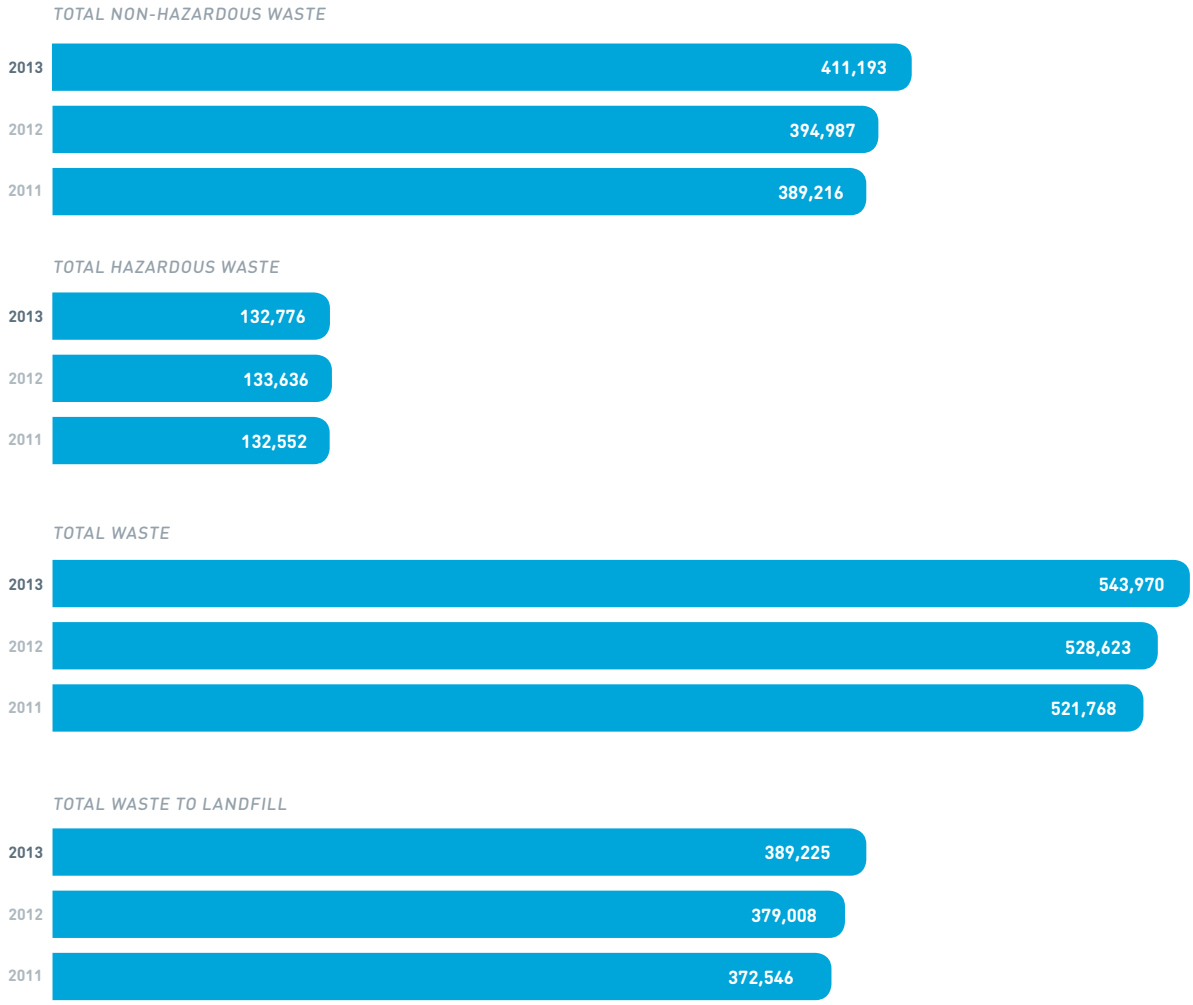


Waste Management

Our operations create both hazardous and nonhazardous waste streams. Hazardous waste streams include used lubricant oil and chemicals. Nonhazardous waste streams include baghouse dust and salt slag. Where possible, we prioritize recycling or using waste streams in waste-to-energy plants. We also serve as the major recycler of salt cake, or dross, for the processing and recycling industries.

WASTE TOTALS

METRIC TONNES

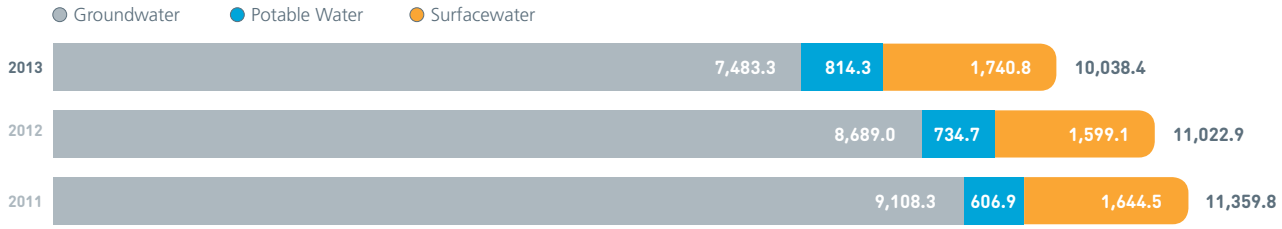


Managing Water Use Responsibly

Aluminum processing requires a relatively small amount of water compared to other industries. We use water primarily for cooling as part of the production process, and to service office facilities. The majority is taken from municipal or groundwater sources and one third of that water is discharged back to municipal treatment plants or into local water bodies. The amount of water required varies based upon production, weather and other factors. Between 2011 and 2013, water use declined by 12 percent likely due to milder weather conditions.

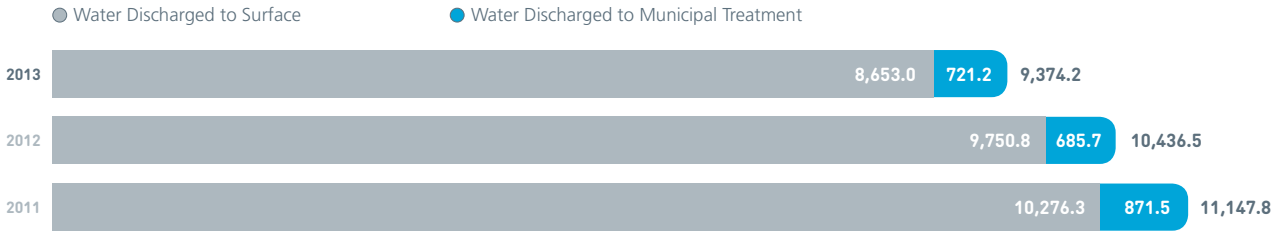
TOTAL WATER WITHDRAWN

THOUSANDS OF CUBIC METERS



TOTAL WATER DISCHARGED

THOUSANDS OF CUBIC METERS



CREATING A SAFE WORKPLACE

Our employees are the core of our business and we are committed to creating a safe workplace. We place safety excellence as a top priority at every level of the company.

Managing Safety

At Aleris, we believe that all injuries and occupational illnesses can be prevented, and that safety is every employee's responsibility. Our Health, Safety and Environment (HSE) team coordinates the development and implementation of policies and procedures that protect the health and safety of our employees. The HSE team maintains a structured management system comprising 15 elements that help improve our safety performance. These elements include the following:

- Leadership
- Employee Participation and Ownership
- Safety Meetings/Committees
- Responsibilities
- Key Systems and Processes
- Engineering Review and Assessment
- Behavior-Based Accident Reduction System
- Hazard Recognition and Control
- Training
- Incident Investigation
- Procedures and Corrective Action Management Systems
- Performance Measurement
- Auditing
- Safety Performance Review/Improvement Plan
- Rewards/Recognition

We also rely on our internal audit system to identify any potential issues that could impact the safety of our employees and contractors. We conduct a series of internal audits including broad HSE audits, compliance-format audits related to specific issues, and a safety-specific audit that aims to benchmark and establish a working plan for performance improvements.

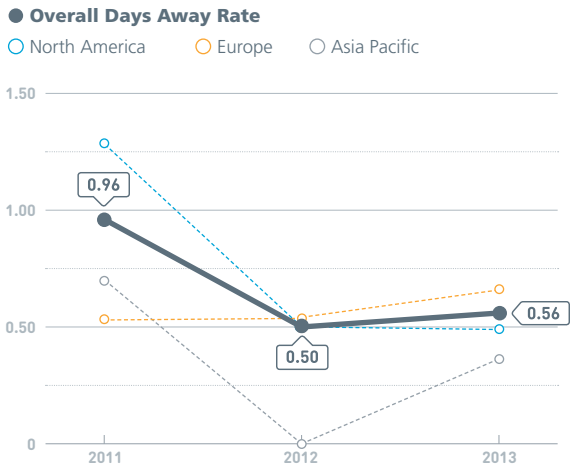
In 2011, we experienced one contractor fatality at one of our sites. Overall, we improved both our RIIR and DAWR performance between 2011 and 2013.

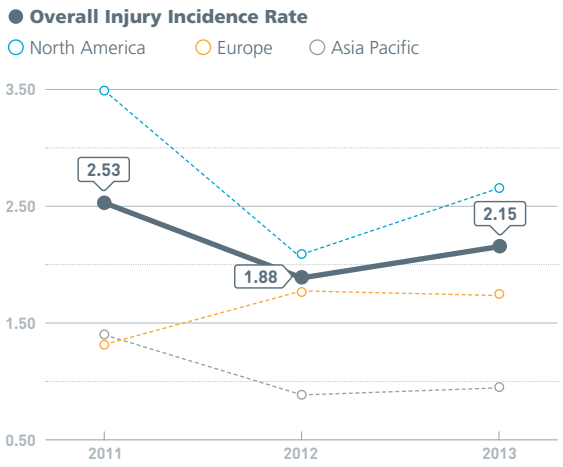
2020 GOALS

Less than **1.0 recordable injury incidence rate (RIIR) by 2018**

Less than **.25 lost time rate, or days away rate (DAWR), by 2018**

HEALTH & SAFETY PERFORMANCE, 2011–2013





Safety Leadership Program

In addition to our management system, we promote safety at the site level through our Safety Leadership Program (SLP). As part of our SLP, each Aleris site must establish a "Safety Performance Excellence Plan" to drive safety improvements and sustain performance. Each plan identifies metrics, goals, associated activities and processes for tracking performance over time. Further, each employee is responsible for developing an Employee Performance Plan (EPP) to clearly communicate and document safety and health performance expectations. The EPP identifies specific employee responsibilities and behaviors with regard to safety, and sets specific safety priorities for each individual.

CEO'S SAFETY EXCELLENCE AWARD

In 2005, Aleris launched the CEO's Safety Excellence award to reward exceptional safety performance at the facility level. The award is given to those facilities that demonstrate performance excellence in meeting the Aleris Safety Principles. The facility must meet all of the following criteria to qualify for the Excellence Award:

1. **The facility must achieve the site's individual annual RIIR target**, which must be below 1.00.
2. **The facility must meet the site's individual annual DAWR target**, which must be less than 0.20.
3. **The facility must complete the year with no serious incidents**. Serious incidents include fatalities of employees, contractors or visitors on site; the hospitalization of multiple employees, contractors or visitors related to any incident at the facility; or any serious explosions or fires.
4. **The facility must have implemented its Safety Performance Excellence Plan**, which covers the site's safety needs and objectives.
5. **The facility must achieve its Key Safety Excellence Plan objectives**.

INVESTING IN OUR EMPLOYEES

We rely on our talented workforce to bring their ingenuity, resourcefulness and a shared passion for innovation to help us create the next generation of aluminum products. Since our formation in 2004, we have worked hard to build a results-oriented culture with a focus on speed and flexibility that provides our employees the freedom to create cutting-edge solutions. In turn, we support our employees by offering competitive salaries and benefits and providing challenging opportunities for professional growth and development. We remain committed to helping every employee meet his or her personal and professional goals and strive to provide opportunities for the meaningful exchange of ideas and feedback.

2020 GOALS

100 percent of eligible employees have career development plans

100 percent of eligible employees have yearly goals and objectives

100 percent of eligible employees have yearly performance review and evaluation discussions

Our Workforce

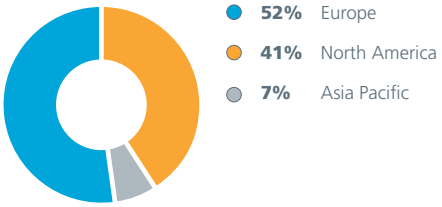
As of December 31, 2013, we employed approximately 7,200 people*, of which 95.3 percent work in manufacturing facilities. Approximately two-thirds of our workforce is covered by collective bargaining units, including 46 percent of our U.S. employees and almost all of our employees outside the United States. Since 2011, we have experienced zero strikes and/or lockouts at our facilities. We recognize our employees' right to organized representation and strive to maintain productive relationships that balance the needs of our employees, customers and the business.

Our workforce predominantly consists of men, who make up 89.2 percent of our workforce. Culturally, we are a diverse entity with manufacturing operations in 8 countries and sales operations in over 20 countries. It is Aleris' policy to comply with all laws and regulations related to equal employment opportunity and other employment-related activities. It is our policy not to discriminate against any employee or applicant due to race, sex, age, color, national origin, ethnic background, religious belief, disability, or veteran status. Our commitment to equal opportunity applies to every aspect and condition of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, benefits and training. We consider international experience a key developmental opportunity that greatly benefits employees as well as our business, and we encourage employees to explore international assignments.

**In 2015, following the divestiture of the extrusions and recycling and specifications alloys businesses, the total number of employees stood at 5,000.*

TOTAL EMPLOYEES

EMPLOYEES BY REGION



GENDER DIVERSITY

Attracting and Retaining Top Talent

As customers seek increasingly sophisticated technological solutions, we recognize the need to attract and cultivate an exceptional workforce able to deliver on their requests. To begin, we offer competitive salaries and benefits designed to enhance the financial, physical and mental health and well-being of our employees and their families. While our offerings differ from country to country, we provide a wide range of benefits and services to our employees that may include health insurance, paid leave, retirement savings plans, service awards and wellness programs, among others. We also offer tailored benefits based upon location. For example, in the United States, we offer Health Savings Accounts. In China, we offer transportation and housing allowances for eligible employees. Benefits for union employees are negotiated separately and may vary from the salaried and non-union hourly workforce based on collective bargaining agreement terms and conditions.

Beyond these benefits, we strive to provide rewarding career opportunities that allow employees to grow both personally and professionally. It is our hope that every employee who starts a career with Aleris finds the opportunity for advancement, leading to a long-term and fulfilling career. To measure performance, managers work with employees to set performance goals that are reviewed annually through our Performance and Development Assessment process. In 2013, 100 percent of eligible employees participated in this process.

We had a 13.1 percent turnover rate in 2013, which is on par with the industry average of around 13.3 percent. We did experience a slight increase in turnover in 2013 due to challenging market conditions, but we expect this figure to return to around 12 percent in 2014. Since 2011, the number of new hires has equaled or out-paced turnover.

TOTAL TURNOVER
% OF WORKFORCE

By Region	2011	2012	2013
Americas	4.7%	4.8%	7.8%
Europe	3.1%	6.7%	4.6%
Asia	0.0%	6.7%	0.6%
By Age	**2011**	**2012**	**2013**
Under 30	2.6%	3.9%	3.7%
30 to 50	3.2%	4.4%	5.8%
Over 50	2.1%	3.2%	3.6%
By Gender	**2011**	**2012**	**2013**
Male	6.8%	10.1%	11.2%
Female	1.0%	1.5%	1.9%

NEW HIRES
% OF WORKFORCE

By Region	2011	2012	2013
Americas	7.8%	5.9%	7.3%
Europe	4.7%	6.9%	4.9%
Asia	1.5%	4.6%	1.4%
By Age	**2011**	**2012**	**2013**
Under 30	5.7%	9.0%	6.8%
30 to 50	6.3%	6.7%	5.6%
Over 50	2.0%	1.6%	1.2%
By Gender	**2011**	**2012**	**2013**
Male	11.5%	14.6%	11.7%
Female	2.6%	2.8%	1.9%

We also strive to foster local talent through two programs at our Koblenz (Germany) and Lewisport (USA) facilities. The programs provide a readily accessible talent pipeline for these facilities, while providing economic benefits for the local community.

German Apprenticeship Program

Since 1964, we have managed an apprentice program for prospective employees living near our facility in Koblenz, Germany. Over the years, the number of apprentices at the plant has grown, with today's apprentices representing 4 percent of the Koblenz plant workforce.

The program covers a wide range of plant functions, with the majority in technical areas. Apprenticeships offered include:

- Electronics Engineer/Technician (3.5 years)
- Industrial Mechanic (3.5 years)
- Process Mechanic (3.5 years)
- Materials Engineer (3.5 years)
- IT Specialist (3 years)
- Industrial Clerk/Sales Representative/Business Management Assistant/Sales Management Assistant (3.5 years)

In addition to technical skills, the curriculum covers Health, Safety, Environment, Six Sigma, and continuous improvement methods. These topics provide a strong foundation for those who aspire to someday hold leadership roles in the company.

Lewisport, Kentucky Community College Partnership

Each year, our Lewisport facility partners with Owensboro Community Technical College (OCTC) to train three individuals in its "mechanical helpers" and "electrical helpers" programs. Slots are first offered to entry-level employees who could benefit from more focused technical training to advance in their careers. If internal candidates do not apply, we post the opportunities externally. Aleris covers 35 percent of program costs.

Each three-year program consists of one year of classroom-based training and two years of on-the-job training. While OCTC primarily oversees the curriculum, the Aleris Lewisport team contributes to curriculum design, adding new courses and training on equipment to ensure the programs reflect the latest manufacturing processes and standards. For example, leaders in Lewisport created equipment test standards and simulations to accelerate the students' learning of key processes and techniques.

Some of the supervisors in Lewisport gained their education and training through this program, and the two leaders responsible for coordinating the program today are graduates themselves. The program has proved to be a powerful retention tool for the plant. Over a 30-year time span, very few graduates at Lewisport have ever left the company for other jobs following the company's investment in their training.

Training and Development

In addition to regular performance reviews, we invest in a number of training and development programs to help our employees stay current on the latest techniques, technology and practices within our industry. Aleris provides career development for our employees through a program called Managing Your Personal Growth (MPG). MPG is designed to help employees understand why their job is important to the company and how to navigate their professional and career development to be successful. MPG includes an assessment that is completed by the manager and the employee. This assessment helps employees think about their strengths, opportunities for development, professional values and career aspirations at Aleris. More than 800 employees globally have attended this program between 2013 and 2014.

Aleris also provides a variety of learning and development opportunities through an executive-sponsored online learning resource called "Learning @ Aleris." These programs are offered in multiple languages, including German, Mandarin, Flemish, Spanish and English. Since 2012, employees have participated in thousands of training sessions on topics such as Six Sigma, lean manufacturing, managing change, leadership and teamwork.

Front-Line Leader Training

In 2012, we introduced the global Front-Line Leader (FLL) Training initiative to enhance the leadership, safety, productivity and business acumen of Aleris' front-line supervisors in our manufacturing plants. The FLL Training delivers three focused training and development tracks linked to key business imperatives. Between tracks, FLLs and their managers complete a six-month reinforcement plan that allows them to practice what they have learned on the job. This combination of classroom and practical training equips FLLs with the tools to drive and sustain results. Since the program's inception, over 330 employees have been trained globally.

Mid-Level Management Development

In 2014, we launched the Mid-Level Management (MLM) Development Program to strengthen the knowledge and skills necessary for our employees to guide our operational, safety performance and financial success. During two one-week tracks, managers learn how to motivate and lead, keep employees safe, drive process and productivity improvements, and develop the financial and business acumen needed for generating sustainable profits. Similar to the FLL Boot Camp, participants complete a six-month reinforcement plan to practice and implement what they have learned. In 2014, we plan to train at least 75 mid-level managers through this program in the United States, Europe and China.

To secure top talent, as well as help train the local workforce in the communities where we operate, we facilitate several professional development and training programs. These programs focus on helping current and potential employees develop skills critical to our operations.

Engaging Employees

Open and frequent communication with our employees contributes greatly to the success of our workforce and our business. We provide a variety of engagement opportunities for our staff to share ideas and concerns or ask questions in a safe and constructive environment. In addition to our quarterly global meetings, we hold several Town Hall meetings at our facilities and host informal lunches at local offices with Aleris leaders. These events allow us to collect valuable insights about the types of issues our employees care about and the potential issues that we can address to improve employee satisfaction. We conducted our first organizational health index (OHI) survey in 2014. We have implemented measures to address employee concerns and will conduct periodic surveys in future years to measure progress.

BE REAL

The success of our business is built on a foundation of strong corporate governance that permeates our company from our Board of Directors to the hourly worker on the manufacturing floor. We expect our employees to operate in an honest and straightforward manner, and with integrity. We also believe that being a responsible corporate citizen extends beyond our operations to the communities where we operate. We are dedicated to being a responsible and engaged community member and are working to build a positive presence in the communities we serve.

2020 GOALS

100 percent of Aleris locations have community engagement programs

GOVERNING FOR SUCCESS

Accountability begins with our Board of Directors. Our Board comprises nine directors, each of whom contributes a unique and diverse perspective, background and skill set to help guide the management of the company. In addition to our eight outside directors, Aleris Chief Executive Officer Steve Demetriou serves as Chairman of our Board. Five outside directors are designated by the Oaktree Funds, our largest indirect stockholder, and are considered "Oaktree affiliated directors." Three outside directors are considered "non-Oaktree affiliated directors." Together, the Board members possess the competence and experience necessary to govern a wide variety of areas, including global business operations, manufacturing, finance, accounting, tax, ethics, legal and private equity, among others.

The Board has established an Audit Committee and a Compensation Committee. The Audit Committee assists the Board in fulfilling its oversight responsibilities by reviewing and overseeing the administration of the Company's internal accounting policies and procedures, reviewing and overseeing the preparation of the Company's financial statements, and consulting with the Company's independent accountants. The Compensation Committee assists the Board in fulfilling its oversight responsibilities by developing and approving all elements of compensation with respect to the Company's executive officers and overseeing the management and administration of all material compensation of the Company. The Board meets regularly with Aleris management to review performance and agree on strategy.

Code of Conduct at Aleris

Our ethical performance and integrity are inextricably tied to our corporate reputation and, ultimately, our business success. Our behavior is grounded in our Code of Conduct (COC), which lays out expectations for operating ethically and responsibly.

Our full-time salaried staff is required to take the COC training annually. In 2012 and 2013, more than 90 percent of those employees completed COC training. Additionally, we conduct monthly trainings on specific compliance topics, and we host quarterly large-scale online trainings on priority topics. In 2013, topics included anti-bribery, export controls, internal business controls, copyrights, use of company resources, respect in the workplace and information privacy, among others.

In addition to our COC, we maintain policies that guide our business conduct and ethical behavior. Aleris complies with all applicable laws with respect to human rights, including without limitation applicable laws relating to internationally proclaimed human rights, conflict minerals, child labor, collective bargaining rights, and forced and compulsory labor. We do not currently screen new suppliers using human rights criteria.

GRIEVANCE MECHANISMS – WHISTLEBLOWER HOTLINE

Aleris provides access to a confidential and anonymous hotline for reporting known or suspected business conduct or ethical concerns. The hotline is available 24 hours a day, seven days a week and can be accessed online or by telephone.

The website address is: www.MySafeWorkplace.com

The domestic hotline is: 1-800-461-9330

The international hotline is: 1-720-514-4400

Managing Risk

Each of the functions and operations within the company are responsible for continuously assessing and responding to the risks that are unique to their aspect of the business. For example, on an annual basis, an assessment is completed by the finance function to evaluate the risks in the processes critical for financial reporting, and ensure the controls are in place to address these risks.

In addition, we periodically review and update our corporate policies to account for newly identified risks. For instance, in 2012, we identified increased bribery and corruption risks associated with our business expansion in Asia. We used this information to revise our anti-bribery and corruption policy to include guidance on gifts, facilitating payments and other related issues. In this way, we are able to mitigate existing and emerging sustainability risks that could affect the company.

ENGAGING WITH OUR COMMUNITIES

Throughout the world, each of our facilities operates in local communities that our employees and neighbors call home. We believe it is our civic responsibility to contribute to the wellbeing and prosperity of these communities. We take precautions to ensure that our facilities function safely and minimize impact on our neighbors or the environment. In addition to providing employment, paying taxes and buying goods and services from local vendors, we invest in our local communities through philanthropic giving and employee volunteerism initiatives.

Case Study

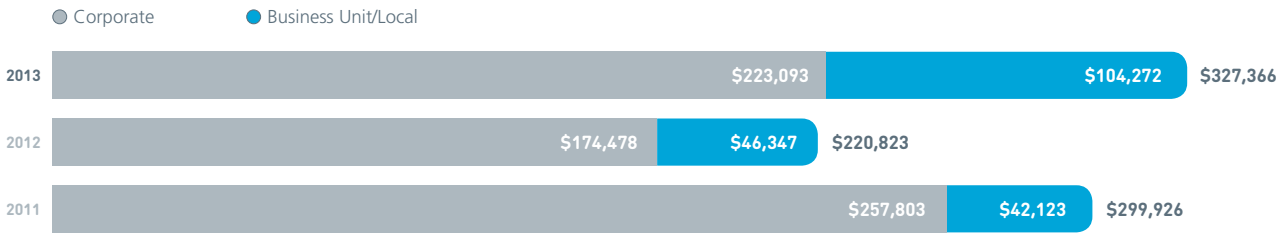
Addressing Community Concerns

Aleris strives to operate our facilities safely and responsibly. When issues arise, we work cooperatively with community members to assess concerns and potential solutions. For example, at our Richmond, Virginia facility, a neighbor wrote to the company inquiring about an increased level of noise that was being generated by the plant and disturbing the neighborhood. In response to this inquiry, the plant manager visited the neighbor directly to investigate his concerns. As it turned out, a recent change in the plant's production process resulted in a greater level of noise. Within days of becoming aware of the neighbor's concern, the plant manager was able to make adjustments to address the neighbor's concern and resolve the issue without impacting production at the facility. The neighbor expressed his appreciation for the plant manager's prompt attention to the matter in a letter to the company.

Strengthening Our Community Giving Program

Many of our locations contribute time and money to support a wide array of charitable initiatives in their communities. Past gifts includes donations to support community rebuilding, cancer research, youth sports and elder care.

CHARITABLE GIVING



Over the last two years, we reviewed our program to identify opportunities that build on current efforts while focusing our corporate giving and volunteerism efforts in areas where we can make the greatest impact. In 2014, we launched two new focus areas: Building for Tomorrow and Resilience after Disasters.

- **Building for Tomorrow**: Given our expertise in the building and construction sector, Building for Tomorrow provides a natural way for us to contribute our manpower and products to promote community revitalization through rebuilding projects. In partnership with Rebuilding Together and similarly focused nonprofits, we aim to provide monetary, in-kind and volunteer support to build stronger communities. In 2014, we gave $39,000 and 400 volunteer hours to support a home refurbishment in Cleveland, Ohio.
- **Disaster relief**: With the increase in the frequency and scope of natural disasters, we identified the growing need to support global disaster response and relief efforts. In partnership with the American Red Cross, we are now equipped to provide employees opportunities to donate to disaster response and relief efforts.

This year, we also made a commitment to launch community employee engagement programs at all Aleris locations by 2020. We will provide an update on our progress toward this goal in future reports.

Case Study

Providing a New Home for a United States War Veteran

In 2013, Aleris partnered with Rebuilding Together, a U.S.-based nonprofit organization that provides home improvements, to refurbish the home of a U.S. war veteran. This individual was supporting a family on a fixed income and was unable to keep up home repairs. Together, we developed a construction plan and strategy. Aleris donated aluminum building materials including coil stock, gutters and downspouts. More importantly, we rallied more than 90 volunteers to assist with everything from carpentry to painting to landscaping. The two-day event culminated in a flag-raising ceremony to celebrate the military service of the veteran and the completion of his home renovation. In 2014, we plan to expand our commitment to Rebuilding Together by completing two projects in the United States, including another project in Cleveland, Ohio.

GRI INDEX

This report was prepared in accordance with the Global Reporting Initiative (GRI) G4 Core-level requirements, including material indicators from the Mining and Metals Sector Supplement. GRI is a voluntary, international framework that provides guidance to organizations on non-financial reporting. We have not pursued third-party data assurance for this report as we are currently formalizing our data collection process.

GRI Indicator	Description	Page	Section	Omission
ABOUT ALERIS				
G4-1	CEO Letter	1	CEO Letter	
G4-2	*Material Aspect: Risk Management* Description of key impacts, risks and opportunities	28	Managing Risk	
G4-3	Name of the organization	2	About Aleris	
G4-4	Primary brands, products and/or services	2	About Aleris	
G4-5	Location of organization's headquarters	2	About Aleris	
G4-6	Number of countries where the organization operates	2	About Aleris	
G4-7	Nature of ownership and legal information	2	About Aleris	
G4-8	Markets served	2	Industries Served	
G4-9	Scale of the reporting organization	2	About Aleris	
G4-10	Report the total number of employees by employment contract and gender	23	Our Workforce	
G4-11	Report the percentage of total employees covered by collective bargaining agreements	23	Our Workforce	
G4-12	Describe the organization's supply chain	3	Sustainability At Aleris	
G4-13	Significant changes during the reporting period regarding size, structure or ownership	2	In this Report	
G4-14	Explanation of whether and how the precautionary approach or principle is addressed by the organization		We track key environmental issues and strive to mitigate our environmental impacts. Our greatest opportunity to reduce the impact of aluminum is through recycled content. For details, see "Improving Sustainability Up and Down Our Value Chain"	
G4-15	Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or endorses	4	Stakeholder Engagement	
G4-16	Memberships in associations and/or national/ international advocacy organizations	4	Stakeholder Engagement	

GRI Indicator	Description	Page	Section	Omission
G4-17	*Material Aspect: Transparency and Reporting* Scope of financial and nonfinancial reporting	2	About Aleris	
G4-18	Process for defining report content	3	Sustainability At Aleris	
G4-19	List all material aspects	3	Sustainability At Aleris	
G4-20	Boundary of the report	2	In this Report	
G4-21	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities	2	In this Report	
G4-22	Explanation of the effect of any restatements of information provided in earlier reports	2	In this Report	
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries	2	In this Report	
G4-24	*Material Aspect: Stakeholder Engagement* Provide a list of stakeholder groups engaged by the organization	4	Stakeholder Engagement	
G4-25	Report the basis for identification and selection of stakeholders with whom to engage	4	Stakeholder Engagement	
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	4	Stakeholder Engagement	
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns	4	Stakeholder Engagement	
G4-28	Reporting period	2	In this Report	
G4-29	Date of previous report	2	In this Report	
G4-30	Reporting cycle	2	In this Report	
G4-31	Sustainability contact point	2	In this Report	
G4-32	GRI Index	31	GRI Index	
G4-33	Policy and current practice with regard to seeking external assurance for the report	31	GRI Index	
G4-34	*Material Aspect: Corporate Governance* Governance structure of organization, including committees of highest governance body	28	Governing for Success	
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics	28	Code of Conduct at Aleris	

GRI Indicator	Description	Page	Section	Omission
GOVERNANCE				
G4-DMA	***Material Aspect: Bribery and Corruption***	28	Code of Conduct at Aleris	
SO4	Communication and training on anti-corruption policies and procedures	28	Code of Conduct at Aleris	
G4-DMA	***Material Aspect: Community Investment***	29	Engaging with Our Communities	
G4-EC1	Direct economic value generated and distributed	29	Strengthening Our Community Giving Program	
G4-DMA	***Material Aspect: Innovation***	7	Innovating for the Future	
Aleris Indicator	Innovation Centers	7	Innovating for the Future	
ENVIRONMENT				
G4-DMA	***Material Aspect: Water***	20	Managing Water Use Responsibly	
G4-EN8	Total water withdrawal by source	20	Managing Water Use Responsibly	
G4-DMA	***Material Aspect: Energy and Climate Change***	16	Improving Environmental Performance	
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations and transporting members of the workforce	18	Reducing Transportation Impacts in Koblenz	
G4-EN3	Energy consumption within the organization	17	Energy and Greenhouse Gas Emissions	
G4-EN15	Direct greenhouse gas emissions (Scope 1)	17	Energy and Greenhouse Gas Emissions	
G4-EN16	Energy indirect greenhouse gas emissions (Scope 2)	17	Energy and Greenhouse Gas Emissions	
G4-EN6	Reduction of energy consumption	17	Energy and Greenhouse Gas Emissions	
G4-EN19	Reduction of greenhouse gas emissions	17	Energy and Greenhouse Gas Emissions	
G4-DMA	***Material Aspect: Supply Chain Management***	14	Sourcing Responsibly	
G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	14	Sourcing Responsibly	
G4-DMA	***Material Aspect: Scrap Sourcing***	12	Increasing Scrap Use in Products	
G4-EN2	Percentage of materials used that are recycled	12	Increasing Scrap Use in Products	

GRI Indicator	Description	Page	Section	Omission
G4-DMA	*Material Aspect: Recyclability*	12	Improving Sustainability Up and Down Our Value Chain	
G4-EN28	Percentage of products sold and their packaging materials that are reclaimed by category	12	Improving Sustainability Up and Down Our Value Chain	
G4-DMA	*Waste management*	19	Waste Management	
G4-EN23	Total weight of waste by type and disposal method	19	Waste Management	
G4-DMA	*Material Aspect: Product Lifecycle Impacts*	10	Using Life Cycle Analysis to Support Customer Decision-making	
Aleris Indicator	Life Cycle Assessments	10	Using Life Cycle Analysis to Support Customer Decision-making	
G4-DMA	*Material Aspect: Management Systems*	16	Improving Environmental Performance	
G4-DMA	*Material Aspect: Recycling Capacity*	12	Improving Sustainability Up and Down Our Value Chain	
EMPLOYEES				
G4-DMA	*Material Aspect: Compensation and Benefits*	24	Attracting and Retaining Top Talent	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	24	Attracting and Retaining Top Talent	
G4-DMA	*Material Aspect: Employee Development*	26	Training and Development	
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	26	Training and Development	
G4-DMA	*Material Aspect: Diversity*	23	Our Workforce	
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership and other indicators of diversity	23	Our Workforce	

GRI Indicator	Description	Page	Section	Omission
G4-DMA	*Material Aspect: Human Rights*	28	Code of Conduct at Aleris	
G4-HR10	Report the percentage of new suppliers that were screened using human rights criteria.	28	Code of Conduct at Aleris	
G4-DMA	*Material Aspect: Labor Practices*	28	Grievance Mechanisms	
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region	24	Attracting and Retaining Top Talent	
G4-MM4	Number of strikes and lock-outs exceeding one week's duration, by country	23	Our Workforce	
G4-DMA	*Material Aspect: Workplace Health and Safety*	21	Creating a Safe Workplace	
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	21	Managing Safety	