

Using Materiality Assessments to Build Action Plans

At Constellium, we make every effort to meet our rigorous sustainability targets. We regularly measure our progress and communicate our data with precision and transparency. We survey our stakeholders about their priorities, then construct action plans in response.

Aligning our targets with the UN SDGs

Constellium is a member of European Aluminium, an association of more than 80 companies and organizations representing the entire aluminium value chain. In 2018, European Aluminium aligned its Sustainability Roadmap Towards 2025 with the UN Sustainable Development Goals (SDGs), a barometer for sustainability. European Aluminium worked with an external consultant, CSR Europe, to define targets and actions for 2025 and beyond.

Their findings determined that our industry can maximize its positive impact and business opportunities by focusing on eight SDGs in particular: education, gender equality, affordable clean energy, decent work, industry and innovation, responsible production and consumption, climate action, and partnerships. Constellium subsequently aligned our own targets with those same eight SDGs.



Learn more about the UN Sustainable Development Goals at <https://sustainabledevelopment.un.org/sdgs>

Identifying risks and opportunities through Materiality Assessments

Every year, we track Constellium's sustainability performance and provide accurate, transparent disclosure of our data. Since 2014, we have performed regular Materiality Assessments, in order to pinpoint the topics that matter most to our stakeholders. By surveying internal stakeholders (top managers and other employees) and external stakeholders (investors, suppliers, and customers) from different countries, we are able to coordinate our sustainability efforts with their priorities.

As part of our 2019 Materiality Assessment, we conducted a sustainability risk analysis involving our top managers, under the guidance of independent third-party firm Ernst & Young Global Limited. The analysis identified the risks affecting Constellium's activities and the aluminium value chain, as well as the opportunities, according to their relevance over the short, medium, and long term. We also held workshops with key internal stakeholders to assess risks.

Not surprisingly, Constellium's biggest sustainability risks and opportunities remained the ones already identified and classified into four main categories. We have for many years constructed a number of programs and action plans around them, touching upon everything from recycling to gender diversity.

“Risk assessment is integral to any company's short-, medium-, and long-term strategy. Today, identifying sustainability risks is almost self-preservation, as they can directly impact the finances of a business.”

Sofia Rodrigues
Senior internal auditor
at Constellium Paris

CONSTELLIUM'S RISKS AND OPPORTUNITIES AND THE ASSOCIATED SDGS

PRODUCTS



- Developing products with environmental benefits
- Recycling
- Market regulatory changes*

OPERATIONS



- Emissions and waste
- Energy and greenhouse gas emissions

PEOPLE



- Employee health and safety
- Gender diversity
- Talent attraction and retention

RESPONSIBLE BUSINESS



- Business ethics
- Sustainable purchasing

*Market regulatory changes refers to modifications in legislation and environmental policies that touch upon Constellium's activities. These changes include aluminium packaging recycling as part of the EU Circular Economy regulations and the Single Use Plastics strategy, the EU's CO₂ Emissions Trading System, and EU regulations on chemical use and industrial emissions. One way that Constellium addresses these changes is by participating in associations, which are listed in the Performance Value section of this report (page 73). ** Whereas community engagement did not appear as a main risk or opportunity in our latest materiality assessment, Constellium considers it an important part of our social responsibility in the regions in which we operate (see page 46).

RECOGNITION OF OUR EFFORTS

Constellium's ongoing commitment to sustainability influences the business decisions we make, how we treat people, and the ways in which we create value. Our efforts to achieve our targets have earned us recognition from several independent organizations.



During the first semester of 2020, as a result of the latest assessment conducted by EcoVadis, Constellium was recognized with the highest rating, Platinum, which

represents a significant improvement versus the 2018 Gold medal. It positions Constellium among the 1% top performers.

We were honored to receive the Groupe PSA 2019 Supplier Award in the Corporate Social Responsibility category, for successful implementation of our responsible supply chain policy and energy efficiency program.



Oekom, a leading rating agency for sustainable investments, has rated our environmental, social, and governance performance with a "B," the best grade it provides within the metal and mining sector.

Our Climate Change 2019 Program received a C rating from the Climate Disclosure Project (CDP). This reflects the fact that engaging in recycling and developing lightweight solutions for our transportation customers increases GHG emissions at our sites. However, CDP's methodology does not take into consideration the avoided emissions from our customers' processes or final product use, which more than offset our own emissions.