

RESPONSIBLE SUPPLY CHAIN MANAGEMENT

1. Statement

Our respect for people and the environment in which we live governs our priorities. We want our concerns to extend not only to our own business, but to our entire supply chain, in line with our commitment to responsible business. We believe we have the responsibility not only to understand our supply chain, but to use this knowledge to drive improvements where the opportunities exist and to reinforce our suppliers' commitments to sustainable business practices.

2. Laws and principles

Laws

Our responsible supply chain management policy includes the compliance to all applicable laws (all together hereafter "The Laws") including, Loi sur le devoir de vigilance, Modern Slavery Act, Foreign Corrupt Practices Act, UK Bribery Act, Loi Sapin 2 (sur la transparence, la lutte contre la corruption et la modernisation de la vie économique), and the Dodd-Frank Act, as examples.

Principles

The guiding principles supporting our responsible supply chain management policy are the universally recognized principles of the United Nations Global Compact relative to Human Rights, Labor, Environment and Anti-corruption (all together hereafter "The Principles").

3. Constellium's commitment

As part our responsible supply chain management policy, we are committed to:

- Ensuring all suppliers become signatories of Constellium's Supplier Code of Conduct
- Conducting a due diligence procedure which includes:
 - An initial assessment of a new supplier with significant business impact, before entering into a commercial relationship so as to assess its risk and materiality as regard to "The Laws" and "The Principles".
 - A mapping of existing suppliers, distinguishing the **key suppliers and the traders** which are material to Constellium and **potentially high risk suppliers** which considering their location, activity and policies, represent a higher risk in regard to "The Laws" and "The Principles".
 - An extended assessment or audit of existing key suppliers, traders and potentially high risk suppliers according to "The Laws" and "The Principles" leading to action plans and prevention measures if required.
- Engaging with stakeholders:
 - As part of our responsible supply chain management,, Constellium will continue to encourage key metal suppliers and assist them to join the United Nations Global Compact and the Aluminium Stewardship Initiative (ASI) or any equivalent sustainability program
- Enabling the purchasing team:
 - With the objective of embedding sustainability into our purchasing decisions, the purchasing team will be trained on the different aspects as well as the implementation of our responsible supply chain management policy.

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4. Constellium's framework

Our Supplier Code of Conduct (SCoC)

The Constellium Supplier Code of Conduct embodies a framework outlining the standards of integrity for which we strive throughout our business and supply chain. Suppliers are expected to agree to the terms of this code and uphold this code in all of their business operations. The Supplier Code of Conduct applies to suppliers, consultants, affiliates and joint-ventures of Constellium and more generally any third party involved in a supply relationship with Constellium.

Our Supplier Code of Conduct aims to drive sustainability from different aspects, tackling several topics, all of utmost importance. As signatory of the United Nations Global Compact (UNGC), we at Constellium have the upmost respect for human and labor rights. In addition, the SCoC includes sections on Environment, Health and Safety (EHS), anti- corruption and sustainable procurement.

We expect all our contracted suppliers to sign our Supplier Code of Conduct – the supplier will only be exempt from signing the SCoC if it has been verified that the supplier's own code of conduct is in line with Constellium's and covers similar issues to the same extent. We also expect our suppliers to be in a position to prove, including through an audit, its implementation and compliance

Our Due Diligence Procedure

- Initial assessment of a new supplier

Our assessment of new suppliers is based on turnover, location, specific activity and on the documents that we require before entering into any relationship or executing any contract with a Constellium entity, and which show they have implemented an effective compliance program to deter and prevent breaches and violations of "The Laws" and "The Principles".

- Mapping of existing suppliers

With the objective of implementing a full due diligence procedure, we have conducted an assessment mapping based on turnover and risk and we have distinguished three categories of suppliers, for which additional steps to the Supplier Code of Conduct will be taken: **key suppliers, traders, and potentially high risk suppliers**. Key suppliers and traders have been identified based on turnover with Constellium and strategic relevance. Suppliers considered to be at potentially higher risk, in turn, were identified based on activity and location as well as on documentation provided.

- Extended Assessment of existing suppliers

- To achieve our target of having all of our key suppliers and potentially high risk suppliers assessed or audited according to "The Laws" and "The Principles", we have devised different action plans for each of the categories of suppliers we identified.

- **Key suppliers**

Key suppliers will undergo external desktop assessments. The external desktop assessment will result in a rating, and will be dealt with accordingly:

- Very low rating: will lead to another assessment within 6 months to a year. A subsequent very low score will automatically trigger an on-site audit. Satisfactory results from the on-site audit would allow the supplier to return to the external desktop assessments in subsequent years. If the result of the on-site audit is problematic, a common action plan will be devised and another on-site audit carried out to verify that issues have been resolved. If the result of the second on-site audit is positive, the supplier will return to external desktop assessments in subsequent years.
- Low rating / identified weakness(es): will require the supplier to develop a common action plan along with Constellium in order to resolve the identified issues.
- Satisfactory or better rating: no specific action requested, but an improvement action plan is encouraged for all identified weaker areas.

This policy will apply to all key suppliers with the exception of those for which an alternative external assessment will be provided, reviewed and accepted by Constellium. In all situations, results will be communicated to suppliers and areas of improvement discussed. **The external desktop assessment has to take place every 3 years.**

- **Metal traders and scrap brokers**

For metal **traders** and scrap brokers, the assessment will be adapted to their specific activity, but results will be evaluated in the same way as key suppliers' desktop assessments.

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➤ Potentially high risk suppliers

Suppliers considered to be at potentially higher risk will undergo on-site audits carried out by an external auditing company. Results and subsequent actions are as follow:

- Satisfactory: no specific action required.
 - Low rating / Needs improvement: development of common action plan and a desktop verification of improvements
 - Very Low rating / Needs major improvement: common action plan and a follow-up on-site audit
 - Zero tolerance: urgent action plan, suspension of business and reconsideration of the relationship
 - Denied access: reschedule and audit and/or reconsider relationship
- The category "zero tolerance" encompasses child labor, forced labor and critical findings concerning health and safety (potential to cause fatality) as well as corruption, and suppliers that fall within this category will have their business with Constellium suspended until the problem is resolved and another on-site audit is carried out to confirm it.
- If needs for major improvement have been identified with a supplier, this supplier will be audited in the following year.
- Suppliers with either satisfactory results or need for non major improvements will be audited every three years.
- Suppliers with consistent satisfactory results may move to another category.