

made for life report



aperam

Reporting our sustainability performance for 2013

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Welcome

to our **made for life** report – an update on our sustainability performance over the last year. The report is shorter and simpler this year but you will find supporting detailed information, including our GRI G4 Index on p20-21. This summary is part of the complete report which is available on our website.

Please spare a few minutes to give us your feedback on what you liked or improvements you recommend. sustainability@aperam.com



See more at aperam.com/sustainability

Cover employee image:
Benny Brulmans, Aperam Genk
Cover pool image:
HSB, stainless steel pools

PROFILE Who are Aperam?

- Aperam offers the widest stainless steel product range in the world
- Public limited company in Luxembourg

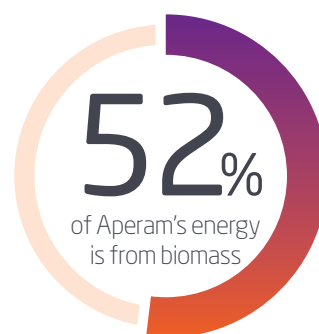


- 2.5mt flat stainless steel capacity in Europe and South America



- 1.73mt shipped in 2013

US\$5.2bn 2013 revenues in 40 countries (€3.7bn)



Employees



Principal operations including significant production plants



	2013 - US\$ million				
	Global Aperam ⁽¹⁾	Split by region and segment			
		Stainless & Electrical Steel	Services & Solutions	Alloys & Specialities	
		Europe	Brazil	All regions	Europe
Revenues	5,190	2,813	1,277	2,208	651
Operating costs ⁽²⁾	4,141	2,393	995	2,043	508
Employee wages and benefits	705	318	129	150	76
Payments to providers of capital	87	80	29	5	1
Payments to government ⁽³⁾	62	25	12	14	7
Community investments	1	-	1	-	-
EBITDA	292	76	136	9	60
Economic value retained	194	3	111	4	59
Direct economic value generated	5,190	2,813	1,277	2,208	651
Economic value distributed	4,996	2,816	1,166	2,212	592

1) The difference between "Global Aperam" and the sum of the different divisions includes our forest business in Brazil (Aperam Bioenergia) and eliminations between our primary operating segments.
2) Operating costs include R&D costs of US\$20m for Aperam Group (US\$11m for Stainless & Electrical Steel Europe, US\$4m for Stainless & Electrical Steel Brazil, and US\$4m for Alloys & Specialities).
3) Aperam is tracking the tax payments to the government following the same split by region and segment

A message from Philippe Darmayan

Making steel means something more than business. Whilst it has great uses for society, it also has an emotional impact. The people in this industry are proud to be part of an important transformation process. Our products are resilient, endlessly recycled and **'made for life'** – which is how we express the Aperam way of working.

In 2012, we described our focus on customer service innovation and pricing. We reorganised our business to add value to customers' business. In 2013, customers told us they are more satisfied with our commercial terms, an improvement shown in our 2013 customer satisfaction survey.

'Zero fatalities' is the crucial achievement for 2013, the result of the unstinting diligence of all employees. At all sites, behaviour and management leadership focused on not allowing a repeat of the unfortunate events of 2012. Equipment consignment was improved, operating procedures were completed and, more importantly, attitudes were changed on risk and safety management.

We report stable environmental performance. As a heavy industry it can be challenging to manage environmental impacts, go beyond compliance and propagate innovation, such as water conservation in our charcoal forest business. We are looking to motivate environmental behaviour change by taking what we learn from the achievements in safety behaviour change.

We are delighted to launch the Aperam Way: five commitments defined using employee engagement at site level. At the heart of the actions is a primary focus on safety and sustainable development principles.

This report complies with the GRI G4 reporting framework and the UN Global Compact, which we continue to support. I hope that after reading it you will agree that we are on the right track to a safe and prosperous future. By taking action together we will achieve results. We are on track, business is robust, but to maintain our strength we must act with agility and creativity.

Philippe Darmayan, Aperam CEO



our values, our environment

Local environmental champions

At the heart of a village on the Loire river we have shown our commitment to environmental stewardship, through decades of operation. Vital to this is training our people there in management excellence: **"People are the key resource in our structured approach to sustainability. By talking with local stakeholder groups, our team understands how to integrate sustainability into our core ways of working,"** says Bruno Boulogne, Head of Components Aperam Alloys & Specialties Division, and Sustainability Steering Committee member. And what better way to demonstrate the commitment than by the water recirculation investment at Imphy? It has resulted in 80% less water drawn from the Loire and less waste water discharged into it since 2010.



leadership

We are on track to be the company that creates change in the stainless, electrical and speciality steels sector. At the heart of how we do this is a rigorous focus on product quality and innovation. Core issues of safety, employability, teamwork, eco-efficiency and leadership are what we focus on when doing this. Each day we apply our values of leadership, agility and ingenuity to show how Aperam and our products are ‘made for life’.

Since 2011 we have been systematically addressing the root causes of accidents, completing action plans and engaging with employees and contractors. Our robust approach helped us achieve zero fatalities in 2013 and we roundly commit to maintain this.

After a year of preparation, we launched the Aperam Way in 2013. The five commitments, expressed through the (we+do) programme, are to take action on safety, teamwork, employee development, transparency and leadership.

Positive community impacts result from our local economic, vocational training and environmental programmes. Again, steady progress is being made, particularly through the Aperam Acesita Foundation and the Oikós Environmental Center, both in Brazil.

With respect to our environmental responsibilities we are maintaining our robust management approach yielding a strong and stable performance, in compliance but gradually going beyond it.

Dialogue on what matters

To define this report's content we used a structured process to identify our most material sustainability issues and where they have impacts, using Global Reporting Initiative (GRI) principles. An issue is material for us to report on if the potential impact on the business and sustainability impacts of the business are sufficiently important.

Stakeholder engagement takes place regularly and frequently at site level. We analysed stakeholder engagement in our six main production plants in 2013 using their local sustainability analyses (guided by GRI principles) of key issues and stakeholder concerns (see the stakeholder engagement graphic/wheel right).

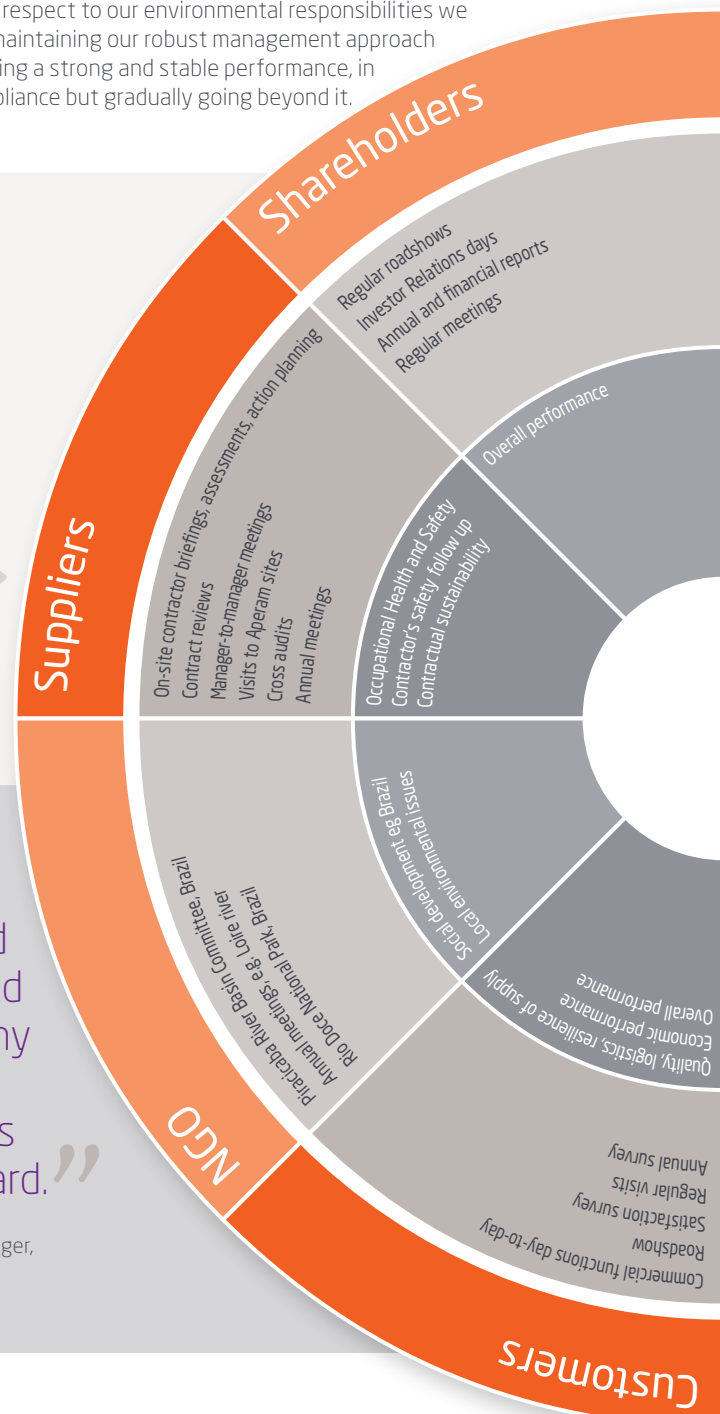
We then consolidated the risks and issues from the sites into ten sustainability ‘aspects’, which we cover in our report. Group level risks were considered in the process, assessed using our risk classifications and validated by the group Sustainability Steering Committee in January 2014.

voices



“The materiality exercise we have done in 2013 helped us to bring clarity and structure to the many initiatives we had already ongoing. This is a great step forward.”

Bernard Halleman, Site General Manager, Stainless Europe, Genk; member of Sustainability Steering Committee



"Sustainability is in our culture. We are committed to produce sustainably and generate wealth every day. Our Corporate Responsibility Committee evaluates and monitors all actions that have interface with stakeholders, environment, community and governance."

Clênio Guimarães, COO, Aperam South America on accepting an accolade in 2013 as one of the most sustainable companies, from the renowned Editora Abril, publisher of the respected Exame Sustainability Guide.

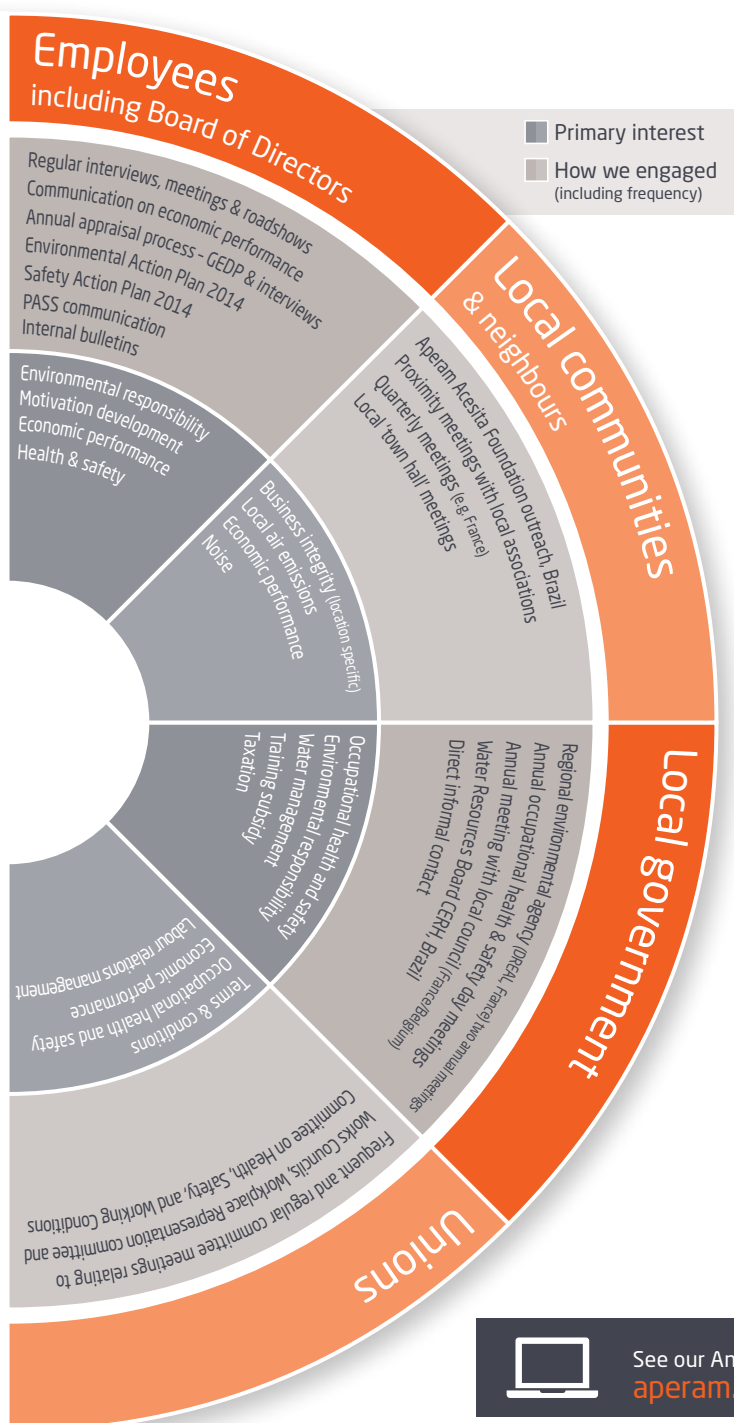


Governance

We maintain high standards of integrity and accountability in line with the Luxembourg Stock Exchange's Ten Corporate Governance Principles. A wide range of policies supports the Management Committee, covering areas such as business conduct, insider dealing, risk management and fraud.

Our governance structure comprises the Board of Directors (they define business objectives advised by the Management Committee), the chairman (not an executive officer), and the CEO who has ultimate accountability for sustainability performance and compliance.

Our Management Committee is entrusted with the day-to-day management of the company. Ten per cent of the performance bonus of the CEO and Management Committee members is linked to safety performance. Our Sustainability, Performance and Strategy Committee assists the Board's decisions on sustainability: it met four times in 2013, with 100% attendance. A separate Sustainability Steering Committee guides sustainability management, risk, stakeholder relationships, reporting and assurance.



Suppliers as partners

Chains of supply for raw and non-raw materials must be managed appropriately because suppliers are vital stakeholders. The way we buy is guided by our Code for Sustainable Sourcing and other programmes. Global raw materials suppliers are surveyed every two years; programmes are developed locally with other suppliers. If required, they participate in meetings to form action plans. For example, Kleber Muratori, General manager of Sankyu, a supplier of engineering services summarises, **"Sankyu developed a safety plan focusing on human behaviour and risk perception; Aperam values best practice by suppliers."**

In 2013 we assessed 137 suppliers for significant negative socio-economic impacts and risks. We recorded that 16% of our European raw material suppliers had potential negative impacts on labour practices (specifically health & safety); a watching brief and dialogue are in place as a result. We required 5% of our South American suppliers to implement improvement, such as publishing a formal health & safety policy. No contracts were terminated in 2013 as a result of the findings. We have no reason to believe there is any significant risk of negative impacts on the community. In 2013, 57% of total procurement for significant sites was from local suppliers (i.e. those located in the site's host country or nearby cities).



"Exchanges with suppliers are continuous. They allow us to establish excellence in performance and improvement actions to benefit both parties. We assess suppliers on safety, quality, cost, technical efficiency and delivery terms in order to optimize the supplier management and the long-term partnership."

Willem Marneffe, Aperam Head of Purchasing non-raw materials



See our Annual Report, materiality and boundary online content pdf at aperam.com/sustainability

performance

We provide in the dashboard an overview of performance for Aperam globally, as well as a snapshot for the four divisions of the company and the main industrial plants. The aspects and indicators shown are derived from a site-level process to identify the potential internal risks and external expectations of stakeholders. This was then validated at group level.

For the group

Aspect	Indicator	2013	2012
Economic performance	Direct economic value generated and distributed	US\$5,190m ⁽¹⁾	US\$5,345m
Procurement practices	Proportion of spending on local suppliers at significant locations of operation (%)	 57% ⁽²⁾	n/a
Energy consumption	Energy intensity (GJ/t)	13.6*	13.5
Water consumption	Total water withdrawal by source (million m ³)	22.5* (93% from local water courses)	22.7 (95% from local water courses)
Emissions	Greenhouse gas (GHG) emissions intensity (tCO ₂ e/t)	0.48*	0.51
	Significant air emissions (tonnes of ducted dust)	400*	312
Occupational health and safety	Lost time injury frequency rate (employees and contractors)	1.34	1.29
	• Severity rate	0.08	0.07
	• Absenteeism	2.05%	2.4%
	• Fatalities	0	3
Career development	Employees receiving regular performance reviews (%) (by employment category)		
	• Global exempts (GEDP)	96% ⁽³⁾	95% exempts
	• Blue Collar and White Collar workers	86%	
Supply chain labour practices	Percentage of suppliers having significant actual and potential negative impacts for labour practices (health & safety) for which improvements were agreed	16% (Europe) 5% (South America)	-
Impacts on local communities	Percentage of operations with implemented local community engagement, impact assessments, and development programmes	 100% ⁽⁴⁾	-
Product stewardship, customer service	Results surveys measuring customer satisfaction (score)	7.1 ⁽⁵⁾	7.1 (2011)

1) Note: Whilst this is compliant with GRI G4 reporting requirements for indicator EC1, the financial figures stated on p4-5 of this report differ slightly to those in the 2013 Annual Report p28.



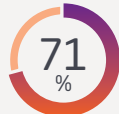

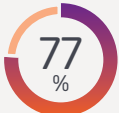

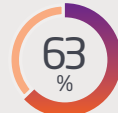
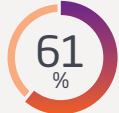
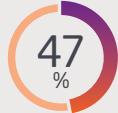
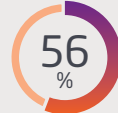
2) Scope: Significant operating sites in Europe and South America (Genk, Châtelet, Gueugnon, Isbergues, Imphy, Timóteo) excludes Services & Solutions division. Non-raw materials only.

3) We do not break down this statistic by gender. The GEDP process is the same, regardless of gender. We are reviewing our data collection processes for blue collar and white collar workers according to stakeholder expectation and internal management risk assessment.

4) Scope: Significant operating sites in Europe and South America (Genk, Châtelet, Gueugnon, Isbergues, Imphy, Timóteo), excludes Services & Solutions division

5) Scope: European operations only. Collected every two years, the last available data for South America was in 2012 (score 8.05)

For the divisions

	Stainless Europe	South America	Services & Solutions	Alloys & Specialities
	Belgium: Genk, Châtelet; France: Gueugnon, Isbergues	Brazil: Timóteo, Bioenergia	Worldwide: • 18 Steel Service Centres (SSCs) • Nine transformation facilities • 22 sales offices	France: Imphy, Amilly, Rescal, Imhua
Employees (FTE*)	3,151	3,233	2,050	1,046
Fatalities	Zero	Zero	Zero	Zero
Combined Lost Time Injury Frequency Rate (LTIFR)	2.6 ▲ up from 2.2 in 2012	0.4 No change from 2012	1.4 ▲ up from 0.9 in 2012	3.2 No change from 2012
Customer overall satisfaction score	 71 %	 83 % (2012)	 71 %	 71 %
Trend in energy intensity (2012-13)	▼ 3.0%	▲ 3.3% (Timóteo)	▼ 12.0%	▲ 7.6%
Trend in carbon intensity (2012-13) (greenhouse gas emissions)	▼ 1.8%	▼ 0.9% (Timóteo)	▲ 3.1%	▲ 6.5%
Trend in local air emissions (2012-13) (dust)	▼ 14%	▲ 34% (Timóteo)	n/a	▼ 28%
Trend in water withdrawal (2012-13)	▼ 11.8%	▲ 1.9% (Timóteo)	▼ 12.7%	▲ 2.1%
% of manufacturing metal inputs from recycled sources	 77 %	 17 %	n/a	 63 %
% of procurement spend on local suppliers	 61 %	 47 %	n/a	 56 %
Site management system certification	100% of sites to • ISO 14001 • ISO 18001 • ISO 9001 • ISO 51001 Gueugnon (energy)	100% of sites to • ISO 14001 • ISO 18001 • ISO 9001	80% of sites to • ISO 14001 • ISO 18001 • ISO 9001	50% of sites to • ISO 14001 • ISO 18001 • ISO 9001
Direct economic value generated and distributed	us\$2,813m	us\$1,277m	us\$2,208m	us\$651m
	<p>"The materiality exercise we did in 2013 helped us to bring clarity and structure to the many initiatives we already had ongoing. This is a great step forward."</p> <p>Bernard Hallemans, Aperam Genk General Manager, member of the Global Sustainability Steering Committee</p>	<p>"In order to be a world class company we have to be sustainable economically, socially and environmentally. We believe this is the best way to generate wealth for all stakeholders in the short, medium and long term."</p> <p>Ildefonso Camargo da Silva, Aperam South America Head of HR, Communication & Sustainability, Global Head of H&S and member of the Global Sustainability Steering Committee</p>	<p>"Aperam's corporate responsibility allows Services & Solutions sites to create an atmosphere of mutual respect and long-term sustainable partnerships with customers."</p> <p>Bert Mestdagh, Head of Services & Solutions Industrial & Technical Performance and member of the Global Sustainability Steering Committee</p>	<p>"Since the creation of Aperam, our structured approach to sustainability has led to stronger relationships with our stakeholders."</p> <p>Bruno Boulogne, Aperam Alloys and Specialities Head of Components and member of the Global Sustainability Steering Committee</p>

* There are 53 FTE in headquarters

environment



Our environmental efficiency

Stainless steel is 100% recyclable. As a result, we know that we have a duty to produce it in a responsible way. We are making good progress to improve our performance, but challenges lie ahead. We are part of a heavy industry, for which solutions will not appear overnight. And so we are investing to reduce our environmental impacts, not for short-term gains, but for the long-term sustainability of our company and our communities.

We are working hard to understand and meet the expectations of our customers and our other stakeholders. We are taking responsibility for our local impacts, as we know that we cannot solve our environmental issues on our own. So we work in partnership.

Indicator	We said	We did	We will
Energy consumption	We will drive improvements through monitoring, energy action plans and compliance actions. We will improve our data collection and reporting through a sound environmental data collection system	»» ✓ On track	Review the use of interim targets to monitor our performance improvements
CO ₂ emissions		»» ✓ On track	We will continue to invest in clean technology and performance improvements as required

our values, our environment

Inherently agile

We are a low waste company – in production, and in terms of our product – because stainless steel can be endlessly recycled. It has superior performance when compared to other materials over its lifecycle. In 2013, we used 1.3 million tonnes of scrap material. This represents 49% of our total ferro and alloys material input.

“At Aperam, we are committed to environmental excellence and achievement. I think that this comes as a result of the nature of our product. Since our steel can last forever, we strive to live and manufacture with as little impact as possible”

Bernard Hebeisen, Aperam CTO



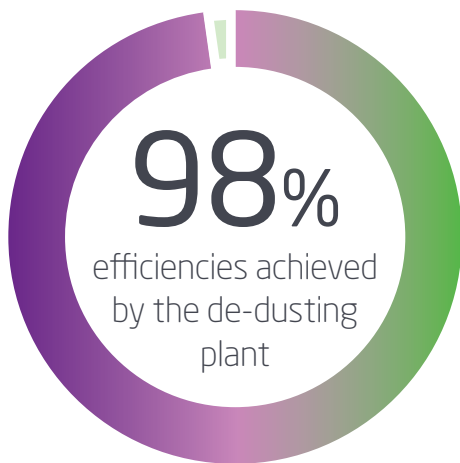
Clearing the air

In 2013, we emitted 400 tonnes* of ducted dust from our operations, 14% less in Europe but 34% more (up 93t) in Brazil from 2012. At the same time we have been taking steps to improve our air quality monitoring. At Timóteo we have moved from a semi-manual system to a real-time automatic monitoring system, which shows no negative impact on the city's air quality. At Genk, we have installed continuous dust measurement systems. Koen Gielen, our Head of HSSE & Central Lab at Genk, describes the benefits:



"The process engineers now use an alarm system when dust concentrations exceed the internal target limit, after which preventive maintenance actions are taken."

And at Imphy, the de-dusting plant is achieving efficiencies of 98%. Such measures have significantly improved our understanding of local air quality and our performance.



voices

“ We welcome the strong decrease of heavy metal concentrations in the ambient air of the Genk-Zuid industrial zone. The measures taken by Aperam in recent years have clearly contributed to this dramatic improvement. The wider community counts on the continuation of the efforts to reduce emissions and maintain open communication. ”

Wim Dries, Mayor and Joke Quintens, Genk Environmental Authority

Stable energy use, stable emissions

We set ourselves a target to reduce our energy intensity by 5% by 2020, compared to a 2012 baseline. In an industry such as ours, improvements do not usually happen suddenly. They must be carefully planned and investigated.

In 2013 we have performed relatively consistently in relation to the previous year. Our total energy consumption in 2013 was 19m GJ of direct energy and 7.8m GJ of indirect energy⁽¹⁾. We slightly increased our total energy consumption by 2.7% from our 2012 baseline. Nevertheless, per tonne of crude steel, we used 13.6 GJ*, an increase of 0.35% from the previous year.

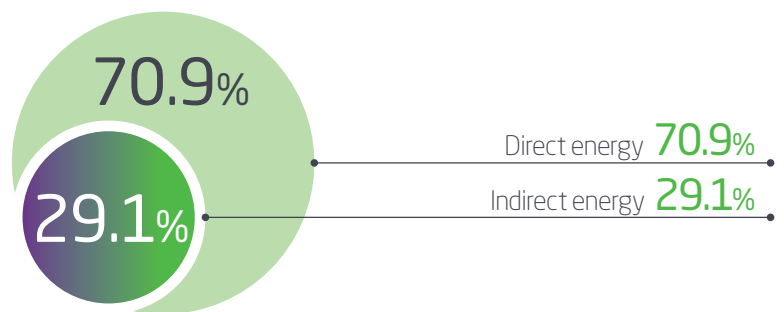


In terms of emissions we emitted 0.95m tonnes of CO₂ equivalent (tCO₂e); which was made up of 0.643m tCO₂e direct emissions and 0.307m tCO₂e indirect emissions. This is a 2.2% reduction from 2012, and a 43.9% reduction from our 2007 baseline. As a relative measure, our emissions per ton of crude steel were 0.48 tCO₂e/t* in 2013.

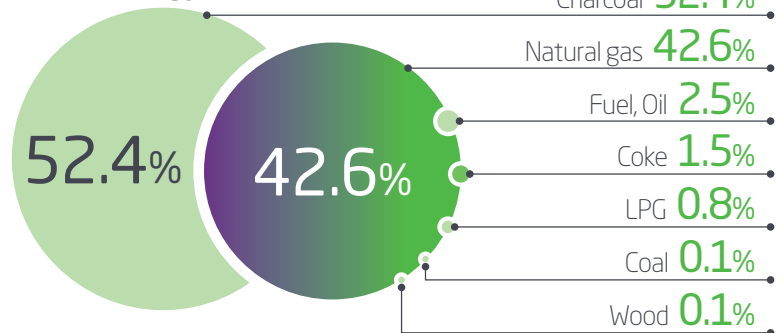
Energy consumption:

targeting a 5% reduction by 2020 (2012 baseline)

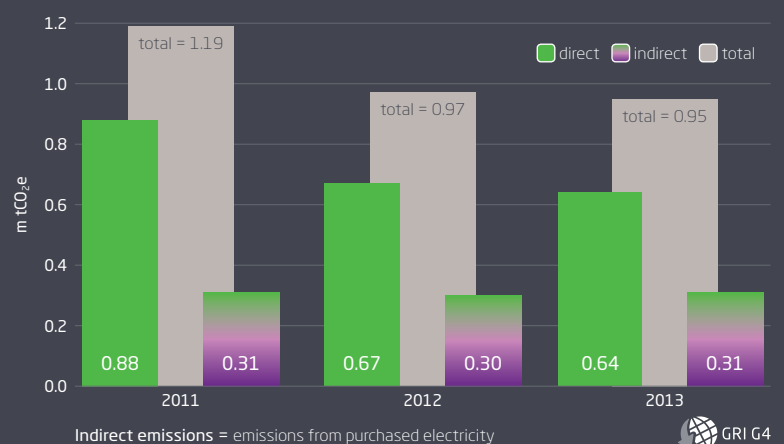
Total energy consumption



Direct energy breakdown



Becoming lower-carbon Carbon dioxide emissions



1) Direct energy use is the primary energy (wood, LPG, natural gas, fuel, coal, coke, charcoal) consumed by Aperam and our products and services. Indirect energy is used to generate the electricity consumed by Aperam and our products and services.

Thinking widely on solid waste

Our production processes inevitably result in some waste. In 2013 we sent 82.2 ktonnes of waste for disposal; 31.8ktons of which was hazardous. We saw a decrease from the previous year on total waste weight mainly due to improvements in our pickling process in South America and an extended interruption of one of our lines in Europe.



Scrap material is a crucial raw material for us

Recyco – enhanced waste management

All waste dusts with nickel from our Belgian and French melt shops are now recycled through Recyco, at Isbergues. Recyco produces ferro-alloys that contain nickel and chromium; from the 42,500t of dust treated in 2013, 40% was recycled. This process reduces waste and raw material use. Recyco also recovers other wastes and by-product steams: manganese can be recovered from used refractory, electrode waste can be used by the carbon industry and waste slag in road construction. Zinc is recovered by another specialist company. Recyco take part in local stakeholder engagement, as **Jeanne Saffer**, Recyco Environmental Responsible, explains:

“Annual meetings allow local environmental issues to be discussed between local pressure groups, regulators, communities, unions and other companies in Isbergues. Compliance monitoring work by the local authorities confirms that the site is secure and responsibly managed.”



Ferro alloys tapping



Good neighbour in Brazil

At Timóteo we recognised that noise levels at night were too high, thereby disturbing local residents. We looked at ways to reduce noise at source but it wasn't enough, so we constructed a 3.5m high stainless steel acoustic barrier along our site boundary. Our monitoring shows that night time noise levels reduced by 7 – 10dB on average.

Noise levels reduced by

7-10dB on average

voices

“ We will use continuous improvement actions and the use of blast furnace gas to help us reach our energy intensity reduction target of 5%, by 2020 compared to 2012 levels. But our actions are not only based on new equipment. We have different working groups, involving site workers and technicians, to help develop ingenious solutions to reduce energy consumption. ”

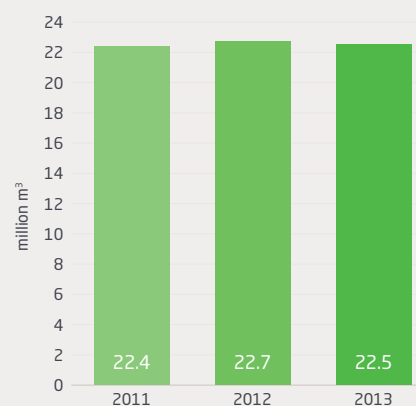


Alain Menec,
Aperam Technical and
Environmental Expert

Water:


Product water use
11.5
 m³/t crude steel
 down from 11.8m³/t in 2012

Total water use



Compliance testing in action

Water wise

In 2013, we consumed 22.5* million cubic metres in our manufacturing processes, equating to 11.5 cubic metres per tonne of crude steel. Some 93% of our water is from rivers and canals, the remaining 7% comes from a combination of groundwater (3%), rainwater (3%), and municipal sources (1%). At group level Aperam recycles 95% of water (Stainless and Electrical South America (Timóteo) recycles 94%, Europe 98% and Alloys and Specialties 96%).  GRI G4

We also discharge water: at Imphy, on the Loire river, we monitor discharges carefully and take steps to prevent pollution of the river and its ecosystem. In 2013, we invested in specialist equipment to remove traces of potential contaminants, such as sand, dust, and oil prior to discharge. We are able to treat 1.3m cubic metres a year. Hydrocarbon content in 2013 was reduced to less than 5mg per litre. Further to the new water treatment station at Imphy in 2011, we have invested further in a closed loop water system there. This reduces water use and improves discharge quality by reducing pollutant loads by up to 60%. Total water intake at Imphy has reduced from 3.1 million m³ in 2008 to 0.67 million m³ in 2013.

Aperam Bioenergia -
from strength to strength

Last year we reported on Aperam Bioenergia in Brazil, which produces charcoal from cultivated eucalyptus to fuel our blast furnaces at Timóteo. Our charcoal continues to supply our energy needs, replacing 100% of coke with biomass charcoal. The process from forest to steel is a fully integrated operation, which gives us far greater control over the sustainability of our product. Using the forests for fuel means that we are using a clean and renewable energy source, in what would otherwise be a carbon-intensive operation. We pay close attention to our impacts – such as in terms of water conservation. We reuse water from our seedling nursery, having installed a recirculation system to help reduce our water use.

Finally, our R&D team works with organic methods to cultivate saplings and develops alternative biological pest control against natural predators in the eucalyptus forests.

“Sustainability is an intrinsic, inseparable part of the business. We strive to improve our operating performance, monitor our biodiversity, minimise adverse impacts of our activities and promote economic development in the regions where we operate.”

Thiago Augusto Dias Viana, Aperam Bioenergia Environment, Quality and Continuous Improvement Supervisor



Preparing seedlings at Bioenergia

safety

Serious progress on safety

Our goal is zero accidents and injuries. Employees have worked together to make real progress: in 2013 we eliminated fatal accidents after two challenging years. But we do not rest on our laurels. We focus on strengthening our resolve ever further to improve overall performance.

How have we achieved this? The tool-box talks, training, Health & Safety Day, continuous improvement challenge, news bulletins, and the learning from accidents: they all help. But personal commitment and shared vigilance do the rest, backed up by the competency framework to ensure people have the right skills and equipment to work safely.

Indicator	We said	We did	We will
Combined LTIFR (all regions)	1.3	1.34	↓ Reduce by 25%,
Employees and contractors			
Employees	Improve from 1.0 in 2012	1.0	Maintain at 1.0
Contractors	Improve from 1.9 in 2012	2.3	Achieve 1.9
Fair Play Policy	Implement Fair Play Policy, group wide	80% complete	100% completion by 2015



our values, our environment



Agility, literally: The Steel Valley mini eco-marathon

July 2013 saw runners starting a 20km half-marathon at 08h00 on Avenue Patative, in the Macuro district of Timóteo. The race, in aid of environmental education, is sponsored by Oikós and the Aperam Acesita Foundation. The run was first held in 1997 by the community and latterly supported by Aperam. The president of the foundation, **Venilson Vitorino**, said:

"We are in this journey together for health and nature. Such initiatives reflect some of the values that guide the business in Aperam South America."

And it is growing, attracting more athletes each year as well as the support of Timóteo City Hall, the Police of Minas Gerais, and private industry sponsors.

Seeing the change

We are reinforcing the safety message again and again. We focus on managers and staff working together to do this.

It's a matter of everyone taking ownership of safety, of 'walking the talk'. Indeed, our CEO understands this at grass-roots level and practices what we preach to help drive safer behaviour. But, this 'visible felt leadership' is crucial at all levels, not just the senior management.

We start at the base of the 'safety pyramid' to head off accidents or incidents that could be serious. At Aperam we communicate why a

safety risk control measure is in place, how it works and how it can help the operators.

Nurturing respect and dialogue – showing an interest in each other's work – can further improve safety performance. We can then confidently see the right connection between a certified management system and actually behaving safely.

Working in a safe environment is a basic right. A strong health and safety culture improves employee well-being, retention and productivity. Below we outline the four priorities for us in 2013.



Safer contractors

In 2013 we sharpened the focus on contractor safety: results show a decline in performance on combined LTIFR (up to 2.3 from 1.6 in 2011). Contractors may often be on-site infrequently, or only briefly. To ensure they follow procedures we are running an important series of actions. Best practice 'safety shares' and briefings all count: we have a new working group in 2014 to brief maintenance and procurement teams. The aim is Fatality Prevention Standard (FPS) level 3 using improved maintenance stops and purchasing controls. A 'toolbox' will ensure suppliers stick to safe practices; they will be subject to audit on it. The toolbox is a series of risk controls such as safety certification, site gate permits, a safety passport, and rules on using temporary workers.

"Improving safety performance of Fabricom is important because safety is the first of Aperam's values, and good safety results improve economic performance."

Philippe Masereel, Director, Cofely Fabricom



Fire safety: targeting zero incidents

Following a risk audit in 2013, each site completed a fire risk assessment and an action plan. We have consequently improved fire fighting systems, fire risk management responsibility and our Human Factors Risk Policy. As an example of training for emergency preparedness in 2013, we ran an acid leak simulation at our Isbergues plant with local fire and rescue services. The exercise involved 80 people and recorded excellent reaction times. In 2013 we restarted production at our Gueugnon site after a serious fire in 2012. Luckily there were no injuries and we saw a true collective effort with our stakeholders to reconstruct the production line affected.

"Industrial security is key: any event leads to a veritable trauma inside the organisation, so Aperam pays attention to the safety and security of its industrial assets in a similar way to its approach to the safety of its people."

Christophe Ourliac, Continuous Improvement & Quality, Aperam South America



Isolation: safely shutting off power

In 2013, we focused on delivering the isolation Fatality Prevention Standard (FPS), backed up with training and good practice sharing in South America and Europe. We conducted a pilot audit at our Amilly site as part of this. In Europe we rolled out the isolation FPS for all sites; we are continuing in 2014 with further audits for the nine largest sites as well as deeper systematic checks of equipment. The updates we are making to maintenance processes are creating major change, for the better.

We are updating some equipment to meet the isolation standard and we are training people in good practice on topics such as isolation planning, legal constraints, and hydraulic and electrical fields.

"Whilst accidents relating to isolation are rare, they are usually severe, so we are using the 'one man, one key, one lock' approach so that the restart of equipment being maintained is under control of the person doing the maintenance."

Thierry Callis, Health & Safety Aperam Corporate



Fair play: zero tolerance for silence

We want our workforce to show heightened awareness of risk, and a respect for procedures and rules. The Fair Play Policy aims to do this fairly and openly: to recognise the good behaviour, not just punish the bad. In practice it is done using training, senior managers getting involved, and ways to recognise good behaviour during the analysis of an incident. It is done at site level using a self-assessment process to achieve a level of excellence. So, for example, a site will reach 'level 3' if it complies with local laws and the Aperam Fair Play Policy by an agreed date.

"Fair play is vital to changing our mentality on procedures and rules, since most accidents are linked to human factors risk awareness; applying fair play is a very powerful tool to make our operations safer for every stakeholder."

Bert Mestdagh, Head of Services & Solutions Industrial & Technical Performance



Training focus

Training in various forms complements the visible leadership, the notion of taking ownership, and the individual's accountability.

Last year we committed to improve the quality of root cause analysis of all accidents. Training briefings provided greater coverage of this. For example, we are intensifying the training and briefings to subcontractors. The briefings will cover special procedures for the annual maintenance period, and exchange of best practices in a 'subcontractors' club', applying the General Health and Safety Instructions on all sites, and limiting the use of temporary workers.

We also brief drivers delivering to our sites. At Imphy, for example, we give them general driving safety instructions for the site relating to topics such as the use of mobile phones, minimum PPE required, and stowage equipment. And they now have to sign a 'punctual safety protocol', which will help them take responsibility for safety too.

In Timóteo, training underpinned the recent successful maintenance shut down with zero incidents. It was the result of working with subcontractors tenaciously, of careful planning and extensive training. We find it's never too much to talk about safety again and again.

See also (we+do) on p14



Fire protection demonstration at Gueugnon, April 2013

Our annual assembly on safety

"The Aperam Health & Safety (H&S) Day was a good opportunity to meet people and discuss their issues – for me, it was really interesting to discover in depth the plant, the process and the operators," a contractor tells us at Aperam Alloys, Pont de Roide, in 2013.

His words bring to life our efforts to embed safe ways of working ever further in what we do at work and at home.

Employees and contractors across our global sites all paused work in April to join events, awards, activities, games, catering and even massage as part of our H&S Day.

A colleague from Aperam Services & Solutions Poland states, "Each H&S Day is more interesting and surprising – I learn a lot each time."

Lectures covered a range of H&S topics such as risk control, personal fitness, isolation, fire safety, shared vigilance, hazard identification, risk assessment, drugs, driving and first aid.

From Amilly to Timóteo, and from Genk to Imhua in China, staff and contractors further embedded safety in their lives. See you next year!

voices

"I'm pleased that I had the opportunity to take part in a long-term educational training as a safety counsellor. Not only did it give me the necessary insights into safety, but it has also broadened my knowledge on risk assessment, incident analysis, and defining preventative action. These are tools I can use day-to-day and which I can pass on to my colleagues."

Björn Lemmens, Environmental and Safety Counsellor

Being heard, being represented

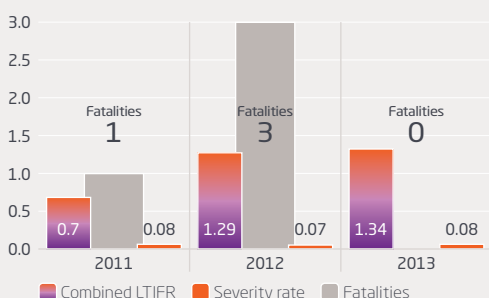
100% of the Aperam employees are covered by collective bargaining agreements. In Europe all employees are represented by local works councils. Employees, temporary workers and subcontractors are represented by their own trade unions; formal Health and safety agreements exist between Aperam and local trade unions.

What happened in 2013?

How often and how serious were the reported incidents? Our combined lost time incident frequency rate (LTIFR) for employees and contractors was 1.34 injuries that resulted in lost time (per million working hours), slightly up on 2012 (1.29) and still short of our 25% target of 0.75 (the rate for employees was 1.0, and for contractors was 2.3). Our combined severity rate increased slightly from 0.07 in 2012 to 0.08 in 2013. The types of accidents recorded include hand injuries and back strain. See also the overview on p5 and p10.

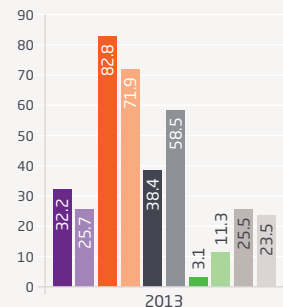
Group

Combined LTIFR, Severity Rate and Fatalities

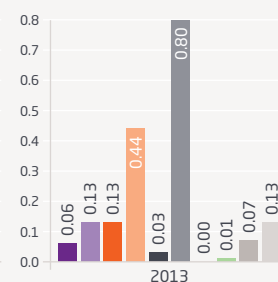


2013 Performance⁽¹⁾

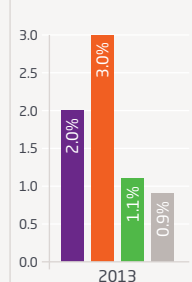
Injury rate⁽²⁾



Severity rate (lost time accidents)⁽³⁾



Absenteeism rate⁽⁴⁾



Additional GRI reference documents
aperam.com/sustainability

- 1) Excludes Occupational Diseases Rate (ODR); please see our online supplement C p3-4 for our management approach on this. Excludes breakdown by gender: women represent less than 3% of the blue collar population. We review annually the participation of women in our statistics, and if meaningful and significant we will report data by gender.
- 2) Total number of injuries / Total hours worked x 1,000,000; injury rate calculation includes fatalities
- 3) Total number of days lost for accidents / Total hours worked x 1,000,000
- 4) See online supplement C p3-4 for Health & Safety disclosures on management approach (DMA) for detail on calculation



People and community – the Aperam Way

Aperam is its people. The close working relationships of our employees, our customers, our products and our community is what makes our culture unique. We want this 'togetherness' to help motivate and engage the workforce. This is what we strive for.

We have invested much time in 2013 listening to and understanding our people. We wanted to know what is important to them, and what we can do to maintain dialogue and commitment. When the market is challenging, we know that there is a risk that labour relations are strained more easily. But, despite the recent tough economic climate, in 2013, we recorded our lowest rate of absenteeism.

Indicator	We said	We did	We will
Percentage of employees receiving regular performance and career development reviews	Maintain GEDP for 100% of managers, achieve it for 97% of exempts	100% managers 96% exempts 86% of workers	GEDP for 100% of managers, 97% for exempts; improve annual interviews for workers in the main sites
Succession plans in place for management	Succession plan to fully cover Aperam management	✓ 100%	Succession plan review to fully cover Aperam management
Absenteeism	2.1%	✓ 2.05	2.1% and improvement plan in sites where the average is lower



our values, our environment

Finding better ways

Our people are finding new and better ways to do things. When producing steel on coils we use a paper layer to protect the product. So at Gueugnon, we started to look at ways to reduce our consumption, such as changing the type of paper, process efficiency and new paper reuse facilities. As a result, we have reduced our paper use by 60%: the length of rolls saved is equivalent to 2.6 times around the equator of the globe.



(we+do) The Aperam Way

Over a year ago we launched a survey to understand the issues that really mattered to our employees. We wanted to understand our strengths and weaknesses in relation to these issues. So we established five working groups to analyse the responses to the survey. The Management Committee then used this to develop five commitments for Aperam. The outcome of this process is **(we+do)**.

The logo is symbolic and 'we do' means 'taking action': the change our people want will not happen on its own. The '+' symbolises taking action together, and the (parenthesis) symbolises the proximity between our people.

We established a task force, representing all parts of the company, to develop a series of fundamental 'people commitments' for Aperam. The challenge now is to transfer the commitment to our sites. Each one has been tasked with developing specific action plans to outline how the five commitments will be met. We are now moving from **(we+do)** the concept to **(we+do)** the reality.



Team work is vital in a family, as it is in Aperam. Our annual Continuous Improvement Challenge, which ran for the ninth year in 2013, brings teams together to solve problems and to innovate. This year's winner was Aperam Bioenergia for a project on tree trimming at our forest sites. The newly mechanised process eliminates the hazards of manual branch removal, improves the quality of our charcoal and saves costs.



Congratulations once again to the team at Aperam Bioenergia, and we look forward to the tenth anniversary of the competition in 2014.

It is vital that performance and competencies are evaluated in a robust and transparent way. The Global Exempt Development Programme aims at achieving this goal. Assessing performance on the basis of objective facts, data and competencies, with reference to reliable 'competency frameworks', enables a clear contribution to sustainable development. Annual interviews with workers throughout the organisation by line managers also contributes to the development of our competencies. This 'proximity' enriches the relations between people and allows Aperam teams to be even more motivated and engaged.

Of those employees to which GEDP applies, 96% received an annual performance review last year.

(we+do)

"This is not just a logo; this is our commitment to our people. It is not 'we can'; it is not 'we should'; it is not 'we will' ...it is 'we do'."

David Vanhoebroek,
Head of Leadership Development,
Compensation and Benefits and
International Mobility



What happened in 2013?

In 2013, we employed a total 9,533 people on a full time equivalent (FTE) basis, of which 99.5% were employed on a permanent contract.

Our employees are in Brazil (38.9%), France (27.5%), and Belgium (18.3%). The remaining 15.3% are located at smaller locations worldwide. We also employed 528 supervised workers: 348 in Europe, 160 in South America and 20 in other regions.

Employee Statistics:



Male			
	Permanent	Fixed term	
Full-time	8,251	35	
Part-time	125	0	
Total	8,376	35	8,411
Female			
	Permanent	Fixed term	
Full-time	999	10	
Part-time	113	0	
Total	1,112	10	1,122
Total			
	Full-time	Part-time	Total
	9,294	239	9,533

We also employ a variety of contractors to help us with maintenance and other specialist operations. This workforce is estimated to represent a further 1,300 FTE employees.

Our Employees – Quick Stats:

Proportion of women: **12%**

Nationalities represented: **49**

Contractors: **1,300 FTE**



Reducing absenteeism

Aperam's absenteeism rate was 2.1% in 2013, down from 2.6% in 2011, reflecting an overall reduction in occupational disease, chronic health issues and work related stress from 2012.

In recent years we have been working hard to improve absenteeism at Pont de Roide. As Alain Juif, Head of Workshop, explains, "We provided our staff with information to explain their rights and duties, and openly communicated our performance on absenteeism rates."

We have started to benchmark performance internally and against a peer company within the region that shares our approach." We have supported this further by training managers to improve the return-to-work procedures. This has helped to raise awareness of the consequences of absences, and promotes more positive dialogue during an employee's absence. As a result, absenteeism reduced from 4.9% in 2012 to 2.8% in 2013.

In the community

We generated and distributed US\$5,190m to the global economy in 2013. In Brazil, the Aperam Acesita Foundation disbursed US\$1m in educational, environmental and cultural project funding.



At work with communities, Bioenergia, Brazil

The surrounding environment is critical to Aperam Bioenergia of course. We depend on the availability of woodland resources to produce a quality charcoal. We also depend on the social licence to operate – the trust of our neighbours here.

Our six main production sites conduct local community engagement activities. The Aperam Acesita Foundation sponsors vocational training and anti-drugs programmes, as well as thousands of hours of employee volunteering. **“The development of pupils is visible: a greater commitment to education, a higher self-esteem, something really productive”**, said one of our partners Graziela Gomes Pereira, Director, State School Hilda Osorio de Araújo Zauza, Timóteo. Another forceful example of engagement is through the Oikós Environmental Education Center which in 2013 welcomed 20,000 visitors.



Learning together at Oikós Environmental Education Center

A biodiversity winner

Aperam South America was recognised in 2013 for its biodiversity education at Oikós, the Aperam Acesita Foundation's Oikós Environmental Education Center in Brazil. This was part of the business sustainability awards of Editora Abril, publisher of the Exame Sustainability Guide. For 20 years Oikós has been promoting environmental education.



Fire teams during Integrated Fire Prevention Week

Community fire prevention

With city mayors, council members, the police, public prosecutors, environment authorities and community leaders we ran the fourth Aperam Bioenergia Integrated Fire Prevention Week in August 2013. Community members, students and employees from 15 communities got together to understand how to prevent forest fires.



Contributing to valuable rural enterprise, Brazil

Also, in partnership with local beekeeping associations near our eucalyptus forests, we provide access, facilities and training to support this local enterprise. In 2013, over 90 families benefited from our forests, producing over 430 tonnes of honey.

voices

“To improve emissions we adjusted how we operate the meltshop. Real progress has been made and plant managers are fully engaged with community stakeholders.”

Yves Bernis, Environmental Coordinator, Aperam Châtelet

“Working in partnership with local communities supporting educational, cultural and environmental development as well as income generation projects gives us enormous pride and satisfaction.”

Regisllainy Cobucci Pena, Community Relations Analyst, Aperam Bioenergia



In Europe, examples of community engagement include dust emissions analysis with local authorities at Isbergues and collaboration with the local authority and community on environmental permit levels at Genk. Also, open discussion on dust and noise with local authorities and the community at Châtelet illustrate how the management are engaged, as Yves explains above.

In line with our commitments we are progressing our local supply chain engagement (p3) and we completed our formal review of community risks in Brazil. Also, all six main production sites worldwide implemented community engagement, impact assessments and development programmes. Examples include local educational projects, works councils (in Europe) and formal grievance processes such as at Châtelet and Imphy. Finally, there were no disputes on land use, local customary rights and indigenous peoples in 2013.



See more on local stakeholder engagement online at aperam.com/sustainability



Our customers and products

Our customers benefited in 2013 as a result of the changes we made in 2012. Changes such as protection against raw material cost volatility, tailored pricing solutions and technical support.

Customers demand quality products backed up by rigorous innovation practices. We continue to develop solutions as described in this chapter. Our research & development programme is shaped by emerging trends in society and the markets we serve, demonstrating how our products are **'made for life'**.

Indicator	We said	We did	We will
Pursuit of customer excellence	New customer survey in 2013 for European and South American markets	Survey completed in Europe as planned	Continue with the planned Brazil survey in 2014
	Review how commercial performance excellence is measured after the reorganisation in 2012	Replaced the project with a specialist product-related process management approach	Review related targets

our values, our environment

Supplier commitment in South America

Quality delivery to customers relies on strong supply chain stewardship. Most of the suppliers serving Aperam South America have signed up to our Corporate Responsibility Commitments. Whilst delivering on it is where the real work is, the process is underway. They confirmed their intent to fully respect all of its requirements. The signature of the Commitment Term is a primary requirement to be qualified for the Supplier Qualification Program (SQP). The aim is to achieve continuous improvement on ethical conduct throughout the entire supply chain including environmental responsibility, safety, labour rights, compliance, community engagement, human rights and supplier evaluation.



Market strength

We have consolidated our market share in Europe despite competition from cheaper imported goods. The Outokumpu-Inoxum merger and subsequent re-sale of Acciai Speciali Terni is leading to a significant change in competition. In spite of this, Aperam remains focused to offering its customers a solid service and a diversified product portfolio. Our dynamic raw materials' sourcing strategy has protected

our customers against price volatility for materials like ferrochrome and nickel. Showing our agility, we have maximized the use of recycled stainless scrap and improved our purchasing conditions, allowing Aperam products to remain competitive against imported stainless steel. Additionally, tailored pricing, for example daily price quotes for alloys customers, allows us to adapt to customer requirements.



Working with Metalac Grupa, Serbia for stainless in Europe

A close working relationship and production demonstrations are at the core of our solid partnership with this kitchen equipment manufacturer. They use 500 tonnes of stainless steel each year to make saucepans and other cooking utensils.

Metalac is contributing to the European steel industry by launching their own 'Made in Europe' label on their products to promote the quality of European products against the pressure from imported goods.

Shining examples, 2013

We saw notable international examples of Aperam at work in heavy industries in 2013. Of particular note are the projects with CMPC Celulosa, (pulp and paper); Flexibras, (oil and gas services), from whom we won a star supplier award for customer service; and Sidem/Entropie, the world leader in sea water desalination.



Uginox's new surface finish

Our key launch in 2013 was the new Uginox surface finish. The specialist stainless steel finish is for architecture, building and construction applications.

Poised and listening

We gauge customer requirements through regular surveys. They occur every two years most recent being in 2013, for Aperam Stainless Europe (the next Aperam South America survey is due in 2014). A good proportion of customers stated high levels of satisfaction and loyalty. They seek a combination of strong commercial relationships and high quality products. In 2013, Aperam Stainless Europe returned an overall satisfaction score of 7.1 (155 respondents). Even though it is similar to the score in 2011 we improved on several items.



Whirlpool award

We received sustainability awards in 2013 from Whirlpool, the global white goods appliance manufacturer. Whirlpool Latin America acknowledges the sustainability achievements of its suppliers. Aperam South America was recognised for its energy efficiency programme; it has saved enough energy to supply 8,000 houses for one year! Bioenergia's inclusion in the award was for charcoal quality, community engagement and environmental management.



Desalination at Al Zour North

Kuwait is building a huge desalination plant, the first phase of which began in 2014. We are working with Veolia's Sidem Group to supply Duplex stainless steel for the manufacture of the evaporators in their multiple effect distillation technology.

Reinforcing customer collaboration and rolling stock

Since 2011 we have been working with the Brazilian mining industry to double the working life of iron ore railway wagons to 50 years. Typically, existing wagons are built of thin carbon steel sheets. Even thinner steel has been tested to save weight but they required too much maintenance. Over the years, the iron ore mining companies have switched to stainless steel which is stronger weight-for-weight compared to carbon steel. Out of the 12,000 wagons in use in the largest rail system for iron ore, 25% of them now depend on Aperam's products. Working with our customers there we are developing new applications.

Change-making products

Stainless steel offers durability, resilience, resistance to corrosion and heat, as well as outstanding mechanical properties at high temperatures. It is perfect where hygiene is mandatory, it is endlessly recyclable and easily recycled, it is safe and it has an aesthetic attraction to many specifiers. The next 15 years will see shifts in global trends relating to scarcity of energy resources, ore, food and water as well as climate change and demographics, and our research teams work on future opportunities for Aperam constantly. In 2013 we maintained our annual US\$20m investment in innovation. We select some examples below.

Due respect for duplex

We have enlarged our duplex stainless product offering and made it more cost-effective. Duplex is used extensively for flexible tubes, vessels, tanks and connections in the petrochemical sector, for example, notably for strength, safety and structural integrity. Brazil is a leader in deep water petroleum exploration. As Aperam's Paulo Bálamo, Application Engineering and Market Development Manager explains, **"To explore the new incredibly deep layers targeted means a jump from three to seven thousand metres below the seabed. This requires new materials and duplex stainless steel tolerates high pressure and acidity."**

Duplex stainless steel is used in the production of paper and cellulose, chemicals and food, with applications also in bridges and viaducts, heat exchangers, oil and gas tubing, transportation storage tank systems, sea water systems and others.



Aperam Alloy's Phyttime® - used in CVT technology

Aperam Alloys - Auto innovations

5%

Fuel savings following the shift from hydraulic to power assisted steering systems

20%

Weight reduction following the introduction of new alloy Phyttime®

Auto innovations

The challenge for carmakers is fuel efficiency and environmental impact. Engine technology, light-weighting and electrification technology are the primary opportunities.

We are working with manufacturers on chassis components such as car suspension arms. Whilst carbon fibre and aluminium save weight, it is Aperam's press-hardened stainless MaX steel that is the preferred solution for passenger car chassis. It has double the endurance limit of high strength carbon steel and it is 20% lighter on average. That's quite a change, and an opportunity to apply elsewhere.

In many ways, alloys offer opportunities to carmakers to meet their challenges. In seeking cost-effective solutions, Aperam runs ambitious R&D investments (see box). For example, CVT technology allows best-in-class fuel efficiency, and Aperam Alloys Imphy supplies a key part of each unit.

"Aperam Alloys introduced Phyttime® on an industrial scale for this technology. Thanks to the outstanding properties of this new alloy, less material is used for the same power, giving a 20% weight reduction."

Pierre-Christophe Caille, Chief Marketing Officer of Aperam Alloys

Aperam Alloys Imphy also provides alloys with magnetic properties for use in torque sensor technologies in electric power assisted steering units. They are lighter and more efficient than hydraulic systems, giving a fuel saving of 5%. To provide the most competitive offer with full quality management, Aperam invested US\$2m in a brand new production line at our Amilly site in France.



Recirculating ideas

We are using different types of stainless steel to adapt existing diesel engine exhaust gas recirculation (EGR) technology to help improve petrol engine fuel efficiency. Ferritic stainless steel tolerates high temperatures and corrosive conditions. It also offers cost savings. Our teams at our research centre have been working hand-in-hand with customers on this improvement.

US\$2m invested in a new production line at our Amilly site, France

About this report

We declare this report as in accordance with GRI G4 core level. Material aspects and indicators are shown on p4 and p20 of this report; detailed Disclosures on Management Approach (DMA) are in online supplement 'C'. The scope of the information and data in this report covers operations in Europe and South America, from January to December 2013:

- Aperam's production capacity is concentrated in six production facilities located in Brazil, Belgium and France: Genk, Gueugnon, Isbergues, Timóteo, Châtelet, Imphy
- 18 Steel Service Centres (SSC)
- Nine transformation facilities⁽¹⁾
- 22 sales offices.
- Registered office: 12C, rue Guillaume Kroll, L-1882 Luxembourg

Safety data cover other sites relating to our Services & Solutions and Alloys & Specialities, as well as contractors on site. Human resources data exclude contractors.

Subject to the exclusions indicated below, environmental data cover all main industrial sites, SSCs and corporate offices. Environmental information is compiled locally, and then aggregated centrally. In our greenhouse gas emissions calculation we apply the standards of ISO14004-1 and ISO14004-2, which state that biomass is considered to be carbon neutral. The CO₂ emissions data relate to Scopes 1 and 2. The following exclusions apply to the environmental data:

- (1) Raw material data exclude packaging and miscellaneous parts;
- (2) Scope 3 indirect emissions.

CO₂ and absenteeism data are restated following improvements in data systems, with no material effect on comparability or timeliness.

The report represents our Communication on Progress relating to UNGC membership (see online supplement 'A'). The report does not cover any joint venture operations or activities of partner organisations.

1) Including: Firminy, Pont de Roide, Jequitinhonha

Independent assurance statement

The 'made for life' report is a component (the "summary") of our complete sustainability reporting (the "Report") for the year ended 31 December 2013. The Report is composed of 5 items: the "made for life report" and four online supplements – A, B, C and D. Our 2013 Report can be found on our website on www.aperam.com/sustainability, accompanied by the four online supplements. The summary report provides part of the information required to satisfy GRI G4 "In Accordance Core". Therefore, the summary should be read with its accompanying online supplements to constitute the complete Report.

Deloitte Audit Société à Responsabilité issued an unmodified opinion using ISAE 3000 limited level assurance with respect to the Report on the following subject matters: adherence to the Global Reporting Initiative G4 guidelines (the "GRI" or "GRI Guidelines") with respect to the Principles of Materiality, Stakeholder Inclusiveness, Sustainability Context and Completeness;

adherence of the disclosures in the Report to the GRI "In Accordance Core" criteria and the appropriateness of the GRI Index on pages 20-21 of the Report and; fair presentation in all material aspects in accordance with GRI Guidelines, of selected performance data, marked in the Report with a '★':

- EN5 : Energy intensity (p7)
- EN8: Water withdrawal by source (p9)
- EN18 : CO₂ intensity (p7)
- EN21 : NO_x, SO_x and other air emissions (p7)

Deloitte.

GRI Index	Disclosure	Title	References: this report, Annual Report and online supplements
Economic			
Economic performance	G4-DMA	Disclosure on Management Approach	Online supplement C - p1
	G4-EC1	Direct economic value generated and distributed	Inside Front cover, Annual Report p28
Procurement Practices	G4-DMA	Disclosure on Management Approach	Online supplement C - p1-2
	G4-EC9	Proportion of spending on local suppliers at significant locations of operation	p3-5
Environmental			
Energy	G4-DMA	Disclosure on Management Approach	Online supplement C - p2
	G4-EN5	Energy intensity	p7
Water Consumption	G4-DMA	Disclosure on Management Approach	Online supplement C - p3
	G4-EN8	Total water withdrawal by source	p9
Emissions	G4-DMA	Disclosure on Management Approach	Online supplement C - p2-3
	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	p6-7
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	p6-7
	G4-EN18	Greenhouse gas (GHG) emissions intensity	p6-7
	G4-EN21	NO _x , SO _x and other air emissions	p6-7
Labour			
Occupational Health and Safety	G4-DMA	Disclosure on Management Approach	Online supplement C - p3-4
	G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, total number of workrelated fatalities, by region and by gender	p10, p12, p13. Gender reference: online supplement C - p3
Training and Education	G4-DMA	Disclosure on Management Approach	Online supplement C - p3
	G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	p4, p13
Supplier Assessment for Labor Practices	G4-DMA	Disclosure on Management Approach	Online supplement C - p4
	G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	p3
Society			
Local Communities	G4-DMA	Disclosure on Management Approach	Online supplement C - p5
	G4-S01	Percentage of operations with implemented local community engagement, impact assessments, and development programs	p16, GRI Sector Supplement MM6 'Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples'; p16
Product and Service Labelling			
Results of surveys measuring customer satisfaction	G4-DMA	Disclosure on Management Approach	Online supplement C - p5
	G4-PR5	Results of surveys measuring customer satisfaction	p18



Assurance statement and other detail online
aperam.com/sustainability

GRI Index note

To facilitate stakeholders' understanding of our corporate responsibility performance, our reporting follows the Global Reporting Initiative G4 framework, an internationally recognised set of principles and indicators for economic, environmental and social aspects of business performance. The GRI framework helps companies select material content and key performance indicators. See www.globalreporting.org. We have duly accounted for the GRI mining & metals sector supplement (MMSS) in our report preparation; we refer to it in this Index (p20) as well as in the online supplement B.

General Standard Disclosure		Location: Page reference: made for life Report; Annual Report; online supplements																									
Strategy and Analysis																											
G4-1	CEO Statement	p1																									
Organisational Profile																											
G4-3	Name of organisation	Back cover																									
G4-4	Primary brands, products, and services	Annual Report p11 and aperam.com																									
G4-5	Location of headquarters	12c rue Guillaume Kroll, L-1882 Luxembourg																									
G4-6	Countries of operation	Significant sites: Brazil, Belgium, France																									
G4-7	Ownership and legal form	Public limited company in Luxembourg																									
G4-8	Markets served	Annual Report p11																									
G4-9	Scale of organisation	Annual Report p3. EBITDA US\$292m. 2.5mt flat stainless steel capacity, 9,500 employees. Aperam's production capacity is concentrated in six production facilities located in Brazil, Belgium and France, Steel Service Centres, transformation facilities and sales offices. See inside front cover.																									
G4-10	Employees and workforce Total number of employees by employment contract, including permanent employees and gender, total workforce by employees and supervised workers and by gender, total workforce by region and gender. Self-employed workforce; variations in employment numbers.	p13, Online supplement C - p3. Figures based on average FTE from December 2013, including Aperam Drosbach (53). Female workers: 12% of the Aperam overall; 3% of blue collar workers. Aperam is composed of employees from 49 different nationalities. Part of Aperam's work is done by contractors eg, maintenance, site utilities, security; estimated to be 1,300 FTE in 2013. We employed temporary additional workforce (Q1-Q3) after the fire at our Gueugnon site. The small workforce at Bioenergia in Brazil is also subject to variations due to seasonal factors (growing cycle of the trees: planting, harvesting etc).																									
		Own staff																									
		<table><tr><th>Total FTE</th><th colspan="2">Worker Gender</th><th>Total</th></tr><tr><td></td><td>Female</td><td>Male</td><td></td></tr><tr><td>Europe</td><td>643</td><td>4,557</td><td>5,200</td></tr><tr><td>South America</td><td>284</td><td>3,703</td><td>3,987</td></tr><tr><td>Rest of the World</td><td>195</td><td>151</td><td>346</td></tr><tr><td>Total</td><td>1,122</td><td>8,411</td><td>9,533</td></tr></table>		Total FTE	Worker Gender		Total		Female	Male		Europe	643	4,557	5,200	South America	284	3,703	3,987	Rest of the World	195	151	346	Total	1,122	8,411	9,533
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FTE, end of period Employees on Aperam payroll (excluding temporaries, sub-contractors) Including only permanent and classical-fixed-term contracts (excluding for example trainees, internships, apprentices), available personnel (but excluding long-term illness) and people working for external entities.																											
Supervised workers																											
<table><tr><th>Total FTE</th><th>Total</th></tr><tr><td>Europe</td><td>348</td></tr><tr><td>South America</td><td>160</td></tr><tr><td>Rest of the World</td><td>20</td></tr><tr><td>Total</td><td>528</td></tr></table>		Total FTE	Total	Europe	348	South America	160	Rest of the World	20	Total	528																
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FTE, average on period																											
G4-11	Collective bargaining agreements	p11. 100% of the Aperam employees are covered by collective bargaining agreements.																									
G4-12	Description of supply chain	Online supplement C - p1																									
G4-13	Changes to organisational profile	No significant changes in 2013.																									
G4-14	Precautionary approach	Our risk management process anticipates the impacts on stakeholders and the environment. The Sustainability Steering Committee members feed into such deliberations. Our products provide an opportunity for customers to apply a precautionary approach due to their properties (e.g. corrosion resistance, light-weighting, durability, hygiene, and energy efficiency applications).																									
G4-15	External initiatives	Signatory to the UN Global Compact. We operate in partnership with various organisations, principally via the Aperam Acesita Foundation in Brazil.																									
G4-16	Associations and advocacy organisations	The International Stainless Steel Forum (ISSF), World Steel Association., Brazil Steel Institute																									
Identified Material Aspects and Boundaries																											
G4-17	Entities included in consolidated financial statements	Annual Report_2013.pdf p134																									
G4-18	Process for defining report content	p3, Online supplement B - p1																									
G4-19	List of material aspects	p2-3, Online supplement B - p2																									
G4-20	Aspect boundaries within the organisation	Online supplement B - p1-2																									
G4-21	Aspect boundaries outside the organisation	Online supplement B - p1-2																									
G4-22	Restatements	CO ₂ and absenteeism data are restated following improvements in data systems, with no material effect on comparability or timeliness.																									
G4-23	Changes in scope and boundaries	No significant changes on scope and boundaries.																									
Stakeholder Engagement																											
G4-24	Stakeholder groups	p2, Online supplement B - p3																									
G4-25	Basis for identification and selection of stakeholders	Online supplement B - p3																									
G4-26	Approach to stakeholder engagement	p2, Online supplement B - p3-4																									
G4-27	Key topics and concerns	p2, Online supplement B - p3-4																									
Report Profile																											
G4-28	Reporting period	Calendar year 2013																									
G4-29	Previous report	Sustainability Report 2013. Calendar year 2012																									
G4-30	Reporting cycle	Annual																									
G4-31	Contact point	sustainability@aperam.com, raquel.faria@aperam.com																									
G4-32	Content Index	p20-21; reporting to GRI G4 in accordance at Core level.																									
G4-33	External assurance	Main report p20; and online supplement bundle.																									
Governance																											
G4-34	Governance structure	p3, Supplement D - p1, Annual Report 2013, p39																									
Ethics and Integrity																											
G4-56	Values, principles, standards, and norms	Codes of conduct – available at aperam.com/sustainability. A new development plan is to be deployed in 2014 as approved by the Board. It will involve a policy review, a dedicated compliance website and network supported by training programme.																									

Aperam

12C, rue Guillaume Kroll
L-1882 Luxembourg
Grand Duchy of Luxembourg
Tel: +352 27 36 27 00
Email: contact@aperam.com

For all sustainability feedback:
sustainability@aperam.com



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Disclaimer - Forward Looking Statements

In this Sustainability Report, Aperam has made certain forward-looking statements with respect to, among other topics, its financial position, business strategy, projected costs, projected savings, and the plans and objectives of our management. Such statements are identified by the use of forward-looking verbs such as 'anticipate', 'intend', 'expect', 'plan', 'believe', or 'estimate', or words or phrases with similar meanings. Aperam's actual results may differ materially from those implied by such forward-looking statements due to the known and unknown risks and uncertainties to which it is exposed, including, without limitation, the risks described in the Annual Report. Aperam does not make any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved. Please refer to the 'Summary of risks and uncertainties' section of the Annual Report page 35 as well as 'Risks related to the company and the stainless and specialty steel industry' page 142. Such forward-looking statements represent, in each case, only one of many possible scenarios and should not necessarily be viewed as the most likely to occur or standard scenario. Aperam undertakes no obligation to publicly update its forward-looking statements, whether as a result of new information, future events or otherwise.

Unless indicated otherwise or the context otherwise requires, references in this Sustainability Report to 'Aperam', the 'Group' and the 'Company' or similar terms refer to Aperam, 'société anonyme', having its registered office at 12C, Rue Guillaume Kroll, L-1882 Luxembourg, Grand Duchy of Luxembourg, and to its consolidated subsidiaries.