While the economy continues to recover from the Great Recession, the outlook for our Association, and our industry, is bright. As demand for aluminum continues to rise, led by growth in the transportation and building and construction sectors, the Association is working hard on behalf of the membership to ensure the industry remains well-positioned for continued success.

Working with the Board of Directors and the Executive Committee, the Association finalized a new vision to promote the production and use of aluminum as the sustainable material of choice. This vision is guiding our work in all areas – from regulatory engagement to legislative outreach to public communication.

This year, we produced the intellectual capital that our members need and that helps position the industry favorably with policymakers and regulators. We changed the way we communicate, engaged with more elected officials on Capitol Hill, achieved public policy objectives, produced publications that advance the use of aluminum and improved our financial performance.

In 2013, the Association:
• Finalized and approved a new Association Mission and Vision and updated our governing bylaws.
• Increased membership from 94 to 98 member companies.
• Continued our work with the EPA and other federal agencies to ensure reasonable rulemakings on SO2 NAAQS, Primary and Secondary MACT and other regulations that impact our members’ ability to operate.

• Through the Aluminum Transportation Group, released automotive research documenting the life cycle advantages of aluminum versus steel.

• Announced the formation of the Congressional Aluminum Caucus, a bipartisan group of elected leaders formed to raise awareness of the industry among peers on Capitol Hill.

• Launched the 2013 Aluminum Industry Economic Impact Report, a new study based on company-specific microdata that confirms the growing importance of the domestic aluminum industry to the U.S. economy.

• Increased the visibility of the industry and the Association with policy influencers through a co-branded event with POLITICO, a leading Inside-the-Beltway policy publication.

• Released the 2012 Aluminum Statistical Review, the most comprehensive source of aluminum industry statistics in North America.

• Published 2013 Aluminum Standards and Data, the preeminent reference for aluminum mill product standards and the most complete source of information on wrought aluminum, last updated in 2009.

• Completed a Semi-Fabricated Aluminum Life Cycle Assessment Report, which demonstrates significant improvements by the industry on energy efficiency and greenhouse gas emissions.

• Created a new online bookstore and modernized the fulfillment process for Association publications.

• Undertook a complete overhaul of our website, www.aluminum.org, to update the look, feel and functionality of the Association’s primary communications platform. Launch of the new site is scheduled for the spring of 2014.

We revitalized our committees, appointed several new committee chairs, and are working to implement industry-specific goals. For example, Steve Williamson from Tri-Arrows Aluminum was recently elected to chair the newly constituted Can Sheet Producers Committee. This new Committee will focus on developing policy and promoting initiatives that drive the business objectives of can sheet producers.

Working with the Finance Committee, we responsibly managed a decrease in the overall budget while successfully increasing our reserves by 42 percent to $1.35 million over the past two years. With new challenges and new opportunities on the horizon, the Aluminum Association remains a critical forum for the industry to convene and address critical issues with a single voice.

Throughout these pages, you’ll find a more detailed account of the Association’s activities and achievements in a number of key areas. We look forward to working with you in the year ahead to build on these successes and continuing to move the industry forward.

To all our members, we wish you a safe and successful 2014.

Heidi Brock
President & CEO
of the Aluminum Association

Kip Smith
President & CEO
of Noranda & Association Chairman

Heidi Brock
President & CEO
of the Aluminum Association
Vision
The Aluminum Association promotes the production and use of aluminum as the sustainable material of choice.

Mission
The Aluminum Association will:
• Drive communications that aggressively promote aluminum, while developing stakeholder champions for its sustainability advantages.
• Provide timely, relevant industry statistics and information on emerging issues for enhanced industry transparency.
• Create, maintain, monitor and advocate for standards and technical documents that encourage the use of aluminum.
• Successfully advance regulatory and legislative policy in state, federal and international arenas.
• Convene forums on emerging and relevant issues in order to strengthen the industry.
• Facilitate the sharing of best practices in enhancing global health, environment and safety performance.

Approved by the Board of Directors, April 2013
THE ALUMINUM ASSOCIATION
BY THE NUMBERS

98 Member Companies

50 Producer Members

17 Members ... and Growing

48 Associate Members

CONGRESSIONAL ALUMINUM CAUCUS

30%
Aluminum Demand Growth since 2009

672,000
Jobs Supported by U.S. Aluminum Industry in 2013

27
Ongoing Statistical Reports

45+
Meetings with Members of Congress

2
Bi-Annual Networking Meetings

300,000+
Unique Visitors to Aluminum.org

140
Industry Employees Trained on Safety

10,000
Followers on Social Media

2,000
Growth in Social Media Followers in 2013
Aluminum has been a key part of U.S. innovation for more than a century.
Association Celebrates 80 Years of Representing Aluminum Industry

From an unfamiliar metal to a precious luxury item to the cornerstone of modern transportation, aluminum has been a vital element to the global economy since the 19th century. And for the past 80 years, the Aluminum Association has promoted this essential element as the sustainable metal of choice for industries around the world.

More than 100 aluminum industry leaders gathered at the Association’s Fall meeting at Nemacolin Woodlands Resort in Farmington, PA this October to celebrate the past, recognize the trends and leaders of today’s aluminum industry, and position this sector for continued success for the next 80 years and beyond.

Born out of the New Deal, the Association has been serving the industry and promoting products – by establishing standards that create a common language to facilitate worldwide commerce, serving as the principal source of industry statistics, addressing regulatory and policy issues, and embracing environmental sustainability – for eight decades.

Today, the Association is the leading organization in North America convening industry leaders and promoting aluminum as the most sustainable and recyclable automotive, packaging and construction material in today’s market.
U.S. ALUMINUM INDUSTRY 2012 CAN RECYCLING RATE

67%

Industry recycling of aluminum beverage containers in the United States continued its decade-long upward trend in 2012 with a rate of 67%.

The new rate marks continued progress toward the industry's goal of 75% recycling by 2015.

The 67% recycling rate reported in 2012 is the second highest rate since the industry survey began in 1972.

The increase in the industry's recycling rate in recent years has been driven largely by the addition of imported cans into the U.S. recycling stream.

Industry Can Recycling Rate 1972 - 2012

Industry Imports of Aluminum Cans
SUSTAINABILITY

Association Research Shows Environmental Advantages of Aluminum

The Aluminum Association continues to utilize its sustainability platform as a product differentiator by developing intellectual property that showcases aluminum as the sustainable material of choice.

In 2013, the Association completed a multi-year life cycle assessment (LCA) study examining the environmental impact of modern aluminum production. With technological advances in the aluminum production process, the North American industry has significantly reduced its energy and carbon footprint over the past two decades and significantly reduced perfluorocarbons (PFC) emissions. The Association will incorporate this new data into relevant life cycle inventory (LCI) databases for use by future researchers.

Industry recycling of aluminum beverage containers in the United States continued its decade-long upward trend with a rate of 67% reported for 2012. This is the highest recycling rate since the early 1990s and the second highest rate reported since the survey began in 1972.

The Association has also begun developing the following studies, all of which are scheduled to be released in 2014: the Aluminum Material Flow Analysis; Aluminum Product Environmental Declarations (EPDs); Aluminum Green Building Guides; Aluminum Beverage Can LCA Update; and an Energy Savings Study of the Aluminum Beverage Can’s Use Phase.
Transportation Group Helps Move the Metal That Moves Autos

Throughout 2013, the Association’s automotive marketing committee, the Aluminum Transportation Group (ATG), continued to educate key stakeholders about aluminum’s performance, safety, durability, efficiency and cost advantages. Over recent years, the group has emerged as a trusted, credible and highly relevant resource for automotive customers and their trade associations, policymakers and the news media. More and more, the ATG is proactively sought out by these and other groups for information, data and research.

It was also a banner year for automotive aluminum with market share at its highest levels; on top of forty years of uninterrupted growth, with ATG members adding expanded capacity to meet growing demand expected in the years ahead. Awareness of the metal’s consumer benefits were amplified as Car & Driver selected the all-aluminum Tesla Model S as its 2013 Car of the Year, and Land Rover unveiled the world’s first all-aluminum SUV, the Range Rover. The ATG used these breakthrough announcements to further advance industry efforts paving the way for wider acceptance and ultimate demand for more aluminum in autos.

On the regulatory front, the ATG has enjoyed a busy year. Regulatory agencies reached out to the ATG soliciting industry feedback on various federal initiatives. In January, the group provided NHTSA docket comments on size and safety. In April, the ATG released the results of the Aluminum Body-in-White Concept Study, which confirmed aluminum’s superiority over competing materials for safely shedding vehicle body mass and boosting MPG. In September, the group released the results of a preliminary Oak Ridge National Report on Automotive Materials Life Cycle Analysis.

The ATG also continues to improve and grow its website and social media presence: www.drivealuminum.org | @drivealuminum
Today, the U.S. Aluminum Industry Accounts for:

- **672,000** Direct and Indirect Jobs
- **$152 Billion** Direct and Indirect Economic Output
- **17,000+** Facilities Nationwide
- **0.9%** U.S. GDP Economic Footprint

In 2013, the aluminum industry directly employed **155,000** vs **106,000**

- Directly employed by the aluminum industry in 2009

**Employment Impact**

- **$77,000** Average Industry Wage **vs** **$43,000** Average National Wage
- **$40.9 Billion** Paid in Direct and Indirect Payroll
- **$16 Billion** Generated in Federal, State and Local Taxes
Industry Expands Beltway Footprint with Aluminum Caucus, Events

This year, the Association renewed efforts to elevate awareness of the aluminum industry in Washington, D.C. through advocacy, events and engagement with policymakers.

In August, a bipartisan group of lawmakers announced the creation of the Congressional Aluminum Caucus. The formation of the Caucus means that for the first time in the industry’s history there is an official voice on Capitol Hill dedicated to elevating awareness of the U.S. aluminum industry. The Caucus will serve as a forum for policymakers to learn about the critical role that aluminum plays in the national economy. Founded by Representatives Larry Bucshon (R-IN), Suzan DelBene (D-WA), Bill Johnson (R-OH) and Bill Owens (D-NY), by early December the Caucus had 17 members.

In October, the Association released the 2013 Aluminum Industry Economic Impact Report which confirmed the importance of the aluminum industry to the U.S. economy. This key tool is essential for industry outreach on Capitol Hill.

In December, the Association hosted a co-branded event on Capitol Hill with the widely-read political and policy publication POLITICO. The event drew more than 145 Inside-the-Beltway influencers, including senior-level congressional staff, leadership from executive branch agencies, association executives and trade media.

In conjunction with the reception event, the Association ran ads in-print and online with POLITICO to highlight the industry’s sustainability and economic impact story. More activities are planned in 2014 to continue raising the industry’s profile with key D.C. audiences, laying the groundwork for our policy voice to be heard.
More Jobs
Less Energy
Infinitely Recyclable

Aluminum is the essential element of U.S. manufacturing. According to a recent study, the industry generates nearly 1% of Gross Domestic Product, supporting more than 672,000 jobs and $152 billion in economic output. High quality, advanced manufacturing jobs earn workers in the aluminum industry an average of more than $77,000, far exceeding the national average of $43,000.

From boosting vehicle fuel economy to green building to sustainable packaging, aluminum is uniquely suited to meet 21st century challenges. In the last 20 years, the U.S. industry has reduced its carbon footprint by more than 42 percent. And nearly 75 percent of all aluminum ever produced is still in use today because of its strength, durability and infinite recyclability.

Aluminum: The Essential Element of U.S. Manufacturing

To learn more about the impact of the U.S. Aluminum industry, please visit
www.aluminum.org/economy
Policy Department Represents Industry on Regulatory Issues

The political climate in Washington was one of gridlock in 2013, with the failure of significant legislation to pass in both chambers and a 16-day government shutdown in October.

Despite the bleak circumstances in Congress, Washington’s regulatory bodies, such as the Environmental Protection Agency (EPA), continued to be highly active developing regulations and guidelines impacting manufacturers and others.

The Aluminum Association’s Policy Department worked diligently to represent the industry’s interests in front of a number of agencies. The Association expanded efforts to lobby for favorable regulations and worked to ensure that the aluminum industry is not unfairly impacted by overly burdensome government actions.

Among the top accomplishments for this year include the EPA adopting Association recommendations to fix confidential business information requirements for greenhouse gas reporting. This action prevents the EPA from disclosing sensitive production information, which would put the aluminum industry at a disadvantage. The Association also minimized testing burdens for facilities undergoing review of their air emissions permitting requirements.

Both of these outcomes will result in significant compliance savings for affected facilities.

The Association will continue to work with the EPA in 2014. On climate change, the Association is advocating for:

• Credit for early action on emissions
• Access to predictable and reasonable energy rates
• Incorporation of recycling recognition into policy

Work will also continue on Primary and Secondary MACT negotiations, action on SO2 NAAQS, and solid waste and water regulation.
Marlan Boultinghouse Award winner
Doug Richman of Kaiser Aluminum.
Spring and Fall Meetings Bring Members Together

One of the highlights of membership with the Aluminum Association is the community created by bringing industry leaders together to tackle collective challenges and issues. Each year, the Association convenes forums on emerging and relevant issues in order to strengthen the industry. These meetings help to deepen engagement and networking within and between member companies. Understanding their importance to the membership, the Association strives to continually improve meeting offerings.

This spring, members participated in events and heard from high-profile speakers during our spring meeting at Wild Dunes Resort in Isle of Palms, SC. A dinner at Boone Hall Plantation, a member golf tournament and industry insight from Alcoa’s CFO William Oplinger capped off a busy week of Committee and Division activity.

And in the fall, more than 100 industry representatives gathered to celebrate 80 years of the Aluminum Association at Nemacolin Woodlands Resort in Farmington, PA. The Association recognized outgoing Chairman Pat Franc of Tri-Arrows Aluminum and voted in Layle “Kip” Smith of Noranda Aluminum and Garney B. Scott, III as Chairman and Vice Chairman of the Association. In addition, Doug Richman of Kaiser Aluminum received the Marlan Boultinghouse Award, the highest honor given by the North American aluminum industry.

Meeting sponsorship and attendance were both up in 2013 and the Association hopes to continue this trend in 2014 with a spring meeting in San Antonio, TX and a fall meeting in Washington, D.C.
2013 Update of Aluminum Standards and Data Keeps Commerce Moving

For more than 60 years, the Aluminum Association has worked with the industry to develop and maintain technical standards for aluminum production. From designating alloys to answering technical questions to engaging with the academic community, the Association’s Standards & Technology Department creates the backbone of a vital communication system that facilitates the production, sale and use of aluminum.

This year, with the help of the Technical Committee on Product Standards, the Association released the 2013 edition of Aluminum Standards and Data. The first update in more than 4 years, Aluminum Standards and Data 2013 is the preeminent reference for aluminum mill product standards. Among other changes, this year’s report updated chemical limits and mechanical property tables to include new alloys and tempers; revised the terminology section to improve clarity and added new color codes for alloy identification.

With a reinvigorated staff, the Association is ready to tackle new challenges in 2014. This work will include support of the new Aluminum Transportation Group Joining Manual, revisions to several of the “Rainbow Sheets” and revised Standards for Aluminum Sand and Permanent Mold Castings. The Aluminum Design Manual is also due for an update and is planned to be published at the beginning of 2015. At all times, the Association will keep its primary objective in mind – to develop and maintain the standards needed to grow the aluminum market.
Business Information and Statistics Provide Vital Market Insight

With the demand for real-time, actionable business information more important today than ever before, the Aluminum Association provides a vital service. As the principal source for statistics on the North American aluminum industry, the Association publishes 27 different reports covering every segment of the market.

Through ongoing surveys of more than 100 aluminum producers, the Association is able to deliver data on 100 percent of all primary and 86 percent of mill output in the U.S. and Canada. From the monthly industry overview Situation report to Primary Production Data to market specific reports on sheet, plate, foil and extruded products, this data offers insight into virtually every aspect of the metal’s production and use.

This year, the Association also published the 2012 Aluminum Statistical Review, the most comprehensive source for North American industry data, covering every cycle of the production process from primary aluminum to end uses to the recovery of aluminum scrap. The review showed that, for the third straight year, aluminum demand grew in the United States and Canada, led by improvements in the transportation and building and construction markets.

In 2014, the Association will continue this critical work in concert with the Statistical and Market Research Committee. Already, surveys are underway for a planned 2014 release of an updated North America Aluminum Industry Plant Directory and the North America Aluminum Industry Extrusion Press Directory, additional key sources of intelligence provided by the Association.
Aluminum Association Public Affairs staff on a site tour of Smelter Service in Mt. Pleasant, TN.
SAFETY

Association Works Toward an Ever-Safer Industry

With the tragic fertilizer plant explosion in West, TX making headlines this year, industry safety was at the forefront of the national policy agenda. Notable following the accident were questions raised about safety protocols and chemical reporting occurring at the plant. The disaster underscored the vital importance of industry safety programs, long a priority of the aluminum industry and the Aluminum Association.

In 2013, the Association had record attendance for two Casthouse Safety Workshops in Phoenix, AZ and Columbus, OH. These workshops provide a unique opportunity for industry safety experts to educate plant workers on the proper handling of molten metal, scrap charging, incident investigation and protective clothing and equipment.

The Association also worked with associate member company SECAT to complete a new Fire Retardant Fabric report. The report renews and extends the Association’s previous work on fire retardant fabrics and also established an ongoing partnership with SECAT so that regular testing can be carried out in the future.

As demands for a safe and healthy workplace continue to grow, the Association will be at the forefront advocating and educating for a safe aluminum industry.
BUDGETED PROGRAM SPENDING

- 2013 $6.5m
- 2014 $5.8m

CORE PROGRAM COST - $4.7M

(Offset by $295,000 in cross charges)

ALUMINUM ASSOCIATION RESERVES

Total Cost $’000

2004: 1,200,000
2005: 1,300,000
2006: 1,400,000
2007: 1,700,000
2008: 1,100,000
2009: 1,200,000
2010: 1,300,000
2011: 1,000,000
2012: 1,200,000
2013 Est.: 1,600,000
STEWARDSHIP

Finances Remain Steady through Strategic Resource Management

The Association works diligently to properly manage member company resources. Just as our membership remains nimble in order to manage global fluctuations in the aluminum market, the Association, too, continually monitors and shifts resources to ensure a strong financial footing and prudent use of member funding.

The Association ended fiscal year 2013 in a stronger financial position than where it began. At year’s end, the Association estimates a surplus of $300,000, boosting the reserves to more than $1.6 million. This reversed a significant budget shortfall projected mid-year and more than doubles the Association’s total reserves compared to the year-end of 2008.

The ongoing changes in the global aluminum marketplace have a direct impact on the Association’s ability to attract and retain members. Despite this fluidity, the Association was able to end the year with a net gain in membership, losing 7 members while gaining 11 members in 2013.

The 2014 budget, which was approved by the Board of Directors in October, calls for a total spend of $5.83 million – down approximately 10 percent from the 2013 budget of $6.51 million. This decrease is primarily a result of reduced funding in the voluntary divisions and committees. The core budget, comprising direct program costs and administrative expenses, will increase by 1.8 percent in 2014 and has been prepared as a break-even.
The Aluminum Association expresses its sincere appreciation to all members who served in leadership roles and otherwise on Association Committees, Divisions and the Board of Directors in 2013.

**BOARD OF DIRECTORS**

Layle “Kip” Smith, Noranda, Chairman
Garney B. Scott, III, Scepter, Inc., Vice Chairman
Matt Aboud, Hydro
William Aronson, Metal Exchange Corp.
John Barneson, Kaiser Aluminum*
Eugenio Clariond, Cuprum*
Tony Farraj, Alcoa*
Andrew Fellon, Fellon-McCord
Pat Franc, Tri-Arrows Aluminum*
Dietrich Gross, Jupiter
David Hazelett, Hazelett Strip Casting
Étienne Jacques, Rio Tinto Alcan*
John Lapides, United Aluminum

The Aluminum Association honored outgoing Chairman Pat Franc of Tri-Arrows Aluminum during its 80th anniversary celebration at Nemacolin.
Patrick Lawlor, Sapa Extrusions Americas*
Kurt Leopold, Valimet
Wes Oberholzer, Wise Metals*
Michelle O’Neill, Alcoa*
Marco Palmieri, Novelis North America*
Kevin Person, Wagstaff
Lisa Scheller, Silberline Manufacturing*
Jerry Sweeney, Tennessee Aluminum Processors
Kelly Thomas, Aleris*

COMMITTEES & LEADERSHIP

Aluminum Transportation Group
   Tom Boney, Novelis, Chairman

Associate Member
   Andrew Fellon, Fellon-McCord, Chairman

Building & Construction
   Paul Henri Chevalier, Jupiter Aluminum, Chairman

Can Sheet Producers
   Steve Williamson, Tri-Arrows Aluminum, Chairman

Engineering Design Task Force
   Stephen Sunday, Alcoa, Chairman

Environmental
   Mike Palazzolo, Alcoa, Chairman

Finance
   Lisa Scheller, Silberline Manufacturing, Chairman

Government & International Affairs
   Mike Belwood, Alcoa, Chairman

Health & Safety
   Jim Fear, Novelis, Chairman

Legal Audit
   John Donnan, Kaiser Aluminum, Chairman

Membership
   Kelly Thomas, Aleris, Chairman

Nominating
   John Barneson, Kaiser Aluminum, Chairman

Statistical & Market Research
   Tim Calvin, Noranda, Chairman

Sustainability & Communications
   Wes Oberholzer, Wise Metals, Chairman

Technical Committee on Product Standards
   Becky Wyss, Alcoa, Chairman

Technical Committee on Welding and Joining
   Tony Anderson, Hobart Aluminum, Chairman

DIVISIONS & LEADERSHIP

Casting & Recycling
   Terrance Hogan, Aleris, Chairman

Electrical
   Christel Hunter, General Cable, Chairman

Pigments & Powder
   Barton White, Ecka Granules, Chairman

Primary Aluminum
   Steve Robuck, Noranda, Interim Chairman

Sheet & Plate
   Brian Pendrak, Alcoa, Chairman

*Executive Committee Member