

ALERIS INTERNATIONAL, INC.

CODE OF BUSINESS CONDUCT AND ETHICS

INTRODUCTION

This Code of Business Conduct and Ethics (the “Code”) applies to Aleris International, Inc. and its divisions and subsidiaries (which are collectively referred to in this Code as the “Company”) and all directors, officers, employees and agents of the Company. Our Code covers a wide range of business practices and procedures. It does not cover every issue that may arise, but it sets out basic principles to guide all employees, officers and directors. We want you to be aware of commonly applicable laws and regulations and to be able to recognize sensitive areas and issues.

The Company wants it clearly understood that adherence to this Code carries the highest priority. Those who violate the standards in this Code are subject to appropriate, case-specific disciplinary action, up to and including termination of employment. This Code is administered by the Company’s Legal Department.

We expect you to seek guidance when necessary in accordance with the procedures explained in Section 22 of this Code, and to report suspected crimes and violations of this Code by contacting our General Counsel in our Legal Department (Chris Clegg 216-910-3502). If you prefer to write, address your concerns to: (Chris Clegg, 25825 Science Park Drive, Suite 400, Beachwood, Ohio 44122-7392).

1. Compliance with Laws, Rules and Regulations

Obeying the law is the foundation on which the Company’s ethical standards are built. All employees must respect and obey the laws of the cities, states and countries in which we operate. Not all employees are expected to know the details of these laws, however, if you are concerned or unsure about the legality of any actions or practices, we expect you to seek advice through the procedures outlined in Section 22 of this Code.

2. Payments to Government Personnel

The U.S. Foreign Corrupt Practices Act (“FCPA”) prohibits giving anything of value, directly or indirectly, to officials of foreign governments or foreign political candidates in order to obtain or retain business. The FCPA’s accounting, recordkeeping and internal controls provisions apply to both foreign and U.S. operations and complement its antibribery provisions by prohibiting the creation of unreported slush funds, unreported illegal payments and other instances of false books and records. The Company’s policy is that it is strictly prohibited to make illegal payments to government officials of any country or to create false books and records to circumvent the Company’s internal accounting controls.

The U.S. government also has a number of laws and regulations regarding business gratuities which may be accepted by U.S. government personnel. The promise, offer or delivery to an official or employee of the U.S. government of a gift, favor or other gratuity in violation of these rules would not

only violate Company policy but could also be a criminal offense. State and local governments, as well as foreign governments, may have similar laws and regulations.

3. Environmental Compliance

The Company is committed to good environmental management. Our personnel must obtain environmental permits when required, understand their terms and conditions, and follow the rules. Any waste materials left over from Company operations must be disposed of legally and in a way that meets the Company's environmental policies. If something occurs in a facility that might harmfully affect employees or the community, it is Company policy to promptly communicate these situations to the community and affected employees through designated Company representatives and to develop a plan to correct them effectively and quickly. It is Company policy to respond truthfully and responsibly to questions and concerns about Company environmental actions, so if you are called upon by the Company for assistance with a governmental or media inquiry, provide only truthful and accurate information. For more information on our policies and philosophy in this important area, we refer you to the [Aleris Environmental Policy](#).

4. Internal Control Procedures

The Company has established accounting policies, systems, controls and records for authorizing, executing and recording, accurately, fairly and in reasonable detail, all transactions involving the Company's assets and liabilities. The Company's policy is that no employee will engage in any activity that circumvents the Company's accounting policies or systems of internal controls.

Company management is charged with establishing and maintaining an adequate internal control structure and procedures for the Company, in order to assess and report on the effectiveness of the Company's internal controls on an annual basis. The Company's outside auditors who certify the Company's financial statements are required to attest to management's assessment of the effectiveness of the Company's internal controls.

5. Antitrust

Company policy requires full compliance with all antitrust laws. Further, Company policy requires all persons acting on the Company's behalf to avoid even the appearance of conduct that is contrary to antitrust laws. Anyone who violates the law, or knowingly permits a subordinate to do so, is subject to Company disciplinary action, up to and including termination of employment. Criminal penalties and civil remedies for antitrust violations are severe for both the Company and the individual and include large fines and imprisonment. The following guidelines are by no means an exhaustive list of areas where antitrust laws apply. If you have questions about a specific business activity, consult with your supervisor or the Legal Department.

In certain circumstances, communications or relations with customers or suppliers can result in antitrust violations. For example, it is prohibited, through an understanding or threat, to restrict a customer's freedom to set its own prices and terms for its products or for the resale of the Company's products. Also prohibited are "tying sales" in which a customer must buy one Company product in order to buy another Company product or a Company supplier must sell one product to the Company in

order to sell another product to the Company. Probably the greatest danger for violations of the antitrust laws rests in contacts with competitors. The laws make illegal any agreement or understanding, expressed or implied, written or oral, which restricts competition. Good intentions, customer benefits and consumer benefits do not justify or excuse antitrust violations.

You must not engage in any communications with competitors which could result, or even appear to result, in

- price-fixing,
- bid-rigging,
- allocation of customers, markets or territories,
- boycotts, or
- production limits to restrain trade.

Many countries other than the U.S. also have antitrust laws (known in some countries as competition laws) that set and enforce standards of corporate and individual behavior in this area. They govern a wide range of Aleris's business activities in many jurisdictions. Because breaking these laws can bring very severe penalties to the Company and the individual, and because many competition and antitrust issues are very fact-specific, this is an area where you must consult the Legal Department if you need guidance.

6. Conflicts of Interest

Conflicts of interest are prohibited as a matter of Company policy. A “conflict of interest” exists when a person’s private interest interferes in any way with the interests of the Company. A conflict situation can arise when an individual takes actions or has interests that may make it difficult to perform his or her work for the Company objectively and effectively. Conflicts of interest may also arise when an employee, or a member of his or her family, receives improper personal benefits as a result of his or her position in the Company. It is almost always a conflict of interest for a Company employee to work simultaneously for a competitor, customer or supplier. You are not allowed to work for a competitor as an employee, consultant or board member. Any practice of Company personnel giving or accepting gifts, favors, personal discounts or similar arrangements to or from any person or entity that has a present or may have a future business relationship with the Company should only be carried out strictly in accordance with Company policies then in effect. The best policy is to avoid any direct or indirect business connection with our customers, suppliers or competitors, except on the Company’s behalf.

Each employee, officer and director is obligated to disclose his or her own conflict of interest (or any appearance of a conflict of interest) that might otherwise violate this Code. The Chief Executive Officer will report any conflicts of interest (or appearances thereof) to the Audit Committee of the Board of Directors. Ultimately, the end result of the process of disclosure, discussion and consultation may well be approval of certain relationships or transactions on the ground that, despite appearances, they are not harmful to the Company. However, unless the employee, officer or director in question has first gone through this process of disclosure and approval, these types of conflicts of interest (and appearances thereof) are prohibited.

7. Insider Trading

Employees who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of our business. All non-public information about the Company should be considered confidential information. To use non-public information for personal financial benefit or to “tip” others who might make an investment decision on the basis of this information is not only unethical but also illegal. Please refer to the Aleris Insider Trading Policy. If you have any questions, please consult the Company’s Legal Department.

8. International Boycotts

Company representatives may not cooperate with an international boycott of countries or peoples, unless approved by the U.S. Government. When conducting business in countries that enforce boycott activities, employees should review all relevant documents (for example inquiries, sales, orders, letters of credit, purchase orders and shipping papers) for illegal statements. Company representatives must also report to the U.S. Government any boycott-related requests for information, so be sure to report any such requests to your supervisor.

9. Government and Media Requests

The Company cooperates with reasonable requests from government agencies, authorities, and the media and has designated certain representatives to respond to such inquiries. If you are called upon by the Company for assistance with a governmental investigation or media inquiry, you must provide only truthful and accurate information. If a government or media representative approaches you, refer them to the Company’s Legal Department. Do not talk to government or media representatives on your own without prior approval and preparation, not because the Company has anything to hide, but rather so that correct and complete information is provided under appropriate circumstances.

10. Intellectual Property

The Company has made a large investment in the development of patents, trade secrets and other valuable intellectual property. The continued success of the Company is dependent upon the successful commercial development and exploitation of its intellectual property. Every employee is responsible for insuring that these valuable assets are protected and preserved. In most cases the Company will automatically own all rights in intellectual property created by an employee. In some cases, however, an employee may be asked to sign a separate document transferring the employee’s rights to the Company.

Infringement of other parties’ intellectual property rights is both expensive and illegal. It is the Company’s policy to avoid unauthorized use of other companies’ or persons’ proprietary intellectual property, including trademarks, service marks, patents, copyrights, and trade secrets.

Therefore, employees are instructed as follows:

- Employees responsible for purchasing and/or managing software should be familiar with

the terms of software licenses and should take steps to ensure that users of the software are familiar with any contractual limitations on use.

- Employees should not knowingly make unauthorized copies of software, use it in a manner, at a location, or on any machine, that is not authorized by the terms of the license agreement. As an example, employees should not bring software from home to use on their personal computers at work.
- Unless approved by appropriate management personnel, employees should not engage outside consultants or developers without adequate protection of the intellectual property rights of the Company.
- Employees should respect the intellectual property rights of other companies and persons and not knowingly misappropriate such property.

11. Corporate Opportunities

Employees, officers and directors may not take for themselves personally opportunities that are discovered through the use of Company information or property or as a result of their position with the Company. No employee may use Company property, information, or position for improper personal gain, and no employee may compete with the Company, directly or indirectly. Employees, officers, and directors owe a duty to the Company to advance our legitimate interests when the opportunity to do so arises.

12. Competition and Fair Dealing

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance and our processes, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing illegal disclosures by past or present employees of other companies is prohibited. Each employee should endeavor to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No employee should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other intentional unfair-dealing practices.

To maintain the Company's reputation, compliance with our quality processes and safety requirements is essential. In the context of the Company's ethics, quality requires that our products and services be processed, designed and produced to meet our obligations to customers. All inspection and testing documents must be correct, complete and handled in accordance with all applicable regulations and all customer materials and products must be handled and processed in accordance with contractual obligations.

Company personnel may offer or give gifts, favors, personal discounts or similar arrangements at the Company's expense to any person or entity with which the Company has, or is seeking a business relationship only in accordance with Company policies then in effect.

Offering or providing gifts, favors, personal discounts or similar arrangements or meals, entertainment and other forms of hospitality to government representatives (US or non-US) is not

permitted without the prior written approval of the Legal Department. See also the discussion under Section 2 of this Code: “Payments to Government Personnel.”

13. Discrimination and Harassment

The Company will not tolerate any illegal discrimination or harassment of any kind. Examples include derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances or sexually explicit remarks.

14. Health and Safety

Each employee has responsibility for maintaining an environmentally compliant and safe workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior are not permitted. Employees must report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs in the workplace will not be tolerated. Firearms in the workplace are prohibited.

15. Record-Keeping

The Company requires honest and accurate recording and reporting of information in order to make responsible business decisions. For example, only the true and actual number of hours worked should be reported. All financial books, records and accounts must correctly reflect transactions and events.

Business records and communications often become public, and we should avoid exaggeration, derogatory remarks, guesswork, or inappropriate characterizations of people and companies that can be misunderstood. This applies equally to e-mail, voice mail, internal memos, and formal reports. Records should always be retained or destroyed according to the Company’s record retention policies. In the event of litigation or governmental investigation you may be called upon to preserve all of your records. These requirements may not always be clear-cut, so if you have a question, we expect you to seek advice through the procedures described in Section 22 of this Code.

16. Confidentiality

Employees must maintain the confidentiality of confidential information entrusted to them by the Company or its customers. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information continues even after employment ends.

17. Protection and Proper Use of Company Assets

All employees should endeavor to protect the Company’s assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company’s profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Company equipment should

not be used for non-Company business. The obligation of employees to protect the Company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate Company policy. It could also be illegal and result in civil or even criminal penalties.

18. U.S. Economic Sanctions

For foreign policy reasons, the United States maintains economic sanctions against various foreign countries and entities. The economic sanctions laws carry both civil and criminal penalties for violations, and the Company and all of its subsidiaries must strictly honor these laws. These comprehensive sanctions prohibit almost all transactions with the governments of these countries, their state-owned companies, their private companies, their citizens, and their agents – wherever they are located. Transactions are also prohibited with terrorist, drug dealing, and other organizations and individuals that are so designated by the U.S. government.

In order to determine whether companies or individuals are affiliated with the sanctioned countries or entities, or are themselves the subject of sanctions, the U.S. Treasury Department maintains a list of “Specially Designated Nationals” and “Blocked Persons,” or similarly-named list(s). In order for the Company to proceed with any transaction with a foreign national or foreign entity, it must determine whether the foreign national or foreign entity is included on this list.

19. U.S. Export Controls

For national security reasons, the United States controls the export and re-export of a range of materials, equipment, goods, software, and technology. Controlled items can only be exported or re-exported if the Company has first obtained an export license or if the Company has determined that the item falls under certain license exceptions. Whether a license will be approved, and whether a license exception applies, depends on a combination of factors, including the item to be exported, the country of destination, who will be using the product, and for what purpose. Both civil and criminal penalties can apply to the Company and Company personnel if controlled items are illegally exported. The Company therefore must strictly honor the U.S. export control laws.

20. Foreign Exchange Controls

Certain countries have laws limiting their citizens' right to hold foreign currency. Residents of those countries who receive foreign currency – such as United States dollars – outside their homeland are required to exchange that currency for their national currency within a specific period of time. In order to avoid participating in a violation of these laws, Company personnel must make payments to foreign nationals and foreign companies solely to and in the name of the contracting party, addressed to that party's principal place of business, within that party's country of domicile. Company personnel may not enter into any transaction that evades currency, tax, or other laws of a foreign country.

21. Reporting any Illegal or Unethical Behavior

Employees are expected to cooperate in internal investigations of misconduct. Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior and for guidance on the best course of action in a particular situation. The Company also provides access to an anonymous hotline for reporting known or suspected auditing, accounting or other concerns.

The website address is: www.MySafeWorkplace.com

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

The international hotline is: 1-720-514-4400 (call collect from your location)

The Company does not permit retaliation against anyone who in good faith reports suspected violations or because he or she refused to carry out a directive that, in fact, constitutes a violation of this Code or violation of applicable federal or state law. Those who engage in retaliation will be subject to appropriate, case-specific disciplinary action, including termination of employment.

Additional reporting procedures may apply to certain employees who supervise or otherwise are involved in activities relating to internal controls and the preparation and review of the Company's financial statements under the Company's Code of Ethics for Chief Executive Officer and Senior Financial Officers.

22. Compliance Procedures

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with, and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your supervisor. This is the basic guidance for all situations. In many cases, your supervisor will be more knowledgeable about the question, and will appreciate being brought into the decision-making process. Remember that it is your supervisor's responsibility to help solve problems.

Seek help from Company resources. In the rare case where it may not be appropriate to discuss an issue with your supervisor or where you do not feel comfortable approaching your supervisor with

your question or concerns, discuss it locally with your plant manager or other Corporate officer. If that also is not appropriate, contact our General Counsel in the Legal Department (Chris Clegg, 216-910-3502). If you prefer to write, address your concerns to: Legal Department, (Chris Clegg, 25825 Science Park Drive, Suite 400, Beachwood. Ohio 44122-7392). The Company will maintain the anonymity of the employee and the confidentiality of the information that is reported to the fullest extent possible consistent with the Company's obligations to investigate the matter. Always ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

23. Certifications of Compliance

All of our employees must work honestly and in good faith. Employment with the Company depends on each employee's ability and willingness to comply with this Code. Adherence to these standards carries very high priority within Aleris. All employees, officers and directors are required to sign a Certificate of Compliance when they join the Company, certifying among other things that the individual has received a copy of this Code, has read it, understands it, and will apply it to all business interactions. A similar Certificate of Compliance will also have to be submitted periodically (at least annually).