

ALERIS INTERNATIONAL, INC.
CORPORATE GOVERNANCE GUIDELINES

Director Qualifications

The Board will have at least a majority of directors who meet the criteria for independence required under Sections 303A(1) and (2) of the New York Stock Exchange (NYSE) Listed Company Manual. The Nominating and Governance Committee of the Board is responsible for reviewing with the Board, on an annual basis, the requisite skills and characteristics of new Board members as well as the composition of the Board as a whole. Nominees for directorship will be selected by the Nominating and Governance Committee in accordance with the policies and principles set forth in its charter.

No director may serve on more than four (4) other public company boards. The Chief Executive Officer may not serve on more than two (2) other public company boards (in addition to service on the Company's Board) without prior approval of the Nominating and Governance Committee. Directors should advise the Chairman of the Nominating and Governance Committee in advance of accepting an invitation to serve on another public company board. No director may be nominated to a new term if he or she would be age 73 or older at the time of the election.¹

The Board does not believe it should establish term limits. Term limits have the disadvantage of losing the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company and its operations and, therefore, provide an increasing contribution to the Board as a whole.

Director Responsibilities

The basic responsibility of the directors is to exercise their business judgment to act in what they reasonably believe to be in the best interests of the Company and its shareholders. In discharging that obligation, directors should be entitled to rely on the honesty and integrity of the Company's senior executives and its outside advisors and auditors.

Directors are expected to attend Board meetings and meetings of committees on which they serve, and to spend the time needed and meet as often as necessary to properly discharge their responsibilities. Information and data that are important to the Board's understanding of the business to be conducted at a Board or committee meeting should generally be distributed in writing to the directors before the meeting.

The Board has no policy with respect to the separation of the offices of Chairman and the Chief Executive Officer. The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Company for the Board to make a determination when it elects a new chief executive officer.

The non-management directors will meet in regularly scheduled executive session without management, on at least a quarterly basis. In addition, the non-management directors may meet in special executive session meetings without management present, and adopt such notice and quorum policies as it may determine. At each executive session meeting, lead director (as selected by the Board on an annual basis) will preside at such executive session meetings

¹ All of the directors of the Company as of the date of the merger with Commonwealth (December 9, 2004) are exempt from any age limitation on their service.

Board Committees

The Board will have at all times an Audit Committee, a Compensation Committee and a Nominating and Governance Committee. (The Nominating and Governance Committee will be the "nominating/corporate governance committee" required by the NYSE.) All of the members of these committees will be independent directors under the criteria established by the NYSE, as well as meeting any additional requirements under the Sarbanes-Oxley Act of 2002. Each such committee will have its own charter. Committee members will be appointed by the Board upon recommendation of the Nominating and Governance Committee with consideration of the desires of individual directors. It is the sense of the Board that consideration should be given to rotating committee members periodically, but the Board does not feel that rotation should be mandated as a policy.

Additionally, the Board may also continue its establishment and maintenance of an Environmental Committee, which may have non-independent directors serve as members, so long as at least a majority of the committee membership is independent (as that term is used herein). The Health, Safety and Environmental Committee shall meet at least twice annually.

The Board and each committee have the power to hire independent legal, financial or other advisors as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

Director Access to Officers and Employees

Directors have full and free access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the CEO or the Secretary, or directly by the director. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent appropriate, copy the CEO on any written communications between a director and an officer or employee of the Company.

Director Compensation

The form and amount of director compensation will be determined for recommendation to the full Board by the Nominating and Governance Committee in accordance with the policies and principles set forth in its charter, and the Nominating and Governance Committee will conduct an annual review of director compensation. The Nominating and Governance Committee will consider that directors' independence may be jeopardized based on the level(s) of director compensation and perquisites, if the Company makes substantial charitable contributions to organizations with which a director is affiliated, or if the Company enters into consulting contracts with (or provides other indirect forms of compensation to) a director or an organization with which the director is affiliated.

Director Orientation and Continuing Education

All new directors must participate in an Orientation Program that should be conducted by the Company at some time following the annual meeting at which new directors are elected, to familiarize new directors with the Company. All other directors are also encouraged to attend the Orientation Program. In addition, all directors are encouraged to take continuing directors' education, the reasonable expenses of which will be paid or reimbursed by the Company.

CEO Evaluation and Management Succession

The Compensation Committee will conduct an annual review of the CEO's performance, as set forth in its charter. The Board of Directors will review the Compensation Committee's report in order to ensure that the CEO is providing the best leadership for the Company in the long- and short-term.

The Compensation Committee should make an annual report to the Board on succession planning. Succession planning should include adoption of policies and procedures in the event of an emergency or the retirement of the CEO. The entire Board will work with the Compensation Committee to nominate and evaluate potential successors to the CEO. The CEO should at all times make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

Annual Performance Evaluation

The Board of Directors will conduct an annual self-evaluation to determine whether it and its committees are functioning effectively.

Amended May 18, 2005