

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended March 31, 2024

or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 001-32312

Novelis Inc.

(Exact name of registrant as specified in its charter)

Canada

(State or other jurisdiction of incorporation or organization)

**3550 Peachtree Road NE, Suite 1100
Atlanta, GA**

(Address of principal executive offices)

98-0442987

(I.R.S. Employer Identification No.)

30326

(Zip Code)

Registrant's telephone number, including area code: **(404) 760-4000**

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

The registrant is a voluntary filer and is not subject to the filing requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934. However, the registrant has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months.

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The registrant is a privately held corporation. As of September 29, 2023, the last business day of the registrant's most recently completed second fiscal quarter, there was no established public trading market for the common stock of the registrant and therefore, an aggregate market value of the registrant's common stock is not determinable.

As of May 3, 2024, the registrant had 1,100 common shares outstanding. All of the registrant's outstanding shares were held indirectly by Hindalco Industries Ltd., the registrant's parent company.

DOCUMENTS INCORPORATED BY REFERENCE: **None**

COMMONLY USED OR DEFINED TERMS

Term	Definition
Adjusted EBITDA	As defined in Note 22 – Segment, Geographical Area, Major Customer and Major Supplier Information
Aleris	Aleris Corporation
AluInfra	AluInfra Services
Alunorf	Aluminium Norf GmbH
ASC	FASB Accounting Standards Codification
ASU	FASB Accounting Standards Update
Duffel	Plant located in Duffel, Belgium, required to be divested (Refer to Note 2 – Discontinued Operations)
ERM	Enterprise Risk Management
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
fiscal 2016	Fiscal year ended March 31, 2016
fiscal 2020	Fiscal year ended March 31, 2020
fiscal 2021	Fiscal year ended March 31, 2021
fiscal 2022	Fiscal year ended March 31, 2022
fiscal 2023	Fiscal year ended March 31, 2023
fiscal 2024	Fiscal year ended March 31, 2024
fiscal 2025	Fiscal year ending March 31, 2025
fiscal 2026	Fiscal year ending March 31, 2026
Form 10-K	Annual Report on Form 10-K
FRP	Flat-rolled products
GAAP	Generally Accepted Accounting Principles
Kobe	Kobe Steel, Ltd.
kt	kilotonne (One kt is 1,000 metric tonnes.)
LIBOR	London Inter-Bank Offered Rate
LME	The London Metals Exchange
LMP	Local market premium
Logan	Logan Aluminum Inc.
MMBtu	One decatherm or 1 million British Thermal Units
OEM	Original equipment manufacturer
PET	Polyethylene terephthalate
PU	Performance units
R&D	Research and development
RSUs	Restricted stock units
SARs	Stock appreciation rights
SEC	United States Securities and Exchange Commission
SG&A	Selling, general and administrative expenses
SOFR	Secured Overnight Financing Rate
Tri-Arrows	Tri-Arrows Aluminum Inc.
UAL	Ulsan Aluminum Ltd.
UBC	Used beverage can
U.K.	United Kingdom
U.S.	United States
VIE	Variable interest entity

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND MARKET DATA

This document contains forward-looking statements that are based on current expectations, estimates, forecasts and projections about the industry in which we operate, and beliefs and assumptions made by our management. Such statements include, in particular, statements about our plans, strategies, and prospects under the headings "Item 1. Business," "Item 1A. Risk Factors," and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations." Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "projects," "forecasts" and variations of such words and similar expressions are intended to identify such forward-looking statements. Examples of forward-looking statements in this Annual Report on Form 10-K include, but are not limited to, the expected timing and results from investments in certain operating facilities, including our greenfield, fully-integrated rolling and recycling mill currently being built in Bay Minette, Alabama; our projections regarding financial performance, liquidity, capital expenditures and investments; and the possible future impacts of any future epidemic or pandemic and the actions taken against them, including expectations about the impact of any changes in demand as well as volatility and uncertainty in general economic conditions; the possible future impacts of geopolitical instability due in part to the Russia-Ukraine conflict, attacks on shipping vessels in the Red Sea, and the ongoing conflict in the Gaza Strip; statements about our belief that long-term demand for aluminum automotive sheet will continue to grow; statements about our expectation that aerospace demand and shipments will continue to grow driven by increased air traffic and a need for fleet modernization; statements about our belief that significant aircraft industry order backlogs for key OEMs, including Airbus and Boeing, will translate into growth in the future and that our multi-year supply agreements have positioned us to benefit from future expected demand; statements about our belief that long term demand for flat-rolled aluminum remains strong; and statements about our expectation that long-term demand for building and construction and other specialty products will grow. These statements are based on beliefs and assumptions of Novelis' management, which in turn are based on currently available information. These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed, implied, or forecasted in such forward-looking statements. We do not intend, and we disclaim any obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Factors that could cause actual results or outcomes to differ from the results expressed or implied by forward-looking statements include, among other things:

- disruptions or changes in the business or financial condition of our significant customers or the loss of their business or reduction in their requirements;
- price and other forms of competition from other aluminum rolled products producers and potential new market entrants;
- the competitiveness of our end-markets, and the willingness of our customer to accept substitutes for our products, including steel, plastics, composite materials and glass;
- our failure to realize the anticipated benefits of strategic investments;
- increases in the cost or volatility in the availability of primary aluminum, scrap aluminum, sheet ingot, or other raw materials used in the production of our products;
- risk related to the energy-intensive nature of our operations, including increases to energy costs or disruptions to our energy supplies;
- downturns in the automotive and ground transportation industries or changes in consumer demand;
- union disputes and other employee relations issues;
- the impact of labor disputes and strikes on our customers;
- the loss of our key management and other personnel, or an inability to attract and retain such management and other personnel;
- unplanned disruptions at our operating facilities;
- economic uncertainty, capital markets disruption and supply chain interruptions, including as a result of geopolitical instability due to the ongoing military conflict between Russia and Ukraine, attacks on shipping vessels in the Red Sea, and the ongoing conflicts in the Gaza Strip and the surrounding region;
- risks relating to certain joint ventures, subsidiaries and assets that we do not entirely control;
- cybersecurity attack against, disruptions, failures or security breaches and other disruptions to our information technology networks and systems;
- risks related to rising inflation and prolonged periods of elevated interest rates;

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND MARKET DATA

- risks related to timing differences between the prices we pay under purchase contracts and metal prices we charge our customers;
- a deterioration of our financial condition, a downgrade of our ratings by a credit rating agency or other factors which could limit our ability to enter into, or increase our costs of, financing and hedging transactions;
- adverse changes in currency exchange rates;
- our inability to transact in derivative instruments, or our inability to adequately hedge our exposure to price fluctuations under derivative instruments, or a failure of counterparties to our derivative instruments to honor their agreements;
- an adverse decline in the liability discount rate, lower-than-expected investment return on pension assets;
- impairments to our goodwill, other intangible assets and other long-lived assets;
- tax expense, tax liabilities or tax compliance costs;
- risks related to the operating and financial restrictions imposed on us by the covenants in our credit facilities and the indentures governing our Senior Notes;
- our inability to protect our intellectual property, the confidentiality of our know-how, trade secrets, technology, and other proprietary information;
- risks related to our global operations, including the impact of complex and stringent laws and government regulations;
- risks related to global climate change, including legal, regulatory or market responses to such change;
- conflicts of interest and disputes arising between Hindalco and the Company that could be resolved in a manner unfavorable to the Company.

The above list of factors is not exhaustive.

This document also contains information concerning our markets and products generally, which is forward-looking in nature and is based on a variety of assumptions regarding the ways in which these markets and product categories will develop. These assumptions have been derived from information currently available to us and to the third-party industry analysts quoted herein. This information includes but is not limited to product shipments and share of production. Actual market results may differ from those predicted. We do not know what impact any of these differences may have on our business, our results of operations, financial condition, and cash flow. For a discussion of some of the specific factors that may cause Novelis' actual results or outcomes to differ materially from those projected in any forward-looking statements, refer to the following sections of this report: [Part I, Item 1A, Risk Factors](#) and [Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations](#).

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND MARKET DATA

In this Form 10-K, unless otherwise specified, the terms "we," "our," "us," "Company," and "Novelis" refer to Novelis Inc., a company incorporated in Canada under the Canadian Business Corporations Act, and its subsidiaries. References herein to "Hindalco" refer to Hindalco Industries Limited, which acquired Novelis in May 2007. Unless otherwise specified, the period referenced is the current fiscal year.

Commonly Referenced Data

As used in this Form 10-K, consolidated "aluminum rolled product shipments," "flat-rolled product shipments," or "shipments" refers to aluminum rolled product shipments to third parties. Regional "aluminum rolled product shipments," "flat-rolled product shipments," or "shipments" refers to aluminum rolled product shipments to third parties and intersegment shipments to other Novelis regions. Shipment amounts also include tolling shipments. References to "total shipments" include aluminum rolled product shipments as well as certain other non-rolled product shipments, primarily scrap, UBCs, ingots, billets, and primary remelt. The term "aluminum rolled products" is synonymous with the terms "flat-rolled products" and "FRP" which are commonly used by manufacturers and third-party analysts in our industry. All tonnages are stated in metric tonnes. One metric tonne is equivalent to 2,204.6 pounds. One kt is 1,000 metric tonnes.

A significant amount of our business is conducted under a conversion model, which allows us to pass through increases or decreases in the price of aluminum to our customers. Nearly all of our flat-rolled products have a price structure with three components: (1) a base aluminum price quoted off the LME; (2) a LMP; and (3) a "conversion premium" to produce the rolled product which reflects, among other factors, the competitive market conditions for that product. The use of the term "conversion premium" in this Form 10-K, refers to the conversion costs plus a margin we charge our customers to produce the rolled product, which reflects, among other factors, the competitive market conditions for that product, exclusive of the pass through aluminum price.

PART I

Item 1. Business.

Overview

Novelis is driven by its purpose of shaping a sustainable world together. We consider ourselves a global leader in the production of innovative, sustainable aluminum products and solutions and the world's largest recycler of aluminum. Our ambition is to be the leading provider of low-carbon, sustainable aluminum solutions and to achieve a fully circular economy by partnering with our suppliers and customers in beverage packaging, automotive, aerospace, and specialties (a diverse market including building and construction; signage; foil and packaging; commercial transportation; and commercial and consumer products, among others) markets throughout North America, Europe, Asia, and South America. We have recycling operations in many of our plants to recycle both post-consumer and post-industrial aluminum. During fiscal 2024, we had total shipment volumes of 3,924 kt and net sales of \$16.2 billion. Novelis is a subsidiary of Hindalco, an industry leader in aluminum and copper and the metals flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai.

Our History

Organization and Description of Business

Novelis was formed in Canada on September 21, 2004. On May 15, 2007, Novelis was acquired by Hindalco. Effective September 1, 2022, Novelis Inc. and AV Metals, Inc. (which, prior to such date, was our sole shareholder and a wholly owned subsidiary of AV Minerals (Netherlands) N.V.) completed a plan of arrangement, pursuant to which AV Metals, Inc. merged with and into Novelis Inc., with Novelis Inc. surviving the merger. As of the effectiveness of the plan of arrangement, all of the outstanding shares of Novelis are owned directly by AV Minerals (Netherlands) N.V. and indirectly by Hindalco. Prior to the effectiveness of the plan of arrangement, AV Metals, Inc. was a holding company, with its assets being comprised solely of its investment in Novelis, and without any operations. The plan of arrangement was a combination of entities under common control and resulted in a change in the reporting entity.

We produce aluminum sheet, plate, and light gauge products for use in the packaging market, which includes beverage and food can and foil products, as well as for use in the automotive, transportation, aerospace, electronics, architectural, and industrial product markets. As of March 31, 2024, we had manufacturing operations in nine countries on four continents: North America, South America, Europe, and Asia, with 32 operating facilities, which include any combination of hot or cold rolling, finishing, casting, or recycling capabilities. We have recycling operations in 14 of our operating facilities to recycle post-consumer aluminum, such as UBCs, and post-industrial aluminum, such as class scrap.

Our Industry

The aluminum market represents the global supply of, and demand for, aluminum sheet, plate, and foil produced either from sheet ingot or continuously cast roll-stock in rolling mills operated by both independent aluminum rolled products producers and integrated aluminum companies.

Specifically, aluminum rolled products are semi-finished aluminum products that constitute the raw material for the manufacture of finished goods, ranging from beverage packaging, which includes cans, cups and bottles, to automotive structures and body panels. There are two major types of manufacturing processes for aluminum products differing mainly in the process used to achieve the initial stage of processing:

- *hot mills* — which require sheet ingot, a rectangular slab of aluminum, as starter material; and
- *continuous casting mills* — which can convert molten metal directly into semi-finished sheet.

Both processes require subsequent rolling, which we refer to as cold rolling, and finishing steps such as annealing, coating, leveling, or slitting to achieve the desired thickness, width and metal properties. Most customers receive shipments in the form of aluminum coil, a large roll of metal, which can be utilized in their fabrication processes.

Industry Sources of Metal

There are two sources of input material: (1) primary aluminum, produced from alumina (extracted from bauxite), processed in a smelter, and (2) recycled aluminum, produced by remelting post-industrial and post-consumer scraps.

Primary aluminum can generally be purchased at prices set on the LME, plus an LMP that varies by geographic region of delivery, alloying material, form (ingot or molten metal) and purity.

Recycled aluminum is generally produced internally from procured scrap or purchased at a discount compared to the price of primary aluminum depending on type and quality of the scrap, geographic region, and other market factors.

Industry End-use Markets

Aluminum rolled products companies produce and sell a wide range of products, which can be grouped into five end-use markets: (1) packaging, (2) transportation, (3) architectural, (4) industrial, and (5) consumer durables and other. Within each end-use market, aluminum rolled products are manufactured with a variety of alloy mixtures, including a range of tempers (hardness), gauges (thickness), and widths as well as various coatings and finishes. Large customers typically have customized needs that require close working relationships, including technical development and support from their supplying mills.

Due to aluminum's lightweight characteristics, recyclability, and formability properties, aluminum product companies serve a diverse set of end-markets including beverage packaging, automotive, aerospace, and a variety of other end-markets. The recyclability of aluminum enables it to be used, collected, melted, and returned to the original product form an unlimited number of times, unlike paper and PET plastic, which deteriorate with every iteration of recycling.

Packaging. Aluminum is used in beverage packaging, food cans, beverage screw caps, and foil, among others. Beverage packaging is one of the largest aluminum rolled products applications. We believe aluminum remains the most sustainable packaging material for beverage brands. In addition to their recyclability, aluminum beverage packaging offers advantages in fabricating efficiency and product shelf life. Fabricators are able to produce and fill beverage cans at very high speeds, and non-porous aluminum cans provide longer beverage shelf life than glass or PET plastic containers. Additionally, the use of aluminum to package beverages such as craft beer is increasing, as aluminum blocks sunlight and therefore maintains the quality and taste of the product longer. Aluminum cans are light, stackable and use space efficiently, making them convenient and cost-efficient to ship.

Beverage packaging is sold in coil form for the production of can bodies, ends, and tabs. The material can be ordered as rolled, degreased, pre-lubricated, pre-treated, and/or lacquered. Typically, can makers define their own specifications for material to be delivered in terms of alloy, gauge, width, and surface finish.

Foil wrap or packaging foil is another packaging application and it includes household and institutional aluminum foil. Container foil is used to produce semi-rigid containers such as pie plates and take-out food trays.

Transportation. Aluminum rolled products are used in vehicle structures (also known as "body-in-white"), as well as automotive body panel applications, including hoods, doors, deck lids, fenders, and lift gates. Flat-rolled aluminum sheet is also used in the production of battery enclosures for the growing electric vehicle market. These uses typically result from cooperative efforts between aluminum rolled products manufacturers and their customers that yield solutions for specific requirements in alloy selection, fabrication procedure, surface quality and joining. There has been growth in certain geographic markets in passenger and commercial vehicle applications due to the lighter weight, better fuel economy and improved emissions performance associated with these applications. We expect increased growth in this end-use market driven by the increased adoption of electric vehicles, which use higher amounts of aluminum, as well as government regulations requiring improved emissions and better fuel economy for internal combustion engine vehicles, while also maintaining or improving vehicle performance and safety.

Heat exchangers, such as radiators, air conditioners, and auto fin material, are an important application for aluminum rolled products in the transportation end-use market. Automotive OEMs also use aluminum sheet, with specially treated surfaces and other specific properties, for interior and exterior applications. Newly developed alloys are being used in transportation tanks and rigid containers, allowing for safer and more economical transportation of hazardous and corrosive materials.

Aluminum is also used in aerospace applications, as well as in the construction of ships' hulls, superstructures, and passenger rail cars because of its strength, light weight, formability, and corrosion resistance.

Architectural. Construction is the largest application within this end-use market. Aluminum rolled products developed for the construction industry are often decorative and non-flammable, offer insulating properties, are durable and corrosion resistant, and have a high strength-to-weight ratio. Aluminum siding, gutters, and downspouts comprise a significant amount of construction volume. Other applications include doors, windows, awnings, canopies, facades, roofs, and ceilings.

Industrial. Industrial applications include heat exchangers, process and electrical machinery, lighting fixtures, furniture, and insulation.

Consumer Durables and Other. Aluminum's lightweight characteristics, high formability, ability to conduct electricity and dissipate heat and its corrosion resistance makes it useful in a wide variety of electronic applications. Uses of aluminum rolled products in electronics include flat screen televisions, personal computers, laptops, and mobile devices. Other uses of aluminum rolled products in consumer durables include microwaves, coffee makers, air conditioners, and cookware and utensils.

Market Structure and Competition

The aluminum rolled products market is highly competitive and is characterized by economies of scale, and significant capital investments are required to achieve and maintain technological capabilities and demanding customer qualification standards. Our primary aluminum competitors are as follows.

North America

Arconic Corporation ("Arconic")
Commonwealth Rolled Products
Constellium SE ("Constellium")
Golden Aluminum
Gränges AB
JW Aluminum
Kaiser Aluminum
Ma'aden - Saudi Arabian Mining Company ("Ma'aden")
Shandong Nanshan Aluminum Co., Ltd.
UACJ Corporation/Tri-Arrows

Asia

Arconic
Binzhou Weiqiao Aluminium Science & Technology Co., Ltd.
China Zhongwang Holdings Limited
Chinalco Group
Henan Mingtai Aluminum Industrial Co., Ltd.
Henan Zhongfu Industrial Co., Ltd.
Kobe
Ma'aden
Shandong Nanshan Aluminum Co., Ltd.
Southwest Aluminum (Group) Co., Ltd.
UACJ Corporation

Europe

Aluminum Duffel BV
AMAG Austria Metall AG
Arconic
Constellium
Elval Hellenic Aluminium Industry S.A.
Gränges AB
Henan Zhongfu Industrial Co., Ltd.
Hulamin
Ma'aden
Shandong Nanshan Aluminum Co., Ltd.
Speira GmbH

South America

Companhia Brasileira de Alumínio
Hulamin Limited
Shandong Nanshan Aluminum Co., Ltd.

The factors influencing competition vary by region and end-use market, but generally we compete on the basis of our value proposition, which includes price, product quality, the ability to meet customers' specifications, range of products offered, lead times, technical support, and customer service. In some end-use markets, competition is also affected by customers' requirements that suppliers complete a qualification process to supply their plants. This process can be rigorous and may take many months to complete. As a result, obtaining business from these customers can be a lengthy and expensive process. However, the ability to obtain and maintain these qualifications can represent a competitive advantage.

In addition to competition from others within the aluminum rolled products industry, we also face competition from non-aluminum material producers. In the packaging end-use market (primarily beverage and food cans), aluminum rolled products compete mainly with glass, PET plastic, and steel. In the transportation end-use market, aluminum rolled products compete mainly with steel and composites. Aluminum competes with wood, plastic, cement, steel and other materials in building products applications. Aluminum competes with steel, copper, plastic, glass, and other materials in industrial applications. Additionally, aluminum rolled products compete mainly with plastic, steel, and magnesium in the consumer durables end-use market. Factors affecting competition with substitute materials include price, ease to manufacture, consumer preference and performance characteristics.

Key Factors Affecting Supply and Demand

The following factors have historically affected the supply of aluminum rolled products:

Production Capacity and Alternative Technology. The addition of rolling capacity requires large capital investments and significant plant construction or expansion, and typically requires long lead-time equipment orders. Advances in technological capabilities allow aluminum rolled products producers to better align product portfolios and supply with industry demand. There are lower cost ways to enter the industry such as continuous casting, which offers the ability to increase capacity in smaller increments than is possible with hot mill additions. However, the continuous casting process results in a more limited range of products.

Trade. Some trade flows occur between regions despite shipping costs, import duties, tariffs, and the lack of localized customer support. Higher value-added products are more likely to be traded internationally, especially if demand in certain markets exceeds local supply. With respect to less technically demanding applications, emerging markets with low-cost inputs may export commodity aluminum rolled products to larger, more mature markets as we have seen with China.

The following factors have historically affected the demand for aluminum rolled products:

Economic Growth. We believe that economic growth is a significant driver of aluminum rolled products demand. In mature markets, growth in demand has typically correlated closely with industrial production growth. In many emerging markets, growth in demand typically exceeds industrial production growth largely because of expanding infrastructures, capital investments and rising incomes that often accompany economic growth in these markets.

Substitution Trends. Manufacturers' willingness to substitute other materials for aluminum in their products and competition from substitution materials suppliers also affect demand. There has been a strong substitution trend toward aluminum in the use of vehicles as automobile manufacturers look for ways to meet fuel efficiency regulations; improve performance; reduce carbon emissions in a cost-efficient manner; and lower vehicle weight, particularly in electric vehicles. As a result of aluminum's durability, strength and light weight, automobile manufacturers are substituting heavier alternatives, such as steel and iron, with aluminum. Carbon fiber and plastics are other lightweight material options, but their relatively high cost and limited end-of-life recyclability reduce their competitiveness as widespread material substitutes today. Consequently, demand for flat-rolled aluminum products has increased. We also see strong substitution trends toward aluminum in the beverage packaging market. With aluminum being the most sustainable packaging material for beverages, demand for infinitely recyclable aluminum remains strong. Package mix shift from other materials like glass, steel and PET plastic into aluminum, and new beverage introductions – such as energy drinks, canned cocktails, spiked seltzers, and sparkling waters – all support demand levels.

Seasonality. We typically experience seasonal slowdowns in our third fiscal quarter, resulting in lower shipment volumes. However, this has been less significant as we shift and diversify our product portfolio. The seasonal slowdowns are a result of declines in overall production output due primarily to holidays and cooler weather in North America and Europe, our two largest operating regions. We are less impacted by seasonal downturns in construction activity. We also experience downtime at our mills and customers' mills due to scheduled plant maintenance.

Sustainability. Growing awareness of environmentalism and demand for recyclable products, particularly increased consumer preference for more sustainable beverage packaging options, has increased the demand for aluminum rolled products. Unlike other commonly recycled materials such as paper or PET plastic, aluminum can be infinitely recycled without affecting the quality of the product. Additionally, the recycling process uses approximately 95% less energy than is required to produce primary aluminum, with an approximate equivalent reduction in greenhouse gas emissions.

Our Business Strategy

The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this Form 10-K, particularly in [Special Note Regarding Forward-Looking Statements and Market Data](#) and [Part I, Item 1A, Risk Factors](#).

Novelis is driven by its purpose of shaping a sustainable world together. Our ambition is to be the world's leading provider of low-carbon, sustainable aluminum solutions that advance our business, industry, and society toward the benefits of a circular economy. To achieve these objectives, we plan to focus on the following areas:

Defend the Core

Novelis is the leading global flat-rolled aluminum supplier in the beverage packaging and automotive markets. We intend to protect our leadership position by continuing to deliver best-in-class customer service with high quality, service, and innovative solutions that differentiate our products. We are committed to producing the best quality products and aiming to provide reliable, on-time delivery in order to be a true partner in innovation and sustainable supply solutions. We are focused on building and maintaining strong, positive relationships with all of our customers and increasing our production capacity to meet growing demand. We have established a global network of Customer Solution Centers to accelerate collaborative innovation between Novelis and our automotive and beverage packaging customers to determine how to maximize lightweight, high-strength aluminum for the next generation of vehicle and packaging design.

In addition, we plan to maintain a competitive cost structure by managing metal input costs and employing initiatives to improve operational efficiencies across our global network. This includes a commitment to employee safety, product quality, and system reliability. As a manufacturing organization, we are committed to a culture focused on health and safety across all levels of the organization. We are focused on optimizing our manufacturing and recycling operations to increase asset utilization and productivity. We continue to pursue standardization of our manufacturing processes where possible, while still allowing the flexibility to respond to local market demands.

Utilizing recycled material allows us to diversify our metal supply, helps control metal costs, and provides environmental benefits. We define recycled content as total aluminum rolled product shipments minus primary metal (net of metal loss) plus coated scrap and runaround melt loss. The percentage of recycled content within our aluminum rolled product shipments has increased from 33% to 63% from fiscal 2011 to fiscal 2024. We work closely with our customers on innovation to drive more sustainable products for society. We are the only company of our size offering high-recycled-content aluminum sheet for beverage and specialty product customers. We are also working closely with our automotive customers to redesign automotive alloys to be made with more recycled inputs, as well as purchasing the aluminum scrap generated by our automotive customers through closed-loop-recycling partnerships.

Strengthen our Product Portfolio

We maintain a focus on capturing global growth in beverage packaging, automotive, aerospace, and specialty products markets. Our management approach helps us to systematically identify opportunities to improve the profitability of our operations through product portfolio analysis. This helps us target growth in attractive market segments, while also taking actions to exit or minimize participation in less attractive ones. We will continue to focus on these core product markets to drive profitability, while also aiming to broaden our customer base and explore new verticals and product markets that fit within our overall strategic vision, which is to lead the aluminum industry as the partner of choice for innovative solutions.

Invest in Growth Opportunities

Over the past several years, we have invested in world-class assets and technical capabilities to meet increasing global demand for aluminum, particularly within the automotive market due to our continued focus on scaling our business model and growing alongside our customers.

With strong markets, innovative products, solid customer partnerships, financial flexibility, and decades of manufacturing and recycling experience, we expect to see robust growth and organic investment opportunities for many years to come, despite the near term headwinds we have encountered since late fiscal 2022. We have identified approximately \$6.4 billion of potential organic growth capital spend opportunities focused on increasing capacity and capabilities that meet growing customer demand and align with our sustainability commitments. Approximately \$4.9 billion of specific, announced projects are already underway, with additional rolling and recycling capacity investment opportunities under appraisal.

We believe Novelis has the balance sheet strength and financial flexibility to invest in growth in a prudent, disciplined manner that will allow us to maintain net debt leverage targets and shareholder return commitments. We also plan to continue to implement World Class Manufacturing initiatives and leverage digital technologies and other advancements in R&D and IT to unlock capacity, capture growth, and support sustainability initiatives.

For a discussion of recent commitments and expenditures, see [Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations](#).

Working Capital

We manage working capital based on cash needs and to balance the timing of trade payables and receivables, including though factoring of trade receivables.

Raw Materials and Suppliers

The input materials we use in manufacturing include primary aluminum, recycled aluminum, sheet ingot, alloying elements, and grain refiners. These raw materials are generally available from several sources and are not generally subject to supply constraints in normal market conditions. We also consume considerable amounts of energy in the operation of our facilities. For a discussion of current inflation and supply chain impacts on our materials, see [Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations](#).

Aluminum

We obtain aluminum from a number of sources, including the following:

Primary Aluminum Sourcing. We purchased or tolled approximately 1,421 kt of primary aluminum in fiscal 2024 in the form of sheet ingot, standard ingot, and molten metal.

Aluminum Products Recycling. We operate facilities in several plants to recycle post-consumer aluminum, such as UBCs collected through recycling programs. In addition, we have agreements with several of our large customers to have a closed-looped system whereby we take production scrap material from their fabricating activity and recycle it by re-melting, casting, and rolling it to re-supply these customers with aluminum sheet. Other sources of recycled material include lithographic plates and products with longer lifespans, like vehicles and buildings, which are starting to become high-volume sources of scrap material to be recycled. We purchased or tolled approximately 2,316 kt of recycled aluminum in fiscal 2024.

The overall benefit we receive from utilizing recycled metal is influenced by the overall price levels of the LME and local market premiums, the spread between the price for recycled aluminum and the LME primary aluminum price, and our consumption levels of the recycled material inputs. We have in the past and may continue to seek to stabilize our future exposure to metal prices through the use of derivative instruments.

Energy

We use several sources of energy in the manufacturing and delivery of our aluminum rolled products. In fiscal 2024, natural gas and electricity represented approximately 98% of our energy consumption by cost. We also use fuel oil and transport fuel. The majority of energy usage occurs at our casting centers and during the hot rolling process. Our cold rolling facilities require relatively less energy. We purchase our natural gas on the open market, which subjects us to market pricing fluctuations. We have in the past and may continue to seek to stabilize our future exposure to natural gas prices through the use of derivative instruments. A portion of our electricity requirements are purchased pursuant to long-term contracts in the local regions in which we operate. A number of our facilities are located in regions with regulated prices, which affords relatively stable costs. We have fixed pricing on some of our energy supply arrangements.

Our Operating Segments

We report our results of operations in four segments: North America, Europe, Asia, and South America. Due in part to the regional nature of supply and demand for aluminum solutions and to best serve our customers, we manage our activities based on geographic areas. Each segment manufactures aluminum sheet and light gauge products and recycles aluminum, while our Asia and Europe segments also produce aerospace and industrial plate.

The table below shows net sales and total shipments by segment. For additional financial information related to our operating segments, see [Note 22 – Segment, Geographical Area, Major Customer and Major Supplier Information](#) to our accompanying consolidated financial statements.

<i>Net sales in millions/shipments in kt</i>	<u>Fiscal 2024</u>	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>
Consolidated			
Net sales	\$ 16,210	\$ 18,486	\$ 17,149
Total shipments	3,924	4,071	4,080
North America⁽¹⁾			
Net sales	\$ 6,717	\$ 7,550	\$ 6,735
Total shipments	1,528	1,530	1,480
Europe⁽¹⁾			
Net sales	\$ 4,426	\$ 5,059	\$ 4,720
Total shipments	1,081	1,147	1,187
Asia⁽¹⁾			
Net sales	\$ 2,610	\$ 3,014	\$ 3,036
Total shipments	742	753	788
South America⁽¹⁾			
Net sales	\$ 2,461	\$ 2,893	\$ 2,638
Total shipments	708	754	716

(1) Net sales and total shipments by segment include intersegment sales and the results of our affiliates on a proportionately consolidated basis, which is consistent with the way we manage our business segments.

A description of our operating segments during all or part of fiscal 2024 follows.

North America

Novelis North America operates 16 aluminum products facilities. This includes six facilities with recycling operations that re-melt post-consumer and post-customer production aluminum. Most of the recycled material is from UBCs and automotive scrap, and the material is cast at our plants in Berea, Kentucky; Davenport, Iowa; Greensboro, Georgia; Oswego, New York; Russellville, Kentucky; and Uhrichsville, Ohio.

Our North American facilities manufacture a broad range of aluminum sheet and light gauge products. End-use markets for this segment primarily include beverage packaging, containers and packaging, automotive and other transportation applications, architectural, and other industrial applications. Beverage and food can represent the largest end-use market in terms of shipment volume for North America.

A significant portion of North America's volumes is also directed toward the aluminum automotive sheet market, produced at our plants in Oswego, New York; Kingston, Ontario; and Guthrie, Kentucky.

We currently have large capital expenditures projects underway to expand rolling capacity in Oswego, New York; and Russellville, Kentucky; and to construct a highly advanced automotive recycling facility in Guthrie, Kentucky. We have also broken ground on a fully integrated, greenfield rolling and recycling facility in Bay Minette, Alabama, which we expect to have an annual rolled aluminum production capacity of 600 kt. We expect the total project capital cost for the Bay Minette plant to be approximately \$4.1 billion.

Europe

Novelis Europe operates 10 aluminum rolled product facilities, including five facilities with recycling operations. Recycling activities occur at plants in Latchford, United Kingdom; Pieve, Italy; and Nachterstedt, Neuss, and Voerde, Germany.

Our European facilities manufacture a broad range of sheet, plate, and foil products. End-use markets for this segment include beverage and food can, automotive, architectural and industrial products, foil products, aerospace, and other products. Beverage packaging represents the largest end-use market in terms of shipment volume for Europe.

Due to strong consumer demand for sustainable aluminum products, we are evaluating additional rolling and recycling capacity expansion in Europe.

Asia

Novelis Asia operates four aluminum rolled product facilities, including two facilities with recycling operations. Recycling activities occur at the Ulsan and Yeongju, South Korea, plants. The Ulsan facility operates as UAL, a 50/50 joint venture with Kobe. Our Asia facilities manufacture a broad range of aluminum sheet, plate, and light gauge products. End-use markets include beverage and food cans, electronics, architectural, automotive, foil, industrial, aerospace, and other products. The beverage packaging market represents the largest end-use market in terms of volume. The automotive market represents our second largest end-market in the region, which was expanded with the completion of the 100 kt automotive finishing capacity expansion at our Changzhou, China, facility, completed in fiscal 2022.

We are expanding our recycling capacity and capabilities with a \$65 million recycling capacity expansion at UAL. We also have identified an opportunity to expand our operating facility in Zhenjiang, China, aimed at increasing its automotive aluminum capabilities and recycling operations, and releasing rolling capacity at UAL, to serve the can and specialty markets. In an effort to prudently phase capital spending in a disciplined manner, other announced organic growth investments already underway are being prioritized ahead of this investment.

Due to strong consumer demand for sustainable aluminum products, in fiscal 2024 we completed a \$20 million debottlenecking investment at our Yeongju, South Korea plant that unlocked approximately 50 kt of capacity.

South America

Novelis South America operates two aluminum rolled product facilities. This includes one facility with recycling operations. Our South American facilities manufacture a broad range of can sheet, industrial sheet, and light gauge products. The primary markets are beverage and food can, specialty, industrial, foil and other packaging, and transportation end-use applications. Beverage packaging represents the largest end-use application in terms of shipment volume.

In fiscal 2022, we completed a \$150 million investment to expand both rolling and recycling capacity by 100 kt each at our Pindamonhangaba, Brazil, plant.

In March 2022, due to strong consumer demand for sustainable beverage packaging, we announced a \$50 million debottlenecking investment at our plant located in Pindamonhangaba, Brazil, to unlock approximately 70 kt of rolling capacity in a two-phase project with full completion expected in fiscal 2026.

Due to strong consumer demand for sustainable aluminum products, we are evaluating additional rolling and recycling capacity expansion in Brazil.

Financial Information About Geographic Areas

Certain financial information about geographic areas is contained in [Note 22 – Segment, Geographical Area, Major Customer and Major Supplier Information](#) to our accompanying consolidated financial statements.

Our Customers

We focus significant efforts on developing and maintaining close working relationships with our customers and end-users. Our major customers include:

Beverage Packaging

Anheuser-Busch InBev
Ardagh Group
Ball Corporation
Can-Pack
Crown Holdings
Heineken
PepsiCo
Various bottlers of the Coca-Cola System

Automotive

BMW Group
Daimler Group
Ford Motor Company
General Motors
Honda Motor Company
Hyundai Motors Corporation
Jaguar Land Rover
NIO
Renault-Nissan-Mitsubishi Alliance
Rivian
Stellantis
Toyota Motor Corporation
Volkswagen Group
Volvo Cars

Specialties

Amcor
American Construction Metals
DENSO
Gentek
HFA
Kaycan Limited
Mahle Behr
Mastic Home Exteriors
Omnimax International
Ply Gem
Prefa
Reynolds Consumer Products LLC
Ryerson Inc.
Samsung SDI
Samwon Industry Co.
Service Partners Gutter Supply
Utility
VELUX

Aerospace

Airbus
AVIC/COMAC
Boeing
Bombardier
Embraer

Our single largest end-use product is beverage packaging. We sell can sheet directly to beverage makers and bottlers as well as to can fabricators that sell the cans they produce to bottlers. In certain cases, we operate under umbrella agreements with beverage makers and bottlers under which they direct their can fabricators to source their requirements for beverage can body, can end stock, and tab stock from us.

Additional information related to our top customers is contained in [Note 22 – Segment, Geographical Area, Major Customer and Major Supplier Information](#) to our accompanying consolidated financial statements.

Distribution

We have two principal distribution channels for the end-use markets in which we operate: direct sales to our customers and sales to distributors.

	Fiscal 2024	Fiscal 2023	Fiscal 2022
Direct sales as a percentage of total net sales	93 %	93 %	96 %
Distributor sales as a percentage of total net sales	7	7	4

Direct Sales

We supply various end-use markets all over the world through a direct sales force operating from individual facilities or sales offices, as well as from regional sales offices. The direct sales channel typically serves very large, sophisticated fabricators and OEMs. Longstanding relationships are maintained with leading companies in industries using aluminum rolled products. Supply contracts for large global customers generally range from one to five years in length and, historically, there has been a high degree of renewal business with these customers. Certain customers require suppliers to complete a lengthy and expensive qualification process. The ability to obtain and maintain these qualifications can represent a competitive advantage. Given the customized nature of products and in some cases, large order sizes, switching costs are significant, thus adding to the overall consistency of the customer base.

We also use third-party agents or traders in some regions to complement our own sales force. These agents provide service to our customers in countries where we do not have local expertise.

Distributors

We also sell our products through third-party aluminum distributors. Customers of distributors are widely dispersed, and sales through this channel are highly fragmented. Distributors sell mostly commodity or less specialized products into many end-use markets in small quantities, including the architectural and industrial markets. We collaborate with our distributors to develop new end-use products and improve the supply chain and order efficiencies.

Research and Development

The table below summarizes our R&D expenses, which include mini-scale production lines equipped with hot mills, can lines, and continuous casters.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Research and development expenses	\$ 98	\$ 95	\$ 92

We conduct R&D activities in order to meet current and future customer requirements, improve our products, and reduce our conversion costs. We have a global research and technology center in Kennesaw, Georgia, which offers state of the art research and development capabilities to help Novelis meet the global long-term demand for aluminum used across all our product markets and geographies. We also have a global engineering and technology center in Spokane, Washington, specializing in molten metal processing and casting; automotive research and technology centers in Shanghai, China, and Sierre, Switzerland; a research and technology center specializing in the development of new products and processes for our beverage packaging and specialties customers in Göttingen, Germany; an automotive customer solution center in Detroit, Michigan; a beverage packaging customer solution center in São José dos Campos, Brazil; a research and development laboratory to advance carbon neutral solutions for aluminum manufacturing in Sierre, Switzerland; and aerospace innovation centers in Koblenz, Germany, and Zhenjiang, China.

Human Capital Resources

Our Employee Base

Novelis operates an integrated network of 32 technically advanced rolling and recycling facilities across North America, Europe, Asia, and South America. We have 16 operating facilities in North America, 10 in Europe, four in Asia, and two in South America. We have approximately 13,190 employees supporting our operations across nine countries.

The table below summarizes our approximate number of employees by region, excluding our proportionate share of those employed by less than wholly owned affiliates as well as temporary employees.

	North America ⁽¹⁾	Europe	Asia	South America	Total
March 31, 2024	4,970	4,660	1,860	1,700	13,190

(1) Includes employees within our Corporate headquarters located in Atlanta, Georgia, and our R&D facility located in Kennesaw, Georgia.

Purpose and Culture

We are proud of our purpose – Shaping a Sustainable World Together – which is supported by our vision – to be the Leading Provider of Sustainable and Innovative Aluminum Solutions.

We provide training on our Code of Conduct, which reminds our people that we are committed to operating with high ethical standards and supporting a culture of integrity.

Diversity and Inclusion

Our employees are at the heart of our drive to innovate and transform. We believe that their diverse backgrounds, expertise and perspectives help us achieve the ambitious goals we have set and underpin the growth of our business and the strength of our culture. We believe that continuing to build this diversity across a variety of dimensions – including gender, ethnic and socioeconomic diversity – will drive innovation, expand the voices and skill that propel our business and attract the highest-caliber talent.

Consistent with that belief, we aim to continue to build inclusive and diverse teams, and we are targeting increasing the percentage of women in Novelis' leadership and operational and technical roles. In 2020, we established a global Diversity & Inclusion ("D&I") board to help ensure we reach our D&I goals. Our current global D&I board is responsible for setting our long-term global D&I vision, strategy and targets to increase diversity across Novelis.

We also have established D&I councils in each region, which own the regional execution of the D&I strategy established by the global board. They also define D&I initiatives specific to their region or locations and provide support to local employee resource groups.

Safety

We are focused on safety as a key priority. Guiding us in this direction is our Global EHS system, which provides us with a systematic approach to identifying, managing, and mitigating risks in our operations. In addition, we ask all Novelis employees to look out for their own safety, as well as that of their colleagues, by following three basic safety obligations: (1) I will work safe, (2) I will intervene if I see somebody working unsafe, and (3) I will stop any unsafe behavior if intervened upon.

Talent Development

At Novelis, we make it a priority to identify and nurture talent. We are proud of programs, such as:

- Global Leadership Development Programs – Designed to develop leaders across all stages of leadership.
- Global Technical Training – High-impact technical training topics, relevant for entry-level or mid-career technical employees.
- Engineering Development Program – Technical talent pipeline enhancer that includes courses on a wide-variety of technical and business subjects and exposes participants to leaders from across the organization.

Community Engagement

Our Corporate Social Responsibility mission is to improve the quality of life in the communities where we operate and society as a whole. Novelis Neighbor is our global program for sponsoring and coordinating our community engagement and charitable investment efforts. As part of our worldwide corporate social responsibility campaign, Novelis employees support hundreds of community projects year-round. These projects are reflective of our company purpose of Shaping a Sustainable World Together and focus on advancing science, technology, engineering, and mathematics education, increasing recycling by consumers, and supporting the most pressing needs of our local communities.

Compensation and Benefits Programs

Our compensation and benefits programs are designed to attract, retain, and engage a talented workforce. We believe our programs are competitive with our peers and emphasize performance-based compensation to align employee rewards with company performance. Benefits are a key component of our total rewards package. We offer a holistic benefits package designed to provide greater security for our employees and their families through healthcare, life insurance, paid parental leave, disability benefits, savings and retirement, and various other welfare benefit programs generally available to all active full-time employees through plans we sponsor or through social programs in the countries where we operate. We regularly conduct market pay equity assessments and compensation reviews, and we continue to actively work to reduce unconscious bias in our sourcing, hiring practices, performance reviews, and promotion opportunities that may contribute to pay inequities.

Employee Relations

We consider our employee relations to be satisfactory. A substantial portion of our employees are represented by labor unions and their employment conditions are governed by collective bargaining agreements. Collective bargaining agreements are negotiated on a site, regional, or national level and are of varying durations.

Intellectual Property

We actively review intellectual property arising from our operations and our R&D activities, and, when appropriate, we apply for patents in appropriate jurisdictions. We currently hold approximately 3,920 patents and patent applications on approximately 400 different items of intellectual property. While these patents and patent applications are important to our business on an aggregate basis, no single patent or patent application is deemed to be material to our business.

We have applied or received registrations for the "Novelis" word trademark and the Novelis logo trademark in approximately 44 countries where we have significant sales or operations. Novelis uses the Aditya Birla logo under license from Aditya Birla Management Corporation Private Limited.

We have also registered the word "Novelis" and several derivations thereof as domain names in numerous top-level domains around the world to protect our presence on the world wide web.

Environment, Health and Safety

As a purpose-driven company, Novelis strives to protect and preserve the environment and the health, safety, and well-being of our colleagues, customers, and communities. During fiscal 2024, we recycled over 82 billion used beverage cans, and recycled content made up 63% of total input in our aluminum rolled product. We define recycled content as total aluminum rolled product shipments minus primary metal (net of metal loss) plus coated scrap and runaround melt loss. The recycled content rate of 63% in fiscal 2024 is an increase from the 61% reported in fiscal 2023 due to higher scrap inputs and lower prime consumption. With our plant operations around the globe, we continue to focus on reducing carbon emissions, limiting water consumption, and lowering electricity use while targeting year-over-year improvements in overall production. During fiscal 2024, 10 facilities achieved major safety milestones by operating 365 consecutive days without a recordable injury.

Our global operations are subject to environmental, health and safety laws and regulations from various jurisdictions, which govern, among other things, air emissions; wastewater discharges; the handling, storage, and disposal of hazardous substances and wastes; the remediation of contaminated sites and restoration of natural resources; carbon and other greenhouse gas emissions; and employee health and safety. Future environmental, health and safety regulations may impose stricter compliance requirements on the industries in which we operate. Additional equipment or process changes at some of our facilities, and related capital expenditures, which may be material, may be needed to meet existing or future requirements. The cost of meeting these requirements may be significant. Failure to comply with such laws and regulations could subject us to administrative, civil, or criminal penalties; obligations to pay damages or other costs; and injunctions and other orders, including orders to cease operations.

We are involved in proceedings under the U.S. Comprehensive Environmental Response, Compensation, and Liability Act, also known as CERCLA or Superfund, or analogous state provisions regarding our liability arising from the use, storage, treatment, or disposal of hazardous substances and wastes at a number of sites in the U.S., as well as similar proceedings under the laws and regulations of the other jurisdictions in which we have operations, including Brazil, the United Kingdom, certain countries in the European Union, and South Korea. Many of these jurisdictions have laws that impose joint and several liability, without regard to fault or the legality of the original conduct, for the costs of environmental, health, and safety remediation, natural resource damages, third-party claims, and other expenses. In addition, we are, from time to time, subject to environmental, health and safety reviews and investigations by relevant governmental authorities. For example, during fiscal 2022, we were notified of an investigation into the Novelis Yeongju location by South Korean environmental authorities related to self-reporting by the facility of manufacturing and production emissions above applicable limits. The investigation related to previous investigations at the facility during which certain emissions amounts were identified as above applicable limits triggering self-reporting, and instances in which reporting by a third-party measuring emissions may have inconsistently reported information to the facility, impacting what was reported to regulators. Based on the information learned, Novelis filed a leniency application and voluntarily disclosed to South Korean environmental authorities. The investigation remains ongoing and the Company has booked a reserve for the matter.

We have established procedures for regularly evaluating environmental, health, and safety loss contingencies, including those arising from environmental, health and safety reviews and investigations and any other environmental, health, and safety remediation or compliance matters. Where appropriate, we have established liabilities based on our estimates for the currently anticipated costs that are deemed probable associated with these environmental, health, and safety matters.

Our expenditures for environmental, health and safety protection (including estimated and probable environmental, health and safety remediation costs as well as general environmental, health and safety protection costs at our facilities) and the betterment of working conditions in our facilities were \$22 million during fiscal 2024, of which \$19 million was expensed and \$3 million was capitalized. We expect that these expenditures will be approximately \$20 million in fiscal 2025, of which we estimate \$16 million will be expensed and \$4 million will be capitalized.

We are subject to a broad range of foreign, federal, state, and local laws and regulations relating to occupational health and safety. We have incurred, and will continue to incur, expenditures to meet our health and safety compliance requirements, as well as to improve our safety systems.

Available Information

We are a voluntary filer and not subject to the reporting and information requirements of the Exchange Act. However, we file periodic reports and other information with the SEC. We make these filings available on our website free of charge at www.novelis.com as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. The SEC maintains a website (www.sec.gov) that contains our annual, quarterly, and current reports and other information we file electronically with the SEC. Information on our website does not constitute part of this Form 10-K.

Item 1A. Risk Factors.

In addition to factors discussed elsewhere in this report, the following factors could materially affect our business, financial condition, or results of operations in the future. The following factors, among others, could cause our actual results to differ from those projected in any forward-looking statements we make. These risks are discussed more fully below and include, but are not limited to, risks related to:

Competitive and Strategic Risks

- while we have long-standing strategic partnerships with global corporations and other customers, certain of our customers are significant to our revenues, and we could be adversely affected by disruptions or changes in the business or financial condition of these significant customers or by the loss of their business or reduction in their requirements,
- we face significant price and other forms of competition from other aluminum rolled products producers and potential new market entrants, which may adversely impact our competitive positions in our end-markets and our financial profile,
- while we have a diversified product portfolio across various end-markets, our end-markets are highly competitive and customers may be willing to accept substitutes for our products, including steel, plastics, composite materials, and glass, and such willingness could adversely affect the demand for certain of our products and our results of operations,
- we may not realize the anticipated benefits of strategic investments,

Operational Risks

- our business has been, and may in the future be, adversely affected by increases in the cost or volatility in the availability of primary aluminum, scrap aluminum, sheet ingot, or other raw materials used in the production of our products,
- our operations are energy-intensive and our profitability and cash flows may decline if energy costs were to rise, or if our energy supplies were disrupted,
- downturns in the automotive and ground transportation industries or changes in consumer demand could adversely affect our business,
- our business and operations, and the operations of our suppliers and customers, may be adversely affected by public health crises,
- a majority of our facilities are staffed by a unionized workforce, and union disputes and other employee relations issues could materially adversely affect our financial results,
- we could be adversely affected by unplanned disruptions at operating facilities,
- our business has been and will continue to be exposed to various economic and political risks associated with our global operations,
- our business may be materially adversely affected by any negative impact on the global economy, capital markets, or supply chain resulting from geopolitical conflicts or any other geopolitical tensions, or otherwise,
- we face risks relating to certain joint ventures, subsidiaries and assets that we do not entirely control,

- increased freight costs on imported products could decrease earnings and liquidity,

Financial Risks

- our results and short-term liquidity can be negatively impacted by timing differences between the prices we pay under purchase contracts and metal prices we charge our customers,
- a deterioration of our financial condition, a downgrade of our ratings by a credit rating agency or other factors could limit our ability to enter into, or increase our costs of, financing and hedging transactions, and our business relationships and financial condition could be adversely affected,
- variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase,
- adverse changes in currency exchange rates could negatively affect our financial results or cash flows and the competitiveness of our aluminum rolled products relative to other materials,
- our results of operations, cash flows and liquidity could be adversely affected if we were unable to transact in derivative instruments, if our exposure to price fluctuations were not adequately hedged under derivative instruments, or if counterparties to our derivative instruments fail to honor their agreements,
- an adverse decline in the liability discount rate, lower-than-expected investment return on pension assets and other factors could affect our results of operations or amount of pension funding contributions in future periods,
- our goodwill, other intangible assets and other long-lived assets could become impaired, which could require us to take non-cash charges against earnings,
- additional tax expense, tax liabilities or tax compliance costs could adversely impact our profitability,
- the covenants in our credit facilities and the indentures governing our Senior Notes impose operating and financial restrictions on us,

Risks Related to Cybersecurity and Data Privacy

- security breaches and other disruptions to our information technology networks and systems could interfere with our operations, and could compromise the confidentiality of our proprietary information,
- failure to comply with current or future federal, state and foreign laws and regulations and industry standards relating to privacy, data protection, advertising and consumer protection could adversely affect our business, financial condition, or results of operations,

Risks Related to Intellectual Property

- if we are unable to protect our intellectual property, the confidentiality of our know-how, trade secrets, technology, and other proprietary information, our business and competitive position could be harmed,

Legal and Regulatory Risks

- our global operations are subject to increasingly complex and stringent laws and government regulations that may adversely affect our business and operations,
- we may be affected by global climate change or by legal, regulatory, or market responses to such change,
- we are subject to a broad range of environmental, health and safety laws and regulations, and we may be exposed to substantial environmental, health and safety costs and liabilities,
- we may be exposed to significant legal proceedings or investigations,

Competitive and Strategic Risks

While we have long-standing strategic partnerships with global corporations and other customers, certain of our customers are significant to our revenues, and we could be adversely affected by disruptions or changes in the business or financial condition of these significant customers or by the loss of their business or reduction in their requirements.

Our 10 largest customers accounted for approximately 48%, 49%, and 54% of our total net sales for fiscal 2024, fiscal 2023, and fiscal 2022, respectively. A significant disruption in the business or downturn in the financial condition of our significant customers could adversely affect our results of operations and cash flows. Some of our customers are dependent upon the continued ability of their suppliers to deliver key components necessary for the manufacturing of their products, and a disruption of such supply chains could cause such customers to alter production schedules or suspend production entirely.

In addition, some of our customer contracts are subject to renewal and renegotiation at periodic intervals or upon changes in competitive supply conditions. Our failure to successfully renew or renegotiate such agreements could result in a reduction or loss in customer purchase volume or revenue. Additionally, consolidation among our customers may enable them to use increased leverage in negotiating prices and other contractual terms. Consolidation in our customer base may also lead to reduced demand for our products or cancellations of sales orders. Furthermore, certain of our customer contracts do not impose any minimum purchase volume conditions, and a customer could elect to purchase less of our products than they have historically, at their discretion.

We also factor trade receivables to manage working capital. Any deterioration of the financial condition or downgrade of the credit rating of certain of our customers may make it more difficult or costly for us to engage in these activities, which could negatively impact our cash flows and liquidity.

We face significant price and other forms of competition from other aluminum rolled products producers and potential new market entrants, which may adversely impact our competitive positions in our end-markets and our financial profile.

The markets in which we operate are highly competitive. We compete primarily on the basis of our value proposition, including price, product quality, ability to meet customers' specifications, range of products offered, global footprint, sustainability and recycling, technical support, and customer service. Some of our competitors may benefit from more efficient technologies, lower raw material and energy costs, and lower labor costs. Increases in competition resulting from new market entrants or increases in production capacity by our competitors could cause us to lose market share or a large customer or force us to reduce prices to remain competitive. In addition, because of extensive competition in all our key markets, large customers may be able to exert influence to extract favorable future pricing terms. These risks could also be exacerbated by new market participants in the industry or a surplus supply of aluminum rolled products in the industry, which could result in additional competitive pricing pressures. Any such developments could adversely affect our business, financial condition, or results of operations.

While we have a diversified product portfolio across various end-markets, our end-markets are highly competitive and customers may be willing to accept substitutes for our products, including steel, plastics, composite materials, and glass, and such willingness could adversely affect the demand for certain of our products and our results of operations.

Aluminum competes with other materials, such as steel, plastics, composite materials, and glass for various applications, including packaging, automotive, aerospace, architectural, industrial, and consumer durables end-use markets. Our customers may choose materials other than aluminum to achieve desired attributes for their products. For example, customers in the automotive industry may increase their use of high-strength steel rather than aluminum for certain applications due to the price differential between steel and aluminum. The packaging industry continues to experience advances in alternative materials, such as plastics, glass, and organic or compostable materials, which could lead to higher margins for our customers than our products and which may compare favorably to aluminum with respect to preservation of food and beverage quality, as well as recyclability. The willingness of customers to accept other materials in lieu of aluminum, as well as broader consumer movements toward multi-use forms of packing over single-use packaging, could adversely affect the demand for certain of our products, and thus adversely affect our business, financial condition, or results of operations.

We may not realize the anticipated benefits of strategic investments.

As part of our strategy for growth, we have in the past and may in the future pursue acquisitions, divestitures, joint ventures or other strategic investments. Since fiscal 2021, we have completed a \$180 million investment in automotive finishing capacity in Changzhou, China; a \$150 million investment in recycling and casting capacity at our plant in Pindamonhangaba, Brazil; and a \$315 million greenfield automotive finishing expansion in Guthrie, Kentucky. We also have announced plans to further invest significantly in strategic capacity expansions across geographic locations. For example, announced projects now under construction include an approximately \$4.1 billion greenfield rolling mill in Bay Minette, Alabama; a \$365 million recycling and casting capacity expansion in Guthrie, Kentucky; a \$65 million recycling and casting capacity expansion at our joint venture in Ulsan, South Korea; and a number of smaller rolling capacity debottlenecking investments. If our production levels and margins do not grow in line with our current expectations, or are adversely impacted by new competing strategic investments, we may not realize a return on such announced projects that is commensurate with our investment. Further, there are numerous risks commonly encountered in strategic transactions, including the risk that management's time and energy may be diverted, disrupting our existing businesses, and the risk that we may not be able to complete a project that has been announced, complete such project on time, incur higher or unforeseen costs, or generate the synergies and other benefits that we anticipated.

Operational Risks

Our business has been, and may in the future be, adversely affected by increases in the cost or volatility in the availability of primary aluminum, scrap aluminum, sheet ingot, or other raw materials used in the production of our products.

The supply risks relating to our metal inputs vary by input type. For example, we produce some of our sheet ingot requirements internally and source the remainder from multiple third parties in various jurisdictions, usually under contracts having a duration of at least one year. If our suppliers are unable to deliver sufficient quantities of aluminum and other raw materials to the necessary locations on a timely basis, including as a result of global supply chain issues, our production could be disrupted and our net sales, profitability, and cash flows could be adversely affected.

As a result of macroeconomic headwinds we have faced over the past several years, such as prolonged inflationary cost pressures, supply chain disruptions, and the impact of public health crises and geopolitical conflicts, we have been adversely affected, and may continue to be adversely affected in the future, by changes in the cost of these or other raw materials as well as labor costs, energy costs and freight costs associated with transportation of raw materials. Prices of certain raw materials may fluctuate due to a number of factors, including general economic conditions, commodity price fluctuations (particularly aluminum on the London Metal Exchange), the demand by other industries for the same raw materials, the availability of complementary and substitute materials, inflationary pressures, and supply shortages and disruptions caused by a public health crisis or geopolitical factors relating to Russia's ongoing military conflict with Ukraine, attacks on shipping vessels in the Red Sea, and the ongoing conflict in the Gaza Strip. The availability and costs of certain raw materials necessary for the production of our products may also be influenced by private or governmental entities, and may be impacted by mergers and acquisitions, changes in world politics or regulatory requirements (such as human rights regulations or environmental, health and safety laws and regulations or production curtailments), regulations, labor relations between the producers and their work forces, labor shortages, unstable governments in exporting nations, export quotas, sanctions, new or increased import duties, countervailing or anti-dumping duties, infrastructure and transportation issues, market forces of supply and demand, and inflation. We may be unable to offset fully the effects of material shortages or higher costs through customer price increases, productivity improvements or cost reduction programs. In addition, the failures of financial institutions and any related liquidity crises, and any resultant impact on depositor's access to their cash deposits, could negatively impact the ability of our customers to pay amounts owed to us on a timely basis or at all, cause reductions in the liquidity of our suppliers impacting raw material product availability, and cause fluctuations in the costs of raw materials, which could in turn have a material adverse effect on our business or financial condition.

We employ a number of strategies to manage raw material pricing volatility such as pass through contracts with customers and hedging of metal prices, but there is no assurance that these activities will be sufficient in fully mitigating raw material cost volatility. Our hedging strategies may be insufficient and our results could be materially impacted if costs of materials increase. Delayed timing in recovering the pass-through of increasing raw material costs may also impact our short-term profitability and certain costs due to price increases or supply chain inefficiencies may be unrecoverable, which would also impact our profitability.

Our operations are energy-intensive and our profitability and cash flows may decline if energy costs were to rise, or if our energy supplies were disrupted.

We consume substantial amounts of energy in our rolling and casting operations. The factors affecting our energy costs and supply reliability tend to be specific to each of our facilities. A number of factors could materially affect our energy position adversely including:

- increases in costs of natural gas;
- increases in costs of supplied electricity;
- increases in fuel oil related to transportation;
- prices affected by regional markets, governmental regulations, and taxes;
- interruptions in energy supply due to equipment failure or other causes; and
- the inability to extend energy supply contracts upon expiration on favorable terms.

If energy costs continue to rise, or if energy supplies or supply arrangements were disrupted, our profitability and cash flows could decline.

Downturns in the automotive and ground transportation industries or changes in consumer demand could adversely affect our business.

The demand for our automotive products and other industrial products is dependent on the production of internal combustion engine and electric cars, light trucks, SUVs, heavy-duty vehicles, and trailers. The automotive industry is highly cyclical, as new vehicle demand is dependent on consumer spending and is tied closely to the overall strength of the economy. Even with the automotive industry's growing use of aluminum to reduce vehicle weight, weak demand for, or lower production of, new cars, light trucks, SUVs, heavy-duty vehicles, and trailers could adversely affect the demand for our products and have an adverse effect on our financial position, results of operations, and cash flows.

Our business and operations, and the operations of our suppliers and customers, may be adversely affected by public health crises.

We face risks related to public health crises, including outbreaks of communicable diseases. The outbreak of such a communicable disease could result in a widespread health crisis that could adversely affect general commercial activity and the economies and financial markets of many countries. A public health crisis poses the risk that we or our employees, contractors, suppliers, customers, or other business partners may be prevented from conducting business activities for an indefinite period of time, including due to shutdowns that may be requested or mandated by governmental authorities, or that such crisis may otherwise interrupt or impair business activities.

Outbreaks of contagious diseases, public health epidemics or pandemics, or other adverse public health developments in countries in which our employees, contractors, customers, suppliers, and other business partners operate could have a material and adverse effect on our business, results of operations, financial condition, liquidity, and/or cash flows. The extent to which such an outbreak affects our operations over time is highly uncertain and beyond our control, and is dependent on a variety of factors, including the duration and severity of the initial outbreak or subsequent variants, the imposition of governmental quarantine or other public health measures, the availability of vaccines or other medical remedies and preventive measures, and determinations regarding, among other things, health and safety, demand for specific products, and broader economic conditions. Many of the actions that may be taken to mitigate the impact of an epidemic or pandemic, including declarations of states of emergency, governmental quarantines, shelter-in-place and stay-at-home orders, social distancing requirements, business closures and staged procedures for reopening, manufacturing restrictions and a prolonged period of travel, commercial and/or other similar restrictions and limitations, are highly likely to impact our business and the business of many of our customers and therefore are likely to magnify the risks of a material adverse impact on our business, results of operations, financial condition, liquidity, and/or cash flows, as well as on our business strategies and initiatives. In addition, the impact of any epidemic or pandemic, and the related restrictions, may differ in the areas in which our products are manufactured, distributed or sold, or may change on short notice in response to new variants or other circumstances and, accordingly, any such impact on our operations or the operations of our customers and suppliers is difficult to predict. Because we rely on supply chain continuity, restrictions in one location may materially impact operations in multiple locations, and the impact of an epidemic or pandemic in one location may have a disproportionate effect on our operations in the future.

The recovery from any public health crises may also negatively impact our operations in the future. Fluctuations in demand and supply chain variability resulting from future public health crises may in the future impact our business, results of operations, and financial condition.

An epidemic or pandemic may also exacerbate other risks disclosed in this Annual Report on Form 10-K, including, but not limited to, risks related to global economic conditions and inflation, competition, loss of customers, costs of supplies, manufacturing difficulties and disruptions, our credit profile, our credit ratings and interest rates. In addition, a future epidemic or pandemic may also affect our operating and financial results in a manner that is not presently known to us, or present significant risks to our business, results of operations, financial condition, liquidity and/or cash flows that are different from the risks presented by prior epidemics or pandemics.

A majority of our facilities are staffed by a unionized workforce, and union disputes and other employee relations issues could materially adversely affect our financial results.

In each geographic region where we have operating facilities, a substantial portion of our employees are represented by labor unions under collective bargaining agreements with varying durations and expiration dates. From time to time, we experience strikes or work stoppages. We may not be successful in preventing such an event from occurring in the future at one or more of our manufacturing facilities. In addition, we may not be able to satisfactorily renegotiate our collective bargaining agreements when they expire. Any such stoppages or disturbances may adversely affect our financial condition and results of operations by limiting plant production, sales volumes, profitability, and operating costs.

The impact of labor disputes and strikes on our customers could have material adverse effects on our business and financial results.

Certain of our customers have a substantial number of employees who are members of industrial trade unions and are employed under the terms of collective bargaining agreements. These customers have experienced, and may in the future experience, labor disputes, work stoppages or strikes if they fail to successfully negotiate collective bargaining agreements and/or labor contracts with their employees, as necessary. For example, three of our North American customers, Ford Motor Company, General Motors, and Stellantis recently experienced prolonged work stoppages at certain of their facilities as a result of the United Auto Workers strikes. The duration and scope of any future labor disputes or strikes by employees of our customers, and the resultant impact on our business and financial results cannot be predicted with any certainty at this time. However, in the event that our customers are unable to successfully negotiate collective bargaining agreements and/or other labor contracts with their employees as necessary, and their plants experience prolonged slowdowns, closures, or idling as a result of the strikes, the demand from these customers for our flat-rolled aluminum products and our financial results could be materially adversely impacted as a result. While we would seek to mitigate any such reduction in demand by increasing supply to other customers, there can be no assurance that sufficient replacement demand will exist, and the ultimate impact of labor disputes and strikes on our business and financial results will depend on factors beyond our control.

Loss of our key management and other personnel, or an inability to attract and retain such management and other personnel, could adversely impact our business.

We employ all of our senior executive officers and other highly skilled key employees on an at-will basis, and their employment can be terminated by us or them at any time, for any reason and without notice, subject, in certain cases, to severance payment obligations. Competition for qualified employees among companies that rely heavily on engineering and technology is intense, and if our highly skilled key employees leave us, we may be unable to promptly attract and retain qualified replacement personnel, which could result in our inability to improve manufacturing operations, conduct research activities successfully, develop marketable products, and compete effectively for growth in key markets.

Competition for qualified employees may continue, and as a result, we may continue to experience increased employee turnover. The continuity of key personnel and preservation of institutional knowledge are important to our business. The loss of qualified employees, or an inability to attract, retain, and motivate employees representing diverse backgrounds, experiences, and skillsets would materially adversely affect our business, results of operations, and financial condition and impair our ability to grow. We have increased, and expect to continue to increase, our employee compensation levels in response to competition, as necessary. In addition, the pressures of prolonged inflation have increased our costs of labor and may continue to do so.

We could be adversely affected by unplanned disruptions at operating facilities.

In the past, we have experienced production interruptions at our plants due to the breakdown of equipment, fires, weather events, public health crises, and other causes.

We may experience such disruptions in the future due to similar or unrelated uncontrollable events. Because many of our customers are, to varying degrees, dependent on planned deliveries from our plants, any customers that must reschedule their own production due to our missed deliveries could pursue claims against us and reduce their future business with us. In addition to facing claims from customers, we may incur costs to remedy any of these problems. Further, our reputation among actual and potential customers may be harmed, possibly resulting in loss of business. While we maintain insurance policies covering, among other things, physical damage, business interruptions and product liability, these policies may not cover all our losses.

Our business has been and will continue to be exposed to various economic and political risks associated with our global operations.

Due to the global reach of our business, we are subject to financial, political, economic, and other business risks in connection with doing business abroad. Operating in diverse geographic regions exposes us to a number of risks and uncertainties, such as changes in international trade regulation, including duties and tariffs; political instability that may disrupt economic activity; economic and commercial instability; and geopolitical tensions, civil unrest, war, or terrorist activities.

We have experienced, and continue to experience, inflationary pressures on the prices of aluminum, materials, transportation, energy, and labor. In an inflationary environment, such as the current economic environment, our ability to implement customer pricing adjustments or surcharges to pass-through or offset the impacts of inflation may be limited. Continued inflationary pressures could reduce our profit margins and profitability. Russia's ongoing military conflict with Ukraine, attacks on shipping vessels in the Red Sea, the ongoing conflict in the Gaza Strip, and other geopolitical conflicts, as well as any related international response, may exacerbate inflationary pressures, including causing increases in raw material prices as well as fuel and other energy costs, and may further cause reduced manufacturing and industrial demand. Other economic factors, including fluctuations in foreign currency exchange rates and interest rates, competitive factors in the countries in which we operate, and continued volatility or deterioration in the global economic and financial environment could affect our revenues, expenses, and results of operations.

Our financial condition and results of operations depend significantly on worldwide economic conditions. Future adverse developments in the U.S. or global economy, including continued inflationary pressure, pose a risk because our customers may postpone purchases in response to demand reductions, negative financial news and tighter credit.

We are currently operating in a period of economic uncertainty, capital markets disruption, and supply chain interruptions, which have been significantly impacted by geopolitical instability due to the ongoing military conflict between Russia and Ukraine, attacks on shipping vessels in the Red Sea and the ongoing conflicts in the Gaza Strip and the surrounding region. Our business may be materially adversely affected by any negative impact on the global economy, capital markets, or supply chain resulting from these conflicts or any other geopolitical tensions or government actions, or otherwise.

In February 2022, Russian troops began a military invasion of Ukraine. Global markets continue to experience volatility and disruption following the escalation of geopolitical tensions and the continuation of the military conflict between Russia and Ukraine. We have not yet experienced significant direct impacts from the Russia-Ukraine conflict, but we have experienced indirect impacts, as the conflict has driven up energy prices globally, beginning in the fourth quarter of fiscal 2022, and we expect these costs will remain elevated until energy prices stabilize. Although the length and impact of the ongoing military conflict is unpredictable, the conflict could lead to market disruptions, including significant volatility in commodity prices, and credit and capital markets, as well as supply chain interruptions, shipping and trade route restrictions, inflationary pressures on raw materials, elevated interest rates, and lack of availability of energy, among other issues. In addition, the conflict in Ukraine has led to sanctions, export/import controls, and other measures being levied by the United States, the European Union (the "EU"), the United Kingdom, and other countries against Russia, Belarus, and certain Russia-occupied territories of Ukraine.

In February 2023, the United States government announced a new round of trade actions targeting goods and entities from Russia, including a 200% duty on aluminum articles of Russian origin.

Russian military actions and the resulting sanctions and export controls could adversely affect the global economy, national economies in which we operate and financial markets and lead to instability and lack of liquidity in capital markets, potentially making it more difficult for us to obtain additional funds, as well as further disrupting the supply chain. One of our suppliers of metal is Rusal, a Russian aluminum company. Although we source metal from a diverse global portfolio of metal suppliers and are not dependent on Rusal for our metal supply, sanctions, export controls, tariffs, a ban, or similar actions impacting Rusal or the supply of Russian aluminum, including the U.S. government's recent determinations that prohibit the import of Russian-origin aluminum into the United States and restrict certain services by U.S. persons for the acquisition of Russian-origin aluminum, could disrupt global aluminum supply. Any of the foregoing factors could have a material adverse effect on our business, prospects, financial condition, results of operations, and cash flows. The extent and duration of the military action, sanctions, export controls, and resulting market and/or supply disruptions are impossible to predict but could be substantial. Any such disruptions may also magnify the impact of other risks described herein.

Our board of directors (the "Board of Directors" or "Board") oversees the management of risks related to the Russia-Ukraine conflict. Our ERM team (as defined below) monitors developments and potential impacts of the conflict and reports them to the Audit Committee of our board at least quarterly. Despite this monitoring process, there can be no assurance that the conflict or related government actions will not have a material adverse effect on our business, including as it relates to the risks outlined above, as well as potential impacts to our relationship with Russian-based suppliers and potential impacts on the reliability of energy supplies to our European manufacturing sites and potential supply chain disruptions. For additional information on our ERM team and our board's oversight of risks related to the Russia-Ukraine conflict, see [Part II, Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations](#).

Further, in November 2023, attacks on shipping vessels related to Yemen's Houthi movement have impacted shipping routes in the Red Sea. In addition, on October 7, 2023, Hamas, a U.S. designated terrorist organization, launched a series of coordinated attacks from the Gaza Strip onto Israel. On October 8, 2023, Israel formally declared war on Hamas, and the armed conflict is ongoing as of the date of this filing. Hostilities between Israel and Hamas could escalate and involve surrounding countries in the Middle East, a region in which we operate. Although the length, impact, and outcome of the conflict in the Red Sea and the conflict between Israel and Hamas are highly unpredictable, these conflicts could similarly lead to market disruptions, including volatility in commodity prices, credit and capital markets, as well as trade control restrictions, supply chain interruptions, shipping and trade route restrictions, inflationary pressures on raw materials, interest rate fluctuations, energy price fluctuations, as well as political, social and economic instability and other material and adverse effects on macroeconomic conditions. At this time, it is not possible to predict or determine the ultimate consequence of these regional conflicts or related government actions. The conflicts in the Red Sea, between Hamas and Israel, and the surrounding region and their broader impacts could have a lasting effect on the short- and long-term operations and financial condition of our business and the global economy.

We face risks relating to certain joint ventures, subsidiaries and assets that we do not entirely control.

Some of our activities are, and will in the future be, conducted through entities that we do not entirely control or wholly own. These entities include our joint ventures located in Neuss, Germany; Ulsan, Korea; Russellville, Kentucky; and Sierre, Switzerland. Under the governing documents of these businesses, we share decision making authority and operational control, which may result in conflicts over management over these businesses. In addition, because we do not have control over the business practices of our joint venture partners, we could be subject to reputational damage or other consequences of improper conduct by our joint venture partners or their inability to fulfill their obligations under the joint venture. As a result, our business, financial condition, cash flows, results of operations and prospects could be adversely affected.

Increased freight costs on imported products could decrease earnings and liquidity.

We have experienced, and may in the future continue to experience, increases in freight costs and shortages in capacity. We continue to monitor freight costs and capacity because they can negatively impact our ability to ship volume predictably and on a low-cost basis. We may not be able to obtain sufficient freight capacity on a timely basis or at favorable shipping rates and, therefore, we may not be able to receive products from suppliers or deliver products to customers in a timely and cost-effective manner. There can be no assurance that we will be successful in increasing prices or recouping increased freight surcharges in the future. Continued freight cost increases; delivery disruptions, including compliance with the Export Administration Regulations and other trade laws; and the sanctions, regulations, and embargoes administered by the U.S. Department of Treasury's Office of Foreign Assets Control, could adversely affect our business, financial condition, or results of operations.

Financial Risks

Our results and short-term liquidity can be negatively impacted by timing differences between the prices we pay under purchase contracts and metal prices we charge our customers.

Our purchase and sales contracts for primary aluminum are based on the LME price plus a regional market premium, which is a surcharge in addition to the LME price. There are typically timing differences between the pricing periods for purchases and sales. This creates a price exposure we call "metal price lag," which exists due to: (i) the period of time between the pricing of our purchases of metal, holding and processing the metal, and the pricing of the sale of finished inventory to our customers and (ii) certain customer contracts containing fixed forward price commitments, which result in exposure to changes in metal prices for the period of time between when our sales price fixes and the sale actually occurs. We use derivative instruments to manage the metal price lag risk associated with the LME base aluminum prices. We generally do not hedge more than a small fraction of our regional market premium exposure because we do not believe the derivatives markets are sufficiently robust and efficient to meet our needs. As such, volatility in regional market premiums can have a significant impact on our results of operations and cash flows. The timing difference associated with metal price lag could positively or negatively impact our operating results and short-term liquidity.

A deterioration of our financial condition, a downgrade of our ratings by a credit rating agency or other factors could limit our ability to enter into, or increase our costs of, financing and hedging transactions, and our business relationships and financial condition could be adversely affected.

A deterioration of our financial condition or a downgrade of our credit ratings for any reason could increase our borrowing costs, limit our access to the capital or credit markets, adversely affect our ability to obtain new financing on favorable terms or at all, result in more restrictive covenants, and have an adverse effect on our business relationships with customers, suppliers, and financial counterparties. We enter into various forms of hedging activities against currency, interest rate, energy and metal price fluctuations. Our financial strength and credit ratings are important to the availability and terms of these hedging activities. As a result, any deterioration of our financial condition or downgrade of our credit ratings may make it more difficult or costly for us to engage in these activities in the future.

Variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase.

Borrowings under our senior secured credit facilities are at variable rates of interest and expose us to interest rate risk. If interest rates continue to increase, our debt service obligations on any variable rate indebtedness could increase even though the amount borrowed remained the same, which could adversely impact our results of operations. In order to manage our exposure to interest rate risk, in the future, we may enter into derivative financial instruments, typically interest rate swaps and caps, involving the exchange of floating for fixed rate interest payments. If we are unable to enter into interest rate swaps, it may adversely impact our results of operations, and, even if we use these instruments to selectively manage risks, there can be no assurance that we will be fully protected against material interest rate fluctuations.

Adverse changes in currency exchange rates could negatively affect our financial results or cash flows and the competitiveness of our aluminum rolled products relative to other materials.

We are exposed to the effects of changes in the exchange rates of the U.S. dollar, the euro, the British pound, the Brazilian real, the Korean won, the Swiss franc and other currencies. We have implemented a hedging policy to manage currency exchange rate risks to an acceptable level based on management's judgment of the appropriate trade-off between risk, opportunity and cost; however, this hedging policy may not successfully or completely eliminate the effects of currency exchange rate fluctuations, which could have a material adverse effect on our financial results and cash flows.

We prepare our consolidated financial statements in U.S. dollars, but a portion of our earnings and expenditures are denominated in other currencies, primarily the euro, the Korean won, and the Brazilian real. Changes in exchange rates may result in increases or decreases in our operating results and may also affect the book value of our assets located outside the U.S.

Our results of operations, cash flows and liquidity could be adversely affected if we were unable to transact in derivative instruments, if our exposure to price fluctuations were not adequately hedged under derivative instruments, or if counterparties to our derivative instruments fail to honor their agreements.

We use various derivative instruments to manage the risks arising from fluctuations in aluminum prices, exchange rates, energy prices and interest rates. If for any reason we were unable to transact in derivative instruments to manage these risks, or if our exposure to fluctuations in such prices and rates were not fully or adequately hedged under such derivative instruments, our results of operations, cash flows, and liquidity could be adversely affected. In addition, we may be exposed to losses in the future if the counterparties to our derivative instruments fail to honor their agreements. In particular, deterioration in the financial condition of our counterparties and any resulting failure to pay amounts or perform obligations owed to us could have a negative effect on our business and financial condition. Further, if major financial institutions consolidate and are forced to operate under more restrictive capital constraints and regulations, there could be less liquidity, or higher costs to transact, in the derivative markets, which could have a negative effect on our costs or our ability to hedge and transact with creditworthy counterparties.

An adverse decline in the liability discount rate, lower-than-expected investment return on pension assets and other factors could affect our results of operations or amount of pension funding contributions in future periods.

Most of our pension obligations relate to funded defined benefit pension plans for our employees in the U.S., the U.K., Switzerland, and Canada, funded and unfunded pension benefits in Germany; and lump sum indemnities payable to our employees in France, Italy, and South Korea upon retirement or termination. Our pension plan assets primarily consist of funds invested in stocks and bonds. Our estimates of liabilities and expenses for pensions and other postretirement benefits incorporate a number of assumptions. The most significant year-end assumptions used by Novelis to estimate pension or other postretirement benefit income or expense for the following year are the discount rate applied to plan liabilities and the expected long-term rate of return on plan assets. Our results of operations, liquidity, or shareholder's (deficit) equity in a particular period could be adversely affected by capital market returns that are less than their assumed long-term rate of return or a decline of the rate used to discount future benefits. These factors or others may require us to make unexpected cash contributions to the pension plans in the future, preventing the use of such cash for other purposes.

Our goodwill, other intangible assets and other long-lived assets could become impaired, which could require us to take non-cash charges against earnings.

We assess, at least annually and potentially more frequently, whether the value of our goodwill has been impaired. We assess the recoverability of finite-lived other intangible assets and other long-lived assets whenever events or changes in circumstances indicate we may not be able to recover the asset's carrying amount. Any impairment of goodwill, other intangible assets, or long-lived assets as a result of such analysis would result in a non-cash charge against earnings, which could materially adversely affect our reported results of operations. A significant and sustained decline in our future cash flows, a significant adverse change in the economic environment, or slower growth rates could result in the need to perform additional impairment analysis in future periods.

Additional tax expense, tax liabilities or tax compliance costs could adversely impact our profitability.

We are subject to income taxation in many jurisdictions. Judgment is required in determining our worldwide income tax provision and accordingly there are many transactions and computations for which our final income tax determination is uncertain. We are routinely audited by income tax authorities in many tax jurisdictions. Although we believe the recorded tax estimates are reasonable, the ultimate outcome from any audit (or related litigation) could be materially different from amounts reflected in our income tax provisions and accruals. Future settlements of income tax audits may have a material effect on earnings between the period of initial recognition of tax estimates in the financial statements and the point of ultimate tax audit settlement. Additionally, it is possible that future income tax legislation in any jurisdiction to which we are subject may be enacted that could have a material impact on our worldwide income tax provision beginning with the period that such legislation becomes effective.

Currently, there are several tax proposals in the jurisdictions in which we operate that could, if enacted into law, significantly impact the tax position of the Company. Specifically, the Organization for Economic Co-operation and Development (OECD) has a framework to implement a global minimum corporate tax of 15% for companies with global revenues and profits above certain thresholds (referred to as Pillar 2), with certain aspects of Pillar 2 effective January 1, 2024 and other aspects effective January 1, 2025. While it is uncertain whether the U.S. will enact legislation to adopt Pillar 2, certain countries in which we operate have adopted legislation, and other countries are in the process of introducing legislation to implement Pillar 2. We do not expect Pillar 2 to have a material impact on our effective tax rate or our consolidated results of operation, financial position, and cash flows.

Additionally, during 2023, the Brazilian Government published Law 14.596/23, effective as of January 1, 2024, which established a transfer pricing framework in Brazil that is aligned with the Organization for Economic Co-operation and Development ("OECD") guidelines. We do not expect the transfer pricing framework to have a material impact on our effective tax rate or our consolidated results of operation, financial position, and cash flows.

We will continue to evaluate the overall impact of current, future, and proposed regulations and interpretive guidance from tax authorities on our effective tax rate and consolidated balance sheets.

The covenants in our credit facilities and the indentures governing our Senior Notes impose operating and financial restrictions on us.

Our credit facilities and the indentures governing our Senior Notes impose certain operating and financial restrictions on us. These restrictions limit our ability and the ability of our restricted subsidiaries, among other things, to:

- incur additional debt and provide additional guarantees;
- pay dividends and make other restricted payments, including certain investments;
- create or permit certain liens;
- make certain asset sales;
- use the proceeds from the sales of assets and subsidiary stock;
- create or permit restrictions on the ability of our restricted subsidiaries to pay dividends or make other distributions to us;
- engage in certain transactions with affiliates;
- make certain acquisitions;
- enter into sale and leaseback transactions; and
- consolidate, merge, or transfer all or substantially all of our assets or the assets of our restricted subsidiaries.

See [Note 12 – Debt](#) for additional discussion.

Risks Related to Cybersecurity and Data Privacy

Security breaches and other disruptions to our information technology networks and systems could interfere with our operations, and could compromise the confidentiality of our proprietary information.

We rely upon information technology networks and systems, some of which are managed by third parties, to process, transmit and store electronic information, and to manage or support a variety of business and manufacturing processes and activities. Additionally, we collect and store sensitive data, including intellectual property, proprietary business information, and personally identifiable information of our employees, in data centers and on information technology networks. These activities are subject to various laws and regulations in the United States and abroad regarding privacy and data security.

Information technology networks and systems (our own as well as those managed by third parties) are susceptible to damage, disruptions and shutdowns due to programming errors, defects, or other vulnerabilities, power outages, hardware failures, computer viruses, cyberattacks, ransomware attacks, malware attacks, attacks by foreign governments and state-sponsored actors, theft, misconduct by employees or other insiders, telecommunications failures, misuse, human errors or other catastrophic events. The costs of attempting to protect against cybersecurity risks and events such as the foregoing are significant, and as cyber-attacks and similar events have become more frequent and sophisticated, these costs have increased and will likely increase further in the future. We have in the past and may in the future experience security breaches and other disruptions to our information technology networks and systems, so we have increased our management focus on and financial investments in systems and processes intended to secure our information technology systems, prevent unauthorized access to or loss of sensitive data, provide security and privacy awareness training, ensure business continuity and comply with applicable laws. These efforts include engaging third-party providers from time to time to test the vulnerability of our systems and recommend solutions to upgrade the security of our systems. We also employ a number of measures to protect and defend against cyber attacks, including technical security controls, data encryption, firewalls, intrusion prevention systems, anti-malware software and frequent backups. New data security laws and regulations are being implemented rapidly and are evolving, and we may not be able to timely comply with such requirements, and such requirements may not be compatible with our current processes. Changing our processes could be time consuming and expensive, and failure to timely implement required changes could subject us to liability for non-compliance. We have incurred and may in the future incur significant costs in order to implement, maintain and/or update security systems we feel are necessary to protect our information systems, including due to the rapid evolution and increased adoption of artificial intelligence and machine learning technologies and especially as we continue to operate under a hybrid working model under which employees can work and access our technology infrastructure remotely.

Cyber-attacks continue to evolve in sophistication and volume and may remain undetected for an extended period. The rapid evolution and increased adoption of artificial intelligence technologies may intensify these cybersecurity risks. Hardware, software or applications we utilize may contain defects in design or manufacture or other problems that could unexpectedly compromise information security, potentially resulting in the unauthorized disclosure and misappropriation of sensitive data, including intellectual property, proprietary business information, and personal data. In addition, techniques used to obtain unauthorized access to information or to sabotage information technology systems change frequently, including as a result the intensification of state-sponsored cybersecurity attacks during periods of geopolitical conflict, such as the ongoing conflict in Ukraine. We have seen, and will continue to see, industry-wide vulnerabilities, which could in the future affect our or other parties' systems. We expect to continue to experience such zero-day vulnerabilities in the future. Despite our best efforts, we cannot fully anticipate, detect, repel or implement fully effective preventative measures against all cybersecurity threats, especially in light of increasingly sophisticated techniques used in cybersecurity attacks, as discussed above. In addition, the IT systems of businesses that we have acquired or may acquire could present issues that we were not able to identify prior to the acquisition or other issues that continue to pose risk to us, such as those related to collection, use maintenance and data disclosure practices or other cybersecurity vulnerabilities. Although to date, we are unaware of any material data breach or system disruption, including a cyberattack, we cannot provide any assurances that such events will not occur and impacts therefrom will not be material in future.

The occurrence of a significant cybersecurity event, including an event impacting one of our third-party providers, could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure, or other loss of information could result in legal claims or proceedings, liability, or regulatory penalties under privacy laws. In addition, we could incur significant costs in notifying affected persons and entities and otherwise complying with the multitude of foreign, federal, state and local laws and regulations relating to the unauthorized access to, or use or disclosure of, personal information. Operational disruptions or any perceived or actual unauthorized access to, or disclosure of, sensitive information could reduce the competitive advantage in new or proprietary business initiatives and damage our reputation and our relationship with our customers. Although we are insured against cyber risks and security breaches up to an annual aggregate limit, our liability insurance may be inadequate and may not fully cover the costs of any claims or damages that we might be required to pay. In the future, we may not be able to obtain adequate liability insurance on commercially desirable or reasonable terms or at all. Any of the foregoing could have a material adverse effect on our business, financial condition, or results of operations.

Failure to comply with current or future federal, state and foreign laws and regulations and industry standards relating to privacy, data protection, advertising and consumer protection could adversely affect our business, financial condition, or results of operations.

We are subject to various privacy, information security, and data protection laws, rules, and regulations that present an ever-evolving regulatory landscape across multiple jurisdictions and industry sections. Federal, state, and foreign legislators and regulators are increasingly adopting or revising privacy, information security, and data protection laws, rules, and regulations that potentially could have a significant impact on our current and planned privacy, data protection, and information security-related practices our collection, use, storing, sharing, retention and safeguarding and otherwise processing of certain types of consumer or employee information and some of our current or planned business activities, which could further increase our costs of compliance and business operations and could reduce income from certain business initiatives.

Compliance with current or future privacy, information security, and data protection laws, rules, and regulations (including those regarding security breach notification) could result in higher compliance and technology costs. Additionally, regulators may attempt to assert authority over our business in the area of privacy, information security, and data protection. If our vendors also become subject to new and additional laws, rules, and regulations in the more stringent and expansive jurisdictions, this could result in increasing costs to our business. We cannot predict the effect compliance with any such laws or regulations may have on our operating environment.

Many jurisdictions have established their own data security and privacy legal frameworks, including data localization and storage requirements, with which we may need to comply. For example, the EU and many countries in Europe have stringent privacy laws and regulations, which may affect our ability to operate cost effectively in certain European countries. In particular, the EU has adopted the General Data Protection Regulation ("EU GDPR") which went into effect on May 25, 2018 and contains numerous requirements and changes from previously existing EU law, including more robust obligations on data processors and heavier documentation requirements for data protection compliance programs by companies. Specifically, the EU GDPR introduced numerous privacy-related changes for companies operating in the EU, including greater control for data subjects (e.g., the "right to be forgotten"), increased data portability for EU consumers, data breach notification requirements, and increased fines. In particular, under the EU GDPR, fines of up to 20 million Euros or up to 4% of the annual global revenue of the noncompliant company, whichever is greater, could be imposed for violations of certain of the EU GDPR's requirements. Similarly, following the UK's exit from the EU, the UK General Data Protection Regulation and the UK Data Protection Act 2018 ("UK GDPR") came into effect, which currently imposes the same obligations as the EU GDPR in most material respects. The EU GDPR, UK GDPR, the CCPA and similar laws and regulations may require us to modify our data processing practices and policies and to incur substantial costs and expenses in an effort to comply.

The EU GDPR and UK GDPR also impose strict rules on the transfer of personal information to countries outside of the European Economic Area ("EEA") and the UK. Legal developments in Europe have created further complexity and uncertainty regarding such transfers, in particular in relation to transfers to the U.S. On July 16, 2020, the Court of Justice of the European Union ("CJEU") invalidated the EU-US Privacy Shield Framework, or Privacy Shield, under which personal information could be transferred from the EEA (and the UK) to relevant self-certified U.S. entities. The CJEU further noted that reliance on the standard contractual clauses (a standard form of contract approved by the European Commission as an adequate personal information transfer mechanism and potential alternative to the Privacy Shield) alone for transfers of personal information outside the EEA (and the UK) may not necessarily be sufficient in all circumstances, and that transfers must be assessed on a case-by-case basis. On July 11, 2023, the European Commission entered into force its adequacy decision for the EU-US Data Privacy Framework (a new framework for transferring personal information from the EEA to the U.S.), having determined that such framework ensures that the protection of personal information transferred from the EEA to the U.S. will be comparable to the protection offered in the EU. However, this decision will likely face legal challenges and ultimately may be invalidated by the CJEU just as the Privacy Shield was. As a result of changes in the laws, rules and regulations governing cross-border transfers of personal information, we have had to make, and continue to make, certain operational changes, conduct assessments of our data transfer policies and procedures, and update and implement revised standard contractual clauses and other relevant documentation and measures for intragroup, customer and vendor arrangements requiring transfers of personal information outside the EEA and the UK, including to the U.S., within required time frames. We may be adversely impacted as the enforcement landscape further develops, and supervisory authorities issue further guidance on international data transfers.

Because the interpretation and application of many privacy and data protection laws, rules and regulations along with contractually imposed industry standards are uncertain, it is possible that these laws may be interpreted and applied in a manner that is inconsistent with our existing data management practices. If so, in addition to the possibility of substantial fines, lawsuits and other claims and penalties, we could be required to fundamentally change our business activities and practices, which could have an adverse effect on our business. Any inability to adequately address privacy and security concerns, even if unfounded, or comply with applicable privacy and data security laws, rules, regulations and policies, could result in additional cost and liability to us, damage our reputation, inhibit growth, and otherwise adversely affect our business. If we are not able to adjust to changing laws, rules and information security, our business may be harmed.

Risks Related to Intellectual Property

If we are unable to protect our intellectual property, the confidentiality of our know-how, trade secrets, technology, and other proprietary information, our business and competitive position could be harmed.

We rely on a combination of patent, trademark, copyright, trade secret and unfair competition laws, as well as confidentiality agreements, license agreements and other contractual provisions, to establish, maintain, protect, and enforce our intellectual property and other proprietary rights. Such means may afford only limited protection of our intellectual property and may not prevent our competitors from duplicating our processes or technology, prevent our competitors from gaining access to our proprietary information and technology, or permit us to gain or maintain a competitive advantage. Any of our direct or indirect intellectual property rights could be challenged, invalidated, circumvented, infringed, or misappropriated, which could result in costly product redesign efforts, discontinuance of certain product offerings or other competitive harm. Further, the laws of certain countries do not protect proprietary rights to the same extent as the laws of the United States. Therefore, in certain jurisdictions, we may be unable to protect our proprietary technology adequately against unauthorized third-party copying, infringement, or use, which could adversely affect our competitive position. To prevent substantial unauthorized use of our intellectual property and proprietary rights, it may be necessary to prosecute actions for infringement, misappropriation or other violation of our intellectual property and proprietary rights against third parties. Litigation, whether we are a plaintiff or a defendant, can be expensive and time consuming and may divert the efforts of our management and other personnel, which could harm our business, whether or not such litigation results in a determination favorable to us. Litigation also puts our patents or other intellectual property at risk of being invalidated or interpreted narrowly and puts our patent applications or applications for other intellectual property registrations at risk of not issuing. If we are sued by a third party that claims that our technology infringes, misappropriates, or violates their rights, the litigation, whether or not successful, could be costly to defend, divert our management's time, attention and resources, damage our reputation and brand and substantially harm our business. Claims of intellectual property infringement also might require us to redesign affected products, enter into costly settlement or license agreements or pay costly damage awards, or face a temporary or permanent injunction prohibiting us from marketing or selling certain of our products. Even if we have an agreement to indemnify us against such costs, the indemnifying party may be unable to uphold its contractual obligations.

We rely on nondisclosure agreements to protect our unpatented know-how, trade secrets, technology and other proprietary information. We seek to protect this information, in part, by entering into nondisclosure and confidentiality agreements with parties who have access to it, such as our employees, consultants, and other third parties. However, we cannot guarantee that we have entered into such agreements with each party that has or may have had access to our proprietary information. Moreover, no assurance can be given that these agreements will be effective in controlling access to, distribution, use, misuse, misappropriation, or disclosure of our proprietary information. Further, these agreements may not prevent our competitors from independently developing substantially equivalent or superior proprietary information. These agreements may be breached, and we may not have adequate remedies for any such breach. Additionally, such agreements may not effectively prevent unauthorized access to or unauthorized use, disclosure, misappropriation, or reverse engineering of, our confidential information, intellectual property, or technology. Enforcing a claim that a party illegally disclosed or misappropriated know-how is difficult, expensive, and time-consuming, and the outcome is unpredictable. Know-how, technology, and other proprietary information can be difficult to protect and some courts inside and outside the U.S. are less willing or unwilling to protect such information. If we develop any trade secrets that were to be lawfully obtained or independently developed by a competitor or other third-party, we would have no right to prevent them from using that technology or information to compete with us, and our competitive position would be materially and adversely harmed. The loss of trade secret protection could make it easier for third parties to compete with our products. Any of the foregoing could have a material adverse effect on our business, financial condition, or results of operations.

Legal and Regulatory Risks

Our global operations are subject to increasingly complex and stringent laws and government regulations that may adversely affect our business and operations.

We operate in complex regulated environments in the U.S. and in the other countries in which we operate and could be adversely affected by changes to existing legal requirements, including related interpretations and enforcement practices, new legal requirements, and/or any failure to comply with applicable regulations.

Compliance with U.S. and foreign laws and regulations, such as those requiring supply chain transparency, import and export requirements, embargoes and trade sanctions laws, anti-corruption laws, tax laws, foreign exchange controls, and cash repatriation restrictions, increases our costs of doing business outside the U.S. We are also subject to data privacy and protection laws regulating the collection, use, retention, disclosure, transfer, and processing of personal information, such as the EU GDPR. The potential effects of these laws are far-reaching and may require us to modify our data processing practices and policies and to incur substantial costs and expenses to comply. In recent years, a number of new laws and regulations have been adopted, there has been expanded enforcement of certain existing laws and regulations, and the interpretation of certain laws and regulations have become increasingly complex.

In addition, the global scale of our operations exposes us to risks relating to international trade policies, including import quotas, tariffs, and taxes on goods imported from countries where we procure or manufacture products or raw materials, as well as retaliatory policies by governments against such policies. In addition, determinations by destination countries about unfairly priced and subsidized products can normalize prices, benefiting the company in some instances, while potentially disrupting supply chains. The impact and duration of such tariffs and other trade restrictions, as well as the potential for additional tariffs by the U.S., China, or other countries, remain uncertain. Our ability to implement strategies to mitigate the impact of such restrictions and our exposure to the risks described above as well as the impact of changes in regulations and policies could impact the competitiveness of our products and negatively impact our business, results of operations, and financial condition.

The impact of new laws, regulations, and policies or decisions or interpretations by authorities applying those laws and regulations, cannot be predicted. Compliance with any new laws, regulations, or policies may increase our operating costs or require significant capital expenditures. Any failure to comply with applicable laws, regulations, or policies in the U.S. or in any of the other countries in which we operate could result in substantial fines or possible revocation of our authority to conduct our operations, which could adversely affect us.

We may be affected by global climate change or by legal, regulatory, or market responses to such change.

Climate change, and evolving customer and stakeholder expectations, legal, regulatory and policy requirements, and market dynamics driven by climate change, could adversely affect our business, financial condition or results of operations. Increased concern over climate change has led to new and proposed legislative and regulatory initiatives, such as cap-and-trade systems, limits on emissions of greenhouse gases, and Corporate Average Fuel Economy standards and requirements to disclose greenhouse gas emissions and other climate change-related information in the U.S., as well as similar standards or requirements in the EU or in other jurisdictions. For example, the SEC has announced a rule requiring disclosure of a broad range of climate change-related information which has been stayed by the SEC, and similar laws have been enacted in the U.S. State of California and other jurisdictions such as the EU. New or revised laws and regulations in this area could directly and indirectly affect us and our customers and suppliers, including by increasing the costs of production or impacting demand for certain products, which could result in an adverse effect on our financial condition, results of operations, and cash flows. Compliance with any new or more stringent laws or regulations, or stricter interpretations of existing laws, could require additional expenditures by us or our customers or suppliers, including increased monitoring and reporting costs. Also, we rely on natural gas, electricity, fuel oil, and transport fuel to operate our facilities. Any increased costs of these energy sources because of new laws or regulations could be passed along to us and our customers and suppliers, which could also have a negative impact on our profitability. Any increased frequency and intensity of extreme weather events resulting from climate change impacting our facilities, our suppliers or critical infrastructure in the United States and abroad could disrupt our supply chain or impact our ability to timely produce and deliver our products.

There are inherent climate-related risks in various regions where we conduct business. Global climate change is resulting, and is expected to continue to result, in natural disasters and adverse weather conditions, such as drought, wildfires, storms, tornados, hurricanes, blizzards, changes in sea-levels, flooding, and extreme temperatures, occurring more frequently or with greater intensity and unpredictability. Such conditions could result in disruptions to any facility or surrounding community directly impacted by a climate-related event, including physical damage resulting in shutdowns and requiring repair and/or our employees' unavailability to work, and could also adversely impact our suppliers, customers, and shipping and transportation networks. These disruptions could make it more difficult and costly for us to produce and deliver our products, obtain raw materials or other supplies, maintain our critical corporate functions, and could reduce customer demand for our products.

In addition, governments, customers and other stakeholders are increasingly focused on corporate environmental, social and governance ("ESG") practices and disclosures, may evaluate our business or other practices according to a variety of ESG targets, standards, and expectations. We define our own corporate purpose, in part, by the sustainability of our practices and our impact on all of our stakeholders. As a result, our efforts to conduct our business in accordance with some or all these expectations may result in increased demands regarding, among other matters, the source of aluminum, alloying metals and other materials used in our products, demand for increased use of recycled materials in our products, the manner in which power we consume is generated, our use and treatment of water and other natural resources, and the packing materials and shipping methods we use to deliver our products. To respond to these demands, we may need to make changes to our facilities, operations or production methods, or increase research and development efforts, any of which could result in significant additional costs. Our policies and processes to evaluate and manage ESG targets and standards in coordination with other business priorities, including our use of carbon offsets, may not prove completely effective. In addition, although we have established public targets with respect to our carbon footprint, energy and water usage and waste generation, we may be unable to meet them or be required to revise them for a variety of reasons, including due to cost increase, (including the cost of carbon offsets), the availability of valuable scrap (which could be downgraded or lost to competitors as demand increases), the availability of cleaner energy sources, sufficient supply of 'low carbon' primary aluminum, or our ability to innovate recycle-friendly alloys. As a result, we may face adverse regulatory, investor, media, or public scrutiny that may adversely affect our business, results of operations, or financial condition. Furthermore, with regard to public targets we have disclosed relating to certain ESG initiatives (including as disclosed within our 2023 Sustainability Report), the criteria by which our ESG practices, including these initiatives and public targets, are assessed may change due to the evolution of the sustainability landscape, which could result in greater expectations of us and may cause us to undertake costly initiatives to satisfy new criteria. Our selection of disclosure standards and ESG targets, and the interpretation or application of those standards and targets, may also change from time to time, or differ from those of others. Methodologies for reporting ESG data, including for Scope 1, 2 and 3 greenhouse gas emissions, may be updated and previously reported ESG data may be adjusted to reflect developments in the availability and quality of third-party data, changing assumptions, changes in the nature and scope of our operations and other changes in circumstances. If we are unable to respond effectively to these changes to the sustainability landscape, governments, customers and other stakeholders may conclude that our policies and/or actions with respect to ESG matters are inadequate. If we fail or are perceived to have failed to achieve previously announced public targets or to accurately disclose our progress on such targets or initiatives, our reputation, business, financial condition, and results of operations could be adversely impacted.

We are subject to a broad range of environmental, health and safety laws and regulations, and we may be exposed to substantial environmental, health and safety costs and liabilities.

We are subject to a broad range of environmental, health, and safety laws and regulations in the jurisdictions in which we operate. These laws and regulations impose stringent environmental, health, and safety protection standards and permitting requirements regarding, among other things, air emissions, wastewater storage, treatment and discharges, the use and handling of hazardous or toxic materials, waste disposal practices, the remediation of environmental contamination, post-mining reclamation, and working conditions for our employees. The costs of complying with these laws and regulations, including participation in assessments and remediation of contaminated sites and installation of pollution control facilities, have been, and in the future could be, significant, and may prove to be more costly than we anticipate. These laws and regulations may also result in substantial environmental liabilities associated with current sites, divested assets, third-party locations, and past activities. Under certain of these laws and regulations, we could incur liability for contamination at our current or former sites (or those of our predecessors) or at sites to which we or our predecessor sent waste for disposal even if the contamination resulted from conduct that was legal at the time or of third parties. The impact that our operations may have on the environment, as well as exposures to hazardous substances or wastes associated with our past and/or current operations, could result in civil or criminal fines or penalties and enforcement actions issued by regulatory or judicial authorities enjoining, curtailing or closing operations or requiring corrective measures, any of which could materially and adversely affect us. Evolving regulatory standards and expectations can result in increased litigation and/or increased costs, including increased remediation costs, all of which can have a material and adverse effect on our financial condition, results of operations and cash flows.

We may be exposed to significant legal proceedings or investigations.

From time to time, we are involved in, or the subject of, disputes, proceedings, and investigations with respect to a variety of matters, including intellectual property, environmental, health and safety, product liability, employee, tax, personal injury, contractual and other matters, as well as other disputes and proceedings that arise in the ordinary course of business.

Any claims against us or any investigations involving us, whether meritorious or not, could be costly to defend or comply with and could divert management's attention as well as operational resources. Any such dispute, litigation, or investigation, whether currently pending or threatened in the future, may have a material adverse effect on our financial results and cash flows. We generally maintain insurance against many product liability risks, but there can be no assurance that this coverage will be adequate for any liabilities ultimately incurred. In addition, there is no assurance that insurance will continue to be available on terms acceptable to us.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

Risk Management and Strategy

As with most companies, we rely heavily on our information technology networks and systems for all aspects of our business and operations. At the same time, information technology networks and systems (our own as well as those managed by third parties) are susceptible to various vulnerabilities, including, without limitation, computer viruses, cyber-attacks, ransomware attacks, malware attacks, attacks by foreign governments and state-sponsored actors, and misconduct by employees or other insiders. Specifically with respect to cyber, ransomware, and similar attacks, the occurrence of any significant event could compromise our networks and result in unauthorized access, destruction, theft and/or public disclosure of our information. Any such access, disclosure, or other loss of information could result in legal claims or proceedings, liability, or regulatory penalties under privacy laws. In addition, we could incur significant costs in notifying affected persons and entities and otherwise complying with the multitude of foreign, federal, state and local laws and regulations relating to the unauthorized access to, or use or disclosure of, personal, customer and product information, as well as significant costs to remediate, fix, or address any network and system issues that led to such vulnerability.

Accordingly, we recognize the importance of maintaining an integrated cybersecurity risk management system and view our responsibility for cybersecurity management as an enterprise risk, and we have therefore adopted proactive and defensive safeguard, which are integrated into our overall ERM program. We maintain layered processes that place responsibility for management and mitigation of cybersecurity risks at both the management and Board level, as more fully described below under "Cybersecurity Governance."

Separately, we also face cybersecurity threats related to third-party service providers and vendors. A significant cyber, ransomware or similar attack affecting or impacting one of our third-party providers or vendors could also render our networks and systems vulnerable and result in similar consequences as described above for direct attacks on our networks and systems. We maintain policies, standards, and processes to oversee, identify, and mitigate risks from cybersecurity threats related to third-party service providers and vendors, including conducting security assessments of critical third-party service providers and vendors before onboarding, periodic reassessment, and vendor offboarding. We also conduct security training and maintain monitoring to oversee evolving cybersecurity risks. We generally include information security requirements in our agreements with third-party service providers and vendors to address cybersecurity risks, including obligations on our third-party service providers and vendors to notify and cooperate with us in the event of a cybersecurity event that implicates or involves our data.

During the periods covered by this Annual Report on Form 10-K, we have not experienced a data breach or system disruption, including a cyber-attack, that has had a material effect on our operations, financial conditions or results of operations. However, we continue to face risks from certain cybersecurity threats that, if realized, are reasonably likely to materially affect our business strategy, result of operations or financial condition. For information on risks we face from cybersecurity threats, see *"Risks Related to Cybersecurity and Data Privacy—Security breaches and other disruptions to our information technology networks and systems could interfere with our operations, and could compromise the confidentiality of our proprietary information"* in Item 1A. Risk Factors of this Annual Report on Form 10-K.

Cybersecurity Governance

Management Level Governance

Our cybersecurity efforts are led by our Chief Information and Digital Officer (the "CIO") and Chief Information Security Officer (the "CISO"). The CISO has primary management-level responsibility for assessing and managing our cybersecurity and defense program, with the CISO directly overseeing a team that is responsible for our day-to-day cybersecurity and cyber defense program. The team focuses on key areas of cybersecurity, including governance, risk management, engineering, architecture and operations. The CISO in turn reports to the CIO, who provides regular updates and feedback to other members of the management team on managing material risks from cybersecurity threats.

Our CIO and CISO have combined over 50 years of experience in the field of cybersecurity and cyber defense. More specifically, their collective expertise and experiences span across multiple industries and various aspects of information technology network and systems, including those that relate specifically to cybersecurity, such as: developing and executing cybersecurity monitoring, defense programs and strategies; product security, privacy controls, data protection, and identity management; security operations, incident response, threat hunting; and coordinating with legal response teams at numerous companies in connection with cybersecurity matters.

Our CISO oversees our governance programs, testing of our compliance with industry standards, risk assessment for risk remediation, and our employee training program on information security. He is also responsible for keeping Novelis apprised of developments in cybersecurity, including potential threats and risk management techniques. We believe this ongoing knowledge acquisition is an important part of our efforts for the effective prevention, detection, mitigation, and remediation of cybersecurity incidents. Our CISO implements and oversees processes for the monitoring of our information systems. This includes the deployment of advanced security measures and system audits to identify potential vulnerabilities. In the event of a cybersecurity incident, our CISO and cybersecurity team rely on our cyber incident response plan, which we review, test, and revise, as appropriate, from time to time. Depending on the severity level of an incident, our CISO, working together with other members of our core cyber security response team, implement a series of immediate actions designed to mitigate the impact and long-term strategies for remediation and prevention of future incidents. Our CISO and cybersecurity team consult with and keep apprised our CIO, as well as, when appropriate, key members of our executive management in the event of a cybersecurity incident that rises to a certain level. Our CISO hosts a monthly Cybersecurity Council with a standing agenda to share and update management plus key IT stakeholders on threats and incidents within the company, strategic updates and progress, business engagement, and operational metrics. Our CISO shares and provides updates on latest cybersecurity threats and risks with our ERM team every quarter.

Board Level Governance

Our Board, together with assistance and input from the Audit Committee, has primary board-level responsibility for oversight of our cybersecurity and data protection risks. Our Audit Committee chairman, as well as the other members of the Audit Committee from time to time, receive regular, informal updates from our CIO regarding the primary cybersecurity risks facing Novelis, and the steps management is taking to mitigate such risks. The CISO and the CIO also provide more formal briefings to the Audit Committee, generally at least once per year. Upon request from the Board, or if we determine to be appropriate, we may from time to time provide such briefings to the entire Board rather than the Audit Committee. These formal briefings generally include, among other items:

- Current cybersecurity landscape and emerging threats;
- Status of ongoing cybersecurity initiatives and strategies;

- Incident reports and learnings from any cybersecurity incidents, if applicable; and
- Compliance with the National Institute of Standards and Technology's Cybersecurity Framework.

Outside of such regular briefings, the Board and/or the Audit Committee are notified of cybersecurity incidents as we determine to be appropriate.

Third Party Engagement

Recognizing the complexity and evolving nature of cybersecurity threats, we engage with a range of external experts, including cybersecurity assessors, consultants, and auditors, to periodically evaluate and test our risk management systems, identify any vulnerability in our systems, and, if appropriate, to recommend and implement solutions to upgrade the security of our systems. These partnerships enable us to leverage specialized knowledge experience and insights in understanding and addressing cybersecurity threats, and approaches to address such threats.

Item 2. Properties.

Our global headquarters are located in Atlanta, Georgia. Our global research and technology center, located in Kennesaw, Georgia, contains state-of-the-art R&D capabilities to help us better partner and innovate with our customers. We have a network of Customer Solutions Centers across all four operating regions, allowing us to innovate alongside our customers. We also have a global engineering and technology center in Spokane, Washington, specializing in molten metal processing. Additionally, we have several facilities with R&D operations worldwide, including facilities with specified research in automotive and aerospace technologies. Our regional headquarters are located in Atlanta, Georgia (North America), Küssnacht, Switzerland (Europe), Seoul, South Korea (Asia), and São Paulo, Brazil (South America).

The number of operating facilities by operating segment as of March 31, 2024, is shown in the table below and includes operating facilities we jointly own and operate with third parties.

	Operating Facilities	Facilities with Recycling Operations
North America	16	6
Europe	10	5
Asia	4	2
South America	2	1
Total	32	14

The following tables provide information, by operating segment, about the plant locations, processes and major end-use markets or applications for the aluminum rolled products, recycling, and primary metal facilities we owned and operated, including joint ventures, as of March 31, 2024.

North America

Locations	Plant Processes	Major Products
Ashville, Ohio	Coating and finishing	Coated coil for specialties
Berea, Kentucky	Recycling and sheet ingot casting	Sheet ingot from recycled metal for can body and can end stock
Buckhannon, West Virginia ⁽¹⁾	Cold rolling and finishing	Mill finish coil and light-gauge sheet for specialties
Davenport, Iowa ⁽²⁾	Casting, hot rolling, and recycling	Hot rolled coil from recycled material
Davenport, Iowa ⁽²⁾	Cold rolling and finishing	Painted coil and mill finish coil
Fairmont, West Virginia	Cold rolling and finishing	Aluminum sheet and light-gauge foil for specialties
Greensboro, Georgia	Recycling and sheet ingot casting	Sheet ingot from recycled metal for can body and can end stock
Guthrie, Kentucky	Pre-treatment and heat treatment	Automotive sheet
Kingston, Ontario	Cold rolling and finishing	Automotive sheet and specialty material
Lincolnshire, Illinois	Cold rolling and finishing	Mill finish coil
Oswego, New York	Sheet ingot casting, hot rolling, cold rolling, recycling, and finishing	Can stock, automotive sheet, construction sheet, industrial sheet, and painted sheet
Richmond, Virginia	Cold rolling and finishing	Mill finish sheet for building and construction
Russellville, Kentucky ⁽³⁾	Sheet ingot casting, hot rolling, cold rolling, finishing, and recycling	Can stock and aluminum sheet and coil for specialties
Terre Haute, Indiana	Cold rolling and finishing	Foil stock for specialties
Uhrichsville, Ohio	Casting, hot rolling, cold rolling, finishing, and recycling	Transportation sheet and aluminum sheet for specialties
Warren, Ohio	Coating and finishing	Coated can sheet

(1) In March 2024, we announced that effective as of June 14, 2024, we will no longer operate the Buckhannon, WV, plant and it will permanently shut down production.

(2) The Company operates two separate facilities in Davenport, Iowa, one finishing mill and one casting facility.

(3) Logan, located in Russellville, Kentucky, is operated as a joint venture between Novelis and Tri-Arrows. We own 40% of the outstanding common shares of Logan. See [Note 8 – Consolidation](#) for further information about this affiliate.

Europe

Locations	Plant Processes	Major Products
Bresso, Italy	Coating, embossing, and finishing	Painted sheet, painted construction sheet, and automotive sheet
Göttingen, Germany	Finishing and coating	Can end stock, food can, and painted sheet
Koblenz, Germany	Sheet ingot casting, hot rolling, cold rolling, and finishing	Aerospace plate and sheet, commercial plate, and heat exchangers
Latchford, United Kingdom	Recycling and sheet ingot casting	Sheet ingot from recycled metal
Nachterstedt, Germany	Cold rolling, finishing, coating, recycling, sheet ingot casting, and heat treatment	Automotive sheet, can end stock, industrial sheet, painted sheet, construction sheet, and sheet ingot from recycled metal
Neuss, Germany ⁽¹⁾	Recycling, sheet ingot casting, hot rolling, cold rolling, and finishing	Can body stock, foil stock, and feeder stock for finishing operations
Ohle, Germany	Cold rolling, finishing, and converting	Foil, packaging, and flexible tubes
Pieve, Italy	Continuous casting, cold rolling, finishing, and recycling	Coil for finishing operations, industrial sheet, foil stock, and closure stock
Sierre, Switzerland ⁽²⁾	Sheet ingot casting, hot rolling, cold rolling, finishing, and continuous heat treatment	Automotive sheet and industrial sheet
Voerde, Germany	Casting and recycling	Sheet ingot for automotive and specialties

(1) Alunorf is operated as a 50/50 production joint venture between Novelis and Speira GmbH. See [Note 9 – Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions](#) for further information about this affiliate.

(2) Novelis operates a wholly owned facility in Sierre, Switzerland. In addition to this facility, Alunfra is operated as a 50/50 joint venture between Novelis and Constellium SE and provides utility services to each partner. See [Note 9 – Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions](#) for further information about this affiliate.

Asia

Locations	Plant Processes	Major Products
Changzhou, China	Heat treatment and finishing	Automotive sheet
Ulsan, South Korea ⁽¹⁾	Sheet ingot casting, hot rolling, cold rolling, recycling, and finishing	Can stock, construction sheet, industrial sheet, electronics, automotive sheet for finishing operations, foil stock, and recycled material
Yeongju, South Korea	Sheet ingot casting, hot rolling, cold rolling, recycling, and finishing	Can stock, construction sheet, industrial sheet, electronics, foil stock, and recycled material
Zhenjiang, China	Sheet ingot casting, hot rolling, and heat treatment	Aerospace plate and sheet, commercial plate, and industrial sheet

(1) UAL is operated as a 50/50 joint venture between Novelis and Kobe. See [Note 9 – Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions](#) for further information about this affiliate.

South America

Locations	Plant Processes	Major Products
Pindamonhangaba, Brazil	Sheet ingot casting, hot rolling, cold rolling, recycling, finishing, and coating	Can stock, construction sheet, industrial sheet, foil stock, sheet ingot, and transportation sheet
Santo Andre, Brazil	Foil rolling and finishing	Light-gauge foil for specialties

Item 3. Legal Proceedings.

We are a party to legal proceedings incidental to our business from time to time. For additional information regarding litigation to which we are a party, see [Note 21 – Commitments and Contingencies](#) to our accompanying consolidated financial statements, which are incorporated by reference into this item.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities.

There is no established public trading market for the Company's common stock. All of the outstanding shares of Novelis are owned directly by AV Minerals (Netherlands) N.V. and indirectly by Hindalco. None of the equity securities of the Company are authorized for issuance under any equity compensation plan.

Dividends or returns of capital to our common shareholder are made in accordance with our capital allocation policy at the discretion of the Board of Directors. Such payments will depend on, among other things, our financial resources, cash flows generated by our business, our cash requirements, restrictions under the instruments governing our indebtedness, and other relevant factors.

Item 6. [Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

OVERVIEW AND REFERENCES

Novelis is driven by its purpose of shaping a sustainable world together. We consider ourselves the leading producer of innovative, sustainable aluminum solutions and the world's largest recycler of aluminum. Specifically, we believe we are the leading provider of low-carbon aluminum solutions, helping to drive a circular economy by partnering with our suppliers and customers in beverage packaging, automotive, aerospace and specialties (a diverse market including building & construction, signage, foil & packaging, commercial transportation and commercial & consumer products, among others) markets globally. Throughout North America, Europe, Asia, and South America, we have an integrated network of 32 world-class, technologically advanced facilities, including 14 recycling centers, 11 innovation centers, and 13,190 employees. Novelis is a subsidiary of Hindalco, an industry leader in aluminum and copper and the metals flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai, India.

The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this Form 10-K, particularly in [Special Note Regarding Forward-Looking Statements and Market Data](#) and [Part I, Item 1A, Risk Factors](#).

Discussion and analysis of fiscal 2022 and year-over-year comparisons between fiscal 2023 and fiscal 2022 not included in this Form 10-K can be found in Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of our Annual Report on Form 10-K for the fiscal year ended March 31, 2023, filed with the SEC on May 10, 2023. The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our audited consolidated financial statements and the related notes and other financial information included elsewhere in this Form 10-K.

BUSINESS AND INDUSTRY CLIMATE

Approximately a decade ago, we launched a multi-year strategy to transform and improve the profitability of our business through significant investment in new capacity and capabilities. These investments enabled us to increase the amount of recycled content in our products, capitalize on favorable long-term market trends driving increased consumer demand for lightweight, sustainable aluminum products, and diversify and optimize our product portfolio. As a global leader in the aluminum flat-rolled products industry, we leveraged our new capacity, global footprint, scale and solid customer relationships to drive volumes and capture favorable supply and demand market dynamics across all our end-use markets. With growth in volumes combined with improved pricing, significant increase in scrap inputs, operational efficiencies and high-capacity utilization rates, we significantly improved the profitability of our beverage packaging and specialties products and maintained high margins for automotive and aerospace products to increase total company net income per tonne from \$(12) in fiscal 2016 to \$163 in fiscal 2024 and total company Adjusted EBITDA per tonne from \$308 in fiscal 2016 to \$510 in fiscal 2024, and turn a net loss of \$38 million into \$600 million in net income.

However, continuing inflation and geopolitical instability in Europe in fiscal 2023, led to increased global operating costs, including for energy, freight, labor, coatings, and alloys. While many of these operating cost pressures have lessened in recent months, some costs, including for labor and repairs, and maintenance, remain elevated. Elevated interest rates have also increased interest expense on our variable interest rate loans. We believe the challenging inflationary and geopolitical environment is negatively impacting near-term demand in some specialty end-markets, such as building and construction, which is more sensitive to inflation and interest rates. We expect such elevated costs and reduced demand until economic conditions stabilize. Despite our results being negatively impacted by higher costs, we have been able to partially mitigate a portion of the higher inflationary cost impact through a combination of hedging, passing through a portion of the higher costs to customers, favorable pricing environments, and utilizing recycled materials. We have also implemented cost control measures across our global operations, including a focus on employment, professional services, and travel costs. There is no assurance that we will continue to be able to mitigate these higher costs in the future.

Our management administers an ERM program, which is a comprehensive risk assessment and mitigation process that identifies and addresses all known current and potential material risks to Novelis' global operations, including legal and regulatory risks. The ERM team is led by an executive officer who delivers an ERM report to the Audit Committee of our Board at least quarterly. On an annual basis, the ERM team meets with or interviews about 160 individuals, some of which are interviewed quarterly, to stay abreast of the latest risks we face.

Throughout the escalation of the Russia-Ukraine conflict, our ERM team has monitored developments and gathered information about Novelis relationships with Russian businesses. Novelis' direct exposure to the conflict has been limited, as we have no operations, assets, or employees in either Russia or Ukraine, and we have only immaterial customer relationships in these countries. Sanctions, tariffs, a ban or similar actions impacting the supply of Russian aluminum could disrupt global aluminum supply. While one of our suppliers of metal is UC Rusal PLC ("Rusal"), a Russian aluminum company, we purchase metal from a diverse global portfolio of metal suppliers and are not dependent on Rusal for a significant portion of our metal supply. The ERM team also monitors other potential impacts of the Russia-Ukraine conflict, including impacts on the reliability of energy supplies to our European manufacturing sites and supply chain disruptions. This information is presented to, and discussed with, the Audit Committee of our Board at least quarterly, with interim updates from our executive leadership as our Board may require. In addition, we manage sanctions compliance through a global sanctions screening program, and our Information Security team monitors cybersecurity matters and makes periodic reports at meetings of our Board.

We believe that global long-term demand for aluminum rolled products remains strong, driven by anticipated economic growth, material substitution, and sustainability considerations, including increased environmental awareness around PET plastics. However, we saw reduced can sheet demand beginning in the second half of fiscal 2023 attributed to the beverage packaging industry reducing excess inventory as supply chains improved and markets adjusted to a more moderated level of beverage packaging demand following the COVID-19 pandemic. We believe inventory levels across the beverage packaging supply chain have now largely normalized.

Increasing customer preference for sustainable packaging options and package mix shift toward infinitely recyclable aluminum are driving higher demand for aluminum beverage packaging worldwide. To support growing demand for aluminum beverage packaging sheet in North America, we broke ground on a 600 kt capacity greenfield rolling and recycling plant in Bay Minette, Alabama in October 2022. We plan to allocate more than half of this plant's capacity to the production of beverage packaging sheet. We continue to evaluate opportunities for additional capacity expansion across regions, where local can sheet supply is insufficient to meet long-term demand growth.

We believe that long-term demand for aluminum automotive sheet will continue to grow, which drove our recently completed investments in automotive sheet finishing capacity in Guthrie, Kentucky, and Changzhou, China. This demand has been primarily driven by the benefits that result from using lightweight aluminum in vehicle structures and components, as automakers respond to stricter government regulations regarding emissions and fuel economy, while maintaining or improving vehicle safety and performance. We are also seeing increased demand for aluminum for electric vehicles, as aluminum's lighter weight can result in extended battery range.

We expect long-term demand for building and construction and other specialty products to grow due to increased customer preference for lightweight, sustainable materials and demand for aluminum plate in Asia to grow driven by the development and expansion of industries serving aerospace, rail, and other technically demanding applications.

Demand for aerospace aluminum plate and sheet has strengthened as air-travel demand has recovered toward pre-COVID levels. In the longer-term, we believe significant aircraft industry order backlogs for key OEMs, including Airbus and Boeing, will translate into growth in the future and that our multi-year supply agreements have positioned us to benefit from future expected demand.

Identified Organic Growth Investments

We believe the long-term demand trends for flat-rolled aluminum products remain strong, and we have approximately \$6.4 billion of debottlenecking, recycling, and new capacity capital investments identified, focused on increasing capacity and capabilities to meet growing customer demand. The approximately \$6.4 billion of identified investments consists of approximately \$4.7 billion in investments in North America, expected to produce an additional 745 kt in incremental rolling capacity, approximately \$300–450 million in investments in Europe, expected to produce an additional 200 kt in incremental rolling capacity, approximately \$450 million in investments in Asia, expected to produce an additional 250 kt in incremental rolling capacity, and approximately \$850 million in investments in South America, expected to produce an additional 480 kt in incremental rolling capacity. We currently have approximately \$4.9 billion of investments under construction through 2027 to further increase recycling and rolling capacity and profitability.

In October 2022, to support growing demand for aluminum beverage packaging sheet in North America, we broke ground on an approximately \$4.1 billion greenfield, fully integrated rolling and recycling plant in Bay Minette, Alabama. This new U.S. plant will support strong demand for sustainable, beverage packaging and automotive aluminum sheet and advance a more circular economy.

In January 2022, we announced plans to invest approximately \$365 million to build a highly advanced recycling center for automotive in the U.S., which will be adjacent to our existing automotive finishing plant in Guthrie, Kentucky. With an expected annual casting capacity of 240 kt of sheet ingot, we expect the facility will reduce the Company's carbon emissions by more than one million tonnes each year. We broke ground on this new recycling center in May 2022.

In February 2022, we announced plans to build a recycling and casting center at our UAL joint venture in South Korea. This \$65 million investment is being fully funded by Novelis and will have an annual casting capacity of 100 kt of low-carbon sheet ingot. Once fully online, we expect the recycling center to reduce the Company's carbon emissions by more than 420 kt each year.

Additional projects include approximately \$350 million to debottleneck production at several facilities in the U.S., Brazil, and South Korea and increase finishing good rolling capacity by approximately 265 kt between fiscal 2024 and 2026. In North America, this includes \$130 million for 65 kt of finished good capacity release in Oswego, New York, and \$150 million for 80 kt of finished good capacity release in Logan, Kentucky. There is also a smaller \$20 million investment to release approximately 50 kt of capacity at our Yeonju, South Korea facility, and a \$50 million debottlenecking investment at our Pindamonhangaba plant to unlock approximately 70 kt of additional rolling capacity in a two-phase project.

Environmental, Social & Governance

In April 2021, we announced that we will further our longstanding sustainability commitment by aiming to become a carbon-neutral company by 2050 or sooner, with an interim goal to reduce our carbon footprint by 30% by fiscal 2026, from our baseline of fiscal 2016. Carbon goals are inclusive of Scope 1 and 2, as well as Scope 3 emissions in categories 1 and 4 of the Greenhouse Gas Protocol. In addition, we have targets to reduce waste intensity to landfills by 20%, energy intensity by 10%, and water intensity by 10%, each by fiscal 2026 from our baseline of fiscal 2020.

We plan to increase the use of recycled content in our products, as appropriate, and engage with customers, suppliers, and industry peers across the value chain as we aim to drive innovation that improves aluminum's overall sustainability profile. In addition, we intend to evaluate each future expansion project's carbon impact and plan to include an appropriate carbon cost impact as part of our financial evaluation of future strategic growth investments so that we may appropriately mitigate any negative carbon impacts.

In support of our commitments, we are voluntarily pursuing the certification of all of our plant operations to the Aluminum Stewardship Initiatives' ("ASI") certification program. ASI works together with producers, users, and stakeholders in the aluminum value chain to collaboratively foster responsible production, sourcing, and stewardship of aluminum. Currently, we have 22 plants globally, and 14 scrap collection centers across Brazil, with both the Performance Standard Certification and the Chain of Custody Certification. In addition, to support our initiatives, in March 2021 we issued €500 million in aggregate principal amount of senior notes. We have allocated an amount equal to the net proceeds of these notes to eligible "green" projects, such as investments in renewable energy and pollution prevention and control projects. Through March 31, 2024, we have allocated \$588 million of the net proceeds to such projects.

Our path to a more sustainable and circular future goes beyond our environmental commitments. We have set targets to be a more diverse and inclusive workforce reflective of our local communities. Globally, we are dedicated to increasing the representation of women in senior leadership, as well as in technical and operational roles. To achieve these goals, the Company has established a global Diversity & Inclusion board of directors, as well as supporting councils in each of our four regions. We will also continue assisting our Employee Resource Groups to help create a more inclusive environment where we seek to provide our employees with a sense of belonging and where different backgrounds and perspectives are embraced and valued.

We are also committed to supporting the communities in which our employees live and work. With firmly established community engagement programs, the Company is committed to advancing its corporate social responsibility efforts by further investing in the Novelis Neighbor program, which gives back to communities through financial contributions and employee volunteerism. The programs emphasize STEM education, recycling education, and local community development.

Liquidity Position

We believe we have adequate liquidity to manage the business with dynamic metal prices. Our cash and cash equivalents and availability under committed credit facilities aggregated to \$2.3 billion of liquidity at March 31, 2024.

We maintain a disciplined approach to capital spending, prioritizing maintenance capital for our operations, and organic strategic capacity expansion projects. We are taking a prudent approach to phasing the timing of transformational organic investment spend, and we expect capital expenditures to increase to a range of approximately \$1.8 to \$2.1 billion for fiscal 2025, as spending for a number of announced strategic capital projects is now ramping up. This includes approximately \$300 million for expected maintenance spend.

Market Trends

Beverage Packaging. Can stock shipments represent the largest percentage of our total rolled product shipments. According to CRU, demand for can stock will increase at a global (excluding China) compound annual growth rate of approximately 4% from calendar year 2023 to 2031, mainly driven by sustainability trends; growth in beverage markets that increasingly use aluminum packaging; and substitution from plastic, glass, and steel. However, we saw reduced can sheet demand between the middle of fiscal 2023 through early fiscal 2024 attributed to the beverage packaging industry reducing excess inventory previously stocked in response to unreliable supply chains and unprecedented high levels of beverage packaging demand during the COVID-19 pandemic, as well as low promotional activity at retailers. Demand has largely recovered as we believe industry inventory levels have now largely normalized and some level of promotional activity is taking place.

Automotive. We believe aluminum is positioned for long-term growth through increased adoption of electric vehicles, which utilize higher amounts of aluminum. Based on management estimates, we believe that global automotive aluminum sheet demand is set to grow at a compound annual growth rate of 7% from calendar year 2023 to calendar year 2028. According to Ducker Carlisle, automotive aluminum sheet demand in North America is set to increase approximately 40% from calendar year 2022 to calendar year 2030, which is directionally in line with our market growth estimates for the region. We estimate that demand in Europe will grow at a slightly higher rate and that the fast-growing Asian automotive aluminum sheet market will increase at a steeper rate from a lower baseline of 2023. Easing supply chain challenges and pent-up consumer demand is supporting strong near-term demand for automotive aluminum sheet.

Aerospace. Passenger air travel continues to increase, facilitating a faster than anticipated recovery for the aerospace industry post-pandemic. We expect demand for aerospace aluminum plate and sheet to continue to grow driven by increased air traffic and a need for fleet modernization.

Specialties. Specialties includes diverse markets, including building and construction, commercial transportation, foil and packaging, and commercial and consumer products. These industries continue to increase aluminum adoption due to its many desirable characteristics. We believe these trends will keep demand high in the long-term, despite the near-term economic headwinds impacting demand for building and construction and some industrial products.

BUSINESS MODEL AND KEY CONCEPTS

Conversion Business Model

A significant amount of our business is conducted under a conversion model, which allows us to pass through increases or decreases in the price of aluminum to our customers. Nearly all of our flat-rolled products have a price structure with three components: (i) a base aluminum price quoted off the LME; (ii) an LMP; and (iii) a "conversion premium" to produce the rolled product that reflects, among other factors, the competitive market conditions for that product. Base aluminum prices are typically driven by macroeconomic factors and global supply and demand for aluminum. LMP tends to vary based on the supply and demand for metal in a particular region and the associated transportation costs.

In North America, Europe, and South America, we pass through LME and LMP to our customers, which are recorded through net sales. In Asia, we purchase our metal inputs based on the LME, which we pass through to our customers, and incur an LMP. Many of our competitors in this region price their metal off the Shanghai Futures Exchange, which does not include an LMP. However, in all of the new contracts over the last several quarters, we have been able to fully pass through the LMP in an increasingly favorable demand environment.

LME Base Aluminum Prices and Local Market Premiums

The average (based on the simple average of the monthly averages) and closing prices for aluminum set on the LME for fiscal 2024, fiscal 2023, and fiscal 2022 are as follows.

	Fiscal 2024	Fiscal 2023	Fiscal 2022	Percent Change	
				Fiscal 2024 versus Fiscal 2023	Fiscal 2023 versus Fiscal 2022
Aluminum (per metric tonne, and presented in U.S. dollars):					
Closing cash price as of beginning of period	\$ 2,337	\$ 3,503	\$ 2,213	(33)%	58 %
Average cash price during period	2,202	2,490	2,769	(12)	(10)
Closing cash price as of end of period	2,270	2,337	3,503	(3)	(33)

For fiscal 2024, fiscal 2023, and fiscal 2022, the weighted average local market premium is as follows.

	Fiscal 2024	Fiscal 2023	Fiscal 2022	Percent Change	
				Fiscal 2024 versus Fiscal 2023	Fiscal 2023 versus Fiscal 2022
Weighted average local market premium (per metric tonne, and presented in U.S. dollars)	\$ 304	\$ 395	\$ 494	(23)%	(20)%

Metal Price Lag and Related Hedging Activities

Increases or decreases in the price of aluminum based on the average LME base aluminum prices and LMPs directly impact net sales, cost of goods sold (exclusive of depreciation and amortization), and working capital. The timing of these impacts varies based on contractual arrangements with customers and metal suppliers in each region. These timing impacts are referred to as metal price lag. Metal price lag exists due to: (i) the period of time between the pricing of our purchase of metal, holding and processing the metal, and the pricing of the sale of finished inventory to our customers and (ii) certain customer contracts containing fixed forward price commitments, which result in exposure to changes in metal prices for the period of time between when our sales price fixes and the sale actually occurs.

We use LME aluminum forward contracts to preserve our conversion margins and manage the timing differences associated with the LME base metal component of net sales and cost of goods sold (exclusive of depreciation and amortization). These derivatives directly hedge the economic risk of future LME base metal price fluctuations to better match the purchase price of metal with the sales price of metal. We have exposure to multiple regional LMPs, however, the derivative markets for local market premiums is not robust or efficient enough for us to offset the impacts of LMP price movements beyond a small volume. From time to time, we take advantage of short-term market conditions to hedge a small percentage of our exposure. As a consequence, volatility in local market premiums can have a significant impact on our results of operations and cash flows.

We elect to apply hedge accounting to better match the recognition of gains or losses on certain derivative instruments with the recognition of the underlying exposure being hedged in the statement of operations. For undesignated metal derivatives, there are timing differences between the recognition of unrealized gains or losses on the derivatives and the recognition of the underlying exposure in the statement of operations. The recognition of unrealized gains and losses on undesignated metal derivative positions typically precedes inventory cost recognition, customer delivery, and revenue recognition. The timing difference between the recognition of unrealized gains and losses on undesignated metal derivatives and cost or revenue recognition impacts income from continuing operations before income tax provision and net income.

Foreign Currency and Related Hedging Activities

We operate a global business and conduct business in various currencies around the world. We have exposure to foreign currency risk as fluctuations in foreign exchange rates impact our operating results as we translate the operating results from various functional currencies into our U.S. dollar reporting currency at current average rates. We also record foreign exchange remeasurement gains and losses when business transactions are denominated in currencies other than the functional currency of that operation. Global economic uncertainty is contributing to higher levels of volatility among the currency pairs in which we conduct business. The following table presents the exchange rates as of the end of each period and the average of the month-end exchange rates for fiscal 2024, fiscal 2023, and fiscal 2022.

	Exchange Rate as of March 31,			Average Exchange Rate		
	2024	2023	2022	Fiscal 2024	Fiscal 2023	Fiscal 2022
Euro per U.S. dollar	0.926	0.920	0.889	0.922	0.960	0.862
Brazilian real per U.S. dollar	4.996	5.080	4.738	4.946	5.151	5.285
South Korean won per U.S. dollar	1,347	1,304	1,211	1,322	1,314	1,168
Canadian dollar per U.S. dollar	1.355	1.354	1.249	1.347	1.327	1.253
Swiss franc per euro	0.974	0.993	1.023	0.960	0.993	1.064

Exchange rate movements have an impact on our operating results. In Europe, where we have predominantly local currency selling prices and operating costs, we benefit as the euro strengthens but are adversely affected as the euro weakens. For our Swiss operations, where operating costs are incurred primarily in the Swiss franc and a large portion of revenues are denominated in the euro, we benefit as the Swiss franc weakens but are adversely affected as the franc strengthens. In South Korea, where we have local currency operating costs and U.S. dollar denominated selling prices for exports, we benefit as the South Korean won weakens but are adversely affected as the won strengthens. In Brazil, where we have predominately U.S. dollar selling prices and local currency manufacturing costs, we benefit as the Brazilian real weakens but are adversely affected as the real strengthens. We use foreign exchange forward contracts and cross-currency swaps to manage our exposure arising from recorded assets and liabilities, firm commitments, and forecasted cash flows denominated in currencies other than the functional currency of certain operations, which include capital expenditures and net investment in foreign subsidiaries.

See *Segment Review* below for the impact of foreign currency on each of our segments.

RESULTS OF OPERATIONS

For fiscal 2024, we reported net income attributable to our common shareholder of \$600 million, a decrease of 9% compared to \$658 million in fiscal 2023. Net income from continuing operations was \$600 million for fiscal 2024, a decrease of 9% from \$659 million in fiscal 2023, and Adjusted EBITDA was \$1,873 million in fiscal 2024, an increase of 3% from \$1,811 million in fiscal 2023. The decrease in net income is primarily due to lower beverage packaging and specialty shipments, less favorable metal benefit from recycling due to lower aluminum prices, higher employment costs, a prior year favorable inventory timing effect from capitalizing high operating costs last year, and higher income tax provision, partially offset by higher pricing, including some cost pass-through to customers, higher automotive shipments, some settling of inflationary cost pressures including energy costs, and favorable foreign exchange. The increase in Adjusted EBITDA is driven by the same factors described above, excluding the unfavorable impact from a higher income tax provision in the current year.

Net cash provided by operating activities - continuing operations was \$1.3 billion for fiscal 2024 and \$1.2 billion for fiscal 2023. Adjusted free cash flow was an outflow of \$75 million for fiscal 2024. Refer to [Non-GAAP Financial Measures](#) for our definition of adjusted free cash flow.

Key Sales and Shipment Trends

in millions, except shipments which are in kt	Three Months Ended				Fiscal Year Ended	Three Months Ended				Fiscal Year Ended
	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	March 31, 2024
Net sales	\$ 5,089	\$ 4,799	\$ 4,201	\$ 4,397	\$ 18,486	\$ 4,091	\$ 4,107	\$ 3,935	\$ 4,077	\$ 16,210
Percentage change in net sales ⁽¹⁾	32 %	17 %	(3)%	(9)%	8 %	(20)%	(14)%	(6)%	(7)%	(12)%
Rolled product shipments:										
North America	386	386	380	363	1,515	370	390	362	391	1,513
Europe	272	268	242	248	1,030	250	256	230	246	982
Asia	185	208	141	187	721	176	175	176	183	710
South America	148	162	162	144	616	119	144	176	164	603
Eliminations	(29)	(40)	(17)	(6)	(92)	(36)	(32)	(34)	(33)	(135)
Total	962	984	908	936	3,790	879	933	910	951	3,673

The following summarizes the percentage increase (decrease) in rolled product shipments versus the comparable prior period:

North America	8 %	3 %	6 %	(3)%	3 %	(4)%	1 %	(5)%	8 %	— %
Europe	(3)	3	(5)	(9)	(3)	(8)	(4)	(5)	(1)	(5)
Asia	(4)	6	(18)	(8)	(6)	(5)	(16)	25	(2)	(2)
South America	(6)	10	3	(8)	—	(20)	(11)	9	14	(2)
Total	(1)%	2 %	(2)%	(5)%	(2)%	(9)%	(5)%	— %	2 %	(3)%

(1) The percentage (decrease) or increase in net sales versus the comparable previous year period

Fiscal 2024 Compared to Fiscal 2023

Net sales were \$16.2 billion for fiscal 2024, a decrease of 12% from \$18.5 billion in fiscal 2023, primarily driven by lower average aluminum prices and a 4% decrease in total shipments compared to the prior year. The decrease in aluminum prices was driven primarily by a 12% decrease in average LME prices compared to the prior year. The main drivers for the decrease in shipments are discussed below under *Segment Review*.

Income from continuing operations before income tax provision was \$818 million for fiscal 2024, an increase of 1% from \$806 million in fiscal 2023. In addition to the factor noted above, the following items affected the change in income from continuing operations before income tax provision.

Cost of Goods Sold (Exclusive of Depreciation and Amortization)

Cost of goods sold (exclusive of depreciation and amortization) was \$13.7 billion for fiscal 2024, a decrease of 14% from \$16.0 billion in fiscal 2023, driven primarily by lower average LME aluminum prices and lower production due to reduced demand. Total metal input costs included in cost of goods sold (exclusive of depreciation and amortization) decreased \$2.2 billion over fiscal 2023.

Selling, General and Administrative Expenses

SG&A was \$717 million for fiscal 2024 compared to \$679 million for fiscal 2023. The increase is mainly due to higher employment expense resulting from higher employment and variable compensation costs, partially offset by cost control measures across our global operations, including a focus on professional services and travel costs.

Depreciation and Amortization

Depreciation and amortization was \$554 million for fiscal 2024 compared to \$540 million for fiscal 2023.

Interest Expense and Amortization of Debt Issuance Costs

Interest expense and amortization of debt issuance costs was \$298 million for fiscal 2024 compared to \$274 million for fiscal 2023. The increase is primarily due to higher average interest rates on variable interest rate borrowings.

Loss on Extinguishment of Debt, Net

We recorded \$5 million in loss on extinguishment of debt, net in fiscal 2024. This relates to the write-off of unamortized debt issuance costs and discount for the partial extinguishment of the 2020 Term Loan. There were no losses on extinguishment of debt in fiscal 2023.

See [Note 12 – Debt](#) for further information.

Restructuring and Impairment, Net

Restructuring and impairment, net was \$42 million in fiscal 2024. This primarily relates to the Company's closure of the Clayton, New Jersey, plant in December 2023, which resulted in charges for restructuring activities of \$25 million in the current period.

Restructuring and impairment, net was \$33 million in fiscal 2023. This primarily relates to charges for reorganization activities of \$21 million resulting from the closure of certain outdated equipment at our Richmond plant in North America.

See [Note 3 – Restructuring and Impairment](#) for further information.

Other (Income) Expenses, Net

Other (income) expenses, net was income of \$22 million for fiscal 2024 compared to expense of \$79 million for fiscal 2023. This change was primarily due to the Company incurring realized gains on the change in fair value of derivative instruments, net, of \$80 million in the current period compared to losses of \$83 million in the prior year period and unrealized losses on the change in fair value of derivative instruments, net, of \$36 million in the current period compared to gains of \$23 million in the prior year period.

Taxes

We recognized \$218 million of income tax provision in fiscal 2024, which resulted in an effective tax rate of 27%. This rate was primarily driven by the results of operations taxed at foreign statutory rates that differ from the 25% Canadian rate, including withholding taxes; changes to the Brazilian real foreign exchange rate; change in valuation allowances and the availability of tax credits. We recognized \$147 million in fiscal 2023, which resulted in an effective tax rate of 19%. This rate was primarily driven by the results of operations taxed at foreign statutory tax rates that differ from the 25% Canadian tax rate, including withholding taxes; changes to the Brazilian real foreign exchange rate; changes in valuation allowances, including a \$39 million benefit from the release of certain valuation allowances; and the availability of tax credits. See [Note 20 – Income Taxes](#) for further information.

Segment Review

Due in part to the regional nature of supply and demand of aluminum rolled products and in order to best serve our customers, we manage our activities on the basis of geographical regions and are organized under four operating segments: North America, Europe, Asia, and South America.

The tables below illustrate selected segment financial information (in millions, except shipments, which are in kt). For additional financial information related to our operating segments including the reconciliation of net income attributable to our common shareholder to Adjusted EBITDA, see [Note 22 – Segment, Geographical Area, Major Customer and Major Supplier Information](#). In order to reconcile the financial information for the segments shown in the tables below to the relevant U.S. GAAP-based measures, "Eliminations and other" must adjust for proportional consolidation of each line item for our Logan affiliate because we consolidate 100% of the Logan joint venture for U.S. GAAP purposes. However, we manage our Logan affiliate on a proportionately consolidated basis and eliminate intersegment shipments.

Selected Operating Results Fiscal 2024	North America	Europe	Asia	South America	Eliminations and other	Total
Net sales	\$ 6,717	\$ 4,426	\$ 2,610	\$ 2,461	\$ (4)	\$ 16,210
Shipments (in kt):						
Rolled products - third party	1,513	967	623	570	—	3,673
Rolled products - intersegment	—	15	87	33	(135)	—
Total rolled products	1,513	982	710	603	(135)	3,673
Non-rolled products	15	99	32	105	—	251
Total shipments	1,528	1,081	742	708	(135)	3,924

Selected Operating Results Fiscal 2023	North America	Europe	Asia	South America	Eliminations and other	Total
Net sales	\$ 7,550	\$ 5,059	\$ 3,014	\$ 2,893	\$ (30)	\$ 18,486
Shipments (in kt):						
Rolled products - third party	1,515	998	678	599	—	3,790
Rolled products - intersegment	—	32	43	17	(92)	—
Total rolled products	1,515	1,030	721	616	(92)	3,790
Non-rolled products	15	117	32	138	(21)	281
Total shipments	1,530	1,147	753	754	(113)	4,071

The following table reconciles changes in Adjusted EBITDA for fiscal 2023 to fiscal 2024 (in millions).

Changes in Adjusted EBITDA	North America	Europe	Asia	South America	Eliminations and other ⁽¹⁾	Total
Adjusted EBITDA - Fiscal 2023	\$ 673	\$ 286	\$ 339	\$ 522	\$ (9)	\$ 1,811
Volume	1	(58)	(4)	(11)	(70)	(142)
Conversion premium and product mix ⁽²⁾	69	64	(60)	(32)	85	126
Conversion costs	(10)	4	27	1	(14)	8
Foreign exchange	7	28	21	(8)	(1)	47
Selling, general & administrative and research & development costs ⁽³⁾	(25)	(15)	(1)	3	1	(37)
Other changes	34	12	12	(3)	5	60
Adjusted EBITDA - Fiscal 2024	\$ 749	\$ 321	\$ 334	\$ 472	\$ (3)	\$ 1,873

(1) The recognition of Adjusted EBITDA by a region on an intersegment shipment could occur in a period prior to the recognition of Adjusted EBITDA on a consolidated basis, depending on the timing of when the inventory is sold to a third-party customer. The "Eliminations and other" column adjusts regional Adjusted EBITDA for intersegment shipments that occur in a period prior to recognition of Adjusted EBITDA on a consolidated basis. The "Eliminations and other" column also reflects adjustments for changes in regional volume, conversion premium and product mix, and conversion costs related to intersegment shipments for consolidation. "Eliminations and other" must adjust for proportional consolidation of each line item for our Logan affiliate because we consolidate 100% of the Logan joint venture for U.S. GAAP, but we manage our Logan affiliate on a proportionately consolidated basis.

(2) Conversion premium and product mix in Europe includes a \$37 million customer contractual obligation benefit recognized during the twelve months ended March 31, 2023.

(3) Selling, general & administrative and research & development costs include costs incurred directly by each segment and all corporate related costs.

North America

Net sales decreased \$833 million, or 11%, driven primarily by lower average LME aluminum prices as shipments overall were in line with the prior year. Higher automotive and beverage packaging shipments on good demand for domestic production were partially offset by lower specialty shipments due to softer market demand. Adjusted EBITDA was \$749 million, an increase of 11%, primarily driven by favorable product mix and higher product prices, favorable metal benefit, and lower freight expense, partially offset by higher operating costs including a favorable inventory timing effect from capitalizing high operating costs in the prior year, and higher employment costs.

Europe

Net sales decreased \$633 million, or 13%, driven primarily by lower average LME aluminum prices and a 5% decrease in shipments. Lower beverage packaging and specialty shipments were partially offset by higher automotive shipments. Adjusted EBITDA was \$321 million, an increase of 12%, primarily driven by higher product prices, including inflationary and energy cost passthrough to customer, and favorable foreign exchange rates, partially offset by lower volume of shipments and a \$37 million customer contractual obligation benefit and a \$10 million Duffel settlement benefit in the prior year which did not recur in the current year.

Asia

Net sales decreased \$404 million, or 13%, driven primarily by lower average LME aluminum prices and a 2% decrease in shipments. Lower beverage packaging shipments were partially offset by higher specialty and automotive shipments. Adjusted EBITDA was \$334 million, a decrease of 1%, primarily due to less favorable metal benefit, and higher utilities and employment costs, partially offset by favorable foreign exchange. Additionally, we incurred lower freight costs compared to the prior year, which in turn resulted in a lower freight cost pass through in price to customers.

South America

Net sales decreased \$432 million, or 15%, driven primarily by lower average LME aluminum prices and a 2% decrease in shipments. Lower beverage packaging shipments were partially offset by higher specialty shipments. Adjusted EBITDA was \$472 million, a decrease of 10%, primarily due to lower pricing, including lower freight cost pass through, less favorable metal benefit, and lower volume. These factors were partially offset by lower utilities and freight costs.

LIQUIDITY AND CAPITAL RESOURCES

We believe we maintain adequate liquidity levels through a combination of cash and availability under committed credit facilities. Our cash and cash equivalents and availability under committed credit facilities aggregated to \$2.3 billion of liquidity as of March 31, 2024. Our primary liquidity sources are cash flows from operations, working capital management, cash, and liquidity under our debt agreements. Our recent business investments are being funded through cash flows generated by our operations and a combination of local financing and our senior secured credit facilities. We expect to be able to fund both our short-term and long-term liquidity needs, such as our continued expansions, servicing our debt obligations, and providing sufficient liquidity to operate our business, through one or more of the following: the generation of operating cash flows, working capital management, our existing debt facilities (including refinancing), and new debt issuances, as necessary.

Our capital expenditures expectation for fiscal 2025 is approximately \$1.8 to \$2.1 billion. This includes approximately \$300 million for expected maintenance spend.

Available Liquidity

Our available liquidity as of March 31, 2024 and 2023 is as follows.

<i>in millions</i>	March 31,	
	2024	2023
Cash and cash equivalents	\$ 1,309	\$ 1,498
Availability under committed credit facilities	1,008	1,101
Total available liquidity	\$ 2,317	\$ 2,599

The decrease in total available liquidity is primarily due to a decrease in our cash and cash equivalents and a decrease in the availability under committed credit facilities, which is primarily driven by increased borrowing on the ABL Revolver compared to the prior year. See [Note 12 – Debt](#) for more details on our availability under committed credit facilities.

Cash and cash equivalents includes cash held in foreign countries in which we operate. As of March 31, 2024, we held \$10 million of cash and cash equivalents in Canada, in which we are incorporated, with the rest held in other countries in which we operate. As of March 31, 2024, we held \$678 million of cash in jurisdictions for which we have asserted that earnings are permanently reinvested, and we plan to continue to fund operations and local expansions with cash held in those jurisdictions. Cash held outside of Canada is free from significant restrictions that would prevent the cash from being accessed to meet the Company's liquidity needs including, if necessary, to fund operations and service debt obligations in Canada. Upon the repatriation of any earnings to Canada, in the form of dividends or otherwise, we could be subject to Canadian income taxes (subject to adjustment for foreign taxes paid and the utilization of the large cumulative net operating losses we have in Canada) and withholding taxes payable to the various foreign jurisdictions. As of March 31, 2024, we do not believe adverse tax consequences exist that restrict our use of cash and cash equivalents in a material manner.

We use derivative contracts to manage risk as well as liquidity. Under our terms of credit with counterparties to our derivative contracts, we do not have any material margin call exposure. No material amounts have been posted by Novelis nor do we hold any material amounts of margin posted by our counterparties. We settle derivative contracts in advance of billing on the underlying physical inventory and collecting payment from our customers, which temporarily impacts our liquidity position. The lag between derivative settlement and customer collection typically ranges from 30 to 90 days.

Obligations

Our material cash requirements include future contractual and other obligations arising in the normal course of business. These obligations primarily include debt and related interest payments, finance and operating lease obligations, postretirement benefit plan obligations, and purchase obligations.

Debt

As of March 31, 2024, we had an aggregate principal amount of debt, excluding finance leases, of \$5.7 billion, with \$783 million due within 12 months. In addition, we are obligated to make periodic interest payments at fixed and variable rates, depending on the terms of the applicable debt agreements. Based on applicable interest rates and scheduled debt maturities as of March 31, 2024, our total interest obligation on long-term debt totaled an estimated \$1.1 billion, with \$237 million payable within 12 months. Actual future interest payments may differ from these amounts based on changes in floating interest rates or other factors or events. Excluded from these amounts are interest related to finance lease obligations, the amortization of debt issuance costs, and other costs related to indebtedness. See [Note 12 – Debt](#) to our accompanying consolidated financial statements for more information about our debt arrangements.

Leases

We lease certain land, buildings, and equipment under non-cancelable operating lease arrangements and certain office space under finance lease arrangements. As of March 31, 2024, we had aggregate finance lease obligations of \$25 million, with \$9 million due within 12 months. This includes both principal and interest components of future minimum finance lease payments. Excluded from these amounts are insurance, taxes, and maintenance associated with the property. As of March 31, 2024, we had aggregate operating lease obligations of \$130 million, with \$30 million due within 12 months. This includes the minimum lease payments for non-cancelable leases for property and equipment used in our operations. Excluded from these amounts are insurance, taxes, and maintenance associated with the properties and equipment as well as future minimum lease payments related to operating leases signed but not yet commenced. We do not have any operating leases with contingent rents. See [Note 10 – Leases](#) to our accompanying consolidated financial statements for further discussion of our operating and finance leases.

Postretirement Benefit Plans

Obligations for postretirement benefit plans are estimated based on actuarial estimates using benefit assumptions for, among other factors, discount rates, rates of compensation increases, and health care cost trends. As of March 31, 2024, payments for pension plan benefits and other post-employment benefits estimated through 2034 were \$1.2 billion, with \$104 million due within 12 months. See [Note 14 – Postretirement Benefit Plans](#) to our accompanying consolidated financial statements for further discussion.

Purchase Obligations and Other

Purchase obligations include agreements to purchase goods (including raw materials and capital expenditures) and services that are enforceable and legally binding on us and that specify all significant terms. Some of our raw material purchase contracts have minimum annual volume requirements. In these cases, we estimate our future purchase obligations using annual minimum volumes and costs per unit that are in effect as of March 31, 2024. As of March 31, 2024, we had aggregate purchase obligations of \$12.1 billion, with \$5.1 billion due within 12 months.

Due to volatility in the cost of our raw materials, actual amounts paid in the future may differ from these amounts. Excluded from these amounts are the impact of any derivative instruments and any early contract termination fees, such as those typically present in energy contracts. Purchase obligations do not include contracts that can be cancelled without significant penalty.

The future cash flow commitments we may have related to derivative contracts are from the figures above as these are fair value measurements determined at an interim date within the contractual term of the arrangement and, accordingly, do not represent the ultimate contractual obligation (which could ultimately become a receivable). As a result, the timing and amount of the ultimate future cash flows related to our derivative contracts, including the \$149 million of derivative liabilities recorded on our balance sheet as of March 31, 2024, are uncertain. In addition, stock compensation is excluded from the above figures as it is a fair value measurement determined at an interim date and is not considered a contractual obligation. Furthermore, due to the difficulty in determining the timing of settlements, the above figures also exclude \$80 million of uncertain tax positions. See [Note 20 – Income Taxes](#) to our accompanying consolidated financial statements for more information.

There are no additional material off-balance sheet arrangements.

Cash Flow Summary

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022	Change	
				Fiscal 2024 versus Fiscal 2023	Fiscal 2023 versus Fiscal 2022
Net cash provided by operating activities	\$ 1,315	\$ 1,208	\$ 1,143	\$ 107	\$ 65
Net cash used in investing activities	(1,388)	(775)	(473)	(613)	(302)
Net cash (used in) provided by financing activities	(98)	24	(615)	(122)	639

Operating Activities

The increase in net cash provided by operating activities primarily relates to higher net cash inflows from changes in working capital and higher Adjusted EBITDA.

Net Cash Provided by Operating Activities - Continuing Operations and Adjusted Free Cash Flow

Refer to [Non-GAAP Financial Measures](#) for our definition of adjusted free cash flow.

The following table shows adjusted free cash flow for fiscal 2024, fiscal 2023, and fiscal 2022, and the change between periods, as well as the ending balances of cash and cash equivalents.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022	Change	
				Fiscal 2024 versus Fiscal 2023	Fiscal 2023 versus Fiscal 2022
Net cash provided by operating activities - continuing operations	\$ 1,315	\$ 1,220	\$ 1,132	\$ 95	\$ 88
Net cash used in investing activities - continuing operations	(1,388)	(775)	(473)	(613)	(302)
Plus: Cash used in the acquisition of business and other investments	—	7	—	(7)	7
Less: Proceeds from sales of assets and business, net of transactions fees, cash income taxes	(2)	(9)	(10)	7	1
Adjusted free cash flow from continuing operations	(75)	443	649	(518)	(206)
Net cash (used in) provided by operating activities - discontinued operations	—	(12)	11	12	(23)
Adjusted free cash flow	\$ (75)	\$ 431	\$ 660	\$ (506)	\$ (229)
Cash and cash equivalents	\$ 1,309	\$ 1,498	\$ 1,070	\$ (189)	\$ 428

Investing Activities

The change in net cash used in investing activities over the prior fiscal year primarily relates to higher capital expenditures of \$1,358 million in fiscal 2024 compared to \$786 million in fiscal 2023.

Financing Activities

The following represents proceeds from the issuance of long-term and short-term borrowings during fiscal 2024.

<i>in millions</i>	Fiscal 2024
Floating rate Term Loans, due September 2026	\$ 482
Short-term borrowings in Brazil	200
Bank overdrafts	67
Proceeds from issuance of long-term and short-term borrowings	<u>\$ 749</u>

The following represents principal payments of long-term and short-term borrowings during fiscal 2024.

<i>in millions</i>	Fiscal 2024
Short-term borrowings in Brazil	\$ (100)
Brazil Loan, due June 2023	(30)
Brazil Loan, due December 2023	(20)
Floating rate Term Loans, due January 2025	(484)
Floating rate Term Loans, due September 2026	(4)
Floating rate Term Loans, due March 2028	(5)
China Bank Loans, due August 2027	(8)
Bank overdraft repayments	(67)
Finance leases and other repayments	(18)
Principal payments of long-term and short-term borrowings	<u>\$ (736)</u>

The following represents inflows (outflows) from revolving credit facilities and other, net during fiscal 2024.

<i>in millions</i>	Fiscal 2024
ABL Revolver	\$ 50
China credit facility	(57)
Korea credit facility	(1)
Revolving credit facilities and other, net	<u>\$ (8)</u>

In September 2023, Novelis amended the Term Loan Facility and the amendment was accounted for as a partial extinguishment of the 2020 Term Loans, whereby \$482 million of the \$750 million outstanding at the time of the transaction was deemed an extinguishment and the remaining \$268 million was deemed a modification of debt.

In addition to the activities shown in the tables above during fiscal 2024, we paid \$3 million in debt issuance costs, primarily related to the September 2023 amendment of the Term Loan Facility. We also paid a return of capital to our common shareholder in the amount of \$100 million during fiscal 2024.

During fiscal 2023, we received proceeds of \$50 million from the issuance of long-term and short-term borrowings, which related to the Brazil short-term loan entered into in March 2023.

In fiscal 2023, we made principal repayments of \$314 million on the short-term Axis Loan, \$50 million on short-term borrowings in Brazil, \$8 million on the floating rate Term Loans, due January 2025, \$5 million on the floating rate Term Loans, due March 2028, \$6 million on China Bank Loans, and \$7 million on finance leases and other repayments.

Additionally, in fiscal 2023, we paid \$7 million in debt issuance costs, primarily related to the August 2022 amendment to our ABL Revolver. We also paid a return of capital to our common shareholder in the amount of \$100 million.

Non-Guarantor Information

As of March 31, 2024, the Company's subsidiaries that are not guarantors represented the following approximate percentages of (a) net sales, (b) Adjusted EBITDA, and (c) total assets of the Company, on a consolidated basis (including intercompany balances):

Item Description	Ratio
Consolidated net sales represented by net sales to third parties by non-guarantor subsidiaries (for fiscal 2024)	19 %
Consolidated Adjusted EBITDA represented by the non-guarantor subsidiaries (for fiscal 2024)	18
Consolidated assets are owned by non-guarantor subsidiaries (as of March 31, 2024)	15

Refer to [Non-GAAP Financial Measures](#) for our definition of Adjusted EBITDA. In addition, for both fiscal 2024 and fiscal 2023, the Company's subsidiaries that are not guarantors had net sales of \$3.6 billion, and, as of March 31, 2024, those subsidiaries had assets of \$2.9 billion and debt and other liabilities of \$1.5 billion (including intercompany balances).

CAPITAL ALLOCATION FRAMEWORK

In May 2021, Novelis announced a capital allocation framework that laid out the general guidelines for use of post-maintenance capital expenditure Adjusted Free Cash Flow for the next five years. Annual maintenance capital expenditures are between \$300 million to \$350 million. The priority at that time was to reduce long-term debt by \$2.6 billion from its recent peak in the first quarter of fiscal 2021 after the Aleris acquisition and to target a net leverage ratio of approximately 2.5x. Having achieved both targets by the end of fiscal 2022, the priority subsequently shifted to organic growth capital expenditures. We believe the long-term trends for flat-rolled aluminum products remain strong, and we have identified approximately \$6.4 billion of potential organic growth opportunities, of which specific capital projects of approximately \$4.9 billion are already under construction, focused on increasing capacity and capabilities that meet growing customer demand and align with our sustainability commitments. We are pacing capital investments and prioritizing specific investments of approximately \$4.9 billion that are already under construction. We intend to maintain a medium-term net leverage ratio in a range around 3x, and continue to guide approximately 8%-10% of post-maintenance capital expenditure adjusted free cash flow to be returned to our common shareholder. Payments to our common shareholder are at the discretion of our Board of Directors. Any such payments depend on, among other things, our financial resources, cash flows generated by our business, our cash requirements, restrictions under the instruments governing our indebtedness, being in compliance with the appropriate indentures and covenants under the instruments that govern our indebtedness, and other relevant factors.

We paid a return of capital to our common shareholder in the amount of \$100 million during the fourth and second quarters of fiscal 2024 and fiscal 2023, respectively. Past payments of return of capital should not be construed as a guarantee of future returns of capital in the same amounts or at all.

ENVIRONMENT, HEALTH AND SAFETY

We strive to be a leader in environment, health and safety standards. Our environment, health and safety system is aligned with ISO 14001, an international environmental management standard, and OHSAS 18001 or ISO 45001, international occupational health and safety management standards. As of March 31, 2024, 25 of our facilities were ISO 45001 certified. As of March 31, 2023, 24 of our facilities were OHSAS 18001 or ISO 451001 certified. As of March 31, 2024 and 2023, 29 and 28 of our facilities were ISO14001 certified, respectively. In addition as of March 31, 2024 and 2023, 30 of our facilities were certified to one of the following quality standards: ISO 9001, TS 16949, IATF 16949.

Our expenditures for environmental protection (including estimated and probable environmental remediation costs as well as general environmental protection costs at our facilities) and the betterment of working conditions in our facilities were \$22 million during fiscal 2024, of which \$19 million was expensed and \$3 million was capitalized. We expect that these expenditures will be approximately \$20 million in fiscal 2025, of which we estimate \$16 million will be expensed and \$4 million will be capitalized. Generally, expenses for environmental protection are recorded in cost of goods sold (exclusive of depreciation and amortization). However, significant remediation costs that are not associated with on-going operations are recorded in restructuring and impairment, net.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our discussion and analysis of our results of operations, liquidity and capital resources are based on our consolidated financial statements, which have been prepared in accordance with U.S. GAAP. In connection with the preparation of our consolidated financial statements, we are required to make assumptions and estimates about future events, and apply judgments that affect the reported amounts of assets, liabilities, revenue, expenses, and the related disclosures. We base our assumptions, estimates, and judgments on historical experience, current trends and other factors we believe to be relevant at the time we prepare our consolidated financial statements. On a regular basis, we review the accounting policies, assumptions, estimates and judgments to ensure that our consolidated financial statements are presented fairly and in accordance with U.S. GAAP. However, because future events and their effects cannot be determined with certainty, actual results could differ from our assumptions and estimates, and such differences could be material.

Our significant accounting policies are discussed in [Note 1 – Business and Summary of Significant Accounting Policies](#) to our accompanying consolidated financial statements. We believe the following accounting policies are the most critical to aid in fully understanding and evaluating our reported financial results, as they require management to make difficult, subjective, or complex judgments, and to make estimates about the effect of matters that are inherently uncertain. Although management believes that the estimates and judgments discussed herein are reasonable, actual results could differ, which could result in gains or losses that could be material. We have reviewed these critical accounting policies and related disclosures with the Audit Committee of our Board of Directors.

Derivative Financial Instruments

We hold derivatives for risk management purposes and not for trading. We use derivatives to mitigate uncertainty and volatility caused by underlying exposures to metal prices, foreign exchange rates, interest rates, and energy prices. The fair values of all derivative instruments are recognized as assets or liabilities at the balance sheet date and are reported gross.

The majority of our derivative contracts are valued using industry-standard models that use observable market inputs as their basis, such as time value, forward interest rates, volatility factors, and current (spot) and forward market prices for commodity and foreign exchange rates. See [Note 16 – Financial Instruments and Commodity Contracts](#) and [Note 18 – Fair Value Measurements](#) to our accompanying consolidated financial statements for discussion on fair value of derivative instruments.

We may be exposed to losses in the future if the counterparties to our derivative contracts fail to perform. We are satisfied that the risk of such non-performance is remote due to our monitoring of credit exposures. Additionally, we enter into master netting agreements with contractual provisions that allow for netting of counterparty positions in case of default, and we do not face credit contingent provisions that would result in the posting of collateral.

For derivatives designated as fair value hedges, we assess hedge effectiveness by formally evaluating the high correlation of changes in the fair value of the hedged item and the derivative hedging instrument. The changes in the fair values of the underlying hedged items are reported in other current and noncurrent assets and liabilities in the consolidated balance sheets. Changes in the fair values of these derivatives and underlying hedged items generally offset, and the entire change in the fair value of derivatives is recorded in the statement of operations line item consistent with the underlying hedged item.

For derivatives designated as cash flow hedges or net investment hedges, we assess hedge effectiveness by formally evaluating the high correlation of the expected future cash flows of the hedged item and the derivative hedging instrument. The entire change in the fair value of the hedging instrument included in the assessment of hedge effectiveness is included in other comprehensive (loss) income and reclassified to earnings in the period in which earnings are impacted by the hedged items or in the period that the transaction becomes probable of not occurring. Gains or losses representing reclassifications of other comprehensive (loss) income to earnings are recognized in the same line item that is impacted by the underlying exposure. We exclude the time value component of foreign currency and aluminum price risk hedges when measuring and assessing effectiveness to align our accounting policy with risk management objectives when it is necessary. If at any time during the life of a cash flow hedge relationship we determine that the relationship is no longer effective, the derivative will no longer be designated as a cash flow hedge and future gains or losses on the derivative will be recognized in other (income) expenses, net.

For all derivatives designated as hedging relationships, gains or losses representing amounts excluded from effectiveness testing are recognized in other (income) expenses, net in our current period earnings. If no hedging relationship is designated, gains or losses are recognized in other (income) expenses, net in our current period earnings.

Consistent with the cash flows from the underlying risk exposure, we classify cash settlement amounts associated with designated derivatives as part of either operating or investing activities in the consolidated statements of cash flows. If no hedging relationship is designated, we classify cash settlement amounts as part of investing activities in the consolidated statement of cash flows.

Impairment of Goodwill

Goodwill represents the excess of the purchase price over the fair value of the identifiable net assets of acquired companies. We estimated fair value of the identifiable net assets using a number of factors, including the application of multiples and discounted cash flow estimates. The carrying value of goodwill for each of our reporting units, which is tested for impairment annually, follows.

<i>in millions</i>	<u>As of</u> <u>March 31, 2024</u>
North America	\$ 660
Europe	234
Asia	39
South America	141
Goodwill	<u>\$ 1,074</u>

Goodwill is not amortized; instead, it is tested for impairment annually or more frequently if indicators of impairment exist. On an ongoing basis, absent any impairment indicators, we perform our goodwill impairment testing as of March 31 of each fiscal year. We do not aggregate components of operating segments to arrive at our reporting units, and as such our reporting units are the same as our operating segments.

ASC 350, Intangibles - Goodwill provides an entity the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the estimated fair value of a reporting unit is less than its carrying amount. If an entity elects to perform a qualitative assessment and determines that an impairment is more likely than not, the entity is then required to perform the one-step quantitative impairment test, otherwise no further analysis is required. An entity also may elect not to perform the qualitative assessment and, instead, proceed directly to the one-step quantitative impairment test. The ultimate outcome of the goodwill impairment review for a reporting unit should be the same whether an entity chooses to perform the qualitative assessment or proceeds directly to the one-step quantitative impairment test.

For our fiscal 2024 test, we elected to perform the one-step quantitative impairment test, where we compared the fair value of each reporting unit to its carrying amount, and if the quantitative test indicates that the carrying value of a reporting unit exceeds the fair value, such excess is to be recorded as an impairment. For purposes of our quantitative analysis, our estimate of fair value for each reporting unit as of the testing date is based on a weighted average of the value indication from income and market approach. The approach to determining fair value for all reporting units is consistent given the similarity of our operations in each region.

Under the income approach, the fair value of each reporting unit is based on the present value of estimated future cash flows. The income approach is dependent on a number of significant management assumptions including sales volumes, conversion premiums, and the discount rate. We estimate future cash flows for each of our reporting units based on our projections for the respective reporting unit. These projected cash flows are discounted to the present value using a weighted average cost of capital (discount rate). The discount rate is commensurate with the risk inherent in the projected cash flows and reflects the rate of return required by an investor in the current economic conditions. For our annual impairment test, we used a discount rate of 10.45% for all reporting units. An increase or decrease of 0.25% in the discount rate would have impacted the estimated fair value of each reporting unit by approximately \$89 million-\$265 million, depending on the relative size of the reporting unit. The projections are based on both past performance and the expectations of future performance and assumptions used in our current operating plan. We use specific sales volume and conversion premium assumptions for each reporting unit based on history and economic conditions.

Under the market approach, the fair value of each reporting unit is determined based upon comparisons to public companies engaged in similar businesses. The market approach is not dependent on any significant management assumptions.

As a result of our annual goodwill impairment test for fiscal 2024, no goodwill impairment was identified. The fair values of the reporting units exceeded their respective carrying amounts as of March 31, 2024 by 34% for North America, by 52% for Europe, by 161% for Asia, and by 284% for South America.

Pension and Other Postretirement Plans

We account for our pensions and other postretirement benefits in accordance with ASC 715, Compensation — Retirement Benefits. Liabilities and expense for pension plans and other postretirement benefits are determined using actuarial methodologies and incorporate significant assumptions, including the rate used to discount the future estimated liability, the long-term rate of return on plan assets, and several assumptions related to the employee workforce (compensation increases, health care cost trend rates, expected service period, retirement age, and mortality). These assumptions bear the risk of change as they require significant judgment and they have inherent uncertainties that management may not be able to control.

The actuarial models use an attribution approach that generally spreads the financial impact of changes to the plan and actuarial assumptions over the average remaining service lives of the employees in the plan or average life expectancy. The principle underlying the required attribution approach is that employees render service over their average remaining service lives on a relatively smooth basis and, therefore, the accounting for benefits earned under the pension or non-pension postretirement benefits plans should follow the same relatively smooth pattern. Changes in the liability due to changes in actuarial assumptions such as discount rate, rate of compensation increases and mortality, as well as annual deviations between what was assumed and what was experienced by the plan are treated as actuarial gains or losses. The actuarial gains and losses are initially recorded to other comprehensive (loss) income and subsequently amortized over periods of 15 years or less.

The most significant assumption used to calculate pension and other postretirement obligations is the discount rate used to determine the present value of benefits. The discount rate is based on spot rate yield curves and individual bond matching models for pension and other postretirement plans in Canada, the U.S., the U.K., and other eurozone countries, and on published long-term high quality corporate bond indices in other countries with adjustments made to the index rates based on the duration of the plans' obligations for each country, at the end of each fiscal year. This bond matching approach matches the bond yields with the year-to-year cash flow projections from the actuarial valuation to determine a discount rate that more accurately reflects the timing of the expected payments. The weighted average discount rate used to determine the pension benefit obligation was 4.4%, 4.5%, and 3.1% and other postretirement benefit obligation was 5.7%, 5.5% and 4.0% as of March 31, 2024, 2023, and 2022, respectively. The weighted average discount rate used to determine the net periodic benefit cost is the rate used to determine the benefit obligation at the end of the previous fiscal year.

As of March 31, 2024, an increase in the discount rate of 0.5%, assuming inflation remains unchanged, would result in a decrease of \$101 million in the pension and other postretirement obligations and in a pre-tax decrease of \$8 million in the net periodic benefit cost in the following year. A decrease in the discount rate of 0.5% as of March 31, 2024, assuming inflation remains unchanged, would result in an increase of \$111 million in the pension and other postretirement obligations and in a pre-tax increase of \$6 million in the net periodic benefit cost in the following year.

The long term expected return on plan assets is based upon historical experience, expected future performance as well as current and projected investment portfolio diversification. The weighted average expected return on plan assets was 6.1% for 2024, 4.8% for 2023, and 4.9% for 2022. The expected return on assets is a long-term assumption whose accuracy can only be measured over a long period based on past experience. A variation in the expected return on assets of 0.5% as of March 31, 2024 would result in a pre-tax variation of approximately \$8 million in the net periodic benefit cost in the following year.

Income Taxes

We account for income taxes using the asset and liability method. Under the asset and liability method, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. In addition, deferred tax assets are also recorded with respect to net operating losses and other tax attribute carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. Valuation allowances are established when realization of the benefit of deferred tax assets is not deemed to be more likely than not. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

We considered all available evidence, both positive and negative, in determining the appropriate amount of the valuation allowance against our deferred tax assets as of March 31, 2024. In evaluating the need for a valuation allowance, we consider all potential sources of taxable income, including income available in carryback periods, future reversals of taxable temporary differences, projections of taxable income, and income from tax planning strategies, as well as any other available and relevant information. Positive evidence includes factors such as a history of profitable operations, projections of future profitability within the carryforward period and potential income from prudent and feasible tax planning strategies. Negative evidence includes items such as cumulative losses, projections of future losses, and carryforward periods that are not long enough to allow for the utilization of the deferred tax asset based on existing projections of income. In certain jurisdictions, deferred tax assets related to loss carryforwards and other temporary differences exist without a valuation allowance where in our judgment the weight of the positive evidence more than offsets the negative evidence.

Upon changes in facts and circumstances, we may conclude that certain deferred tax assets for which no valuation allowance is currently recorded may not be realizable in future periods, resulting in a charge to income. Existing valuation allowances are re-examined under the same standards of positive and negative evidence. If it is determined that it is more likely than not that a deferred tax asset will be realized, the appropriate amount of the valuation allowance, if any, is released, in the period this determination is made.

As of March 31, 2024, the Company concluded that valuation allowances totaling \$696 million were still required against its deferred tax assets comprised of the following:

- \$485 million of the valuation allowance relates to loss carryforwards in Canada and certain foreign jurisdictions, including \$56 million related to loss carryforwards in U.S. states;
- \$86 million relates to New York tax credit carryforwards;
- \$29 million relates to tax credit carryforwards in Canada; and
- \$96 million of the valuation allowance relates to other deferred tax assets originating from temporary differences in Canada and certain foreign jurisdictions.

In determining these amounts, the Company considered the reversal of existing temporary differences as a source of taxable income. The ultimate realization of the remaining deferred tax assets is contingent on the Company's ability to generate future taxable income within the carryforward period and within the period in which the temporary differences become deductible. Due to the history of negative earnings in these jurisdictions and future projections of losses, the Company believes it is more likely than not the deferred tax assets will not be realized prior to expiration.

Through March 31, 2024, the Company recognized deferred tax assets related to loss carryforwards and other temporary items of approximately \$614 million. The Company determined that existing taxable temporary differences will reverse within the same period and jurisdiction and are of the same character as the deductible temporary items generating sufficient taxable income to support realization of \$514 million of these deferred tax assets. Realization of the remaining \$100 million of deferred tax assets is dependent on our ability to earn pre-tax income aggregating approximately \$428 million in those jurisdictions to realize those deferred tax assets. The realization of our deferred tax assets is not dependent on tax planning strategies.

By their nature, tax laws are often subject to interpretation. Further complicating matters is that in those cases where a tax position is open to interpretation, differences of opinion can result in differing conclusions as to the amount of tax benefits to be recognized under ASC 740, Income Taxes. We utilize a two-step approach for evaluating tax positions. Recognition (Step 1) occurs when we conclude that a tax position, based solely on its technical merits, is more likely than not to be sustained upon examination. Measurement (Step 2) is only addressed if Step 1 has been satisfied. Under Step 2, we measure the tax benefit as the largest amount of benefit, determined on a cumulative probability basis that is more likely than not to be realized upon ultimate settlement. Consequently, the level of evidence and documentation necessary to support a position prior to being given recognition and measurement within the financial statements is a matter of judgment that depends on all available evidence.

Assessment of Loss Contingencies

We have legal and other contingencies, including environmental liabilities, which could result in significant losses upon the ultimate resolution of such contingencies. Environmental liabilities that are not legal asset retirement obligations are accrued on an undiscounted basis when it is probable that a liability exists for past events.

We have provided for losses in situations where we have concluded that it is probable that a loss has been or will be incurred and the amount of the loss is reasonably estimable. A significant amount of judgment is involved in determining whether a loss is probable and reasonably estimable due to the uncertainty involved in determining the likelihood of future events and estimating the financial statement impact of such events. If further developments or resolution of a contingent matter are not consistent with our assumptions and judgments, we may need to recognize a significant charge in a future period related to an existing contingency.

RECENTLY ISSUED ACCOUNTING STANDARDS

See [Note 1 – Business and Summary of Significant Accounting Policies](#) to our accompanying consolidated financial statements for a full description of recent accounting pronouncements, if applicable, including the respective expected dates of adoption and expected effects on results of operations and financial condition.

NON-GAAP FINANCIAL MEASURES

Adjusted EBITDA

Total Adjusted EBITDA presents the sum of the results of our four operating segments on a consolidated basis. We believe that total Adjusted EBITDA is an operating performance measure that measures operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies. In reviewing our corporate operating results, we also believe it is important to review the aggregate consolidated performance of all of our segments on the same basis we review the performance of each of our regions and to draw comparisons between periods based on the same measure of consolidated performance.

Management believes investors' understanding of our performance is enhanced by including this non-GAAP financial measure as a reasonable basis for comparing our ongoing results of operations. Many investors are interested in understanding the performance of our business by comparing our results from ongoing operations from one period to the next and would ordinarily add back items that are not part of normal day-to-day operations of our business. By providing total Adjusted EBITDA, together with reconciliations, we believe we are enhancing investors' understanding of our business and our results of operations, as well as assisting investors in evaluating how well we are executing strategic initiatives.

However, total Adjusted EBITDA is not a measurement of financial performance under U.S. GAAP, and our total Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Total Adjusted EBITDA has important limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our results as reported under U.S. GAAP. For example, total Adjusted EBITDA:

- does not reflect the Company's cash expenditures or requirements for capital expenditures or capital commitments;
- does not reflect changes in, or cash requirements for, the Company's working capital needs; and
- does not reflect any costs related to the current or future replacement of assets being depreciated and amortized.

We also use total Adjusted EBITDA:

- as a measure of operating performance to assist us in comparing our operating performance on a consistent basis because it removes the impact of items not directly resulting from our core operations;
- for planning purposes, including the preparation of our internal annual operating budgets and financial projections;
- to evaluate the performance and effectiveness of our operational strategies; and
- as a basis to calculate incentive compensation payments for our key employees.

Adjusted EBITDA per tonne is calculated by dividing Adjusted EBITDA by aluminum rolled product shipments (in tonnes) for the corresponding period, both on a consolidated basis and at a segment level. The term "aluminum rolled products" is synonymous with the terms "flat-rolled products" and "FRP," which are commonly used by manufacturers and third-party analysts in our industry. Shipment amounts also include tolling shipments. All tonnages are stated in metric tonnes. One metric tonne is equivalent to 2,204.6 pounds. One kt is 1,000 metric tonnes.

Management believes Adjusted EBITDA per tonne is relevant to investors as it provides a measure of aluminum rolled product shipments to third parties rather than aluminum rolled product shipments as well as certain other non-rolled product shipments, primarily scrap, UBCs, ingots, billets, and primary remelt. This is useful to investors because the incremental impact of non-rolled products shipments on our Adjusted EBITDA is marginal since the price of these products is generally set to cover the costs of raw materials not utilized in manufacturing products sold to beverage packaging customers, specialties and aerospace customers in our regions, and these non-rolled products are not part of our core operating business.

Please see [Note 22 – Segment, Geographical Area, Major Customer and Major Supplier Information](#) for our definition of Adjusted EBITDA. Under ASC 280, Adjusted EBITDA is our measure of segment profitability and financial performance of our operating segments, and when used in this context, the term Adjusted EBITDA is a financial measure prepared in accordance with U.S. GAAP. Adjusted EBITDA reported for the Company on a consolidated basis is a non-U.S. GAAP financial measure. Prior to the three months ended June 30, 2022, we also utilized the term Segment Income to refer to Adjusted EBITDA. Both terms have the same definition and there is no difference in the composition or calculation of Adjusted EBITDA for the periods presented and Segment Income previously reported.

Adjusted Free Cash Flow

Adjusted free cash flow consists of: (a) net cash provided by (used in) operating activities - continuing operations, (b) plus net cash provided by (used in) investing activities - continuing operations, (c) plus net cash provided by (used in) operating activities - discontinued operations, (d) plus net cash provided by (used in) investing activities - discontinued operations, (e) plus cash used in the acquisition of assets under a finance lease, (f) plus cash used in the acquisition of business and other investments, net of cash acquired, (g) plus accrued merger consideration, (h) less proceeds from sales of assets and business, net of transaction fees, cash income taxes and hedging, and (i) less proceeds from sales of assets and business, net of transaction fees, cash income taxes and hedging - discontinued operations. Management believes adjusted free cash flow is relevant to investors as it provides a measure of the cash generated internally that is available for debt service and other value creation opportunities. In addition, this measure is a key consideration in determining the amounts to be paid as returns to our common shareholder. However, adjusted free cash flow does not necessarily represent cash available for discretionary activities, as certain debt service obligations must be funded out of adjusted free cash flow. Our method of calculating adjusted free cash flow may not be consistent with that of other companies.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to certain market risks as part of our ongoing business operations, including risks from changes in metal prices (primarily aluminum, copper, zinc, and local market premiums), energy prices (electricity, natural gas, and diesel fuel), foreign currency exchange rates, and interest rates that could impact our results of operations and financial condition. We partially manage our exposure to energy prices by entering into fixed forward purchase contracts with energy providers, predominantly in Europe. We generally apply the normal purchase and normal sale scope exception to these contracts and do not record the contracts at fair value. These energy supply contracts are not derivatives but function as a risk management tool for fluctuating energy prices. We manage our exposure to these and other market risks through regular operating and financing activities and derivative financial instruments. We use derivative financial instruments as risk management tools only, and not for speculative purposes.

By their nature, all derivative financial instruments involve risk, including the credit risk of non-performance by counterparties. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. Our maximum potential loss may exceed the amount recognized in the accompanying March 31, 2024 consolidated balance sheet.

The decision of whether and when to execute derivative instruments, along with the duration of the instrument, can vary from period to period depending on market conditions and the relative costs of the instruments. The duration is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

The market risks we are exposed to as part of our ongoing business operations are materially consistent with our risk exposures in the prior year, as we have not entered into any new material hedging programs.

Commodity Price Risks

We have commodity price risk with respect to purchases of certain raw materials including aluminum, copper, zinc, electricity, natural gas, and transport fuel.

Metal

A significant amount of our business is conducted under a conversion model, which allows us to pass through increases or decreases in the price of aluminum to our customers. Nearly all of our flat-rolled products have a price structure with three components: (1) a base aluminum price quoted off the LME; (2) a LMP; and (3) a "conversion premium" to produce the rolled product, which reflects, among other factors, the competitive market conditions for that product. Base aluminum prices are typically driven by macroeconomic factors and global supply and demand for aluminum. Local market premiums tend to vary based on the supply and demand for metal in a particular region and associated transportation costs.

Increases or decreases in the average price of aluminum based on the LME directly impact net sales, cost of goods sold (exclusive of depreciation and amortization), and working capital. The timing of these impacts varies based on contractual arrangements with customers and metal suppliers in each region. These timing impacts are referred to as metal price lag. Metal price lag exists due to: (i) certain customer contracts containing fixed forward price commitments which result in exposure to changes in metal prices for the period of time between when our sales price fixes and the sale actually occurs, and (ii) the period of time between the pricing of our purchases of metal, holding and processing the metal, and the pricing of the sale of finished inventory to our customers.

We use derivative instruments to preserve our conversion margins and manage the timing differences associated with metal price lag related to base aluminum price. We use over-the-counter derivatives indexed to the LME to reduce our exposure to fluctuating metal prices associated with the period of time between the pricing of our purchases of inventory and the pricing of the sale of that inventory to our customers. We also purchase forward LME aluminum contracts simultaneous with our sales contracts with customers that contain fixed metal prices. These LME aluminum forward contracts directly hedge the economic risk of future metal price fluctuations to better match the purchase price of metal with the sales price of metal.

Sensitivities

The following table presents the estimated potential negative effect on the fair values of these derivative instruments as of March 31, 2024, given a 10% change in prices. Direction of the change in price corresponds with the direction that would cause a negative impact on the fair value of these derivative instruments.

<i>\$ in millions</i>	Change in Price	Change in Fair Value
Aluminum	10 %	\$ (196)
Copper	(10)	(2)
Zinc	(10)	(1)
Local market premiums	10	(7)

Energy

We use several sources of energy in the manufacturing and delivery of our aluminum rolled products. For fiscal 2024, natural gas and electricity represented approximately 98% of our energy consumption by cost. We also use fuel oil and transport fuel. The majority of energy usage occurs at our casting centers and during the hot rolling of aluminum.

We purchase our natural gas and diesel fuel on the open market, subjecting us to market price fluctuations. We seek to stabilize our future exposure to natural gas and diesel fuel prices through the use of forward purchase contracts.

A portion of our electricity requirements are purchased pursuant to long-term contracts in the local regions in which we operate. A number of our facilities are located in regions with regulated prices, which affords relatively stable costs.

Fluctuating energy costs worldwide, due to the changes in supply and demand, and international and geopolitical events, expose us to earnings volatility as changes in such costs cannot be immediately recovered under existing contracts and sales agreements, and may only be mitigated in future periods under future pricing arrangements.

Sensitivities

The following table presents the estimated potential negative effect on the fair values of these derivative instruments as of March 31, 2024, given a 10% decline in spot prices for energy contracts.

<i>\$ in millions</i>	Change in Price	Change in Fair Value
Natural Gas	(10)	\$ (2)
Diesel Fuel	(10)	(4)

Foreign Currency Exchange Risks

Exchange rate movements have an impact on our operating results. In Europe, where we have predominantly local currency selling prices and operating costs, we benefit as the euro strengthens, but are adversely affected as the euro weakens. For our Swiss operations, where operating costs are incurred primarily in the Swiss franc and a large portion of revenues are denominated in the euro, we benefit as the franc weakens but are adversely affected as the franc strengthens. In South Korea, where we have local currency operating costs and U.S. dollar denominated selling prices for exports, we benefit as the won weakens but are adversely affected as the won strengthens. In Brazil, where we have predominately U.S. dollar selling prices and local currency manufacturing costs, we benefit as the real weakens, but are adversely affected as the real strengthens.

It is our policy to minimize exposures from non-functional currency denominated transactions within each of our operating segments. We use foreign exchange forward contracts, options and cross-currency swaps to manage exposure arising from recorded assets and liabilities, firm commitments, and forecasted cash flows denominated in currencies other than the functional currency of certain operations, which include forecasted net sales, forecasted purchase commitments, capital expenditures, and net investment in foreign subsidiaries. Our most significant non-U.S. dollar functional currency operations have the euro and the Korean won as their functional currencies, respectively. Our Brazilian operations are U.S. dollar functional.

We also face translation risks related to the changes in foreign currency exchange rates which are generally not hedged. Amounts invested in these foreign operations are translated into U.S. dollars at the exchange rates in effect at the balance sheet date. Any resulting translation adjustments are recorded as a component of accumulated other comprehensive loss on our consolidated balance sheets. Net sales and expenses at these non-U.S. dollar functional currency entities are translated into varying amounts of U.S. dollars depending upon whether the U.S. dollar weakens or strengthens against other currencies. Therefore, changes in exchange rates may either positively or negatively affect our net sales and expenses as expressed in U.S. dollars.

Any negative impact of currency movements on the currency contracts we have entered into to hedge foreign currency commitments to purchase or sell goods and services would be offset by an approximately equal and opposite favorable exchange impact on the commitments being hedged. For a discussion of accounting policies and other information relating to currency contracts, see [Note 1 – Business and Summary of Significant Accounting Policies](#) and [Note 16 – Financial Instruments and Commodity Contracts](#) to our accompanying consolidated financial statements.

Sensitivities

The following table presents the estimated potential negative effect on the fair values of these derivative instruments as of March 31, 2024, given a 10% change in rates. Direction of the change in exchange rate corresponds with the direction that would cause the change in exchange rate to negatively impact the fair value of these derivative instruments.

<i>\$ in millions</i>	<u>Change in Exchange Rate</u>	<u>Change in Fair Value</u>
Currency measured against the U.S. dollar		
Brazilian real	(10)%	\$ (16)
Euro	(10)	(23)
Korean won	(10)	(52)
Canadian dollar	(10)	(4)
British pound	(10)	(29)
Swiss franc	(10)	(46)
Chinese yuan	10	(8)

Interest Rate Risks

From time-to-time, we use interest rate swaps to manage our exposure to changes in benchmark interest rates which impact our variable-rate debt. As of March 31, 2024, a 10% decrease in SOFR interest rates would have had a \$4 million negative impact on our annual pre-tax income.

The interest rate paid on our floating rate Term Loans, due September 2026 is SOFR (5.31%) plus a spread of 1.65%. As of March 31, 2024, the stated interest rate was 6.96%. As of March 31, 2024, a 100 basis point increase or decrease in SOFR interest rates would have had a \$7 million impact on our annual pre-tax income.

The interest rate paid on our floating rate Term Loans, due March 2028 is SOFR (5.31%) plus a spread of 2.00%. As of March 31, 2024, the stated interest rate was 7.46%. As of March 31, 2024, a 100 basis point increase or decrease in SOFR interest rates would have had a \$5 million impact on our annual pre-tax income.

Item 8. Financial Statements and Supplementary Data.

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Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. Our internal control over financial reporting includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the Company's consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2024. In making this assessment, management used the criteria established by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in "*Internal Control — Integrated Framework (2013)*." Based on its assessment, management has concluded that, as of March 31, 2024, the Company's internal control over financial reporting was effective based on those criteria.

The effectiveness of the Company's internal control over financial reporting as of March 31, 2024 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

/s/ Steven Fisher

Steven Fisher
President and Chief Executive Officer
May 6, 2024

/s/ Devinder Ahuja

Devinder Ahuja
Executive Vice President and Chief Financial Officer
May 6, 2024

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholder of Novelis Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Novelis Inc. and its subsidiaries (the "Company") as of March 31, 2024 and 2023, and the related consolidated statements of operations, comprehensive income (loss), shareholder's equity, and cash flows for each of the three years in the period ended March 31, 2024, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of March 31, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2024 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2024, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Report of Independent Registered Public Accounting Firm

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Goodwill Impairment Assessments - North America and Europe Reporting Units

As described in Notes 1 and 7 to the consolidated financial statements, the Company's consolidated goodwill balance was \$1,074 million as of March 31, 2024, and the goodwill related to the North America and Europe reporting units was \$660 million and \$234 million, respectively. Management tests for impairment at least annually as of the last day of each fiscal year, unless a triggering event occurs that would require an interim impairment assessment. In performing the goodwill impairment test, management has the option to first assess qualitative factors to determine whether it is more likely than not the estimated fair value of a reporting unit is less than its carrying amount, or management may proceed directly to the quantitative test. As disclosed, management elected to perform a quantitative impairment test for the annual March 31, 2024 assessment, and compared the fair value of each reporting unit to its carrying amount. If the quantitative test indicates the carrying value of a reporting unit exceeds the fair value, such excess is to be recorded as an impairment. Fair value for each reporting unit as of the testing date is based on a weighted average of the value indication from the income and market approaches. The income approach is dependent on a number of significant management assumptions including sales volumes, conversion premiums, and discount rate.

The principal considerations for our determination that performing procedures relating to the goodwill impairment assessments of the North America and Europe reporting units is a critical audit matter are (i) the significant judgment by management when developing the fair value estimate of the reporting units; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to sales volumes, conversion premiums, and the discount rate used in the income approach; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's goodwill impairment assessments, including controls over the valuation of the North America and Europe reporting units. These procedures also included, among others (i) testing management's process for developing the fair value estimates of the North America and Europe reporting units using the income approach; (ii) evaluating the appropriateness of the income approach used by management; (iii) testing the completeness and accuracy of underlying data used in the income approach; and (iv) evaluating the reasonableness of the significant assumptions used by management related to sales volumes, conversion premiums, and the discount rate. Evaluating management's assumptions related to sales volumes and conversion premiums involved evaluating whether the assumptions used by management were reasonable considering (i) the current and past performance of the North America and Europe reporting units; (ii) the consistency with external market and industry data; and (iii) whether these assumptions were consistent with evidence obtained in other areas of the audit. Professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of the income approach and (ii) the reasonableness of the discount rate assumption.

/s/ PricewaterhouseCoopers LLP

Atlanta, Georgia
May 6, 2024

We have served as the Company's auditor since 2006.

Novelis Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS

<i>in millions, except earnings per share and number of shares</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net sales	\$ 16,210	\$ 18,486	\$ 17,149
Cost of goods sold (exclusive of depreciation and amortization)	13,704	15,996	14,354
Selling, general and administrative expenses	717	679	631
Depreciation and amortization	554	540	550
Interest expense and amortization of debt issuance costs	298	274	227
Research and development expenses	98	95	92
Loss on extinguishment of debt, net	5	—	64
Restructuring and impairment, net	42	33	1
Equity in net income of non-consolidated affiliates	(4)	(16)	(8)
Other (income) expenses, net	(22)	79	(61)
	<u>15,392</u>	<u>17,680</u>	<u>15,850</u>
Income from continuing operations before income tax provision	818	806	1,299
Income tax provision	218	147	281
Net income from continuing operations	600	659	1,018
Loss from discontinued operations, net of tax	—	(2)	(63)
Net income	600	657	955
Net (loss) income attributable to noncontrolling interests	—	(1)	1
Net income attributable to our common shareholder	\$ 600	\$ 658	\$ 954
Weighted average common shares outstanding - basic and diluted	<u>1,100</u>	<u>1,100</u>	<u>1,100</u>
Earnings per share - basic and diluted			
From continuing operations attributable to our common shareholder	\$ 545,455	\$ 600,000	\$ 924,545
From discontinued operations attributable to our common shareholder	—	\$ (1,818)	\$ (57,273)
Attributable to our common shareholder	\$ 545,455	\$ 598,182	\$ 867,273

See accompanying notes to the consolidated financial statements.

Novelis Inc.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net income	\$ 600	\$ 657	\$ 955
Other comprehensive income (loss):			
Currency translation adjustment	(47)	(127)	(71)
Net change in fair value of effective portion of cash flow hedges	(79)	580	(402)
Net change in pension and other benefits	(54)	119	193
Other comprehensive (loss) income before income tax effect	(180)	572	(280)
Income tax (benefit) provision related to items of other comprehensive income	(36)	184	(48)
Other comprehensive (loss) income, net of tax	(144)	388	(232)
Comprehensive income	456	1,045	723
Comprehensive (loss) income attributable to noncontrolling interest, net of tax	(1)	5	23
Comprehensive income attributable to our common shareholder	\$ 457	\$ 1,040	\$ 700

See accompanying notes to the consolidated financial statements.

Novelis Inc.
CONSOLIDATED BALANCE SHEETS

<i>in millions, except number of shares</i>	March 31,	
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,309	\$ 1,498
Accounts receivable, net		
— third parties (net of allowance for credit losses of \$7 and \$5 as of March 31, 2024, and March 31, 2023, respectively)	1,760	1,751
— related parties	161	156
Inventories	2,515	2,729
Prepaid expenses and other current assets	152	178
Fair value of derivative instruments	45	145
Assets held for sale	1	3
Total current assets	5,943	6,460
Property, plant and equipment, net	5,741	4,900
Goodwill	1,074	1,076
Intangible assets, net	545	589
Investment in and advances to non-consolidated affiliates	905	877
Deferred income tax assets	143	166
Other long-term assets		
— third parties	274	293
— related parties	3	3
Total assets	\$ 14,628	\$ 14,364
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 33	\$ 88
Short-term borrowings	759	671
Accounts payable		
— third parties	2,992	3,100
— related parties	280	277
Fair value of derivative instruments	144	130
Accrued expenses and other current liabilities	627	633
Total current liabilities	4,835	4,899
Long-term debt, net of current portion	4,866	4,881
Deferred income tax liabilities	253	288
Accrued postretirement benefits	559	554
Other long-term liabilities	305	288
Total liabilities	10,818	10,910
Commitments and contingencies		
Shareholder's equity:		
Common stock, no par value; Unlimited number of shares authorized; 1,100 shares issued and outstanding as of March 31, 2024 and March 31, 2023	—	—
Additional paid-in capital	1,108	1,208
Retained earnings	3,072	2,472
Accumulated other comprehensive loss	(381)	(238)
Total equity of our common shareholder	3,799	3,442
Noncontrolling interests	11	12
Total equity	3,810	3,454
Total liabilities and equity	\$ 14,628	\$ 14,364

See accompanying notes to the consolidated financial statements. Refer to [Note 8 – Consolidation](#) for information on our consolidated VIE.

Novelis Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
OPERATING ACTIVITIES			
Net income	\$ 600	\$ 657	\$ 955
Net loss from discontinued operations	—	(2)	(63)
Net income from continuing operations	\$ 600	\$ 659	\$ 1,018
Adjustments to determine net cash provided by operating activities:			
Depreciation and amortization	\$ 554	\$ 540	\$ 550
Loss (gain) on unrealized derivatives and other realized derivatives in investing activities, net	40	(28)	79
Gain on sale of business	—	—	(15)
Loss on sale or disposal of assets, net	6	1	8
Non-cash restructuring and impairment charges	28	23	—
Loss on extinguishment of debt, net	5	—	64
Deferred income taxes	20	(45)	27
Equity in net income of non-consolidated affiliates	(4)	(16)	(8)
Loss (gain) on foreign exchange remeasurement of debt	2	(4)	(10)
Amortization of debt issuance costs and carrying value adjustments	12	16	18
Other, net	3	(2)	4
Changes in assets and liabilities including assets and liabilities held for sale (net of effects from divestitures):			
Accounts receivable	(25)	783	(1,030)
Inventories	185	235	(1,184)
Accounts payable	(119)	(759)	1,540
Other assets	42	3	(6)
Other liabilities	(34)	(186)	77
Net cash provided by operating activities - continuing operations	1,315	1,220	1,132
Net cash (used in) provided by operating activities - discontinued operations	—	(12)	11
Net cash provided by operating activities	\$ 1,315	\$ 1,208	\$ 1,143
INVESTING ACTIVITIES			
Capital expenditures	\$ (1,358)	\$ (786)	\$ (446)
Acquisition of business and other investments	—	(7)	—
Proceeds from sales of assets, third party	—	6	1
Proceeds from the sale of a business	2	3	9
Outflows from investment in and advances to non-consolidated affiliates, net	(36)	(17)	—
(Outflows) proceeds from settlement of derivative instruments, net	(10)	7	(53)
Other	14	19	16
Net cash used in investing activities	\$ (1,388)	\$ (775)	\$ (473)
FINANCING ACTIVITIES			
Proceeds from issuance of long-term and short-term borrowings	\$ 749	\$ 50	\$ 1,985
Principal payments of long-term and short-term borrowings	(736)	(390)	(2,406)
Revolving credit facilities and other, net	(8)	471	(69)
Debt issuance costs	(3)	(7)	(25)
Return of capital to our common shareholder	(100)	(100)	(100)
Net cash (used in) provided by financing activities	\$ (98)	\$ 24	\$ (615)
Net (decrease) increase in cash and cash equivalents and restricted cash	\$ (171)	\$ 457	\$ 55
Effect of exchange rate changes on cash	(18)	(30)	2
Cash, cash equivalents and restricted cash — beginning of period	1,511	1,084	1,027
Cash, cash equivalents and restricted cash — end of period	\$ 1,322	\$ 1,511	\$ 1,084
Cash and cash equivalents	\$ 1,309	\$ 1,498	\$ 1,070
Restricted cash (included in other long-term assets)	13	13	14
Cash, cash equivalents and restricted cash — end of period	\$ 1,322	\$ 1,511	\$ 1,084
Supplemental Disclosures:			
Interest paid	\$ 279	\$ 258	\$ 210
Income taxes paid	173	184	251
Accrued capital expenditures as of March 31	211	171	84

See accompanying notes to the consolidated financial statements.

Novelis Inc.
CONSOLIDATED STATEMENTS OF SHAREHOLDER'S EQUITY

<i>in millions, except number of shares</i>	Equity of our Common Shareholder						Noncontrolling Interests	Total Equity
	Common Stock		Additional Paid- in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total		
	Shares	Amount						
Balance as of March 31, 2021	1,100	\$ —	\$ 1,408	\$ 860	\$ (366)	\$ (16)	\$ 1,886	
Net income attributable to our common shareholder	—	—	—	954	—	—	954	
Net income attributable to noncontrolling interests	—	—	—	—	—	1	1	
Currency translation adjustment, included in other comprehensive (loss) income	—	—	—	—	(71)	—	(71)	
Change in fair value of effective portion of hedges, net of tax benefit of \$100, included in other comprehensive (loss) income	—	—	—	—	(302)	—	(302)	
Change in pension and other benefits, net of tax provision of \$52, included in other comprehensive (loss) income	—	—	—	—	119	22	141	
Return of capital to our common shareholder	—	—	(100)	—	—	—	(100)	
Balance as of March 31, 2022	1,100	—	1,308	1,814	(620)	7	2,509	
Net income attributable to our common shareholder	—	—	—	658	—	—	658	
Net income attributable to noncontrolling interests	—	—	—	—	—	(1)	(1)	
Currency translation adjustment, included in other comprehensive (loss) income	—	—	—	—	(127)	—	(127)	
Change in fair value of effective portion of cash flow hedges, net of tax provision of \$150, included in other comprehensive (loss) income	—	—	—	—	430	—	430	
Change in pension and other benefits, net of tax provision of \$34, included in other comprehensive (loss) income	—	—	—	—	79	6	85	
Return of capital to our common shareholder	—	—	(100)	—	—	—	(100)	
Balance as of March 31, 2023	1,100	—	1,208	2,472	(238)	12	3,454	
Net income attributable to our common shareholder	—	—	—	600	—	—	600	
Currency translation adjustment, included in other comprehensive (loss) income	—	—	—	—	(47)	—	(47)	
Change in fair value of effective portion of cash flow hedges, net of tax benefit of \$22, included in other comprehensive (loss) income	—	—	—	—	(57)	—	(57)	
Change in pension and other benefits, net of tax benefit of \$14, included in other comprehensive (loss) income	—	—	—	—	(39)	(1)	(40)	
Return of capital to our common shareholder	—	—	(100)	—	—	—	(100)	
Balance as of March 31, 2024	1,100	\$ —	\$ 1,108	\$ 3,072	\$ (381)	\$ 11	\$ 3,810	

See accompanying notes to the consolidated financial statements.

1. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In this Form 10-K, references herein to "Novelis," the "Company," "we," "our," or "us" refer to Novelis Inc. and its subsidiaries unless the context specifically indicates otherwise. References herein to "Hindalco" refer to Hindalco Industries Limited. Hindalco acquired Novelis in May 2007. Effective September 1, 2022, Novelis Inc. and AV Metals, Inc. (which, prior to such date, was our sole shareholder and a wholly owned subsidiary of AV Minerals (Netherlands) N.V.) completed a plan of arrangement, pursuant to which AV Metals, Inc. merged with and into Novelis Inc., with Novelis Inc. surviving the merger. As of the effectiveness of the plan of arrangement, all of the outstanding shares of Novelis are owned directly by AV Minerals (Netherlands) N.V. and indirectly by Hindalco. Prior to the effectiveness of the plan of arrangement, AV Metals, Inc. was a holding company, with its assets being comprised solely of its investment in Novelis, and without any operations. The number of common shares outstanding as of March 31, 2021, the earliest period presented in this Form 10-K, has been revised to 1,100 shares from 1,000 shares to correct an error in the number of shares previously disclosed in the Form 10-K for the year ended March 31, 2023. Unless otherwise specified, the period referenced is the current fiscal year.

All tonnages are stated in metric tonnes. One metric tonne is equivalent to 2,204.6 pounds. One kt is 1,000 metric tonnes.

Organization and Description of Business

We produce aluminum sheet, plate, and light gauge products for use in the packaging market, which includes beverage and food can and foil products, as well as for use in the automotive, transportation, aerospace, electronics, architectural, and industrial product markets. As of March 31, 2024, we had manufacturing operations in nine countries on four continents: North America, South America, Asia, and Europe, through 32 operating facilities, which may include any combination of hot or cold rolling, finishing, casting, or recycling capabilities. We have recycling operations in 14 of our operating facilities to recycle post-consumer aluminum, such as used-beverage cans, and post-industrial aluminum, such as class scrap.

Consolidation Policy

Our consolidated financial statements have been prepared in accordance with U.S. GAAP and include the assets, liabilities, revenues, and expenses of all wholly owned subsidiaries, majority-owned subsidiaries over which we exercise control, and entities in which we have a controlling financial interest or are deemed to be the primary beneficiary. We eliminate intercompany accounts and transactions from our consolidated financial statements.

We use the equity method to account for our investments in entities that we do not control but have the ability to exercise significant influence over operating and financial policies. Consolidated net income attributable to our common shareholder includes our share of net income (loss) of these entities. The difference between consolidation and the equity method impacts certain of our financial ratios because of the presentation of the detailed line items reported in the consolidated financial statements for consolidated entities, compared to a two-line presentation of investment in and advances to non-consolidated affiliates and equity in net income of non-consolidated affiliates.

Use of Estimates and Assumptions

The preparation of our consolidated financial statements in accordance with U.S. GAAP requires us to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities as of the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting periods. The principal areas of judgment relate to (1) impairment of goodwill; (2) actuarial assumptions related to pension and other postretirement benefit plans; (3) tax uncertainties and valuation allowances; and (4) assessment of loss contingencies, including environmental and litigation liabilities. Future events and their effects cannot be predicted with certainty, and accordingly, our accounting estimates require the exercise of judgment. The accounting estimates used in the preparation of our consolidated financial statements may change as new events occur, more experience is acquired, additional information is obtained, and our operating environment changes. We evaluate and update our assumptions and estimates on an ongoing basis and may employ outside experts to assist in our evaluations. Actual results could differ from the estimates we have used.

Risks and Uncertainties

We are exposed to a number of risks in the normal course of our business that could potentially affect our financial position, results of operations, and cash flows.

Risks & Uncertainties resulting from Inflation and Geopolitical Instability

Fiscal 2024 was marked by global economic uncertainty, capital markets disruption, and supply chain interruptions, which have been impacted by inflationary cost pressures and geopolitical instability due to the military conflict between Russia and Ukraine, attacks on shipping vessels in the Red Sea, and the ongoing conflict in the Gaza Strip and the surrounding region. We have continued to experience increased inflationary cost pressures in fiscal 2024 resulting from global supply chain disruptions impacting the availability and price of materials and services including energy, freight, coatings, and alloys, such as magnesium. Geopolitical instability exacerbated inflationary cost pressures, which are expected to continue for the foreseeable future. We have not experienced significant direct impacts from the Russia-Ukraine conflict, as we do not have operations nor significant sales in either Russia or Ukraine. However, we have experienced indirect impacts, as the conflict has driven up energy prices globally, beginning in the fourth quarter of fiscal 2022, and we expect these costs will remain elevated until energy prices stabilize. To date, our operations have not been materially impacted by labor shortages, and we remain able to procure the necessary raw materials, parts, and equipment due to our diverse, global supplier network.

We believe we are positioned to maintain production levels necessary to service our customers in the near term. However, we cannot predict how long energy and other operating input prices will remain inflated, supply chains will continue to experience disruptions, or potential future financial impacts. We have been able to mitigate a portion of the higher inflationary cost impact through a combination of hedging, passing through a portion of higher costs to customers, favorable pricing environments, and increased recycled inputs. There is no assurance that we will continue to be able to mitigate these higher costs in the future.

The overall extent of the impact of these factors on our operating results, cash flows, liquidity, and financial condition will depend on certain developments, including the duration of the current inflationary environment, supply chain disruptions, end market demand, and the Russia-Ukraine conflict. Although we have made our best estimates based on the current information, the effects of these factors on our business may result in future changes to our estimates and assumptions based on their duration. Actual results could materially differ from the estimates and assumptions developed by management. If so, we may be subject to future impairment charges as well as changes to recorded reserves and valuations.

Laws and regulations

We operate in an industry that is subject to a broad range of environmental, health and safety laws and regulations in the jurisdictions in which we operate. These laws and regulations impose increasingly stringent environmental, health and safety protection standards and permitting requirements regarding, among other things, air emissions; wastewater discharges; the handling, storage, and disposal of hazardous substances and wastes; the remediation of contaminated sites and restoration of natural resources; carbon and other greenhouse gas emissions; and employee health and safety. Some environmental laws, such as the U.S. Comprehensive Environmental Response, Compensation, and Liability Act, also known as CERCLA or Superfund, and comparable state laws impose joint and several liability for the cost of environmental remediation, natural resource damages, third-party claims, and other expenses, without regard to the fault or the legality of the original conduct.

The costs of complying with these laws and regulations, including participation in assessments and remediation of contaminated sites and installation of pollution control facilities, have been, and in the future could be, significant. In addition, these laws and regulations may also result in substantial environmental liabilities associated with divested assets, third-party locations, and past activities. In certain instances, these costs and liabilities, as well as related actions to be taken by us, could be accelerated or increased if we were to close, divest of, or change the principal use of certain facilities with respect to which we may have environmental liabilities or remediation obligations. Currently, we are involved in a number of compliance efforts, remediation activities, and legal proceedings concerning environmental matters, including certain activities and proceedings arising under U.S. Superfund and comparable laws in other jurisdictions where we have operations.

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

We have established liabilities for environmental remediation where appropriate. However, the cost of addressing environmental matters (including the timing of any charges related thereto) cannot be predicted with certainty, and these liabilities may not ultimately be adequate, especially in light of potential changes in environmental conditions, changing interpretations of laws and regulations by regulators and courts, the discovery of previously unknown environmental conditions, the risk of governmental orders to carry out additional compliance on certain sites not initially included in remediation in progress, our potential liability to remediate sites for which provisions have not been previously established, and the adoption of more stringent environmental laws. Such future developments could result in increased environmental costs and liabilities and could require significant capital expenditures, any of which could have a material adverse effect on our financial position, results of operations, or cash flows. Furthermore, the failure to comply with our obligations under applicable environmental, health and safety laws and regulations could subject us to administrative, civil, or criminal penalties, obligations to pay damages or other costs, and injunctions or other orders, including orders to cease operations. In addition, the presence of environmental contamination at our properties could adversely affect our ability to sell a property, receive full value for a property, or use a property as collateral for a loan.

Some of our current and potential operations are located or could be located in or near communities that may regard such operations as having a detrimental effect on their social and economic circumstances. Environmental laws typically provide for participation in permitting decisions, site remediation decisions and other matters. Concern about environmental justice issues may affect our operations. Should such community objections be presented to government officials, the consequences of such a development may have a material adverse impact upon the profitability or, in extreme cases, the viability of an operation. In addition, such developments may adversely affect our ability to expand or enter into new operations in such location or elsewhere and may also have an effect on the cost of our environmental remediation projects.

We use a variety of hazardous materials and chemicals in our rolling processes and in connection with maintenance work on our manufacturing facilities. Because of the nature of these substances or related residues, we may be liable for certain costs, including, among others, costs for health-related claims or removal or re-treatment of such substances. Certain of our current and former facilities incorporated asbestos-containing materials, a hazardous substance that has been the subject of health-related claims for occupation exposure. In addition, although we have developed environmental, health and safety programs for our employees, including measures to reduce employee exposure to hazardous substances, and conduct regular assessments at our facilities, we are currently, and in the future may be, involved in claims and litigation filed on behalf of persons alleging injury predominantly as a result of occupational exposure to substances at our current or former facilities. It is not possible to predict the ultimate outcome of these claims and lawsuits due to the unpredictable nature of personal injury litigation. If these claims and lawsuits, individually or in the aggregate, were finally resolved against us, our financial position, results of operations, and cash flows could be adversely affected.

Materials and labor

In the aluminum rolled products industry, our raw materials are subject to continuous price volatility. We may not be able to pass on the entire cost of the increases to our customers or offset fully the effects of higher raw material costs through productivity improvements, which may cause our profitability to decline. In addition, there is a potential time lag between changes in prices under our purchase contracts and the point when we can implement a corresponding change under our sales contracts with our customers. As a result, we could be exposed to fluctuations in raw materials prices which could have a material adverse effect on our financial position, results of operations, and cash flows. Significant price increases may result in our customers substituting other materials, such as plastic or glass, for aluminum or switching to another aluminum rolled products producer, which could have a material adverse effect on our financial position, results of operations, and cash flows.

We consume substantial amounts of energy in our rolling operations and our cast house operations. The factors that affect our energy costs and supply reliability tend to be specific to each of our facilities. A number of factors could materially adversely affect our energy position including, but not limited to increases in the cost of natural gas; increases in the cost of supplied electricity or fuel oil related to transportation; interruptions in energy supply due to equipment failure or other causes; and the inability to extend energy supply contracts upon expiration on favorable terms. A significant increase in energy costs or disruption of energy supplies or supply arrangements could have a material adverse effect on our financial position, results of operations, and cash flows.

A substantial portion of our employees are represented by labor unions under a large number of collective bargaining agreements with varying durations and expiration dates. Although we have not experienced a material impact to our operations from a strike or work stoppage in recent years, we may not be successful in preventing such an event from occurring in the future at one or more of our manufacturing facilities. In addition, we may not be able to satisfactorily renegotiate our collective bargaining agreements when they expire. Any work stoppages or material changes in the terms of our labor agreements could have an adverse impact on our financial condition.

Geographic markets

We are, and will continue to be, subject to financial, political, economic, and business risks in connection with our global operations. We have made investments and carry on production activities in various emerging markets, including China, Brazil, and South Korea, and we market our products in these countries, as well as certain other countries in Asia, Africa, and the Middle East. While we anticipate higher growth or attractive production opportunities from these emerging markets, they also present a higher degree of risk than more developed markets. In addition to the business risks inherent in developing and servicing new markets, economic conditions may be more volatile, legal and regulatory systems may be less developed and predictable, and the possibility of various types of adverse governmental action may be more pronounced. In addition, inflation, fluctuations in currency and interest rates, competitive factors, civil unrest, and labor problems could affect our revenues, expenses, and results of operations. Our operations could also be adversely affected by acts of war (including the Russia-Ukraine conflict), terrorism, or the threat of any of these events as well as government actions such as controls on imports, exports and prices, tariffs, new forms of taxation, changes in fiscal regimes, and increased government regulation in the countries in which we operate or service customers. Unexpected or uncontrollable events or circumstances in any of these markets could have a material adverse effect on our financial position, results of operations, and cash flows.

Other risks and uncertainties

In addition, refer to [Note 16 – Financial Instruments and Commodity Contracts](#), [Note 18 – Fair Value Measurements](#), and [Note 21 – Commitments and Contingencies](#) for a discussion of financial instruments and commitments and contingencies.

Net Sales

We recognize revenue in accordance with ASC 606, Revenue from Contracts with Customers.

The Company's contracts with customers consist of purchase orders with standard terms and conditions. These contracts typically consist of the manufacture of products, which represent single performance obligations that are satisfied upon transfer of control of the product to the customer at a point in time. Transfer of control and revenue recognition generally occur upon shipment or delivery of the product, which is when title, ownership, and risk of loss pass to the customer and is based on the applicable shipping terms. The shipping terms vary across all businesses and depend on the product, the country of origin, and the type of transportation (truck, train, or vessel). The length of payment terms can vary per contract, but none extend beyond one year. Revenue is recognized net of any volume rebates or other incentives.

Occasionally we receive advance payments to secure product to be delivered in future periods. These advance payments are recorded as deferred revenue, and revenue is recognized as our performance obligations are satisfied throughout the term of the applicable contract.

Certain of our contracts contain take-or-pay clauses which allow us to recover an agreed upon penalty if a buyer does not purchase contractual minimums as defined in the underlying contract within a set timeframe, which is generally within one year. Additionally, certain of our contracts may contain incentive payments to our customers that are deferred and amortized as a reduction to the amount of revenue recorded on a straight-line basis over the term of these contracts. During fiscal 2024 and 2022, amounts recognized in net sales associated with these customer contractual obligations were not material. During fiscal 2023, we recognized \$37 million in net sales associated with customer contractual obligations.

We disaggregate revenue from contracts with customers on a geographic basis. This disaggregation also achieves the disclosure objective to depict how the nature, amount, timing, and uncertainty of net sales and cash flows are affected by economic factors. We manage our activities on the basis of geographical regions and are organized under four operating segments: North America, South America, Asia, and Europe. See [Note 22 – Segment, Geographical Area, Major Customer and Major Supplier Information](#) for further information about our segment revenue.

Cost of Goods Sold (Exclusive of Depreciation and Amortization)

Cost of goods sold (exclusive of depreciation and amortization) includes all costs associated with inventories, including the procurement of materials, the costs to convert such materials into finished products, and the costs of warehousing and distributing finished goods to customers. Material procurement costs include inbound freight charges as well as purchasing, receiving, inspection, and storage costs. Conversion costs include the costs of direct production inputs such as labor and energy, as well as allocated overheads from indirect production centers and plant administrative support areas. Warehousing and distribution costs include inside and outside storage costs, outbound freight charges, and the costs of internal transfers.

Selling, General and Administrative Expenses

Selling, general and administrative expenses include selling, marketing, and advertising expenses; salaries, travel, and office expenses of administrative employees and contractors; legal and professional fees; software license fees; the provision for credit losses; and factoring expenses.

Research and Development Expenses

We incur costs in connection with R&D programs that are expected to contribute to future earnings and charge such costs against income as incurred. Research and development expenses consist primarily of salaries and administrative costs.

Restructuring Activities

Restructuring charges, which are recorded within restructuring and impairment expenses, net on our consolidated statements of operations, include employee severance and benefit costs, impairments of certain assets, and other costs associated with exit activities. Restructuring costs are determined based on estimates, which are prepared at the time the restructuring actions were approved by management and are periodically reviewed and updated for changes in estimates. We apply the provisions of ASC 420, Exit or Disposal Cost Obligations ("ASC 420") and ASC 712, Compensation — Nonretirement Postemployment Benefits ("ASC 712"). Severance and benefit costs related to restructuring activities are accounted for under ASC 420 and/or ASC 712 and are recognized when management with the proper level of authority has committed to a restructuring plan and communicated those actions to employees. Other exit costs include environmental remediation costs and contract termination costs, primarily related to equipment and facility lease obligations. At each reporting date, we evaluate the accruals for restructuring costs to ensure the accruals are still appropriate. See [Note 3 – Restructuring and Impairment](#) for further discussion.

Cash and Cash Equivalents

Cash and cash equivalents includes investments that are highly liquid and have maturities of three months or less when purchased. The carrying values of cash and cash equivalents approximate their fair value due to the short-term nature of these instruments.

We maintain amounts on deposit with various financial institutions, which may at times exceed federally insured limits. However, management periodically evaluates the creditworthiness of those institutions, and we have not experienced any losses on such deposits.

Restricted Cash

Restricted cash primarily relates to cash deposits for employee benefits and is disclosed on the consolidated statement of cash flows. Restricted cash is included in other long-term assets on the consolidated balance sheets.

Accounts Receivable, Net

Our accounts receivable are geographically dispersed. We do not obtain collateral relating to our accounts receivable. We do not believe there are any significant concentrations of revenues from any particular customer or group of customers that would subject us to any significant credit risks in the collection of our accounts receivable. We report accounts receivable at the estimated net realizable amount we expect to collect from our customers.

Additions to the allowance for credit losses are made by means of the provision for credit losses. We write-off uncollectible accounts receivable against the allowance for credit losses after exhausting collection efforts. For each of the periods presented, we performed an analysis of our historical cash collection patterns and considered the impact of any known material events in determining the allowance for credit losses. See [Note 4 – Accounts Receivable](#) for further information.

Inventories

We carry our inventories at the lower of their cost or net realizable value, reduced by obsolete and excess inventory. We use the average cost method to determine cost. Included in inventories are stores inventories, which are carried at average cost. See [Note 5 – Inventories](#) for further discussion.

Derivative Instruments

We hold derivatives for risk management purposes rather than for trading. We use derivatives to mitigate uncertainty and volatility caused by underlying exposures to metal prices, foreign exchange rates, interest rates and energy prices. The fair values of all derivative instruments are recognized as assets or liabilities at the balance sheet date and are reported gross.

We may be exposed to losses in the future if counterparties to our derivative contracts fail to perform. We are satisfied that the risk of such non-performance is remote due to our monitoring of credit exposures. Additionally, we enter into master netting agreements with contractual provisions that allow for netting of counterparty positions in case of default, and we do not face credit contingent provisions that would result in the posting of collateral.

Novelis Inc.
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In accordance with ASC 815, Derivatives and Hedging, for cash flow hedges we recognize and defer the entire periodic change in the fair value of the hedging instrument in other comprehensive (loss) income. The amounts recorded in other comprehensive (loss) income are subsequently reclassified to earnings in the same line item impacted by the hedged item when the hedged item affects earnings.

For derivatives designated as cash flow hedges or net investment hedges, we assess hedge effectiveness by formally evaluating the high correlation of the expected future cash flows of the hedged item and the derivative hedging instrument. The entire change in the fair value of the hedging instrument included in the assessment of hedge effectiveness is included in other comprehensive (loss) income and reclassified to earnings in the period in which earnings are impacted by the hedged items or in the period that the transaction becomes probable of not occurring. Gains or losses representing reclassifications of other comprehensive (loss) income to earnings are recognized in the same line item that is impacted by the underlying exposure. We exclude the time value component of foreign currency and aluminum price risk hedges when measuring and assessing effectiveness to align our accounting policy with risk management objectives when it is necessary. If at any time during the life of a cash flow hedge relationship we determine that the relationship is no longer effective, the derivative will no longer be designated as a cash flow hedge and future gains or losses on the derivative will be recognized in other (income) expenses, net.

For derivatives designated as fair value hedges, we assess hedge effectiveness by formally evaluating the high correlation of changes in the fair value of the hedged item and the derivative hedging instrument. The changes in the fair values of the underlying hedged items are reported in prepaid expenses and other current assets, other long-term assets, accrued expenses and other current liabilities, and other long-term liabilities in the consolidated balance sheets. Changes in the fair values of these derivatives and underlying hedged items generally offset, and the entire change in the fair value of derivatives is recorded in the consolidated statement of operations line item consistent with the underlying hedged item.

If no hedging relationship is designated, gains or losses are recognized in other (income) expenses, net in our consolidated statements of operations.

Consistent with the cash flows from the underlying risk exposure, we classify cash settlement amounts associated with designated derivatives as part of either operating or investing activities in the consolidated statements of cash flows. If no hedging relationship is designated, we classify cash settlement amounts as part of investing activities in the consolidated statement of cash flows.

The majority of our derivative contracts are valued using industry-standard models that use observable market inputs as their basis, such as time value, forward interest rates, volatility factors, and current ("spot") and forward market prices for commodity and foreign exchange rates. See [Note 16 – Financial Instruments and Commodity Contracts](#) and [Note 18 – Fair Value Measurements](#) for additional discussion related to derivative instruments.

Property, Plant and Equipment

We record land, buildings, leasehold improvements, and machinery and equipment at cost. We record assets under finance lease obligations at the lower of their fair value or the present value of the aggregate future minimum lease payments as of the beginning of the lease term. We generally depreciate our assets using the straight-line method over the shorter of the estimated useful life of the assets or the lease term, excluding any lease renewals, unless the lease renewals are reasonably certain. See [Note 6 – Property, Plant and Equipment](#) for further discussion. We assign useful lives to and depreciate major components of our property, plant and equipment.

The ranges of estimated useful lives follow.

	<u>Range in Years</u>
Buildings	30 to 40
Leasehold improvements	7 to 20
Machinery and equipment	2 to 25
Furniture, fixtures and equipment	3 to 10
Equipment under finance lease obligations	5 to 15

Most of our large scale machinery, including hot mills, cold mills, continuous casting mills, furnaces, and finishing mills have useful lives of 15 to 25 years. Supporting machinery and equipment, including automation and work rolls, have useful lives of 2 to 15 years.

Novelis Inc.
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Maintenance and repairs of property and equipment are expensed as incurred. We capitalize replacements and improvements that increase the estimated useful life of an asset. We also capitalize construction costs and interest incurred while major construction and development projects are in progress. These amounts are capitalized as construction in progress within property, plant and equipment until the asset is placed into service. Once placed into service, the asset, including the associated capitalized interest, is reclassified from construction in progress to the appropriate property, plant and equipment component and depreciation commences.

We retain fully depreciated assets in property and accumulated depreciation accounts until they are removed from service. In the case of sale, retirement, or disposal, the asset cost and related accumulated depreciation balances are removed from the respective accounts, and the resulting net amount, after consideration of any proceeds, is included as a gain or loss in other (income) expenses, net or gain on assets held for sale in our consolidated statements of operations.

We account for operating leases under the provisions of ASC 842, Leases. This pronouncement requires us to recognize escalating rents, including any rent holidays, on a straight-line basis over the term of the lease for those lease agreements where we receive the right to control the use of the entire leased property at the beginning of the lease term.

Goodwill

We test for impairment at least annually as of the last day of each fiscal year, unless a triggering event occurs that would require an interim impairment assessment. We do not aggregate components of operating segments to arrive at our reporting units and, as such, our reporting units are the same as our operating segments.

In performing our goodwill impairment test, we have the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the estimated fair value of a reporting unit is less than its carrying amount. If we perform a qualitative assessment and determine that an impairment is more likely than not, then we perform the one-step quantitative impairment test, otherwise no further analysis is required. We also may elect not to perform the qualitative assessment and, instead, proceed directly to the one-step quantitative impairment test. The ultimate outcome of the goodwill impairment assessment will be the same whether we choose to perform the qualitative assessment or proceed directly to the one-step quantitative impairment test.

No goodwill impairment was identified for fiscal 2024, fiscal 2023, or fiscal 2022. See [Note 7 – Goodwill and Intangible Assets](#) for further discussion.

We use the present value of estimated future cash flows to establish the estimated fair value of our reporting units as of the testing date. This approach includes many assumptions related to sales volumes, conversion premiums, and discount rate, among other considerations. Changes in economic and operating conditions impacting these assumptions could result in goodwill impairment in future periods. For purposes of our quantitative analysis, our estimate of fair value for each reporting unit as of the testing date is based on a weighted average of the value indication from income and market approach. If the carrying amount of a reporting unit's goodwill exceeds its estimated fair value, we would recognize an impairment charge in an amount equal to that excess in our consolidated statements of operations. During our analysis for fiscal 2024, fiscal 2023, and fiscal 2022, the estimated fair value of each of our reporting units exceeded the carrying amount of the reporting unit's goodwill.

When a business within a reporting unit is disposed of, goodwill is allocated to the gain or loss on disposition using the relative fair value methodology.

Long-Lived Assets and Other Intangible Assets

We amortize the cost of intangible assets over their respective estimated useful lives to their estimated residual value. See [Note 7 – Goodwill and Intangible Assets](#) for further discussion.

We assess the recoverability of long-lived assets (excluding goodwill) and finite-lived intangible assets, whenever events or changes in circumstances indicate that we may not be able to recover the asset's carrying amount. We measure the recoverability of assets to be held and used by a comparison of the carrying amount of the asset (groups) to the expected, undiscounted future net cash flows to be generated by that asset (groups), or, for identifiable intangible assets, by determining whether the amortization of the intangible asset balance over its remaining life can be recovered through undiscounted future cash flows. The amount of impairment of identifiable intangible assets is based on the present value of estimated future cash flows. We measure the amount of impairment of other long-lived assets and intangible assets (excluding goodwill) as the amount by which the carrying value of the asset exceeds the fair value of the asset, which is generally determined as the present value of estimated future cash flows or as the appraised value. Additionally, we reevaluate the useful lives of long-lived assets (excluding goodwill), at plants impacted by restructuring activities, which may result in accelerated depreciation. Impairments or accelerated depreciation of long-lived assets and intangible assets are included in restructuring and impairment, net in the consolidated statement of operations. See [Note 3 – Restructuring and Impairment](#) for further discussions.

Assets and Liabilities Held for Sale

We classify long-lived assets (disposal groups) to be sold as held for sale in the period in which all of the following criteria are met: management, having the authority to approve the action, commits to a plan to sell the asset (disposal group); the asset (disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (disposal groups); an active program to locate a buyer and other actions required to complete the plan to sell the asset (disposal group) have been initiated; the sale of the asset (disposal group) is probable, and transfer of the asset (disposal group) is expected to qualify for recognition as a completed sale within one year, except if events or circumstances beyond our control extend the period of time required to sell the asset (disposal group) beyond one year; the asset (disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

We initially measure a long-lived asset (disposal group) that is classified as held for sale at the lower of its carrying value or fair value less any costs to sell. Any loss resulting from this measurement is recognized in the period in which the held for sale criteria are met. Conversely, gains are not recognized on the sale of a long-lived asset (disposal group) until the date of sale. We assess the fair value of a long-lived asset (disposal group) less any costs to sell each reporting period it remains classified as held for sale and report any reduction in fair value as an adjustment to the carrying value of the asset (disposal group). Upon being classified as held for sale we cease depreciation. We continue to depreciate long-lived assets to be disposed of other than by sale.

Upon determining that a long-lived asset (disposal group) meets the criteria to be classified as held for sale, we report the assets and liabilities of the disposal group in our consolidated balance sheets as assets held for sale and liabilities held for sale, respectively.

Investment in and Advances to Non-Consolidated Affiliates

We assess the potential for other-than-temporary impairment of our equity method investments when impairment indicators are identified. We consider all available information, including the recoverability of the investment, the earnings and near-term prospects of the affiliate, factors related to the industry, conditions of the affiliate, and our ability, if any, to influence the management of the affiliate. We assess fair value based on valuation methodologies, as appropriate, including the present value of estimated future cash flows, estimates of sales proceeds, and external appraisals. If an investment is considered to be impaired and the decline in value is other than temporary, we record an appropriate write-down. See [Note 9 – Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions](#) for further discussion.

Financing Costs

We amortize financing costs and premiums, and accrete discounts, over the remaining life of the related debt using the effective interest amortization method, unless the impact of utilizing the straight-line method results in an immaterial difference. The expense is included in interest expense and amortization of debt issuance costs in our consolidated statements of operations. We record discounts and unamortized financing costs as a direct deduction from, or premiums as a direct addition to, the face amount of the financing.

Fair Value of Financial Instruments

ASC 820, Fair Value Measurements and Disclosures ("ASC 820"), defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. ASC 820 also applies to measurements under other accounting pronouncements, such as ASC 825, Financial Instruments ("ASC 825") that require or permit fair value measurements. ASC 825 requires disclosures of the fair value of financial instruments. Our financial instruments include: cash and cash equivalents; certificates of deposit; accounts receivable; accounts payable; foreign currency, energy derivative instruments; cross-currency swaps; metal option and forward contracts; share-based compensation; related party notes receivables and payables; letters of credit; short-term borrowings; and long-term debt.

The carrying amounts of cash and cash equivalents, certificates of deposit, accounts receivable, accounts payable and current related party notes receivable and payable approximate their fair value because of the short-term maturity and highly liquid nature of these instruments. The fair value of our letters of credit is deemed to be the amount of payment guaranteed on our behalf by third-party financial institutions. We determine the fair value of our short-term borrowings and long-term debt based on various factors including maturity schedules, call features and current market rates. We also use quoted market prices, when available, or the present value of estimated future cash flows to determine fair value of our share-based compensation liabilities, short-term borrowings and long-term debt. When quoted market prices are not available for various types of financial instruments (such as currency, energy and interest rate derivative instruments, swaps, options, and forward contracts), we use standard pricing models with market-based inputs, which take into account the present value of estimated future cash flows. See [Note 18 – Fair Value Measurements](#) for further discussion.

Pensions and Postretirement Benefits

Our pension obligations relate to funded defined benefit pension plans in the U.S., Canada, Switzerland, and the U.K.; unfunded pension plans in the U.S., Canada, and Germany; unfunded lump sum indemnities in France and Italy; and partially funded lump sum indemnities in South Korea. Our other postretirement obligations include unfunded health care and life insurance benefits provided to retired employees in Canada, the U.S., and Brazil.

We account for our pensions and other postretirement benefits in accordance with ASC 715, Compensation — Retirement Benefits ("ASC 715"). We recognize the funded status of our benefit plans as a net asset or liability, with an offsetting adjustment to accumulated other comprehensive loss in shareholder's equity. The funded status is calculated as the difference between the fair value of plan assets and the benefit obligation. For fiscal 2024 and fiscal 2023, we used March 31 as the measurement date.

We use standard actuarial methods and assumptions to account for our pension and other postretirement benefit plans. Pension and postretirement benefit obligations are actuarially calculated using management's best estimates of the rate used to discount the future estimated liability, the long-term rate of return on plan assets, and several assumptions related to the employee workforce (compensation increases, health care cost trend rates, expected service period, retirement age, and mortality). Pension and postretirement benefit expense includes the actuarially computed cost of benefits earned during the current service period, the interest cost on accrued obligations, the expected return on plan assets based on fair market value and the straight-line amortization of net actuarial gains and losses and adjustments due to plan amendments, curtailments, and settlements. Net actuarial gains and losses are amortized over periods of 15 years or less, which represent the group's average future service life of the employees or the group's average life expectancy. See [Note 14 – Postretirement Benefit Plans](#) for further discussion.

Noncontrolling Interests in Consolidated Affiliates

These financial statements reflect the application of ASC 810, Consolidations, which establishes accounting and reporting standards that require: (i) the ownership interest in subsidiaries held by parties other than the parent to be clearly identified and presented in the consolidated balance sheet within shareholder's (deficit) equity, but separate from the parent's (deficit) equity; (ii) the amount of consolidated net income attributable to the parent and the noncontrolling interest to be clearly identified and presented on the face of the consolidated statement of operations and (iii) changes in a parent's ownership interest while the parent retains its controlling financial interest in its subsidiary to be accounted for consistently.

Our consolidated financial statements include all assets, liabilities, revenues, and expenses of less-than-100%-owned affiliates that we control or for which we are the primary beneficiary. We record a noncontrolling interest for the allocable portion of income or loss and comprehensive income or loss to which the noncontrolling interest holders are entitled based upon their ownership share of the affiliate. Distributions made to the holders of noncontrolling interests are charged to the respective noncontrolling interest balance.

Losses attributable to the noncontrolling interest in an affiliate may exceed our interest in the affiliate's equity. The excess and any further losses attributable to the noncontrolling interest shall be attributed to those interests. The noncontrolling interest shall continue to be attributed its share of losses even if that attribution results in a deficit noncontrolling interest balance.

Environmental Liabilities

We record accruals for environmental matters when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on current law and existing technologies. We adjust these accruals periodically as assessment and remediation efforts progress or as additional technical or legal information becomes available. Accruals for environmental liabilities are stated at undiscounted amounts. Environmental liabilities are included in our consolidated balance sheets in accrued expenses and other current liabilities and other long-term liabilities, depending on their short- or long-term nature. Any receivables for related insurance or other third-party recoveries for environmental liabilities are recorded when it is probable that a recovery will be realized and are included in prepaid expenses and other current assets on our consolidated balance sheets.

Costs related to environmental matters are charged to expense. Estimated future incremental operations, maintenance, and management costs directly related to remediation are accrued in the period in which such costs are determined to be probable and estimable. See [Note 21 – Commitments and Contingencies](#) for further discussion.

Litigation Contingencies

We accrue for loss contingencies associated with outstanding litigation, claims, and assessments for which management has determined it is probable that a loss contingency exists and the amount of loss can be reasonably estimated. We expense professional fees associated with litigation claims and assessments as incurred. See [Note 21 – Commitments and Contingencies](#) for further discussion.

Income Taxes

We account for income taxes using the asset and liability method. This approach recognizes the amount of income taxes payable or refundable for the current year, as well as deferred tax assets and liabilities for the future tax consequence of events recognized in the consolidated financial statements and income tax returns. Deferred income tax assets and liabilities are adjusted to recognize the effects of changes in tax laws or enacted tax rates. Under ASC 740, Income Taxes ("ASC 740"), a valuation allowance is required when it is more likely than not that some portion of the deferred tax assets will not be realized. Realization is dependent on generating sufficient taxable income through various sources.

We record tax benefits related to uncertain tax positions taken or expected to be taken on a tax return when such benefits meet a more than likely than not threshold. Otherwise, these tax benefits are recorded when a tax position has been effectively settled, the statute of limitation has expired or the appropriate taxing authority has completed their examination. Interest and penalties related to uncertain tax positions are recognized as part of the provision for income taxes and are accrued beginning in the period that such interest and penalties would be applicable under relevant tax law until such time that the related tax benefits are recognized. See [Note 20 – Income Taxes](#) for further discussion.

Share-Based Compensation

In accordance with ASC 718, Compensation — Stock Compensation ("ASC 718"), we recognize compensation expense for a share-based award over an employee's requisite service period based on the award's grant date fair value, subject to adjustment. Our share-based awards are settled in cash and are accounted for as liability-based awards. As such, liabilities for awards under these plans are required to be measured at fair value at each reporting date until the date of settlement. See [Note 13 – Share-Based Compensation](#) for further discussion.

Foreign Currency Translation

The assets and liabilities of foreign operations, whose functional currency is other than the U.S. dollar (located in Europe and Asia), are translated to U.S. dollars at the period end exchange rates, and revenues and expenses are translated at average exchange rates for the period. Differences arising from this translation are included in the currency translation adjustment component of accumulated other comprehensive loss and noncontrolling interests, both of which are on our consolidated balance sheets. If there is a planned or completed sale or liquidation of our ownership in a foreign operation, the relevant currency translation adjustment is recognized in our consolidated statement of operations.

For all operations, the monetary items denominated in currencies other than the functional currency are remeasured at period-end exchange rates, and transaction gains and losses are included in other (income) expenses, net in our consolidated statements of operations. Non-monetary items are remeasured at historical rates.

Business Combinations

Occasionally, we may enter into business combinations. In accordance with ASC 805, Business Combinations ("ASC 805"), we generally recognize the identifiable assets acquired, the liabilities assumed, and any noncontrolling interests in an acquiree at their fair values as of the date of acquisition. We measure goodwill as the excess of consideration transferred, which we also measure at fair value, over the net of the acquisition date fair values of the identifiable assets acquired and liabilities assumed. The acquisition method of accounting requires us to make significant estimates and assumptions regarding the fair values of the elements of a business combination as of the date of acquisition, including the fair values of identifiable intangible assets, deferred tax asset valuation allowances, liabilities including those related to debt, pensions and other postretirement plans, uncertain tax positions, contingent consideration, and contingencies. Significant estimates and assumptions include subjective and/or complex judgements regarding items such as discount rate, revenue growth rates, projected EBITDA margins, customer attrition rates, economic lives, and other factors, which are used to derive the estimated future cash flows that we expect to generate from the acquired assets.

The acquisition method of accounting also requires us to refine these estimates over a measurement period not to exceed one year to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the measurement of the amounts recognized as of that date. If we are required to adjust provisional amounts that we have recorded for the fair values of assets and liabilities in connection with acquisitions, these adjustments could have a material impact on our financial condition and results of operations. If the subsequent actual results and updated projections of the underlying business activity change compared with the assumptions and projections used to develop these values, we could record future impairment charges. In addition, we have estimated the economic lives of certain acquired assets, and these lives are used to calculate depreciation and amortization expense. If our estimates of the economic lives change, depreciation or amortization expenses could be increased or decreased or the acquired asset could be impaired.

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Supplier Finance Programs

The Company participates in supply chain finance programs under which participating suppliers may elect to sell some or all of their Novelis receivables to a third-party financial institution. Supplier participation in the programs is solely up to the supplier, and participating suppliers negotiate their arrangements directly with the financial institutions. The payment terms that we have with our suppliers under these programs range up to 180 days and are considered commercially reasonable. The Company has provided a guarantee in support of the obligations of certain of its subsidiaries under one of the supply chain finance programs currently in effect pursuant to which invoices receivable from Novelis originating in North America and South America are purchased and sold. In the ordinary course of business, the Company provides operating guarantees relating to the payment obligations of certain of its subsidiaries. The Company's obligation under the guarantee referenced above is qualitatively the same as its guarantees supporting payment obligations of its subsidiaries.

On March 31, 2024, and March 31, 2023, confirmed supplier invoices that are outstanding and subject to the third-party programs included in accounts payable on the consolidated balance sheets were \$612 million and \$801 million, respectively.

Earnings per Share

Basic and diluted earnings per share attributable to our common shareholder is computed using the weighted average number of shares issued and outstanding during the period. In the periods presented, the Company has no stock options, warrants, or other dilutive instruments issued and, thus, there is no impact on diluted earnings per share attributable to our common shareholder.

<i>in million, except earnings per share and number of shares</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Numerator:			
Net income from continuing operations	\$ 600	\$ 659	\$ 1,018
Less: Net (loss) income attributable to noncontrolling interests	—	(1)	1
Net income from continuing operations attributable to our common shareholder	\$ 600	\$ 660	\$ 1,017
Plus: Net loss from discontinued operations attributable to our common shareholder	—	(2)	(63)
Net income attributable to our common shareholder	\$ 600	\$ 658	\$ 954
Denominator:			
Weighted average common shares outstanding - basic and diluted ⁽¹⁾	1,100	1,100	1,100
Earnings per share - basic and diluted			
From continuing operations attributable to our common shareholder	\$ 545,455	\$ 600,000	\$ 924,545
From discontinued operations attributable to our common shareholder	—	\$ (1,818)	\$ (57,273)
Attributable to our common shareholder	\$ 545,455	\$ 598,182	\$ 867,273

(1) The computation of weighted average common shares outstanding - basic and diluted reflects a revision of the number of shares outstanding to 1,100 for fiscal years 2023 and 2022 to correct an error in the number of shares from 1,000 previously disclosed as described in the introduction of [Note 1 - Business and Summary of Significant Accounting Policies](#).

Recently Adopted Accounting Standards

On April 1, 2023, we adopted ASU 2022-04, which requires a buyer in a supplier finance program to disclose qualitative and quantitative information about its supplier finance programs, including the key terms of the program, the amount of obligations outstanding at the end of the reporting period, and a description of where those obligations are presented in the balance sheet. If presented in more than one balance sheet line item, the amount in each line item should be disclosed. Further, effective April 1, 2024, a roll-forward of such amounts during the annual period should be presented. The adoption of this guidance resulted in enhanced disclosures regarding these programs (see Supplier Finance Programs above) and did not have a material impact on our consolidated financial condition, results of operations, or cash flows.

We did not adopt any other new accounting pronouncements during fiscal 2024, fiscal 2023, or fiscal 2022 that had a material impact on our consolidated financial condition, results of operations, or cash flows.

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Recently Issued Accounting Standards (Not Yet Adopted)

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. This ASU updates reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses. This ASU is effective for all entities for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The amendments should be applied retrospectively to all prior periods presented in the financial statements. We are currently evaluating this ASU to determine its impact on the Company's disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This ASU expands disclosures in an entity's income tax rate reconciliation table and disclosures regarding cash taxes paid both in the U.S. and foreign jurisdictions. This ASU is effective for all entities for fiscal years beginning after December 15, 2024. We are currently evaluating this ASU to determine its impact on the Company's disclosures.

There are no other recent accounting pronouncements pending adoption that we expect will have a material impact on our consolidated financial condition, results of operations, or cash flows.

2. DISCONTINUED OPERATIONS

In connection with the acquisition of Aleris, which closed in April 2020, we were obligated to divest Aleris' European and North American automotive assets, including the Duffel plant, as a result of the antitrust review processes in the European Union, the U.S., and China required for approval of the acquisition.

On September 30, 2020, we completed the sale of Duffel to Liberty House Group through its subsidiary, ALVANCE, the international aluminum business of the GFG Alliance. Upon closing, we received €210 million (\$246 million as of September 30, 2020) in cash and a €100 million (\$117 million as of September 30, 2020) receivable that was deemed to be contingent consideration subject to the results of a binding arbitration proceeding under German law.

We accounted for this contingent consideration at fair value and marked to fair value on a quarterly basis. As of June 30, 2021, Novelis marked all outstanding receivables related to the sale of Duffel to an estimated fair value of €45 million (\$53 million), which resulted in a loss of €51 million (\$61 million) recorded in loss from discontinued operations, net of tax.

In June 2022, Duffel was acquired by American Industrial Partners Capital Fund VII, L.P. (together with its affiliates, "AIP"). In December 2022, the Company reached a settlement with AIP in order to reach a resolution to the dispute being arbitrated, among other matters. As part of the settlement, the contingent consideration balance was settled for €45 million (\$46 million), consisting of €5 million (\$5 million) in cash paid on the settlement date and a note in the amount of €40 million (\$41 million). The note bears interest at the annual rate of 5% and matures on December 31, 2027, with interest and €0.2 million of principal payable semi-annually and the remainder of the principal payable at maturity. As a result of the settlement, the arbitration was dismissed in January 2023. The settlement did not have a material impact on the Company's consolidated statement of operations.

The resolution reached with AIP also included the settlement of certain assets and liabilities that were previously classified as current assets and current liabilities of discontinued operations on our consolidated balance sheets. The settlement of such assets and liabilities did not have a material impact on the Company's consolidated statement of operations.

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3. RESTRUCTURING AND IMPAIRMENT

Restructuring and impairment, net includes restructuring costs, impairments, and other related expenses or reversal of expenses. As of March 31, 2024, \$15 million of restructuring liability is included in accrued expenses and other current liabilities, while the remainder is within other long-term liabilities in our accompanying consolidated balance sheet.

<i>in millions</i>	North America	Europe	Asia	South America	Other Operations	Total
Restructuring liability balance as of March 31, 2021	\$ 3	\$ 19	\$ —	\$ 9	\$ 3	\$ 34
Restructuring and impairment expenses, net ⁽¹⁾	2	(5)	2	2	—	1
Cash payments	(3)	(11)	(1)	(3)	(3)	(21)
Other ⁽²⁾	—	—	—	(1)	—	(1)
Restructuring liability balance as of March 31, 2022	\$ 2	\$ 3	\$ 1	\$ 7	\$ —	\$ 13
Restructuring and impairment expenses, net ⁽³⁾	28	—	(1)	1	5	33
Cash payments	(1)	(2)	—	(1)	—	(4)
Other ⁽²⁾	(19)	—	—	—	(5)	(24)
Restructuring liability balance as of March 31, 2023	\$ 10	\$ 1	\$ —	\$ 7	\$ —	\$ 18
Restructuring and impairment expenses, net ⁽⁴⁾	35	2	—	5	—	42
Cash payments	(4)	(1)	—	(4)	—	(9)
Other ⁽²⁾	(25)	—	—	(2)	—	(27)
Restructuring liability balance as of March 31, 2024	\$ 16	\$ 2	\$ —	\$ 6	\$ —	\$ 24

(1) Restructuring and impairment expenses, net for fiscal 2022 primarily relates to reorganization activities resulting from the Aleris acquisition, mostly offset by a partial release of certain restructuring liabilities as a result of changes in estimated costs.

(2) Other includes the impact of foreign currency on our restructuring liability as well as the removal of other non-cash expenses recorded and included within restructuring and impairment expenses, net in the table above that are not recorded through the restructuring liability. In fiscal 2024 and fiscal 2023 impairment charges, accelerated depreciation, and other non-cash expenses included in restructuring and expenses, net were \$28 million and \$23 million, respectively. There were no impairment charges and other non-cash expenses included in restructuring and expenses, net in fiscal 2022.

(3) Restructuring and impairment expenses, net for fiscal 2023 primarily relate to the shutdown of casting and hot rolling assets at our Richmond plant in North America.

(4) Restructuring and impairment expenses, net for fiscal 2024 primarily relate to the shutdown of our Clayton plant in North America.

In March 2024, the Company approved the plan to close the cold rolling and finishing plant in Buckhannon, West Virginia. The Company expects to cease substantially all operations at this plant in fiscal 2025 and estimates total pre-tax charges associated with this action to consist primarily of charges for accelerated depreciation and employee-related restructuring expenses. In the fourth quarter of fiscal 2024, the Company recorded approximately \$4 million in charges for restructuring activities related to the plant closure, with the remaining restructuring in the range of \$20 million to \$25 million to be recorded in fiscal 2025.

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4. ACCOUNTS RECEIVABLE

Accounts receivable, net consists of the following.

<i>in millions</i>	March 31,	
	2024	2023
Trade accounts receivable	\$ 1,671	\$ 1,650
Other accounts receivable	96	106
Accounts receivable — third parties	1,767	1,756
Allowance for credit losses — third parties	(7)	(5)
Accounts receivable, net — third parties	<u>\$ 1,760</u>	<u>\$ 1,751</u>
Accounts receivable, net — related parties	\$ 161	\$ 156

Allowance for Credit Losses

As of March 31, 2024 and 2023, our allowance for credit losses represented approximately 0.4% and 0.3% of gross accounts receivable — third parties, respectively.

Activity in the allowance for credit losses is as follows.

<i>in millions</i>	Balance at Beginning of Period	Additions Charged to Expense	Accounts Recovered/(Written-Off)	Balance at End of Period
Fiscal 2024	\$ 5	\$ 2	\$ —	\$ 7
Fiscal 2023	6	—	(1)	5
Fiscal 2022	5	1	—	6

Factoring of Trade Receivables

We factor trade receivables based on local cash needs and in an attempt to balance the timing of cash flows of trade payables and receivables. Factored invoices are not included in our consolidated balance sheets when we do not retain a financial or legal interest. If a financial or legal interest is retained, we classify these factorings as secured borrowings.

The following tables summarize amounts relating to our factoring activities.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Factoring expense ⁽¹⁾	\$ 96	\$ 98	\$ 59

(1) Factoring expense is included within selling, general and administrative expenses in our accompanying statements of operations.

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. INVENTORIES

Inventories consists of the following.

<i>in millions</i>	March 31,	
	2024	2023
Finished goods	\$ 616	\$ 643
Work in process	1,158	1,303
Raw materials	451	505
Supplies	290	278
Inventories	<u>\$ 2,515</u>	<u>\$ 2,729</u>

6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, net consists of the following.

<i>in millions</i>	March 31,	
	2024	2023
Land and property rights	\$ 221	\$ 204
Buildings	2,013	1,957
Machinery and equipment ⁽¹⁾	6,284	5,990
Gross property, plant and equipment (excluding construction in progress)	8,518	8,151
Accumulated depreciation and amortization	(4,412)	(4,014)
Property, plant and equipment, net (excluding construction in progress)	4,106	4,137
Construction in progress	1,635	763
Property, plant and equipment, net ⁽²⁾	\$ 5,741	\$ 4,900

(1) In addition to equipment under finance leases, machinery and equipment also includes furniture, fixtures, and equipment.

(2) Included in property, plant and equipment, net are \$25 million and \$31 million of finance leases as of March 31, 2024 and 2023, respectively. This balance of finance leases represents gross finance leases of \$46 million, net of accumulated amortization of \$21 million, and \$49 million, net of accumulated amortization of \$18 million, as of March 31, 2024 and 2023, respectively. Of the \$46 million and \$49 million of gross finance leases as of March 31, 2024 and 2023, \$45 million and \$48 million were included in machinery and equipment, respectively. The remainder is included in buildings.

During fiscal 2024, fiscal 2023, and fiscal 2022, we capitalized \$26 million, \$7 million, and \$18 million of interest related to construction of property, plant and equipment and intangibles under development, respectively.

Depreciation expense related to property, plant and equipment, net is shown in the table below.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Depreciation expense related to property, plant and equipment, net included in depreciation and amortization	\$ 481	\$ 466	\$ 457

Asset impairments

Impairment charges are recorded in restructuring and impairment, net on our consolidated statements of operations. See [Note 3 – Restructuring and Impairment](#) for additional information.

Asset Retirement Obligations

An asset retirement obligation is recognized in the period in which sufficient information exists to determine the fair value of the liability along with a corresponding increase to the carrying amount of the related property, plant and equipment, which is then depreciated over its useful life. As of March 31, 2024, our asset retirement obligations relate to sites, primarily in North America and Europe, that have government imposed or other legal remediation obligations. The following is a summary of our asset retirement obligation activity. The current portion of our asset retirement obligations is included in accrued expenses and other current liabilities in our consolidated balance sheets, while the long-term portion is included in other long-term liabilities. As of March 31, 2024, \$21 million was included in other long-term liabilities.

<i>in millions</i>	Asset Retirement Obligation at Beginning of Period	Obligations Incurred	Acquisition	Foreign Exchange & Other Adjustments	Settlements	Asset Retirement Obligation at End of Period
Fiscal 2024	\$ 21	\$ —	\$ —	\$ —	\$ —	\$ 21
Fiscal 2023	21	—	—	—	—	21
Fiscal 2022	25	—	—	—	(4)	21

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. GOODWILL AND INTANGIBLE ASSETS

A summary of the changes in the carrying value of goodwill for fiscal 2024 and fiscal 2023 follows.

<i>in millions</i>	North America	Europe	Asia	South America	Total
Carrying value of goodwill at March 31, 2022 ⁽¹⁾	\$ 660	\$ 235	\$ 45	\$ 141	\$ 1,081
Foreign currency translation adjustment	—	(1)	(4)	—	(5)
Carrying value of goodwill at March 31, 2023 ⁽¹⁾	660	234	41	141	1,076
Foreign currency translation adjustment	—	—	(2)	—	(2)
Carrying value of goodwill at March 31, 2024 ⁽¹⁾	<u>\$ 660</u>	<u>\$ 234</u>	<u>\$ 39</u>	<u>\$ 141</u>	<u>\$ 1,074</u>

(1) Carrying value of goodwill at March 31, 2024, 2023, and 2022 is net of accumulated impairment of \$860 million for North America, \$330 million for Europe, and \$150 million for South America.

The components of intangible assets, net are as follows.

<i>in millions</i>	March 31, 2024			March 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Tradenames	\$ 152	\$ (129)	\$ 23	\$ 152	\$ (122)	\$ 30
Technology and software	563	(450)	113	537	(425)	112
Customer-related intangible assets	851	(444)	407	852	(405)	447
Other intangibles	4	(2)	2	2	(2)	—
	<u>\$ 1,570</u>	<u>\$ (1,025)</u>	<u>\$ 545</u>	<u>\$ 1,543</u>	<u>\$ (954)</u>	<u>\$ 589</u>

Amortization expense related to intangible assets, net is as follows.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Amortization expense related to intangible assets included in depreciation and amortization	\$ 73	\$ 74	\$ 93

Estimated total amortization expense related to intangible assets, net for each of the five succeeding fiscal years is as follows (in millions). Actual amounts may differ from these estimates due to such factors as customer turnover, raw material consumption patterns, impairments, additional intangible asset acquisitions, or other events.

Fiscal Year Ending March 31,	Amount
2025	\$ 86
2026	82
2027	68
2028	57
2029	55

8. CONSOLIDATION

Variable Interest Entity

The entity that has a controlling financial interest in a VIE is referred to as the primary beneficiary and consolidates the VIE. An entity is deemed to have a controlling financial interest and is the primary beneficiary of a VIE if it has both the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and an obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE.

Logan is a consolidated joint venture in which we hold 40% ownership. Our joint venture partner is Tri-Arrows. Logan processes metal received from Novelis and Tri-Arrows and charges the respective partner a fee to cover expenses. Logan is a thinly capitalized VIE that relies on the regular reimbursement of costs and expenses from Novelis and Tri-Arrows to fund its operations. Novelis is considered the primary beneficiary and consolidates Logan since it has the power to direct activities that most significantly impact Logan's economic performance, an obligation to absorb expected losses, and the right to receive benefits that could potentially be significant to the VIE.

Other than the contractually required reimbursements, we do not provide additional material support to Logan. Logan's creditors do not have recourse to our general credit. There are significant other assets used in the operations of Logan that are not part of the joint venture, as they are directly owned and consolidated by Novelis or Tri-Arrows.

The following table summarizes the carrying value and classification of assets and liabilities owned by the Logan joint venture and consolidated in our consolidated balance sheets.

<i>in millions</i>	March 31,	
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4	\$ 6
Accounts receivable, net	10	6
Inventories	142	149
Prepaid expenses and other current assets	8	7
Total current assets	164	168
Property, plant and equipment, net	104	63
Goodwill	12	12
Deferred income tax assets	36	37
Other long-term assets	4	6
Total assets	<u>\$ 320</u>	<u>\$ 286</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 135	\$ 90
Accrued expenses and other current liabilities	34	28
Total current liabilities	169	118
Accrued postretirement benefits	121	130
Other long-term liabilities	2	6
Total liabilities	<u>\$ 292</u>	<u>\$ 254</u>

9. INVESTMENT IN AND ADVANCES TO NON-CONSOLIDATED AFFILIATES AND RELATED PARTY TRANSACTIONS

Included in the accompanying consolidated financial statements are transactions and balances arising from business we conducted with our equity method non-consolidated affiliates.

Alunorf

Alunorf is a joint venture investment between Novelis Deutschland GmbH, a subsidiary of Novelis, and Speira GmbH. Each of the parties to the joint venture holds a 50% interest in the equity, profits and losses, shareholder voting, management control, and rights to use the production capacity of the facility. Alunorf tolls aluminum and charges the respective partner a fee to cover the associated expenses.

UAL

UAL is a joint venture investment between Novelis Korea Ltd., a subsidiary of Novelis, and Kobe. UAL is a thinly capitalized VIE that relies on the regular reimbursement of costs and expenses from Novelis and Kobe. UAL is controlled by an equally represented Board of Directors in which neither entity has sole decision-making ability regarding production operations or other significant decisions. Furthermore, neither entity has the ability to take the majority share of production or associated costs over the life of the joint venture. Our risk of loss is limited to the carrying value of our investment in and inventory-related receivables from UAL. UAL's creditors do not have recourse to our general credit. Therefore, UAL is accounted for as an equity method investment, and Novelis is not considered the primary beneficiary. UAL currently produces flat-rolled aluminum products exclusively for Novelis and Kobe. As of March 31, 2024, Novelis and Kobe both hold 50% interests in UAL. During fiscal 2024 and fiscal 2023, we made additional contributions to UAL in the amount of \$30 million and \$23 million, respectively.

AluInfra

AluInfra is a joint venture investment between Novelis Switzerland SA, a subsidiary of Novelis, and Constellium SE. Each of the parties to the joint venture holds a 50% interest in the equity, profits and losses, shareholder voting, management control, and rights to use the facility.

The following table summarizes the assets, liabilities, and equity of our equity method non-consolidated affiliates in the aggregate as of March 31, 2024 and 2023.

<i>in millions</i>	March 31,	
	2024	2023
ASSETS		
Current assets	\$ 561	\$ 555
Non-current assets	825	798
Total assets	<u>\$ 1,386</u>	<u>\$ 1,353</u>
LIABILITIES		
Current liabilities	\$ 292	\$ 299
Non-current liabilities	258	316
Total liabilities	<u>\$ 550</u>	<u>\$ 615</u>
EQUITY		
Total equity	\$ 836	\$ 738
Total liabilities and equity	<u>\$ 1,386</u>	<u>\$ 1,353</u>

As of March 31, 2024, the investment in Alunorf exceeded our proportionate share of the net assets by \$389 million. The difference is primarily related to the unamortized fair value adjustments that are included in our investment balance as a result of the acquisition of Novelis by Hindalco in 2007.

As of March 31, 2024, the investment in UAL exceeded our proportionate share of the net assets by \$47 million. The difference primarily relates to goodwill.

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The following table summarizes the results of operations of our equity method non-consolidated affiliates in the aggregate for fiscal 2024, fiscal 2023, and fiscal 2022 as well as the nature and amounts of significant transactions that we had with our non-consolidated affiliates. The amounts in the table below are disclosed at 100% of the operating results of these affiliates.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net sales	\$ 1,519	\$ 1,721	\$ 1,755
Costs and expenses related to net sales	1,492	1,652	1,691
Income tax provision	4	21	18
Net income	<u>\$ 23</u>	<u>\$ 48</u>	<u>\$ 46</u>
Purchase of tolling services from Alunorf	\$ 297	\$ 332	\$ 312

Related Party Transactions

Included in the accompanying consolidated financial statements are transactions and balances arising from business we conduct with our non-consolidated affiliates and our indirect parent company, Hindalco.

The following table describes related party balances in the accompanying consolidated balance sheets. We had no other material related party balances with non-consolidated affiliates.

<i>in millions</i>	March 31,	
	2024	2023
Accounts receivable, net — related parties	\$ 161	\$ 156
Other long-term assets — related parties	3	3
Accounts payable — related parties	280	277

Transactions with Hindalco

We occasionally have related party transactions with Hindalco. During fiscal 2024, we recorded net sales of \$1 million between Novelis and Hindalco, which primarily related to certain services and sales of equipment. During fiscal 2023 and fiscal 2022, we recorded net sales of less than \$1 million between Novelis and Hindalco, which primarily related to certain services and sales of equipment. As of March 31, 2024 and 2023, there were \$2 million of accounts receivable, net — related parties net of accounts payable — related parties related to transactions with Hindalco. During fiscal 2023, Novelis purchased less than \$1 million in raw materials from Hindalco. No such purchases were made during fiscal 2024.

Return of Capital

We paid a return of capital to our common shareholder in the amount of \$100 million during the fourth quarter of fiscal 2024. We paid a return of capital to our common shareholder in the amount of \$100 million during each of the second quarters of fiscal 2023 and 2022.

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. LEASES

We lease certain land, buildings, and equipment under non-cancelable operating lease arrangements and certain equipment and office space under finance lease arrangements.

We used the following policies and/or assumptions in evaluating our lease population.

- Lease determination: Novelis considers a contract to be or to contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) for a period of time in exchange for consideration.
- Discount rate: When our lease contracts do not provide a readily determinable implicit rate, we use the estimated incremental borrowing rate based on information available at the inception of the lease. The discount rate is determined by region and asset class.
- Variable payments: Novelis includes payments that are based on an index or rate within the calculation of right-of-use leased assets and lease liabilities, which is initially measured at the lease commencement date. Other variable lease payments include, but are not limited to, maintenance, service, and supply costs. These costs are disclosed as a component of total lease costs.
- Purchase options: Certain leases include options to purchase the leased property. The depreciable life of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise.
- Renewal options: Most leases include one or more options to renew with renewal terms that can extend the lease term from one or more years. The exercise of lease renewal options is at our sole discretion.
- Residual value guarantees, restrictions, or covenants: Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.
- Short-term leases: Leases with an initial term of 12 months or less are not recorded on the balance sheet. We recognize lease expense for these leases on a straight-line basis over the lease term and expense the associated operating lease costs to selling, general and administrative expenses on the consolidated statements of operations.
- Non-lease components: Leases that contain non-lease components (primarily equipment maintenance) are accounted for as a single component and recorded on the consolidated balance sheets for certain asset classes including real estate and certain equipment. Non-lease components include, but are not limited to, common area maintenance, service arrangements, and supply agreements.

The table below presents the classification of leasing assets and liabilities within our consolidated balance sheets.

<i>in millions</i>	Consolidated Balance Sheet Classification	March 31,	
		2024	2023
ASSETS			
Operating lease right-of-use assets	Other long-term assets	\$ 124	\$ 127
Finance lease assets ⁽¹⁾	Property, plant and equipment, net	25	31
Total lease assets		\$ 149	\$ 158
LIABILITIES			
Current:			
Operating lease liabilities	Accrued expenses and other current liabilities	\$ 23	\$ 24
Finance lease liabilities	Current portion of long-term debt	9	16
Long-term:			
Operating lease liabilities	Other long-term liabilities	81	82
Finance lease liabilities	Long-term debt, net of current portion	14	14
Total lease liabilities		\$ 127	\$ 136

(1) Finance lease assets are recorded net of accumulated depreciation of \$21 million and \$18 million as of March 31, 2024 and March 31, 2023, respectively.

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The table below presents the classification of lease related expenses or income as reported within the consolidated statements of operations. Amortization of right-of-use assets and interest on liabilities related to finance leases were \$9 million, \$7 million and \$7 million during fiscal 2024, 2023 and 2022, respectively.

<i>in millions</i>	Income Statement Classification	Fiscal 2024	Fiscal 2023	Fiscal 2022
Operating lease costs ⁽¹⁾	Selling, general and administrative expenses	\$ 59	\$ 61	\$ 57

(1) Operating lease costs include short-term leases and variable lease costs.

Future minimum lease payments as of March 31, 2024, for our operating and finance leases having an initial or remaining non-cancelable lease term in excess of one year are as follows (in millions).

Fiscal Year Ending March 31,	Operating leases ⁽¹⁾	Finance leases ⁽²⁾
2025	\$ 30	\$ 9
2026	19	6
2027	13	5
2028	10	3
2029	7	1
Thereafter	51	1
Total minimum lease payments	130	25
Less: interest	26	2
Present value of lease liabilities	\$ 104	\$ 23

(1) Operating lease payments related to options to extend lease terms that are reasonably certain of being exercised are immaterial as of March 31, 2024.

(2) Finance lease payments related to options to extend lease terms that are reasonably certain of being exercised are immaterial, and we do not have leases signed but not yet commenced as of March 31, 2024.

The following table presents the weighted-average remaining lease term and discount rates.

	March 31,	
	2024	2023
Weighted-average remaining lease term		
Operating leases	8.6 years	9.2 years
Finance leases	3.4 years	2.0 years
Weighted-average discount rate		
Operating leases	4.71 %	4.35 %
Finance leases	4.32 %	2.48 %

The following table presents supplemental information on our leases for fiscal 2024, fiscal 2023, and fiscal 2022.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	\$ 65	\$ 72	\$ 59
Financing cash flows from finance leases	8	8	5
Leased assets obtained in exchange for new finance lease liabilities	11	6	16
Leased assets obtained in exchange for new operating lease liabilities	11	28	16

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities consists of the following.

<i>in millions</i>	March 31,	
	2024	2023
Accrued compensation and benefits	\$ 254	\$ 231
Accrued interest payable	42	39
Accrued income taxes	80	66
Other current liabilities	251	297
Accrued expenses and other current liabilities	<u>\$ 627</u>	<u>\$ 633</u>

Novelis Inc.
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12. DEBT

Debt consists of the following.

<i>in millions</i>	Interest Rates ⁽¹⁾	March 31, 2024			March 31, 2023		
		Principal	Unamortized Carrying Value Adjustments ⁽²⁾	Carrying Value	Principal	Unamortized Carrying Value Adjustments ⁽²⁾	Carrying Value
Short-term borrowings	5.78 %	\$ 759	\$ —	\$ 759	\$ 671	\$ —	\$ 671
Floating rate Term Loans, due January 2025		—	—	—	752	(7)	745
Floating rate Term Loans, due September 2026	6.96 %	746	(4)	742	—	—	—
Floating rate Term Loans, due March 2028	7.46 %	485	(5)	480	490	(6)	484
3.250% Senior Notes, due November 2026	3.250 %	750	(6)	744	750	(8)	742
3.375% Senior Notes, due April 2029	3.375 %	540	(7)	533	543	(8)	535
4.750% Senior Notes, due January 2030	4.750 %	1,600	(18)	1,582	1,600	(22)	1,578
3.875% Senior Notes, due August 2031	3.875 %	750	(8)	742	750	(9)	741
3.90% China Bank Loans, due August 2027	3.90 %	53	—	53	64	—	64
1.80% Brazil Loan, due June 2023		—	—	—	30	—	30
1.80% Brazil Loan, due December 2023		—	—	—	20	—	20
Finance lease obligations and other debt, due through December 2031 ⁽³⁾	4.32 %	23	—	23	30	—	30
Total debt		\$ 5,706	\$ (48)	\$ 5,658	\$ 5,700	\$ (60)	\$ 5,640
Less: Short-term borrowings		(759)	—	(759)	(671)	—	(671)
Current portion of long-term debt		(33)	—	(33)	(88)	—	(88)
Long-term debt, net of current portion		\$ 4,914	\$ (48)	\$ 4,866	\$ 4,941	\$ (60)	\$ 4,881

(1) Interest rates are the stated rates of interest on the debt instrument (not the effective interest rate) as of March 31, 2024, and therefore exclude the effects of accretion and amortization of debt issuance costs related to refinancing transactions and additional borrowings. We present stated rates of interest because they reflect the rate at which cash will be paid for future debt service.

(2) Amounts include unamortized debt issuance costs, fair value adjustments, and debt discounts.

(3) See [Note 10 – Leases](#) for more information.

Principal repayment requirements for our total debt over the next five years and thereafter using exchange rates as of March 31, 2024 for our debt denominated in foreign currencies are as follows (in millions).

As of March 31, 2024	Amount
Short-term borrowings and current portion of long-term debt due within one year	\$ 792
2 years	32
3 years	1,509
4 years	482
5 years	1
Thereafter	2,890
Total debt	\$ 5,706

Short-Term Borrowings

As of March 31, 2024, our short-term borrowings totaled \$759 million, which consisted of \$512 million of borrowings on our ABL Revolver, \$200 million in short-term Brazil loans, and \$47 million in short-term China loans (CNY 336 million).

The weighted average interest rate on the short-term borrowings was 5.78% and 6.67% as of March 31, 2024 and March 31, 2023, respectively.

In January 2022, we entered into a \$315 million short-term loan with Axis Bank Limited, IFSC Banking Unit, Gift City, as administrative agent and lender. The short-term loan was subject to 0.25% quarterly amortization payments, and accrued interest at SOFR plus 0.90%. The short-term loan matured in November 2022 and we repaid the remaining principal balance of this loan in full at the maturity date.

Senior Secured Credit Facilities

As of March 31, 2024, the senior secured credit facilities consisted of (i) a secured term loan credit facility ("Term Loan Facility") and (ii) a \$2.0 billion asset based loan facility ("ABL Revolver"). The senior secured credit facilities contain various affirmative covenants, including covenants with respect to our financial statements, litigation and other reporting requirements, insurance, payment of taxes, employee benefits, and (subject to certain limitations) causing new subsidiaries to pledge collateral and guaranty our obligations. The senior secured credit facilities also include various customary negative covenants and events of default, including limitations on our ability to incur additional indebtedness; sell certain assets; enter into sale and leaseback transactions; make investments, loans, and advances; pay dividends or returns of capital and distributions beyond certain amounts; engage in mergers, amalgamations, or consolidations; engage in certain transactions with affiliates; and prepay certain indebtedness. The Term Loan Facility also contains a financial maintenance covenant that prohibits Novelis' senior secured net leverage ratio as of the last day of each fiscal quarter period as measured on a rolling four quarter basis from exceeding 3.50 to 1.00, subject to customary equity cure rights. The senior secured credit facilities include a cross-default provision under which lenders could accelerate repayment of the loans if a payment or non-payment default arises under any other indebtedness with an aggregate principal amount of more than \$100 million (or, in the case of the Term Loan Facility, under the ABL Revolver regardless of the amount outstanding). The senior secured credit facilities are guaranteed by the Company's direct parent, AV Minerals (Netherlands) N.V., and certain of the Company's direct and indirect subsidiaries and are secured by a pledge of substantially all of the assets of the Company and the guarantors.

Term Loan Facility

The Term Loan Facility requires customary mandatory prepayments with excess cash flow, other asset sale proceeds, casualty event proceeds, and proceeds of prohibited indebtedness, all subject to customary reinvestment rights and exceptions. The loans under the Term Loan Facility may be prepaid, in full or in part, at any time at Novelis' election without penalty or premium. The Term Loan Facility allows for additional term loans to be issued in an amount not to exceed \$300 million (or its equivalent in other currencies) plus an unlimited amount if, after giving effect to such incurrences on a pro forma basis, the secured net leverage ratio does not exceed 3.00 to 1.00. The Term Loan Facility also allows for additional term loans to be issued in an amount to refinance loans outstanding under the Term Loan Facility. The lenders under the Term Loan Facility have not committed to provide any such additional term loans.

On March 31, 2023, Novelis amended the Term Loan Facility, primarily to modify the reference rate used to determine interest from LIBOR to SOFR. Term loans under the Term Loan Facility, beginning with the interest period commencing June 30, 2023, accrued interest at SOFR plus a 0.15% credit spread adjustment ("Adjusted SOFR") plus a spread of 1.75% in the case of the 2020 Term Loans, as defined below, or a spread of 2.00% in the case of the 2021 Term Loans, as defined below. During fiscal 2021, the Company adopted the practical expedient for Reference Rate Reform related to its debt arrangements and as such, this amendment is treated as a continuation of the existing debt agreement and no gain or loss on the modification was recorded. The Company did not record any gains or losses on the conversion of the reference rate for the borrowings under the Term Loan Facility from LIBOR to SOFR.

In April 2024, the Company amended the Term Loan facility. The amendment makes certain changes that provide the Company with additional flexibility to operate its business.

As of March 31, 2024, we were in compliance with the covenants for our Term Loan Facility.

2023 Term Loans

In September 2023, Novelis amended the Term Loan Facility and borrowed \$750 million of term loans (the "2023 Term Loans"). The proceeds of the 2023 Term Loan were used to repay the previously-issued term loans due January 2025 (the "2020 Term Loans"). The 2023 Term Loans mature on September 25, 2026, are subject to 0.25% quarterly amortization payments and accrue interest at SOFR plus 1.65%.

In accordance with ASC 470, Debt, the amendment was accounted for as a partial extinguishment of the 2020 Term Loans, whereby \$482 million of the \$750 million outstanding at the time of the transaction was deemed an extinguishment and \$268 million was deemed a modification of debt. As a result of this transaction, we recorded a loss on extinguishment of debt of \$5 million in the second quarter of fiscal 2024.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2021 Term Loans

In March 2021, we borrowed \$480 million of term loans due March 2028 (the "2021 Term Loans") under our Term Loan Facility, with an additional \$20 million being borrowed under the 2021 Term Loans in April 2021. We incurred debt issuance costs of \$9 million for the 2021 Term Loans, which will be amortized as an increase to interest expense and amortization of debt issuance costs over the term of the loan. The 2021 Term Loans mature on March 31, 2028 and are subject to 0.25% quarterly amortization payments. From April 2020 to immediately prior to the interest period commencing June 30, 2023, the 2021 Term Loans accrue interest at LIBOR plus 2.00%. Beginning with the interest period commencing June 30, 2023, the 2021 Term Loans will accrue interest at Adjusted SOFR plus 2.00%. The proceeds of the 2021 Term Loans were applied to repay a portion of the 2017 Term Loans.

2020 Term Loans

In April 2020, we borrowed \$775 million of term loans due January 2025 (the "2020 Term Loans") under our Term Loan Facility. The proceeds of the 2020 Term Loans were used to pay a portion of the consideration payable in the acquisition of Aleris (including the repayment of Aleris' outstanding indebtedness) as well as fees and expenses related to the acquisition of the 2020 Term Loans. We incurred debt issuance costs of \$15 million for the 2020 Term Loans, which were amortized as an increase to interest expense and amortization of debt issuance costs over the term of the loan. The 2020 Term Loans were set to mature on January 21, 2025 and were subject to 0.25% quarterly amortization payments. From April 2020 to immediately prior to the interest period commencing June 30, 2023, the 2020 Term Loans accrued interest at LIBOR plus 1.75%. Beginning with the interest period commencing June 30, 2023, the 2020 Term Loans accrued interest at Adjusted SOFR plus 1.75%.

During fiscal 2024, we made \$482 million in principal payments beyond our scheduled quarterly amortization payments on our 2020 Term Loans, using the proceeds of our 2023 Term Loans, as defined above.

As of March 31, 2024, the 2020 Term Loans have been fully repaid.

ABL Revolver

As of March 31, 2024, the commitments under our senior secured ABL Revolver are \$2.0 billion.

In April 2022, Novelis amended the ABL Revolver facility to increase the limit on committed letters of credit under the facility to \$275 million. There were no material costs incurred or accounting impacts as a result of this amendment.

In August 2022, Novelis amended the ABL Revolver facility to, among other things, increase the commitment under the ABL Revolver by \$500 million to \$2.0 billion and extend the maturity of the ABL Revolver until August 18, 2027. The amendment provides that new borrowings under the ABL Revolver facility made subsequent to the date of the amendment will incur interest at Term SOFR, EURIBOR, SONIA or SARON, as applicable based on the currency of the loan, plus a spread of 1.10% to 1.60% based on excess availability. The ABL Revolver facility also permits us to elect to borrow USD loans that accrue interest at a base rate (determined based on the greatest of one month Term SOFR plus 1.00%, a prime rate or an adjusted federal funds rate) plus a prime spread of 0.10% to 0.60% based on excess availability. As a result of this debt modification, the Company incurred \$7 million of financing fees in fiscal 2023, which will be amortized over the term of the loan.

In April 2024, the Company amended the ABL Revolver facility. The amendment makes certain changes that provide the Company with additional flexibility to operate its business, including with relation to fees on obligations denominated in foreign currencies.

The ABL Revolver has a provision that allows the existing commitments under the ABL Revolver to be increased by an additional \$750 million. The lenders under the ABL Revolver have not committed to provide any such additional commitments. The ABL Revolver has various customary covenants including maintaining a specified minimum fixed charge coverage ratio of 1.25 to 1.0 if an event of default has occurred and is continuing and/or excess availability is less than the greater of (1) \$150 million and (2) 10% of the lesser of the total ABL Revolver commitment and the borrowing base. The ABL Revolver matures on August 18, 2027, provided that in the event that the Term Loan Facility or certain other indebtedness is outstanding 60 days prior to its maturity (and not refinanced with a maturity date later than February 15, 2028), then the ABL Revolver will mature 60 days prior to the maturity date for such other indebtedness, as applicable; unless excess availability under the ABL Revolver is at least (1) 17.5% of the lesser of the total ABL Revolver commitment and the borrowing base or (2) 12.5% of the lesser of the total ABL Revolver commitment and the borrowing base, while also maintaining the minimum fixed charge ratio test of at least 1.25 to 1.0.

As of March 31, 2024, we were in compliance with the covenants for our ABL Revolver.

As of March 31, 2024, we had \$512 million in borrowings under our ABL Revolver. We utilized \$55 million of our ABL Revolver for letters of credit. We had availability of \$854 million on the ABL Revolver, including \$220 million of remaining availability which can be utilized for letters of credit.

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Senior Notes

The Senior Notes are guaranteed, jointly and severally, on a senior unsecured basis, by Novelis Inc. and certain of its subsidiaries. The Senior Notes contain customary covenants and events of default that will limit our ability and, in certain instances, the ability of certain of our subsidiaries to incur additional debt and provide additional guarantees; pay dividends or return capital beyond certain amounts and make other restricted payments; create or permit certain liens; make certain asset sales; use the proceeds from the sales of assets and subsidiary stock; create or permit restrictions on the ability of certain of Novelis' subsidiaries to pay dividends or make other distributions to Novelis or certain of Novelis' subsidiaries, as applicable; engage in certain transactions with affiliates; enter into sale and leaseback transactions; designate subsidiaries as unrestricted subsidiaries; and consolidate, merge, or transfer all or substantially all of our assets and the assets of certain of our subsidiaries. During any future period in which either Standard & Poor's Ratings Group, Inc. or Moody's Investors Service, Inc. have assigned an investment grade credit rating to the Senior Notes and no default or event of default under the indenture has occurred and is continuing, certain of the covenants will be suspended. The Senior Notes include customary events of default, including a cross-acceleration event of default. The Senior Notes also contain customary call protection provisions for our bondholders that extend through November 2023 for the 3.250% Senior Notes due November 2026, through April 2024 for the 3.375% Senior Notes due April 2029, through January 2025 for the 4.750% Senior Notes due January 2030, and through August 2026 for the 3.875% Senior Notes due August 2031.

As of March 31, 2024, we were in compliance with the covenants for our Senior Notes.

5.875% Senior Notes due September 2026

In September 2016, Novelis Corporation, an indirect wholly owned subsidiary of Novelis Inc., issued \$1.5 billion in aggregate principal amount of 5.875% Senior Notes due September 2026.

The proceeds from the August 2021 issuance of the 2026 Senior Notes and the 2031 Senior Notes, as defined below, were used to fully fund the redemption of the 5.875% Senior Notes due September 2026. As a result, the 5.875% Senior Notes due September 2026 were no longer outstanding as of March 31, 2024.

2026 Senior Notes

In August 2021, Novelis Corporation, an indirect wholly owned subsidiary of Novelis Inc., issued \$750 million in aggregate principal amount of 3.250% Senior Notes due November 2026 (the "2026 Senior Notes"). The 2026 Senior Notes mature on November 15, 2026 and are subject to semi-annual interest payments that will accrue at a rate of 3.250% per year. The net proceeds of the offering, together with cash on hand, were used to (i) fund the redemption of a portion of the 5.875% Senior Notes due September 2026, plus the redemption premium and accrued and unpaid interest thereon and (ii) pay certain fees and expenses in connection with the foregoing and the offering of the notes. We incurred debt issuance costs of \$11 million for the 2026 Senior Notes, which are amortized as an increase to interest expense and amortization of debt issuance costs over the term of the note.

2029 Senior Notes

In March 2021, Novelis Sheet Ingot GmbH, an indirect wholly owned subsidiary of Novelis Inc., organized under the laws of Germany, issued €500 million in aggregate principal amount of 3.375% Senior Notes due April 2029 (the "2029 Senior Notes"). The 2029 Senior Notes are subject to semi-annual interest payments and mature on April 15, 2029. The proceeds were used to pay down a portion of the 2017 Term Loans, plus accrued and unpaid interest. In addition, we intend to allocate an amount equal to the net proceeds received from this issuance to finance and/or refinance new and/or existing eligible green projects, which are currently contemplated to consist of renewable energy or pollution prevention and control type projects. We incurred debt issuance costs of \$13 million for the 2029 Senior Notes, which are amortized as an increase to interest expense and amortization of debt issuance costs over the term of the note.

2030 Senior Notes

In January 2020, Novelis Corporation, an indirect wholly owned subsidiary of Novelis Inc., issued \$1.6 billion in aggregate principal amount of 4.750% Senior Notes due January 2030 (the "2030 Senior Notes"). The 2030 Senior Notes are subject to semi-annual interest payments and mature on January 30, 2030.

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2031 Senior Notes

In August 2021, Novelis Corporation, an indirect wholly owned subsidiary of Novelis Inc., issued \$750 million in aggregate principal amount of 3.875% Senior Notes due August 2031 (the "2031 Senior Notes"). The 2031 Senior Notes mature on August 15, 2031 and are subject to semi-annual interest payments that will accrue at a rate of 3.875% per year. The net proceeds of the offering, together with cash on hand, were used to (i) fund the redemption a portion of the 5.875% Senior Notes due September 2026, plus the redemption premium and accrued and unpaid interest thereon and (ii) pay certain fees and expenses in connection with the foregoing and the offering of the notes. We incurred debt issuance costs of \$11 million for the 2031 Senior Notes, which are amortized as an increase to interest expense and amortization of debt issuance costs over the term of the note.

China Bank Loans

In September 2019, we entered into a credit agreement with the Bank of China to provide up to CNY 500 million in unsecured loans to support certain capital expansion projects in China. As of March 31, 2024, we had \$53 million (CNY 380 million) of borrowings on our China bank loans.

Brazil Loans

In December 2021, we borrowed \$30 million and \$20 million of bank loans in Brazil due June 16, 2023 and December 15, 2023, respectively. These bank loans were subject to 1.80% interest due in full at the respective maturity date.

During the second and third quarters of fiscal 2024, we repaid the \$30 million Brazil Loan, due June 2023 and the \$20 million Brazil Loan, due December 2023, respectively.

Loss on Extinguishment of Debt, Net

During fiscal 2022, we recorded \$64 million in loss on extinguishment of debt, net. This primarily related to the write-off of unamortized debt issuance costs of \$13 million and a \$51 million cash payment of a redemption premium for the redemption of our 5.875% Senior Notes, due September 2026. Additionally, a loss on extinguishment of debt of \$2 million was recorded as a result of the repayment of our 2017 Term Loans, which was offset by a gain on extinguishment of debt of \$2 million resulting from the repayment of the Zhenjiang Term Loans.

During fiscal 2023, we did not incur any loss on extinguishment of debt, net.

During fiscal 2024, we incurred \$5 million in loss on extinguishment of debt, net, primarily related to the partial extinguishment of the 2020 Term Loans.

13. SHARE-BASED COMPENSATION

The Company's Board of Directors has authorized long-term incentive plans, under which Hindalco SARs, phantom RSUs, and Novelis PUs are granted to certain executive officers and key employees.

The Hindalco SARs vest at the rate of 33% per year, subject to the achievement of an annual performance target. Fiscal years ended March 31, 2016 SARs expire in May of the seventh year from the original grant date, while the fiscal year ended March 31, 2017 and onwards SARs expire seven years from their original grant date. The performance criterion for vesting of the Hindalco SARs is based on the actual overall Novelis operating EBITDA compared to the target established and approved each fiscal year. The minimum threshold for vesting each year is 75% of each annual target operating EBITDA. Given that the performance criterion is based on an earnings target in a future period for each fiscal year, the grant date of the awards for accounting purposes is generally not established until the performance criterion has been defined.

Each Hindalco SAR is to be settled in cash based on the difference between the market value of one Hindalco share on the date of grant and the market value on the date of exercise. The amount of cash paid to settle Hindalco SARs is limited to three times the target payout, depending on the plan year. The Hindalco SARs do not transfer any shareholder rights in Hindalco or Novelis to a participant. The Hindalco SARs are classified as liability awards and are remeasured at fair value each reporting period until the SARs are settled.

The RSUs are based on Hindalco's stock price. The RSUs vest either in full three years from the grant date or 33% per year over three years, subject to continued employment with the Company, but are not subject to performance criteria. Each RSU is to be settled in cash equal to the market value of one Hindalco share. The payout on the RSUs is limited to three times the market value of one Hindalco share measured on the original date of grant. The RSUs are classified as liability awards and expensed over the requisite service period (three years) based on the Hindalco stock price as of each balance sheet date.

Total compensation expense related to Hindalco SARs and RSUs under the plans for the respective periods is presented in the table below. These amounts are included in selling, general and administrative expenses in our consolidated statements of operations. As the performance criteria for the fiscal years ending March 31, 2025, 2026, and 2027 have not yet been established, measurement periods for Hindalco SARs relating to those periods have not yet commenced. As a result, only compensation expense for vested and current year Hindalco SARs has been recorded.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Total compensation expense	\$ 29	\$ 15	\$ 40

The table below shows the RSUs activity for fiscal 2024.

	Number of RSUs	Grant Date Fair Value (in INR)	Aggregate Intrinsic Value (USD in millions)
RSUs outstanding as of March 31, 2023	6,881,152	347.07	\$ 35
Granted	1,975,035	417.90	13
Exercised	(2,574,159)	244.91	13
Forfeited/Cancelled	(220,470)	410.87	—
RSUs outstanding as of March 31, 2024	<u>6,061,558</u>	411.21	43

During fiscal 2023, we granted 4,426,815 RSUs with a grant date fair value of INR 411.08, and the aggregate intrinsic value of RSUs exercised was \$15 million.

During fiscal 2022, we granted 1,787,910 RSUs with a grant date fair value of INR 388.30, and the aggregate intrinsic value of RSUs exercised was \$17 million.

Novelis Inc.
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Total cash payments made to settle RSUs were \$13 million, \$15 million, and \$17 million in fiscal 2024, fiscal 2023, and fiscal 2022, respectively.

As of March 31, 2024, unrecognized compensation expense related to the RSUs was \$15 million, which will be recognized over the remaining weighted average vesting period of 1.3 years.

The table below shows Hindalco SARs activity for fiscal 2024.

	Number of Hindalco SARs	Weighted Average Exercise Price (in INR)	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (USD in millions)
Hindalco SARs outstanding as of March 31, 2023	7,003,371	302.59	5.2	\$ 9
Granted	2,620,019	417.90	6.3	4
Exercised	(2,781,665)	158.02	—	5
Forfeited/Cancelled	(63,396)	408.52	—	—
Hindalco SARs outstanding as of March 31, 2024	<u>6,778,329</u>	<u>405.50</u>	<u>5.3</u>	<u>13</u>
Hindalco SARs exercisable as of March 31, 2024	1,914,111	390.89	4.6	4

During fiscal 2023, we granted 2,393,378 Hindalco SARs with a grant date fair value of INR 411.10, and the aggregate intrinsic value of Hindalco SARs exercised was \$8 million.

During fiscal 2022, we granted 2,411,503 Hindalco SARs with a grant date fair value of INR 388.30, and the aggregate intrinsic value of Hindalco SARs exercised was \$24 million.

The cash payments made to settle Hindalco SAR liabilities were \$5 million, \$8 million, and \$24 million in fiscal 2024, fiscal 2023, and fiscal 2022, respectively.

As of March 31, 2024, unrecognized compensation expense related to the non-vested Hindalco SARs (assuming all future performance criteria are met) was \$7 million that are expected to be recognized over a weighted average period of 1.3 years.

The fair value of each unvested Hindalco SAR was estimated using the following assumptions.

	Fiscal 2024	Fiscal 2023	Fiscal 2022
Risk-free interest rate	6.95%-7.15%	3.11%-7.24%	3.59%-6.58%
Dividend yield	0.54 %	1.03 %	0.48 %
Volatility	26%-43%	32%-47%	39%-50%

The fair value of each unvested Hindalco SAR was based on the difference between the fair value of a long call and a short call option. The fair value of each of these call options was determined using the Monte Carlo Simulation model. We used historical stock price volatility data of Hindalco on the National Stock Exchange of India to determine expected volatility assumptions. The risk-free interest rate is based on Indian treasury yields interpolated for a time period corresponding to the remaining contractual life. The forfeiture rate is estimated based on actual historical forfeitures. The dividend yield is estimated to be the annual dividend of the Hindalco stock over the remaining contractual lives of the Hindalco SARs. The value of each vested Hindalco SAR is remeasured at fair value each reporting period based on the excess of the current stock price over the exercise price, not to exceed the maximum payout as defined by the plans. The fair value of the Hindalco SARs is being recognized over the requisite performance and service period of each tranche, subject to the achievement of any performance criteria.

14. POSTRETIREMENT BENEFIT PLANS

Our pension obligations relate to: (1) funded defined benefit pension plans in the U.S., Canada, Switzerland, and the U.K., (2) funded and unfunded defined benefit pension plans in Germany, (3) unfunded lump sum indemnities payable upon retirement to employees in France and Italy, and (4) partially funded lump sum indemnities in South Korea. Our other postretirement obligations (other benefits, as shown in certain tables below) include unfunded health care and life insurance benefits provided to retired employees in the U.S., Canada, and Brazil. We have combined our domestic (i.e. Canadian Plans) and foreign (i.e. all plans other than Canadian Plans) postretirement benefit plan disclosures because our domestic benefit obligation is not significant as compared to our total benefit obligation. Our foreign benefit obligation is 97% of the total benefit obligation, and the assumptions used to value domestic and foreign plans were not significantly different.

The Company recognizes actuarial gains and losses and prior service costs in the consolidated balance sheet and recognizes changes in these amounts during the year in which changes occur through other comprehensive (loss) income. The Company uses various assumptions when computing amounts relating to its defined benefit pension plan obligations and their associated expenses (including the discount rate and the expected rate of return on plan assets).

During the first quarter of fiscal 2022, Novelis announced the freeze of future benefit accruals under the Canada Pension Plan, effective for union participants as of December 31, 2021 and non-union participants as of December 31, 2023. Novelis remeasured the plan's assets and obligations as of April 30, 2021, which was the nearest calendar month-end to the announcement of this freeze. A curtailment gain of \$3 million was recorded related to the Canada Pension Plan during fiscal 2022.

During the second quarter of fiscal 2022, Novelis entered into an agreement to transfer the liabilities associated with a portion of the retirees and beneficiaries of the Canada Novelis Pension Plan to an insurer through a purchase of buy-out annuities. The premium payment was made to the insurer on August 10, 2021. Novelis remeasured the plan's assets and obligations as of July 31, 2021, which was the nearest calendar month-end to the premium payment for this settlement. The insurer took responsibility for the payments to these transferred members effective November 1, 2021. As a result of this transaction, a settlement gain of \$4 million was recorded during fiscal 2022.

During the first quarter of fiscal 2024, Novelis transferred the liabilities associated with the retirees and beneficiaries of the Novelis ZVO II 2007 - Casthouse and Novelis ZVO II 2007 - Koblenz plans to an insurer through buy-out annuities. The transfer occurred on April 1, 2023, which settled obligations of \$2 million. Novelis remeasured the plan's assets and obligations as of March 31, 2023, which was the nearest calendar month-end to the transfer. As a result of this transaction, a settlement gain of \$1 million was recorded during fiscal 2024.

During fiscal 2024, Novelis offered lump sum payouts to retiring participants in the Voreppe, TFR, and Pensions Kasse Sierre plans as required under those countries' laws, as well as to some other participants with special circumstances. Lump sum payouts to plan participants totaled approximately \$8 million. Novelis remeasured the plan's assets and obligations as of March 31, 2024, as this activity occurred through the fiscal year. As a result of this transaction, a settlement loss of \$1 million was recorded during fiscal 2024.

Employer Contributions to Plans

For pension plans, our policy is to fund an amount required to provide for contractual benefits attributed to service to-date and amortize unfunded actuarial liabilities typically over periods of 15 years or less. We also participate in savings plans in Canada and the U.S., as well as defined contribution pension plans in the U.S., the U.K., Canada, Germany, Italy, Switzerland, and Brazil.

We contributed the following amounts to all plans.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Funded pension plans	\$ 30	\$ 22	\$ 49
Unfunded pension plans	17	15	17
Savings and defined contribution pension plans	59	54	51
Total contributions	<u>\$ 106</u>	<u>\$ 91</u>	<u>\$ 117</u>

During fiscal 2025, we expect to contribute \$38 million to our funded pension plans, \$17 million to our unfunded pension plans, and \$59 million to our savings and defined contribution pension plans.

Benefit Obligations, Fair Value of Plan Assets, Funded Status, and Amounts Recognized in Financial Statements

The decreases in the discount rates of pension benefit plans in fiscal 2024, as compared to fiscal 2023, was the primary driver of actuarial losses in fiscal 2024.

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The following tables present the change in benefit obligation, change in fair value of plan assets, and the funded status for pension and other benefits.

<i>in millions</i>	Pension Benefit Plans		Other Benefit Plans	
	Fiscal 2024	Fiscal 2023	Fiscal 2024	Fiscal 2023
Benefit obligation at beginning of period	\$ 1,705	\$ 2,048	\$ 128	\$ 141
Service cost	23	26	3	4
Interest cost	76	61	7	6
Members' contributions	6	5	—	—
Benefits paid	(93)	(90)	(9)	(6)
Curtailments, settlements and special termination benefits	(10)	—	—	—
Actuarial losses (gains)	15	(303)	(4)	(15)
Other	(4)	(3)	—	—
Currency losses (gains)	1	(39)	—	(2)
Benefit obligation at end of period	\$ 1,719	\$ 1,705	\$ 125	\$ 128
Benefit obligation of funded plans	\$ 1,386	\$ 1,377	\$ —	\$ —
Benefit obligation of unfunded plans	333	328	125	128
Benefit obligation at end of period	\$ 1,719	\$ 1,705	\$ 125	\$ 128

<i>in millions</i>	Pension Benefit Plans	
	Fiscal 2024	Fiscal 2023
Change in fair value of plan assets		
Fair value of plan assets at beginning of period	\$ 1,275	\$ 1,526
Actual return on plan assets	52	(172)
Members' contributions	6	5
Benefits paid	(93)	(90)
Company contributions	47	38
Settlements	(12)	—
Other	(4)	(4)
Currency gains (losses)	5	(28)
Fair value of plan assets at end of period	\$ 1,276	\$ 1,275

<i>in millions</i>	March 31,			
	2024		2023	
	Pension Benefit Plans	Other Benefit Plans	Pension Benefit Plans	Other Benefit Plans
Funded status				
Assets less the benefit obligation of funded plans	\$ (110)	\$ —	\$ (101)	\$ —
Benefit obligation of unfunded plans	(333)	(125)	(328)	(128)
Total net plan liabilities	\$ (443)	\$ (125)	\$ (429)	\$ (128)
As included in our consolidated balance sheets within Total assets / (Total liabilities)				
Other long-term assets	\$ 15	\$ —	\$ 23	\$ —
Accrued expenses and other current liabilities	(16)	(8)	(17)	(8)
Accrued postretirement benefits	(442)	(117)	(435)	(120)
Total net plan liabilities	\$ (443)	\$ (125)	\$ (429)	\$ (128)

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The postretirement amounts recognized in accumulated other comprehensive loss, before tax effects, are presented in the table below and include the impact related to our equity method investments. Amounts are amortized to net periodic benefit cost over the group's average future service life of the employees or the group's average life expectancy.

<i>in millions</i>	March 31,			
	2024		2023	
	Pension Benefit Plans	Other Benefit Plans	Pension Benefit Plans	Other Benefit Plans
Net actuarial (losses) gains	\$ (27)	\$ 37	\$ 24	\$ 36
Prior service credit	9	35	10	38
Total postretirement amounts recognized in accumulated other comprehensive loss	<u>\$ (18)</u>	<u>\$ 72</u>	<u>\$ 34</u>	<u>\$ 74</u>

The postretirement changes recognized in accumulated other comprehensive loss, before tax effects, are presented in the table below and include the impact related to our equity method investments.

<i>in millions</i>	March 31,			
	2024		2023	
	Pension Benefit Plans	Other Benefit Plans	Pension Benefit Plans	Other Benefit Plans
Beginning balance in accumulated other comprehensive loss	\$ 34	\$ 74	\$ (71)	\$ 65
Net actuarial (losses) gains	(46)	4	98	15
Amortization of:				
Prior service credit	(1)	(3)	(2)	(4)
Actuarial gains	(5)	(3)	9	(2)
Total postretirement amounts recognized in accumulated other comprehensive loss	<u>\$ (18)</u>	<u>\$ 72</u>	<u>\$ 34</u>	<u>\$ 74</u>

Pension Plan Obligations

The projected benefit obligation, accumulated benefit obligation, and fair value of plan assets are presented in the table below.

<i>in millions</i>	March 31,	
	2024	2023
The projected benefit obligation and accumulated benefit obligation for all defined benefit pension plans:		
Projected benefit obligation	\$ 1,719	\$ 1,705
Accumulated benefit obligation	1,654	1,644
Pension plans with projected benefit obligations in excess of plan assets:		
Projected benefit obligation	\$ 1,627	\$ 1,413
Fair value of plan assets	1,169	961
Pension plans with accumulated benefit obligations in excess of plan assets:		
Accumulated benefit obligation	\$ 1,516	\$ 1,323
Fair value of plan assets	1,112	919
Pension plans with projected benefit obligations less than plan assets:		
Projected benefit obligation	\$ 92	\$ 292
Fair value of plan assets	107	315

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Future Benefit Payments

Expected benefit payments to be made during the next 10 fiscal years are listed in the table below (in millions).

Fiscal Year Ending March 31,	Pension Benefit Plans	Other Benefit Plans
2025	\$ 96	\$ 8
2026	104	9
2027	106	9
2028	109	9
2029	112	9
2030 through 2034	566	56
Total	\$ 1,093	\$ 100

Components of Net Periodic Benefit Cost

The components of net periodic benefit cost for the respective periods are listed in the table below.

<i>in millions</i>	Pension Benefit Plans			Other Benefit Plans		
	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2024	Fiscal 2023	Fiscal 2022
Service cost	\$ 23	\$ 26	\$ 31	\$ 3	\$ 4	\$ 9
Interest cost	76	61	56	7	6	7
Expected return on assets	(77)	(72)	(77)	—	—	—
Amortization — (gains (losses), net) losses (gains), net	(1)	9	19	(3)	(2)	—
Amortization — prior service credit	(2)	(2)	(1)	(3)	(4)	(2)
Settlement/curtailment (gain) loss	—	—	(7)	—	—	—
Net periodic benefit cost⁽¹⁾	19	22	21	4	4	14
Proportionate share of non-consolidated affiliates' pension costs	4	7	10	—	—	—
Total net periodic benefit cost recognized	\$ 23	\$ 29	\$ 31	\$ 4	\$ 4	\$ 14

(1) Service cost is included within cost of goods sold (exclusive of depreciation and amortization) and selling, general and administrative expenses while all other cost components are recorded within other (income) expenses, net.

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Actuarial Assumptions and Sensitivity Analysis

The weighted average assumptions used to determine benefit obligations and net periodic benefit cost for the respective periods are listed in the table below.

	Pension Benefit Plans			Other Benefit Plans		
	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2024	Fiscal 2023	Fiscal 2022
Weighted average assumptions used to determine benefit obligations						
Discount rate	4.4 %	4.5 %	3.1 %	5.7 %	5.5 %	4.0 %
Average compensation growth	3.0	3.1	3.1	3.0	3.0	3.0
Weighted average assumptions used to determine net periodic benefit cost						
Discount rate	4.5 %	3.1 %	2.5 %	5.5 %	4.0 %	3.4 %
Average compensation growth	3.1	3.1	3.1	3.0	3.0	3.0
Expected return on plan assets	6.1	4.8	4.9	—	—	—
Cash balance interest crediting rate	2.2	1.4	0.8	—	—	—

In selecting the appropriate discount rate for each plan, for pension and other postretirement plans in Canada, the U.S., the U.K., and other eurozone countries, we used spot rate yield curves and individual bond matching models. For other countries, we used published long-term high quality corporate bond indices with adjustments made to the index rates based on the duration of the plans' obligation.

In estimating the expected return on assets of a pension plan, consideration is given primarily to its target allocation, the current yield on long-term bonds in the country where the plan is established, and the historical risk premium of equity or real estate over long-term bond yields in each relevant country. The approach is consistent with the principle that assets with higher risk provide a greater return over the long term. The expected long-term rate of return on plan assets is 6.3% in fiscal 2025.

We provide unfunded health care and life insurance benefits to our retired employees in Canada, the U.S., the U.K., and Brazil, for which we paid \$9 million, \$6 million, and \$6 million in fiscal 2024, 2023, and 2022, respectively. The assumed health care cost trend used for measurement purposes is 7.2% for fiscal 2025, decreasing gradually to 5.1% in 2033 and remaining at that level thereafter.

In addition, we provide post-employment benefits, including disability, early retirement, and continuation of benefits (medical, dental, and life insurance) to our former or inactive employees, which are accounted for on the accrual basis in accordance with ASC 712. As of March 31, 2024, other long-term liabilities and accrued expenses and other current liabilities on our consolidated balance sheets include \$4 million and \$3 million, respectively, for these benefits. Comparatively, as of March 31, 2023, other long-term liabilities and accrued expenses and other current liabilities on our consolidated balance sheets include \$6 million and \$5 million, respectively, for these benefits.

Investment Policy and Asset Allocation

The Company's overall investment strategy is to achieve a mix of approximately 50% of investments for long-term growth (equities, real estate) and 50% for near-term benefit payments (debt securities, other) with a wide diversification of asset categories, investment styles, fund strategies, and fund managers. Since most of the defined benefit plans are closed to new entrants, we expect this strategy to gradually shift more investments toward near-term benefit payments.

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Each of our funded pension plans is governed by an Investment Fiduciary, who establishes an investment policy appropriate for the pension plan. The Investment Fiduciary is responsible for selecting the asset allocation for each plan, monitoring investment managers, monitoring returns versus benchmarks, and monitoring compliance with the investment policy. The targeted allocation ranges by asset class and the actual allocation percentages for each class are listed in the table below.

Asset Category	Target Allocation Ranges	Allocation in Aggregate as of March 31,	
		2024	2023
Equity	10-50%	29 %	27 %
Fixed income	15-89%	53 %	37 %
Real estate	4-25%	7 %	7 %
Other	1-100%	11 %	29 %

Fair Value of Plan Assets

The following pension plan assets are measured and recognized at fair value on a recurring basis. See [Note 18 – Fair Value Measurements](#) for a description of the fair value hierarchy. The U.S. and Canadian pension plan assets are invested exclusively in commingled funds and measured at net asset value, and the U.K., Switzerland, and South Korea pension plan assets are invested in both direct investments (Levels 1 and 2) and commingled funds (Level 2).

Pension Plan Assets

in millions	March 31, 2024				March 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Fixed income	\$ 92	\$ 55	\$ —	\$ 147	\$ 101	\$ 57	\$ —	\$ 158
Cash and cash equivalents	4	—	—	4	4	—	—	4
Other	4	1	—	5	5	3	—	8
Investments measured at net asset value ⁽¹⁾	—	—	—	1,120	—	—	—	1,105
Total	\$ 100	\$ 56	\$ —	\$ 1,276	\$ 110	\$ 60	\$ —	\$ 1,275

(1) Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated balance sheets.

Novelis Inc.
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15. CURRENCY LOSSES (GAINS)

The following currency losses are included in other (income) expenses, net in the accompanying consolidated statements of operations.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Losses (gains) on remeasurement of monetary assets and liabilities, net	\$ 3	\$ (33)	\$ 5
Losses (gains) recognized on balance sheet remeasurement currency exchange contracts, net	7	54	(4)
Currency losses, net	<u>\$ 10</u>	<u>\$ 21</u>	<u>\$ 1</u>

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. FINANCIAL INSTRUMENTS AND COMMODITY CONTRACTS

The following tables summarize the gross fair values of our financial instruments and commodity contracts as of March 31, 2024 and 2023.

<i>in millions</i>	March 31, 2024				
	Assets		Liabilities		Net Fair Value
	Current	Noncurrent ⁽¹⁾	Current	Noncurrent ⁽¹⁾	Assets/(Liabilities)
Derivatives designated as hedging instruments:					
<i>Cash flow hedges</i>					
Metal contracts	\$ 3	\$ —	\$ (56)	\$ (2)	\$ (55)
Currency exchange contracts	4	1	(13)	—	(8)
Energy contracts	1	—	(4)	—	(3)
Interest rate swap contracts	—	—	—	(2)	(2)
Total derivatives designated as hedging instruments	\$ 8	\$ 1	\$ (73)	\$ (4)	\$ (68)
Derivatives not designated as hedging instruments:					
Metal contracts	\$ 30	\$ —	\$ (53)	\$ (1)	\$ (24)
Currency exchange contracts	6	—	(17)	—	(11)
Energy contracts	1	—	(1)	—	—
Total derivatives not designated as hedging instruments	\$ 37	\$ —	\$ (71)	\$ (1)	\$ (35)
Total derivative fair value	\$ 45	\$ 1	\$ (144)	\$ (5)	\$ (103)

<i>in millions</i>	March 31, 2023				
	Assets		Liabilities		Net Fair Value
	Current	Noncurrent ⁽¹⁾	Current	Noncurrent ⁽¹⁾	Assets/(Liabilities)
Derivatives designated as hedging instruments:					
<i>Cash flow hedges</i>					
Metal contracts	\$ 37	\$ —	\$ (31)	\$ —	\$ 6
Currency exchange contracts	26	4	(19)	(1)	10
Energy contracts	3	—	(4)	—	(1)
Total derivatives designated as hedging instruments	\$ 66	\$ 4	\$ (54)	\$ (1)	\$ 15
Derivatives not designated as hedging instruments:					
Metal contracts	\$ 66	\$ —	\$ (52)	\$ (2)	\$ 12
Currency exchange contracts	13	3	(22)	(3)	(9)
Energy contracts	—	—	(2)	—	(2)
Total derivatives not designated as hedging instruments	\$ 79	\$ 3	\$ (76)	\$ (5)	\$ 1
Total derivative fair value	\$ 145	\$ 7	\$ (130)	\$ (6)	\$ 16

(1) The noncurrent portions of derivative assets and liabilities are included in other long-term assets and in other long-term liabilities, respectively, in the accompanying consolidated balance sheets.

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Metal

We use derivative instruments to preserve our conversion margins and manage the timing differences associated with metal price lag. We use over-the-counter derivatives indexed to the LME (referred to as our "aluminum derivative forward contracts") to reduce our exposure to fluctuating metal prices associated with the period of time between the pricing of our purchases of inventory and the pricing of the sale of that inventory to our customers, which is known as "metal price lag." We also purchase forward LME aluminum contracts simultaneously with our sales contracts with customers that contain fixed metal prices. These LME aluminum forward contracts directly hedge the economic risk of future metal price fluctuations to better match the selling price of the metal with the purchase price of the metal. The volatility in local market premiums also results in metal price lag.

Price risk arises due to fluctuating aluminum prices between the time the sales order is committed and the time the order is shipped. We identify and designate certain LME aluminum forward purchase contracts as cash flow hedges of the metal price risk associated with our future metal purchases that vary based on changes in the price of aluminum. The average duration of those contracts is less than one year.

Price risk exposure arises due to the timing lag between the LME based pricing of raw material aluminum purchases and the LME based pricing of finished product sales. We identify and designate certain LME aluminum forward sales contracts as cash flow hedges of the metal price risk associated with our future metal sales that vary based on changes in the price of aluminum. Generally, such exposures do not extend beyond two years in length. The average duration of those contracts is less than one year.

In addition to aluminum, we entered into LME copper and zinc forward contracts, as well as local market premiums forward contracts. As of March 31, 2024 and March 31, 2023, the fair value of these contracts represented a liability of \$6 million and an asset of less than \$1 million, respectively. These contracts are undesignated, with an average duration of less than one year.

The following table summarizes our notional amount.

<i>in kt</i>	March 31,	
	2024	2023
Hedge type		
<i>Purchase (sale)</i>		
Cash flow purchases	—	1
Cash flow sales	(755)	(699)
Not designated	(306)	(144)
Total, net	(1,061)	(842)

Foreign Currency

We use foreign exchange forward contracts and cross-currency swaps to manage our exposure to changes in exchange rates. These exposures arise from recorded assets and liabilities, firm commitments, and forecasted cash flows denominated in currencies other than the functional currency of certain operations.

We use foreign currency contracts to hedge expected future foreign currency transactions, which include capital expenditures. These contracts cover the same periods as known or expected exposures. We had total notional amounts of \$1.0 billion and \$1.2 billion in outstanding foreign currency forwards designated as cash flow hedges as of March 31, 2024 and 2023, respectively.

As of March 31, 2024, and 2023, we had outstanding foreign currency exchange contracts with a total notional amount of \$1.5 billion and \$1.7 billion, respectively, to primarily hedge balance sheet remeasurement risk, which were not designated as hedges. Contracts representing the majority of this notional amount will mature by the first and second quarter of fiscal 2025 and offset the remeasurement impact.

Energy

We use natural gas forward purchase contracts to manage our exposure to fluctuating energy prices in North America. We had a notional of 7 million MMBtu designated as cash flow hedges as of March 31, 2024, and the fair value was a liability of \$3 million. There was a notional of 7 million MMBtu of natural gas forward purchase contracts designated as cash flow hedges as of March 31, 2023, and the fair value was a liability of less than \$1 million. As of March 31, 2024 and 2023, we had notional amounts of less than 1 million MMBtu of forward contracts that were not designated as hedges. The fair value of forward contracts not designated as hedges as of March 31, 2024, and 2023 was a liability of less than \$1 million. The average duration of these contracts is less than one year in length.

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We use diesel fuel forward purchase contracts to manage our exposure to fluctuating fuel prices in North America and Europe. We had a notional of 6 million gallons designated as cash flow hedges as of March 31, 2024, and the fair value was a liability of less than \$1 million. There was a notional of 1 million gallons designated as cash flow hedges as of March 31, 2023, and the fair value was liability of less than \$1 million. As of March 31, 2024, and 2023 we had notional of less than 1 million MT of forward contracts that were not designated as hedges. The fair value of forward contracts not designated as hedges as of March 31, 2024, was an asset of less than \$1 million and as of March 31, 2023 was a liability of less than \$1 million. The average duration of all diesel fuel forward purchase contracts is less than one year in length.

(Gain) Loss Recognition

The following table summarizes the (gains) losses associated with the change in fair value of derivative instruments not designated as hedges and the excluded portion of designated derivatives recognized in other (income) expenses, net. (Gains) losses recognized in other line items in the consolidated statement of operations are separately disclosed within this footnote.

<i>in millions</i>	<u>Fiscal 2024</u>	<u>Fiscal 2023</u>	<u>Fiscal 2022</u>
Derivative instruments not designated as hedges			
Metal contracts	\$ (42)	\$ 63	\$ 36
Currency exchange contracts	8	58	(19)
Energy contracts ⁽¹⁾	(2)	(3)	(8)
(Gain) loss recognized in other (income) expenses, net	<u>\$ (36)</u>	<u>\$ 118</u>	<u>\$ 9</u>
Derivative instruments designated as hedges			
Gain recognized in other (income) expenses, net ⁽²⁾	\$ (1)	\$ (4)	\$ —
Total (gain) loss recognized in other (income) expenses, net	<u>\$ (37)</u>	<u>\$ 114</u>	<u>\$ 9</u>
Losses (gains) recognized on balance sheet remeasurement currency exchange contracts, net	\$ 7	\$ 54	\$ (4)
Realized (gains) losses, net	(80)	83	(15)
Unrealized losses (gains) on other derivative instruments, net	36	(23)	28
Total (gain) loss recognized in other (income) expenses, net	<u>\$ (37)</u>	<u>\$ 114</u>	<u>\$ 9</u>

(1) Includes amounts related to diesel and natural gas swaps not designated as hedges and electricity swap settlements.

(2) Amount includes forward market premium/discount excluded from hedging relationship and releases to income from accumulated other comprehensive loss on balance sheet remeasurement contracts.

Novelis Inc.
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The following table summarizes the impact on accumulated other comprehensive loss and earnings of derivative instruments designated as cash flow hedges. Within the next twelve months, we expect to reclassify \$55 million of losses from accumulated other comprehensive loss to earnings, before taxes. As of March 31, 2024, the amount excluded from effectiveness testing recognized in earnings based on changes in fair value was \$1 million.

<i>in millions</i>	Amount of Gain (Loss) Recognized in Other comprehensive (loss) income (Effective Portion)			Amount of Gain (Loss) Recognized in Other (income) expenses, net (Ineffective and Excluded Portion)		
	Fiscal 2024	Fiscal 2023	Fiscal 2022	Fiscal 2024	Fiscal 2023	Fiscal 2022
Cash flow hedging derivatives						
Metal contracts	\$ 119	\$ 951	\$ (1,159)	\$ —	\$ —	\$ —
Currency exchange contracts	(12)	(55)	6	1	4	1
Energy contracts	(8)	(2)	47	—	—	—
Total	<u>\$ 99</u>	<u>\$ 894</u>	<u>\$ (1,106)</u>	<u>\$ 1</u>	<u>\$ 4</u>	<u>\$ 1</u>

Gain (Loss) Reclassification

<i>in millions</i>	Amount of Gain (Loss) Reclassified from Accumulated other comprehensive loss into Income/(Expense) (Effective Portion)			Location of Gain (Loss) Reclassified from Accumulated other comprehensive loss into Earnings
	Fiscal 2024	Fiscal 2023	Fiscal 2022	
Cash flow hedging derivatives				
Energy contracts ⁽¹⁾	\$ (5)	\$ 32	\$ 11	Cost of goods sold (exclusive of depreciation and amortization)
Metal contracts	5	—	9	Cost of goods sold (exclusive of depreciation and amortization)
Metal contracts	181	332	(711)	Net sales
Currency exchange contracts	17	18	8	Cost of goods sold (exclusive of depreciation and amortization)
Currency exchange contracts	—	1	1	Selling, general and administrative expenses
Currency exchange contracts	(19)	(57)	(12)	Net sales
Currency exchange contracts	(3)	(5)	(3)	Depreciation and amortization
Interest rate swap contracts	2	—	—	Interest expense and amortization of debt issuance costs
Total	178	321	(697)	Income from continuing operations before income tax provision
	(47)	(76)	181	Income tax provision
	<u>\$ 131</u>	<u>\$ 245</u>	<u>\$ (516)</u>	Net income from continuing operations

(1) Includes amounts related to electricity, natural gas, and diesel swaps.

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17. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following table summarizes the change in the components of accumulated other comprehensive loss, excluding noncontrolling interests, for the periods presented.

<i>in millions</i>	Currency Translation	Cash Flow Hedges ⁽¹⁾	Postretirement Benefit Plans ⁽²⁾	Total
Balance as of March 31, 2021	\$ (95)	\$ (133)	\$ (138)	\$ (366)
Other comprehensive (loss) income before reclassifications	(71)	(818)	111	(778)
Amounts reclassified from accumulated other comprehensive loss, net ⁽³⁾	—	516	8	524
Net current-period other comprehensive (loss) income	(71)	(302)	119	(254)
Balance as of March 31, 2022	\$ (166)	\$ (435)	\$ (19)	\$ (620)
Other comprehensive (loss) income before reclassifications	(127)	675	79	627
Amounts reclassified from accumulated other comprehensive loss, net	—	(245)	—	(245)
Net current-period other comprehensive (loss) income	(127)	430	79	382
Balance as of March 31, 2023	\$ (293)	\$ (5)	\$ 60	\$ (238)
Other comprehensive (loss) income before reclassifications	(47)	74	(33)	(6)
Amounts reclassified from accumulated other comprehensive loss, net	—	(131)	(6)	(137)
Net current-period other comprehensive loss	(47)	(57)	(39)	(143)
Balance as of March 31, 2024	\$ (340)	\$ (62)	\$ 21	\$ (381)

(1) For additional information on our cash flow hedges, see [Note 16 – Financial Instruments and Commodity Contracts](#).

(2) For additional information on our postretirement benefit plans, see [Note 14 – Postretirement Benefit Plans](#).

(3) Amounts reclassified from accumulated other comprehensive loss related to currency translation are due to the sale of Duffel.

18. FAIR VALUE MEASUREMENTS

We record certain assets and liabilities, primarily derivative instruments, on our consolidated balance sheets at fair value. We also disclose the fair values of certain financial instruments, including debt and loans receivable, which are not recorded at fair value. Our objective in measuring fair value is to estimate an exit price in an orderly transaction between market participants on the measurement date. We consider factors such as liquidity, bid/offer spreads, and nonperformance risk, including our own nonperformance risk, in measuring fair value. We use observable market inputs wherever possible. To the extent observable market inputs are not available, our fair value measurements will reflect the assumptions used. We grade the level of the inputs and assumptions used according to a three-tier hierarchy:

Level 1 — Unadjusted quoted prices in active markets for identical, unrestricted assets or liabilities we have the ability to access at the measurement date.

Level 2 — Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 — Unobservable inputs for which there is little or no market data, which require us to develop our own assumptions based on the best information available as to what market participants would use in pricing the asset or liability.

The following describes the valuation methodologies we used to measure our various financial instruments at fair value, including an indication of the level in the fair value hierarchy in which each instrument is generally classified.

Derivative Contracts

For certain derivative contracts with fair values based upon trades in liquid markets, such as aluminum, zinc, copper, foreign exchange, interest rates, natural gas, and diesel fuel forward contracts and options, valuation model inputs can generally be verified and valuation techniques do not involve significant judgment. The fair values of such financial instruments are generally classified within Level 2 of the fair value hierarchy.

The majority of our derivative contracts are valued using industry-standard models with observable market inputs as their basis, such as time value, forward interest rates, volatility factors, and current (spot) and forward market prices. We generally classify these instruments within Level 2 of the valuation hierarchy. Such derivatives include interest rate swaps, cross-currency swaps, foreign currency contracts, aluminum, copper, and zinc forward contracts, and natural gas and diesel fuel forward contracts.

For Level 2 and 3 of the fair value hierarchy, where appropriate, valuations are adjusted for various factors such as liquidity, bid/offer spreads, and credit considerations (nonperformance risk). We regularly monitor these factors along with significant market inputs and assumptions used in our fair value measurements and evaluate the level of the valuation input according to the fair value hierarchy. This may result in a transfer between levels in the hierarchy from period to period. As of March 31, 2024 and March 31, 2023, we did not have any Level 1 derivative contracts. No amounts were transferred between levels in the fair value hierarchy.

All of the Company's derivative instruments are carried at fair value in the statements of financial position prior to considering master netting agreements. The fair values of all derivative instruments are recognized as assets or liabilities at the balance sheet date and are reported gross.

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The following table presents our derivative assets and liabilities which were measured and recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of March 31, 2024, and March 31, 2023. The table below also discloses the net fair value of the derivative instruments after considering the impact of master netting agreements.

<i>in millions</i>	March 31,			
	2024		2023	
	Assets	Liabilities	Assets	Liabilities
Level 2 instruments				
Metal contracts	\$ 33	\$ (112)	\$ 103	\$ (85)
Currency exchange contracts	11	(30)	46	(45)
Energy contracts	2	(5)	3	(6)
Interest rate swap contracts	—	(2)	—	—
Total level 2 instruments	\$ 46	\$ (149)	\$ 152	\$ (136)
Netting adjustment⁽¹⁾	(32)	32	(72)	72
Total net	\$ 14	\$ (117)	\$ 80	\$ (64)

(1) Amounts represent the impact of legally enforceable master netting agreements that allow the Company to settle positive and negative positions with the same counterparties.

In the second quarter of fiscal 2021, we closed on the sale of Duffel to ALVANCE. Upon closing, we recorded a receivable for contingent consideration as a result of the sale at a fair value of €93 million (\$109 million) measured based on the anticipated outcome, timeline of arbitration of greater than one year, and a discount rate of 5%. During the first quarter of fiscal 2022, Novelis marked all outstanding receivables related to the sale of Duffel to an estimated fair value of €45 million (\$53 million), which resulted in a loss of €51 million (\$61 million) recorded in loss from discontinued operations, net of tax. As further discussed in [Note 2 – Discontinued Operations](#), in December 2022, the Company reached an agreement with the current owner of Duffel, where the outstanding contingent consideration receivable was settled in exchange for €5 million (\$5 million) in cash and a note receivable in the amount of €40 million (\$41 million). The note receivable is not carried at fair value, but we will continue to assess its collectibility on a quarterly basis. The fair value of the note receivable is determined using Level 2 inputs and is materially consistent with the carrying value.

Financial Instruments Not Recorded at Fair Value

The table below presents the estimated fair value of certain financial instruments not recorded at fair value on a recurring basis. The table excludes finance leases and short-term financial assets and liabilities for which we believe carrying value approximates fair value. We value long-term receivables and long-term debt using Level 2 inputs. Valuations are based on either market and/or broker ask prices when available or on a standard credit adjusted discounted cash flow model using market observable inputs.

<i>in millions</i>	March 31,			
	2024		2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term receivables from related parties	\$ 3	\$ 3	\$ 3	\$ 3
Total debt — third parties (excluding finance leases and short-term borrowings)	4,876	4,649	4,939	4,652

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19. OTHER (INCOME) EXPENSES, NET

Other (income) expenses, net consists of the following.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Currency losses, net ⁽¹⁾	\$ 10	\$ 21	\$ 1
Unrealized losses (gains) on change in fair value of derivative instruments, net ⁽²⁾	36	(23)	28
Realized (gains) losses on change in fair value of derivative instruments, net ⁽²⁾	(80)	83	(15)
Gain on sale of business ⁽³⁾	—	—	(15)
Loss on sale or disposal of assets, net	6	1	8
Loss (gain) on Brazilian tax litigation, net ⁽⁴⁾	—	1	(85)
Interest income	(23)	(20)	(9)
Non-operating net periodic benefit cost ⁽⁵⁾	(3)	(4)	(5)
Other, net ⁽⁶⁾	32	20	31
Other (income) expenses, net	<u>\$ (22)</u>	<u>\$ 79</u>	<u>\$ (61)</u>

(1) Includes losses (gains) recognized on balance sheet remeasurement currency exchange contracts, net. See [Note 15 – Currency Losses \(Gains\)](#) and [Note 16 – Financial Instruments and Commodity Contracts](#) for further details.

(2) See [Note 16 – Financial Instruments and Commodity Contracts](#) for further details.

(3) During the third quarter of fiscal 2022, Novelis sold 90% of its equity ownership in Saras Micro Devices, Inc., an early stage business founded by Novelis related to the development, design, manufacturing, and sale of aluminum-integrated passive devices for use in semiconductor and electronic systems. The sale resulted in a \$15 million gain on sale of business. As part of this transaction, we received \$9 million in cash upon close and approximately \$6 million in deferred cash receipts.

(4) See [Note 21 – Commitments and Contingencies](#) for further details.

(5) Represents net periodic benefit cost, exclusive of service cost, for the Company's pension and other post-retirement benefit plans. For further details, refer to [Note 14 – Postretirement Benefit Plans](#).

(6) Other, net for fiscal 2023, includes \$10 million from the release of certain accrued expenses. Other, net for fiscal 2022, includes \$18 million from the release of certain outstanding receivables.

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20. INCOME TAXES

We are subject to Canadian and U.S. federal, state, and local income taxes as well as other foreign income taxes. The domestic (Canada) and foreign components of our income from continuing operations before income tax provision (and after removing our equity in net income of non-consolidated affiliates) are as follows.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Domestic (Canada)	\$ 73	\$ 61	\$ 106
Foreign (all other countries)	741	729	1,185
Pre-tax income before equity in net income of non-consolidated affiliates	<u>\$ 814</u>	<u>\$ 790</u>	<u>\$ 1,291</u>

The components of our income tax provision are as follows.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Current provision:			
Domestic (Canada)	\$ 15	\$ 3	\$ 9
Foreign (all other countries)	183	189	245
Total current	<u>\$ 198</u>	<u>\$ 192</u>	<u>\$ 254</u>
Deferred provision:			
Domestic (Canada)	\$ 13	\$ 9	\$ (54)
Foreign (all other countries)	7	(54)	81
Total deferred	<u>\$ 20</u>	<u>\$ (45)</u>	<u>\$ 27</u>
Income tax provision	<u>\$ 218</u>	<u>\$ 147</u>	<u>\$ 281</u>

The reconciliation of the Canadian statutory tax rates to our effective tax rates are shown below.

<i>in millions, except percentages</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Pre-tax income before equity in net income of non-consolidated affiliates	\$ 814	\$ 790	\$ 1,291
Canadian statutory tax rate	25 %	25 %	25 %
Provision at the Canadian statutory rate	\$ 204	\$ 198	\$ 323
Increase (decrease) for taxes on income (loss) resulting from:			
Exchange translation items	5	9	14
Exchange remeasurement of deferred income taxes	1	(4)	10
Change in valuation allowances	12	(36)	(66)
Tax credits	(36)	(36)	(46)
Income items not subject to tax	(9)	(13)	(15)
State tax expense, net	(2)	3	(2)
Enacted tax rate changes	1	3	(6)
Tax rate differences on foreign earnings	36	19	65
Uncertain tax positions	19	3	5
Prior year adjustments	(18)	(13)	(6)
Non-deductible expenses and other, net	5	14	5
Income tax provision	<u>\$ 218</u>	<u>\$ 147</u>	<u>\$ 281</u>
Effective tax rate	<u>27 %</u>	<u>19 %</u>	<u>22 %</u>

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Our effective tax rate differs from the Canadian statutory rate for fiscal 2024 primarily due to the following factors: the results of operations taxed at foreign statutory tax rates that differ from the 25% Canadian tax rate, including withholding taxes; changes to the Brazilian real foreign exchange rate; changes in valuation allowances; and the availability of tax credits.

On December 29, 2023, Brazil enacted legislation, which is effective as of January 1, 2024, that provides that certain tax incentives in Brazil are now subject to corporate income tax and social contribution on gross revenue. In the fourth quarter of fiscal 2024, we did not consider the deduction of the tax incentive for purposes of determining income tax. We anticipate the payment of income tax related to the incentive in fiscal 2025.

We earn tax credits in a number of the jurisdictions in which we operate. These are primarily composed of foreign tax credits in Canada of \$16 million, empire zone credits in New York of \$5 million, and R&D credits in the U.S. of \$10 million. The impact on our income tax provision of credits during fiscal 2024 was a benefit of \$36 million.

However, legislation enacted in New York state on March 31, 2014, established a zero percent statutory income tax rate for manufacturers. As a result, the current year empire zone credits in New York are offset with a corresponding valuation allowance of \$5 million.

Deferred Income Taxes

Deferred income taxes recognize the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the carrying amounts used for income tax purposes as well as the impact of available net operating loss and tax credit carryforwards. These items are stated at the enacted tax rates that are expected to be in effect when taxes are actually paid or recovered.

Our deferred income tax assets and deferred income tax liabilities are as follows.

<i>in millions</i>	March 31,	
	2024	2023
Deferred income tax assets: ⁽¹⁾		
Provisions not currently deductible for tax purposes	\$ 365	\$ 362
Tax losses/benefit carryforwards, net	847	924
Depreciation and amortization	102	97
Other assets	38	38
Total deferred income tax assets	1,352	1,421
Less: valuation allowance	(696)	(711)
Net deferred income tax assets	\$ 656	\$ 710
Deferred income tax liabilities: ⁽¹⁾		
Depreciation and amortization	\$ 542	\$ 557
Inventory valuation reserves	130	153
Monetary exchange gains, net	24	29
Other liabilities	70	93
Total deferred income tax liabilities	\$ 766	\$ 832
Net deferred income tax liabilities	\$ 110	\$ 122

(1) Certain amounts for 2023 were reclassified to conform with current period presentation, specifically pensions.

ASC 740 requires that we reduce our deferred income tax assets by a valuation allowance if, based on the weight of the available evidence, it is more likely than not that all or a portion of a deferred tax asset will not be realized. After consideration of all evidence, both positive and negative, management concluded that it is more likely than not that we will be unable to realize a portion of our deferred tax assets and that valuation allowances of \$696 million and \$711 million were necessary as of March 31, 2024, and 2023, respectively.

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We continue to maintain valuation allowances in Canada and certain foreign jurisdictions primarily related to tax losses where we believe it is more likely than not that we will be unable to utilize those losses. The following table summarizes changes in the valuation allowances.

<i>in millions</i>	Balance at Beginning of Period	Deductions	Acquisition ⁽¹⁾	Additions	Balance at End of Period
Fiscal 2024	\$ 711	(28)	—	\$ 13	\$ 696
Fiscal 2023	763	(57)	—	5	711
Fiscal 2022	821	(74)	—	16	763

(1) Related to the acquisition of Aleris.

During fiscal 2023, after considering all available evidence, we released a full valuation allowance on temporary items and tax attributes of legacy Aleris US entities in certain separate filer states and unitary filer states that require combined or separate reporting, resulting in an income tax benefit of \$10 million. Positive evidence included a recent history of three-year cumulative earnings as of March 31, 2023, and forecasted taxable earnings based on operations. We also released a full valuation allowance on temporary items and tax attributes of Aleris Aluminum (Zhenjiang) Co. Ltd. based on current results and the expectation of future profitability, resulting in an income tax benefit of \$29 million. During fiscal 2022, after considering all available evidence, we released a portion of the Canadian valuation allowance, resulting in an income tax benefit of \$73 million.

It is reasonably possible that our estimates of future taxable income may change within the next 12 months, resulting in a change to the valuation allowance in one or more jurisdictions.

As of March 31, 2024, we had net operating loss carryforwards of approximately \$683 million (tax effected) and tax credit carryforwards of \$164 million, which will be available to offset future taxable income and tax liabilities. The carryforwards began expiring in fiscal 2023. As of March 31, 2024, valuation allowances of \$485 million, \$115 million and \$96 million had been recorded against net operating loss carryforwards, tax credit carryforwards, and other deferred tax assets, respectively, where it appeared more likely than not that such benefits will not be realized. The net operating loss carryforwards are predominantly in Canada, the U.S., Germany, and Italy.

As of March 31, 2023, we had net operating loss carryforwards of approximately \$772 million (tax effected) and tax credit carryforwards of \$152 million, which will be available to offset future taxable income and tax liabilities. The carryforwards began expiring in fiscal 2023, with some amounts being carried forward indefinitely. As of March 31, 2023, valuation allowances of \$511 million, \$113 million, and \$87 million had been recorded against net operating loss carryforwards, tax credit carryforwards, and other deferred tax assets, respectively, where it appeared more likely than not that such benefits will not be realized. The net operating loss carryforwards are predominantly in Canada, the U.S., Germany, China, and Italy.

Although realization is not assured, management believes it is more likely than not that all the remaining net deferred tax assets will be realized. In the near term, the amount of deferred tax assets considered realizable could be reduced if we do not generate sufficient taxable income in certain jurisdictions.

As of March 31, 2024, we had cumulative earnings of approximately \$4 billion for which we had not provided Canadian income tax or withholding taxes because we consider them to be indefinitely reinvested. We acknowledge that we would need to accrue and pay taxes should we decide to repatriate cash and short-term investments generated from earnings of our foreign subsidiaries that are considered indefinitely reinvested. Except for those jurisdictions where we have already distributed and paid taxes on the earnings, we have reinvested and expect to continue to reinvest undistributed earnings of foreign subsidiaries indefinitely. Cash and cash equivalents held by foreign subsidiaries that are indefinitely reinvested are used to cover expansion and short-term cash flow needs of such subsidiaries. The amounts considered indefinitely reinvested would be subject to possible Canadian taxation only if remitted as dividends. However, due to our valuation allowance position of \$498 million in Canada, in excess of \$374 million of net operating loss carryforwards, exempt surpluses for Canadian tax purposes, \$29 million of tax credits, and other deferred tax assets of \$95 million, a portion of the cumulative earnings would not be taxed if distributed. Due to the complex structure of our international holdings and the various methods available for repatriation, quantification of the deferred tax liability, if any, associated with these undistributed earnings is not practicable.

Tax Uncertainties

As of March 31, 2024, and 2023, the total amount of unrecognized benefits that, if recognized, would affect the effective income tax rate in future periods based on anticipated settlement dates is \$80 million and \$73 million, respectively.

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Tax authorities continue to examine certain other of our tax filings for the fiscal year ended March 31, 2005, and the fiscal years ended March 31, 2013, through March 31, 2019. Our reserves for unrecognized tax benefits, as well as reserves for interest and penalties, are expected to decrease in the next 12 months as a result of further settlement of audits, judicial decisions, the filing of amended tax returns, or the expiration of statutes of limitations. With few exceptions, tax returns for all jurisdictions for all tax years before 2005 are no longer subject to examination by taxing authorities.

Our policy is to record interest and penalties related to unrecognized tax benefits in income tax provision (benefit) on our consolidated statements of operations. As of March 31, 2024, 2023, and 2022, we accrued for interest and penalties of \$9 million, \$9 million, and \$10 million, respectively. During fiscal 2022, we recognized tax benefit of \$2 million related to changes in accrued interest and penalties. During fiscal 2024 and fiscal 2023, we had no tax expense or benefit related to changes in accrued interest and penalties. The main driver of the benefit realized in fiscal 2022 was the reduction in interest rate for uncertain tax positions in Germany as provided under proposed legislation.

The following table summarizes the changes in unrecognized tax benefits.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Beginning balance of unrecognized tax benefits	\$ 73	\$ 71	\$ 69
Additions based on tax positions related to the current period	9	7	5
Additions based on tax positions of prior years ⁽¹⁾	12	28	2
Reductions based on tax positions of prior years ⁽²⁾	(4)	(32)	(1)
Settlements ⁽³⁾	(10)	—	—
Foreign exchange	—	(1)	(4)
Ending Balance of unrecognized tax benefits	\$ 80	\$ 73	\$ 71

(1) Additions based on tax positions of prior years in fiscal year 2023 includes \$19 million for Novelis Germany.

(2) Reductions based on tax positions of prior years in fiscal 2023 includes \$24 million for positions of Aleris Germany for years prior to the acquisition of Aleris.

(3) Settlements in fiscal 2024 includes \$10 million principal reduction for Aleris Germany as a result of audit settlements for years prior to the acquisition of Aleris.

Income Taxes Payable

Our accompanying consolidated balance sheets include income taxes payable, net of \$131 million and \$108 million as of March 31, 2024, and 2023, respectively. Of these amounts, \$80 million and \$66 million are reflected in accrued expenses and other current liabilities as of March 31, 2024, and 2023, respectively.

21. COMMITMENTS AND CONTINGENCIES

We are party to, and may in the future be involved in or subject to, disputes, claims, and proceedings arising in the ordinary course of our business, including some we assert against others, such as environmental, health and safety, product liability, employee, tax, personal injury, and other matters. For certain matters in which the Company is involved for which a loss is reasonably possible, we are unable to estimate a loss. For certain other matters for which a loss is reasonably possible and the loss is estimable, we have estimated the aggregated range of loss as \$0 to \$78 million. This estimated aggregate range of reasonably possible losses is based upon currently available information. The Company's estimates involve significant judgment, and therefore, the estimate will change from time to time and actual losses may differ from the current estimate. We review the status of, and estimated liability related to, pending claims and civil actions on a quarterly basis. The evaluation model includes all asserted and unasserted claims that can be reasonably identified, including claims relating to our responsibility for compliance with environmental, health and safety laws and regulations in the jurisdictions in which we operate or formerly operated. The estimated costs in respect of such reported liabilities are not offset by amounts related to insurance or indemnification arrangements unless otherwise noted.

Environmental Matters

We own and operate numerous manufacturing and other facilities in various countries around the world. Our operations are subject to environmental laws and regulations from various jurisdictions, which govern, among other things, air emissions; wastewater discharges; the handling, storage and disposal of hazardous substances and wastes; the remediation of contaminated sites and restoration of natural resources; carbon and other greenhouse gas emissions; and employee health and safety. Future environmental, health and safety regulations may impose stricter compliance requirements on the industries in which we operate. Additional equipment or process changes at some of our facilities, and related capital expenditures, which may be material, may be needed to meet existing or future requirements. The cost of meeting these requirements may be significant. Failure to comply with such laws and regulations could subject us to administrative, civil, or criminal penalties; obligations to pay damages or other costs; and injunctions and other orders, including orders to cease operations.

We are involved in proceedings under the U.S. Comprehensive Environmental Response, Compensation, and Liability Act, also known as CERCLA or Superfund, or analogous state provisions regarding our liability arising from the usage, storage, treatment, or disposal of hazardous substances and wastes at a number of sites in the U.S., as well as similar proceedings under the laws and regulations of the other jurisdictions in which we have operations, including Brazil, certain countries in the European Union, and South Korea. Many of these jurisdictions have laws that impose joint and several liability, without regard to fault or the legality of the original conduct, for the costs of environmental, health and safety remediation, natural resource damages, third-party claims, and other expenses. In addition, we are, from time to time, subject to environmental, health and safety reviews and investigations by relevant governmental authorities. For example, during fiscal 2022, we were notified of an investigation into the Novelis Yeongju location by South Korean environmental authorities related to self-reporting by the facility of manufacturing and production emissions above applicable limits. The investigation related to previous investigations at the facility during which certain emissions amounts were identified as above applicable limits triggering self-reporting, and instances in which reporting by a third-party measuring emissions may have inconsistently reported information to the facility, impacting what was reported to regulators. Based on the information learned, Novelis filed a leniency application and voluntarily disclosed to South Korean environmental authorities. The investigation remains ongoing and the Company has booked a reserve for the matter.

We have established liabilities based on our estimates for currently anticipated costs associated with environmental matters. We estimate that the costs related to our environmental liabilities as of March 31, 2024, were \$38 million, of which \$19 million was related to undiscounted clean-up costs, \$15 million was associated with an increase in environmental reserves, and \$4 million was associated with restructuring actions. As of March 31, 2024, \$19 million is included in accrued expenses and other current liabilities and the remainder is within other long-term liabilities in our accompanying consolidated balance sheets. As of March 31, 2023, we reported \$37 million of total environmental liabilities in our consolidated balance sheet.

Brazil Tax Litigation

Under a federal tax dispute settlement program established by the Brazilian government, we have settled several disputes with Brazil's tax authorities regarding various forms of manufacturing taxes and social security contributions. In most cases, we are paying the settlement amounts over a period of 180 months, although in some cases we are paying the settlement amounts over a shorter period. Total settlement liabilities were \$4 million and \$11 million as of March 31, 2024, and March 31, 2023, respectively. As of March 31, 2024, the \$4 million is included in accrued expenses and other current liabilities in our accompanying consolidated balance sheets.

In addition to the disputes we have settled under the federal tax dispute settlement program, we are involved in several other unresolved tax and other legal claims in Brazil. Total liabilities for other disputes and claims were \$40 million and \$37 million as of March 31, 2024, and March 31, 2023, respectively. As of March 31, 2024, the \$40 million is included in other long-term liabilities in our accompanying consolidated balance sheets. Additionally, we have included in the range of reasonably possible losses disclosed above any unresolved tax disputes or other contingencies for which a loss is reasonably possible and estimable. The interest cost recorded on these settlement liabilities offset by interest earned on the cash deposits is reported in other (income) expenses, net on the consolidated statements of operations.

During fiscal 2021, fiscal 2020, and fiscal 2019, we received multiple favorable rulings from the Brazilian court that recognized the right to exclude certain taxes from the tax base used to calculate contributions to the social integration program and social security contributions on gross revenues, also known as PIS and COFINS. As a result of these cases, we have the right to apply for tax credits for the amounts overpaid during specified tax years. These credits and corresponding interest can be used to offset various Brazilian federal taxes in future years.

The Brazilian Office of the Attorney General of the National Treasury sought clarification from the Brazilian Supreme Court of certain matters, including the calculation methodology (i.e. gross or net credit amount) and timing of these credits. Since the Brazilian Supreme Court had not yet confirmed the appropriate methodology when these favorable rulings were received, Novelis recorded this benefit in the corresponding periods based on the net credit amount.

However, during the first quarter of fiscal 2022, the Brazilian Supreme Court ruled that the credit should be calculated using the gross methodology for lawsuits filed prior to March 2017. As such, Novelis recorded additional income of \$76 million in other (income) expenses, net, \$48 million of which is principal and \$29 million is interest, related to PIS and COFINS for the years 2009 to 2017, net of \$1 million in litigation expense.

During the third quarter of fiscal 2022, Novelis recorded \$5 million of additional income in other (income) expenses, net, \$2 million of which is principal and \$3 million of which is interest, related to PIS and COFINS for certain periods.

This income is subject to income taxes and therefore, resulted in the recognition of income of \$64 million within net income.

The credit amounts, interest calculation, and supporting documentation are subject to further validation and scrutiny by tax authorities for five years after the credits are utilized. Thus, credits recognized may differ from these amounts.

In order to qualify for these credits, the Company is required to compile and present verifiable support validating the credits. During fiscal 2022, Novelis applied for and received official authorization from The Special Department of Federal Revenue of Brazil ("Receita Federal") to use the PIS and COFINS credits related to certain periods. Novelis was able to utilize a majority of these credits to offset taxes to be paid in fiscal 2022 and anticipates utilizing the remaining credits in the first quarter of fiscal 2023.

Additionally, during fiscal 2022, Novelis received a final favorable decision to allow the treatment of sales to the Manaus Free Trade Zone ("Manaus") as equivalent to exports that qualify for the tax benefit known as the Special Regime for Reinstatement of Tax Amounts to Exporting Companies ("Reintegra"), which confirmed Novelis' right to calculate the benefit for these sales to Manaus since August 2011. As a result, during fiscal 2022, Novelis recorded a \$12 million benefit, \$8 million of which is principal recorded in net sales and \$4 million is interest recorded in other (income) expenses, net. These credits and corresponding interest can be used to offset various Brazilian federal taxes in future years. The credit amounts, interest calculation, and supporting documentation are subject to further validation and scrutiny by tax authorities for five years after the credits are utilized. Thus, credits recognized may differ from these amounts.

22. SEGMENT, GEOGRAPHICAL AREA, MAJOR CUSTOMER AND MAJOR SUPPLIER INFORMATION

Segment Information

Due in part to the regional nature of supply and demand of aluminum rolled products and to best serve our customers, we manage our activities based on geographical areas and are organized under four operating segments: North America, Europe, Asia, and South America. All of our segments manufacture aluminum sheet and light gauge products. We also manufacture aluminum plate products in Europe and Asia.

The following is a description of our operating segments.

North America. Headquartered in Atlanta, Georgia, this segment operates 16 plants, including six with recycling operations, in two countries.

Europe. Headquartered in Künsnacht, Switzerland, this segment operates 10 plants, including five with recycling operations, in four countries.

Asia. Headquartered in Seoul, South Korea, this segment operates four plants, including two with recycling operations, in two countries.

South America. Headquartered in São Paulo, Brazil, this segment operates two plants in Brazil, including one with recycling operations.

Net sales and expenses are measured in accordance with the policies and procedures described in [Note 1 – Business and Summary of Significant Accounting Policies](#).

We measure the profitability and financial performance of our operating segments based on Adjusted EBITDA. Adjusted EBITDA provides a measure of our underlying segment results that is in line with our approach to risk management. We define Adjusted EBITDA as earnings before (a) depreciation and amortization; (b) interest expense and amortization of debt issuance costs; (c) interest income; (d) unrealized gains (losses) on change in fair value of derivative instruments, net, except for foreign currency remeasurement hedging activities, which are included in Adjusted EBITDA; (e) impairment of goodwill; (f) (gain) loss on extinguishment of debt, net; (g) noncontrolling interests' share; (h) adjustments to reconcile our proportional share of Adjusted EBITDA from non-consolidated affiliates to income as determined on the equity method of accounting; (i) restructuring and impairment, net; (j) gains or losses on disposals of property, plant and equipment and businesses, net; (k) other costs, net; (l) litigation settlement, net of insurance recoveries; (m) sale transaction fees; (n) income tax provision (benefit); (o) cumulative effect of accounting change, net of tax; (p) metal price lag; (q) business acquisition and other related costs; (r) purchase price accounting adjustments; (s) income (loss) from discontinued operations, net of tax; and (t) loss on sale of discontinued operations, net of tax.

Prior to fiscal 2023, we also utilized the term Segment Income to refer to Adjusted EBITDA. Both terms have the same definition and there is no difference in the composition or calculation of Adjusted EBITDA for the periods presented and Segment Income previously reported. Under ASC 280, Segment Reporting ("ASC 280"), our measure of segment profitability and financial performance of our operating segments is Adjusted EBITDA, and when used in this context, Adjusted EBITDA is a financial measure prepared in accordance with US GAAP.

The tables that follow show selected segment financial information. "Eliminations and Other" includes eliminations and functions that are managed directly from our corporate office that have not been allocated to our operating segments as well as the adjustments for proportional consolidation and eliminations of intersegment net sales. The financial information for our segments includes the results of our affiliates on a proportionately consolidated basis, which is consistent with the way we manage our business segments. In order to reconcile the financial information for the segments shown in the tables below to the relevant U.S. GAAP based measures, we must adjust proportional consolidation of each line item. The "Eliminations and Other" in net sales – third party includes the net sales attributable to our joint venture party, Tri-Arrows, for our Logan affiliate because we consolidate 100% of the Logan joint venture for U.S. GAAP reporting purposes, but we manage our Logan affiliate on a proportionately consolidated basis. See [Note 8 – Consolidation](#) and [Note 9 – Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions](#) for further information about these affiliates. Additionally, we eliminate intersegment sales and intersegment income for reporting on a consolidated basis.

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Selected Segment Financial Information

in millions

Selected Operating Results Fiscal 2024	North America	Europe	Asia	South America	Eliminations and Other ⁽¹⁾	Total
Net sales – third party	\$ 6,717	\$ 4,359	\$ 2,345	\$ 2,351	\$ 438	\$ 16,210
Net sales – intersegment	—	67	265	110	(442)	—
Net sales	<u>\$ 6,717</u>	<u>\$ 4,426</u>	<u>\$ 2,610</u>	<u>\$ 2,461</u>	<u>\$ (4)</u>	<u>\$ 16,210</u>
Depreciation and amortization	\$ 228	\$ 167	\$ 91	\$ 81	\$ (13)	\$ 554
Income tax provision (benefit)	(16)	40	36	92	66	218
Capital expenditures	1,039	171	121	76	(49)	1,358
March 31, 2024						
Investment in and advances to non-consolidated affiliates	\$ —	\$ 536	\$ 369	\$ —	\$ —	\$ 905
Total assets	5,411	4,049	2,206	2,050	912	14,628

in millions

Selected Operating Results Fiscal 2023	North America	Europe	Asia	South America	Eliminations and Other	Total
Net sales – third party	\$ 7,550	\$ 4,910	\$ 2,824	\$ 2,743	\$ 459	\$ 18,486
Net sales – intersegment	—	149	190	150	(489)	—
Net sales	<u>\$ 7,550</u>	<u>\$ 5,059</u>	<u>\$ 3,014</u>	<u>\$ 2,893</u>	<u>\$ (30)</u>	<u>\$ 18,486</u>
Depreciation and amortization	\$ 224	\$ 160	\$ 87	\$ 81	\$ (12)	\$ 540
Income tax (benefit) provision	(39)	(6)	8	125	59	147
Capital expenditures	484	136	99	75	(8)	786
March 31, 2023						
Investment in and advances to non-consolidated affiliates	\$ —	\$ 540	\$ 337	\$ —	\$ —	\$ 877
Total assets	4,867	4,166	2,417	2,155	759	14,364

in millions

Selected Operating Results Fiscal 2022	North America	Europe	Asia	South America	Eliminations and Other	Total
Net sales – third party	\$ 6,735	\$ 4,545	\$ 2,916	\$ 2,576	\$ 377	\$ 17,149
Net sales – intersegment	—	175	120	62	(357)	—
Net sales	<u>\$ 6,735</u>	<u>\$ 4,720</u>	<u>\$ 3,036</u>	<u>\$ 2,638</u>	<u>\$ 20</u>	<u>\$ 17,149</u>
Depreciation and amortization	\$ 230	\$ 173	\$ 90	\$ 80	\$ (23)	\$ 550
Income tax provision	48	38	61	174	(40)	281
Capital expenditures	172	104	88	88	(6)	446

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The following table displays the reconciliation from net income attributable to our common shareholder to Adjusted EBITDA.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Net income attributable to our common shareholder	\$ 600	\$ 658	\$ 954
Net (loss) income attributable to noncontrolling interests	—	(1)	1
Income tax provision	218	147	281
Loss from discontinued operations, net of tax	—	2	63
Income from continuing operations before income tax provision	818	806	1,299
Depreciation and amortization	554	540	550
Interest expense and amortization of debt issuance costs	298	274	227
Adjustment to reconcile proportional consolidation ⁽¹⁾	44	53	56
Unrealized losses (gains) on change in fair value of derivative instruments, net	36	(23)	28
Realized gains on derivative instruments not included in Adjusted EBITDA ⁽²⁾	(6)	(4)	(2)
Gain on sale of a business ⁽³⁾	—	—	(15)
Loss on extinguishment of debt, net	5	—	64
Restructuring and impairment, net	42	33	1
Loss on sale of assets, net	6	1	8
Metal price lag	70	130	(166)
Other, net ⁽⁴⁾	6	1	(5)
Adjusted EBITDA	\$ 1,873	\$ 1,811	\$ 2,045

(1) Adjustment to reconcile proportional consolidation relates to depreciation, amortization, and income taxes of our equity method investments. Income taxes related to our equity method investments are reflected in the carrying value of the investment and not in our consolidated income tax provision.

(2) Realized gains on derivative instruments not included in Adjusted EBITDA represents foreign currency derivatives not related to operations.

(3) Gain on sale of a business, net relates to Novelis' sale of 90% of its equity ownership in Saras Micro Devices, Inc. See [Note 19 – Other \(Income\) Expenses, net](#) for further details.

(4) For fiscal 2022, other, net includes \$36 million of interest income recognized as a result of Brazilian tax litigation settlements and interest income, partially offset by \$18 million from the release of certain outstanding receivables.

The following table displays Adjusted EBITDA by reportable segment.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
North America	\$ 749	\$ 673	\$ 685
Europe	321	286	324
Asia	334	339	352
South America	472	522	681
Eliminations and Other	(3)	(9)	3
Adjusted EBITDA	\$ 1,873	\$ 1,811	\$ 2,045

Novelis Inc.
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Geographical Area Information

As of March 31, 2024, we had 32 operating facilities in nine countries. Net sales are attributed to geographical areas based on the origin of the sale. Long-lived assets and other intangible assets are attributed to geographical areas based on asset location and exclude investments in and advances to our non-consolidated affiliates and goodwill.

Net sales by geographical area follows.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
United States	\$ 7,001	\$ 7,861	\$ 6,982
Asia and Other Pacific	2,345	2,824	2,916
Brazil	2,351	2,743	2,576
Canada	154	148	130
Germany	3,816	4,323	4,003
Other Europe	543	587	542
Net sales	<u>\$ 16,210</u>	<u>\$ 18,486</u>	<u>\$ 17,149</u>

Long-lived assets and other intangible assets by geographical area follows.

<i>in millions</i>	March 31,					
	2024			2023		
	Long-lived assets ⁽¹⁾	Other intangible assets	Total	Long-lived assets ⁽¹⁾	Other intangible assets	Total
United States	\$ 2,971	\$ 446	\$ 3,417	\$ 2,114	\$ 479	\$ 2,593
Asia and Other Pacific	803	14	817	841	16	857
Brazil	829	5	834	824	6	830
Canada	49	—	49	52	—	52
Germany	488	52	540	470	58	528
Other Europe	601	28	629	599	30	629
Long-lived assets and other intangible assets	<u>\$ 5,741</u>	<u>\$ 545</u>	<u>\$ 6,286</u>	<u>\$ 4,900</u>	<u>\$ 589</u>	<u>\$ 5,489</u>

(1) As of March 31, 2024 and 2023, long-lived assets consist of property, plant and equipment, net.

Information about Product Sales, Major Customers, and Primary Supplier

Product Sales

The following table displays our net sales by product end market.

<i>in millions</i>	Fiscal 2024	Fiscal 2023	Fiscal 2022
Can	\$ 7,626	\$ 8,873	\$ 8,689
Specialty	4,062	4,986	4,616
Automotive	3,838	3,885	3,324
Aerospace and industrial plate	684	742	520
Net sales	<u>\$ 16,210</u>	<u>\$ 18,486</u>	<u>\$ 17,149</u>

Major Customers

The following table displays customers representing 10% or more of our net sales for any of the periods presented and their respective percentage of net sales.

	Fiscal 2024	Fiscal 2023	Fiscal 2022
Ball	14 %	16 %	17 %

Novelis Inc.
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Primary Supplier

Rio Tinto is our primary supplier of metal inputs, including prime and sheet ingot. The table below shows our purchases from Rio Tinto as a percentage of our total combined metal purchases.

	Fiscal 2024	Fiscal 2023	Fiscal 2022
Purchases from Rio Tinto as a percentage of total combined metal purchases	9 %	8 %	8 %

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.**Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, include controls and procedures designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including the Principal Executive Officer and the Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. Any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met.

As required by the SEC rules, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Form 10-K. This evaluation was carried out under the supervision and with the participation of our management, including our Principal Executive Officer and Principal Financial Officer. Based on this evaluation, our management, including our Principal Executive Officer and Principal Financial Officer, has concluded that our disclosure controls and procedures were effective as of March 31, 2024.

Management's Report on Internal Control over Financial Reporting

The report of management on our internal control over financial reporting as of March 31, 2024 is set forth in [Part II, Item 8. Financial Statements and Supplementary Data](#) in this report and is incorporated by reference to this Item 9A.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.**Insider Trading Arrangements**

We are a privately held corporation, with no established public trading market for our common shares. All of our common shares are held directly by our parent company, AV Minerals (Netherlands) N.V. During the three months ended March 31, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as such terms are defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Our Directors

Our Board of Directors is currently comprised of eight directors. All our directors were appointed by our sole shareholder, Hindalco. Our directors' terms will expire at each annual shareholder meeting, provided that if an election of directors is not held at an annual shareholder meeting, the directors then in office shall continue in office or until their successors shall be elected. Biographical details for each of our directors set forth below are as of May 6, 2024.

Name	Director Since	Age	Position
Kumar Mangalam Birla	May 15, 2007	56	Chairman of the Board
Gary Comerford ⁽²⁾	February 7, 2020	73	Director
Dr. Thomas M. Connelly, Jr. ⁽¹⁾⁽²⁾	February 7, 2020	71	Director
Satish Pai ⁽¹⁾	August 6, 2013	61	Director
Vikas Sehgal	February 7, 2020	49	Director
Donald A. Stewart ⁽²⁾	May 15, 2007	77	Director
Praveen Maheshwari ⁽¹⁾	May 9, 2023	62	Director
Steven Fisher	November 6, 2023	52	President, Chief Executive Officer and Director

(1) Member of our Compensation Committee

(2) Member of our Audit Committee

Mr. Kumar Mangalam Birla was elected as the Chairman of the Board of Directors of Novelis on May 15, 2007. Mr. Birla is the Chairman of Hindalco Industries Limited, which is an industry leader in aluminum and copper. He is also the Chairman of Aditya Birla Group's leading blue-chip companies including Grasim Industries, UltraTech Cement, Aditya Birla Capital Limited and Aditya Birla Fashion & Retail. Mr. Birla also serves as director on the board of Vodafone Idea Limited, Aditya Birla Management Corporation Private Limited (as Executive Chairman) and the Group's international companies spanning Thailand, Indonesia, and Egypt. Additionally, Mr. Birla is the Chancellor and member of the Board of Governors of the Birla Institute of Technology & Science, Pilani and has also served as Chairman of the Board of Governors Indian Institute of Management, Ahmedabad and Indian Institute of Technology, Delhi. He is a member of the London Business School's Asia Pacific Advisory Board and has been a member of the National Council of the Confederation of Indian Industry. Mr. Birla's past affiliations include service on the Boards of Maruti Udyog Limited, Tata Iron and Steel Co. Limited, and Air India Limited (as a part-time non-official Director). He was a Director on the Central Board of Directors of the Reserve Bank of India and part-time member on the Board of Securities and Exchange Board of India, and part time non official director of Air India. He was Chairman of the Advisory Committee constituted by the Ministry of Company Affairs and served on the Prime Minister of India's Advisory Council on Trade and Industry. Over the years, Mr. Birla has been conferred several prestigious awards and honors by leading institutions like EY, Forbes, Economic Times, CNBC, CNN-News18, World Economic Forum, etc. Most recently, he was honored with the prestigious Padma Bhushan award (one of India's highest civilian honors) by the Honorable President of India. The award is a testimony to his remarkable journey as an industrialist, businessman, and philanthropist. A Commerce graduate of Bombay University, Mr. Birla is a Chartered Accountant, a member of the Institute of Chartered Accountants of India. He earned an MBA from the London Business School. Mr. Birla brings to the Board significant global leadership experience acquired through his service as a director of numerous corporate, professional, and regulatory entities in various regions of the world.

Gary Comerford has been a director since 2020 and serves as a member of the Audit Committee. Mr. Comerford serves as President and CEO of CMC Global, a consulting company specializing in international expansion. He also served as past Vice Chair of the Canada India Business Council and past Chair of the Board of Trustees of Brock University. From 2009 to 2014, Mr. Comerford was employed with the Reinsurance Group of America as Executive Vice President and Chief Marketing Officer. Prior to that, he was with Sun Life of Canada, where he held positions of increasing responsibility before retiring as Senior Vice President, International, in 2009. Before joining Sun Life, Mr. Comerford held various roles at Canada Permanent Trust Company, including Vice President of Marketing. Mr. Comerford brings extensive financial management and operating experience to the Board.

Dr. Thomas M. Connelly, Jr. has been a director since 2020 and serves as the Chairman of the Compensation Committee and a member of the Audit Committee. Dr. Connelly has served as the Chief Executive Officer of the American Chemical Society since 2015. Previously, Dr. Connelly was employed by DuPont de Nemours, Inc., from 1977 to 2014, where he was responsible for the Applied BioSciences, Nutrition & Health, Performance Polymers, and Packaging & Industrial Polymers businesses. In addition, Dr. Connelly also had responsibility for Science & Technology, Integrated Operations, and geographic regions outside the United States. Dr. Connelly retired in 2014 as Executive Vice President and Chief Innovation Officer of DuPont, where he was a member of the company's Office of the Chief Executive. Dr. Connelly serves on the Board of Grasim Industries Limited and brings to the Board his deep knowledge in the areas of science and global operations.

Mr. Satish Pai has been a director since 2013 and has served as the Managing Director of Hindalco Industries Limited since August 2016. Mr. Pai previously served as Deputy Managing Director of Hindalco Industries Limited from February 2014 to May 2016, and as Chief Executive Officer - Aluminum Business of Hindalco Industries Limited from August 2013 to January 2014. Prior to that, Mr. Pai served as Executive Vice President, Worldwide Operations of Schlumberger Ltd. Mr. Pai joined Schlumberger Ltd. in 1985 as a field engineer and held various positions of increased responsibility over the course of his 28 year tenure with the company. He serves on the Compensation Committee of the Novelis Board of Directors and is a director of Hindalco Industries and also serves as a Director on the Board of BP p.l.c., United Kingdom. He has also been appointed as Vice President in The Indian Institute of Metals and serves as Board Chair of the International Aluminum Institute. Mr. Pai brings extensive industry and global operating experience to the Board.

Mr. Vikas Sehgal has been a director since 2020 and is Executive Vice Chairman of Rothschild & Co. for the South & Southeast Asian region, and also serves as Global Partner and Head of the Automotive sector. Prior to joining Rothschild & Co. in 2011, Mr. Sehgal was a partner at Booz & Company, where he worked from 1999 to 2010. Previously, he was employed as an engineer at the Ford Motor Company and Daewoo Motors. Mr. Sehgal has served the World Economic Forum as Chairman of the Global Agenda Council for Automotive and as a member of the Global Future Council for Mobility. He also served on the Board of Houghton International and Infotech Engineering. Mr. Sehgal currently serves as a director of Cyient Limited. Mr. Sehgal also brings a depth of understanding of our business, operations and the global automotive industry which we serve.

Donald A. Stewart has been a director since 2007 and serves as Chairman of the Audit Committee of the Novelis Board of Directors. He was Chairman & CEO of Sun Life Assurance Company of Canada and oversaw the initial public offering of Sun Life Financial Inc. on the New York Stock Exchange. He has been a director of multiple boards in Canada, the United States, the United Kingdom, and India, and continues to serve as a director of Sun Life Everbright Life Insurance Company in China. Mr. Stewart is a former Chief Actuary of Sun Life, a current Fellow of the Institute and Faculty of Actuaries in the UK and brings extensive financial management and operating experience to the Board.

Praveen Maheshwari has been a director since 2023 and serves as a member of the Compensation Committee. Mr. Maheshwari has been serving as Chief Financial Officer of Hindalco since December 2011. Mr. Maheshwari has also been a Whole Time Director of Hindalco since May 2016. Prior to joining Hindalco, Mr. Maheshwari was the Group CFO and Executive Director (Finance) at Bharat Forge, part of the Kalyani Group, an Indian conglomerate in the steel forging industry. Mr. Maheshwari has work experience of more than four decades in various roles in different manufacturing companies and consulting firms in India. Mr. Maheshwari is a rank-holder chartered accountant from the Institute of Chartered Accountants of India and holds a post-graduate diploma in management from The Indian Institute of Management, Ahmedabad. He is also a director on the board of directors of Utkal Alumina International Limited, a subsidiary of Hindalco.

Steven Fisher has served as our President and Chief Executive Officer since 2015 and has been a director of the Company since 2023. Mr. Fisher joined the Company in 2006 as Vice President, Strategic Planning and Corporate Development, and served as our Chief Financial Officer from 2007 to 2015. Prior to Novelis, Mr. Fisher served as Vice President and Controller for TXU Energy, the non-regulated subsidiary of TXU Corp., at its headquarters in Dallas, Texas. Mr. Fisher is a member of the Business Roundtable, an association of leading U.S. companies working to promote sound public policy. In addition, he is a member of the board of directors for the Metro Atlanta Chamber of Commerce. Mr. Fisher received a bachelor's degree in finance and accounting from the University of Iowa.

Our Executive Officers

The following table sets forth information for persons serving as executive officers of our Company. Biographical details for each of our executive officers set forth below are as of April 30, 2024.

Name	Age	Position
Steven Fisher	52	President and Chief Executive Officer
Devinder Ahuja	58	Executive Vice President and Chief Financial Officer
Emilio Braghi	56	Executive Vice President and President, Novelis Europe
Christopher Courts	46	Executive Vice President and Chief Legal Officer
Antonio Tadeu Coelho Nardocci	66	Executive Vice President, Chief Manufacturing Officer
Francisco Pires	54	Senior Vice President and President, Novelis South America
Stephanie Rauls	54	Senior Vice President, Deputy Chief Financial Officer and Chief Accounting Officer
Sachin Satpute	57	Executive Vice President and President, Novelis Asia
H.R. Shashikant	60	Executive Vice President and Chief Human Resources Officer

Steven Fisher has served as our President and Chief Executive Officer since 2015. Mr. Fisher joined the Company in 2006 as Vice President, Strategic Planning and Corporate Development and served as our Chief Financial Officer from 2007 to 2015. Prior to joining Novelis, Mr. Fisher served as Vice President and Controller for TXU Energy, the non-regulated subsidiary of TXU Corp., at its headquarters in Dallas, Texas. Mr. Fisher is a member of the Business Roundtable, an association of leading U.S. companies working to promote sound public policy. In addition, he is a member of the Board of Directors for the Metro Atlanta Chamber of Commerce. Mr. Fisher received a bachelor's degree in finance and accounting from the University of Iowa.

Devinder Ahuja has served as our Executive Vice President and Chief Financial Officer since August 2016. Before joining Novelis, Mr. Ahuja spent 15 years at Novartis Group, where he served most recently as Chief Financial Officer of the Alcon Division's North America business. Prior to that, Mr. Ahuja held positions of increasing responsibility at Novartis covering the areas of finance, strategic planning, supply chain, and purchasing. During his career, Mr. Ahuja has held various finance leadership roles including posts in Switzerland, South Korea, Japan, and India. Mr. Ahuja holds a Bachelor of Commerce degree from the RA Podar College of Commerce and Economics in Mumbai, India, and is a Chartered Accountant.

Emilio Braghi has served as our Executive Vice President and President, Novelis Europe, since September 2016. Previously, he served as Vice President, Operations, Novelis North America, since February 2015. Mr. Braghi joined Novelis in 1999 as Sales Manager, Europe. During his tenure, he has taken on many leadership roles of increasing responsibility and moved into his first general management role in 2006, when he was named head of Novelis' business in Italy. Mr. Braghi went on to hold multiple general management leadership positions with Novelis' Litho and Painted Products value streams in Europe, directing both commercial and operational activities before joining the Asia leadership team in March 2012 as Vice President of Operations. In addition, Mr. Braghi serves as Chairman of the European Aluminum industry association. Mr. Braghi holds a degree in engineering and industrial production technologies from Politecnico di Milano in Milan, Italy.

Christopher Courts has served as our Executive Vice President and Chief Legal Officer since July 2023, and is a member of the Company's Executive Committee. He previously served as Senior Vice President, General Counsel, Secretary, and Compliance Officer, from January 2021 to June 2023. Prior to that, Mr. Courts served as the Company's Interim Senior Vice President, General Counsel, Secretary and Compliance Officer from March 2020 to December 2020, and was the Company's Vice President, Deputy General Counsel, from January 2016 to March 2020. Mr. Courts joined Novelis in April 2005 and over the years has had oversight for various aspects of the legal function. Prior to joining Novelis, Mr. Courts served as Senior Corporate Counsel for Aquila, Inc. He began his career as a corporate associate at the Husch Blackwell law firm. Mr. Courts holds a B.B.A in finance and a J.D., both from the University of Iowa.

Antonio Tadeu Coelho Nardocci has served as our Executive Vice President, Chief Manufacturing Officer, and Interim President, Novelis North America, since January 2023. Prior to that, Mr. Nardocci served as Executive Vice President and Chief Manufacturing Officer since June 2019, and served as our Senior Vice President and President, Novelis South America since May 2013. Mr. Nardocci has also served as our Senior Vice President and President, Novelis Europe, and as our Vice President of Strategy, Innovation and Technology. Before our spin-off from Alcan, Mr. Nardocci held a number of leadership positions with Alcan, including as President of Rolled Products South America from March 2002 until January 2005. Mr. Nardocci graduated from the University of São Paulo in Brazil with a degree in metallurgy.

Francisco Pires has served as our Senior Vice President and President, Novelis South America, since June 2019. Mr. Pires joined Novelis South America in 2012 as Director of Procurement. In 2013, he assumed the position of Director, Procurement and Supply Chain, Novelis South America. In 2014, he was appointed Vice President, Commercial, Novelis South America, followed by his appointment as Chief Operating Officer of Novelis South America in 2018. Prior to joining Novelis, Mr. Pires held positions of increasing responsibility with Fibria, Votorantim Cellulose & Paper, Maxlog, and Bureau Veritas. He is a graduate in naval engineering from Universidade Federal do Rio de Janeiro and has a Master of Science in business administration from COPPEAD.

Stephanie Rauls has served as our Senior Vice President, Deputy Chief Financial Officer, and Chief Accounting Officer since February 2016. Ms. Rauls previously served as our Vice President of Global Tax since December 2013. Prior to joining Novelis, Ms. Rauls was Vice President, Tax at Wal-Mart Stores, Inc., from 2011 to 2013, and prior to that, she was employed by GE Healthcare as a tax director from 2002 to 2011. Before joining GE Healthcare, Ms. Rauls was employed by KPMG LLP from 1994 to 2002. She earned a Bachelor of Business Administration in accounting from the University of Wisconsin-Madison and a Juris Doctor from Valparaiso University School of Law. Ms. Rauls is a Certified Public Accountant.

Sachin Satpute is Executive Vice President and President, Novelis Asia, and has served in this role since June 2016. He previously served as Chief Marketing Officer for Hindalco Industries since 2012, and was Managing Director of Aluminum Company of Malaysia (ALCOM) from April 2011 until June 2012. Prior to his most recent role with Hindalco, Mr. Satpute spent five years with Novelis in various roles of increasing responsibility. Mr. Satpute began his career at a Hindalco aluminum plant in 1987 as a development engineer. In addition to a degree in mechanical engineering from Pune University, Mr. Satpute also holds an MBA in marketing from Mumbai University.

H.R. Shashikant has served as our Executive Vice President and Chief Human Resources Officer since August 2015. In this role, Mr. Shashikant is responsible for the formulation and implementation of the Company's worldwide human resources objectives, policies, and practices. As the head of the global Human Resources function, he has responsibility for Talent Acquisition and Development, Compensation, Benefits, and HRIS. Before joining Novelis, Mr. Shashikant was Group Executive President, Group Human Resources, for the Aditya Birla Group, the Mumbai-based conglomerate of which Novelis is a part. He joined the Aditya Birla Group as a Vice President in 1999 and was instrumental in setting up HR systems, processes, and Centers of Excellence across the Group. An economics graduate from Karnataka University in Dharwad, India, Mr. Shashikant also holds a post graduate degree in personnel management from the Tata Institute of Social Sciences, Mumbai.

Board of Directors and Corporate Governance Matters

We are committed to our corporate governance practices, which we believe are essential to our success and to the enhancement of shareholder value. We are subject to a variety of corporate governance and disclosure requirements. Our corporate governance practices meet applicable regulatory requirements to ensure transparency and effective governance of the Company.

Our Board of Directors reviews corporate governance practices in light of developing requirements in this field. As new provisions come into effect, our Board of Directors will reassess our corporate governance practices and implement changes as and when appropriate. The following is an overview of our corporate governance practices.

Novelis Board of Directors

Our Board of Directors currently has eight members, all of whom are appointed by our sole shareholder. Our Board of Directors has the responsibility for stewardship of Novelis Inc., including the responsibility to ensure that we are managed in the interest of our sole shareholder, while taking into account the interests of other stakeholders. Our Board of Directors supervises the management of our business and affairs and discharges its duties and obligations in accordance with the provisions of: (1) our articles of incorporation and bylaws, (2) the charters of its committees, and (3) other applicable laws and company policies.

Our corporate governance practices require that, in addition to certain statutory duties, the following matters be subject to our Board of Directors' approval: (1) capital expenditure budgets and significant investments and divestments, (2) our strategic plans, (3) the number of directors within the limits provided by our by-laws, and (4) any matter which may have the potential for substantial impact on Novelis. Our Board of Directors reviews its composition and size once a year. Senior management makes regular presentations to our Board of Directors on the main areas of our business.

Corporate Governance

Interested parties may communicate with the Board of Directors, a committee, or an individual director by writing to Novelis Inc., One Phipps Plaza, 3550 Peachtree Road NE, Suite 1100, Atlanta, GA 30326, Attention: Corporate Secretary - Board Communication. All such communications will be compiled by the Corporate Secretary and submitted to the appropriate director or board committee. The Corporate Secretary will reply or take other actions in accordance with instructions from the applicable board contact.

Committees of Our Board of Directors

Our Board of Directors has established two standing committees: the Audit Committee and the Compensation Committee. Each committee is governed by its own charter. According to their authority as set out in their charters, the committees may engage outside advisors at the expense of Novelis.

Audit Committee and Financial Experts

Messrs. Stewart and Comerford are the members of the Audit Committee. Mr. Stewart, an independent director, has been identified as an "audit committee financial expert" as that term is defined in the rules and regulations of the SEC.

Our Audit Committee's main objective is to assist our Board of Directors in fulfilling its oversight responsibilities for the integrity of our financial statements, our compliance with legal and regulatory requirements, the qualifications and independence of our independent registered public accounting firm and the performance of both our internal audit function and our independent registered public accounting firm. Under the Audit Committee charter, the Audit Committee is responsible for, among other matters:

- evaluating and compensating our independent registered public accounting firm;
- making recommendations to the Board of Directors and shareholder relating to the appointment, retention and termination of our independent registered public accounting firm;
- discussing with our independent registered public accounting firm its qualifications and independence from management;
- reviewing with our independent registered public accounting firm the scope and results of its audit;
- pre-approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
- reviewing areas of potential significant financial risk and the steps taken to monitor and manage such exposures;
- overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the interim and annual financial statements that we file with the SEC; and
- reviewing and monitoring our accounting principles, accounting policies and disclosure, internal control over financial reporting and disclosure controls and procedures.

Compensation Committee

Our Compensation Committee establishes our general compensation philosophy and oversees the development and implementation of compensation policies and programs. It also reviews and approves the level of and/or changes in the compensation of individual executive officers taking into consideration individual performance and competitive compensation practices. The committee's specific roles and responsibilities are set out in its charter. Our Compensation Committee periodically reviews the effectiveness of our overall management organization structure and succession planning for senior management, reviews recommendations for the appointment of executive officers, and reviews annually the development process for high potential employees.

Code of Conduct and Guidelines for Ethical Behavior

Novelis has adopted a Code of Conduct and maintains a Code of Ethics for Senior Financial Officers that applies to our senior financial officers including our principal executive officer, principal financial officer, principal accounting officer, or persons performing similar functions. Copies of the Code of Conduct and the Code of Ethics for Senior Financial Officers are available on our website at www.novelis.com. We will promptly disclose any future amendments to these codes on our website as well as any waivers from these codes for executive officers and directors. Copies of these codes are also available in print from our Corporate Secretary upon request.

Insider Trading Policies and Procedures

We are a privately held corporation, with no established public trading market for our common shares. All of our common shares are held directly by our parent company, AV Minerals (Netherlands) N.V. As such, the Company has not adopted insider trading policies and procedures governing the purchase, sale and/or other dispositions of our securities by directors, officers, employees, and the Company itself.

Item 11. Executive Compensation.

The information required by this item will be included in an amendment to this Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters.

On May 15, 2007, the Company was acquired by Hindalco through its indirect wholly owned subsidiary AV Metals Inc. pursuant to a plan of arrangement entered into on February 10, 2007. Since the acquisition was completed, all of our common shares have been indirectly held by Hindalco. Following the plan of arrangement effective September 1, 2022, all of our common shares are held directly by AV Minerals (Netherlands) N.V., a wholly owned subsidiary of Hindalco.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

We maintain various policies and procedures that govern related party transactions. Pursuant to our Code of Conduct and our Code of Ethics for Senior Financial Officers, senior managers and directors of the Company must avoid any action that creates or appears to create a conflict of interest between their own interest and the interest of the Company, cannot usurp corporate opportunities, and must deal fairly with third parties. This policy is available on our website at www.novelis.com. In addition, we have enacted procedures to monitor related party transactions by identifying possible related parties through questions in our director and officer questionnaires, determining whether we receive payments from or make payments to any of the identified related parties, and if we determine payments are made or received, researching the nature of the interactions between the Company and the related parties and ensuring that the related person does not have an interest in the transaction with the Company. The Audit Committee is responsible for reviewing material related party transactions that involve the Company, one of our directors or executive officers, or any of their immediate family members.

See [Note 9 – Investment in and Advances to Non-Consolidated Affiliates and Related Party Transactions](#) for more details related to various transactions with Hindalco and our affiliates. These transactions are not material to Novelis individually or in the aggregate. Because of the relationship three of our directors have with Hindalco, we consider these transactions to be related party transactions.

Item 14. Principal Accountant Fees and Services.

The following table shows fees and expenses billed to the Company by PricewaterhouseCoopers LLP for services rendered for fiscal 2024 and fiscal 2023.

<i>in millions</i>	Fiscal 2024	Fiscal 2023
Audit fees ⁽¹⁾	\$ 9.2	\$ 8.9
All Other Fees ⁽²⁾	0.3	0.3
Total	\$ 9.5	\$ 9.2

(1) Represent fees for professional services rendered and expenses incurred for the audit of the Company's annual financial statements, review of financial statements included in the Company's Form 10-Qs, and services that are normally provided by PricewaterhouseCoopers LLP in connection with statutory and regulatory filings or engagements for those fiscal periods.

(2) In fiscal years ended March 31, 2024 and March 31, 2023, these fees included attest services performed over the Company's sustainability efforts and related reporting, as well as for services not included in the Audit, Audit Related, or Tax categories.

Pre-Approval of Audit and Permissible Non-Audit Services

The charter of the Audit Committee provides that the Committee is responsible for the pre-approval of all audit and permissible non-audit services to be performed by the independent auditors. The Audit Committee has adopted a policy for the pre-approval of services provided by the independent auditors. The policy gives detailed guidance to management as to the specific services that are eligible for general pre-approval and provides specific cost limits for certain services on an annual basis. Pursuant to the policy and the Audit Committee charter, the Audit Committee has granted to its chairman the authority to address any requests for pre-approval of individual services.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

1. Financial Statements

The following financial statements are set forth in Item 8 hereof:

- [Report of Independent Registered Public Accounting Firm](#) (PCAOB ID 238)
- [Consolidated Statements of Operations](#) for fiscal 2024, fiscal 2023, and fiscal 2022
- [Consolidated Statements of Comprehensive Income \(Loss\)](#) for fiscal 2024, fiscal 2023, and fiscal 2022
- [Consolidated Balance Sheets](#) as of March 31, 2024 and March 31, 2023
- [Consolidated Statements of Cash Flows](#) for fiscal 2024, fiscal 2023, and fiscal 2022
- [Consolidated Statements of Shareholder's \(Deficit\) Equity](#) for fiscal 2024, fiscal 2023, and fiscal 2022
- [Notes to the Consolidated Financial Statements](#)

2. Financial Statement Schedules

None.

All schedules are omitted as the required information is inapplicable or the information is presented in our consolidated financial statements or related notes.

3. Exhibits

Exhibit No.	Description
2.1	Arrangement Agreement by and among Hindalco Industries Limited, AV Aluminum Inc. and Novelis Inc., dated as of February 10, 2007 (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K filed on February 13, 2007 (File No. 001-32312))
2.2	Agreement and Plan of Merger, dated as of July 26, 2018, among Novelis Inc., Novelis Acquisitions LLC, Aleris Corporation and OCM Opportunities ALS Holdings L.P. (incorporated by reference to Exhibit 2.1 to our Current Report on Form 8-K filed on July 26, 2018 (File No. 001-32312))
3.1	Restated Certificate and Articles of Incorporation of Novelis Inc. (incorporated by reference to Exhibit 3.1 to our Current Report on Form 8-K filed on January 7, 2005 (File No. 001-32312))
3.2	Certificate and Articles of Amalgamation of Novelis Inc., dated March 31, 2016 (incorporated by reference to Exhibit 3.2 to our Annual Report on Form 10-K filed May 10, 2016 (File No. 001-32312))
3.3	Novelis Inc. Amended and Restated Bylaws, adopted as of July 24, 2008 (incorporated by reference to Exhibit 3.2 to our Current Report on Form 8-K filed on July 25, 2008 (File No. 001-32312))
4.1	Specimen Certificate of Novelis Inc. Common Shares (incorporated by reference to Exhibit 4.2 to our Registration Statement on Form 10-12B filed on December 27, 2004 (File No. 001-32312))
4.2	Indenture relating to the 4.750% Senior Notes due 2030, dated January 16, 2020, between Novelis Corporation, as issuer, Novelis Inc., as guarantor, the subsidiary guarantors named on the signature page thereto and Regions Bank as trustee (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on January 16, 2020 (File No. 001-32312))
4.3	Indenture relating to the 3.375% Senior Notes due 2029, dated March 31, 2021, between Novelis Sheet Ingot GmbH, as issuer, Novelis Inc., as guarantor, the subsidiary guarantors named on the signature pages thereto and Deutsche Trustee Company Limited, as trustee (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on March 31, 2021 (File No. 001-32312))
4.4	Indenture relating to the 3.250% Senior Notes due 2026, dated August 11, 2021, between Novelis Corporation, as issuer, Novelis Inc., as guarantor, the subsidiary guarantors named on the signature pages thereto and Regions Bank, as trustee (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on August 11, 2021 (File No. 001-32312))
4.5	Indenture relating to the 3.875% Senior Notes due 2031, dated August 11, 2021, between Novelis Corporation, as issuer, Novelis Inc., as guarantor, the subsidiary guarantors named on the signature pages thereto and Regions Bank as trustee (incorporated by reference to Exhibit 4.3 to our Current Report on Form 8-K filed on August 11, 2021 (File No. 001-32312))
10.1*	Novelis Inc. Change in Control Severance Plan (incorporated by reference to Exhibit 10.5 to our Annual Report on Form 10-K filed on May 8, 2019 (File No. 001-32312))
10.2*	Form of Indemnity Agreement between Novelis Inc. and Members of the Board of Directors of Novelis Inc. (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K filed on May 21, 2007 (File No. 001-32312))

10.3*	Form of Severance Agreement (incorporated by reference to Exhibit 10.4 to our Current Report on Form 8-K filed on July 1, 2009 (File No. 001-32312))
10.4*	Novelis Supplementary Pension Plan dated January 1, 2012 ((incorporated by reference to Exhibit 10.31 to our Annual Report on Form 10-K filed on May 24, 2012 (File No. 001-32312))
10.5*	Employment Agreement between Novelis Inc. and Steven Fisher dated August 10, 2015 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q filed on November 9, 2015 (File No. 001-32312))
10.6*	Employment Agreement between Novelis Inc. and Antonio Tadeu Coelho Nardocci dated September 4, 2009 (incorporated by reference to Exhibit 10.1 to our Current Report on Form 8-K/A filed on September 9, 2009 (File No. 001-32312))
10.7*	Employment Agreement between Novelis Inc. and Devinder Ahuja, dated as of June 6, 2016 (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q filed on August 5, 2016 (File No. 001-32312))
10.8*	Employment Agreement between Novelis Inc. and Sachin Satpute dated as of April 28, 2016 (incorporated by reference to Exhibit 10.2 to our Quarterly Report on Form 10-Q filed on August 5, 2016 (File No. 001-32312))
10.9*	Employment Agreement between Novelis Inc. and Emilio Braghi, dated as of July 22, 2016 (incorporated by reference to Exhibit 10.3 to our Quarterly Report on Form 10-Q filed on August 5, 2016 (File No. 001-32312))
10.10	Amendment No. 10 to Second Amended and Restated Credit Agreement, dated as of August 18, 2022, among, <i>inter alios</i>, Novelis Inc., Novelis Corporation, Novelis UK Ltd, Novelis AG, Novelis Deutschland GmbH, certain of their affiliates as borrowers and guarantors, AV Minerals (Netherlands) N.V., Novelis Italia S.P.A., as Third Party Security Provider, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Collateral Agent, Issuing Bank and U.S. Swingline Lender (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q filed on November 8, 2022 (File No. 001-32312))
10.11	Amendment No. 11 to Second Amended and Restated Credit Agreement, dated as of March 31, 2023, among, <i>inter alios</i>, Novelis Inc., Novelis Corporation, Novelis UK Ltd, Novelis AG, Novelis Deutschland GmbH, certain of their affiliates as borrowers and guarantors, AV Minerals (Netherlands) N.V., Novelis Italia S.P.A., as Third Party Security Provider, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Collateral Agent, Issuing Bank and U.S. Swingline Lender (incorporated by reference to Exhibit 10.11 to our Annual Report on Form 10-K filed on May 10, 2023 (File No. 001-32312))
10.12*	Offer Letter between Novelis Inc. and Antonio Tadeu Coelho Nardocci, dated March 21, 2024
10.13	Refinancing Amendment (Tranche A-2 Term Loans) to Credit Agreement, dated as of September 25, 2023, among, <i>inter alios</i>, Novelis Inc., as borrower, Novelis ALR Aluminum Holdings Corporation, as co-borrower of the Tranche A-2 Term Loans and as guarantor, AV Minerals (Netherlands) N.V., as Holdings, the other loan parties party thereto, Novelis Italia S.P.A., as Third Party Security Provider, the Lenders party thereto and Standard Chartered Bank, as Administrative Agent, and as Collateral Agent (incorporated by reference to Exhibit 10.1 to our Quarterly Report on Form 10-Q filed on November 7, 2023 (File No. 001-32312))
10.14	Amendment No. 12 to Second Amended and Restated Credit Agreement, dated as of April 26, 2024, among, <i>inter alios</i>, Novelis Inc., Novelis Corporation, Novelis UK Ltd, Novelis AG, Novelis Deutschland GmbH, certain of their affiliates as borrowers and guarantors, AV Minerals (Netherlands) N.V., Novelis Italia S.P.A., as Third Party Security Provider, the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent, Collateral Agent, Issuing Bank and U.S. Swingline Lender
10.15	Amendment No. 8 to Credit Agreement, dated as of April 30, 2024, among, <i>inter alios</i>, Novelis Inc., as borrower, Novelis ALR Aluminum Holdings Corporation, as co-borrower of the Tranche A-2 Term Loans and as guarantor, AV Minerals (Netherlands) N.V., the other loan parties party thereto, Novelis Italia S.P.A., as Third Party Security Provider, the Lenders party thereto and Standard Chartered Bank, as Administrative Agent and Collateral Agent
21.1	List of Subsidiaries of Novelis Inc.
31.1	Section 302 Certification of Principal Executive Officer
31.2	Section 302 Certification of Principal Financial Officer
32.1	Section 906 Certification of Principal Executive Officer
32.2	Section 906 Certification of Principal Financial Officer
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Indicates a management contract or compensatory plan or arrangement.

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NOVELIS INC.

By: /s/ Steven Fisher

Name: Steven Fisher

Title: President and Chief Executive Officer

Date: May 6, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>/s/ Steven Fisher</u> Steven Fisher	(Principal Executive Officer and Director)	Date: May 6, 2024
<u>/s/ Devinder Ahuja</u> Devinder Ahuja	(Principal Financial Officer)	Date: May 6, 2024
<u>/s/ Stephanie Rauls</u> Stephanie Rauls	(Principal Accounting Officer)	Date: May 6, 2024
<u>/s/ Kumar Mangalam Birla</u> Kumar Mangalam Birla	(Chairman of the Board of Directors)	Date: May 6, 2024
<u>/s/ Gary Comerford</u> Gary Comerford	(Director)	Date: May 6, 2024
<u>/s/ Dr. Thomas M. Connelly, Jr.</u> Dr. Thomas M. Connelly, Jr.	(Director)	Date: May 6, 2024
<u>/s/ Satish Pai</u> Satish Pai	(Director)	Date: May 6, 2024
<u>/s/ Vikas Sehgal</u> Vikas Sehgal	(Director)	Date: May 6, 2024
<u>/s/ Donald A. Stewart</u> Donald A. Stewart	(Director)	Date: May 6, 2024
<u>/s/ Praveen Maheshwari</u> Praveen Maheshwari	(Director)	Date: May 6, 2024

June 2023



FY2024 Salary and Annual Incentive Target

As a result of your performance and in consideration of market salary information, you will receive an annualized salary increase of 7% (BRL 109,500) to your base salary.

Effective July 1, 2023, your new base salary is BRL 1,673,680. Your annual target incentive opportunity will continue to be 65% of your annual base salary.

FY2024 Long-Term Incentive Award

I'm also pleased to share with you your award opportunity for the Novelis Fiscal Year 2024 Long-Term Incentive Plan (LTIP). With a performance period of three years, the LTIP program is designed to reward senior leaders for their impact on Novelis' performance over the longer-term, particularly as it relates to creating value for our shareholder.

Your award under the FY2024 LTIP includes Novelis Performance Units (PUs), Hindalco Restricted Stock Units (RSUs) and Hindalco Stock Appreciation Rights (SARs). The PUs will account for 50% of your award, while the RSUs will account for 30%, and the SARs will account for 20%.

Your total FY2024 LTIP award opportunity is USD 700,000.

Details on your FY2024 LTIP award will be shared with you prior to August 2023.

It is my pleasure to communicate this award to you. Our Long-Term Incentive Plan seeks to align our employees' interests with those of our shareholder's. I believe the Novelis PUs, Hindalco RSUs and Hindalco SARs represent a balanced approach to achieve this goal and over time will be a meaningful part of your total compensation.

Thank you for your continued dedication and contributions to Novelis and all you to do help us achieve our goals.

Regards,

A handwritten signature in black ink, appearing to be "S. Fisher", written over a horizontal line.

Steve Fisher
President & Chief Executive Officer
Novelis Inc.

Signed

A handwritten signature in black ink, appearing to be "Antonio Tadeu Nardocci", written over a horizontal line.

Antonio Tadeu Nardocci

**AMENDMENT NO. 12 TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT
dated as of APRIL 26, 2024
among
NOVELIS INC.,
as Canadian Borrower,
NOVELIS CORPORATION
as a U.S. Borrower,
THE OTHER SUBSIDIARIES OF CANADIAN BORROWER
PARTY HERETO AS BORROWERS,
AV MINERALS (NETHERLANDS) N.V., AS HOLDINGS,
THE OTHER GUARANTORS PARTY HERETO,
THE THIRD PARTY SECURITY PROVIDER,
THE LENDERS PARTY HERETO,
WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent, Collateral Agent, and U.S. Swingline Lender,
WELLS FARGO BANK, N.A. (LONDON BRANCH),
as European Swingline Lender, and
THE ISSUING BANKS PARTY HERETO.**

This **AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT** (this “**Amendment**”), dated as of April 26, 2024, is entered into among NOVELIS INC., a corporation amalgamated under the Canada Business Corporations Act and having its corporate office at One Phipps Plaza, 3550 Peachtree Road, Suite 1100, Atlanta, GA 30326, USA (the “**Canadian Borrower**”), NOVELIS CORPORATION, as a U.S. borrower, the other U.S. borrowers party hereto (collectively, the “**U.S. Borrowers**”), NOVELIS UK LTD, as a U.K. borrower (“**Novelis UK**”), NOVELIS AG, as a Swiss borrower (“**Novelis AG**”), NOVELIS DEUTSCHLAND GMBH, as a German borrower (“**Novelis Deutschland**”), AV MINERALS (NETHERLANDS) N.V., a corporation organized under the laws of the Netherlands (“**Holdings**”), the other LOAN PARTIES (as defined in the Amended Credit Agreement referred to below) party hereto, NOVELIS ITALIA S.P.A. (the “**Third Party Security Provider**”), the LENDERS party hereto, the ISSUING BANKS party hereto, WELLS FARGO BANK, NATIONAL ASSOCIATION, as administrative agent (in such capacity, and together with its successors in such capacity, “**Administrative Agent**”), as collateral agent (in such capacity, and together with its successors in such capacity, “**Collateral Agent**”), and as U.S. swingline lender (in such capacity, and together with its successors in such capacity, “**U.S. Swingline Lender**”), and WELLS FARGO BANK, N.A. (LONDON BRANCH), as European swingline lender (in such capacity, and together with its successors in such capacity, “**European Swingline Lender**”).

RECITALS

WHEREAS, the Borrowers party thereto, the other Loan Parties party thereto, the Administrative Agent, the Collateral Agent, the lenders party thereto immediately prior to the Amendment Effective Date (as defined below) (the “**Existing Lenders**”), the issuing banks party thereto, and the other parties from time to time party thereto, entered into that certain Second Amended and Restated Credit Agreement, dated as of October 6, 2014 (as amended, supplemented, restated or otherwise modified prior to the date hereof, the “**Credit Agreement**”, and the Credit Agreement, and as amended by this Amendment, the “**Amended Credit Agreement**”);

WHEREAS, the Canadian Borrower, ALR Aluminum, the other Loan Parties from time to time party thereto and the Collateral Agent, entered into that certain Amended and Restated Security Agreement, dated as of May 13, 2013 (as amended, restated, supplemented or otherwise modified from time to time, the “**Specified U.S. Security Agreement**”), among the Loan Parties from time to time party thereto and the Collateral Agent, as amended by this Amendment, the “**Amended U.S. Security Agreement**”);

WHEREAS, the Canadian Borrower and the Collateral Agent entered into that certain Share Mortgage (ABL), dated as of May 13, 2013 (as amended, supplemented, restated or otherwise modified prior to the date hereof, the “**English Share Mortgage**”);

WHEREAS, Novelis UK Ltd, Novelis Services Limited, Novelis Europe Holdings Limited and the Collateral Agent, entered into that certain Guarantee and Security Agreement (ABL), dated as of May 13, 2013 (as amended, supplemented, restated or otherwise

modified prior to the date hereof, the “**English Security Agreement**”; and together with the English Share Mortgage, the “**Foreign Security Agreements**”);

WHEREAS, the Canadian Borrower has requested amendments to the Credit Agreement, the Specified U.S. Security Agreement, the Foreign Security Agreements and the Intercreditor Agreement as herein set forth;

WHEREAS, the Borrowers, the other Loan Parties, the Third Party Security Provider, the Administrative Agent, the Collateral Agent, the U.S. Swingline Lender, the European Swingline Lender, the Lenders party hereto (which Lenders constitute the Required Lenders under the Credit Agreement) and the Issuing Banks party hereto, have agreed to amend the Credit Agreement, the Specified U.S. Security Agreement, and the Foreign Security Agreements on the terms and subject to the conditions herein provided;

WHEREAS, the U.S. Borrowers and the other Guarantors party to the U.S. Security Agreement (collectively, the “**Reaffirming Parties**”, and each, a “**Reaffirming Party**”) have entered into or joined the U.S. Security Agreement in order to induce the Lenders to make Loans, and each Reaffirming Party desires to reaffirm the security interest granted pursuant to the Amended U.S. Security Agreement;

WHEREAS, the Reaffirming Parties expect to realize, or have realized, substantial direct and indirect benefits as a result of this Amendment becoming effective and the consummation of the transactions contemplated hereby;

WHEREAS, Section 2.05(d) of the Credit Agreement requires all Fees to be paid in Dollars;

WHEREAS, the Borrowers, the Administrative Agent and Lenders constituting the Required Lenders desire that each Fee related to an Obligation denominated in an Alternative Currency be paid in such Alternative Currency as provided herein;

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and obligations herein set forth and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties and covenants herein contained, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Amended Credit Agreement.

Section 2. Amendments; Authorization.

2.01 Subject to the terms and conditions set forth herein, effective as of the Amendment Effective Date, the Credit Agreement is hereby amended as follows:

(i) The definition of “**Dubai Guarantor**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“**Dubai Guarantor**” shall mean each Restricted Subsidiary of the Designated Company organized in any Permitted Dubai Freezone party hereto as a Guarantor, and each other Restricted Subsidiary of the Designated Company organized in any Permitted Dubai Freezone that becomes a Guarantor pursuant to the terms hereof.”

(ii) The definition of “**Dubai Security Agreements**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“**Dubai Security Agreements**” shall mean, collectively (i) any Security Agreements, including all subparts thereto, among any Dubai Guarantors (and such other Persons as may be party thereto) and the Collateral Agent for the benefit of the Secured Parties, (ii) each pledge agreement, mortgage, security agreement, guarantee or other agreement that is entered into by any Dubai Guarantor or any Person who is the holder of Equity Interests in any Dubai Guarantor in favor of the Collateral Agent and the Secured Parties and, in the case of an Assignment of Credits Agreement, also in favor of the Term Loan Collateral Agent and the secured parties under the Term Loan Credit Agreement in its capacity as agent for the Secured Parties pursuant to the terms of the Intercreditor Agreement and the other Loan Documents, and (iii) any other pledge agreement, mortgage, security agreement or other agreement entered into pursuant to the terms of the Loan Documents, in the case of each of clauses (i), (ii) and (iii), that is governed by the laws of the United Arab Emirates (or any subdivision thereof, including any Permitted Dubai Freezone), securing the Secured Obligations, and entered into pursuant to the terms of this Agreement or any other Loan Document, as the same may be amended, restated or otherwise modified from time to time.”

(iii) Clause (j) of the definition of “**Excluded Property**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(j) if the aggregate fair market value of Equipment located at the plant operated by Novelis do Brasil Ltda., at Av. Buriti, 1.087, CEP 12441-270, Feital –Pindamonhangaba-SP, Brazil and acquired in connection with the expansion of such plant commencing in August 2022 (the “**Specified Brazilian Expansion**”) that is not pledged in favor of the Collateral Agent to secure the Secured Obligations is less than \$100,000,000, then such Equipment shall not be required to be so pledged until the earlier of (i) the date that is two years after the Amendment No. 12 Effective Date, and (ii) the date that the Companies complete or otherwise discontinue work on the expansion of such plant.”

Notwithstanding anything to the contrary herein or in Amendment No. 11, clause (k) of the definition of “**Excluded Property**” in Section 1.01 of the Credit Agreement shall have the meaning set forth in such clause as it appears in Amendment No. 10.

(iv) The definition of “**Restricted Grantor**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

““**Restricted Grantor**” shall mean a Loan Party that has granted a Guarantee that is subject to limitations that impair in any material respect the benefit of such Guarantee (as determined by the Administrative Agent in its Permitted Discretion) (it being expressly understood and agreed that (i) except to the extent otherwise provided in any Loan Document, no Loan Party that is the Canadian Borrower, a Canadian Guarantor, a U.K. Borrower, a U.K. Guarantor, a Dutch Guarantor or a U.S. Borrower shall be a Restricted Grantor and (ii) except as may be otherwise determined by the Administrative Agent in its Permitted Discretion, each Loan Party that is a Belgian Guarantor, a German Borrower, a German Guarantor, an Irish Guarantor, the Swiss Borrower, a Swiss Guarantor, a French Guarantor, a Dubai Guarantor or a Brazilian Guarantor shall be a Restricted Grantor); provided that, notwithstanding the foregoing, Novelis MEA LTD shall, subject to the terms of that certain letter agreement, dated as of July 30, 2013, by and among the Collateral Agent, the collateral agent in respect of the prior term loan credit agreement, and Novelis Inc., be an Unrestricted Grantor prior to the MEA Re-Domiciliation and shall be a Restricted Grantor upon and following the MEA Re-Domiciliation.”

(i) The following definition is hereby added to Section 1.01 of the Credit Agreement in appropriate alphabetical order:

““**Amendment No. 12 Effective Date**” means April 26, 2024.

“**MEA Re-Domiciliation**” means the transfer and re-domiciliation of Novelis MEA LTD from the Dubai International Financial Centre to the Dubai Multi Commodities Centre or the Dubai World Trade Centre; provided that (x) no Default or Event of Default exists immediately before and immediately after giving effect to such transfer and re-domiciliation and (y) Novelis MEA LTD has satisfied the requirements of Section 5.11 of this Agreement as of the date of such transfer and re-domiciliation with such transfer and re-domiciliation being deemed the formation of Novelis MEA LTD solely for purposes of determining compliance with such Section 5.11, and without regard to any Loan Documents governed by the laws of the Dubai International Financial Centre in effect immediately prior to giving effect to the MEA Re-Domiciliation. The MEA Re-Domiciliation shall occur no later than December 31, 2025 or such later date as may be agreed by the Administrative Agent in its sole discretion.

“**Permitted Dubai Freezone**” means the Dubai International Financial Centre, the Dubai Multi Commodities Centre or the Dubai World Trade Centre.

“**Shell Entity**” has the meaning assigned to such term in Section 7.09.

(v) Section 2.05(d) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Notwithstanding anything in this Agreement or any other Loan Document to the contrary, all Fees shall be paid on the dates due, in immediately available funds, (i) for any Fee listed on Schedule 2.05(d) hereto, in the Approved Currency set forth on Schedule 2.05(d) hereto with respect to such Fee and (ii) for all other Fees (including, but not limited to, Commitment Fees), in Dollars, in each case, to the Administrative Agent for distribution, if and as appropriate, among the Lenders, except that Borrowers shall pay the Fronting Fees directly to the applicable Issuing Bank. Once paid, none of the Fees shall be refundable under any circumstances.”

(vi) Section 2.14(a) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Payments Generally. Each Loan Party shall make each payment required to be made by it hereunder or under any other Loan Document (whether of principal, interest, fees or Reimbursement Obligations, or of amounts payable under Section 2.12, Section 2.13, Section 2.15, Section 2.16, Section 2.22 or Section 11.03, or otherwise) on or before the time expressly required hereunder or under such other Loan Document for such payment (or, if no such time is expressly required, prior to (i) in the case of payments with respect to Revolving Loans made in GBP or Euros, 12:00 noon, London time, (ii) in the case of European Swingline Loans, 11:00 a.m. London time), (iii) in the case of the Fees listed on Schedule 2.05(a) hereto, the time set forth on Schedule 2.05(d) hereto with respect to such Fee and (iv) with respect to all other payments, 3:00 p.m., New York time, on the date when due, in immediately available funds, without condition or deduction for any counterclaim, defense, recoupment or setoff. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All payments by any Loan Party shall be made to the Administrative Agent at Agent’s Account, for the account of the respective Lenders to which such payment is owed, except (w) payments to be made directly to an Issuing Bank or a Swingline Lender as expressly provided herein, (x) payments pursuant to Section 2.12, Section 2.13, Section 2.15, Section 2.16, Section 2.22 and Section 11.03 shall be made directly to the persons entitled thereto, (y) payments of Fees pursuant to Section 2.05(d) shall be made to the accounts set forth on Schedule 2.05(d) hereto with respect to such Fee and (z) payments pursuant to other Loan Documents shall be made to the persons specified therein. The Administrative Agent shall distribute any such payments received by it for the account of any other person to the appropriate recipient promptly following receipt thereof in like funds as received by the Administrative Agent. If any payment under any Loan Document shall be due on a day that is not a Business Day, unless specified otherwise, the date for payment shall be

extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments under each Loan Document shall be made in Dollars, except as expressly specified otherwise (including, but not limited to, as expressly specified in Section 2.05(d)).”.

(vii) Section 5.11(a) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(a) Subject to the terms of the Intercreditor Agreement and this Section 5.11, with respect to (1) any property acquired after the Closing Date by any Loan Party that is intended to be subject to the Lien created by any of the Security Documents but is not so subject, and (2) any property that was Excluded Property but, as of the end of the most recently ended fiscal quarter has ceased to be Excluded Property, promptly (and in any event (x) in the case of newly acquired property, within thirty (30) days after the acquisition thereof, or (y) in the case of any other property that was Excluded Property, within thirty (30) days after the end of fiscal quarter in which such property ceases to be Excluded Property; provided that, in the case of clauses (x) and (y), the Administrative Agent may agree to an extension thereof in its sole discretion, or (z) immediately in connection with the applicable step(s) of the Permitted Reorganization, the applicable Permitted Reorganization Action, the applicable Permitted Aleris Foreign Subsidiary Transfer, the MEA Re-Domiciliation (except in the case of the notarization of any pledge over Equity Interests in the Dubai Guarantor, which shall be completed as soon as reasonably practicable following the MEA Re-Domiciliation)) (i) execute and deliver to the Administrative Agent and the Collateral Agent such amendments or supplements to the relevant Security Documents or such other documents as the Administrative Agent or the Collateral Agent shall deem necessary or advisable to grant to the Collateral Agent, for its benefit and for the benefit of the other Secured Parties, a First Priority Lien on such property subject to no Liens other than Permitted Liens, and (ii) take all actions necessary to cause such Lien to be duly perfected to the extent required by such Security Document in accordance with Applicable Law, including the filing of financing statements (or other applicable filings) in such jurisdictions as may be reasonably requested by the Administrative Agent; provided that the actions required by clauses (i) and (ii) above need not be taken if the costs of doing so are excessive in relation to the benefits afforded thereby, as determined by the Administrative Agent in its reasonable discretion. The Borrowers shall otherwise take such actions and execute and/or deliver to the Administrative Agent and the Collateral Agent such documents as the Administrative Agent or the Collateral Agent shall reasonably require to confirm the validity, perfection and priority of the Lien of the Security Documents against such after-acquired properties.”.

(viii) Section 6.02(f) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(f) Liens (other than any Lien imposed by ERISA) (x) imposed by Requirements of Law or deposits made in connection therewith in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other types of social security legislation, (y) incurred in the ordinary course of business to secure the performance of tenders, statutory obligations (other than excise taxes), surety, stay, customs and appeal bonds, statutory bonds, bids, leases, government contracts, trade contracts, freight, logistics or shipping contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money) or (z) arising by virtue of deposits made in the ordinary course of business to secure liability for premiums to insurance carriers; provided that (i) with respect to clauses (x), (y) and (z) of this paragraph (f), such Liens are for amounts not yet due and payable or delinquent or, to the extent such amounts are so due and payable, such amounts are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been established on the books of the appropriate Company in accordance with US GAAP, and (ii) to the extent such Liens are not imposed by Requirements of Law, such Liens shall in no event encumber any property other than cash and Cash Equivalents and, with respect to clause (y), property relating to the performance of obligations secured by such contracts, bonds or instruments;”.

(ix) Section 6.02(q) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(q) (i) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business and (ii) Cash collateral deposited with the issuers of letters of credit, so long as (x) such cash collateral (1) secures undrawn amounts of letters of credit issued by such issuer (or contingent obligations thereunder) and (2) does not exceed the face amount of such letters of credit, and (y) such letters of credit are permitted under Section 6.01 and are issued in favor of customs and revenue authorities to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;”.

(x) Section 6.04(c) of the Credit Agreement is hereby amended to add the following clause (v) at the end thereof:

“or (v) make deposits and advances in the ordinary course of business in connection with the purchase of goods (other than inventory) or services in the ordinary course of business;”

(xi) Section 6.11(e) of the Credit Agreement is hereby amended to add the following phrase at the end thereof:

“; provided that, notwithstanding the foregoing, the amendments to the Organizational Documents of Novelis MEA LTD that are required to effect the MEA Re-Domiciliation, and all other changes required by the Administrative Agent or the Collateral Agent in order to effect the requirements of Section 5.11 in connection therewith, in each case are deemed not to be adverse in any material respect to the interests of the Lenders.”

(xii) Section 7.09 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Section 7.09 Release of Guarantors.

If, in compliance with the terms and provisions of the Loan Documents, (a) Equity Interests of any Subsidiary Guarantor are issued, sold or transferred (including pursuant to a merger, consolidation or amalgamation) such that it ceases to be a Restricted Subsidiary (a “**Transferred Guarantor**”) to a person or persons, none of which is a Loan Party or a Subsidiary, (b) a Guarantor is designated as an Unrestricted Subsidiary in accordance with the Loan Documents, (c) a Restricted Subsidiary that becomes a Loan Party after the Closing Date is subsequently designated as an Excluded Collateral Subsidiary in accordance with the definition thereof, (d) a Qualified Canadian Borrower IPO shall occur or (e) a Guarantor owns no assets (a “**Shell Entity**”), then, such Transferred Guarantor (in the case of clause (a)), such Unrestricted Subsidiary (in the case of clause (b)), such Restricted Subsidiary (in the case of clause (c)), or Holdings (in the case of clause (d)), and such Shell Entity (in the case of clause (e)) shall, upon the consummation of such issuance, sale or transfer or upon such designation as an Unrestricted Subsidiary or Excluded Collateral Subsidiary or upon the completion of the Qualified Canadian Borrower IPO or upon such Guarantor becoming a Shell Entity (as certified to the Administrative Agent in writing by the Designated Company), be released from its obligations under this Agreement (including under Section 11.03 hereof) and any other Loan Documents to which it is a party and, except with respect to Holdings in the case of clause (d) above, its obligations to pledge and grant any Collateral owned by it pursuant to any Security Document, and the Collateral Agent shall take such actions as are within its powers to effect each release described in this Section 7.09 in accordance with the relevant provisions of the Security Documents and the Intercreditor Agreement; provided that such Guarantor is also released from its obligations, if any, under the Term Loan Documents, the Senior Note Documents, the Additional Senior Secured Indebtedness Documents, any Additional Senior Secured Indebtedness, any Junior Secured Indebtedness, any Other Secured Indebtedness, and other Material Indebtedness guaranteed by such Person on the same terms; provided, further, that if such Guarantor is also a Borrower, such Guarantor shall not be released from any obligations hereunder or under any other Loan Document unless (1) it either (x) repays all Loans and other Obligations of such Borrower owing by it (the “Amounts Owing”) or (y) assign the outstanding

Amounts Owing from such Borrower to another Borrower in the jurisdiction of organization of such Borrower pursuant to documentation reasonably satisfactory to the Administrative Agent, (2) no Default or Event of Default exists at the time of such release, (3) the representations and warranties of each Loan Party in the Loan Documents shall be true and correct in all material respects as of the date of the release of such Guarantor (it being understood and agreed that any representation or warranty which by its terms is made as of a specified date shall be required to be true and correct in all material respects only as of such specified date, and any representation or warranty qualified by materiality shall be true and correct in all respects), (4) both immediately before and immediately after giving effect to such release, (x) the Availability Conditions shall have been satisfied, and (y) the Funding Conditions, the LC Conditions and the Swingline Conditions shall have been satisfied, and (5) the Administrative Borrower shall have delivered an updated Borrowing Base Certificate to the Administrative Agent based on the Borrowing Base Certificate most recently delivered pursuant to this Agreement, demonstrating the effect on the Borrowing Base of the removal of the Eligible Accounts and Eligible Inventory owned by the Borrower, and the updated Borrowing Base Certificate shall include an updated list of Borrowers reflecting the removal of such Borrower (clauses (1) through (5), the “**Borrower Release Conditions**”); provided, further, that, with respect to Holdings in the case of clause (d) above, (A) the only Collateral required to remain pledged and granted by Holdings pursuant to any Security Document after giving effect to a Qualified Canadian Borrower IPO shall be the Equity Interests (and related assets as described in the applicable Security Documents) that Holdings owns in Novelis Inc. (it being agreed that the Liens in favor of the Collateral Agent over assets of Holdings other than such Equity Interests and related assets shall be released upon giving effect to the Qualified Canadian Borrower IPO and so long as any Liens over such assets securing obligations under the Term Loan Documents are released concurrently), and (B) if, following the date of the Qualified Canadian Borrower IPO, Holdings shall sell, transfer or otherwise dispose of Equity Interests of the Canadian Borrower, then solely to the extent that no Default or Event of Default exists immediately before and immediately after giving effect to such sale, transfer or other disposition (as certified to the Administrative Agent in writing by the Designated Company), then such Equity Interests (together with any related assets in respect of such Equity Interests) shall be released, and so long as any Liens over such assets securing obligations under the Term Loan Documents are released concurrently (clauses (A) and (B), the “**Permitted Holdings Collateral Release Provisions**”).”.

(xiii) Section 10.02(a) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(a) Lien Releases; Care of Collateral. Secured Parties authorize Collateral Agent to release any Lien with respect to any Collateral (a) upon Full Payment of the Secured Obligations; (b) that is the subject of a sale, lease, license, consignment,

transfer or other disposition which Administrative Borrower certifies in writing to Administrative Agent and Collateral Agent is permitted by Section 6.06 (provided that no Lien shall be released in any Series of Cash Neutral Transactions or, except as provided in the second to last sentence of this Section 10.02(a), in any Asset Sale to another Loan Party) (and the Agents may rely conclusively on any such certificate without further inquiry); provided that with respect to the release of any Liens over assets of Holdings on or after the date of the Qualified Canadian Borrower IPO, such release shall be subject to the Permitted Holdings Collateral Release Provisions; (c) that does not constitute a material part of the Collateral; (d) if the property subject to such Lien is owned by a Guarantor, upon release of such Guarantor from its obligations under its Guarantee pursuant to Section 7.09; provided that with respect to the release of Holdings as a Guarantor, the release of any Liens over assets of Holdings on or after the date of the Qualified Canadian Borrower IPO shall be subject to the Permitted Holdings Collateral Release Provisions; (e) that is the subject of a Lien which Administrative Borrower certifies in writing to Administrative Agent and Collateral Agent is permitted by Section 6.02(n)(x) or (y) (and Agent may rely conclusively on any such certificate without further inquiry); (f) with the written consent of the Required Lenders or such other number of Lenders whose consent is required under Section 11.02; or (g) to the extent such Lien attaches to property that would otherwise constitute Excluded Property (including property of an Excluded Collateral Subsidiary in connection with the designation of a Loan Party as an Excluded Collateral Subsidiary); provided that, notwithstanding the foregoing, (1) [reserved], (2) each Agent's Lien on any Revolving Credit Priority Collateral transferred by any Borrower to Holdings or any of its Subsidiaries that is not a Borrower shall not be released pursuant to the terms of this Agreement, any other Loan Document, or otherwise unless the Administrative Agent has received an updated Borrowing Base Certificate reflecting the removal of such Revolving Credit Priority Collateral from the Borrowing Bases, and upon such removal the Funding Conditions shall be satisfied, and (3) if, in connection with such release pursuant to a transaction permitted by this Agreement, a Borrower would either be released from all of its Obligations or the Liens on all Collateral of such Borrower would be released, then such release shall be subject to the satisfaction of the Borrower Release Conditions. Secured Parties authorize Collateral Agent to subordinate or release its Liens to any a Lien permitted hereunder that secures a Purchase Money Obligation or Capital Lease Obligation permitted hereunder. No Agent shall have any obligation to assure that any Collateral exists or is owned by a Loan Party, or is cared for, protected or insured, nor to assure that Collateral Agent's Liens have been properly created, perfected or enforced, or are entitled to any particular priority, nor to exercise any duty of care with respect to any Collateral. As of the Amendment No. 1 Effective Date, notwithstanding anything to the contrary in the Intercreditor Agreement, and as permitted by Section 2.4(b)(i) of the Intercreditor Agreement, each Secured Party hereby unconditionally (i) (x) terminates each Mortgage in respect of Real Property located in the United States, Quebec, and the Ouro Preto Real Property located in Brazil, and (y) releases (1) the equipment

and inventory owned by the Brazilian Guarantor that is located in Ouro Preto Brazil, and (2) the Real Property located in the United States, Quebec, and the Ouro Preto Real Property located in Brazil, in the case of clauses (1) and (2), from securing the Secured Obligations, and agrees that such Real Property and such Brazilian inventory and equipment shall not constitute "Collateral" or "Mortgaged Property" for any purposes hereunder or under any other Loan Document, and (ii) authorizes and directs (x) the Administrative Agent or the Collateral Agent, as applicable, at the Borrowers' sole cost and expense, promptly upon receipt thereof, to execute and deliver to the Designated Company documents and agreements that release and discharge the Mortgages and Liens encumbering the Real Property located in the United States, Quebec, and the Ouro Preto Real Property located in Brazil, and to otherwise evidence the release and discharge of the equipment and inventory owned by the Brazilian Guarantor that is located in Ouro Preto Brazil, and (y) any Borrower or any of its Subsidiaries to record or cause any title company, attorney, or other Person to record such documents and agreements effecting such releases and discharges in the United States, Quebec and Brazilian land title records (or local equivalent) and, in the case of such Brazilian inventory and equipment, any applicable filing offices in Brazil, in each case as determined by such Borrower or such Subsidiary. Each Secured Party acknowledges as of the Amendment No. 1 Effective Date, that mortgages over Real Property located in the United States in favor of the Term Loan Administrative Agent or the Term Loan Collateral Agent, as the case may be, shall remain in full force and effect, irrespective of the releases described in the immediately preceding sentence, and that no mortgages over Real Property located in the United States shall be entered into to secure the Secured Obligations from and after the Amendment No. 1 Effective Date. Notwithstanding anything to the contrary above, if Intellectual Property or Real Property (and related fixtures) that constitutes Collateral is transferred pursuant to a transaction permitted by the Loan Documents from a Loan Party to another Loan Party (other than Holdings) and the applicable Intellectual Property or Real Property filing office requires the release of the existing Lien in favor of the Collateral Agent prior to reflecting the transfer in the register, then the Collateral Agent shall be permitted, without the consent of any Lender or any other Person, to release its Lien in respect of such Intellectual Property or Real Property (and related fixtures) in order to effect such transfer so long as (i) the Transfer Conditions are satisfied at the time of such transfer and the Designated Company shall have certified the same to the Administrative Agent and the Collateral Agent, (ii) substantially concurrently with the effectiveness of such transfer, such Intellectual Property and/or Real Property is pledged to the Collateral Agent to secure the Obligations on terms substantially the same as the pledge that is released by the Collateral Agent, (iii) the priority of the new Lien in favor of the Collateral Agent, whether pursuant to the Intercreditor Agreement or otherwise, is the same as that of the original Lien, and (iv) the Liens on such Intellectual Property or Real Property (and related fixtures) in favor of holders of Indebtedness under the Term Loan Documents or any Term Loan Credit Agreement Refinancing Indebtedness, Permitted First

Priority Refinancing Debt, Permitted Second Priority Refinancing Debt, Additional Senior Secured Indebtedness and Junior Secured Indebtedness are also released substantially concurrently with the release granted by the Collateral Agent. Notwithstanding the foregoing, where Intellectual Property and Real Property (and related fixtures) can be transferred pursuant to an assignment and assumption or similar agreement in a manner that would avoid the need to release the Liens in favor of the Collateral Agent as described in the preceding sentence, then the Loan Parties shall effect such transfer pursuant to an assignment and assumption or similar agreement.”.

(xiv) Section 11.09(D) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT, IN THE MANNER PROVIDED FOR NOTICES (OTHER THAN TELECOPIER, E-MAIL OR OTHER ELECTRONIC TRANSMISSION) IN SECTION 11.01. EACH LOAN PARTY HEREBY IRREVOCABLY DESIGNATES, APPOINTS AND EMPOWERS NOVELIS CORPORATION, ONE PHIPPS PLAZA, 3550 PEACHTREE ROAD SUITE 1100, ATLANTA, GA 30326, USA, ATTN: CHIRAG SHAH (TELEPHONE NO: (404) 760-0137) (ELECTRONIC MAIL ADDRESS: CHIRAG.SHAH@NOVELIS.ADITYABIRLA.COM) AND KERRIE KRIZNER (TELEPHONE NO: (216) 571-0579) (ELECTRONIC MAIL ADDRESS: KERRIE.KRIZNER@NOVELIS.ADITYABIRLA.COM) (THE “**PROCESS AGENT**”), IN THE CASE OF ANY SUIT, ACTION OR PROCEEDING BROUGHT IN THE UNITED STATES AS ITS DESIGNEE, APPOINTEE AND AGENT TO RECEIVE, ACCEPT AND ACKNOWLEDGE FOR AND ON ITS BEHALF, AND IN RESPECT OF ITS PROPERTY, SERVICE OF ANY AND ALL LEGAL PROCESS, SUMMONS, NOTICES AND DOCUMENTS THAT MAY BE SERVED IN ANY ACTION OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY LOAN DOCUMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.”

(xv) Schedule 1.01(a) of the Credit Agreement is hereby amended and restated in its entirety by Schedule I hereto.

(xvi) Schedule 2.05(d) is hereby added to the Credit Agreement in the form of Schedule II hereto.

2.02 Subject to the terms and conditions set forth herein, effective as of the Amendment Effective Date (as defined below), the Specified U.S. Security Agreement is hereby amended as follows:

(i) Section 3.4(e) of the Specified U.S. Security Agreement is hereby amended and restated in its entirety as follows:

“Letter-of-Credit Rights. If any Pledgor is at any time a beneficiary under a Letter of Credit now or hereafter issued (other than a Letter of Credit issued in connection with (i) the construction of the aluminum recycling and rolling facility on the real property located in Bay Minette, Baldwin County, Alabama (the “Bay Minette Project”) or (ii) the construction of the recycling plant in Guthrie, Kentucky (the “Guthrie Project”), such Pledgor shall promptly notify the Collateral Agent thereof and such Pledgor shall, at the request of the Collateral Agent, pursuant to an agreement in form and substance reasonably satisfactory to the Collateral Agent, either use commercially reasonable efforts to (i) arrange for the issuer and any confirmer of such Letter of Credit to consent to an assignment to the Collateral Agent of the proceeds of any drawing under the Letter of Credit or (ii) arrange for the Collateral Agent to become the transferee beneficiary of such Letter of Credit, with the Collateral Agent agreeing, in each case, that the proceeds of any drawing under the Letter of Credit are to be applied as provided in the Credit Agreement. The actions in the preceding sentence shall not be required to the extent that the amount of any such Letter of Credit, together with the aggregate amount of all other Letters of Credit for which the actions described above in clauses (i) and (ii) have not been taken, does not exceed \$2,500,000 in the aggregate for all Pledgors. No Pledgor shall grant Control of any Letter-of-Credit Right to any Person other than the Collateral Agent and, subject to the terms of the Intercreditor Agreement, the Term Loan Collateral Agent. If any Pledgor becomes at any time a beneficiary under a Letter of Credit issued in connection with the Bay Minette Project or the Guthrie Project, such Pledgor shall include a description of such Letter of Credit in the Perfection Certificate Supplement delivered pursuant to Section 5.01(e) of the Credit Agreement.”

2.03 The Lenders party hereto (which Lenders constitute the Required Lenders under the Credit Agreement) hereby authorize the Administrative Agent and the Collateral Agent to, in connection with the MEA Re-Domiciliation, terminate and release any Dubai Security Agreements (as defined immediately prior to giving effect to this Amendment) if they are replaced substantially concurrently with new Dubai Security Agreements (as defined after giving effect to this Amendment) with respect to the Collateral pledged thereunder.

2.04 The Lenders party hereto (which Lenders constitute the Required Lenders under the Credit Agreement) hereby authorize the Administrative Agent and the Collateral Agent to execute and deliver the amendments to, or amendments and restatements of, the Foreign Security Agreements and Intercreditor Agreement, each in substantially the form attached hereto as Exhibit A. The Lenders party hereto acknowledge that the amendment to, or amendment and restatement of, the Intercreditor Agreement, substantially in the form attached hereto as Exhibit A, shall be executed after the Amendment Effective Date.

Section 3. Conditions Precedent to Effectiveness of this Amendment. This Amendment shall become effective as of the first date (the “**Amendment Effective Date**”) on

which each of the following conditions precedent shall have been satisfied, or duly waived by the Lenders party hereto, the Issuing Banks party hereto and the Agents party hereto:

(a) Executed Amendment. The Administrative Agent shall have received this Amendment, duly executed by each of the Loan Parties, the Third Party Security Provider, the Lenders party hereto (which constitute the Required Lenders under the Credit Agreement), the Issuing Banks party hereto, the Administrative Agent and the Collateral Agent.

(b) Executed Foreign Security Agreements. The Administrative Agent shall have received amendments to, or amendments and restatements of, the Foreign Security Agreements, each in substantially the form attached hereto as Exhibit A, duly executed by each of the Loan Parties party thereto and the Collateral Agent.

(c) Representations and Warranties. Each of the representations and warranties contained in Section 4 below and in any other Loan Document shall be true and correct in all material respects (or, in the case of any representation or warranty that is qualified as to materiality, "Material Adverse Effect" or similar language, in all respects) on and as of the date hereof.

(d) No Default or Event of Default. After giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing or would result from the effectiveness of this Amendment.

Section 4. Representations and Warranties. Each Loan Party represents and warrants to the Administrative Agent, the Collateral Agent and each Lender and Issuing Bank as follows:

(a) After giving effect to this Amendment, each of the representations and warranties in the Amended Credit Agreement or in any other Loan Document are true and correct in all material respects (or, in the case of any representation or warranty that is qualified as to materiality, "Material Adverse Effect" or similar language, in all respects) on and as of the date hereof as though made on and as of such date, except to the extent that any such representation or warranty expressly relates to an earlier date, in which case such representations and warranties are true and correct in all material respects (or, in the case of any representation or warranty that is qualified as to materiality, "Material Adverse Effect" or similar language, in all respects) as of such earlier date.

(b) The execution and delivery by the Canadian Borrower, Holdings, each other Loan Party, and the Third Party Security Provider of this Amendment, and the performance of this Amendment, the Amended Credit Agreement and the Amended U.S. Security Agreement by the Canadian Borrower, Holdings, each other Loan Party and the Third Party Security Provider, in each case have been duly authorized by all requisite organizational action on its part and will not violate any of its Organizational Documents.

(c) This Amendment has been duly executed and delivered by the Canadian Borrower, Holdings, each other Loan Party, and the Third Party Security Provider, and each of this Amendment, the Amended Credit Agreement and the Amended U.S. Security Agreement

constitutes the Canadian Borrower's, Holdings', such Loan Party's, or the Third Party Security Provider's, as applicable, legal, valid and binding obligation, enforceable against it in accordance with their terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally and by general principles of equity.

(d) After giving effect to this Amendment, no Default or Event of Default has occurred and is continuing as of the date hereof.

Section 5. Continuing Effect; Liens and Guarantees; No Novation.

(a) Each of the Loan Parties and the Third Party Security Provider hereby consents to this Amendment and the Amended Credit Agreement. Each of the Loan Parties and the Third Party Security Provider hereby acknowledges and agrees that all of its Secured Obligations, including all Liens and (in the case of the Loan Parties) Guarantees granted to the Secured Parties under the applicable Loan Documents, are ratified and reaffirmed and that such Liens and Guarantees shall continue in full force and effect on and after Amendment Effective Date to secure and support the Secured Obligations. Each of the Loan Parties hereby further ratifies and reaffirms the validity, enforceability and binding nature of the Secured Obligations.

(b) Holdings, the Canadian Borrower and each Subsidiary Guarantor hereby (i) acknowledges and agrees to the terms of this Amendment, the Amended Credit Agreement and the Amended U.S. Security Agreement and (ii) confirms and agrees that, each of its Guarantee and any Foreign Guarantee is, and shall continue to be, in full force and effect, and shall apply to all Secured Obligations without defense, counterclaim or offset of any kind and each of its Guarantee and any such Foreign Guarantee is hereby ratified and confirmed in all respects. Each Borrower hereby confirms its liability for the Secured Obligations, without defense, counterclaim or offset of any kind.

(c) Holdings, the Canadian Borrower, each other Loan Party and the Third Party Security Provider hereby ratifies and reaffirms the validity and enforceability (without defense, counterclaim or offset of any kind) of the Liens and security interests granted by it to the Collateral Agent for the benefit of the Secured Parties to secure any of the Secured Obligations by Holdings, the Canadian Borrower, any other Loan Party and the Third Party Security Provider pursuant to the Loan Documents to which any of Holdings, the Canadian Borrower, any other Loan Party or the Third Party Security Provider is a party and hereby confirms and agrees that notwithstanding the effectiveness of this Amendment, and except as expressly amended by this Amendment, each such Loan Document is, and shall continue to be, in full force and effect and each is hereby ratified and confirmed in all respects, except that, on and after the effectiveness of this Amendment, each reference in the Loan Documents to the "Credit Agreement", "thereunder", "thereof" (and each reference in the Credit Agreement to this "Agreement", "hereunder" or "hereof") or words of like import shall mean and be a reference to the Amended Credit Agreement and, in the case of the "U.S. Security Agreement", shall include the Amended U.S. Security Agreement.

(d) Without limiting the generality of this Section 5 or Section 6, (i) neither this Amendment, the Amended Credit Agreement, the Amended U.S. Security Agreement, nor any other Loan Document entered into in connection herewith or therewith, shall extinguish the “Secured Obligations” (or any term of like import) as defined or referenced in each Security Agreement, or the “Secured Obligations” under and as defined in the Credit Agreement (collectively, the “**Loan Document Secured Obligations**”), or discharge or release the priority of any Loan Document, and any security interest previously granted pursuant to each Loan Document is hereby reaffirmed and each such security interest continues in effect and secures the Loan Document Secured Obligations, (ii) nothing contained herein, in the Amended Credit Agreement, the Amended U.S. Security Agreement, or any other Loan Document entered into in connection herewith or therewith shall be construed as a substitution or novation of all or any portion of the Loan Document Secured Obligations or instruments securing any of the foregoing, which shall remain in full force and effect and shall continue as obligations under the Amended Credit Agreement, and (iii) nothing implied in this Amendment, the Amended Credit Agreement, the Amended U.S. Security Agreement, or any other Loan Document entered into in connection herewith or therewith, or in any other document contemplated hereby or thereby shall be construed as a release or other discharge of any Loan Party or the Third Party Security Provider from any of its Loan Document Secured Obligations, it being understood that such obligations shall continue as obligations under the Amended Credit Agreement.

Section 6. U.S. Reaffirmation.

(a) Each Reaffirming Party hereby confirms its guarantees, assignments, pledges and grants of security interests, as applicable, under each Guarantee, the Amended U.S. Security Agreement, and each other U.S. Security Agreement to which it is a party, and agrees that such guarantees, assignments, pledges and grants of security interests shall continue to be in full force and effect and shall accrue to the benefit of the Collateral Agent for the benefit of the Secured Parties.

(b) Each Reaffirming Party hereby confirms and agrees that the “Secured Obligations” (or any term of like import) as defined or referenced in any Guarantee, the Amended U.S. Security Agreement, and any other U.S. Security Agreement will include the “Secured Obligations” as defined in the Amended Credit Agreement.

Section 7. Reference to and Effect on the Loan Documents.

(a) Except as expressly set forth in this Amendment, all of the terms and provisions of the Credit Agreement and the other Loan Documents (including all exhibits and schedules to each of the Credit Agreement and the other Loan Documents) are and shall remain in full force and effect and are hereby ratified and confirmed. The Amendments provided for herein and in the annexes and exhibits hereto are limited to the specific provisions of the Credit Agreement and the U.S. Security Agreement specified herein and therein and shall not constitute an amendment of, or an indication of the Administrative Agent’s or any Lender’s or Issuing Bank’s willingness to amend or waive, any other provisions of the Credit Agreement or the U.S. Security Agreement, in each case as amended hereby or thereby, or the same sections or any provision of any other Loan Document for any other date or purpose.

(b) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Administrative Agent, the Collateral Agent, any Issuing Bank or any Lender under the Credit Agreement, the U.S. Security Agreement, or any Loan Document, or constitute a waiver or amendment of any other provision of the Credit Agreement, the U.S. Security Agreement, or any Loan Document except as and to the extent expressly set forth herein.

(c) The execution and delivery of this Amendment by any Loan Party or the Third Party Security Provider shall not constitute a joinder by, or agreement to be bound by the terms of, any Loan Document to which such Loan Party or the Third Party Security Provider is not a party.

(d) This Amendment shall constitute a Loan Document.

Section 8. Further Assurances; Post-Closing Requirements.

(a) The Canadian Borrower, Holdings, each other Loan Party and the Third Party Security Provider hereby agrees to execute any and all further documents, agreements and instruments and take all further actions that the Administrative Agent deems reasonably necessary or advisable in connection with this Amendment, including to continue and maintain the effectiveness of the Liens and guarantees provided for under the Loan Documents, with the priority contemplated under the Loan Documents. The Administrative Agent and the Collateral Agent are hereby authorized by the Lenders and the Issuing Banks to enter into all such further documents, agreements and instruments, and to file all financing statements deemed by the Administrative Agent to be reasonably necessary or advisable in connection with this Amendment.

Section 9. Counterparts.

(a) This Amendment and any notices delivered under this Amendment, may be executed by means of (a) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, or any other relevant and applicable electronic signatures law; (b) an original manual signature; or (c) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. The Administrative Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Amendment or on any notice delivered to the Administrative Agent under this Amendment.

(b) This Amendment and any notices delivered under this Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Receipt by the Administrative Agent of a facsimile copy or electronic image scan transmission (e.g., PDF via electronic email) of an executed signature page and any notices as set forth herein shall constitute receipt by the

Administrative Agent and shall be as effective as delivery of a manually executed counterpart of the Amendment or notice.

Section 10. Governing Law. This Amendment and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York, without regard to conflicts of law principles that would require the application of the laws of another jurisdiction.

Section 11. Headings. Section headings contained in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purposes.

Section 12. **WAIVER OF JURY TRIAL**. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE REQUIREMENTS OF LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective officers and members thereunto duly authorized, on the date first indicated above.

NOVELIS INC., as the Canadian Borrower, Administrative Borrower and a Canadian Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

AV MINERALS (NETHERLANDS) N.V., as Holdings and a Dutch Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS CORPORATION, as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS GLOBAL EMPLOYMENT ORGANIZATION, INC., as a U.S. Borrower and a Guarantor

By: /s/ Randal P. Miller
Name: Randal P. Miller
Title: Treasurer

NOVELIS SOUTH AMERICA HOLDINGS LLC, as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey.
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS HOLDINGS INC.,
as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey.
Name: Gregg Murphey
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS UK LTD, as U.K. Borrower and a U.K. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney

NOVELIS EUROPE HOLDINGS LIMITED,
as a U.K. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney

NOVELIS SERVICES LIMITED,
as a U.K. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS AG, as Swiss Borrower, European Administrative Borrower and a Swiss Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS SWITZERLAND SA,
as a Swiss Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

4260848 CANADA INC., as a Canadian Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

4260856 CANADA INC., as a Canadian Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

8018227 CANADA INC., as a Canadian Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

SIGNED AND DELIVERED AS A DEED
for and on behalf of NOVELIS ALUMINIUM HOLDING UNLIMITED COMPANY
by its lawfully appointed attorney,
as Irish Guarantor
in the presence of:

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney

witness:

By: /s/ Kerrie Krizner
Name: Kerrie Krizner
Title: Manager – Legal Services

Address: 3550 Peachtree Rd, STE 1100
Atlanta, GA 30326

Occupation: Paralegal

NOVELIS DEUTSCHLAND GMBH,
as a German Borrower and a German Guarantor

By: /s/ Siegfried Adloff
Name: Siegfried Adloff
Title: Managing Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS SHEET INGOT GMBH,
as a German Guarantor

By: /s/ Peter Haycock
Name: Peter Haycock
Title: Managing Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS DO BRASIL LTDA.,
as Brazilian Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney-in-Fact

witness:

By: /s/ Kerrie Krizner
Name: Kerrie Krizner
Title: Manager – Legal Services

witness:

By: /s/ Keaston Hall
Name: Keaston Hall
Title: Legal Counsel

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS PAE S.A.S., as French Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney-in-Fact

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS MEA LTD, a Company Limited by Shares under the Companies Law of the Dubai
International Financial Centre,
as Dubai Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS ITALIA S.P.A., as Third Party Security Provider

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS ALR ALUMINUM HOLDINGS CORPORATION, as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR INTERNATIONAL, INC., as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ROLLED PRODUCTS, INC., as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ASSET MANAGEMENT CORPORATION, as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS ALR ROLLED PRODUCTS, LLC, as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ROLLED PRODUCTS SALES CORPORATION, as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR RECYCLING OF OHIO, LLC, as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ALUMINUM-ALABAMA, LLC, as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ALUMINUM, LLC, as a U.S. Borrower and a Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS DEUTSCHLAND HOLDING GMBH, as a German Guarantor

By: /s/ Roland Leder
Name: Roland Leder
Title: Managing Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS KOBLENZ GMBH, as a German Guarantor and a German Borrower

By: /s/ NILS LEONHARDT
Name: NILS LEONHARDT
Title: Managing Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS CASTHOUSE GERMANY GMBH, as a German Guarantor and
a German Borrower

By: /s/ NILS LEONHARDT
Name: NILS LEONHARDT
Title: Managing Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

NOVELIS NETHERLANDS B.V., as a Dutch Guarantor

By: /s/ Gregg Murphey

Name: Gregg Murphey

Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Administrative Agent, Collateral Agent, U.S. Swingline Lender and as a Lender

By: /s/ Brandi Petrucci
Name: Brandi Petrucci
Title: Director, Authorized Signatory

WELLS FARGO BANK, N.A. (LONDON BRANCH), as European Swingline Lender

By: /s/ Alison Powell
Name: Alison Powell
Title: Authorised Signatory

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as an Issuing Bank

By: /s/ Brandi Petrucci

Name: Brandi Petrucci

Title: Director, Authorized Signatory

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Cheryl B. Swan
Name: Cheryl B. Swan
Title: SVP

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

BANK OF AMERICA, N.A.,
as an Issuing Bank

By: /s/ Cheryl B. Swan
Name: Cheryl B. Swan
Title: SVP

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

BANK OF MONTREAL, as a Lender

By: /s/ Beth Izzo
Name: Beth Izzo
Title: Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

BANK OF MONTREAL, as a Lender

By: /s/ Helen Alvarez-Hernandez

Name: Helen Alvarez-Hernandez

Title: Managing Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

BARCLAYS BANK IRELAND PLC,
as a Lender

By: /s/ Mark Pope
Name: Mark Pope
Title: Vice President

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

BARCLAYS BANK PLC, as an Issuing Bank

By: /s/ Charlene Saldanha

Name: Charlene Saldanha

Title: Vice President

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

BNP PARIBAS,
as a Lender

By: /s/ Zachary Kaiser
Name: Zachary Kaiser
Title: Director

By: /s/ Guelay Mese
Name: Guelay Mese
Title: Managing Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

CITIBANK, N.A.,
as a Lender

By: /s/ David Smith
Name: David Smith
Title: Vice President & Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

Deutsche Bank AG New York Branch,
as a Lender and an Issuing Bank

By: /s/ Philip Tancorra

Name: Philip Tancorra

Title: Director

By: /s/ Lauren Danbury

Name: Lauren Danbury

Title: Vice President

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

HSBC Bank USA, NA,
as a Lender

By: /s/ Soraiya Esmail
Name: Soraiya Esmail
Title: Head of Multinationals Client Desk

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

HSBC Bank USA, NA, as an Issuing Bank

By: /s/ Soraiya Esmail

Name: Soraiya Esmail

Title: Head of Multinationals Client Desk

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

ING CAPITAL LLC,
as a Lender

By: /s/ Jean Grasso
Name: Jean Grasso
Title: Managing Director

By: /s/ Jeff Chu
Name: Jeff Chu
Title: Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

Morgan Stanley Bank, N.A.,
as a Lender

By: /s/ Karina Rodriguez
Name: Karina Rodriguez
Title: Authorized Signatory

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

PNC BANK, N.A.,
as a Lender

By: /s/ Ryan Maloy
Name: Ryan Maloy
Title: Assistant Vice President

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

Regions Bank,
as a Lender

By: /s/ Scott Martin
Name: Scott Martin
Title: Managing Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

Standard Chartered Bank,
as a Lender

By: /s/ Ambrish Mathur
Name: Ambrish Mathur
Title: Relationship Manager

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

Truist Bank,
as a Lender

By: /s/ Edyta Bielawski
Name: Edyta Bielawski
Title: Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT BANK (CANADA BRANCH),
as a Lender

By: /s/ Andrew Sidford

Name: Andrew Sidford

Title: Managing Director

By: /s/ Gordon Yip

Name: Gordon Yip

Title: Director

[SIGNATURE PAGE TO AMENDMENT NO. 12 TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT]

Schedule I

Schedule 1.01(a)

Agent's Account

Instructions for all payments, except: (i) payments to be made directly to an Issuing Bank or a Swingline Lender as expressly provided in this Agreement, (ii) payments pursuant to Section 2.12, Section 2.13, Section 2.15, Section 2.16, Section 2.22 and Section 11.03 shall be made directly to the persons entitled thereto, (iii) payments of Fees pursuant to Section 2.05(d) shall be made to the accounts set forth on Schedule 2.05(d) hereto with respect to such Fee and (iv) payments pursuant to other Loan Documents shall be made to the persons specified therein:

USD (US Borrowers)

Bank: Wells Fargo Bank, N.A.
Bank Address: 420 Montgomery Street, San Francisco, CA
ABA Number: 121-000-248
Account Number: 4124923723
Credit To: Wells Fargo Bank, N.A.
Regarding: Novelis

USD (Canadian Borrowers)

Bank: TD Canada Trust
Bank Address: 55 King Street West, Toronto, Ontario, Canada M5K 1A2
Transit Number: 10202
Bank Number: 004
Canadian Clearing Code: 000410202
SWIFT Number: TDOMCATTOR
Beneficiary: Wells Fargo Capital Finance Corporation Canada
Beneficiary Account Number: 7387637
40 King Street West Suite 2500, Toronto, ON M5H 3Y2
Beneficiary Address: Canada
Ordering Customer: Novelis

GBP (UK, Swiss, German, Belgian, US and Canadian Borrowers)

Bank Name: Wells Fargo Bank, N.A. London
Swift: PNBPG2L
Account Name: Wells Fargo Bank, N.A.
IBAN: GB76PNBP16567188000418
Sort Code: 16-56-71
Account No: 88000418
Reference: Novelis

EUROS (UK, Swiss, German, Belgian, US and Canadian Borrowers)

Bank Name Wells Fargo Bank, N.A. London

Swift PNBPG2L

Account Name Wells Fargo Bank, N.A.

IBAN GB33PNBP16567188000416

Account No: 88000416

Reference Novelis

CHF (UK, Swiss, Belgian and German Borrowers)

Bank Name Wells Fargo Bank, N.A. London

Swift PNBPG2L

Account Name 16-56-71

IBAN Wells Fargo Bank, N.A.

Sort Code GB95PNBP16567188000658

Account No: 88000658

Reference Novelis

USD (UK, Swiss, Belgian and German Borrowers)

Bank Name Wells Fargo Bank, N.A. London

Swift PNBPG2L

Account Name Wells Fargo Bank, N.A.

IBAN GB65PNBP16567188000422

Account No: 88000422

Reference Novelis

Schedule II

Schedule 2.05(d)

Fees

Type of Fee	Approved Currency for Payment	Timing for Payment	Wire Instructions for Payment
LC Participation Fees, Fronting Fees and all other Fees with respect to Letters of Credit denominated in Can\$	Can\$	3:00 p.m., New York time	<u>Bank Name:</u> Wells Fargo Bank, N.A. London <u>Bank Address:</u> 33 King William Street, London EC4R 9AT <u>SWIFT:</u> PNBPG2L <u>Account Name:</u> Wells Fargo Bank, N.A. – Capital Finance <u>IBAN:</u> GB76PNBP16567188000414 <u>Account No.:</u> 88000414 <u>Reference:</u> Novelis
LC Participation Fees, Fronting Fees and all other Fees with respect to Letters of Credit denominated in CHF	CHF	12:00 noon, London time	<u>Bank Name:</u> Wells Fargo Bank, N.A. London <u>Bank Address:</u> 33 King William Street, London EC4R 9AT <u>SWIFT:</u> PNBPG2L <u>Account Name:</u> Wells Fargo Bank, N.A. – Capital Finance <u>IBAN:</u> GB95PNBP16567188000658 <u>Sort Code:</u> 16-56-71 <u>Account No.:</u> 88000658 <u>Reference:</u> Novelis
LC Participation Fees, Fronting Fees and all other Fees with respect to Letters of Credit denominated in EUR	EUR	12:00 noon, London time	<u>Bank Name:</u> Wells Fargo Bank, N.A. London <u>Bank Address:</u> 33 King William Street, London EC4R 9AT <u>SWIFT:</u> PNBPG2L <u>Account Name:</u> Wells Fargo Bank, N.A. – Capital Finance <u>IBAN:</u> GB33PNBP16567188000416 <u>Account No.:</u> 88000416 <u>Reference:</u> Novelis
LC Participation Fees, Fronting Fees and all other Fees with respect to Letters of Credit denominated in GBP	GBP	12:00 noon, London time	<u>Bank Name:</u> Wells Fargo Bank, N.A. London <u>Bank Address:</u> 33 King William Street, London EC4R 9AT <u>SWIFT:</u> PNBPG2L <u>Account Name:</u> Wells Fargo Bank, N.A. <u>IBAN:</u> GB76PNBP16567188000418 <u>Account No.:</u> 88000418 <u>Reference:</u> Novelis

<p>LC Participation Fees, Fronting Fees and all other Fees with respect to Letters of Credit denominated in USD</p>	<p>USD</p>	<p>3:00 p.m., New York time</p>	<p><u>U.S. Borrowers:</u> <u>Bank Name:</u> Wells Fargo Bank, N.A. <u>Bank Address:</u> 420 Montgomery Street, San Francisco, CA 94104 <u>ABA Number:</u> 121-000-248 <u>Beneficiary Information:</u> <u>Account Name:</u> Wells Fargo Bank, N.A. <u>Account No.:</u> 37235547964501665 <u>Reference:</u> Novelis Corp – AR <u>Address:</u> 1800 Century Park E, 13th Floor, Los Angeles, CA 90067</p> <p><u>U.K., Swiss and German Borrowers:</u> <u>Bank Name:</u> Wells Fargo Bank, N.A. London <u>Bank Address:</u> 33 King William Street, London EC4R 9AT <u>SWIFT:</u> PNBPG2L <u>Account Name:</u> Wells Fargo Bank, N.A. – Capital Finance <u>IBAN:</u> GB65PNBP16567188000422 <u>Account No.:</u> 88000422 <u>Reference:</u> Novelis</p> <p><u>Canadian Borrower:</u> Bank: TD Canada Trust Bank Address: 55 King Street West, Toronto, Ontario, Canada M5K 1A2 Transit Number: 10202 Bank Number: 004 Canadian Clearing Code: 000410202 SWIFT Number: TDOMCATTOR Beneficiary: Wells Fargo Capital Finance Corporation Canada Beneficiary Account Number: 7387637 40 King Street West Suite 2500, Toronto, ON M5H 3Y2 Beneficiary Address: Canada Ordering Customer: Novelis</p>
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EXHIBIT A

**FORM OF FOREIGN SECURITY AGREEMENTS
AND INTERCREDITOR AGREEMENT AMENDMENT**

[See attached.]

Dated _____ 2024

Between

NOVELIS UK LTD

NOVELIS SERVICES LIMITED

NOVELIS EUROPE HOLDINGS LIMITED

as Chargors

and

WELLS FARGO BANK, NATIONAL ASSOCIATION

as Collateral Agent

AMENDMENT DEED

**RELATING TO
THE EXISTING GUARANTEE AND SECURITY
AGREEMENTS (AS DEFINED HEREIN)**

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE LIEN AND SECURITY INTEREST GRANTED TO THE COLLATERAL AGENT FOR THE BENEFIT OF THE SECURED PARTIES, PURSUANT TO THE EXISTING GUARANTEE AND SECURITY AGREEMENTS (AS DEFINED IN THIS DEED) AND THE EXERCISE OF ANY RIGHT OR REMEDY BY THE COLLATERAL AGENT HEREUNDER AND THEREUNDER ARE SUBJECT TO THAT CERTAIN INTERCREDITOR AGREEMENT, DATED AS OF DECEMBER 17, 2010 (AS AMENDED, RESTATED, AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "INTERCREDITOR AGREEMENT"), AMONG NOVELIS INC., AV MINERALS (NETHERLANDS) N.V. (AS SUCCESSOR IN INTEREST TO AV METALS INC.) ("HOLDINGS"), THE OTHER SUBSIDIARIES OF HOLDINGS OR NOVELIS INC. FROM TIME TO TIME PARTY THERETO, WELLS FARGO BANK, NATIONAL ASSOCIATION, AS ADMINISTRATIVE AGENT FOR THE REVOLVING CREDIT LENDERS (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (AS SUCCESSOR TO BANK OF AMERICA, N.A. PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF MAY 13, 2013), WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT FOR THE REVOLVING CREDIT CLAIMHOLDERS (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (AS SUCCESSOR TO BANK OF AMERICA, N.A. PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF MAY 13, 2013), STANDARD CHARTERED BANK, AS ADMINISTRATIVE AGENT FOR THE PARI PASSU SECURED PARTIES (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF JANUARY 13, 2017), STANDARD CHARTERED BANK, AS COLLATERAL AGENT FOR THE PARI PASSU SECURED PARTIES (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF JANUARY 13, 2017), AND CERTAIN OTHER PERSONS WHICH MAY BE OR BECOME PARTIES THERETO OR BECOME BOUND THERETO FROM TIME TO TIME. IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE PROVISIONS OF THE INTERCREDITOR AGREEMENT AND THIS DEED, THE PROVISIONS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL.

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AGREEMENT.....10

THIS DEED is dated _____ 2024

BETWEEN:

- (1) **NOVELIS UK LTD** (registered number 00279596) with its registered office at Latchford Locks Works, Thelwall Lane, Warrington, Cheshire, WA4 1NN (**Novelis UK**);
- (2) **NOVELIS SERVICES LIMITED** (registered number 06628654) with its registered office at Latchford Locks Works, Thelwall Lane, Warrington, Cheshire, WA4 1NN (**Novelis Services**);
- (3) **NOVELIS EUROPE HOLDINGS LIMITED** (registered number 05308334) with its registered office at Latchford Locks Works, Thelwall Lane, Warrington, Cheshire, WA4 1NN (**Novelis Europe** and together with Novelis UK and Novelis Services, the **Chargors**); and
- (4) **WELLS FARGO BANK, NATIONAL ASSOCIATION** as collateral agent and trustee for the Secured Parties (as defined in the Amended Credit Agreement (defined below)) (the **Collateral Agent**).

BACKGROUND:

- (A) This Deed is supplemental to and amends the Existing Guarantee and Security Agreements.
- (B) This Deed is entered into in connection with Amendment No. 12.
- (C) It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

Unless otherwise defined in this Deed, terms defined in the Amended Credit Agreement shall have the same meaning when used in this Deed.

Additionally, in this Deed (including its Recitals):

2022 Refinancing Amendment means Amendment No. 10 to the Credit Agreement dated as of August 18, 2022 between, among others, the Borrowers, Holdings, the other Loan Parties, the Administrative Agent, the Collateral Agent, the U.S. Swingline Lender, the European Swingline Lender, the Issuing Banks and the Lenders party thereto.

Amended Credit Agreement means the Existing Credit Agreement as amended by Amendment No. 12 and as otherwise amended, restated, supplemented, novated or otherwise modified from time to time.

Amended Guarantee and Security Agreements means the Existing Guarantee and Security Agreements as amended by this Deed.

Amendment No. 11 means Amendment No. 11 to the Credit Agreement dated as of March 31, 2023 between, among others, the Borrowers, Holdings, the other Loan Parties, the Administrative Agent, the Collateral Agent, the U.S. Swingline Lender, the European Swingline Lender, the Issuing Banks, and the Lenders party thereto.

Amendment No. 12 means Amendment No. 12 to the Credit Agreement dated on or around the date of this Deed between, among others, the Borrowers, Holdings, the other Loan Parties, the Administrative Agent, the Collateral Agent, the U.S. Swingline Lender, the European Swingline Lender, the Issuing Banks and the Lenders party thereto.

Effective Date means the date of this Deed.

Existing Credit Agreement means that certain second amended and restated credit agreement dated as of October 6, 2014 (as amended prior to the date hereof, and as further amended by the 2022 Refinancing Amendment and Amendment No. 11) between, among others, the Borrowers, Holdings, the other Loan Parties, the Administrative Agent, the Collateral Agent the U.S. Swingline Lender, the European Swingline Lender, the Issuing Banks and the Lenders from time to time party thereto.

Existing Guarantee and Security Agreements means the Original Guarantee and Security Agreement and the Supplemental Guarantee and Security Agreement.

Existing Security means the Security Interests created, evidenced or conferred by or under the Existing Guarantee and Security Agreements.

Intercreditor Agreement has the meaning given to that term on the cover page of this Deed.

Original Guarantee and Security Agreement means the Guarantee and Security Agreement dated 13 May 2013 between the Chargors as original chargors and the Collateral Agent.

Party means a party to this Deed.

Receiver means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed and that term will include any appointee under a joint and/or several appointment.

Secured Obligations has the meaning given to that term in the Amended Credit Agreement.

Secured Party has the meaning given to that term in the Amended Credit Agreement.

Security Interest means any mortgage, pledge, lien, charge (fixed or floating), assignment, hypothecation, set-off or trust arrangement for the purpose of creating security, reservation of title or security interest or any other agreement or arrangement having a similar effect.

Supplemental Guarantee and Security Agreement means the Guarantee and Security Agreement dated 18 August 2022 between the Chargors as chargors and the Collateral Agent.

1.2 Construction

In this Deed (including its Recitals):

- (a) an **agreement** includes any legally binding arrangement, agreement, contract, deed or instrument (in each case whether oral or written);
- (b) an **amendment** includes any amendment, supplement, variation, waiver, novation, modification, replacement or restatement (however fundamental) and **amend** and **amended** shall be construed accordingly;
- (c) **assets** includes properties, assets, businesses, undertakings, revenues and rights of every kind (including uncalled share capital), present or future, actual or contingent, and any interest in any of the above;
- (d) **including** means including without limitation and **includes** and **included** shall be construed accordingly;
- (e) a **person** includes any individual, trust, firm, fund, company, corporation, partnership, joint venture, government, state or agency of a state or any undertaking or other association (whether or not having separate legal personality) or any two or more of the foregoing;
- (f) unless a contrary intention appears:
 - (i) a reference to any person includes a reference to that person's permitted successors, assignees and transferees and, in the case of the Collateral Agent or the Administrative Agent, any person for the time being appointed as Collateral Agent or Administrative Agent (as appropriate) in accordance with the Loan Documents, and in the case of the Collateral Agent and any Receiver, any Delegate of the Collateral Agent or Receiver (as appropriate);
 - (ii) references to Clauses, Subclauses and the Schedule are references to, respectively, clauses and subclauses of and the schedule to this Deed and references to this Deed include the Schedule;
 - (iii) a reference to (or to any specified provision of) any agreement is to that agreement (or that provision) as amended, restated or otherwise modified from time to time;
 - (iv) a reference to a statute, statutory instrument or provision of law is to that statute, statutory instrument or provision of law, as it may be applied, amended or re-enacted from time to time;

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(v) the index to and the headings in this Deed are for convenience only and are to be ignored in construing this Deed; and

(vi) words imparting the singular include the plural and vice versa; and

(g) this Deed is a Loan Document.

1.3 Third Party Rights

The provisions of clause 1.3 (*Third Party Rights*) of the Original Guarantee and Security Agreement are hereby incorporated, mutatis mutandis, and shall apply to this Deed as if set forth herein, provided that references to "this Deed" are to be construed as references to this Deed.

1.4 Conflict with the provisions of this Deed

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE LIEN AND SECURITY INTEREST GRANTED TO THE COLLATERAL AGENT, FOR THE BENEFIT OF THE SECURED PARTIES, PURSUANT TO THE EXISTING GUARANTEE AND SECURITY AGREEMENTS AND THE EXERCISE OF ANY RIGHT OR REMEDY BY THE COLLATERAL AGENT AND THE OTHER SECURED PARTIES HEREUNDER AND THEREUNDER ARE SUBJECT TO THE PROVISIONS OF THE INTERCREDITOR AGREEMENT. IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE PROVISIONS OF THE INTERCREDITOR AGREEMENT AND THIS DEED, THE PROVISIONS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL. EXCEPT AS PROVIDED FOR IN THIS PARAGRAPH, NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE AMENDED CREDIT AGREEMENT, SHALL GOVERN AND CONTROL THE EXERCISE OF REMEDIES BY COLLATERAL AGENT.

WITHOUT PREJUDICE TO THE ABOVE, IN THE EVENT OF A DIRECT CONFLICT BETWEEN THE TERMS AND PROVISIONS CONTAINED IN THIS DEED AND THE TERMS AND PROVISIONS CONTAINED IN THE AMENDED CREDIT AGREEMENT, IT IS THE INTENTION OF THE PARTIES HERETO THAT SUCH TERMS AND PROVISIONS IN SUCH DOCUMENTS SHALL BE READ TOGETHER AND CONSTRUED, TO THE FULLEST EXTENT POSSIBLE, TO BE IN CONCERT WITH EACH OTHER. IN THE EVENT OF ANY ACTUAL, IRRECONCILABLE CONFLICT THAT CANNOT BE RESOLVED AS AFORESAID, THE TERMS AND PROVISIONS OF THE AMENDED CREDIT AGREEMENT SHALL CONTROL AND GOVERN.

2. AMENDMENTS

2.1 Amendments

(a) The Original Guarantee and Security Agreement will be amended, with effect on and from the Effective Date, as set out in the Schedule and so that reference in the Original Guarantee and Security Agreement to "this Deed" or similar references will be read as references to the Original Guarantee and Security Agreement as amended by this Deed.

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- (b) Pursuant to paragraph (m)(iii) of clause 1.2 (*Construction*) and clause 6 (*Incorporation of Terms from Existing Guarantee and Security Agreement*) of the Supplemental Guarantee and Security Agreement, as a result of the amendments made by Paragraph (a) above, the Supplemental Guarantee and Security Agreement will be amended, with effect on and from the Effective Date, so that reference in the Supplemental Guarantee and Security Agreement to "the Existing Guarantee and Security Agreement" or similar references will be read as references to the Original Guarantee and Security Agreement as amended by this Deed.

3. REPRESENTATIONS AND UNDERTAKINGS

3.1 Representations

- (a) Each Chargor represents and warrants to each Secured Party that:
- (i) it has the power, authority and capacity to enter into and perform, and has taken all necessary action to authorise the entry into and performance of, this Deed and the transactions contemplated by this Deed;
 - (ii) this Deed is its legal, valid and binding obligation and is enforceable against it in accordance with its terms;
 - (iii) the entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:
 - (1) any material requirement of law applicable to it;
 - (2) its constitutional documents; or
 - (3) except for any conflict which could not reasonably be expected to have a Material Adverse Effect, any contractual obligation which is binding on it or any of its assets; and
 - (iv) all authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Deed have been obtained or effected (as appropriate) and are in full force and effect.
- (b) The representations and warranties set out in this Deed (including in this Clause) are made by each Chargor on the Effective Date.

3.2 Further assurance

Each Chargor shall, at its own expense, promptly upon the request of the Collateral Agent, execute and do all other acts, assurances and things as the Collateral Agent may reasonably require for the purpose of giving effect to the provisions of this Deed.

4. GUARANTEE AND SECURITY CONFIRMATION

4.1 Confirmation

With effect on and from the Effective Date, each Chargor:

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- (a) confirms its acceptance of the terms of each of the Amended Guarantee and Security Agreements;
- (b) agrees that it is bound by the terms of each of the Amended Guarantee and Security Agreements;
- (c) confirms that the covenant to pay, all guarantees and all of its other obligations under, and all terms of, the Amended Guarantee and Security Agreements:
 - (i) continue in full force and effect on the terms of each of the Amended Guarantee and Security Agreements; and
 - (ii) extend to the Secured Obligations;
- (d) confirms that:
 - (i) the Existing Security extends to the Secured Obligations; and
 - (ii) the Existing Security continues in full force and effect on the terms of each of the Amended Guarantee and Security Agreements,

notwithstanding (A) the amendments to the Existing Credit Agreement effected by Amendment No. 12, (B) the amendments to the Existing Guarantee and Security Agreements effected by this Deed, (C) any other additions, amendments, novation, substitution or supplements of or to the Existing Credit Agreement or the Existing Guarantee and Security Agreements and/or (D) the imposition of any amended, new or more onerous obligations under the Amended Credit Agreement or the Amended Guarantee and Security Agreements in relation to the Loan Parties.

4.2 No new Security Interest

No part of this Deed is intended to or will create a registrable Security Interest.

5. ELECTRONIC SIGNATURES AND COUNTERPARTS

- (a) Each Party hereby:
 - (i) agrees that this Deed and any notices delivered under this Deed, may be executed by means of an electronic signature, an original manual signature, or a faxed, scanned, or photocopied manual signature;
 - (ii) agrees that each electronic signature or faxed, scanned, or photocopied manual signature is intended to authenticate this writing and shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature; and
 - (iii) agrees and undertakes not to argue that the execution of this Deed was invalid, lacking in legal effect or inadmissible in evidence by reason of the use of electronic signatures or faxed, scanned, or photocopied manual signatures.

For the purposes of this Deed, "*electronic signature*" includes any electronic sound, symbol, or process attached to or logically associated with a record and

executed and adopted by a Party with the intent to sign such record, including facsimile and email electronic signatures.

- (b) The Collateral Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Deed or on any notice delivered to the Collateral Agent under this Deed.
- (c) This Deed may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument. Delivery of an executed counterpart of a signature page of this Deed and any notices as set forth herein will be as effective as delivery of a manually executed counterpart of the Deed or notice.

6. NOTICES

6.1 Communications in Writing

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by letter or email.

6.2 Addresses

- (a) Any notice or other communication herein required or permitted to be given to a party to this Deed shall be sent to the relevant party's address set out in paragraph (b) or as set forth in the Amended Credit Agreement or any substitute address, email address, department or officer as the relevant party may notify to the Collateral Agent (or the Collateral Agent may notify to the other parties, if a change is made by the Collateral Agent) by not less than five business days' notice.
- (b) For the purposes of paragraph (a), the address of each Chargor shall be:

Novelis Europe Holdings Limited
Latchford Locks Works
Thelwell Lane
Warrington
Cheshire
United Kingdom
Attention: Mr Alan Sweeney

Email address: tony.lucido@novelis.adityabirla.com
Attention: Legal Department

with a copy to –

Novelis AG
Sternenfeldstrasse 19
CH 8700 Küsnacht ZH
Switzerland
Attention: Legal Department

6.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of letter, when it has been left at the relevant address or, as the case may be, five days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or
 - (ii) if by way of email, when received in accordance with the Amended Credit Agreement.
- (b) Any communication or document to be made or delivered to the Collateral Agent under or in connection with this Deed shall be effective only when actually received by the Collateral Agent and then only if it is expressly marked for the attention of the department or officer identified with the Collateral Agent's communication details (or any substitute department or officer as the Collateral Agent shall specify for this purpose).

6.4 Notification of address and email address

The Collateral Agent shall notify the other Parties promptly upon receipt of any notification of change of address or email address or upon changing its own address or email address pursuant to this Clause.

7. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

8. ENFORCEMENT

8.1 Jurisdiction

- (a) The English courts have exclusive jurisdiction to settle any dispute in connection with this Deed, save that the Collateral Agent (and only the Collateral Agent) has the right to have any dispute settled by the courts of the State of New York, in which case the courts of the State of New York have exclusive jurisdiction in respect of that dispute, and any proceedings before the English courts in respect of that dispute shall be stayed with immediate effect.
- (b) The English courts are the most appropriate and convenient courts to settle any such dispute in connection with this Deed, save that, if the Collateral Agent invokes the jurisdiction of the New York courts in respect of any dispute, the courts of the State of New York are the most appropriate and convenient courts to settle such dispute, even if the jurisdiction of the English Courts has already been seised. Each Chargor agrees not to argue to the contrary and waives objection to the provisions of this Clause on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Deed.
- (c) This Clause is for the benefit of the Secured Parties only. To the extent allowed by law, a Secured Party may take:
 - (i) proceedings in any other court; and

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(ii) concurrent proceedings in any number of jurisdictions.

(d) References in this Clause to a dispute in connection with this Deed include any dispute as to the existence, validity or termination of this Deed.

8.2 Waiver of immunity

Each Chargor irrevocably and unconditionally:

- (a) agrees not to claim any immunity from proceedings brought by a Secured Party against it in relation to this Deed and to ensure that no such claim is made on its behalf;
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings; and
- (c) waives all rights of immunity in respect of it or its assets.

8.3 Waiver of trial by jury

EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION IN CONNECTION WITH THIS DEED OR ANY TRANSACTION CONTEMPLATED BY THIS DEED. THIS DEED MAY BE FILED AS A WRITTEN CONSENT TO TRIAL BY THE COURT.

This Deed has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE

AMENDMENTS TO ORIGINAL GUARANTEE AND SECURITY AGREEMENT

On and from the Effective Date, Clause 7.2 (*Certificated Investments*) of the Original Guarantee and Security Agreement shall be deleted in full and replaced with the following wording:

"(a) Each Chargor must:

- (i) deposit with the Collateral Agent, or as the Collateral Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to any Investment, immediately in respect of any Investment subject to this Security on the date of this Deed and thereafter, within 30 days (or such shorter period as noted below) following the acquisition by, or the issue to, that Chargor of any certificated Investment; this includes:
 - (1) delivering, within such 30 day period, executed and (unless exempt from stamp duty), pre-stamped share transfers in favour of the Collateral Agent or any of its nominees as transferee or, if the Collateral Agent so directs, with the transferee left blank;
 - (2) delivering, within such 30 day period, share certificates in the name of the Chargor to the Collateral Agent; and
 - (3) procuring, within 5 days following the acquisition by, or the issue to, that Chargor of such certificated Investment, that those share transfers are registered by the Charged Company in which the Investments are held in the share register of that Charged Company, and delivering a copy of the same to the Collateral Agent within such 30 day period; and
- (ii) take any action and execute and deliver to the Collateral Agent any share transfer or other document which may be requested by the Collateral Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to that Investment.

(b) Without prejudice to Clause 12.1 (*Timing*) of this Deed, the Collateral Agent may, at any time, complete the instruments of transfer on behalf of the Chargor in favour of itself or such other person as it shall select."

SIGNATORIES

(AMENDMENT DEED RELATING TO THE EXISTING GUARANTEE AND SECURITY AGREEMENTS)

Chargors

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SIGNED as a Deed by Gregg Murphey

.....Attorney

NOVELIS UK LTD acting by its attorney in the presence of a witness:

_____ Signature of witness

_____ Name of witness

_____ Address of witness

_____ Occupation of witness

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SIGNED as a Deed by Gregg Murphey

.....Attorney

NOVELIS SERVICES LIMITED acting by its attorney in the presence of a witness:

_____ Signature of witness

_____ Name of witness

_____ Address of witness

_____ Occupation of witness

[Signature Page - Amendment Deed - Guarantee and Security Agreement (ABL)]

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SIGNED as a Deed by Gregg Murphey

.....Attorney

NOVELIS EUROPE HOLDINGS LIMITED acting by its attorney in the presence of a witness:

_____ Signature of witness

_____ Name of witness

_____ Address of witness

_____ Occupation of witness

The Collateral Agent

SIGNED as a deed by

WELLS FARGO BANK, NATIONAL ASSOCIATION

in its capacity as Collateral Agent

acting by director:

Name:

[Signature Page - Amendment Deed - Guarantee and Security Agreement (ABL)]

Dated _____ 2024

Between

NOVELIS INC.

as Chargor

and

WELLS FARGO BANK, NATIONAL ASSOCIATION

as Collateral Agent

AMENDMENT DEED

**RELATING TO
THE EXISTING SHARE MORTGAGES (AS DEFINED HEREIN)**

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE LIEN AND SECURITY INTEREST GRANTED TO THE COLLATERAL AGENT FOR THE BENEFIT OF THE SECURED PARTIES, PURSUANT TO THE EXISTING SHARE MORTGAGES (AS DEFINED IN THIS DEED) AND THE EXERCISE OF ANY RIGHT OR REMEDY BY THE COLLATERAL AGENT HEREUNDER AND THEREUNDER ARE SUBJECT TO THAT CERTAIN INTERCREDITOR AGREEMENT, DATED AS OF DECEMBER 17, 2010 (AS AMENDED, RESTATED, AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "INTERCREDITOR AGREEMENT"), AMONG NOVELIS INC., AV MINERALS (NETHERLANDS) N.V. (AS SUCCESSOR IN INTEREST TO AV METALS INC.) ("HOLDINGS"), THE OTHER SUBSIDIARIES OF HOLDINGS OR NOVELIS INC. FROM TIME TO TIME PARTY THERETO, WELLS FARGO BANK, NATIONAL ASSOCIATION, AS ADMINISTRATIVE AGENT FOR THE REVOLVING CREDIT LENDERS (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (AS SUCCESSOR TO BANK OF AMERICA, N.A. PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF MAY 13, 2013), WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT FOR THE REVOLVING CREDIT CLAIMHOLDERS (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (AS SUCCESSOR TO BANK OF AMERICA, N.A. PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF MAY 13, 2013), STANDARD CHARTERED BANK, AS ADMINISTRATIVE AGENT FOR THE PARI PASSU SECURED PARTIES (AS DEFINED IN THE INTERCREDITOR AGREEMENT), (PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF JANUARY 13, 2017), STANDARD CHARTERED BANK, AS COLLATERAL AGENT FOR THE PARI PASSU SECURED PARTIES (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF JANUARY 13, 2017) AND CERTAIN OTHER PERSONS WHICH MAY BE OR BECOME PARTIES THERETO OR BECOME BOUND THERETO FROM TIME TO TIME. IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE PROVISIONS OF THE INTERCREDITOR AGREEMENT AND THIS DEED, THE PROVISIONS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL.

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THIS DEED is dated _____ 2024

BETWEEN:

- (5) **NOVELIS INC.**, a corporation amalgamated under the Canada Business Corporations Act (the **Chargor**); and
- (6) **WELLS FARGO BANK, NATIONAL ASSOCIATION** as collateral agent and trustee for the Secured Parties (as defined in the Amended Credit Agreement (defined below)) (the **Collateral Agent**).

BACKGROUND:

- (D) This Deed is supplemental to and amends the Existing Share Mortgages.
- (E) This Deed is entered into in connection with Amendment No. 12.
- (F) It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

Unless otherwise defined in this Deed, terms defined in the Amended Credit Agreement shall have the same meaning when used in this Deed.

Additionally, in this Deed (including its Recitals):

2022 Refinancing Amendment means Amendment No. 10 to the Credit Agreement dated as of August 18, 2022 between, among others, the Borrowers, Holdings, the other Loan Parties, the Administrative Agent, the Collateral Agent, the U.S. Swingline Lender, the European Swingline Lender, the Issuing Banks, and the Lenders party thereto.

Amended Credit Agreement means the Existing Credit Agreement as amended by Amendment No. 12 and as otherwise amended, restated, supplemented, novated or otherwise modified from time to time.

Amended Share Mortgages means the Existing Share Mortgages as amended by this Deed.

Amendment No. 11 means Amendment No. 11 to the Credit Agreement dated as of March 31, 2023 between, among others, the Borrowers, Holdings, the other Loan Parties, the Administrative Agent, the Collateral Agent, the U.S. Swingline Lender, the European Swingline Lender, the Issuing Banks, and the Lenders party thereto.

Amendment No. 12 means Amendment No. 12 to the Credit Agreement dated on or around the date of this Deed between, among others, the Borrowers, Holdings, the other Loan Parties, the Administrative Agent, the Collateral Agent, the U.S. Swingline Lender, the European Swingline Lender, the Issuing Banks and the Lenders party thereto.

Effective Date means the date of this Deed.

Existing Credit Agreement means that certain second amended and restated credit agreement governed by the laws of the State of New York, dated as of October 6, 2014 (as amended prior to the date hereof, and as further amended by the 2022 Refinancing Amendment and Amendment No. 11) between, among others, the Borrowers, Holdings, the other Loan Parties, the Administrative Agent, the Collateral Agent, the U.S. Swingline Lender, the European Swingline Lender, the Issuing Banks and the Lenders from time to time party thereto.

Existing Security means the Security Interests created, evidenced or conferred by or under the Existing Share Mortgages.

Existing Share Mortgages means the Original Share Mortgage and the Supplemental Share Mortgage.

Intercreditor Agreement has the meaning given to that term on the cover page of this Deed.

Original Share Mortgage means the Share Mortgage dated 13 May 2013 between the Chargor as chargor and the Collateral Agent.

Party means a party to this Deed.

Receiver means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed and that term will include any appointee under a joint and/or several appointment.

Secured Obligations has the meaning given to that term in the Amended Credit Agreement.

Secured Party has the meaning given to that term in the Amended Credit Agreement.

Security Interest means any mortgage, pledge, lien, charge (fixed or floating), assignment, hypothecation, set-off or trust arrangement for the purpose of creating security, reservation of title or security interest or any other agreement or arrangement having a similar effect.

Supplemental Share Mortgage means the Supplemental Share Mortgage dated 18 August 2022 between the Chargor as chargor and the Collateral Agent.

1.2 Construction

In this Deed (including its Recitals):

- (a) an **agreement** includes any legally binding arrangement, agreement, contract, deed or instrument (in each case whether oral or written);
- (b) an **amendment** includes any amendment, supplement, variation, waiver, novation, modification, replacement or restatement (however fundamental) and **amend** and **amended** shall be construed accordingly;
- (c) **assets** includes properties, assets, businesses, undertakings, revenues and rights of every kind (including uncalled share capital), present or future, actual or contingent, and any interest in any of the above;
- (d) **including** means including without limitation and **includes** and **included** shall be construed accordingly;
- (e) a **person** includes any individual, trust, firm, fund, company, corporation, partnership, joint venture, government, state or agency of a state or any undertaking or other association (whether or not having separate legal personality) or any two or more of the foregoing;
- (f) unless a contrary intention appears:
 - (i) a reference to any person includes a reference to that person's permitted successors, assignees and transferees and, in the case of the Collateral Agent or the Administrative Agent, any person for the time being appointed as Collateral Agent or Administrative Agent (as appropriate) in accordance with the Loan Documents, and in the case of the Collateral Agent and any Receiver, any Delegate of the Collateral Agent or Receiver (as appropriate);
 - (ii) references to Clauses, Subclauses and the Schedule are references to, respectively, clauses and subclauses of and the schedule to this Deed and references to this Deed include the Schedule;
 - (iii) a reference to (or to any specified provision of) any agreement is to that agreement (or that provision) as amended, restated or otherwise modified from time to time;
 - (iv) a reference to a statute, statutory instrument or provision of law is to that statute, statutory instrument or provision of law, as it may be applied, amended or re-enacted from time to time;
 - (v) the index to and the headings in this Deed are for convenience only and are to be ignored in construing this Deed; and
 - (vi) words imparting the singular include the plural and vice versa; and
- (g) this Deed is a Loan Document.

1.3 Third Party Rights

The provisions of clause 1.3 (*Third Party Rights*) of the Original Share Mortgage are hereby incorporated, mutatis mutandis, and shall apply to this Deed as if set forth herein, provided that references to "this Deed" are to be construed as references to this Deed.

1.4 Conflict with the provisions of this Deed.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE LIEN AND SECURITY INTEREST GRANTED TO THE COLLATERAL AGENT, FOR THE BENEFIT OF THE SECURED PARTIES, PURSUANT TO THE EXISTING SHARE MORTGAGES AND THE EXERCISE OF ANY RIGHT OR REMEDY BY THE COLLATERAL AGENT AND THE OTHER SECURED PARTIES HEREUNDER AND THEREUNDER ARE SUBJECT TO THE PROVISIONS OF THE INTERCREDITOR AGREEMENT. IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE PROVISIONS OF THE INTERCREDITOR AGREEMENT AND THIS DEED, THE PROVISIONS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL. EXCEPT AS PROVIDED FOR IN THIS PARAGRAPH, NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE AMENDED CREDIT AGREEMENT, SHALL GOVERN AND CONTROL THE EXERCISE OF REMEDIES BY COLLATERAL AGENT.

WITHOUT PREJUDICE TO THE ABOVE, IN THE EVENT OF A DIRECT CONFLICT BETWEEN THE TERMS AND PROVISIONS CONTAINED IN THIS DEED AND THE TERMS AND PROVISIONS CONTAINED IN THE AMENDED CREDIT AGREEMENT, IT IS THE INTENTION OF THE PARTIES HERETO THAT SUCH TERMS AND PROVISIONS IN SUCH DOCUMENTS SHALL BE READ TOGETHER AND CONSTRUED, TO THE FULLEST EXTENT POSSIBLE, TO BE IN CONCERT WITH EACH OTHER. IN THE EVENT OF ANY ACTUAL, IRRECONCILABLE CONFLICT THAT CANNOT BE RESOLVED AS AFORESAID, THE TERMS AND PROVISIONS OF THE AMENDED CREDIT AGREEMENT SHALL CONTROL AND GOVERN.

2. AMENDMENTS

2.1 Amendments

- (a) The Original Share Mortgage will be amended, with effect on and from the Effective Date, as set out in the Schedule and so that reference in the Original Share Mortgage to "this Deed" or similar references will be read as references to the Original Share Mortgage as amended by this Deed.
- (b) Pursuant to paragraph (m)(iii) of clause 1.2 (*Construction*) and clause 5 (*Incorporation of Terms from Existing Share Mortgage*) of the Supplemental Share Mortgage, as a result of the amendments made by Paragraph (a) above, the Supplemental Share Mortgage will be amended, with effect on and from the Effective Date, so that reference in the Supplemental Share Mortgage to

"the Existing Share Mortgage" or similar references will be read as references to the Original Share Mortgage as amended by this Deed.

3. REPRESENTATIONS AND UNDERTAKINGS

3.1 Representations

- (a) The Chargor represents and warrants to each Secured Party that:
 - (i) it has the power, authority and capacity to enter into and perform, and has taken all necessary action to authorise the entry into and performance of, this Deed and the transactions contemplated by this Deed;
 - (ii) this Deed is its legal, valid and binding obligation and is enforceable against it in accordance with its terms;
 - (iii) the entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:
 - (1) any material requirement of law applicable to it;
 - (2) its constitutional documents; or
 - (3) except for any conflict which could not reasonably be expected to have a Material Adverse Effect, any contractual obligation which is binding on it or any of its assets; and
 - (iv) all authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Deed have been obtained or effected (as appropriate) and are in full force and effect.
- (b) The representations and warranties set out in this Deed (including in this Clause) are made by the Chargor on the Effective Date.

3.2 Further assurance

The Chargor shall, at its own expense, promptly upon the request of the Collateral Agent, execute and do all other acts, assurances and things as the Collateral Agent may reasonably require for the purpose of giving effect to the provisions of this Deed.

4. SECURITY CONFIRMATION

4.1 Confirmation

With effect on and from the Effective Date, the Chargor:

- (a) confirms its acceptance of the terms of each of the Amended Share Mortgages;
- (b) agrees that it is bound by the terms of each of the Amended Share Mortgages;

- (c) confirms that the covenant to pay and all of its other obligations under, and all terms of, the Amended Share Mortgages:
 - (i) continue in full force and effect on the terms of each of the Amended Share Mortgages; and
 - (ii) extend to the Secured Obligations;
- (d) confirms that:
 - (i) the Existing Security extends to the Secured Obligations; and
 - (ii) the Existing Security continues in full force and effect on the terms of each of the Amended Share Mortgages,

notwithstanding (A) the amendments to the Existing Credit Agreement effected by Amendment No. 12, (B) the amendments to the Existing Share Mortgages effected by this Deed, (C) any other additions, amendments, novation, substitution or supplements of or to the Existing Credit Agreement or the Existing Share Mortgages and/or (D) the imposition of any amended, new or more onerous obligations under the Amended Credit Agreement or the Amended Share Mortgages in relation to the Loan Parties.

4.2 No new Security Interest

No part of this Deed is intended to or will create a registrable Security Interest.

5. ELECTRONIC SIGNATURES AND COUNTERPARTS

- (a) Each Party hereby:
 - (i) agrees that this Deed and any notices delivered under this Deed, may be executed by means of an electronic signature, an original manual signature, or a faxed, scanned, or photocopied manual signature;
 - (ii) agrees that each electronic signature or faxed, scanned, or photocopied manual signature is intended to authenticate this writing and shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature; and
 - (iii) agrees and undertakes not to argue that the execution of this Deed was invalid, lacking in legal effect or inadmissible in evidence by reason of the use of electronic signatures or faxed, scanned, or photocopied manual signatures.

For the purposes of this Deed, "*electronic signature*" includes any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a Party with the intent to sign such record, including facsimile and email electronic signatures.

- (b) The Collateral Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Deed or on any notice delivered to the Collateral Agent under this Deed.

- (c) This Deed may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument. Delivery of an executed counterpart of a signature page of this Deed and any notices as set forth herein will be as effective as delivery of a manually executed counterpart of the Deed or notice.

6. NOTICES

6.1 Communications in Writing

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by letter or email.

6.2 Addresses

Any notice or other communication herein required or permitted to be given to a party to this Deed shall be sent to the relevant party's address as set forth in the Amended Credit Agreement or any substitute address, email address, department or officer as the relevant party may notify to the Collateral Agent (or the Collateral Agent may notify to the Chargor, if a change is made by the Collateral Agent) by not less than five business days' notice.

6.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of letter, when it has been left at the relevant address or, as the case may be, five days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or
 - (ii) if by way of email, when received in accordance with the Amended Credit Agreement.
- (b) Any communication or document to be made or delivered to the Collateral Agent under or in connection with this Deed shall be effective only when actually received by the Collateral Agent and then only if it is expressly marked for the attention of the department or officer identified with the Collateral Agent's communication details (or any substitute department or officer as the Collateral Agent shall specify for this purpose).

6.4 Notification of address and email address

The Collateral Agent shall notify the Chargor promptly upon receipt of any notification of change of address or email address or upon changing its own address or email address pursuant to this Clause.

7. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

8. ENFORCEMENT

8.1 Jurisdiction

- (a) The English courts have exclusive jurisdiction to settle any dispute in connection with this Deed, save that the Collateral Agent (and only the Collateral Agent) has the right to have any dispute settled by the courts of the State of New York, in which case the courts of the State of New York have exclusive jurisdiction in respect of that dispute, and any proceedings before the English courts in respect of that dispute shall be stayed with immediate effect.
- (b) The English courts are the most appropriate and convenient courts to settle any such dispute in connection with this Deed, save that, if the Collateral Agent invokes the jurisdiction of the New York courts in respect of any dispute, the courts of the State of New York are the most appropriate and convenient courts to settle such dispute, even if the jurisdiction of the English Courts has already been seised. The Chargor agrees not to argue to the contrary and waives objection to the provisions of this Clause on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Deed.
- (c) This Clause is for the benefit of the Secured Parties only. To the extent allowed by law, a Secured Party may take:
 - (i) proceedings in any other court; and
 - (ii) concurrent proceedings in any number of jurisdictions.
- (d) References in this Clause to a dispute in connection with this Deed include any dispute as to the existence, validity or termination of this Deed.

8.2 Service of process

- (a) The Chargor appoints Novelis Europe Holdings Limited, a company registered in England and Wales with registered number 05308334, as its agent under this Deed for service of process in any proceedings before the English courts in connection with this Deed and will procure that Novelis Europe Holdings Limited accepts such appointment.
- (b) If any person appointed as process agent under this Clause is unable for any reason to so act, the Chargor must immediately (and in any event within 14 days of such event taking place) appoint another agent on terms acceptable to the Collateral Agent. Failing this, the Collateral Agent may appoint another process agent for this purpose.
- (c) The Chargor agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings.
- (d) This Subclause does not affect any other method of service allowed by law.

8.3 Waiver of immunity

The Chargor irrevocably and unconditionally:

- (a) agrees not to claim any immunity from proceedings brought by a Secured Party against it in relation to this Deed and to ensure that no such claim is made on its behalf;
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings; and
- (c) waives all rights of immunity in respect of it or its assets.

8.4 Waiver of trial by jury

EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION IN CONNECTION WITH THIS DEED OR ANY TRANSACTION CONTEMPLATED BY THIS DEED. THIS DEED MAY BE FILED AS A WRITTEN CONSENT TO TRIAL BY THE COURT.

This Deed has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE

AMENDMENTS TO ORIGINAL SHARE MORTGAGE

On and from the Effective Date, Clause 5.1 (*Certificated Charged Shares*) of the Original Share Mortgage shall be deleted in full and replaced with the following wording:

"(a) The Chargor must:

- (i) deposit with the Collateral Agent, or as the Collateral Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to any Charged Share, immediately in respect of any Charged Share subject to this Security on the date of this Deed and thereafter, within 30 days (or such shorter period as noted below) following the acquisition by, or the issue to, that Chargor of any certificated Charged Share; this includes:
 - (1) delivering, within such 30 day period, executed and (unless exempt from stamp duty), pre-stamped share transfers in favour of the Collateral Agent or any of its nominees as transferee or, if the Collateral Agent so directs, with the transferee left blank;
 - (2) delivering, within such 30 day period, share certificates in the name of the Chargor to the Collateral Agent; and
 - (3) procuring, within 5 days following the acquisition by, or the issue to, that Chargor of such certificated Charged Share, that those share transfers are registered by the Charged Company in which the Charged Shares are held in the share register of that Charged Company, and delivering a copy of the same to the Collateral Agent within such 30 day period; and
- (ii) take any action and execute and deliver to the Collateral Agent any share transfer or other document which may be requested by the Collateral Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to that Charged Share.

(b) Without prejudice to Clause 6.1 (*Timing*) of this Deed, the Collateral Agent may, at any time, complete the instruments of transfer on behalf of the Chargor in favour of itself or such other person as it shall select."

SIGNATORIES

(AMENDMENT DEED RELATING TO THE EXISTING SHARE MORTGAGES)

The Chargor

Executed as a deed by

NOVELIS INC. acting by)

Gregg Murphey)

..... Attorney

The Collateral Agent

SIGNED as a deed by
WELLS FARGO BANK, NATIONAL ASSOCIATION
in its capacity as Collateral Agent
acting by director:

Name:

[Signature Page - Amendment Deed - Share Mortgage (ABL)]

AMENDMENT TO INTERCREDITOR AGREEMENT

This CONSENT TO INTERCREDITOR AGREEMENT (this “**Amendment**”) is made as of , 2024, by and among Wells Fargo Bank, National Association, as Administrative Agent to the Revolving Credit Lenders (as defined in the Intercreditor Agreement, as defined below) (in such capacity, the “**Revolving Credit Administrative Agent**”), Wells Fargo Bank, National Association, as Collateral Agent for the Revolving Credit Claimholders (as defined in the Intercreditor Agreement, as defined below) (in such capacity, the “**Revolving Credit Collateral Agent**”), Standard Chartered Bank, as Administrative Agent for the Term Loan Lenders (as defined in the Intercreditor Agreement, as defined below) (in such capacity, the “**Term Loan Administrative Agent**”) and Standard Chartered Bank, as Collateral Agent for the Term Loan Secured Parties (as defined in the Intercreditor Agreement, as defined below) (in such capacity, the “**Term Loan Collateral Agent**”).

RECITALS

WHEREAS, the Revolving Credit Administrative Agent, the Revolving Credit Collateral Agent, the Term Loan Administrative Agent and the Term Loan Collateral Agent are parties to that certain Intercreditor Agreement, dated as of December 17, 2010 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “**Intercreditor Agreement**”), among, *inter alia* Novelis Inc., AV Minerals (Netherlands) N.V., the subsidiaries of Novelis Inc. from time to time party thereto, and certain other persons which may be or become parties thereto or become bound thereto from time to time (unless otherwise defined herein, capitalized terms used herein shall have the same meanings as given to such terms in the Intercreditor Agreement); and

WHEREAS, the parties hereto have agreed to amend the Intercreditor Agreement as set forth herein.

NOW THEREFORE, in consideration of the provisions set forth herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree, as follows:

1. **Amendment to Intercreditor Agreement**. Subject to the terms and conditions set forth herein, effective as of the Amendment Effective Date (as defined below), Section 11.9 of the Intercreditor Agreement is hereby amended and restated as follows:

“11.9 **Notices**. All notices to the Revolving Credit Claimholders permitted or required under this Agreement shall be sent to the Revolving Credit Agents, on

behalf of the Revolving Credit Claimholders (and the Revolving Credit Agents shall distribute such notices to the other Revolving Credit Claimholders). All notices to the Pari Passu Secured Parties permitted or required under this Agreement shall be sent to the Pari Passu Representatives, on behalf of the Pari Passu Secured Parties (and the Pari Passu Representatives shall distribute such notices to the other Pari Passu Secured Parties). All notices to the Subordinated Lien Secured Parties permitted or required under this Agreement shall be sent to the Subordinated Lien Representatives on behalf of the Subordinated Lien Secured Parties (and the Subordinated Lien Representatives for further distribution to the other Subordinated Lien Secured Parties). Unless otherwise specifically provided herein, any notice hereunder shall be in writing and may be personally served, or sent by telefacsimile or United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile, or three Business Days after depositing it in the United States mail with postage prepaid and properly addressed.

For the purposes hereof, the addresses of the parties hereto shall be as set forth below each party's name on the signature pages hereto, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties.

In addition, any notice hereunder may be sent by e-mail, in which case notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient. In addition, any designation of a person as a "Secured Hedge Provider" in a notice to the Term Loan Agents as contemplated by clause (ii)(B) of the definition of Secured Hedge Provider may be sent in accordance with the notice provisions of the Term Loan Credit Agreement (or if the Discharge of Term Loan Secured Obligations has occurred, to any other Pari Passu Representative)."

2. Conditions Precedent to Effectiveness. This Amendment shall become effective as of the first date (the "**Amendment Effective Date**") on which each of the following conditions precedent shall have been satisfied:

(a) Executed Amendment. Each party hereto shall have received this Amendment, duly executed by each party hereto.

(b) Executed Credit Agreement Amendments. The Revolving Credit Administrative Agent shall have received an executed copy of Amendment No. 12 to Second

Amended and Restated Credit Agreement, and the Amendment Effective Date (as defined therein) shall have occurred, and the Term Loan Administrative Agent shall have received an executed copy of Amendment No. 8 to Credit Agreement and Amendment to U.S. Security Agreement, and the Amendment Effective Date (as defined therein) shall have occurred.

3. Governing Law, Consent to Jurisdiction and Service of Process; Waiver of Jury Trial. Sections 11.6 through 11.8 of the Intercreditor Agreement are hereby incorporated by reference, *mutatis mutandis*, as if a part hereof.

4. Counterparts.

(c) This Amendment and any notices delivered under this Amendment, may be executed by means of (a) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, or any other relevant and applicable electronic signatures law; (b) an original manual signature; or (c) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Amendment or on any notice delivered to such party under this Amendment.

(d) This Amendment and any notices delivered under this Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Receipt by the parties hereto of a facsimile copy or electronic image scan transmission (e.g., PDF via electronic email) of an executed signature page and any notices as set forth herein shall constitute receipt by such party and shall be as effective as delivery of a manually executed counterpart of the Amendment or notice.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Consent Agreement to be duly executed by their respective officers or representatives as of the date first written above.

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Revolving Credit Administrative Agent and as Revolving Credit Collateral Agent, and in such capacity, as authorized representative of the Revolving Credit Claimholders

By: _____
Name: _____
Title: _____

[Signature Page to Amendment to the Intercreditor Agreement]

STANDARD CHARTERED BANK, as Term Loan Administrative Agent and as Term Loan Collateral Agent, and in such capacity, as authorized representative of the Term Loan Secured Parties

By: _____
Name: _____
Title: _____

[Signature Page to Amendment to the Intercreditor Agreement]

AMENDMENT NO. 8 TO CREDIT AGREEMENT AND AMENDMENT TO U.S. SECURITY AGREEMENT

dated as of April 30, 2024,

between

**NOVELIS INC.,
as Borrower of Tranche A-1 Term Loans,**

**NOVELIS ALR ALUMINUM HOLDINGS CORPORATION
(f/k/a Aleris Corporation),
as Co-Borrower of the Tranche A-2 Term Loans,**

**AV MINERALS (NETHERLANDS) N.V.,
as Holdings,**

THE OTHER LOAN PARTIES PARTY HERETO,

THE THIRD PARTY SECURITY PROVIDER,

and

**STANDARD CHARTERED BANK,
as Administrative Agent and as Collateral Agent**

and

the Lenders signatory hereto.

This AMENDMENT NO. 8 TO CREDIT AGREEMENT AND AMENDMENT TO U.S. SECURITY AGREEMENT (this “**Amendment**”), dated as of April 30, 2024, is entered into among NOVELIS INC., a corporation amalgamated under the Canada Business Corporations Act and having its corporate office at One Phipps Plaza, 3550 Peachtree Road Suite 1100, Atlanta, GA 30326, USA (“**Novelis Inc.**”), as Borrower, NOVELIS ALR ALUMINUM HOLDINGS CORPORATION (f/k/a Aleris Corporation), a Delaware corporation, as Co-Borrower of the Tranche A-2 Term Loans (“**ALR Aluminum**”), AV MINERALS (NETHERLANDS) N.V., a corporation organized under the laws of the Netherlands (“**Holdings**”), the other LOAN PARTIES (as defined in the Credit Agreement referred to below), NOVELIS ITALIA S.P.A. (the “**Third Party Security Provider**”), STANDARD CHARTERED BANK, being a company incorporated in England by Royal Charter 1853, with reference number ZC18 and whose registered office is 1 Basinghall Avenue, London EC2V 5DD, as administrative agent (in such capacity, and together with its successors in such capacity, “**Administrative Agent**”), and as collateral agent (in such capacity, and together with its successors in such capacity, “**Collateral Agent**”) under the Credit Agreement referred to below, and the lenders signatory hereto.

RECITALS

WHEREAS, Novelis Inc., ALR Aluminum, the other Loan Parties from time to time party thereto, the Administrative Agent, the Collateral Agent and the Lenders from time to time party thereto, entered into that certain Credit Agreement, dated as of January 10, 2017 (as amended, supplemented, restated or otherwise modified prior to the date hereof, the “**Credit Agreement**”; the Credit Agreement, as amended by this Amendment, the “**Amended Credit Agreement**”);

WHEREAS, Novelis Inc., ALR Aluminum, the other Loan Parties from time to time party thereto and the Collateral Agent, entered into that certain Security Agreement, dated as of January 13, 2017 (as amended, supplemented, restated or otherwise modified prior to the date hereof, the “**U.S. Security Agreement**”; the U.S. Security Agreement, as amended by this Amendment, the “**Amended U.S. Security Agreement**”);

WHEREAS, Novelis Inc. and the Collateral Agent entered into that certain Share Mortgage (Term Loan), dated as of January 13, 2017 (as amended, supplemented, restated or otherwise modified prior to the date hereof, the “**English Share Mortgage**”);

WHEREAS, Novelis UK Ltd, Novelis Services Limited, Novelis Europe Holdings Limited and the Collateral Agent, entered into that certain Guarantee and Security Agreement (Term Loan), dated as of January 13, 2017 (as amended, supplemented, restated or otherwise modified prior to the date hereof, the “**English Security Agreement**” and together with the English Share Mortgage, the “**Foreign Security Agreements**”);

WHEREAS, Novelis Inc. has requested amendments to the Credit Agreement, the U.S. Security Agreement, the Foreign Security Agreements and the Intercreditor Agreement as herein set forth;

WHEREAS, Novelis Inc., ALR Aluminum, the other Loan Parties, the Third Party Security Provider, the Administrative Agent, the Collateral Agent and the Lenders party hereto (which Lenders constitute the Required Lenders under the Credit Agreement), have agreed to amend the Credit Agreement, the U.S. Security Agreement and the Foreign Security Agreements on the terms and subject to the conditions herein provided;

WHEREAS, Novelis Inc., ALR Aluminum and the other Loan Parties party to the U.S. Security Agreement (collectively, the “**Reaffirming Parties**”, and each, a “**Reaffirming Party**”) have entered into or joined the U.S. Security Agreement in order to induce the Lenders to make Loans, and each Reaffirming Party desires to reaffirm the security interest granted pursuant to the Amended U.S. Security Agreement;

WHEREAS, the Reaffirming Parties expect to realize, or have realized, substantial direct and indirect benefits as a result of this Amendment becoming effective and the consummation of the transactions contemplated hereby;

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and obligations herein set forth and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, and in reliance upon the representations, warranties and covenants herein contained, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Amended Credit Agreement.

Section 2. Amendments; Authorization.

2.01 Subject to the terms and conditions set forth herein, effective as of the Amendment Effective Date (as defined below), the Credit Agreement is hereby amended as follows:

(i) The definition of “**Companies**” in Section 1.01 of the of the Credit Agreement is hereby amended and restated in its entirety as follows:

“**Companies**” shall mean Holdings (unless Holdings has been released as a Guarantor pursuant to Section 7.09(d)), the Designated Company, Holdings’ (or, if Holdings has been released as a Guarantor pursuant to Section 7.09(d), the Designated Company’s) Restricted Subsidiaries; and “Company” shall mean any one of them.

(ii) The definition of “**Dubai Guarantor**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“**Dubai Guarantor**” shall mean each Restricted Subsidiary of the Designated Company organized in any Permitted Dubai Freezone party hereto as a Guarantor, and each other Restricted Subsidiary of the Designated Company organized in any

Permitted Dubai Freezone that becomes a Guarantor pursuant to the terms hereof.”

(iii) The definition of “**Dubai Security Agreements**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

““**Dubai Security Agreements**” shall mean, collectively (i) any Security Agreements, including all subparts thereto, among any Dubai Guarantors (and such other Persons as may be party thereto) and the Collateral Agent for the benefit of the Secured Parties, (ii) each pledge agreement, mortgage, security agreement, guarantee or other agreement that is entered into by any Dubai Guarantor or any Person who is the holder of Equity Interests in any Dubai Guarantor in favor of the Collateral Agent and the Secured Parties and, in the case of an Assignment of Credits Agreement, also in favor of the Revolving Credit Collateral Agent and the secured parties under the Revolving Credit Agreement, and (iii) any other pledge agreement, mortgage, security agreement or other agreement entered into pursuant to the terms of the Loan Documents, in each case of clauses (i), (ii) and (iii), that is governed by the laws of the United Arab Emirates (or any subdivision thereof, including any Permitted Dubai Freezone), securing the Secured Obligations, and entered into pursuant to the terms of this Agreement or any other Loan Document, as the same may be amended, restated or otherwise modified from time to time.”

(iv) Clause (k) of the definition of “**Excluded Property**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(k) if the aggregate fair market value of Equipment located at the plant operated by Novelis do Brasil Ltda., at Av. Burity, 1.087, CEP 12441-270, Feital –Pindamonhangaba-SP, Brazil and acquired in connection with the expansion of such plant commencing in August 2022 (the “Specified Brazilian Expansion”) that is not pledged in favor of the Collateral Agent to secure the Secured Obligations is less than \$100,000,000, then such Equipment shall not be required to be so pledged until the earlier of (i) the date that is two years after the Amendment No. 8 Effective Date, and (ii) the date that the Companies complete or otherwise discontinue work on the expansion of such plant.

(v) The definition of “**Loan Parties**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

““**Loan Parties**” shall mean Holdings (unless Holdings has been released as a Guarantor pursuant to Section 7.09(d)), the Co-Borrowers, the Subsidiary Guarantors and, on and after the Designated Holdco Effective Date, Designated Holdco, and, on and after the Specified AV Minerals Joinder Date, to the extent that Holdings is not AV Minerals, AV Minerals.

(vi) The definition of “**Restricted Grantor**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

““**Restricted Grantor**” shall mean a Loan Party that has granted a Guarantee that is subject to limitations that impair in any material respect the benefit of such Guarantee (as determined by the Administrative Agent in its reasonable discretion) (it being expressly understood and agreed that (i) neither the Borrower nor any Loan Party that is a Canadian Guarantor, a U.K. Guarantor, a Dutch Guarantor or a U.S. Guarantor shall be a Restricted Grantor and (ii) except as may be otherwise determined by the Administrative Agent in its reasonable discretion, each Loan Party that is a German Guarantor, an Irish Guarantor, a Swiss Guarantor, a French Guarantor, a Dubai Guarantor or a Brazilian Guarantor shall be a Restricted Grantor); provided that, notwithstanding the foregoing, Novelis MEA LTD shall, subject to the terms of that certain letter agreement, dated as of January 10, 2017, by and among the Collateral Agent and Novelis Inc., be an Unrestricted Grantor prior to the MEA Re-Domiciliation and shall be a Restricted Grantor upon and following the MEA Re-Domiciliation.”

(vii) Clause (v) of the definition of “**Survey**” in Section 1.01 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(v) sufficient (or would be sufficient if no title insurance policy is being delivered pursuant to Section 5.11(c)) for the Title Company to remove all standard survey exceptions from the title insurance policy (or commitment) relating to such Mortgaged Property and issue the endorsements of the type, and to the extent, required by Section 5.11(c) (or that would be required by Section 5.11(c) if a title insurance policy was being delivered), or (b) otherwise reasonably acceptable to the Collateral Agent.”

(viii) The following definition is hereby added to Section 1.01 of the Credit Agreement in appropriate alphabetical order:

“**Amendment No. 8**” means that certain Amendment No. 8 to Credit Agreement, dated as of April 30, 2024, among the Borrower, the other Loan Parties party thereto, the Lenders party thereto, the Administrative Agent and the Collateral Agent.

“**Amendment No. 8 Effective Date**” means April 30, 2024.

“**MEA Re-Domiciliation**” means the transfer and re-domiciliation of Novelis MEA LTD from the Dubai International Financial Centre to the Dubai Multi Commodities Centre or the Dubai World Trade Centre; provided that (x) no Default or Event of Default exists immediately before and immediately after giving effect to such transfer and re-domiciliation and (y) Novelis MEA LTD has satisfied the requirements of Section 5.11 of this Agreement as of the date of such transfer and re-domiciliation with such transfer and re-domiciliation being

deemed the formation of Novelis MEA LTD solely for purposes of determining compliance with such Section 5.11, and without regard to any Loan Documents governed by the laws of the Dubai International Financial Centre in effect immediately prior to giving effect to the MEA Re-Domiciliation. The MEA Re-Domiciliation shall occur no later than December 31, 2025 or such later date as may be agreed by the Administrative Agent in its sole discretion.

“**Permitted Dubai Freezone**” means the Dubai International Financial Centre, the Dubai Multi Commodities Centre or the Dubai World Trade Centre.

“**Shell Entity**” has the meaning assigned to such term in Section 7.09.

“**Title Certificate**” shall mean a certificate in form and substance reasonably satisfactory to the Administrative Agent and the Collateral Agent, signed by a Responsible Officer of the Designated Company, attaching true, correct and complete copies of title searches performed by a title insurance company or similar service provider reasonably approved by the Collateral Agent, with the most recent date down of such title searches dated no more than three (3) days prior to the delivery of such certificate with respect to the relevant real property and certifying that, after giving effect to the mortgage documents being executed in connection with the delivery of such certificate, the relevant real property is subject to a First Priority Lien in favor of the Collateral Agent subject only to the exceptions listed in the title searches attached to such certificate.”

(ix) Section 5.11(a) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(a) Subject to the terms of the Intercreditor Agreement and this Section 5.11, with respect to (1) any property acquired after the Closing Date by any Loan Party that is intended to be subject to the Lien created by any of the Security Documents but is not so subject, including in connection with any step of the Permitted Reorganization, any Permitted Reorganization Action, any Permitted Aleris Foreign Subsidiary Transfer, and any Person becoming a Specified Aleris Subsidiary, and (2) any property that was Excluded Property but, as of the end of the most recently ended fiscal quarter or in connection with any step of the Permitted Reorganization, any Permitted Reorganization Action, any Permitted Aleris Foreign Subsidiary Transfer, or any Person becoming a Specified Aleris Subsidiary, has ceased to be Excluded Property, promptly (and in any event (w) in the case of newly acquired property, within thirty (30) days after the acquisition thereof, (x) in the case of property that was Excluded Property as a result of the U.S. Hold Separate Order or any U.S. Hold Separate Agreement, within thirty (30) days after the date such property ceases to be Excluded Property, (y) in the case of any other property that was Excluded Property, within thirty (30) days after the end of fiscal quarter in which such property ceases to be Excluded Property; provided that, in the case of clauses (w) through (y), the Administrative Agent may agree to an extension thereof, or (z) immediately in connection with

the applicable step(s) of the Permitted Reorganization, the applicable Permitted Reorganization Action, the applicable Permitted Aleris Foreign Subsidiary Transfer, the MEA Re-Domiciliation (except in the case of the notarization of any pledge over Equity Interests in the Dubai Guarantor, which shall be completed as soon as reasonably practicable following the MEA Re-Domiciliation) or any Person becoming a Specified Aleris Subsidiary) (i) execute and deliver to the Administrative Agent and the Collateral Agent such amendments or supplements to the relevant Security Documents or such other documents as the Administrative Agent or the Collateral Agent shall deem necessary or advisable to grant to the Collateral Agent, for its benefit and for the benefit of the other Secured Parties, a First Priority Lien on such property subject to no Liens other than Permitted Liens, and (ii) take all actions necessary to cause such Lien to be duly perfected to the extent required by such Security Document in accordance with all applicable Requirements of Law, including the filing of financing statements (or other applicable filings) in such jurisdictions as may be reasonably requested by the Administrative Agent; provided that the actions required by clauses (i) and (ii) above need not be taken if the costs of doing so are excessive in relation to the benefits afforded thereby, as determined by the Administrative Agent in its reasonable discretion. The Designated Company shall otherwise take such actions and execute and/or deliver to the Administrative Agent and the Collateral Agent such documents as the Administrative Agent or the Collateral Agent shall reasonably require to confirm the validity, perfection and priority of the Lien of the Security Documents against such after-acquired properties.”

(x) Section 5.11(c) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(c) Subject to the terms of the Intercreditor Agreement, promptly grant to the Collateral Agent, (i) in the case of property that is Excluded Property as a result of the U.S. Hold Separate Order or any U.S. Hold Separate Agreement, within sixty (60) days after the date such property ceases to be Excluded Property, (ii) in the case of the real property located in Guthrie, Kentucky and Baldwin County, Alabama owned by Novelis Corporation, no later than April 30, 2024; provided, however, that within sixty (60) days of receipt of the certificate of occupancy for each constructed facility located on such real property, such mortgage shall be amended to reflect the completion of the applicable facility, and the applicable Loan Party shall provide an updated ALTA-compliant "as built" Survey with respect to the land subject to such mortgage and any improvements located thereon, an updated Title Certificate dated as of the date of the mortgage amendment with respect to the applicable real property, and a local counsel opinion (in form and substance reasonably satisfactory to the Administrative Agent and the Collateral Agent) in respect of any such mortgage amendment (the terms of this proviso, the "**Supplemental Mortgage Deliverables**"), and (iii) otherwise, within sixty (60) days of the acquisition thereof (in each case, or such later date agreed by the Administrative Agent) (or immediately in connection with

the applicable step(s) of the Permitted Reorganization, any Permitted Reorganization Action, or any Permitted Aleris Foreign Subsidiary Transfer), a security interest in and Mortgage on each Material Real Estate Asset (unless the subject property is already mortgaged to a third party to the extent permitted by Section 6.02 hereof or the costs of doing so are excessive in relation to the benefits afforded thereby, as determined by the Administrative Agent in its reasonable discretion). Subject to the terms of the Intercreditor Agreement, such Mortgages shall be granted pursuant to documentation reasonably satisfactory in form and substance to the Administrative Agent and the Collateral Agent and shall constitute valid, perfected and enforceable First Priority Liens subject only to Permitted Liens. Subject to the terms of the Intercreditor Agreement, the Mortgages or instruments related thereto shall be duly recorded or filed in such manner and in such places as are required by law to establish, perfect, preserve and protect the First Priority Liens in favor of the Collateral Agent required to be granted pursuant to the Mortgages and all taxes, fees and other charges payable in connection therewith shall be paid in full. Without limiting the foregoing, such Loan Party shall otherwise take such actions and execute and/or deliver to the Administrative Agent and the Collateral Agent such documents as the Administrative Agent or the Collateral Agent shall reasonably require to confirm the validity, perfection and priority of the Lien of any existing Mortgage or new Mortgage against such after-acquired Real Property at the time such Mortgage is granted, or at any time thereafter as reasonably required by the Administrative Agent or the Collateral Agent (including (x) in the case of the real property located in Guthrie, Kentucky and Baldwin County, Alabama owned by Novelis Corporation, a Title Certificate and (y) in all other cases, a Title Policy (or title opinion or Title Certificate reasonably satisfactory to the Administrative Agent and the Collateral Agent), a Survey (if applicable in the respective jurisdiction), and a local counsel opinion (in form and substance reasonably satisfactory to the Administrative Agent and the Collateral Agent) in respect of such Mortgage). For purposes of this Section 5.11(c) Real Property owned by a Company that becomes a Loan Party following the Closing Date in accordance with the terms of this Agreement shall be deemed to have been acquired on the later of (x) the date of acquisition of such Real Property and (y) the date such Company becomes a Loan Party.”

(xi) Section 6.02(f) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(f) Liens (other than any Lien imposed by ERISA) (x) imposed by Requirements of Law or deposits made in connection therewith in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other types of social security legislation, (y) incurred in the ordinary course of business to secure the performance of tenders, statutory obligations (other than excise taxes), surety, stay, customs and appeal bonds, statutory bonds, bids, leases, government contracts, trade contracts, freight, logistics or shipping

contracts, performance and return of money bonds and other similar obligations (exclusive of obligations for the payment of borrowed money) or (z) arising by virtue of deposits made in the ordinary course of business to secure liability for premiums to insurance carriers; provided that (i) with respect to clauses (x), (y) and (z) of this paragraph (f), such Liens are for amounts not yet due and payable or delinquent or, to the extent such amounts are so due and payable, such amounts are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been established on the books of the appropriate Company in accordance with US GAAP, and (ii) to the extent such Liens are not imposed by Requirements of Law, such Liens shall in no event encumber any property other than cash and Cash Equivalents and, with respect to clause (y), property relating to the performance of obligations secured by such contracts, bonds or instruments;”

(xii) Section 6.02(q) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(q) (i) Liens in favor of customs and revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods in the ordinary course of business and (ii) Cash collateral deposited with the issuers of letters of credit, so long as (x) such cash collateral (1) secures undrawn amounts of letters of credit issued by such issuer (or contingent obligations thereunder) and (2) does not exceed the face amount of such letters of credit, and (y) such letters of credit are permitted under Section 6.01 and are issued in favor of customs and revenue authorities to secure payment of customs duties in connection with the importation of goods in the ordinary course of business;”

(xiii) Section 6.04(c) of the Credit Agreement is hereby amended to add the following clause (v) at the end thereof:

“or (v) make deposits and advances in the ordinary course of business in connection with the purchase of goods (other than inventory) or services in the ordinary course of business;”

(xiv) Section 6.08(g) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(g) so long as the Senior Secured Net Leverage Ratio as of the last day of the four consecutive fiscal quarter period of the Designated Company then last ended for which financial statements have been (and are required to have been) delivered under Section 5.01(a) or (b), calculated on a Pro Forma Basis after giving effect to such Dividends and any related Indebtedness, would not exceed 3.50 to 1.00, the Designated Company may pay additional cash Dividends to the holders of its Equity Interests in an aggregate amount not to exceed (i) \$125,000,000 after the Closing Date minus (ii) the amount of Investments made

in reliance on Section 6.04(r)(v); provided that the Dividends described in this clause (g) shall not be permitted if a Default is continuing at the date of declaration or payment thereof or would result therefrom;”.

(xv) Section 6.11(e) of the Credit Agreement is hereby amended to add the following phrase at the end thereof:

“; provided that, notwithstanding the foregoing, the amendments to the Organizational Documents of Novelis MEA LTD that are required to effect the MEA Re-Domiciliation, and all other changes required by the Administrative Agent or the Collateral Agent in order to effect the requirements of Section 5.11 in connection therewith, in each case are deemed not to be adverse in any material respect to the interests of the Lenders.”

(xvi) Section 7.09 of the Credit Agreement is hereby amended and restated in its entirety as follows:

“Section 7.09 Release of Guarantors. If, in compliance with the terms and provisions of the Loan Documents, (a) Equity Interests of any Subsidiary Guarantor are issued, sold or transferred (including pursuant to a merger, consolidation or amalgamation) such that it ceases to be a Restricted Subsidiary (a “**Transferred Guarantor**”) to a person or persons, none of which is a Loan Party or a Subsidiary, (b) a Guarantor is designated as an Unrestricted Subsidiary in accordance with the Loan Documents, (c) a Restricted Subsidiary that becomes a Loan Party after the Closing Date is subsequently designated as an Excluded Collateral Subsidiary in accordance with the definition thereof, (d) a Qualified Borrower IPO, (e) a Qualified IPO by Designated Holdco shall occur or (f) a Guarantor owns no assets (a “**Shell Entity**”), then, such Transferred Guarantor (in the case of clause (a)), such Unrestricted Subsidiary (in the case of clause (b)), such Restricted Subsidiary (in the case of clause (c)), Holdings and, on and after the Specified AV Minerals Joinder Date, AV Minerals (in the case of clause (d)), or, on and after the Designated Holdco Effective Date, Holdings and, on and after the Specified AV Minerals Joinder Date, AV Minerals (in the case of clause (e)), and such Shell Entity (in the case of clause (f)) shall, upon the consummation of such issuance, sale or transfer or upon such designation as an Unrestricted Subsidiary or Excluded Collateral Subsidiary or upon the consummation of the Qualified Borrower IPO or a Qualified IPO by Designated Holdco or upon such Guarantor becoming a Shell Entity (as certified to the Administrative Agent in writing by the Designated Company), be released from its obligations under this Agreement (including under Section 11.03 hereof) and any other Loan Documents to which it is a party and, except with respect to Holdings (and, on and after the Specified AV Minerals Joinder Date, AV Minerals) in the case of clauses (d) and (e) above, its obligations to pledge and grant any Collateral owned by it pursuant to any Security Document, and the Collateral Agent shall take such actions as are within its powers to effect each release described in this Section

7.09 in accordance with the relevant provisions of the Security Documents and the Intercreditor Agreement; provided that such Guarantor is also released from its obligations, if any, under the Revolving Credit Loan Documents, the Senior Note Documents, the Additional Senior Secured Indebtedness Documents and other Material Indebtedness guaranteed by such Person on the same terms; provided, further, that, with respect to Holdings in the case of clause (d) above, (A) the only Collateral required to remain pledged and granted by Holdings pursuant to any Security Document after giving effect to a Qualified Borrower IPO shall be the Equity Interests (and related assets as described in the applicable Security Documents) that Holdings owns in Novelis Inc. (it being agreed that the Liens in favor of the Collateral Agent over assets of Holdings other than such Equity Interests and related assets shall be released upon giving effect to the Qualified Borrower IPO and so long as any Liens over such assets securing obligations under the Revolving Credit Loan Documents are released concurrently), and (B) if, following the date of the Qualified Canadian Borrower IPO, Holdings shall sell, transfer or otherwise dispose of Equity Interests of the Canadian Borrower, then solely to the extent that no Default or Event of Default exists immediately before and immediately after giving effect to such sale, transfer or other disposition (as certified to the Administrative Agent in writing by the Designated Company), then such Equity Interests (together with any related assets in respect of such Equity Interests) shall be released, and so long as any Liens over such assets securing obligations under the Revolving Credit Loan Documents are released concurrently (clauses (A) and (B), the **“Permitted Holdings Collateral Release Provisions”**).

(xvii) Section 11.01(b) of the of the Credit Agreement is hereby to add the following sentence at the end thereof:

“The Administrative Agent hereby agrees to accept any designation of a Secured Hedge Provider by e-mail.”.

(xviii) Section 11.09(D) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT, IN THE MANNER PROVIDED FOR NOTICES (OTHER THAN TELECOPIER, E-MAIL OR OTHER ELECTRONIC TRANSMISSION) IN SECTION 11.01. EACH LOAN PARTY HEREBY IRREVOCABLY DESIGNATES, APPOINTS AND EMPOWERS NOVELIS CORPORATION, ONE PHIPPS PLAZA, 3550 PEACHTREE ROAD SUITE 1100, ATLANTA, GA 30326, USA, ATTN: CHIRAG SHAH (TELEPHONE NO: (404) 760-0137) (ELECTRONIC MAIL ADDRESS: CHIRAG.SHAH@NOVELIS.ADITYABIRLA.COM) AND KERRIE KRIZNER (TELEPHONE NO: (216) 571-0579) (ELECTRONIC MAIL ADDRESS:

KERRIE.KRIZNER@NOVELIS.ADITYABIRLA.COM) (THE “**PROCESS AGENT**”), IN THE CASE OF ANY SUIT, ACTION OR PROCEEDING BROUGHT IN THE UNITED STATES AS ITS DESIGNEE, APPOINTEE AND AGENT TO RECEIVE, ACCEPT AND ACKNOWLEDGE FOR AND ON ITS BEHALF, AND IN RESPECT OF ITS PROPERTY, SERVICE OF ANY AND ALL LEGAL PROCESS, SUMMONS, NOTICES AND DOCUMENTS THAT MAY BE SERVED IN ANY ACTION OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY LOAN DOCUMENT; PROVIDED THAT THE BORROWER MAY CHANGE THE ADDRESS, TELEPHONE NUMBER OR ELECTRONIC MAIL ADDRESS OF THE PROCESS AGENT BY NOTICE TO THE OTHER PARTIES HERETO. NOTHING IN THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE REQUIREMENTS OF LAW.”

(xix) Section 11.29(a) of the Credit Agreement is hereby amended and restated in its entirety as follows:

“(a) that the Collateral Agent is authorized to release any Lien on any property granted to or held by the Collateral Agent under any Loan Document, (i) at the time the property subject to such Lien is pledged pursuant to Section 6.02(n)(x) or Section 6.02(n)(y) (but solely to the extent such property consists of Revolving Credit Priority Collateral and Hedging Agreements related to the value of such Revolving Credit Priority Collateral) or sold, leased, licensed, consigned, transferred or otherwise disposed of as part of or in connection with any Asset Sale permitted under Section 6.06 to any Person other than a Loan Party (provided that no Lien shall be released in any Series of Cash Neutral Transactions) (or, if such transferee is a Loan Party, the Collateral Agent is authorized to release such Lien on such asset in connection with the transfer as provided in the second to last sentence of this Section 11.29(a) or so long as (w) except as permitted by Section 6.06(q) or Section 6.06(s), the transferee grants a new Lien to the Collateral Agent on such asset substantially concurrently with the transfer of such asset, (x) the transfer is between parties organized under the laws of different countries, (y) the priority of the new Lien is the same as that of the original Lien and (z) the Liens on such property held by or on behalf of the holders of Indebtedness under the Revolving Credit Loan Documents or any Permitted Revolving Credit Facility Refinancing, Permitted First Priority Refinancing Debt, Permitted Second Priority Refinancing Debt, Additional Senior Secured Indebtedness and Junior Secured Indebtedness are also released); provided that with respect to the release of any Liens over assets of Holdings on or after the date of the Qualified Canadian Borrower IPO, such release shall be subject to the Permitted Holdings Collateral Release Provisions, (ii) subject to Section 11.02, if the release of such Lien is approved, authorized or ratified in writing by the Required Lenders (or such other number of Lenders whose consent is required under Section 11.02), (iii) if the property subject to such Lien is owned

by a Guarantor, upon release of such Guarantor from its obligations under its Guarantee pursuant to Section 7.09(a), (b), (c), (d) (provided that with respect to the release of Holdings as a Guarantor, the release of any Liens over assets of Holdings on or after the date of the Qualified Canadian Borrower IPO shall be subject to the Permitted Holdings Collateral Release Provisions), and (f), (iv) upon termination of all Commitments and the repayment in full of all outstanding principal and accrued interest with respect to the Loans, all Fees and other Obligations, (v) in connection with the grant of Liens permitted hereunder under Section 6.02(k) and subject to the Intercreditor Agreement, if the applicable Loan Party grants a Lien to the Collateral Agent or for the benefit of the Collateral Agent in a manner reasonably satisfactory to the Collateral Agent, substantially concurrently with the release of such asset, to the extent such release or termination and re-grant is necessary or advisable under applicable law, and (vi) to the extent such property is Excluded Property. Notwithstanding anything to the contrary above, if Intellectual Property or Real Property (and related fixtures) that constitutes Collateral is transferred pursuant to a transaction permitted by the Loan Documents from a Loan Party to another Loan Party (other than AV Minerals or Holdings) and the applicable Intellectual Property or Real Property filing office requires the release of the existing Lien in favor of the Collateral Agent prior to reflecting the transfer in the register, then the Collateral Agent shall be permitted, without the consent of any Lender or any other Person, to release its Lien in respect of such Intellectual Property or Real Property (and related fixtures) in order to effect such transfer so long as (i) the Transfer Conditions are satisfied at the time of such transfer and the Designated Company shall have certified the same to the Administrative Agent and the Collateral Agent, (ii) substantially concurrently with the effectiveness of such transfer, such Intellectual Property and/or Real Property is pledged to the Collateral Agent to secure the Obligations on terms substantially the same as the pledge that is released by the Collateral Agent, (iii) the priority of the new Lien in favor of the Collateral Agent, whether pursuant to the Intercreditor Agreement or otherwise, is the same as that of the original Lien, and (iv) the Liens on such Intellectual Property or Real Property (and related fixtures) in favor of holders of Indebtedness under the Revolving Credit Loan Documents or any Permitted Refinancing of any Indebtedness under the Revolving Credit Agreement, Permitted First Priority Refinancing Debt, Permitted Second Priority Refinancing Debt, Additional Senior Secured Indebtedness and Junior Secured Indebtedness are also released substantially concurrently with the release granted by the Collateral Agent. Notwithstanding the foregoing, where Intellectual Property and Real Property (and related fixtures) can be transferred pursuant to an assignment and assumption or similar agreement in a manner that would avoid the need to release the Liens in favor of the Collateral Agent as described in the preceding sentence, then the Loan Parties shall effect such transfer pursuant to an assignment and assumption or similar agreement.”

2.02 Subject to the terms and conditions set forth herein, effective as of the Amendment Effective Date (as defined below), the U.S. Security Agreement is hereby amended as follows:

(i) Section 3.4(e) of the U.S. Security Agreement is hereby amended and restated in its entirety as follows:

“Letter-of-Credit Rights. If any Pledgor is at any time a beneficiary under a Letter of Credit now or hereafter issued (other than a Letter of Credit issued in connection with (i) the construction of the aluminum recycling and rolling facility on the real property located in Bay Minette, Baldwin County, Alabama (the **“Bay Minette Project”**) or (ii) the construction of the recycling plant in Guthrie, Kentucky (the **“Guthrie Project”**), such Pledgor shall promptly notify the Collateral Agent thereof and such Pledgor shall, at the request of the Collateral Agent, pursuant to an agreement in form and substance reasonably satisfactory to the Collateral Agent, either use commercially reasonable efforts to (i) arrange for the issuer and any confirmer of such Letter of Credit to consent to an assignment to the Collateral Agent of the proceeds of any drawing under the Letter of Credit or (ii) arrange for the Collateral Agent to become the transferee beneficiary of such Letter of Credit, with the Collateral Agent agreeing, in each case, that the proceeds of any drawing under the Letter of Credit are to be applied as provided in the Credit Agreement. The actions in the preceding sentence shall not be required to the extent that the amount of any such Letter of Credit, together with the aggregate amount of all other Letters of Credit for which the actions described above in clauses (i) and (ii) have not been taken, does not exceed \$2,500,000 in the aggregate for all Pledgors. No Pledgor shall grant Control of any Letter-of-Credit Right to any Person other than the Collateral Agent and, subject to the terms of the Intercreditor Agreement, the Revolving Credit Agents. If any Pledgor becomes at any time a beneficiary under a Letter of Credit issued in connection with the Bay Minette Project or the Guthrie Project, such Pledgor shall include a description of such Letter of Credit in the Perfection Certificate Supplement delivered pursuant to Section 5.01(e) of the Credit Agreement.

2.03 The Lenders party hereto (which Lenders constitute the Required Lenders under the Credit Agreement) hereby authorize the Administrative Agent and the Collateral Agent to, in connection with the MEA Re-Domiciliation, terminate and release any Dubai Security Agreements (as defined immediately prior to giving effect to this Amendment) if they are replaced substantially concurrently with new Dubai Security Agreements (as defined after giving effect to this Amendment) with respect to the Collateral pledged thereunder.

2.04 The Lenders party hereto (which Lenders constitute the Required Lenders under the Credit Agreement) hereby authorize the Administrative Agent and the Collateral Agent to execute and deliver the amendments to, or amendments and restatements of, the Foreign Security Agreements and the Intercreditor Agreement, each in substantially the form attached hereto as Exhibit A.

Section 3. Conditions Precedent to Effectiveness of this Amendment. This Amendment shall become effective as of the first date (the **“Amendment Effective Date”**) on

which each of the following conditions precedent shall have been satisfied, or duly waived by the Lenders party hereto and the Agents party hereto:

(a) Executed Amendment. The Administrative Agent shall have received this Amendment, duly executed by each of the Loan Parties, the Third Party Security Provider, the Lenders party hereto (which constitute the Required Lenders under the Credit Agreement), the Administrative Agent and the Collateral Agent.

(b) Executed Foreign Security Agreements and Intercreditor Agreement Amendment. The Administrative Agent shall have received amendments to, or amendments and restatements of, the Foreign Security Agreements and the Intercreditor Agreement, each in substantially the form attached hereto as Exhibit A, duly executed by each of the Loan Parties party thereto and the Collateral Agent.

(c) Representations and Warranties. Each of the representations and warranties contained in Section 6 below and in any other Loan Document shall be true and correct in all material respects (or, in the case of any representation or warranty that is qualified as to materiality, "Material Adverse Effect" or similar language, in all respects) on and as of the date hereof.

(d) No Default or Event of Default. After giving effect to this Amendment, no Default or Event of Default shall have occurred and be continuing or would result from the effectiveness of this Amendment.

Section 4. Representations and Warranties. Each Loan Party represents and warrants to the Administrative Agent, the Collateral Agent and each Lender as follows:

(a) After giving effect to this Amendment, each of the representations and warranties in the Amended Credit Agreement or in any other Loan Document are true and correct in all material respects (or, in the case of any representation or warranty that is qualified as to materiality, "Material Adverse Effect" or similar language, in all respects) on and as of the date hereof as though made on and as of such date, except to the extent that any such representation or warranty expressly relates to an earlier date, in which case such representations and warranties are true and correct in all material respects (or, in the case of any representation or warranty that is qualified as to materiality, "Material Adverse Effect" or similar language, in all respects) as of such earlier date.

(b) The execution and delivery by Novelis Inc., ALR Aluminum, the other Loan Parties and the Third Party Security Provider of this Amendment, and the performance of this Amendment, the Amended Credit Agreement and the Amended U.S. Security Agreement by Novelis Inc., ALR Aluminum, the other Loan Parties and the Third Party Security Provider (as applicable), in each case have been duly authorized by all requisite organizational action on its part and will not violate any of its Organizational Documents.

(c) This Amendment has been duly executed and delivered by Novelis Inc., ALR Aluminum, the other Loan Parties and the Third Party Security Provider, and each of this Amendment, the Amended Credit Agreement and the Amended U.S. Security Agreement constitutes Novelis Inc.'s, ALR Aluminum's, the other Loan Parties' and the Third Party

Security Provider's, as applicable, legal, valid and binding obligation, enforceable against it in accordance with their terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights of creditors generally and by general principles of equity.

(d) After giving effect to this Amendment, no Default or Event of Default has occurred and is continuing as of the date hereof.

Section 5. Continuing Effect; Liens and Guarantees; No Novation.

(a) Each of the Loan Parties and the Third Party Security Provider hereby consents to this Amendment and the Amended Credit Agreement. Each of the Loan Parties and the Third Party Security Provider hereby acknowledges and agrees that all of its Secured Obligations, including all Liens and (in the case of the Loan Parties) Guarantees granted to the Secured Parties under the applicable Loan Documents, are ratified and reaffirmed and that such Liens and Guarantees shall continue in full force and effect on and after Amendment Effective Date to secure and support the Secured Obligations. Each of the Loan Parties hereby further ratifies and reaffirms the validity, enforceability and binding nature of the Secured Obligations.

(b) Holdings and each Subsidiary Guarantor hereby (i) acknowledges and agrees to the terms of this Amendment, the Amended Credit Agreement and the Amended U.S. Security Agreement and (ii) confirms and agrees that, each of its Guarantee and any Foreign Guarantee is, and shall continue to be, in full force and effect, and shall apply to all Secured Obligations without defense, counterclaim or offset of any kind and each of its Guarantee and any such Foreign Guarantee is hereby ratified and confirmed in all respects. Each of Novelis Inc. and ALR Aluminum hereby confirms its liability for the Secured Obligations, without defense, counterclaim or offset of any kind.

(c) Each of Novelis Inc., ALR Aluminum, the other Loan Parties and the Third Party Security Provider hereby ratifies and reaffirms the validity and enforceability (without defense, counterclaim or offset of any kind) of the Liens and security interests granted by it to the Collateral Agent for the benefit of the Secured Parties to secure any of the Secured Obligations by Holdings, Novelis Inc., ALR Aluminum, any other Loan Party and the Third Party Security Provider pursuant to the Loan Documents to which any of Holdings, Novelis Inc., ALR Aluminum, any other Loan Party or the Third Party Security Provider is a party and hereby confirms and agrees that notwithstanding the effectiveness of this Amendment, and except as expressly amended by this Amendment, each such Loan Document is, and shall continue to be, in full force and effect and each is hereby ratified and confirmed in all respects, except that, on and after the effectiveness of this Amendment, each reference in the Loan Documents to the "Credit Agreement", "thereunder", "thereof" (and each reference in the Credit Agreement to this "Agreement", "hereunder" or "hereof") or words of like import shall mean and be a reference to the Amended Credit Agreement and, in the case of the "U.S. Security Agreement", shall include the Amended U.S. Security Agreement.

(d) Without limiting the generality of this Section 5 or Section 6, (i) neither this Amendment, the Amended Credit Agreement, the Amended U.S. Security Agreement, nor any other Loan Document entered into in connection herewith or therewith, shall extinguish the

“Secured Obligations” (or any term of like import) as defined or referenced in each Security Agreement, or the “Secured Obligations” under and as defined in the Credit Agreement (collectively, the “**Loan Document Secured Obligations**”), or discharge or release the priority of any Loan Document, and any security interest previously granted pursuant to each Loan Document is hereby reaffirmed and each such security interest continues in effect and secures the Loan Document Secured Obligations, (ii) nothing contained herein, in the Amended Credit Agreement, the Amended U.S. Security Agreement or any other Loan Document entered into in connection herewith or therewith shall be construed as a substitution or novation of all or any portion of the Loan Document Secured Obligations or instruments securing any of the foregoing, which shall remain in full force and effect and shall continue as obligations under the Amended Credit Agreement, and (iii) nothing implied in this Amendment, the Amended Credit Agreement, the Amended U.S. Security Agreement or any other Loan Document entered into in connection herewith or therewith, or in any other document contemplated hereby or thereby shall be construed as a release or other discharge of any Loan Party or the Third Party Security Provider from any of its Loan Document Secured Obligations, it being understood that such obligations shall continue as obligations under the Amended Credit Agreement.

Section 6. U.S. Reaffirmation.

(a) Each Reaffirming Party hereby confirms its guarantees, assignments, pledges and grants of security interests, as applicable, under each Guarantee and the Amended U.S. Security Agreement and each other U.S. Security Agreement to which it is a party, and agrees that such guarantees, assignments, pledges and grants of security interests shall continue to be in full force and effect and shall accrue to the benefit of the Collateral Agent for the benefit of the Secured Parties.

(b) Each Reaffirming Party hereby confirms and agrees that the “Secured Obligations” (or any term of like import) as defined or referenced in the Amended U.S. Security Agreement, any Guarantee and any other U.S. Security Agreement will include the “Secured Obligations” as defined in the Amended Credit Agreement.

Section 7. Reference to and Effect on the Loan Documents.

(a) Except as expressly set forth in this Amendment, all of the terms and provisions of the Credit Agreement and the other Loan Documents (including all exhibits and schedules to each of the Credit Agreement and the other Loan Documents) are and shall remain in full force and effect and are hereby ratified and confirmed. The amendments provided for herein are limited to the specific provisions of the Credit Agreement and the U.S. Security Agreement specified herein and shall not constitute an amendment of, or an indication of the Administrative Agent’s or any Lender’s willingness to amend or waive, any other provisions of the Credit Agreement or the U.S. Security Agreement, in each case, as amended hereby, or the same sections or any provision of any other Loan Document for any other date or purpose.

(b) The execution, delivery and effectiveness of this Amendment shall not, except as expressly provided herein, operate as a waiver of any right, power or remedy of the Administrative Agent, the Collateral Agent or any Lender under the Credit Agreement, the U.S.

Security Agreement or any Loan Document, or constitute a waiver or amendment of any other provision of the Credit Agreement, the U.S. Security Agreement or any Loan Document except as and to the extent expressly set forth herein.

(c) The execution and delivery of this Amendment by any Loan Party or Third Party Security Provider shall not constitute a joinder by, or agreement to be bound by the terms of, any Loan Document to which such Loan Party or Third Party Security Provider is not a party.

(d) This Amendment shall constitute a Loan Document.

Section 8. Further Assurances; Post-Closing Requirements.

(a) Novelis Inc., ALR Aluminum, Holdings, each other Loan Party and the Third Party Security Provider hereby agrees to execute any and all further documents, agreements and instruments and take all further actions that the Administrative Agent deems reasonably necessary or advisable in connection with this Amendment, including to continue and maintain the effectiveness of the Liens and guarantees provided for under the Loan Documents, with the priority contemplated under the Loan Documents. The Administrative Agent and the Collateral Agent are hereby authorized by the Lenders to enter into all such further documents, agreements and instruments, and to file all financing statements deemed by the Administrative Agent to be reasonably necessary or advisable in connection with this Amendment.

Section 9. Counterparts.

(a) This Amendment and any notices delivered under this Amendment, may be executed by means of (a) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, or any other relevant and applicable electronic signatures law; (b) an original manual signature; or (c) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. The Administrative Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Amendment or on any notice delivered to the Administrative Agent under this Amendment.

(b) This Amendment and any notices delivered under this Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Receipt by the Administrative Agent of a facsimile copy or electronic image scan transmission (e.g., PDF via electronic email) of an executed signature page and any notices as set forth herein shall constitute receipt by the Administrative Agent and shall be as effective as delivery of a manually executed counterpart of the Amendment or notice.

Section 10. Governing Law. This Amendment and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of

the State of New York, without regard to conflicts of law principles that would require the application of the laws of another jurisdiction.

Section 11. Headings. Section headings contained in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purposes.

Section 12. **WAIVER OF JURY TRIAL**. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE REQUIREMENTS OF LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AMENDMENT, ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY).

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their respective duly authorized signatories, officers or members on the date first indicated above.

NOVELIS INC., as the Designated Company and the Borrower

By: /s/ Gregg Murphey

Name: Gregg Murphey
Title: Authorized Signatory

AV MINERALS (NETHERLANDS) N.V., as Holdings and a Dutch Guarantor

By: /s/ Gregg Murphey

Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS CORPORATION, as a U.S. Guarantor

By: /s/ Gregg Murphey

Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS GLOBAL EMPLOYMENT ORGANIZATION, INC., as a U.S. Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller
Title: Treasurer

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NOVELIS SOUTH AMERICA HOLDINGS LLC, as a U.S. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS HOLDINGS INC., as a U.S. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

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NOVELIS UK LTD, as a U.K. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney

NOVELIS EUROPE HOLDINGS LIMITED,
as a U.K. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney

NOVELIS SERVICES LIMITED,
as a U.K. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney

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NOVELIS AG, as a Swiss Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS SWITZERLAND SA,
as a Swiss Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

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4260848 CANADA INC., as a Canadian Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

4260856 CANADA INC., as a Canadian Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

8018227 CANADA INC., as a Canadian Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

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SIGNED AND DELIVERED AS A DEED
for and on behalf of NOVELIS ALUMINIUM HOLDING UNLIMITED COMPANY
by its lawfully appointed attorney,
as Irish Guarantor
in the presence of:

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney

witness:

By: /s/ Kerrie Krizner
Name: Kerrie Krizner
Title: Manager - Legal Services

Address: 3550 Peachtree Rd, STE 1100, Atlanta, GA 30326

Occupation: Paralegal

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NOVELIS DEUTSCHLAND GMBH,
as a German Guarantor

By: /s/ Siegfried Adloff
Name: Siegfried Adloff
Title: Managing Director

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NOVELIS SHEET INGOT GMBH,
as a German Guarantor

By: /s/ Peter Haycock
Name: Peter Haycock
Title: Managing Director

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NOVELIS DO BRASIL LTDA.,
as Brazilian Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney-in-Fact

witness:

By: /s/ Kerrie Krizner
Name: Kerrie Krizner
Title: Manager – Legal Services

witness:

By: /s/ Keaston Hall
Name: Keaston Hall
Title: Legal Counsel

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NOVELIS PAE S.A.S., as French Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Attorney-in-Fact

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NOVELIS MEA LTD, a Company Limited by Shares under the Companies Law of the Dubai
International Financial Centre,
as Dubai Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

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NOVELIS ALR ALUMINUM HOLDINGS CORPORATION, as a Co-Borrower and a U.S. Guarantor

By: /s/ Gregg Murphey.
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR INTERNATIONAL, INC., as a U.S. Guarantor

By: /s/ Gregg Murphey.
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ROLLED PRODUCTS, INC., as a U.S. Guarantor

By: /s/ Gregg Murphey.
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ASSET MANAGEMENT CORPORATION, as a U.S. Guarantor

By: /s/ Gregg Murphey.
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ROLLED PRODUCTS, LLC, as a U.S. Guarantor

By: /s/ Gregg Murphey.
Name: Gregg Murphey
Title: Authorized Signatory

[Signature Page to Amendment No. 8 to Credit Agreement]

NOVELIS ALR ROLLED PRODUCTS SALES CORPORATION, as a U.S. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR RECYCLING OF OHIO, LLC, as a U.S. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ALUMINUM-ALABAMA, LLC, as a U.S. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

NOVELIS ALR ALUMINUM, LLC, as a U.S. Guarantor

By: /s/ Gregg Murphey
Name: Gregg Murphey
Title: Authorized Signatory

[Signature Page to Amendment No. 8 to Credit Agreement]

NOVELIS DEUTSCHLAND GMBH, as a German Guarantor

By: /s/ Roland Leder
Name: Roland Leder
Title: Managing Director

[Signature Page to Amendment No. 8 to Credit Agreement]

NOVELIS CASTHOUSE GERMANY GMBH, as a German Guarantor

By: /s/ NILS LEONHARDT

Name: NILS LEONHARDT

Title: Managing Director

[Signature Page to Amendment No. 8 to Credit Agreement]

NOVELIS KOBLENZ GMBH, as a German Guarantor

By: /s/ NILS LEONHARDT
Name: NILS LEONHARDT
Title: Managing Director

[Signature Page to Amendment No. 8 to Credit Agreement]

NOVELIS NETHERLANDS B.V., as a Dutch Guarantor

By: /s/ Gregg Murphey.
Name: Gregg Murphey
Title: Authorized Signatory

[Signature Page to Amendment No. 8 to Credit Agreement]

NOVELIS ITALIA S.P.A., as Third Party Security Provider

By: /s/ Gregg Murphey

Name: Gregg Murphey

Title: Attorney

[Signature Page to Amendment No. 8 to Credit Agreement]

STANDARD CHARTERED BANK, as Administrative Agent and
as Collateral Agent

By: /s/ Gian Moreira

Name: Gian Moreira

Title: Director

[Signature Page to Amendment No. 8 to Credit Agreement]

AUSTRALIA AND NEW ZEALAND BANKING GROUP
LIMITED, SINGAPORE BRANCH

By: /s/ Naeem Kapadia

Name: Naeem Kapadia

Title: Director, Loan Structuring & Execution,
Australia and New Zealand Banking Group
Limited

[Signature Page to Amendment No. 8 to Credit Agreement]

AXIS BANK LIMITED, DIFC BRANCH, DUBAI

By: /s/ Avinash Kalaiah

Name: Avinash Kalaiah

Title: CEO, DIFC Branch

[Signature Page to Amendment No. 8 to Credit Agreement]

AXIS BANK LIMITED IFSC BANKING UNIT (IBU) GIFT
CITY

By: /s/ Niladhri Nandi

Name: Niladhri Nandi

Title: Head - Credit

By: /s/ K.C. Harichandan

Name: K.C. Harichandan

Title: Head - Operations

[Signature Page to Amendment No. 8 to Credit Agreement]

BANK OF AMERICA, N.A.

By: /s/ Albert Wheeler

Name: Albert Wheeler

Title: Director

[Signature Page to Amendment No. 8 to Credit Agreement]

BNP PARIBAS

By: /s/ Shalen Shivpuri

Name: Shalen Shivpuri

Title: Co-Head Loans & Specialized Finance APAC,
Co-Head Low Carbon Transition Group APAC

By: /s/ Dominic Pan

Name: Dominic Pan

Title: Managing Director

Head, Loans & Specialized Finance – Energy &
Natural Resources

[Signature Page to Amendment No. 8 to Credit Agreement]

CITIBANK, N.A.

By: /s/ Anand Chandrasekhar

Name: Anand Chandrasekhar

Title: Managing Director, Head of Global Subsidiaries
Group

[Signature Page to Amendment No. 8 to Credit Agreement]

CRÉDIT AGRICOLE CORPORATE AND INVESTMENT
BANK, HONG KONG BRANCH (INCORPORATED IN
FRANCE WITH LIMITED LIABILITY)

By: /s/ Sebastien Pietryk

Name: Sebastien Pietryk

Title: Managing Director

By: /s/ Kenneth Lee

Name: Kenneth Lee

Title: Managing Director

[Signature Page to Amendment No. 8 to Credit Agreement]

ING BANK N.V. SINGAPORE BRANCH

By: /s/ Paul Verwijmeren / /s/ Milly Tan

Name: Paul Verwijmeren / Milly Tan

Title: Managing Director / Director

[Signature Page to Amendment No. 8 to Credit Agreement]

FIRST ABU DHABI BANK USA N.V.

By: /s/ David Young

Name: David Young

Title: Head of Americas - Structured Finance

By: /s/ Pamela Sigda

Name: Pamela Sigda

Title: CFO

[Signature Page to Amendment No. 8 to Credit Agreement]

ICICI BANK CANADA

By: /s/ Hemang Thanavala

Name: Hemang Thanavala
Title: Chief Financial Officer

By: /s/ Jigar Jain

Name: Jigar Jain
Title: Chief Risk Officer

[Signature Page to Amendment No. 8 to Credit Agreement]

JPMORGAN CHASE BANK, N.A.

By: /s/ Ahmed Ali

Name: Ahmed Ali

Title: Vice President

[Signature Page to Amendment No. 8 to Credit Agreement]

MUFG BANK, LTD., LABUAN BRANCH, LICENSED
LABUAN BANK (950051C)

By: /s/ Eric Leong Yuh Haw

Name: Eric Leong Yuh Haw

Title: Director

[Signature Page to Amendment No. 8 to Credit Agreement]

SOCIETE GENERAL, HONG KONG BRANCH (a public limited company incorporated in France)

By: /s/ Olivier Vercaemer

Name: Olivier Vercaemer

Title: Deputy Head of Global Banking & Advisory,
Asia Pacific Societe Generale, A limited liability company incorporated in France

By: /s/ Yvonne Ng

Name: Yvonne Ng

Title: Director, Global Banking & Advisory, Societe Generale, A limited liability company incorporated in France

[Signature Page to Amendment No. 8 to Credit Agreement]

STANDARD CHARTERED BANK

By: /s/ Ambrish Mathur

Name: Ambrish Mathur

Title: Relationship Manager

[Signature Page to Amendment No. 8 to Credit Agreement]

EXHIBIT A

**FORM OF FOREIGN SECURITY AGREEMENTS
AND INTERCREDITOR AGREEMENT AMENDMENT**

See attached.

Dated _____ 2024

Between

NOVELIS UK LTD

NOVELIS SERVICES LIMITED

NOVELIS EUROPE HOLDINGS LIMITED

as Chargors

and

STANDARD CHARTERED BANK

as Collateral Agent

AMENDMENT DEED

**RELATING TO
THE EXISTING GUARANTEE AND SECURITY
AGREEMENTS (AS DEFINED HEREIN)**

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE LIEN AND SECURITY INTEREST GRANTED TO THE COLLATERAL AGENT FOR THE BENEFIT OF THE SECURED PARTIES, PURSUANT TO THE EXISTING GUARANTEE AND SECURITY AGREEMENTS (AS DEFINED IN THIS DEED) AND THE EXERCISE OF ANY RIGHT OR REMEDY BY THE COLLATERAL AGENT HEREUNDER AND THEREUNDER ARE SUBJECT TO THAT CERTAIN INTERCREDITOR AGREEMENT, DATED AS OF DECEMBER 17, 2010 (AS AMENDED, RESTATED, AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "INTERCREDITOR AGREEMENT"), AMONG NOVELIS INC., AV MINERALS (NETHERLANDS) N.V. (AS SUCCESSOR IN INTEREST TO AV METALS INC.) ("HOLDINGS"), THE OTHER SUBSIDIARIES OF HOLDINGS OR NOVELIS INC. FROM TIME TO TIME PARTY THERETO, WELLS FARGO BANK, NATIONAL ASSOCIATION, AS ADMINISTRATIVE AGENT FOR THE REVOLVING CREDIT LENDERS (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (AS SUCCESSOR TO BANK OF AMERICA, N.A. PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF MAY 13, 2013), WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT FOR THE REVOLVING CREDIT CLAIMHOLDERS (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (AS SUCCESSOR TO BANK OF AMERICA, N.A. PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF MAY 13, 2013), STANDARD CHARTERED BANK, AS ADMINISTRATIVE AGENT FOR THE PARI PASSU SECURED PARTIES (AS DEFINED IN THE INTERCREDITOR AGREEMENT), (PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF JANUARY 13, 2017), STANDARD CHARTERED BANK, AS COLLATERAL AGENT FOR THE PARI PASSU SECURED PARTIES (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF JANUARY 13, 2017) AND CERTAIN OTHER PERSONS WHICH MAY BE OR BECOME PARTIES THERETO OR BECOME BOUND THERETO FROM TIME TO TIME. IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE PROVISIONS OF THE INTERCREDITOR AGREEMENT AND THIS DEED, THE PROVISIONS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL.

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THIS DEED is dated _____ 2024

BETWEEN:

- (1) **NOVELIS UK LTD** (registered number 00279596) with its registered office at Latchford Locks Works, Thelwall Lane, Warrington, Cheshire, WA4 1NN (**Novelis UK**);
- (2) **NOVELIS SERVICES LIMITED** (registered number 06628654) with its registered office at Latchford Locks Works, Thelwall Lane, Warrington, Cheshire, WA4 1NN (**Novelis Services**);
- (3) **NOVELIS EUROPE HOLDINGS LIMITED** (registered number 05308334) with its registered office at Latchford Locks Works, Thelwall Lane, Warrington, Cheshire, WA4 1NN (**Novelis Europe** and, together with Novelis UK and Novelis Services, the **Chargors**); and
- (4) **STANDARD CHARTERED BANK** as collateral agent and trustee for the Secured Parties (as defined in the Amended Credit Agreement (defined below)) (the **Collateral Agent**).

BACKGROUND:

- (A) This Deed is supplemental to and amends the Existing Guarantee and Security Agreements.
- (B) This Deed is entered into in connection with Amendment No. 8.
- (C) It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

Unless otherwise defined in this Deed, terms defined in the Amended Credit Agreement shall have the same meaning when used in this Deed.

Additionally, in this Deed (including its Recitals):

2021 Refinancing Amendment means the Refinancing Amendment to Credit Agreement dated as of March 26, 2021 between Novelis Inc. as Borrower of Tranche A-1 Term Loans, AV Metals Inc. as Holdings, the other Loan Parties party thereto, the Third Party Security Provider, Standard Chartered Bank as Administrative Agent and as Collateral Agent, and the Lenders signatory thereto.

2023 Refinancing Amendment means the Refinancing Amendment (Tranche A-2 Term Loans) to Credit Agreement dated as of September 25, 2023 between Novelis Inc. as Borrower, Novelis ALR Aluminum Holdings Corporation as Co-Borrower of Tranche A-2 Term Loans (as defined in the 2023 Refinancing Amendment), Holdings, the other Loan Parties party thereto, Novelis Italia S.p.a., as the Third Party Security

Provider (as defined in the 2023 Refinancing Amendment), Standard Chartered Bank as Administrative Agent and as Collateral Agent, and the Lenders signatory thereto.

Amended Credit Agreement means the Existing Credit Agreement as amended by Amendment No. 8 and as otherwise amended, restated, supplemented, novated or otherwise modified from time to time.

Amended Guarantee and Security Agreements means the Existing Guarantee and Security Agreements as amended by this Deed.

Amendment No. 8 means Amendment No. 8 to Credit Agreement and Amendment to U.S. Security Agreement dated on or around the date of this Deed between Novelis Inc. as Borrower, Novelis ALR Aluminum Holdings Corporation as Co-Borrower of Tranche A-2 Term Loans (as defined in Amendment No. 8), Holdings, the other Loan Parties party thereto, Novelis Italia S.p.a., as the Third Party Security Provider (as defined in Amendment No. 8), Standard Chartered Bank as Administrative Agent and as Collateral Agent, and the Lenders signatory thereto.

Effective Date means the date of this Deed.

Existing Credit Agreement means the Credit Agreement dated as of January 10, 2017 (as amended prior to the date hereof, as further amended by the 2021 Refinancing Amendment, and the 2023 Refinancing Amendment) between, among others, Novelis Inc., Novelis ALR Aluminum Holdings Corporation, Holdings, the other Loan Parties from time to time party thereto, the Administrative Agent, the Collateral Agent and the Lenders from time to time party thereto.

Existing Guarantee and Security Agreements means the Original Guarantee and Security Agreement, the First Supplemental Guarantee and Security Agreement and the Second Supplemental Guarantee and Security Agreement.

Existing Security means the Security Interests created, evidenced or conferred by or under the Existing Guarantee and Security Agreements.

First Supplemental Guarantee and Security Agreement means the Guarantee and Security Agreement (Term Loan) dated 26 March 2021 between the Chargors as chargors and the Collateral Agent.

Intercreditor Agreement has the meaning given to that term on the cover page of this Deed.

Original Guarantee and Security Agreement means the Guarantee and Security Agreement (Term Loan) dated 13 January 2017 between the Chargors as original chargors and the Collateral Agent.

Party means a party to this Deed.

Receiver means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed and that term will include any appointee under a joint and/or several appointment.

Second Supplemental Guarantee and Security Agreement means the Guarantee and Security Agreement (Term Loan) dated 25 September 2023 between the Chargors as chargors and the Collateral Agent.

Secured Obligations has the meaning given to that term in the Amended Credit Agreement.

Secured Party has the meaning given to that term in the Amended Credit Agreement.

Security Interest means any mortgage, pledge, lien, charge (fixed or floating), assignment, hypothecation, set-off or trust arrangement for the purpose of creating security, reservation of title or security interest or any other agreement or arrangement having a similar effect.

1.2 Construction

In this Deed (including its Recitals):

- (a) an **agreement** includes any legally binding arrangement, agreement, contract, deed or instrument (in each case whether oral or written);
- (b) an **amendment** includes any amendment, supplement, variation, waiver, novation, modification, replacement or restatement (however fundamental) and **amend** and **amended** shall be construed accordingly;
- (c) **assets** includes properties, assets, businesses, undertakings, revenues and rights of every kind (including uncalled share capital), present or future, actual or contingent, and any interest in any of the above;
- (d) **including** means including without limitation and **includes** and **included** shall be construed accordingly;
- (e) a **person** includes any individual, trust, firm, fund, company, corporation, partnership, joint venture, government, state or agency of a state or any undertaking or other association (whether or not having separate legal personality) or any two or more of the foregoing;
- (f) unless a contrary intention appears:
 - (i) a reference to any person includes a reference to that person's permitted successors, assignees and transferees and, in the case of the Collateral Agent or the Administrative Agent, any person for the time being appointed as Collateral Agent or Administrative Agent (as appropriate) in accordance with the Loan Documents, and in the case of the Collateral Agent and any Receiver, any Delegate of the Collateral Agent or Receiver (as appropriate);
 - (ii) references to Clauses, Subclauses and the Schedule are references to, respectively, clauses and subclauses of and the schedule to this Deed and references to this Deed include the Schedule;
 - (iii) a reference to (or to any specified provision of) any agreement is to that agreement (or that provision) as amended, restated or otherwise modified from time to time;
 - (iv) a reference to a statute, statutory instrument or provision of law is to that statute, statutory instrument or provision of law, as it may be applied, amended or re-enacted from time to time;

(v) the index to and the headings in this Deed are for convenience only and are to be ignored in construing this Deed; and

(vi) words imparting the singular include the plural and vice versa; and

(g) this Deed is a Loan Document.

1.3 Third Party Rights

The provisions of clause 1.3 (*Third Party Rights*) of the Original Guarantee and Security Agreement are hereby incorporated, mutatis mutandis, and shall apply to this Deed as if set forth herein, provided that references to "this Deed" are to be construed as references to this Deed.

1.4 Conflict with the provisions of this Deed.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE LIEN AND SECURITY INTEREST GRANTED TO THE COLLATERAL AGENT, FOR THE BENEFIT OF THE SECURED PARTIES, PURSUANT TO THE EXISTING GUARANTEE AND SECURITY AGREEMENTS AND THE EXERCISE OF ANY RIGHT OR REMEDY BY THE COLLATERAL AGENT AND THE OTHER SECURED PARTIES HEREUNDER AND THEREUNDER ARE SUBJECT TO THE PROVISIONS OF THE INTERCREDITOR AGREEMENT. IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE PROVISIONS OF THE INTERCREDITOR AGREEMENT AND THIS DEED, THE PROVISIONS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL. EXCEPT AS PROVIDED FOR IN THIS PARAGRAPH, NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE AMENDED CREDIT AGREEMENT, INCLUDING SECTION 11.19 THEREOF, SHALL GOVERN AND CONTROL THE EXERCISE OF REMEDIES BY COLLATERAL AGENT.

WITHOUT PREJUDICE TO THE ABOVE, IN THE EVENT OF A DIRECT CONFLICT BETWEEN THE TERMS AND PROVISIONS CONTAINED IN THIS DEED AND THE TERMS AND PROVISIONS CONTAINED IN THE AMENDED CREDIT AGREEMENT, IT IS THE INTENTION OF THE PARTIES HERETO THAT SUCH TERMS AND PROVISIONS IN SUCH DOCUMENTS SHALL BE READ TOGETHER AND CONSTRUED, TO THE FULLEST EXTENT POSSIBLE, TO BE IN CONCERT WITH EACH OTHER. IN THE EVENT OF ANY ACTUAL, IRRECONCILABLE CONFLICT THAT CANNOT BE RESOLVED AS AFORESAID, THE TERMS AND PROVISIONS OF THE AMENDED CREDIT AGREEMENT SHALL CONTROL AND GOVERN.

2. AMENDMENTS

2.1 Amendments

(a) The Original Guarantee and Security Agreement will be amended, with effect on and from the Effective Date, as set out in the Schedule and so that reference in the Original Guarantee and Security Agreement to "this Deed" or similar references will be read as references to the Original Guarantee and Security Agreement as amended by this Deed.

- (b) Pursuant to paragraph (m)(iii) of clause 1.2 (*Construction*) and clause 6 (*Incorporation of Terms from Existing Guarantee and Security Agreement*) of the First Supplemental Guarantee and Security Agreement, as a result of the amendments made by Paragraph (a) above, the First Supplemental Guarantee and Security Agreement will be amended, with effect on and from the Effective Date, so that reference in the First Supplemental Guarantee and Security Agreement to "the Existing Guarantee and Security Agreement" or similar references will be read as references to the Original Guarantee and Security Agreement as amended by this Deed.
- (c) Pursuant to paragraph (m)(iii) of clause 1.2 (*Construction*) and clause 6 (*Incorporation of Terms from Original Guarantee and Security Agreement*) of the Second Supplemental Guarantee and Security Agreement, as a result of the amendments made by Paragraph (a) above, the Second Supplemental Guarantee and Security Agreement will be amended, with effect on and from the Effective Date, so that reference in the Second Supplemental Guarantee and Security Agreement to "the Original Guarantee and Security Agreement" or similar references will be read as references to the Original Guarantee and Security Agreement as amended by this Deed.

3. REPRESENTATIONS AND UNDERTAKINGS

3.1 Representations

- (a) Each Chargor represents and warrants to each Secured Party that:
 - (i) it has the power, authority and capacity to enter into and perform, and has taken all necessary action to authorise the entry into and performance of, this Deed and the transactions contemplated by this Deed;
 - (ii) this Deed is its legal, valid and binding obligation and is enforceable against it in accordance with its terms;
 - (iii) the entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:
 - (1) any material requirement of law applicable to it;
 - (2) its constitutional documents; or
 - (3) except for any conflict which could not reasonably be expected to have a Material Adverse Effect, any contractual obligation which is binding on it or any of its assets; and
 - (iv) all authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Deed have been obtained or effected (as appropriate) and are in full force and effect.
- (b) The representations and warranties set out in this Deed (including in this Clause) are made by each Chargor on the Effective Date.

3.2 Further assurance

Each Chargor shall, at its own expense, promptly upon the request of the Collateral Agent, execute and do all other acts, assurances and things as the Collateral Agent may reasonably require for the purpose of giving effect to the provisions of this Deed.

4. GUARANTEE AND SECURITY CONFIRMATION

4.1 Confirmation

With effect on and from the Effective Date, each Chargor:

- (a) confirms its acceptance of the terms of each of the Amended Guarantee and Security Agreements;
- (b) agrees that it is bound by the terms of each of the Amended Guarantee and Security Agreements;
- (c) confirms that the covenant to pay, all guarantees and all of its other obligations under, and all terms of, the Amended Guarantee and Security Agreements:
 - (i) continue in full force and effect on the terms of each of the Amended Guarantee and Security Agreements; and
 - (ii) extend to the Secured Obligations;
- (d) confirms that:
 - (i) the Existing Security extends to the Secured Obligations; and
 - (ii) the Existing Security continues in full force and effect on the terms of each of the Amended Guarantee and Security Agreements,

notwithstanding (A) the amendments to the Existing Credit Agreement effected by Amendment No. 8, (B) the amendments to the Existing Guarantee and Security Agreements effected by this Deed, (C) any other additions, amendments, novation, substitution or supplements of or to the Existing Credit Agreement or the Existing Guarantee and Security Agreements and/or (D) the imposition of any amended, new or more onerous obligations under the Amended Credit Agreement or the Amended Guarantee and Security Agreements in relation to the Loan Parties.

4.2 No new Security Interest

No part of this Deed is intended to or will create a registrable Security Interest.

5. ELECTRONIC SIGNATURES AND COUNTERPARTS

- (a) Each Party hereby:
 - (i) agrees that this Deed and any notices delivered under this Deed, may be executed by means of an electronic signature, an original manual signature, or a faxed, scanned, or photocopied manual signature;

- (ii) agrees that each electronic signature or faxed, scanned, or photocopied manual signature is intended to authenticate this writing and shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature; and
- (iii) agrees and undertakes not to argue that the execution of this Deed was invalid, lacking in legal effect or inadmissible in evidence by reason of the use of electronic signatures or faxed, scanned, or photocopied manual signatures.

For the purposes of this Deed, “*electronic signature*” includes any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a Party with the intent to sign such record, including facsimile and email electronic signatures.

- (b) The Collateral Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Deed or on any notice delivered to the Collateral Agent under this Deed.
- (c) This Deed may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument. Delivery of an executed counterpart of a signature page of this Deed and any notices as set forth herein will be as effective as delivery of a manually executed counterpart of the Deed or notice.

6. NOTICES

6.1 Communications in Writing

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by letter or email.

6.2 Addresses

- (a) Any notice or other communication herein required or permitted to be given to a party to this Deed shall be sent to the relevant party’s address set out in paragraph (b) or as set forth in the Amended Credit Agreement or any substitute address, email address, department or officer as the relevant party may notify to the Collateral Agent (or the Collateral Agent may notify to the other parties, if a change is made by the Collateral Agent) by not less than five business days’ notice.
- (b) For the purposes of paragraph (a), the address of each Chargor shall be:

Novelis Europe Holdings Limited
Latchford Locks Works
Thelwell Lane
Warrington
Cheshire
United Kingdom
Attention: Mr Alan Sweeney

Email address: tony.lucido@novelis.adityabirla.com
Attention: Legal Department

with a copy to –

Novelis AG
Sternenfeldstrasse 19
CH 8700 Küsnacht ZH
Switzerland
Attention: Legal Department

6.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
 - (i) if by way of letter, when it has been left at the relevant address or, as the case may be, five days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or
 - (ii) if by way of email, when received in accordance with the Amended Credit Agreement.
- (b) Any communication or document to be made or delivered to the Collateral Agent under or in connection with this Deed shall be effective only when actually received by the Collateral Agent and then only if it is expressly marked for the attention of the department or officer identified with the Collateral Agent's communication details (or any substitute department or officer as the Collateral Agent shall specify for this purpose).

6.4 Notification of address and email address

The Collateral Agent shall notify the other Parties promptly upon receipt of any notification of change of address or email address or upon changing its own address or email address pursuant to this Clause.

7. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

8. ENFORCEMENT

8.1 Jurisdiction

- (a) The English courts have exclusive jurisdiction to settle any dispute in connection with this Deed, save that the Collateral Agent (and only the Collateral Agent) has the right to have any dispute settled by the courts of the State of New York, in which case the courts of the State of New York have exclusive jurisdiction in respect of that dispute, and any proceedings before the English courts in respect of that dispute shall be stayed with immediate effect.
- (b) The English courts are the most appropriate and convenient courts to settle any such dispute in connection with this Deed, save that, if the Collateral Agent invokes the jurisdiction of the New York courts in respect of any dispute, the courts of the State of New York are the most appropriate and convenient courts

to settle such dispute, even if the jurisdiction of the English Courts has already been seised. Each Chargor agrees not to argue to the contrary and waives objection to the provisions of this Clause on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Deed.

- (c) This Clause is for the benefit of the Secured Parties only. To the extent allowed by law, a Secured Party may take:
 - (i) proceedings in any other court; and
 - (ii) concurrent proceedings in any number of jurisdictions.
- (d) References in this Clause to a dispute in connection with this Deed include any dispute as to the existence, validity or termination of this Deed.

8.2 Waiver of immunity

Each Chargor irrevocably and unconditionally:

- (a) agrees not to claim any immunity from proceedings brought by a Secured Party against it in relation to this Deed and to ensure that no such claim is made on its behalf;
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings; and
- (c) waives all rights of immunity in respect of it or its assets.

Waiver of trial by jury

EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION IN CONNECTION WITH THIS DEED OR ANY TRANSACTION CONTEMPLATED BY THIS DEED. THIS DEED MAY BE FILED AS A WRITTEN CONSENT TO TRIAL BY THE COURT.

This Deed has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE

AMENDMENTS TO ORIGINAL GUARANTEE AND SECURITY AGREEMENT

On and from the Effective Date, Clause 7.2 (*Certificated Investments*) of the Original Guarantee and Security Agreement shall be deleted in full and replaced with the following wording:

"(a) Each Chargor must:

- (i) deposit with the Collateral Agent, or as the Collateral Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to any Investment, immediately in respect of any Investment subject to this Security on the date of this Deed and thereafter, within 30 days (or such shorter period as noted below) following the acquisition by, or the issue to, that Chargor of any certificated Investment; this includes:
 - (1) delivering, within such 30 day period, executed and (unless exempt from stamp duty), pre-stamped share transfers in favour of the Collateral Agent or any of its nominees as transferee or, if the Collateral Agent so directs, with the transferee left blank;
 - (2) delivering, within such 30 day period, share certificates in the name of the Chargor to the Collateral Agent; and
 - (3) procuring, within 5 days following the acquisition by, or the issue to, that Chargor of such certificated Investment, that those share transfers are registered by the Charged Company in which the Investments are held in the share register of that Charged Company, and delivering a copy of the same to the Collateral Agent within such 30 day period; and
- (ii) take any action and execute and deliver to the Collateral Agent any share transfer or other document which may be requested by the Collateral Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to that Investment.

(b) Without prejudice to Clause 12.1 (*Timing*) of this Deed, the Collateral Agent may, at any time, complete the instruments of transfer on behalf of the Chargor in favour of itself or such other person as it shall select."

SIGNATORIES

(AMENDMENT DEED RELATING TO THE EXISTING GUARANTEE AND SECURITY AGREEMENTS (TERM LOAN))

Chargors

)

)

)

)

SIGNED as a Deed by Gregg Murphey

.....Attorney

NOVELIS UK LTD acting by its attorney in the presence of a witness:

_____ Signature of witness

_____ Name of witness

_____ Address of witness

_____ Occupation of witness

)

)

)

)

SIGNED as a Deed by Gregg Murphey

.....Attorney

NOVELIS SERVICES LIMITED acting by its attorney in the presence of a witness:

_____ Signature of witness

_____ Name of witness

_____ Address of witness

_____ Occupation of witness



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SIGNED as a Deed by Gregg Murphey

.....Attorney

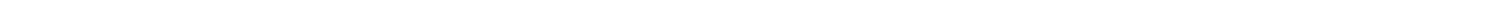
NOVELIS EUROPE HOLDINGS LIMITED acting by its attorney in the presence of a witness:

_____ Signature of witness

_____ Name of witness

_____ Address of witness

_____ Occupation of witness



The Collateral Agent

Executed as a deed by
STANDARD CHARTERED BANK
in its capacity as Collateral Agent
acting by authorised signatory:

Name:

Title:

[Signature Page – Amendment Deed - Guarantee and Security Agreement (Term Loan)]

Dated _____ 2024

Between

NOVELIS INC.

as Chargor

and

STANDARD CHARTERED BANK

as Collateral Agent

AMENDMENT DEED

**RELATING TO
THE EXISTING SHARE MORTGAGES (AS DEFINED HEREIN)**

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE LIEN AND SECURITY INTEREST GRANTED TO THE COLLATERAL AGENT FOR THE BENEFIT OF THE SECURED PARTIES, PURSUANT TO THE EXISTING SHARE MORTGAGES (AS DEFINED IN THIS DEED) AND THE EXERCISE OF ANY RIGHT OR REMEDY BY THE COLLATERAL AGENT HEREUNDER AND THEREUNDER ARE SUBJECT TO THAT CERTAIN INTERCREDITOR AGREEMENT, DATED AS OF DECEMBER 17, 2010 (AS AMENDED, RESTATED, AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "INTERCREDITOR AGREEMENT"), AMONG NOVELIS INC., AV MINERALS (NETHERLANDS) N.V. (AS SUCCESSOR IN INTEREST TO AV METALS INC.) ("HOLDINGS"), THE OTHER SUBSIDIARIES OF HOLDINGS OR NOVELIS INC. FROM TIME TO TIME PARTY THERETO, WELLS FARGO BANK, NATIONAL ASSOCIATION, AS ADMINISTRATIVE AGENT FOR THE REVOLVING CREDIT LENDERS (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (AS SUCCESSOR TO BANK OF AMERICA, N.A. PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF MAY 13, 2013), WELLS FARGO BANK, NATIONAL ASSOCIATION, AS COLLATERAL AGENT FOR THE REVOLVING CREDIT CLAIMHOLDERS (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (AS SUCCESSOR TO BANK OF AMERICA, N.A. PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF MAY 13, 2013), STANDARD CHARTERED BANK, AS ADMINISTRATIVE AGENT FOR THE PARI PASSU SECURED PARTIES (AS DEFINED IN THE INTERCREDITOR AGREEMENT), (PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF JANUARY 13, 2017), STANDARD CHARTERED BANK, AS COLLATERAL AGENT FOR THE PARI PASSU SECURED PARTIES (AS DEFINED IN THE INTERCREDITOR AGREEMENT) (PURSUANT TO THAT CERTAIN INTERCREDITOR JOINDER AGREEMENT DATED AS OF JANUARY 13, 2017) AND CERTAIN OTHER PERSONS WHICH MAY BE OR BECOME PARTIES THERETO OR BECOME BOUND THERETO FROM TIME TO TIME. IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE PROVISIONS OF THE INTERCREDITOR AGREEMENT AND THIS DEED, THE PROVISIONS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL.

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THIS DEED is dated _____ 2024

BETWEEN:

- (1) **NOVELIS INC.**, a corporation amalgamated under the Canada Business Corporations Act (the **Chargor**); and
- (2) **STANDARD CHARTERED BANK** as collateral agent and trustee for the Secured Parties (as defined in the Amended Credit Agreement (defined below)) (the **Collateral Agent**).

BACKGROUND:

- (A) This Deed is supplemental to and amends the Existing Share Mortgages.
- (B) This Deed is entered into in connection with Amendment No. 8.
- (C) It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

Unless otherwise defined in this Deed, terms defined in the Amended Credit Agreement shall have the same meaning when used in this Deed.

Additionally, in this Deed (including its Recitals):

2021 Refinancing Amendment means the Refinancing Amendment to Credit Agreement dated as of March 26, 2021 between Novelis Inc. as Borrower of Tranche A-1 Term Loans, AV Metals Inc. as Holdings, the other Loan Parties party thereto, the Third Party Security Provider, Standard Chartered Bank as Administrative Agent and as Collateral Agent, and the Lenders signatory thereto.

2023 Refinancing Amendment means the Refinancing Amendment (Tranche A-2 Term Loans) to Credit Agreement dated as of September 25, 2023 between Novelis Inc. as Borrower, Novelis ALR Aluminum Holdings Corporation as Co-Borrower of Tranche A-2 Term Loans (as defined in the 2023 Refinancing Amendment), Holdings, the other Loan Parties party thereto, Novelis Italia S.p.a., as the Third Party Security Provider (as defined in the 2023 Refinancing Amendment), Standard Chartered Bank as Administrative Agent and as Collateral Agent, and the Lenders signatory thereto.

Amended Credit Agreement means the Existing Credit Agreement as amended by Amendment No. 8 and as otherwise amended, restated, supplemented, novated or otherwise modified from time to time.

Amended Share Mortgages means the Existing Share Mortgages as amended by this Deed.

Amendment No. 8 means Amendment No. 8 to Credit Agreement and Amendment to U.S. Security Agreement dated on or around the date of this Deed between Novelis Inc.

as Borrower, Novelis ALR Aluminum Holdings Corporation as Co-Borrower of Tranche A-2 Term Loans (as defined in Amendment No. 8), Holdings, the other Loan Parties party thereto, Novelis Italia S.p.a., as the Third Party Security Provider (as defined in Amendment No. 8), Standard Chartered Bank as Administrative Agent and as Collateral Agent, and the Lenders signatory thereto.

Effective Date means the date of this Deed.

Existing Credit Agreement means the Credit Agreement dated as of January 10, 2017 (as amended prior to the date hereof, as further amended by the 2021 Refinancing Amendment, and the 2023 Refinancing Amendment) between, among others, Novelis Inc., Novelis ALR Aluminum Holdings Corporation, Holdings, the other Loan Parties from time to time party thereto, the Administrative Agent, the Collateral Agent and the Lenders from time to time party thereto.

Existing Security means the Security Interests created, evidenced or conferred by or under the Existing Share Mortgages.

Existing Share Mortgages means the Original Share Mortgage, the First Supplemental Share Mortgage and the Second Supplemental Share Mortgage.

First Supplemental Share Mortgage means the Supplemental Share Mortgage (Term Loan) dated 26 March 2021 between the Chargor as chargor and the Collateral Agent.

Intercreditor Agreement has the meaning given to that term on the cover page of this Deed.

Original Share Mortgage means the Share Mortgage (Term Loan) dated 13 January 2017 between the Chargor as chargor and the Collateral Agent.

Party means a party to this Deed.

Receiver means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under this Deed and that term will include any appointee under a joint and/or several appointment.

Second Supplemental Share Mortgage means the Supplemental Share Mortgage (Term Loan) dated 25 September 2023 between the Chargor as chargor and the Collateral Agent.

Secured Obligations has the meaning given to that term in the Amended Credit Agreement.

Secured Party has the meaning given to that term in the Amended Credit Agreement.

Security Interest means any mortgage, pledge, lien, charge (fixed or floating), assignment, hypothecation, set-off or trust arrangement for the purpose of creating security, reservation of title or security interest or any other agreement or arrangement having a similar effect.

1.2 Construction

In this Deed (including its Recitals):

- (a) an **agreement** includes any legally binding arrangement, agreement, contract, deed or instrument (in each case whether oral or written);
- (b) an **amendment** includes any amendment, supplement, variation, waiver, novation, modification, replacement or restatement (however fundamental) and **amend** and **amended** shall be construed accordingly;
- (c) **assets** includes properties, assets, businesses, undertakings, revenues and rights of every kind (including uncalled share capital), present or future, actual or contingent, and any interest in any of the above;
- (d) **including** means including without limitation and **includes** and **included** shall be construed accordingly;
- (e) a **person** includes any individual, trust, firm, fund, company, corporation, partnership, joint venture, government, state or agency of a state or any undertaking or other association (whether or not having separate legal personality) or any two or more of the foregoing;
- (f) unless a contrary intention appears:
 - (i) a reference to any person includes a reference to that person's permitted successors, assignees and transferees and, in the case of the Collateral Agent or the Administrative Agent, any person for the time being appointed as Collateral Agent or Administrative Agent (as appropriate) in accordance with the Loan Documents, and in the case of the Collateral Agent and any Receiver, any Delegate of the Collateral Agent or Receiver (as appropriate);
 - (ii) references to Clauses, Subclauses and the Schedule are references to, respectively, clauses and subclauses of and the schedule to this Deed and references to this Deed include the Schedule;
 - (iii) a reference to (or to any specified provision of) any agreement is to that agreement (or that provision) as amended, restated or otherwise modified from time to time;
 - (iv) a reference to a statute, statutory instrument or provision of law is to that statute, statutory instrument or provision of law, as it may be applied, amended or re-enacted from time to time;
 - (v) the index to and the headings in this Deed are for convenience only and are to be ignored in construing this Deed; and
 - (vi) words imparting the singular include the plural and vice versa; and
- (g) this Deed is a Loan Document.

1.3 Third Party Rights

The provisions of clause 1.3 (*Third Party Rights*) of the Original Share Mortgage are hereby incorporated, mutatis mutandis, and shall apply to this Deed as if set forth herein, provided that references to "this Deed" are to be construed as references to this Deed.

1.4 Conflict with the provisions of this Deed.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE LIEN AND SECURITY INTEREST GRANTED TO THE COLLATERAL AGENT, FOR THE BENEFIT OF THE SECURED PARTIES, PURSUANT TO THE EXISTING SHARE MORTGAGES AND THE EXERCISE OF ANY RIGHT OR REMEDY BY THE COLLATERAL AGENT AND THE OTHER SECURED PARTIES HEREUNDER AND THEREUNDER ARE SUBJECT TO THE PROVISIONS OF THE INTERCREDITOR AGREEMENT. IN THE EVENT OF ANY CONFLICT OR INCONSISTENCY BETWEEN THE PROVISIONS OF THE INTERCREDITOR AGREEMENT AND THIS DEED, THE PROVISIONS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL. EXCEPT AS PROVIDED FOR IN THIS PARAGRAPH, NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE AMENDED CREDIT AGREEMENT, INCLUDING SECTION 11.19 THEREOF, SHALL GOVERN AND CONTROL THE EXERCISE OF REMEDIES BY COLLATERAL AGENT.

WITHOUT PREJUDICE TO THE ABOVE, IN THE EVENT OF A DIRECT CONFLICT BETWEEN THE TERMS AND PROVISIONS CONTAINED IN THIS DEED AND THE TERMS AND PROVISIONS CONTAINED IN THE AMENDED CREDIT AGREEMENT, IT IS THE INTENTION OF THE PARTIES HERETO THAT SUCH TERMS AND PROVISIONS IN SUCH DOCUMENTS SHALL BE READ TOGETHER AND CONSTRUED, TO THE FULLEST EXTENT POSSIBLE, TO BE IN CONCERT WITH EACH OTHER. IN THE EVENT OF ANY ACTUAL, IRRECONCILABLE CONFLICT THAT CANNOT BE RESOLVED AS AFORESAID, THE TERMS AND PROVISIONS OF THE AMENDED CREDIT AGREEMENT SHALL CONTROL AND GOVERN.

2. AMENDMENTS

2.1 Amendments

- (a) The Original Share Mortgage will be amended, with effect on and from the Effective Date, as set out in the Schedule and so that reference in the Original Share Mortgage to "this Deed" or similar references will be read as references to the Original Share Mortgage as amended by this Deed.
- (b) Pursuant to paragraph (m)(iii) of clause 1.2 (*Construction*) and clause 5 (*Incorporation of Terms from Existing Share Mortgage*) of the First Supplemental Share Mortgage, as a result of the amendments made by Paragraph (a) above, the First Supplemental Share Mortgage will be amended, with effect on and from the Effective Date, so that reference in the First Supplemental Share Mortgage to "the Existing Share Mortgage" or similar references will be read as references to the Original Share Mortgage as amended by this Deed.
- (c) Pursuant to paragraph (m)(iii) of clause 1.2 (*Construction*) and clause 5 (*Incorporation of Terms from Original Share Mortgage*) of the Second Supplemental Share Mortgage, as a result of the amendments made by Paragraph (a) above, the Second Supplemental Share Mortgage will be amended, with effect on and from the Effective Date, so that reference in the

Second Supplemental Share Mortgage to "the Original Share Mortgage" or similar references will be read as references to the Original Share Mortgage as amended by this Deed.

3. REPRESENTATIONS AND UNDERTAKINGS

3.1 Representations

- (a) The Chargor represents and warrants to each Secured Party that:
 - (i) it has the power, authority and capacity to enter into and perform, and has taken all necessary action to authorise the entry into and performance of, this Deed and the transactions contemplated by this Deed;
 - (ii) this Deed is its legal, valid and binding obligation and is enforceable against it in accordance with its terms;
 - (iii) the entry into and performance by it of, and the transactions contemplated by, this Deed do not and will not conflict with:
 - (1) any material requirement of law applicable to it;
 - (2) its constitutional documents; or
 - (3) except for any conflict which could not reasonably be expected to have a Material Adverse Effect, any contractual obligation which is binding on it or any of its assets; and
 - (iv) all authorisations required by it in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Deed have been obtained or effected (as appropriate) and are in full force and effect.
- (b) The representations and warranties set out in this Deed (including in this Clause) are made by the Chargor on the Effective Date.

3.2 Further assurance

The Chargor shall, at its own expense, promptly upon the request of the Collateral Agent, execute and do all other acts, assurances and things as the Collateral Agent may reasonably require for the purpose of giving effect to the provisions of this Deed.

4. SECURITY CONFIRMATION

4.1 Confirmation

With effect on and from the Effective Date, the Chargor:

- (a) confirms its acceptance of the terms of each of the Amended Share Mortgages;
- (b) agrees that it is bound by the terms of each of the Amended Share Mortgages;

(c) confirms that the covenant to pay and all of its other obligations under, and all terms of, the Amended Share Mortgages:

- (i) continue in full force and effect on the terms of each of the Amended Share Mortgages; and
- (ii) extend to the Secured Obligations;

(d) confirms that:

- (i) the Existing Security extends to the Secured Obligations; and
- (ii) the Existing Security continues in full force and effect on the terms of each of the Amended Share Mortgages,

notwithstanding (A) the amendments to the Existing Credit Agreement effected by Amendment No. 8, (B) the amendments to the Existing Share Mortgages effected by this Deed, (C) any other additions, amendments, novation, substitution or supplements of or to the Existing Credit Agreement or the Existing Share Mortgages and/or (D) the imposition of any amended, new or more onerous obligations under the Amended Credit Agreement or the Amended Share Mortgages in relation to the Loan Parties.

4.2 No new Security Interest

No part of this Deed is intended to or will create a registrable Security Interest.

5. ELECTRONIC SIGNATURES AND COUNTERPARTS

(a) Each Party hereby:

- (i) agrees that this Deed and any notices delivered under this Deed, may be executed by means of an electronic signature, an original manual signature, or a faxed, scanned, or photocopied manual signature;
- (ii) agrees that each electronic signature or faxed, scanned, or photocopied manual signature is intended to authenticate this writing and shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature; and
- (iii) agrees and undertakes not to argue that the execution of this Deed was invalid, lacking in legal effect or inadmissible in evidence by reason of the use of electronic signatures or faxed, scanned, or photocopied manual signatures.

For the purposes of this Deed, “*electronic signature*” includes any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a Party with the intent to sign such record, including facsimile and email electronic signatures.

(b) The Collateral Agent reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Deed or on any notice delivered to the Collateral Agent under this Deed.

- (c) This Deed may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument. Delivery of an executed counterpart of a signature page of this Deed and any notices as set forth herein will be as effective as delivery of a manually executed counterpart of the Deed or notice.

6. NOTICES

6.1 Communications in Writing

Each communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, shall be made by letter or email.

6.2 Addresses

Any notice or other communication herein required or permitted to be given to a party to this Deed shall be sent to the relevant party's address as set forth in the Amended Credit Agreement or any substitute address, email address, department or officer as the relevant party may notify to the Collateral Agent (or the Collateral Agent may notify to the other parties, if a change is made by the Collateral Agent) by not less than five business days' notice.

6.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will only be effective:
- (i) if by way of letter, when it has been left at the relevant address or, as the case may be, five days after being deposited in the post postage prepaid in an envelope addressed to it at that address; or
 - (ii) if by way of email, when received in accordance with the Amended Credit Agreement.
- (b) Any communication or document to be made or delivered to the Collateral Agent under or in connection with this Deed shall be effective only when actually received by the Collateral Agent and then only if it is expressly marked for the attention of the department or officer identified with the Collateral Agent's communication details (or any substitute department or officer as the Collateral Agent shall specify for this purpose).

6.4 Notification of address and email address

The Collateral Agent shall notify the other Parties promptly upon receipt of any notification of change of address or email address or upon changing its own address or email address pursuant to this Clause.

7. GOVERNING LAW

This Deed and any non-contractual obligations arising out of or in connection with it are governed by English law.

8. ENFORCEMENT

8.1 Jurisdiction

- (a) The English courts have exclusive jurisdiction to settle any dispute in connection with this Deed, save that the Collateral Agent (and only the Collateral Agent) has the right to have any dispute settled by the courts of the State of New York, in which case the courts of the State of New York have exclusive jurisdiction in respect of that dispute, and any proceedings before the English courts in respect of that dispute shall be stayed with immediate effect.
- (b) The English courts are the most appropriate and convenient courts to settle any such dispute in connection with this Deed, save that, if the Collateral Agent invokes the jurisdiction of the New York courts in respect of any dispute, the courts of the State of New York are the most appropriate and convenient courts to settle such dispute, even if the jurisdiction of the English Courts has already been seised. The Chargor agrees not to argue to the contrary and waives objection to the provisions of this Clause on the grounds of inconvenient forum or otherwise in relation to proceedings in connection with this Deed.
- (c) This Clause is for the benefit of the Secured Parties only. To the extent allowed by law, a Secured Party may take:
 - (i) proceedings in any other court; and
 - (ii) concurrent proceedings in any number of jurisdictions.
- (d) References in this Clause to a dispute in connection with this Deed include any dispute as to the existence, validity or termination of this Deed.

8.2 Service of process

- (a) The Chargor appoints Novelis Europe Holdings Limited, a company registered in England and Wales with registered number 05308334, as its agent under this Deed for service of process in any proceedings before the English courts in connection with this Deed and will procure that Novelis Europe Holdings Limited accepts such appointment.
- (b) If any person appointed as process agent under this Clause is unable for any reason to so act, the Chargor must immediately (and in any event within 14 days of such event taking place) appoint another agent on terms acceptable to the Collateral Agent. Failing this, the Collateral Agent may appoint another process agent for this purpose.
- (c) The Chargor agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings.
- (d) This Subclause does not affect any other method of service allowed by law.

8.3 Waiver of immunity

The Chargor irrevocably and unconditionally:

- (a) agrees not to claim any immunity from proceedings brought by a Secured Party against it in relation to this Deed and to ensure that no such claim is made on its behalf;
- (b) consents generally to the giving of any relief or the issue of any process in connection with those proceedings; and
- (c) waives all rights of immunity in respect of it or its assets.

8.4 Waiver of trial by jury

EACH PARTY WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION IN CONNECTION WITH THIS DEED OR ANY TRANSACTION CONTEMPLATED BY THIS DEED. THIS DEED MAY BE FILED AS A WRITTEN CONSENT TO TRIAL BY THE COURT.

This Deed has been executed and delivered as a deed on the date stated at the beginning of this Deed.

SCHEDULE

AMENDMENTS TO ORIGINAL SHARE MORTGAGE

On and from the Effective Date, Clause 5.1 (*Certificated Charged Shares*) of the Original Share Mortgage shall be deleted in full and replaced with the following wording:

"(a) The Chargor must:

- (i) deposit with the Collateral Agent, or as the Collateral Agent may direct, any bearer instrument, share certificate or other document of title or evidence of ownership in relation to any Charged Share, immediately in respect of any Charged Share subject to this Security on the date of this Deed and thereafter, within 30 days (or such shorter period as noted below) following the acquisition by, or the issue to, that Chargor of any certificated Charged Share; this includes:
 - (1) delivering, within such 30 day period, executed and (unless exempt from stamp duty), pre-stamped share transfers in favour of the Collateral Agent or any of its nominees as transferee or, if the Collateral Agent so directs, with the transferee left blank;
 - (2) delivering, within such 30 day period, share certificates in the name of the Chargor to the Collateral Agent; and
 - (3) procuring, within 5 days following the acquisition by, or the issue to, that Chargor of such certificated Charged Share, that those share transfers are registered by the Charged Company in which the Charged Shares are held in the share register of that Charged Company, and delivering a copy of the same to the Collateral Agent within such 30 day period; and
- (ii) take any action and execute and deliver to the Collateral Agent any share transfer or other document which may be requested by the Collateral Agent in order to enable the transferee to be registered as the owner or otherwise obtain a legal title to that Charged Share.

(b) Without prejudice to Clause 6.1 (*Timing*) of this Deed, the Collateral Agent may, at any time, complete the instruments of transfer on behalf of the Chargor in favour of itself or such other person as it shall select."

SIGNATORIES

(AMENDMENT DEED RELATING TO THE EXISTING SHARE MORTGAGES (TERM LOAN))

The Chargor

Executed as a deed by

NOVELIS INC. acting by
Gregg Murphey

)

)

..... Attorney

[Signature Page – Amendment Deed – Share Mortgage (Term Loan)]

The Collateral Agent

Executed as a deed by
STANDARD CHARTERED BANK
in its capacity as Collateral Agent
acting by authorised signatory:

Name:

Title:

[Signature Page – Amendment Deed – Share Mortgage (Term Loan)]

AMENDMENT TO INTERCREDITOR AGREEMENT

This CONSENT TO INTERCREDITOR AGREEMENT (this “**Amendment**”) is made as of , 2024, by and among Wells Fargo Bank, National Association, as Administrative Agent to the Revolving Credit Lenders (as defined in the Intercreditor Agreement, as defined below) (in such capacity, the “**Revolving Credit Administrative Agent**”), Wells Fargo Bank, National Association, as Collateral Agent for the Revolving Credit Claimholders (as defined in the Intercreditor Agreement, as defined below) (in such capacity, the “**Revolving Credit Collateral Agent**”), Standard Chartered Bank, as Administrative Agent for the Term Loan Lenders (as defined in the Intercreditor Agreement, as defined below) (in such capacity, the “**Term Loan Administrative Agent**”) and Standard Chartered Bank, as Collateral Agent for the Term Loan Secured Parties (as defined in the Intercreditor Agreement, as defined below) (in such capacity, the “**Term Loan Collateral Agent**”).

RECITALS

WHEREAS, the Revolving Credit Administrative Agent, the Revolving Credit Collateral Agent, the Term Loan Administrative Agent and the Term Loan Collateral Agent are parties to that certain Intercreditor Agreement, dated as of December 17, 2010 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “**Intercreditor Agreement**”), among, *inter alia* Novelis Inc., AV Minerals (Netherlands) N.V., the subsidiaries of Novelis Inc. from time to time party thereto, and certain other persons which may be or become parties thereto or become bound thereto from time to time (unless otherwise defined herein, capitalized terms used herein shall have the same meanings as given to such terms in the Intercreditor Agreement); and

WHEREAS, the parties hereto have agreed to amend the Intercreditor Agreement as set forth herein.

NOW THEREFORE, in consideration of the provisions set forth herein, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree, as follows:

1. Amendment to Intercreditor Agreement. Subject to the terms and conditions set forth herein, effective as of the Amendment Effective Date (as defined below), Section 11.9 of the Intercreditor Agreement is hereby amended and restated as follows:

“11.9 Notices. All notices to the Revolving Credit Claimholders permitted or required under this Agreement shall be sent to the Revolving Credit Agents, on behalf of the Revolving Credit Claimholders (and the Revolving Credit Agents shall distribute such notices to the other Revolving Credit Claimholders). All notices to the Pari Passu Secured Parties permitted or required under this Agreement shall be sent to the Pari Passu Representatives, on behalf of the Pari Passu Secured Parties (and the Pari Passu Representatives shall distribute such

notices to the other Pari Passu Secured Parties). All notices to the Subordinated Lien Secured Parties permitted or required under this Agreement shall be sent to the Subordinated Lien Representatives on behalf of the Subordinated Lien Secured Parties (and the Subordinated Lien Representatives for further distribution to the other Subordinated Lien Secured Parties). Unless otherwise specifically provided herein, any notice hereunder shall be in writing and may be personally served, or sent by telefacsimile or United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile, or three Business Days after depositing it in the United States mail with postage prepaid and properly addressed.

For the purposes hereof, the addresses of the parties hereto shall be as set forth below each party's name on the signature pages hereto, or, as to each party, at such other address as may be designated by such party in a written notice to all of the other parties.

In addition, any notice hereunder may be sent by e-mail, in which case notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement); provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient. In addition, any designation of a person as a "Secured Hedge Provider" in a notice to the Term Loan Agents as contemplated by clause (ii)(B) of the definition of Secured Hedge Provider may be sent in accordance with the notice provisions of the Term Loan Credit Agreement (or if the Discharge of Term Loan Secured Obligations has occurred, to any other Pari Passu Representative)."

2. **Conditions Precedent to Effectiveness.** This Amendment shall become effective as of the first date (the "**Amendment Effective Date**") on which each of the following conditions precedent shall have been satisfied:

(a) **Executed Amendment.** Each party hereto shall have received this Amendment, duly executed by each party hereto.

(b) **Executed Credit Agreement Amendments.** The Revolving Credit Administrative Agent shall have received an executed copy of Amendment No. 12 to Second Amended and Restated Credit Agreement, and the Amendment Effective Date (as defined therein) shall have occurred, and the Term Loan Administrative Agent shall have received an executed copy of Amendment No. 8 to Credit Agreement and Amendment to U.S. Security Agreement, and the Amendment Effective Date (as defined therein) shall have occurred.

3. Governing Law, Consent to Jurisdiction and Service of Process; Waiver of Jury Trial. Sections 11.6 through 11.8 of the Intercreditor Agreement are hereby incorporated by reference, *mutatis mutandis*, as if a part hereof.

4. Counterparts.

(c) This Amendment and any notices delivered under this Amendment, may be executed by means of (a) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, or any other relevant and applicable electronic signatures law; (b) an original manual signature; or (c) a faxed, scanned, or photocopied manual signature. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto reserves the right, in its sole discretion, to accept, deny, or condition acceptance of any electronic signature on this Amendment or on any notice delivered to such party under this Amendment.

(d) This Amendment and any notices delivered under this Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Receipt by the parties hereto of a facsimile copy or electronic image scan transmission (e.g., PDF via electronic email) of an executed signature page and any notices as set forth herein shall constitute receipt by such party and shall be as effective as delivery of a manually executed counterpart of the Amendment or notice.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Consent Agreement to be duly executed by their respective officers or representatives as of the date first written above.

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Revolving Credit Administrative Agent and as Revolving Credit Collateral Agent, and in such capacity, as authorized representative of the Revolving Credit Claimholders

By:___
Name:___
Title:___

[Signature Page to Amendment to the Intercreditor Agreement]

STANDARD CHARTERED BANK, as Term Loan Administrative Agent and as Term Loan Collateral Agent, and in such capacity, as authorized representative of the Term Loan Secured Parties

By:___
Name:___
Title:___

[Signature Page to Amendment to the Intercreditor Agreement]

List of Subsidiaries of Novelis Inc.

Name of Entity	Jurisdiction
Novelis do Brasil Ltda.	Brazil
Brecha Energetica Ltda	Brazil
4260848 Canada Inc.	Canada
4260856 Canada Inc.	Canada
8018227 Canada Inc.	Canada
Novelis Aluminum (Zhenjiang) Co., Ltd.	China
Novelis (China) Aluminum Products Co., Ltd.	China
Novelis (Shanghai) Aluminum Trading Company	China
France Aluminium Recyclage SA	France
Novelis PAE S.A.S.	France
Novelis Casthouse Germany GmbH	Germany
Novelis Deutschland Holding GmbH	Germany
Novelis Koblenz GmbH	Germany
Novelis Deutschland GmbH	Germany
Aluminium Norf GmbH	Germany
Novelis Sheet Ingot GmbH	Germany
Aleris Asia Pacific Limited	Hong Kong
Novelis Italia SpA	Italy
Novelis Aluminium Holding Unlimited Company	Ireland
Aleris Aluminum Japan, Ltd.	Japan
Novelis de Mexico, S.A. de C.V.	Mexico
Novelis Netherlands B.V.	Netherlands
Novelis Korea Limited	South Korea
Ulsan Aluminum Ltd.	South Korea
Aleris Switzerland GmbH	Switzerland
Novelis AG	Switzerland
Novelis Switzerland SA	Switzerland
AluInfra Services SA	Switzerland
Novelis MEA Ltd.	UAE, Dubai
Novelis Europe Holdings Limited	United Kingdom
Novelis UK Ltd.	United Kingdom
Novelis Services Limited	United Kingdom
Novelis ALR Aluminum Holdings Corporation	United States, Delaware
Novelis ALR International, Inc.	United States, Delaware
Novelis ALR Rolled Products, Inc.	United States, Delaware
Novelis ALR Asset Management Corporation	United States, Delaware
Novelis ALR Rolled Products, LLC	United States, Delaware
Novelis ALR Recycling of Ohio, LLC	United States, Delaware
Novelis ALR Rolled Products Sales Corporation	United States, Delaware
Novelis ALR Aluminum, LLC	United States, Delaware

Novelis ALR Aluminum-Alabama, LLC	United States, Delaware
Novelis Global Employment Organization, Inc.	United States, Delaware
Novelis South America Holdings LLC	United States, Delaware
Novelis Holdings Inc.	United States, Delaware
Novelis Services (North America) Inc.	United States, Delaware
Novelis Services (Europe) Inc.	United States, Delaware
Logan Aluminum Inc.	United States, Delaware
Novelis Corporation	United States, Texas
Novelis Vietnam Company Limited	Vietnam
Novelis Ventures LLC	United States, Delaware

Certification

I, Steven Fisher, certify that:

1. I have reviewed this Annual Report on Form 10-K of Novelis Inc. (Novelis);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Steven Fisher

Steven Fisher
President and Chief Executive Officer
(Principal Executive Officer)

Date: May 6, 2024

Certification

I, Devinder Ahuja, certify that:

1. I have reviewed this Annual Report on Form 10-K of Novelis Inc. (Novelis);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Devinder Ahuja

Devinder Ahuja
Chief Financial Officer
(Principal Financial Officer)

Date: May 6, 2024

**Certification Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of Novelis Inc. (Novelis), hereby certifies that Novelis' Annual Report on Form 10-K for the period ended March 31, 2024 (Report) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Novelis.

/s/ Steven Fisher

Steven Fisher

President and Chief Executive Officer

(Principal Executive Officer)

Date: May 6, 2024

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of this Report.

**Certification Pursuant to 18 U.S.C. Section 1350 as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

Pursuant to 18 U.S.C. Section 1350, the undersigned officer of Novelis Inc. (Novelis), hereby certifies that Novelis' Annual Report on Form 10-K for the period ended March 31, 2024 (Report) fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended, and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Novelis.

/s/ Devinder Ahuja

Devinder Ahuja
Chief Financial Officer
(Principal Financial Officer)

Date: May 6, 2024

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of this Report.