

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2025

☐ 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)

98-0442987
(I.R.S. Employer Identification No.)

3550 Peachtree Road NE, Suite 1100
Atlanta, GA
(Address of principal executive offices)

30326
(Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A	N/A	N/A

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No ☒

APPLICABLE ONLY TO CORPORATE ISSUERS:

As of November 3, 2025, the registrant had 600,000,000 shares of common stock, no par value, outstanding. All of the registrant's outstanding shares were held indirectly by Hindalco Industries Ltd., the registrant's parent company.

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COMMONLY USED OR DEFINED TERMS

Term	Definition
Adjusted EBITDA	As defined in Note 16 – Segment, Geographical Area, Major Customer and Major Supplier Information
AluInfra	AluInfra Services SA
Alunorf	Aluminium Norf GmbH
ASC	FASB Accounting Standards Codification
ASU	FASB Accounting Standards Update
Exchange Act	Securities Exchange Act of 1934, as amended
FASB	Financial Accounting Standards Board
fiscal 2026	Fiscal year ended March 31, 2026 ⁽¹⁾
Form 10-Q	Quarterly Report on Form 10-Q
FRP	Flat-rolled products
GAAP	Generally Accepted Accounting Principles
Kobe	Kobe Steel, Ltd.
kt	kilotonne (One kt is 1,000 metric tonnes)
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
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
2025 Form 10-K	Our Annual Report on Form 10-K for the fiscal year ended March 31, 2025, as filed with the SEC on May 12, 2025

(1) Analogous convention is used for the fiscal years prior and subsequent to March 31, 2026.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited).

Novelis Inc. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)

<i>in millions</i>	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Net sales	\$ 4,744	\$ 4,295	\$ 9,461	\$ 8,482
Cost of goods sold (exclusive of depreciation and amortization)	4,028	3,610	8,104	7,091
Selling, general and administrative expenses	173	183	348	364
Depreciation and amortization	152	141	300	281
Interest expense and amortization of debt issuance costs	68	72	135	144
Research and development expenses	24	25	46	50
Loss on extinguishment of debt, net	3	—	3	—
Restructuring and impairment expenses, net	31	21	116	40
Equity in net income of non-consolidated affiliates	(5)	(2)	(6)	(3)
Other expenses, net	46	65	45	125
	4,520	4,115	9,091	8,092
Income before income tax provision	224	180	370	390
Income tax provision	61	51	111	111
Net income	163	129	259	279
Net income attributable to noncontrolling interests	—	1	—	—
Net income attributable to our common shareholder	\$ 163	\$ 128	\$ 259	\$ 279

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (unaudited)

<i>in millions</i>	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Net income	\$ 163	\$ 129	\$ 259	\$ 279
Other comprehensive (loss) income:				
Currency translation adjustment	(29)	138	184	116
Net change in fair value of effective portion of cash flow hedges	(60)	(12)	(98)	(44)
Net change in pension and other benefits	(1)	(4)	(6)	(7)
Other comprehensive (loss) income before income tax effect	(90)	122	80	65
Income tax benefit related to items of other comprehensive (loss) income	(15)	—	(25)	(10)
Other comprehensive (loss) income, net of tax	(75)	122	105	75
Comprehensive income	88	251	364	354
Comprehensive income (loss) attributable to noncontrolling interests, net of tax	—	—	—	(1)
Comprehensive income attributable to our common shareholder	\$ 88	\$ 251	\$ 364	\$ 355

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS (unaudited)

in millions, except number of shares

	September 30, 2025	March 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,157	\$ 1,036
Accounts receivable, net		
— third parties (net of allowance for credit losses of \$7 as of September 30, 2025, and March 31, 2025)	2,013	2,073
— related parties	163	136
Inventories	3,403	3,054
Prepaid expenses and other current assets	240	234
Fair value of derivative instruments	74	176
Assets held for sale	20	6
Total current assets	7,070	6,715
Property, plant and equipment, net	7,593	6,851
Goodwill	1,079	1,074
Intangible assets, net	478	509
Investment in and advances to non-consolidated affiliates	992	912
Deferred income tax assets	176	188
Other long-term assets		
— third parties	300	263
— related parties	5	3
Total assets	<u>\$ 17,693</u>	<u>\$ 16,515</u>
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 35	\$ 32
Short-term borrowings	527	348
Accounts payable		
— third parties	3,761	3,687
— related parties	308	275
Fair value of derivative instruments	144	106
Liabilities held for sale	12	—
Accrued expenses and other current liabilities	614	666
Total current liabilities	5,401	5,114
Long-term debt, net of current portion	6,324	5,773
Deferred income tax liabilities	288	295
Accrued postretirement benefits	539	534
Other long-term liabilities	297	284
Total liabilities	<u>12,849</u>	<u>12,000</u>
Commitments and contingencies		
Shareholder's equity:		
Common stock, no par value; Unlimited number of shares authorized; 600,000,000 shares issued and outstanding as of September 30, 2025, and March 31, 2025	—	—
Additional paid-in capital	1,073	1,108
Retained earnings	4,014	3,755
Accumulated other comprehensive loss	(253)	(358)
Total equity of our common shareholder	4,834	4,505
Noncontrolling interests	10	10
Total equity	4,844	4,515
Total liabilities and equity	<u>\$ 17,693</u>	<u>\$ 16,515</u>

See accompanying notes to the condensed consolidated financial statements. Refer to [Note 4 – Consolidation](#) for information on our consolidated VIE.

Novelis Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

<i>in millions</i>	Six Months Ended September 30,	
	2025	2024
OPERATING ACTIVITIES		
Net income	\$ 259	\$ 279
Adjustments to determine net cash provided by operating activities:		
Depreciation and amortization	300	281
Loss (gain) on unrealized derivatives and other realized derivatives in investing activities, net	38	(46)
Loss on sale or disposal of assets, net	3	2
Non-cash restructuring and impairment charges	69	33
Loss on extinguishment of debt, net	3	—
Deferred income taxes, net	22	—
Equity in net income of non-consolidated affiliates	(6)	(3)
Loss on foreign exchange remeasurement of debt	18	15
Amortization of debt issuance costs and carrying value adjustments	8	6
Non-cash charges related to Sierre flooding	—	42
Non-cash charges related to Oswego fire	11	—
Other, net	—	2
Changes in assets and liabilities including assets and liabilities held for sale:		
Accounts receivable	105	(202)
Inventories	(251)	(289)
Accounts payable	(61)	341
Other assets	(21)	21
Other liabilities	(86)	(108)
Net cash provided by operating activities	\$ 411	\$ 374
INVESTING ACTIVITIES		
Capital expenditures	\$ (913)	\$ (717)
Outflows from investment in and advances to non-consolidated affiliates, net	(3)	(7)
Outflows from the settlement of derivative instruments, net	(17)	(1)
Proceeds from insurance claims	18	—
Other	5	6
Net cash used in investing activities	\$ (910)	\$ (719)
FINANCING ACTIVITIES		
Proceeds from issuance of long-term and short-term borrowings	\$ 1,378	\$ 64
Principal payments of long-term and short-term borrowings	(817)	(68)
Revolving credit facilities and other, net	99	106
Debt issuance costs	(23)	—
Return of capital to our common shareholder	(35)	—
Net cash provided by financing activities	\$ 602	\$ 102
Net increase (decrease) in cash, cash equivalents and restricted cash	103	(243)
Effect of exchange rate changes on cash	18	2
Cash, cash equivalents and restricted cash – beginning of period	1,041	1,322
Cash, cash equivalents and restricted cash – end of period	\$ 1,162	\$ 1,081
Cash and cash equivalents	\$ 1,157	\$ 1,071
Restricted cash (included in other long-term assets)	5	10
Cash, cash equivalents and restricted cash – end of period	\$ 1,162	\$ 1,081
Supplemental Disclosures:		
Accrued capital expenditures	\$ 301	\$ 250

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDER'S EQUITY (unaudited)

	Equity of our Common Shareholder						
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity
	Shares	Amount					
<i>in millions, except number of shares</i>							
Balance as of March 31, 2024	600,000,000	\$ —	\$ 1,108	\$ 3,072	\$ (381)	\$ 11	\$ 3,810
Net income attributable to our common shareholder	—	—	—	279	—	—	279
Currency translation adjustment included in other comprehensive (loss) income	—	—	—	—	116	—	116
Change in fair value of effective portion of cash flow hedges, net of tax benefit of \$9 included in other comprehensive (loss) income	—	—	—	—	(35)	—	(35)
Change in pension and other benefits, net of tax benefit of \$1 included in other comprehensive (loss) income	—	—	—	—	(5)	(1)	(6)
Balance as of September 30, 2024	600,000,000	\$ —	\$ 1,108	\$ 3,351	\$ (305)	\$ 10	\$ 4,164

	Equity of our Common Shareholder						
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity
	Shares	Amount					
Balance as of March 31, 2025	600,000,000	\$ —	\$ 1,108	\$ 3,755	\$ (358)	\$ 10	\$ 4,515
Net income attributable to our common shareholder	—	—	—	259	—	—	259
Currency translation adjustment included in other comprehensive (loss) income	—	—	—	—	184	—	184
Change in fair value of effective portion of cash flow hedges, net of tax benefit of \$24 included in other comprehensive (loss) income	—	—	—	—	(74)	—	(74)
Change in pension and other benefits, net of tax benefit of \$1 included in other comprehensive (loss) income	—	—	—	—	(5)	—	(5)
Return of capital to our common shareholder	—	—	(35)	—	—	—	(35)
Balance as of September 30, 2025	600,000,000	\$ —	\$ 1,073	\$ 4,014	\$ (253)	\$ 10	\$ 4,844

	Equity of our Common Shareholder						
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity
	Shares	Amount					
Balance as of June 30, 2024	600,000,000	\$ —	\$ 1,108	\$ 3,223	\$ (428)	\$ 10	\$ 3,913
Net income attributable to our common shareholder	—	—	—	128	—	—	128
Net income attributable to noncontrolling interests	—	—	—	—	—	1	1
Currency translation adjustment included in other comprehensive (loss) income	—	—	—	—	138	—	138
Change in fair value of effective portion of cash flow hedges, net of tax provision of \$0 included in other comprehensive (loss) income	—	—	—	—	(12)	—	(12)
Change in pension and other benefits, net of tax provision of \$0 included in other comprehensive (loss) income	—	—	—	—	(3)	(1)	(4)
Balance as of September 30, 2024	600,000,000	\$ —	\$ 1,108	\$ 3,351	\$ (305)	\$ 10	\$ 4,164

	Equity of our Common Shareholder						
	Common Stock		Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity
	Shares	Amount					
Balance as of June 30, 2025	600,000,000	\$ —	\$ 1,073	\$ 3,851	\$ (178)	\$ 10	\$ 4,756
Net income attributable to our common shareholder	—	—	—	163	—	—	163
Currency translation adjustment included in other comprehensive (loss) income	—	—	—	—	(29)	—	(29)
Change in fair value of effective portion of cash flow hedges, net of tax benefit of \$15 included in other comprehensive (loss) income	—	—	—	—	(45)	—	(45)
Change in pension and other benefits, net of tax provision of \$0 included in other comprehensive (loss) income	—	—	—	—	(1)	—	(1)
Balance as of September 30, 2025	600,000,000	\$ —	\$ 1,073	\$ 4,014	\$ (253)	\$ 10	\$ 4,844

See accompanying notes to the condensed consolidated financial statements.

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

1. BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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. All of the common shares of Novelis are owned directly by AV Minerals (Netherlands) N.V. and indirectly by Hindalco.

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 September 30, 2025, we had manufacturing operations in nine countries on four continents: North America, South America, Asia, and Europe, through 29 operating facilities, which may include any combination of hot or cold rolling, finishing, casting, or recycling capabilities. We have recycling operations in 15 of our operating facilities to recycle post-consumer aluminum, such as UBCs, and post-industrial aluminum, such as class scrap.

Basis of Presentation

The condensed consolidated balance sheet data as of March 31, 2025, was derived from the March 31, 2025, audited financial statements but does not include all disclosures required by U.S. GAAP. The accompanying unaudited condensed consolidated financial statements should be read in conjunction with our audited consolidated financial statements and accompanying notes in our 2025 Form 10-K. Management believes that all adjustments necessary for the fair statement of results, consisting of normally recurring items, have been included in the unaudited condensed consolidated financial statements for the interim periods presented.

Consolidation Policy

Our condensed 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 condensed 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 the 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 condensed 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.

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 required criteria are met. 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 condensed consolidated balance sheets as assets held for sale and liabilities held for sale, respectively. As of September 30, 2025, the Company had assets held for sale of \$20 million and liabilities held for sale of \$12 million. As of March 31, 2025, the Company had assets held for sale of \$6 million.

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. On September 30, 2025, and March 31, 2025, confirmed supplier invoices that are outstanding and subject to the third-party programs included in accounts payable on the condensed consolidated balance sheets were \$886 million and \$850 million, respectively.

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Use of Estimates and Assumptions

The preparation of our condensed 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, the disclosures of contingent assets and liabilities as of the date of the financial statements, and 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 condensed 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.

Recently Adopted Accounting Standards

We did not adopt any new accounting pronouncements during the six months ended September 30, 2025, that had a material impact on our consolidated financial condition, results of operations, or cash flows.

Recently Issued Accounting Standards (Not Yet Adopted)

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.

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. This ASU requires expanded, disaggregated expense disclosures. This ASU is effective for all entities for fiscal years beginning after December 15, 2026, and for interim periods within annual reporting periods beginning after December 15, 2027 as updated for in ASU 2025-01, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date* which clarified the interim reporting effective date of ASU 2024-03. Early adoption is permitted. The amendments will be applied prospectively with the option of retrospective application. We are currently evaluating this ASU to determine its impacts on the Company's disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40)*, which modernizes the accounting framework for internal-use software. The update eliminates the prior model based on defined development stages and introduces a principles-based approach that focuses on management's commitment and the likelihood of project completion. ASU 2025-06 is effective for annual periods beginning after December 15, 2027, including interim periods within those years. Early adoption is permitted. The Company is currently assessing the potential impact of this guidance on its consolidated condensed financial statements.

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.

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

2. RESTRUCTURING AND IMPAIRMENT

Restructuring and impairment expenses, net includes restructuring costs, impairments, and other related expenses or reversal of expenses. Restructuring and impairment expenses, net for the three and six months ended September 30, 2025 totaled a net expense of \$31 million and \$116 million, respectively. Restructuring and impairment expenses, net for the three and six months ended September 30, 2024 totaled a net expense of \$21 million and \$40 million, respectively.

The following table summarizes our restructuring liability activity.

<i>in millions</i>	North America	Europe	Asia	South America	Other Operations	Total
Restructuring liability balance as of March 31, 2025	\$ 20	\$ 1	\$ —	\$ 6	\$ 1	\$ 28
Restructuring and impairment expenses, net	51	10	36	1	18	116
Cash payments	(15)	(3)	(2)	(1)	(11)	(32)
Other ⁽¹⁾	(35)	—	(34)	1	—	(68)
Restructuring liability balance as of September 30, 2025⁽²⁾	\$ 21	\$ 8	\$ —	\$ 7	\$ 8	\$ 44

<i>in millions</i>	North America	Europe	Asia	South America	Other Operations	Total
Restructuring liability balance as of March 31, 2024	\$ 16	\$ 2	\$ —	\$ 6	\$ —	\$ 24
Restructuring and impairment expenses, net	22	—	17	1	—	40
Cash payments	(7)	(1)	—	(1)	—	(9)
Other ⁽¹⁾	(16)	—	(17)	—	—	(33)
Restructuring liability balance as of September 30, 2024⁽²⁾	\$ 15	\$ 1	\$ —	\$ 6	\$ —	\$ 22

(1) 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. For the six months ended September 30, 2025 and September 30, 2024, impairment charges, accelerated depreciation, pension curtailment and settlement gains, and other non-cash expenses included in restructuring and impairment expenses, net were \$69 million and \$33 million, respectively.

(2) As of September 30, 2025, the restructuring liability totaled \$44 million, with \$23 million included in accrued expenses and other current liabilities and the remainder is within other long-term liabilities on our accompanying condensed consolidated balance sheet. As of September 30, 2024, the restructuring liability totaled \$22 million, with \$5 million included in accrued expenses and other current liabilities and the remainder was within other long-term liabilities on our condensed consolidated balance sheet.

Restructuring and impairment expenses, net for the three months ended September 30, 2025, of \$31 million consist of \$16 million in accelerated depreciation charges and \$15 million in employee-related and other restructuring expenses. Restructuring and impairment expenses, net for the six months ended September 30, 2025, of \$116 million consist of \$81 million in accelerated depreciation charges and \$35 million in employee-related and other restructuring expenses, net of pension curtailment and settlement gains.

Restructuring and impairment expenses, net for the three months ended September 30, 2024, of \$21 million consist of \$17 million in write-off costs previously capitalized and \$4 million in employee-related and other restructuring expenses. Restructuring and impairment expenses, net for the six months ended September 30, 2024, of \$40 million consist of \$15 million in accelerated depreciation charges, \$17 million in write-off costs previously capitalized, and \$8 million in employee-related and other restructuring expenses.

2025 Structural Cost Improvement and Efficiency Plan

In fiscal 2025, the Company initiated actions to implement structural cost improvement and efficiency measures across our global operations to drive sustainable labor, operational and footprint efficiencies through the 2025 Structural Cost Improvement and Efficiency Plan (the "2025 Efficiency Plan").

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

The following table summarizes the restructuring charges recorded as a result of the 2025 Efficiency Plan for the periods presented:

<i>in millions</i>	North America	Europe	Asia	Other Operations	Total
Charges recognized in the three months ended September 30, 2025					
Employee-related expenses	\$ 1	\$ 2	\$ —	\$ 1	\$ 4
Accelerated depreciation	—	—	15	—	15
Professional fees	—	—	—	8	8
Other	1	—	—	—	1
Total restructuring charges	\$ 2	\$ 2	\$ 15	\$ 9	\$ 28
Charges recognized in the six months ended September 30, 2025					
Employee-related expenses	\$ 9	\$ 10	\$ 1	\$ 9	\$ 29
Accelerated depreciation	46	—	34	—	80
Pension curtailment and settlement gains	(11)	—	—	—	(11)
Professional fees	—	—	—	9	9
Other	4	—	—	—	4
Total restructuring charges	\$ 48	\$ 10	\$ 35	\$ 18	\$ 111
Charges recognized in fiscal 2025					
Employee-related expenses	\$ 2	\$ —	\$ —	\$ —	\$ 2
Total restructuring charges	\$ 2	\$ —	\$ —	\$ —	\$ 2
Cumulative restructuring charges through September 30, 2025	\$ 50	\$ 10	\$ 35	\$ 18	\$ 113

The liabilities related to employee-related expenses were recorded in accrued expenses and other current liabilities in the Company's condensed consolidated balance sheet and were as follows:

<i>in millions</i>	North America	Europe	Asia	Other Operations	Total
Liability balance as of March 31, 2025	\$ 2	\$ —	\$ —	\$ —	\$ 2
Expenses recognized	9	10	1	9	29
Cash payments	(8)	(3)	(1)	(4)	(16)
Liability balance as of September 30, 2025	\$ 3	\$ 7	\$ —	\$ 5	\$ 15

As part of the 2025 Efficiency Plan, the Company announced several actions aimed at driving footprint efficiencies, consisting of shutting down the Richmond, Virginia, and Fairmont, West Virginia, plants (the "Richmond plant" and the "Fairmont plant", respectively) in the North America segment and idling one of the two automotive finishing line at our Changzhou, China, plant (the "Changzhou plant") in the Asia segment. The Company ceased the related operations at the Richmond and Fairmont plants in the first quarter of fiscal 2026 and recognized charges of \$1 million and \$45 million in the three and six months ended September 30, 2025, respectively, consisting of accelerated depreciation, employee-related expenses, and other restructuring costs, net of pension curtailment and settlement gains.

The Company is in the process of idling one of the two Changzhou plant automotive finishing lines and has recognized restructuring costs of \$15 million and \$35 million in the three and six months ended September 30, 2025, respectively, consisting of accelerated depreciation and employee-related expenses. In the third quarter of fiscal 2026, the Company expects to recognize total pre-tax charges associated with the actions at the Changzhou plant consisting primarily of charges for accelerated depreciation in the range of \$5 million to \$10 million.

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Additionally, in the three and six months ended September 30, 2025, the Company recognized \$12 million and \$31 million, respectively, in charges related to SG&A cost reduction actions, consisting primarily of \$4 million and \$22 million, respectively, in employee-related expenses across the regions other than Asia and South America and \$8 million and \$9 million, respectively, in professional fees. The Company did not recognize any material charges in connection with the 2025 Efficiency Plan in the South America region through September 30, 2025.

We expect to implement additional actions and incur additional costs in connection with the 2025 Efficiency Plan between fiscal 2026 and fiscal 2028 but we are unable to quantify such costs at this time.

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3. INVENTORIES

Inventories consists of the following.

<i>in millions</i>	September 30, 2025	March 31, 2025
Finished goods	\$ 878	\$ 697
Work in process	1,376	1,349
Raw materials	840	722
Supplies	309	286
Inventories	<u>\$ 3,403</u>	<u>\$ 3,054</u>

4. 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 condensed consolidated balance sheets.

<i>in millions</i>	September 30, 2025	March 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 21	\$ 4
Accounts receivable, net	9	9
Inventories	125	129
Prepaid expenses and other current assets	9	8
Total current assets	164	150
Property, plant and equipment, net	55	101
Goodwill	12	12
Deferred income tax assets	36	36
Other long-term assets	4	3
Total assets	<u>\$ 271</u>	<u>\$ 302</u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 119	\$ 134
Accrued expenses and other current liabilities	31	37
Total current liabilities	150	171
Accrued postretirement benefits	92	102
Other long-term liabilities	3	2
Total liabilities	<u>\$ 245</u>	<u>\$ 275</u>

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

Included in the accompanying condensed 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 September 30, 2025, Novelis and Kobe both hold a 50% interest in UAL. We did not make additional contributions to UAL in the three months ended September 30, 2025. During the six months ended September 30, 2025, we made additional contributions to UAL in the amount of \$6 million. During the three and six months ended September 30, 2024, we made additional contributions to UAL in the amount of \$3 million and \$12 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 results of operations of our equity method non-consolidated affiliates in the aggregate and the nature and amounts of significant transactions we have 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>	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Net sales	\$ 426	\$ 401	\$ 873	\$ 800
Costs and expenses related to net sales	412	394	857	780
Income tax provision	1	2	2	5
Net income	\$ 13	\$ 5	\$ 14	\$ 15
Purchases of tolling services from Alunorf	\$ 81	\$ 77	\$ 160	\$ 152

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

<i>in millions</i>	September 30, 2025	March 31, 2025
Accounts receivable, net — related parties	\$ 163	\$ 136
Other long-term assets — related parties	5	3
Accounts payable — related parties	308	275

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Transactions with Hindalco

We occasionally have related party transactions with Hindalco. During the three and six months ended September 30, 2025, we recorded net sales of less than \$1 million between Novelis and Hindalco related primarily to sales of equipment and other services. During the three and six months ended September 30, 2024, we recorded net sales of less than \$1 million and \$1 million, respectively, between Novelis and Hindalco related primarily to sales of equipment and other services. As of September 30, 2025, and March 31, 2025, there was \$1 million of outstanding accounts receivable, net — related parties net of accounts payable — related parties related to transactions with Hindalco.

Return of Capital

We paid a return of capital to our common shareholder in the amount of \$35 million during the first quarter of fiscal 2026. We did not pay a return of capital to our common shareholder in fiscal 2025.

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6. DEBT

Debt consists of the following.

	September 30, 2025				March 31, 2025			
<i>in millions</i>	Interest Rates ⁽¹⁾	Principal	Unamortized Carrying Value Adjustments ⁽²⁾	Carrying Value	Principal	Unamortized Carrying Value Adjustments ⁽²⁾	Carrying Value	
Short-term borrowings	4.97 %	\$ 527	\$ —	\$ 527	\$ 348	\$ —	\$ 348	
Floating rate Term Loans, due March 2032	5.75 %	1,244	(16)	1,228	1,250	(16)	1,234	
3.25% Senior Notes, due November 2026	3.25 %	13	—	13	750	(3)	747	
3.375% Senior Notes, due April 2029	3.375 %	588	(5)	583	540	(7)	533	
4.75% Senior Notes, due January 2030	4.75 %	1,600	(14)	1,586	1,600	(15)	1,585	
6.875% Senior Notes, due January 2030	6.875 %	750	(10)	740	750	(11)	739	
3.875% Senior Notes, due August 2031	3.875 %	750	(6)	744	750	(7)	743	
6.375% Senior Notes, due August 2033	6.375 %	750	(12)	738	—	—	—	
China Bank Loans, due August 2027	2.75 %	37	—	37	41	—	41	
China Loan, due September 2027	2.80 %	14	—	14	13	—	13	
China Loan, due November 2027	2.70 %	21	—	21	21	—	21	
China Loan, due December 2027	2.60 %	21	—	21	21	—	21	
Sierre Loan, due October 2027	0.45 %	126	—	126	113	—	113	
Series 2025A Bonds, due June 2032 ⁽³⁾	5.00 %	400	(5)	395	—	—	—	
Series 2025B Bonds, due June 2032 ⁽⁴⁾	4.625 %	100	(2)	98	—	—	—	
Finance lease obligations and other debt, due through April 2040	4.79 %	15	—	15	15	—	15	
Total debt		\$ 6,956	\$ (70)	\$ 6,886	\$ 6,212	\$ (59)	\$ 6,153	
Less: Short-term borrowings		(527)	—	(527)	(348)	—	(348)	
Less: Current portion of long-term debt		(35)	—	(35)	(32)	—	(32)	
Long-term debt, net of current portion		\$ 6,394	\$ (70)	\$ 6,324	\$ 5,832	\$ (59)	\$ 5,773	

(1) Interest rates are the stated rates of interest on the debt instrument (not the effective interest rate) as of September 30, 2025, and therefore exclude the effects of related interest rate swaps and 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, except for the Sierre loan, for which interest is assessed in arrears.

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

(3) The Series 2025A Bonds, as defined below, accrue interest at a fixed annual rate of 5%, ending with a mandatory tender for purchase on June 1, 2032. The Series 2025A Bonds will mature on June 1, 2055.

(4) The Series 2025B Bonds, as defined below, accrue interest at a fixed annual rate of 4.625%, ending with a mandatory tender for purchase on June 1, 2032. The Series 2025B Bonds will mature on June 1, 2055.

Principal repayment requirements for our total debt over the next five years and thereafter using exchange rates as of September 30, 2025, for our debt denominated in foreign currencies are as follows (in millions).

As of September 30, 2025	Amount
Short-term borrowings and current portion of long-term debt due within one year	\$ 562
2 years	63
3 years	183
4 years	601
5 years	2,363
Thereafter	3,184
Total	\$ 6,956

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Short-Term Borrowings

As of September 30, 2025, our short-term borrowings totaled \$527 million, which consisted of \$300 million of borrowings on our ABL Revolver, \$200 million in short-term Brazil loans, \$13 million in short-term China loans (CNY 92 million), and \$14 million in other short-term borrowings.

The weighted average interest rate on the short-term borrowings was 4.97% and 6.54% as of September 30, 2025, and March 31, 2025, respectively.

Term Loan Facility

In March 2025, we entered into a secured term loan credit facility (the "Term Loan Facility"). The Term Loan Facility provided Novelis with \$1.25 billion of proceeds (the "2025 Term Loans"). The proceeds of the 2025 Term Loans were used to repay \$741 million and \$481 million of the previously issued term loans due September 2026 and March 2028, respectively, with remaining balance for general corporate purposes and transaction-related expenses. We incurred debt issuance costs of \$16 million for the 2025 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 2025 Term Loans mature on March 11, 2032, are subject to 0.25% quarterly amortization payments.

On September 15, 2025, we amended the Term Loan Facility to, among other things, reduce the interest rate from three-month Term SOFR, plus 2.00%, to three-month Term SOFR, plus 1.75%, with interest continuing to be payable at the end of each three-month interest period. In accordance with ASC 470, Debt, the amendment was accounted for as a partial extinguishment of the Term Loan Facility, whereby \$65 million was deemed an extinguishment and \$1.18 billion was deemed a modification of debt. As a result of this transaction, we recorded a loss on extinguishment of debt of \$2 million in the second quarter of fiscal 2026.

As of September 30, 2025, we were in compliance with the covenants of our Term Loan Facility.

ABL Revolver

In April 2024, the Company amended the ABL Revolver facility. The amendment made certain changes to provide the Company with additional flexibility to operate its business, including with relation to fees on obligations denominated in foreign currencies. The ABL Revolver facility was further amended in December 2024. The amendment made certain changes to provide the Company's parent, AV Minerals (Netherlands) N.V., with additional flexibility with respect to investments and collateral requirements.

In March 2025, the Company amended the ABL Revolver facility in connection with the Term Loan Facility entered into in March 2025. The amendment made certain changes to the ABL Revolver that give the Company additional flexibility to operate its business and enter into various transactions and releases the Company's parent, AV Minerals (Netherlands) N.V. from the restrictions under the ABL Revolver, as similarly contemplated by the Term Loan Facility.

As of September 30, 2025, we were in compliance with the covenants for our ABL Revolver.

As of September 30, 2025, we had \$300 million in borrowings under the ABL Revolver and were in compliance with its debt covenants. We utilized \$131 million of the ABL Revolver for letters of credit. We had availability of \$1,569 million on the ABL Revolver, including \$144 million of remaining availability that can be utilized for letters of credit.

Citi Facility

On August 14, 2025, the Company entered into an Uncommitted Trade Loan Facility Agreement (the "Citi Facility") with Citibank providing for an uncommitted revolving facility for loans and advances of up to an aggregate amount of \$200 million. The initial maximum term of each individual loan or advance is 30 days and the Company intends to repay any borrowings prior the end of each month. Borrowings under the Citi Facility bear interest at Term SOFR plus a margin of 1.00%.

As of September 30, 2025, we had no outstanding borrowings under the Citi Facility.

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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 3.25% Senior Notes due November 2026 (the "2026 Senior Notes"), through April 2024 for the 3.375% Senior Notes due April 2029, through January 2025 for the 4.75% Senior Notes due January 2030, through August 2026 for the 3.875% Senior Notes due August 2031, through January 2027 for the 6.875% Senior Notes due January 2030, and through August 2028 for the 6.375% Senior Notes due August 2033 (the "2033 Senior Notes").

As of September 30, 2025, we were in compliance with the covenants of our Senior Notes.

2033 Senior Notes and Cash Tender Offer for the 2026 Senior Notes

On August 18, 2025, Novelis Corporation, a wholly owned subsidiary of Novelis Inc., issued \$750 million in aggregate principal amount of the 2033 Senior Notes. The 2033 Senior Notes will mature on August 15, 2033 and are subject to semi-annual interest payments that will accrue at a rate of 6.375% per year. Concurrently with the offering, Novelis conducted a cash tender offer for any and all of the outstanding 2026 Senior Notes (the "Tender Offer"). The net proceeds of the offering were used to (i) purchase \$737 million of the \$750 million outstanding aggregate principal amount of the 2026 Senior Notes that were validly tendered and not withdrawn pursuant to the Tender Offer and (ii) pay fees and expenses in connection with the offering and the Tender Offer. We incurred original issue discount costs of \$9 million and debt issuance costs of \$3 million related to the 2033 Senior Notes, which will be 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 September 30, 2025, and March 31, 2025, we had \$37 million (CNY 260 million) and \$41 million (CNY 300 million), respectively, of borrowings on our China bank loans.

China Loans

In the second quarter of fiscal 2025, we borrowed CNY 100 million of bank loans. The China Loan, due September 2027 matures on September 20, 2027, is subject to monthly interest payments, and accrues interest at China Loan Prime Rate less 0.55%. The loan amount is due in full at the maturity date. As of September 30, 2025, and March 31, 2025, we had \$14 million (CNY 100 million) and \$13 million (CNY 100 million), respectively, of borrowings on our loan.

In the third quarter of fiscal 2025, we borrowed CNY 150 million of bank loans. The China Loan, due November 2027 matures on November 20, 2027, is subject to monthly interest payments, and accrues interest at China Loan Prime Rate less 0.40%. The loan amount is due in full at the maturity date. As of September 30, 2025, and March 31, 2025, we had \$21 million (CNY 150 million) of borrowings on our loan.

Additionally, in the third quarter of fiscal 2025, we borrowed CNY 150 million of bank loans. The China Loan, due December 2027 matures on December 16, 2027, is subject to quarterly interest payments, and accrues interest at China Loan Prime Rate less 0.50%. The loan amount is subject to annual principal payments determined by the debt agreement, with the final payment due at the maturity date. As of September 30, 2025, and March 31, 2025, we had \$21 million (CNY 149 million) and \$21 million (CNY 150 million), respectively, of borrowings on our loan.

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Sierre Loan

In the third quarter of fiscal 2025, we borrowed CHF 100 million from the Banque Cantonale du Valais in order to fund the recovery of our Sierre facility after it flooded in June 2024 (the "Sierre Loan"). The Sierre Loan will mature on October 29, 2027, is subject to quarterly interest payments, and accrues interest at the Swiss Average Rate Overnight plus a spread of 0.50%. The loan amount is due in full at the maturity date. All interest on the Sierre Loan is payable by the Canton of Valais, the local Swiss governmental body where the Sierre facility is located, as part of the Canton's post-flood recovery efforts in the area. As of September 30, 2025, and March 31, 2025, we had \$126 million (CHF 100 million) and \$113 million (CHF 100 million), respectively, of borrowings on our loan.

Series 2025A Bonds

In June 2025, Novelis Corporation announced the issuance of \$400 million in original aggregate principal amount of tax-exempt bonds (the "Series 2025A Bonds") by the Industrial Development Authority of Baldwin County (the "Baldwin IDA"). The Series 2025A Bonds were issued at par. Novelis Corporation received all net proceeds related to the issuance during the first quarter of fiscal 2026. The proceeds from the Series 2025A Bonds were loaned to Novelis Corporation pursuant to a loan agreement (the "Series 2025A Loan Agreement") with the Baldwin IDA, and will be used to finance a portion of the costs of the construction of the Company's new greenfield rolling and recycling plant located in Bay Minette, Alabama (the "Bay Minette Project"). In connection with this transaction, we incurred debt issuance costs of \$5 million, which will be amortized as an increase to interest expense and amortization of debt issuance costs over the term of the loan. The Series 2025A Bonds are guaranteed, jointly and severally, on a senior unsecured basis, by Novelis Inc. and certain of its subsidiaries.

The Series 2025A Bonds bear interest at 5.00% per annum, ending with a mandatory tender for purchase on June 1, 2032 (the "Mandatory Tender Date"). After the end of the initial term interest rate period on the Mandatory Tender Date, the Series 2025A Bonds may be converted to a variable (daily or weekly) interest rate period or may remain in a term interest rate period of the same or different duration. If the rate is converted to a variable rate, the interest rate will be reset at the end of each interest rate period. The Series 2025A Bonds will mature on June 1, 2055. The Company will make semiannual interest payments on the outstanding principal on January 15 and July 15 of each year, with the first such interest payment due on January 15, 2026. The Series 2025A Loan Agreement contains standard representations, covenants and events of default for transactions of this type.

As of September 30, 2025, we were in compliance with the covenants under the Series 2025A Loan Agreement.

Series 2025B Bonds

In September 2025, Novelis Corporation announced the issuance of \$100 million in original aggregate principal amount of tax-exempt bonds (the "Series 2025B Bonds") by the Baldwin IDA. The Series 2025B Bonds were issued at par. Novelis Corporation received all net proceeds related to the issuance during the second quarter of fiscal 2026. The proceeds from the Series 2025B Bonds were loaned to Novelis Corporation pursuant to a loan agreement (the "Series 2025B Loan Agreement") with the Baldwin IDA, and will be used to finance a portion of the costs of the Bay Minette Project. In connection with this transaction, we incurred debt issuance costs of \$2 million, which will be amortized as an increase to interest expense and amortization of debt issuance costs over the term of the loan. The Series 2025B Bonds are guaranteed, jointly and severally, on a senior unsecured basis, by Novelis Inc. and certain of its subsidiaries.

The Series 2025B Bonds bear interest at 4.625% per annum, ending with a mandatory tender for purchase on the Mandatory Tender Date (as defined above). After the end of the initial term interest rate period on the Mandatory Tender Date, the Series 2025B Bonds may be converted to a variable (daily or weekly) interest rate period or may remain in a term interest rate period of the same or different duration. If the rate is converted to a variable rate, the interest rate will be reset at the end of each interest rate period. The Series 2025B Bonds will mature on June 1, 2055. The Company will make semiannual interest payments on the outstanding principal on January 15 and July 15 of each year, with the first such interest payment due on January 15, 2026. The Series 2025B Loan Agreement contains standard representations, covenants and events of default for transactions of this type.

As of September 30, 2025, we were in compliance with the covenants under the Series 2025B Loan Agreement.

7. SHARE-BASED COMPENSATION

During the six months ended September 30, 2025, we granted 1,786,750 Hindalco phantom RSUs and 1,659,117 Hindalco SARs. Total share-based compensation expense was \$8 million and \$10 million for the three and six months ended September 30, 2025, respectively. Total share-based compensation expense was \$8 million and \$26 million for the three and six months ended September 30, 2024, respectively. As of September 30, 2025, the outstanding liability related to share-based compensation was \$23 million.

The cash payments made to settle all Hindalco SAR liabilities were \$3 million and \$10 million in the six months ended September 30, 2025, and 2024, respectively. Total cash payments made to settle RSUs were \$32 million and \$15 million in the six months ended September 30, 2025, and 2024, respectively. As of September 30, 2025, unrecognized compensation expense related to the non-vested Hindalco SARs (assuming all future performance criteria are met) and the RSUs was \$9 million and \$18 million, respectively. The unrecognized expense related to the non-vested Hindalco SARs and the RSUs is expected to be recognized over weighted average periods of 1.4 years and 1.6 years, respectively.

8. POSTRETIREMENT BENEFIT PLANS

The Company recognizes actuarial gains and losses and prior service costs in the condensed 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). 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.

During the first quarter of fiscal 2026, the Company closed its Fairmont, West Virginia, plant. Due to this closure, eligible participants in the Fairmont Pension Plan can elect to receive early retirement benefits. The Company determined the number of participants who elected to do so had an immaterial impact on the condensed consolidated statements of operations and the condensed consolidated balance sheets. Additionally, eligible participants in the Fairmont Medical and Fairmont Death Benefit plans were offered and accepted the option to waive future medical and death benefits. This transaction and related remeasurement resulted in noncash curtailment and settlement gains totaling \$11 million during the six months ended September 30, 2025.

Components of net periodic benefit cost for all of our postretirement benefit plans are shown in the table below.

<i>in millions</i>	Pension Benefit Plans		Other Benefit Plans	
	Three Months Ended September 30,		Three Months Ended September 30,	
	2025	2024	2025	2024
Service cost	\$ 6	\$ 6	\$ 1	\$ 1
Interest cost	18	18	1	2
Expected return on assets	(19)	(19)	—	—
Amortization — losses (gains), net	1	1	(1)	(1)
Amortization — prior service credit, net	—	—	(1)	(1)
Net periodic benefit cost ⁽¹⁾	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ —</u>	<u>\$ 1</u>

	Pension Benefit Plans		Other Benefit Plans	
	Six Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Service cost	\$ 11	\$ 11	\$ 1	\$ 1
Interest cost	36	37	2	3
Expected return on assets	(39)	(38)	—	—
Amortization — losses (gains), net	2	1	(1)	(1)
Amortization — prior service credit, net	(1)	(1)	(2)	(2)
Settlement and curtailment gain	—	—	(11)	—
Net periodic benefit cost ⁽¹⁾	<u>\$ 9</u>	<u>\$ 10</u>	<u>\$ (11)</u>	<u>\$ 1</u>

(1) Service cost is included within cost of goods sold (exclusive of depreciation and amortization) and selling, general and administrative expenses. Settlement and curtailment gain for fiscal 2026 is due to the Fairmont plant closure and included in restructuring and impairment expenses, net. All other cost components are recorded within other expenses, net.

The average expected long-term rate of return on all plan assets is 6.5% in fiscal 2026.

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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>	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Funded pension plans	\$ 3	\$ —	\$ 16	\$ 23
Unfunded pension plans	4	4	8	8
Savings and defined contribution pension plans	15	14	33	32
Total contributions	<u>\$ 22</u>	<u>\$ 18</u>	<u>\$ 57</u>	<u>\$ 63</u>

During the remainder of fiscal 2026, we expect to contribute an additional \$8 million to our funded pension plans, \$10 million to our unfunded pension plans, and \$31 million to our savings and defined contribution pension plans.

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9. CURRENCY LOSSES (GAINS)

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

<i>in millions</i>	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
(Gains) losses on remeasurement of monetary assets and liabilities, net	\$ (14)	\$ 34	\$ 28	\$ 24
Losses (gains) recognized on balance sheet remeasurement currency exchange contracts, net	14	(32)	(27)	(21)
Currency losses, net	<u>\$ —</u>	<u>\$ 2</u>	<u>\$ 1</u>	<u>\$ 3</u>

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

10. FINANCIAL INSTRUMENTS AND COMMODITY CONTRACTS

The following tables summarize the gross fair values of our financial instruments and commodity contracts as of the periods presented.

	September 30, 2025					
	Assets		Liabilities		Net Fair Value	
<i>in millions</i>	Current	Noncurrent ⁽¹⁾	Current	Noncurrent ⁽¹⁾	Assets / (Liabilities)	
Derivatives designated as hedging instruments:						
<i>Cash flow hedges</i>						
Metal contracts	\$ 10	\$ —	\$ (60)	\$ (1)	\$ (51)	
Currency exchange contracts	23	2	(6)	—	19	
Energy contracts	1	—	(1)	—	—	
Interest rate swap contracts	—	—	—	(5)	(5)	
<i>Net investment hedges</i>						
Currency exchange contracts	—	—	—	—	—	
Total derivatives designated as hedging instruments	\$ 34	\$ 2	\$ (67)	\$ (6)	\$ (37)	
Derivatives not designated as hedging instruments:						
Metal contracts	\$ 31	\$ 1	\$ (63)	\$ (1)	\$ (32)	
Currency exchange contracts	9	1	(13)	(1)	(4)	
Energy contracts	—	—	(1)	—	(1)	
Total derivatives not designated as hedging instruments	\$ 40	\$ 2	\$ (77)	\$ (2)	\$ (37)	
Total derivative fair value	\$ 74	\$ 4	\$ (144)	\$ (8)	\$ (74)	

	March 31, 2025					
	Assets		Liabilities		Net Fair Value	
	Current	Noncurrent ⁽¹⁾	Current	Noncurrent ⁽¹⁾	Assets / (Liabilities)	
Derivatives designated as hedging instruments:						
Cash flow hedges						
Metal contracts	\$ 89	\$ 4	\$ (5)	\$ —	\$ 88	
Currency exchange contracts	6	—	(27)	(1)	(22)	
Energy contracts	6	—	(1)	—	5	
Interest rate swap contracts	—	—	—	(5)	(5)	
Net investment hedges						
Currency exchange contracts	5	—	—	—	5	
Total derivatives designated as hedging instruments	\$ 106	\$ 4	\$ (33)	\$ (6)	\$ 71	
Derivatives not designated as hedging instruments:						
Metal contracts	\$ 58	\$ 1	\$ (56)	\$ (1)	\$ 2	
Currency exchange contracts	12	—	(17)	—	(5)	
Total derivatives not designated as hedging instruments	\$ 70	\$ 1	\$ (73)	\$ (1)	\$ (3)	
Total derivative fair value	\$ 176	\$ 5	\$ (106)	\$ (7)	\$ 68	

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

Novelis Inc.
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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 LMPs 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. These contracts are generally undesignated, with an average duration of 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 designated exposures do not extend beyond three 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 LMP forward contracts. As of September 30, 2025, and March 31, 2025, the fair value of these contracts represented a liability of \$24 million and a liability of \$8 million, respectively. These contracts are undesignated, with an average duration of one year.

The following table summarizes our notional amount.

<i>in kt</i>	September 30, 2025	March 31, 2025
Hedge type		
<i>Purchase (sale)</i>		
Cash flow sales	(869)	(847)
Not designated	(164)	(135)
Total, net	<u>(1,033)</u>	<u>(982)</u>

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 \$775 million and \$1.1 billion in outstanding foreign currency forwards designated as cash flow hedges as of September 30, 2025, and March 31, 2025, respectively.

We enter into forward contracts to hedge our investments in our European operations. The effective portion of changes in the fair value of the derivative is included in Other comprehensive (loss) income under Currency translation adjustments. The excluded portion of gain or loss on derivatives is included in other expenses, net. We had a total notional amount of \$131 million and \$261 million in outstanding foreign currency forwards designated as net investment hedges as of September 30, 2025, and March 31, 2025, respectively.

As of September 30, 2025, and March 31, 2025, we had outstanding foreign currency exchange contracts with a total notional amount of \$1.3 billion, and \$1.5 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 third quarter of fiscal 2026 and offset the remeasurement impact.

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Interest rate

We use interest rate swaps to partially manage our exposure to changes in the SOFR interest rate, which impacts our variable-rate debt. As of September 30, 2025, and March 31, 2025, we had interest rate swaps in place to convert \$400 million of our variable rate exposure to a weighted average fixed rate of 4.4%. These interest rate swaps, designated as cash flow hedges, are effective from September 2023 through March 31, 2027.

Energy

We use natural gas forward purchase contracts to manage our exposure to fluctuating energy prices in North America. We had a notional amount of 5 million MMBtu designated as cash flow hedges as of September 30, 2025, and the fair value was an asset of less than \$1 million. There was a notional amount of 5 million MMBtu of natural gas forward purchase contracts designated as cash flow hedges as of March 31, 2025, and the fair value was an asset of \$5 million. As of September 30, 2025, we had a notional amount of 1 million MMBtu forward contracts that were not designated as hedges, and the fair value was a liability of \$1 million. As of March 31, 2025, we had a notional amount of less than 1 million MMBtu and the fair value was an asset of less than \$1 million. The average for all natural gas contracts is one year in length.

We use diesel fuel forward purchase contracts to manage our exposure to fluctuating fuel prices in North America and Europe. In North America, we had a notional amount of 4 million gallons designated as cash flow hedges as of September 30, 2025, and the fair value was a liability of less than \$1 million. There was a notional amount of 7 million gallons designated as cash flow hedges as of March 31, 2025, and the fair value was a liability of less than \$1 million. As of September 30, 2025 and March 31, 2025 there was no notional amount remaining that was not designated as hedges. In Europe, as of September 30, 2025, we had a notional amount of less than 1 million metric tonnes not designated as hedges, and the fair value was an asset of less than \$1 million. As of March 31, 2025, we had a notional amount of less than 1 million metric tonnes of forward contracts that were not designated as hedges, and the fair value was an asset of less than \$1 million. The average duration for all diesel fuel contracts is 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 expenses, net. (Gains) losses recognized in other line items in the condensed consolidated statement of operations are separately disclosed within this footnote.

<i>in millions</i>	Three Months Ended September 30		Six Months Ended September 30	
	2025	2024	2025	2024
Derivative instruments not designated as hedges				
Metal contracts	\$ 29	\$ —	\$ 16	\$ 15
Currency exchange contracts	9	(35)	(29)	(20)
Energy contracts ⁽¹⁾	(1)	2	—	2
Loss (gain) recognized in other expenses, net	37	(33)	(13)	(3)
Derivative instruments designated as hedges				
Gain recognized in other expenses, net ⁽¹⁾	(1)	(2)	(4)	(2)
Total loss (gain) recognized in other expenses, net	\$ 36	\$ (35)	\$ (17)	\$ (5)
Losses (gains) recognized on balance sheet remeasurement currency exchange contracts, net	\$ 14	\$ (32)	\$ (27)	\$ (21)
Realized (gains) losses on change in fair value of derivative instruments, net	(7)	6	(27)	32
Unrealized losses (gains) on change in fair value of derivative instruments, net	29	(9)	37	(16)
Total loss (gain) recognized in other expenses, net	\$ 36	\$ (35)	\$ (17)	\$ (5)

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

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The following tables summarize the impact on accumulated other comprehensive loss and earnings of derivative instruments designated as cash flow hedges. Within the next 12 months, we expect to reclassify \$50 million of losses from accumulated other comprehensive loss to earnings, before taxes.

<i>in millions</i>	Amount of Gain (Loss) Recognized in Other comprehensive (loss) income (Effective Portion)			
	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Cash flow hedging derivatives				
Metal contracts	\$ (64)	\$ (8)	\$ (68)	\$ (128)
Currency exchange contracts	(11)	35	53	(1)
Energy contracts	(2)	(3)	(7)	(3)
Interest rate swap contracts	—	(8)	(1)	(6)
Total cash flow hedging derivatives	\$ (77)	\$ 16	\$ (23)	\$ (138)
Net investment derivatives				
Currency exchange contracts	(2)	(10)	(19)	(7)
Total	\$ (79)	\$ 6	\$ (42)	\$ (145)

Gain (Loss) Reclassification

in millions	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
	Three Months Ended September 30,		Six Months Ended September 30,		
	2025	2024	2025	2024	
Cash flow hedging derivatives					
Energy contracts ⁽¹⁾	\$ (2)	\$ (4)	\$ (2)	\$ (6)	Cost of goods sold (exclusive of depreciation and amortization)
Metal contracts	(20)	37	79	(79)	Net sales
Currency exchange contracts	2	(2)	—	(2)	Cost of goods sold (exclusive of depreciation and amortization)
Currency exchange contracts	2	(2)	2	(6)	Net sales
Currency exchange contracts	(1)	(1)	(2)	(2)	Depreciation and amortization
Interest rate swap contracts	—	1	—	2	Interest expense and amortization of debt issuance costs
Total	\$ (19)	\$ 29	\$ 77	\$ (93)	Income before income tax provision
	5	(8)	(21)	24	Income tax provision (benefit)
	\$ (14)	\$ 21	\$ 56	\$ (69)	Net income from continuing operations

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

For the period ended September 30, 2025, there was \$3 million excluded from the assessment of effectiveness recognized in earnings related to net investment hedges. The component excluded from effectiveness assessment of net investment hedges is forward points related to the hedges. For cash flow hedges, 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. There was \$1 million and no amount excluded from the assessment of effectiveness recognized in earnings for the periods ended September 30, 2025, and 2024, respectively, related to capital expenditure hedges.

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11. ACCUMULATED OTHER COMPREHENSIVE LOSS

The following tables summarize 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 June 30, 2025	\$ (165)	\$ (13)	\$ —	\$ (178)
Other comprehensive loss before reclassifications	(29)	(59)	(1)	(89)
Amounts reclassified from accumulated other comprehensive loss, net	—	14	—	14
Net current-period other comprehensive loss	(29)	(45)	(1)	(75)
Balance as of September 30, 2025	<u>\$ (194)</u>	<u>\$ (58)</u>	<u>\$ (1)</u>	<u>\$ (253)</u>

	Currency Translation	Cash Flow Hedges ⁽¹⁾	Postretirement Benefit Plans ⁽²⁾	Total
Balance as of June 30, 2024	\$ (362)	\$ (85)	\$ 19	\$ (428)
Other comprehensive income (loss) before reclassifications	138	9	(3)	144
Amounts reclassified from accumulated other comprehensive loss, net	—	(21)	—	(21)
Net current-period other comprehensive income (loss)	138	(12)	(3)	123
Balance as of September 30, 2024	<u>\$ (224)</u>	<u>\$ (97)</u>	<u>\$ 16</u>	<u>\$ (305)</u>

	Currency Translation	Cash Flow Hedges ⁽¹⁾	Postretirement Benefit Plans ⁽²⁾	Total
Balance as of March 31, 2025	\$ (378)	\$ 16	\$ 4	\$ (358)
Other comprehensive income (loss) before reclassifications	184	(18)	7	173
Amounts reclassified from accumulated other comprehensive loss, net	—	(56)	(12)	(68)
Net current-period other comprehensive income (loss)	184	(74)	(5)	105
Balance as of September 30, 2025	<u>\$ (194)</u>	<u>\$ (58)</u>	<u>\$ (1)</u>	<u>\$ (253)</u>

	Currency Translation	Cash Flow Hedges ⁽¹⁾	Postretirement Benefit Plans ⁽²⁾	Total
Balance as of March 31, 2024	\$ (340)	\$ (62)	\$ 21	\$ (381)
Other comprehensive income (loss) before reclassifications	116	(104)	(3)	9
Amounts reclassified from accumulated other comprehensive loss, net	—	69	(2)	67
Net current-period other comprehensive income (loss)	116	(35)	(5)	76
Balance as of September 30, 2024	<u>\$ (224)</u>	<u>\$ (97)</u>	<u>\$ 16</u>	<u>\$ (305)</u>

(1) For additional information on our cash flow hedges, see [Note 10 – Financial Instruments and Commodity Contracts](#).

(2) For additional information on our postretirement benefit plans, see [Note 8 – Postretirement Benefit Plans](#).

12. FAIR VALUE MEASUREMENTS

We record certain assets and liabilities, primarily derivative instruments, on our condensed 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 section 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, 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 September 30, 2025, and March 31, 2025, we did not have any Level 1 or Level 3 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.

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 September 30, 2025, and March 31, 2025. 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>	September 30, 2025		March 31, 2025	
	Assets	Liabilities	Assets	Liabilities
Level 2 instruments:				
Metal contracts	\$ 42	\$ (125)	\$ 152	\$ (62)
Currency exchange contracts	35	(20)	23	(45)
Energy contracts	1	(2)	6	(1)
Interest rate swap contracts	—	(5)	—	(5)
Total level 2 instruments	\$ 78	\$ (152)	\$ 181	\$ (113)
Netting adjustment⁽¹⁾	(42)	42	(59)	59
Total net	\$ 36	\$ (110)	\$ 122	\$ (54)

(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.

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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>	September 30, 2025		March 31, 2025	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Long-term receivables from related parties	\$ 5	\$ 5	\$ 3	\$ 3
Total debt — third parties (excluding finance leases and short-term borrowings)	6,344	6,370	5,790	5,652

Additionally, our condensed consolidated balance sheet as of September 30, 2025, includes a note receivable in the amount of \$46 million. The note receivable is not carried at fair value, but we assess its collectability 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.

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NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

13. OTHER EXPENSES, NET

Other expenses, net consists of the following.

<i>in millions</i>	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Oswego fire				
Fixed asset charges	\$ 10	\$ —	\$ 10	\$ —
Inventory charges	1	—	1	—
Idle fixed costs ⁽¹⁾	3	—	3	—
Repairs and clean-up costs	6	—	6	—
Excess costs to fulfill customer contracts ⁽²⁾	1	—	1	—
Oswego fire losses, net of recoveries	21	—	21	—
Sierre flood				
Fixed asset charges	—	—	—	30
Inventory charges	—	2	—	12
Idle fixed costs ⁽¹⁾	—	16	—	16
Repairs and clean-up costs	3	17	7	17
Excess costs to fulfill customer contracts ⁽²⁾	2	23	4	23
Property insurance recoveries	(3)	—	(3)	—
Other	—	3	—	3
Sierre flood losses, net of recoveries	2	61	8	101
Currency losses, net ⁽³⁾	—	2	1	3
Unrealized losses (gains) on change in fair value of derivative instruments, net ⁽⁴⁾	29	(9)	37	(16)
Realized (gains) losses on change in fair value of derivative instruments, net ⁽⁴⁾	(7)	6	(27)	32
Loss on sale or disposal of assets, net	1	1	3	2
Interest income	(5)	(5)	(10)	(13)
Non-operating net periodic benefit cost ⁽⁵⁾	(1)	—	(3)	(1)
Other, net	6	9	15	17
Other expenses, net	\$ 46	\$ 65	\$ 45	\$ 125

(1) Idle fixed costs consist primarily of employment costs incurred during the period in which operations were halted at the Oswego and Sierre plants.

(2) Excess costs to fulfill customer contracts consist of freight costs incurred to reroute material to fulfill customer contracts related to plant shutdowns.

(3) Includes losses recognized on balance sheet remeasurement currency exchange contracts, net. See [Note 9 – Currency Losses \(Gains\)](#) for further details.

(4) See [Note 10 – Financial Instruments and Commodity Contracts](#) for further details.

(5) Represents net periodic benefit cost, exclusive of pension curtailment and settlement gains and service cost, for the Company's pension and other post-retirement plans. For further details, refer to [Note 8 – Postretirement Benefit Plans](#).

Oswego Fire

On September 16, 2025, our plant located in Oswego, New York, was impacted by a significant fire. There were no injuries, as all employees were safely evacuated. The fire was contained to the hot mill and did not impact the rest of the plant. We expect to incur costs related to repairs, clean-up, idle employees, and other costs related to this event until the operations are fully-restored at the facility. The plant is insured for property damage and business interruption losses related to such events, subject to deductibles and policy limits. We will record an insurance receivable based on the anticipated insurance proceeds when the potential insurance proceeds can be reliably estimated.

Sierre Flood

On June 30, 2024, our plant located in Sierre, Switzerland, was impacted by exceptional flooding caused by unprecedented heavy rainfall. There were no injuries, as all employees were safely evacuated; however, water entered the plant premises and plant operations were halted for several weeks. Plant operations fully resumed during fiscal 2025.

14. INCOME TAXES

For the three months ended September 30, 2025, our effective tax rate differs from the Canadian statutory rate primarily due to the full-year forecasted effective tax rate taking into account income taxed at rates that differ from the 25% Canadian rate, including withholding taxes and changes to the Brazilian real foreign exchange rate, offset by the availability of tax credits and changes to enacted tax rates. For the six months ended September 30, 2025, our effective tax rate differs from the Canadian statutory rate primarily due to the full-year forecasted effective tax rate that takes into account income taxed at rates that differ from the 25% Canadian rate, including withholding taxes, offset by the availability of tax credits and changes to enacted tax rates. For the three months ended September 30, 2024, our effective tax rate differs from the Canadian statutory rate primarily due to the full-year forecasted effective tax rate taking into account income taxed at rates that differ from the 25% Canadian rate, including withholding taxes, and changes to the Brazilian real foreign exchange rate, offset by the availability of tax credits and changes in uncertain tax positions. For the six months ended September 30, 2024, our effective tax rate differs from the Canadian statutory rate primarily due to the full-year forecasted effective tax rate taking into account income taxed at rates that differ from the 25% Canadian rate, including withholding taxes, offset by the availability of tax credits and changes in uncertain positions.

As of September 30, 2025, we had a net deferred tax liability of \$112 million. This amount included gross deferred tax assets of approximately \$1.2 billion and a valuation allowance of \$633 million. It is reasonably possible that our estimates of future taxable income may change within the next twelve months resulting in a change to the valuation allowance in one or more jurisdictions.

On July 4, 2025, the One Big Beautiful Bill Act (the “OBBBA”) was enacted in the U.S. The OBBBA includes significant provisions, such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The enactment did not impact the Company's effective tax rate for the three months ended September 30, 2025.

On July 18, 2025, the German bill titled the Act for an Immediate Tax Investment Programme to Strengthen Germany as a Business Location was enacted. The legislation introduces several changes to German income tax law, including a gradual reduction of the corporate tax rate to 10%, effective from January 1, 2028. As a result of those changes, the Company remeasured the deferred tax assets and liabilities of Novelis entities in that jurisdiction using the newly enacted tax rates and provisions. The resulting adjustment was recorded as a discrete item in the three months ended September 30, 2025.

Tax Uncertainties

Certain tax filings for fiscal 2007 through fiscal 2024 are subject to tax examinations and judicial and administrative proceedings. As a result of further settlement of audits, judicial decisions, the filing of amended tax returns, or the expiration of statutes of limitations, our reserves for unrecognized tax benefits, as well as reserves for interest and penalties, may change in the next 12 months. With few exceptions, tax returns for all jurisdictions for all tax years before fiscal 2007 are no longer subject to examination by taxing authorities or subject to any judicial or administrative proceedings. In June 2025, we received a final tax assessment for the fiscal 2017 through fiscal 2020 tax audits in Aleris Germany. During the three months ended September 30, 2025, certain other estimates and assumptions associated with uncertain tax positions also changed, none of which had a material impact on our financial statements for any periods presented.

15. 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 in 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 \$118 million. This estimated aggregate range of reasonably possible losses is based upon currently available information. The Company's estimates involve significant judgment. 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 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 September 30, 2025 and March 31, 2025 were \$37 million and \$38 million, respectively. Of the total \$37 million as of September 30, 2025, \$15 million is associated with an environmental reserve, \$19 million is associated with undiscounted environmental clean-up costs, and \$3 million is associated with restructuring actions. As of September 30, 2025, \$19 million is included in accrued expenses and other current liabilities and the remainder is within other long-term liabilities in our accompanying condensed consolidated balance sheets.

Brazilian Tax Litigation

We are involved in several unresolved tax and other legal claims in Brazil. Total liabilities for other disputes and claims were \$38 million as of September 30, 2025, and \$34 million as of March 31, 2025. As of September 30, 2025, the \$38 million is included within other long-term liabilities in our accompanying condensed 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 expenses, net on the condensed consolidated statement of operations.

During prior fiscal years, 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 had the right to apply for tax credits for the amounts overpaid during specified tax years. These credits and corresponding interest were used to offset various Brazilian federal taxes.

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.

Novelis received a tax notification on July 11, 2024, requesting information for the calculated credits of COFINS in the amount of \$43 million, related to the period from 2008 to 2014, and PIS and COFINS in the amount of \$28 million, related to the period from 2015 to 2017. If the credits are not sufficiently validated per the request, a portion of the COFINS and PIS and COFINS credits may be disallowed. The Company believes it has sufficient documentation to support the use of the credits.

Aluminum Imports Matter

During the second quarter of fiscal 2026, U.S. Customs and Border Protection ("U.S. Customs") issued the Company a notice of action asserting that certain aluminum shipments from the Company's Brazilian operations to the United States were subject to antidumping duties and additional tariffs based on U.S. Customs' determination of the classification of the shipped products. The Company disputes this assessment and intends to appeal. As a result of the assessment, the Company recognized a cash deposit of approximately \$22 million in duties, which is classified in prepaid expenses and other current assets on the condensed consolidated balance sheet as of September 30, 2025, and primarily relates to loss exposure that the Company believes to be remote. The Company believes it is reasonably possible that the notice of action may result in additional duties of approximately \$19 million, excluding any potential interest charges and penalties, although the outcome remains uncertain at this time. Exposure to other potential liabilities arising from this matter are considered remote. Accordingly, no liability has been recorded as of the balance sheet date.

16. SEGMENT, GEOGRAPHICAL AREA, MAJOR CUSTOMER AND MAJOR SUPPLIER INFORMATION

Segment Information

Due in part to the regional nature of the 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 13 plants, including seven with recycling operations, in two countries.

Europe. Headquartered in Küsnacht, 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, including one with recycling operations, in one country.

Net sales and expenses are measured in accordance with the policies and procedures described in Note 1 – Business and Summary of Significant Accounting Policies within our 2025 Form 10-K.

Our chief operating decision maker is the chief executive officer. The chief operating decision maker uses Adjusted EBITDA to assess the performance of each segment by comparing the results of each segment against its plan and forecast and in developing segment budgeting and forecasting, making decisions about allocating capital and personnel to the segments, and determining the compensation of employees. Additionally, the chief operating decision maker uses Adjusted EBITDA as a basis for evaluating which capital projects to undertake.

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 expenses (reversals), 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; (t) loss on sale of discontinued operations, net of tax; and (u) start-up costs.

Beginning in the first quarter of fiscal 2026, the Company excludes non-capitalizable start-up costs associated with the commissioning, pre-production, and production ramp-up at the Bay Minette, Alabama, plant.

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, but we manage our Logan affiliate on a proportionately consolidated basis. See [Note 4 – Consolidation](#) and [Note 5 – 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 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Selected Segment Financial Information

in millions

Selected Operating Results

Three Months Ended September 30, 2025

	North America	Europe	Asia	South America	Total
Net sales – third party	\$ 2,121	\$ 1,238	\$ 686	\$ 586	\$ 4,631
Net sales – intersegment	—	4	180	59	243
Total net sales	\$ 2,121	\$ 1,242	\$ 866	\$ 645	\$ 4,874

Reconciliation of net sales

Other revenues ⁽¹⁾					\$ 113
Elimination of intersegment net sales					(243)

Consolidated net sales **\$ 4,744**

Cost of goods sold (exclusive of metal price lag, depreciation and amortization)	\$ 1,902	\$ 1,109	\$ 735	\$ 519	
Selling, general and administrative expenses	73	47	27	19	
Other segment items ⁽²⁾	12	5	5	(1)	
Adjusted EBITDA	\$ 134	\$ 81	\$ 99	\$ 108	

(1) Other revenues related to amounts to reconcile proportional consolidation of sales attributable to our Logan joint venture partner, Tri-Arrows. As described above, the Logan joint venture is consolidated 100% for U.S. GAAP purposes but managed on a proportionally consolidated basis.

(2) Other segment items for all segments are primarily comprised of realized (gain)/loss on derivatives and R&D expense.

in millions

Selected Operating Results

Six Months Ended September 30, 2025

	North America	Europe	Asia	South America	Total
Net sales – third party	\$ 4,143	\$ 2,496	\$ 1,367	\$ 1,221	\$ 9,227
Net sales – intersegment	—	4	351	89	444
Total net sales	\$ 4,143	\$ 2,500	\$ 1,718	\$ 1,310	\$ 9,671

Reconciliation of net sales

Other revenues ⁽¹⁾					\$ 234
Elimination of intersegment net sales					(444)

Consolidated net sales **\$ 9,461**

Cost of goods sold (exclusive of metal price lag, depreciation and amortization)	\$ 3,716	\$ 2,253	\$ 1,465	\$ 1,040	
Selling, general and administrative expenses	147	98	55	38	
Other segment items ⁽²⁾	13	(2)	6	5	
Adjusted EBITDA	\$ 267	\$ 151	\$ 192	\$ 227	

(1) Other revenues related to amounts to reconcile proportional consolidation of sales attributable to our Logan joint venture partner, Tri-Arrows. As described above, the Logan joint venture is consolidated 100% for U.S. GAAP purposes but managed on a proportionally consolidated basis.

(2) Other segment items for all segments are primarily comprised of realized (gain)/loss on derivatives and R&D expense.

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

in millions

**Selected Operating Results
Three Months Ended September 30, 2024**

	North America	Europe	Asia	South America	Total
Net sales – third party	\$ 1,779	\$ 1,106	\$ 648	\$ 655	\$ 4,188
Net sales – intersegment	3	9	141	17	170
Total net sales	\$ 1,782	\$ 1,115	\$ 789	\$ 672	\$ 4,358

Reconciliation of net sales

Other revenues ⁽¹⁾					\$ 107
Elimination of intersegment net sales					(170)
Consolidated net sales					\$ 4,295

Cost of goods sold (exclusive of metal price lag, depreciation and amortization)	\$ 1,497	\$ 991	\$ 670	\$ 518	
Selling, general and administrative expenses	82	51	29	25	
Other segment items ⁽²⁾	18	10	(1)	7	
Adjusted EBITDA	\$ 185	\$ 63	\$ 91	\$ 122	

(1) Other revenues related to amounts to reconcile proportional consolidation of sales attributable to our Logan joint venture partner, Tri-Arrows. As described above, the Logan joint venture is consolidated 100% for U.S. GAAP purposes but managed on a proportionally consolidated basis.

(2) Other segment items for all segments are primarily comprised of realized (gain)/loss on derivatives and R&D expense.

in millions

**Selected Operating Results
Six Months Ended September 30, 2024**

	North America	Europe	Asia	South America	Total
Net sales – third party	\$ 3,509	\$ 2,274	\$ 1,247	\$ 1,235	\$ 8,265
Net sales – intersegment	3	18	258	50	329
Total net sales	\$ 3,512	\$ 2,292	\$ 1,505	\$ 1,285	\$ 8,594

Reconciliation of net sales

Other revenues ⁽¹⁾					\$ 217
Elimination of intersegment net sales					(329)
Consolidated net sales					\$ 8,482

Cost of goods sold (exclusive of metal price lag, depreciation and amortization)	\$ 2,956	\$ 2,000	\$ 1,254	\$ 972	
Selling, general and administrative expenses	158	103	57	51	
Other segment items ⁽²⁾	30	36	11	8	
Adjusted EBITDA	\$ 368	\$ 153	\$ 183	\$ 254	

(1) Other revenues related to amounts to reconcile proportional consolidation of sales attributable to our Logan joint venture partner, Tri-Arrows. As described above, the Logan joint venture is consolidated 100% for U.S. GAAP purposes but managed on a proportionally consolidated basis.

(2) Other segment items for all segments are primarily comprised of realized (gain)/loss on derivatives and R&D expense.

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

in millions

Selected Operating Results Three Months Ended September 30, 2025	North America	Europe	Asia	South America	Segment Subtotal	Eliminations and Other	Total
Depreciation and amortization	\$ 65	\$ 45	\$ 26	\$ 22	\$ 158	\$ (6)	\$ 152
Income tax provision (benefit)	6	(7)	11	15	25	36	61
Capital expenditures	462	43	13	15	533	(6)	527

Selected Operating Results Six Months Ended September 30, 2025	North America	Europe	Asia	South America	Segment Subtotal	Eliminations and Other	Total
Depreciation and amortization	\$ 128	\$ 89	\$ 51	\$ 44	\$ 312	\$ (12)	\$ 300
Income tax provision (benefit)	3	1	18	37	59	52	111
Capital expenditures	783	73	28	43	927	(14)	913

in millions

Selected Operating Results Three Months Ended September 30, 2024	North America	Europe	Asia	South America	Segment Subtotal	Eliminations and Other	Total
Depreciation and amortization	\$ 56	\$ 43	\$ 24	\$ 22	\$ 145	\$ (4)	\$ 141
Income tax provision (benefit)	2	(16)	9	31	26	25	51
Capital expenditures	314	28	26	11	379	(10)	369

Selected Operating Results Six Months Ended September 30, 2024	North America	Europe	Asia	South America	Segment Subtotal	Eliminations and Other	Total
Depreciation and amortization	\$ 114	\$ 84	\$ 47	\$ 44	\$ 289	\$ (8)	\$ 281
Income tax provision (benefit)	8	(8)	28	56	84	27	111
Capital expenditures	617	58	37	25	737	(20)	717

in millions

September 30, 2025	North America	Europe	Asia	South America	Segment Subtotal	Eliminations and Other	Total
Investment in and advances to non-consolidated affiliates	\$ —	\$ 595	\$ 397	\$ —	\$ 992	\$ —	\$ 992
Total assets	7,463	4,449	2,253	2,086	16,251	1,442	17,693

March 31, 2025	North America	Europe	Asia	South America	Segment Subtotal	Eliminations and Other	Total
Investment in and advances to non-consolidated affiliates	\$ —	\$ 542	\$ 370	\$ —	\$ 912	\$ —	\$ 912
Total assets	6,638	4,303	2,163	2,155	15,259	1,256	16,515

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

The table below displays the reconciliation from net income attributable to our common shareholder to Adjusted EBITDA.

<i>in millions</i>	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
North America	\$ 134	\$ 185	\$ 267	\$ 368
Europe	81	63	151	153
Asia	99	91	192	183
South America	108	122	227	254
Eliminations and Other	—	1	1	4
Adjusted EBITDA	\$ 422	\$ 462	\$ 838	\$ 962
Depreciation and amortization	(152)	(141)	(300)	(281)
Interest expense and amortization of debt issuance costs	(68)	(72)	(135)	(144)
Adjustment to reconcile proportional consolidation ⁽¹⁾	(13)	(12)	(27)	(25)
Unrealized (losses) gains on change in fair value of derivative instruments, net	(29)	9	(37)	16
Realized gains (losses) on derivative instruments not included in Adjusted EBITDA ⁽²⁾	3	(3)	6	(5)
Loss on extinguishment of debt, net	(3)	—	(3)	—
Restructuring and impairment, net	(31)	(21)	(116)	(40)
Loss on sale or disposal of assets, net	(1)	(1)	(3)	(2)
Metal price lag	129	21	198	14
Sierre flood losses, net of recoveries ⁽³⁾	(2)	(61)	(8)	(101)
Oswego fire losses, net of recoveries ⁽⁴⁾	(21)	—	(21)	—
Start-up costs ⁽⁵⁾	(8)	—	(13)	—
Other, net	(2)	(1)	(9)	(4)
Income from continuing operations before income tax provision	\$ 224	\$ 180	\$ 370	\$ 390
Income tax provision	(61)	(51)	(111)	(111)
Net loss attributable to noncontrolling interests	—	(1)	—	—
Net income attributable to our common shareholder	\$ 163	\$ 128	\$ 259	\$ 279

(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 (losses) on derivative instruments not included in Adjusted EBITDA represents foreign currency derivatives not related to operations.

(3) Sierre flood losses, net of recoveries relate to non-recurring non-operating charges from exceptional flooding at our Sierre, Switzerland plant caused by unprecedented heavy rainfall, net of the related property insurance recoveries. See [Note 13 – Other Expenses \(Income\), Net](#) for additional information about this event.

(4) Oswego fire losses, net of recoveries relate to non-recurring non-operating charges from a significant fire at our Oswego, New York plant. See [Note 13 – Other Expenses \(Income\), Net](#) for additional information about this event.

(5) Start-up costs are related to the construction of a rolling and recycling plant in Bay Minette, Alabama. All of these costs are included in Selling, general and administrative expenses.

Novelis Inc.
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

Information about Product Sales, Major Customers, and Primary Supplier

Product Sales

The following table displays net sales by product end market.

<i>in millions</i>	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Beverage packaging	\$ 2,529	\$ 2,282	\$ 5,023	\$ 4,315
Automotive	1,002	842	2,036	1,822
Aerospace and industrial plate	195	186	371	346
Specialty	1,018	985	2,031	1,999
Net sales	\$ 4,744	\$ 4,295	\$ 9,461	\$ 8,482

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.

	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Ball	17 %	16 %	16 %	16 %

Primary Supplier

Rio Tinto is our largest 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.

	Three Months Ended September 30,		Six Months Ended September 30,	
	2025	2024	2025	2024
Purchases from Rio Tinto as a percentage of total combined metal purchases	11 %	9 %	10 %	9 %

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

FORWARD-LOOKING STATEMENTS

The following information should be read together with our unaudited condensed consolidated financial statements and accompanying notes included elsewhere in this Form 10-Q for a more complete understanding of our financial condition and results of operations. 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, particularly in [SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND MARKET DATA](#).

OVERVIEW AND REFERENCES

In this Form 10-Q, unless otherwise specified, the terms "we," "our," "us," the "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.

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. For the three and six months ended September 30, 2025, we had total shipment volumes of 985 kt and 1,991 kt, respectively, and net sales of \$4.7 billion and \$9.5 billion, respectively. 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.

As used in this Form 10-Q, consolidated "aluminum rolled product shipments," "flat-rolled product shipments," or "shipments" refer to aluminum rolled product shipments to third parties. Regional "aluminum rolled product shipments," "flat-rolled product shipments," or "shipments" refer 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.

BUSINESS AND INDUSTRY CLIMATE

We believe the long-term trends for flat-rolled aluminum products remain strong, driven by anticipated economic growth, material substitution, and sustainability considerations, including increased environmental awareness around PET plastics. In support of these long-term market demand trends, we have a number of debottlenecking, recycling, and new capacity capital investments underway or recently completed, with a focus on increasing capacity and capabilities to meet growing customer demand. This includes the construction of a 600 kt capacity greenfield rolling and recycling plant in Bay Minette, Alabama. With the project now at an advanced state, we estimate the total project capital cost will be in the order of \$5 billion.

Increasing customer preference for sustainable packaging options continues to drive strong demand for infinitely recyclable aluminum beverage packaging worldwide in both the near-term and over the long-term. While we believe the long-term demand trends for automotive, building and construction, and other specialty aluminum flat rolled products will continue to grow due to increased consumer preference for lightweight, sustainable materials, near-term demand in some markets is constrained in this current uncertain macro-economic environment. In addition, production disruption at a European automotive customer reduced demand in our second quarter and will reduce anticipated demand in our third quarter. Demand for aerospace aluminum plate and sheet also remains favorable due to significant aircraft industry order backlogs for key OEMs, but their ability to produce has been constrained by OEM supply chain instability. In addition, unpredictable tariffs and international trade uncertainty are generating volatility and disruption in global and regional economies. Tariffs without flexibilities, including targeted and time-limited exemptions and exclusions, increase direct costs for Novelis and could undermine demand for aluminum.

Competition for scrap metal has been increasing due to strong consumer demand for aluminum rolled products made from high amounts of recycled content (or scrap), a growing focus on carbon emission reduction, and the favorable economics that may be achieved by efficiently consuming scrap inputs compared to prime metal inputs. While scrap prices have recently moderated in some regions, competition for scrap aluminum creates pressure on scrap pricing and reduces the financial benefit of utilizing scrap in our production process. We are working on solutions to increase the amount and different types of scrap metal our systems are able to process, including sorting technologies and supply chain improvements. However, until these improvements can be scaled, we believe the lower availability and higher prices of scrap will continue to pressure our production costs in the near-term.

In response to the scrap supply and demand imbalances, in fiscal 2025, the Company initiated structural cost improvement and efficiency measures across our global operations to drive sustainable labor, operational and footprint efficiencies ("2025 Efficiency Plan"). This is a multi-year cost efficiency goal, with a target to achieve approximately \$300 million in annualized savings by the end of fiscal 2028. For the three and six months ended September 30, 2025, we recognized restructuring charges of \$28 million and \$111 million, respectively, bringing the cumulative costs of the 2025 Efficiency Plan to \$113 million. See [Note 2 – Restructuring and Impairment](#) for further discussion.

On September 16, 2025, our plant located in Oswego, New York, was impacted by a significant fire. There were no injuries, as all employees were safely evacuated. The fire was contained to the hot mill and did not impact the rest of the plant. During the second quarter of fiscal 2026, we incurred \$21 million in costs related to repairs, clean-up, idle employees, and other costs. We expect to incur additional costs related to this event until the operations are fully-restored at the facility. The plant is insured for property damage and business interruption losses related to such events, subject to deductibles and policy limits. We will record an insurance receivable based on the anticipated insurance proceeds when the potential insurance proceeds can be reliably estimated. Our current timeline suggests we can restart production in December 2025. We anticipate we will have a total negative cash flow impact in the second half of fiscal 2026 from this event of approximately \$550 to \$650 million, which includes an anticipated Adjusted EBITDA impact of \$100 to \$150 million. We expect these impacts to be largely recoverable through insurance in future periods. See [Note 13 - Other Expenses \(Income\), Net](#) for additional information about this event.

During the second quarter of fiscal 2026, U.S. Customs issued the Company a notice of action asserting that certain aluminum shipments from the Company's Brazilian operations to the United States were subject to antidumping duties and additional tariffs based on U.S. Customs' determination of the classification of the shipped products.. See [Note 15 - Commitments and Contingencies](#) for additional information.

Environmental, Social & Governance

We maintain our aim to become a carbon neutral company by 2050 or sooner. Our 2030 goals (1) aim to have less than 3 tonnes of carbon dioxide equivalents (CO₂e) per tonne of rolled product shipments; and (2) aim to push the boundaries on recycled content in our products by increasing average recycled content to 75%, from 63% in fiscal 2025; both by the end of calendar year 2030. Carbon goals are inclusive of Scope 1 and Scope 2 (location-based), as well as Scope 3 emissions in categories 1 and 4 of the Greenhouse Gas Protocol.

To increase the use of recycled content in our products, we 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 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.

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 program emphasizes STEM education, recycling education, and addressing local community needs.

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 \$2.9 billion of liquidity as of September 30, 2025.

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 be in the range of \$1.9 to \$2.2 billion for fiscal 2026, as spending for a number of announced strategic capital projects is now ramping up. This includes approximately \$300 million for expected maintenance spend.

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 and duty costs.

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 are as follows.

	Three Months Ended September 30,				Six Months Ended September 30,					
	2025	2024		Percent Change	2025	2024		Percent Change		
Aluminum (per metric tonne, and presented in U.S. dollars):										
Closing cash price as of beginning of period	\$	2,593	\$	2,486	4 %	\$	2,519	\$	2,270	11 %
Average cash price during period		2,617		2,383	10		2,532		2,451	3
Closing cash price as of end of period		2,669		2,611	2		2,669		2,611	2

The weighted average LMPs are as follows.

	Three Months Ended September 30,				Six Months Ended September 30,			
	2025	2024	Percent Change		2025	2024	Percent Change	
Weighted average LMP (per metric tonne, and presented in U.S. dollars)	\$ 771	\$ 317	143 %	\$	719	\$ 318	126 %	

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 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.

	Exchange Rate as of		Average Exchange Rate Three Months Ended September 30,		Average Exchange Rate Six Months Ended September 30,	
	September 30, 2025	March 31, 2025	2025	2024	2025	2024
Euro per U.S. dollar	0.851	0.926	0.860	0.908	0.865	0.919
Brazilian real per U.S. dollar	5.319	5.742	5.449	5.589	5.529	5.456
South Korean won per U.S. dollar	1,402	1,467	1,391	1,347	1,392	1,364
Canadian dollar per U.S. dollar	1.391	1.439	1.382	1.360	1.378	1.364
Swiss franc per euro	0.935	0.956	0.933	0.944	0.933	0.959

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 the three months ended September 30, 2025, we reported net income attributable to our common shareholder of \$163 million, an increase of 27% compared to \$128 million in the comparable prior year period, and total Adjusted EBITDA of \$422 million, a decrease of 9% compared to \$462 million in the comparable prior year period. The decrease in operational performance compared to the comparable prior year period was primarily driven by net tariffs and higher scrap prices creating a less favorable metal benefit compared to the prior year, partially offset by higher product pricing and lower SG&A costs. In addition to the aforementioned factors, net income attributable to our common shareholder was favorably impacted by favorable movement in average LMP aluminum prices, a decrease in charges and production interruptions associated with the impact of flooding at our Sierre, Switzerland, plant, partially offset by unrealized losses on change in fair value of derivative instruments, and charges associated with the impact of the fire at our Oswego, New York, plant.

For the six months ended September 30, 2025, we reported net income attributable to our common shareholder of \$259 million, a decrease of 7% compared to \$279 million in the comparable prior year period, and total Adjusted EBITDA of \$838 million, a decrease of 13% compared to \$962 million in the comparable prior year period. The decrease in operational performance was primarily driven by higher scrap prices creating a less favorable metal benefit compared to the prior year, net tariffs, and unfavorable product mix from lower automotive and specialty shipments. These headwinds were partially offset by higher beverage packaging shipments, higher product pricing, and lower SG&A costs. Net income attributable to our common shareholder for the six month period was further negatively impacted by restructuring charges, start-up costs and impacts associated with the Oswego fire, partially offset by favorable movement in average LMP aluminum prices, and a decrease in charges associated with the Sierre flood.

Key Sales and Shipment Trends

in millions, except percentages and shipments, which are in kt	Three Months Ended				Fiscal Year Ended	Three Months Ended	
	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	March 31, 2025	June 30, 2025	September 30, 2025
Net sales	\$ 4,187	\$ 4,295	\$ 4,080	\$ 4,587	\$ 17,149	\$ 4,717	\$ 4,744
Percentage (decrease) increase in net sales versus comparable prior year period	2 %	5 %	4 %	13 %	6 %	13 %	10 %
Rolled product shipments:							
North America	388	396	360	375	1,519	389	369
Europe	263	233	226	265	987	262	261
Asia	194	198	186	201	779	215	222
South America	154	162	166	164	646	156	159
Eliminations	(48)	(44)	(34)	(48)	(174)	(59)	(70)
Total	951	945	904	957	3,757	963	941

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

North America	5 %	2 %	(1)%	(4)%	— %	— %	(7)%
Europe	5	(9)	(2)	8	1	—	12 %
Asia	10	13	6	10	10	11	12 %
South America	29	13	(6)	—	7	1	(2)%
Total	8 %	1 %	(1)%	1 %	2 %	1 %	— %

Three Months Ended September 30, 2025, Compared to the Three Months Ended September 30, 2024

Net sales was \$4.7 billion for the three months ended September 30, 2025, an increase of 10% from \$4.3 billion in the comparable prior year period, primarily due to a 143% increase in average LMP and a 10% increase in average LME prices, partially offset by metal price hedging activities with an unfavorable period-on-period impact of \$57 million. Total flat rolled product shipments were in line with the prior year period. The main drivers for the movement in shipments are discussed below under *Segment Review*.

Income before income tax provision was \$224 million for the three months ended September 30, 2025, an increase of 24% from \$180 million in the comparable prior year period. In addition to the factors noted above, the following items affected income before income tax provision.

Cost of Goods Sold (Exclusive of Depreciation and Amortization)

Cost of goods sold (exclusive of depreciation and amortization) was \$4.0 billion for the three months ended September 30, 2025, an increase of 12% from \$3.6 billion in the comparable prior year period, primarily due to higher aluminum pricing driven by unfavorable scrap pricing and net tariff impact. Total metal input costs included in cost of goods sold (exclusive of depreciation and amortization) increased \$395 million over the comparable prior year period.

Selling, General and Administrative Expenses

SG&A was \$173 million for the three months ended September 30, 2025, a decrease of 5% from \$183 million in the comparable prior year period, primarily due to cost reduction initiatives related to our 2025 Efficiency Plan.

Depreciation and Amortization

Depreciation and amortization was \$152 million in the three months ended September 30, 2025, an increase of 8% from \$141 million in the comparable prior year period. The increase is primarily related to the commissioning of new capital expansion projects.

Interest Expense and Amortization of Debt Issuance Costs

Interest expense and amortization of debt issuance costs was \$68 million for the three months ended September 30, 2025, a decrease of 6% from \$72 million in the comparable prior year period. This decrease is primarily due to lower average interest rates on variable interest rate borrowings and higher capitalized interest, partially offset by a higher interest-bearing debt balance in the current period.

Restructuring and Impairment Expenses (Reversals), Net

Restructuring and impairment expenses, net was a net expense of \$31 million and \$21 million for the three months ended September 30, 2025, and 2024, respectively. The increase in restructuring expense is primarily driven by the charges of \$28 million in the three months ended September 30, 2025 related to the 2025 Efficiency Plan, see [Note 2 – Restructuring and Impairment](#) for additional details. In the three months ended September 30, 2024, restructuring and impairment expenses, net related primarily to the Company's charge of \$17 million to write off previously capitalized costs.

Other Expense, Net

Other expenses, net was an expense of \$46 million and an expense of \$65 million for the three months ended September 30, 2025, and 2024, respectively. The change was primarily due to charges related to the Oswego fire of \$21 million in the current period, charges related to the Sierre flood of \$2 million in the current period compared to \$61 million in the prior year period, the Company incurring unrealized losses on the change in fair value of derivative instruments, net of \$29 million in the current period, compared to gains of \$9 million in the prior year period, and the Company incurring realized gains on the change in fair value of derivative instruments, net of \$7 million in the current period, compared to losses of \$6 million in the prior year period.

Taxes

We recognized \$61 million of income tax provision for the three months ended September 30, 2025. In the current period, our effective tax rate was primarily driven by the full-year forecasted effective tax rate that takes into account income taxed at rates that differ from the 25% Canadian rate, including withholding taxes and changes to the Brazilian real foreign exchange rate, offset by the availability of tax credits and changes to enacted tax rates. We recognized \$51 million of income tax provision in the comparable prior period.

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 16 – 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 Three Months Ended September 30, 2025	North America	Europe	Asia	South America	Eliminations and Other	Total
Net sales	\$ 2,121	\$ 1,242	\$ 866	\$ 645	\$ (130)	\$ 4,744
Shipments (in kt):						
Rolled products – third party	369	260	170	142	—	941
Rolled products – intersegment	—	1	52	17	(70)	—
Total rolled products	369	261	222	159	(70)	941
Non-rolled products	5	11	3	25	—	44
Total shipments	374	272	225	184	(70)	985

Selected Operating Results Three Months Ended September 30, 2024	North America	Europe	Asia	South America	Eliminations and Other	Total
Net sales	\$ 1,782	\$ 1,115	\$ 789	\$ 672	\$ (63)	\$ 4,295
Shipments (in kt):						
Rolled products – third party	395	233	159	158	—	945
Rolled products – intersegment	1	—	39	4	(44)	—
Total rolled products	396	233	198	162	(44)	945
Non-rolled products	3	29	3	24	(4)	55
Total shipments	399	262	201	186	(48)	1,000

The following table reconciles changes in Adjusted EBITDA for the three months ended September 30, 2024, to the three months ended September 30, 2025.

<i>in millions</i>	North America	Europe	Asia	South America	Eliminations and Other ⁽¹⁾	Total
Adjusted EBITDA - Three Months Ended September 30, 2024	\$ 185	\$ 63	\$ 91	\$ 122	\$ 1	\$ 462
Volume	(34)	36	26	(4)	(29)	(5)
Conversion premium and product mix	31	8	(35)	(2)	21	23
Conversion costs	(46)	(31)	11	(21)	6	(81)
Foreign exchange	1	2	3	6	—	12
Selling, general & administrative and research & development costs ⁽²⁾	11	6	3	6	—	26
Other changes	(14)	(3)	—	1	1	(15)
Adjusted EBITDA - Three Months Ended September 30, 2025	<u>\$ 134</u>	<u>\$ 81</u>	<u>\$ 99</u>	<u>\$ 108</u>	<u>\$ —</u>	<u>\$ 422</u>

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

North America

Net sales increased \$339 million, or 19%, primarily driven by higher average LMP aluminum prices, partially offset by a 7% decrease in rolled product shipments. Lower beverage packaging and specialty shipments were partially offset by higher automotive shipments. Adjusted EBITDA was \$134 million, a decrease of 28%, primarily driven by net tariffs, and lower volume, partially offset by higher product pricing, higher metal benefit from improved scrap pricing, and cost efficiency actions.

Europe

Net sales increased \$127 million, or 11%, primarily driven by a 12% increase in rolled product shipments, with year-over-year growth in beverage packaging, aerospace and specialty shipments. Automotive shipments were in line with the prior year period, which was impacted by the Sierre flood, while the current year period was constrained due to customer production interruptions. Adjusted EBITDA was \$81 million, an increase of 29%, primarily driven by higher volume, higher product pricing, favorable foreign exchange and cost efficiency actions, partially offset by less favorable metal benefits from higher scrap pricing and unfavorable product mix.

Asia

Net sales increased \$77 million, or 10%, primarily driven by a 12% increase in rolled product shipments. The increase in shipments was driven mainly by higher beverage packaging and aerospace shipments, partially offset by lower shipments of automotive. Adjusted EBITDA was \$99 million, an increase of 9%, primarily driven by higher volume, and cost efficiency actions, partially offset by unfavorable product mix. Additionally, we incurred lower freight costs compared to the prior year period, which in turn resulted in a lower freight cost pass-through in price to customers.

South America

Net sales decreased \$27 million, or 4%, primarily driven by a 2% decrease in rolled product shipments for the beverage packaging market. Adjusted EBITDA was \$108 million, a decrease of 11%, primarily driven by less favorable metal benefits from higher scrap pricing, and lower volume partially offset by favorable foreign exchange.

Six Months Ended September 30, 2025, Compared to the Six Months Ended September 30, 2024

Net sales were \$9.5 billion for the six months ended September 30, 2025, an increase of 12% from \$8.5 billion in the comparable prior year period, primarily due to higher average aluminum prices driven by a 126% increase in average LMP, a 3% increase in average LME prices, and metal price hedging activities with a favorable period-on-period impact of \$158 million. Total flat rolled product shipments were in line with the prior year period. The main drivers for the movement in shipments are discussed below under *Segment Review*.

Income before income tax provision was \$370 million for the six months ended September 30, 2025, compared to \$390 million in the comparable prior year period. In addition to the factors noted above, the following items affected income before income tax provision.

Cost of Goods Sold (Exclusive of Depreciation and Amortization)

Cost of goods sold (exclusive of depreciation and amortization) was \$8.1 billion for the six months ended September 30, 2025, an increase of 14% from \$7.1 billion in the comparable prior year period, driven primarily by higher aluminum pricing driven by unfavorable scrap pricing and net tariff impact. Total metal input costs included in cost of goods sold (exclusive of depreciation and amortization) increased \$944 million over the comparable prior year period.

Selling, General and Administrative Expenses

SG&A was \$348 million for the six months ended September 30, 2025, an 4% decrease from the prior year period of \$364 million, due primarily cost reduction initiatives related to our 2025 Efficiency Plan and lower factoring costs.

Depreciation and Amortization

Depreciation and amortization was \$300 million for the six months ended September 30, 2025, an increase of 7% from \$281 million in the comparable prior year period. The increase is primarily related to the commissioning of new capital expansion projects.

Interest Expense and Amortization of Debt Issuance Costs

Interest expense and amortization of debt issuance costs was \$135 million for the six months ended September 30, 2025, a decrease of 6% from \$144 million in the comparable prior year period. This decrease is primarily due to lower average interest rates on variable interest rate borrowings and higher capitalized interest, partially offset by a higher debt balance in the current period.

Restructuring and Impairment Expenses, Net

Restructuring and impairment expenses, net was a net expense of \$116 million and \$40 million for the six months ended September 30, 2025, and 2024, respectively. The increase in restructuring expense is primarily driven by the charges of \$111 million for the six months ended September 30, 2025 related to the 2025 Efficiency Plan, see [Note 2 – Restructuring and Impairment](#) for additional details. For the six months ended September 30, 2024, restructuring and impairment expenses, net related primarily to the Company's closure of the Buckhannon, West Virginia plant in June 2024, which resulted in charges for restructuring activities of \$19 million, as well as a charge of \$17 million to write off previously capitalized costs.

Other (Income) Expenses, Net

Other expenses, net was an expense of \$45 million and an expense of \$125 million for the six months ended September 30, 2025, and 2024, respectively. The change was primarily due to charges related to the Oswego fire of \$21 million in the current period, charges related to the Sierre flood of \$8 million in the current period compared to \$101 million in the prior year period, the Company incurring unrealized losses on the change in fair value of derivative instruments, net of \$37 million in the current period, compared to gains of \$16 million in the prior year period, and the Company incurring realized gains on the change in fair value of derivative instruments, net of \$27 million in the current period, compared to losses of \$32 million in the prior year period.

Taxes

We recognized \$111 million of income tax provision for the six months ended September 30, 2025 and 2024. Our effective tax rate was primarily driven by the full-year forecasted effective tax rate that takes into account income taxed at rates that differ from the 25% Canadian rate, including withholding taxes, offset with the availability of tax credits and changes to enacted tax rates.

Segment Review

Selected Operating Results Six Months Ended September 30, 2025	North America	Europe	Asia	South America	Eliminations and Other	Total
Net sales	\$ 4,143	\$ 2,500	\$ 1,718	\$ 1,310	\$ (210)	\$ 9,461
Shipments						
Rolled products – third party	758	522	334	290	—	1,904
Rolled products – intersegment	—	1	103	25	(129)	—
Total rolled products	758	523	437	315	(129)	1,904
Non-rolled products	10	23	4	50	—	87
Total shipments	768	546	441	365	(129)	1,991

Selected Operating Results Six Months Ended September 30, 2024	North America	Europe	Asia	South America	Eliminations and Other	Total
Net sales	\$ 3,512	\$ 2,292	\$ 1,505	\$ 1,285	\$ (112)	\$ 8,482
Shipments						
Rolled products – third party	783	494	318	301	—	1,896
Rolled products – intersegment	1	2	74	15	(92)	—
Total rolled products	784	496	392	316	(92)	1,896
Non-rolled products	6	54	5	48	(3)	110
Total shipments	790	550	397	364	(95)	2,006

The following table reconciles changes in Adjusted EBITDA for the six months ended September 30, 2024, to the six months ended September 30, 2025.

<i>in millions</i>	North America	Europe	Asia	South America	Eliminations and Other ⁽¹⁾	Total
Adjusted EBITDA - Six Months Ended September 30, 2024	\$ 368	\$ 153	\$ 183	\$ 254	\$ 4	\$ 962
Volume	(32)	36	46	(1)	(39)	10
Conversion premium and product mix	33	(1)	(47)	4	27	16
Conversion costs	(100)	(47)	2	(51)	9	(187)
Foreign exchange	2	11	6	9	—	28
Selling, general & administrative and research & development costs ⁽²⁾	16	9	2	12	—	39
Other changes	(20)	(10)	—	—	—	(30)
Adjusted EBITDA - Six Months Ended September 30, 2025	\$ 267	\$ 151	\$ 192	\$ 227	\$ 1	\$ 838

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

North America

Net sales increased \$631 million, or 18%, driven primarily by higher average LMP aluminum prices, partially offset by a 3% decrease in rolled product shipments. Lower specialty and beverage packaging shipments were partially offset by higher automotive shipments. Adjusted EBITDA was \$267 million, a decrease of 27%, primarily driven by net tariffs and lower volume, partially offset by higher metal benefit from improved scrap pricing, higher product pricing, and cost efficiency actions.

Europe

Net sales increased \$208 million, or 9%, driven primarily by a 5% increase in rolled product shipments. Higher beverage packaging and specialty shipments were partially offset by lower automotive shipments due to customer production interruptions in the second quarter of this fiscal year. Adjusted EBITDA was \$151 million, a decrease of 1%, primarily driven by less favorable metal benefit from higher scrap pricing and unfavorable product mix, partially offset by higher volume, higher product pricing, favorable foreign exchange, and cost efficiency actions.

Asia

Net sales increased \$213 million, or 14%, driven primarily by a 11% increase in rolled product shipments and higher average LME aluminum prices. Higher beverage packaging shipments were partially offset by lower automotive shipments. Adjusted EBITDA was \$192 million, an increase of 5%, primarily due to higher volume, cost efficiency actions, and favorable foreign exchange, partially offset by less favorable metal benefits from higher scrap pricing and unfavorable product mix. Additionally, we incurred higher freight costs compared to the prior year period, which in turn resulted in a higher freight cost pass-through in price to customers.

South America

Net sales increased \$25 million, or 2%, driven by higher average LME aluminum prices, as rolled product shipments were in line with the prior year period. Adjusted EBITDA was \$227 million, a decrease of 11%, primarily due to less favorable metal benefits from higher scrap pricing, partially offset by lower factoring costs and favorable foreign exchange.

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 \$2.9 billion of liquidity as of September 30, 2025. 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, our senior secured credit facilities, senior notes and municipal bonds. 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, and new debt issuances, as necessary.

Available Liquidity

Our available liquidity as of September 30, 2025, and March 31, 2025, is as follows.

<i>in millions</i>	September 30, 2025	March 31, 2025
Cash and cash equivalents	\$ 1,157	\$ 1,036
Availability under committed credit facilities	1,719	1,739
Total available liquidity	<u>\$ 2,876</u>	<u>\$ 2,775</u>

The increase in total available liquidity relates to the increase in cash and cash equivalents and an increase in the availability under committed credit facilities resulting from lower borrowings on our ABL Revolver, primarily driven by inflows from financing activities during the current period. See [Note 6 – Debt](#) for more details about our availability under committed credit facilities.

Cash and cash equivalents includes cash held in foreign countries in which we operate. As of September 30, 2025, we held \$7 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 September 30, 2025, we held \$403 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 September 30, 2025, 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. See [Note 6 – Debt](#) to our accompanying unaudited condensed consolidated financial statements and "Liquidity and Capital Resources" within Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2025 Form 10-K for more details.

There are no additional material off-balance sheet arrangements.

Cash Flow Summary

<i>in millions</i>	Six Months Ended September 30,			
	2025	2024	Change	
Net cash provided by operating activities	\$ 411	\$ 374	\$	37
Net cash used in investing activities	(910)	(719)		(191)
Net cash provided by financing activities	602	102		500

Operating Activities

The increase in net cash provided by operating activities is primarily related to favorable movement in average LMP aluminum prices, partially offset by unfavorable changes in working capital in the six months ended September 30, 2025 compared to the six months ended September 30, 2024.

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 displays the adjusted free cash flow, the change between periods, as well as the ending balances of cash and cash equivalents.

<i>in millions</i>	Six Months Ended September 30,			
	2025	2024	Change	
Net cash provided by operating activities – continuing operations ⁽¹⁾	\$ 411	\$ 374	\$	37
Net cash used in investing activities – continuing operations ⁽¹⁾	(910)	(719)		(191)
Adjusted free cash flow	\$ (499)	\$ (345)	\$	(154)
Ending cash and cash equivalents	\$ 1,157	\$ 1,071	\$	86

(1) For the six months ended September 30, 2025, and 2024, the Company did not have any cash flows from discontinued operations in operating activities or investing activities.

Investing Activities

Net cash used in investing activities was primarily attributable to capital expenditures of \$913 million during the six months ended September 30, 2025. Similarly, net cash used in investing activities was primarily attributable to capital expenditures of \$717 million during the six months ended September 30, 2024.

Financing Activities

The following represents proceeds from the issuance of long-term and short-term borrowings during the six months ended September 30, 2025, and 2024.

<i>in millions</i>	Six Months Ended September 30, 2025
Short-term borrowings in Brazil	\$ 50
Short-term borrowings in China	13
Series 2025A Bonds, due June 2032	400
Series 2025B Bonds, due June 2032	100
6.375% Senior Notes, due August 2033	750
Floating rate Term Loans, due March 2032	65
Proceeds from issuance of long-term and short-term borrowings	<u>\$ 1,378</u>

<i>in millions</i>	Six Months Ended September 30, 2024
Short-term borrowings in Brazil	\$ 50
China Loan, due September 2027	14
Proceeds from issuance of long-term and short-term borrowings	<u>\$ 64</u>

The following represents principal payments of long-term and short-term borrowings during the six months ended September 30, 2025, and 2024.

<i>in millions</i>	Six Months Ended September 30, 2025
Floating rate Term Loans, due March 2032	\$ (71)
China Bank Loans, due August 2027	(6)
3.25% Senior Notes, due November 2026	(738)
Finance leases and other repayments	(2)
Principal payments of long-term and short-term borrowings	<u>\$ (817)</u>

<i>in millions</i>	Six Months Ended September 30, 2024
Short-term borrowings in Brazil	\$ (50)
Floating rate Term Loans, due September 2026	(4)
Floating rate Term Loans, due March 2028	(2)
China Bank Loans, due August 2027	(6)
Finance leases and other repayments	(6)
Principal payments of long-term and short-term borrowings	<u>\$ (68)</u>

The following represents inflows (outflows) from revolving credit facilities and other, net during the six months ended September 30, 2025, and 2024.

<i>in millions</i>	Six Months Ended September 30, 2025
ABL Revolver	\$ 116
China credit facility	(14)
Korea credit facility	(3)
Revolving credit facilities and other, net	\$ 99

<i>in millions</i>	Six Months Ended September 30, 2024
ABL Revolver	\$ 108
Korea credit facility	(2)
Revolving credit facilities and other, net	\$ 106

In addition to the activities shown in the tables above, we paid debt issuance costs of \$23 million during the six months ended September 30, 2025. We also paid a return of capital to our common shareholder in the amount of \$35 million during the six months ended September 30, 2025.

Non-Guarantor Information

As of September 30, 2025, the Company's subsidiaries that are not guarantors represented the following approximate percentages of (a) net sales (including intercompany sales), (b) Adjusted EBITDA, and (c) total assets of the Company, on a consolidated basis (including intercompany balances). Refer to [Non-GAAP Financial Measures](#) for our definition of Adjusted EBITDA.

Item Description	Ratio
Net sales represented by non-guarantor subsidiaries (for the six months ended September 30, 2025)	20 %
Adjusted EBITDA represented by non-guarantor subsidiaries (for the six months ended September 30, 2025)	17 %
Assets owned by non-guarantor subsidiaries (as of September 30, 2025)	13 %

In addition, for the six months ended September 30, 2025, and 2024, the Company's subsidiaries that are not guarantors had net sales (including intercompany sales) of \$2.2 billion and \$2.0 billion, respectively, and as of September 30, 2025, those subsidiaries had assets of \$3.1 billion and debt and other liabilities of \$1.7 billion (including intercompany balances).

CAPITAL ALLOCATION FRAMEWORK

Novelis has in place a capital allocation framework that lays out the general guidelines for use of post-maintenance capital expenditure adjusted free cash flow. We expect annual maintenance capital expenditures to be between \$300 million to \$350 million. We believe the long-term demand trends for flat-rolled aluminum products remain strong, and we have approximately \$5 billion of debottlenecking, recycling, and new capacity capital investments under way or recently completed, with a focus on increasing capacity and capabilities to meet growing customer demand. We intend to keep our net leverage ratio at or around approximately 3.5x during our strategic capital investment cycle underway, but tariff cost pressures and Oswego fire-related impacts in Adjusted EBITDA could cause net leverage to go above this target in the near-term. We also guide approximately 8%-10% of post-maintenance capital expenditure Adjusted Free Cash Flow to be returned to our common shareholder. We paid a return of capital to our common shareholder in the amount of \$35 million during the first quarter of fiscal 2026. We did not pay a return of capital to our common shareholder in fiscal 2025. 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. 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.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

There were no significant changes to our critical accounting policies and estimates as reported in our 2025 Form 10-K. See [Note 1 – Business and Summary of Significant Accounting Policies](#) for our principal areas of uses of estimates and assumptions.

RECENTLY ISSUED ACCOUNTING STANDARDS

See [Note 1 – Business and Summary of Significant Accounting Policies](#) to our accompanying unaudited condensed 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.

Beginning in first quarter of fiscal 2026, the Company excludes non-capitalizable start-up costs associated with the commissioning, pre-production, and production ramp-up at the Bay Minette, Alabama, plant. The Bay Minette, Alabama plant is the first fully integrated aluminum mill built in the U.S. in over 40 years and is expected to have an annual rolled aluminum production capacity of 600 kt once completed and at normal production capacity. As a result, non-capitalizable start-up costs will have a significant impact on the comparability of reported Adjusted EBITDA during the period of commissioning, pre-production, and production ramp-up. Given the nature of the related costs and activities, management does not view these as normal, recurring operating expenses, but rather as non-recurring investments to commission and ramp up production at the new plant. Excluding such start-up costs maintains comparability of Adjusted EBITDA among periods, which is useful to investors and reflects how management evaluates the Company's operating performance. The Company will cease excluding such start-up costs from its Adjusted EBITDA once normal production capacity is achieved at the Bay Minette plant.

Please see [Note 16 – 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.

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.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND MARKET DATA

This Quarterly Report on Form 10-Q 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 heading "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations," under the Notes to the Condensed Consolidated Financial Statements, and elsewhere in this Quarterly Report. 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 Quarterly Report on Form 10-Q include, but are not limited to, our belief that, 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; the expected impact of the Oswego fire on our operations and our projected timeline for the plant's reopening; our projections regarding financial performance, liquidity, capital expenditures, and investments; the impact of significant tariffs and other trade barriers, including announced U.S aluminum tariffs on our business; 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 Middle East; 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; our ability to manage operating costs and achieve the anticipated benefits from our structural cost reduction initiatives; our anticipating of the benefit from solutions to increase the amount and different types of scrap metal our systems are able to process; 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;
- impact of changes in trade policies, new tariffs, duties and other trade measures;
- 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;
- risks 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;
- 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, including as a result of adverse weather phenomena or fires;
- economic uncertainty, capital markets disruption and supply chain interruptions;
- unexpected impact of public health crises on our business, suppliers, and customers;

- risks relating to certain joint ventures, subsidiaries and assets that we do not entirely control;
- risks related to fluctuations in freight costs;
- risks related to rising inflation and prolonged periods of elevated interest rates;
- 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;
- risk of rising debt service obligations related to variable rate indebtedness;
- 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 agreement;
- 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;
- cybersecurity attacks against, disruptions, failures or security breaches and other disruptions to our information technology networks and systems;
- risks of failing to comply with federal, state and foreign laws and regulations and industry standards relating to privacy, data protection, advertising and consumer protection;
- 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;
- risks related to a broad range of environmental, health and safety laws and regulations; and
- risks related to potential legal proceedings or investigations.

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 factors discussed in Part I. Item 1A. Risk Factors and Part II. Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of our 2025 Form 10-K, as the same may be updated from time to time in our quarterly reports on Form 10-Q or in other reports which we periodically file with the SEC.

Item 3. 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 LMPs), 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 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.

Commodity Price Risks

Metal

The following table presents the estimated potential negative effect on the fair values of these derivative instruments as of September 30, 2025, 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 %	\$ (254)
Copper	(10)	(1)
Zinc	(10)	—
Local market premiums	10 %	(10)

Energy

The following table presents the estimated potential negative effect on the fair values of these derivative instruments as of September 30, 2025, given a 10% decline in prices for energy contracts.

<i>in millions</i>	Change in Price	Change in Fair Value
Natural gas	(10)%	\$ (2)
Diesel fuel	(10)	(3)

Foreign Currency Exchange Risks

The following table presents the estimated potential negative effect on the fair values of these derivative instruments as of September 30, 2025, 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>	Change in Exchange Rate	Change in Fair Value
Currency measured against the U.S. dollar		
Brazilian real	(10)%	\$ (17)
Euro	(10)	(40)
Korean won	(10)	(58)
Canadian dollar	(10)	(2)
British pound	(10)	(27)
Swiss franc	(10)	(24)
Chinese yuan	10	—

Interest Rate Risks

We are subject to interest rate risk related to our floating rate debt. For every 100 basis point increase in the interest rates on our outstanding variable rate debt as of September 30, 2025, which includes term loan debt, net of interest rate swaps, our annual pre-tax income would be reduced by approximately \$9 million. See [Note 6 – Debt](#) to our accompanying unaudited condensed consolidated financial statements for further information.

From time to time, we use interest rate swaps to manage our debt cost. As of September 30, 2025, our portfolio includes interest rate swap positions to fix the interest rate on various floating rate debt. See [Note 10 – Financial Instruments and Commodity Contracts](#) to our accompanying unaudited condensed consolidated financial statements for further information. A decrease of 10% in the SOFR interest rate as of September 30, 2025, would have an estimated potential negative effect on the contracts' fair value of approximately \$2 million.

Item 4. 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.

We have carried out an evaluation, with the participation of our Principal Executive Officer and Principal Financial Officer, of the effectiveness of the Company's disclosure controls and procedures pursuant to Rule 13a-15 of the Exchange Act. Based upon such evaluation, management has concluded that the Company's disclosure controls and procedures were effective as of September 30, 2025.

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.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

We are a party to litigation incidental to our business from time to time. While the outcomes of these matters are uncertain, management does not expect that the ultimate costs to resolve these matters will have a material adverse effect on our consolidated financial position, results of operations, or cash flows. For additional information regarding litigation to which we are a party, see [Note 15 – Commitments and Contingencies](#) to our accompanying unaudited condensed consolidated financial statements.

Item 1A. Risk Factors.

See Part I. Item 1A. Risk Factors in our 2025 Form 10-K. There have been no material changes from the risk factors described in our 2025 Form 10-K.

Item 6. Exhibits.

Exhibit No.	Description
2.1	<u>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))</u>
3.1	<u>Certificate and Articles of Amendment of Novelis Inc., dated as of May 24, 2024 (incorporated by reference to Exhibit 3.3 to our Annual Report on Form 10-K/A, filed on June 24, 2024 (File No. 001-32312))</u>
3.2	<u>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))</u>
4.1	<u>Indenture, dated as of August 18, 2025, among Novelis Corporation, Novelis Inc., 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 19, 2025 (File No. 001-32312))</u>
4.2	<u>Form of 6.375% Senior Note due August 2033 (included in Exhibit 4.1)</u>
4.3	<u>Loan Agreement, dated as of September 1, 2025, between Novelis Corporation and The Industrial Development Authority of Baldwin County (incorporated by reference to Exhibit 4.1 to our Current Report on Form 8-K filed on September 18, 2025 (File No. 001-32312))</u>
4.4	<u>Guaranty Agreement, dated as of September 18, 2025, by the guarantors named therein, in favor of Regions Bank, as trustee (incorporated by reference to Exhibit 4.2 to our Current Report on Form 8-K filed on September 18, 2025 (File No. 001-32312))</u>
4.5	<u>Amendment No. 1 to Credit Agreement, dated as of September 16, 2025, by and among, Novelis Holdings Inc. as Borrower, Novelis Inc. as Intermediate Holdings, and the other loan parties and lenders party thereto, and Citibank, N.A., as Administrative Agent and Collateral Agent</u>
31.1	<u>Section 302 Certification of Principal Executive Officer</u>
31.2	<u>Section 302 Certification of Principal Financial Officer</u>
32.1	<u>Section 906 Certification of Principal Executive Officer</u>
32.2	<u>Section 906 Certification of Principal Financial Officer</u>
101.INS	XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements 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/ Devinder Ahuja

Devinder Ahuja

Chief Financial Officer

(Principal Financial Officer and Authorized Officer)

By:

/s/ Stephanie Rauls

Stephanie Rauls

Senior Vice President, Deputy Chief Financial Officer, and Chief
Accounting Officer

(Principal Accounting Officer)

Date: November 4, 2025

AMENDMENT NO. 1 TO CREDIT AGREEMENT

dated as of September 16, 2025,

among

**NOVELIS HOLDINGS INC.,
as Borrower,**

**NOVELIS INC.,
as Intermediate Holdings,**

and

THE OTHER LOAN PARTIES PARTY HERETO,

THE LENDERS PARTY HERETO, and

**CITIBANK, N.A.,
as Administrative Agent and Collateral Agent.**

**CITIGROUP GLOBAL MARKETS INC.,
BOFA SECURITIES, INC.,
BNP PARIBAS SECURITIES CORP.,
DEUTSCHE BANK SECURITIES INC., and
WELLS FARGO SECURITIES, LLC,
as Joint Lead Arrangers and Joint Bookrunners**

**JPMORGAN CHASE BANK, N.A.,
as Joint Bookrunner**

This **AMENDMENT NO. 1 TO CREDIT AGREEMENT** (this “**Amendment**”), dated as of September 16, 2025, is entered into among NOVELIS HOLDINGS INC., a Delaware corporation, as borrower (in such capacity, and together with its successors in such capacity, the “**Borrower**”), 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 (together with its successors, “**Intermediate Holdings**”), the Subsidiary Guarantors, the Lenders party hereto, the Replacement Term Lender (as defined below), and CITIBANK, N.A., as administrative agent (in such capacity, and together with its successors in such capacity, “**Administrative Agent**”) for the Lenders, and as collateral agent (in such capacity, and together with its successors in such capacity, “**Collateral Agent**”) for the Lenders.

RECITALS

WHEREAS, the Borrower, Intermediate 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, are party to that certain Credit Agreement, dated as of March 11, 2025 (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, Intermediate Holdings and the Borrower have requested amendments to the Credit Agreement to, among other things, reduce the Applicable Margin on the Initial Term Loans as herein set forth; and

WHEREAS, Intermediate Holdings, the Borrower, the other Loan Parties party hereto, the Administrative Agent, the Collateral Agent and the Lenders party hereto, including the Replacement Term Lender, have agreed to amend the Credit Agreement on the terms and subject to the conditions herein provided.

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. Subject to the terms and conditions set forth herein, effective as of the Amendment Effective Date (as defined below), immediately after giving effect to the assignments to the Replacement Term Lender described in Sections 3 and 4 below, the Credit Agreement is hereby amended as follows:

- (i) Section 1.01 of the Credit Agreement is hereby amended to add the following new defined term in alphabetical order:

““**Amendment No. 1 Effective Date**” shall mean September 16, 2025.”.

(ii) Section 1.01 of the Credit Agreement is hereby amended by amending and restating the definition of “Applicable Margin” therein as follows:

“**“Applicable Margin”** shall mean (a) in the case of the Initial Term Loans, for any day, (i) prior to the Amendment No. 1 Effective Date, 2.00% per annum for SOFR Loans and 1.00% per annum for Base Rate Loans, and (ii) on and after the Amendment No. 1 Effective Date, 1.75% per annum for SOFR Loans and 0.75% per annum for Base Rate Loans, and (b) in the case of Incremental Term Loans, the margin specified in the applicable Increase Joinder.”.

(iii) Section 2.10 of the Credit Agreement is hereby amended by amending and restating clause (j) therein as follows:

“(j) Prepayment Premium. Notwithstanding anything herein to the contrary, in the event that all or any portion of the Term Loans are repaid voluntarily or mandatorily repaid with proceeds of, or any exchange of Term Loans into, Indebtedness; or repriced (or effectively refinanced, and including any mandatory assignment by a Lender in connection with any of the foregoing), in each case in connection with any Refinancing/Repricing Transaction, each Lender holding a Term Loan shall be paid a premium equal to 1.00% of such Lender’s pro rata share of the amount of such Term Loan so repaid, repriced, exchanged or effectively refinanced (or mandatorily assigned), if such repayment, exchange, repricing refinancing or mandatory assignment is effected prior to the date that is six months after the Amendment No. 1 Effective Date; provided that no such fee shall be payable in connection with any transaction that would, if consummated, constitute a Change in Control or a Transformative Acquisition. As a condition to effectiveness of any required assignment by any non-consenting Lender of its Term Loans pursuant to Section 2.16 in respect of any amendment, amendment and restatement or modification to this Agreement effective prior to the date that is six months after the Amendment No. 1 Effective Date that has the effect of reducing the Applicable Margin or interest rate for any Term Loans from the Applicable Margin or interest rate in effect on the Amendment No. 1 Effective Date, the Borrower shall pay to such non-consenting Lender of Term Loans a premium or fee equal to the premium or fee that would apply pursuant to the preceding sentence if such non-consenting Lender’s Term Loans being assigned were being prepaid.”.

(iv) Section 2.20(c) of the Credit Agreement is hereby amended by amending and restating clause (iv) therein as follows:

“(iv) the Applicable Margins for the Incremental Term Loans shall be determined by Intermediate Holdings and the applicable new Lenders and the interest rate for the Incremental Term Loans shall be determined by reference to the Term SOFR (or the applicable alternative interest rate benchmark for any applicable Alternative Currency in accordance with Section 2.20(f)(i)); provided, however, that with respect to any Incremental Term Loans comprised of syndicated term loans denominated in Dollars and incurred prior to the date that is six months after the Amendment No. 1 Effective Date, if the initial yield on such Incremental Term Loans (as determined by the Administrative Agent to be equal to the sum of (x) the margin above the Term SOFR (or the applicable alternative interest rate benchmark for any applicable Alternative Currency in accordance with Section 2.20(f)(i)) on such Incremental Term Loans, (y) if such Incremental Term Loans are initially made at a discount or the Lenders making the same receive an upfront or similar fee (other than any customary arrangement,

underwriting or similar fees that are paid to the arranger of such Incremental Term Loans in its capacity as such) directly or indirectly from Intermediate Holdings, the Borrower or any Subsidiary for doing so (the amount of such discount or fee, expressed as a percentage of the Incremental Term Loans, being referred to herein as “**Incremental OID**”), the amount of such Incremental OID divided by the lesser of (A) the average life to maturity of such Incremental Term Loans and (B) four, and (z) any amount by which the minimum Term SOFR (or the applicable alternative interest rate benchmark for any applicable Alternative Currency in accordance with Section 2.20(f)(i)) applicable to such Incremental Term Loans exceeds the minimum Term SOFR then applicable to the Initial Term Loans) exceeds the Applicable Margin then in effect for SOFR Loans that are Initial Term Loans by more than 50 basis points (the amount of such excess above 50 basis points being referred to herein as the “**Incremental Net Yield**”), then the Applicable Margin then in effect for Initial Term Loans shall automatically be increased by the Incremental Net Yield, effective upon the making of the Incremental Term Loans; provided that to the extent the Applicable Margin applicable to the Initial Term Loans is so increased, the Applicable Margin on the Term Loans advanced after the Closing Date but prior to the relevant Increase Effective Date shall be increased such that the difference between the Applicable Margin applicable to the Initial Term Loans and such Term Loans remains constant (or, if such Applicable Margin of both such series of Term Loans was equal, such Applicable Margin remains equal); provided, further, that if the applicable Incremental Term Loans have an interest rate floor greater than the applicable interest rate floor for the Initial Term Loans, such differential between the interest rate floors shall be equated to the applicable interest rate margin for purposes of determining whether an increase to the Applicable Margin applicable to the Initial Term Loans shall be required, but only to the extent an increase in the interest rate floor for the Initial Term Loans would cause an increase in the interest rate then in effect thereunder, and in such case the interest rate floor (but not the interest rate margin) applicable to the Initial Term Loans shall be increased to the extent of such differential between interest rate floors. All determinations by the Administrative Agent as to Incremental Net Yield or other matters contemplated by this Section 2.20 shall be conclusive absent manifest error.”.

Section 3. Replacement of Non-Consenting Lenders. Each existing Lender holding Initial Term Loans that does not execute a counterpart to this Agreement in the form attached hereto as Annex I with respect to such Lender’s Initial Term Loans will be deemed to be a non-consenting Lender (each such Lender in such capacity, a “**Non-Consenting Lender**”) for purposes of Section 10.02(d) of the Credit Agreement. Intermediate Holdings shall be deemed to have exercised its right pursuant to Section 10.02(d) of the Credit Agreement to require that each Non-Consenting Lender assign and delegate, without recourse, all interests, rights and obligations under the Credit Agreement and the other Loan Documents with respect to the Initial Term Loans to Citibank, N.A., as replacement lender (in such capacity, the “**Replacement Term Lender**”), which assignment shall occur immediately and automatically, without action by or consent of any Non-Consenting Lender, upon satisfaction of the condition in Section 5(f) below, and the Replacement Term Lender agrees to accept each such assignment.

Section 4. Effect of Consents; Certain Assignments by Consenting Lenders.

(a) Each Lender holding Initial Term Loans that executes a counterpart to this Amendment with respect to such Lender's Initial Term Loans (each such Lender in such capacity, a "**Consenting Lender**") in the form attached hereto as Annex I (such counterpart, a "**Consent**") will be deemed to irrevocably and unconditionally approve the amendments to the Credit Agreement set forth in Section 2 (for the avoidance of doubt, whether such Consenting Lender selects the "Cashless Consent Option" or the "Assign and Reallocation Consent Option" with respect to Initial Term Loans on its Consent).

(b) Each Consenting Lender that selects the "Assign and Reallocation Consent Option" on its Consent with respect to its existing Initial Term Loans (each such Consenting Lender, an "**Assigning Consenting Lender**") will be deemed to have agreed to (i) assign 100% of the outstanding principal amount of its Initial Term Loans to the Replacement Term Lender and (ii) purchase by assignment (or cause one or more of its Affiliates to purchase by assignment), from the Replacement Term Lender, a like principal amount of Initial Term Loans (or such lesser principal amount allocated to such Assigning Consenting Lender or its Affiliate by the Borrower and the Administrative Agent), as such Initial Term Loans are modified by this Amendment (the Initial Term Loans as so modified, the "**Amended Initial Term Loans**"). In connection with each assignment described in the foregoing clause (b)(i), the Replacement Term Lender shall purchase from each Assigning Consenting Lender all Initial Term Loans held by such Assigning Consenting Lender by paying to such Assigning Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon. Other than its execution of this Amendment and selection of the "Assign and Reallocation Consent Option" with respect to its existing Initial Term Loans, no action (including, for the avoidance of doubt, the execution of any Assignment and Assumption) by any Assigning Consenting Lender shall be necessary in connection with the assignments described in the foregoing clause (b)(i), and each such assignment shall occur immediately and automatically upon satisfaction of the condition in Section 5(f) below, and the Replacement Term Lender agrees to accept each such assignment.

(c) Each Consenting Lender that selects the "Cashless Consent Option" on its Consent (each such Consenting Lender, a "**Cashless Consenting Lender**") will be deemed to have agreed to continue to hold 100% of the outstanding principal amount of its Initial Term Loans (or such lesser principal amount allocated to such Cashless Consenting Lender by the Borrower and the Administrative Agent) in the form of Amended Initial Term Loans. Notwithstanding anything to the contrary herein or in the Credit Agreement, the Borrower and the Administrative Agent may allocate the Amended Initial Term Loans (including Initial Term Loans held by Cashless Consenting Lenders immediately prior to the Amendment Effective Date) in their sole discretion. To the extent any Cashless Consenting Lender's allocated principal amount of Amended Initial Term Loans (such allocated principal amount, an "**Allocated Amended Initial Term Loan Amount**") is less than the principal amount of Initial Term Loans held by such Cashless Consenting Lender immediately prior to the Amendment Effective Date, such Consenting Lender shall be required to assign the portion of its existing Initial Term Loans that exceeds its Allocated Amended Initial Term Loan Amount to the Replacement Term Lender (a "**Cashless Consenting Lender Assignment**"; and any amount so assigned, a "**Cashless Consenting Lender Assigned Amount**"). Cashless Consenting Lender Assignments, if any, will not, for the avoidance of doubt, be required to be made by all Cashless Consenting Lenders on a pro rata basis. In connection with each Cashless Consenting Lender Assignment (if any), the Replacement Term Lender shall purchase from each Cashless Consenting Lender Initial Term Loans in a principal amount equal to such Cashless Consenting Lender's Cashless Consenting Lender Assigned Amount by paying to such Cashless Consenting Lender a price equal to the principal amount thereof plus accrued and unpaid interest thereon. Other than its execution of this Amendment and selection of the "Cashless Consent Option" with respect to its Initial Term Loans, no action (including, for the avoidance of doubt, the execution of any Assignment and

Assumption) by any Cashless Consenting Lender shall be necessary in connection with any Cashless Consenting Lender Assignment, and each such Cashless Consenting Lender Assignment shall occur immediately and automatically effective upon satisfaction of the condition in Section 5(f) below. In connection with the foregoing, (i) the Replacement Term Lender agrees to accept each such Cashless Consenting Lender Assignment, and (ii) each Cashless Consenting Lender agrees to the potential assignment to the Replacement Term Lender of all or a portion of its existing Initial Term Loans pursuant to a Cashless Consenting Lender Assignment.

(d) Each Consenting Lender (whether such Consenting Lender is an Assigning Consenting Lender or a Cashless Consenting Lender) agrees to the provisions set forth in this Section 4 (including the effectuation of each Cashless Consenting Lender Assignment in respect of any other Cashless Consenting Lender's existing Initial Term Loans).

Section 5. 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 (x) from the Required Lenders (determined immediately prior to giving effect to the replacement of any Non-Consenting Lenders), and each Lender (determined immediately after giving effect to the replacement of any Non-Consenting Lender as provided herein), in each case (i) a Consent signed on behalf of such party or (ii) written evidence reasonably satisfactory to the Administrative Agent (which may include facsimile or electronic transmission of a signed signature page of this Amendment) that such party has signed a Consent, and (y) from each of the Loan Parties, the Administrative Agent, the Collateral Agent, and the Replacement Term Lender, a duly executed counterpart to this Amendment.

(b) Confirmations and Reaffirmations. The Administrative Agent shall have received duly executed confirmations or reaffirmations of each Guarantee, each Foreign Guarantee, each existing Security Document or other Loan Document, in each case as the Administrative Agent or the Collateral Agent may require in connection with the transactions contemplated by this Amendment.

(c) Corporate Documents. The Administrative Agent shall have received each of the following, each in form and substance reasonably satisfactory to the Administrative Agent:

(i) a certificate of the secretary, assistant secretary or managing director or other director of each Loan Party dated the Amendment Effective Date, certifying (A) that attached thereto is a true and complete copy of each Organizational Document (or its equivalent including the constitutional documents) of such Loan Party certified (to the extent customary in the applicable jurisdiction) as of a recent date by the Secretary of State (or equivalent Governmental Authority) of the jurisdiction of its organization, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the Board of Directors (or equivalent governing body or Person) and/or shareholders, as applicable, of such Loan Party authorizing the execution, delivery and performance of the Loan Documents to which such Person is a party and, in the case of the Borrower, the borrowings hereunder, and that such resolutions, or any other document attached thereto, have not been modified, rescinded, amended or superseded and are in full force and effect, (C) as to the incumbency and specimen signature of each officer or authorized signatory executing this Amendment and any Loan Document or any other document delivered in connection herewith or therewith on behalf of such Loan Party (together with a certificate of another officer, director or authorized signatory as to the incumbency and specimen signature of the secretary, assistant secretary, managing director or other director executing the certificate in this clause (i), and other customary evidence of incumbency) and (D) that the borrowing, guarantee, or granting of Liens with respect to the Loans or any of the other Secured Obligations would not cause any borrowing, guarantee, security or similar limit binding on such Loan Party to be exceeded;

(ii) a certificate as to the good standing (where applicable, or such other customary functionally equivalent certificates or abstracts) of each Loan Party (in so-called “long-form” if available) as of a recent date, from such Secretary of State in the state or jurisdiction of organization of such Loan Party (or other applicable Governmental Authority);

(iii) evidence that the records of the applicable Loan Parties at the United Kingdom Companies House and each other relevant registrar of companies (or equivalent Governmental Authority) in the respective jurisdictions of organization of the Loan Parties are accurate, complete and up to date and that the latest relevant accounts have been duly filed, where applicable;

(iv) a copy of the constitutional documents of any Person incorporated in Ireland whose shares are subject to security under any Security Document, together with any resolutions of the shareholders of such Person adopting such changes to the constitutional documents of that Person to remove any restriction on any transfer of shares or partnership

interests (or equivalent) in such Person pursuant to any enforcement of any such Security Document;

(v) a certificate from a director of each Irish Guarantor confirming that section 82 of the Companies Act 2014 of Ireland does not restrict its entry into any Loan Document to which such Person is a party and that each of the Loan Parties are members of the same group of companies consisting of a holding company and its subsidiaries for the purposes of Section 7 of the Companies Act 2014 of Ireland and Section 8 of the Companies Act 2014 of Ireland;

(vi) [reserved];

(vii) up-to date copy of the constitutional documents (e.g., for a German GmbH: *Handelsregisterauszug, Gesellschaftsvertrag, Gesellschafterliste*) for each German Loan Party; and

(viii) such other documents as the Lenders or the Administrative Agent may reasonably request.

(d) Officers' Certificate. The Administrative Agent shall have received a certificate, dated the Amendment Effective Date and signed by an authorized signatory of the Borrower, certifying compliance with the conditions precedent set forth in this Section 5 (other than clause (f)).

(e) Opinions of Counsel. The Administrative Agent shall have received, on behalf of itself, the Collateral Agent and the Lenders, (i) a favorable written opinion of Torgys LLP, special counsel for the Loan Parties, and (ii) a favorable written opinion of each local and foreign counsel of the Loan Parties (or, if applicable, Agent's counsel) from each jurisdiction in which a Loan Party is organized, in each case (A) dated the Amendment Effective Date, (B) addressed to the Agents and the Lenders and (C) covering such matters relating to the Amendment, Loan Documents and the Transactions as the Administrative Agent shall reasonably request, including, but not limited to, capacity of each Loan Party to execute, deliver and perform its obligations under each this Amendment and the Amended Credit Agreement to which it is a party and enforceability of each Loan Document to which it is a party.

(f) Assignments of Initial Term Loans. (i) all Obligations of the Borrower with respect to the Initial Term Loans owing to any Non-Consenting Lender being replaced pursuant to Section 3 shall be paid in full to such Non-Consenting Lender by the Replacement Term Lender in accordance with clause (iv) below (or, in the case of any expenses, fees or indemnities, the Borrower), substantially concurrently with the assignments described in Section 3, (ii) all Obligations of the Borrower with respect to the Initial Term Loans owing to any Assigning Consenting Lender shall be paid in full to such Assigning Consenting Lender by the Replacement Term Lender in accordance with clause (iv) below (or, in the case of any expenses, fees or indemnities, the Borrower), substantially concurrently with the assignments described in Section 4(b)(i), (iii) all Obligations of the Borrower with respect to the Cashless Consenting

Lender Assigned Amount owing to any Cashless Consenting Lender pursuant to a Cashless Consenting Lender Assignment contemplated by Section 3(c) shall be paid in full to such Cashless Consenting Lender by the Replacement Term Lender in accordance with clause (iv) below (or, in the case of any expenses, fees or indemnities, the Borrower), substantially concurrently with the assignments described in Section 3(c) and (iv) the Replacement Term Lender shall pay to each such Non-Consenting Lender, each such Assigning Consenting Lender and each such Cashless Consenting Lender an amount equal to (x) in the case of any Non-Consenting Lender and any Assigning Consenting Lender, the principal amount of the Initial Term Loans held by such Non-Consenting Lender or such Assigning Consenting Lender, as applicable, in each case, plus accrued and unpaid interest thereon, and (y) in the case of any Cashless Consenting Lender, the Cashless Consenting Lender Assigned Amount of such Cashless Consenting Lender, in each case, plus accrued and unpaid interest thereon.

(g) USA PATRIOT Act; Beneficial Ownership Certification. The Administrative Agent and the Lenders shall have received, at least 5 Business Days prior to the Amendment Effective Date, and shall be satisfied with, all documentation and other information that may be required by the Administrative Agent or the Lenders in order to enable compliance with applicable “know your customer” and anti-money laundering rules and regulations, including the Patriot Act and the information described in Section 10.13 of the Credit Agreement, in each case to the extent requested thereby at least 10 Business Days prior to the Amendment Effective Date. At least 5 Business Days prior to the Amendment Effective Date, Intermediate Holdings shall have delivered to the Administrative Agent and each Lender that so requests a Beneficial Ownership Certification in respect of the Loan Parties at least 10 Business Days prior to the Amendment Effective Date.

(h) Fees. The Lead Arranger for the Amendment, the Agents and the Lenders shall have received all fees and other amounts due and payable on or prior to the Amendment Effective Date, including, to the extent invoiced, reimbursement or payment of all reasonable out-of-pocket expenses (including the reasonable legal fees and expenses of Skadden, Arps, Slate, Meagher & Flom LLP, special counsel to the Agents, and the reasonable fees and expenses of any local counsel, foreign counsel, appraisers, consultants and other advisors) required to be reimbursed or paid by any Loan Party hereunder or under any other Loan Document.

(i) 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.

(j) No Default or Event of Default. Immediately before and immediately 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 6. 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 Intermediate Holdings, the Borrower and the other Loan Parties of this Amendment and each other Loan Document to which it is a party entered into on the date hereof, and the performance of this Amendment and the Amended Credit Agreement by Intermediate Holdings, the Borrower and the other Loan Parties party thereto, 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 and each other Loan Document entered into on the date hereof has been duly executed and delivered by Intermediate Holdings, the Borrower, and each other Loan Party, in each case that is a party thereto, and each of this Amendment, the Amended Credit Agreement and each other Loan Document entered into on the date hereof constitutes Intermediate Holdings’, the Borrower’s and each other Loan Party’s, as applicable, and to the extent that such Person is a party to such document, 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) Immediately before and immediately after giving effect to this Amendment, no Default or Event of Default has occurred and is continuing as of the date hereof.

Section 7. Continuing Effect; Liens and Guarantees; No Novation.

(a) Each of the Loan Parties hereby consents to this Amendment and the Amended Credit Agreement. Each of the Loan Parties hereby acknowledges and agrees that all of its Secured Obligations, including all Liens and 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) Each of the Loan Parties hereby (i) acknowledges and agrees to the terms of this Amendment and the Amended Credit 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. The Borrower hereby confirms its liability for the Secured Obligations, without defense, counterclaim or offset of any kind.

(c) Each of the Loan Parties 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 any Loan Party pursuant to the Loan Documents to which any of the Loan Parties 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.

(d) Without limiting the generality of this Section 8 or Section 9, (i) neither this Amendment, the Amended Credit 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 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 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 from any of its Loan Document Secured Obligations, it being understood that such obligations shall continue as obligations under the Amended Credit Agreement.

Section 8. 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 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, 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 or any Loan Document, or constitute a waiver or amendment of any other provision of the Credit 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 shall not constitute a joinder by, or agreement to be bound by the terms of, any Loan Document to which such Loan Party is not a party.

(d) This Amendment shall constitute a Loan Document.

Section 9. Further Assurances.

(a) Each Loan Party 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 10. 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 11. 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 12. 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 13. **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).

Section 14. Submission to Jurisdiction; Waiver of Venue; Service of Process. Sections 10.09(b), (c) and (d) of the Amended Credit Agreement are hereby incorporated by reference *mutatis mutandis*.

[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 HOLDINGS INC., as the Borrower

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Treasurer

NOVELIS INC., as Intermediate Holdings

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Vice President and Treasurer

NOVELIS CORPORATION, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Assistant Treasurer

[Signature Page to TL Amendment 1]

NOVELIS GLOBAL EMPLOYMENT ORGANIZATION, INC., as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Treasurer

NOVELIS SOUTH AMERICA HOLDINGS LLC, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Treasurer

NOVELIS ALR ALUMINUM HOLDINGS CORPORATION, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Assistant Treasurer

NOVELIS ALR INTERNATIONAL, INC., as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Assistant Treasurer

[Signature Page to TL Amendment 1]

NOVELIS ALR ALUMINUM-ALABAMA, LLC, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Authorized Signatory

NOVELIS ALR ASSET MANAGEMENT CORPORATION, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Assistant Treasurer

NOVELIS ALR ROLLED PRODUCTS, INC. as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Assistant Treasurer

[Signature Page to TL Amendment 1]

NOVELIS UK LTD, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Attorney

NOVELIS EUROPE HOLDINGS LIMITED, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Attorney

[Signature Page to TL Amendment 1]

NOVELIS AG, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Authorized Signatory

NOVELIS SWITZERLAND SA, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Authorized Signatory

[Signature Page to TL Amendment 1]

4260848 CANADA INC., as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Authorized Signatory

4260856 CANADA INC., as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Authorized Signatory

8018227 CANADA INC., as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Authorized Signatory

[Signature Page to TL Amendment 1]

SIGNED AND DELIVERED AS A DEED

for and on behalf of NOVELIS ALUMINIUM HOLDING UNLIMITED COMPANY, , as a
Subsidiary Guarantor, by its lawfully appointed attorney, in the presence of:

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Attorney

witness:

By: /s/ Emily Bell

Name: Emily Bell

Title: Paralegal/Legal Billing Specialist

Address: 3350 Peachtree Rd NE

Suite 1100

Atlanta, GA 30326

Occupation: Paralegal/Legal Billing Specialist

[Signature Page to TL Amendment 1]

NOVELIS DEUTSCHLAND GMBH, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Person Authorised

NOVELIS SHEET INGOT GMBH, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Person Authorised

NOVELIS KOBLENZ GMBH, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Person Authorised

NOVELIS CASTHOUSE GERMANY GMBH, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Person Authorised

[Signature Page to TL Amendment 1]

NOVELIS DEUTSCHLAND HOLDING GMBH, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Person Authorised

[Signature Page to TL Amendment 1]

NOVELIS DO BRASIL LTDA., as a Subsidiary Guarantor

By: /s/ Randal P. Miller
Name: Randal P. Miller
Title: Attorney-in-fact

witness:

By: /s/ Emily Bell
Name: Emily Bell
Title: Paralegal/Legal Billing Specialist

witness:

By: /s/ Sean Ehni
Name: Sean Ehni
Title: Associate General Counsel

[Signature Page to TL Amendment 1]

NOVELIS NETHERLANDS B.V., registered with the Dutch trade register under trade register number 33299643, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Authorised Signatory

[Signature Page to TL Amendment 1]

NOVELIS MEA LTD, a Company Limited by Shares under the Companies Law of the Dubai International Financial Centre, as a Subsidiary Guarantor

By: /s/ Randal P. Miller

Name: Randal P. Miller

Title: Authorized Signatory

[Signature Page to TL Amendment 1]

CITIBANK, N.A., as Administrative Agent and as Collateral Agent

By: /s/ Paul L. Burraghis
Name: Paul L. Burraghis
Title: Vice President

CITIBANK, N.A.,
as Replacement Term Lender

By: /s/ Paul L. Burraghis
Name: Paul L. Burraghis
Title: Vice President

[Signature Page to TL Amendment 1]

CONSENT TO AMENDMENT NO. 1 TO CREDIT AGREEMENT

CONSENT (this "Consent") to Amendment No. 1 to Credit Agreement (the "Amendment"), which amends that certain Credit Agreement, dated as of March 11, 2025 (as further amended, restated, supplemented, waived or otherwise modified from time to time, the "Credit Agreement"), among Novelis Holdings Inc., a Delaware corporation, as Borrower, 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 Subsidiary Guarantors party thereto, the Lenders and other lending and financial institutions from time to time party thereto, and CITIBANK, N.A., 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"). Capitalized terms used in this Consent but not defined in this Consent have the meanings assigned to such terms in the Credit Agreement or the Amendment, as applicable.

Existing Lenders of Initial Term Loans. The undersigned Lender hereby irrevocably and unconditionally approves the Amendment and consents as follows (check ONE option):

Cashless Consent Option

☐ to continue to hold 100% of the outstanding principal amount of your Initial Term Loans (or such lesser principal amount allocated to you by the Borrower and the Administrative Agent in their sole discretion) as Amended Initial Term Loans

Assign and Reallocation Consent Option

☐ to (i) assign 100% of the outstanding principal amount of your Initial Term Loans to the Replacement Term Lender on the Amendment Effective Date and (ii) purchase by assignment (or cause one or more Affiliates of such Assigning Consenting Lender to purchase by assignment) from the Replacement Term Lender a like principal amount of Amended Initial Term Loans (or such lesser principal amount allocated to you or your Affiliates by the Borrower and the Administrative Agent)

IN WITNESS WHEREOF, the undersigned has caused this Consent to be executed and delivered by a duly authorized signatory

_____ as a Lender (type name of the legal entity)

By: _____

Name:

Title:

If a second signature is necessary:

By: _____

Name:

Title:

Certification

I, Steven Fisher, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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: November 4, 2025

Certification

I, Devinder Ahuja, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q 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 our 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: November 4, 2025

**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' Quarterly Report on Form 10-Q for the period ended September 30, 2025 (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: November 4, 2025

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' Quarterly Report on Form 10-Q for the period ended September 30, 2025 (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: November 4, 2025

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.