

October 28, 2021

Novelis

Novelis Announces \$375 Million Expansion of Automotive Sheet Production and Recycling Operations in China

Investment to increase company's manufacturing capabilities and create the first automotive closed-loop recycling system in China

ATLANTA, Oct. 28, 2021 /PRNewswire/ -- Novelis Inc., the world leader in aluminum rolling and recycling, today announced a \$375 million investment to expand rolling and recycling capabilities at its Zhenjiang plant in China. The investment will fully integrate the company's automotive business to supply automakers in Asia with Novelis' low-carbon, sustainable aluminum.



The expansion includes upgrades to the existing hot mill, a new cold mill, and a new recycling and casting center, which will allow the company to implement closed-loop recycling partnerships with automotive customers in Asia. Recycling aluminum uses 95% less energy than primary aluminum production and is a key component of Novelis' sustainability commitment to reduce carbon emissions 30% by 2026 and become carbon neutral by 2050.

"The Zhenjiang expansion reaffirms our financial strength and commitment to reinvesting for growth while also advancing our business toward the circular economy," said Steve Fisher, President and CEO of Novelis, Inc. "With this investment, we will further solidify our standing as the leading provider of automotive aluminum sheet in Asia. We will also be better positioned to support the rapidly growing electric vehicle market and their need for lightweight, low-carbon aluminum."

Novelis expects to break ground on the expansion in early 2022 and complete the project in mid-2024. As a key strategic synergy of the Aleris acquisition completed last year, the investment will create a fully integrated supply chain for the automotive market in China between our Zhenjiang rolling and recycling facility and Changzhou automotive finishing plant – from coil production to heat treatment to closed-loop recycling. It will also free up rolling capacity at the company's Ulsan Aluminum joint venture in South Korea to serve the can and specialty products markets. The Zhenjiang plant will continue serving the aerospace and industrial plate sectors.

"China is one of the fastest-growing vehicle markets in the world and its automakers are gaining market share across Asia," said Sachin Satpute, Executive Vice President and President of Novelis Asia. "Therefore, this strategic investment is needed to keep pace with growing demand, particularly from EV companies. Most importantly, the creation of the country's first automotive closed-loop recycling system advances our purpose of 'Shaping a Sustainable World Together' while aligning with China's ambitious carbon reduction goals."

Novelis is the world's largest supplier of automotive aluminum sheet with more than 40 years of experience. During the past three years, the company has increased its global automotive capacity by 250% in response to growing demand for sustainable, lightweight aluminum solutions from automakers.

About Novelis

Novelis Inc. is driven by its purpose of shaping a sustainable world together. We are a global leader in the production of innovative 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, as well as our customers in the aerospace, automotive, beverage can and specialties industries throughout North America, Europe, Asia and South America. Novelis had net sales of \$12.3 billion in fiscal year 2021. Novelis is a subsidiary of Hindalco Industries Limited, an industry leader in aluminum and copper, and the metals flagship company of the Aditya Birla Group, a multinational conglomerate based in Mumbai. For more information, visit [novelis.com](https://www.novelis.com).

Forward-Looking Statements

Statements made in this news release that describe Novelis' intentions, expectations or predictions may be forward-looking statements within the meaning of securities laws. Examples of forward-looking statements in this news release include plans to invest approximately \$375 million at our Zhenjiang plant and add a cold mill and recycling and casting center. Novelis cautions that, by their nature, forward-looking statements involve risk and uncertainty. 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.

Important risk factors which could impact outcomes are included under the caption "Risk Factors" in the company's Form 10-K filed with the Securities and Exchange Commission for the fiscal year ended March 31, 2021.

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