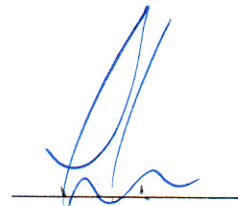


Carbon Border Adjustment Mechanism (CBAM)

Enacted in October 2023 as part of the EU's "Fit for 55" package, the CBAM complements the existing EU Emissions Trading System ('EU ETS'). The CBAM effectively places a price on certain greenhouse gases ('GHG') emitted in the production of selected imports, which aligns with EU GHG reduction goals, preventing 'carbon leakage' and levelling the playing field for EU and non-EU producers. Carbon leakage refers to the relocation of industry due to differences in carbon pricing policies between jurisdictions. CBAM currently covers imports of cement, iron and steel, aluminium, fertilizer, electricity and hydrogen, into the EU. The UK government will implement a UK CBAM by 2027.

At this point in time, G&B Projects has no plans to provide CBAM documentation as we are not in a position to collect the required data. If and when the incredibly complex and convoluted system is simplified, we will reconsider our position.



Tim Kitching, Partner

March 6th, 2025