GS SUSTAIN

EU Carbon Tariffs Move Downstream: $150-430bn of auto and industrial imports potentially in scope

Following EU CBAM's entry into its definitive phase, policy discussions are increasingly focused on closing remaining carbon leakage loopholes, expanding downstream coverage and preserving the competitiveness of European industry as free allocation under the EU ETS begins to be phased out. In this report, we assess two key developments shaping the next debate on CBAM:

1. **The proposed extension into downstream manufacturing products, which would broaden CBAM exposure into autos, machinery and industrial components, could increase covered trade from c.US$83bn currently to c.US$150-430bn annually, depending on the final scope adopted through the ongoing EU legislative process.**
2. **The July 2026 EU ETS review, which delays full carbon costs to 2038 from 2034 while preserving Europe's long-term decarbonisation objective.**

We continue to see supportive tailwinds for EU domestic producers, with the beneficiary universe expanding beyond raw materials into finished goods. Among GS Buy-rated stocks, we highlight **BMW** (BMWG.DE), **Knorr-Bremse** (KBX.DE), **Nexans** (NEXS.PA), **Prysmian** (PRY.MI), **Mercedes-Benz** (MBGn.DE), **Volvo** (VOLVb.ST), **Safran** (SAF.PA), **Airbus** (AIR.PA), **Rational** (RAAG.DE) and **Rheinmetall** (RHMG.DE) as potential beneficiaries of the proposed CBAM downstream extension, with >40% European revenue exposure. Within the original CBAM-covered sectors, our equity analysts continue to prefer **Holcim** (HOLN.S, Buy) and **Heidelberg Materials** (HEIG.DE, Buy) among the cement beneficiaries, while **ArcelorMittal** (MT.AS, Neutral) is seen as remaining well positioned to benefit from Europe's increasingly protective steel trade framework.

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PM Summary

Following the announcement of CBAM benchmarks, default values and verification rules as the scheme enters its payment period from 2026, investor focus is increasingly shifting from implementation mechanics to sector and stock implications. In this report, we highlight two recent CBAM/EU ETS developments, assessing how the proposed further downstream extension and July 2026 EU ETS review could drive competitive dynamics and positioning for finished good producers.

Two key developments are reshaping the CBAM landscape

1. CBAM moves downstream from 2028, broadening Europe's carbon border framework from raw materials to higher-value-added manufacturing sectors including autos, machinery, electrical equipment and aerospace — raising initial import coverage from US$83 bn of goods to US$155-430 bn under the latest extension proposals. The proposed extension by the European Commission, EU Council and EU Parliament would add +180/+380/+800 additional 6-digit CN codes as CBAM products (Exhibit 1), driving +US$72bn/+US$150bn/+US$347bn worth of incremental import exposures under CBAM coverage (Exhibit 2). Our analysis in Exhibit 4 suggests the expansion would significantly increase CBAM-covered trade exposure for major manufacturing exporters, with covered exports rising by +361% for China (+US$59 bn), +223% for Türkiye (+US$24 bn) and +349% for the US (+US$14 bn) annually. We note all versions target high-value goods concentrated in machinery, electrical equipment and transport-related products such as **power converters**, **commercial vehicles**, **automotive components**, **aircraft engine parts** and **power cables**.

2. The July EU ETS review delays, but does not dilute, CBAM impact. The proposed ETS reform extends free allocation for CBAM sectors from **2034 to 2038**, lowering medium-term CBAM costs for exporters and delaying by four years the point at which imported products are fully exposed to EU carbon costs following the complete phase-out of free allowances. **Our updated modeling suggests c.5%-10% lower CBAM charges for steel and aluminium exporters over 2034-37 versus our January 2026 estimates**, although high-emissions exporters such as China and India remain among the most exposed.

Stock implications: broader industrial beneficiaries emerge, while steel and cement tailwinds remain intact

We continue to see supportive CBAM tailwinds for EU producers, with the beneficiary universe expanding into downstream sectors. We believe the proposed downstream extension could provide incremental protection for European manufacturers competing against imports across commercial vehicles, electrical equipment, machinery and aerospace supply chains. Among GS Buy-rated stocks with >40% revenue exposure to Europe, we highlight **BMW** (BMWG.DE), **Knorr-Bremse** (KBX.DE), **Nexans** (NEXS.PA), **Prysmian** (PRY.MI), **Mercedes-Benz** (MBGn.DE), **Volvo** (VOLVb.ST), **Safran** (SAF.PA), **Airbus** (AIR.PA), **Rational** (RAAG.DE) and **Rheinmetall** (RHMG.DE) as potential beneficiaries of the proposed CBAM downstream extension. We note that where domestic EU companies manufacture outside of Europe and import back into the EU, they will face additional charges (for example, autos).

For traditional CBAM sectors, our European Steel Analyst Matt Greene continues to view CBAM, safeguard measures and broader EU trade policy as supportive for European steel producers, with **ArcelorMittal (MT.AS, Neutral)** remaining well positioned. For cement, our analyst Ben Rada Martin continues to favor **Holcim** (Buy) and **Heidelberg Materials** (Buy), which he views as best positioned under the evolving ETS and CBAM framework given their leading decarbonisation investments, lower clinker ratios and stronger access to industrial decarbonisation funding.

For more information on our views on EU ETS and CBAM, please read:

- Carbonomics: Incorporating the EU carbon market review into our EU ETS modelling
- GS SUSTAIN: Verification uncertainties potentially driving higher import CBAM cost in 2026
- GS SUSTAIN: New EU CBAM details offer greater protection for domestic producers
- Carbonomics: The European carbon market (EU ETS) at a crossroads: Growing pains or a deeper malaise?
- GS SUSTAIN: EU CBAM: Preparing for the impact of new carbon tariffs in 2026

Note the macro views on China expressed herein are those of GS Greater China economist Chelsea Song. Equity research views relating to the European Construction Materials and Steel sectors are those of Ben Rada Martin and Matt Greene respectively. Our Carbonomics analyst Michele Della Vigna contributed to the discussion on the EU carbon market review.

CBAM coverage extended to autos, industrials and appliances

The European Commission first proposed the CBAM downstream extension on 17 December 2025, bringing around 180 steel- and aluminium-intensive downstream products into scope from 2028 (Exhibit 1). The EU Council adopted its negotiating mandate on 12 June 2026, while the European Parliament's ENVI Committee adopted its report on 7 July 2026, proposing an even wider product scope. The next key milestone is the Parliament's plenary position, expected in September 2026, after which trilogue negotiations can commence. All proposals currently envisage an implementation date of 1 January 2028, which would mark the first major extension of CBAM beyond upstream materials into downstream manufacturing value chains.

Proposals on the scope of CBAM downstream extension

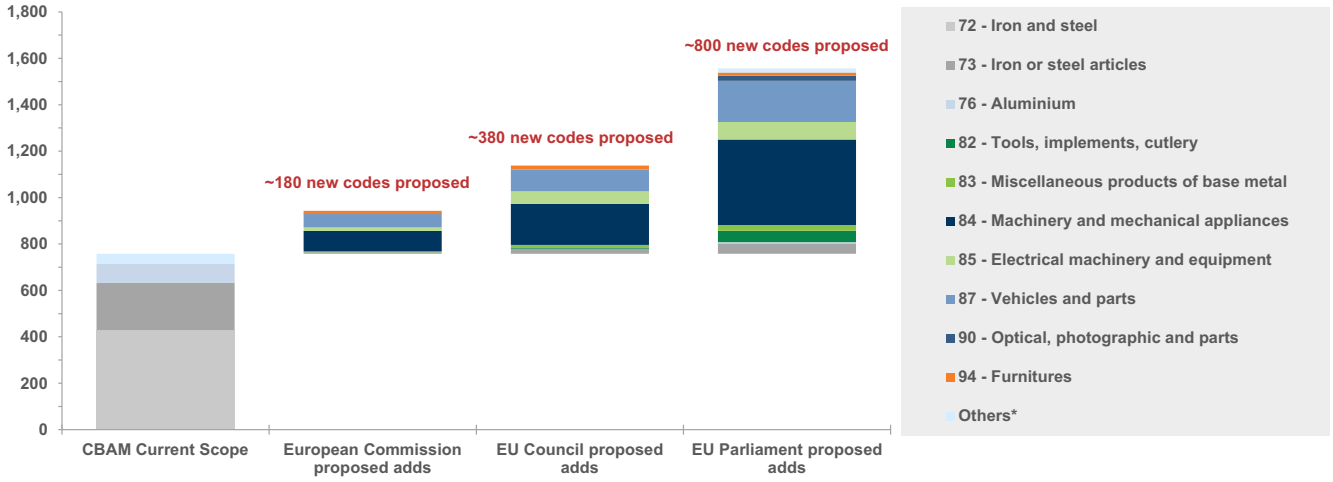
The European Commission, Council and Parliament are broadly aligned on the necessity of CBAM extension. The core overlap across all three proposals covers major downstream sectors including automotive products and components, industrial machinery, electrical equipment, motors, transformers, cables, household appliances, construction equipment, metal furniture and prefabricated buildings.

The Council mandate largely builds on the Commission proposal, but expands product coverage within already targeted sectors to more granular levels, extending CBAM to 380 additional product codes. Relative to the Commission's version, the Council adds a substantial number of more granular vehicle, machinery, electrical equipment and appliance tariff lines, including broader coverage of automotive components (e.g. brakes, steering systems, axles, exhaust systems and body parts), construction equipment parts, forklifts, gas turbine parts, aircraft engine parts, pumps, filtration equipment, refrigeration equipment and electrical components.

The Parliament ENVI report is materially broader and represents the most expansive interpretation of downstream carbon leakage risk, seeking extension to an additional 800 product codes. Beyond further expanding machinery and electrical equipment coverage, ENVI extends CBAM into a wider range of passenger cars, consumer goods, household products, tools, metal articles, HVAC, and additional aluminium products to prevent circumvention. We also note several of Parliament's additions are specified at 4-digit heading level, hence the eventual number of covered 6- and 8-digit tariff lines could be substantially larger versus the European Council's and European Commission's versions.

In our trade exposure analysis (Exhibit 4, Exhibit 5), we focus on the EU Council version, which would include the initial Commission proposal and additional codes that appear in both the Council's and Parliament's lists. While the final agreed position remains to be seen following trilogue negotiations, in our view, these additions arguably represent the likely area of legislative convergence. We therefore highlight the product groups which we consider to have a higher probability of remaining in scope through the trilogue process. On top of ~180 new codes proposed by the European Commission, we find ~190 additional codes proposed by both the Council and Parliament.

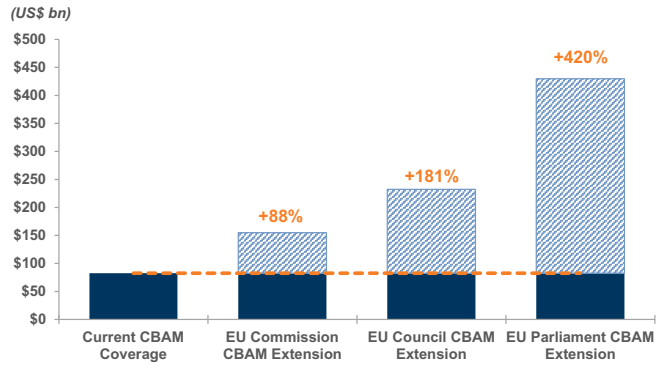
Exhibit 1: Proposed CBAM extension by European Commission, EU Council and EU Parliament would add 180-800 new CN codes for products under the scheme's coverage
Number of CN code addition (6 digit level) of EU Commission, EU Council and EU Parliament



*others including additional codes to mitigate the circumvention risk of CBAM, not directly addressed to downstream extension

Source: European Commission, European Council, European Parliament, Data compiled by Goldman Sachs Global Investment Research

Exhibit 2: For the EU, total CBAM covered imports would increase 88%-420% from $83 bn to US$155-430 bn annually
Total EU import value under each CBAM coverage and extension scenario (US$ bn), 2025



Source: World Bank, European Commission, EU Council, EU Parliament

Exhibit 3: Top 10 exporters to EU27 by traded dollar value (US$ bn) of EU CBAM-covered goods after downstream extension according to European Commission, EU Council and EU Parliament proposals, latest available

Our trade value exposure analysis is based on 6-digit CN codes owing to data availability at the World Bank WITS database. We note CBAM coverage and proposed extension in some cases would nominate product coverage at 8-digit level. Please see appendix to find the list of 6-digit codes we included in our analysis.

Country-level exposure of CBAM extension (EU Council version as our baseline)
Although the final scope of the CBAM extension has yet to be agreed, according to the EU Council's proposed CBAM extension, China (US$75 bn), Türkiye (US$35 bn), the US (US$18 bn), India (US$13 bn) and South Korea (US$11 bn) would have the largest exposure to CBAM-covered exports into the EU. Relative to the current scope, CBAM-covered trade exposure would increase by +361%or China, +223%or Türkiye, +349%or the US, +87%or India and +126%or South Korea (Exhibit 4).

In our view, if the implementation is consistent with the Council's proposed expansion, CBAM exposure would materially shift beyond upstream metals and toward higher-value-added manufacturing supply chains, with machinery, electrical equipment and automotive products accountingor the majority of newly covered trade exposure. **For China**, the largest newly covered categories would be machinery and mechanical appliances (US$20 bn), electrical machinery and equipment (US$18 bn), vehicles and parts (US$11 bn) andurniture (US$5 bn). **For Türkiye**, incremental exposure is concentrated in vehicles and parts (US$14bn), machinery and mechanical appliances (US$5 bn) and electrical machinery and equipment (US$4 bn). **The US sees one of the largest proportional increases in exposure**, driven primarily by machinery and mechanical appliances (US$8 bn), electrical machinery and equipment (US$2 bn), vehicles and parts (US$2 bn) and optical, photographic and medical equipment (US$0.2 bn).

The EU Parliament's broader proposal to include all passenger vehicle sub-categories under CN 8703 would significantly increase CBAM trade exposureor major automotive exporters. Relative to the Council version covering only heavy trucks and auto parts/components, the Parliament version would increase export coverage by **+US$53**

bn for China (to US$128 bn), **+US$24 bn for the US (to US$41 bn)** and **+US$21 bn for Türkiye (to US$55 bn)**, driven primarily by the inclusion of electric, hybrid, diesel and gasoline passenger vehicles. We note passenger vehicles represent the single largest source of divergence between the Council and Parliament CBAM proposals.

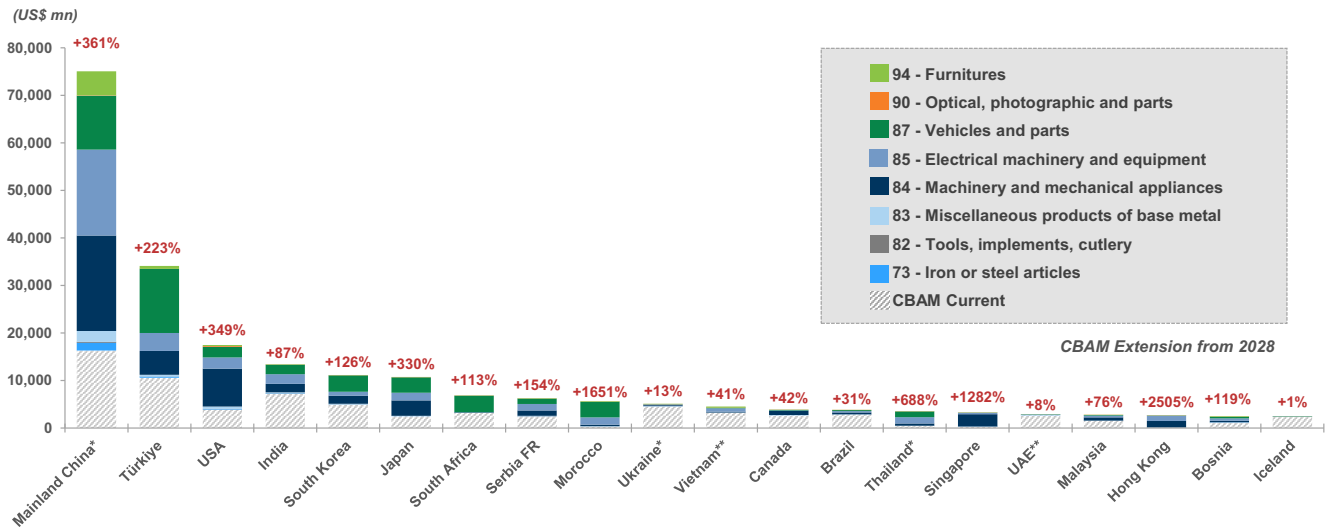
Position of The European Automobile Manufacturers' Association (ACEA)

The European automotive industry has expressed concerns over both the breadth and timeline of the proposed CBAM downstream extension (particularly the versions proposed by the EU Council and Parliament), while supporting its broader objective of addressing carbon leakage. ACEA argues that passenger cars should remain excluded due to the significant administrative burden associated with tracking emissions across complex global supply chains, while supporting the inclusion of **heavy-duty vehicles (CN 8701 and 8704)** given their higher steel intensity and more localized supply chains. The association also recommends delaying implementation from 2028 to 2030 to allow the initial CBAM regime to be evaluated and to avoid capacity constraints among accredited verifiers. More broadly, ACEA is calling for simplified reporting requirements, including a supplier-level de minimis threshold, and warns that extending CBAM to complex automotive parts could create substantial compliance costs due to the difficulty of tracing emissions across multi-tier supplier networks.

ACEA represents major automotive OEMs operating in Europe, including BMW, Mercedes-Benz, Volkswagen, Stellantis, Renault, Toyota, Hyundai, Ford, Nissan, Honda, Jaguar Land Rover, Ferrari, Volvo Group, Daimler Truck, Traton, DAF Trucks and Iveco Group.

Exhibit 4: China, Türkiye and now the US would see the largest increase in value of goods covered under the EU CBAM downstream product extension

Top 20 non-EU27 countries by traded dollar value ($ mn) of EU CBAM-covered goods after downstream extension (EU Council proposed version), latest available



*Countries with 2024 data due to data availability at World Bank; **Countries with 2023 data due to data availability at World Bank

Source: World Bank, Goldman Sachs Global Investment Research

Views from our Greater China Economist - Materiality of charges and cost leadership to drive final market impact

Below is authored by GS Greater China Economist — Chelsea Song.

This proposed extension to downstream products represents a major escalation. The proposal would expand coverage from basic steel and aluminium products (which could affect just 2.1% of China's 2025 exports to the EU) to include an additional $58bn of exports, raising the total CBAM-affected share of Chinese exports to 12.1%. The expansion would primarily hit electrical equipment, machinery, and transport equipment - sectors that contributed 4.9pp of China's 8.5% nominal export growth to the EU in 2025. However, the effective implementation is not expected until 2028 at the earliest, and the actual tax rate on downstream products may represent only a small share of the final export price. This is because CBAM charges are assessed on the embedded carbon of steel and aluminum precursors rather than the total monetary value of the finished goods, although costs could still be meaningful for more carbon-intensive products, such as heavy-duty trucks.

Broader tariff coverage would pose downside risks to China's continued market-share gains in Europe, but we think several factors should cushion the impact. First, China's cost advantages and ongoing improvements in product quality remain a significant buffer as exporters continue to move up the value chain. BEVs are a useful example: despite facing the EU's 10% base import duty and manufacturer-specific countervailing duties since October 2024, Chinese BEV exports to the EU recovered quickly in 2026 after an initial decline. At the same time, exports of internal-combustion-engine (ICE) vehicles and PHEVs — which are not subject to the additional BEV duties — have risen rapidly, underscoring Chinese exporters' ability to adapt to policy changes and exploit regulatory gaps. Finally, China retains leverage in critical inputs such as rare earths, supplying more than 90% of the EU's rare earth elements by weight, while European policymakers have incentives to preserve access to the Chinese market and avoid significant retaliation. We therefore expect EU policy to become tougher, but to stop short of measures likely to trigger a severe response from Beijing—and consequently have only a modest impact on China's export growth to the EU.

Please see China's Broad-Based Export Strength to Persist Despite Limited AI Boost for more details.

Product-level exposure of CBAM extension – more granularity likely to drive greater idiosyncratic investment outcomes

At the product level, the proposed CBAM extension is highly concentrated in a relatively small number of manufactured goods categories, with transport equipment, machinery, electrical components and industrial equipment accounting for a disproportionate share of newly covered trade. In Exhibit 5, we highlight the top 30 downstream product categories (6 digit CN code level) by traded dollar value, based on latest available data. We note that this would represent ~70% of total extended downstream goods imports by the EU.

Power converters and rectifiers (US$14.0 bn), light diesel commercial trucks (US$10.5 bn), miscellaneous automotive components (US$7.8 bn), aircraft engine and turboprop parts (US$7.4 bn) and low-voltage insulated cables and wires (US$5.4 bn) represent the largest newly covered import categories into the EU. Several product categories are also highly concentrated by exporting country, suggesting more targeted competitive implications than those observed in upstream steel and aluminium markets. For example, **China accounts for 62% of EU imports of power converters and rectifiers**, **78% of metal furniture**, **71% of refrigerator-freezers**, **69% of automatic washing machines**, **79% of electric forklifts** and **83% of metal-frame seating**, while **Türkiye accounts for 57% of light diesel commercial truck imports**, **72% of electric commercial trucks**, **43% of vehicle wheels and parts**, and **34% of low-voltage insulated cables and wires**. Other notable concentrations include **Japan's 38% share of automotive gearboxes and transmissions**, **Singapore's 28% share of aircraft engine and turboprop parts**, the **US's 53% share of gas turbine parts** and **Morocco's 35% share of steering systems and components**.

Investment implications are expanding from country-level to product-level. In our view, the investment implications of CBAM expansion are likely to become increasingly product-specific rather than country-specific, with selected segments across automotive components, power equipment, electrical infrastructure, aerospace, industrial machinery and household appliances emerging as some of the most exposed parts of global manufacturing supply chains.



Exhibit 5: Top 30 downstream products proposed to be covered by CBAM by the European Council based on EU import value and their main exporters

CN Code	Product name	Total EU Imports (U$mn)	% of extra-EU trades	No. 1 Exporter	No. 2 Exporter	No. 3 Exporter	No. 4 Exporter	No. 5 Exporter	% from No. 1 Exporter	% from No. 2 Exporter	% from No. 3 Exporter	% from No. 4 Exporter	% from No. 5 Exporter
850440	Power converters, inverters, rectifiers	14,023	35%	Mainland China*	Thailand*	USA	Japan	Hong Kong SAR	62%	8%	6%	4%	4%
870421	Light diesel commercial trucks (<5t)	10,452	29%	Türkiye	South Africa	Thailand*	Japan	Mainland China	57%	32%	6%	3%	2%
870899	Miscellaneous automotive components	7,772	19%	Türkiye	Mainland China	Morocco	India	South Korea	22%	19%	14%	13%	9%
841191	Aircraft engine/turboprop parts	7,441	35%	Singapore	Hong Kong SAR	Japan	Mainland China	USA	28%	17%	14%	12%	12%
854449	Low-voltage insulated cables & wires	5,355	29%	Türkiye	Morocco	Mainland China	Bosnia	Egypt	34%	23%	13%	6%	5%
870829	Vehicle body parts & accessories	4,852	13%	Mainland China*	Türkiye	South Korea	Serbia FR	USA	33%	27%	11%	7%	5%
850300	Electric motor & generator parts	4,720	43%	Mainland China*	India	Japan	Türkiye	Serbia FR	50%	16%	7%	6%	6%
870840	Automotive transmissions & gearboxes	4,655	18%	Japan	Mainland China	USA	South Korea	India	38%	22%	14%	13%	5%
940320	Metal furniture	3,125	35%	Mainland China*	Türkiye	Vietnam**	Morocco	USA	78%	5%	4%	4%	2%
870870	Vehicle wheels & wheel parts	2,925	29%	Türkiye	Morocco	Mainland China	Thailand*	India	43%	23%	18%	4%	2%
870830	Brake systems & brake parts	2,804	16%	Mainland China*	Türkiye	India	South Korea	Japan	68%	11%	6%	5%	2%
841199	Gas turbine parts	2,803	36%	USA	Mainland China	Serbia FR	Singapore	Thailand*	53%	11%	8%	5%	4%
841810	Refrigerator-freezer units	2,467	50%	Mainland China*	Türkiye	Serbia FR	South Korea	Thailand*	71%	20%	4%	3%	2%
870894	Steering systems & components	2,458	24%	Morocco	Mainland China	Tunisia	South Korea	Japan	35%	25%	12%	7%	7%
843149	Excavator/crane/construction equipment parts	2,413	27%	Mainland China*	India	South Korea	Japan	Türkiye	41%	12%	9%	9%	9%
870880	Suspension systems & shock absorbers	2,002	18%	Mainland China*	Türkiye	South Korea	Morocco	Japan	46%	23%	7%	6%	4%
850131	Small-medium DC motors	1,808	33%	Mainland China*	Serbia FR	USA	Japan	South Korea	63%	12%	9%	6%	3%
845011	Automatic household washing machines	1,806	34%	Mainland China*	Türkiye	Ukraine	Thailand*	USA	69%	28%	2%	0%	0%
850110	Small electric motors	1,724	32%	Mainland China*	Serbia FR	Vietnam**	USA	Thailand*	44%	18%	7%	6%	5%
850490	Transformer & inductor parts	1,705	37%	Mainland China*	Türkiye	India	Hong Kong SAR	Japan	44%	19%	8%	7%	5%
847990	Industrial machinery parts	1,693	20%	Mainland China*	USA	South Korea	Japan	India	32%	23%	10%	6%	5%
848071	Plastic injection moulds	1,577	38%	Mainland China*	South Korea	USA	Türkiye	Serbia FR	76%	8%	4%	2%	2%
870460	Electric commercial trucks	1,530	23%	Türkiye	South Korea	Mainland China	USA	Thailand*	72%	19%	9%	0%	0%
842199	Filter & purification equipment parts	1,519	25%	Mainland China*	USA	Japan	Türkiye	South Korea	42%	30%	6%	4%	4%
854460	High-voltage power cables	1,490	21%	Türkiye	Mainland China	Morocco	South Korea	Egypt	28%	26%	9%	7%	7%
842710	Electric forklifts	1,463	16%	Mainland China*	USA	South Korea	India	Canada	79%	16%	2%	1%	1%
732393	Stainless steel cookware & kitchenware	1,437	51%	Mainland China*	India	Türkiye	Vietnam**	Thailand*	85%	6%	4%	2%	1%
870850	Axles & differential systems	1,362	10%	South Korea	Mainland China	Türkiye	India	USA	35%	21%	11%	11%	8%
840734	Gasoline vehicle engines	1,345	10%	Mainland China*	Türkiye	Japan	India	South Korea	27%	27%	24%	14%	4%
940179	Metal-frame seating	1,179	53%	Mainland China*	Vietnam**	Indonesia	Türkiye	India	83%	10%	2%	2%	1%

Our analysis is based on the 6 digit CN code level; UK is excluded from this analysis; *Countries with 2024 data due to data availability at World Bank; **Countries with 2023 data due to data availability at World Bank

Source: World Bank, Goldman Sachs Global Investment Research

Stock implications

While implementation details of the CBAM extension remain subject to further legislative and technical guidance, **we believe the CBAM downstream extension would increase the carbon-related compliance burden on imports across a broader set of manufacturing products, while providing additional protection for EU producers competing in those markets.** We see scope for the extension to create incremental competitive tailwinds for select EU manufacturers through improved import competitiveness and potentially greater pricing flexibility (Exhibit 6).

While we see the proposed CBAM extension as broadly supportive for European manufacturers, the magnitude of any benefit will ultimately depend on the level of incremental CBAM costs imposed on imports and the resulting change in relative competitiveness between imported and domestically produced goods. Importantly, European manufacturers are not insulated from higher carbon costs, as many also consume CBAM-covered steel and aluminium as input materials and could therefore face rising raw material costs over time. For example, while cable producers will be provided greater protection from imported products containing steel and aluminum, domestic producers' own cost base is likely to rise as carbon costs of raw commodities are passed to manufacturers — therefore the ultimate benefit of the CBAM extension will depend on numerous factors including producers' relative cost advantages, price elasticity of demand and the ability to pass on any rising raw material costs to customers.

Exhibit 6: We highlight 33 stocks that could see tailwinds from CBAM downstream extension

					CBAM Downstream Extension Exposure				
Ticker	Company name	Price	GS Rating	EU Revenue Exposure %	84. Machinery	85. Electrical Equipment	87. Vehicles & Auto Parts	88. Aerospace Parts	Relevant CBAM-covered products
OHBG.DE	**OHB**	€200.50	Neutral	94%	Y			Y	Aerospace systems and components
AM.PA	**Dassault Aviation**	€294.00	Sell	86%	Y			Y	Aircraft structures and components
RHMG.DE	**Rheinmetall**	€1125.20	Buy	81%	Y		Y		Military vehicles, engines, vehicle systems
RENA.PA	**Renault**	€28.31	Neutral	81%			Y		Vehicles, powertrain systems, vehicle parts
NKT.CO	**NKT A/S**	Dkr926.50	Sell	80%		Y			High-voltage transmission cables
TCFP.PA	**Thales**	€251.00	Sell	62%	Y	Y		Y	Aerospace electronics, avionics, electrical systems
8TRA.DE	**Traton**	€37.14	Neutral	60%			Y		Commercial trucks, vehicle components
VOWG_p.DE	**Volkswagen**	€73.82	Neutral	58%			Y		Vehicles, transmissions, steering systems, vehicle components
LDOF.MI	**Leonardo**	€54.77	Neutral	53%	Y			Y	Aircraft and helicopter components
RAAG.DE	**Rational**	€626.50	Buy	53%	Y				Commercial ovens, industrial cooking equipment
KBX.DE	**Knorr-Bremse**	€103.40	Buy	47%			Y		Brake systems and braking components
BMWG.DE	**BMW**	€58.32	Buy	46%			Y		Vehicle components, transmissions, steering systems, axles
NEXS.PA	**Nexans**	€137.30	Buy	46%		Y			Low-voltage and high-voltage power cables
PRY.MI	**Prysmian**	€117.60	Buy	45%		Y			Low-voltage and high-voltage power cables
IMI.L	**IMI**	£3072.00	Neutral	44%	Y		Y		Industrial valves, gas turbine components, commercial vehicle systems
AML.L	**Aston Martin Lagonda**	£33.76	Neutral	44%			Y		Vehicle components, transmissions, steering systems
MBGn.DE	**Mercedes-Benz**	€45.05	Buy	44%			Y		Vehicle components, transmissions, axles, steering systems
VOLVb.ST	**Volvo**	Skr347.00	Buy	43%			Y		Heavy-duty trucks, drivetrains, vehicle systems
RACE.MI	**Ferrari**	€363.75	Buy	42%			Y		Vehicle components, transmissions, powertrain systems
SAF.PA	**Safran**	€339.90	Buy	42%	Y			Y	Aircraft engine parts, propulsion systems
AIR.PA	**Airbus**	€202.70	Buy	41%	Y			Y	Aircraft structures and aerospace components
P911_p.DE	**Porsche**	€44.10	Buy	38%			Y		Vehicle components, gearboxes, body parts
SIEGn.DE	**Siemens**	€280.60	Buy	38%	Y	Y			Industrial automation, motors, transformers
STLAM.MI	**Stellantis**	€4.42	Neutral	37%			Y		Vehicles, brakes, steering systems, driveline components
R3NK.DE	**RENK**	€46.44	Neutral	36%	Y		Y		Gearboxes, transmissions, driveline systems
CRLI.MI	**Carel Industries**	€27.00	Buy	36%	Y	Y			Inverters, refrigeration controls, refrigerator-freezer components
DTGGe.DE	**Daimler Truck**	€46.37	Neutral	35%			Y		Heavy-duty trucks, vehicle components
ABBN.S	**ABB**	SFr78.18	Neutral	34%	Y	Y			Motors, drives, transformers, power converters
RR.L	**Rolls-Royce**	£1500.20	Buy	32%	Y			Y	Aircraft engine parts, gas turbine parts
MRON.L	**Melrose**	£462.00	Buy	32%	Y			Y	Aircraft engine and aerostructure components
ELUXb.ST	**Electrolux**	Skr29.04	Neutral	27%	Y	Y			Refrigerator-freezers, washing machines, household appliances
SCHN.PA	**Schneider Electric**	€291.80	Buy	26%	Y	Y			Power converters, transformers, electrical equipment
MTXGn.DE	**MTU Aero Engines**	€353.00	Neutral	15%	Y			Y	Aircraft engine parts

Stocks priced as of Aug 24, 2026 close.

Source: Factset, LSEG Data & Analytics, Goldman Sachs Global Investment Research

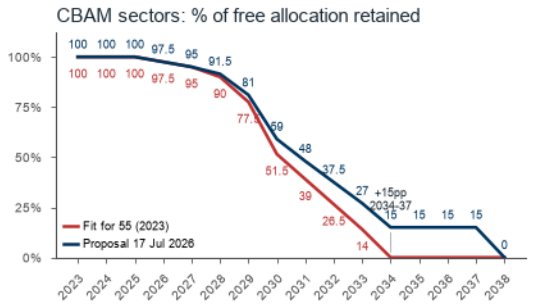
EU ETS review softens near-term CBAM cost for exporters

Below analysis is from our Carbonomics team. Please see the team's July 2026 report for more details: Incorporating the EU carbon market review into our EU ETS modelling.

The July 2026 EU ETS review was launched as part of the Commission's broader assessment of how the EU carbon market should support industrial competitiveness and decarbonisation beyond 2030, while aligning with the EU's 2040 climate targets. The proposal is now entering the legislative process and will be negotiated by the European Parliament and Council over the coming quarters. Importantly for CBAM, the review directly addresses the pace of free allocation phase-out, future allowance supply and industrial competitiveness safeguards, making it one of the most consequential policy updates for CBAM-covered sectors since the mechanism was adopted:

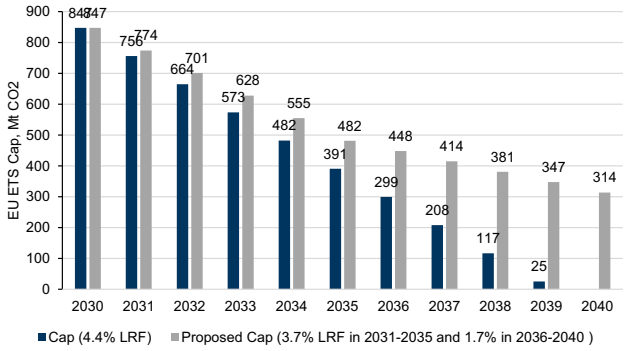
- **Delayed phase-out of free allocation reduces near-term CBAM cost escalation.** The headline CBAM change is a four-year extension of free allocation for CBAM sectors, with phase-out now reaching zero in 2038 instead of 2034. Under the proposal, 59% of allowances will remain free in 2030 versus 52% previously (Exhibit 7), effectively slowing the transfer of carbon costs from European producers to both domestic and imported products. For CBAM-covered sectors such as steel, aluminium and cement, this means a more gradual rise in carbon compliance costs through the 2030s.
- **Lower Linear Reduction Factor (LRF) increases allowance availability beyond 2030.** The Commission also proposed lowering the LRF from 4.4% today to 3.7% in 2031-35 and 1.7% in 2036-40. This slows the decline in the overall ETS cap and allows allowances to continue being issued well into the 2040s rather than effectively approaching zero around 2040 under the previous framework (Exhibit 8). The change is designed to support industrial competitiveness and align ETS supply with the EU's 2040 emissions target.
- **The combined reforms loosen EU ETS market fundamentals and could moderate CBAM certificate prices**. Taken together, the slower CBAM phase-out, lower LRF and MSR reforms all act in the same direction: loosening the EU ETS supply-demand balance in 2027-33 (Exhibit 9). Higher free allocation reduces industrial demand for allowances, while the lower LRF increases long-term supply. GS estimates annual market deficits narrow meaningfully versus the previous framework, although the market remains structurally short. As CBAM certificate prices are directly linked to EUA prices, a less tight carbon market could moderate the pace of future CBAM cost increases relative to prior expectations (Exhibit 10).

Exhibit 7: Free allocation to CBAM sectors now phases out to zero by 2038 (vs the previous 2034 endpoint)
Free allocation of allowances for industry



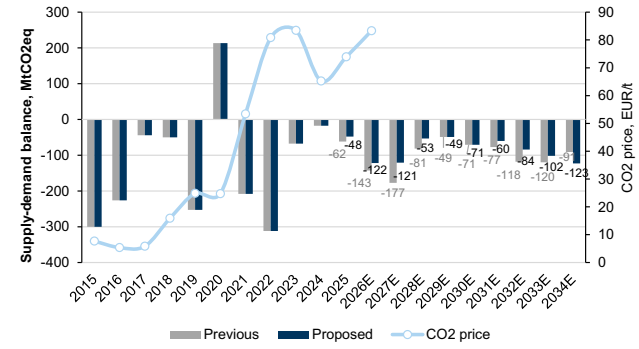
Source: European Commission

Exhibit 8: LRF drops from 4.4% today to 3.7% for 2031-35 and 1.7% for 2036-40. Allowances continue to be issued into the 2040s (previously the cap would have hit zero c.2039-40).
Allowance cap under different LRF scenarios



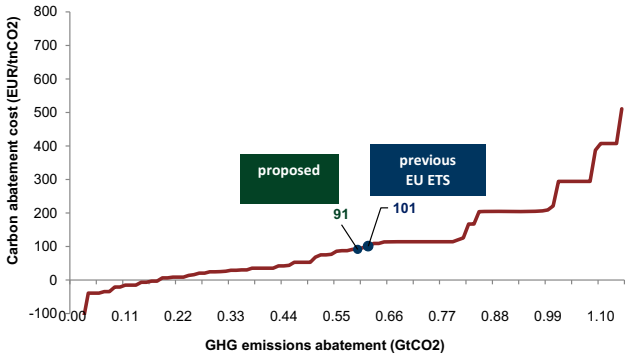
Source: European Commission, Goldman Sachs Global Investment Research

Exhibit 9: All three levers push the market in the same direction: a structural loosening of the supply-demand balance across 2027–33
Supply-demand balance (TNAC change) under different scenarios



Source: European Commission, Goldman Sachs Global Investment Research

Exhibit 10: While the measures modestly reduce market tightness, our updated modelling still points to EUA prices reaching the €90s/t by 2030
European carbon abatement cost curve for anthropogenic GHG emissions for ETS covered sectors (excl. buildings and road transport)



Source: Goldman Sachs Global Investment Research

Implications for overseas exporters

Our updated CBAM pricing analysis suggests the ETS review delays, rather than dilutes, the CBAM charges for exporters. Relative to our January 2026 analysis, the slower free allocation phase-out lowers medium-term CBAM costs across both steel and aluminium while extending the phase-in period to 2038. For steel, estimated CBAM charges in 2034-37 decline by c.5%-8% across major exporters (e.g., China US$414/t to US$394/t, India US$556/t to US$536/t, Japan US$273/t to US$252/t), while aluminium charges decline by c.8%-10% (e.g., China US$390/t to US$369/t, India/UAE/Bahrain US$243/t to US$222/t). The reduction reflects the proposed extension of free allocation, with only 85% of benchmark emissions subject to CBAM payment in 2034-37 versus 100% under the previous framework.

The key consequence is a four-year delay in reaching full CBAM costs. Under the previous framework, CBAM charges reached their maximum level in 2034. Under the revised ETS proposal, CBAM charges remain below their ultimate level throughout 2034-37 and only reach full carbon-cost parity in 2038 when free allocation is fully phased out. This effectively flattens CBAM cost escalation during the mid-2030s and extends the adjustment period for exporters.

Importantly, our view on the relative hierarchy of winners and losers is unchanged. High-emissions exporters such as China and India continue to face the highest CBAM costs, while lower-carbon exporters including Japan, South Korea, Türkiye and Gulf aluminium producers retain a relative advantage. In our view, the ETS review weakens the pace of CBAM tightening but does not materially alter the long-term competitive dynamics created by the mechanism.

Exhibit 11: Potential Default CBAM Charges (US$/tonne) for steel (HRC non-alloy Steel, CN 7208) by country

			China *Country Specific*	Turkiye *Country Specific*	India *Country Specific*	South Korea *Country Specific*	US *Country Specific*	Japan *Country Specific*	Global Average*
	Default Value - Production Route		*BF/BOF*	*BF/BOF*	*BF/BOF*	*BF/BOF*	*BF/BOF*	*BF/BOF*	*BF/BOF*
A	**Default Value - Direct Emissions**	*(tCO2e/t steel)*	**3.19**	**2.43**	**4.28**	**2.12**	**1.40**	**2.10**	**4.05**
	2026 (10% mark up)	*(tCO2e/t steel)*	**3.51**	**2.67**	**4.71**	**2.33**	**1.54**	**2.31**	**4.45**
	2027 (20% mark up)	*(tCO2e/t steel)*	**3.82**	**2.91**	**5.14**	**2.54**	**1.68**	**2.52**	**4.86**
	2028 onwards (30% mark up)	*(tCO2e/t steel)*	**4.14**	**3.16**	**5.56**	**2.75**	**1.82**	**2.73**	**5.26**
B	**EU CBAM benchmark emissions (2026-2030)**	*(tCO2e/t steel)*	**1.37**	**1.37**	**1.37**	**1.37**	**1.37**	**1.37**	**1.37**
C	**Adjusted benchmark emissions after free allocation**								
	Benchmark payable by CBAM, 2026 (B x 2.5%)	*(tCO2e/t steel)*	0.03	0.03	0.03	0.03	0.03	0.03	0.03
	Benchmark payable by CBAM, 2027 (B x 5.0%)	*(tCO2e/t steel)*	0.07	0.07	0.07	0.07	0.07	0.07	0.07
	Benchmark payable by CBAM, **2028 (B x 8.5%)**	*(tCO2e/t steel)*	**0.14**	**0.14**	**0.14**	**0.14**	**0.14**	**0.14**	**0.14**
	Benchmark payable by CBAM, **2030 (B x 41%)**	*(tCO2e/t steel)*	**0.66**	**0.66**	**0.66**	**0.66**	**0.66**	**0.66**	**0.66**
	Benchmark payable by CBAM, **2034-37 (B x 85%)**	*(tCO2e/t steel)*	**1.16**	**1.16**	**1.16**	**1.16**	**1.16**	**1.16**	**1.16**
	Benchmark payable by CBAM, **2038 (B x 100%)***	*(tCO2e/t steel)*	**1.37**	**1.37**	**1.37**	**1.37**	**1.37**	**1.37**	**1.37**
D	**Total emissions subject to CBAM payment (A - B + C)**	*(tCO2e/t steel)*							
	2026	*(tCO2e/t steel)*	2.17	1.33	3.37	0.99	0.20	0.97	3.12
	2027	*(tCO2e/t steel)*	2.52	1.61	3.83	1.24	0.38	1.22	3.56
	2028	*(tCO2e/t steel)*	**2.91**	**1.92**	**4.33**	**1.52**	**0.59**	**1.50**	**4.03**
	2030	*(tCO2e/t steel)*	**3.44**	**2.45**	**4.86**	**2.05**	**1.11**	**2.02**	**4.56**
	2034-37	*(tCO2e/t steel)*	**3.94**	**2.95**	**5.36**	**2.55**	**1.61**	**2.52**	**5.06**
	2038	*(tCO2e/t steel)*	**4.14**	**3.16**	**5.56**	**2.75**	**1.82**	**2.73**	**5.26**
	Total CBAM charge (D x US $100 / tCO2e)								
	2026	*(US $/t steel)*	**$217**	**$133**	**$337**	**$99**	**$20**	**$97**	**$312**
	2027	*(US $/t steel)*	**$252**	**$161**	**$383**	**$124**	**$38**	**$122**	**$356**
	2028	*(US $/t steel)*	**$291**	**$192**	**$433**	**$152**	**$59**	**$150**	**$403**
	2030	*(US $/t steel)*	**$344**	**$245**	**$486**	**$205**	**$111**	**$202**	**$456**
	2034-37	*(US $/t steel)*	**$394**	**$295**	**$536**	**$255**	**$161**	**$252**	**$506**
	2038	*(US $/t steel)*	**$414**	**$316**	**$556**	**$275**	**$182**	**$273**	**$526**
	Current Steel Price	*(US $/t steel)*	**460**	**585**	**610**	**620**	**1,185**	**600**	**-**
	Implied steel price range if incremental CBAM charge fully passed through	*(US $/t steel)*	**$677 to $874**	**$718 to $901**	**$947 to $1,166**	**$719 to $895**	**$1,205 to $1,367**	**$697 to $873**	**-**

Current steel price of each market represents domestic price and not necessarily the EU delivery price including freight *The average emissions intensity of the 10 exporting countries with the highest emission intensities with reliable data.

Source: European Commission, Goldman Sachs Global Investment Research

Exhibit 12: Potential Default CBAM Charges (US$/ton) for aluminium (unwrought, CN 7601) by country

			China Country Specific	Turkiye Country Specific	India Country Specific	UAE Country Specific	US Country Specific	Bahrain Country Specific	Global Average*
	Default Value - Production Route		*Primary*	*Primary*	*Primary*	*Primary*	*Primary*	*Primary*	*Primary*
A	**Default Value - Direct Emissions**	*(tCO2e/t al)*	**3.00**	**1.70**	**1.87**	**1.87**	**1.70**	**1.87**	**2.20**
	2026 (10% mark up)	*(tCO2e/t al)*	**3.30**	**1.87**	**2.06**	**2.06**	**1.87**	**2.06**	**2.42**
	2027 (20% mark up)	*(tCO2e/t al)*	**3.60**	**2.04**	**2.24**	**2.24**	**2.04**	**2.24**	**2.64**
	2028 onwards (30% mark up)	*(tCO2e/t al)*	**3.90**	**2.21**	**2.43**	**2.43**	**2.21**	**2.43**	**2.86**
B	**EU CBAM benchmark emissions (2026-2030)**	*(tCO2e/t al)*	**1.42**	**1.42**	**1.42**	**1.42**	**1.42**	**1.42**	**1.42**
C	**Adjusted benchmark emissions after free allocation**								
	Benchmark payable by CBAM, 2026 (B x 2.5%)	*(tCO2e/t al)*	0.04	0.04	0.04	0.04	0.04	0.04	0.04
	Benchmark payable by CBAM, 2027 (B x 5.0%)	*(tCO2e/t al)*	0.07	0.07	0.07	0.07	0.07	0.07	0.07
	Benchmark payable by CBAM, **2028 (B x 8.5%)**	*(tCO2e/t al)*	**0.12**	**0.12**	**0.12**	**0.12**	**0.12**	**0.12**	**0.12**
	Benchmark payable by CBAM, **2030 (B x 41%)**	*(tCO2e/t al)*	**0.58**	**0.58**	**0.58**	**0.58**	**0.58**	**0.58**	**0.58**
	Benchmark payable by CBAM, **2034-37 (B x 85%)**	*(tCO2e/t al)*	**1.21**	**1.21**	**1.21**	**1.21**	**1.21**	**1.21**	**1.21**
	Benchmark payable by CBAM, **2038 (B x 100%)***	*(tCO2e/t al)*	**1.42**	**1.42**	**1.42**	**1.42**	**1.42**	**1.42**	**1.42**
D	**Total emissions subject to CBAM payment (A - B + C)**	*(tCO2e/t al)*							
	2026	*(tCO2e/t al)*	1.91	0.48	0.67	0.67	0.48	0.67	1.04
	2027	*(tCO2e/t al)*	2.25	0.69	0.89	0.89	0.69	0.89	1.29
	2028	*(tCO2e/t al)*	**2.60**	**0.91**	**1.13**	**1.13**	**0.91**	**1.13**	**1.56**
	2030	*(tCO2e/t al)*	**3.06**	**1.37**	**1.59**	**1.59**	**1.37**	**1.59**	**2.02**
	2034-37	*(tCO2e/t al)*	**3.69**	**2.00**	**2.22**	**2.22**	**2.00**	**2.22**	**2.65**
	2038	*(tCO2e/t al)*	**3.90**	**2.21**	**2.43**	**2.43**	**2.21**	**2.43**	**2.86**
	Total CBAM charge (D x US $100 / tCO2e)								
	2026	*(US $/t al)*	**$191**	**$48**	**$67**	**$67**	**$48**	**$67**	**$104**
	2027	*(US $/t al)*	**$225**	**$69**	**$89**	**$89**	**$69**	**$89**	**$129**
	2028	*(US $/t al)*	**$260**	**$91**	**$113**	**$113**	**$91**	**$113**	**$156**
	2030	*(US $/t al)*	**$306**	**$137**	**$159**	**$159**	**$137**	**$159**	**$202**
	2034-37	*(US $/t al)*	**$369**	**$200**	**$222**	**$222**	**$200**	**$222**	**$265**
	2038	*(US $/t al)*	**$390**	**$221**	**$243**	**$243**	**$221**	**$243**	**$286**
	Current Aluminium Price**	*(US $/t al)*	**3,160**	**3,160**	**3,160**	**3,160**	**3,160**	**3,160**	**-**
	Implied aluminium price range if incremental CBAM charge fully passed through	*(US $/t al)*	**$3,351 to $3,550**	**$3,208 to $3,381**	**$3,227 to $3,403**	**$3,227 to $3,403**	**$3,208 to $3,381**	**$3,227 to $3,403**	**-**

*The average emissions intensity of the 10 exporting countries with the highest emission intensities with reliable data. **We use LME aluminium price as basis for our analysis.

Source: European Commission, Goldman Sachs Global Investment Research

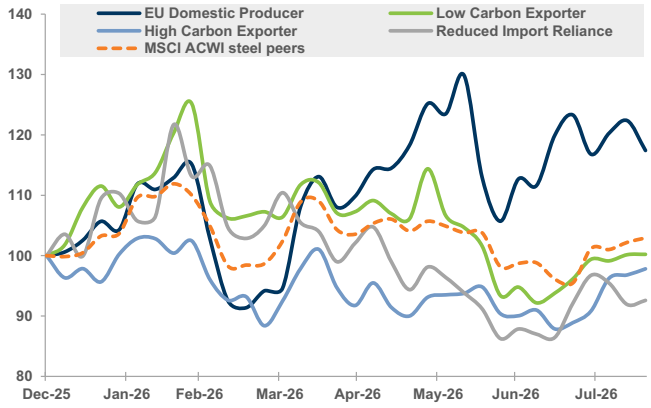
Implications for EU producers

Continued protection, but a slower transition to full carbon-cost parity. The proposed ETS review extends free allocation for CBAM sectors from 2034 to 2038, providing European steel, aluminium and other carbon-intensive industries with additional protection from carbon leakage and lower near-term compliance costs. However, this support becomes increasingly conditional from 2031 onward, with companies required to submit **verified decarbonisation plans** and invest an amount equivalent to the value of free allocation received into EU-based decarbonisation projects in order to receive the full allocation. As a result, the primary beneficiaries are likely to be domestic producers able to demonstrate credible decarbonisation investment, while the pace at which CBAM increases competitive pressure on overseas producers is delayed by four years.

Steel sector implications

For steel, we continue to see supportive tailwinds for EU domestic producers and lower-carbon exporters. Similar to our January 2026 framework, we continue to view producers with manufacturing footprints inside Europe as beneficiaries of CBAM's protection against carbon leakage, while lower-carbon exporters remain relatively advantaged as carbon costs increase over time. However, the July 2026 ETS review introduces an additional dimension: the new free allocation regime becomes increasingly tied to demonstrated decarbonisation investment. As such, beyond traditional CBAM beneficiaries, we see greater secondary tailwinds for companies that can evidence credible green capex deployment, industrial decarbonisation plans, and meaningful exposure to EU Taxonomy-aligned or low-carbon revenues.

Exhibit 13: EU Domestic Producer is the only cohort that outperformed MSCI ACWI steel peers in 2026 YTD
Median TSR of various steel cohorts (01/01/2026 to 08/19/2026)



Source: LSEG Data & Analytics, FactSet, Goldman Sachs Global Investment Research

Exhibit 14: We highlight 12 stocks that could see supportive tailwinds from EU CBAM in domestic steel production and 6 stocks that export product into the EU located in markets with lower carbon intensity (Japan, South Korea and Taiwan)

	Ticker	Company name	Market	Market Cap, $bn	GS Rating	EU Revenue Exposure %	Does the company have production facilities in EU?	Potentially EU Taxonomy-aligned revenue % *(Climate Change Mitigation)*	Returns	Growth	Valuation Profile			Sust. Fund Relative Weight
									CROCI FY1-3 %ile	Sales growth FY2-3 %ile	P/E (12m fwd)	P/E vs 5 year Median	P/E vs GICS 2 Sector	
EU Domestic Producer	OUT1V.HE	**Outokumpu**	Finland	3.0	-	63%	Yes	90%-95%	-	-	14.6x	17%	12%	-34%
	APAM.AS	**Aperam**	Luxembourg	3.9	-	59%	Yes	80%-85%	-	-	13.3x	48%	1%	116%
	ACX.MC	**Acerinox**	Spain	5.0	-	36%	Yes	70%-75%	-	-	13.6x	81%	4%	-53%
	SSABa.ST	**SSAB**	Sweden	10.5	-	59%	Yes	25%-30%	-	-	11.6x	33%	-12%	-12%
	VOES.VI	**voestalpine**	Austria	9.2	-	68%	Yes	25%-30%	-	-	11.0x	29%	-16%	-55%
	SZGG.DE	**Salzgitter**	Germany	3.6	-	75%	Yes	5%-10%	-	-	9.1x	46%	-31%	-72%
	MT.AS	**ArcelorMittal**	Luxembourg	56.8	*Neutral*	51%	Yes	0%-5%	11%	25%	12.2x	109%	-7%	-82%
	CMC.N	**Commercial Metals***	United States	7.2	*Buy*	12%	Yes	95%-100%	70%	33%	10.1x	1%	-23%	-45%
	TISC.NS	**Tata Steel***	India	24.3	*Neutral*	30%	Yes	more info req.	64%	65%	13.0x	3%	-1%	-82%
	EREGL.IS	**Erdemir***	Turkey	5.6	-	5%	Yes	more info req.	-	-	18.6x	95%	42%	-82%
	5401.T	**Nippon Steel***	Japan	22.5	-	4%	Yes	more info req.	-	-	12.4x	82%	-5%	-81%
	JSTL.NS	**JSW Steel***	India	33.8	*Buy*	3%	Yes	more info req.	-	-	19.9x	34%	52%	-84%
Lower Carbon Exporter	5406.T	**Kobe Steel**	Japan	5.0	-	10%	No	0%-5%	-	-	8.1x	26%	-38%	-93%
	5411.T	**JFE Holdings**	Japan	7.4	-	9%	No	0%-5%	-	-	8.9x	35%	-32%	-47%
	004020.KS	**Hyundai Steel**	South Korea	2.7	-	4%	No	more info req.	-	-	17.6x	136%	35%	-72%
	005490.KS	**Posco Holdings**	South Korea	18.8	-	4%	No	more info req.	-	-	12.4x	4%	-5%	-94%
	5471.T	**Daido Steel**	Japan	3.1	-	2%	No	more info req.	-	-	14.2x	72%	9%	-81%
	2002.TW	**China Steel**	Taiwan	9.5	-	0%	No	0%-5%	-	-	67.6x	68%	415%	-69%

*Companies that are domiciled in other countries but have production facilities within the EU. Under GS Rating, - denotes Not Covered or Coverage Suspended. Prices as of market close 08/24/2026

Source: LSEG Data & Analytics, FactSet, Company data, Goldman Sachs Global Investment Research

ArcelorMittal SA (MT.AS, Neutral by Matt Greene)

Our European Steel Analyst Matt Greene believes ArcelorMittal remains well positioned to benefit from Europe's increasingly protectionist steel trade framework, including CBAM and tighter safeguard measures. Matt sees the recent strengthening of EU trade measures and improving order books as supportive for European steel margins, with Arcelor already restarting 2-3Mt of capacity to meet anticipated demand. Looking further out, he expects investors to increasingly focus on whether loopholes emerge through continued slab imports, which remain largely outside existing quota and tariff restrictions. On his estimates, Chinese slab delivered into Europe, including CBAM costs, currently equates to c.€566/t versus European slab prices of c.€575/t CFR Italy. After adding conversion costs and a processing margin, this implies a delivered HRC cost of roughly €725/t, above current Italian HRC prices of around €700/t, suggesting the economics for re-rollers are not yet attractive.

However, Matt estimates that a further €20-€40/t increase in European HRC prices could improve incentives to import and re-roll slab, potentially creating a ceiling on future price increases. Even under this scenario, he believes Arcelor remains relatively well positioned given its combination of European steelmaking capacity, Brazilian slab production and established re-rolling assets. In his view,

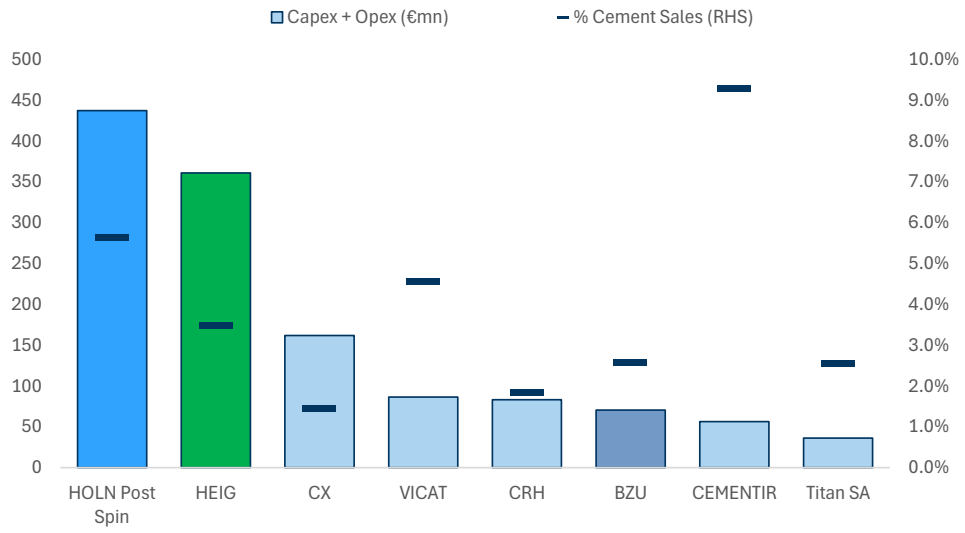
CBAM, safeguard measures and the broader EU industrial policy framework should continue to support European steel producers over the medium term, although the extent of the benefit will depend on how effectively policymakers address potential circumvention channels such as imported slab.

Please see ArcelorMittal SA (MT.AS): JunQ'26: Momentum building, debate shifts to how high EU prices can go for more details.

Cement sector implications

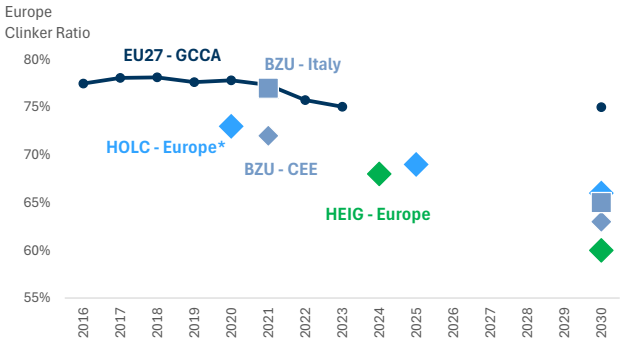
For European cement, our analyst Ben Rada Martin expects the July ETS review to temper the growth in carbon costs while increasing support for industrial decarbonisation. While the slower phase-out of free allocation and looser ETS balance should moderate future carbon-cost inflation, reducing the relative advantage previously enjoyed by decarbonisation leaders, the introduction of investment-linked free allocation and a significant increase in industrial decarbonisation funding should disproportionately benefit companies already investing in emissions reduction. In Ben's view, **Holcim (Buy)** and **Heidelberg Materials (Buy)** are best positioned given their leading decarbonisation spending, lower clinker ratios, established net-zero roadmaps and strong access to funding opportunities, while the new framework could create increasing risks for producers that fail to demonstrate sufficient decarbonisation investment and therefore lose access to future free allocations.

Exhibit 15: Holcim and Heidelberg have the largest Cement Capex + Opex spend, with above average intensity
Cement - Group EU Taxonomy Capex and Opex, % of Group EU Taxonomy Cement Sales RHS



Source: Company data, Goldman Sachs Global Investment Research

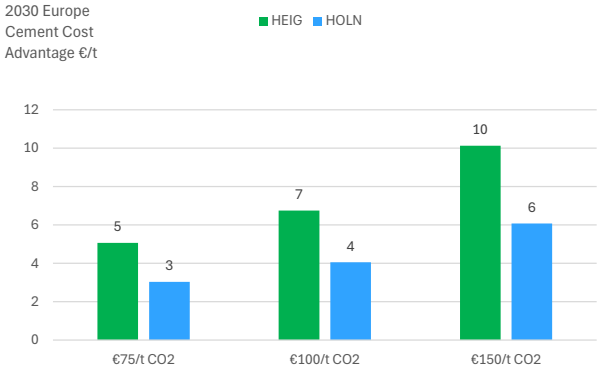
Exhibit 16: HEIG and HOLN are leading the industry on lower clinker ratios in Europe...



*2023 Decarb Presentation

Source: GCCA, Company data, Goldman Sachs Global Investment Research

Exhibit 17: ... which we see driving HEIG's €5-10/t, and HOLN's €3-6/t cost advantage (dependent on CO2 prices)
Europe Cement Cost Advantage €/t



*Calculated on 2030 Clinker ratio targets

Source: Goldman Sachs Global Investment Research

Appendix: List of CN codes of EU CBAM downstream extension proposals

Exhibit 18: List of CN codes included in the EU CBAM downstream extension proposals of the European Commission, EU Council and EU Parliament (1/5)

CN Code	Product	European Commission	EU Council	EU Parliament
360690	Firelighting products	-	-	Y
630110	Electric blankets	-	-	Y
731290	Steel wire ropes	-	Y	Y
731300	Barbed steel wire	-	-	Y
731412	Stainless steel belts	-	Y	-
731419	Woven steel mesh	-	-	Y
731420	Welded wire mesh	-	Y	Y
731431	Galvanised welded mesh	Y	Y	Y
731439	Other welded mesh	-	-	Y
731441	Galvanised wire mesh	Y	Y	Y
731442	Plastic-coated wire mesh	-	Y	-
731449	Other wire mesh	Y	Y	-
731450	Expanded steel mesh	-	Y	Y
731512	Roller chains	-	-	Y
731520	Skid chains	-	-	Y
731581	Stud-link chains	-	-	Y
731582	Welded link chains	-	-	Y
731589	Other steel chains	-	-	Y
731590	Chain parts	-	-	Y
731600	Anchors and grapnels	-	-	Y
731700	Nails and staples	Y	Y	Y
732010	Leaf springs	-	Y	Y
732020	Coil springs	-	Y	Y
732090	Other steel springs	-	Y	Y
732111	Gas cooking appliances	-	-	Y
732112	Liquid-fuel cooking appliances	-	-	Y
732119	Other cooking appliances	-	-	Y
732190	Cooking appliance parts	-	-	Y
732290	Air heaters	-	-	Y
732391	Cast-iron kitchenware	-	-	Y
732392	Enamelled cast-iron kitchenware	-	-	Y
732393	Stainless steel kitchenware	-	Y	Y
732394	Enamelled steel kitchenware	-	-	Y
732399	Other steel kitchenware	-	-	Y
732410	Stainless steel sinks	-	-	Y
732510	Cast-iron articles	-	-	Y
732591	Grinding balls	-	-	Y
732599	Other cast articles	-	-	Y
741510	Copper nails	Y	Y	Y
741810	Copper kitchenware	-	-	Y
761510	Aluminium kitchenware	-	-	Y
761520	Aluminium sanitary ware	-	-	Y
790700	Zinc articles	-	-	Y
810430	Magnesium powders	-	-	Y
820210	Handsaws	-	Y	Y
820220	Bandsaw blades	-	-	Y
820231	Circular saw blades	-	Y	Y
820239	Other circular blades	-	-	Y
820240	Chainsaw blades	-	Y	Y
820291	Straight saw blades	-	-	Y
820299	Other saw blades	-	Y	Y
820730	Pressing tools	-	-	Y
820760	Boring tools	-	-	Y
820810	Metalworking machine knives	-	-	Y
820820	Woodworking machine knives	-	-	Y
820830	Kitchen machine knives	-	-	Y
820840	Agricultural machine knives	-	-	Y
820890	Other machine knives	-	-	Y
821191	Table knives	-	-	Y
821192	Fixed-blade knives	-	-	Y
821193	Other-blade knives	-	-	Y
821194	Knife blades	-	-	Y
821195	Metal knife handles	-	-	Y
821210	Razors	-	-	Y
821220	Razor blades	-	-	Y
821290	Razor parts	-	-	Y
821300	Scissors	-	-	Y
821410	Paper knives	-	-	Y
821420	Manicure instruments	-	-	Y
821510	Assorted cutlery sets	-	-	Y
821520	Other cutlery sets	-	-	Y
821591	Silver-plated cutlery	-	-	Y
821599	Other cutlery	-	-	Y
830110	Padlocks	-	-	Y
830140	Other locks	-	-	Y
830150	Lock clasps	-	-	Y
830160	Lock parts	-	-	Y
830170	Keys	-	-	Y
830210	Hinges	-	Y	Y
830230	Vehicle fittings	-	Y	-
830241	Building fittings	-	Y	Y
830242	Furniture fittings	Y	Y	-
830249	Other base-metal fittings	Y	Y	-
830250	Hooks and brackets	-	-	Y
830260	Door closers	-	Y	Y
830400	Metal office articles	-	-	Y
830510	Binder fittings	-	-	Y
830520	Strip staples	-	-	Y
830590	Other office fittings	-	-	Y
830790	Flexible metal tubing	-	-	Y
830910	Crown corks	-	Y	Y
830990	Other metal closures	Y	Y	Y
831000	Metal signs	-	-	Y
831110	Welding electrodes	-	-	Y
831120	Welding wire	-	-	Y
840211	Large watertube boilers	-	-	Y
840212	Small watertube boilers	-	-	Y
840219	Other steam boilers	-	Y	Y
840220	Superheated water boilers	-	Y	Y
840290	Boiler parts	-	Y	Y

Source: European Commission, European Council, European Parliament, Data compiled by Goldman Sachs Global Investment Research

Exhibit 19: List of CN codes included in the EU CBAM downstream extension proposals of the European Commission, EU Council and EU Parliament (2/5)

CN Code	Product	European Commission	EU Council	EU Parliament
840310	Central heating boilers	-	Y	Y
840390	Heating boiler parts	-	Y	-
840410	Boiler auxiliary plant	-	-	Y
840420	Steam condensers	-	-	Y
840490	Boiler auxiliary parts	-	-	Y
840510	Gas generators	-	-	Y
840590	Gas generator parts	-	-	Y
840610	Marine steam turbines	-	Y	Y
840681	Large steam turbines	-	Y	Y
840682	Small steam turbines	-	Y	Y
840690	Steam turbine parts	-	Y	Y
840734	Large gasoline engines	-	Y	Y
840820	Vehicle diesel engines	Y	Y	Y
840890	Other diesel engines	Y	Y	Y
840991	Gasoline engine parts	-	-	Y
840999	Diesel engine parts	-	-	Y
841011	Small hydraulic turbines	-	-	Y
841012	Medium hydraulic turbines	-	-	Y
841013	Large hydraulic turbines	-	-	Y
841090	Hydraulic turbine parts	-	-	Y
841111	Small turbojets	-	-	Y
841112	Large turbojets	-	-	Y
841121	Small turboprops	-	-	Y
841122	Large turboprops	-	-	Y
841181	Small gas turbines	-	Y	Y
841182	Large gas turbines	-	Y	Y
841191	Aircraft engine parts	-	Y	Y
841199	Gas turbine parts	-	Y	Y
841210	Reaction engines	-	-	Y
841221	Hydraulic power engines	-	-	Y
841229	Other hydraulic engines	-	-	Y
841231	Pneumatic cylinders	-	-	Y
841239	Other pneumatic engines	-	-	Y
841280	Other engines	-	-	Y
841290	Engine parts	-	-	Y
841320	Hand pumps	-	-	Y
841330	Engine fluid pumps	Y	Y	-
841360	Rotary displacement pumps	-	-	Y
841370	Centrifugal pumps	Y	Y	-
841391	Pump parts	-	-	Y
841420	Hand air pumps	-	-	Y
841451	Table and floor fans	-	-	Y
841459	Other fans	-	-	Y
841460	Ventilation hoods	-	-	Y
841470	Safety cabinets	-	-	Y
841490	Compressor and fan parts	-	-	Y
841510	Room air conditioners	-	-	Y
841581	Reversible heat pumps	-	-	Y
841582	Refrigerating air conditioners	-	-	Y
841583	Non-refrigerating air conditioners	-	-	Y
841590	Air-conditioner parts	-	-	Y
841610	Liquid-fuel burners	Y	Y	Y
841620	Other furnace burners	Y	Y	Y
841690	Burner parts	Y	Y	-
841720	Bakery ovens	-	-	Y
841780	Other industrial furnaces	-	Y	Y
841790	Furnace parts	-	Y	Y
841810	Refrigerator-freezers	Y	Y	-
841821	Compression refrigerators	-	Y	Y
841829	Other household refrigerators	-	Y	Y
841830	Chest freezers	-	Y	Y
841840	Upright freezers	-	Y	Y
841850	Refrigerated display furniture	-	Y	-
841861	Heat pumps	-	Y	Y
841869	Other refrigeration equipment	-	Y	Y
841899	Refrigeration equipment parts	Y	Y	-
841911	Gas water heaters	-	Y	Y
841912	Solar water heaters	-	Y	Y
841919	Other water heaters	-	Y	Y
841939	Other industrial dryers	-	-	Y
841950	Heat exchangers	-	-	Y
841981	Food heating machinery	-	Y	Y
841989	Other thermal machinery	Y	Y	Y
841990	Thermal machinery parts	Y	Y	Y
842091	Calendering cylinders	Y	Y	-
842112	Clothes dryers	-	-	Y
842123	Engine oil filters	Y	Y	-
842139	Gas filtration equipment	-	Y	-
842199	Filter equipment parts	-	Y	-
842211	Household dishwashers	-	-	Y
842219	Other dishwashers	-	-	Y
842290	Dishwasher parts	-	-	Y
842410	Fire extinguishers	-	Y	Y
842430	Blasting machines	Y	Y	-
842441	Portable agricultural sprayers	-	Y	Y
842482	Other agricultural sprayers	Y	Y	-
842489	Other spraying equipment	Y	Y	-
842490	Spraying equipment parts	Y	Y	-
842531	Electric winches	Y	Y	-
842539	Other powered winches	Y	Y	-
842541	Garage jacking systems	-	-	Y
842542	Hydraulic vehicle jacks	Y	Y	-
842549	Other jacks	-	-	Y
842611	Overhead travelling cranes	-	Y	Y
842612	Mobile lifting frames	-	-	Y
842619	Other overhead cranes	Y	Y	Y
842620	Tower cranes	-	Y	Y
842630	Portal cranes	-	Y	Y
842641	Tyre-mounted mobile cranes	-	Y	Y
842649	Other mobile cranes	-	Y	Y

Source: European Commission, European Council, European Parliament, Data compiled by Goldman Sachs Global Investment Research

Exhibit 20: List of CN codes included in the EU CBAM downstream extension proposals of the European Commission, EU Council and EU Parliament (3/5)

CN Code	Product	European Commission	EU Council	EU Parliament
842691	Vehicle-mounted cranes	-	Y	Y
842699	Other cranes	Y	Y	Y
842710	Electric forklifts	-	Y	Y
842720	Other self-propelled forklifts	-	Y	-
842790	Other works trucks	Y	Y	-
842810	Lifts and elevators	-	Y	Y
842820	Pneumatic conveyors	Y	Y	-
842832	Bucket conveyors	-	Y	-
842833	Belt conveyors	Y	Y	-
842839	Other continuous conveyors	Y	Y	Y
842870	Industrial robots	Y	Y	-
842890	Other handling machinery	Y	Y	-
842951	Front-end loaders	-	-	Y
842952	Revolving excavators	-	-	Y
843020	Snowploughs	-	-	Y
843061	Tamping machinery	Y	Y	-
843069	Other non-self-propelled machine	Y	Y	-
843110	Hoist and jack parts	Y	Y	-
843120	Forklift parts	Y	Y	-
843131	Lift and escalator parts	Y	Y	-
843139	Conveyor machinery parts	Y	Y	-
843141	Buckets and grabs	-	Y	-
843142	Bulldozer blades	-	-	Y
843143	Boring machinery parts	-	Y	-
843149	Construction equipment parts	Y	Y	Y
843229	Other cultivators	-	-	Y
843241	Manure spreaders	-	-	Y
843280	Other soil machinery	Y	Y	-
843290	Agricultural machinery parts	Y	Y	-
843311	Powered lawn mowers	-	-	Y
843319	Other lawn mowers	-	-	Y
843610	Animal-feed machinery	-	-	Y
843621	Poultry incubators	-	-	Y
843629	Other poultry machinery	-	-	Y
843680	Other agricultural machinery	-	-	Y
843691	Poultry machinery parts	-	-	Y
843699	Other agricultural parts	-	-	Y
843710	Grain sorting machinery	-	-	Y
843780	Milling machinery	-	-	Y
843790	Milling machinery parts	-	-	Y
843820	Confectionery machinery	-	-	Y
843880	Other food machinery	-	-	Y
843910	Pulp-making machinery	-	-	Y
843920	Paper-making machinery	-	-	Y
843930	Paper-finishing machinery	-	-	Y
843991	Pulp machinery parts	-	-	Y
843999	Paper machinery parts	-	-	Y
844010	Bookbinding machines	-	-	Y
844110	Paper cutting machines	-	-	Y
844230	Printing preparation machinery	-	-	Y
844391	Printing machinery parts	-	-	Y
845011	Automatic washing machines	Y	Y	-
845012	Washer-dryer machines	Y	Y	-
845019	Other washing machines	Y	Y	-
845020	Large washing machines	-	-	Y
845090	Washing machine parts	-	Y	Y
845121	Small clothes dryers	Y	Y	-
845129	Other clothes dryers	-	-	Y
845410	Metallurgical converters	Y	Y	-
845420	Ingot moulds and ladles	Y	Y	-
845430	Metal casting machines	Y	Y	-
845490	Casting machinery parts	-	Y	Y
845530	Rolling mill rolls	-	-	Y
846211	Hydraulic forging machines	-	-	Y
846219	Other forging machines	-	-	Y
846222	Profile bending machines	-	-	Y
846223	Press-brake machines	-	-	Y
846224	Panel bending machines	-	-	Y
846225	Roll-forming machines	-	-	Y
846226	Levelling machines	-	-	Y
846229	Other bending machines	-	-	Y
846232	Shearing machines	-	-	Y
846233	Slitting lines	-	-	Y
846239	Other shearing machines	-	-	Y
846242	Punching machines	-	-	Y
846249	Other punching machines	-	-	Y
846251	Laser cutting machines	-	-	Y
846259	Other cutting machines	-	-	Y
846261	Hydraulic presses	-	-	Y
846262	Mechanical presses	-	-	Y
846263	Servo presses	-	-	Y
846269	Other metal presses	-	-	Y
846290	Other metalworking machines	-	-	Y
846410	Stone sawing machines	Y	Y	-
846490	Other mineral machine-tools	Y	Y	-
846510	Multi-operation woodworking mac	-	-	Y
846520	Machining centres	-	-	Y
846591	Wood sawing machines	-	-	Y
846592	Wood planing machines	-	-	Y
846593	Wood grinding machines	-	-	Y
846594	Wood bending machines	-	-	Y
846595	Wood drilling machines	-	-	Y
846596	Wood splitting machines	-	-	Y
846599	Other woodworking machines	-	-	Y
847410	Mineral sorting machinery	Y	Y	Y
847420	Crushing machinery	Y	Y	Y
847431	Concrete mixers	-	-	Y
847432	Mineral mixing machinery	-	-	Y
847439	Other mineral mixers	Y	Y	Y
847480	Other mineral machinery	-	-	Y

Source: European Commission, European Council, European Parliament, Data compiled by Goldman Sachs Global Investment Research

Exhibit 21: List of CN codes included in the EU CBAM downstream extension proposals of the European Commission, EU Council and EU Parliament (4/5)

CN Code	Product	European Commission	EU Council	EU Parliament
847490	Mineral machinery parts	-	Y	Y
847910	Public-works machinery	Y	Y	-
847960	Evaporative air coolers	-	-	Y
847983	Isostatic presses	-	-	Y
847989	Other special machinery	-	-	Y
847990	Industrial machinery parts	-	Y	Y
848010	Foundry moulding boxes	-	-	Y
848020	Mould bases	-	-	Y
848030	Moulding patterns	-	-	Y
848041	Metal injection moulds	-	-	Y
848049	Other metal moulds	-	Y	Y
848050	Glass moulds	Y	Y	Y
848060	Mineral material moulds	-	-	Y
848071	Plastic injection moulds	-	Y	Y
848079	Other plastic moulds	-	-	Y
848180	Valves and taps	-	-	Y
848210	Ball bearings	-	-	Y
848220	Tapered roller bearings	-	-	Y
848230	Spherical roller bearings	-	-	Y
848240	Needle roller bearings	-	-	Y
848250	Other roller bearings	-	-	Y
848280	Other bearings	-	-	Y
848291	Bearing balls and rollers	-	-	Y
848299	Bearing parts	-	-	Y
848310	Transmission shafts	-	-	Y
848710	Marine propellers	-	Y	Y
848790	Other machinery parts	-	Y	Y
850110	Small electric motors	-	Y	-
850120	Universal AC/DC motors	-	Y	-
850131	Small DC motors	-	Y	-
850132	Medium DC motors	Y	Y	-
850134	Large DC motors	-	Y	-
850140	Single-phase AC motors	-	Y	-
850151	Small multiphase motors	-	Y	-
850152	Medium multiphase motors	-	Y	-
850153	Large multiphase motors	Y	Y	Y
850161	Small AC generators	-	Y	Y
850162	Medium AC generators	-	Y	-
850163	Large AC generators	-	Y	Y
850164	Very large generators	-	Y	-
850171	Small photovoltaic generators	-	-	Y
850172	Large photovoltaic generators	-	-	Y
850180	Photovoltaic AC generators	-	Y	Y
850211	Small diesel generators	-	-	Y
850212	Medium diesel generators	-	-	Y
850213	Large diesel generators	-	-	Y
850220	Gasoline generator sets	-	-	Y
850231	Wind generators	-	-	Y
850239	Other generating sets	-	-	Y
850240	Rotary converters	-	-	Y

CN Code	Product	European Commission	EU Council	EU Parliament
850300	Motor and generator parts	-	Y	Y
850410	Lamp ballasts	-	Y	Y
850421	Small liquid transformers	-	Y	Y
850422	Medium liquid transformers	-	Y	Y
850423	Large liquid transformers	-	-	Y
850431	Small dry transformers	Y	Y	Y
850432	Medium dry transformers	-	Y	Y
850433	Large dry transformers	Y	Y	Y
850434	Very large transformers	-	Y	Y
850440	Power converters	-	Y	Y
850450	Inductors	Y	Y	Y
850490	Transformer parts	-	Y	Y
850811	Household vacuum cleaners	-	-	Y
850990	Domestic appliance parts	-	-	Y
851411	Hot isostatic presses	-	-	Y
851419	Other resistance furnaces	-	-	Y
851439	Other electric furnaces	-	-	Y
851539	Other arc welders	Y	Y	-
851610	Electric water heaters	-	-	Y
851621	Storage heaters	-	-	Y
851629	Other electric heaters	-	-	Y
851660	Electric cooking appliances	-	-	Y
851679	Other electrothermal appliances	-	-	Y
851829	Other loudspeakers	-	-	Y
853610	Electrical fuses	-	-	Y
853710	Low-voltage control panels	-	-	Y
853720	High-voltage control panels	-	-	Y
854190	Semiconductor parts	-	-	Y
854411	Copper winding wire	Y	Y	-
854419	Other winding wire	Y	Y	Y
854420	Coaxial cables	-	-	Y
854449	Low-voltage cables	Y	Y	Y
854460	High-voltage cables	Y	Y	-
860400	Railway maintenance vehicles	-	-	Y
860719	Railway axle parts	-	-	Y
860730	Railway coupling devices	-	-	Y
860900	Freight containers	-	-	Y
870110	Walking tractors	-	-	Y
870121	Diesel road tractors	-	-	Y
870122	Hybrid diesel tractors	-	-	Y
870123	Hybrid gasoline tractors	-	-	Y
870124	Electric road tractors	-	-	Y
870129	Other road tractors	-	-	Y
870210	Diesel buses	-	-	Y
870220	Hybrid diesel buses	-	-	Y
870230	Hybrid gasoline buses	-	-	Y
870240	Electric buses	-	-	Y
870290	Other buses	-	-	Y
870310	Special snow vehicles	-	-	Y
870321	Small gasoline cars	-	-	Y

Source: European Commission, European Council, European Parliament, Data compiled by Goldman Sachs Global Investment Research

Exhibit 22: List of CN codes included in the EU CBAM downstream extension proposals of the European Commission, EU Council and EU Parliament (5/5)

CN Code	Product	European Commission	EU Council	EU Parliament
870322	Compact gasoline cars	-	-	Y
870323	Medium gasoline cars	-	-	Y
870324	Large gasoline cars	-	-	Y
870331	Small diesel cars	-	-	Y
870332	Medium diesel cars	-	-	Y
870333	Large diesel cars	-	-	Y
870340	Gasoline hybrid cars	-	-	Y
870350	Diesel hybrid cars	-	-	Y
870360	Plug-in gasoline hybrids	-	-	Y
870370	Plug-in diesel hybrids	-	-	Y
870380	Electric vehicles	-	-	Y
870390	Other passenger vehicles	-	-	Y
870410	Dump trucks	-	-	Y
870421	Light diesel trucks	Y	Y	Y
870422	Medium diesel trucks	Y	Y	Y
870423	Heavy diesel trucks	Y	Y	Y
870431	Light gasoline trucks	Y	Y	-
870432	Heavy gasoline trucks	Y	Y	Y
870441	Light diesel hybrids	Y	Y	-
870442	Medium diesel hybrids	Y	Y	-
870443	Heavy diesel hybrids	Y	Y	-
870451	Light gasoline hybrids	-	-	Y
870452	Heavy gasoline hybrids	-	-	Y
870460	Electric commercial trucks	Y	Y	Y
870490	Other commercial vehicles	Y	Y	-
870510	Crane trucks	-	-	Y
870520	Mobile drilling derricks	-	-	Y
870530	Fire-fighting vehicles	-	-	Y
870540	Concrete-mixer trucks	-	-	Y
870590	Other special vehicles	-	-	Y
870600	Vehicle chassis	Y	Y	-
870710	Passenger vehicle bodies	Y	Y	Y
870790	Other vehicle bodies	-	-	Y
870810	Vehicle bumpers	-	Y	Y
870822	Vehicle windows	-	Y	-
870829	Vehicle body parts	-	Y	Y
870830	Brake systems	-	Y	Y
870840	Vehicle gearboxes	Y	Y	Y
870850	Axles and differentials	-	Y	Y
870870	Vehicle wheels	Y	Y	-
870880	Suspension systems	Y	Y	Y
870891	Vehicle radiators	Y	Y	Y
870892	Exhaust systems	-	Y	-
870893	Vehicle clutches	-	Y	-
870894	Steering systems	-	Y	Y
870899	Other automotive components	-	Y	Y
871200	Bicycles	-	-	Y
871410	Motorcycle parts	-	-	Y
871420	Wheelchair parts	-	-	Y
871491	Bicycle frames	-	-	Y
871492	Bicycle wheel rims	-	-	Y
871493	Bicycle hubs	-	-	Y
871494	Bicycle brakes	-	-	Y
871495	Bicycle saddles	-	-	Y
871496	Bicycle pedals	-	-	Y
871499	Other bicycle parts	-	-	Y
871610	Caravan trailers	-	Y	-
871631	Tanker trailers	-	Y	-
871639	Goods trailers	-	Y	Y
871640	Other trailers	-	Y	-
871680	Hand-propelled vehicles	Y	Y	-
871690	Trailer parts	Y	Y	-
880710	Aircraft propellers	-	-	Y
880720	Aircraft landing gear	-	-	Y
880730	Aircraft parts	-	-	Y
901710	Drafting tables	-	-	Y
901720	Drawing instruments	-	-	Y
901812	Ultrasonic scanners	-	-	Y
901813	MRI equipment	-	-	Y
901814	Scintigraphy equipment	-	-	Y
901819	Medical monitoring equipment	-	-	Y
901832	Metal needles	Y	-	-
901890	Other medical instruments	Y	-	-
902710	Gas analysers	Y	Y	-
902810	Gas meters	-	-	Y
902820	Liquid meters	-	-	Y
902830	Electricity meters	-	-	Y
902890	Meter parts	-	-	Y
903190	Measuring instrument parts	-	-	Y
940120	Vehicle seats	-	Y	-
940179	Metal-frame seating	Y	Y	-
940210	Dental chairs	-	-	Y
940290	Medical furniture	-	-	Y
940310	Metal office furniture	Y	Y	-
940320	Other metal furniture	Y	Y	-
940399	Furniture parts	-	Y	Y
940429	Other mattresses	-	-	Y
940490	Bedding articles	-	-	Y
940610	Wooden prefab buildings	-	-	Y
940620	Steel modular buildings	-	Y	Y
940690	Other prefab buildings	Y	Y	Y

Source: European Commission, European Council, European Parliament, Data compiled by Goldman Sachs Global Investment Research

Disclosure Appendix

Reg AC

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