

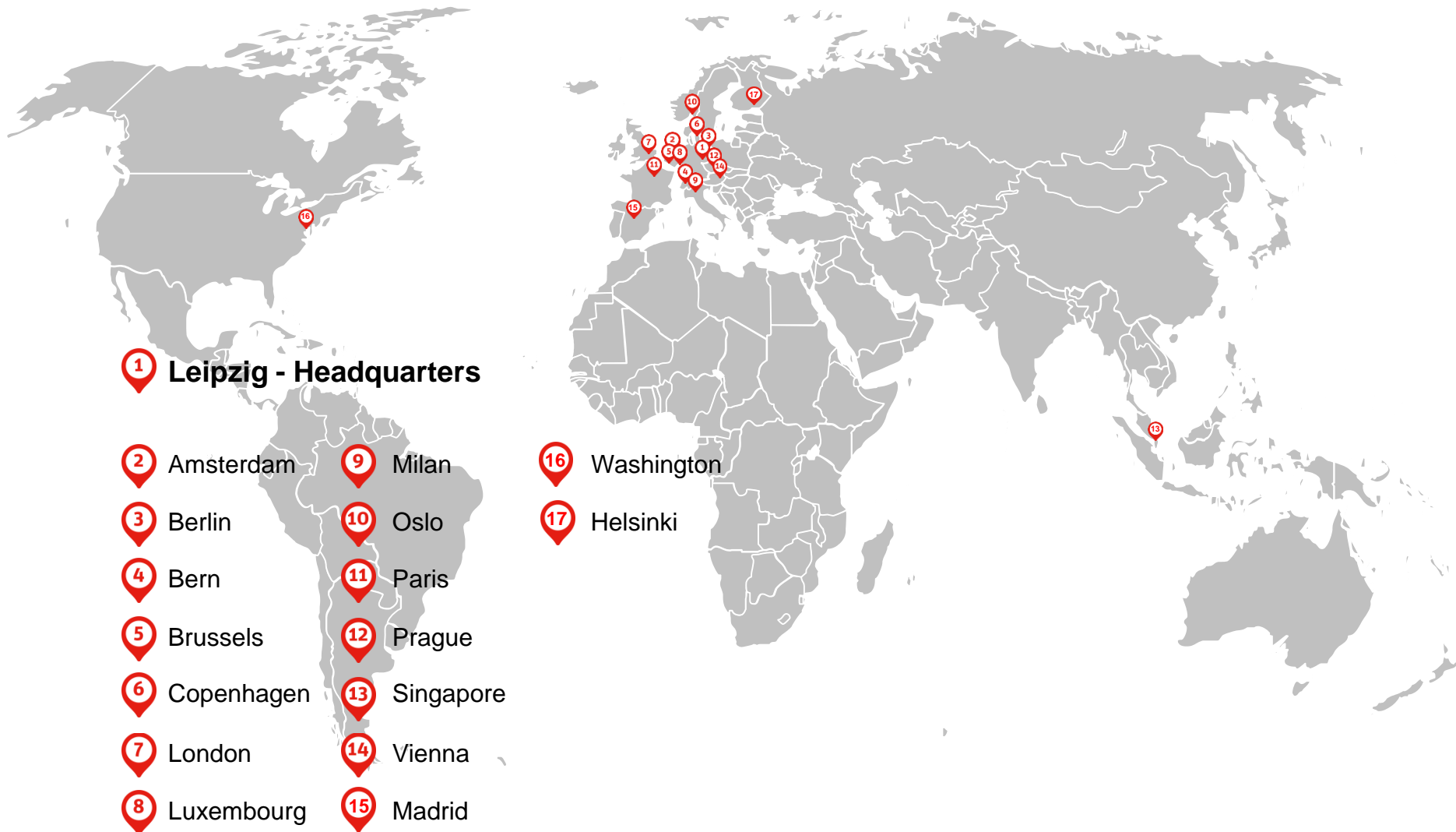
In cooperation with



Emissions trading - EU ETS and beyond

Timo Schulz and Sophia Kraft
European Energy Exchange

EEX Group has offices in 17 locations worldwide



Overview

- Activities of EEX Group in Emissions Trading
- Overview EU ETS
- Carbon pricing debate: options to expand the use of emissions trading
- National ETS Germany – first reflections, minimum prices, and integration into a common European approach
- Global Outlook Emissions Trading

EEX Group #2 in Emissions Trading worldwide

#1
Power trading

#2
Emissions trading

#3
Natural gas trading

› eex group

› eex

› ecc

› epexspot

› powernext

› pegas

› pxe

› nodal

› nodalclear

› eexasia

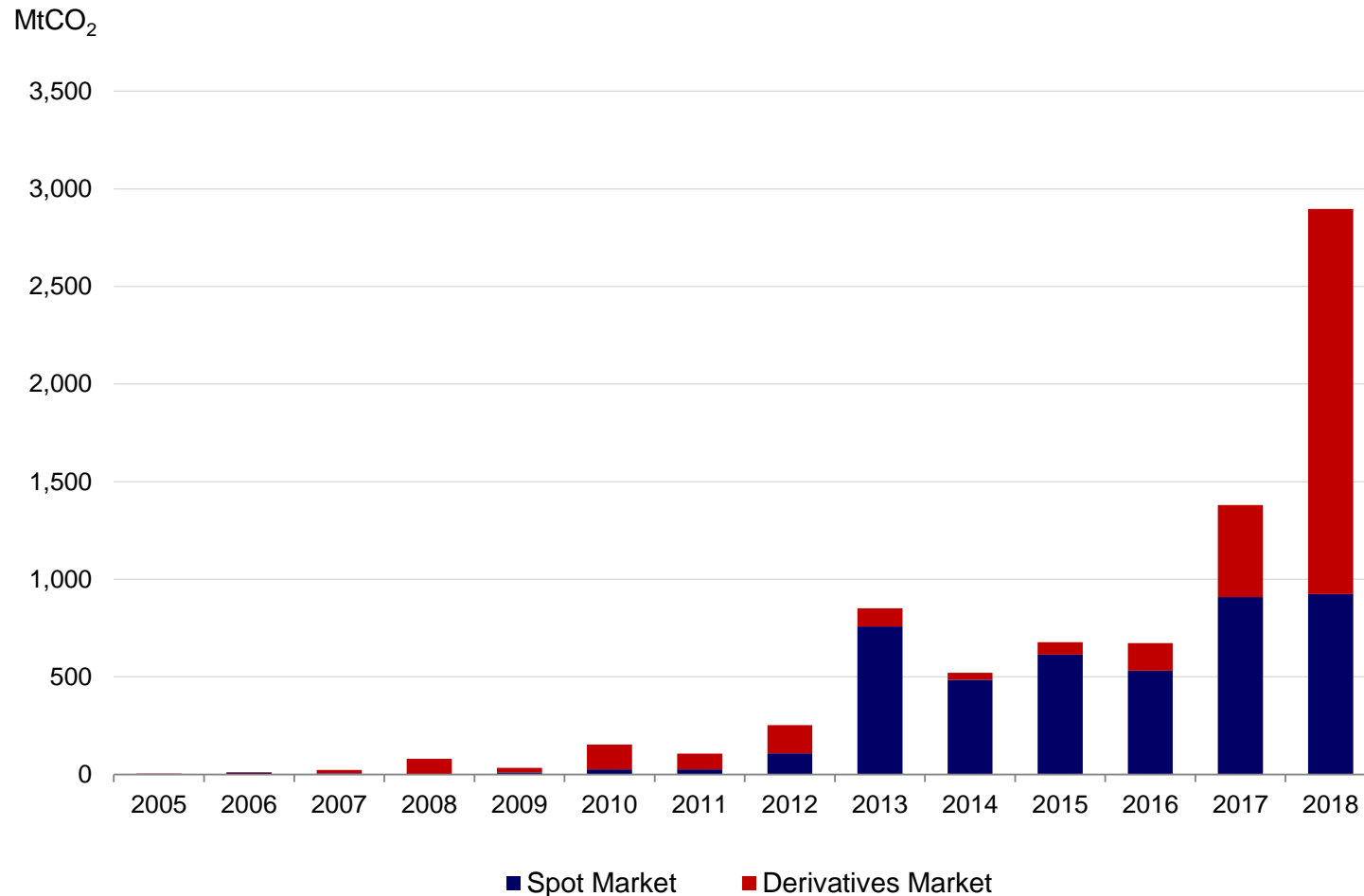
› grexel

Activities of EEX Group in Emissions Trading

- EEX has been pioneering emissions markets since 2005, offering emissions trading based on the **European Union** emissions trading system (ETS) and under the **international** Kyoto framework
 - EEX is the **leading auction platform** within the EU ETS, conducting primary auctions on 4-5 days per week on behalf of 27 EU Member States
 - Furthermore, EEX provides a growing market for **continuous trading in Spot and Derivatives contracts**, physically settled via EU ETS Union Registry
- Since 2018, this offering is augmented by **North American** environmental contracts based on, inter alia, the Regional Greenhouse Gas Initiative and the California Cap-and-Trade Program, which are listed at Nodal Exchange, also part of EEX Group
- EEX connects **trading participants** from around the globe, including energy producers (utilities), consumers (industrial companies) and financial players (investment firms, credit institutions, funds, brokers) alike.

EEX trading volumes in European carbon

EU ETS, 2005-2018



EU ETS in a nutshell

Guaranteeing the achievement of emissions reduction objectives, cap decreasing by 1.74%/yr (2.2% from 2021)

CO₂

Achieving emissions reduction at the **lowest possible cost**



Providing a clear **long-term framework** for price development, while adjusting to economic fluctuations



Establishing a **cross-sectoral carbon price signal** for **sector integration** with 11,000+ installations



A common, **European solution based on trading in Euros** in the world's **largest and most liquid carbon market**



Paving the way for **global cooperation** on jointly achieving emissions reduction targets



Carbon pricing debate: options to expand the use of emissions trading

1

Joint expansion at EU level

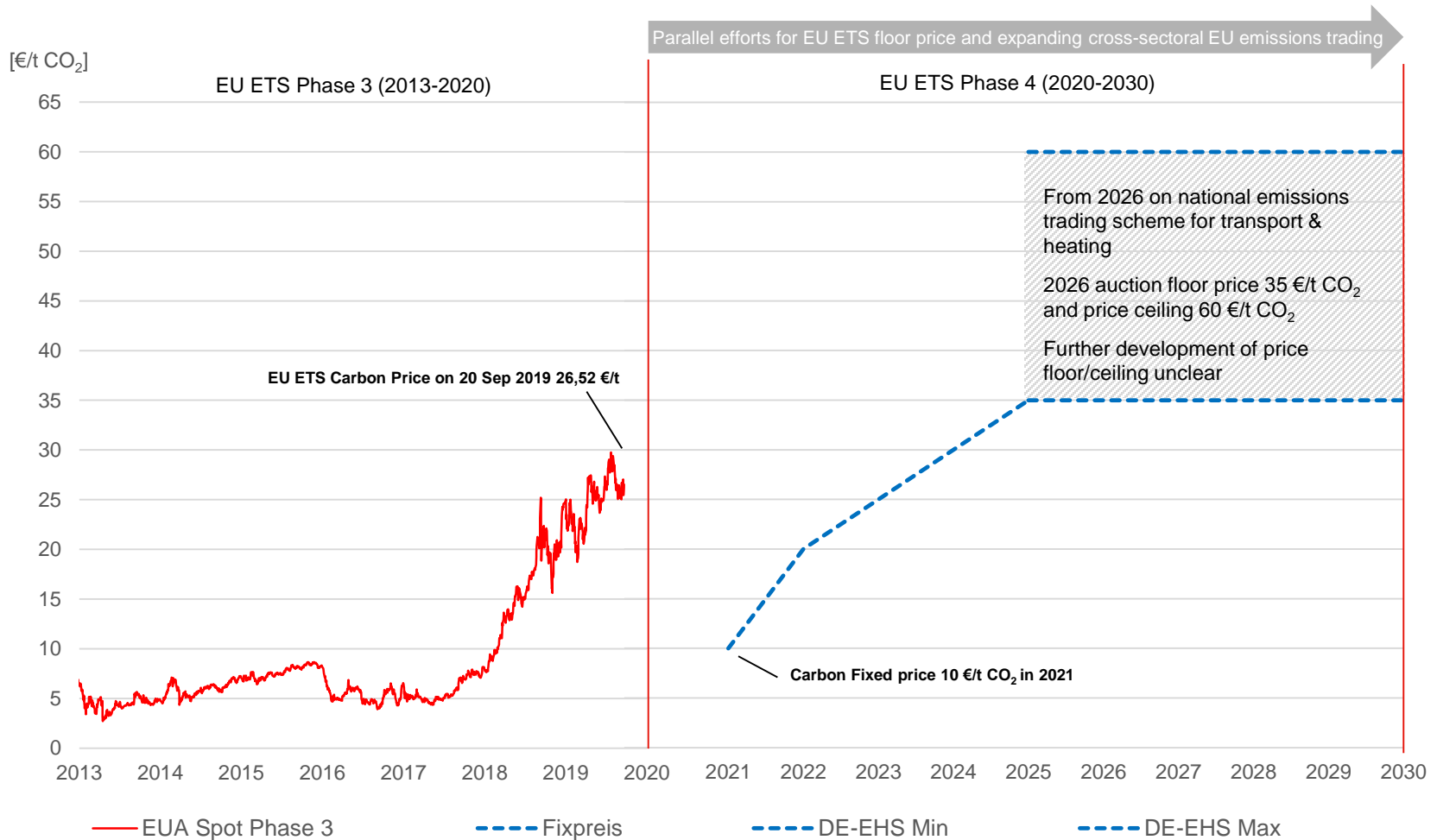
2

Opt-in of individual sectors

3

Additional trading systems

National ETS Germany – first reflections, minimum prices, and integration into a common European approach



Global Outlook



*„Es gibt weltweit inzwischen mehr als 20 Emissionshandelssysteme. Langfristig muss es das Ziel sein, diese zu verbinden und einen **globalen Preis für CO2** zu bekommen. Denn wir adressieren ein globales Problem.“*

- Peter Reitz, Handelsblatt 8/2019 -

We support the development of carbon pricing worldwide.

Operating regulated markets for cap-and-trade systems in Europe, North America as well as for Kyoto credits

Sharing experiences through consultancy mandates and/or cooperations with local partners (e.g. in China, Korea)

Active contribution to various stakeholder fora

We are hiring

For the further team development on our headquarter in Leipzig, with start to the next possible date, we are looking for you as an

Business Analyst Group Strategy (f/m/d)

The European Energy Exchange (EEX) is the leading energy exchange in Europe which develops, operates and connects secure, liquid and transparent markets for energy and related products. As part of EEX Group, a group of companies serving international commodity markets, EEX offers contracts on Power, Emission Allowances and Coal as well as Freight and Agricultural Products. EEX is part of Deutsche Börse Group.

Your tasks:

- Strategic analysis and assessment of new business opportunities
- Analysis and structuring of functional, commercial and regulatory requirements
- Solution design, development and coordination of implementation concepts
- Preparation of management decisions and project initiatives
- Support in regular and ad-hoc presentations to the management
- Work with the various business owners and the strategy team of EEX Group
- Contribute to the evolution of EEX Group towards a global commodities exchange

Your profile:

- Finished study of economics or engineering – or comparable education
- Thorough work experience in international teams
- Profound knowledge of international commodity markets
- Sound understanding of derivatives trading and clearing
- Strong conceptual and analytical skills
- Result-oriented working style with a high degree of reliability and accountability
- Proficiency in written and spoken English



EEX Group is looking for you!

Thank you for your attention!



Timo Schulz

Senior Political & Regulatory Affairs
Officer

Berlin | Leipzig

T: +49 30 59004-243
timo.schulz@eex.com



Sophia Kraft

Business Developer

Leipzig

T: +49 341 2156-127
sophia.kraft@eex.com

Background Information

4,962 TWh

Traded on the EEX Group power
markets in 2018

More than
1,963 TWh

Traded on the PEGAS natural gas
markets in 2018

Day-ahead
Market Coupling for

20

power spot markets

60,251

Contracts traded
In agricultural
Commodities in 2018

More than

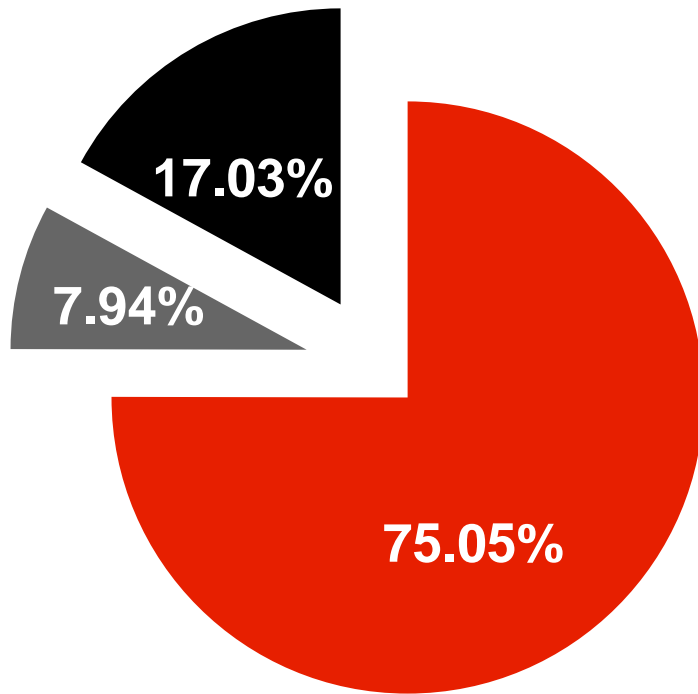
600

Trading participants
from 36 countries

200

Emissions Auctions (EUA+EUA)
in 2018

EEX Shareholders



■ Deutsche Börse AG

■ Saxon Shareholders

■ Pool of minor shareholders from industrial, energy and financial companies

The full list of the shareholders is available on the EEX website. Deviations from 100 % are caused by rounding.

Shareholders of the EEX AG*

*referring to the aggregate capital. The aggregate capital is subdivided into 40,050,500 million. Ordinary shares are 25,025,000 non-voting preferred shares.