

› **eex group**

EU-China Workshop on allowance auctioning

**1) Practical implementation of
auctioning: organization**

**2) Infrastructure and technical
requirements**

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18th September 2025



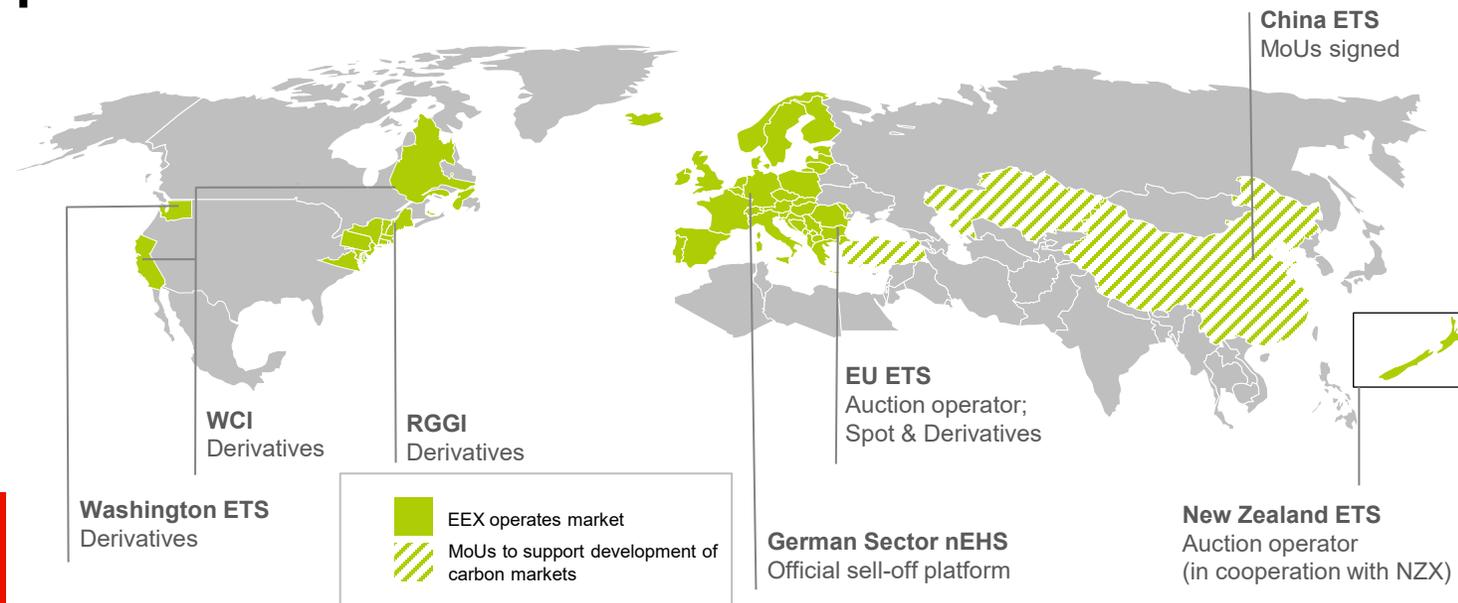
Agenda

- 1) About EEX Group
- 2) Regulatory and legal framework
- 3) EU ETS auction processes
- 4) Organisational Framework
- 5) Participation Process
- 6) Infrastructure and technical requirements
- 7) Security and Compliance
- 8) Toolkit EEX Group
- 9) Q&A

1) About EEX Group - Overview

Exchange	<ul style="list-style-type: none">➤ European Energy Exchange (EEX): <u>Leading Energy Exchange in Europe</u>➤ Develops, operates and connects secure, liquid and transparent markets for energy and commodity products
Markets	<ul style="list-style-type: none">➤  Power➤  Freight➤  Agricultural products➤  Natural Gas➤  Environmental➤  Registry Services
Settlement	<ul style="list-style-type: none">➤ Clearing and settlement of trades is performed by the clearing house ECC (Europe, Asia) and by Nodal Clear (USA)
Owner	<ul style="list-style-type: none">➤ EEX belongs to Group Deutsche Boerse (75.05%) ➤ Saxony's shareholders include the State of Saxony and the City of Leipzig. (7.94%)➤ Other shareholders of industrial, energy and financial companies, including Uniper, EnBW, EdF (17.03%)
Group	<ul style="list-style-type: none">➤         

1) About EEX Group - Carbon Markets



We develop and operate market infrastructure (registries, auctions, secondary market, clearing) with proven track-record of successful cooperations worldwide

Europe – Core market EU ETS with EU ETS 2 as enlargement of covered sectors is on the horizon

	EU ETS	- Auction operator for all EU governments, operating auctions on almost daily basis - Secondary Market (Spot, Futures, Options)
	German nEHS	- Official sell-off platform for German Fuel ETS (transport, heat sectors)

NZ – Key tool for meeting NZ and international climate targets

	NZ ETS	- Auction partnership with New Zealand Exchange (NZX)
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NA – Growing NA markets with new schemes being developed on state level and first offering of VCM products

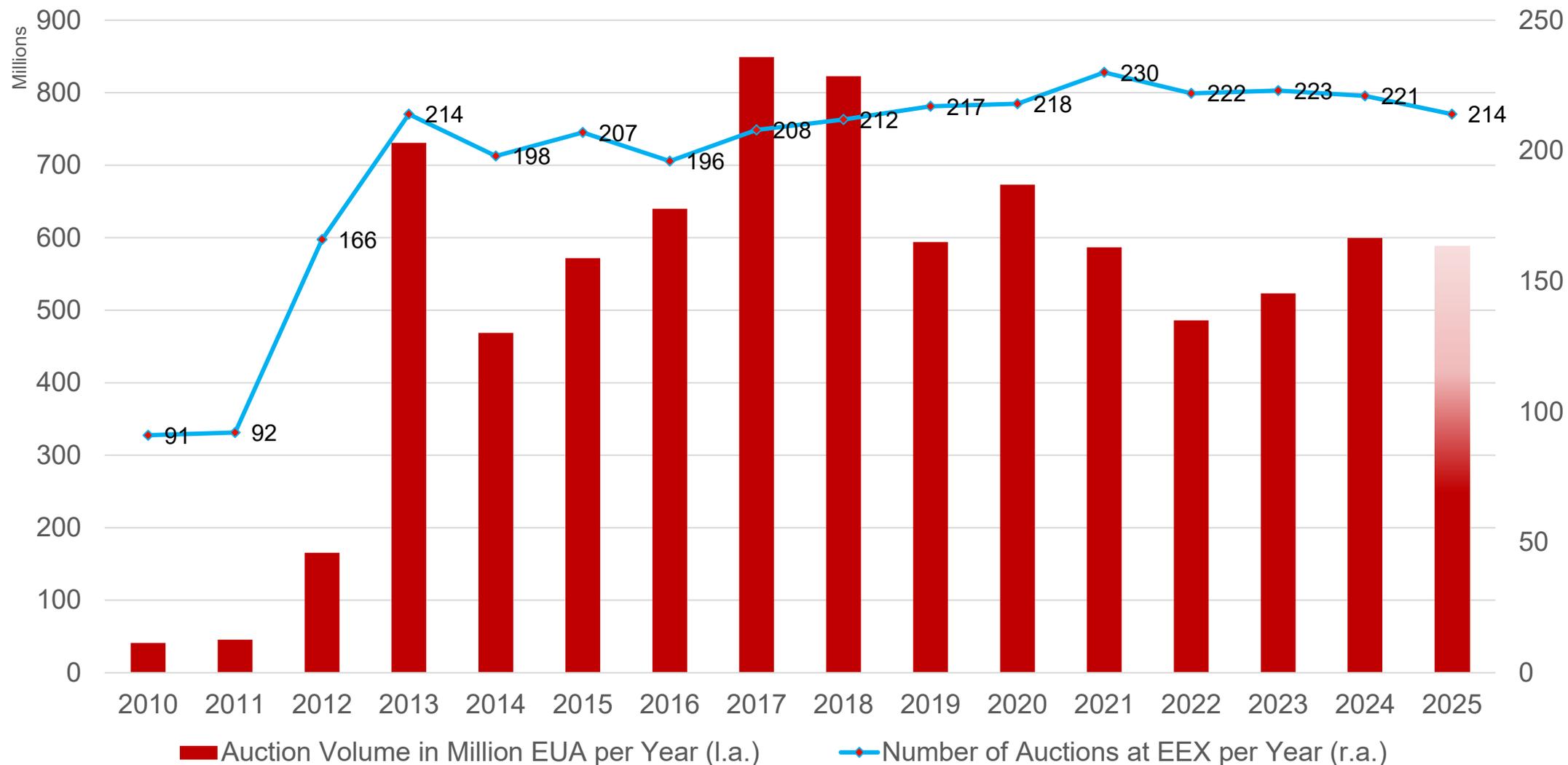
	RGGI, California, Washington, Western Climate Initiative	- Futures & Options - Other Environmental Markets (RECs, RINs, SO ₂ /NO _x)
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	Voluntary Carbon Market	- VCM product suite (e.g. CORSIA-eligible, Nature-based, Removal) listed at Nodal
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International – Supporting the development of emerging carbon markets worldwide

	International cooperation	- EEX has signed MoUs with exchanges in China, Kazakhstan and Turkey targeting the development of national carbon markets.
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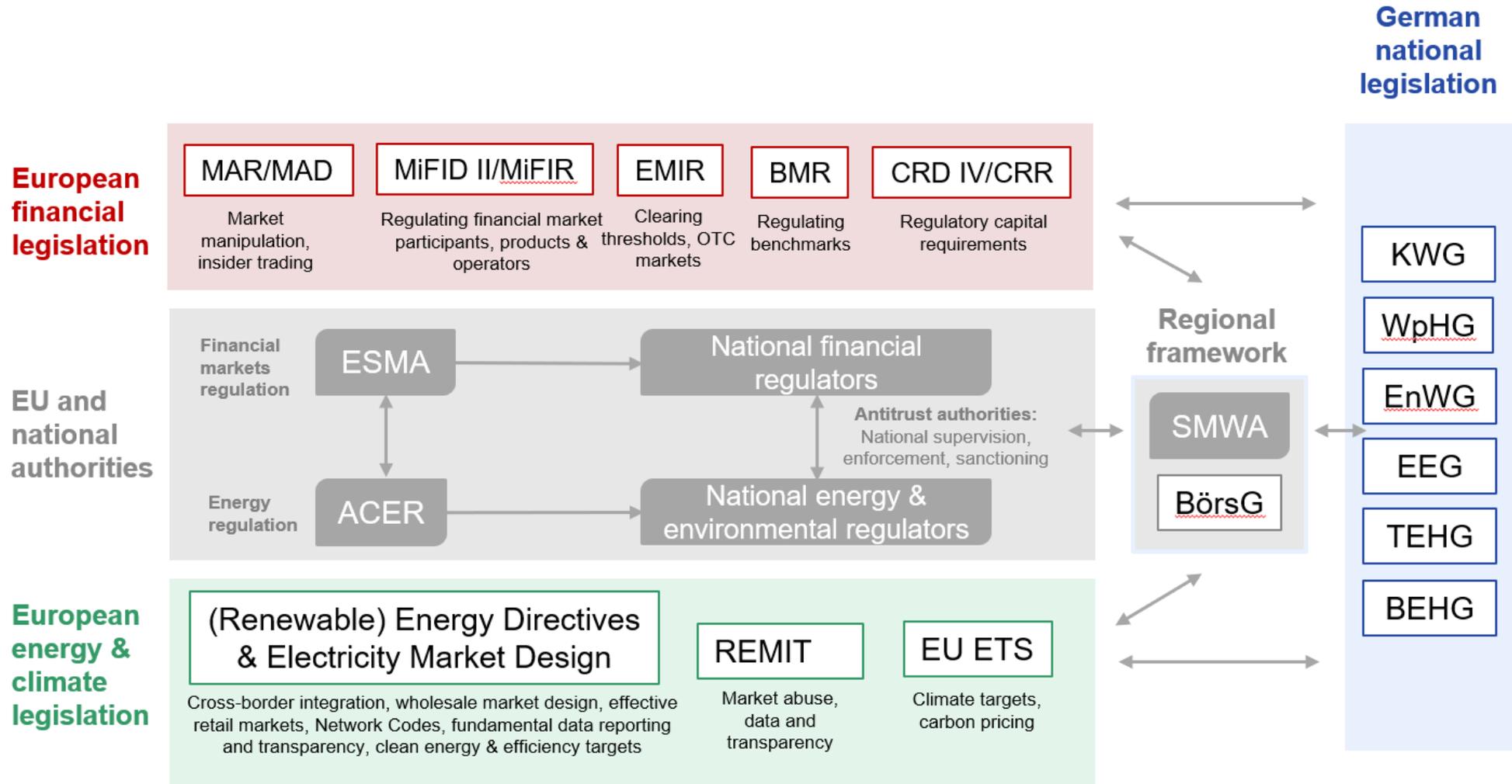
1) About EEX Group – EU ETS auctions



➔ More than 3,000 successful auctions to date (+12 cancelled auctions)

2) Regulatory & Legal Framework

EEX operates in a rigorous regulatory framework determined by European, national and regional energy and financial regulation



2) Regulatory & Legal Framework

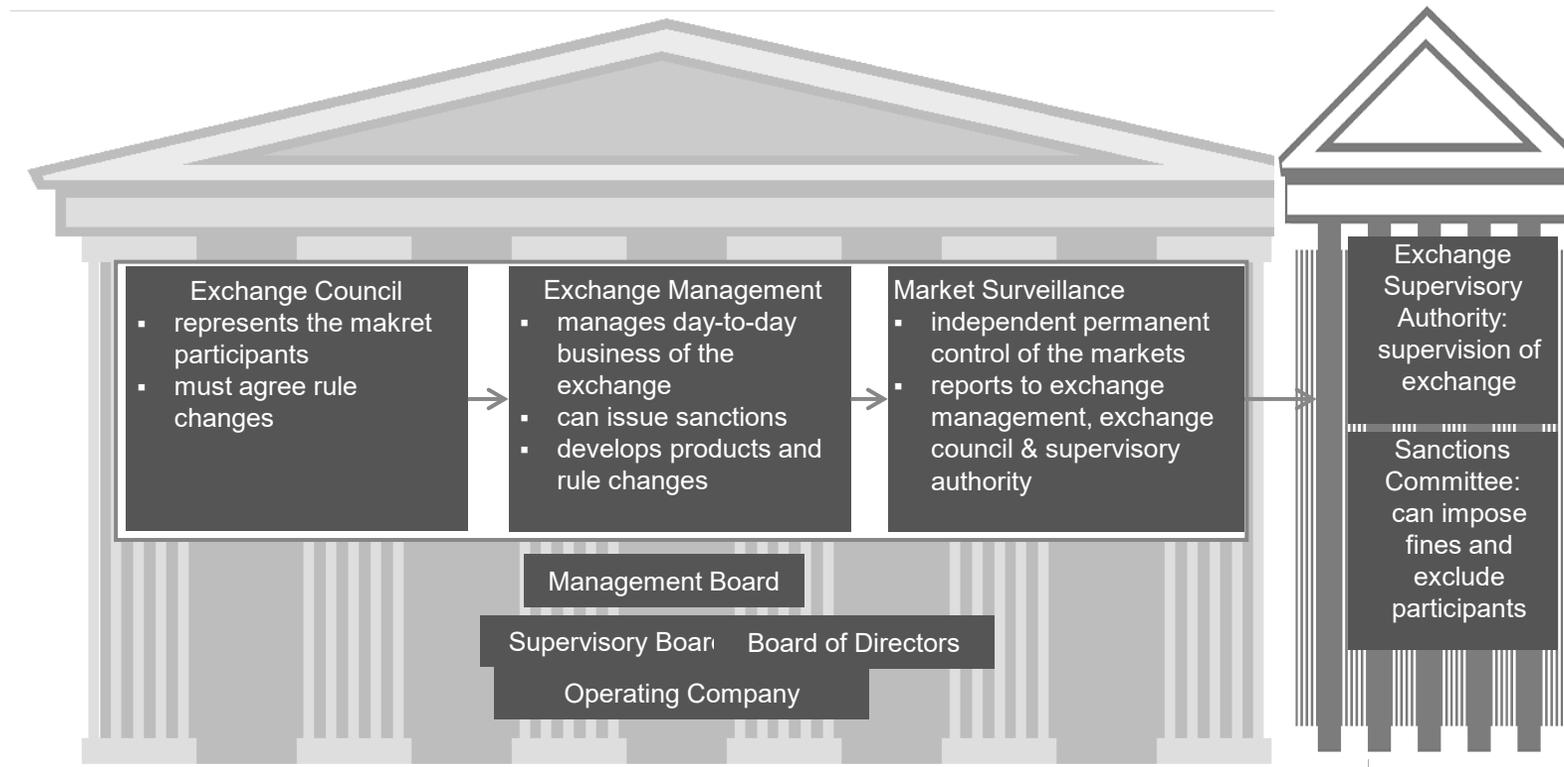
Rules and Regulations

All rules of the exchanges are described in the rules and regulations.
These conditions must be accepted to either trade on the order book or register trades for clearing.

Content	EEX
Regulations concerning the organization of the exchange, the tasks of the exchange bodies, the exchange holiday calendar, the general requirements for admission, the market segments (spot / futures market / trade registration), security services, position limits and data protection regulations	Exchange rules
Provisions for admission as an exchange trader, trade registration trader and for the execution of trader exams	Admission rules
Rules of conduct for the exchange, its exchange participants and traders to ensure a fair and transparent market	Code of conduct
Rules for the execution of trading, trading hours, types of trading, types of orders, execution and cancellation of orders (mistrade, recall, trade cancellation)	Trading conditions
Which transactions can be concluded and the the exchange holiday calendar	Contract specifications
Conditions for the registration of transactions via the trade registration functionality	Trade registration rules and contract specifications
Fees	Price list
Rules for reversals (mistrade, recall, trade cancellation), order-transaction-ratio, technical regulations (for algorithms, for example)	Different implementing regulations
Rules regarding the clearing and settlement processes	Clearing Conditions of ECC AG

2) EU ETS auctions: on a regulated exchange

Various institutions play a part in ensuring the trustworthiness of the exchange through internal and external controlling processes.

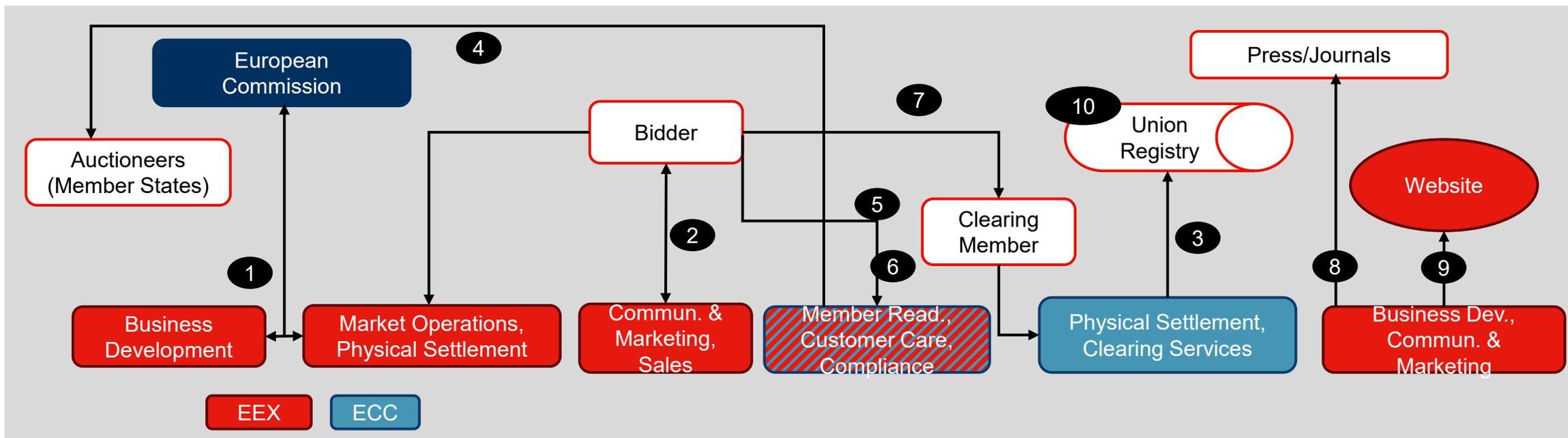


- Supervision by Exchange Supervisory Authority and various regulators
- Comprehensive set of exchange rules and regulations which must be accepted for trading and clearing
- Market Monitoring by independent Market Surveillance
- Extensive reporting requirements
- Screening (KYC) of participating companies and traders as part of the admission process
- Clearing house manages counterparty risk and guarantees the physical and financial settlement of transactions

3) EU ETS auction processes

Auction Workflow - Before the auction

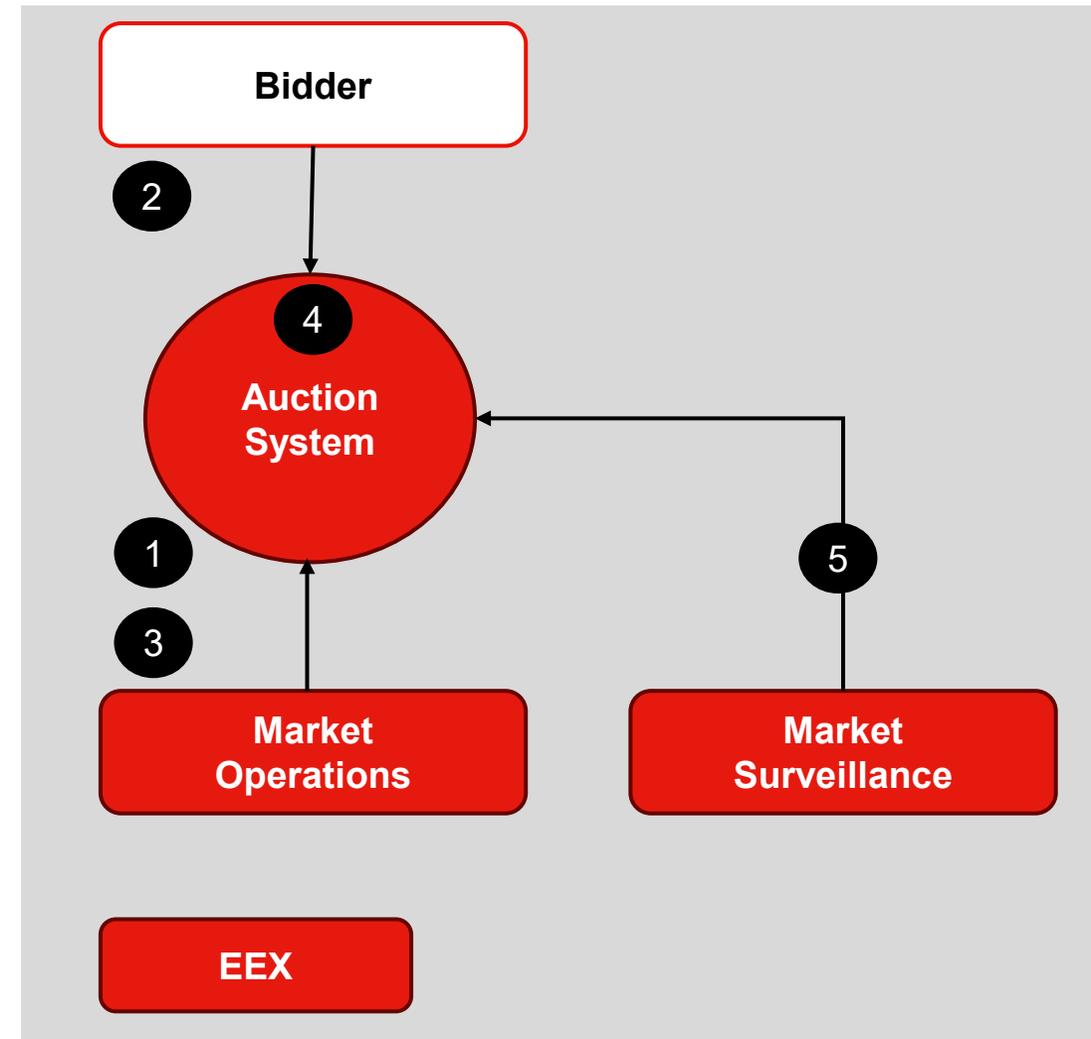
- (1) Determination of the Auction Calendar and Auction Tables
- (2) Active promotion of the auctions
- (3) ECC holds an Auction Delivery and a Trading Account in the Union Registry
- (4) Auctioneers have been granted an Auctioneer Membership Status at EEX/ECC
- (5) New participants may be admitted to EEX/ECC
- (6) New participants need to setup and test their technical connection
- (7) Participants have to submit collateral through their Clearing Member to ECC
- (8) Any requests by journalists will be answered
- (9) Dedicated auction website will be updated with all necessary information
- (10) Transfer of allowances from EU Auction Account to the EU Auction Delivery Account (T-2)



3) EU ETS auction processes

Auction Workflow - During the auction

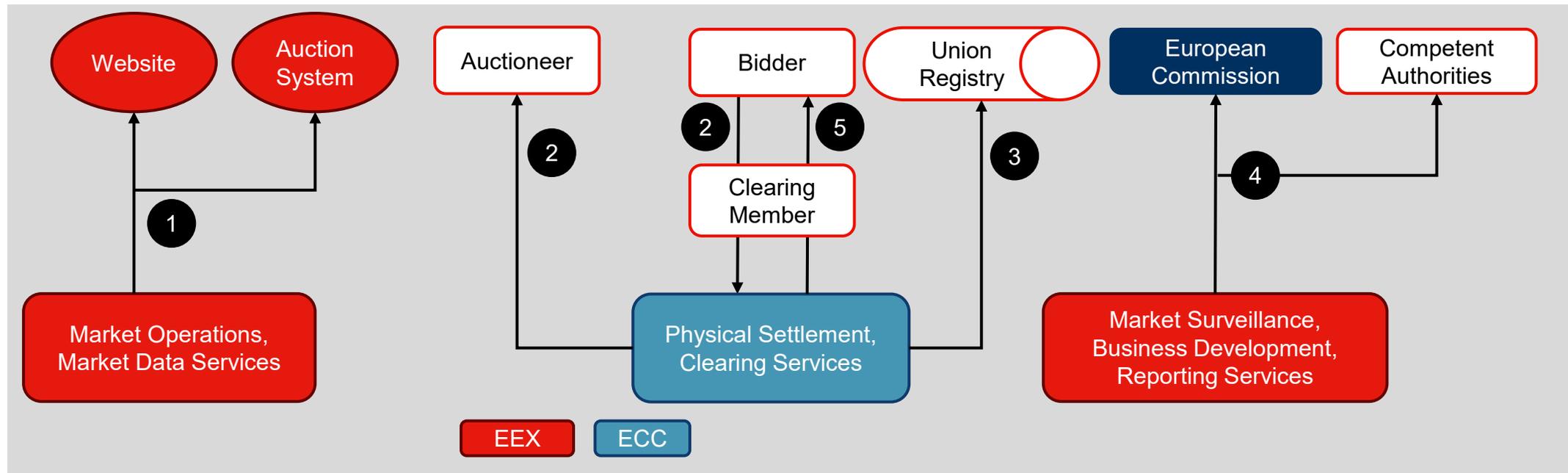
- (1) The auction window is opened automatically (supervised by Market Operations) (for 2 hours)
- (2) Bidders place their buy bids via their trading screen or by trading on-behalf
- (3) Market Operations checks the validity of all bids and applies the reserve price procedure
- (4) The auction system determines the auction clearing price
- (5) Market Surveillance monitors the whole auction process and the results



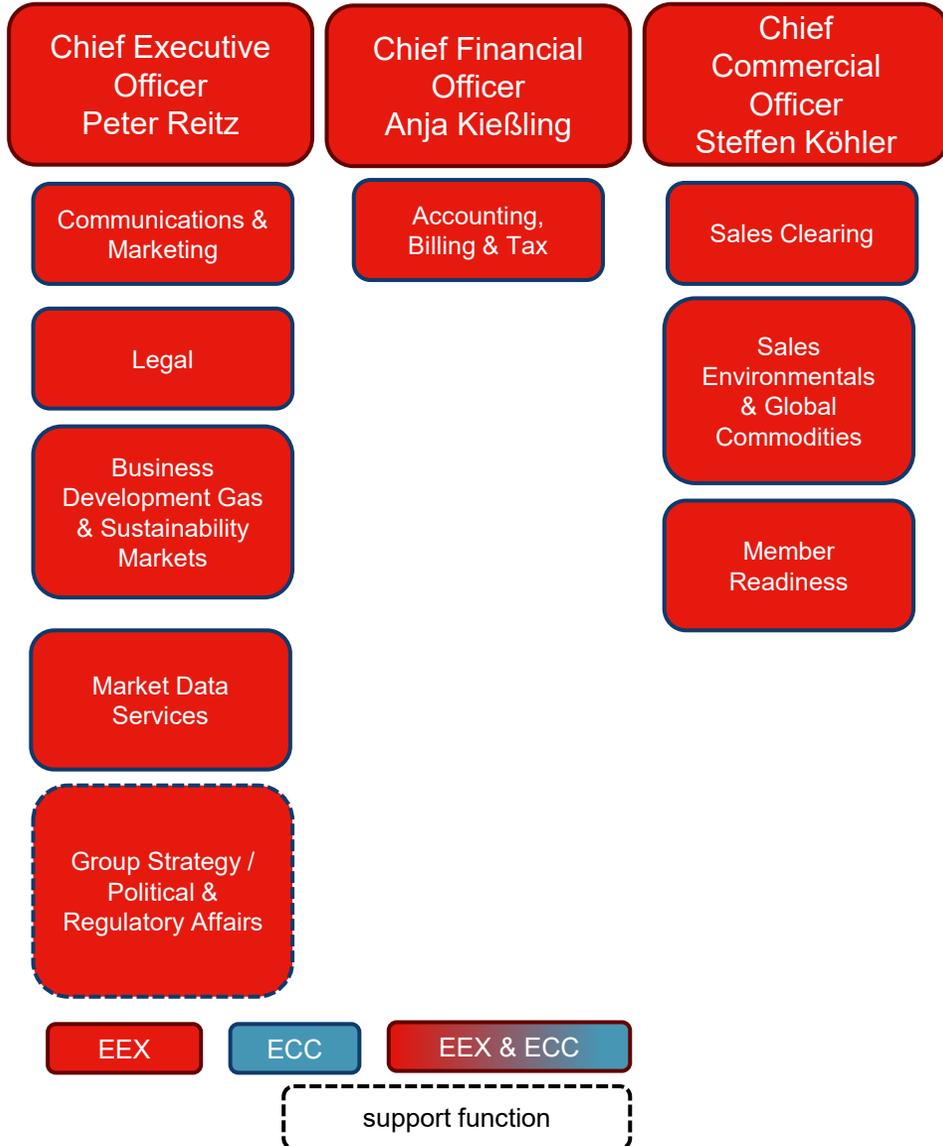
3) EU ETS auction processes

Auction Workflow - After the auction

- (1) Publication of the auction results
- (2) Payment by bidders/Transfer of payments to auctioneers
- (3) Delivery of auctioned allowances
- (4) Reporting of the auction results
- (5) Release of collateral



4) Organisational Framework

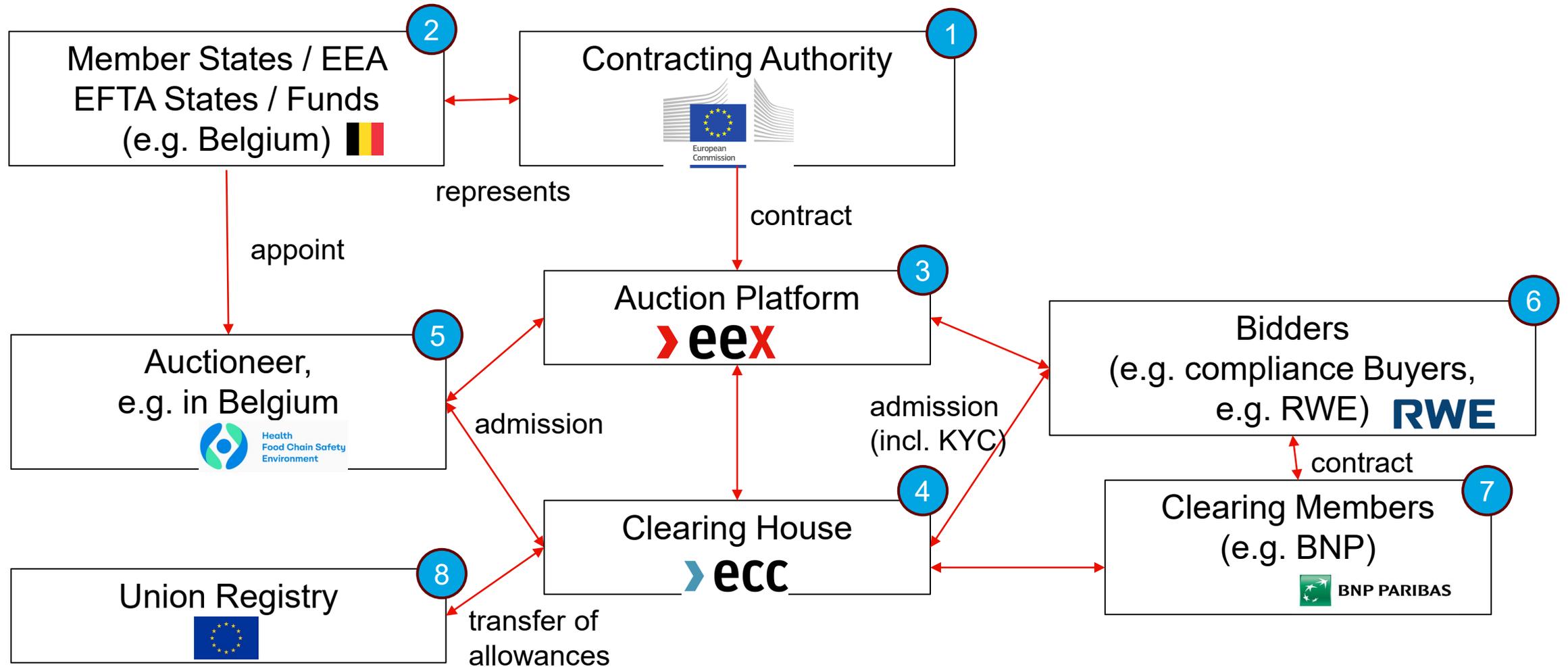


4) Organisational Framework

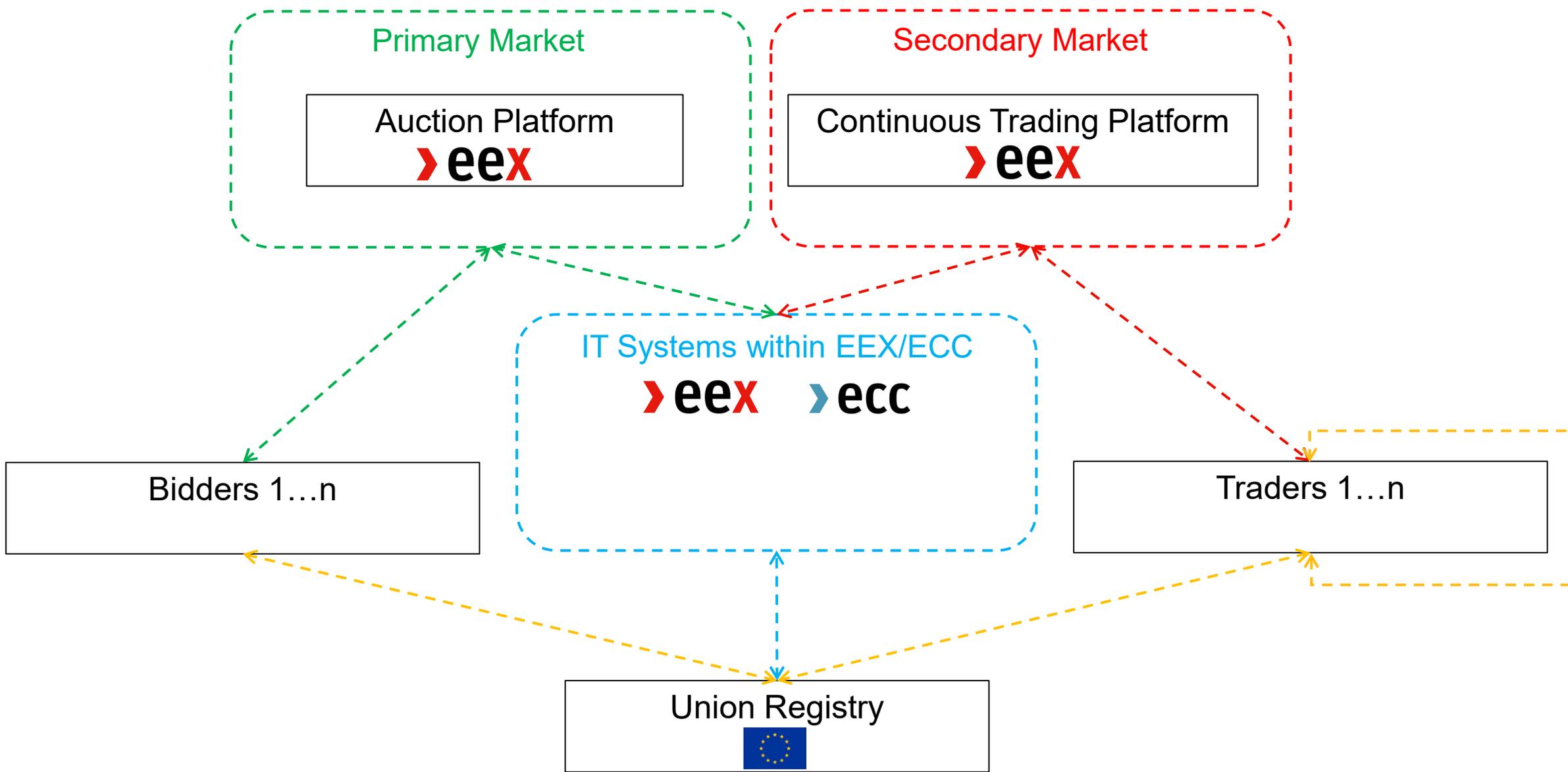
Organisational Structure & division of tasks between EEX (auctioning platform) and ECC (clearing)

	Preparation of the auctions	Admission to bid	Conduct of the auction	Auction Results, Reporting	Payment and Delivery	Surveillance, Monitoring
EEX Departments involved 	<ul style="list-style-type: none"> • Business Development • Commun. & Marketing • Legal • Market Operations 	<ul style="list-style-type: none"> • Business Development • Customer Care • Member Readiness • Sales Clearing • Sales Environmentals 	<ul style="list-style-type: none"> • Market Operations 	<ul style="list-style-type: none"> • Business Development • Market Data • Market Operations 		<ul style="list-style-type: none"> • Market Surveillance
ECC Departments involved 	<ul style="list-style-type: none"> • Clearing Services • Physical Settlement 	<ul style="list-style-type: none"> • Compliance • Member Readiness 		<ul style="list-style-type: none"> • Reporting Services 	<ul style="list-style-type: none"> • Clearing Services • Physical Settlement 	

5) Participation Process



6) Infrastructure and technical requirements – Overview EU ETS



6) Infrastructure and technical requirements – Auction System

Auction System

- Fast, secure and reliable, web-based, API's
- More than 3,000 auctions successfully performed

 3416	Auction 4. Period CAP3 EU T3PA	3 268 000	09:00 (18.09.2025)	11:00 (18.09.2025)	 PUBLISHED ▶
 3415	Auction 4. Period CAP3 PL T3PA	2 162 500	09:00 (17.09.2025)	11:00 (17.09.2025)	 FINISHED ▶
 3414	Auction 4. Period CAP3 EU T3PA	3 268 000	09:00 (16.09.2025)	11:00 (16.09.2025)	 FINISHED ▼

Auction Details ▼

Name **Auction 4. Period CAP3 EU** Product **EUA Primary Auction IV. Period (T3PA)** Quantity **3 268 000** Phase **FINISHED**

Opening **16.09.2025 09:00** Closing **16.09.2025 11:00** Description

Auction Configuration ▼

Algorithm **Price / Random** Minimum Price **0.01 EUR** Settlement Start **T+1** Smallest Quantity Unit **500** Maximum Bid Size **No Limit**

Auctioneer Data Matrix ▶

Auction Result ▼

Final Price **76.17 EUR** Total Bids Quantities **5 478 000** Total Value of Accepted Bids **248 923 560.00 EUR**

[Download Reports](#)

 3413	Auction 4. Period CAP3 EU T3PA	3 268 000	09:00 (15.09.2025)	11:00 (15.09.2025)	 FINISHED ▶
 3380	Auction 4. Period DE T3PA	1 691 000	09:00 (12.09.2025)	11:00 (12.09.2025)	 FINISHED ▶

6) Infrastructure and technical requirements – Registry

Union Registry

- online database that helps guarantee the precise accounting of all allowances issued under the EU ETS
- Data on free allocation, verified emissions, and compliance status of operators
- Transactions taking place in the Registry, as well as data on account holders
- <https://union-registry-data.ec.europa.eu/report/welcome>



Welcome | Emission Trading System ▾ | Effort Sharing ▾ | Data Download ▾

7) Security and Compliance

Legal, technical, and operational requirements, e.g.

- Compliance with ISO standards and cybersecurity protocols
- Support for multilingual interfaces and accessibility
- Proven uptime and disaster recovery capabilities
- Ability to handle sanctions screening and participant admission workflows
- Open and standardized admission processes
- Transparent bidding rules and real-time monitoring
- Public APIs for market data and auction results
- Independent oversight and audit trails embedded in the platform

8) Toolkit EEX Group



Registry provider for environmental markets

- ✓ Grexel (part of EEX Group) operates different environmental **registries** on behalf of the national governmental institutions



Technology provider

- ✓ **Technology platforms** for governments and institutional operators (e.g. with NZX for the New Zealand ETS)
- ✓ IT portfolio consisting of **different solutions** to meet the dedicated requirements per market



Service provider

- ✓ Operating **Auctions** (e.g. for the European Commission, all 27 EU Member States, 3 EEA EFTA States, Innovation Fund, etc.)
- ✓ Operating **Sales** platforms (e.g. for Germany for the nEHS)
- ✓ Operating Request for Quote (**RFQ**) platforms
- ✓ **Financial clearing** of exchange products and OTC business
- ✓ **Physical fulfillment** of trades through ECC



Continuous products for the secondary market

- ✓ Launching **spot, futures and options** with different expiries matching the need of the market to increase liquidity



Very flexible solutions

- ✓ Regulated and unregulated markets
- ✓ Full or partial transparency (price, parties involved, ...)

9) Q&A

Contacts

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