

PRESS RELEASE

Carbon Market Data publishes the EU ETS Company Rankings 2017

London, 7 June 2018 - Carbon Market Data, a European company providing carbon market research and data supply services, published the rankings of companies included in the European Union's emissions trading scheme, following the release of verified emissions reports for the year 2017.

Based on Carbon Market Data's research, RWE, EPH and Enel were the three biggest CO₂ emitters of the EU emissions trading scheme (EU ETS) during the year 2017. RWE, EPH and Enel emitted in 2017 respectively 129 MtCO₂, 88 MtCO₂ and 58 MtCO₂. These figures are calculated at group level, taking into account both minority and majority stakeholdings in other companies included in the EU emissions trading scheme.

In the table below are shown for the year 2017 the freely distributed carbon allowances and the CO₂ emissions of these three companies.

Table 1: EU ETS Company Emissions Ranking (Mt CO₂)

company	free allowances 2017	verified emissions 2017
RWE	1.9	129
EPH	2.5	88.5
Enel	0	58.4

This ranking is unchanged from last year.

RWE's CO₂ emissions fell by 9% year-on-year (to be compared with the overall decrease in EU ETS emissions in Germany by 3.4% between 2016 and 2017).

EPH's CO₂ emissions rose by 7.5% from 2016. EPH is a Czech energy group formed in 2009, with activities in multiple European countries in power and heat production, gas storage and distribution, as well as coal and lignite mining. Since its creation, EPH has experienced a

rapid growth with notably buying a number of power plants (mainly coal and lignite-fired, as well as gas-fired and nuclear) from RWE, Enel, EDF, E.ON and Vattenfall.

In April 2017, EPH agreed to buy from Vattenfall four lignite power plants with a combined capacity of 8,000 megawatts, and five lignite mines in eastern Germany.

LEAG, an EPH subsidiary mainly composed of lignite assets acquired from Vattenfall, emitted 65.5 million tCO₂ in 2017, representing a large part of EPH total emissions.

PGE, the largest Polish energy group, ranks fourth, with 58 MtCO₂ emitted in 2017. PGE is also the company having received the largest quantity of transitional EU allowances in the EU ETS scheme, with a total of 14 million transitional EUAs in 2017.

Companies with the highest carbon allowance surplus

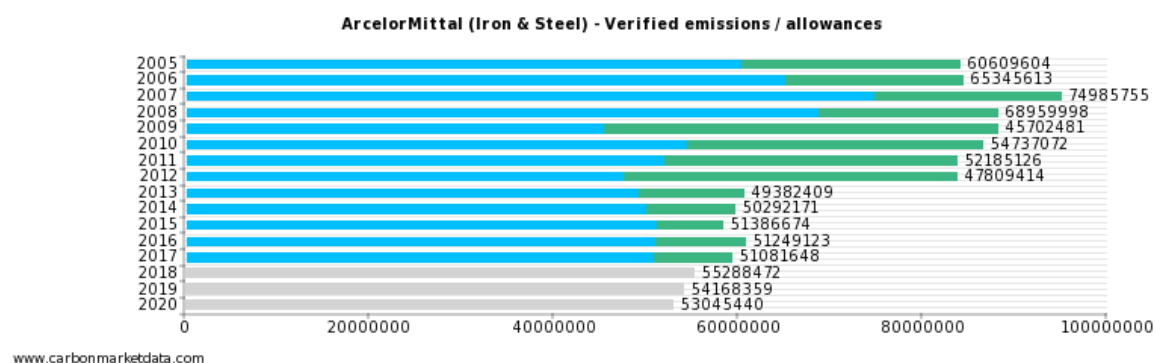
In 2017, the three companies with the highest surplus of freely allocated EU carbon allowances (EUAs) were three steel makers: ArcelorMittal (8.5 million EUAs surplus), Ilva (7 million EUAs surplus), and Tata Steel (3 million EUAs surplus).

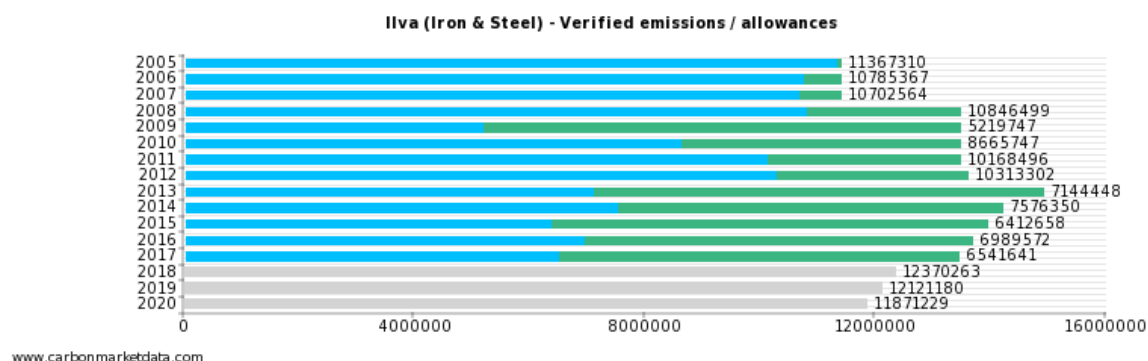
Table 2: EU ETS Companies with highest carbon allowance surplus in 2017

company	sector	free allowances 2017 (M)	verified emissions 2017 (MtCO ₂)	emissions-to-cap (=E-C) 2017 (M)
ArcelorMittal	Steel	59.5	51	-8.5
Ilva	Steel	13.5	6.5	-7
Tata Steel	Steel	17.1	14.2	-2.9

The two graphs below show for ArcelorMittal and Ilva the number of CO₂ emissions versus the total number of free allowances received for each year under the EU emissions trading scheme.

The figure displayed for the period 2005-2017 represents the number of verified emissions; the green colour represents the surplus of EU allowances. The figure displayed for the period 2018-2020 represents the number of allowances allocated for free.





In September 2017, Tata Steel, an Indian steelmaker, reached an agreement to merge its European steel business with the German steel manufacturer ThyssenKrupp to form a joint venture headquartered in Amsterdam.

Companies with the largest shortage of free carbon allowances

Unsurprisingly, the three companies having in 2017 the highest shortage of free EU carbon allowances are all involved in the electricity generation business. These companies are RWE (shortage of 127 Mt), EPH (86 Mt) and Enel (58 Mt).

At current EUA price of 16 Euros, RWE's shortage represents a value of 2 billion euros.

In the phase III (2013 – 2020) of the EU emissions trading scheme, most electricity producers – except in some Eastern European countries - are given very few EU carbon allowances for free. Therefore, they must purchase most of their emissions rights through carbon auctions or any other carbon trading channel (exchanges, brokers, bilateral trades).

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About Carbon Market Data

Carbon Market Data is a carbon market research company and data vendor offering information, consulting and technology services to a wide range of organisations in the world.

Carbon Market Data developed the EU ETS Company Database, a unique and innovative carbon disclosure solution.

The EU ETS Company Database is a corporate carbon tracking tool that provides the following strategic information on 1,000 companies included in the EU emissions trading scheme:

- CO2 verified emissions
- Allocated allowances
- Transitional allowances
- NER allowances
- CERs surrendered
- ERUs surrendered
- Emissions-to-cap figures
- List of installations
- List of parent companies
- List of subsidiaries
- List of underlying CDM-JI projects
- Sector of activity
- Contact details

A Demo version of the EU ETS Company Database is accessible online at <http://www.carbonmarketdata.com> .

Note for journalists :

All data and graphs shown in this document are **available for free for publication** by any newspaper, magazine and information provider (electronically or on paper). Please state the source of the data - Carbon Market Data - together with the website address <http://www.carbonmarketdata.com> next to the graphs used and within the article.

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