

New Research Center in Energy and Climate Economics at Aarhus BSS

With a donation of DKK 25 million from the energy trading company InCommodities, the Department of Economics and Business Economics at Aarhus BSS, Aarhus University, is now establishing a new research center that will create new insight and knowledge about energy, environmental and climate economics in Denmark and internationally.

Fostering knowledge about the energy markets and their importance to the green transition is needed. Therefore, Aarhus University is now establishing a brand-new center, which will conduct research into the dynamics of the global energy markets and the possibilities for accelerating the development of climate-neutral energy systems.

The center will be colloquially referred to as CoRE, while the official name is Center for Research in Energy: Economics and Markets.

“Energy consumption is a critical component of the global economy but also one of the main causes of climate change. If we are to succeed with the green transition and a more sustainable energy consumption, it is absolutely crucial that we have in-depth understanding of the mechanisms in those markets, where the energy is converted and traded. We now want to make this a strategic investment area at the institute,” says Niels Haldrup, current Head of Department and future Head of Center at CoRE.

Danish energy trading companies are growing, and expectations to increase the global market share are high. InCommodities is among the largest Danish energy trading company, and, like several other energy traders, it is headquartered in Aarhus.

“It is perfectly natural to position a research center like CoRE at Aarhus BSS. Both our master’s and PhD students are an important recruitment target group for the entire energy



industry, which is very knowledge-intensive and deeply dependent on highly trained, specialized labor. Through our research and education, we can contribute to maintaining and increasing employment in Denmark and not least in the East Jutland area for our talented graduates and thus contribute to growth and development,” Haldrup says.

Jesper Severin Johanson, CEO of InCommodities, agrees that a center like CoRE can play a key role in educating the experts that the energy trading sector needs.

“As energy traders, we play a crucial role in connecting sustainable energy sources to the market. Our DNA is rooted in academic disciplines - mastery, research and development are at the very core of what we do. We need both the necessary knowledge and competencies for our sector to thrive and develop. We see the donation to CoRE as an investment in a sustainable future. It is also an investment in expanding our recruitment opportunities for the Danish sector, which is growing rapidly. We are very happy to be able to give something back to Aarhus University, which already plays a key role for us,” says Jesper Severin Johanson, who also emphasizes the importance of research in the energy sector.

“The global energy markets are crucial to both the green transition and our energy security. But the markets are also complex, and there is a lack of knowledge that can equip us to make the right decisions in a future where more sustainable energy sources gain ground - with increased complexity as a result. That’s why we need research and education on a completely different level than before,” Jesper Severin Johanson says.

Both Aarhus BSS and InCommodities expect that the center can attract leading Danish and international researchers in global energy, environmental and climate economics that focus on quantitative method and model development.

Allan Timmermann, professor of economics at the University of California, has already agreed to join as an international fellow at CoRE. He emphasizes the significant impact that provision and pricing of energy have on the Danish economy.

“In recent years, Aarhus has established itself as a hub for sophisticated energy trading. Many professionals in the sector have been educated at Aarhus University. By combining the tradition of econometric and financial modeling at Aarhus



University with industry expertise and knowledge of data, CoRE has world-class potential in research on energy markets,” Timmermann says.

The Center for Research in Energy: Economics and Markets will officially launch on January 1st, 2024, and the donation from InCommodities will initially run until 2028.

Facts:

- Efficient energy markets play a crucial role in the green transition. But the many new and volatile energy sources make the market complex and create a need for new knowledge. The research center CoRE at Aarhus University will unite research in energy, environmental and climate economics with a dedicated focus on quantitative methods and their development, thus providing the knowledge upon which future energy markets can be built.
- CoRE is financed with DKK 25 million from the energy-tech company InCommodities and will be established at the Department of Economics at Aarhus BSS, Aarhus University.

- Aarhus is home to a cluster of energy trading companies, which in recent years have increased their market share on the global energy market. The majority of employees in the sector are highly educated, and the establishment of CoRE contributes positively to the sector's future recruitment opportunities.
- InCommodities allocates 5% of its annual earnings to invest in initiatives that promote the transition towards net-zero. The donation to CoRE comes from these funds.

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About Aarhus BSS

Aarhus BSS is one of the five faculties at Aarhus University and one of the largest schools of business and social sciences in Europe.

The acronym BSS is short for Business and Social Sciences.

Department of Economics and Business Economics is one of six academic departments, all internationally recognised for their quality of educational and research activities, as well as a large number of internationally recognised research centres.

Gathering all business and social science disciplines under the same strategic framework has created a dynamic and visionary

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organisation, which is flexible and changes in line with the society's needs for qualified graduates with the right skillsets.

Aarhus BSS holds the distinguished AACSB, AMBA and EQUIS accreditations, and is thereby a triple crown business school.



About InCommodities

InCommodities is a Danish technology company specializing in energy trading and asset management. We trade power and natural gas and offer power purchase agreements to renewable asset owners. Our transactions balance the energy markets by matching supply and demand, ensuring security of supply, and contributing to lower energy prices.

We have digitalized and automated every aspect of our value chain. We combine deep market insights with advanced technologies such as automation, quantitative analysis, and AI, allowing us to efficiently move energy across time and geographies, manage renewables output, and store energy until it is needed.

Learn more at www.incommodities.com

Founded in 2017 in Aarhus, Denmark, InCommodities has grown from four founders to almost 180 people with diverse nationalities and educational backgrounds.

Headquartered in Aarhus, Denmark, we conduct trading activities across Europe. We have grown exponentially since our founding, making us one of the world's fastest-growing energy trading companies.

