



VOLUNTARY CARBON MARKET (VCM)

CFTC VCM CONVENING
JULY 2023

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BGC ENVIRONMENTAL BROKERAGE SERVICES, LP



Agenda

- Introduction to BGC Partners
- Overview of BGC's Involvement in the VCM
- Brief Observations on VCM Activity & Market

Structure

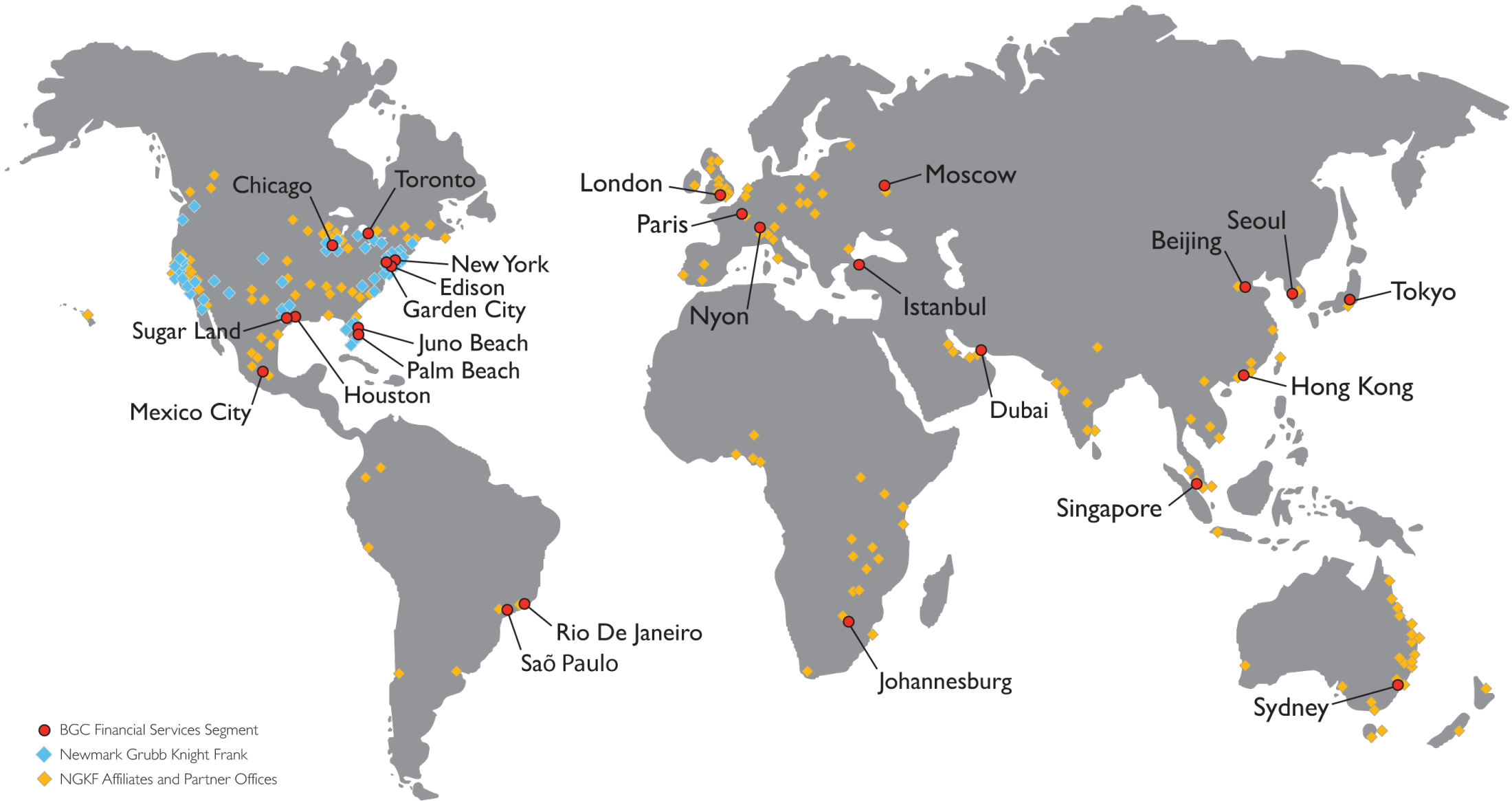


BGC Partners: Talent + Technology

- BGC Group (BGC) is a leading financial technology and global brokerage servicing the wholesale financial and commodity markets.
- BGC provides voice-assisted + electronic trade execution + advisory services to global markets across all asset classes.
- History
 - Originally part of Cantor Fitzgerald (CF)
 - 2004: BGC spun off CF, goes public (NASDAQ: BGCP)
 - 2008: BGC merges with eSpeed to become BGC Partners, Inc.
 - 2011: BGC enters the commercial real estate market with the acquisition of Newmark Knight Frank; Newmark spun off in 2018 (NASDAQ: NMRK)
 - 2021: BGC Revenues – \$2.01 billion USD
 - IG credit rating, 9,000+ employees, headquartered in London & New York, with offices in 20+ major global markets
 - 2023: completes a corporate conversion to BGC Group (new NASDAQ ticker: 'BGC')
- Markets
 - Commodities, Equities, Fixed Income, Interest Rate Swaps, FX, Various Derivatives, Structured Products



A GROWING GLOBAL PRESENCE





BGC ENVIRONMENTAL BROKERAGE SERVICES (EBS)

- Founded in 2001, Cantor CO2e was the oldest emission credit broker globally (acquired by BGCP in 2011) – provides voice brokerage and advisory services in the environmental and energy commodity markets
- **Carbon Trading Programs**
 - European Union Emissions Trading Scheme (EU-ETS)
 - United Kingdom Emissions Trading Scheme (UK-ETS)
 - Western Climate Initiative (WCI)
 - California, Quebec
 - Regional Greenhouse Gas Initiative (RGGI)
 - New York, Maryland, Delaware, Massachusetts, Rhode Island, Vermont, New Hampshire, Maine, Connecticut, New Jersey
 - Alberta TIER Regulation
 - Washington Cap & Invest Program (WCA)
 - California Low Carbon Fuel Standard (LCFS)
 - Oregon Clean Fuels Program (CFP)
- **Other Environmental Markets**
 - Voluntary Carbon Market (VCM)
 - Various voluntary and compliance Renewable Energy Credits (RECs) programs
 - EPA NOx & SO2 markets
 - US Emission Reduction Credit (ERC) markets
 - Biogas/RNG



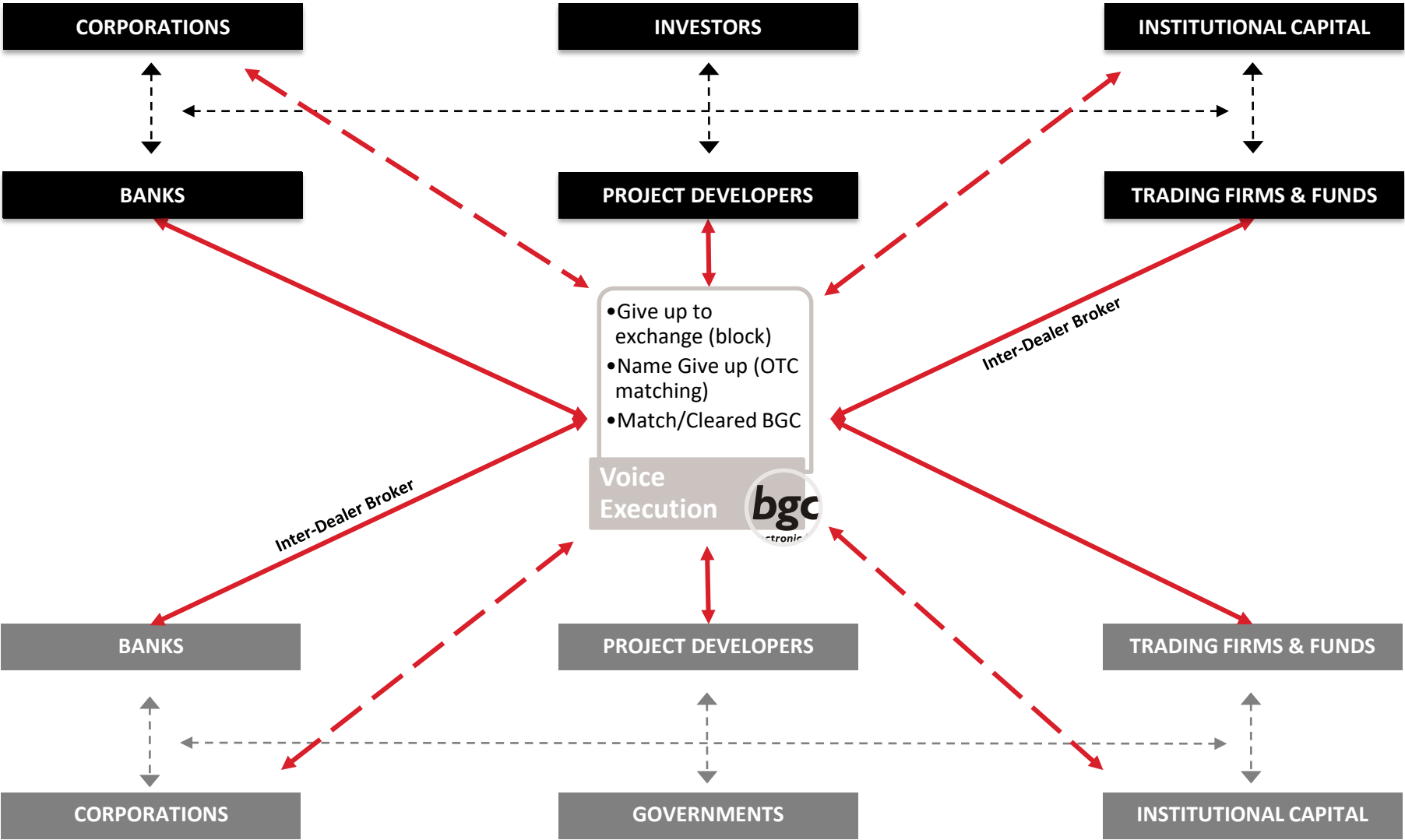
BGC CHARITY DAY: 2022



Each annual Charity Day, BGC Partners and its affiliate Cantor Fitzgerald, donate all revenues on the day to dozens of charities around the world. Many celebrity guests join our brokers on BGC's trading floors in NY & London. Since its inception, Charity Day has raised approximately \$137 million, globally.



BGC & THE VCM - A LEADING INTER-DEALER BROKER





VCM OBSERVATIONS



Risks

- Quality concerns result in **prolonged inaction** which effectively **accelerates the worst effects of CC**
- **Diversion of significant financing** away from conservation efforts
- Further **dislocation of resources & confusion** in the market effectively **reducing scale & innovation**



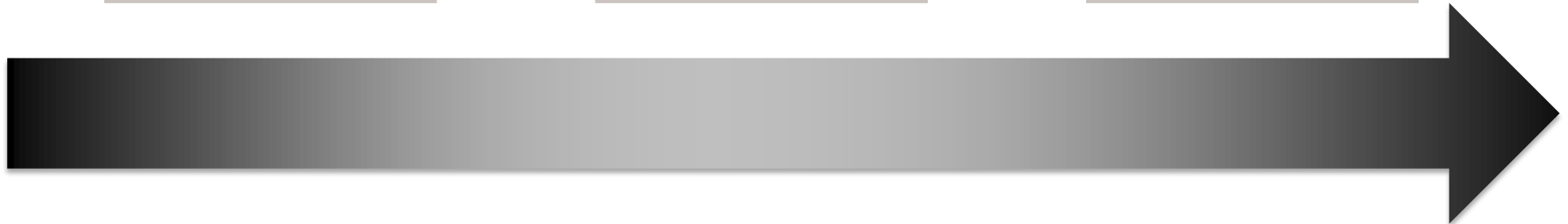
Scale

- Market must scale significantly in a short amount of time to deliver the reductions and avoidances required to avoid the worst effects of CC
- Standardization and universally adopted quality standards in carbon offsets could help drive scale in the market



Standardization

- Defining quality benchmarks such as those defined in existing markets (precious metals or oil) w OTC trading as a differential to defined benchmarks
- Exchanges/trading venues can list benchmark contracts once the market coalesces around them
- Regulators, including the CFTC & SEC can help define these benchmarks



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Discussion of Forward-Looking Statements by BGC Partners

Statements in this press release regarding BGC Partners' business that are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see BGC Partners' Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors set forth in BGC's public filings, including our most recent Form 10-K and any updates to such risk factors contained in subsequent Form 10-Q or Form 8-K filings.

Distributable Earnings

This presentation should be read in conjunction with BGC's most recent financial results press release. Unless otherwise stated, throughout this presentation we refer to our results only on a distributable earnings basis. For a complete description of this term and how, when and why management uses it, see the final page of this presentation. For both this description and a reconciliation to GAAP, see the sections of BGC's most recent financial results press release entitled "Distributable Earnings," "Distributable Earnings Results Compared with GAAP Results", and "Reconciliation of GAAP Income to Distributable Earnings", which are incorporated by reference, and available in the "Investor Relations" section of our website at: www.bgcpartners.com