

December 21, 2022

Chair Liane Randolph and Members of the Board California Air Resources Board 1001 I Street Sacramento, CA 95814

Dear Chair Randolph and Members of the Board,

Thank you for the additional opportunity to offer feedback on proposed changes to California's Low Carbon Fuel Standard (LCFS). We appreciate and value the dialogue with the California Air Resources Board (CARB).

Cargill is taking climate action – the global food system depends on it.

Climate change is having a direct and growing impact on the food and agriculture industries. With a global footprint and presence in major supply chains worldwide, we are responsible for making the food system more sustainable and resilient. We believe that many of the most impactful solutions for addressing climate change are rooted in agriculture.

Our work starts at the farm level, where we are undertaking comprehensive, large-scale efforts to reduce emissions across our global supply chains – working hand in hand with farmers to scale regenerative farming practices, protect and restore vital landscapes and empower producer communities.

A more sustainable food system must also consider how food and other vital goods move around the world from origin to destination.

Renewable fuels can play a crucial role in the energy transition, when produced sustainably.

To move food and other vital goods worldwide more sustainably, we need a consistent supply of lower-carbon energy sources to fuel the transportation industry. When produced sustainably, lower carbon renewable fuels derived from feedstocks, such as corn or soy, are viable and near-term options until alternative technologies are available at scale.

Conversely, unsustainable growing practices can significantly impact the sustainability profile of feedstocks and the carbon intensity of these fuels overall. It's why we've committed to scaling <u>regenerative agriculture practices</u> with producers, while working alongside the industry to eliminate deforestation in our <u>soy supply chain</u> across critical biomes in South America by 2025.

We believe in a balanced approach.

We also recognize that crop-based feedstocks must be allocated for fuel use in a thoughtful and balanced manner. Our participation in global agriculture supply chains gives us confidence in the markets ability to do both.

However, food production will always come first if faced with extreme food insecurity. Any deviation from the current policy must be nimble, non-arbitrary and designed to effectively respond to near-term

acute needs without driving longer-term unintended consequences. This may include temporary caps on feedstock use, which should be grounded in diverse data sources and expertise.

Renewable fuels are one step in the journey – not the end goal itself. However, until emerging technologies such as hydrogen and cellulosic are available at scale, we believe crop-based biofuels are an important near-term solution and will provide meaningful progress toward decarbonizing key industries.

We will continue providing alternative fuel options to help our customers meet their decarbonization commitments.

Cargill remains committed to being part of the solution as we navigate the energy transition and continue the critical work of nourishing the world. We look forward to continued conversation and stand ready to partner with the State as we work toward a low-carbon future.

Sincerely,

Warren Feather Managing Director

Cargill, Incorporated