



September 8, 2020

To: Market Risk Advisory Committee

Re: Cargill Response to Managing Climate Risk in the U.S. Financial System Report

Dear Market Risk Advisory Committee,

I had the pleasure of serving on the Climate-Related Market Risk Subcommittee.

Cargill supports the collaborative, consensus effort of the sub-committee and the resulting *Managing Climate Risk in the U.S. Financial System* report.

The executive summary calls for policy and regulatory choices that are flexible, open-ended, and adaptable to new information about climate change and its risks, based on close and iterative dialogue with the private sector. This is especially true for the agricultural sector due to its history of innovation and adaptability. Agriculture is how we can mitigate greenhouse gas emissions, capture carbon and provide other ecosystem services for society as a whole. In addition, a healthy and vibrant agricultural sector is necessary for a safe, sustainable and affordable food system.

Capital allocation recommendations state that efforts should aim to facilitate an orderly transition, where possible, avoiding adding financial strain on already stressed sectors, including agricultural producers and commercial and industrial companies, among others. We believe the future path should generate positive incentives that realize the potential of nature and agricultural based climate change solutions and avoid adding financial strain to agricultural producers.

Sincerely,

John Hartmann

Global Sustainability Lead for Cargill Agricultural Supply Chain