

# A NEW WAY TO CAPITALIZE ON CARBON INTENSITY TAX INCENTIVES

As a biofuel producer, you understand how to maximize profitability by optimizing a plant's carbon intensity (CI) for higher value products. Coming soon is the potential to procure low-CI grain that could mean higher revenues for you and the farmer. To accomplish this, you will need access to your farmer suppliers and calculate their CI, all with the verification you need to meet regulatory requirements.

## COMING SOON: LOW CARBON INTENSITY CROPS (LCIC)

LCIC will be an integrated service from BASF and Anew Climate that combines agronomic and carbon market expertise — connecting farmers to biorefineries by empowering the farmer's trusted agronomy advisor.

### HOW IT WILL WORK



#### Farmers

- Work with retail agronomists to track and calculate low-CI efforts.
- Produce low-CI corn for a potential premium price from biorefineries that buy grain for low-carbon fuels.



#### Retail Agronomists

- Provide agronomic expertise.
- Facilitate data capture with BASF's xarvio® FIELD MANAGER to alleviate burden of data collection on growers.
- Benefit from additional touchpoints and new value-selling opportunities.



#### Ethanol Producers

- Utilize plant-centric tool, BASF's xarvio Bioenergy, for reporting and verifying CI.
- Get verifiable data to monetize low-CI feedstocks.
- Maximize the amount of low-carbon fuel produced and associated tax credits.
- Determine farmer incentives.

anew  
climate



**BASF**  
We create chemistry

# COMBINING AGRONOMY AND CLIMATE CARBON EXPERTISE

Understanding stewardship and carbon incentive programs in agriculture can be daunting, especially for farmers who immediately write it off to the tune of “more risk, more work.” LCIC challenges that, setting out to help eliminate common low-CI program roadblocks while making it easier to reap maximum potential benefits.

## WHY IT WORKS

LCIC is the feedstock carbon intensity measuring and service solution to the low-CI puzzle. It streamlines data collection and verification of the feedstock CI by empowering the farmer’s trusted advisor so you can focus on low-carbon fuel production, farmer incentivization, and maximizing the potential tax credit benefits.

### Expert Partnership

- Retail agronomists have an extensive history of helping farmers maximize their yield and stewardship through effective products and agronomic insights.
- BASF xarvio® FIELD MANAGER technology:
  - Aids farmers in calculating carbon intensity.
  - Delivers record keeping that is compatible with verification requirements and that connects with the biorefinery through BASF’s xarvio Bioenergy.
  - Provides disease and pest modeling to help inform decision-making for higher yield potential.
- Anew Climate offers measuring, reporting, and 3rd party verification according to the highest industry standards.

### Everybody Benefits

- Biorefineries that are eligible for the anticipated 45Z tax credit may be able to produce a higher value biofuel with the right documentation\*.
- Farmers may be eligible to earn a premium for their documented low-CI crops through a participating biorefinery.
- Retailers benefit through added sales and services offered to farmers — including Performance-Driven Fungicides like Veltyma® fungicide to help maximize yield and assist growers with low-CI tracking.

### United Trajectory

The primary goal for BASF and Anew Climate is to help maximize the benefits for farmers, retailers and biorefineries. It’s their shared mission to make low-CI grain valuable and achievable for all parties across the biofuel value chain.

## BECOME A CATALYST FOR CARBON CHANGE

Sustainable farming requires solutions that not only improve the land, but also help to increase yield potential and prioritize business success across the value chain. In other words, integrated solutions like LCIC.

**Email [LCIC@basf.com](mailto:LCIC@basf.com) for more information or with any questions.**

\*45Z and 40B are federal programs under the Inflation Reduction Act. Applicable regulations are expected to be issued in the near future.

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