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News Release

BASF launches Circalo: Low Carbon Intensity Crops, to help ethanol producers capture value under 45Z

RESEARCH TRIANGLE PARK, NC, February 19, 2026 – BASF has introduced Circalo™: Low Carbon Intensity Crops, a comprehensive, unified platform designed to connect farmers, agronomists and ethanol producers with the tools needed to help operationalize agricultural carbon intensity (CI) under evolving regulatory frameworks, including the Clean Fuel Production Credit (Section 45Z¹). By utilizing xarvio® FIELD MANAGER and xarvio BIOENERGY, Circalo: Low Carbon Intensity Crops helps transform on-farm data into verifiable, auditable inputs that can be used by biorefineries to support low CI fuel production strategies.

As the U.S. ethanol industry prepares for implementation of Section 45Z, biorefineries face a clear reality: the CI of agricultural feedstocks will increasingly determine competitiveness, margin and long-term market access. While many growers are already using conservation and efficiency practices that lower CI, ethanol producers need scalable, verifiable systems to document those practices and translate them into measurable CI reductions at the plant level.

“Farming doesn’t happen in a vacuum, it’s a broad system where every choice has ripple effects throughout the value chain,” says Chad Asmus, Sustainability Market

¹ 26 USC Section 45Z, the Clean Fuel Production Credit, enacted by Section 13704 of Public Law 117-169, the Inflation Reduction Act of 2022. Proposed Regulations 91 Fed Reg 5160 (Feb. 4, 2026).

Development Manager for BASF Agricultural Solutions. “We have developed Circalo: Low Carbon Intensity Crops to combine agronomic expertise with economic opportunity, so farmers can potentially receive new revenue and recognition for their conservation practices.”

“45Z changes the conversation for ethanol,” Jeff Carver, xarvio BIOENERGY Key Account Manager for BASF, explains. “Carbon intensity is no longer just a reporting exercise, it’s a business driver. Circalo: Low Carbon Intensity Crops is built to help ethanol plants work directly with the agronomy partners and farmer networks to document real, measurable ag practices so the data flows seamlessly and securely.”

Turning agricultural practices into verified CI value

Under the current proposed 45Z framework, agricultural practices such as cover crops, tillage reduction and nutrient management may materially influence feedstock CI. However, inconsistent data collection, fragmented tools and unclear verification pathways have made it difficult for ethanol producers to reliably incorporate agricultural CI improvements into their broader CI strategy.

Circalo: Low Carbon Intensity Crops addresses this challenge by enabling:

- **Farm level data captured through the farmer’s trusted advisor, xarvio FIELD MANAGER**, to document agronomic practices and calculate CI according to the proposed 45Z requirements.
- **Standardized data aggregation and reporting** across a biorefinery’s grower network. By providing xarvio FIELD MANAGER for agronomists to record farm-level data and measure carbon intensity, Circalo: Low Carbon Intensity Crops empowers the farmer’s trusted advisor with agronomic insights to help maximize yield potential and reduce carbon intensity, thereby making low-carbon incentive programs more accessible to farmers. When connected to a biorefinery using xarvio BIOENERGY, this digital system, along with a third-party verifier, can deliver a verified Biofuel Feedstock Report that meets regulatory requirements to qualify for potential low-CI premiums offered by the biorefinery.

- **Integration with xarvio BIOENERGY** to provide a holistic view of the biorefinery's low CI feedstock procurement including total bushels and average CI. Circalo: Low Carbon Intensity Crops will help to connect the dots from field to biorefinery with clear, accurate data and value generation at each stage.
- **Third party verification** to support regulatory and audit requirements tied to low CI feedstock requirements under 45Z.

An opportunity for farmers and biofuels producers

Circalo: Low Carbon Intensity Crops is tailored for farmers, agronomists and biorefineries. Biorefineries can use xarvio BIOENERGY to offer their own Circalo: Low Carbon Intensity Crops program to secure verified low-carbon intensity feedstocks, optimize incentives for their farmer-suppliers and maximize returns from low-carbon fuel production tax credits. This approach allows ethanol producers to move beyond theoretical CI improvements and toward practical, defensible reductions rooted in real farm practices.

Designed for the ethanol value chain

"Circalo: Low Carbon Intensity Crops is purpose-built for the ethanol ecosystem," Carver adds. Through xarvio BIOENERGY, biorefineries can create their own low CI feedstock programs, align agronomy support with CI outcomes and strengthen long-term relationships with farmers.

"Ethanol producers don't need another pilot or promise, they need execution," said Asmus. "BASF is ready today with digital tools, agronomic expertise, and a scalable system that helps plants prepare for 45Z and beyond."

For farmers, the platform simplifies participation by capturing what they are doing and helps identify opportunities to improve CI to help maximize potential profitability.

"Circalo: Low Carbon Intensity Crops will help farmers be credited for their current conservation practices while paving the way for future ones, too," added Asmus. "As the market for low carbon intensity agriculture expands, we are aiming to make sure everyone in the value chain, especially farmers and their trusted advisor, has a clear

route to participate.”

Ready for 2026 and beyond

Circalo: Low Carbon Intensity Crops is fully operational for the 2026 growing season and for look-back opportunities from the 2025 growing season, aligning with ethanol producers’ planning for 45Z implementation. The xarvio platform is designed to evolve alongside final guidance from the U.S. Treasury Department and the USDA, ensuring flexibility as methodologies, agricultural practice definitions and verification standards continue to develop.

To learn more about enrolling your ethanol plant, agronomy network or grower program, visit xarvio.com.

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xarvio Digital Farming Solutions is at the forefront of the digital transformation of agriculture, optimizing crop production. Its products, xarvio FIELD MANAGER and xarvio HEALTHY FIELDS, use an advanced crop modelling platform to provide independent, timely and field-specific agronomic advice. xarvio’s proven technology consistently delivers measurable benefits for farmers, helping them to produce crops more efficiently, sustainably, and profitably. More than 120,000 farmers and consultants worldwide have signed-up for xarvio FIELD MANAGER, setting up a field area greater than 20 million hectares. For more information, please visit www.xarvio.com or any of our social media channels.

About BASF’s Agricultural Solutions division

Everything we do, we do for the love of farming. Farming is fundamental to provide enough healthy and affordable food for a rapidly growing population, while reducing environmental impacts. That’s why we are working with partners and experts to integrate sustainability criteria into all business decisions. With €919 million in 2024, we invest in a strong R&D pipeline, combining innovative thinking with practical action in the field. Our solutions are purpose-designed for different crop systems. Connecting seeds and traits, crop protection products, digital tools and sustainability approaches, to help deliver the best possible outcomes for farmers, growers and our other stakeholders along the value chain. With teams in the lab, field, office and in production, we do everything in our power to build a

sustainable future for agriculture. In 2024, our division generated sales of €9.8 billion. For more information, please visit www.agriculture.basf.com or our social media channels.

About BASF

BASF Corporation, headquartered in Florham Park, New Jersey, is the North American affiliate of BASF SE, Ludwigshafen, Germany. BASF has approximately 16,000 employees in North America and had sales of \$19.7 billion in 2024. For more information about BASF's North American operations, visit www.basf.com/us.

At BASF, we create chemistry for a sustainable future. Our ambition: We want to be the preferred chemical company to enable our customers' green transformation. We combine economic success with environmental protection and social responsibility. Around 112,000 employees in the BASF Group contribute to the success of our customers in nearly all sectors and almost every country in the world. Our portfolio comprises, as core businesses, the segments Chemicals, Materials, Industrial Solutions, and Nutrition & Care; our standalone businesses are bundled in the segments Surface Technologies and Agricultural Solutions. BASF generated sales of €65.3 billion in 2024. BASF shares are traded on the stock exchange in Frankfurt (BAS) and as American Depositary Receipts (BASFY) in the United States. Further information at www.basf.com.