



Gevo's Sustainable Aviation Fuel Well-Positioned in Light of New Guidance from Treasury Department

April 30, 2024

Updated Argonne GREET method and model recognizes carbon abatement from climate-smart agriculture, carbon capture and storage, which Gevo plans to leverage to deliver net-zero or carbon-negative SAF

ENGLEWOOD, Colo., April 30, 2024 (GLOBE NEWSWIRE) -- Gevo, Inc. (NASDAQ: GEVO) has issued a response to the recently unveiled version of the Argonne National Laboratory Greenhouse Gases, Regulated Emissions, and Energy use in Technologies (GREET) method and model for carbon accounting. This model will be utilized for lifecycle greenhouse gas emissions calculations under the Inflation Reduction Act's (IRA) Section 40B sustainable aviation fuel (SAF) tax credits.

"Today's guidance reinforces the importance of climate-smart agriculture and other decarbonization methods like carbon capture and storage (CCS) – core tenets of Gevo's business model for sustainable aviation fuel and other products," said Dr. Patrick R. Gruber, CEO of Gevo. "Our cutting-edge programs source sustainable feedstocks produced using a variety of climate-smart agricultural practices, and our Verity carbon accounting tool allows farmers to incorporate and track emissions reduction practices tailored to their individual fields. We look forward to sharing key insights from anonymized data to inform the Administration's upcoming 45Z SAF tax credit guidance – and we will continue to advocate for science-based policies that support CCS and provide new markets for farmers focused on carbon abatement from agricultural activities."

For nearly two decades, Gevo has led the research and development of new fuels and products that support the decarbonization of transportation and help industries reach their net-zero goals, including agriculture. Gevo has advocated for use of GREET as the science-based carbon accounting tool to determine the lifecycle carbon intensity of SAF and ensure important emissions reductions throughout the SAF supply chain – including from climate-smart agriculture practices and carbon capture and storage – are accounted for and credited, while maintaining GREET's data-driven integrity.

Gevo's wholly owned subsidiary, Verity, uses distributed ledger technology to facilitate accurate accounting of emission reduction efforts from on-farm practices, including on a field-level basis. This auditable technology allows farmers to track and report the carbon reductions they achieve, including through climate-smart agriculture and other practices. Gevo partners with farmers using Verity to work collaboratively to identify emissions reductions opportunities that are tailored to field-level needs.

Dr. Gruber concluded, "Today, the Administration's actions recognize the power of agriculture and lay the groundwork for implementation of future SAF tax credits. A science-based approach to the Section 45Z credit will ensure that biofuel producers, supported by American farmers, play a vital role in scaling the hard-to-decarbonize aviation industry."

SAF with greenhouse gas emissions that are at least 50% lower than conventional aviation fuel will qualify for tax credits created by the IRA. Gevo has long believed that the GREET lifecycle analysis method and model enables the most current and precise measurement of SAF carbon intensity, accurately counting carbon reduction benefits of agricultural feedstocks, including at the field level. In [December 2023](#), Gevo applauded the Administration's announcement to include the Argonne GREET model as a "similar methodology" under the IRA Section 40B tax credit; and we believe today's Section 40B model rightfully puts a premium on driving down carbon abatement throughout the value chain.

With completion of the Argonne GREET 40B SAF tax credit model, Gevo expects the Administration to expand on climate smart ag practices and flexibility when implementing the IRA Section 45Z SAF tax credit. Clear and timely rules for the 45Z Clean Fuel Production tax credit in effect from 2025 through 2027 will be critical to meeting carbon abatement goals and helping farmers plan for successful growing seasons, without stranding SAF investments.

Gevo stands ready for additional productive conversations with the Administration to help inform further decisions on using the best science to count carbon.

About Gevo

Gevo's mission is to transform renewable energy and carbon into energy-dense liquid hydrocarbons. These liquid hydrocarbons can be used for drop-in transportation fuels such as gasoline, jet fuel and diesel fuel, that when burned have potential to yield net-zero greenhouse gas emissions when measured across the full life cycle of the products. Gevo uses low-carbon renewable resource-based carbohydrates as raw materials, and is in an advanced state of developing renewable electricity and renewable natural gas for use in production processes, resulting in low-carbon fuels with substantially reduced carbon intensity (the level of greenhouse gas emissions compared to standard petroleum fossil-based fuels across their life cycle). Gevo's products perform as well or better than traditional fossil-based fuels in infrastructure and engines, but with substantially reduced greenhouse gas emissions. In addition to addressing the problems of fuels, Gevo's technology also enables certain plastics, such as polyester, to be made with more sustainable ingredients. Gevo's ability to penetrate the growing low-carbon fuels market depends on the price of oil and the value of abating carbon emissions that would otherwise increase greenhouse gas emissions. Gevo believes that it possesses the technology and know-how to convert various carbohydrate feedstocks through a fermentation process into alcohols and then transform the alcohols into renewable fuels and materials, through a combination of its own technology, know-how, engineering, and licensing of technology and engineering from Axens North America, Inc., which yields the potential to generate project and corporate returns that justify the build-out of a multi-billion-dollar business.

Gevo believes that the Argonne National Laboratory GREET model is the best available standard of scientific-based measurement for life cycle inventory or LCI.

Forward Looking Statement

Certain statements in this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act

of 1995. These forward-looking statements relate to a variety of matters, including, without limitation, Verity and its capabilities, the effect of the IRA on Gevo's business; Gevo's ability to produce net-zero SAF, and other statements that are not purely statements of historical fact. These forward-looking statements are made based on the current beliefs, expectations, and assumptions of the management of Gevo and are subject to significant risks and uncertainty. Investors are cautioned not to place undue reliance on any such forward-looking statements. All such forward-looking statements speak only as of the date they are made, and Gevo undertakes no obligation to update or revise these statements, whether as a result of new information, future events or otherwise. Although Gevo believes that the expectations reflected in these forward-looking statements are reasonable, these statements involve many risks and uncertainties that may cause actual results to differ materially from what may be expressed or implied in these forward-looking statements. For a further discussion of risks and uncertainties that could cause actual results to differ from those expressed in these forward-looking statements, as well as risks relating to the business of Gevo in general, see the risk disclosures in the Annual Report on Form 10-K of Gevo for the year ended December 31, 2023 and in subsequent reports on Forms 10-Q and 8-K and other filings made with the U.S. Securities and Exchange Commission by Gevo.

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