

Press Release

HYBAR ANNOUNCES SUCCESSFUL USD330 MILLION SALE OF CERTIFIED CLIMATE BONDS FOR LOW CARBON STEEL MANUFACTURING

The bonds received the first-ever Climate Bonds certification under the Steel Criteria of the Climate Bonds Standard, recognizing alignment with the targets of the international Paris Agreement

Osceola, Arkansas – Hybar announced the successful pricing of USD330 million of Certified Climate Bonds. This issuance is the first-ever transaction to be certified under the Climate Bonds Initiative’s rigorous standards in the Steel Criteria. Kestrel provided an independent external review to support the designation as Certified Climate Bonds.

Proceeds will finance construction of a new electric scrap metal recycling and steel manufacturing facility in Osceola, Arkansas. The project advances decarbonization goals in the steel industry by increasing use of recycled scrap metal and reducing the need for energy-intensive primary steel production. The facility is designed to produce 630,000 tons of rebar annually and is expected to be operational in 22 months.

The certification of the bonds as Climate Bonds with Kestrel as the external reviewer highlights Hybar’s comprehensive efforts to reduce greenhouse gas emissions and environmental impact of the facility. The Climate Bonds Steel Criteria were first released in December 2022 and include mitigation and adaptation as well as resilience requirements to provide assurance on alignment of the bonds and the financed activities with international greenhouse gas emission reduction targets.

"We are pleased to announce the successful certification of Hybar's USD330 million Climate Bonds issuance under the Steel Criteria—the first of its kind in the industry. This significant achievement underscores the feasibility and credibility of low carbon pathways in the challenging steel manufacturing sector," says **Sean Kidney, chief executive officer and co-founder of Climate Bonds Initiative**. "Hybar's commitment to sustainable practices and alignment with the targets of the international Paris Agreement is evident in this best practice issuance. This certification sets an important precedent for other companies in the hard-to-abate sector, demonstrating that achievable integration of sustainable practices can lead to a low carbon future."

Kestrel provided an independent Verifier’s Report for the transaction. "We look forward to seeing more projects like this in the steel industry and in other hard-to-abate sectors," says **Monica Reid, chief executive officer and founder of Kestrel**. "Decarbonization of this energy-intensive sector is essential to reaching net zero goals and we are pleased to be able to use the Climate Bonds certification to recognize Hybar’s progressive approach to minimizing emissions at every step in the manufacturing process."

Dave Stickler, Hybar’s chief executive officer, commented, "Having complied with the stringent certification criteria and having undergone the due diligence and comprehensive review processes conducted by Kestrel, Hybar is well positioned as the leader in terms of environmental sustainability in the world’s steel industry. I am proud for all involved with Hybar."

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Notes to Editors:

About Kestrel

Kestrel provides ESG Impact Data and verification services designed to bring greater transparency and insight to fixed income, helping to set the market standard for sustainable finance.

Kestrel is a leading provider of external reviews for green, social and sustainability bond transactions. We are qualified to evaluate corporate and municipal bonds in all asset classes worldwide for conformance with international green and social bond standards.

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About Hybar

Hybar will build and operate a scrap metal recycling steel rebar production facility capable of producing 630,000 tons of rebar per year. Located in Osceola, Arkansas, the company's initial facility will be the first to produce rebar using 100% solar energy through a direct connection to an adjacent, behind-the-meter solar installation. Building on the environmental achievements of the company's founders, Hybar's carbon emissions are expected to be the lowest in the world.

About the Climate Bonds Initiative

An investor-focused not-for-profit, promoting large-scale investment in the low-carbon economy, Climate Bonds Initiative carries out market analysis, policy research, market development; advises governments and regulators; and administers a global Climate Bonds Standard & Certification Scheme. For more information, please visit <https://www.climatebonds.net/>.

Climate Bonds Standard and Certification is an overarching science-based, multi-sector certification scheme for investments – and now entities – that address the challenge of climate change and are consistent with the goals of the Paris Climate Agreement.

The full Climate Bonds Database of Certified issuance can be found [here](#).

The full Climate Bonds Directory of Approved Verifiers can be found [here](#).

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