



EU Sustainable Finance Regulations

Team Training

05 March 2025

GENESIS OF THE WORLD'S LARGEST CLEAN H2 INVESTMENT PLATFORM



A team with H2 energy leadership

50/50
Joint Venture

Worldwide private equity leader

ARDIAN

✓ **The only pure player platform 100% dedicated to hydrogen investments**

- Advanced experience investing & managing hydrogen projects
- Hydrogen experts & pioneers

✓ **A strong footprint within the hydrogen sector**

- A diversified & international base of industrials partners
- On-going deal flow from all players: start-ups, OEMs, consortia & large industry LPs

✓ **Top 5 global Asset Manager**

- \$177bn in AUM
- Multi-asset strategy & approach

✓ **A pioneer in infrastructure investing & asset management**

- Extensive track record in the energy & transportation space
- High focus on energy transition

✓ **Robust & diversified client base**

- c. 1,600 clients/investors
- Spread across 50+ countries
- 600+ HNWs

1 fund focusing on Clean H2 Infrastructure with €2bn raised

1 fund focusing on Clean H2 Equipment in fundraising

11 transactions closed

Over 30 professionals

4 offices worldwide

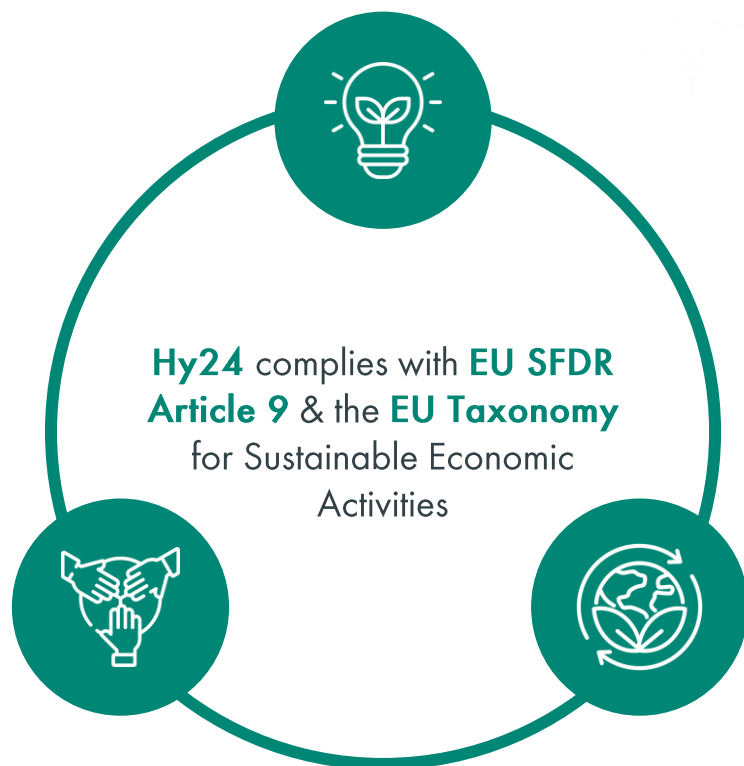
To-date Hy24 has raised over EUR 2.0 billion in commitments & has executed 11 transactions across its two clean hydrogen investment strategies/funds

Information provided for illustrative purposes only without any binding contractual force. Notes:

- The Clean H2 Infra Fund
- The Clean H2 Equipment Fund

The shift to hydrogen is a critical piece of the energy transition

SUSTAINABLE BY DESIGN



We invest in companies contributing to the integration of renewable & low-carbon energy

Our investments in the hydrogen value chain contribute to scaling up a technology that substantially contributes to decarbonizing hard to abate sectors such as heavy industry and transport, and unlocks the full potential of renewable energy



We invest in companies that do no significant harm to the planet

While investing in the hydrogen space, we make sure to perform a detailed analysis on the impact of our investments on the five other objectives of the EU Taxonomy



We invest in companies complying with high standard social safeguards

We invest in inclusive management teams building the success of their company on socially sustainable business practices and complying with the highest ethical standards (e.g. in terms of governance, human rights, health and safety considerations, corruption, taxation, competition, etc.)

STRONG EXECUTION CAPACITY

11 investments to-date for infrastructure and equipment strategies

1 HY2GEN



Sector: Green H₂ & H₂-Based Derivates
Country: Europe & North America
Type: Greenfield
Amount: €200 million (incl. co-investors)

2 enagasrenovable



Sector: Green H₂ & RNG
Country: Mainly Spain
Type: Greenfield
Amount: Undisclosed

3 H2MOBILITY



Sector: HRS Network
Country: Germany
Type: Brownfield - Expansion
Amount: €110 million (incl. co-investors)

4 Everfuel



Sector: Green H₂
Country: Nordics
Type: Greenfield
Amount: up to €100 million at JV level

5 Elyse



Sector: e-Methanol and SAF Production
Country: France, Spain and Portugal
Type: Greenfield
Amount: €120 million (incl. co-investors)

6 Stegra



Sector: Green Steel Manufacturing
Country: Sweden
Type: Greenfield
Amount: €1.5bn fundraise (Lead investor)

7 InterContinental Energy



Sector: Integrated H₂/NH₃ Export Projects
Country: Australia, Oman and Saudi Arabia
Type: Greenfield
Amount: \$115 million (incl. co-investors)

8 Hyset



Sector: HRS Network and Captive Fleet
Country: France
Type: Brownfield - Expansion
Amount: c. €200 million (incl. co-investors)

9 HEXAGON PURUS



Sector: High Pressure H₂ Tanks and Systems
Country: Nor., Ger., USA, Canada, China
Type: Growth
Amount: NOK 150m (€13m) - Convertibles

10 H2SITE



Sector: Hydrogen Separation Solutions
Country: Spain
Type: Growth
Amount: €36 million (incl. co-investors)

11 StormFisher HYDROGEN



Sector: Green H₂ & H₂-Based Derivates
Country: Canada (HQ), United States
Type: Greenfield
Amount: \$50 million

Clean Hydrogen Infrastructure Fund

Clean Hydrogen Equipment Fund

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INVESTMENT FUNDS ARE SUBJECT TO:

Sustainable Finance Disclosure Regulation (SFDR)

As all investors

EU Taxonomy

As all investors and large companies

SFDR Articles 8 and 9

Investors that make sustainability claims

Others

- › National law (e.g.)
French Loi Energie Climat
- › UNPRI
- › LPs requirements

Disclosure obligations

Material obligations

Sustainable investment objective

- All European investors and **large European companies** are also subject to disclosure obligations, in line with the SFDR and the Non-Financial Reporting Directive (NFRD) which requires inter alia reporting on
 - **(i) the degree of alignment with the EU Taxonomy and**
 - **(ii) on a number of indicators known as Principal Adverse Impacts**

(Large) COMPANIES ARE SUBJECT TO:

Taxonomy Disclosure

Corporate Sustainability Reporting Directive (CSRD)

Corporate sustainability Due Dilligence Directive (CSDDD)

Sustainable Finance Disclosure Regulation

SFDR creates a classification of funds

Sustainable Finance Disclosure Regulation (« SFDR »)

+ « Regulatory Technical Standards »

Goal

Disclosure regulation: guidelines on how to disclose information to be able to claim being an either social or environmentally “sustainable” fund

Substance

1. Disclosure requirements

- A. Disclose **sustainability risk strategy** – i.e. how ESG risks might impact investments
- B. Disclose “**Principal Adverse Impacts**” – i.e. how investments might impact ESG factors – with 16 mandatory indicators (with 2 to chose)
- C. Disclose to what extent the **remuneration policy** comprises alignment mechanisms with ESG objectives

2. Classification

Article 6 Funds: no particular sustainability objectives

Share by assets at
30 June 2023*

43,6%

Article 8 Funds: funds that comply with environmental or social characteristics.

52,9%

Article 9 Funds: Funds that have “sustainable investment” as an objective

3,5%

- SFDR **defines** “sustainable investment” as an “*investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators [...]*”

* Source: Morningstar Direct. Assets as of June 2023. Based on SFDR data collected from prospectuses on 97.6% of funds available for sale in the EU, excluding money market funds, funds of funds, and feeder funds.

*Hy24 is concerned by all regulatory constraints mentioned in this slide. However, when there is a classification and a choice has to be made, the green section represents what Hy24 has chosen.

SFDR DISCLOSURE

Principal Adverse Impacts (PAI) and Taxonomy indicators to be reported

CO2 & Renewable

Environment

Social & Governance

Mandatory Principal Adverse Impacts indicators	
Climate and other environment-related indicators	
1	GHG emissions
2	Carbon footprint
3	GHG intensity of investee companies
4	Share of investments in companies active in the fossil fuel sector
5	Share of non-renewable energy consumption and production
6	Energy consumption intensity per high impact climate sector
7	Activities negatively affecting biodiversity-sensitive areas
8	Emissions to water
9	Hazardous waste ratio
Social and employee, respect for human rights, anti-corruption & anti-bribery indicators	
10	Violation of UN Global Compact principles and OECD Guidelines for Multinational Enterprises
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises
12	Unadjusted gender pay gap
13	Board gender diversity
14	Exposure to controversial weapons

Compulsory for all

Other Principal Adverse Impacts indicators	
Climate and other environment-related indicators	
1	Share of investments in investee companies without a biodiversity protection policy covering operational sites owned, leased, managed in, or adjacent to, a protected area or an area of high biodiversity value outside protected areas - Share of investments in investee companies whose operations affect threatened species
Social and employee, respect for human rights, anti-corruption & anti-bribery indicators	
1	Share of investments in investee companies without a workplace accident prevention policy

Chosen by HY24

Taxonomy of Sustainable Activities

EU Taxonomy complements SFDR

TAXONOMY
+ « Taxonomy disclosure regulation »

Goal

Providing a much more detailed definition of « *environmentally sustainable economic activities for the purposes of establishing the degree to which an investment is environmentally sustainable* »

Substance

A. Lists 6 environmental objectives (1) climate change mitigation, (2) climate change adaptation, (3) sustainable use and protection of water and marine resources, (4) transition to a circular economy, (5) pollution prevention and control, and (6) protection and restoration of biodiversity and ecosystems.

B. Lists activities that are ELIGIBLE to become “sustainable activities”

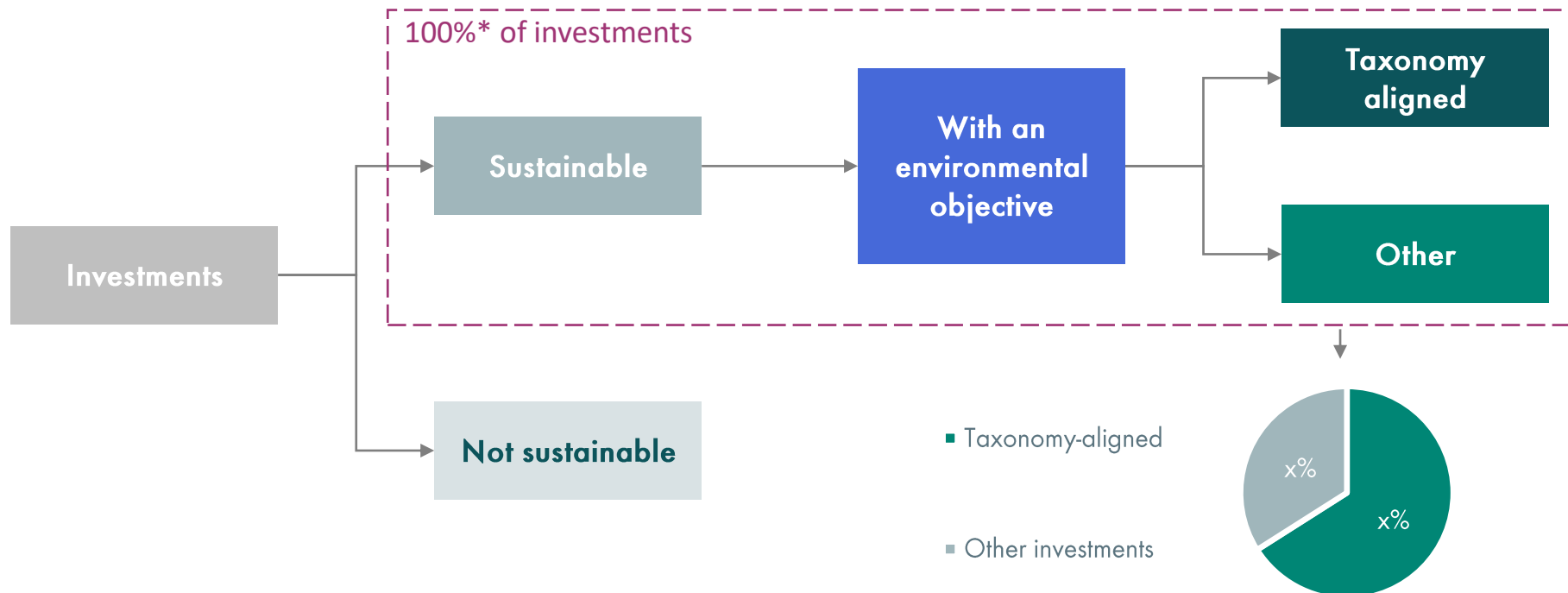
C. Specifies for each of them detailed sustainability criteria to determine Taxonomy “ALIGNMENT”

- A. Technical Screening Criteria (TSC) demonstrating a SIGNIFICANT CONTRIBUTION to one environmental objective
- B. Evidence that the activities DO NOT SIGNIFICANT HARM (DNSH) to the 5 other objectives
- C. Compliance with MINIMUM SOCIAL SAFEGUARDS.

D. Established (together with the SFDR and CSRD) Taxonomy reporting obligations to investors and economic operators

"Sustainable" Funds are "Art. 9 Funds"

Article 9 funds should make only « sustainable » investments as defined by the SFDR



Manager of Article 9 must:

- › **Define what is a "sustainable investment"** in it's own understanding
 - › Taxonomy eligibility and alignment may be part of the definition, but its not mandatory.
- › Justify and demonstrate that 100% of its investments meet this criteria. (taxonomy alignment = sustainable)
- › Commit to a minimum percentage of "taxonomy aligned" investment and meet this commitment at all moments

Source: SFDR Reporting template – Regulatory Technical Standards