2024 Report for Article 29 of the French Energy and Climate Law

Contents

FOREWORD

Hy24 is a French Management Company approved by the AMF under n° GP-202171 on 19 November 2021.

Hy24 is subject to the Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (known as the "SFDR") and the Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (known as the "Taxonomy Regulation").

As a French Management Company, Hy24 is also subject to Article 29 of the Energy and Climate Law no. 2019-1147 of 8 November 2019 (known as the "LEC") and its implementing Decree no. 2021-663 of 27 May 2021 that articulates ESG disclosure requirements for financial market participants at the EU and French level. This report complies with the requirements of Article 29 of Law no. 2019-1147 of November 8, 2019 and its implementing decree no. 2021-663 published on May 27, 2021. As required by the AMF instruction DOC-2008-03, it is based on the structure described in Appendix F available on ROSA for entities with over 500m€ under management and who take Principal Adverse Impacts (PAIs) into account and publish them.

I. Information arising from the provision of Article 29 of the Energy Climate Law

1. Hy24's general approach on considering environmental, social and governance criteria

1.1. Hy24's ESG-driven strategy

Hy24's strategic purpose is to **accelerate the global energy transition** through investments in **strategic infrastructure projects relying on clean hydrogen.** In doing so, the Management Company aims to **create sustainable value across the clean hydrogen value chain**, significantly contribute to climate change mitigation and build the infrastructure needed for **tomorrow's sustainable energy models.**

Hydrogen has a key role to play in the energy transition, in particular as an enabler of renewable and low-carbon energy in the industrial, transport and energy sectors. Most energy transition scenarios account for a **large increase in hydrogen production and a rapid shift in the sources of energy for its generation**. According to IRENA's 1.5°C energy transition scenario, electrolyser capacity should increase from 0.3 GW in 2021 to 5000 GW in 2050, and green hydrogen should contribute to 10% of total carbon emissions abatements.

Hence, by investing in low-carbon hydrogen production, storage and distribution, as well as in the clean hydrogen supply chain, Hy24 is **directly contributing to reducing and/or avoiding carbon emissions with a view to support the long-term global warming objectives of the Paris agreements.**

Hy24 has set a clear sectoral boundary to its investments under its first fund, the Clean H2 Infra Fund, with a goal to target opportunities in the hydrogen sector with a focus on three main pillars: **(i) power to hydrogen and hydrogen derivatives, (ii) midstream and other usages** and **(iii) H2 mobility and its associated supply chain**, while keeping the flexibility to support other hydrogen activities.

Figure 1: Sectoral boundaries of Hy24's investments under the Clean H2 Infra Fund.

Hy24 Portfolio		
Power to hydrogen and hydrogen derivatives*	**Midstream and other usages**	**H2mobility and its associated supply chain**
Renewable Hydrogen Production (incl. associated renewable energy generation) Power-to-X **Hydrogen derivatives including but not limited to ammonia, methanol, e-fuels)*	Transportation and storage of hydrogen and hydrogen derivatives Other non-mobility applications (including but not limited to power and steel)	Hydrogen infrastructure and vehicles covering all forms of mobility (ground, rail, air and marine including fueled with hydrogen derivatives) and associated supply chain investments

Hy24 currently manages two funds: the **Clean H2 Infra Fund and the Clean Hydrogen Equipment Fund.** Both funds have **a sustainable investment objective** in the meaning of **Article 9 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures** in the financial sector:

- The **Clean H2 Infra Fund** aims to directly contribute to reducing and/or avoiding carbon emissions by **investing in low-carbon hydrogen production, storage, and distribution**, in line with the long-term global warming objectives of the Paris agreements.
- The **Clean Hydrogen Equipment Fund** on the other hand seeks to **accelerate and scale up the commercialization of technologies, products, and services** enabling the integration of renewable and low-carbon energy, clean transportation, and energy system decarbonization **through hydrogen production, transport, storage, distribution, and utilization**.

Additionally, the manufacture, transmission, storage and use of hydrogen for transportation and energy production of hydrogen are **already embedded in the EU Taxonomy framework as well as in the EU's pathway towards net zero emissions.** In this regard, Hy24 aims to align, when relevant, its assets with the EU Taxonomy criteria for contributing to climate change mitigation.

At Hy24 level, the team is committed to improving its internal capabilities and performance in terms of ESG in order to better support portfolio companies in doing so at their level.

Hy24 collects and analyses CO_2 data at the Management Company level with the objective of **reducing its own carbon footprint** to be consistent with its funds' **objectives of supporting the long-term global warming objectives of the Paris agreement**. The Management Company is also investing more resources into its data management and benchmarking capacities to improve the quality of its ESG analysis and reporting. The objectives of the management company in terms of ESG are as follows: (i) monitor and reduce CO2 emissions[1], (ii) ensure staff training on ESG matters, (iii) promote diversity and inclusion and (iv) support the development of clean energy and combating energy insecurity through the work of the Hy24 Foundation[2].

In continuation of our investment activities, we have established in September 2024 a philanthropic fund aimed at strengthening our efforts in two areas: supporting institutional and nonprofit organizations combating energy insecurity, whether related to cost, availability, or access to energy resources; and collaborating with the academic and research communities to contribute to education and awareness on hydrogen, its derivatives, and renewable resources essential for a successful transition that benefits everyone.

1.2. ESG integration in the investment process

In order to achieve its purpose, Hy24 has **placed ESG and sustainable investment at the core of its investment strategy** and has **operationalised this approach within its Responsible Investment Policy**[3]. The policy is regularly updated to reflect regulatory evolution and clarification, especially within the space of Sustainable Finance and EU Taxonomy Disclosure Regulations.

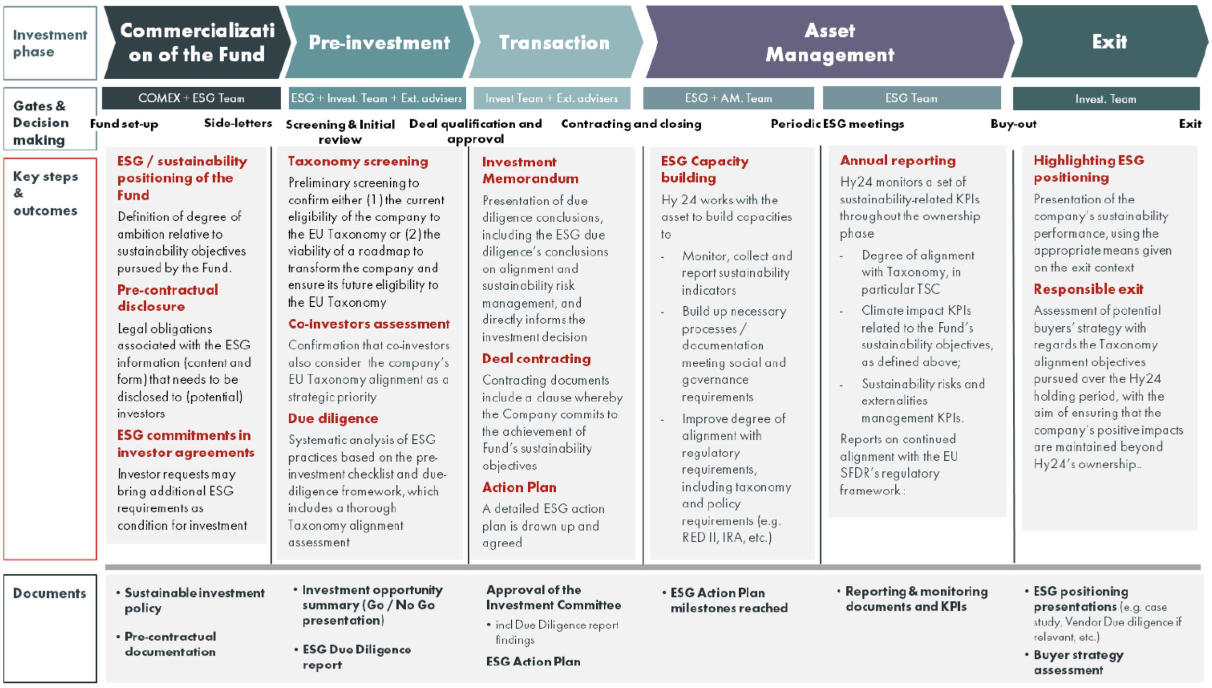
Hy24's Responsible Investment Policy relies on the following strategic pillars:

[1] Hy24 has identified travel as the main source of CO2 emissions at Management Company level and has taken steps to manage these emissions through an internal travel policy which encourages virtual meetings and public transport (instead of taxies) and rail instead of air travel, when possible.
[2] https://www.hy24partners.com/foundation/
[3] https://www.hy24partners.com/sustainability/

- **Positive impact:** Hy24's Clean H2 Infra Fund targets exclusively clean hydrogen infrastructure projects and aims to drive continuous improvement to the energy market, through our support to hydrogen technologies. The Clean H2 Equipment Fund focuses on investments in the clean hydrogen sector, in companies active in the manufacturing of equipment necessary to produce hydrogen, to convert it to other energy carriers, to transport, store and distribute it and in equipment necessary for end-use. The latter includes investments not only in original equipment manufacturers (OEM), but also in suppliers, sub-suppliers of critical systems as well as components, sub-components, and tooling.
- **Risk Management:** Hy24 implements a selective investment policy in well-defined infrastructure segments, adding-in screening criteria and continuous monitoring.
- **Business Ethics:** Hy24 follows a rigorous policy to protect its operations from related risks and operates in highly strategic business with complete integrity.

The core of Hy24 ESG-driven strategy is the **full integration of ESG matters in the investment process:**

Figure 2: Overview of intended process of ESG Integration in Hy24's investment process[4]



Investment Screening

- **Pre-due diligence phase:** As Hy24 refrains from investing in activities that are not in line with its sustainability objectives during the pre-investment stage, it conducts a preliminary screening to ensure that the opportunity is aligned within the funds' sectoral targets and strategic purpose. At this stage of the investment process, Hy24 requires that investment teams make a first assessment of either (1) the compatibility of the company with the Fund's sustainability objectives or (2) the viability of a roadmap to become compatible within a short timeframe and (3) the activity is not excluded as per the exclusion list. Such checks involve the use of the "4 eye principle" involving both

[4] The process below indicates the intended process for integration of ESG considerations throughout the investment process. This process may be adapted, depending on the specific situation of individual deals.

the deal teams and the ESG team concluding that the opportunity is likely to be in line with Hy24's sustainability objective.

- **Assessment of co-investors' sustainability priorities:** Hy24 performs an assessment of co-investors' priorities and interests on sustainability topics, namely with regards to the EU Taxonomy alignment objectives..

Pre-investment phase

- **ESG due diligence:** All investments are supported by a specific ESG diligence processed performed by external advisors[5] or, in exceptional cases, by the ESG team. The ESG due diligence assessment focuses on the company's positioning vis-à-vis the funds' sustainability objectives. When applicable, this due diligence assesses the company's level of alignment with the EU Taxonomy as well as its practices and performance in terms of sustainability risk management.
    - As the funds are classified as Article 9 as defined by the EU SFDR, Hy24's ESG due diligence process will confirm that the investment target:
        - substantially contributes to the environmental objectives pursued by the funds or has the transformation potential to do so;
        - does no significant harm to other environmental objectives;
        - carries out its activities in compliance with the minimum safeguards, by reference to the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights based in accordance with a materiality assessment.

    - When relevant, the ESG due diligence will also evaluate the target's potential to align with the criteria of the EU Taxonomy. If the assessment determines that taxonomy alignment is not relevant, it will duly substantiate the reasons behind this choice.

- **Investment decision:** Hy24 investment teams prepare an Investment Memorandum that presents due diligence conclusions, including the ESG due diligence. This Memorandum is presented to the Investment Committee, which issues the investment recommendation leading to the transaction decision. Depending on the materiality of ESG risks identified in the due diligence phase and the maturity of the company's mitigation practices, corrective actions may be embedded into a post-acquisition plan.

- **Deal contracting:** Contracting documents governing Hy24's investments, include ESG clauses recognising Hy24's sustainable investment objective and requiring the company's alignment with the associated sustainability requirements.

Ownership phase and portfolio management

During the ownership phase, Hy24 undertakes an **engagement campaign with its portfolio companies**, with the goal of **improving their maturity on ESG priorities**, **building internal capacity within each asset** and, if it was not yet the case**, assisting them to comply with the regulatory requirements of the SFDR and,** where relevant, **seeking to maximise alignment with the EU Taxonomy.** In doing so, Hy24 ensures that portfolio companies are

[5] Hy24 maintains framework agreements with PWC and Hy Legal for the performance of ESG DD activities. Hy24 General counsel decides, in agreement with the investment teams, depending on the specificities of each deal process and the availabilities of the advisors at that time, which external advisor to contract for the performance of individual Due Diligences.

committed to **maximising their positive impact and minimising their potential negative impact** on their stakeholders and the environment. This engagement campaign is key for Hy24 to meet its ambitions of fostering the hydrogen infrastructure in a sustainable way.

Hy24's ESG team developed and uses an **ESG Monitoring & Reporting Framework**, which includes an individual **Action Plan**, and a **Data Monitoring Sheet** to collect and track the sustainability KPIs and Principal Adverse Impact (PAI) indicators for each of portfolio companies. Monitoring is performed yearly, however, engagement with PortCos takes place more often (e.g. quarterly), with agenda's dictated by the specificities of each PortCo. Through this monitoring system, Hy24 ensures **continued alignment with the EU SFDR's regulatory framework** and contributes to the **continuous improvement of its portfolio companies**. Where relevant, Hy24 supports capacity building at portfolio company level to ensure the necessary capacities exist and are adequately supported to manage and deal with ESG risks**.**

ESG Action Plans **act as roadmaps for the portfolio companies**, defining their priorities for ESG implementation, and guiding them in understanding the regulatory context by translating regulatory requirements into actionable measures. The Action Plans are updated along the year, in line with the progress achieved by PortCos, regulatory developments and clarifications provided by supervisory authorities or through Q&As or European Commission notices.

Through the **Data Monitoring Sheet**, Hy24 can **collect and track a set of sustainability related KPIs** for each portfolio company. Those KPIs can classified under two categories:

- **Climate impact KPIs**, which directly highlight the extent to which each portfolio company is aligned with the funds' strategic purpose and sustainability objectives, as defined above.
- **Sustainability risks and externalities management KPIs**, which measure the extent to which each portfolio company is managing potential sustainability risks and opportunities associated with its operations and value chain. These KPI include the **PAI indicators** as referred to in the Annex I of the Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022.

Figure 3: List of Mandatory and optional Principal adverse impact indicators monitored by Hy24

Mandatory Principal Adverse Impacts Indicators	Other Principal Adverse Impacts Indicators
Climate and other environment-related 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	**1** Share of investments in investee companies whose operations ffect threatened species
Social and employee, respect for human rights, anti-corruption and anti bribery indicators	**Social and employee, respect for human rights, anti-corruption and 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 principles and OECD Guidelines for Multinational Enterprises **12** Unadjusted gender pay gap **13** Board gender diversity **14** Exposure to controversial weapon	**1** Share of investments in investee companies without a workplace accident prevention policy **2** Rate of accidents **3** Number of days lost to injuries, accidents, fatalities or illness

Exit phase

At exit, Hy24 will **highlight the portfolio company's sustainability performance**, using appropriate means given the context (e.g., case study, vendor due diligence, etc.).

In addition, Hy24 will also assess the extent to which **potential buyers' sustainability interest are aligned with the funds' sustainability objectives** pursued over the Hy24 holding period, with the aim of ensuring that the company's positive impacts are maintained beyond Hy24's ownership.

1.3. Content, frequency and means of informing investors

Please refer to 4. Strategy for engagement with issuers or management companies and its implementation.

1.4. Adherence and participation in collective initiatives

Hy24 believes in the benefits of engaging with its peers and the wider investment industry to collectively address current and future economic, environmental, and social challenges.

As such, Hy24 is a provisional signatory of the **UN Principles for Responsible Investment** and, in this context, is committed to applying the six principles in its investment approach. In 2024, Hy24 received a score of 88/100 on Policy Governance and Strategy, significantly above the PRI median, 80/100 on Confidence Building Measures, equal to the PRI median, and 78/100 on Direct Infrastructures, slightly below the PRI median.

The UN Principles for Responsible Investment urge investors to integrate environmental, social and governance issues into their decision-making to better manage risks, generate sustainable returns and have a positive impact on society as a whole.

Furthermore, Hy24 has been awarded LuxFlag Climate Finance labelling (Applicant status) for the Clean Hydrogen Equipment Fund.

2. Internal resources deployed by the entity

2.1. Financial, human and technical resources dedicated to ESG

Hy24's ESG team is central to the implementation of the Responsible Investment Procedure. It is led by Hy24's General Counsel and Head of ESG and Public Affairs and composed of a team of dedicated analysts and operating partners. The team is also in charge of implementing portfolio-level aspects of the Responsible Investment Procedure, including LP reporting and overall portfolio performance review. Hy24 works with external technical experts and providers throughout the investment cycle (e.g., due diligence, data collection for periodic reporting, etc.) to ensure that Hy24 stays afloat of the latest ESG developments.

The associated resources deployed correspond to 1 FTE (full time equivalent), while the budget dedicated to ESG in 2024 amounts to 300-350K euros. Hy24 also concluded an agreement with HEC Paris to research biodiversity topic and practices across French asset managers, which was conducted between January and April 2025.

Regarding technical resources, Hy24's ESG team provided portfolio companies with a **Technical Training** at the end of 2024 to help them better understand reporting requirements under the ESG Monitoring & Reporting Framework to improve ESG data collection and quality.

Additionally, Hy24 contributed to **strengthening portfolio companies' ESG capabilities** by providing **ad-hoc support,** including for example by developing a methodology to estimate avoided GHG emissions or by providing guidelines on how to conduct a high-level assessment of water scarcity and quality risks.

2.2. Actions taken to strengthen the entity's internal capabilities

At Hy24 level, the team is committed to improving its **internal ESG capabilities and the management company's ESG performance** in order to better support portfolio companies doing the same.

For instance, in 2024, Hy24 primarily focused on **understanding the implications of the CSRD** for its **portfolio**, in order to anticipate reporting timelines for portfolio companies and better support them in the coming year in the implementation of the Directive. A second focus was made following the adoption of the Corporate Sustainability Due Diligence Directive (CS3D), to understand portfolio companies' potential new regulatory requirements or value chain actors' inquiries and understand the articulation between CS3D and the Minimum Social Safeguards required under the Taxonomy regulation.

In addition, **Hy24 continuously reviews its ESG Monitoring & Reporting Framework to ease reporting.** A thorough review of the tool is conducted every year to identify ways to enhance its relevance, clarity and ease of use. Hy24's ultimate goals are to lower reporting burden for its portfolio companies and to facilitate the process of data consolidation. To this end, Hy24 initiated in 2024 discussions with business partners to digitalise the ESG Monitoring & Reporting Frameworks via a platform. Once confirmed, this evolution is expected to facilitate the reporting process of portfolio companies' ESG contributors while optimising Hy24's data collection and consolidation processes.

Finally, to ensure the future expansion of Hy24's portfolio, the management company structured and formalised its approach of applying the Sustainable Finance Regulation and EU Taxonomy framework on non-EU companies.

3. Approach to taking into account environmental, social and governance criteria at the level of the entity's governance

3.1. Hy24's ESG governance structure

Hy24 has developed a dedicated governance structure to ensure that its funds' sustainability objectives are achieved.

At the operational level:

- **Hy24's investment teams** are directly responsible for deal flow screening, due diligences, and engagement with portfolio companies. Hy24 investment teams receive yearly training on ESG matters and on the implementation of Hy24's responsible investment policy.
- **The ESG team** is composed of Hy24's General Counsel, an ESG and Public Affairs Officer (engaged as an operating partner) and analysts shared with the investment team, on a rotational basis. The ESG team supports investments teams in the investment process implementation, namely through sustainability-specific expertise.

The team is also in charge of implementing portfolio-level aspects of the present Procedure, including LP reporting and overall portfolio performance review. The key members of Hy24's internal ESG team have significant experience in the development and implementation of the SFDR and the EU Taxonomy, particularly the provisions associated with hydrogen technologies.

- **The ESG working group**, composed of Hy24's ESG team, some members of Hy24's investment team as well as representatives of Ardian's ESG team was in charge of defining the ESG initial framework and oversees Hy24's performance in achieving its sustainable objective.
- Hy24 is supported in the implementation of its ESG policy by **external advisors** specialised on ESG matters. The main role of the external advisors will be to (i) perform ESG Due Diligence work (ii) monitor the implementation of ESG Action plans (iii) collect the data and KPI's necessary to monitor the ESG performance of Hy24's assets and (iv) support in the preparation of ESG reporting, in line with legal requirements. At the moment, Hy24 is supported by a dedicated ESG team from PWC. PWC's sustainability team has extensive expertise in the implementation of the SFDR, EU Taxonomy and in impact investment in general.

- **At the strategic level:**

Hy24 has formed a **strategic Sustainability Committee** presided by Ardian's Head of Sustainability and composed of Hy24's President, Director General, and Executive Committee, as well as external expert advisors and experts from Ardian's sustainability team. This Committee formally meets annually to **review the Responsible Investment Procedure,** the **funds' level of alignment with its sustainability objectives**, and to bring a critical and prospective view on the ESG policy.

In addition, external advisors are consulted on an ad-hoc basis to provide advice on specific investment opportunities and their contribution to the funds' global sustainability objectives.

3.2. Hy24 staff sustainability aligned compensation policy[6]

Hy24 considers sustainability risks, in accordance with the most recent regulations in the EU and in France. The assessment of performance of all employees includes non-financial criteria especially the compliance with Hy24's Sustainability Policy. Hy24 staff annual variable remuneration integrates both notions of collective and individual performances. Hy24's team annual variable remuneration is partly defined by **the two following targets**:

- 100% of the funds' assets must be economically sustainable activities within the meaning of the SFDR (which includes assets in a transition phase integrating a strategic action plan to meet the funds' sustainability criteria, as defined in the funds' precontractual documents), and
- 100% of the funds' deal processes must fully integrate ESG, as described in the responsible investment policy, namely through relevant screening and pre-investment analyses and holding period reporting.

4. Strategy for engagement with issuers or management companies and its implementation

[6] See Article 5 of Regulation (EU) 2019/2088

Hy24 aims to bring together institutional investors and industrial companies to create investment opportunities for clean hydrogen projects around the world. Hy24 is a Member of France Invest and has joined in 2025 their sustainability working groups. Hy24 is attending the meetings organised by France Invest to benefit from and share best practices as well as to engage with peers.

4.1. Engagement with issuers

Throughout the holding period, Hy24 maintains a constant dialogue with the **portfolio company's management teams** and actively monitors the evolution of their ESG practices. This is done with the support of external consultants and through Hy24 ESG Monitoring & Reporting Framework, which provides concrete measures and actions for portfolio companies to **comply with the EU Taxonomy** applicable to their activities and build **ESG reporting capabilities.** At least annual meetings are held with portfolio companies to discuss updates and provide **technical and regulatory support** for the completion of the ESG Monitoring & Reporting Framework. In practice, much more frequent meetings (e.g. quarterly) are organised, in accordance with identified needs and evolution of the company and its projects.

As a regulated alternative investment fund manager, Hy24 has adopted a **Shareholder Engagement Policy** which sets out the terms and conditions on which the Management Company intends to exercise the voting rights attached to the shares held by the funds it manages. It defines the organisation of the exercise of voting rights, the methods of exercising voting rights and the voting policy principles to be respected by Hy24's representatives. The policy has been written in accordance with the French Monetary and Financial Code[7] and is publicly available on Hy24's website.

Hy24 published its **Annual report on the exercise of voting rights** for 2024. It provides statistics based on the resolutions casted in the General Meetings by Hy24 on the behalf of the Clean H2 Infra Fund and Clean Hydrogen Equipment Fund. The following table presents selected indicators for the 2024 financial year:

Indicator	2024 performance
Number of companies in which Hy24 has voting rights	9 Companies
Number of General Meetings in which Hy24 exercised its voting rights	17 out of 17 General Meetings
Number of resolutions voted	27
Number of conflicts of interest situations in relation to the exercise of its voting rights	0

4.2. Engagement with its co-investors and Limited Partners

Hy24's engagement approach is a **collaborative effort that involves its co-investors**. The ESG and investment teams work closely with them to align expectations on ESG matters, which often involves joint meetings with portfolio companies or bi-lateral meetings between Hy24 and its co-investors. This collaboration is crucial for maintaining a **coherent and consistent dialogue with portfolio companies**, as it ensures the coordination and alignment of ESG ambitions. In 2024, Hy24 held several meetings with the co-investors of its portfolio

[7] Articles L.533-22, R.533-16 and R.533-16-0 of the CMF

companies. These meetings focused on discussing their ESG priorities, action plans, as well as the organisations in terms of ESG reporting. In 2024, Hy24 engaged with its co-investors, such as Mirova, SLAM, Eiffel, Raise, etc. to ensure that common sustainability requirements (such as ESG data reporting and ESG Action Plan implementation) are implemented in a coherent and efficient manner. Before meetings with the PortCos, Hy24 has ensured alignment with its co-investors and requirements, process and deliverables in order to efficiently ensure achievement of ESG objectives.

Moreover, Hy24 makes every effort to meet investors' expectations, facilitate their access to information, and provide them with clear and transparent information based on **regular and value-added reporting**. Annual ESG reports are sent to investors to describe the progress made during the reference period, based on information collected through Hy24's ESG Monitoring & Reporting Framework. These reports include all information required by the applicable regulations, such as the SFDR or the EU Taxonomy. In addition, Hy24 voluntarily responds to all requests for ESG data from its LPs, supporting them in meeting their own commitments to transparency and impact monitoring. Finally, Hy24 also reports annually to the PRI, providing information on the integration of ESG into its investment process.

5. Alignment with the EU Taxonomy and exposition to fossil fuel

Hy24's funds have **sustainable investment objectives** in the meaning of Article 9 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector ("SFDR"). Both Hy24's Clean H2 Infra Fund and Clean H2 Equipment Fund aim to **contribute to climate change mitigation**. The first one seeks to contribute to reducing and/or avoiding carbon emissions through the **funding of low-carbon hydrogen projects** while the second intends to do so through **investments in the clean hydrogen supply chain**. To demonstrate investments' contribution to the Funds' sustainable investment objective, Hy24 leverages the ambitious framework established by the EU Taxonomy whenever possible. Investments that meet the requirements set by the EU Taxonomy for climate change mitigation are deemed aligned with the Fund's sustainable investment objective.

Hy24 is **not subject to the article 8 of the EU Taxonomy regulation**. However, the Company engages in an extensive ESG engagement campaign, whose objective is to ensure that portfolio companies and, where applicable, individual projects they are involved in, meet the requirements of Article 2(17) of the SFDR as well as the criteria for EU Taxonomy alignment.

Most of investee companies included within the scope of this report are not subject to article 8 of the Taxonomy regulation. Therefore, the degree to which Hy24's investments are aligned to the EU Taxonomy is **not readily available from their public disclosures**.

As such, Hy24's assessment is mainly based on "**equivalent information**" as referred to in the **Commission Delegated Regulation (EU) 2022/1288 of 6 April 2022**. This "equivalent information" was obtained directly from investee companies.

For some portfolio companies, the financial accounts were finalised after the completion of Hy24's reporting. Consequently, the EU Taxonomy-alignment calculation for these portfolio companies is an estimation based on available data at the time of reporting. EU Taxonomy-related information reported by portfolio companies were not audited by a third party.

Clean H2 Infra Fund

At the end of the 2024 reporting period, **64%** of Clean H2 Infra Fund's sustainable investments with an environmental objective are aligned with the EU Taxonomy **on the basis of turnover**[8], and **86%** are aligned with the EU Taxonomy **on the basis of CapEx**[9].

For its Clean H2 Infra Fund, Hy24 computed EU Taxonomy KPIs following **a proportional approach**. Through this approach, the scope of reporting for EU Taxonomy alignment includes all portfolio companies' projects that have passed Final Investment Decision (FID), whether the portfolio companies hold operational control of these projects or not. Additionally, indicators have been weighted according to the level of ownership of portfolio companies within their projects and of Hy24 in the portfolio companies. Hy24 believes that this approach is the **most representative of the Clean H2 Infra Fund's impact and of the Fund's contribution to the green economy**.

Hy24 used the same information for estimating EU Taxonomy-alignment under the controlled scope as under the proportional approach[10].

In alignment with the investment strategy and Hy24 Responsible Investment Policy, **no investment was made in companies active in the fossil fuel sector.**

Clean H2 Equipment Fund

At the end of the 2024 reporting period, **26%** of Clean H2 Equipment Fund's sustainable investments with an environmental objective are aligned with the EU Taxonomy **on the basis of turnover**, and **25%** are aligned with the EU Taxonomy **on the basis of CapEx**.

Hy24 calculated EU Taxonomy KPIs following the **controlled approach**, as required by the Commission Delegated Regulation (EU) 2021/2178. Indeed, according to this regulation, non-financial undertakings should exclude non-controlled financial investments that are accounted by using the equity method and only consider their controlled scope.

Hy24 is committed to maximize the EU Taxonomy alignment of its portfolio. For investments under the Clean H2 Equipment Fund, Hy24 aims to achieve at least 60% alignment over the holding period with a minimum level of 30% alignment. In terms of Taxonomy alignment, most portfolio companies who have not started operations or have started operations recently will be Taxonomy-aligned by virtue of their CapEx plans[4]. The purpose of a CapEx plan is to provide a degree of assurance that eligible activities will be Taxonomy-aligned and allow, on that basis, to count CapEx as already Taxonomy-aligned while incurred in the periods before the expansion is completed. The measures of the CapEx plan must be achieved in five-years' time from the approval of the plan by a management body[5]. To ensure that CapEx is allocated to the achievement of Taxonomy alignment, at the end of the due diligence phase, Hy24 constructs a "Taxonomy alignment Action Plan" for each portfolio company. These Action Plans are agreed with the target company, approved by

---

[8] Portfolio companies with no revenues in 2024 (i.e., Elyse, ICE, Stegra and Everfuel JV) are excluded from the calculation of the turnover EU Taxonomy alignment ratio at the Fund level.

[9] Portfolio companies with no CapEx in 2024 are exclude from the calculation of the CapEx EU Taxonomy alignment ratio at the Fund level

[10] For project developers, eligible turnover under the controlled scope includes turnover generated through services provided to non-consolidated SPVs. These revenues are considered essential for the development and operation of projects and are therefore directly related to the SPV's EU Taxonomy activities.

management, and implemented during the holding period. Hy24 monitors the progress of these Action Plans on an early basis to ensure that intermediary steps are implemented toward full alignment within the required timeline.

In **2024**, **Taxonomy alignment figures reported** are **below Hy24's expectations**. This is due to an **excess of caution and highly restrictive interpretation of European Commission guidance on the application of "CapEx Plan" provisions**, specifically affecting the disclosures of one of the Clean H2 Equipment Fund companies. In 2024, this company has invested CapEx in expanding its Taxonomy-aligned economic activities and in allowing a "Taxonomy-eligible economic activities to become Taxonomy-aligned." Such CAPEX is recorded in its financial statements. At the same time, it has worked on implementing its Taxonomy alignment action plan, drawn up by Hy24 to ensure that all criteria are met across all its activities, including the ones targeted by the CAPEX recorded. Nevertheless, at the advice of its auditors, the company has reported such CapEx as non-aligned.

If the company would have reported its CapEx which is, de facto, part of its plans to expand Taxonomy-aligned economic activities as aligned, the **Clean H2 Equipment Fund's total alignment at the Fund level based on CapEx would have been 96%,** well within Hy24 intended Taxonomy alignment targets.

We will work in 2025, together with our portfolio companies, to ensure that such restrictive interpretations do not prejudice EU Taxonomy reporting in the future. Specifically, we will ensure that a more explicit link between the EU Taxonomy action plans and the companies CapEx is established.

In alignment with the investment strategy and Hy24 Responsible Investment Policy, **no investment was made in companies active in the fossil fuel sector.**

6. Paris Agreement alignment strategy and low-carbon strategy

Hy24's investment strategy – from initial screening through to portfolio management – is designed to maximise Hy24's contribution to climate change mitigation and the attainment of the Paris Agreement objectives at a global level. For more information on the investment strategy and its link with other ESG considerations, please refer to section 1.2. ESG integration in the investment process.

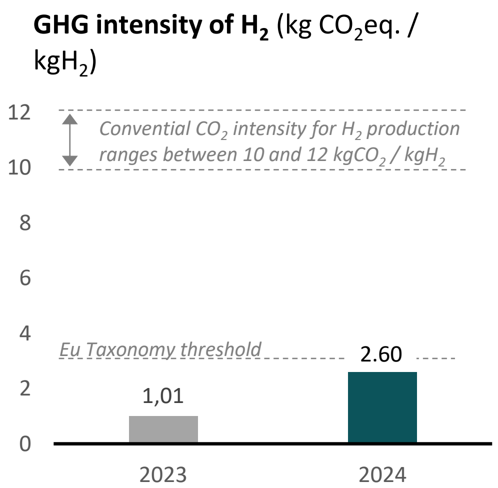
Hy24's investments contribute to climate change mitigation by supporting companies that **accelerate the development of a low-carbon economy compatible with the ambition of the Paris Agreement objectives**. For instance, Hy24 invests in projects that have a **direct impact on CO2 avoidance or reduction** as enablers of (i) generation, transmission, storage, distribution, or use of renewable energy, (ii) clean or climate-neutral mobility, (iii) the decarbonisation of energy systems or (iv) the production of clean and efficiency fuels from renewable or carbon-neutral sources through its Clean H2 Infrastructure Fund.

Over time, **avoided GHG emissions Hy24 contributes to are expected to grow**. Several portfolio companies are small companies with a growing activity. Their avoided emissions will grow with the growth of these portfolio companies. Other portfolio companies (the majority) are developing and/or constructing new projects. During the development and construction periods, the avoided emissions are limited and may even slightly grow as the companies expands or due to unavoidable emission during the construction. Once the projects are commissioned and enter into operations, they will generate massive avoided emissions, which is a key dimension in the development of projects. The overall fund GHG emission targets once the number and the categories of projects that have entered in operation is known or at least better estimated. Despite the fact that portfolio companies are mainly active in developing or constructing project, Hy24 is committed to supporting its portfolio companies in keeping their GHG emissions to a minimum, by for instance, helping them secure renewable electricity sourcing options., Hy24 is committed to supporting its portfolio companies in keeping their GHG emissions to a minimum, by for instance, helping them secure renewable electricity sourcing options.

To keep track of its positive impact, **Hy24 collects and reports a set of key performance indicators** ("horizontal KPIs"). These indicators measure the contribution of the Fund to climate change mitigation through its investments by weighing the impact of portfolio companies based on the Fund's share of enterprise value.

A detailed assessment of the 2024 horizontal KPI results for the Clean H2 Infrastructure Fund can be found below:

Indicator	2022	2023	2024
GHG emission intensity of the manufacture of hydrogen	n/a	1 $kgCO_2eq. / kgH_2$	2.6 $kgCO_2eq. / kgH_2$
Avoided CO_2 emissions	1,510 tCO_2eq	2,808 tCO_2eq	7,267 tCO_2eq
Share of renewable energy consumed	58%	52%	45%
Share of renewable energy produced	100%	100%	73%



Hy24 supports its portfolio companies in choosing a suitable accounting methodology for the **calculation of avoided GHG emissions**, considering the best available frameworks. This assistance empowers portfolio companies to select the most appropriate method for setting baseline scenarios and calculating the amount of avoided GHG emissions derived from their products and services.

The decrease observed this year in the shares of renewable energy consumed and produced as well as the increase in GHG emission intensity of the manufacture of hydrogen are due to the acquisition of a portfolio company which produces hydrogen via electrolysis using electricity from the French national grid. Even though this hydrogen cannot be tagged as renewable per se, it is low carbon due to the decarbonised nature of the French electricity mix.

Hy24 does not invest in portfolio companies operating in the coal and non-conventional fossil fuel sectors.

7. Strategy for alignment with long-term biodiversity objectives

As the Fund targets the EU Taxonomy-alignment of its activities, the monitoring and mitigation of biodiversity impact is imperative under the DNSH criteria of the EU Taxonomy, While Hy24 has not yet adopted a biodiversity strategy aligned with the Convention on Biological Diversity, the protection of biodiversity is included in the action plans developed by Hy24 for its portfolio companies and designed to follow the requirements enshrined in the EU Taxonomy: in 2024, Hy24 has verified and reported, each year, that **no activities negatively affected biodiversity sensitive areas and no operations affected threatened species**.[11] This demonstrates Hy24's commitment to use and manage biodiversity in a sustainable way, in line with the Montreal framework.

At Management Company level, Hy24 plans to further develop its biodiversity approach as its project mature and come close to operations, in order to adequately integrate biodiversity in its investment strategy and to prioritise action plans at portfolio company level.

At portfolio company level, the fund supports its portfolio companies by reviewing documentation related to EIA and EIA screening and providing adequate frameworks for biodiversity impact assessment. Due to the industry in which portfolio companies operate, most of their projects require an EIA. If significant environmental impacts are identified as part of the EIA, mitigation and compensation measures are defined and rolled out to before proceeding to further developments. For projects for which no EIA is required, Hy24 checks whether the project is located in or near a biodiversity sensitive area. If so, portfolio companies are required to deploy adequate mitigation measures.

Hy24 will continue monitoring biodiversity related metrics and supporting assets in the completion of biodiversity impact assessment in relation to the objective of EU Taxonomy-alignment of the Fund.

Finally, measures implemented by portfolio companies, with the support of Hy24, to mitigate their impacts on climate change, pollution and circular economy ultimately soften their contribution to pressures on biodiversity and natural resources.

8. Sustainability risks management policy

Hy24 has operationalised the integration of ESG risks through its extensive engagement campaign, where it **supports the continuous improvement of its portfolio companies**. This includes, where relevant, supporting capacity building at portfolio company level to ensure the **necessary capacities exist to manage and deal with ESG risks**.

Among the risks taken into consideration, a **special emphasis** is put to risks associated with **climate change and biodiversity.**

[11] Perimeter: 99% of current value of Hy24 investment.

8.1. Risk management process

Given its size and organization, Hy24 has chosen not to set up a dedicated Risk Committee.

The Risk Management framework is described through the risk management policy overseen by the COMEX and the RCCI through different meeting (Investment Committee, COMEX, Asset Management Committee, Risk & Compliance Committee...). This policy is reviewed annually.

Across the different phases of its investment process, Hy24 ensures the compliance of its portfolio companies with their activities specific EU Taxonomy DNSH criteria and monitors a set of principal adverse impacts (PAIs) metrics, both of which already effectively integrate the management of climate change and biodiversity risks to the investment process.

Climate change impacts constitute a key topic of Hy24's materiality analysis. Climate risks are fully integrated to our decision-making process and closely monitored throughout the holding period of the target investments.

Hy24 consolidates and communicates in an annual report on climate risk through:

- The portfolios' exposure to climate change risks
- The Funds' strategy to contribute with the Paris agreement objectives
- A quantitative estimate of the financial impact of the main ESG risks, including climate change and biodiversity risks.

Biodiversity preservation is a key issue for the energy sector and an essential pillar of the recent French legislation. Consequently, Hy24 conducts a risk analysis of biodiversity issues throughout the investment process in order to:

- Identify the material biodiversity risks faced by the assets
- Be able to closely monitor and communicate over the portfolios' biodiversity footprint. To this effect, Hy24 monitors the number of species covered by the assets' impact assessment and impact mitigation plan.

As part of our commitment to responsible investing and in line with the EU SFDR and taxonomy, Hy24 aims at mitigating the negative impacts of its investment decisions on sustainability factors. Principal adverse impacts are considered through a rigorous selection policy, as well as the analysis, monitoring and support of the investment portfolio using an ESG framework. Those impacts are assessed pre investment and monitored annually throughout the holding period to ensure an improvement of performance across relevant metrics.

As regards environmental criteria, Hy24 particularly focuses on the reduction of greenhouse gas emissions, waste management as well as energy and water consumptions, all specific to hydrogen activities and representing crucial issues for decarbonization.

As regards social criteria, Hy24 pay specific attention to business ethics and transparency, ensuring investees align with the UN global compact principles and OECD guidelines for Multinational Enterprises.

8.2. Overview of the main ESG risks Hy24 is exposed to

Across the different phases of its investment process, Hy24 (1) ensures the compliance of its portfolio companies with their activities' specific EU Taxonomy DNSH criteria and (2) monitors a set of principal adverse impacts (PAIs) metrics, both of which already effectively integrate the management of climate change and biodiversity risks to the investment process. The two subsections below highlight how it is done specifically for each topic

Focus on climate-related risks

Climate change impacts constitute a key topic of Hy24's materiality analysis. Climate risks are fully integrated in the decision-making process and closely monitored throughout the holding period of the target investments. In line with global commitments and the French and European legislations, Hy24 monitors the portfolio exposure to climate change risks and assesses its contribution to the Paris Agreement objective. Hy24 also keeps track of its alignment with the EU Taxonomy climate change mitigation objective by reporting on the compliance with applicable requirements, including requirements relating to climate change adaptation, which require assessments of climate change risks to be performed.

Focus on biodiversity risks

Biodiversity preservation is a key issue for the energy sector, and an essential pillar of the recent French Legislation. Moreover, as the Fund targets the maximum Taxonomy- alignment of its activities, the monitoring and mitigation of biodiversity impact is central in the development of hydrogen production and distribution infrastructures. Consequently, the biodiversity topic is integrated at different stages of Hy24's investment process.

Through its due diligence approach, Hy24 seeks to confirm that the investment target does not significantly harm biodiversity (see 1.2. ESG integration in the investment process above). Based on the due diligence results, the protection of biodiversity is then integrated in the action plans developed by Hy24 for its portfolio companies, with the objective to support them managing their main impacts and mitigating biodiversity risks.

During the holding period, Hy24 supports its portfolio companies by reviewing documentation related to EIA (Environmental Impact Assessment) and EIA screening and providing tools to help identify potential additional biodiversity risks (e.g., identifying the presence of sites in or near biodiversity sensitive areas).

Specific indicators related to biodiversity are monitored during the holding period, pursuant to the Principle Adverse Impact indicators framework, namely: share of investment negatively affecting biodiversity sensitive areas and share of operations affecting threatened species.

9. Assets under management taking ESG quality criteria into account

Hy24 currently manages two funds: The **Clean H2 Infra Fund and the Clean H2 Equipment Fund.** Both funds have **a sustainable investment objective** in the meaning of **Article 9 of the Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures** in the financial sector.

Fund	SFDR Classification	Asset class
Clean H2 Infra Fund	Article 9	Infrastructure
Clean H2 Equipment Fund	Article 9	Private Equity

Hy24's Clean H2 Infra Fund

Hy24's Clean H2 Infra Fund aims to accelerate the global energy transition through **investments in strategic infrastructure projects relying on clean hydrogen**. As such, Hy24 qualifies the **Clean H2 Infra Fund as an "Article 9" fund as defined by the SFDR** and will comply with its requirements.

Hy24's Clean Infra Fund embarked on its investment journey in 2022 with three significant stakes. These included (i) Enagas Renovables in Spain, a company that develops and co-owns assets for renewable energy, renewable hydrogen, and biogas production, (ii) H2 Mobility in Germany, a specialist in the construction and operation of hydrogen refuelling stations and, (iii) Hy2Gen in France, a company aiming to produce renewable hydrogen and its derivatives such as ammonia.

In 2023, Hy24 continued its strategic investments with three additional stakes in companies significantly contributing to the development of clean hydrogen infrastructure. These included (iv) Everfuel in Denmark, a company specialising in the development, distribution, and fuelling solutions for renewable hydrogen, (v) Stegra in Sweden, the world's first large-scale green steel plant, (vi) Elyse Energy in France, a pioneer in the production of e-methanol and sustainable aviation fuels.

In 2023, Hy24 continued supporting companies significantly contributing to the development of clean hydrogen infrastructure with two new investments. These included (vii) Intercontinental Energy in Singapore, a company committed to delivering green hydrogen at scale and (viii) Hysetco in France, a hydrogen mobility start-up offering solutions to facilitate access to hydrogen mobility for professionals[12].

Hy24's Clean Hydrogen Equipment Fund

Hy24's Clean Hydrogen Equipment Fund aims to accelerate and scale-up the commercialisation of technologies, products and services which will enable the integration of renewable and low-carbon energy, clean transportation and the decarbonisation of energy systems through the production, transport, storage, distribution, and use of hydrogen. In 2024, Hy24's Clean H2 Equipment Fund kicked off its investment journey by taking a stake in two companies. These included (i) Hexagon Purus in Norway, a manufacturing company specialised in the production of high-pressure cylinders and systems used to store and transport hydrogen and, (ii) H2SITE in Spain, a manufacturing company that developed a proprietary membrane reactor technology to enable the separation of hydrogen from gas streams and easy-to-transport molecules such as ammonia.

These ten portfolio companies – eight under the Clean H2 Infrastructure Fund and two under the Clean H2 Equipment Fund - represent the perimeter of the period covered by the reporting requirement for 2024. Hy24 Responsible Investment Policy and ESG investment process described in chapter 1.4 apply to all of them. Thus, **all assets under Hy24's management in 2024 have taken ESG criteria into account and respect the entity's ESG strategy.**

---

[12] At the end of 2024, Hy24 also made an investment in Stormfisher, which is a developer, owner and operator of industry-scale production facilities that manufacture green hydrogen derived e-Fuels (e.g., e-Methanol, e-Methane). Because this investment was finalised late in the year 2024, Stormfisher has not be included in the reporting perimeter for this year but will be incorporated for the first time during the next reporting period.

II. Description of the principal adverse impacts of investment decisions on sustainability factors

Summary of the principle adverse impacts

Both CHIF and CHEF are Article 9 funds and, as such all investments are sustainable investments. Based on data reported through PAI reporting and information obtained during its engagement campaign, Hy24 can conclude that no significant harm was done to any environmental and social objectives by the investements made by the funds.

Hy24 tracks all mandatory indicators for principle adverse impacts as well as the following relevant additional indicators ("optional" PAI indicators):

- Existence of a workplace accident prevention policy
- Rate of accidents
- Number of days lost to injuries, accidents, fatalities, or illness
- Share of investments in investee companies whose operations affect threatened species

These additional PAI indicators were selected because of their materiality to the infrastructure development sector, as well as based on reporting requirements from Limited Partners, to ensure that the management company can answer its own reporting obligations.

Description of the principal adverse impacts on sustainability factors
Indicators applicable to investments in investee companies
INDICATORS FOR CLIMATE AND OTHER ENVIRONMENT-RELATED MATTERS

Adverse sustainability indicator (1/3)		2024 Impact	2023[13] Impact	Unit	Explanation	Actions taken, and actions planned, and targets set for the next reference period
1. GHG emissions	**Scope 1 GHG emissions**	**85**	6	tCO2eq.	Perimeter: 100% of current value of Hy24 investment Results explanation: The GHG emissions represent the share of emissions generated by portfolio companies and their projects attributable to the Funds. Hy24 has not used proxy data for the calculation of GHG emissions and relies on company data for all scopes. Hy24's GHG emissions have increased compared to the year prior as **portfolio companies expand their activities** and **Hy24 makes new investments** (e.g., three new investments in 2024). **Scope 1 & 2 GHG emissions are relatively** limited as Hy24 purposefully invests in portfolio companies that produce hydrogen or low carbon gases that meet the criteria to be considered "green" by the EU Taxonomy. Scope 2 market-based GHG emissions related to investments made by CHIF increased compared to the year prior primarily due to the pre-commissioning of hydrogen production tests by the Everfuel – Hy24 JV. The **increase in Scope 3** GHG emissions related to investments made by CHIF significantly increased due, in great part, to a doubling of Stegra's Scope 3 GHG emissions as the company builds a steel plant to produce green steel.	Ambitions and targets: Hy24's investment thesis is based on the belief that, by investing in projects which produce and/or consume clean hydrogen, Hy24 will directly contribute to the avoidance of carbon emissions with a view to support the long-term global warming objectives of the Paris agreements. The focus of the assets is therefore to expand their activities that will contribute to the decarbonisation of the transport and energy sectors, while limiting the emissions related to their operations. Measures and expected evolutions: Given that some of the assets are yet to start or just starting operations, the GHG footprint of the Fund will increase in future years, especially during the construction and deployment of new infrastructure. In addition, Hy24 encourages the expansion of the assessment of Scope 3 emissions. Finally, the alignment of portfolio companies' activities with the substantial contribution criteria to climate change mitigation ensures that they support the energy transition and contribute to the reduction of GHG emissions.
	Scope 2 GHG emissions - MB[14]	**1,216**	304	tCO2eq.		
	Scope 2 GHG emissions - LB[15]	**1,040**	624	tCO2eq.		
	Scope 3 GHG emissions	**30,984**	11,508[16]	tCO2eq.		
	Total GHG emissions - MB[14]	**32,286**	11,819	tCO2eq.		
	Total GHG emissions – LB[215]	**32,109**	12,138	tCO2eq.		
2. Carbon footprint[17]		**56**	35	tCO2eq. / €M investment	Perimeter: 100% of current value of Hy24 investment Results explanation: The carbon footprint of Hy24's investments increased compared to the year prior as portfolio companies' GHG emissions have increased faster than investments with existing portfolio companies expanding their activities.	

[13] 2023 values only cover investments made by the CHIF. The CHEF only made its first two investments in 2024.
[14] Market-based
[15] Location-based
[16] Please note that 2023 Scope 3 GHG emissions have been corrected from 7 335 t CO2 eq. to 11 508 t CO2 eq. as one portfolio company has performed a refined version of its carbon footprint.
[17] Calculated using market-based total emissions

Adverse sustainability indicator (2/3)	2024 Impact	2023[18] Impact	Unit	Explanation	Actions taken, and actions planned, and targets set for the next reference period
3. GHG intensity of investee companies[17][19]	**562**	513	tCO2eq. / €M revenues	Perimeter: 52% of current value of Hy24 investment Results explanation: The GHG emission intensity has increased due to an increase in GHG emissions as described above. A number of portfolio companies are not included in this calculation as they do not generate revenues yet.	See previous page.
4. Exposure to companies active in the fossil fuel sector	**0%**	0%	share of investment	Perimeter: 100% of current value of Hy24 investment Results explanation: In alignment with the Fund investment strategy and Hy24 Responsible Investment Policy, **no investment was made in companies active in the fossil fuel sector**.	Ambitions and targets: Hy24 plans to continue following the investment strategy defined for the Fund.
5. Share of non-renewable energy consumption and production	**27%**	0%	share of non-renewable energy production	Perimeter: 100% of current value of Hy24 investment Results explanation: In 2024, four portfolio companies produced energy (three in CHIF and one in CHEF). Within CHIF, **two portfolio companies produced renewable energy** (e.g., solar electricity, biomethane). **Another portfolio company produced hydrogen through electrolysis powered by the French low carbon electricity grid** (primarily nuclear). Within CHEF, Hexagon Purus has installed some solar PV panel to cover part of its energy consumption.	Ambitions and targets: The goal of the Fund is to **continue producing renewable energy.** To that extent, the energy consumption should also be from renewable sources. Measures and expected evolutions: With the support of Hy24, portfolio companies **develop electricity and hydrogen procurement** that will increase the share of renewable energy consumption over time.
	56%	48%	share of non-renewable energy consumption		

[18] 2023 values only cover investments made by the CHIF. The CHEF only made its first two investments in 2024.

[19] This indicator does not include Elyse, Everfuel – Hy24 JV and Stegra as these companies are not generating any revenue and therefore their carbon intensity cannot be calculated

Adverse sustainability indicator (3/3)	2024 Impact	2023[20] Impact	Unit	Explanation	Actions taken, and actions planned, and targets set for the next reference period
6. Energy consumption intensity per high impact climate sectors	**0.22**	0.17	GWh / €M revenues	Perimeter: 100% of current value of Hy24 investment Results explanation: All companies are classified in high impact climate sectors. In particular, portfolio companies have activities in the sectors of energy manufacture and transport, as well as manufacturing. The increase in energy intensity can be explained by **new projects of existing investee companies** and the **expansion of the portfolio**.	Measures and expected evolutions: Hy24 will support the assets reducing their energy consumption intensity notably through the **limitation of hydrogen leaks** in distribution activities and by **using the most efficient technologies in hydrogen production.**
7. Activities negatively affecting bio-diversity sensitive areas	**0%**	0%	share of investment	Perimeter: 100% of current value of Hy24 investment Results explanation: The protection of biodiversity is **included in the action plans** developed by Hy24 for its portfolio companies. As the Fund targets the EU Taxonomy alignment of its activities, the **monitoring and mitigation of biodiversity impact is central** in the development of hydrogen production and distribution infrastructures. The fund supports its portfolio companies by reviewing documentation related to EIA and providing **adequate frameworks for biodiversity impact assessment.**	Measures: Hy24 will continue monitoring biodiversity related metrics and supporting assets in the completion of biodiversity impact assessment in relation to the objective of EU Taxonomy alignment of the Fund.
8. Emissions to water	**0**	0	tons / €M investment	Perimeter: 98% of current value of Hy24 investment[21] Results explanation: **No portfolio company reported having generated emissions** of phosphates, nitrates, pesticides, or any priority	Measures: Hy24 monitors portfolio companies' potential emissions to water through the ESG Monitoring & Reporting Framework developed for the Fund. Hy24 will continue requesting portfolio companies to report on this indicator in the following years.

[20] 2023 values only cover investments made by the CHIF. The CHEF only made its first two investments in 2024.

[21] Hexagon Purus does not monitor this KPI yet. However, according to the company, there a limited risks of emissions to water.

9. Hazardous waste	**0.03**	0.01	tons / €M investment	Perimeter: 100% of current value of Hy24 investment Results explanation: Seven portfolio companies reported having generated hazardous waste (waste from maintenance process, waste oil, contaminated soil, coolant, heat transfer medium, etc.).	Measures: Hy24 monitors portfolio companies' hazardous waste through the ESG Monitoring Framework developed for the Fund. Hy24 will continue requesting portfolio companies to report on this indicator in the following years.

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Adverse sustainability indicator	**2024 Impact**	**2023[22] Impact**	Unit	**Explanation**	**Actions taken, and actions planned, and targets set for the next reference period**
10. Investment in companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**0%**	0%	share of investments	Perimeter: 100% of current value of Hy24 investment Results explanation: Hy24 controls through its ESG Monitoring & Reporting Framework that **no violation of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights occurred during the reporting year**. This means that portfolio companies declared that the company or its top management were not convicted for a breach in human resources due diligence, anti-corruption, taxation or and fair competition laws.	Measures: The verification of the absence of business ethics and human rights conviction and controversy is part of Hy24's **due diligence process**. Furthermore, during the holding period, Hy24's monitors through its action plan the **implementation of material measures that mitigates the risks of violation of human rights or business ethics principles** in line with the EU Taxonomy requirements regarding minimum social safeguards.
11. Investment in companies with a lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	**8%**	22%	share of investments	Perimeter: 99% of current value of Hy24 investment Results explanation: **Two companies are still in the process of developing policies and procedures** to track their compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises. In practice, these companies present relatively low risks (e.g., no projects in operation). The two companies are expected to have developed such processes and policies in the near future as part of their ESG Action Plan developed by Hy24.	Ambitions and targets: The alignment of portfolio companies' activities with the OECD guidelines for MNEs and the UN GC Principles is **an integral part of Hy24's engagement campaign** as it allows to confirm the compliance with minimum safeguards of the Regulation (EU) 2020/852. Measures: Through its ESG Monitoring & Reporting Framework, Hy24 supported portfolio companies in reinforcing their internal processes and compliance mechanisms. For instance, Hy24 provides technical assistance in the form of trainings. Hy24 also closely follows portfolio companies' commitment to introduce further safeguards before the start of operations.

[22] 2023 values only cover investments made by the CHIF. The CHEF only made its first two investments in 2024.

Adverse sustainability indicator	2024 Impact	2023[23] Impact	Unit	Explanation	Actions taken, and actions planned, and targets set for the next reference period
12. Unadjusted gender pay gap	**15%**	14%	average gender pay gap	Perimeter: 100% of current value of Hy24 investment Results explanation: The indicator ranges from 6% to 41% among companies.	Measures and expected evolutions: Hy24 has included portfolio companies' diversity indicators in the ESG Monitoring Framework developed for the Fund. Understanding the importance of increasing diversity in the hydrogen sector, Hy24 will continue requesting portfolio companies to report on this indicator in the following years as more of its portfolio companies become operational.
13. Board gender diversity	**21%**	10%	percentage of female members in governing bodies	Perimeter: 100% of current value of Hy24 investment Results explanation: The board gender diversity ranges from 0% to 45% in portfolio companies.	Measures and expected evolutions: Hy24 has included portfolio companies' diversity indicators in the ESG Monitoring Framework developed for the Fund. Understanding the importance of increasing diversity in the hydrogen sector, Hy24 will continue requesting portfolio companies to report on this indicator in the following years as more of its portfolio companies become operational.
14. Exposure to controversial weapons (anti-personal mines, cluster munitions, chemical weapons, and biological weapons)	**0%**	0%	share of investments	Perimeter: 100% of current value of Hy24 investment Results explanation: In alignment with the Clean H2 Infra Fund and Clean H2 Equipment Fund investment strategy and Hy24 Responsible Investment Policy, **no investment was made in companies active in the weapons industry**.	Measures: Hy24 does not invest in companies engaged in controversial weapons.

[23] 2023 values only cover investments made by the CHIF. The CHEF only made its first two investments in 2024.

Other indicators for principal adverse impacts on sustainability factors

ADDITIONAL CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS

Adverse sustainability indicator		2024 Impact	2023[24] Impact	Unit	Explanation	Actions taken, and actions planned, and targets set for the next reference period
14. Natural species and protected areas	**1. Operations affecting threatened species**	**0%**	0%	share of investments	Perimeter: 100% of current value of Hy24 investment Results explanation: The protection of biodiversity is **included in the action plans** developed by Hy24 for its portfolio companies. As the Fund targets the EU Taxonomy alignment of its activities, the **monitoring and mitigation of biodiversity impact is central** in the development of hydrogen production and distribution infrastructures. The fund supports its portfolio companies by reviewing documentation related to EIA and EIA screening and providing **adequate frameworks for biodiversity impact assessment.**	Measures: Hy24 will continue monitoring biodiversity related metrics and supporting assets in the completion of biodiversity impact assessment in relation to the objective of EU Taxonomy alignment of the Fund.

ADDITIONAL INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRI MATTERS

Adverse sustainability indicator	2024 Impact	2023[25] Impact	Unit	Explanation	Actions taken, and actions planned, and targets set for the next reference period
1. Investments in companies without workplace accident prevention policies	**6%**	8%	share of investments	Perimeter: 100% of current value of Hy24 investment Results explanation: One portfolio company, at an early development stage has yet to **implement a workplace accident prevention policy**. All the companies with operational infrastructure or activities have workplace accident prevention policies. For companies operating infrastructure projects on which they do not have operational controls, equivalent policies are applied at the project level.	Measures: Through its action plan, Hy24 **supported portfolio companies in implementing workplace accident prevention policies and monitoring safety-incidents.** The existence of policies and management systems to reduce safety risks is an integral part of Hy24's engagement campaign as it

[24] 2023 values only cover investments made by the CHIF. The CHEF only made its first two investments in 2024.

[25] 2023 values only cover investments made by the CHIF. The CHEF only made its first two investments in 2024.

2. Rate of accidents	**13**	0	accidents per millions of hours worked	Perimeter: 100% of current value of Hy24 investment Results explanation: In 2024, accidents were reported by only two portfolio companies. Hysetco, for instance, reported non-lethal accidents primarily linked to maintenance activities at its garage. Due to the nature of Hexagon Purus' activities, employees are exposed to several hazards (e.g., work carried out in height, metal processing), which can lead to accidents. Hexagon Purus has recently formalised Global Safety Rules and implemented a global safety alert mechanism to enhance H&S across its activities. Associated progress should be observed in the coming years.	allowed to confirm the compliance with Minimum Safeguards.
3. Number of days lost to injuries, accidents, fatalities, or illness	**64**	0	days lost	Perimeter: 100% of current value of Hy24 investment Results explanation: In 2024, two portfolio companies reported days lost following accidents occurring in the work place as detailed above.	

III. Appendices

ARTICLE 29 LEC REQUIREMENTS	PRESENT REPORT CORRESPONDING SECTIONS
1° Information related to the general approach of the entity	I. 1
2° Information related to the internal means deployed by the entity	I. 2
3° Information related to the approach of taking into account environmental, social, and governance quality criteria at the level of the entity's governance	I. 3
4° Information on the engagement strategy with issuers or with management companies as well as its implementation	I. 4
5° Information related to the European taxonomy and fossil fuels	I. 5
6° Information on the alignment strategy with the international objectives of limiting global warming provided for by the aforementioned Paris Agreement	I. 6
7° Information on the alignment strategy with long-term biodiversity objectives	I. 7
8° Information on the approaches to taking into account environmental, social, and governance quality criteria in risk management	I. 8