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Demeter, via the Climate Infrastructure Fund (art 9 SFDR), invests in the Swedish company H2 Green Steel. Demeter joins a group of major financial investors amongst them Hy24 as well as several industrial investors from the automotive and steel processing industries. This financing is dedicated to the construction of the world's first integrated, large-scale green steel plant with Europe's largest hydrogen plant, currently under construction.

The Climate Infrastructure Fund is carrying out this operation in association with Hy24 through its dedicated investment vehicle.

H2 Green Steel was founded in 2020 with the ambition of accelerating the decarbonisation of the steel industry, using green hydrogen. The company announced a significant fundraising operation of about €1.8 billion in equity and €4 billion in debt in January. In total funding raised by H2 Green Steel amounts to about €6.5 billion.

The funds raised will finance the construction of H2 Green Steel's large-scale green steel plant in Boden (north of Sweden). The construction works are ongoing since the summer 2022 and the start of operations is planned during 2026.

The plant will allow CO₂ emissions to be reduced by up to 95% compared to steel produced with traditional blast furnace technology. This is made possible by replacing coal in the production process with green hydrogen, produced on-site with one of the world's largest electrolyzers under construction, using electricity from renewable sources. Next-generation technology and digitalisation, together with an unrivalled approach to both circularity and recycling, will make this steel plant the first of its kind in Europe.

Philippe Detours, Managing Partner at Demeter: "Demeter is thrilled to support H2 Green Steel in the financing of this first green steel production unit as well as of the partnership formed with Hy24 for this end. This investment allows us to reaffirm Demeter's commitment to the decarbonisation of the industry and the ambition to strengthen our footprint in Europe".

Pierre-Etienne Franc, co-founder and CEO of Hy24: "We are delighted to have facilitated Demeter's investment, making them the second French player to support H2 Green Steel and the construction of Europe's first integrated large-scale green steel plant. This project represents a significant step towards decarbonizing the steel industry in Europe. We are proud to be part of this momentum, confirming our role as a catalyst in the hydrogen ecosystem

Otto Gernandt, CFO, H2 Green Steel. "Demeter shares our sense of urgency and commitment to accelerate climate action. Their investment is an integral part in what has allowed us to go

from vision to full execution of the world's first large-scale green steel plant. We look forward to a long partnership ahead."

For this transaction, the Climate Infrastructure Fund was advised by Willkie Farr Gallagher (Amir Jahanguiri, Antoine Bouzanquet, Grégoire Finance).

About H2 Green Steel

H2 Green Steel (H2GS AB) was founded in 2020 with the ambition to accelerate the decarbonization of the steel industry, using green hydrogen. Steel, which is one of the world's largest carbon dioxide emitters, is the company's first business vertical. The founder and largest shareholder of H2 Green Steel is Vargas, which is also co-founder and one of the larger shareholders in Swedish battery maker Northvolt. H2 Green Steel is headquartered in Stockholm, Sweden, with its first green steel plant under development in Boden, northern Sweden.

www.h2greensteel.com

[H2 Green Steel raises €1.5 billion in equity to build the world's first green steel plant](#)

About Demeter

Demeter (www.demeter-im.com) is a major European player in venture capital, private equity, and infrastructure investment in the field of energy and ecological transition. Its funds invest between €1 million and €30 million to support companies in the sector at every stage of their development: innovative startups, small and medium-sized enterprises, and infrastructure projects. The Demeter team consists of 38 people based in Paris, Lyon, Bordeaux, Madrid, and Düsseldorf, manages €1.3 billion and has made 230 investments in 17 years. Demeter manages three infrastructure funds: Demeter 4 Infra, the fund Fonds de Modernisation Ecologique des Transports, and the Climate Infrastructure Fund. The Climate Infrastructure Fund involved in this transaction is an Article 9 SFDR fund dedicated to investing in energy efficiency infrastructures in France and Europe.

www.demeter-im.com

About Hy24

The Clean H2 Infra Fund is managed by Hy24, a 50/50 joint venture between Ardian, a world leading private investment house, and FiveT Hydrogen, a clean hydrogen investment pureplay. The world's largest clean hydrogen infrastructure fund results from the initiative of Air Liquide, Total Energies and VINCI Concessions, combined with the one of Plug Power, Chart Industries and Baker Hughes, which were sharing a common objective to accelerate the development of the hydrogen sector. The fund is now up and running with €2 billion of allocations. With strong industrial and financial expertise at its core, Hy24 will have a unique capacity to accelerate the scaling up of hydrogen solutions along the whole value chain: production, conversion, storage, supply and usage. Hy24 will support large early stage and strategic projects into becoming essential energy infrastructures.

www.hy24partners.com

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