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# Why Hydrogen? Why HYDR?

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## Why Hydrogen?

### From Established Industrial Input to Emerging Energy Solution

Hydrogen is a key industrial input for refining petroleum, producing fertilizer, and processing chemicals, as well as a potentially critical source of low-carbon energy. Global demand surpassed 100 million metric tons in 2025, up 3% year over year, driven primarily by these established uses.[1]

Two forces could broaden the opportunity: 1) rising demand for reliable onsite power and 2) investment in low-carbon hydrogen production, further intensified by domestic energy security concerns. Together, these trends could support broader adoption across traditional segments as well as new end uses, such as energy storage, transportation, heating, and hard-to-electrify industries.

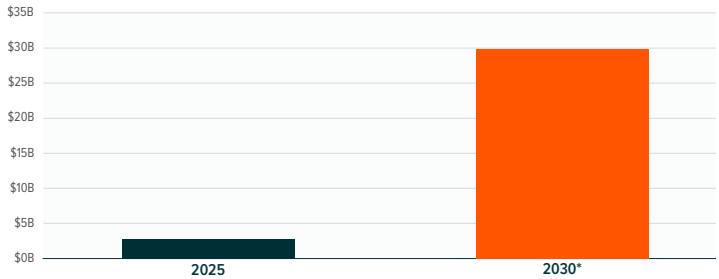
### (1) Data Centers Create New Growth Market for Fuel Cells

- Data centers require reliable, around-the-clock electricity, but grid connections can take years. Fuel cells offer a rapidly deployable onsite alternative that can operate on natural gas or hydrogen. Bloom Energy, for example, delivered a 55MW fuel-cell system to Oracle in 55 days in 2025, more than a month ahead of the initial project timeline.[2,3]

- Nearly two-thirds of data center developers say they would deploy onsite power systems as the primary solution in the event of power grid bottlenecks, rather than relocate or delay operations.[4] As a result, fuel cell technology producers increasingly highlight "bring your own power" trends as a key tailwind.

- Data-center investment in fuel cells is forecast to rise from $2.8 billion in 2025 to nearly $30 billion by 2030.[5] The contracted fuel cell order backlog stands at 9GW, including agreements with Oracle, AEP, Equinix, and Brookfield.[6]

### THE FUEL CELL MARKET FOR DATA CENTERS COULD SURPASS $30 BILLION BY 2030




*Forecast
Source: Rystad Energy. (2026, June 25). Fuel cell investment by data centers set to grow tenfold, reaching $30 billion by 2030.

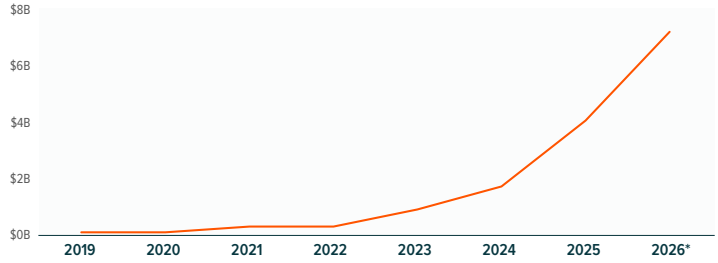
### (2) Low-Carbon Hydrogen Could Expand the Opportunity

- Producers of electrolyzers, which are used with renewable energy to produce emissions-free green hydrogen, could benefit as low-carbon hydrogen production costs fall, and demand and investments rise. Installed electrolyzer capacity could reach 7GW in 2026, up from 4.2GW in 2025.[7]

- Using low-carbon hydrogen can help to reduce emissions in industrial applications, creating a nascent yet growing market for companies throughout the hydrogen value chain.[8]

- Further policy support for low-carbon hydrogen is possible as governments work to derisk energy and industrial processes from global supply shocks.[9]

### INVESTMENT INTO ELECTROLYZER INSTALLATIONS IS EXPECTED TO RISE




*Forecast
Source: IEA. (2026, June 18). Global Hydrogen Review 2026

## HYDR: Delivers Exposure to the Global Hydrogen Industry

### Focus on Pure-Play Companies Across the Value Chain

- The Global X Hydrogen ETF (HYDR) is an index-tracking ETF that targets four Hydrogen Activities: (a) hydrogen production, (b) hydrogen fuel cells, (c) hydrogen technology, and (d) hydrogen integration.

- HYDR primarily targets companies that derive at least 50% of their revenue from Hydrogen Activities, maintaining a strong focus on pure-play exposure.[10]

- Hydrogen production, technological advancements, and demand are not confined to a single region or traditional sector classifications. HYDR invests accordingly, with global exposure across multiple geographies and the hydrogen industry. This allows the fund to capture next-generation energy innovation wherever it emerges.

**Related ETF**

**HYDR – Global X Hydrogen ETF**

*Click the fund name above to view current holdings. Holdings are subject to change.*

## FOOTNOTES

1. International Energy Agency (IEA). (2026, June 18). Global Hydrogen Review 2026.
2. CNBC TV18. (2026, June 22). Voices From the Valley | AI = Power Demand Explosion | Bloom Energy CEO.
3. Bloom Energy. (2026, April 13). Bloom Energy and Oracle Expand Strategic Partnership to Deploy up to 2.8 GW to Accelerate AI Infrastructure Build-Out.
4. Bloom Energy. (2026, June). 2026 Utilities Insights: How Onsite Power Is Becoming Part of the Large Load Strategy.
5. Rystad Energy. (2026, June 25). Fuel cell investment by data centers set to grow tenfold, reaching $30 billion by 2030.
6. Ibid.
7. International Energy Agency (IEA). (2026, June 18). Global Hydrogen Review 2026.
8. Ibid.
9. Ibid.
10. If fewer than 25 pure-play companies qualify, pre-revenue (has primary business operations in Hydrogen Activities but does not currently generate revenue) and diversified (derives less than 50% revenue from Hydrogen Activities) hydrogen companies may be added, up to a combined 10% weight. Please refer to the HYDR fund page for full methodology.