

SICK Video Transcript

Hi. It's another warm day here in the southeastern U.S.. And we'll reach 80 degrees Fahrenheit today ...

Problem is – it's late October and we should instead be close to our first freeze of the season.

But this year, that 1st freeze is still several weeks away.

No matter how you think we got here, there is no doubt the Earth's climate is warming - and driving more severe weather events, disrupting historical climate patterns, and unduly stressing the world's biosphere.

Whether brought on by nature or humankind, we are reaching a planetary thermal tipping point that can no longer be ignored.

While our changing climate clearly presents daunting challenges, there's even bigger upside potential –

this universal call to action provides us all with incredible possibilities for collaboration, innovation, and value creation - instead of obliteration.

SICK is drawing on its 75 years of technical expertise and industrial experience to help enable the global energy transition with its Solutions for Cleaner Industries.

Let's briefly touch on some of the top questions people have about the global energy transition and the world's quest for global net-zero emissions scenario ...

[Just what is the global energy transition?]

The global energy transition refers to the worldwide shift in energy production, distribution & use, along with changes to legacy industrial processes, required to reduce emissions enough to avoid overheating the planet by the end of the century, causing irreparable damage to our biosphere.

Current consensus worldwide strives for net-zero carbon emissions by the year 2050, in order to keep the average global temperature rise to less than 2 degrees Celsius in the year 2100.

Most nations, companies, and organizations are taking these goals very seriously and have publicly pledged support.

[What are the main aspects of the global energy transition?]

The global energy transition primarily involves Cleaning & Greening Industrial & Energy processes & systems, coupled with the implementation of fair & equitable policies to catalyze these colossal transformations.

The chief areas involved in the path to a net-zero global economy include:

- 1) Elimination & Reduction of Harmful Emissions
- 2) Implementation of Policies that Drive Transition Tech, Investment, & Workforce Readiness
- 3) Equitable Global Energy Investment
- 4) Changes in Human Behavior

[What parts of the world's energy system will be impacted by the energy transition?]

The simple answer is – All of the world's existing energy systems – and more – will be impacted.

Every existing & emerging source of energy and industrial production, distribution infrastructure, and utilization will be impacted – and has an important role to play in the energy transition.

The good news is that, while we can always improve technology, all the tech we need to fully transition to a net-zero global economy exists today. It's mostly a challenge of deployment and scale – which means opportunity for almost everyone.

Additionally, no sources of existing energy completely disappear. All net-zero forecasts project the retention of some portion of every existing major energy source. So, everyone gets to continue to play – at least for the next 30 years.

[Which energy technologies will be employed to achieve the global energy transition?]

Similar to the prior question – All energy technologies are expected to play an important role over the next 3 decades minimum of the transition.

The world simply uses too much energy to abruptly switch to only clean renewable sources. While the use of wind, solar, and other renewables has grown rapidly, they still only represent a fraction of the share needed for the world's increasing energy demand.

[What opportunities does the global energy transition present to industrial markets?]

The opportunities for industry overall industrial ecosystem are massive. The overall energy CapEx investment pie will grow tremendously - and has the potential to raise everyone up with that growth.

Estimates of global annual energy investment spend are forecast to increase from the current approximately \$2 Trillion dollars a year to an AVERAGE of \$4 to \$5 Trillion a year – at least until the year 2050 – and probably beyond.

If we consider expected global population growth, coupled with average annual per capita energy consumption forecasts – the new clean power generation and remediation effort required to enable a net-zero world is equivalent to starting up 1 to 2 GigaWatt power plants a day for the next several decades.

The global energy investment we are about to witness is truly historically unprecedented – and I think - extremely exciting.

IPCC's COP26 is just underway in Glasgow - the next time we are together, we should have lots of updates from this important global event to factor into our discussion.

If you'd like to learn more, visit this link, where you can find additional information - and links to many of the latest reference sources and reports.

Be sure to join us for future episodes where we will attempt to distill the latest energy transition developments and trends – and what they mean for the industrial marketplace.

Until then, here's wishing you – a powerful transition.