



NEWS RELEASE

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Alfa Laval and the Long Duration Energy Storage Council release its first report

Today the Long Duration Energy Storage (LDES) Council releases a major report on how energy storage technologies can enable net-zero power grids by 2040. The report, produced in collaboration with McKinsey & Company, details the application of LDES technologies, the flexibility requirements needed in future high-renewables power grids, and an analysis of the investment actions required.

To achieve decarbonization, significant effort must be made to reduce emissions across all sectors. The power sector, which accounts for roughly one-third of global carbon emissions, is central to global decarbonization. Long duration energy storage can cost-effectively store electricity from wind, solar and other renewable sources and then make it available when needed. (Lithium-ion batteries offer another solution but become too expensive for storage beyond eight hours.)

The report concludes that 85-140 TWh of long duration energy storage (>8 hours) can be deployed globally to enable power grids to become carbon net-zero. This will eliminate between 1.5 to 2.3 Gt of CO₂ currently produced annually through allowing grid energy imbalances to be met by renewable sources opposed to fossil fuels, equivalent to 10-15 percent of total emissions in today's power sector.

The report also indicates increasing momentum behind LDES deployment with around \$3 billion invested in LDES technology companies in the last five years, and an expected 25-35 GW /1TWh of capacity to be deployed globally by 2025 with approximately \$50 billion investment.

"We have seen lots of commitments and high ambition levels at COP26, though how we can achieve this is sometimes still unclear. The LDES Council's report highlights, through a wide set of new data, how we can reach a carbon net-zero power grid and the need for immediate action," says Thomas Møller, President of the Energy Division, Alfa Laval.

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Did you know... The LDES Council, announced during COP26 in Glasgow, unites energy companies, technology providers, investors, and energy-users in a CEO-led initiative to cut carbon emissions through the deployment of long duration energy storage.

About the LDES Council

The LDES Council is a global, CEO-led body comprising technology providers, equipment providers, renewable energy companies, utilities, grid operators, investors, and end-consumers. It strives to accelerate decarbonization of the energy system at lowest cost to society by driving innovation, commercialization and deployment of long duration energy storage. The LDES Council provides fact-based guidance and information to governments, industry and broader society, drawing from the experience of its members which include leading energy companies, technology providers, investors and end-users.

This is Alfa Laval

Alfa Laval is a world leader in heat transfer, centrifugal separation and fluid handling, and is active in the areas of Energy, Marine, and Food & Water, offering its expertise, products, and service to a wide range of industries in some 100 countries. The company is committed to optimizing processes, creating responsible growth, and driving progress to support customers in achieving their business goals and sustainability targets.

Alfa Laval's innovative technologies are dedicated to purifying, refining, and reusing materials, promoting more responsible use of natural resources. They contribute to improved energy efficiency and heat recovery, better water treatment, and reduced emissions. Thereby, Alfa Laval is not only accelerating success for its customers, but also for people and the planet. Making the world better, every day.

Alfa Laval has 16,700 employees. Annual sales in 2020 were SEK 41.5 billion (approx. EUR 4 billion). The company is listed on Nasdaq Stockholm.

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