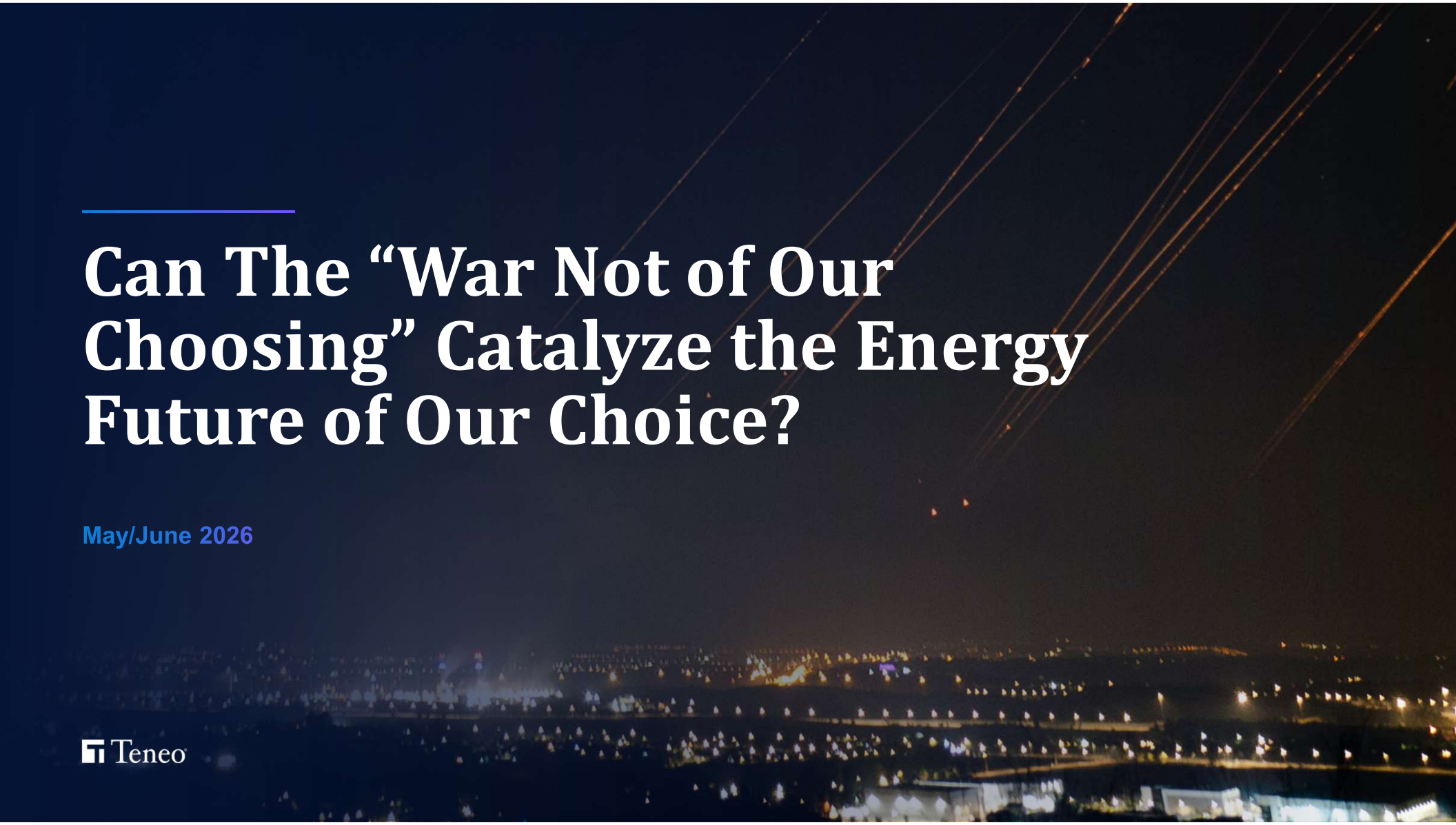

Can The “War Not of Our Choosing” Catalyze the Energy Future of Our Choice?

May/June 2026

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Overview

Understanding the Geopolitical Context

Great Power Competition and Economic Coercion

Regional fragmentation and hoarding

Energy Coercion as a tool of Statecraft

Vietnam moment for **Asymmetric Warfare**

Fundamental realignment of Alliances



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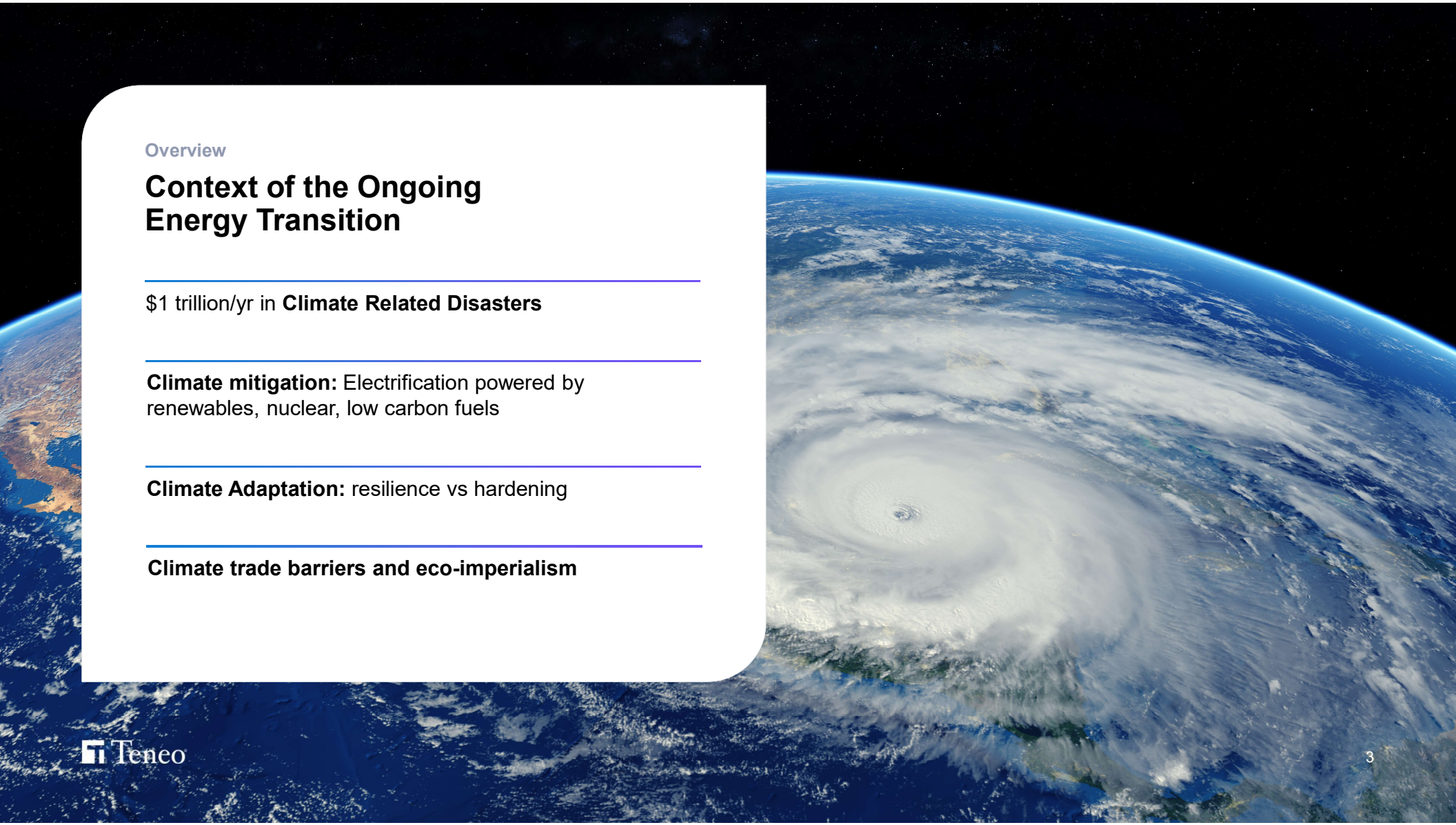

Overview

Context of the Ongoing Energy Transition

$1 trillion/yr in **Climate Related Disasters**

Climate mitigation: Electrification powered by renewables, nuclear, low carbon fuels

Climate Adaptation: resilience vs hardening

Climate trade barriers and eco-imperialism

The current energy industry landscape is facing more significant uncertainties and potential major inflection points than at any time since the 1970s

Key areas of uncertainty

Market	• Commodity market volatility (energy, minerals, food) • Traditional Capital markets stretched • Generational Customer preferences & Affordability
Technology	• Renewables and storage costs plummet due to overcapacity • Emerging innovative technology (e.g. geothermal, nuclear fusion) • AI / robotics / quantum acceleration / cyber security
Policy & Regulatory	• EU, China, India, Japan, Korea committed to energy transition • US reversal of policy • China, India, Gulf States proven ability to build large infrastructure
Geopolitics	• Iran-US war plus Trade wars impacting supply and demand • Disruption to freedom of the seas from global conflicts • Likeliness of global climate agreements
Climate	• Extreme weather events • Resiliency / reliability challenges • Timing and impact uncertainty

Section 01

The Reality of the Day After

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The Reality of the Day After

The Legacy of US-Israel-Iran War

How the **US-Iran War Energy Crisis** is Different

Broader than a single energy commodity: Entire energy complex and critical raw materials commodities disrupted

Not just a price shock, but physical **reduction in supply creating real scarcity**

Geographical differentiated: Asia hit hardest, EU specific sectors, US comparatively insulated

Energy infrastructure and supply chains will take years to renormalize (2027-2029) and new Gulf infrastructure to bypass Hormuz

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The Reality of the Day After

The Legacy of US-Israel-Iran War

Cascading and Complex web of Impacts

Direct energy scarcity: fuel, power, mobility

Petrochemicals costs & supply: manufacturing of auto, plastics, textiles, packaging, medical supplies and pharmaceuticals

Fertilizer prices will create **food crisis**

Helium exposes high technology in semiconductors, MRIs, data centers

Trade routes and logistics will adjust at higher costs and take years to renormalize (2026-2028)

Macroeconomic impacts of high inflation, interest rates, and weak country recessions in Asia, Africa and Latin America

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The Reality of the Day After

Misleading Markets:
The Great Lie about the Great Game

Market behavior – pricing risk but

Not Pricing Scarcity: Asian Spot $30/bbl over Brent Futures

Inventories masking Economic Pain of Scarcity
– many will exhaust by end May or June

Supply Chain Nationalism widens wealth gap

Widespread Disinformation to Avoid Panic and Unrest

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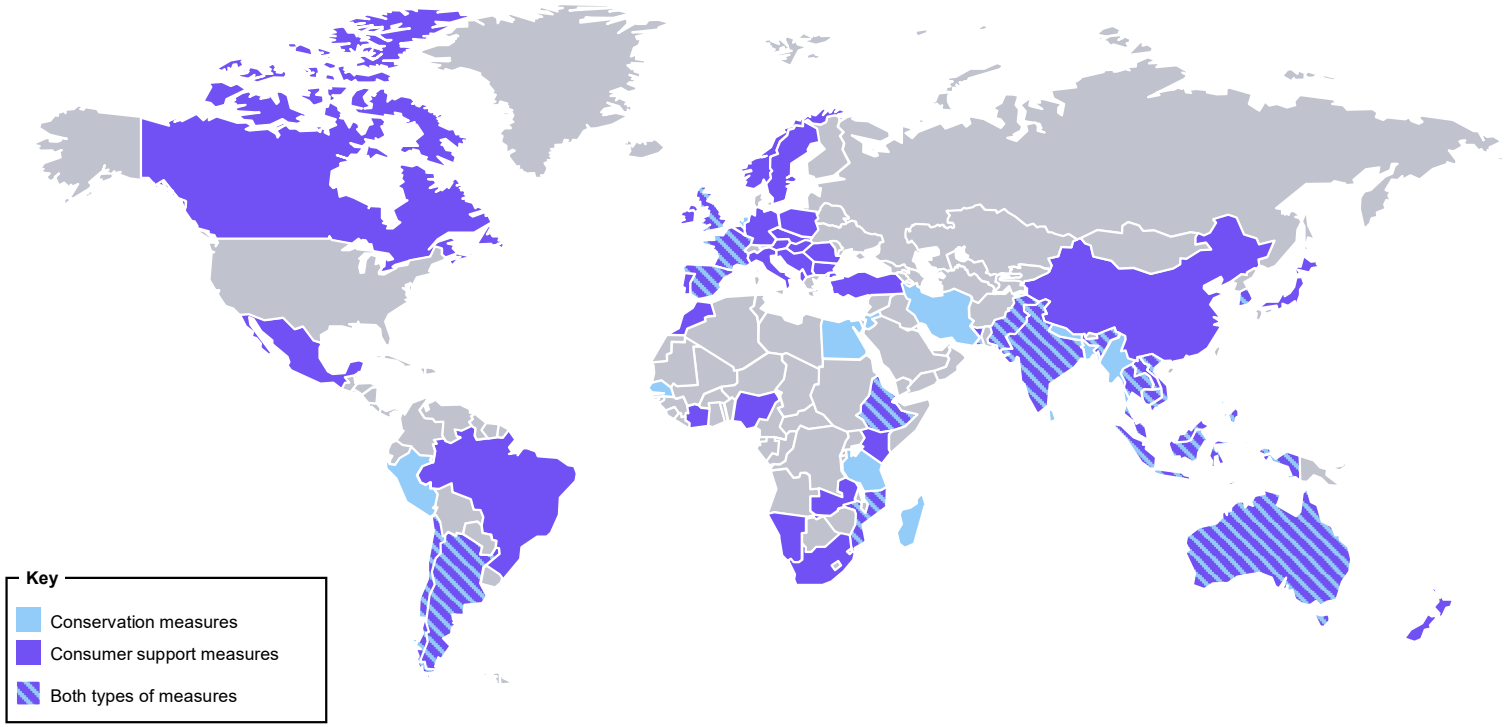
The energy supply chain disruptions caused by the US-Israel-Iran conflict and blockade of the Strait of Hormuz are triggering policy responses throughout the world

Energy crisis demand response policies by type[1]



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Source(s): \
Note(s): 1. Policy mapping as of 5/4/2026; 2. Kpler volume disruption estimates as of 5/7/2026, 3. Global strategic crude inventories based on EIA global estimates, subtracting 400 million barrels announced in the IEA drawdown of 4/11/2026

Section 02

The Future of Our Choosing

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What We Have Learned

Diversification and Storage Worked for Wealthy Nations and Large Corporations

Electrification Combined with renewables mitigated fossil dependence

Single point of failure = unacceptable risk

Hidden Vulnerabilities Exposed

Energy Security Infrastructure matters

The Future of Our Choosing

One World:
Four Realities

- The Long and the Short of It: EU, Japan, Korea are ExJ short of energy and will always import
- Petrostates have dominated energy exports and use energy coercion as foreign policy
- Most developing economies are vulnerable, particularly in South Asia, SE Asia, and South/Latin America, but have choices
- Energy and Capital Impoverished nations may driven deeper into poverty

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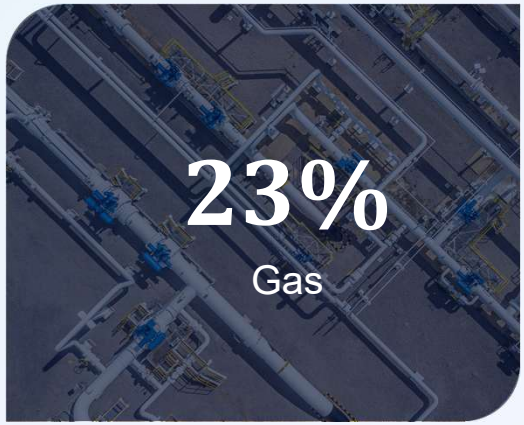
Energy Balances 2026:
Coal & Oil Is Still King, But Gas and Renewables Taking Share

- **Total energy demand rose over 40% since 2000** to ~590 EJ, coal and oil absolute use rose to 190 & 175 EJ, even as **energy intensity MJ/$ dropped 28%**
- **Electrification is accelerating up ~95% to 30 Pwh. Grid architecture critical to security**
- **Share of Coal in power has steadily declined over 20 years, but absolute use rose**
- **Renewables are 80% of new power capacity and power output from new renewables exceeded energy growth in 2025- but are only 33 EJ**
- **Gas growth as decarbonization bridge now in question given new price plateau of risk in LNG imports**
- **Oil projected to decline in last domain, transport, due to EVs, by 2035**



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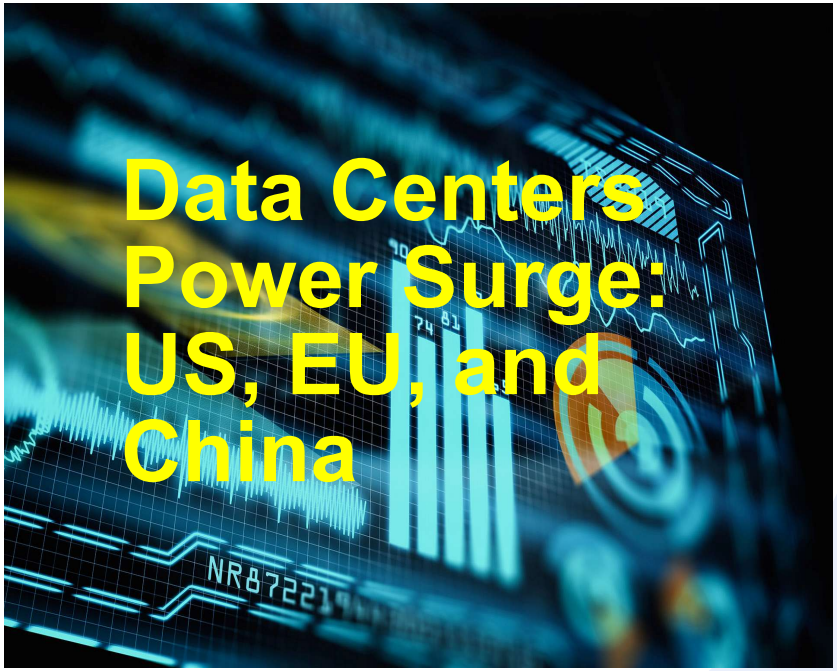
Data Centers



Globally Data centers reach 1,000 TWh (1PWh) by 2030, - 10% of global electricity growth

82% of likely data centers are concentrated in US, EU and China. Data Centers are mostly in clusters and near urban areas in the 200MW—1 GW range

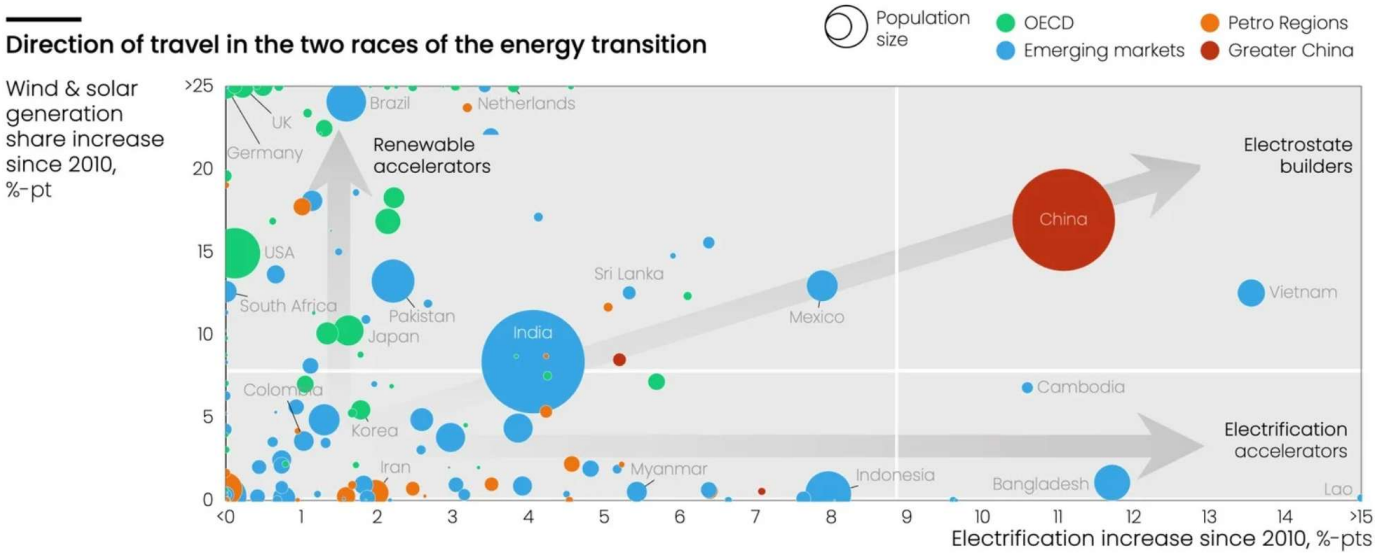
In US data centers are a major issue:

50% of electricity growth through 2030

Regional concentration in PJM, ERCOT, ECAR outstrips grid and utility generation capability to grow, raising rates

Speed to Power means "behind the meter" as storage prices fall with "all of the above" is now the dominant energy supply approach

The Great Choice: Electrostates or PetroStates?



Sources: IEA WEB; Ember; Ember analysis • Note: Shown values cut off at 0-25% for wind & solar and 0-15% for electrification rates

The Future of Our Choosing

Energy Security Will Reshape Economies, Geopolitics and Climate Politics

Responses from past crisis where structural fossil demand destruction

Energy security within the grasp of post nations but also businesses and individuals

Accelerates China's new economy dominance (critical minerals, technology, Evs)

Limits, but does not eliminate future coercion from petrostates

Climate mitigation as the byproduct, not the driver

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Our Choices Matter

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