From shareholder
to stakeholder value
INDUSTRY 5.0
human-centric, sustainable
and resilient
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Horizon Europe launch event – Istanbul 22/03/22
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European
Commission

Priorities of the European Commission (2019-2024)

- ✓ A European Green Deal
- ✓ An economy that works for people
- ✓ A Europe fit for the digital age
- ✓ Protecting our European way of life
- ✓ A stronger Europe in the world
- ✓ A new push for European democracy

European Commission

Industry 5.0

Industry 5.0 *recognises the power of industry to achieve societal goals beyond jobs and growth to become a* ***resilient provider of prosperity****, by making production* ***respect the boundaries of our planet*** *and placing the* ***wellbeing of the industry worker*** *at the centre of the production process.*

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Why Industry 5.0?
REDUCED COST due to resource efficiency
EMPOWERED WORKERS remaining in control
Competitve industry by ATTRACTING BEST TALENT
Adapted TRAINING FOR EVOLVING SKILLS
Industry 5.0 is a SOLUTION PROVIDER for people and for our planet
Improved SAFETY and WELL-BEING
COMPETITVE EDGE in new markets
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Industry that Works for People

- From technology-driven to **human-centric approach**
- **Safe** and **qualitative** jobs, **wellbeing** of the worker
- **Empowered** and **engaged** workers
- Technologies to **enhance** workers' **capacities** and foster **creativity**

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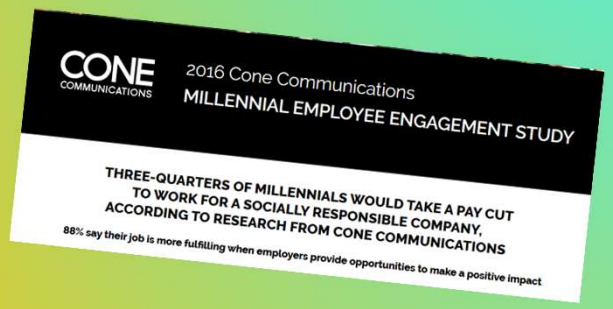
Attracting the best talents

- Scarce skillsets in the digital age
- Young people want employers who share their values

By 2025, 75% of the workforce will be millennials.
75% of millennials would take a pay-cut to work for a socially responsible company.
40% of millennials said they have taken one job offer over another because of the company's sustainability.
Nearly half of Generation-Z says they would prioritize a job offer that gives them mobility, freedom, and flexibility.


CONE COMMUNICATIONS

2016 Cone Communications
MILLENNIAL EMPLOYEE ENGAGEMENT STUDY

THREE-QUARTERS OF MILLENNIALS WOULD TAKE A PAY CUT TO WORK FOR A SOCIALLY RESPONSIBLE COMPANY, ACCORDING TO RESEARCH FROM CONE COMMUNICATIONS

88% say their job is more fulfilling when employers provide opportunities to make a positive impact

Article

The Deloitte Global Millennial Survey 2020

Millennials and Gen Zs hold the key to creating a "better normal"

Deloitte research reveals "resilient generations." In the face of unprecedented health and economic disruption caused by the COVID-19 pandemic, millennials and Gen Zs express resolve and a vision to build a better future.

World Economic Forum: creativity #3 most important skill in 2020, after critical thinking and problem-solving.
50% of all employees will need reskilling by 2025, as adoption of technology increases
LinkedIn: creativity is #1 top skill companies need.

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Sustainable Industrial Production

- Resource efficiency = doing “better with less”
- Circular and regenerative economy
- Lead the Twin transition
- Help reach Sustainable Development Goals (SDGs)

  “Industry, Innovation and Infrastructure” (#9) and

  “Responsible Consumption and Production” (#12)

Industry is responsible for 15 % of the EU’s emissions.
Between 1990 and 2019, the EU industry reduced its CO2 emissions by 40% (compared to 25% overall reduction).
Between 1990 and 2016, the energy efficiency of industry in the EU improved by 38%, or 1.8% per year.

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Resilient industry

- Response to geopolitical and climate challenges
- Flexible and adaptable technologies
- Right skillsets
- Revisiting supply chains
- Societal role of industry

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Industry 5.0: Making It Happen

Concrete **actions** are needed, in a wide range of **policies**, including:

- **environment**: industrial waste prevention, secondary materials markets, …
- **technology**: R&D for human-centric technologies, …
- **education**: develop STEM skills, women's engagement, entrepreneurial skills, …
- **employment**: evolving skills needs & employability, labour market transformation, …
- **social:** social security, inclusiveness, …
- **regional**: supporting European regions facing major transitions, …
- **taxation**: tax policies for industry promoting green, human-centric industry

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How EU-funded research contributes to Industry 5.0

Some examples

1 BEYOND 4.0

Examining the future impact of new technologies on **JOBS**, **BUSINESS MODELS AND WELFARE**

2 HuMan Manufacturing

Demonstrating ways **FACTORY WORKERS AND AUTOMATION** can operate in harmony, increasing productivity, quality, performance, satisfaction and safety

3 KYKLOS 4.0

Showing how cyber-physical systems, product life-cycle management, life-cycle assessment, augmented reality, and artificial intelligence technologies and methods can transform **CIRCULAR MANUFACTURING**

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Industry 5.0: Latest

- **Industry 5.0 Award**: recognising the contribution of EU-funded projects whose results make European industry more resilient, sustainable, and human-centric
  - ✓ Deadline for applications : 1 April 2022
- **ESIR expert group report** and dialogue with industry leaders in Spring 2022
  - ✓ 'Industry 5.0: A Transformative Vision for Europe - Governing Systemic Transformations towards a Sustainable Industry'
- **Venture Capital fund** (Momenta) on Industry 5.0

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https://ec.europa.eu/info/research-and-innovation/research-area/industrial-research-and-innovation/industry-50_en

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