

PRESS
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EDISON AND THE EUROPEAN HOUSE – AMBROSETTI PRESENT THE STUDY "TOWARDS THE SOCIETY OF THE FUTURE: HOW WE WILL LIVE, WORK AND RELATE, AND THE ENERGIES OF TRANSFORMATION"

- *The study inaugurates the celebrations of the 140th anniversary of the founding of Edison, Europe's oldest energy company, which began its operations in Milan in December 1883, initiating the process of electrification in the country and on the continent. The Studio aims to promote strategic reflection with respect to the evolutions that will shape the Society of the Future*
- *A survey of 500 young people and 500 Italian companies found that the ecological transition is now a shared priority among young people and companies in Italy (7-out-of-10 young people and 6-out-of-10 companies see it as the key determinant for the transition to the Society of the Future)*
- *6-out-of-10 young people perceive the evolutionary path of society to be distant from their own ideals. The urgency of taking action to narrow this gap translates into commitment and a sense of responsibility towards the community and the territory: 3-out-of-4 young people see the role of the public sector (schools and institutions) as a key pillar in facing the future*
- *Companies are facing change: nearly 1-in-2 companies are pursuing investments and plans to implement the ecological transition, and for more than 60 percent technological innovation will result in increased employment*
- *The energy sector, the leading economic sector in Europe and Italy in terms of investment intensity (accounting for 39% of the value added generated) is key to enabling the social and economic progress that will lead to the Society of the Future by supporting new production chains, and promoting models of widespread and responsible involvement and a sustainable and safe ecological transition*

Cernobbio, September 2, 2023 – Energy, which has always accompanied every evolution of society, is the key enabling factor to substantiate the path to a Society of the Future that expresses the achievement of full social, cultural and economic progress by combining ecological transition, sustainability, equality and inclusiveness.

This is the finding of the study "Towards the Society of the Future: How we will live, work, and relate, and the energies of transformation," carried out by Edison and The European House – Ambrosetti anticipated today, as part of The European House – Ambrosetti Forum, at a press conference attended by Valerio De Molli, Managing Partner and CEO of The European House – Ambrosetti, Nicola Monti, CEO of Edison, and Ferruccio Resta, President MOST - National Center for Sustainable Mobility, President of Fondazione Bruno Kessler, Professor at the Politecnico di Milano and member of the Advisory Board that oversaw the development of the research.

"Today, in a context of growing environmental and social challenges, the enabling role of the energy system for human progress takes on unprecedented significance." Commented

Nicola Monti, CEO of Edison. *"Indeed, the need to pursue sustainability and inclusiveness goals makes energy a key factor in achieving an equitable and environmentally friendly future: suffice it to think that among the Sustainable Development Goals defined by the United Nations, 6-out-of-17 (and 28 targets) are directly impacted by energy. This crucial role will only intensify thanks to the frontiers opened by research, innovation and investment: already today, in fact, energy is the first economic sector at the European and Italian levels in terms of investment intensity (39% of the added value of the sector in both cases, for a total value of 90 billion in the European Union). The solutions that are still being studied today and the new energy resources that will be introduced and applied become the other fundamental building blocks with which we will be able to build the Society of the Future, the one characterized by a model of energy that is sustainable (economically, environmentally, socially, technologically), safe, widespread and participatory, with the direct involvement of all public and private stakeholders, collective and individual, and the full development of renewable sources and energy and environmental services."*

*"The last few years have been characterized by a 'permanent state of crisis': from the pandemic to the Russian invasion of Ukraine to the return of inflation and the various climate emergencies that have affected our country and all of Europe, the word crisis has never disappeared from the headlines," commented **Valerio De Molli, Managing Partner and CEO of The European House – Ambrosetti**. "In this general picture, it is even more crucial to ask ourselves what the Society of the Future will look like and what medium- to long-term prospects it will be able to offer its key players. Important positive messages emerge from this study, which has a strong value of strategic direction and which brings into system the evidence of extensive listening to the protagonists of change such as the country's young people and companies. On the one hand, the shared belief of the opportunity associated with the ecological transition: 7-out-of-10 young people and 6-out-of-10 companies believe it is the priority for the Society of the Future. On the other hand, confidence in the role of technological innovation in a context where 7-out-of-10 young people see digital as an integral part of their daily lives. Sharing the goal of ecological transition and trust in technology are thus the best response to the permanent crisis of recent years."*

*"The study highlights how young people see investments in the education and training system, the enhancement of the role of the community and the public sector, and the commitment to the ecological transition as tools to achieve a more sustainable and inclusive society. In parallel, companies are aware of what energies and forces we can count on to change the course of events, starting with research and development activities" commented **Ferruccio Resta, President MOST - National Center for Sustainable Mobility and President Fondazione Bruno Kessler**. "Understanding the transformative trends and imagining the strategies to deploy is a priority that involves all of us and calls us to a sense of collective responsibility. The value of this study lies in the desire to give authentic meaning to values such as sustainability and inclusion, but rediscovering the courage to talk about a society that must continue to create wealth: economic, cultural and social wealth."*

Through an analysis of the main drivers of change, the study identified 3 mega trends that will impact the development of the Society until 2050: **global geopolitical and economic dynamics, demography, and technological evolution**. The most evident trend related to the current geopolitical context concerns the new bipolarization taking place in the international system between the Western bloc and the Sino/Russian bloc complemented by a heterogeneous group of countries that prefer "variable geometry" and multidimensional partnerships depending on the strategic interests at stake from time to time. In turn, the evolution of the international system also involves a reorganization of global value chains,

starting with industrial sectors deemed strategic and technology-intensive. The current trend, then, appears to be **the redefinition of international trade within a fragmented globalization divided among geographic areas of competence.**

In parallel, the demographic context sees the combination of two different factors: on the one hand, a strong **change in the demographic weights of different regions** of the world is visible. In particular, Europe's share of the global population is expected to reach 7 percent by 2050, down 13 percentage points from 1960 and 2 percentage points from 2022. In mature economies, the demographic scenario also implies population aging: in Italy, the over-65 population is now 23.5 percent of the total and could rise to 34.9 percent of the total by 2050.

The third macro-trend identified in the study concerns **technological acceleration** related, first and foremost, to the increasingly pervasive process of digitization. In the most recent period, technological acceleration has been associated with the development of **generative Artificial Intelligence**: ChatGPT was the fastest app to reach 100 million monthly users, taking only 2 months. The development of Artificial Intelligence has thus become a central issue in the international competitive scenario with all major countries committed to gaining a competitive advantage from its application.

In order to better qualify the perspective of the future and perceptions with respect to Italy's priorities for action, **two surveys were conducted directed at the key players** in this process of change, namely young people (16-26 years old) and the country's companies. On the one hand, today's youth are the adults in the Society of the Future and will measure its evolution and achievements from their current expectations. Companies, on the other hand, have an essential role in this evolutionary process as they are called upon, already today, to promote investments and changes necessary to build the new reference context.

From the study, the sense of opportunity arising from the ongoing processes of change is clear: **ecological transition** is now a priority shared by young people and companies in Italy. **7-out-of-10 young people and 6-out-of-10 companies** see the ecological transition as the **key feature** for the transition to the Society of the Future. In addition, young people match the priority for sustainability with an evolution in values that focuses on inclusiveness, a sense of community, and the promotion of the common good. Moreover, the priority assigned to the ecological transition by young people and companies is linked to the fact that for more than two-thirds of the country's companies, **the current economic model has not contributed to sustainable development, with 6-out-of-10 companies deeming the attention paid to inclusiveness, economic growth, environmental protection and the resilience of production systems insufficient.** Consistently 7-out-of-10 young Italians think about the future with uncertainty.

Another central aspect that emerges from the study concerns **the need to accelerate the pace of transition** by maintaining a strong focus on community, territory and the public sector. The urgency to act to narrow the gap between the desired and the realistically envisaged future translates for young people into **commitment and a sense of responsibility towards the community and the territory**: 3-out-of-4 young people see the role of the public sector (schools and institutions) as a key pillar in facing the future. In parallel, companies are also facing change: **nearly 1-in-2 companies are already pursuing plans to implement the ecological transition**, although **greater political commitment and institutional support** for the transition is required by 4-in-10 Italian companies.

Technology obviously plays a key role in this process of change: for more than 7-out-of-10 young people, digital is an integral part of everyday life and a powerful tool for social

interaction. However, to drive the change toward "Society 5.0" - which puts human well-being at the core through technological convergence - requires a **strengthening of the educational system** (for almost 2-out-of-3 young people), **with a greater focus on issues of ethics, technology and sustainability as well as technical skills** (mentioned by almost 1-in-2 companies), which are necessary to fully seize the opportunities of the technological transition.

Finally, in this evolutionary scenario, it must be stressed that any progress in the human economic and productive system goes hand in hand with a change in the energy system, and the shift towards the Society of the Future paradigm is no exception. Energy is the sector with the largest and most widespread **impact on the achievement of the Sustainable Development Goals** (6 SDGs and 28 targets), is the leading economic sector in Europe and Italy in terms of **investment intensity** (accounting for 39% of the added value generated), and will enable new production chains, models of widespread and responsible involvement, and a sustainable and safe ecological transition.

The study identifies a **possible development paradigm (the "Society 5.0")** that aims to be prosperous by having the **well-being of people** at its core ("human-centered society") according to **principles of equity, security, sustainability and inclusiveness**. Moving toward a Society of the Future thus characterized means rethinking operational models related to three key dimensions of human development, which are described in the study, namely **new cities (how we will live), new production and organizational models (how we will work), and new communities (how we will relate)**.

In this multidimensional framework, **energy constitutes the enabling factor for most of the evolutionary paradigms presented, and thus the associated benefits**. In cities, through the development of more efficient and sustainable energy systems to support mobility and living places; in companies, by guiding the path of transition of production-organizational models towards sustainability goals, through green technologies and paradigms, and according to collaborative principles (thanks to industrial districts); in communities, by placing the issue of coexistence with the environment and other actors at the center of new training and educational models, thus affirming it as a fundamental social principle.

In conclusion, the study helps highlight the importance of looking to the future, thinking about the challenges we face but also the opportunities available to us: in other words, the **fundamental need to manage change (technological, environmental, geopolitical, social)**. Looking ahead to 2050, there emerges the progressive affirmation of an energy model that is (economically, environmentally, socially, technologically) **sustainable, safe, widespread and participatory**, with the direct involvement of all public and private, collective and individual stakeholders, with increasing commitments to structured dialogue, and the full development of renewable sources, new technologies, and energy and environmental services, and renewed potential for these systems to empower the new ways of living, working and relating.

Edison

<http://www.edison.it/it/contatti-2>; <http://www.edison.it/it/media>

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Edison

Edison is a leading energy company, with 140 years of history and records that make it the oldest player in the sector in Europe. The company, which started its activity in Milan in December 1883, ushered in a new era through the Country's electrification process, making a tangible contribution to Italian social, cultural, economic and industrial progress. Today Edison employs over 5,500 people, operating in Italy and Europe in renewable and low carbon production, in the procurement and sale of natural gas, in sustainable mobility, and through Edison Energia and Edison Next in energy, environmental and value-added services for customers, companies, territories and Public Administration. The Group is at the forefront of the challenge of energy transition, in line with the UN Sustainable Development Goals and European decarbonisation policies. Edison has a highly flexible and efficient electricity generation park, made up of 200 plants including hydroelectric, wind, solar and high-efficiency gas-fired combined cycle thermoelectric plants for a total power of approximately 7 GW; and satisfies the supply of LNG and natural gas to the country, thanks to a large and highly diversified portfolio of 12.6 billion cubic meters per year.