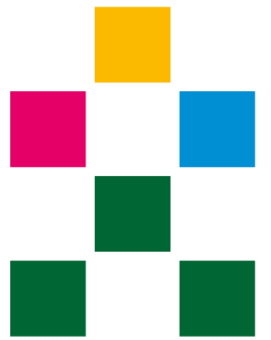


Politecnico di Torino, 4th April 2022



Fondazione
Compagnia
di San Paolo

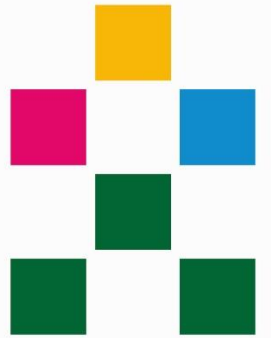
EIC, ERC and Financing Innovation Views, interlinkages and opportunities

Prof. Francesco Profumo

Chairman, Fondazione Compagnia di San Paolo

EIC Board Member

Agenda



The rationale for EIC

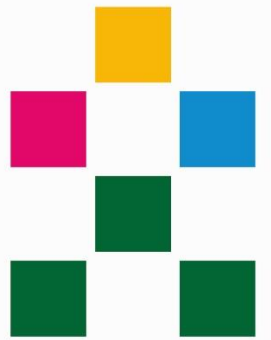
EIC in full swing, some results and lessons learnt

Compagnia di San Paolo as an ecosystem developer

Connecting EIC to the Torino ecosystem



Problem setting on market-creating innovation



Europe is an extremely knowledge-intensive society...

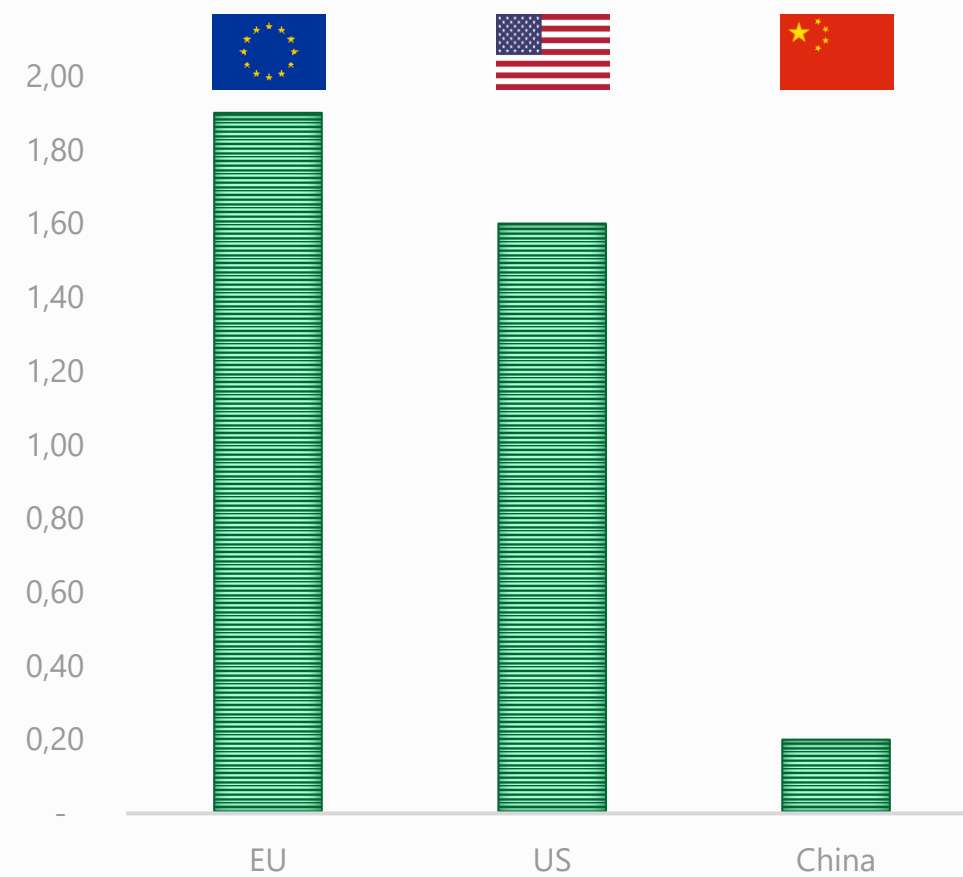
Europe secured a global leadership position in:

PHD GRADUATES

RESEARCH PERSONNEL

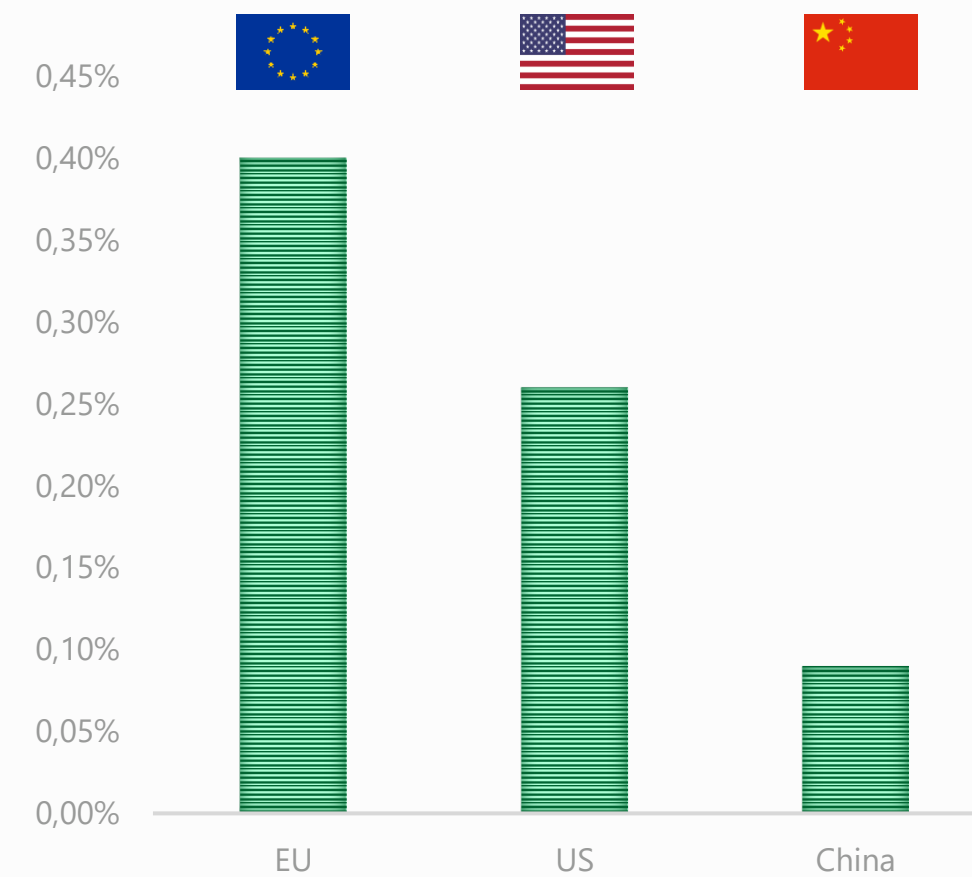
PAPERS PUBLISHED

NEW DOCTORAL GRADUATES PER THOUSAND POPULATION AGED 25-34



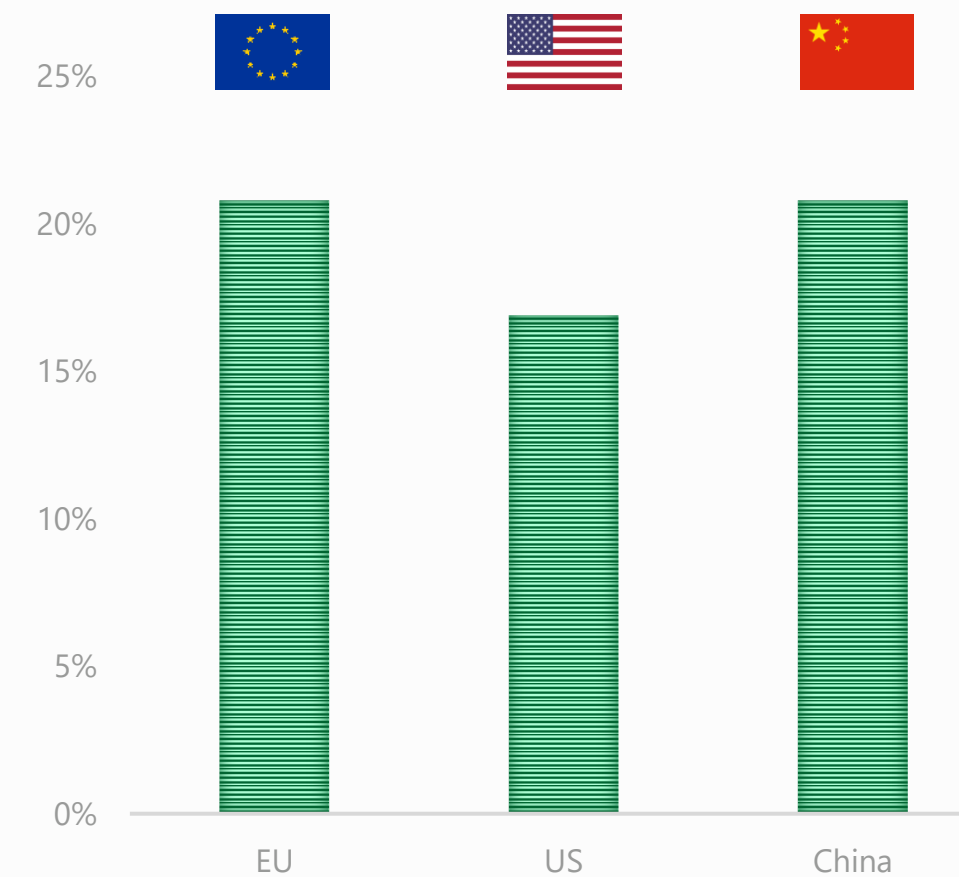
Source: data from Eurostat, OECD, World Bank

RESEARCHERS EMPLOYED BY THE PUBLIC SECTOR AS % OF TOTAL EMPLOYMENT



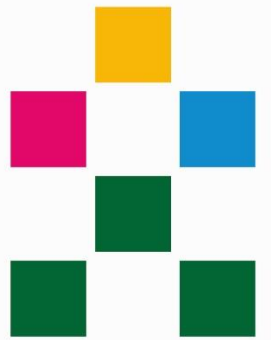
Source: data from Eurostat, OECD

WORLD SHARE OF PEER-REVIEWED SCIENTIFIC PUBLICATIONS



Source: data from European Commission

Problem setting on market-creating innovation (cont'd)

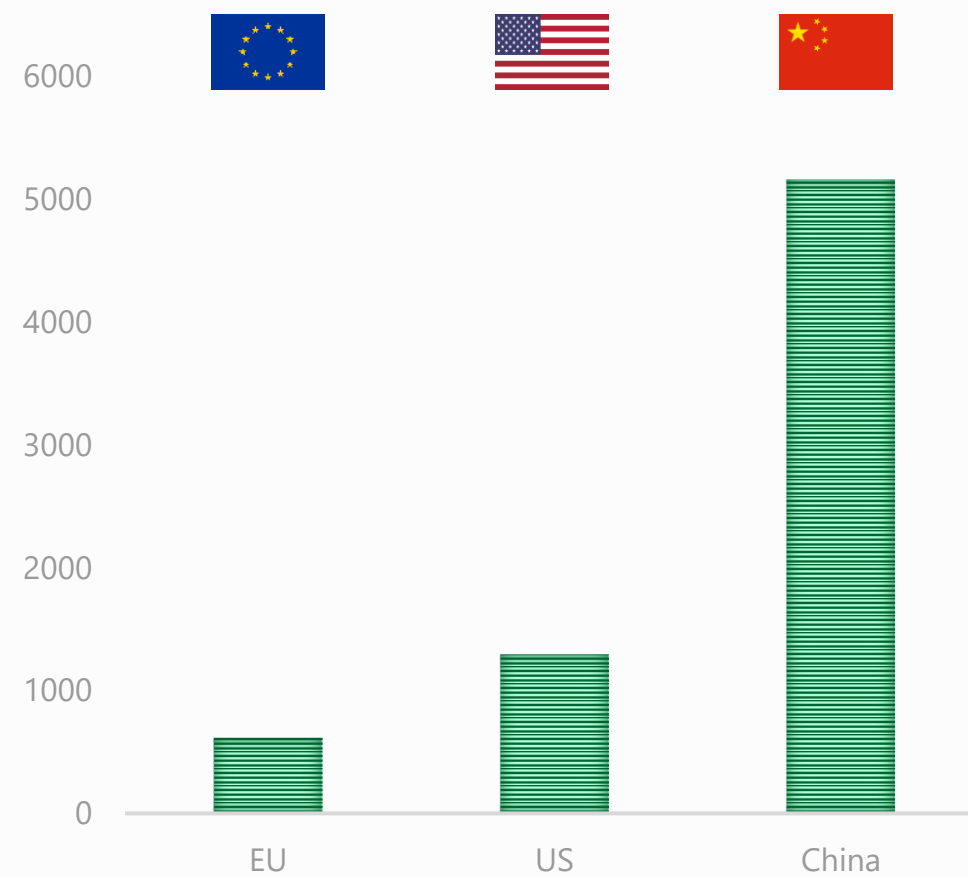


... but this knowledge-intensity is not sufficiently reflected in its industrial outputs

Europe lags behind in terms of:

DEEP-TECH ENTREPRENEURSHIP

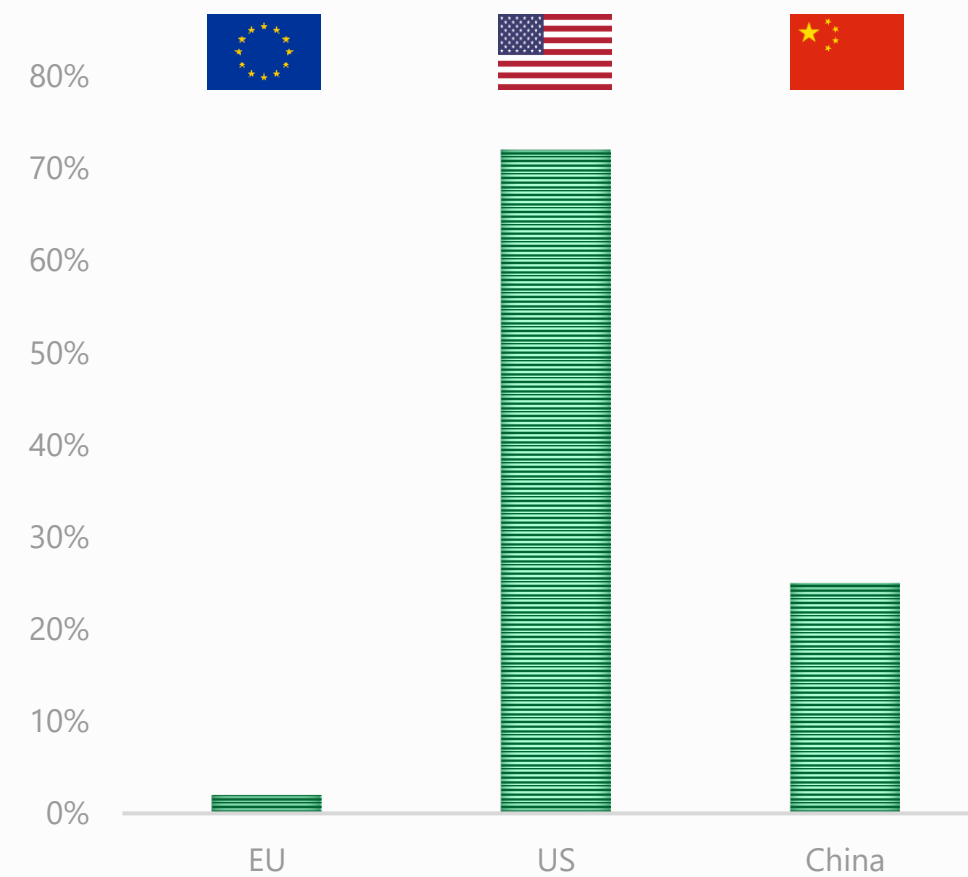
NUMBER OF FIRMS ACTIVE IN PATENTING IN THE AI DOMAIN



Source: data from European Commission

PLATFORM ECONOMY

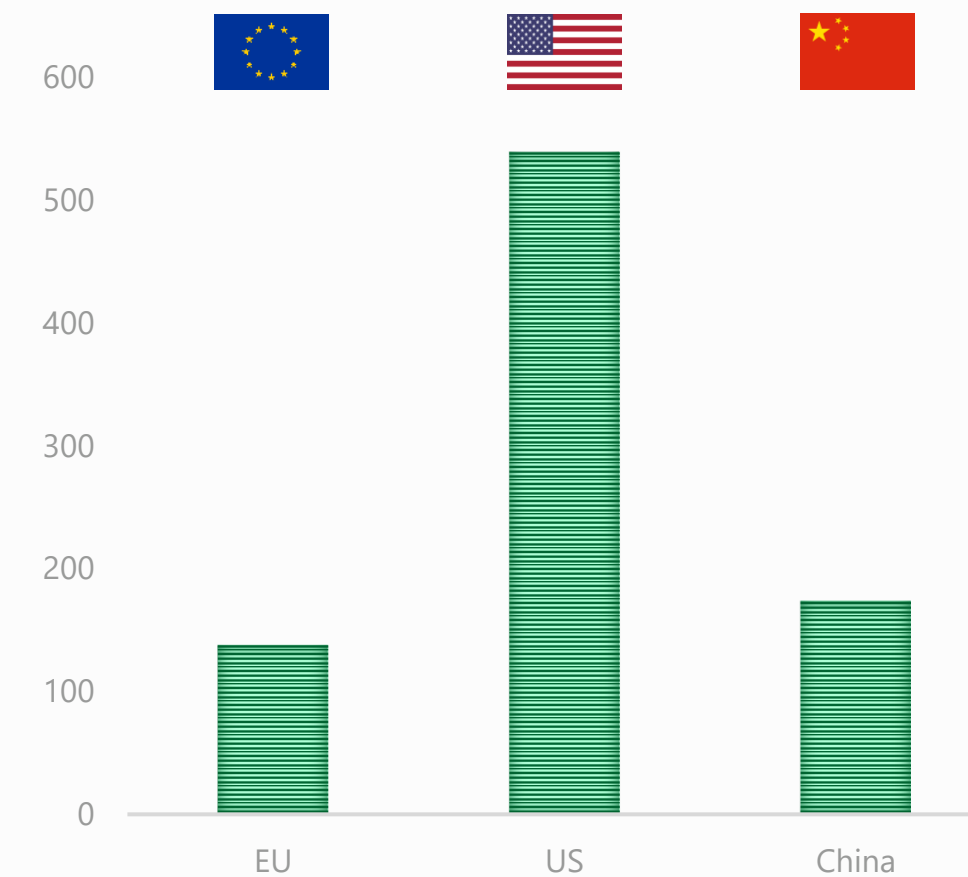
WORLD SHARE OF DIGITAL PLATFORM COMPANY MARKET CAP



Source: data from KPMG

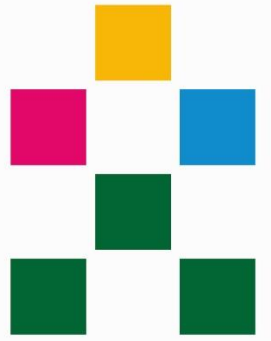
SUCCESSFUL STARTUPS

NUMBER OF UNICORNS (PRIVATELY HELD STARTUPS VALUED AT OVER 1 B\$)



Source: data from CB Insights

Why EIC?



EIC policy rationale: boost Europe's innovation capacity and competitiveness going forward

Lab dimension

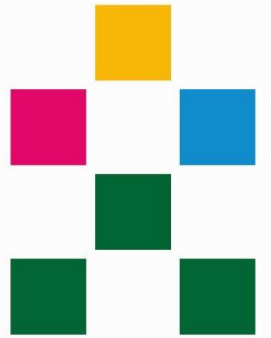


Market dimension

Strategic priority: capitalize on excellence in scientific research across Europe

Strategic priority: improve access to risk capital for market-creating innovation

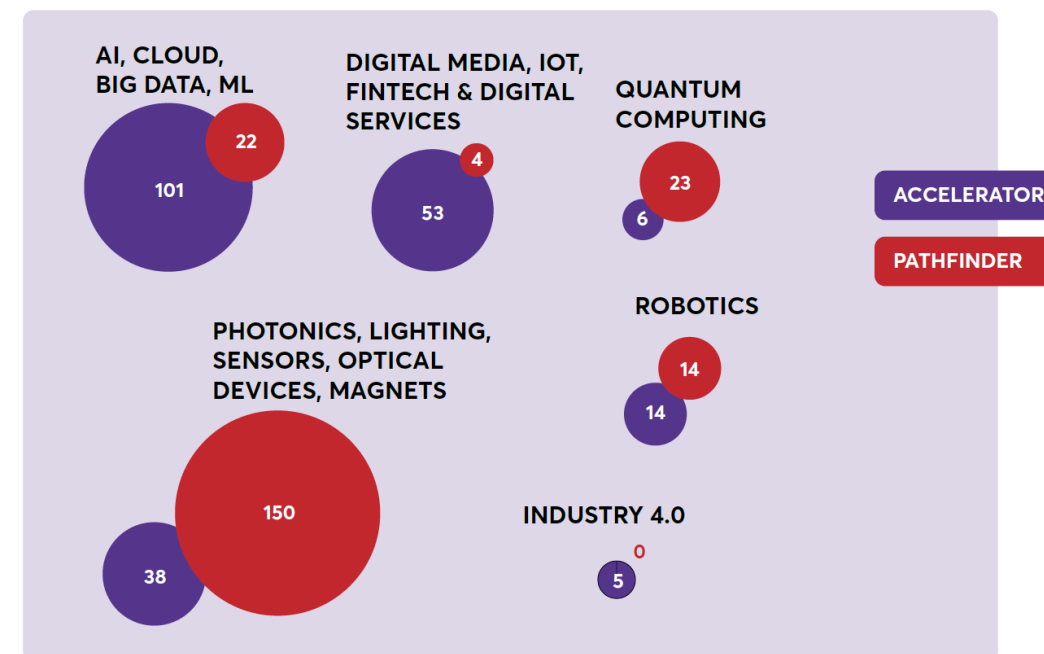
A thematic perspective on the EIC portfolio



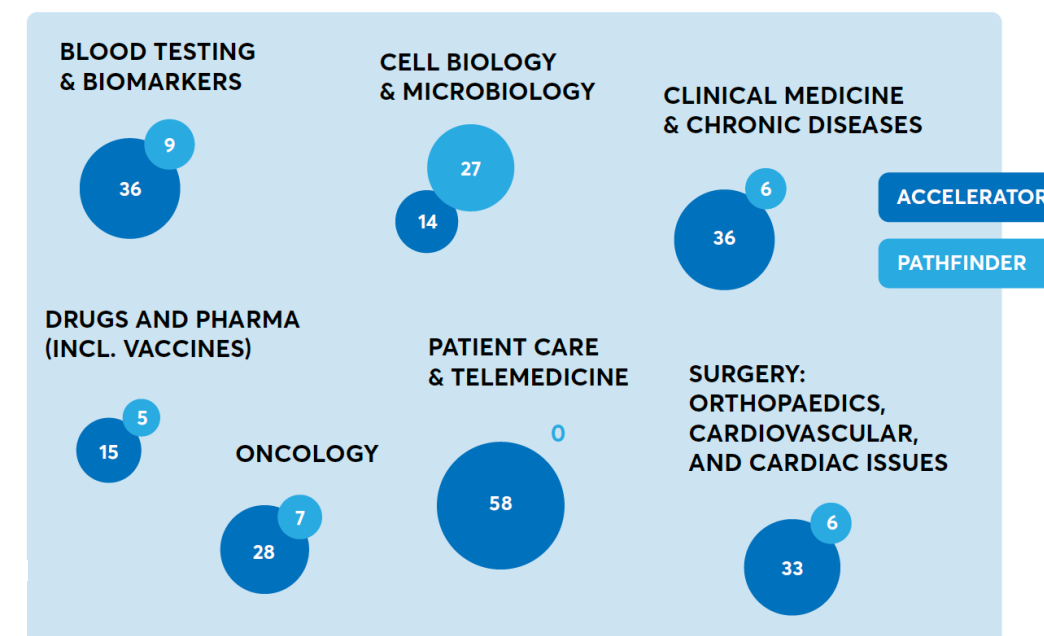
A unique 'policy instrument' that leverages entrepreneurial talent to tackle the toughest challenges posed by our times

An unparalleled technological force intended to ignite the 'twin transition' and pave the way to resilient healthcare systems

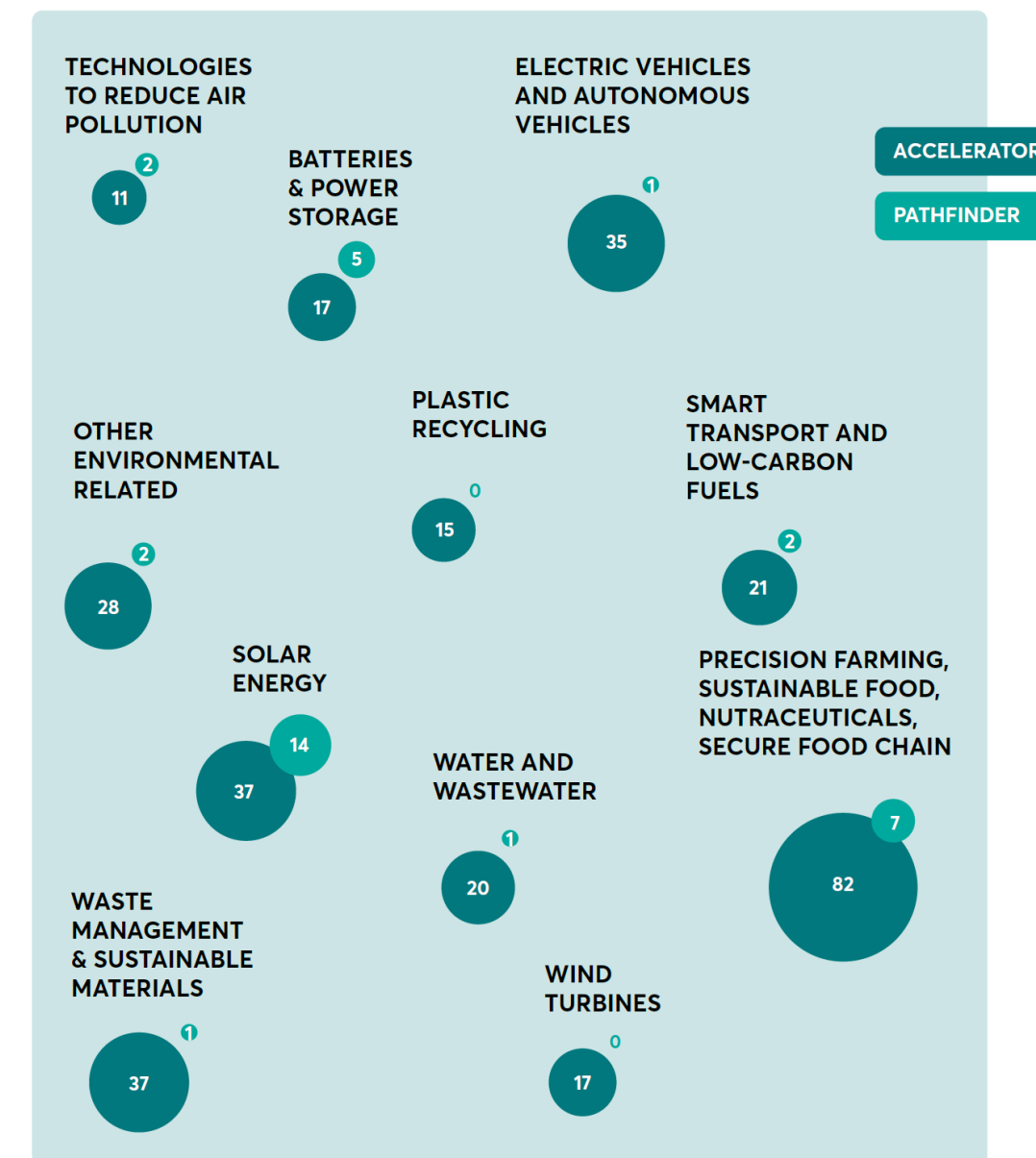
For Digital and Industry 5.0



For Health



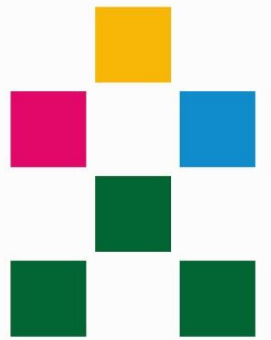
For Green



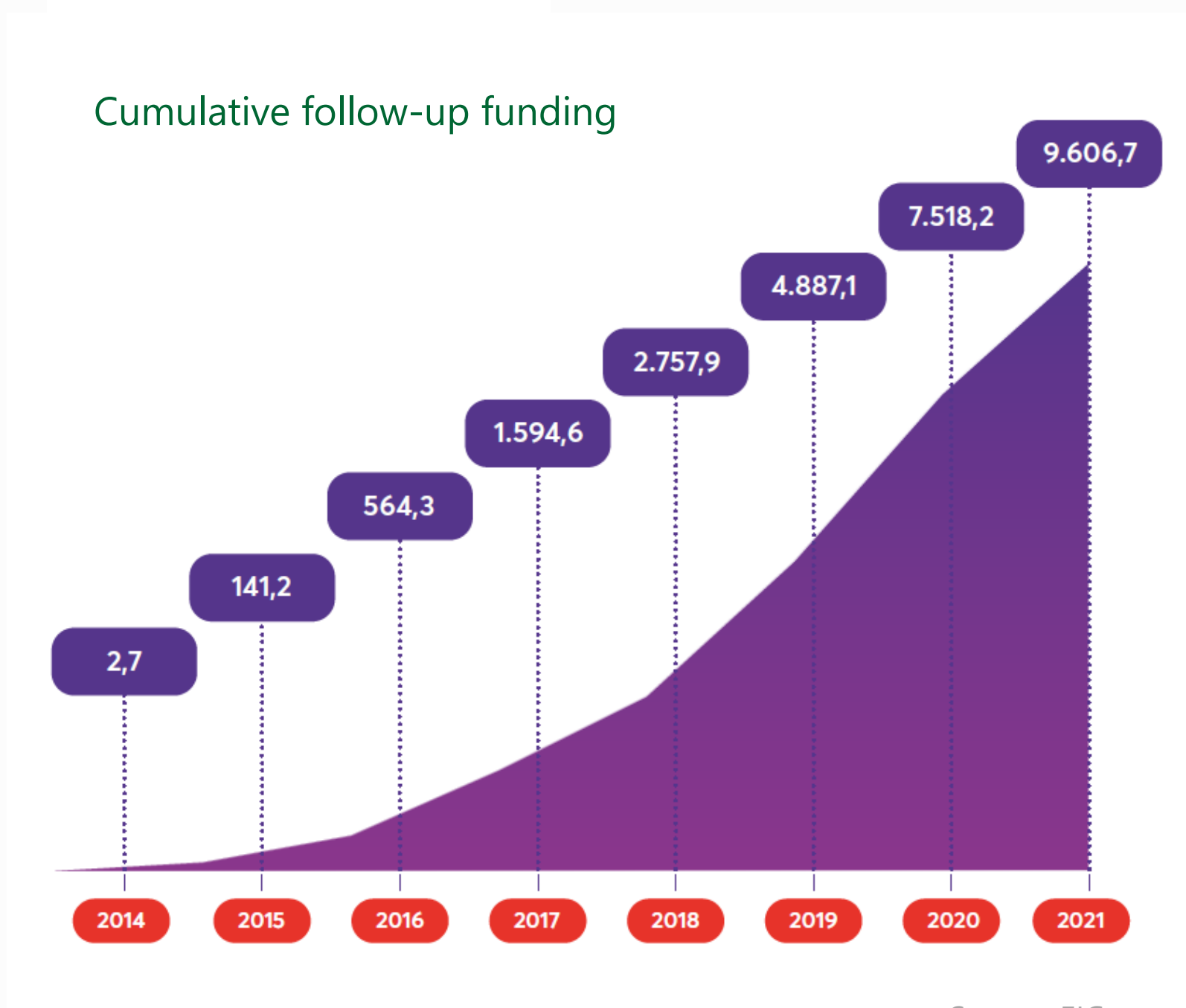
Data from EIC Pilot 2018-2020

Source: EIC

Spotlight on the EIC Accelerator portfolio (including predecessors)



A powerful engine to back visionary entrepreneurs



Source: EIC

EIC Accelerator portfolio by the numbers

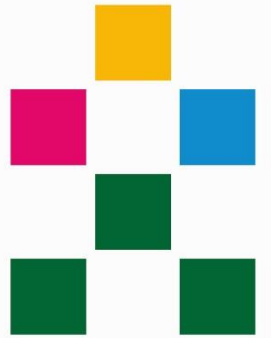
5,5K companies in the portfolio	50%+ startups (companies < 5 years)	9.6 B€ overall follow-up funding
8 mega-rounds (round > 100 M€)	31 IPOs in the portfolio	96 acquisitions in the portfolio
2 'unicorns' (valuation > 1 B€)	91 'centaurs' (valuation > 100 M€)	~50 B€ total portfolio valuation

The (game-changing) role of EIC Fund

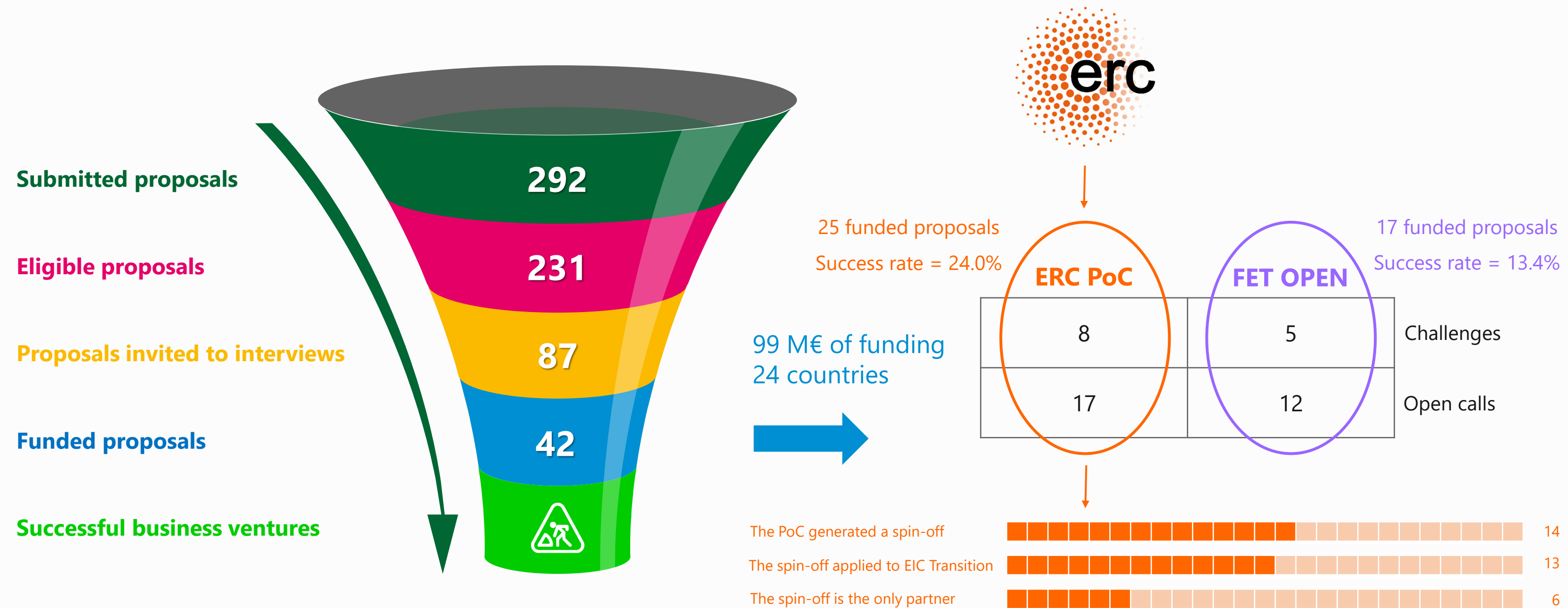
140+ investment decisions	637 M€ total approved investment	2,7x additional investment leveraged
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Source: data from EIC

EIC and ERC: insights on the first ever EIC Transition call (2021)

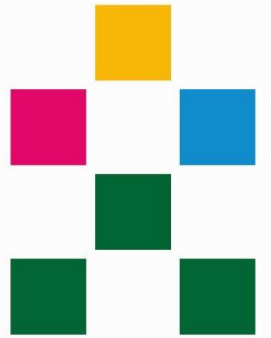


A one-of-a-kind pipeline to take breakthrough technologies from the lab into the real world



Source: data from EIC

Next steps for a solid EIC-ERC liaison



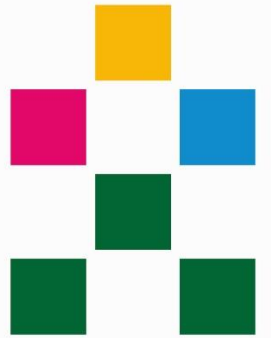
The EIC shall become the hallmark of excellence for impact-oriented innovators in the same way that the ERC is for researchers.

In addition, along the lines set by the joint statement by the EIC Advisory Board and the ERC Scientific Council, it becomes key to **reinforce the cooperation** between curiosity-driven research and technology-driven innovation. To this end, some synergies under consideration are:

- In-depth **portfolio analysis of ERC-funded projects** to help EIC to get ahead of the curve in identifying revolutionary trends in technology (e.g., to set new challenges for upcoming EIC WPs)
- Additional **thematic ERC-EIC workshops** meant to expand the realm of the possible and set guidelines on the translation of research results into groundbreaking industrial solutions
- **Visiting Innovation Fellowships** that fund visits to EIC-funded startups from ERC team members to better understand the complex processes of taking innovation beyond invention
- **'Women in science'** ERC-EIC initiatives to further promote gender equality in research and innovation (i.e., 80% of ERC PoC PIs that successfully applied to EIC Transition in 2021 were male)



A dashboard to monitor EIC going forward



Key dimensions to watch in 2022

Dimension	EIC Pathfinder	EIC Transition	EIC Accelerator	Driving question(s)
Origination	✓	✓	✓	Are applicants coming from a well-established innovation ecosystem ? Has such an ecosystem been supported by EIC through training and/or marketing?
Challenge-driven calls	✓	✓	✓	How many applications were received in challenge-driven calls? Are they actually targeting rapidly expanding scientific/industrial sectors ?
Pipeline		✓		Which EU funding instrument generated the research result on which EIC Transition projects work incrementally? What is the most prolific pipeline?
University-based entrepreneurship	✓	✓	✓	How many portfolio companies are academic spin-offs ? Did they benefit from facilitation measures put in place by respective universities?
Prior grants	✓	✓	✓	What is the grant amount (if any) received by the companies before entering the EIC portfolio?
Prior funding	✓	✓	✓	What is the private funding amount (if any) received by the companies before entering the EIC portfolio?
Investment tickets			✓	What is the average/median pre-money valuation of the EIC Fund investments? Who joined those rounds as a co-investor?

Strategic EIC KPIs

90%+

EIC portfolio companies addressing SDGs

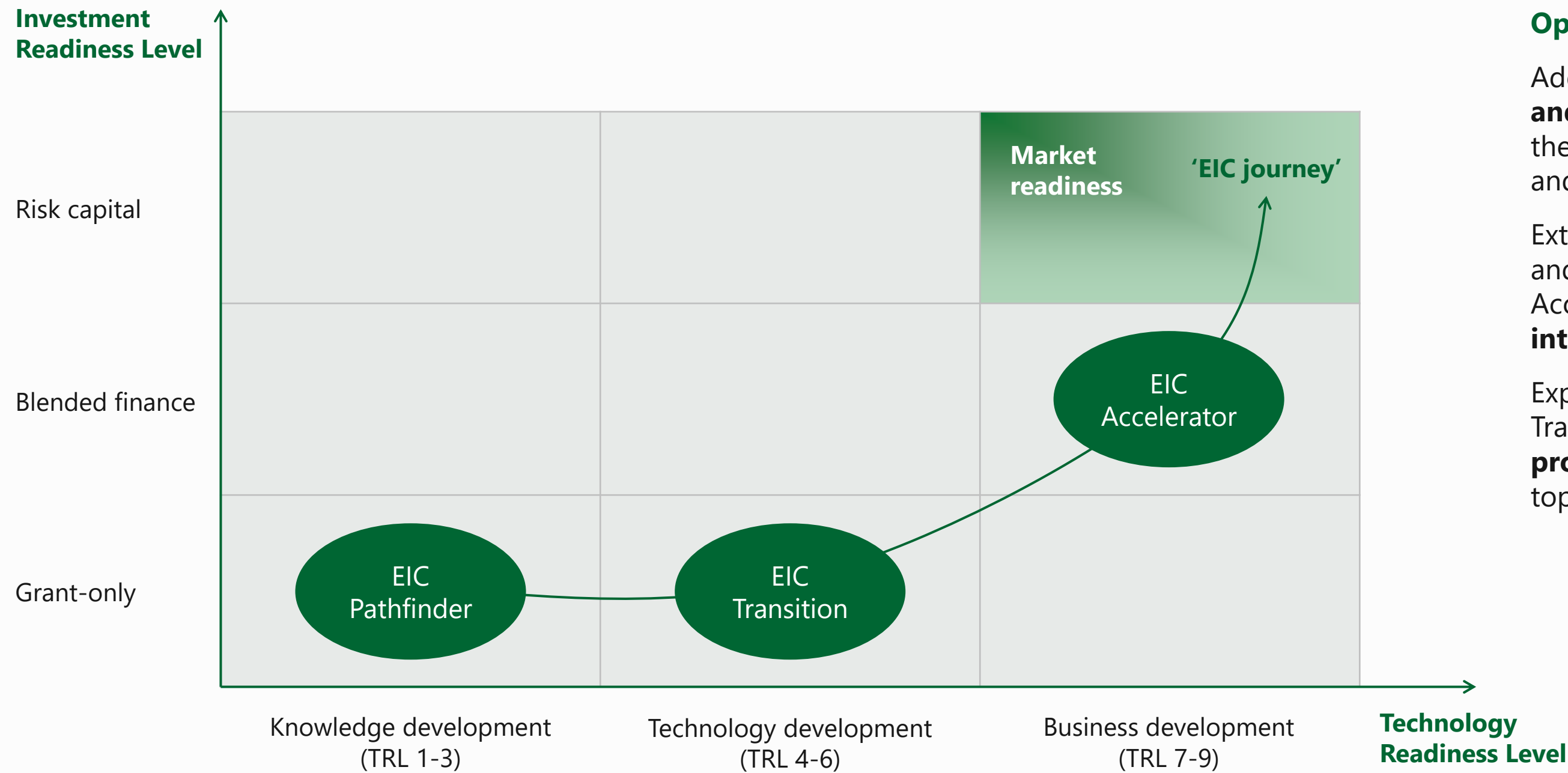
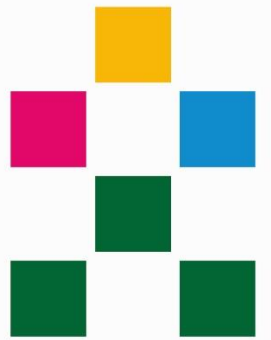
35%+

EIC portfolio companies led by women

3x-5x

Crowding in of co-investments and follow-up investments

The EIC 'big picture'



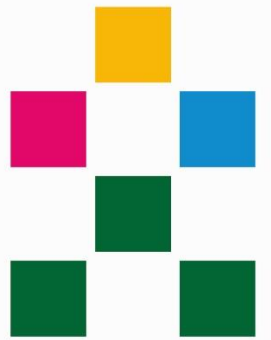
Opportunities ahead

Additional room for **finance-related and market-related competencies** in the evaluation phase of EIC Transition and EIC Accelerator

Extensive involvement – as evaluators and/or jury members for EIC Accelerator – of investors with a **vested interest** in the startups

Expansion of the eligible sources for EIC Transition, thus including **PoC programs** run by Member States or top-notch higher education institutions

Compagnia di San Paolo as an ecosystem developer



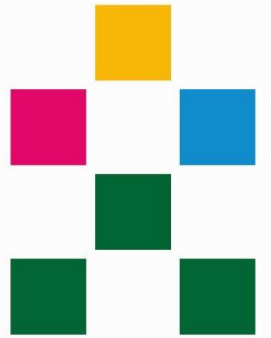
A clear commitment

We are on a mission to place Torino on the **global map of innovation ecosystems**

"In Torino, where its effort is concentrated, Compagnia di San Paolo intends to cultivate a vibrant startup ecosystem closely connected to universities, institutions, investors, corporates, incubators, and accelerators"

2021-2024 Strategic Plan of the Foundation

The alignment with our SDG strategy

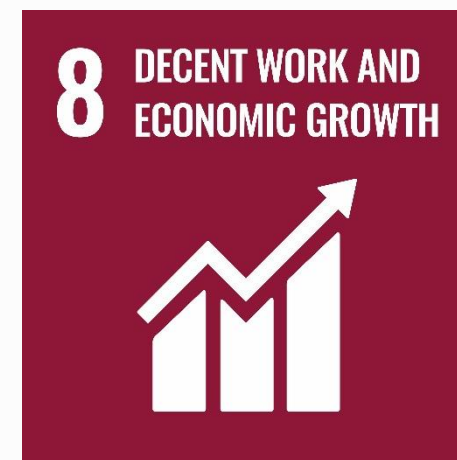


Why turning Torino into a magnet for talent and investments?



Human capital

Universities recognized as a go-to place for entrepreneurial education and culture of excellence



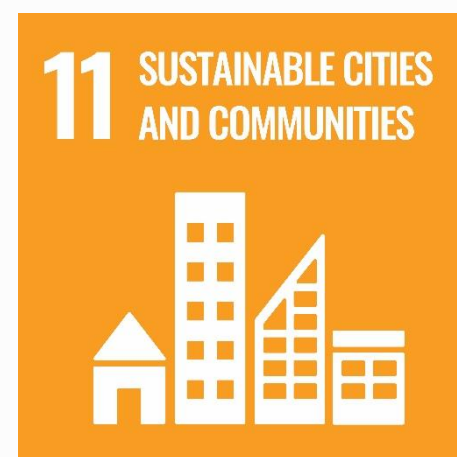
Employment

New breed of professional opportunities in knowledge-intensive and innovation-driven sectors



Competitiveness

Reinforcement of the local industrial base thanks to partnerships and talent attraction



Territorial development

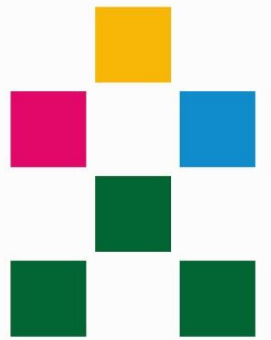
Support to the local community in shaping a resilience path in such a delicate time



Sustainability

Innovation as a game-changing factor for tackling the toughest environmental challenges

Our ecosystem development model



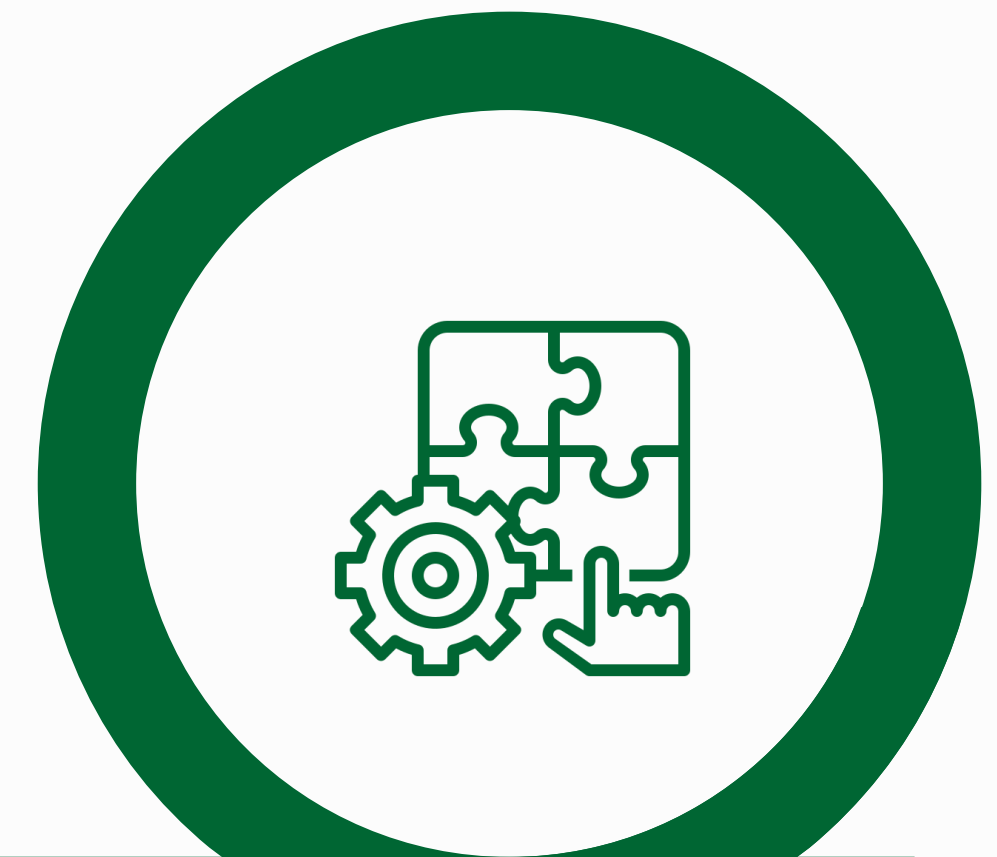
Patient capital

Financial resources allocated with a **long-term perspective** that combines returns (down the road) and impacts



Philanthropic mindset

Full-fledged **grant-making** scheme, based on SDGs, able to support – to the extent necessary – ‘non-bankable’ projects

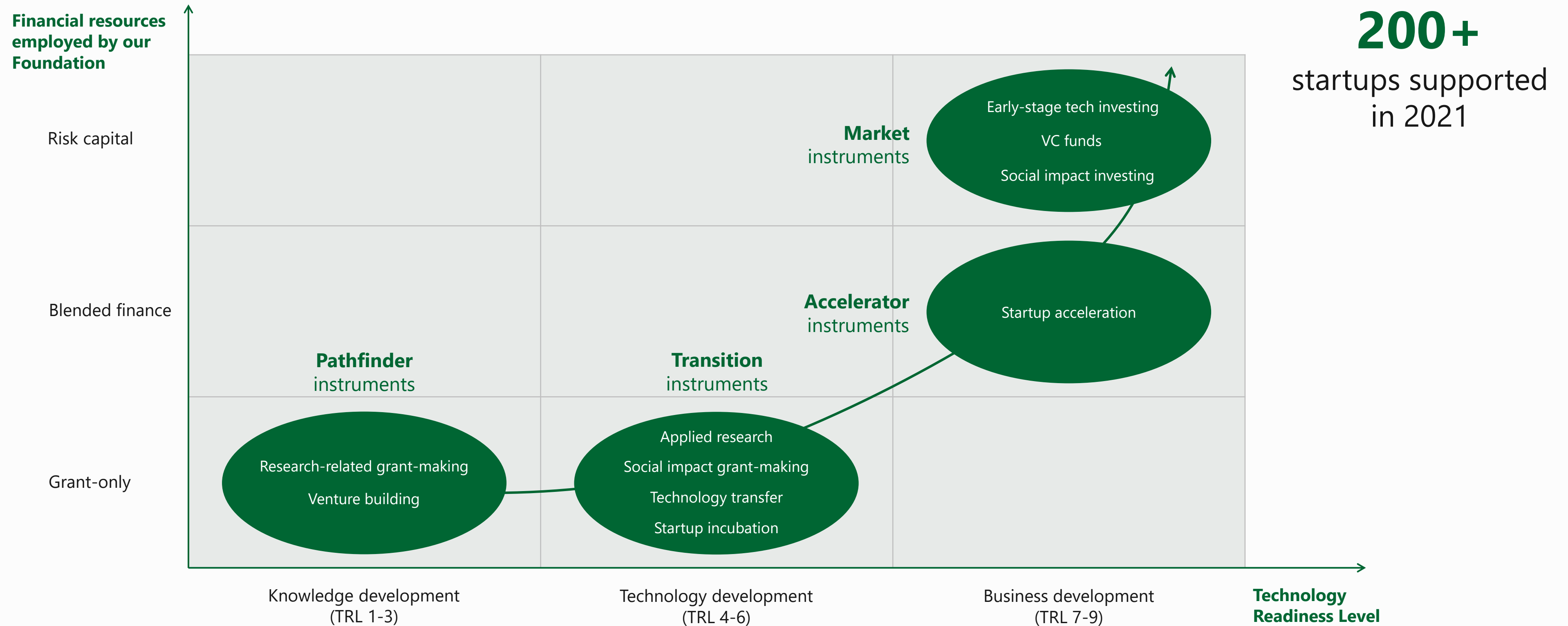
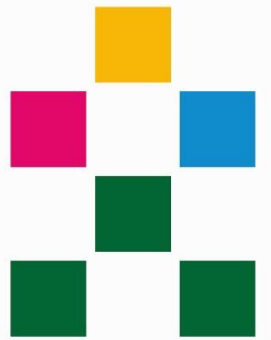


Multi-disciplinary skills

Blend of diversified competencies needed to deliver **multi-actor** innovation programs and materialize their results

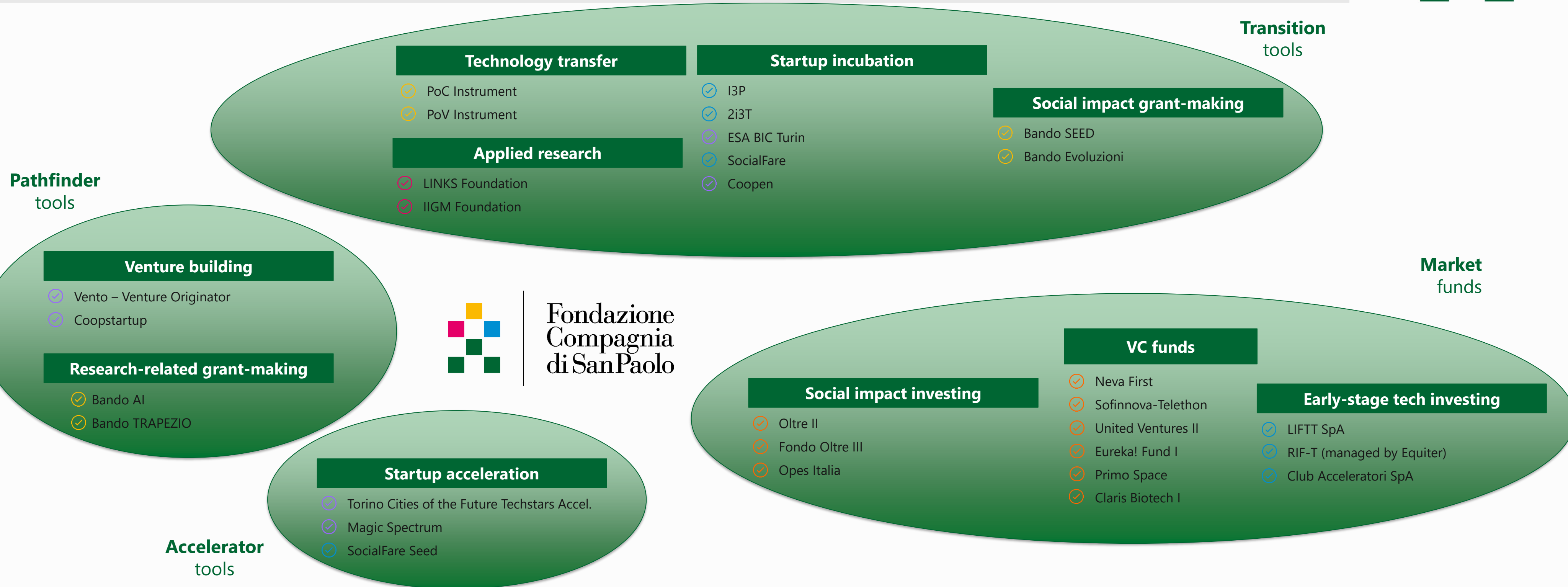
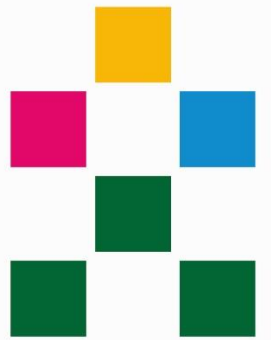
Our 'journey from lab to market'

Innovation-related areas of activity for Compagnia di San Paolo



A comprehensive portfolio of 30 (and counting) initiatives

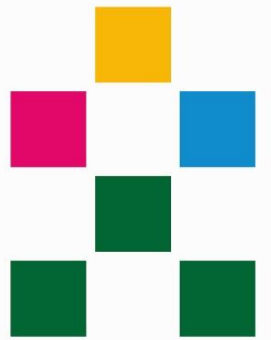
Tools within the instruments and funds enabling our 'journey from lab to market'



Legend	Operating body	Direct/indirect affiliated company	Grant-making initiative	VC fund subscribed	Startup program backed

A constellation of like-minded partners

Organizations we teamed-up with as part of our 'journey from lab to market'



Foundations



Universities



Public institutions



Investors & GPs



Governmental agencies



Incubators & accelerators



Corporates



Research bodies



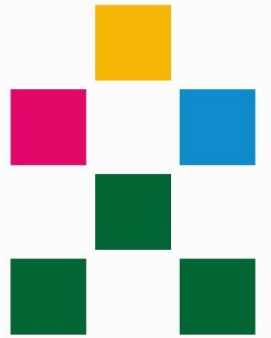
Cooperative federations & funds



Educational bodies










Towards future-proof universities



Renewal of the multi-year Agreements with 5 top-tier Italian universities, including POLITO

Key novelties in the scope of work

	Mission 1 Competitiveness within the European research landscape	●	Guidance and training to research personnel on EIC funding instruments as well as support with proposal preparation
	Mission 2 Mismatch between university graduates and job market expectations		
	Mission 3 Performance improvement to increase ministerial funding		
	Mission 4 Protection and valorization of the intellectual property generated	●	Enhancement of the PoC Instrument meant to accelerate technology transfer from lab to market
	Area Cross-cutting developments	●	Structural reinforcement of the universities intended to yield multi-year benefits
	Area Third mission	●	Public engagement with society at large
	Area Territorial development	●	Support for digital, green, and social transitions, including access to competitive funding streams in the context of EU programs and Italian PNRR



35.7 M€

Budget allocated to Agreements (2022-2024)

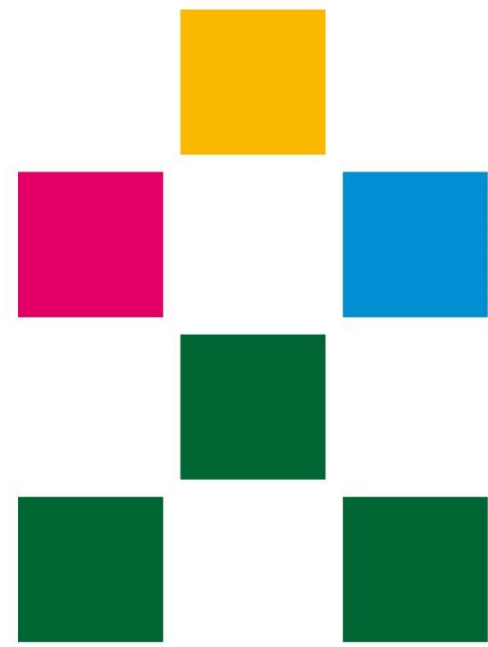
10.5 M€

Budget allocated to POLITO (2022-2024)

219 M€

Budget allocated to Agreements (2006-2021)

Thanks for your attention!



Fondazione Compagnia di San Paolo

Dal 1563, il bene comune.