

EIT Digital STRATEGIC AGENDA 2021-2027

The EIT – Making Innovation Happen

European Institute of Innovation and Technology (EIT)

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www.eitdigital.eu

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1 EXECUTIVE SUMMARY

EIT Digital is about building a strong Digital Europe through creating world players in areas strategic for Europe and thus contributing to European Digital Sovereignty, fully aligned with the top priorities of the European Commission, as well as with the Horizon Europe Strategic Planning which has been taken into consideration when developing the EIT Digital Strategic Agenda 2021-2027. This is done by building and scaling ventures and by breeding and up-skilling talents to equip them with both the digital and entrepreneurial skills needed.

In Europe we see a fragmented landscape when it comes to digital markets. This fragmentation hinders Europe's effectiveness in the digital world. Rather than relying on individual national innovation ecosystems, EIT Digital connects them, thus building a pan-European digital ecosystem.

EIT Digital decided to further accelerate its venture creation activities and complete its stand-up, start-up, scale-up innovation funnel. The core of this funnel is the Innovation Factory that creates ventures from open innovation activities carried out by the EIT Digital partnership. This is complemented by the DeepHack, the EIT Regional Innovation Scheme (RIS) Venture programme and Innovation and Entrepreneurship activities in the education programmes. The EIT Digital Accelerator is focussed on scaling these ventures by supporting them in their growth especially with respect to access to finance and access to market. By 2020, this has led to an innovation portfolio of **206** ventures, of which EIT Digital has equity in **123** ventures. The Strategic Agenda 2021-2027 is constructed to further accelerate the size and value of this portfolio by creating additional ventures from a strong collection of innovation activities as well as from its RIS venture programme. On a yearly basis, in the period 2021-2027, EIT digital will deliver an additional 40 new ventures with EIT Digital equity positions from the Innovation Factory as well as 25 new ventures from the RIS Venture program. More than **15** additional ventures are expected to be created from various DeepHack sessions as well as from Innovation and Entrepreneurship activities in our education programs, such as the Master, Doctoral and Summer Schools. Our Accelerator supported **370+** scaleups in their growth; the total investment raised through private investors by these companies exceeds **€1,000m**, with over **€110m** directly facilitated by the EIT Digital Accelerator. As of 2021 we will support **54** further scaleups every year with **2.300** qualified leads and with an additional **€45m** facilitated investment every year.

A strong digital economy depends on people and organisations equipped with deep technical competence, strong entrepreneurial skills and agility to act. To this end, EIT Digital develops and engages talents in its selection of schools, offering master and professional level education on the latest digital technologies and on the business opportunities they enable. EIT Digital will continue the strong delivery of digital talent through its Master and Doctoral Schools. In 2021, we expect to see around **350** Master School graduates, which will grow to 500 a year from 2022-2027 and **18** Doctoral School graduates ; moreover, on a yearly basis we expect an intake of **350** Master School students. Embedded Innovation and Entrepreneurship activities assure the schools to deliver digital talent with an entrepreneurial mindset, which is proven by the strong track record of EIT Digital alumni that have created successful ventures. Increasingly Master School students and Doctoral Students participate in our innovation activities through internships, post-master positions in ventures and venture creation. Up-skilling is one of the focus of our Summer and Professional Schools centred on key themes aligned with our strategic areas and built and executed in close collaboration with our academic and industry partners. The EIT Digital Professional School has a blended model blueprint which combines live face-to-face courses with online modules. As of 2021 we will deploy at least **11** blended courses every year with an average of **10** participants for each edition. As a result, we

expect to generate at least **€300.000** revenue on an annual basis. Our Summer Schools co-locate tomorrow's digital entrepreneurs and innovators during summertime for intensive 2-4 weeks trainings to jointly tackle societal challenges related to our five focus areas. As of 2021, we will run **11** Summer Schools with more than **450** participants (including **150** paying participants) every year. At least two of them will be in RIS eligible countries. EIT Digital also delivers public MOOCs via the Coursera platform: these MOOCs attracted more than 300.000 learners until 2020; for the period 2021-2027, EIT Digital's ambition will be to further grow the engagement level of its MOOCs, by reaching 150.000 learners on an annual basis. On the operational side, EIT Digital will improve excellence of course production, streamline the use of platforms for the various MOOCs and work towards a sustainable production and delivery model. EIT Digital provides its online and blended Innovation & Entrepreneurship (I&E) education to improve quality, increase diversity and availability of top-level content from 20 excellent universities of technology across Europe. The universities together deliver a unique blend of the best technical knowledge and entrepreneurial skills and mindset to digital engineers and entrepreneurs at all stages of their careers. In line with the EIT's objective of increasing the innovation capacity of Higher Education Institutions in Europe, EIT Digital will support more European universities (at least 50 in 2021-2027) in deploying I&E education and, as a result, increase their innovation capacity.

All EIT Digital activities are concentrated in strategic areas that are essential for European digital sovereignty identified in the EIT Digital Strategic Innovation Agenda¹: digital tech, digital wellbeing, digital cities, digital industry and digital finance. Digital tech addresses innovation in core digital technologies key for Europe, being artificial intelligence, cybersecurity and next generation networks. The other areas are focussed on the application of digital technology in crucial domains, addressing challenges and opportunities like the emerging digital platforms for industry, data-driven applications for promoting a healthier lifestyle and more liveable urban environments or the future of finance. Activities in these domains are increasingly carried out in collaboration with other EIT Innovation Communities, such as EIT Health and EIT Food in the wellbeing domain, EIT Manufacturing in digital industry and EIT Urban Mobility in digital cities.

To build a strong digital Europe, EIT Digital is increasingly engaging in thought leadership initiatives, such as the Makers and Shapers journey²: captains of industry and high-profile startup executives (the Makers) and policymakers from EU Institutions and Authorities (the Shapers) are brought to share their vision on key areas of digital innovation and the way forward to a strong digital Europe. In 2021-2017, EIT Digital will engage with more (at least 20 every year) European makers and shapers in order to inspire entrepreneurs, and engage innovators, investors and policy makers in Europe's effort to be a major player in digital innovation. We are also increasingly working on policy recommendations to support the decision makers at European level: following our highly praised policy report on the Digital Transformation of the European industry³, in mid 2020, we launched a new report on European Digital Infrastructure and Data Sovereignty⁴ that received a lot of positive attention, including from the office of President von der Leyen. Another policy report, a European Approach to AI, has been launched in September 2020 as a result of the cross-KIC initiative on Artificial Intelligence.

¹ EIT Digital has produced the 7-year Strategic Agenda 2016-22. as annex 1 to Framework Partnership Agreement No. FPA2016/EIT/EIT Digital. and works with 3-year refinements. hence the Strategic Innovation Agenda (SIA) 2020-22 (https://www.eitdigital.eu/fileadmin/files/2019/sia/EIT-Digital_SIA_2020-2022.pdf). which is aligned with the most recent update of the Strategic Agenda 2016-22 submitted in November 2019.

² <https://www.eitdigital.eu/makers-shapers/>

³ <https://www.eitdigital.eu/fileadmin/files/2019/report/Digital-Transformation-of-European-Industry-Summary.pdf>

⁴ <https://www.eitdigital.eu/fileadmin/files/2020/publications/data-sovereignty/EIT-Digital-Data-Sovereignty-Summary-Report.pdf>

The increasing recognition of our organization is also confirmed by the record growth of the EIT Digital's partner network: at the end of 2020 we have **300+** partners versus **257** partners in 2019 and **30** partners 10 years ago. From 2021 onwards we expect a further expansion, by increasing the number of Partners by **15%** on an annual basis, with a focus on industry, SMEs and organisations from RIS countries.

EIT Digital's strong track record on delivering entrepreneurial talent as well as creating and scaling ventures forms the basis of EIT Digital Strategic Agenda 2021-2027, which will deliver a record number of graduates and ventures. Digital technology has proven to be essential during the COVID-19 pandemic and EIT Digital is at the hearth of digital innovation; the EIT Digital Strategic Agenda 2021-2027 is a crucial component in accelerating the recovery from the COVID-19 pandemic through sustainable and impactful digital innovation and education aiming at an inclusive global recovery that leaves no one behind.

Diversity and inclusion are top priorities for Europe and EIT Digital. 2020 showed an impressive progress on both dimensions: all the targets defined in the EIT Digital's Gender balance Action Plan have been met or exceeded. Concrete results achieved in 2020 include: **41%** of new hires being female; the percentage of women in the EIT Digital management reached **31%**, including 2 Node Directors, the Antwerp Satellite Manager, the Silicon Valley Hub Manager, the Head of the Professional School, the Head of Communications and the Head of HR; the female representation in the Supervisory Board reached **29%**; the proportion of female students and graduates reached **30%**; last but not least, **39%** of the EIT Digital Challenge 2020 finalists had a female founder or CxO. Going forward, EIT Digital will further develop its diversity and inclusion strategy and policies. These will allow to further promote diversity at all levels of the organization and during the whole employee's lifecycle at EIT Digital: from the first interactions during the recruitment phase till the engagement and development phases.

EIT Digital is strongly connected with the other EIT Innovation Communities and is very active in most of the cross-KIC initiatives. We operate the EIT House in Brussels and the EIT Hub in Silicon Valley Hub, we lead a strategic activity on Artificial Intelligence and the joint initiative with the European Commission part of the Digital Education Action Plan to teach cybersecurity to primary and secondary school teachers. On top of that, we lead an Innovation Activity with EIT Health aiming at raising awareness and combatting child obesity, a topic with an increasing social and societal relevance in Europe and beyond. Moreover, as of 2020, EIT Digital is the lead KIC in the EIT-EIC (European Innovation Council) pilot which aims at testing new collaboration mechanisms between the EIC and the EIT Community. This promising partnership will broadly strengthen the European support for innovation and entrepreneurship. EIT digital is also well connected and engages with several EU programmes, pursuing two major objectives: supporting the execution of our strategy by actively scouting actors and cooperation opportunities to complement our efforts in core activities and reinforcing our leadership in the digital transformation of Europe by engaging in strategic discussions with other relevant organisations and instruments.

EIT Digital's ambition is to keep a stable level of investment over the years, with the decreasing EIT financial support. EIT Digital is therefore further developing its financial sustainability strategy to generate income to be reinvested in impactful activities. Our sustainability strategy is based on several components: co-investment from partners, income generation and the construction of assets mainly through an equity portfolio. The overall sustainability approach shows steadily increasing results in all areas, except for income generation which was growing, but got severely hit by the COVID-19 pandemic. The total co-investment from partners raises from **€18m** in BP 2020 to nearly **€21,1m** in BP2021. The equity portfolio will grow by **51%** in 2021.

As mentioned, the COVID-19 pandemic reduced considerably the anticipated income in 2020. Especially the Accelerator and the education programmes were severely hit. Several measures, however, will ensure

an improvement of at least **50%** of income in 2021 with respect to 2020. Although EIT Digital has to cope with both the unexpected impact of the COVID-19 pandemic as well as with the reduction in financial support from the EIT, the underlying strength of EIT Digital is shown through the fact that it is able to sustain its operations in 2021-2027 at an average KAVA level of about **€55m**.

2 STRATEGIC ANALYSIS OF THE SOCIETAL CHALLENGE

Digital technologies are deeply transforming our economy and society. One way to observe this is by looking at the world's most valuable public companies: digital companies are vastly dominating the list. The situation is similar when we look at the world's most valuable private companies (see Figure 1)

MOST VALUABLE PUBLIC COMPANIES

Position	Country	Company	Valuation (\$US Billion)
1	US	Apple	1,091
2	US	Amazon	978
3	US	Microsoft	877
4	US	Alphabet Inc.	840
5	US	Berkshire Hathaway	524
6	US	Facebook	474
7	China	Alibaba Group	424
8	China	Tencent	388
9	US	JPMorgan Chase	379
10	US	Johnson & Johnson	371

MOST VALUABLE PRIVATE COMPANIES

Position	Country	Company	Valuation (\$US Billion)
1	China	Ant Financial	150
2	China	Bytedance	75
3	US	Uber	72
4	China	DiDi	58
5	China	Alibaba Cloud	39
6	US	Airbnb	38
7	China	Tencent Music	30
8	US	SpaceX	24
9	India	Flipkart	21
10	China	Cainiao	20

Figure 1: World's most valuable public and private companies

There is another observation that appears in these rankings: Digital is dominated by the US and China. European companies are absent. There are a variety of reasons for this. First and foremost, Europe failed to invent the first waves of digital: the dominating operating systems, search, mobile and social platforms are not European. Winner-takes-all network effects and massive investments by American and Chinese corporations put them in the leadership role. Nonetheless, over the past few years, the situation with

respect to entrepreneurship and digital innovation has significantly improved in Europe. In fact, although Europe is still behind the US and China, it is currently (end of 2020) home to 208 private companies valued at over \$1 billion (Figure 2).

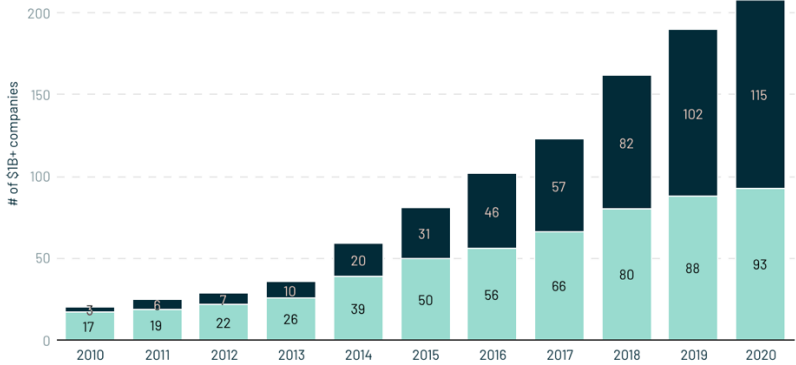


Figure 2: Number of European tech companies valued at over \$1 billion, since 2010. Source: Atomico: The State of European Tech 2020 (www.thestateofeuropeantech.com)

Both at the European and national levels, we see increased investment to support entrepreneurs in building and growing their ventures as well as an increased investment in digital technology and deep tech (see Figure 3). Notably areas like Artificial Intelligence (AI), cybersecurity and robotization are high on the agenda as well as more infrastructure-oriented investments in high performance computing and next generation networks (5G. IoT). Longer- term investments in quantum computing, photonics and optical computing are also on their way.

In Europe these investments in core digital technologies find their way into several application areas where the digital transformation is having high impact such as industry (3D printing, Robotics, Industry 4.0, logistics), urban mobility (self-driving cars, multimodal transportation), and finance (digital currencies, blockchain).

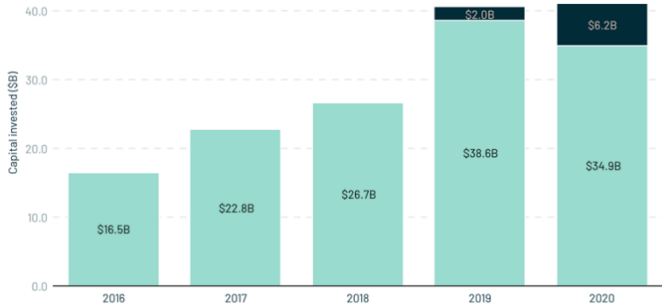


Figure 3: Venture capital investments in European digital companies are significantly increasing. Source: The State of European Tech 2020 (www.thestateofeuropeantech.com)

In order to build a strong digital Europe, we at EIT Digital believe that the following challenges need to be addressed:

- **Bring European values to the digital world.** European values include ethics of AI, data protection, trusted social media platforms (societal). To achieve this, regulation is one way, but a more compelling way is to build global European digital businesses. Europe needs to focus on scaling up disruptive digital ventures that have the ambition to conquer the world.
- **Further address fragmentation to support digital enterprises and entrepreneurs.** Europe needs to accelerate on the Digital Single Market and work towards making the whole of Europe the “de facto” domestic market for European entrepreneurs. In this respect EIT Digital is both instrumental in identifies domains leveraging European strengths, and in actually building and scaling European companies in these domains.
- **Raise R&D investments in digital technologies, with an emphasis on software.** Currently, American and Asian companies are massively investing, while European companies are more conservative.
- **Strongly increase deep tech innovation investments,** so as to take mature research results out of the labs and into the market, especially by means of entrepreneurship.
- **Adapt the European education system to the digital reality,** to equip people with the right digital skills and to deploy digital technology to support education.
- **Improve the capacity of Universities for providing Innovation & Entrepreneurial (I&E) education,** connected to the HE initiative. This includes the creation of a repository and a web site where all HEI in Europe will find resources for including I&E topics in their programmes.

<p>Strength</p> <p>Largest digital ecosystem in Europe (growing) / Partnership</p> <p>Strong track record with venture creation and acceleration activities</p> <p>Focus on advanced digital skills</p>	<p>Opportunities</p> <p>Synergies with new EC Programs</p> <p>Digital as a top priority of the new MFF</p> <p>Digital transformation boosted by recovery plan / NGEU</p>
<p>Weaknesses</p> <p>Financial sustainability / revenue generation</p> <p>Fragmentation</p> <p>Partner engagement with decreasing financial support</p>	<p>Threats</p> <p>Reduced EIT Financial support coupled with increasing co-funding requirements</p> <p>Competition with other EU instruments</p> <p>Unpredictable evolution and mid-term effects of COVID-19 pandemic</p>

Figure 4 EIT Digital SWOT Analysis

These Challenges are closely aligned with the UN SDGs, as presented in Annex 1. To tackle these challenges, EIT Digital is organized along 3 main pillars: Ecosystem, Innovation & Entrepreneurship and Education.

Ecosystem

In Europe we see a fragmented landscape when it comes to digital markets. This fragmentation hinders Europe’s effectiveness in the digital world. Rather than relying on individual national innovation ecosystems. EIT Digital connects them, thus building a pan-European digital ecosystem.

Because at EIT Digital we are convinced that the future of innovation is in ecosystems. Consequently, a pan-European ecosystem forms the core of EIT Digital: a diverse partnership of first-class digital innovation actors including universities, research institutes, business (from startup to SME to large corporate), and national innovation clusters. Although digital is all about virtual presence, we strongly believe in physical proximity to fuel the creativity needed to drive true innovation. Therefore, EIT Digital invests in its so-called Co-Location Centres (CLC), where students, Researchers, engineers, business developers and entrepreneurs physically come together to co-create the digital future. The EIT Digital pan-European ecosystem centred around the EIT Digital Co-Location Centres is the powerhouse to achieve global impact through European innovation fuelled by talent and digital technology.

EIT Digital, as a non-for-profit association under Belgian law, has its main office in Brussels, with its core ecosystem built around Co-Location Centres. Starting from five CLCs in 2010. EIT Digital is meanwhile located in eleven EU countries with a total 18 European locations (see Figure 5). In addition, EIT Digital has a Hub in San Francisco to be well connected to the cradle of digital innovation: Silicon Valley.

The Co-Location Centres are hotspots where talents cross-pollinate to create value. Students take classroom courses or study, innovation activities are conducted in agile settings, startups and scaleups are hosted; the EIT Digital staff works out of the CLCs as well.

The number of EIT Digital partners has risen steadily over the years. Noteworthy is the steady increase of the proportion of business partners in the EIT Digital ecosystem. While in 2010 21% of EIT Digital’s partners were from industry, this has risen to 70% in 2020.

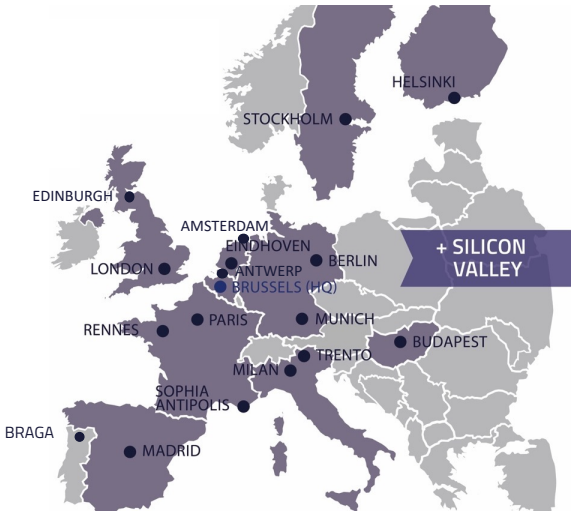


Figure 5: EIT Digital locations

Innovation & Entrepreneurship

Digital platforms touch our everyday lives: operating systems, Search, mobile and social are deeply transforming our economy and our society. Network effects apply, putting these platforms at the heart of the global society, and making the world hyper-dependent on them. In order to fuel growth in our continent and protect our way of life, Europe needs to take centre stage in the future of digital. We need to invent the next wave of digital platforms, applications and innovations.

It is today widely accepted that the next wave of digital innovations will be “deep tech”. These are disruptive solutions built around unique, protected or hard-to-reproduce technological or scientific advances. Deep tech companies have a strong research base. They create value by developing new solutions, not only by disrupting business models.

Deep tech will positively impact all aspects of our economy – industry, transportation, logistics, health, communications, finance, education. Alongside these opportunities, deep tech poses societal challenges, such as job security, data privacy, net neutrality and more recently, the debate around the ethics of artificial intelligence. In order to lead in deep tech, how can Europe’s strengths be leveraged when it comes to innovation & entrepreneurship?

The first answer is to create value out of top European research results. Traditionally, this is done by tech transfer from Research and Technology Organisations (RTOs) and universities to industry. Increasingly, especially in digital, this is best achieved through venture creation. At RTOs and universities, the tech transfer office role is evolving into an incubator role for start-ups built by young graduates. Despite these evolutions, European research does not produce enough start-ups, where the future of Europe is at stake.

The second answer is to build the next generation of large dominant industry players in Europe. Starting up a company can be done quite easily today thanks to “love money”, national incentives, and local incubators. But what is strategically important in digital is to be able to scale up to build large industry players who dominate their market.

The above gaps that EIT Digital has identified drive the EIT Digital strategy in innovation and entrepreneurship. In a nutshell, the strategy focuses on pre-incubation on the one hand, and on scaleup acceleration on the other hand.

Education

No innovation without education! Innovation requires talented people that are able to successfully bring technology to the market. The digital transformation of society and economy poses significant challenges for education, as reiterated in a recent report by the World Economic Forum (see Figure 6).

EIT Digital strongly believes in T-shaped talent that is equipped not only with solid technical knowledge to truly develop and access the value of technology, but also with the necessary entrepreneurship and business skills to spot opportunities, understand market needs and capitalise on them. All EIT Digital education programmes have this approach as a core ingredient.

Next to the need to have both technical as well as entrepreneurial skills, innovators have to be able to be effective in today’s open innovation ecosystems which require mobility, both organisational as well as

geographic. This is another core ingredient in EIT Digital's education programmes. Digital technology disrupts many domains, including that of education itself. Online education and especially MOOCs are becoming increasingly popular. Although universities recognize the developments, the key question remains how online education will impact on-campus education. EIT Digital's vision is that higher education programmes will gradually embed online elements in their on-campus programs and will offer blended education programmes. Therefore, as third core ingredient in EIT Digital's education programs, together with its partner universities, EIT Digital works on the exploration and development of blended education programmes in order to offer the EIT Digital students the best of both worlds.

Innovation requires talent equipped with up-to-date knowledge on technology and understanding of the domains where the technology is deployed. Especially with digital EIT Digital sees both a fast development of the technology itself, as well as that of its application domains. So, in order to be relevant, EIT Digital's education programmes need to be state-of-the-art and at the frontier of technological and societal developments. This not only means that EIT Digital has to permanently renew its programmes, but also that EIT Digital has to make sure that its students are, during their education, immersed in the core application domains, amongst others through intense contacts with industry. It is here where EIT Digital education programmes strongly benefit from the EIT Digital ecosystem and the Co-Location Centres where the students have ample opportunity to work with the diverse actors in the EIT Digital pan-European ecosystem.

EIT Digital has already in place a solid base for implementing I&E education. The creation of pedagogical methods and high-quality material is already part of EIT Digital assets. Now, it is time to expand the use of these assets to other HEIs in Europe. As part of the HEI Capacity building initiative, EIT Digital contributes with the creation of a repository and web site where HEIs can find material to implement and harmonize the I&E education. In this respect the expertise of the EIT Digital I&E community ought to be shared with other HEIs in Europe.

Additionally, EIT Digital wants to contribute to the growth of the European HEI ecosystem fostering the creation of high-quality programmes with the EIT Label signature by strategically leverage the HEI initiative as well as the Digital Europe Programme.

In terms of ERB integration, EIT Digital will contribute to foster the participation of students in Innovation activities through the internships programme. Additionally, our industrial partners will participate in our education activities through the access to the students and using their business cases in our education activities. This is a unique approach that is not included in any other EU instrument. EIT Digital has the capability of full integration between innovation and education activities.

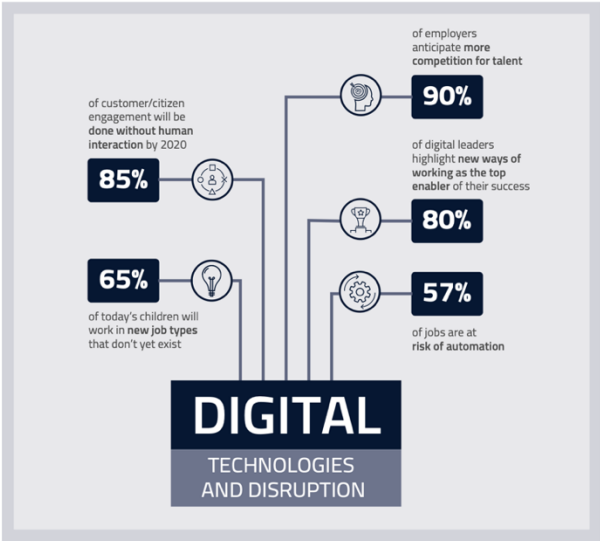


Figure 6: Educational challenges from the digital transformation (source: World Economic Forum Insight Report. 2018: The Digital Enterprise - Moving from experimentation to transformation).

3 VISION, MISSION AND STRATEGIC OBJECTIVES

3.1 KIC's vision

EIT Digital aims at global impact through European innovation fuelled by entrepreneurial talent and digital technology. EIT Digital strengthens Europe's position in the digital world by delivering breakthrough digital innovations to the market and breeding entrepreneurial talent for economic growth and improved quality of life. EIT Digital helps business and entrepreneurs to be at the frontier of digital innovation by providing them with technology, talent, and growth support.

EIT Digital is a leading European digital innovation and entrepreneurial education organisation driving Europe's digital transformation. Its way of working embodies the future of innovation through a pan-European ecosystem of over 300 top European corporations, SMEs, startups, universities and research institutes, where students, researchers, engineers, business developers and entrepreneurs collaborate in an open innovation setting. This pan-European ecosystem is located in Amsterdam, Antwerp, Berlin, Braga, Budapest, Brussels, Edinburgh, Eindhoven, Helsinki, London, Madrid, Milano, Munich, Nice, Paris, Rennes, Stockholm, Trento and San Francisco.

EIT Digital invests in strategic areas to accelerate the market uptake and scaling of research-based digital technologies (deep tech) focusing on Europe's strategic societal challenges: Digital Tech, Digital Cities, Digital Industry, Digital Wellbeing and Digital Finance. EIT Digital breeds T-shaped entrepreneurial digital talent focused on innovation through a blended Education Strategy that includes a Master School, an Industrial Doctoral School and a Professional School.

EIT Digital believes in diversity and inclusion as top priorities for Europe. As of 2021, EIT Digital will further develop its diversity and inclusion strategy and policies. These will allow to further promote diversity at all levels of the organization and ecosystem.

3.2 KIC's mission

EIT Digital believes in making and shaping a competitive digital Europe that is inclusive, fair and sustainable and aims at global impact through European innovation fuelled by entrepreneurial talent and digital technology.

EIT Digital embodies the future of innovation by mobilizing a pan-European multi-stakeholder open-innovation ecosystem of top European corporations, SMEs, startups, universities and research institutes, where students, researchers, engineers, business developers and investors address the technology, talent, skills, business and capital needs of digital entrepreneurship.

EIT Digital builds the next generation of digital ventures, digital products and services, and breeds digital entrepreneurial talent, helping business and entrepreneurs to be at the frontier of digital innovation by providing them with technology, talent, and growth support.

3.3 KIC's strategic objectives

EIT Digital's strategic objectives for the period 2021-2027 are aimed at strengthening the EU impact in the Digital sector.

The EU is home to many global excellences but has been struggling in building world class Digital companies, leaving the scene to companies from US and Asia, able to monopolies large shares of the digital markets. At EIT Digital, we aim at fostering a stronger European Digital ecosystem that can leverage the diversity and complementarities of the different players to build world class Digital companies.

The EU has been driving the development of the Digital Single Market to boost business opportunities, as well as including and empowering citizens, yet the digital single market is still characterised by a high level of fragmentation. EIT Digital with its activities aims at increasing EU Member States digital competitiveness by taking dedicated actions in RIS countries, which present lower level of innovation, while continuing the effort to foster Digital innovation across the EU. As result, we see the Digital sector supporting the increase of entrepreneurship, and boost employment opportunities.

EU countries are known for strong publicly funded R&D activities, while private companies tend to have more conservative approach regarding R&D expenditure in digital technologies. This is markedly different from American and Asian companies that are massively investing in R&D. EIT Digital aims at changing this trend in order to speed up the adoption and commercialization of EU deep tech digital R&D results in strategic areas. In turn, this is expected to increase societal and economic impact of European Digital R&D investments and stimulate industry investment.

Fundamental to the ambition of a stronger digital Europe is a European education system able to adapt to the digital reality, which can equip people with the right digital skills and to deploy digital technology to support education. EIT Digital supports the creation of higher education system and professional upskilling efforts delivering entrepreneurial digital skills. All EIT Digital efforts are committed to overcoming female gender underrepresentation in the European digital sector with continuous and focused approaches. EIT Digital is dedicated to scale its model of Entrepreneurial education in the context of the HE Initiative aimed at scaling up capacity across EU higher education institutions.

Digital technologies regulations and standards tend to be largely influenced by non – European players, with the result that Digital technologies are often not sufficiently sensible to European values and exploit this opportunity. Then European legislators are often times required to intervene to see some European values recognized. EIT Digital wishes to support European digital technology development to achieve a greater spread of European values in the digital world and achieve European digital sovereignty.

Concrete economic and societal impact goals and targets, as well as the impact pathways and their connection to EU priorities, EIT Digital strategic objectives and UN SDGs are reported in Annex I.

4 IMPACT AND RESULTS

4.1 Impact

In line with the EIT Digital Strategic Innovation Agenda 2020-2022⁵, we concentrate our deep tech investments in five focus areas: Digital Tech, Digital Industry, Digital Cities, Digital Wellbeing, and Digital Finance. These strategically chosen areas have strong European relevance and leadership potential.

The areas Education and Innovation & Entrepreneurship all contribute to these five focus areas in their own way:

- Education is about breeding T-shaped entrepreneurial digital talent focused on innovation through a blended Education strategy that includes a Master School, an Industrial Doctoral School, a Professional School and a Summer School
- Innovation & Entrepreneurship is about i) the market uptake of research-based digital technologies (deep tech) through pre-incubation co-investments, mostly through venture creation and ii) the scaling up of digital ventures to build dominant industry players in digital.

4.1.1 Entrepreneurial Education

EIT Digital strongly believes in T-shaped talents equipped with both solid technical knowledge to develop and access the value of technology, and the necessary entrepreneurial and business skills to spot opportunities, understand market needs and capitalize on them. All our education programs have this approach as a core ingredient. Moreover, innovators need to be effective in today's open innovation ecosystems which requires organizational and geographic mobility.

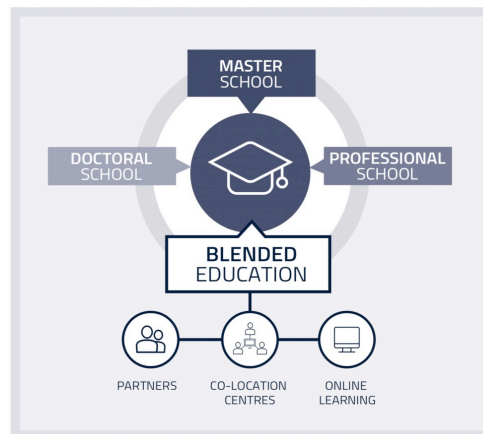


Figure 7: EIT Digital Education model. Summer School is embedded in Master School education

EIT Digital focuses on the digital high-end degree education for master and doctoral graduates and high-level professionals. Students learn the digital skills from an entrepreneurial perspective and integrate technical competencies in key digital areas with business model thinking. EIT Digital will support more European universities (at least 50 in 2021-2027) in deploying I&E education in line with the EIT's objective

⁵ EIT Digital has produced the 7-year Strategic Agenda 2016-22, as annex 1 to Framework Partnership Agreement No. FPA2016/EIT/EIT Digital, and works with 3-year refinements, hence the Strategic Innovation Agenda (SIA) 2020-22 (https://www.eitdigital.eu/fileadmin/files/2019/sia/EIT-Digital_SIA_2020-2022.pdf), which is aligned with the most recent update of the Strategic Agenda 2016-22 submitted in November 2019.

of increasing the innovation capacity of Higher Education Institutions in Europe with the goal of increasing their innovation capacity.

The recent pandemic has also demonstrated that online education is becoming increasingly popular and effective. Our vision is that higher education programs will gradually embed online elements in their on-campus programs. Our partner Universities have demonstrated flexible and agile capabilities to adapt their education to online in order to overcome the effects of the COVID-19 pandemic. Our network of universities is now well prepared to continue this approach and offer blended education as part of their EIT Digital educational offering.

Master School

The goal set forward in our SIA is to consolidate the growth in enrolment experienced in 2018-2019, while making sustainability a top priority. These priorities will be achieved by streamlining operations, expanding the target geographical areas, and focusing marketing and recruitment activities on key target markets. The goal is to increase our Master School intake with over **2.000** eligible applicants for each Master School cohort and to recruit more than **500** new students every year, while at the same time reducing the cost per student by making a more efficient use of the scholarships and by optimizing tuition fee waivers; keeping the quality standards and services provided to the students.

In addition, we will work on the creation of an endowment to support the scholarship programme and ensure the long-term sustainability of the EIT Digital Master School.

The Master School will offer a total of **9** EIT labelled master programmes, fully aligned with our **5** focus areas. Meanwhile, we will continue with the revision of the Master School portfolio. Our application-focused programmes seek to leverage the expertise of Master School partner universities to offer programmes that can enable T-shaped engineers to drive innovation and reduce time-to-market. It is expected that the impact of such programmes on key strategic areas of Europe's digital transformation will be more immediate than more traditional technology-focused programs. Furthermore, we plan to engage partners in discussions regarding new innovative formats for the EIT-labelled master programmes with a view on meeting the educational needs of the workforce. Following the example of Tallinn Technical University in 2020, we engaged more universities from RIS countries in our Schools and enrolled more than **50** RIS students in each Master School cohort

Since 2020, EIT Digital's Master School offering encompasses both "Campus Masters" and "Blended Masters", where online and face-to-face learning lead to the same EIT Labelled master's degree. The online (Coursera) "Blended Masters", as an integrated part of the Master School offerings helps recruiting new categories of students, such as the ones coming from RIS countries and professionals with career ambitions. In 2021-2027, we will further develop the blended Innovation & Entrepreneurship education, through the production of new online material which will be accessible to all participant universities.

Industrial Doctoral School

The Industrial Doctoral School will continue to strengthen the industry collaboration by fostering the recruitment of new industrial partners, with a need of deeper digital competences, to sponsor PhD candidates working on relevant deep tech digital topics. The Doctoral Training Centres (DTCs) connected to our Co-location Centres and Satellites will support the growth in the number of new industrial partners, as well as, new University partners.

As of 2021, we expect to graduate more than **20** PhD students from our doctoral school every year, while maintaining an intake compatible with the KIC sustainability. In 2020, our intake was impacted by the COVID-19 pandemic and we recruited **16** new PhD candidates.

In addition, as of 2021, the Industrial Doctoral School will seek to increase the number of agreements for the establishment of new Doctoral Training Programmes (DTP) with partner universities and industries that would like to work on key leading topics aligned with the EIT Digital Focus Areas, with a commitment to present a minimum cohort of Industrial PhD proposals. After the first successful agreements with UK-based organizations in 2019 and 2020, we aim at scaling up the initiative to more countries and partners. We aim at increasing industry participation in the Industrial Doctoral School by at least **20%**, attracting new industrial partners with a commitment of at least 3-4 years, in line with the duration of the supported Industrial PhDs. In order to contribute to EIT Digital's financial sustainability, we are evaluating different working schemes to achieve a continuous ROI and long-term engagement of current participant partners that can support the school execution.

One of the flagship activities under the doctoral school is the development of a specific I&E program for the doctoral school students. The program is based on a "package" of five one-week seminars in which the students will be immersed in a business-oriented education focused on leadership and business management. After a pilot deployment in 2020 (**5** online seminars during 2020 with an average of **15** participants at each one), the "doctoral I&E package" will be also available for external paying participants, as one of the income stream to support the Doctoral School sustainability.

Professional School

The EIT Digital Professional School has a blended model blueprint for its courses which combine live face-to-face courses with online modules. This addresses a clear gap: there is a mismatch between the labour market needs for digital competencies and skills and the available professionals. EIT Digital clearly addresses this need with its professional courses.

There are over **10** blended courses in the portfolio built since 2018, six of them developed in 2020. As of 2021 we will deploy at least **22** editions of each course with an average of **10** participants (a total of **220** participants). We expect to receive at least **€300.000** revenue on an annual basis. The courses are also made available in a virtual face-to-face format (i.e. an online webinar) when possible.

Next to the blended format, EIT Digital also delivers public MOOCs via the Coursera platform: these MOOCs attracted more than 300.000 learners until 2020; for the period 2021-2027, EIT Digital's ambition will be to further grow the engagement level of its MOOCs, by reaching 150.000 learners on an annual basis. This type of courses are seen as a potential sourcing mechanisms to the Professional School blended courses.

New course development will also be considered following our blueprint and customer driven development based on co-creation, participation to the course deployment and sharing of costs and revenues with academic and industrial partners. This ensures that course development meets real market and customer needs.

Summer School

Our Summer Schools co-locate tomorrow's digital entrepreneurs and innovators during summertime for intensive 2-4 weeks trainings to jointly tackle societal challenges related to our five focus areas (with real cases proposed by EIT Digital partners). As of 2021, we will run **11** Summer Schools with more than **450** participants (including **150** paying participants) every year. At least two of the summer schools will be in RIS countries.

The EIT Digital Summer School is a mandatory component of the EIT Digital master programme and is also open to external students and professionals. All our Master School students attend the Summer School between their first and second year and we expect to increase the number of external paying participants, from **100** in 2019 to more than **150** as of 2021. Moreover, we will increase the engagement of the EIT Digital industry partners, the local support from our co-location centres and the outreach to new markets such as the USA.

Due to the COVID-19 pandemic, the 2020 summer schools was offered in an online format, **14** summer schools have been executed and attracted more than **400** participants, including **50** paying students and **20** students from RIS countries supported by specific scholarships.

4.1.2 Innovation and Research

EIT Digital drives digital innovation via an integrated funnel of ventures. We build and scale ventures and breed and up-skill talents to equip them with both the digital and entrepreneurial skills needed. EIT Digital decided to further accelerate its venture creation activities and complete its standup, startup, scaleup innovation funnel.

All our activities are centred around our venture portfolio and contributes to its sourcing. The Innovation Factory creates ventures from open innovation activities carried out by the EIT Digital partnership. This is complemented by the DeepHack, the RIS Venture program, and Innovation and Entrepreneurship activities in the education programmes (including our business-oriented Summer Schools).

The funnel has instruments that help driving ventures through the various stages of their development, from standup, via startup to and beyond scaleup phases. In the early standup phase, MVPs are launched, and ventures are created supported by pre-seed financial support from EIT Digital. In the startup phase, the new ventures enter the market and gain initial traction. Seed investment is facilitated by EIT Digital’s new Venture Standup Events series that match portfolio startups with angel and early-stage investors in



Figure 8: EIT Digital integrated Innovation funnel centred around our venture portfolio

and around the EIT Digital ecosystem. In the scaleup phase, ventures grow by fast customer acquisition and via further Series A and B financing. The EIT Digital Accelerator propels the ventures forward by supporting

international customer acquisition and by matching them to corporate investors. The Accelerator provides its services on business terms, both to scaleups emerging from the EIT Digital venture portfolio and to other European deeptech scaleups sourced through our continuous efforts and through our flagship scaleup competition, the EIT Digital Challenge.

In 2020, the Innovation Factory has seen a record interest for its activities by organizations from **25** European and H2020 associated countries. With this instrument, we collect a large pool of proposals, with the involvement of a high number of new partners, via our broadly advertised annual open call. Independent experts thoroughly review proposals, based on which our portfolio of next year's innovation activities is built. We select activities that have a high economic or societal impact and significant contribution to EIT Digital's sustainability. An innovation activity targets either (i) venture creation or (ii) product launch. As of 2021, EIT Digital strategically decided to favour venture creation with the ambition of having in the final portfolio more than **70%** of venture creation activities. In addition, a few ambitious strategically designed entrepreneurial Activities launched in 2019 by EIT Digital and codenamed AAA Activities complement the portfolio. Innovation activities bring innovations out of the labs and into the market in record time (typically 12 months) via agile development methodologies with a committed scrum team working in short successive development cycles, orchestrated by an EIT Digital Innovation Leader. Each activity is an entrepreneurial innovation project between a few partners that bring research results into deep tech products targeted at well identified customer segments. Each activity runs like a venture, with a business champion committed to go-to-market. In most cases, a customer is involved in the activity from the beginning.

The sustainability of our innovation portfolio through equity in ventures that we create is at the heart of our strategy. EIT Digital aims at creating **40** new equity positions from the venture creating activities in the Innovation Factory every year and **25** new equity positions the RIS Venture Program's teams totalling more than 600 equity positions for EIT Digital by the end of 2027.

Aligned with our sustainability strategy, in 2020 we launched an action plan for engaging with investors in our Nodes to support our ventures. We adapted our Networking Events in the Nodes to become "Venture Standup Events" where we connect investors and early stage ventures.

In the scaleup phase, the EIT Digital Accelerator primary focus is to provide growth support for European deep tech scaleups with the motto "from venture to dominant industry player". This addresses an important European challenge of building dominant players in the digital space, which are able to shape the global digital markets and positively impact growth and employment in Europe. More than **12** of the EIT Digital Alumni have become Centaurs in the meantime, companies with a valuation above **€100m**. Their collective valuation is **€1.9 billion**, and they have over **1.800** employees.

We do this with the EIT Digital Accelerator, a distributed team of business developers and access to finance specialists in our Nodes providing hands-on support to deep tech scaleups (startups in growth stage). The Accelerator has direct access to a pan European network of over **800** corporate customers and over **500** private investors (venture capital and corporate venture).

The EIT Digital Accelerator integrates the Access to Market, the Access to Finance and the EIT Digital Challenge activities:

- Access to Market (A2M) is providing "international customer readiness" support and facilitating scaleup introductions to corporate decision makers across all European markets with the purpose of enabling international deal making.

- Access to Finance (A2F) is providing “international investor readiness” workshops and support the scaleups to get connected with investors and raise international fundraisings rounds between **€2 million** and **€15 million** (A-B rounds).
- The EIT Digital Challenge is EIT Digital Accelerator’s pan-European competition to identify the most promising deep tech scaleups in Europe (Horizon 2020/Europe eligible countries). that are ready to scale up their businesses internationally.

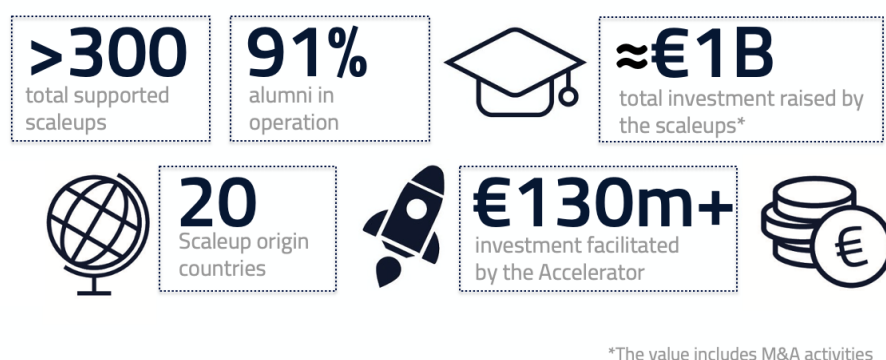


Figure 9: The EIT Digital Accelerator has a strong track record.

The EIT Digital Accelerator will keep growing the quality of the admitted scaleups and will support a total of **72** scaleups on annual basis. generating over **2.300** qualified leads for them in **20** different countries and for those scaleups requesting access to finance, we will raise funds for more than **€45m** every year.

In addition, as of 2021, led by EIT Digital a new collaboration between the EIC (European Innovation Council) and the EIT is planned. Specifically, the collaboration will facilitate the EIT Digital Accelerator admission of DeepTech companies who have already received funding from the EIC. Conversely, the EIT Digital supported scaleups may benefit from EIC funding. This promising partnership will broadly strengthen the European support for scaleups, both in funding and in business development.

The majority of Scaleups are admitted in the Accelerator throughout the year, in a stage gated admission process, where due diligence on their background is performed, deep tech quality and growth potential are confirmed, and alignment with EIT Digital Focus Areas is guaranteed. For every contracted scaleup we interview **20** prospects. As the EIT brand is increasingly recognized and the reputation of EIT Digital is growing, we are spontaneously attracting new scaleups who are applying to enter the EIT Digital Accelerator. However, one of the strongest sourcing mechanisms of the EIT Digital Accelerator is the EIT Digital Challenge, which in 2020, attracted a record number of **403** submissions, despite the COVID-19 context, from **32** countries, a **44%** growth with respect to 2019. Since its launch in 2014, the EIT Digital Challenge has received an impressive grand total of **2500** applications from **35** countries. While it initially targeted startups, the EIT Digital Challenge has evolved to become Europe's flagship competition for deep tech scaleups in digital. In 2020, the average scaleup applicant has **€1.4m** in revenues in its last fiscal year has raised **€4m** of funds and employs **20** people.

Particular attention is paid to attract Women entrepreneurs through targeted sourcing, in campaigns aimed at identifying women led scaleups to join the Accelerator.

Our Accelerator is also gaining recognition among entrepreneurs and receiving awards. The EIT Digital Accelerator has been recognized as a world’s top public Business Accelerator as assessed by UBI Global in

their World Benchmark Study⁶ and has been recognized as one of the **top 4** accelerator brands in Europe, according to Startup Heatmap Europe⁷.

We will continue to develop the DeepHack format to support industry partners and non-partners in addressing specific needs beyond the typical EIT Digital portfolio of activities. The DeepHack service is a deep tech hackathon sponsored by a company and organised by EIT Digital. It provides the sponsor to tap into a pool of creative individuals to develop deep tech solutions to one or more challenges in a short period of time. For the sponsor, the goal is typically to identify talent, build a community around their product and their brand, and develop concrete prototypes. For EIT Digital, a DeepHack allows to quickly mobilize around a topic and potentially build longer-term follow-up activities.

4.2 Results

⁶ <https://www.eitdigital.eu/newsroom/news/article/eit-digital-accelerator-awarded-as-a-world-top-public-business-accelerator/>

⁷ <https://www.eitdigital.eu/newsroom/news/article/eit-digital-accelerator-recognized-as-4-top-accelerator-brand-in-europe/>

Table 1: Annual KPI targets

Code	KPIs	2021	2022	2023	2024	2025	2026	2027	Total
EITHE01.1	#Designed/Tested Innovations	63	65	67	70	70	70	70	475
EITHE01.3 EITRIS	EIT RIS Designed/Tested Innovations	Please include the target (% of the above KPI) for the period.							20%
EITHE01.4 EITRIS	#EIT RIS Countries – Designed/Tested Innovations	Please include the target (% of the above KPI) for the period.							20%
EITHE02.1	#Marketed Innovations	63	65	67	70	70	70	70	475
EITHE02.2 EITRIS	EIT RIS Marketed Innovations	Please include the target (% of the above KPI) for the period.							20%
EITHE02.3 EITRIS	#EIT RIS Countries – Marketed Innovations	Please include the target (% of the above KPI) for the period.							20%
EITHE03.1	#Supported Start-ups/Scale-ups	97	100	110	120	120	120	120	787
EITHE03.2 EITRIS	EIT RIS Start-ups/Scale-ups Supported	Please include the target (% of the above KPI) for the period.							30%
EITHE03.3 EITRIS	#EIT RIS Countries – KIC supported Start-ups/Scale-ups	Please include the target (% of the above KPI) for the period.							20%
EITHE04.1	#Start-ups created of/for innovation	38	40	50	60	60	60	60	368
EITHE04.2 EITRIS	#EIT RIS Start-ups created of/for innovation	Please include the target (% of the above KPI) for the period.							20%
EITHE04.3 EITRIS	#EIT RIS Countries – Start-ups created of/for innovation	Please include the target (% of the above KPI) for the period.							20%
EITHE05.1	#Start-ups created of EIT labelled MSc/PhD programmes	15	20	25	30	30	30	30	180
EITHE05.2 EITRIS	#EIT RIS Start-ups created of EIT labelled MSc/PhD programmes	Please include the target (% of the above KPI) for the period.							20%
EITHE05.3 EITRIS	#EIT RIS Countries – Start-ups created of EIT labelled MSc/PhD programmes	Please include the target (% of the above KPI) for the period.							25%
EITHE06.1	Investment attracted by KIC supported Start-ups/Scale-ups	€ 45m	€ 55m	€ 60m	€ 70m	€ 70m	€ 70m	€ 70m	€ 440m
EITHE06.2 EITRIS	Investment attracted by KIC supported EIT RIS Start-ups/Scale-ups	Please include the target (% of the above KPI) for the period.							15%
EITHE06.3 EITRIS	# EIT RIS Countries – Investment attracted by KIC supported EIT RIS Start-ups/Scale-ups	Please include the target (% of the above KPI) for the period.							15%

Code	KPIs	2021	2022	2023	2024	2025	2026	2027	Total
EITHE07.1	#Graduates from EIT labelled MSc/PhD programmes	350	400	450	500	500	500	500	3.200
EITHE07.2 EITRIS	# EIT RIS Graduates from EIT labelled MSc/PhD programmes	Please include the target (% of the above KPI) for the period.							30%
EITHE07.3	% of Graduates in same disciplines from partner HEIs	5%	9%	11%	13%	15%	20%	25%	15%
EITHE08.1	#Participants in (non-degree) education and training	450	600	800	1000	1000	1000	1000	5.850
EITHE08.2 EITRIS	# EIT RIS Participants with (non-degree) education and training	Please include the target (% of the above KPI) for the period.							30%
EITHE09.1	# EIT labelled MSc/PhD students and graduates who joined Start-ups	20	20	20	20	20	20	20	140
EITHE09.2 EITRIS	# EIT RIS EIT labelled MSc/PhD students and graduates who joined Start-ups	Please include the target (% of the above KPI) for the period.							30%
EITHE10.1	# Active KIC Partners	330	360	400	450	505	570	650	650
EITHE10.2 EITRIS	# EIT RIS Active KIC Partners	Please include the target (% of the above KPI) for the period.							15%
EITHE10.3 EITRIS	# EIT RIS Countries – Active KIC Partners	Please include the target (% of the above KPI) for the period.							20%
EITHE11.1	FS revenues	€ 8m	€ 10,25m	€ 13,25m	€ 16m	€ 19,5m	€ 22,5m	€ 24,6m	€ 114,1m
EITHE11.2	% FS coefficient	23%	29%	44%	64%	195%	225%	246%	74%
EITHE12.1	% Co-funding rate	40%	50%	50%	50%	50%	50%	50%	49%
EITHE13.1	# KIC success stories	17	19	20	25	25	25	25	156
EITHE13.2 EITRIS	# EIT RIS Success stories	Please include the target (% of the above KPI) for the period.							20%
EITHE13.3 EITRIS	# EIT RIS Countries – Success stories	Please include the target (% of the above KPI) for the period.							20%
EITHE 16.1	# HEIs involved in EIT and KIC activities	50	55	62	70	78	86	94	94
EITHE 16.2	# RIS HEIs	Please include the target (% of the above KPI) for the period.							20%
EITHE 16.3	# HEIs involved in the new HEI Action (this No is included in the target for EITHE 16.1)	15	25	35	45	55	70	81	81
EITHE 16.4	# RIS HEIs	Please include the target (% of the above KPI) for the period.							20%

5 GOVERNANCE AND OPERATION MODEL

5.1 Partnership

2020 has been a year of record growth for EIT Digital. despite the unusual circumstances caused by the COVID-19 pandemic. Our community of universities, research centres, large companies, SMEs, associations and scaleups has reached 300 members, many of them being SMEs and organisations from RIS countries. This growth is driven by increased recognition of our impact through our results, our partners, our students, our entrepreneurs, as well as our alumni.

From 2021 onwards we expect a further expansion, by increasing the number of Partners by **15%** on a yearly basis with a focus on industry, SMEs and RIS countries.

EIT Digital has defined three partnership categories: members, linked third parties and external partners. All of them have full access to EIT Digital's activities and pay a membership fee. In addition, members have voting rights in the EIT Digital General Assembly, members and linked third parties participate in their local Node Strategy Committee meetings. The external partnership mechanism is a temporary affiliation which allows organizations to be engaged in our activities without having voting rights in the EIT Digital General Assembly in exchange of a **50%** reduced fee; after one year, external partners need to upgrade to members to continue having access to our ecosystem and activities. The partners accession process is based on the pre-defined selection criteria and is open to all interested parties. The evaluation feedback is communicated to the applicants.

Each Node operates a physical Co-Location Centre, and some Nodes also have Satellites, currently in Amsterdam, Antwerp, Braga, Edinburgh, Milan, Munich, Rennes and Sophia Antipolis. In addition, EIT Digital has a Hub in San Francisco to be well connected to the cradle of digital innovation, Silicon Valley. EIT Digital also operates, on behalf of the EIT Community, the EIT House in Brussels and the EIT Hub in Silicon Valley.

Each Node covers its respective country and a set of non-Node countries (including RIS and H2020 Associated countries) in its geographical reach. Co-Location Centres are vibrant hotspots where talents cross-pollinate to create impact and value. In the Education area, CLCs host classroom courses and Doctoral Training Centres. In the Innovation & Research area, the CLCs are often the place where innovation activities are initiated and where ventures created by these activities are hosted during their first stages after the incorporation. CLCs also allow the hosting of our Accelerator supported scaleups. More generally, the KIC staff typically works out of CLCs and many events that establish brand and thought leadership are

held across our CLCs all year long. 2020 was a special year in this regard, due to COVID-19, but in 2021-2017 we plan to strengthen our CLC-based operations.

Table 2: KIC partnership growth strategy

	2021	2022	2023	2024	2025	2026	2027
#CLCs	9	9	9	9	9	9	9
#Satellite CLCs	8	9	10	11	11	11	11
#EIT RIS Hubs	4	6	8	10	12	12	12
#Number of partners ⁸	330	360	400	450	505	570	650
#Number of project partners ⁹	30	35	40	45	50	55	65
#Partners from EIT RIS countries	30	36	44	54	61	68	78
%Partners from EIT RIS countries	9%	10%	11%	12%	12%	12%	12%

5.2 Governance

EIT Digital’s Governance Model is fully compliant with the EIT Principles of Good Governance. The General Assembly consists of all members of EIT Digital, providing a streamlined partnership structure and assuring optimal representation of the partnership as well as strong engagement of all partners. Partners pay an annual fee and have voting rights related to their engagement and contribution to the sustainability of EIT Digital. The Supervisory Board is responsible for the overall strategy of EIT Digital and supervises the Management Committee. The Supervisory Board has an independent Chairman and three additional independent members as well as one partner representative per Node. The Management Committee is responsible for the operational management of EIT Digital and consists of the CEO, the CFO, the CRIO (Chief Research & Innovation Officer), the CEoO (Chief Education Officer) and a Node Director from each Node. In each Node the KIC management is organised via a legal entity, controlled by EIT Digital IVZW, that employs the key team members operating the Node and the Co-Location Centre. In addition, Node Strategy Committees, composed of members associated with the Node, focus on the strategy at Node level, advising the SB. EIT Digital, as a non-for-profit association under Belgian law, has its main office in Brussels and nine

⁸ Partners, which have an influence on a KIC’s operations (members of associations, core partners, etc.). This includes members, linked third parties and external partners, as defined in the chapter 5.1.

⁹ Activity partners, which are involved only in implementation of KICs activities. This includes external partners, as defined in the chapter 5.1.

Nodes in Berlin, Budapest, Eindhoven, London, Helsinki, Madrid, Paris, Stockholm, Trento, that together cover the whole EU27, including the RIS countries and the H2020/HE associated countries.

Diversity, both geographical and gender, is a key requirement and is taken into account during the selection of SB members. In 2021 EIT Digital has already exceeded its diversity targets at SB level, by having 42% of female members and 33% RIS country representation.

As part of its operations, EIT Digital implements and will further develop several policies and procedures that are applied to the whole organizational structure and that are fully aligned with the EIT requirements and H2020/HE regulations: Conflict of Interest policy, anti-fraud policy, diversity policy, recruitment policy and procedure (with open and transparent selection of staff and SB members), performance management policy and procedure, disciplinary policy & procedure, whistleblowing policy.

The EIT Digital governance structure will be updated in line with the requirements of the new Partnership Agreement 2021-2027. These also include the provision of increasing the number of independent members in the Supervisory Board to at least 50% by 2022.

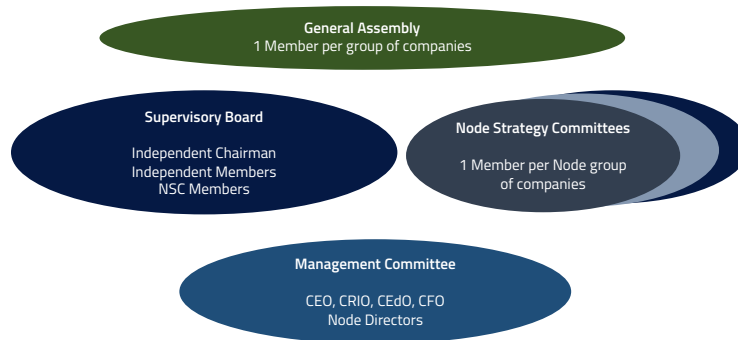


Figure 10: EIT Digital Governance structure

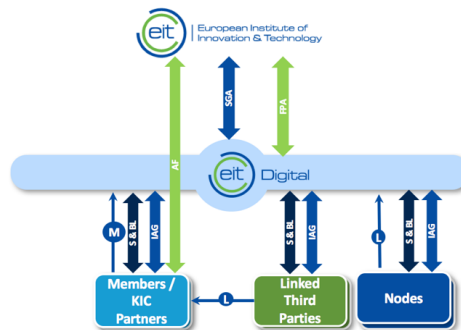


Figure 11: EIT Digital legal and organizational structure

5.3 Budget

5.3.1 Approach and timeline

EIT Digital's ambition is to keep a stable level of investment in spite of the decreasing EIT financial support. EIT Digital is therefore further developing its sustainability strategy to generate income to be reinvested in impactful activities. Our sustainability strategy is based on several components: co-investment from partners, income generation, and the construction of assets mainly through an equity portfolio. The overall sustainability approach shows steadily increasing results in all areas, except for income generation which was growing, but got severely hit by the COVID-19 pandemic. The total co-investment from partners raises from **€18m** in 2020 to **€50m** as of 2022.

As mentioned, the COVID-19 pandemic reduced considerably the anticipated income in 2020. Especially the Accelerator and the education programmes were severely hit. Several measures, however, will support an improvement of at least **50%** of income in 2021 with respect to 2020. Although EIT Digital has to cope with both the impact of the COVID-19 pandemic as well as with the reduced financial support from the EIT, the underlying strength of EIT Digital is shown through the fact that it is able to sustain its operations at a stable KAVA level.

5.3.2 Return on Investment (ROI) and Equity

For venture creating Innovation Activities, EIT Digital takes minority equity share in startups created as a result of these activities. The equity allocated to EIT Digital is proportional to the EIT financial support provided to the Activity and consists of ordinary shares. For MVP creating activities, these contribute to EIT Digital's sustainability by providing a financial return to EIT Digital.

At the end of 2019, the Supervisory Board of EIT Digital has decided to increase the proportion of its budget allocated to venture support to at least **70%** of the total innovation budget, in order to boost the growth of the equity portfolio and ensure the long-term sustainability of EIT Digital. The Strategic Agenda 2021-2027 is constructed to further accelerate the size and value of this portfolio by creating additional ventures from a strong collection of innovation activities as well as from its RIS venture program.

Aligned with this strategy, we will implement the financing strategy of our innovation factory, by diversifying the sources of funding (EIT, other EU funding, income from equity) and by systematically engaging with private seed investors and national/regional funds to support the financing of the ventures created out of our innovation activities, as well as the RIS Venture Program. A compelling value proposition for investors has been developed to showcase them the opportunity of investing in our startups, support them and increase their chances of success.

5.3.3 Entrepreneurial Education

Thanks to its increased reputation, the EIT Digital Master School will increase the income from tuition fees by attracting more students paying higher tuition fees (**€1,500** for EU students and **€14,000** for non-EU students) in 2021. At the same time, EIT Digital will reduce the number of scholarships. The limited number of EIT Digital scholarships will support the very talented students that do not have national scholarships or

private means to pay for the studies. These elite scholarships will safeguard EIT Digital to work with a student body capable of becoming top innovators and digital transformers.

The COVID-19 situation has temporarily slowed down the growth of our student intake, especially the non-EU ones who fear they won't be allowed to travel to Europe in 2020 and 2021. Measures have been taken in order to minimize this impact. Cohort size for 2020 was slightly lower compared to 2019, but it is expected to grow again from 2021.

For the EIT Digital Industrial Doctoral School, the model was shifted to the new Industrial PhD program in which EIT Digital co-funds industrial PhD grants with a limit of **€25,000** per year for up to four years. The overall costs of the program will remain stable over the next years, in spite of the increase in the number of students. In 2021 EIT Digital will further work to establish strategic collaborations to decrease the contribution by EIT Digital, by accessing special Government funds (e.g. Business Finland, CIFRE in France, MIUR in Italy), European funds (e.g. COFUND), and a gradually increased contribution from industrial and academic partners. In particular, it is expected that the access to these local government funds initiatives will increase in the coming years. One of the flagship activities under the doctoral school is the development of a specific I&E program for the doctoral school students. The program is based on a "package" of five one-week seminars in which the students will be immersed in a business-oriented education focused on leadership and business management. After a pilot deployment in 2020, the "doctoral I&E package" will be also available for external paying participants.

The Professional School generates income for EIT Digital via a revenue share agreement between EIT Digital and its Partners, who operate the courses. In particular, the corporate partners' commitment includes co-development, participation to the training, and cost/revenue sharing. In 2020, courses were postponed to the autumn because of the COVID-19 pandemic. As of 2021, we expect to recover from the effects of the pandemic and, thanks to increased marketing and sales efforts, to deploy at least **22** editions of our courses with an average of **10** participants each. We expect to generate at least **€300,000** revenue on an annual basis. In addition, we will continue to develop and to market MOOCs, high-quality online courses on the Coursera platform. The business model is based on awarding an EIT Digital Certificate of Excellence; the cost of the certificate is **€50**, and the income is shared (**50%**) between EIT Digital and Coursera.

The EIT Digital Summer School creates value for the European economy by facilitating its digital transformation through cross-pollination of tomorrow's digital entrepreneurs and innovators. In 2020, the **14** summer schools have been organised online because of COVID-19. In accordance with our three-year growth strategy, and despite the temporary travel problems, the number of paying learners per year will grow to more than **400**. A refreshed pricing in 2021 (full price **€1,900** and early bird price **€1,200**). Thanks to stronger marketing efforts, increased attractiveness and return to a normal situation, the expected yearly income is **€150,000**.

5.3.4 Services & Consulting

Scaleups and SMEs that benefit from the services of the EIT Digital Accelerator compensate EIT Digital for the provisioning of these services in the following way: a base fee of **€50,000** per year is paid for the access to the base Accelerator services. For each deal facilitated via the Access-to-Market service, a success fee of **10%** of the deal value will be added to the base fee. For each investment deal facilitated via the Access-to-Finance service a success fee of **2%** will be applied. In the calculations, a "reimbursement percentage" has been introduced to account for the likelihood that some scaleup companies will ultimately not be able

to pay the fees and to reflect that in some cases only a part of the transaction has been influenced by the EIT Digital Accelerator.

The Accelerator has been impacted by the Covid-19 situation in its commercial activities but this delay in intakes does not impact the growth targets. The current expectation is to sell the Accelerator services to more than **30** new companies in 2021 and to support an overall portfolio of more than **70** scaleups. The number of Access to Finance investments will increase to **€45m** with an average deal size of around **€3m**.

The delay between delivery year and income received is maximized to three years for the base fee and A2M success fees. It has been decided to shorten this three-year period, but the implementation has been delayed in order not to create additional cashflow problems for scaleups already seriously hit by the COVID-19 pandemic. The A2F success fees have limited delay, they are invoiced and due immediately after the investment has reached the bank account of the scaleup.

5.3.5 Membership Fees

The membership fees are an important component to sustain the EIT Digital infrastructure. The fee for members and Linked Third Parties with a legal link is **€25,000** for large enterprises, research institutes and universities, **€10,000** for mid-size SMEs and **€5,000** for other SMEs. In addition, a number of organisations increasingly engage in the EIT Digital activities on a temporary basis as External Partners; a temporary affiliation which allows organizations to be engaged in our Activities without having access to our Governance bodies in exchange of a **50%** reduced fee. The status is granted for one year, at the end of which they are expected to apply for full membership. New membership applications are increasing (more than **100** in 2020).

Based on these elements, and on the growing Partnership (15% growth every year), the expected annual income for EIT Digital from membership fees is expected to increase to **€6m** by 2027.

5.3.6 Alternative Funding Sources (Public and Private)

In the countries where EIT Digital operates, it will further deepen the connections with regional and national funding agencies in order to obtain financial support for its local operations. When applicable and possible, EIT Digital will act in synergy with partners and/or other EIT KICs in order to maximise the impact. Due to the often time-limited nature of the national and regional funding sources, a planning for the long-term becomes increasingly difficult and therefore Nodes will target the creation of framework agreements to setup longer term commitments. EIT Digital will also investigate funding opportunities in RIS countries with the objective of increasingly attract local funding (up to **€0.5m** in 2022). In addition, EIT Digital is establishing new Satellite locations in Europe (with a special focus on RIS countries), fully supported by local funding bodies and/or Partner organizations. In the past years, this approach has proven to be effective with the first financial support attracted by the Silicon Valley Hub and by the Spanish Node and with the establishment of fully sustainable Satellite locations in Edinburgh, Braga and Antwerp. To pursue this objective, EIT Digital is also engaging with the European Digital Innovation Hubs calls being launched in 2021 as part of the next Multiannual Financial Framework (MFF). EIT Digital is active in 12 calls across Europe and it is expected that these initiatives will support the operations of our Nodes and CLCs and position them as important digital transformation support assets for companies, SMEs and public organizations, in terms of: access to digital expertise, know-how and services, skills and training, support to find investments, innovation ecosystem and networking. The combined income attracted to support the ecosystem management and infrastructure costs will grow up to **€2.5m** in 2024.

EIT Digital will also increasingly develop synergies with other initiatives at European level to identify and attract new financing sources. As an example, in 2020 and 2021 we are leading the cross-KIC EIT-EIC pilot which aims at testing new collaboration mechanisms between the EIC and the EIT Innovation Communities and will provide EIT Digital (and the other participating KICs) with **€1m** financial support. After the pilot, we aim at establishing a longer-term collaboration between the EIT and the EIC, supported by a structural financial support.

Pursuing the same objective, EIT Digital is increasingly engaging with European projects. In 2020 we run **6** projects: BDVe, MIDIH, Select4Cities, Concordia, Quality and AI4EU. For the future, EIT Digital initiated discussions with various EC DGs to identify further synergies and funding opportunities (including with the upcoming Digital Europe Program, the Horizon Europe Mission and Horizon Europe Pillar 2).

5.3.7 Co-investment from Partners

In addition to income generation, partners' co-investment supports the cost of activities. The level of co-investment will stabilise at around **€50m** per year as of 2022. Next to the innovation activities, which already include co-investments by partners up to **50%**, the co-investment from partners will increase to **50%** in the Education activities too.

Table 3: Overview on the financing of KIC activities (MEUR)

Budget (m€)	2021	2022	2023	2024	2025	2026	2027	Total
EIT Grant	34,94	35,00	30,00	25,00	10,00	10,00	10,00	154,94
KIC LE investments (exc. membership fees)	1,50	1,50	4,50	5,50	8,00	8,00	8,00	37,00
Partners membership fees	2,50	3,00	3,50	4,00	5,00	5,00	5,00	28,00
Other partners contributions (including in-kind contributions)	21,10	22,00	22,00	22,00	10,00	10,00	10,00	117,10
Third party contributions	1,50	3,00	4,50	5,50	9,00	9,00	9,00	41,50
Total	61,54	64,50	64,50	62,00	42,00	42,00	42,00	378,54
% of EIT grant of the total budget	57%	54%	47%	40%	24%	24%	24%	41%

Disclaimer: It is pertinent to note that the Table above does not represent a commitment by the EIT to disburse the listed amount.

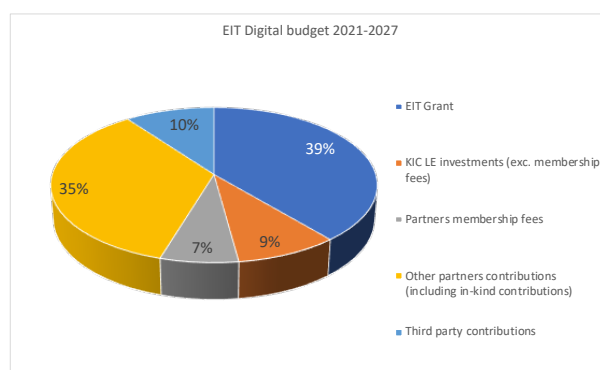


Table 4: KIC activities budget (MEUR) per area

Budget (m€)	2021	2022	2023	2024	2025	2026	2027	Total
Education	12,00	12,50	12,50	11,50	7,00	7,00	7,00	69,50
Innovation	40,00	41,50	41,50	40,00	25,00	25,00	25,00	238,00
Business Creation	3,30	3,50	3,50	3,50	3,00	3,00	3,00	22,80
Ecosystem	4,24	4,50	4,50	4,50	4,50	4,50	4,50	31,24
Management	2,00	2,50	2,50	2,50	2,50	2,50	2,50	17,00
Total	61,54	64,50	64,50	62,00	42,00	42,00	42,00	378,54
% of EIT grant of the total budget	57%	54%	47%	40%	24%	24%	24%	41%

5.4 Financial Sustainability

Table 5: Forecast revenue (in MEuro)

Financial sustainability	2021	2022	2023	2024	2025	2026	2027	SUM
1. INCOME GENERATED BY ROI & EQUITY	0,50	1,00	1,50	2,00	3,00	4,00	5,00	17,00
2. EDUCATION	1,50	2,00	2,50	3,00	3,25	3,50	3,75	19,50
3. SERVICES & CONSULTING	1,00	1,75	3,00	3,50	4,00	5,00	5,10	23,35
4. MEMBERSHIP FEES	3,50	3,50	3,75	4,00	4,25	4,50	4,75	28,25
5. ALTERNATIVE FUNDING SOURCES FOR KIC LE (PUBLIC AND PRIVATE)	1,50	2,00	2,50	3,50	5,00	5,50	6,00	26,00
6. SUM of FS REVENUES	8,00	10,25	13,25	16,00	19,50	22,50	24,60	114,10
7. EIT grant PROJECTION*	34,94	35,00	30,00	25,00	10,00	10,00	10,00	154,94
8. FS COEFFICIENT (%) ([6] / [7])	23%	29%	44%	64%	195%	225%	246%	74%

(*) 2021 budget does not include the extra 10% to be allocated after the association of third countries to Horizon Europe (EIT grant expected to be around €39M)

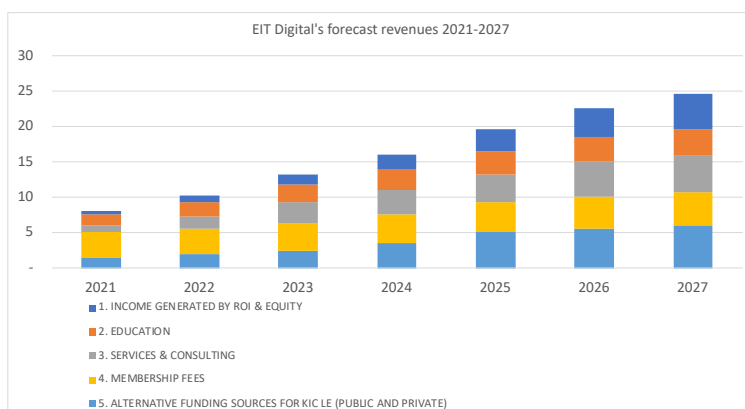


Figure 13: Graph outlining the KIC's forecast revenues (2021-2027)

5.5 Cross-cutting aspects

Openness and Transparency

Openness and transparency principles are applied to all EIT Digital processes and activities:

- EIT Digital partnership is fully open and there are clear criteria of how to become a partner, publicly available on EIT Digital's website; the process of assessing candidates for partners is also in place
- Call for proposals are open to non KIC partners and are published on the website; assessment of calls is supported by independent external experts recruited via an open call
- Out of twelve SB members, four are independent; specific provisions on the number of independent SB members are included in the EIT Digital statutes and by-laws
- EIT Digital publishes its annual reports and Strategic Agenda on its website; the documents include also financial data

The Activity composition within a Segment can be based on an open call for proposals and a subsequent selection process, can be guided by strategic needs (e.g. the Silicon Valley Hub and the Master Programs) or linked to operational requirements and EIT guidelines (like the Management Area or Education and Innovation Development Support).

For the innovation and education segments, we made our call completely open. The call for proposals is publicly advertised on our internet pages as well as in social media channels. A dedicated page provides required information and points of contact. Interested organisations from across the EU and associated Horizon Europe countries can apply for membership status via an online form. This allows them access to our intranet and submission system.

For Innovation, we ask for proposals in the five focus areas. For Education, a targeted call is made for parts of the Education Segments "Master School" (new Master programs, and new entry or exit universities),

“Professional School” (new blended courses), and “Summer School”. PhD Thesis topics for the Industrial Doctoral School can be proposed independently of the Call during the whole year.

Synergies and Collaborations

On top of the synergies and collaborations with the other EIT Innovation Communities described in the next section, EIT Digital is well connected at both European and national level and engages with a number of different initiatives, pursuing three major high-level objectives:

- Support the execution of our own strategy as laid down in the SIA. To this end, EIT Digital actively scouts actors and cooperation opportunities that could complement the efforts of our core functions (Innovation Factory, Accelerator, Entrepreneurial Education), extend and increase impact, broaden and strengthen our pan-European ecosystem.
- Reinforce EIT Digital’s leadership in Digital Transformation by engaging in strategic discussion with other relevant organizations
- Strengthen the delivery on innovation and education throughout Europe, also leveraging the strong presence in RIS countries via our 9 Nodes

Concerning the process towards establishing collaborations, the first step is the identification of actors with whom to pursue the objectives described above. We then engage in strategic discussion with them, clarifying them our objectives and jointly identifying possible synergies, promoting a win-win approach. In case of converging interests, concrete cooperation opportunities are identified that can take one or more of the following forms:

- Participation in projects, supported by relevant agencies and funds (e.g. H2020/Horizon Europe, Digital Europe Programme, etc.)
- Memorandum of Understanding formalizing the collaboration framework and facilitating collaboration’s deployment (e.g. the MoU signed in 2019 with the Hungarian Ministry for Innovation & Technology to joint support the successful digital transformation of Hungary’s industry)
- Specific agreement (especially with national/regional bodies and agencies) for the implementation of joint activities

During 2021-2027, EIT Digital will further intensify its collaborations with other initiatives, with particular focus on Horizon Europe Pillar II, the Horizon Europe Missions and the EIC. In particular, we will continue to be the lead KIC in the EIT-EIC pilot which aims at testing new collaboration mechanisms between the EIC and the EIT Community. This promising partnership will allow a systematic and structural cooperation the EIC and the EIT KICs, ensuring European innovators receive maximum support from both programmes to accelerate the development and scaling up of breakthrough innovations and innovative solutions to European and global problems.

EIT Digital will also strongly engage with the Digital Europe Programme, in particular with regards to the development of education programmes addressing the digital skill gap in Europe. In addition, by leveraging its pan-European ecosystem, EIT Digital will engage with more than ten European Digital Innovation Hubs all over Europe acting both as a local player as well as an orchestrator at EU level.

Other synergies will be explored with

- the European Structural and Investment Funds (ESIF), in particular concerning the development of new mobility solution and next generation communication networks (connected Europe), the support to the digitisation and transformation of EU SMEs (smarter Europe) and the facilitation of quality employment, education, skills and social inclusion (social Europe)
- the Next Generation EU (NGEU), in particular concerning the support to the EU digital transition, as part of the Recovery and Resilience Facility and the Strategic Investment Facility

A summary of the most relevant synergies foreseen for 2021-2027 is outlined in the table below.

Table 1: EIT Digital planned synergies from 2021

Actors	Planned Synergies
European Partnerships	The aim of this synergy is to deliver on global challenges and modernise industry and society. EIT KICs in Horizon Europe will be included in the institutionalised European Partnerships. EIT Digital will also seek synergies with the other types of European Partnerships: co-funded European Partnerships and Co-programmed European Partnerships
Missions	In 2020 EIT Digital engaged in discussions with the other KICs, the EIT and other relevant stakeholders in order to participate in most of the Horizon Europe missions. The initial focus will be on the Carbon-neutral and smart cities and on the Adaptation to climate change, including societal transformation missions.
EIC	Synergies are envisaged along four main lines: EIT Digital Accelerator (1) preferential entry for EIC recognized companies and (2) Access to Finance portfolio sharing with EIC for investments. (3) EIC grants and investments in the EIT Digital Innovation Factory's ventures and (4) channel EIC Pathfinder innovators to create ventures in the EIT Digital Innovation Factory.
EIF	As part of the sustainability of the Innovation Factory and to further develop and sustain our venture portfolio we will increasingly engage with private and public investors, including EIB and EIF. Preliminary meetings took place in 2020 (both bi-laterally and as part of the EIT Innovation Panel) in order to setup a structured collaboration in 2021 and beyond. EIF and EIT Digital will also jointly develop education activities to fill the skill gap at EU level (e.g. via the Education and Skills Guarantee Pilot started in 2021).
DG EAC/ DEAP	EIT Digital contributes to the EC DEAP by developing a professional course to teach primary and secondary school teachers about Cybersecurity
DG Connect/New Generation Internet	Participation in the new AI4EU project. EIT Digital's role is to contribute to the consortium's Education and Training activities and disseminate our own education.
DG Connect / cPPP ECSC	Participation in project CONCORDIA, aiming at establishing and operating a pilot for a Cybersecurity Competence Network, developing and implementing a common cybersecurity Research & Innovation Roadmap. EIT Digital's focus is in skill building
DG Connect / I4MS - FoF-PPP	Project QU4LITY leveraging synergies with our Digital Industry Focus Area
Digital Europe Programme	European Digital Innovation Hubs deployment and coordination, development of training on Advanced Digital Skills
ESIF	Connected Europe, smarter Europe and social Europe
NGEU	Recovery and Resilience Facility and the Strategic Investment Facility

Cross-KIC cooperation and Simplification/Shared Services

The highest level of cooperation between the KICs and the EIT is in the EIT Forum. The Forum enables the EIT and the Knowledge Innovation Communities to identify and address the main strategic topics such as governance, COVID-19 mitigation actions, cross-KIC synergies and joint actions. To foster cross-KIC learning at operational level EIT Digital is an active participant in the cross-KIC COO/CFO work group. The cross-KIC Innovation, Entrepreneurship and Education panels are other examples where best practice is exchanged between the KICs and the EIT on all the aspects of the Knowledge Triangle and synergies are identified. EIT Digital is also actively sharing with the other KICs its experiences and best practices on management and operations, by, e.g., arranging workshops and demos of its IT systems and enabling the other KICs to benefit from these tools (i.e. EIT Health, EIT Food, EIT Climate-KIC, EIT Manufacturing and EIT Urban Mobility are now using the same suite of IT tools used by EIT Digital for all the management and operational tasks of the KIC).

EIT Digital leads the operations of the EIT House in Brussels, an important tool for the EIT Community to increase its visibility towards the Brussels-based stakeholders and decision makers. In other parts of Europe, the Innovation Communities are exploring opportunities to consolidate their presence in cities and regions where more than one KIC is operating. This will allow the KICs to talk with a single and stronger voice towards the local and national stakeholders, thus strengthening their positioning and visibility. KICs are also establishing a stronger presence beyond Europe (US, China & Israel). EIT Digital, as the pioneer KIC in Silicon Valley, led the establishment of an EIT Hub in San Francisco and is further working to develop and strengthen the EIT presence in the US.

In the education domain, EIT Digital participates in several joint initiatives with the other KICs aiming at strengthening the educational offer of the KICs (e.g. through the development of cross-KIC MOOCs). In addition, KICs jointly support the implementation of the Digital Education Action Plan of the European Commission. EIT Digital plays a key role in this area by leading an initiative to teach **3,000** European teachers about cybersecurity. This is a priority for the European Commission in order to increase knowledge and awareness of online safety and cybersecurity in primary and secondary school.

In the innovation domain, EIT Digital actively promotes cross-KIC collaboration as digital transformation represents a major opportunity for all the EIT Innovation Communities for addressing the respective global challenges. Starting from 2017, EIT Digital has increasingly strengthened the collaboration with other KICs through joint activities. Collaborations have taken place in various areas; examples include Smart Cities with EIT Climate KIC, digital solutions for health and wellbeing with EIT Health and product life cycle management with EIT RawMaterials and EIT Climate KIC. As of 2020, EIT Digital is actively engaged in the cross-KIC Innovation Thematic and Innovation Impact Activities. In particular, EIT Digital leads an Innovation Impact Activity on AI with EIT Health, EIT Manufacturing, EIT Urban Mobility, EIT Climate-KIC and, as of 2021, EIT InnoEnergy. EIT Digital and EIT Health also run an Innovation Thematic Activity on combating child obesity and we are now discussing with EIT Food about their potential contribution in 2021. We work with EIT Food and EIT Manufacturing on an Innovation Activity around digitized production test beds which after the preliminary phase in 2020, will deploy the first real digitized production test bed for the food industry in one of the CLCs of the participating KICs. Lastly, EIT Digital supports an Innovation Activity on Smart Sustainable Cities led by EIT Climate-KIC (by leading the activity implementation in Spain) and an Activity on Circular Economy led by EIT RawMaterials.

In 2021-2027 EIT Digital will be involved in more than **10** cross-KIC activities, including the new initiative aiming at supporting the innovation capacity of Higher Education Institution and the shared services (to

build on top of the already existing services – e.g. IT platform – and further simplify and streamline operations).

In addition, EIT Digital leads new initiatives such as the EIT-EIC pilot which aims at testing new collaboration mechanisms between the EIC and the EIT Innovation Communities. EIT Digital is also a strong contributor to the EIT program supporting the Next Generation EU (EIT4NGEU) which will empower the EIT Community to deploy a comprehensive innovation program focusing on a resilient Europe acting in technological sovereignty serving European citizens in an inclusive manner through its vast pan-European ecosystem. This section will be updated based on the final approach to the Cross-KIC and shared services approach.

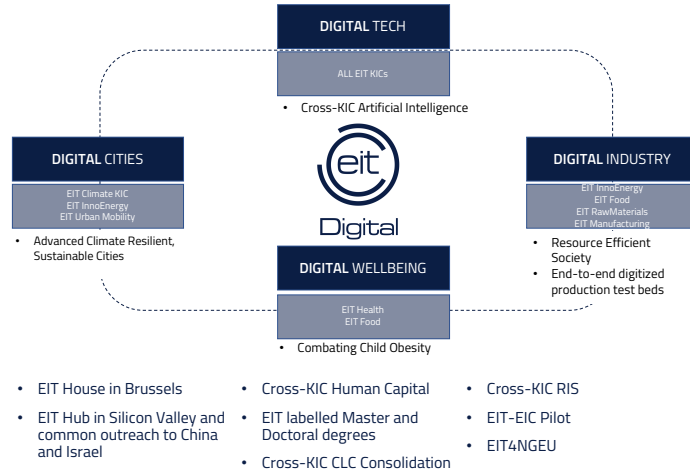


Figure 14: Cross-KIC collaboration

Communication and stakeholder engagement

The key drivers of EIT Digital’s integrated communication and stakeholder engagement strategy are to develop stronger and more engaging programs to strengthen the EIT Digital influence, extend its outreach to institutions and innovation communities, and broaden its ecosystem. During the planning of communication and dissemination actions, special attention will also be given to enhancing the visibility of the KIC and selected Activities through specific actions. The table below summarises the key activities in terms of communication, dissemination and stakeholder engagement strategy.

THOUGHT LEADERSHIP	EDUCATION
<ul style="list-style-type: none"> • Position EIT Digital as an influencer by promoting a strategic vision and showcasing achievements via key executives and through presence in media, social media and events • Capitalize on strong thought leadership programs like MAKERS & SHAPERS and POLICY REPORTS • Orchestrate inbound communication campaigns to approach audiences beyond the existing ecosystem 	<ul style="list-style-type: none"> • Support visibility, impact and sustainability of the education activities • Generate relevant content based on the editorial agenda and marketing needs • Position EIT Digital as key player in the field of entrepreneurial education • Support student and course participants recruitment

<ul style="list-style-type: none"> • Enhance stakeholder relations 	
<p>ACCELERATOR</p> <ul style="list-style-type: none"> • Provide support for recruitment of new scaleups • Enhance visibility of Accelerator events through greater PR support and Social Media campaigns • Promote portfolio scaleups through integrated success-storytelling campaigns 	<p>INNOVATION ACTIVITIES</p> <ul style="list-style-type: none"> • Support visibility, impact and sustainability of the innovation activities • Generate relevant content based on the editorial agenda and marketing needs • Contribute to recruitment of additional partners • Support sourcing of new Innovation Activities • Promote approved projects through integrated success-storytelling campaigns

EIT Digital Communications will further develop new and capitalize on existing thought leadership programs, enhancing the organisation’s unique positioning between industry, research, business and public institutions.

In 2020, EIT Digital rolled out its flagship project ‘MAKERS & SHAPERS’ to: share a joint vision on Europe’s potential in the digital sector, inspire entrepreneurs, and engage innovators, investors and policy makers in Europe’s ability to be a major player in digital innovation.

As part of our 10th anniversary, the Makers and Shapers journey features thought leading conversations with captains of industry and high-profile startup executives (the Makers) as well as policymakers from EU Institutions and Authorities (the Shapers). They share their vision on key areas of digital innovation and the way forward to a strong digital Europe.

Makers and Shapers shall inspire entrepreneurs, and engage innovators, investors and policy makers in Europe’s effort to be a major player in digital innovation. Our video journey is a testimony for the need to overcome fragmentation in Europe. It is a manifestation of the strength of collaboration, gives a sense of belonging to a pan-European innovation ecosystem and strengthens confidence in a strong digital Europe. In 2021-2017, EIT Digital will engage with more (at least 20 every year) European makers and shapers in order to inspire entrepreneurs, and engage innovators, investors and policy makers in Europe’s effort to be a major player in digital innovation.

In 2019-2020, a cohesive brand-style and tone of voice across all brand touchpoints, emphasising EIT Digital’s role as an innovator and thought leader and establishing an even stronger identity and recognition to engage key audiences had been established. In 2020, specific focus – supported by tailored training sessions – was given to support EIT Digital’s obligations defined by FPA Article 44. We emphasised internally the importance of promoting EIT Digital whilst ensuring visibility of the EIT and EU funding by displaying the EIT KIC logo and the reference to EIT support by displaying the EU emblem on the overwhelming majority of our visual media (Annual Report, factsheets, banners, SIA, etc.), thus securing strong cohesion between both trademarks.

Now that the fundamentals are set in terms of branding, we will reinforce this new brand identity in 2021-2027 with a rejuvenated impactful artwork – mainly on social media – but also impactful statements to support and promote EIT Digital’s strategic vision whether on social media, in events, on our website or any other marketing and communications material.

From a content standpoint, EIT Digital will continue the transition from technology focus to societal impact of digital transformation and people-oriented storytelling.

Branding will also support the SIA approach by strategic focus areas, enhancing the key domains Digital Tech, Digital Wellbeing, Digital Cities, Digital Industry and Digital Finance by telling compelling tangible stories to our Business and Cn audiences (as exemplified in the 2019 Annual Report).

As of 2021, the communications team will pursue the diffusion of the global brand image and content management through a more disruptive approach since the fundamentals of the EIT Digital brand are now established and the brand enters a “maturity” phase with significant recognition.

EIT Digital concentrates on selective campaigns for traditional media, using a thought leadership approach and promoting key values for a strong digital Europe.

Based on the positive experience with the 2019 annual conference and 2019-2020 EIT Digital Challenge competitions, EIT Digital will further develop its strong partnerships with key European (e.g. SciTech Europa, Politico EU, EurActiv) and national media (e.g. StartupItalia, StartupBusiness, Silicon Canals) to broaden its audience and enhance stakeholder engagement with all EIT Digital pillars. Additional partnerships in target countries will be considered.

Traditional media relations will, as of 2021, be reinforced by ad hoc collaboration with PR agencies in all regions covered by EIT Digital’s activity. The ultimate target is to enhance yearly media coverage to a minimum of **350** articles, out of which **90** in Tier 1 media.

In comparison, in the first half of 2020, EIT Digital achieved coverage in 42 Tier 1 media publications (a 10% increase with respect to H1 2019), including AFP, BBC, Corriere della Sera, Forbes, Het Financieele Dagblad, La Stampa, Le Point, Les Echos, Rai News, Science|Business and Talouselämä. Press releases about EIT Digital Innovation Activities generated 15 articles overall in the first half of the year, both on mainstream media and in industry publications.

The EIT Digital events communication strategy focusses on a balance between own and 3rd party events and speaking opportunities, covering all target audiences, strategic focus areas, geographies, and activity pillars.

As of 2021, EIT Digital will work on a consistent events (formats will depend on potential restrictions and local travel ban rules) portfolio combining:

- Thought Leadership events to get in touch with policy makers and institutions
- Venture Standup events to connect VCs and startups based on the strategic focus areas
- Innovation Days to present annual achievements of the respective Nodes, present Innovation Activities and introduce scaleups
- Education events

Furthermore:

- The EIT Digital Challenge finals to source promising scaleups,
- Ad hoc events debating results of our policy reports
- Series of hackathons

As of 2021, Social Media will be even more important to support our branding efforts and get in touch with unmet audiences. We will increasingly move from unidirectional communication towards engaging in dialogues, enhancing our presence on Instagram, and applying a consistent and disruptive positioning, combining stories, community management and advocates’ promotion. We will also further finetune our segmented approach via dedicated channels to reach specific target audiences and match specific expectations whilst establishing relationships with stakeholders of all pillars.

Our target is to increase followers by **30%** and to reach the following number of followers by platform by the end of 2021:

- Facebook: **87,000**
- Twitter (corporate channel): **55,000**
- LinkedIn: **30,000**
- Instagram: **2,200**

The objective is to implement full social media and digital strategies integration to reach out to new innovation communities and audiences to serve EIT Digital’s objectives. As an example, for MAKERS AND SHAPERS, platforms such as Medium, Evangelist, but also YouTube have been part of an integrated strategy to reach out to target audiences at EU, national and local levels. We will apply integrated campaigns whenever the aim is to generate high registration and participation numbers, such as for the Annual Conference, the Academy and its courses, calls for innovation collaboration, and the EIT Digital Challenge. For instance, an integrated communication and marketing strategy implemented for the Annual Conference 2019 generated a record number of registrants (and participants) thanks to a reach of more than **6 million** individuals on social media, and inbound marketing resulting in more than **40%** of registered participants.

In order to turn into a more selling organisation that extends the reach of partners, increases the number of students enrolled and increases the number of start-ups supported, the EIT Digital corporate website will be rejuvenated with a more sales-oriented approach. To that goal, the site will feature a look and feel, visuals and top-level structure that better communicates EIT Digital’s mission, vision and action. It will clearly present our offer in entrepreneurship, innovation, and education, be inclusive & inviting, solid and serious, selling but not too corporate.

The purpose of this revamp is to engage new target audiences and extend EIT Digital’s outreach with clear, simple and accessible information. EIT Digital will capitalize on its respective programs like MAKERS AND SHAPERS, policy reports, 10 YEARS ANNIVERSARY event, but also school portals to generate traffic to the website. We expect the user experience of the new corporate web site combined with more engaging content to increase the full year user number and break the threshold of **375,000** users by the end of the year 2021.

As of 2021, KPI settings will be adjusted to reflect the establishment of an integrated dashboard system in 2020, developed on the SmartSheet platform. This system allows for real time monitoring and regular tactical adjustments in each activity pillar, based on strong quantitative and qualitative KPIs.

To summarize, major yearly communication KPIs are

<p style="text-align: center;">SPEAKING OPPORTUNITIES</p> <p style="text-align: center;">10 CxO keynote speeches at 3rd party events</p>	<p style="text-align: center;">CORPORATE WEBSITE</p> <p style="text-align: center;">User number increase by 30%</p>
<p style="text-align: center;">TRADITIONAL MEDIA</p> <p style="text-align: center;">350 articles, out of which 90 in Tier 1</p>	<p style="text-align: center;">SOCIAL MEDIA</p> <p style="text-align: center;">Increase followers by 30%</p>

Above all, EIT Digital sees great potential in amplifying the EIT community brand through cross-KIC collaboration. The cross- KIC initiatives are examples were cooperation between EIT Digital as main facilitator, other participating KICs and the EIT Communications team led to excellent visibility and media coverage.

Another example was the COVID RESPONSE INITIATIVE plan for cross-KIC representation. To profit in 2021 and beyond even more from such initiatives and jointly lift the EIT brand, we will contribute to improved planning and coordination processes to make best use of the community’s capabilities.

From a global perspective, consistency is the main driver for efficient contribution to the EIT community brand identity, communications, dissemination and outreach. In a decentralized organisation such as the EIT ecosystem, consistency means sticking to the same semantics, adherence to the core pillars (ecosystem,

innovation & entrepreneurship and education), and consistent reference to the guiding document – the Strategic Innovation Agenda. Such consistency is the only way to on the one hand maintain the singularity of each KIC, generate a common understanding of the EIT identity on the other hand, and capitalize on global synergies to make the brand strong, visible and sustainable.

Dissemination

EIT Digital dissemination strategy for the period 2021-2027 will be further developed in line with EIT Digital strategic objectives and impact pathways (see Annex I).

On top of the strong communication and stakeholder engagement efforts, described in the previous section, aiming at promoting EIT Digital activities and strengthening its brand, EIT Digital will intensify its dissemination strategy to ensure that the results of its activities are adopted at EU level and are generating the expected impact, with the final goal of building a strong Digital Europe and contributing to European Digital Sovereignty, fully aligned with the top priorities of the European Commission, as well as with the Horizon Europe Strategic Planning. More in detail, the objectives of EIT Digital dissemination strategy are:

- awareness raising on specific challenges and opportunities
- seek out relevant alignments and opportunities of collaboration with other projects and initiatives
- identify other stakeholders who would benefit from the results
- promote and define new synergies
- raise societal awareness on the importance of the digital transformation at EU level
- ensure a proper dialogue on digital policies and regulations between makers and shapers

To pursue these objectives, EIT Digital will also reinforce its thought leadership program with the development of new policy perspective reports (at least 6 in the 2021-2027 timeframe), in particular on Digital and green economy, digital finance and the disruption of education. These will build upon the strong dissemination efforts put in place as of 2019, with the launch of three policy perspective reports in 2019 and 2020. The first report on “DIGITAL TRANSFORMATION OF EUROPEAN INDUSTRY - A POLICY PERSPECTIVE” was well received by relevant audiences and presented to a high-level roundtable of 25 EU policymakers and thought leaders in Brussels, encompassing representatives of five European Commission Directorates General and Commissioners’ private offices. The second report “EUROPEAN DIGITAL INFRASTRUCTURE AND DATA SOVEREIGNTY” was released in May 2020. As a result of the ongoing COVID-19 pandemic and related restrictions, the launch happened exclusively online. A comprehensive social media campaign was accompanied by media relations and direct mailings to hundreds of EU and national stakeholders in governments, authorities, trade associations, think tanks and industry. The report and its conclusions were also presented as part of high-level events in Brussels in Q3 2020. The third report “A EUROPEAN APPROACH TO ARTIFICIAL INTELLIGENCE – A POLICY PERSPECTIVE” was developed in collaboration with EIT Climate-KIC, EIT Health, EIT Urban Mobility and EIT Manufacturing to further strengthen the position of the EIT Community when it comes to the application and deployment of AI in Europe and ensure strong dissemination of the KICs’ results in this area at EU level. The report was released in September 2020, accompanied by a communications campaign and by a presentation by the involved KICs at the EU R&I days 2020.

Building on the successful deployment of the EIT Crisis Response Initiative in 2020, EIT Digital will further disseminate its results at EU level to ensure wide adoption of European solutions to fight the pandemic and accelerate the post-pandemic recovery (e.g. COVID-19 contact tracing with physical tokens).

Last but not least, EIT Digital will further develop its Makers and Shapers journey initiative: captains of industry and high-profile startup executives (the Makers) and policymakers from EU Institutions and Authorities (the Shapers) will be brought to share their vision on key areas of digital innovation and the way forward to a strong digital Europe. In 2021-2017, EIT Digital will engage with more (at least 20 every year) European makers and shapers in order to inspire entrepreneurs, and engage innovators, investors and policy makers in Europe's effort to be a major player in digital innovation.

Global Outreach

The EIT Digital Silicon Valley hub has put Europe on the map in Silicon Valley, benefitting the entire European continent in the cradle of digital. The impact of the EIT Digital hub convinced the European Institute of Innovation and Technology (EIT) and some of the other EIT organisations to establish an EIT hub in San Francisco under the leadership of EIT Digital. The hub will be modelled after the successful EIT House in Brussels that was already established under the leadership of EIT Digital.

When it comes to further global expansion, EIT Digital will explore the possibility of establishing a hub in Asia. The opportunity to actually create the Asian hub in the coming years and its potential location are both elements that will be analysed carefully. This will be particularly explored in the context of the Cross-KIC Common outreach beyond Europe Activity which aims at positioning EIT's innovation model and initiatives at an international level, showcasing EIT supported innovation and activities beyond Europe, attracting support for EIT Community's innovators and strengthening the EIT innovation ecosystems by attracting partners, organisations and students from all over the world to contribute to the EU's competitiveness and to reinforce its attractiveness. The 2021-2027 focus will be on strengthening the presence in US, China and Israel. At the same, the involved KICs will look for outreach opportunities in additional countries.

6 RISKS

In 2020, EIT Digital enters its 10th full year of operation. Therefore, many unexpected and/or unplanned incidents affecting the KIC operations and target achievements have been encountered and successfully dealt with. KIC internal processes and organisation have been evolved to not only be more efficient and to improve the quality of results, but also to deal with any risks materializing early on and thus mitigate their impact. The formal agreements with partners clearly define the operational and contractual framework for addressing any issues. In particular, the annexes A, C, D, E and F of the EIT Digital by-laws include partner obligations and conflict resolution mechanisms, and the internal Partner Agreements include procedures to e.g. maintain the single reimbursement rate defined by EIT on the basis of the initial (non-amended) Business Plan in case of changes to the scope and budget of the tasks a partner is involved in.

In the Table below, EIT Digital provides its risk register to be used for the Operations in 2020 and beyond. In addition to these KIC level risks, every Activity has defined its own Activity-specific risk register as part of the Activity proposal. The overall responsibility of managing risks lies with the management committee and ultimately with the CEO. On KAVA level, the Activity leaders are responsible for managing risks affecting their Activity. The defined formal reporting structure and the management meetings schedule ensure that risks are identified early and dealt with adequately. This is particularly relevant for Activities involving partners that newly joined in 2019. Formal reporting is required for each quarter and aggregates reports in the various levels: tasks (reporting to Activity Leaders), Activities (reporting to Innovation Leaders and Heads of Schools), and Innovation Leaders, Heads of Schools and Head of the Accelerator (reporting to the management committee). Next to the formal reporting, regular monitoring as described above will identify risks early and also help in implementing mitigation measures.

As of 2018, EIT Digital has initiated a continuous monitoring exercise of all the Activities and budgets to ensure proper utilization of the allocated budget. The C-level management performs a monthly review of the status, for each budget entry a risk level is defined (together with mitigation measures, when needed) and clear roles and accountabilities are assigned to KICs' senior level management in order to ensure proper ownership and execution.

Table 7: Risk assessment

Key risk (title and description, including cause and potential consequence)	Risk type	Objective/the matic area affected by the risk	Impact (Low 1-2 Medium 3 High 4-5)	Likelihood (Low 1-2 Medium 3 High 4-5)	Key control(s)/ mitigating factor(s)	Action plan Summary		
						Description	Owner	Deadline
<p>Bankruptcy of partner</p> <p>A Partner may file for bankruptcy and not fulfil his obligations in the Activities he is involved in. Any pre-financing he may have received to support the Activity operation and for which he has not yet delivered any results will very likely be lost.</p>	operational , financial	Ecosystem	High	Low	Strong and regular monitoring on activities and partner delivery, as well as regular interim cost report collection.	Staged pre-financing (per quarter whereby last quarter after submission of the Cost Report).	CFO	6 months after the occurrence of the event
<p>Partner leaving EIT Digital</p> <p>A partner may leave EIT Digital because for instance of strategic changes decided by the Partner's management.</p>	operational , financial	Ecosystem	Medium	Low	Increased effort to attract new partners aligned with strategy.	As our internal agreement with the partner keeps the financial obligations intact, there is no financial risk for the current business year.	Node Director responsible for the specific Partner	By September 30 of the applicable year
<p>Non-performance of partner in an Activity</p> <p>A partner may not fulfil his responsibilities in the Activity tasks he is involved in – either by not delivering at all or by delivering insufficient quality.</p>	operational	Innovation/Education/Ecosystem	Medium	Medium	The responsibility of the performance of an Activity is with a partner (Activity Lead). EIT Digital by-laws define the formal obligations, the internal grant agreement the effect on the partner grant in case of cost changes.	Cause analysis, roadblock removals by the Innovation Leader, School Head and/or the operations team, escalation to MC.	MC	By December 31 of the applicable year
<p>Non-performance of a coached startup/scaleup</p> <p>A startup/scaleup may not achieve the results agreed in in the term sheet, for internal (e.g. inability to hire the right staff) or external (e.g. changed market requirements) reasons.</p>	operational	Innovation	Medium	Low	A 3-step stage gating process for the admission process to eliminate risky startups, special coaching by business development team.	Regular monitoring by the Accelerator team in order to spot any underperformance well in advance and put in place an action plan to bring the performance back on track.	CRIO	Within the 12 months acceleration period

Key risk (title and description, including cause and potential consequence)	Risk type	Objective/the matic area affected by the risk	Impact (Low 1-2 Medium 3 High 4-5)	Likelihood (Low 1-2 Medium 3 High 4-5)	Key control(s)/ mitigating factor(s)	Action plan Summary		
						Description	Owner	Deadline
Delays in filling open positions For positions the EIT Digital legal entities are looking for candidates, there may be delays in the various phases of the recruiting process.	operational	Ecosystem	Medium	Medium	EIT Digital brand is increasingly recognized as an important organization at EU level, therefore attracting high quality candidates	Support by external HR agency.	Head of HR	4 months after the opening of a vacancy
Departure of key persons Key staff of EIT Digital legal entities are leaving unexpectedly	operational	Ecosystem	Low	Low	Implementation of a succession plan for each key position identifying both an interim solution as well as potential internal candidates ready for the specific role.	Close monitoring of replacement process.	Head of HR	As soon as the key person resigns
Delay of sustainability revenue ramp-up The ramp-up of the sustainability contributions to the EIT Digital budget may be delayed, due to	strategic, financial	Innovation/Education/Ecosystem	High	Medium	Strong and diversified sustainability approach.	Cause analysis, sustainability strategy revision for the delayed income streams and compensation by other sources. Quarterly revenue reporting framework (with a 3-year outlook) will be developed to ensure proper monitoring and early identification of hurdles and delays.	MC	End of each quarter
Late signing of agreements Agreements with EIT on the Business Plan take longer than expected, thereby delaying Grant Agreements.	operational, financial	Innovation/Education/Ecosystem	High	Medium	By-laws contain in section 9.2 a provision to start Activity-related work already before the formal completion of signatures, once the Business Plan budget has been confirmed by EIT in writing.	Roadblock removal by Management team; possible reduction of scope if Activity starts late - handled in Amendment.	CRIO/CEO/CFO	End of each month

ANNEX 1 KIC IMPACT

Table 8

KIC Strategic Objective <i>(i)</i>	Problem/issue related to the societal challenge <i>(ii)</i>	Societal and economic impact to be created by 2027 <i>(iii)</i>	Impact KPIs <i>(iv)</i>	Targets to be achieved by 2024* <i>(v)</i>	Targets to be achieved by the FPA end year [2027]* <i>(vi)</i>	Targets to be achieved by 2027* <i>(vii)</i>	Relevant UN SDG Targets <i>(viii)</i>	Source of verification (to be completed only for the societal impacts) <i>(ix)</i>
Building world-class European industry players in digital	Digital economy is dominated by the US and China. European companies are absent from the top spots of the major rankings.	Creating new innovation ecosystems in the area of digital (economic)	# Visible innovation ecosystems not previously in existence developed with the support of EIT Digital	At least 3 new innovation ecosystems by 2024	At least 6 new innovation ecosystems by 2027	At least 6 new innovation ecosystems by 2027	SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE Target 9.3. Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets	European Commission, DESI, EU ICT sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis
Building world-class European industry players in digital	Digital economy is dominated by the US and China. European	New market opportunities developed in the area of digital services (economic)	# and revenue of start-ups and scale-ups supported by KICs trading 3 years after KIC support ceased	Revenue: € 500m Valuation: € 5b	Turnover: € 650m Valuation: € 6.5b	Turnover: € 650m Valuation: € 6.5b	SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE Target 9.3. Increase the access of small-	European Commission, DESI, EU ICT sector R&D performance, Digital

	companies are absent from the top spots of the major rankings.		% (& € if available) Contribution to revenue growth of organisations trading in or deploying digital innovations (i.e. innovative services, products, technology or digital business models developed with KIC support)	# of companies trading: 300	# of companies trading: 600	# of companies trading: 600	scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets	transformation monitor, OECD trade in data and regulations, Eurostat, Orbis
Building world-class European industry players in digital	Digital economy is dominated by the US and China. European companies are absent from the top spots of the major rankings. Significant gaps in connectivity and access to fibre and 5G networks, being critical to both green and digital transition. Costs and regulatory barriers should also be reduced.	Increasing the access to high speed networks and strengthening the role of European digital companies deploying high speed networks (fixed and mobile, e.g. 5G) provision (societal)	% of high speed network world market share by the providers from the EU	EU market share: 50%	EU market share: 65%	EU market share: 65%	SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE Target 9.3. Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets	European Commission, DESI, EU ICT sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis

Building world-class European industry players in digital	Digital economy is dominated by the US and China. European companies are absent from the top spots of the major rankings.	Creating and sustaining jobs in Europe in the area of digital (economic)	<p># New jobs created in start-ups/scale-ups (direct and indirect)</p> <p># New job types/families created in KIC sector and # persons employed in new job types: job type can include recently emerging job profiles, new job profiles, adapted job profiles and their related job family.</p> <p># and type of jobs and/or employment in existing businesses in KIC sector sustained through innovations</p> <p># and type of jobs safeguarded or replaced as a result of KIC activities that otherwise would have disappeared due to different skills or different ways of working needed, or external changes.</p>	Jobs created, sustained or safeguarded: 5,000	Jobs created, sustained or safeguarded: 6,500	Jobs created, sustained or safeguarded: 6,500	SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE Target 9.3. Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets	European Commission, DESI, EU ICT sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis
Building world-class European industry players in digital	Digital is dominated by the US and China. European companies are absent from	Strengthening the economic impact of EU digital firms through increasing the share of exports of their digital	% of services of firms involved with EIT Digital (start-ups, scale-ups, partners) exported to non-EU markets	20 %	40 %	40 %	SDG 9: INDUSTRY, INNOVATION AND INFRASTRUCTURE Target 9.3. Increase the access of small-scale industrial and	European Commission, DESI, EU ICT sector R&D performance, Digital transformation

	the top spots of the major rankings.	services to non-EU markets (societal)					other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets	monitor, OECD trade in data and regulations, Eurostat, Orbis
Increased EU Member States digital competitiveness	Fragmented EU digital single market.	Increased competitiveness of EU Member States with a special focus on Countries with a DESI (Digital Economy and Society) < 50 (societal)	Level of participation of Member States with DESI lower than 50 in EIT Digital Activities (e.g., through RIS programme)	+100% participation	+130% participation	+130% participation	SDG 8: DECENT WORK AND ECONOMIC GROWTH Target 8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium sized enterprises, including through access to financial services	European Commission, DESI, EU ICT sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis
Increased EU Member States digital competitiveness	Fragmented EU digital single market.	Increased centrality of organisations from the Widening Countries (or countries with DESI below 50) in EIT Digital activities (based on	Extent to which the Widening Countries (or countries with DESI below 50) are more central in EIT Digital activities (based on Network	Widening Countries (or countries with DESI below 50) are 50% more central in EIT Digital	Widening Countries (or countries with DESI below 50) are 100% more central in EIT Digital	Widening Countries (or countries with DESI below 50) are 100% more central in EIT Digital	SDG 8: DECENT WORK AND ECONOMIC GROWTH Target 8.3. Promote development-	European Commission, DESI, EU ICT sector R&D performance, Digital transformation

		Network analysis) (societal)	analysis) compared to 2021 baseline	activities than in 2021	activities than in 2021	activities than in 2021	oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium sized enterprises, including through access to financial services	monitor, OECD trade in data and regulations, Eurostat, Orbis
Increased societal and economic impact from European Digital R&D investments in areas strategic for Europe	Currently, American and Asian companies are massively investing in R&D in digital technologies, while European companies are more conservative.	<ul style="list-style-type: none"> • Bring deep tech digital R&D results to the market in areas strategic for Europe: <ul style="list-style-type: none"> ○ Digital Industry: the digital transformation of the industry, from production to logistics to retail ○ Digital Wellbeing: safeguarding health for the youth, the working professional and the elderly by analysing sensor data ○ Digital Finance: the disruption of digital transactions and institutions with technologies that allow 	<ul style="list-style-type: none"> ○ Market uptake and turnover of EIT Digital innovative products and services and accelerated scaleups: <ul style="list-style-type: none"> ○ data platform-based sustainable digital industry solutions. ○ digital wellbeing solutions for quality of life improvement through sensing and data analysis. ○ sovereign embedded payment solutions in digital finance. 	Accumulated turnover <ul style="list-style-type: none"> • € 250m • € 200m • € 100m • € 150m • € 300m 	Accumulated turnover <ul style="list-style-type: none"> • € 325m • € 260m • € 130m • € 195m • € 390m 	Accumulated turnover <ul style="list-style-type: none"> • € 325m • € 260m • € 130m • € 195m • € 390m 	SDG 8: DECENT WORK AND ECONOMIC GROWTH Target 8.2. Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labour-intensive sectors Target 8.10. Strengthen the capacity of domestic financial institutions to encourage and	European Commission, DESI, EU ICT sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis

		<p>transparency, efficiency, security and trust</p> <ul style="list-style-type: none"> o Digital Cities: serving the cities with digital technologies addressing urban mobility, citizen inclusiveness and engagement, and city safety o Digital Tech: inventing the digital future with core technologies providing secure, robust, responsive and intelligent communications and computation (societal) 	<ul style="list-style-type: none"> o “city as a data platform”- based solutions for sustainable cities. o trusted and secure IoT, data sovereignty and Artificial Intelligence based solutions 				<p>expand access to banking, insurance and financial services for all</p> <p>SDG 11: SUSTAINABLE CITIES AND COMMUNITIES</p> <p>Target 11.2. By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons</p> <p>Target 11.6. By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management</p>	
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							<p>SDG 3: GOOD HEALTH AND WELL-BEING</p> <p>Target 3.4. By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being</p>	
<p>A European higher education system delivering entrepreneurial digital skills</p>	<p>European education system needs to be better adapted to the digital reality, to equip people with the right digital skills and to deploy digital technology to support education and lifelong learning</p>	<p>Increased digital talent development in Europe by transforming the European ICT Master and Doctoral Programmes with a stronger focus on societal needs and on entrepreneurship (societal)</p>	<p>Adoption of the EIT Digital Master School model, Industrial Doctoral School model and EIT Quality label European Technical universities</p>	<p>10% of European Technical universities</p> <p>Average DESI for Human Capital development in Europe > 60</p>	<p>15% of European Technical universities</p> <p>Average DESI for Human Capital development in Europe > 75</p>	<p>15% of European Technical universities</p> <p>Average DESI for Human Capital development in Europe > 75</p>	<p>SDG 4: QUALITY EDUCATION</p> <p>Target 4.3. By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university</p> <p>Target 4.4. By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship</p>	<p>European Commission, DESI, EU ICT sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis</p>

							<p>Target 4.5. By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations</p> <p>SDG 8: DECENT WORK AND ECONOMIC GROWTH</p> <p>Target 8.6. By 2020, substantially reduce the proportion of youth not in employment, education or training</p>		
A	European higher education system delivering entrepreneurial digital skills	European education system needs to be better adapted to the digital reality, to equip people with the right digital skills and to deploy digital technology to	Increased digital upskilling of European professionals to build the competencies needed to keep the pace of fast-paced digital technology development (societal)	EIT Digital Professional and Online learners Number of new micro-credentials developed by EIT Digital-supported universities	Online Learners: 1m Micro-credentials issued to learners: 50,000	Online Learners: 1.5m Micro-credentials issued to learners: 110,000	Online Learners: 1.5m Micro-credentials issued to learners: 110,000	<p>SDG 4: QUALITY EDUCATION</p> <p>Target 4.4. By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment,</p>	European Commission, DESI, EU ICT sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis

	support education.			Number of new micro-credentials: 5	Number of new micro-credentials: 15	Number of new micro-credentials: 15	decent jobs and entrepreneurship	
A European higher education system delivering entrepreneurial digital skills	European education system needs to be better adapted to the digital reality, to equip people with the right digital skills and to deploy digital technology to support education.	Increased gender equality in digital education in Europe (societal)	% of female students in EIT Digital programmes Average DESI for Human Capital development in Europe	% of female students: 40% % of female professionals employed in science and technology (STEM): 35%	% of female students: 50% % of female professionals employed in science and technology (STEM): 40%	% of female students: 50% % of female professionals employed in science and technology (STEM): 40%	SDG 4: QUALITY EDUCATION Target 4.5. By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations	European Commission, DESI, EU ICT sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis
A European higher education system delivering entrepreneurial digital skills	European education system needs to be better adapted to the digital reality, to equip people with the right digital skills and to deploy digital technology to support education.	More learners benefitting from educational content developed by EIT Digital partners (societal)	% of new courses developed with support from EIT Digital actively used in the education process	+30%	+50%	+50%	SDG 4: QUALITY EDUCATION Target 4.4. By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	European Commission, DESI, EU ICT sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis
A European higher education system delivering	European education system needs	Closing knowledge gaps in entrepreneurial	# and type of skill gaps and/or skill	Evidence of at least 3 skill gaps /	Evidence of at least 6 skill gaps /	Evidence of at least 6 skill gaps /	SDG 4: QUALITY EDUCATION	European Commission, DESI, EU ICT

entrepreneurial digital skills	to be better adapted to the digital reality, to equip people with the right digital skills and to deploy digital technology to support education.	education in the area of digital (economic)	shortages filled by EIT Digital activities # KIC partners or employers in the EIT Digital sector reporting reduction in skills gaps through the employment of EIT beneficiaries incl. graduates and/or reduced skill shortages in the labour market	shortages filled by 2024 (survey of KIC partners) At least 50 % of surveyed KIC partners report reduction in skill shortages	shortages filled by 2027 (survey of KIC partners) At least 70 % of surveyed KIC partners report reduction in skill shortages	shortages filled by 2027 (survey of KIC partners) At least 70 % of surveyed KIC partners report reduction in skill shortages	Target 4.4. By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	sector R&D performance, Digital transformation monitor, OECD trade in data and regulations, Eurostat, Orbis
Bring European values to the digital world	Too high influence on the digital regulations and standards by non-European players.	Supporting European regulation and digital standards that addresses key European values such as ethics of AI, data protection, trusted social media platforms (societal)	Deployment of an effective thought leadership and policy support capacity demonstrated by uptake and adoption (by governments, EC and other governmental organizations) of EIT Digital initiatives, policy recommendations and publications (e.g., Makers and Shapers journey, policy reports on Digital Industry, Cybersecurity and AI)	6 EIT Digital thought leadership publications quoted in key EU policy documents	10 EIT Digital thought leadership publications quoted in key EU policy documents	10 EIT Digital thought leadership publications quoted in key EU policy documents	SDG 17: PARTNERSHIPS FOR THE GOALS Target 17.8. Fully operationalize the technology bank and science, technology and innovation capacity-building mechanism for least developed countries by 2017 and enhance the use of enabling technology, in particular information and communications technology Target 17.14 Enhance policy coherence for	Numbers of citations in similar EU documents of other leading players

							sustainable development	
	Influence of EIT Digital on EU policy in the area of digital could be increased.	Increased influence of EIT Digital on Digital Innovation Hubs (societal)	Presence of EIT Digital partners among the European Digital Innovation Hubs	50% of EDIHs include EIT Digital Partners	75% of EDIHs include EIT Digital Partners	75% of EDIHs include EIT Digital Partners	SDG 8: DECENT WORK AND ECONOMIC GROWTH Target 8.3. Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium sized enterprises, including through access to financial services	Number of organisations involved in EDIHs

*Targets should be accumulative for the period of the KIC up to this year.