

2019-2022
CATALYSING CLIMATE ACTION

IN COLLABORATION WITH:



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Introduction

This strategic plan is our guiding document. It identifies who we are, describes where we want to be by 2022, and shows us how we will get there. Developing a clear and comprehensive strategy will enhance our ambition to develop a highly effective climate innovation ecosystem, that supports the transition of Australia to a thriving and resilient zero-carbon economy.

We believe Australia needs Climate-KIC Australia to bring together and catalyse diverse communities to trigger climate action at scale. By facilitating a highly effective climate innovation ecosystem, we will help Australia mitigate and adapt to climate change.

The first phase of Climate-KIC Australia was launched in 2017 and has built a solid foundation poised for growth. Our effective, nimble organisation has delivered innovation activities across sectors and scales in multiple states. We have strengthened our deep international alliance to the European Institute of Innovation and Technology (EIT) Climate-KIC, and leveraged their deep bench of experts and breadth of innovation learnings.

As we move into the next exciting phase of our journey, our focus is to grow Climate-KIC Australia and further develop our position and value as a broker of transformative climate action. Building collective motivation for opportunities that demonstrate 'big impact' climate change solutions, and learning together about what creates the fastest pathways for systemic change.

Community sits at the core of our business model and this plan outlines our ambition to establish our community as the place to engage with and drive climate innovation in Australia. We will connect across sectors and states to share insight through capability building initiatives and entrepreneurship activities.

We believe that the rationale for Climate-KIC Australia is more relevant today than ever. Australia needs fast, collaborative and transformative action to face the growing threat of climate change and seize the opportunity of a zero-carbon economy.

Climate change brings with it potentially devastating economic, environmental and social losses. But like other disruptive forces, climate change will create substantial opportunities for organisations willing to innovate. We believe that our strategy allows our community to harness the first mover opportunities that emerge as the world transitions to a net-zero, resilient economy.



IN COLLABORATION WITH:





What we are

Climate-KIC Australia is a knowledge and innovation community established and funded by a national collaboration of private and public sector organisations in 2017. We are an independent, not-for-profit organisation that aims to link research, business, entrepreneurs, investors and government to drive transformational activities that unlock change at the speed and scale the climate challenge needs.

We are a catalyst for systemic change, using our innovation capabilities, knowledge sharing and deep global networks through EIT Climate-KIC, the EU's climate innovation initiative.

Our partners are public and private organisations looking to lead in climate action and participate in national and global experimentation. The success of our collaborations drive innovative solutions that enable our partners to harness first mover opportunities that emerge as the world transitions to a net-zero, resilient economy.

Our operating values are:

- **Collaborative:** We build, support and encourage collaboration across our community.
- **Openly innovative:** We create opportunities to actively share our portfolio learnings, innovation processes and networks.
- Nimble: We have an entrepreneurial spirit and will remain lean, experimental and adaptive as we
- **High Impact:** We pursue action to match the urgency and scale of climate change.



THEORY OF CHANGE

Climate-KIC Australia believes that innovation is necessary to avoid potentially devastating economic, environmental and social losses. Innovation offsets risks with new opportunities for organisations willing to support the global transition to a low-emission, resilient future.

To unlock change at the speed and scale the climate challenge needs, Australia requires a highly effective innovation ecosystem focused on climate action. Climate-KIC Australia brings together a diverse community of change makers to participate in a portfolio of activities that develop and enhance that ecosystem. Our community includes industry, entrepreneurs, financiers, government, NGOs and academia.

Climate-KIC Australia supports our community to behave differently by building their 'agency' – capability, capacity and motivation - to transition their organisations, industries, sectors and communities to a net-zero, resilient economy. Through access to our portfolio of activities, as well as education, problem solving processes and industry experts, they understand how to offset climate risks with new opportunities.

Our community participates in our portfolio of activity, including:

 Collaborative cross-sectorial projects that demonstrate the feasibility of innovative approaches of 'big impact' climate change solutions. Programs that foster and nurture entrepreneurs to build businesses that tackle climate change, by providing pathways to transform ideas into actions

Our outputs seek to address levers for systemic change - technology, finance, business models, skills, knowledge, policy - in a comprehensive and coordinated way to contribute to a climate resilient and liveable Australia with a thriving zero-carbon economy.

The amplification of these innovative responses is supported by our community and their networks, who attract finance and broadcast portfolio insights as an evidence base to justify broader application, uptake and pathways to scale. By developing a highly collaborative, effective and experimental climate knowledge and innovation community, we believe we can trigger climate action that unlocks scale and systemic impact to help Australia mitigate and adapt to climate change.

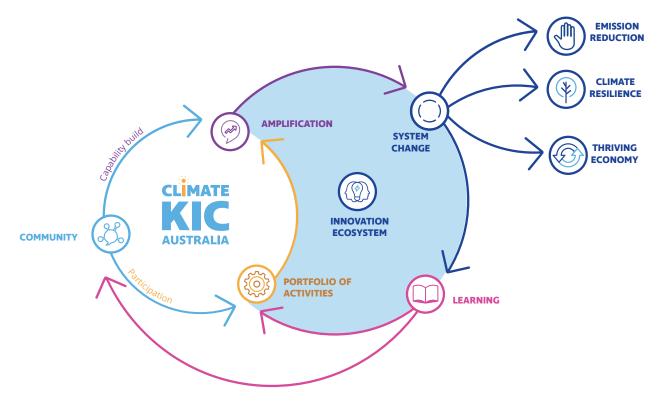


FIGURE 1 shows Climate-KIC Australia's Theory of Change

BUILDING ON OUR FOUNDATIONS

The first phase of Climate-KIC Australia was launched in 2017 and has built a solid foundation poised for growth. Our effective, nimble organisation has delivered innovation activities across sectors and scales in multiple Australian states.

Our core and associate partnerships have expanded to include a dynamic selection of private sector corporations, universities, not-for-profits and the public sector. Our partners see Climate-KIC Australia emerging to play the unique and necessary role of connector and convenor for climate innovation, linking key players across the innovation pathway. Our activities are complementing the progress made by key players in the innovation ecosystem including our state government partners.

We are learning by doing and have a diverse spread of collaborative projects which reinforce our systems approach. This portfolio traverses climate action themes of net-zero carbon energy, sustainable resilient cities, regions in transition and key enablers including finance. Our projects have given us valuable insight into the most effective approaches to develop and structure projects into the future. We are also discovering who has the influence, the resources and the know-how to provide pathways to scale.

We have strengthened our connection to EIT Climate-KIC, and leveraged their deep bench of experts and breadth of innovation learnings. We deliver value to our partners by connecting key European and Australian stakeholders to

drive open, honest, transparent and inclusive interactions. Our EIT Climate-KIC connection is feeding our project pipeline, providing access to global collaborations for transitioning regions and

Our entrepreneurship programs are supporting the early stage-development of climate innovation in Australia. They are building new businesses to address climate change and preparing the next generation of innovators, entrepreneurs and policy makers to take up climate mitigation and adaptation opportunities. They support the collaborative projects by enhancing and expanding the innovation ecosystem within Australia and by building the pipeline of new technologies and business models that may be mobilised to support transformation of systems towards effective climate action.

Climate-KIC Australia supports ClimateLaunchpad, the world's largest clean-tech and green business ideas competition across 50 countries, and facilitates Climathon, an annual global 24-hour climate change hackathon which takes place simultaneously in more than 100 cities around the world. We are also a major funding partner of the EnergyLab Accelerator, which helps clean energy start-ups grow into successful businesses.

Pathway to impact102.......

Collaborative Projects

Green business ideas nurtured through ClimateLaunchpad

Green businesses in the EnergyLab Accelerator, which is supported by Climate-KIC Australia

Participants in Climathons



Growing brand as climate innovation

leaders

Effective, nimble organisation established

Connection to European and local expertise and talent

OUR PLAN FOR GROWTH

Our focus for the next 3 years will be to sustainably grow Climate-KIC Australia and further develop our position and value as a broker of transformative climate action. We are building collective motivation for opportunities that demonstrate 'big impact' climate change solutions.

We will retain our existing core partners, grow the number of partners in our community and expand our portfolio of activities across more Australian states in a national collaboration to tackle climate change. We will focus on expanding partnerships within industry, prioritising sectors that are not yet represented among the Climate-KIC Australia community and which are likely to align and support our project portfolio.

We believe Climate-KIC Australia can bring together and catalyse diverse communities to trigger climate action at scale. Climate-KIC Australia will support transformative action to face the growing threat of climate change through the following key actions:

 Provide first mover advantages for our partners through collaborative projects that pilot and validate the desirability, viability and feasibility of innovative approaches to climate change mitigation and adaptation.

- Foster and support entrepreneurs to build businesses that tackle climate change through innovation, by providing access to education, problem solving processes and industry experts that transform ideas into actions.
- Drive capability building in our community and knowledge sharing across our portfolio to amplify the impact of our innovations and provide pathways to scale.
- Create opportunities to actively broadcast our portfolio learnings, as an evidence base to justify broader application, uptake and pathways to scale.
- Connect to EIT Climate-KIC's global network to complement our portfolio of activities and support our community's capability, capacity and motivation. EIT Climate-KIC, like Climate-KIC Australia is focusing its efforts on innovation at the level of whole systems to achieve structural and exponential change.

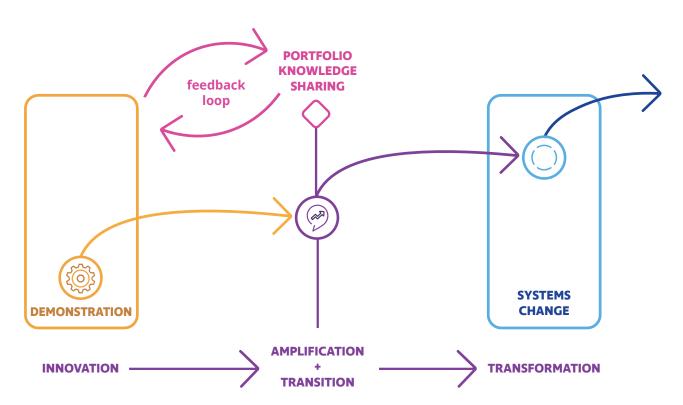


FIGURE 2 shows Climate-KIC Australia's pathway to scale

INDICATORS OF SUCCESS FOR 2022

We have a strategic agenda for sustainable growth for the strategy period 2019-22.

Climate-KIC Australia will measure its achievement of outcomes through the quantitative indicators below:

- Maintaining the potential average impact and scale of our projects at \$1.5M.
- 2 x increase in project funds under management to \$5M.
- 2x targeted increase in our community increasing to 14 core partners, and 10 associate partners, including an 85% retention rate of existing core partnerships and growth of new partners coming from industry.

These quantitative indicators will be complemented by narratives that include a diverse, active and

effective climate action community participating in our portfolio of activities and linking their strategies to our innovations. Success looks like:

- Our partners gaining a competitive advantage and are influencing their industries and sectors by effectively embracing climate change as a strategic opportunity.
- Our projects and programs positively contributing to net zero carbon and climate change adaptation system goals.
- Our team highly engaged through purpose driven work to establish a highly effective climate innovation ecosystem operating in Australia.

SPECIALISING AS A BROKER OF TRANSFORMATIVE CLIMATE ACTION

Climate-KIC Australia will drive collaborative projects that demonstrate the desirability, feasibility and viability of innovative approaches to climate change mitigation and adaptation.

Our projects will traverse climate action themes of net-zero carbon energy, sustainable resilient cities, regions in transition and key enablers and find pockets of the problem where there is the biggest potential for impact including finance, business models, skills, knowledge and policy.

We will continue to act as a trusted broker and backbone, that maximises investment, manages IP and funding, and delivers effective projects. Also playing the role of global connector linking international solutions and experimental approaches with local problems, and launching local innovations onto the world stage. In our role of broker we will:

- Lead structured processes to match climate innovation opportunities and solutions.
- Convene collaborative action amongst our partners on complex issues to find and implement innovative solutions and drive system change.
- Enhance expertise in managing and supporting systems change through active reflection and sensemaking across our portfolio.

- Capture and sharing insights from climate action to amplify the impact of our activities and provide pathways to scale.
- Share EIT Climate-KIC's expertise and experience with our Australian partners by showcasing the lessons learnt and successes from Europe.
- Build on the emerging concepts of "Deep Demonstrations" that are being developed by EIT Climate-KIC to build local demonstrations that directly link to the European effort.

Guiding Principles:

- Integrated & systemic: Our activities are coordinated to address the major levers of systems change in our target areas.
- Action focussed: Collaborative climate action that demonstrates, and provides evidence for step-change.
- **Deliver:** Quality delivery of existing activities to maintain our reputation.
- Learn and reflect: Capability in team and partners to facilitate structure innovation processes and knowledge management.

PILLARS FOR GROWTH

Strengthening our community

As the place for climate innovation in Australia, we will connect across sectors and states to share insight through capability building initiatives and facilitation.

Guiding Principles:

- **Share:** Engage our partners and broader community through events that share insight, encourage networking and develop capability.
- **Showcase:** Use our entrepreneurship programs to provide partners with opportunities to use internally and externally to showcase themselves, solve business challenges and engage with the start-up ecosystem.
- **Connect:** Provide opportunities for partners (and community) to access EIT Climate-KIC demonstrations and activities, businesses, approaches and personnel.

Diversifying and increasing our funding

We will look for local and global funding opportunities to support a sustainable, long term financial structure.

Guiding Principles:

- Cost neutral: Preference cost neutral project and program design that reflects neutral cost to operations.
- New capital: Bring new funding for Climate KIC Australia's core operations and transformational capital to bear, necessary to drive system change.
- Partner: Grow partnership and sponsorship base to enhance community contribution to funding.

Building our profile

We will develop our reputation as a key knowledge holder and broker related to climate innovation and systems change across Australia and globally by sharing thought pieces and amplifying key stories.

Guiding Principles:

- **Demonstrate:** Clearly articulate our role and value and measure our impact to tell our story.
- **Amplify:** Broadcast success stories from our organisation and our partners. Seek highprofile platforms to broadcast our story. **Provide:** Become a key knowledge holder and broker related to climate innovation and systems change in Australia and globally.

Supporting our people

We will support our team to build confidence, resilience and purpose when faced with ambiguity and the scale of the climate problem. We will adopt an entrepreneurial mindset and support enhanced capability building through our national and global connections.

Guiding Principles:

- **Celebrate:** Share team success with partners, collaborators and community.
- Actively evolving: Learn, innovate, leverage and improve – then repeat. An entrepreneurial spirit that ensures we remain lean, flexible, adaptive and evolving.
- Honest and Transparent: Open, honest, transparent and inclusive conversations and action.

BEYOND 2022

Throughout this strategy period we will support our knowledge and innovation community to be champions of climate action by:

- Allowing our corporate partners to get out in front on 'big impact' climate action opportunities. Accessing the most commercially minded Australian and international climate innovation networks to turn climate risks into commercial opportunities for their individual businesses and jointly with others.
- Supporting our government partners to embrace, champion and embed climate action. Giving access to expertise and evidence for climate innovations and strong links to industry and research climate leaders.
- Unlocking investors to take advantage of opportunities in climate innovation, giving a nation-wide view on Australia's climate innovation market and highlighting investable models to turn climate change around.
- Backing start-ups to innovate, learn, grow to deliver climate action. Giving them access to knowledge, global networks, mentoring, partners & potential pathways to commercial success.

The next phase of Climate-KIC Australia will be to "Scale" and will feature:

- Our growing community continuing to collaborate, share information, build relationships and form consortiums to facilitate transformative, systemic and innovative climate change solutions.
- Financiers investing in our communities' climate action ventures, projects and assets at a scale that is consistent with Australia's mitigation and adaptation needs and supporting Climate-KIC through new innovative ways.
- Our entrepreneurs and business partners scaling and investing in climate resilient

- business models and avoiding high carbon risk business models.
- Policy makers introducing more informed laws, policies, procurement rules, budgets, and metrics based on our deep demonstrations in zero-carbon, circular economy and climate resilient activities.
- Individual citizens, and community groups using and demanding zero carbon, circular economy, and climate resilient products and services from our community.

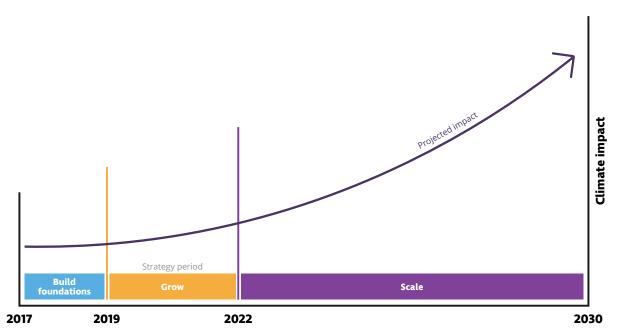


FIGURE 3 shows Climate-KIC Australia's strategy time horizon