

EIT URBAN MOBILITY

2024 START-UP INVESTMENTS OPEN CALL

FREQUENTLY ASKED QUESTIONS (FAQs)

EIT Urban Mobility - Mobility for More Liveable Urban Spaces

EIT Urban Mobility

eiturbanmobility.eu



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GENERAL QUESTIONS

Is EIT Urban Mobility an accelerator?

No. EIT URBAN MOBILITY is a pan-European network responding to pressing mobility challenges in urban and suburban areas, made of partnerships with key [industry players](#).

Through its investment activities, EIT URBAN MOBILITY provides financial support and value to help its equity portfolio companies scale their work and impact.

However, EIT URBAN MOBILITY also runs start-up support programmes, segmenting new companies according to their investment readiness level. Through its [accelerator programmes](#), EIT URBAN MOBILITY helps companies structure their next investment rounds, scale their operations and attract talent. EIT URBAN MOBILITY's goal is to assist start-ups in utilising their capital effectively, ensuring that it is invested in a way that fosters growth.

What is the investment focus of EIT Urban Mobility?

EIT URBAN MOBILITY invests in pre-seed and seed stage mobility companies operating in emerging and consolidated markets that can deliver both impact and financial returns that drive social and economic benefits.

How does EIT Urban Mobility invest in companies?

EIT URBAN MOBILITY invests in companies that are fundraising and have a lead investor secured. Companies get selected through an open and competitive call ([Startup Investment Open Call](#)).

The investment consists of a cash element and in-kind support, both to be capitalised either through a capital increase event or SAFE instrument.

What is EIT Urban Mobility' stance on gender diversity and inclusion?

Since 2020, EIT URBAN MOBILITY has been actively working on gender equality within its core activities. EIT URBAN MOBILITY aligns its investing activities with the challenge to mobilize equitable capital towards female led startups. To date, EIT URBAN MOBILITY has supported 120 female-led companies, has invested in 54 female co-founded startups and is additionally working on gender equality when it comes to the investment team, mentors, investment committee members, and training delivery experts. As an organisation, EIT URBAN MOBILITY has a gender ratio of 56% female and 42% male.

I'm an investor/ mobility stakeholder; can I make a referral?

Absolutely, please send an email to investments@eiturbanmobility.eu including a pitch deck, key traction data and summary on why you believe this opportunity is a sound investment.

INVESTMENT CRITERIA

In which geographies do you invest?

Emerging and consolidated economies in Europe and [Horizon Europe](#) associated countries. EIT URBAN MOBILITY has [invested in over 29 countries](#) across Europe, Israel and Türkiye.

Following EU framework agreements, UK and Switzerland are also covered with EIT URBAN MOBILITY support, being subject to different conditions that are further addressed in the [Call Manual](#).

The [European Innovation Scoreboard](#) (EIS) shows persistent disparities in the innovation performance of European countries. From an investment's standpoint, EIT URBAN MOBILITY aims to close this innovation divide through the [Regional Innovation Scheme](#) (RIS) by allocating funds to boost the competitiveness of startups fundraising in modest and emerging countries.

Complementarily, EIT URBAN MOBILITY possess a unique network of hubs widespread across the leading [European innovative countries](#), including Copenhagen, Munich, Amsterdam, Barcelona and Prague.

EIT URBAN MOBILITY is uniquely positioned to become the first-check non-local investor, playing a pivotal role fueling capital where market response is absent. We see it as an opportunity to contribute to the faster development of their ecosystems and, more importantly, to the fundraising process of their ventures.

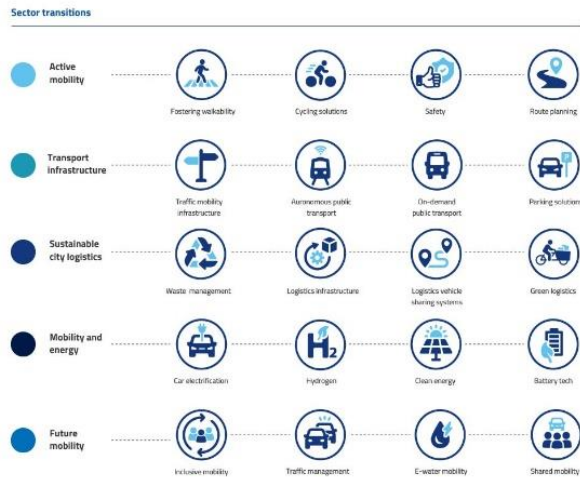
At what stage do you typically invest?

EIT URBAN MOBILITY invests primarily in pre-seed and seed-stage startups. However, there are exceptional cases where, depending on the terms of the funding round, EIT URBAN MOBILITY may also consider investing in Series A startups. To ensure efficient management of resources and to provide tailored support to both established and emerging entrepreneurial ecosystems, the maximum pre-money valuation for applicants is currently capped at 20 million Euros. This valuation limit ensures that EIT URBAN MOBILITY can focus on supporting promising ventures while fostering a diverse and thriving urban mobility innovation landscape.

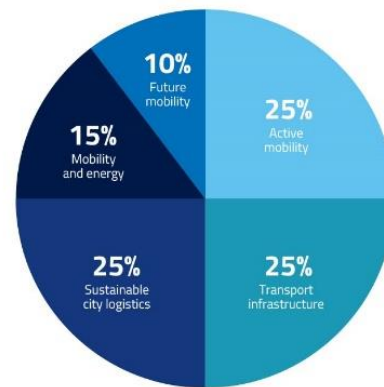
What sectors do you invest in?

EIT URBAN MOBILITY pays special attention to the sectors outlined in the following image, recognizing them as particularly impactful. It's important to note that while these sectors are a focus, the call does not exclude companies operating in sectors beyond those illustrated.

New business models and enabling technologies



Capital allocation target



How fast is your decision-making process?

The Startup Investment Open Call works with pre-set cut-off dates that can be found in the [Call Manual](#). After each cut-off date, EIT URBAN MOBILITY notifies the applicant about the eligibility of the application. After that, the evaluation process starts, which consists of three stages:

1. **Experts' Evaluation:** Your application will be assessed by domain experts to gauge its viability and potential impact.
As a result of this first stage assessment, a maximum of 24 companies are invited to the Investment Committee Meeting.
2. **Investment Committee Meeting:** A five-member committee will listen to your pitch and make decisions based on the potential for success and alignment with EIT URBAN MOBILITY's objectives.
3. **Selection Committee Decision Meeting:** EIT URBAN MOBILITY's CEO and Thematic Area Directors will hold a meeting to further analyse selected applications and make final funding decisions.

If expedited, the entire process can be completed within 12-16 weeks, leading to the release of funds to successful applicants.

EIT URBAN MOBILITY usually selects between 4 and 6 companies to invest after each cut-off date.

What forms of investment does EIT Urban Mobility use?

The investment component is tailored based on the assessed investment scenario and may take different forms. It may consist of **priced rounds** (purchasing equity, covering pre-seed stage up to Series A equity rounds) and/ or simple agreements for future equity (**SAFE**).

Additionally, EIT URBAN MOBILITY may use different financial instruments (service-for-equity) with a combination of equity instruments in cases that are not sufficiently mature for regular investors (low investor readiness level), due to the very high risk despite the investment approval/ selection.

As EIT URBAN MOBILITY normally co-invests with other accredited investors, it will seek that the equity investment is at least matched by these other potential, qualified investors, having an objective of 1:1 leverage for the full EIT URBAN MOBILITY investment cycle. (i.e., which will cover at least 50% of the round).

Does EIT Urban Mobility lead rounds?

EIT URBAN MOBILITY operates as a co-investor alongside other accredited investors on a pari-passu basis. Nevertheless, it has the flexibility to act as the initial non-local investor, particularly in [Regional Innovation Scheme](#) (RIS) ecosystems, focusing on pre-seed and seed-stage startups.

While EIT URBAN MOBILITY may not strictly adhere to the traditional "lead" investor role by abstaining from taking board seats and not necessarily providing the largest investment, it adopts a proactive and hands-on approach in supporting its portfolio companies. This support extends to facilitating access to sales and funding opportunities within the pan-European markets, bolstering the growth potential of the startups in its portfolio.

When considering follow-on investments for Series A rounds, EIT URBAN MOBILITY typically requires the presence of another venture capitalist to lead the funding round. This approach ensures prudent investment practices while leveraging the expertise and resources of multiple investors to further the success of promising urban mobility ventures.

Should I reapply if my application gets rejected?

A first-rejected applicant has the right to submit a new and significantly improved application for a second time. If a proposal is rejected for a second time, the applicant will not be allowed to submit another proposal for a period of 12 months, starting from the date of communication of the second rejection.

This provision applies to the present call as well as to applicants rejected in the framework of the permanently open call for financial support to start-ups, from 2023.

What other programs does EIT Urban Mobility offer to enhance my investment readiness?

For low investment readiness companies, you may apply to EIT URBAN MOBILITY's [Investment Readiness Programme](#). Companies are encouraged to apply in order to become investor-ready, as they will receive recommended milestones that, once reached, may trigger the investment awarded by EIT URBAN MOBILITY as well as attract co-investors.

Who evaluates the proposals, and do companies receive the evaluation results?

EIT URBAN MOBILITY selects qualified experts (mobility industry professionals, venture capitalists, senior executives, etc.) from the pool of evaluators already involved in the selection of the concerned proposal, to lead the evaluation assessment and provide to the applicant with the Summary Evaluation Report (SER).

The report is based on the strong technical background and the proven expertise of the selected experts that may challenge the claims of the company, contact the company to collect further

information and eventually its clients and network. The expert may also consult any other relevant sources of information.

In order to protect the activities and interests of the company, the expert signs a contract with EIT URBAN MOBILITY including a strong impartiality and confidentiality clause and conflict of interest.

All the applicants receive Summary Evaluation Reports (SERs), detailed to the stages the company was qualified. The Summary Evaluation Reports are shared once the whole process is concluded.

PORTFOLIO SUPPORT

What does EIT Urban Mobility provide beyond financial support?

While funding itself is a commodity, the expertise and ability to effectively transform it into growth are not. EIT URBAN MOBILITY's primary objective is to employ a people-centered approach that emphasizes conscious leadership and inclusive diversity, offering knowledge, tools, and processes that enable companies navigate growth with the mentoring and support of EIT URBAN MOBILITY Investment and Portfolio Managers (IPMs).

EIT URBAN MOBILITY also accomplishes this through the implementation of the EIT URBAN MOBILITY [Start-ups Growth Lab](#), a platform and entrepreneur community providing access to opportunities in various areas such as fundraising, networking, and public relations to assist its portfolio companies.

How does mentorship work for equity portfolio companies?

The regional IPM (Investment and Portfolio Manager) at EIT URBAN MOBILITY provides dedicated support to entrepreneurs, contributing to their sustainable growth by identifying and capitalizing on sales and funding opportunities.

Moreover, entrepreneurs benefit from access to a robust pan-European network, participation in international events, market-access programs, and customized training opportunities tailored to their specific needs. This comprehensive ecosystem of resources and expertise aims to empower entrepreneurs and their startups to thrive in the competitive urban mobility landscape.

What is EIT Urban Mobility's Start-ups Growth Lab platform?

Post investment, you'll have life-long access to the Start-ups Growth Lab platform. This platform holds a community for entrepreneurs involved in the urban mobility sector, offering a carefully curated network spanning Horizon Europe.

Additionally, it provides a comprehensive access to significant opportunities in the sector specifically targeted at start-ups. These can go from public and private financing options, calls for projects and accelerators, to perks in software helping save on fixed costs, tickets & exposure for events and urban mobility intelligence, among others.

The platform is open to all urban mobility companies operating in the European market. To register, you only have to fill in [the following form](#).

Does EIT Urban Mobility assist start-ups with fundraising?

Yes. EIT URBAN MOBILITY's team can support you to raise your next funding round.

While EIT URBAN MOBILITY can provide up to €500.000 in follow-on financial support opportunities, it also leverages on its extensive investor network to connect you with potential investors.

EIT URBAN MOBILITY has a proven track record of supporting founders in securing capital in later funding rounds. Over 40% of EIT URBAN MOBILITY's equity portfolio companies have raised - in some cases in multiple rounds over past years - follow-on funding from investors like RATP Capital Innovation, Plug&Play, Ponooc, Techstars, Conexo Ventures, Iris Capital and Katapult, just to name a few.

INVESTMENT MODELS

Social and Environmental Impact

EIT URBAN MOBILITY's investment focus is exclusively on technologies that can generate positive and measurable, social and environmental net impact. Companies showing the potential to significantly reduce GHG emissions in a quantifiable and scalable manner while also responding to the major societal challenges by improving quality of life in cities, are one of the main priorities when taking investment decisions.

The Impact Ventures division provides access to funding and support channels to deliver financial, environmental and social net impact on the urban landscape.

All EIT URBAN MOBILITY's activities serve the purpose of contributing to create impact in three areas, responding to the major societal challenges and following its impact vision:

- Improving quality of life in cities.
- Mitigating and adapting to climate change.
- Creating jobs and strengthening the European urban mobility sector.

Profitable and Scalable

EIT URBAN MOBILITY holds the belief that the driving force behind the transition towards decarbonized urban spaces lies within innovative companies and technologies that work to solve real problems in real cities by transporting people, freight and waste in smarter ways.

Consequently, such companies are poised to achieve high profitability with a scalable growth potential.

United Nations Sustainable Development Goals' (SDG) Alignment

In order to synchronize growth objectives with prevailing sustainability challenges, EIT URBAN MOBILITY investments exclusively target companies that demonstrate a willingness to align with at least one of the following UN SDG's and their strategies:

- SDG 7: Ensure Access to affordable, reliable, sustainable and modern energy for all



- SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- SDG 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
- SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable
- SDG 13: Take urgent action to combat climate change and its impacts

Co-investors

EIT URBAN MOBILITY places great importance on forging partnerships and addressing global climate challenges collectively. Consequently, EIT URBAN MOBILITY's investment strategy centers on supporting companies capable of securing investment from other partners in the European investment community.

INVESTMENT TERMS

What is your standard deal?

EIT URBAN MOBILITY normally invests at pre-seed or seed stages where the first ticket ranges between €50.000-€250.000 depending on the company' stage, and the follow-on ticket can be up to €500.000.

As mentioned in the first section [GENERAL QUESTIONS], the cash element is complemented with mandatory service pack provided as a post-investment support. A standard ratio between cash and service component is usually 80%-20%, yet it can vary in each case according to the T&Cs of the investment round. The fee for in-kind services serves to cover the basic costs associated with operating a top-notch Growth Lab platform, including the compensation for training and dedicated portfolio support, and to allocate the necessary resources to provide exceptional and seamless support.

Is it fair to take a program fee from start-ups?

Indeed, it is common for early-stage funds to charge fees to cover the expenses associated with operating a support platform and services. However, it is important to note that this fee is not EIT URBAN MOBILITY's primary revenue model. Instead, it is utilized to cover operational costs, ensuring the financial sustainability of the organization, which holds a significant position as Europe's largest mobility stakeholder.

Can we talk to other equity portfolio companies to get their opinion?

Absolutely. However, for privacy reasons, founders may not be contacted directly. Please reach out to the regional [Investment and Portfolio Manager](#) (IPM) to make an introduction to the relevant founders.