



# PEOPLE AND PLACE

SDTC CORPORATE PLAN 2023-24



SUSTAINABLE DEVELOPMENT  
TECHNOLOGY CANADA

TECHNOLOGIES DU DEVELOPPEMENT  
DURABLE CANADA



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# WHO WE ARE



## At SDTC, we support companies attempting to do extraordinary things.

From initial funding to educational support and peer learning to market integration, we are invested in helping small and medium-sized businesses grow into successful companies that employ Canadians from coast to coast to coast. We are relentlessly focused on supporting our companies as they grow and scale in an increasingly competitive marketplace.

The innovations we fund help solve some of the world's most pressing environmental issues: climate change, regeneration through the circular economy, and promoting the well-being of humans in their communities and nature.

## Our mission

Our mission is to identify and fund Canadian companies that are developing, demonstrating and commercializing new technologies with the potential to transform Canada's environmental and economic prosperity. With our support and funding during seed, start-up and scale-up stages, we are accelerating Canadian companies' ability to become global leaders in their fields.

## What sets us apart

- 1. We are relentlessly focused on entrepreneurs.** We look at the world through the entrepreneurs' lens. Who are their customers? Who are their investors? What policies and trends impact their growth? To meet our shared outcomes of getting more sustainable solutions in the market, we continue to evolve our approaches to match entrepreneurs' needs.
- 2. We support entrepreneurs throughout their commercialization with our **seed, start-up and scale-up funding**, with less administrative burden to meet market needs.** Our approach to partnering with companies throughout their journey to commercialization is distinct. We are seen as a catalyst, creating a feeder group of companies that go on to scale.
- 3. No entrepreneur is an island.** Our network of partnerships offer **ecosystems supports and connectivity** to create opportunities for collaboration, mentorship and peer-to-peer connections.
- 4. SDTC investments serve as a springboard to help companies unlock future investment, customers and opportunities.** We are known for our thinking on innovation and for our excellence in due diligence of companies. Through our **in-house portfolio analytics team**, we leverage our unique client data to observe portfolio trends, learn from past performance and monitor outcomes to identify companies making an environmental impact while becoming globally successful.

5. **We are technology diverse.** We fund across all sectors to support entrepreneurs whose ideas have the potential to deliver environmental and economic outcomes for Canada. We measure sustainability impact in three areas: climate change; circular economy; and people, nature and communities.

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## People and place

Canadian entrepreneurs have fire in their belly. We see innovation happening everywhere, in our communities large and small. At SDTC, we know that the next great idea can come from our own backyards. That knowledge is our North Star, driving us to find, fund and foster those ideas and bring them to market.

In 2022-23, we launched *Innovation Happens Here*, an ambitious roadmap to deliver for companies on their journey to commercialization. Our mission to help Canadian entrepreneurs that are developing, demonstrating and commercializing new technologies with the potential to transform the economic and environmental prosperity of Canada is stronger than ever.

In 2023-24, our strategic direction will dive deeper into this mission with a focus on **people** and **place**.

From coast to coast to coast, Canadians are coming up with novel ideas that have the power to solve our most pressing environmental problems. As the largest funder of small and medium-sized sustainability companies, SDTC has the privilege to work alongside inspirational people whose innovations will make our air, water and soil cleaner—and propel us toward a sustainable future.

These people are working to make the future brighter: for the entire world and for the communities in which they reside. entrepreneurs take great pride in the places they call home. For many, place is not just an address. It's a foundation to grow their businesses as they strengthen ties and give back.

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*“We have to bring the economy home. Think about place. Place is what sustains us in every possible way.*

*Let's focus on what we know, what we have, what we love... That process—there is no deeper innovation that that!”*

—Zita Cobb, Founder and CEO, Shorefast

## PLACE IS WHAT SUSTAINS US

We want to empower entrepreneurs to build—in place—the technology for a better Canada. With more than 5,000 communities in Canada, what can we build?

The first piece of advice many of our companies receive is to move to an urban centre. Go where the money and the customers are. But what anchor does that entrepreneur from Churchill, MB, have to Vancouver versus Seattle or Singapore? **All entrepreneurs are humans, and humans have an emotional and physical need to be sustained in a place.**

Staying and bringing their idea to life in their local community has distinct challenges, but also incredible opportunity for the entrepreneur, local talent and community development.

**Innovation is a team sport.** If we can create the networks that people can belong to, everything else follows.

**Entrepreneurs will make it happen.** What they need help with is infrastructure: access to capital, access to talent and supply chain.

Whether it's attracting and retaining talent, finding the right partners to help scale their innovation domestically or securing capital that will enable them to grow without moving closer to their financiers, we are empowering entrepreneurs as they go global while staying local.

For Canada to be a leader in the new economy, to generate economic prosperity while creating better environmental outcomes, we need to be deliberately focused on helping entrepreneurs build here in place. This will require thinking differently about how we support innovation and also looking at the journey after invention: **what it takes to commercialize an idea and deploy it at scale.**

Entrepreneurs are the agents of this change, but they cannot do it alone. They need the support of their local ecosystems and leadership.

At SDTC, we are testing ways in which we can build and strengthen local ecosystems while also connecting them nationally. This year we piloted **new supports** for companies and are relentlessly focused on **measuring the outcomes** and expanding our understanding of the **individual networks** our companies work in to better identify the players, gaps and points of intersection.

By prioritizing people and place, together we can create a series of vibrant, regional innovation ecosystems that are connected nationally, and build a critical mass of early stage, mid-stage and globally competitive Canadian companies that will drive Canada's environmental and economic prosperity for years to come.

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*Human societies rest on three pillars: markets, governments and communities. These pillars have to be brought together and in balance.<sup>1</sup>*

1 The Third Pillar: How Markets and the State Leave the Community Behind, Raghuram Rajan

## UNDERSTANDING OUR ENTREPRENEURS

**Entrepreneurs are the agents of change, but they cannot do it alone.**

They need the support of their local ecosystems and leadership.

Recent market research conducted by Edelman Canada found that positive perceptions of SDTC stands above our peers, with high levels of trust in our organization that is driven by experience, reputation and commitment to sustainability.

We are invested in knowing our entrepreneurs and using that knowledge to better serve them.

Beyond our annual Leadership Summit and workshops, we call and visit portfolio companies throughout the year to understand their current landscape, changes and challenges ahead, and to receive feedback to ensure our services are timely and meet their needs. We use this data to better inform our decision making and evolve our services to maintain pace with our clients.

A culture that **relentlessly focuses on our clients** is what sets us apart. Using data, measuring outcomes and providing critical funding and support is at the core of all that we do.

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## What our clients are facing

SDTC's continued growth, along with private investment trends, demonstrates there remains a growing pipeline of entrepreneurs who have the potential to grow sustainability businesses that will help meet the global 2030 climate commitments and the 2050 Net Zero challenge.

However, the external environment is changing for our entrepreneurs.

It's all about the humans; entrepreneurs can't succeed without great talent. But labour is a growing challenge in all sectors: the cost of labour, talent acquisition and talent retention. All companies are facing these obstacles in one form or another.

While improved, supply chain issues continue causing disruptions, delays and cost overruns. Our companies have had to reengineer and redesign their products and rethink their sourcing strategies to adapt.

Fundraising is more difficult, but still robust. While numerous investors remain ready to commit funds to sustainability and innovation, they are being more selective and cautious on where they choose to invest, placing premiums on companies with strong value propositions and a clear path to profitability.

With a softer outlook for 2023, our companies are more cautious and are conserving cash in anticipation of an imminent recession. This cyclical downturn results in economizing their spending and hiring to weather a potential storm.

## DOMESTIC ADOPTION OF CANADIAN INNOVATION

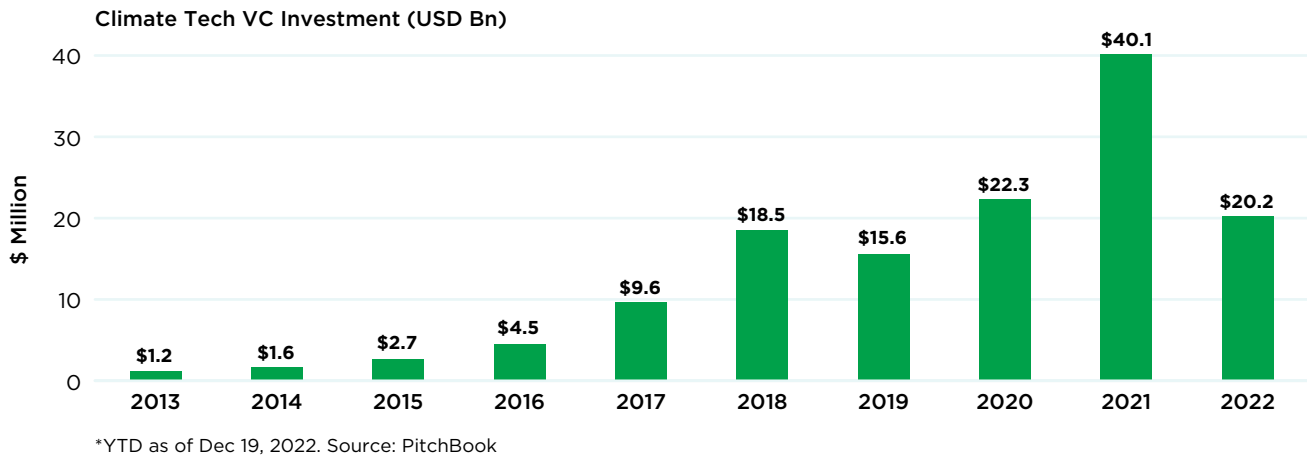
To achieve true environmental and economic prosperity, ideas need to be deployed—not just once, but many times. This means we must also look at the journey after invention; what it takes to commercialize an idea and deploy it at scale.

Who are the customers of our made-in-Canada sustainability solutions? Traditionally Canadian buyers are more risk averse. Our companies are told, *"Your product is great, but I don't want to be the first customer. Come back once you have sold to others."* Someone must be the first.

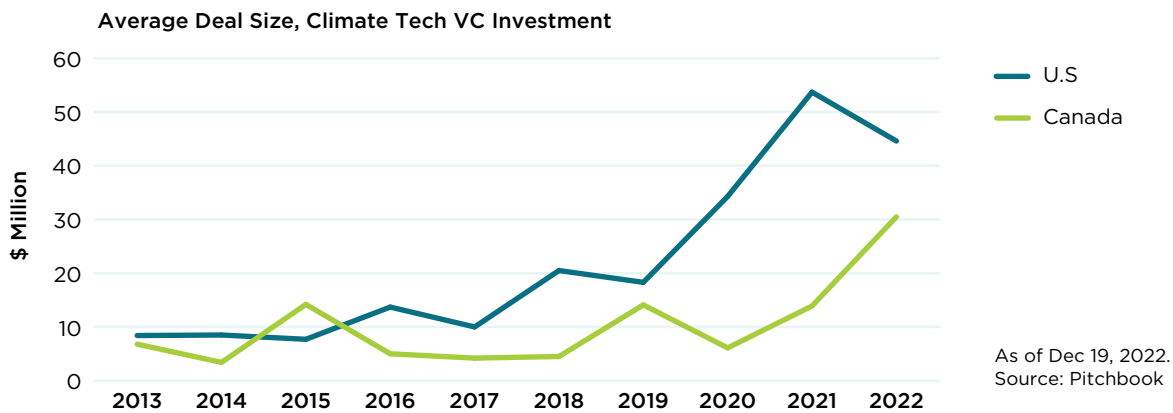
Working with our Sustainability Changemakers, we are learning to understand their customers. How did they make the leap to adopt new sustainable technology? What challenges did it pose and what results are they seeing?

By understanding the early adopters of our companies, we can help others overcome their barriers to adoption. Having more domestic customers will help our companies stay and scale in Canada, delivering greater economic and environmental prosperity.

## RAPID GROWTH IN GLOBAL CLIMATE TECH INVESTMENTS



## U.S. COMPANIES RAISED DOUBLE THE INVESTMENTS OF CANADIAN COMPANIES IN LAST 10 YEARS



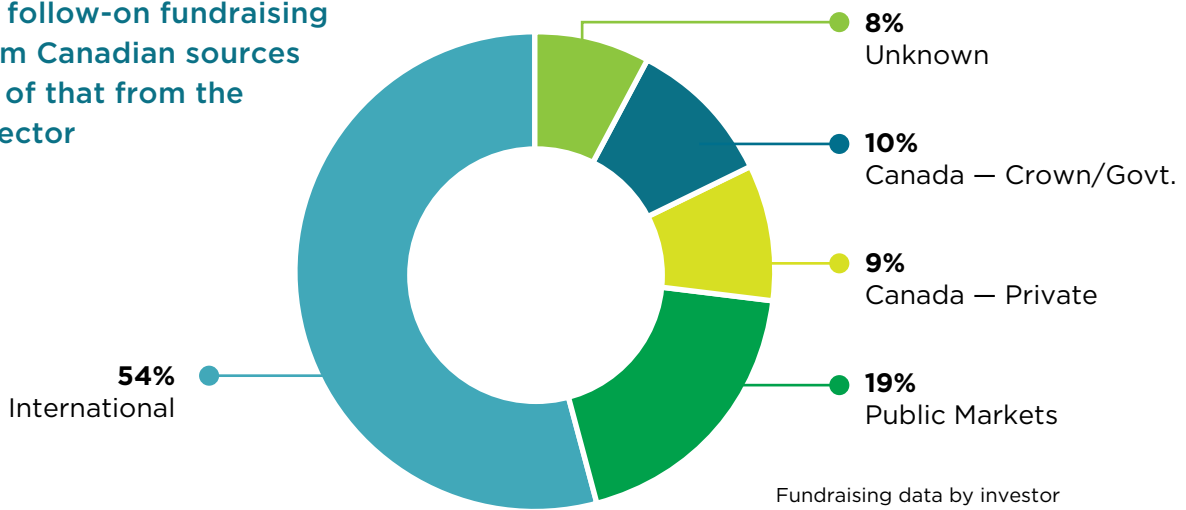


The pace of innovation in sustainable technologies is growing exponentially, with rapid growth globally in climate tech investments. However, Canada is lagging other countries.

In the past 10 years, U.S. companies raised double the climate tech investments from venture capital than Canadian counterparts. In fact, only 24% of follow-on fundraising for portfolio companies came from Canadian investors. Continued acceleration is needed to further build Canada’s clean industrial advantage.



**Only about one quarter of SDTC portfolio follow-on fundraising came from Canadian sources with half of that from the private sector**



Fundraising data by investor from Jan 1, 2019 to Nov 15, 2022. Source: SDTC

In addition, the recent passage of the U.S. Inflation Reduction Act with its climate and energy incentives, has elevated the game on climate change, with major investments being put forward toward decarbonization. This will potentially create substantial new export markets for Canadian companies, while also increasing the risk of leading Canadian companies exiting to the U.S.

Now more than ever we need to support companies in getting anchored in and succeeding in Canada, while simultaneously allowing them to establish Canada’s leadership in areas such as critical minerals, manufacturing and supply chains in the climate and energy transition.

# GOALS AND TARGETS FOR 2023–2024



## Building on our proven track record

In 2022, we created an ambitious, multi-year vision that we continue to build on. With one fund, we have diversified our funding into three streams—seed, start-up and scale-up—to support entrepreneurs building in place throughout their commercialization journey. We now serve **more companies** in **more regions of Canada** and **with more funding** than ever before.

In the last three years, SDTC has more than tripled the number of portfolio companies developing emerging technologies. We have a track record in delivering results.

We focus our efforts in three key areas of sustainability:

- **Climate change:** Delivering greenhouse gas (GHG) reductions.
- **Circular economy:** Contributing to the recycling, regeneration and reuse of resources.
- **People, communities and nature:** Promoting well-being for humans and our environment through sustainable agriculture and food production, clean water and air, resilient communities and cities, and the preservation and regeneration of our natural ecosystems.

In addition to these achievements, we further expanded our supports for entrepreneurs by:

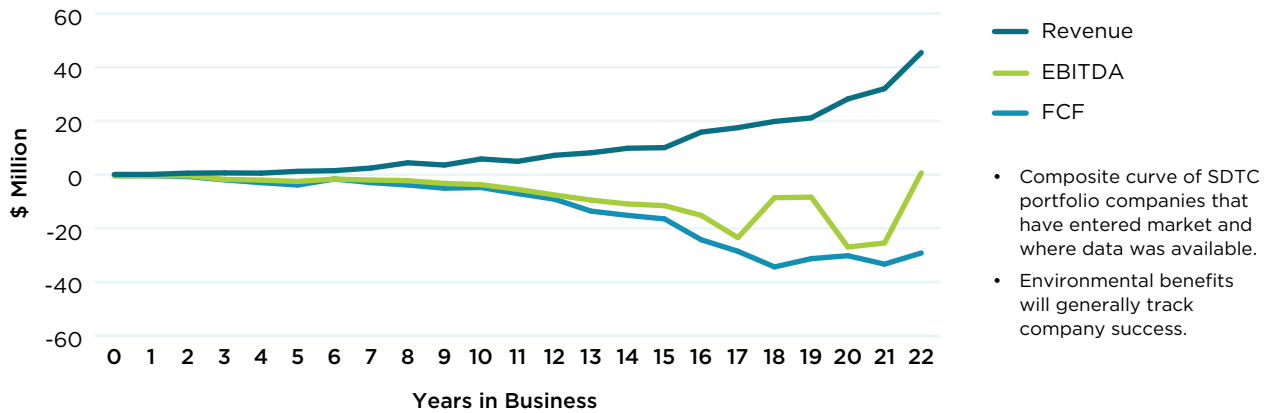
- enhancing our client-centric approach to innovation funding, actively seeking out new entrepreneurs across Canada and serving more companies in more regions in Canada;
- developing an in-house portfolio analytics team that allows SDTC to leverage client data to monitor portfolio performance, learn from past performance and identify Canadian companies making an environmental impact while becoming globally successful;
- strengthening ecosystem supports and connectivity to support companies through partnerships, collaboration and establishing peer-to-peer connections; and
- establishing awareness, trust and positive perceptions with our clients, entrepreneurs and potential technology adopters.

**We have transformed SDTC to meet entrepreneurs where they are at. To fill gaps in funding in the ecosystem. To not just invest in projects, but to invest in companies' futures.**

## 2030 is only seven years away

Climate commitments call for the halving of global greenhouse gas emissions by 2030. To do this, every sector of the economy needs to transform in just over one business cycle. Beyond 2030, and to meet the 2050 net-zero targets, this pace will continue.

But by 2050, almost half the GHG reductions will come from technologies that are currently at the demonstration or prototype phase.<sup>2</sup> Major innovation efforts must occur in the next decade to bring these new technologies to market in time.



Commercialization (\$10 million in revenue or more) can take 13 to 15 years, and profitability even longer. This is too slow. **Canadian companies will need to move faster in the future to achieve material progress toward net-zero emissions.**

By supporting companies over multiple years through their entire commercialization journeys, we seek to accelerate the time to impactful environmental benefits. We achieve this not only through funding, but also by facilitating post-investment support services to equip companies with the capacities they need to excel and break through.

We are on the cusp of transforming Canada’s environmental and economic prosperity. Creating a world-leading sustainable innovation ecosystem in Canada will require singular focus. It will require getting a critical mass of companies to a global scale. It will require doing things differently.

<sup>2</sup> Net Zero by 2050: A roadmap for the global energy sector

## GOAL 1: Investing from seed to success: Portfolio investment strategy

To achieve true environmental and economic prosperity, ideas need to be deployed not just once, but many times. What does it take to commercialize an idea and deploy it at scale?

When we look at a project and company for investment, we focus on five key factors:

- The potential environmental and economic benefits;
- The merits of the proposed idea;
- The market potential of the idea (specifically, the potential to transform the idea into a profitable product on which to grow a business);
- The experience of the company's management team and its investor support; and
- The degree to which the company has been able to align with customers and other strategic partners.

We have evolved our client-centric approach to innovation funding by proactively seeking out entrepreneurs across Canada who are ready to tackle new ways of delivering long-term environmental and economic impacts in Canada. As we further develop our sourcing skills, we will do so by using and refining our data, and learning from best practices in the private sector, while maintaining diversity in our applicant pool.

## THREE FUNDING STREAMS

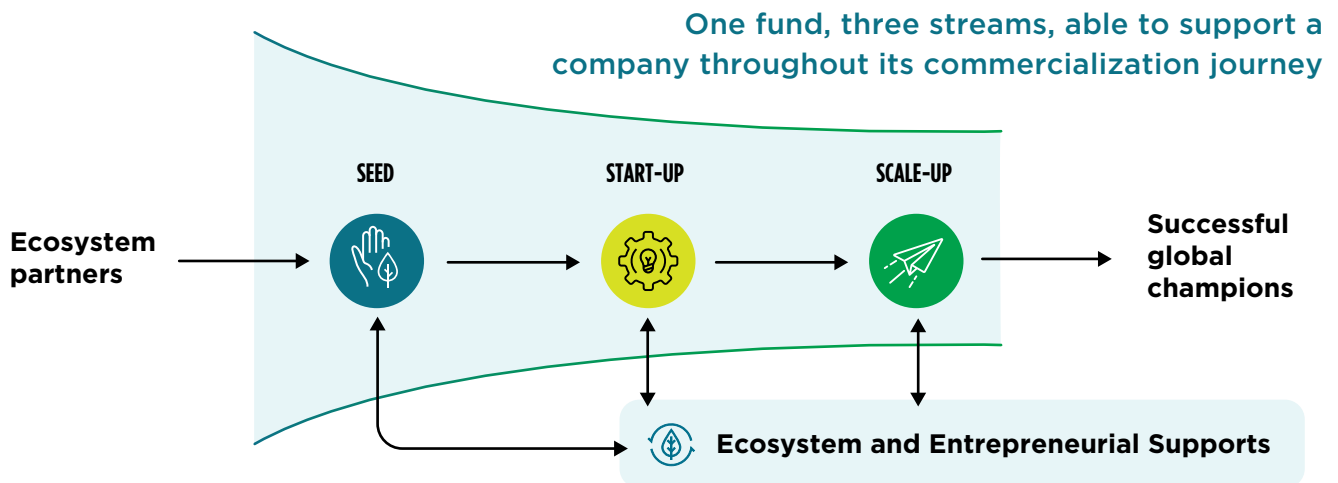
From seed to start-up to scale-up, we move at market pace to support companies at all stages of their commercialization journey.

**Seed funding:** \$50,000 to \$100,000 to catalyze early-stage companies. Companies must be nominated by one of SDTC's 80+ accelerator partners across Canada.

**Start-up funding:** Getting pre-revenue companies to market by funding the demonstration of innovative sustainable technologies.

**Scale-up funding:** To advance high-potential, high-growth companies with track records of success that are looking to scale, strengthen their competitive advantage and/or unlock a larger customer base.

## SEED TO SUCCESS STRATEGY





We know that to be truly transformational, all sectors must be highly innovative—everything from agriculture to transportation to quantum computing to planetary mapping. As technologies multiply, so do the environmental benefits gained through their application.

We assess environmental benefits in three sustainability impact areas: climate change; circular economy; and people, communities and nature. These categories allow us to reach further into the ecosystem, support even more Canadian entrepreneurs and help them achieve a global footprint.

Once a company is approved for funding, our relationship enters a new phase. We work alongside them to provide the support they need to succeed—that is, to commercialize their ideas and grow their business, eventually becoming a vibrant and profitable entity, independent of SDTC.

We have taken real action to diversify our applicant pool. We have broadened our network of accelerator partners who feed our seed funding, while also adding additional spaces for women entrepreneurs to be nominated. We are proud to see real results: 32% of seed companies are women-led and 47% of seed companies that graduate to start-up supports are women-led.

## Strategic focus

- Grow an expanding cohort of Canadian companies, progressing from seed to scale-up. The successful commercialization and scale-up of these firms will lead to an acceleration of environmental outcomes for Canada.

- Drive a high-level of client-centric service and operational excellence across the entire client lifecycle, with a focus on client relationships beyond first funding approval.
- Continuously evaluate value for money with respect to how our portfolio is delivering on net Canadian benefits.

## Goals for 2023-24

- Actively seek out entrepreneurs with the highest potential to make the most meaningful impact across all funding streams by:
  - diversifying and expanding our applicant pool with the target of ensuring at least 25% of companies funded across all streams are led by women; and
  - expanding our brand awareness (including through company profiles) across seed, start-up and scale-up entrepreneur populations.
- Roll-out updated governance approach to portfolio-based approvals, including investment and compliance frameworks.
- Identify one or two ecosystem-building opportunities that will enable entrepreneurs to succeed.
- Develop and implement a multi-year approach to client surveys throughout our operations to further inform our strategic direction.

## GOAL 2: Connecting and supporting our entrepreneurs and innovation ecosystems

**The full potential of an invention can only be realized when local ecosystems have evolved beyond the invention stage of innovation. How do we support and connect local ecosystems?**

We recognize that it takes an ecosystem of investors, customers and public institutions to help companies grow and scale here at home. We connect local ecosystems by providing entrepreneurs with access to the networks and supports they need to be successful.

Through our continued partnership with more than 80 accelerators and incubators across Canada, we are inspired by the innovation happening throughout the country. With the right support at each stage of a company's commercialization journey, we know Canadian entrepreneurs have the potential to deliver a sustainable future for Canada and the communities where they choose to grow.

This year we focused on enhancing supports for the entrepreneurs we work with. Recognizing that mentorship is one of the most powerful tools for any CEO, we launched the Network of Executive Trailblazers (NExt) pilot program. This pilot offers a select group of CEOs with access to mentorship from SDTC alumni, board directors and sustainability leaders. As we experiment with different approaches, we see the value these confidential networking forums provide. Together, these

CEOs are building trust, sharing experiences and learning together.

We also partnered with the newly established **Innovation Governance Program** (iGP) to equip companies with the skills and resources they require as they scale-up globally. This executive training program delivers a fast-paced learning experience that provides leadership teams, advisors and board directors with the resources they need to lead in the innovation economy.

As companies progress toward commercialization, their intellectual property (IP) strategy is core to their business. Protecting IP developed and grown in Canada is fundamental to the work we do, so over the last three years we have built a strong partnership with the **Innovative Asset Collective** (IAC). From workshops to market intelligence and due diligence frameworks, we continue to level up our work and support for companies to help strengthen their IP strategy.

At the core of our work is a continued effort to build meaningful relationships and connections with entrepreneurs and the various players in the ecosystem who are there to help them along the way. To support Canadian innovation and entrepreneurship from seed to success, we are focused on finding more ways to work with public and private sector partners to support our clients in creating value over the long term. We are intentionally building capacity in areas where Canada has a competitive advantage so that a critical mass of companies can grow and thrive in Canada, keeping people in the places they call home.

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### Innovative Asset Collective (IAC)



There is a proven need for Canadian companies to build capacity when it comes to IP strategy. Small and medium-sized enterprises often have limited resources to build a dedicated IP position and in turn take little or no action to secure ownership of their innovation. As a result, IP rights developed are often invention-driven and reactive, focused on protecting past inventions rather than preserving options for future commercial application of the innovation. This is why we have partnered with the IAC to empower our portfolio companies to develop and maintain solid, scalable, forward-thinking IP and data strategies, and build market intelligence.

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### Network of Executive Trailblazers (NExT)

NExT is a pilot project aiming to foster peer connection and learning by creating a forum for CEOs within SDTC's portfolio. Running from October 2022 to April 2023, the pilot matched 21 mentees (CEOs from portfolio companies) with six mentors. Concentrating on topics including mentorship, culture building, fundraising, leadership and talent attraction/retention, scaling up, mental health and more. NExT is a confidential forum to share best practices, learn together and build trust.



### Innovation Governance Program (iGP)

SDTC has partnered with the Council of Canadian Innovators on the iGP. A new executive education program that trains current and future board members in key areas of board governance for Canadian technology companies, iGP covers topics including intellectual property and data governance, cybersecurity, risk, compliance and controls to develop critical capacity in Canada's innovation ecosystem.

## Strategic focus

- Connect local and regional innovation ecosystems to their national counterparts, creating targeted and differentiated supports based on local skills, assets and capacity.
- Explore ways to provide portfolio companies additional tools and resources for portfolio companies to support growth challenges.
- Partner with scale-up companies and global market leaders with later-stage innovation in Canada to identify opportunities to foster growth across the four stages of innovation.
- Enhance ecosystem support through partner collaboration to help companies grow in place by:
  - strengthening the capacity of portfolio companies to keep ownership of and maximize the value of their intangible assets through our continued partnership with the IAC to deliver IP education and market intelligence across our three funding streams;
  - exploring new partnerships within the private sector to provide portfolio companies with access to more supports, tools and resources to address common challenges;
  - working with a select group of Canadian private equity investors to help strengthen domestic supports for leading firms; and
  - continuing to collaborate with the Business Development Bank of Canada (BDC), Export Development Canada (EDC), Strategic Innovation Fund (SIF), Canada Infrastructure Bank (CIB) and provincial investors to build cross-organizational strategies for leading firms.

## Goals

- Evaluate and assess the NExT pilot to maximize the value of a mentorship offering that connects experienced and emerging entrepreneurs.
- Enhance support for board governance capacity, business and leadership skills for portfolio company CEOs, boards and advisors through continued partnership with iGP.
- Deploy targeted marketing, outreach and events, including the annual Leadership Summit, that profile the people and the places where entrepreneurs are delivering economic and environmental prosperity across Canada.

## GOAL 3: Timely information to inform decision making

**The pace of innovation continues to accelerate. This requires a focused, client-centric, data-driven approach. How do we collect, leverage and gain insights *from* our companies, *for* our companies?**

We have a unique dataset. We serve a distinctive clientele—sustainability innovators at entrepreneurial end of the spectrum—and we spend time to know them well. We work with our companies as they progress from seed to scale-up, and we also maintain that relationship in the years that follow to understand their journey so we can better support current and future entrepreneurs getting to market.

Canada's sustainability achievement is and will continue to be heavily rooted in entrepreneurs. Our unique insights and in-depth understanding of our portfolio companies is critically important for future investment and sustainability success.

We continue to leverage this knowledge and information that we gather *from* companies *for* companies. We are evolving what data we capture, how we analyze it and, most importantly, how we push it forward for entrepreneurs to learn, adapt and strive toward best practices among their peers.

To do this, we are continually enhancing our technical capabilities. We are mid-point in the creation of *Connect+*, a cloud-based production environment that will ease the collection of data from companies from sourcing through to support. This reduces the effort companies must invest to provide data, while increasing the value they receive from the aggregate trends and practices we can report back to them.

This year, in partnership with the [Munk School of Global Affairs and Public Policy](#), we have used our data to initiate value chain analysis. By developing a standardized methodology to map and analyze value chains that can be applied to industries of interest, we will get a better, different way of understanding industries, with the goal to make better, more informed decisions for Canada and SDTC.

Our guiding question is: if we assume that Canada/SDTC cannot own the entire value chain, how can we make informed decisions about what and where Canada/SDTC can and should make investments that offer a comparative advantage?

SDTC is recognized as a model for post-project reporting, continued reporting and assessment of long-term outcomes. As we launch the *Connect+* infrastructure to support our data analysis and collection, we will ensure we have robust, routine, automated data collection practices to further enhance our ability to create and share benchmarking analysis for our portfolio companies in critical areas such as IP and equity, diversity and inclusion (EDI).

### Strategic focus

- Advance our portfolio insights to support targeted sourcing and a deeper understanding of value for money to support deal selection.
- Leverage our knowledge and information to support innovation and decision making within our organization and throughout our portfolio companies and key stakeholders.
- Understand emerging ecosystems of competitive advantage for Canada that will create jobs for the future and build economic resiliency.

### Goals

- Collect, leverage and gain insights from portfolio companies for portfolio companies by leveraging portfolio company data (e.g., financial, environmental, diversity) as well as aggregated external data sources to inform decision making, portfolio performance monitoring and outcomes assessment, and by understanding value for money. This will include:
  - assessing portfolio performance and post-project outcomes indicators on an ongoing basis;
  - utilizing value chain analysis and other research tools to identify areas of opportunity for deal sourcing and to inform deal selection; and



- extending our partnership with the IAC and others to undertake two or three competitive and IP landscape reviews and evaluate the areas of threat and opportunity.
- Provide portfolio insights and market intelligence to our clients on a quarterly basis to allow greater understanding of macro factors affecting them and inform their decision making.
- Continue our business transformation to a data-centric organization by investing in additional improvements to our IM/IT infrastructure, completing our migration from our legacy system and expanding the data capture and reporting/analysis efficiency. This will include:
  - completing the deployment of the process improvements to our cloud-based production environment (*Connect+*) and establishing efficient procedures to enhance this investment over time;
  - continuing to invest in further automation of processes associated with the collection of portfolio company information and the reports generated from this data, and expanding the datasets collected to allow for the creation of more advanced analysis specific to portfolio company sourcing, selection and support; and
  - investing in the modernization of our data and reporting architecture to improve data stewardship, accuracy and efficiency, ultimately providing the most robust data to inform sustainability achievement.
- Develop a multi-year approach to leverage research capacity at two or three leading Canadian universities to develop and share impactful knowledge to support our clients.

## CANADA'S SUSTAINABILITY CHANGEMAKERS

Canada's Sustainability Changemakers is the first made-in-Canada list that recognizes homegrown innovation in sustainable technologies.

As the largest funder of Canadian sustainable small and medium-sized companies, SDTC offers a unique window on the entrepreneurs who are leading the change to a net-zero economy and is proud to use that expertise to celebrate Canadian excellence.

This recognition has been made possible only by the extensive collection and analysis of data we have built through our Portfolio Insights team in recent years.





## SDTC-FUNDED COMPANIES PERFORM BETTER

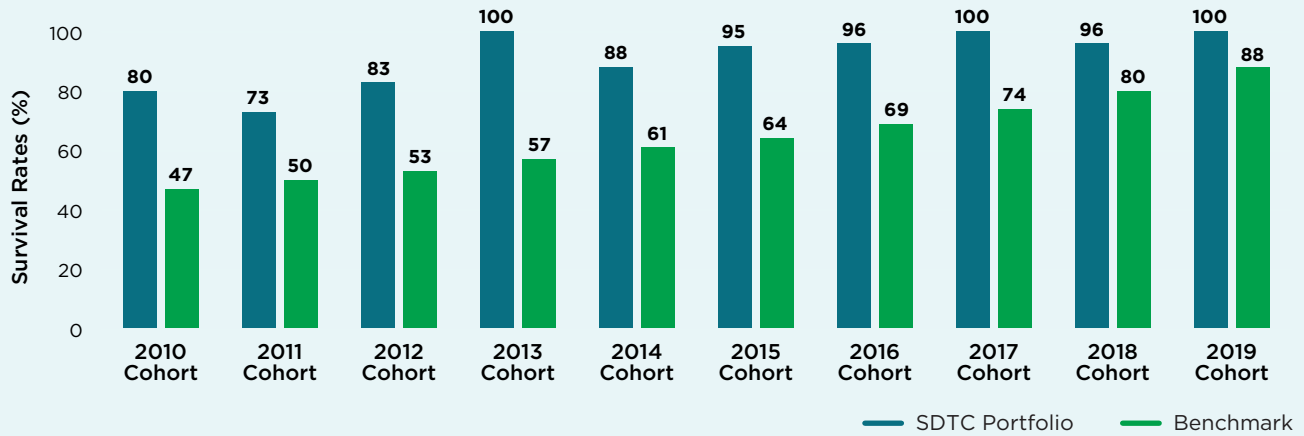
In 2022, we partnered with **Statistics Canada** to assess the impact of SDTC's funding and provide a benchmark for Canadian companies.

Analysis showed that survival rates were very high for SDTC-funded companies and have exceeded Statistics Canada's comparison groups.

On average, SDTC-funded companies have had higher growth in revenues and jobs relative to benchmark since being approved for funding (up to 2020).

## 2020 SURVIVAL RATES (%) BY APPROVED YEAR

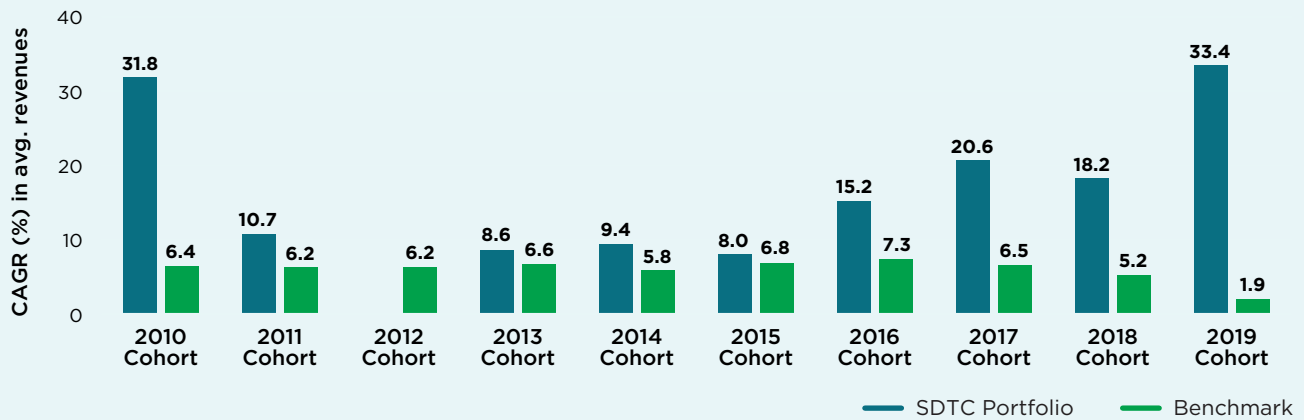
Analysis showed that survival rates were very high for SDTC-funded companies and have exceeded Statistics Canada comparison groups for all cohorts.



Matching of SDTC portfolio to Statistics Canada data was 94%, not necessarily 100% where indicated.

## CAGR (%) IN AVG. REVENUES, APPROVED YEAR TO 2020

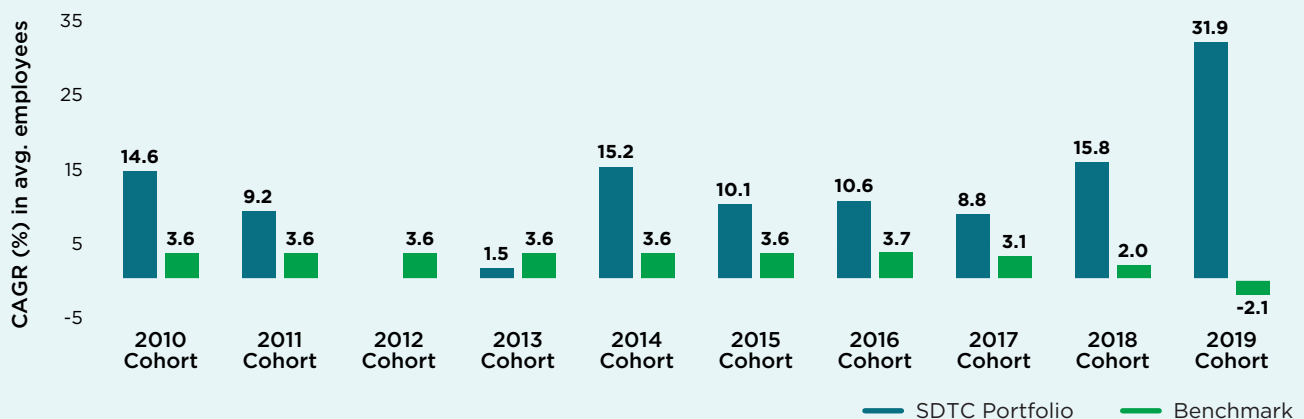
On average, SDTC-funded companies have had higher growth in revenues relative to benchmark since being approved for funding.



Since funding date (i.e., 10-year CAGR for 2010 cohort, 9-year CAGR for 2011 cohort, etc.).  
Due to privacy issues, data for all cohorts was not produced.

## CAGR (%) IN AVG. EMPLOYEES, APPROVED YEAR TO 2020

All cohorts have shown growth in jobs since being approved for SDTC funding and most have higher job growth than the benchmark Canadian small and medium enterprises.



Since funding date (i.e., 10-year CAGR for 2010 cohort, 9-year CAGR for 2011 cohort, etc.).  
Due to privacy issues, data for all cohorts was not produced.

## GOAL 4: Talent, skills and diversity

**Entrepreneurs are the agents of change, but they cannot do it alone. We must be responsive to their needs. How do we grow the diverse leadership, talent and critical skills needed to support our clients?**

Our biggest success—and the key to our future success—is our people. From coast to coast, we have built a highly skilled team who are driven by our mission. To ensure that we retain our talent, we are focused on their individual growth and wellness as we stay true to our values.

### OUR VALUES

<b>One Team</b>	Deliver results as <b>one team</b>
<b>Companies</b>	Relentless focus on how best to <b>support the companies</b> we fund to enable their success
<b>Responsive</b>	<b>Responsive</b> to the urgent need for greater sustainability and innovation
<b>Curious</b>	<b>Open minded and curious</b> in our approaches and the changing needs of companies
<b>Responsibility</b>	Invest <b>public funds</b> wisely and responsibly

We have continued to evolve our remote-first work practices through expanded leadership that is focused on putting people first and building a resilient culture. In the past year, we have continued to focus on the wellness of our people, our transparent objective and key results (OKR) goal-setting process, and ensuring employees have frequent touchpoints with leaders and teammates.

In the year ahead, we will pilot a new approach to improve our value proposition for early-career employees, and will evolve our national office strategy so that our offices can be an effective tool supportive of our culture and helping foster innovation and collaboration.

We will also continue building our culture through cross-team connections and support for new skills. A critical component of this new skillset will be building in-house expertise across the organization with our new integrated system, *Connect+*. The success of this tool lies with the users. By ensuring our team is ready to use and support this new technology, we will be able to become more efficient, more informed and more effective as we deliver for our companies.

Equity, diversity and inclusion (EDI) are foundational to our culture. We strive to help remove barriers and build diverse representation in funded companies as well as equitable and inclusive practices internally to achieve impact and sustainable change.

In the upcoming year we will go further in this work, gaining demographic and inclusion data about SDTC employees and portfolio companies, benchmarking our current and desired state of EDI, and becoming equipped to systematically close that gap with a long-term strategy and short-term action plan and the ability to clearly communicate our commitment and plans.

## Strategic focus

- Source, grow and recognize the talent, leadership and diversity within our team.
- Grow and recognize the talent, leadership and diversity within our entrepreneurial community and ecosystem.

## Goals

- Growing talent and critical skills in support of our mandate, including:
  - ensuring personalized learning plans are in place and actioned for all team members; and
  - ensuring all team members are trained and feel confident in the use of the new digital tools and risk-based portfolio approval processes to make better decisions.
- Aligning resourcing and retention strategies to foster wellness and to support our strategic initiatives.
- Building a positive and vibrant culture supporting employees working in communities across Canada by:
  - promoting and further developing the leadership skills and practices needed in our remote-first work environment; and
  - evolving our national office strategy, ensuring it is supportive of our culture and nationally distributed workforce while fostering innovation/collaboration.
- Further integrate EDI best practices into our human resources processes, training and leadership development, data collection and project selection processes.

## EQUITY, DIVERSITY AND INCLUSION

Equity, diversity and inclusion (EDI) is a critical business practice as it enables organizations to leverage the range of perspectives needed to address today's complex challenges.

We are proud to have gender parity at all levels of our organization. We are also actively working to increase our significant representation of under-represented groups, with initiatives such as our adoption of the Government of Canada's 50-30 Challenge.

It is by thoughtful design that SDTC has become increasingly diverse. We continue to build a team that will challenge the status quo and push the boundaries of what is possible for Canadian entrepreneurs. We commit to continuing to expand our thinking, abilities and actions as EDI requires continuous refinement and improvement.

EDI is an important consideration for optimal operation of our organization as well as for SDTC-funded companies.

## 2023–2024 targets:

These targets are in addition to a further 19 performance metrics that are reported to the Government of Canada annually. (See [Appendix C](#) for more details.)

### FUNDS AND OPERATIONS

- Approve \$190–\$210 million in new investments for approvals
- Disburse \$140–\$165 million to funded projects
- Approval and contracting timelines:
  - Seed: Less than 45 days
  - Start-up and Scale-up: Eight months

### ECOSYSTEM AND MARKETS

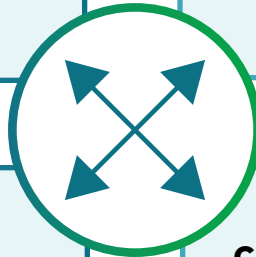
- Follow-on financial support from EDC and BDC: \$250 million
- Total portfolio: 25% of portfolio companies are majority-led by women
- Full implementation of NExT mentorship program

### CULTURE, CAPACITY AND TALENT

- *Connect+* first release to go live June 2023
- Implement a new graduate recruitment, training and retention program
- Continue to seek out and train employees, consultants and portfolio companies on EDI best practices on an annual basis

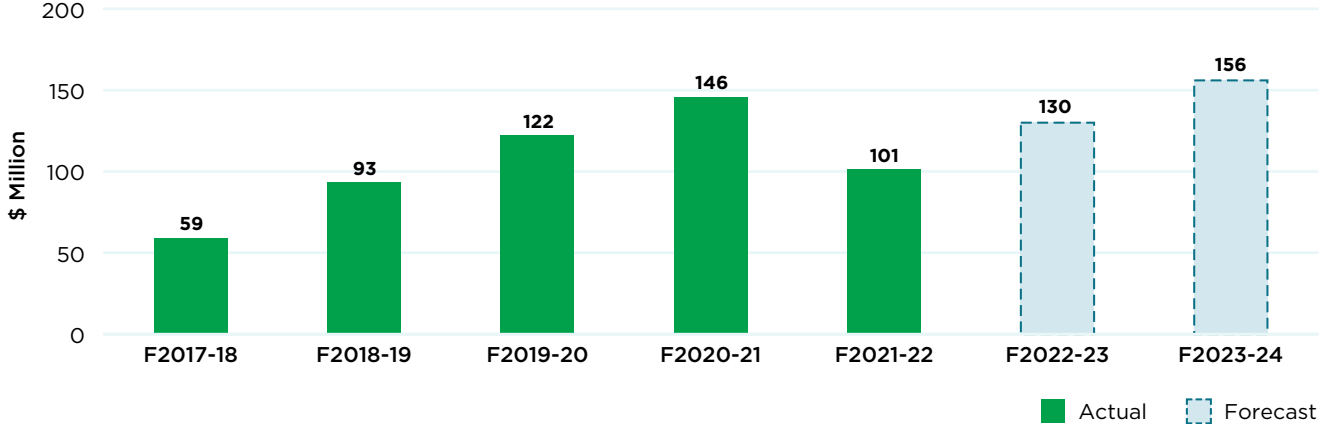
### CLIENTS AND PARTNERS

- Use the Edelman Trust Survey to assess and benchmark our reputation with key stakeholders and clients
- Continue to form new partnerships, deepen existing relationships and extend our reach further across Canada
- Continue to grow governance capacity through our partnership with IGP as well as through piloting an internal governance assessment

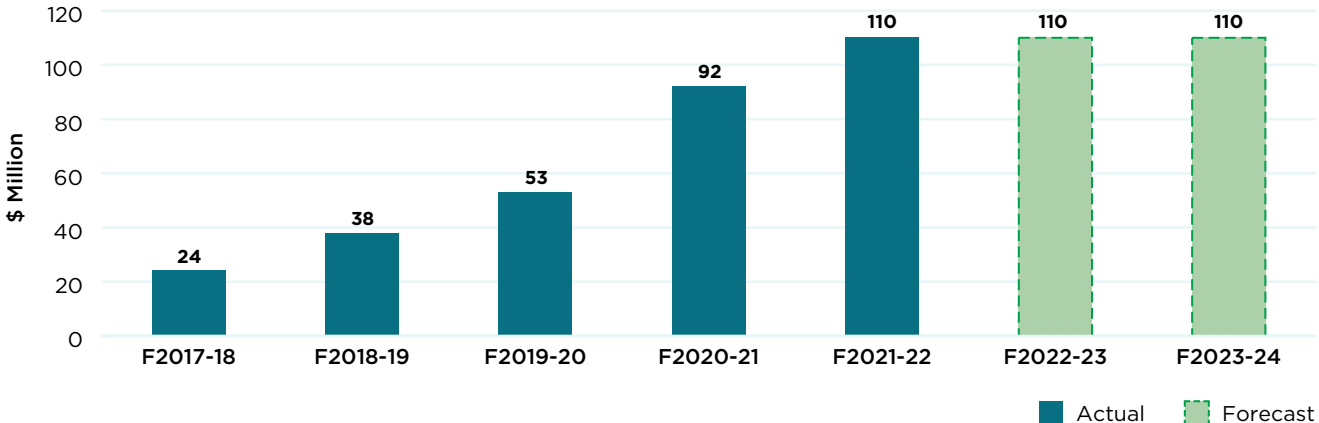


# SDTC portfolio results

## TOTAL DOLLARS DISBURSED TO COMPANIES



## COMPANIES APPROVED





# INTERIM RESULTS: 2022-2023

Our annual report is published each August, providing the full results from the fiscal year (April 1 to March 31). In accordance with our contribution agreement with the Government of Canada, we report our interim results from our 2021-2022 corporate goals and targets here. These results are subject to change.



## Goal 1: Investing from seed to success: Portfolio investment strategy

### GOALS

### RESULTS

Implement an updated governance approach to portfolio-based approvals, performance monitoring and outcomes assessment, including a refined approach to our enterprise risk management.

- ✓ Portfolio-based approvals process being developed with board working group, covering governance framework, investment framework and compliance framework.

Maintain a diverse pool of applicants from across Canada, with particular focus on client discovery efforts, to:

- seek out entrepreneurs with the highest potential to make the most meaningful impact in our three sustainability impact areas;
- diversify and expand our applicant pool with the target of ensuring at least 25% of companies funded are led by women; and
- expand our brand awareness (including through company profiles) across seed, start-up and scale-up entrepreneur populations.

- ✓ Internal resource building to focus on deal sourcing to seek out highest potential entrepreneurs.
- ✓ 32% of seed companies are women-led, and 47% of seed funding graduates are women-led.
- ✓ Brand awareness improved through *Innovation Happens Here* campaign, with 10 videos of portfolio companies and significant audience growth and engagement on social media platforms.

Identify two to four ecosystem-building opportunities across the various stages of innovation that will enable entrepreneurs to succeed. This includes piloting new approaches to shared infrastructure, and prototyping services and shared resources accessible to companies.

- ✓ Partnered with ALUS to build resources for nature-based solutions.
- ✓ Continuing to source and evaluate potential ecosystem-building opportunities.

Develop and implement a multi-year approach to client surveys throughout our operations to further inform our strategic direction.

- ✓ Targeted CEO outreach conducted in Q2 and planned in Q4 to help inform future direction.
- ✓ CEO interviews planned for Q4 to inform EDI strategy.
- ✓ Innovation, Science and Economic Development Canada (ISED) evaluation of SD Tech Fund conducted with portfolio companies to collect data and feedback.

## Goal 2: Connecting and supporting our entrepreneurs and innovation ecosystems

### GOALS

Facilitate post-investment support services to equip companies with the capacities they need to excel, including access to talent, training, investment and customers. To do this, we will:

- develop an alumni mentoring program to connect experienced and emerging entrepreneurs and advance the business and leadership skills of the portfolio as a whole;
- support the development of ongoing board governance education in continued partnership with the CCI;
- identify and develop commercial market opportunities within Canada to create stable local demand that can serve as a platform/beachhead for a critical mass of globally exporting companies;
- become a leader in IP education in continued partnership with the IAC, developing at least two to three IP workshops with peer-to-peer learning for every stage of our clients' commercialization journeys;
- build on the *Innovation Happens Here* campaign by continuing to profile the strengths of companies and regions, and expanding the focus to include, for example:
  - curated events such as our annual Leadership Summit; and
  - investor and alumni events that connect companies with start-up and scale-up investors.

- launch a new private equity partners group; and
- continue to collaborate with BDC, EDC, SIF, CIB and provincial partners to build cross-organizational strategies for leading firms.

### RESULTS

- ✓ Launched NExT with initial pilot of 21 mentees (CEOs from portfolio companies) matched with six mentors.
- ✓ Partnered with the iGP through participation on the steering committee and nomination of ~45 CEOs/advisors/board directors to participate in these six-week sessions.
- ✓ Continue to conduct research, including value chain analysis into areas of opportunity.
- ✓ Provided all companies receiving seed funding with access to a one-year membership with the IAC.
- ✓ Delivered three workshops in May 2022, with an additional two workshops planned for winter 2023.
- ✓ Leveraged IAC expertise to develop an updated due diligence framework.
- ✓ Brought together 250 CEOs, investors and government partners for our annual in-person Leadership Summit in May 2022.
- ✓ Expanded network of investors through participation in the seed funding jury process with at least one investor participating in each pitch day.
- ✓ Outreach in each region to identify potential investors.
- ✓ Targeted outreach with private financiers is ongoing, with the intent to identify potential partners for a private equity partners group.

- ✓ Regular working group with BDC and EDC continues with referrals to identify opportunities for follow-on fundraising, diligence sharing and ways to better support companies.
- ✓ Referral process established with SIF.

### Goal 3: Timely information to inform decision making

#### GOALS

Collect, leverage and gain insights **from** portfolio companies **for** portfolio companies by leveraging portfolio company data (e.g., financial, environmental, diversity) as well as aggregated external data sources to inform decision making, portfolio performance monitoring and outcomes assessment. This will include:

- publishing quarterly portfolio performance and outcomes indicators;
- developing a framework to assess portfolio companies annually against their global competitors; and
- partnering with the IAC and others to undertake two to three competitive and IP landscape reviews and evaluate the areas of threat and opportunity.

Provide portfolio insights and market intelligence to our clients on a quarterly basis to allow greater understanding of macro factors affecting them and inform their decision making.

Continue our business transformation to a data-centric organization by renewing our IM/IT infrastructure, with two planned releases of our internal software platform:

- Release 1 will improve process efficiency and finish migration operations to new a cloud-based software platform.
- Release 2 will deliver tools to enhance understanding of our portfolio companies by collecting more relevant data elements specific to portfolio management and ecosystem supports.

Continue to partner with the University of Toronto's Munk School of Global Affairs and Public Policy to monitor accelerator success in nominating and supporting seed companies.

#### RESULTS

- ✓ Quarterly portfolio performance and outcomes indicators used to establish the inaugural Canada's Sustainability Changemakers list of top-performing companies in the portfolio.
- ✓ Statistics Canada benchmarking study completed. Analysis showed that survival rates were very high for SDTC-funded companies and have exceeded Statistics Canada's comparison groups.
- ✓ Continuing to work with IAC to incorporate the IP landscape reviews in our decision making.

- ✓ *SDTC Insights* quarterly newsletter launched to provide portfolio analysis and outcomes indicators to CEOs.

- ✓ Formalized the scope of *Connect+* Release 1 through a detailed discovery phase. Developed a detailed contract and project plan with 13 specific development and testing "sprints".
- ✓ Performed a review of the project at midway and currently finalizing the production release planning for Q1 2023-24 to ensure full complexities are built into the system for optimal experience for external and internal users.

- ✓ Completed value chain analysis with support of Munk School resources, which will support our success in nominating and supporting companies at all stages.
- ✓ Capstone project planned for winter 2022 to evaluate early-stage investment trends.

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## Goal 4: Talent, skills and diversity

### GOALS

Focus on supporting our team to build critical skills and expertise in support of our mandate including:

- ensuring personalized learning plans are in place for all team members; and
- ensuring all team members are trained and feel confident in the use of the new digital tools.

### RESULTS

- ✓ Launched a core training program with a focus on digital skills for this year.
- ✓ Onboarding process has been strengthened and relaunched to set each employee up for success.
- ✓ OKRs and learning plans in place across the organization.
- ✓ *Connect+* training underway with initial users and select team members as testers. All team members will receive extensive training and follow-up support, including a peer support group, before the full organization moves to *Connect+*.

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Promote and develop the leadership skills needed to create a positive, diverse and vibrant culture in our remote-first work environment.

- ✓ Leadership training to be completed in Q4 and supported by regular discussions and learnings on best practices to promote and support a positive and diverse culture in a remote-first environment.

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Continue to actively monitor team wellness and maintain focus on the health and safety of our people. Continue to provide employees with the individual support they require through health and wellness initiatives.

- ✓ Leadership has remained focused on the health and wellness of teams and continually discuss and adapt best practices.

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Continue to raise the awareness of EDI through training sessions and by highlighting best practices and ensuring they are integrated into our recruitment processes, leadership development, ecosystem initiatives and project selection processes.

- ✓ Onboarded a consultant and are in the process of gaining demographic and inclusion data about SDTC employees and portfolio companies, benchmarking current and desired state of EDI, and become equipped to systematically close that gap with a long-term strategy and short-term action plan to clearly communicate commitment and plans by year-end.
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# APPENDIX A:

## STRATEGIC FOCUS AND GOALS FOR 2023–2024



### People and place: 2023–24 strategic focus

<b>GOAL 1:</b> Investing from seed to success: Portfolio investment strategy	<b>GOAL 2:</b> Connecting and supporting our entrepreneurs and innovation ecosystems	<b>GOAL 3:</b> Timely information to inform decision making	<b>GOAL 4:</b> Talent, skills and diversity
<p>Grow an expanding cohort of Canadian companies, progressing from seed to scale-up. The successful commercialization and scale-up of these firms will lead to an acceleration of environmental outcomes for Canada.</p>	<p>Connect local and regional innovation ecosystems to their national counterparts, creating targeted and differentiated supports based on local skills, assets and capacity.</p>	<p>Advance our portfolio insights to support targeted sourcing and a deeper understanding of value for money to support deal selection.</p>	<p>Source, grow and recognize the talent, leadership and diversity within our team.</p>
<p>Drive a high-level of client-centric service and operational excellence across the entire client lifecycle, with a focus on client relationships beyond first funding approval.</p>	<p>Explore ways to provide portfolio companies additional tools and resources for portfolio companies to support growth challenges.</p>	<p>Leverage our knowledge and information to support innovation and decision making within our organization and throughout our portfolio companies and key stakeholders.</p>	<p>Grow and recognize the talent, leadership and diversity within our entrepreneurial community and ecosystem.</p>
<p>Continuously evaluate value for money, with respect to how our portfolio is delivering on net Canadian benefits.</p>	<p>Partner with scale-up companies and global market leaders with later-stage innovation in Canada to identify opportunities to foster growth across the four stages of innovation.</p>	<p>Understand emerging ecosystems of competitive advantage for Canada that will create jobs for the future and build economic resiliency.</p>	

## Goal 1: Investing from seed to success: Portfolio investment strategy

Actively seek out entrepreneurs with the highest potential to make the most meaningful impact across all funding streams. This will include

- diversifying and expanding our applicant pool with the target of ensuring at least 25% of companies funded are led by women; and
- expanding our brand awareness (including through company profiles) across seed, start-up and scale-up entrepreneur populations.

Roll-out updated governance approach to portfolio-based approvals, including investment and compliance frameworks.

Identify one or two ecosystem-building opportunities that will enable entrepreneurs to succeed.

Develop and implement a multi-year approach to client surveys throughout our operations to further inform our strategic direction.

## Goal 2: Connecting and supporting our entrepreneurs and innovation ecosystems

Evaluate and assess the NExT pilot to maximize the value of a mentorship offering that connects experienced and emerging entrepreneurs. This new support will provide a cohort of CEOs with a confidential forum to build trust, share experiences and learn together while strengthening and growing existing networks to inspiring entrepreneurs to go further, faster.

Enhance support for board governance capacity, business and leadership skills for portfolio company CEOs, boards and advisors through continued partnership with iGP.

Enhance ecosystem support through partner collaboration to help companies grow in place by:

- strengthening capacity within SDTC's portfolio to keep ownership and maximize the value of their intangible assets through continued partnership with the IAC to deliver IP education and market intelligence across our three funding streams;
- exploring new partnerships within the private sector to provide portfolio companies with access to more supports, tools and resources to address common challenges;
- working with a select group of Canadian private equity investors to help strengthen domestic supports for leading firms; and
- continuing to collaborate with BDC, EDC, SIF, CIB and provincial investors to build cross-organizational strategies for leading firms.

Deploy targeted marketing, outreach and events, including an annual Leadership Summit, that profile the people and the places where entrepreneurs are delivering economic and environmental prosperity across in Canada.

### Goal 3: Timely information to inform decision making

Collect, leverage and gain insights from portfolio companies for portfolio companies by leveraging portfolio company data (e.g., financial, environmental, diversity) as well as aggregated external data sources to inform decision making, portfolio performance monitoring and outcomes assessment, and understanding value for money. This will include:

- assessing portfolio performance and post-project outcomes indicators on an ongoing basis;
- utilizing value chain analysis and other research tools to identify areas of opportunity for deal sourcing and inform deal selection; and
- extending our partnership with the IAC and others to undertake two to three competitive and IP landscape reviews and evaluate the areas of threat and opportunity.

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Provide portfolio insights and market intelligence to our clients on a quarterly basis to allow greater understanding of macro factors affecting them and inform their decision making.

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Continue our business transformation to a data-centric organization by investing in additional improvements to our IM/IT infrastructure, completing our migration from our legacy system and expanding the data capture and reporting/analysis efficiency. This will include:

- completing the deployment of the process improvements to our cloud-based production environment (Connect+) and establishing efficient procedures to enhance this investment over time;
- continuing to invest in further automation of processes associated with the collection of portfolio company information and the reports generated from this data, and expanding the datasets collected to allow for the creation of more advanced analysis specific to portfolio company sourcing, selection and support; and
- investing in the modernization of our data and reporting architecture to improve data stewardship, accuracy and efficiency ultimately providing the most robust data to inform sustainability achievement.

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Develop a multi-year approach to leverage research capacity at two or three leading Canadian universities to develop and share impactful knowledge to support our clients.

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## Goal 4: Talent, skills and diversity

Growing talent and critical skills in support of our mandate, including:

- ensuring personalized learning plans are in place and actioned for all team members; and
- ensuring all team members are trained and feel confident in the use of the new digital tools and risk-based portfolio approval processes to make better decisions.

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Aligning resourcing and retention strategies to foster wellness and to support our strategic initiatives.

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Building a positive and vibrant culture supporting employees working in communities across Canada by:

- promoting and further developing the leadership skills and practices needed in our remote-first work environment.
- evolving our national office strategy, ensuring it is supportive of our culture and nationally distributed workforce while fostering innovation and collaboration.

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Further integrate EDI best practices into our human resources processes, training and leadership development, and data collection and project selection processes.

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# APPENDIX B:

## RISKS AND MITIGATIONS

This section focuses on the key risks facing SDTC and the strategies in place to mitigate these risks to an acceptable level. Several strategies presented in this corporate plan will also further mitigate our key risks.

In addition to these risks, we understand that external market factors affect the success of the companies we fund. To help companies develop market-ready technologies, we are diligent in ensuring our program delivery model is impactful and focused on providing companies with the support they need to commercialize successfully.

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### Risk: Applicant pool

Risk that our applicant pool is constrained, resulting in our being unable to fund companies with the greatest potential (e.g., potential applicants do not know about SDTC, we are unable to find companies, business challenges, etc.)

#### Mitigation

- Ecosystem strategy that considers regional nuances and maturity of the ecosystem, and defines target audiences.
- Targeted outreach and communications to potential applicants.
- Build awareness and generate leads through targeted digital marketing and advertising.
- Proactive client discovery efforts to actively source potential applicants and expand ecosystem connectivity.
- Continuous intake process with timelines tailored to applicant readiness for approval and contracting.
- Partnerships with accelerators, federal and provincial agencies leading to referrals.
- Equity, diversity and inclusion strategy includes consideration of best practices and outreach to identify diverse applicants.
- Seed funding stream recruits firms early in their commercialization journey.
- “Seed to Success” strategy with constant monitoring of existing portfolio companies and understanding which are ready for additional supports.

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## Risk: External changes

Risk that external changes in the business environment affect project costs and/or timelines, resulting in expected environmental or economic benefits not being achieved.

### Mitigation

- Portfolio and project monitoring to identify when challenges emerge.
- Ongoing environmental scans of the external environment and monitoring of leading indicators for changes in business environment to ensure early identification of possible impact to portfolio.
- Financial forecasting that takes into account latest project information. Project modification process in place allows for changes in normal course when required.
- Due diligence process at approval stage that considers project risks and exposures.

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## Risk: Ecosystem connectivity

Risk that our portfolio companies are unable to access the ecosystem supports needed to help build capacity and access customers and investment to scale up, resulting in key medium- and long-term environmental and economic benefits (e.g., sustainability, IP retention, critical skills, jobs, revenues) not being realized and/or retained in Canada.

### Mitigation

- Partnerships and outreach strategy that identifies key partners in each region.
- Network of referral partners within the federal government to provide supports.

- Ongoing ecosystem mapping to inform targeted outreach.
- Established network of 80+ accelerators to better understand emerging areas of innovation.
- Strengthen capacity within portfolio firms to keep ownership and maximize value of intangible assets through continued partnership with the IAC to deliver IP education and market intelligence.
- Enhance support for board governance capacity, business and leadership skills for portfolio company CEOs, boards and advisors through continued partnership with the iGP.
- Collaboration with BDC, EDC, SIF, CIB and provincial investors to build cross-organizational strategies for leading firms.

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## Risk: Cash flow projections

Risk that we cannot effectively forecast cash requirements given the diversity and uniqueness of funded companies, timing of proposal submissions and approvals, and/or changes that could occur over project lifespans, resulting in SDTC having insufficient funds to meet its needs.

### Mitigation

- Forecasting methodology/process in place with periodic review of model assumptions to evolve methodology.
- Forecasted cash flow needs of each funded project are updated on a monthly basis.
- Close collaboration with ISED to ensure funds are sufficient to meet cash flow needs.

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## Risk: Data privacy

Risk of private data and/or information relating to an individual and/or company is disclosed, resulting in lawsuits and/or reputational damage.

### Mitigation

- Awareness and training programs in place for all SDTC employees on the importance of data security practices and the implications of sharing data.
- Code of conduct and IT policies in place to help protect the confidentiality of information and prevent data breaches.
- Physical and technological safeguards (e.g., restricted access to premises, use of strong passwords and encryption, network and website monitoring, etc.).
- Information breach procedures and crisis/ issues management process in place.
- Business continuity plan updated and being included as part of training programming.

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## Risk: Critical skills

Risk that SDTC is unable to attract and retain people with critical skills and expertise (as employees or consultants), resulting in SDTC being unable to execute on its key strategic initiatives.

### Mitigation

- Strong overall employee value proposition, including the ability to do work that matters, a flexible work environment, learning and development opportunities, enhanced benefits and wellness offerings, and market-competitive compensation.
- Remote-first work philosophy allows SDTC to hire and retain the right diversity of people and skills, wherever they might be in Canada.

# APPENDIX C:

## PERFORMANCE MANAGEMENT STRATEGY FRAMEWORK

Detailed information on these metrics can be found in recent copies of our annual report and funded project list, both of which are available on [www.sdte.ca](http://www.sdte.ca).

#	Type of indicator	Outputs and outcomes	Performance indicators	2022-2023 Performance Targets
1	Activities/outputs	Applications are approved by the Board of Directors	Total funding allocated to sustainable development projects	Approve \$190 million
2	Activities/outputs	Applications are approved by the Board of Directors	Number of new clean technology projects approved for funding	At least 100 new projects and major modifications to existing projects are approved each year
3	Activities/outputs	Applications are approved by the Board of Directors	Number of projects funded under Capital Intensive Decarbonization Strategy	To be established at future date
4	Activities/outputs	Applications are approved by the Board of Directors	Total funding awarded under Capital Intensive Decarbonization Strategy	To be established at future date
5	Activities/outputs	Applications are approved by the Board of Directors	Number of days from initial application to project funding agreement signed	Maintain an average below 9 months
6	Activities/outputs	Claim disbursement	Percentage of projects achieving a targeted number of days required to process claim disbursements	Process 80% of contracted project funding claims within 45 calendar days

#	Type of indicator	Outputs and outcomes	Performance indicators	2022-2023 Performance Targets
7	Activities/outputs	Post-project questionnaires	Percentage of recipients who complete post-project questionnaires	Maintain improvement of 5% per year for post-project reporting
8	Immediate outcomes (0-3 years)	Recipients awarded SD Tech Fund contracts	Funding disbursed to contracted recipients	\$130 million disbursed to recipients
9	Immediate outcomes (0-3 years)	Supported technologies advance toward commercialization	Percentage of active projects that are making advancements toward successful demonstrations	Maintain a 90% minimum average
10	Immediate outcomes (0-3 years)	Recipients form collaborative partnerships that create/demonstrate new technologies across the innovation chain	Dollars leveraged from all partners and collaborators (public and private) relative to SD Tech Fund dollars	Maintain \$2 leverage funding for each \$1 of SDTC funding
11	Immediate outcomes (0-3 years)	Recipients form collaborative partnerships across the innovation chain	Dollars leveraged from private sector partners and collaborators	Maintain \$1.63 leverage funding for each \$1 of SDTC funding
12	Intermediate outcomes (4-7 years)	SD Tech Fund-supported technologies are successfully demonstrated	Percentage of approved projects that reached completion within the past five years	A rate of 80% of all approved projects reach completion within the past five years
13	Intermediate outcomes (4-7 years)	SD Tech Fund-supported firms that are majority-led by women	Percentage of SD Tech Fund-supported technologies whose firm is majority-led by women	A rate of 25% of SD Tech Fund-supported firms that are majority-led by women
14	Intermediate outcomes (4-7 years)	SD Tech Fund-supported technologies make substantial advancements toward commercialization	Number of projects under Capital Intensive Decarbonization Strategy that have successfully achieved a final investment decision for the construction of the facility	To be established at future date

#	Type of indicator	Outputs and outcomes	Performance indicators	2022-2023 Performance Targets
15	Long-term outcomes (7+ years)	SD Tech Fund-supported technologies create economic benefits	Percentage of technologies supported by the SD Tech Fund that are commercialized (revenue derived from project technology)	A rate of 30% of all technologies supported by the SD Tech Fund are commercialized
16	Long-term outcomes (7+ years)	SD Tech Fund-supported technologies create economic benefits	Average amount of follow-on funding obtained by SD Tech Fund-supported technologies following project completion	Maintain minimum average of \$2 of follow-on financing for each \$1 of SDTC funding for lifetime of the SD Tech Fund
17	Long-term outcomes (7+ years)	SD Tech Fund-supported technologies create economic benefits	Annual growth rate of revenues generated by SD Tech Fund-supported technologies	A rate of 5% annual revenue growth is generated by SD Tech Fund-supported technologies
18	Long-term outcomes (7+ years)	SD Tech Fund-supported technologies create economic benefits	Number of jobs created by SD Tech Fund-supported technologies	1,500 jobs created by SD Tech Fund-supported technologies each year
19	Long-term outcomes (7+ years)	SD Tech Fund-supported technologies lead to environmental benefits	Annual incremental reductions in GHG emissions attributable to SD Tech Fund-supported technologies	Increase of 1 megatonne reduction each year
20	Long-term outcomes (7+ years)	SD Tech Fund-supported technologies lead to environmental benefits	Percentage increase in estimated annual costs avoided. These may include costs avoided due to other environmental impacts of SD Tech Fund-supported technologies, including monetized benefits of cleaner air, cleaner water, cleaner soil, improved energy efficiency, etc.	Increase in estimated annual costs avoided of all SD Tech Fund-supported technologies by 5% each year





**SUSTAINABLE DEVELOPMENT  
TECHNOLOGY CANADA**

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**TECHNOLOGIES DU DEVELOPPEMENT  
DURABLE CANADA**