

Swiss funding landscape for circular innovation in construction

January 2025

Whitepaper by



Executive Summary

Sustainable Investments in Switzerland, including those supporting circular construction practices, have increased in recent years. However, the construction industry remains one of the largest contributors of CO₂ emissions and waste. To address these challenges, innovative solutions focused on sustainability and circularity are urgently needed. In response, an ecosystem of institutions has emerged to promote and foster circular construction innovations.

For these innovations to develop and scale, external capital is often required. The construction industry, being conservative in nature, presents several barriers for start-ups, including long sales and project cycles, strict regulations, and a reliance on trust-based collaborations. As a result, the sector is both difficult to penetrate and less attractive to purely profit-driven investors.

Despite these challenges, the Swiss ecosystem offers a range of funding options to support circular innovations in construction. This whitepaper outlines various funding vehicles available, from accelerators and government programs to start-up competitions, angel investors, venture capital, corporate partnerships, and business loans. Leveraging interviews with key stakeholders and industry insights gained during the CBI Booster, it provides insights into how different start-ups have successfully navigated their funding journeys and highlights what different funding vehicles seek in circular construction ventures.



Sophie Führer
Project
Manager



Michèle Wicki
Research
Assistant



Arthur Borecki
Research
Assistant



Lisa Lambert
Project
Manager



Christof Knoeri
Project
Lead



Circular Building Industry (CBI) Innovation Booster, powered by Innosuisse, aims to enable a transition to a circular building industry through systemic and joint innovation.



Sus.lab is a “think-and-do-tank” of intrinsically motivated people with diverse backgrounds in engineering, science, management consulting, and entrepreneurship. Our mission is to drive the transition towards a net-zero and circular economy in collaboration with industry, policy makers, and academia.

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The reader can navigate within the document by clicking on icons. Clicking on logos forwards the reader to company websites. A glossary with the most important terms used in funding is provided on the following pages.

Common terms used in funding (1/3)

Angel investor	Experienced businesspeople/high net-worth individuals investing personal funds and providing advice, contacts, and mentorship
Bootstrapping	Building and growing a company using revenue or personal savings, allowing founders to retain control
Cap table	Spreadsheet showing the ownership structure of a company, listing all equity holders and their stakes, including founders, employees, and investors
Cliff	Period of time before founders and employees can claim percentages of their shares, ensuring commitment in a start-up's early phase
Convertible note	Financing instrument for early-stage companies, converting funds into equity later when the company's value is determined

Deep Tech	Advanced technologies based on substantial scientific or engineering innovation
Dilutive funding	Raising capital by issuing new shares, reducing existing shareholders' equity, potentially impacting control and decision-making
Due diligence	Process of evaluating a business financial performance, product, commercial potential, potential liabilities and team before investing
Equity	Ownership in a company, typically in the form of shares
Equity investment	Investor buys ownership shares in a company in exchange for capital, becoming a shareholder
Exit	When a founder sells their equity to an investor, another company or through a public offering

Note: Funding terms can have different interpretations

Common terms used in funding (2/3)

Family, friends & fools (FFF)	“Informal” early-stage investors, typically relatives, friends, or acquaintances, who provide funding, often based on trust rather than financial analysis	Proof of concept	Proving the feasibility of a business idea by validating it with customers and testing it in the market
Lead Investor	Entity or individual who leads and negotiates a funding round, typically contributing the largest amount of capital	PropTech VC	Venture capital firm specializing in funding technology-driven innovations in the real estate industry, such as smart buildings, property management tools, or sustainable construction technologies
Minimum viable product (MVP)	Most simplified version of a product or service, typically used for testing, aiming to iterate quickly based on customer feedback	Runway	Amount of time until a company runs out of money
Non-dilutive funding	Receiving capital that allows shareholders to maintain their current ownership percentage without issuing new equity	Seed	Often considered as the first official fundraising stage for start-ups with product-market fit, initial revenue, and traction
Pre-seed	Earliest stage of funding a company, where founders focus on early product development	Shareholder agreement	Contract among shareholders of a company outlining their rights and obligations
Product market fit	Indicator of how well a product or service provided meets the need of its target market	Term sheet	Non-binding agreement outlining investment terms and conditions

Note: Funding terms can have different interpretations

Common terms used in funding (3/3)

Traction	Progress of gaining customers, generating revenue and establishing market demand, indicating that a product or service resonates with its target audience
Valuation	Estimated worth of a company, typically determined in relation to a funding round
Venture capitalist (VC)	Institutional investment fund that provides substantial capital to highly scalable start-ups in return for equity shares, aiming for significant returns as the company grows
Vesting	Process of gradually “earning” ownership of a stock over a set period of time

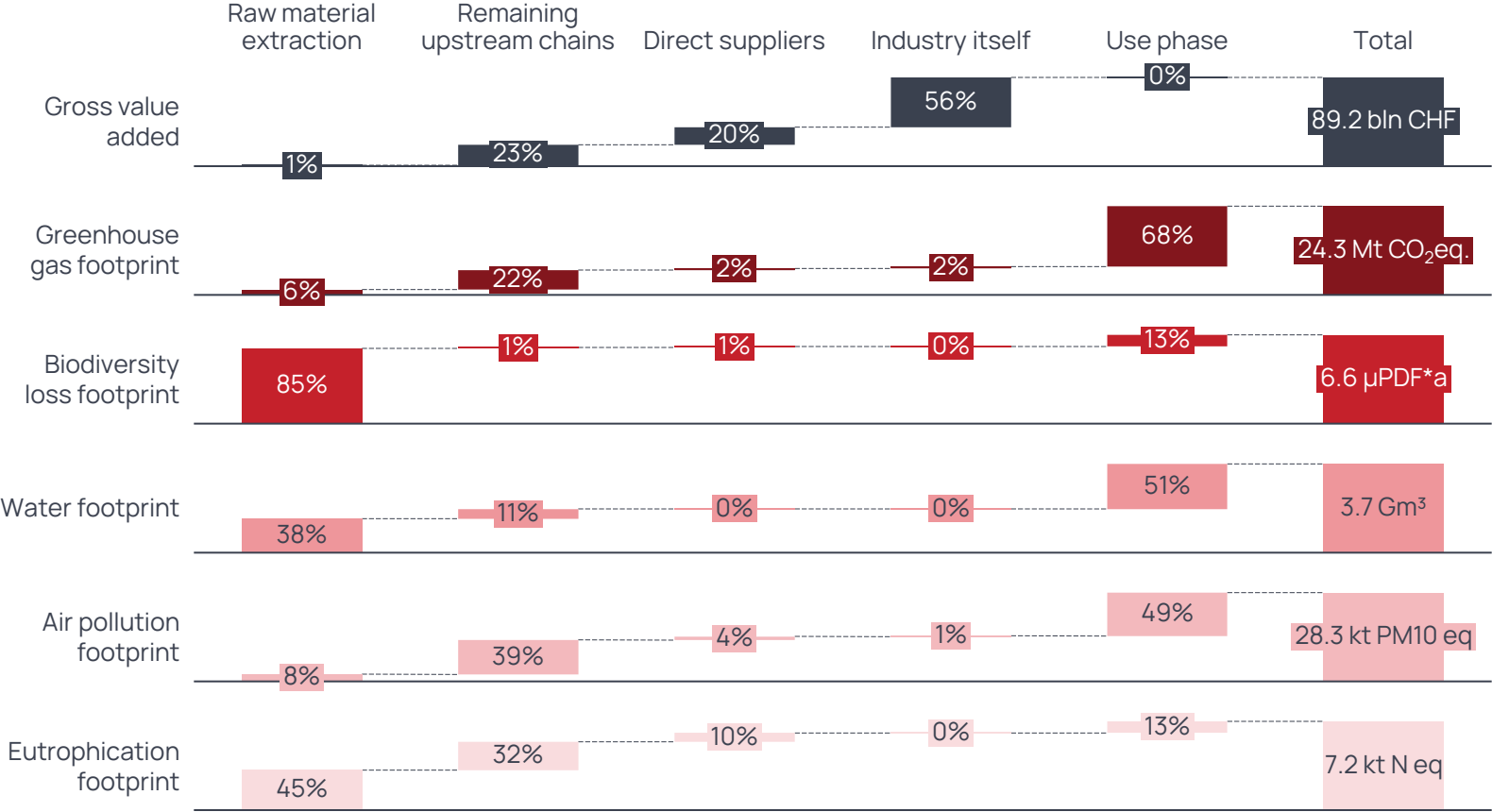
Note: Funding terms can have different interpretations

1

Investing in circular innovation

Innovations are needed to reduce the environmental impact of Swiss construction

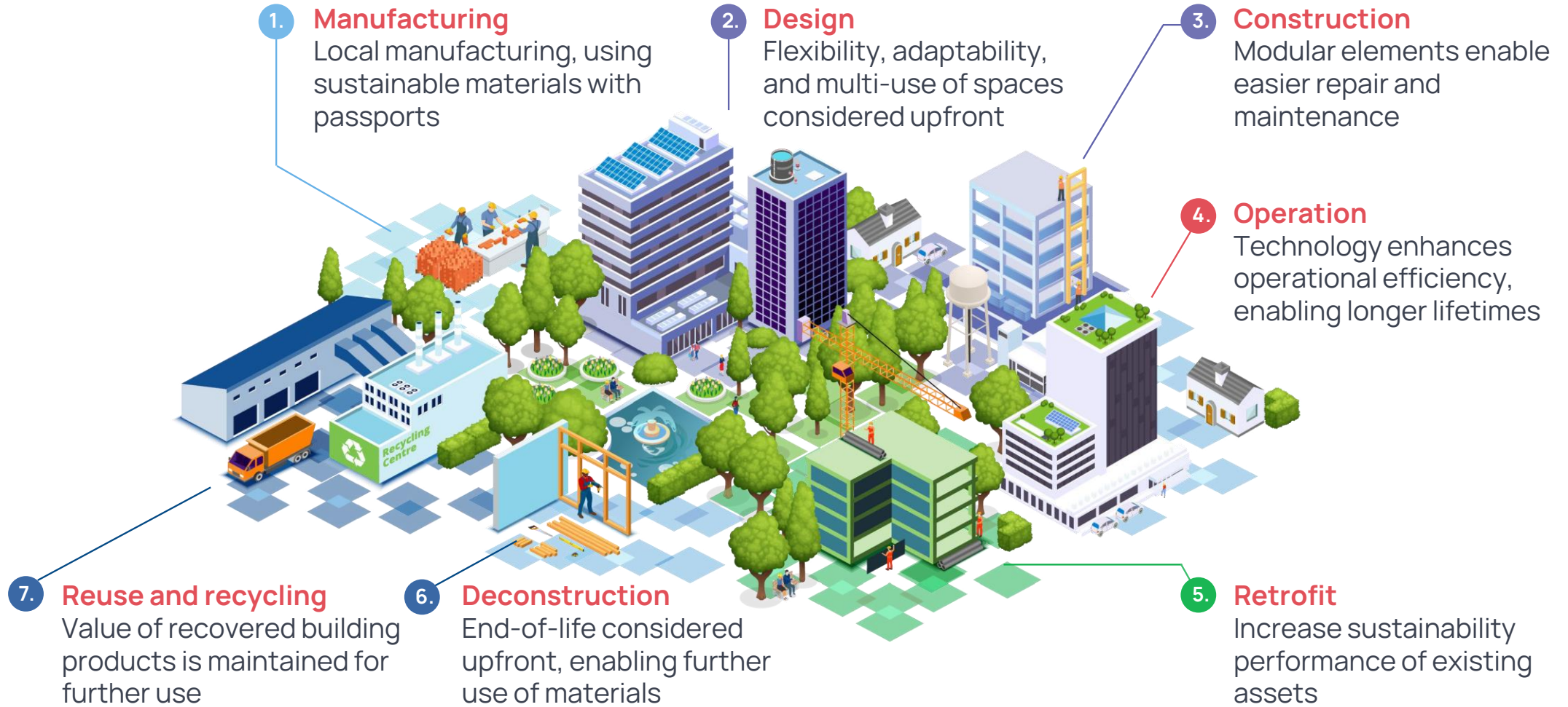
Share of supply chain stages in total environmental impact caused by the Swiss real estate industry, 2008¹



Sources: 1. BAFU (2019) 2. BAFU (2022)

- The Swiss real estate industry, of which the construction industry is a supplier, added 89.2 billion CHF in gross value in 2008¹
- The use phase of real estate causes the largest share of environmental impact for GHG emissions, water, and air pollution
- Raw materials that are extracted for use in construction have the largest impact on biodiversity loss
- Furthermore, construction activities cause two thirds of total waste generated in Switzerland, amounting to 57 million tonnes in 2020²
- Thereof, approx. a fifth of waste stems from the demolition of buildings, roads and railway lines²

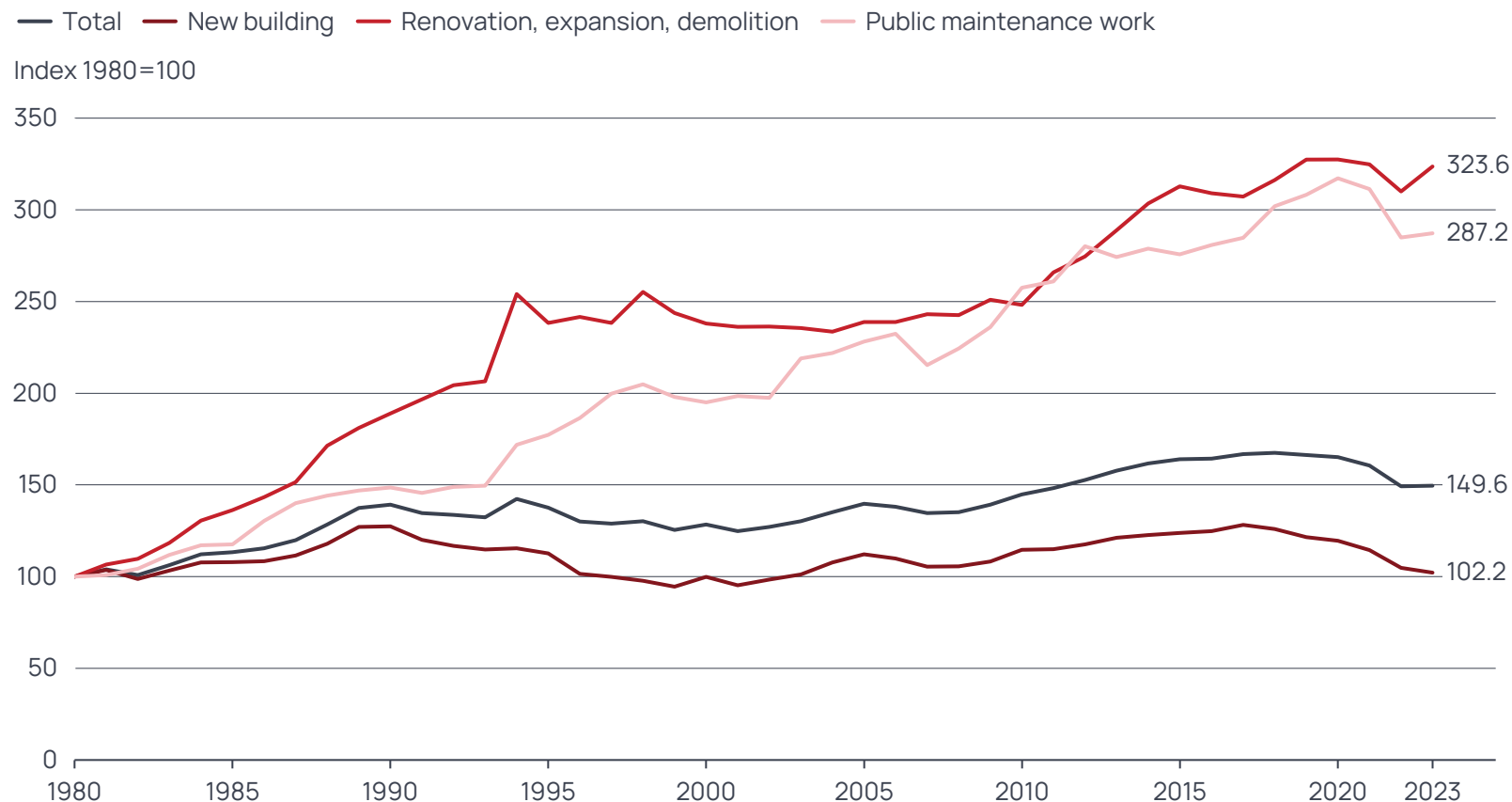
A circular construction industry can help to reduce the environmental impact at every stage of the building life cycle



Sources: 1. [WorldGBC \(2023\)](#)

Investments in renovation and maintenance further circular activities in construction

Construction expenditure by type of work, Switzerland, 1980-2023¹

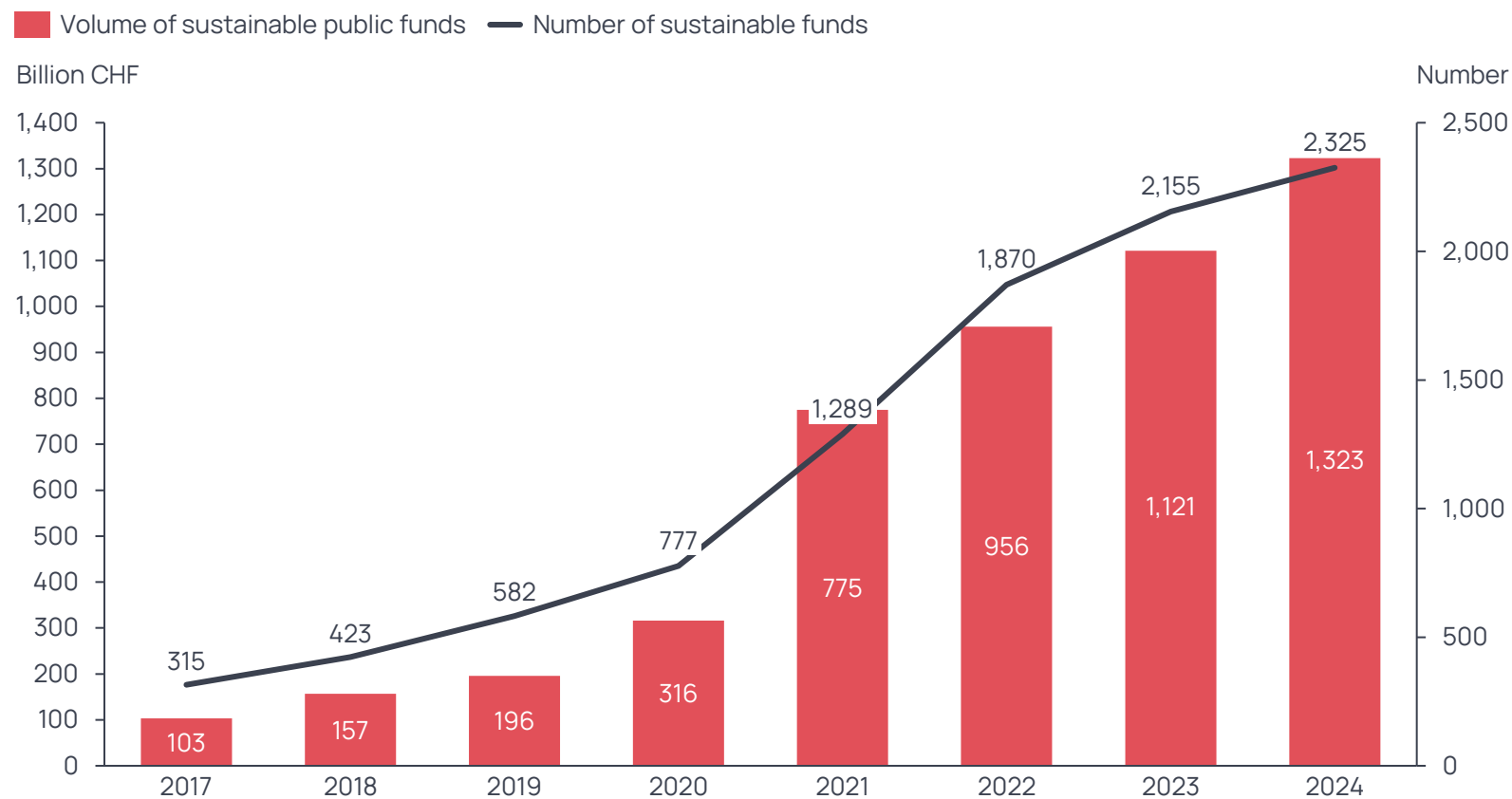


Sources: 1. BfS (2024a) 2. BfS (2024b) 3. KOF (2024)

- Total construction expenditure has increased by nearly 50 percent since 1980, totalling approx. 67 billion CHF in 2023^{1, 2}
- Expenditure for the construction of new buildings remained fairly stable over the decades
- With increased capital stock, expenditure for renovation, expansion, and demolition as well as public maintenance work grew, too
- This demonstrates that capital is increasingly invested in activities that promote circular construction practices
- Approx. 50 percent of construction expenditure excl. public maintenance work is for housing, followed by approx. 15 percent for industry, commerce, and services³

Sustainable investments gain traction in Switzerland and increase funding opportunities

Sustainable public funds in Switzerland, 2017-2024*,¹



* all yearly data per June 30th, sourced from respective IFZ Sustainable Investment Study of HSLU
 Sources: 1. HSLU (2024) 2. SwissPropTech (2023) 3. startupticker (2022) 4. MIT Technology Review (2023)
 5. SwissPropTech (2024)

- 19% of public funds in Switzerland focus on sustainability, amounting to 1,323 billion CHF in 2024¹
- Thereof, only 1% of the number of funds have an exclusive circularity focus¹
- Investment capital in Swiss sustainable start-ups has nearly tripled between 2019 and 2021²
- Approx. 600 million CHF have been invested in sustainable start-ups and additionally approx. 200 million CHF in cleantech start-ups in 2021³
- However, Switzerland only ranks 20th amongst 76 countries surveyed in 2023⁴
- Sustainability and ESG are seen as the biggest trend by 28% of respondents to a survey among industry experts in 2024⁵

2

Funding landscape for circularity



The **barriers to entry** for start-ups in construction are **incredibly high**. You require **specific knowledge**, face a **project-based business** with **long cycles** and **lower margins**, reducing the attractiveness for purely profit-driven investors.

Sem Mattli
Co-CEO, buildify.earth

Different characteristics of construction and investor perspective need to be reconciled



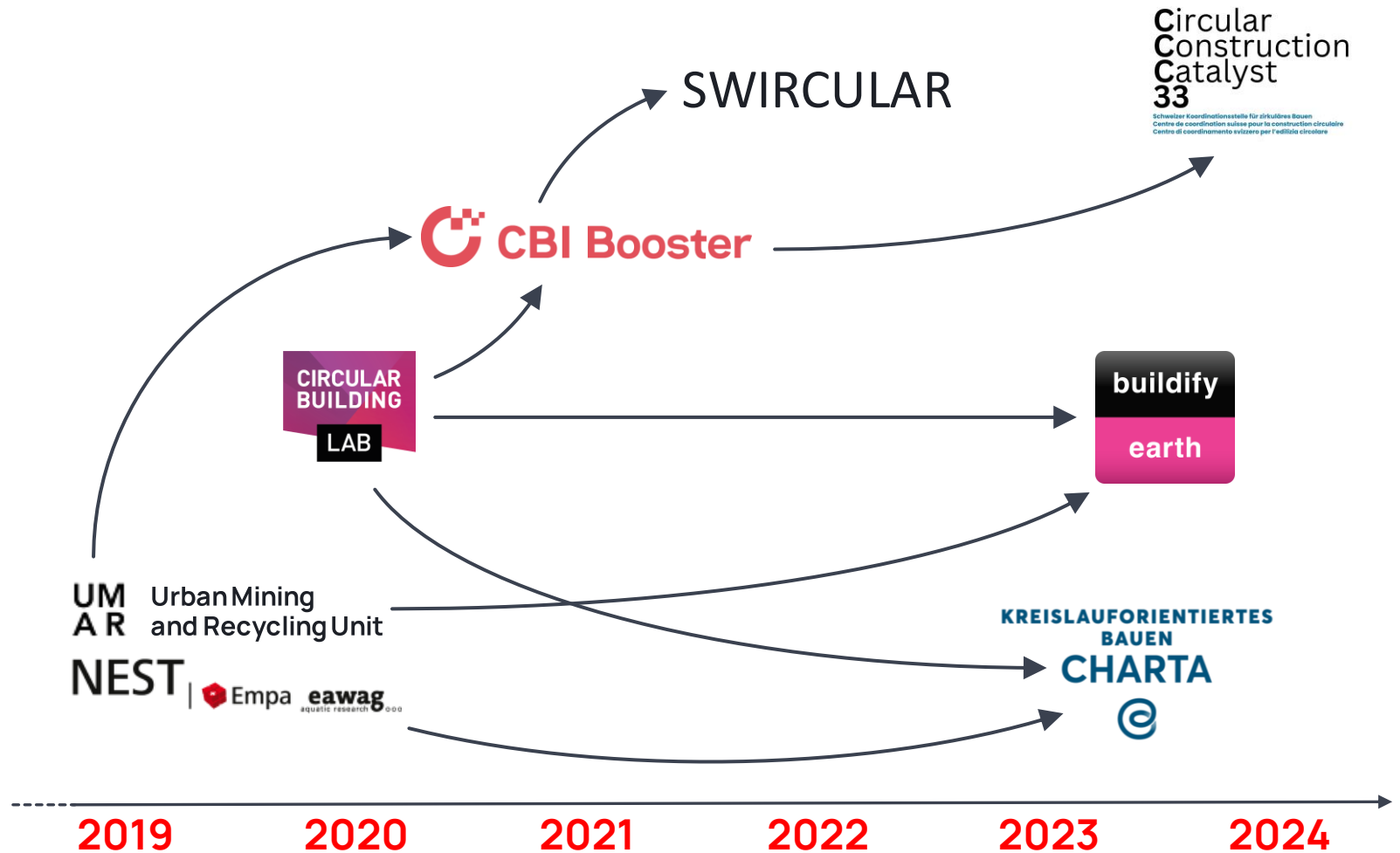
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30%

of investors regard collaboration as critical for realising win-win circular economy business propositions

Interview survey
Ellen MacArthur Foundation (2018)

Nevertheless, a vast ecosystem has emerged to promote circular construction in Switzerland



Note: Non-exhaustive view of the CBI Booster; activities in circular construction by other organisations also before 2019

Ventures and established corporations can pursue different paths to raise the necessary funds to finance ideas for circular innovation in construction

While **bootstrapping** and support from **family and friends** are **common starting points for over 50%** of Swiss construction start-ups¹, scaling circular solutions often demands **broader financial resources**. A wide array of funding vehicles is available to support ideas that drive circular innovation in construction.

Accelerators and incubators

Short-term programs to help develop and **build ideas**, usually providing a **small amount of capital**



Grants and government programs

Government agencies, foundations, and organizations provide **funds** to promote innovation **in a specific area**



Pitching competitions and challenges

Presentation of innovation solution in a competition or challenge for **prize money** and **media coverage**



Angel investors

Experienced businesspeople/high net-worth individuals investing personal funds and **providing advice, contacts, and mentorship**



Venture capitalists

Professional institutional firms investing **funds** in disruptive start-ups with **high growth potential**



Corporate partnerships

Mutually beneficial relationships entailing usually larger corporations offering **funding, resources, and expertise**



Business loans

Dedicated loans and other financial assistance programs with **favourable terms** to support ideas



A broad funding landscape for circular innovation in Swiss construction provides capital for developing and scaling ideas

Accelerators and incubators



 Bluelion
  swissnex
  circular economy TRANSITION
  FUTURE URBAN SOCIETY
  CBI Booster

 VENTURE KICK
  energy living lab
  runway startup support
 

 kick start
  MC MASSCHALLENGE SWITZERLAND
  SMART GREEN STARTUP ACCELERATOR
  SWITZERLAND INNOVATION PARK CENTRAL
  TECH 4 REGEN

Angel investors



 buildify earth
  Angel Investment Network
  Business Angels Switzerland
  SAN StartAngels Network
  SICTIC


Grants and government programs








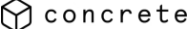

 MIGROS Pioneer Fund
  Schweizerische Eidgenossenschaft
  TPF TONI PIÉCH FOUNDATION
  swissnex

 WISSENSCHAFT. BEWEGEN GEBERT RUF STIFTUNG
  BRIDGE Environmental technology promotion
  Klimastiftung Schweiz
  Flagship Initiative
  IFJ STARTUP SUPPORT
  Schweizerische Eidgenossenschaft

Venture capitalists



 [PT1] PropTech1 Ventures
  Mountain Partners
  ÜBERMORGEN
  Ananda Impact Ventures

 QUADIA
  concrete
  planet A

Corporate partnerships



 CEMEX ventures
  HOLCIM MAQUER VENTURES
  CONSTRUCTION Venture
  NOVA BY SAINT-GOBAIN
  LEONARD

Pitching competitions and challenges



 openj
  Swisscom StartUp Challenge
  SWISS BAU
  W.A. DE VIGIER STIFTUNG
  SWISS INNOVATION CHALLENGE
  SWISS SUSTAINABILITY CHALLENGE

 Finalist
  zkb pionierpreis technopark

Business loans



 Verein Innovationsfonds
  ALTERNATIVE BANK SCHWEIZ
  Technology Fund

 UBS
  UBS Green Funding Framework
  UBS Instant Business Credit

Note: Non-exhaustive view of the CBI Booster and subject to change; includes organisations with presence outside of Switzerland; for further funding opportunities also refer to cantonal environmental offices and divisions of business and economic development

3

Funding vehicles, opportunities, and case studies

Accelerators and incubators help setting up structures to further develop and scale ideas, but can vary in their scope and support level



Sustainability



KlimUp Accelerator

Initiative by the city of Zurich to support **ClimateTech start-ups** that directly or indirectly reduce emissions by providing **up to 250,000 CHF in non-dilutive grants**

Circular economy



Circular Economy Incubator

Switzerland-wide **12-week incubation** for start-ups, companies and projects in circular economy to **develop an MVP and validate market potential**



Circular Economy Initiative

Acts as a catalyst for transformation, **fostering connections** between established organizations grappling with complex circular economy challenges and innovative start-ups pioneering groundbreaking solutions

Circular construction



Switzerland Innovation Park Central

Ecosystem for companies, start-ups, and research driving innovation in the building, mobility, and energy sector through sustainable solutions, with the **Circular Building Lab** focusing on the transition toward a circular economy



Circular Building Industry Booster

Booster program **uniting key stakeholders in the building industry** around the topic of circular economy, to support and advance promising circular ideas

CBI Booster is the first open innovation platform for circularity in construction in Switzerland

The Circular Building Industry (CBI) Innovation Booster was established in 2022, running until 2025 to promote early-stage innovations for circular construction. The Innosuisse-funded program aims to support cutting-edge ideas transforming the industry towards circularity through open innovation, and design thinking processes.

Various stakeholders from research and industry join forces in collaborative innovation projects financed with 20,000 CHF and access to a vast industry network. The open innovation platform brings key stakeholders in the construction industry together to enable systemic change and joint innovation along the whole value chain.

Twice a year, the CBI Booster funds six circular projects and provides six months of expert support. "In our last call for participation in 2025, we are looking for circular building concepts, digital process

innovation to enable circularity, and scaling reuse practices in the built environment", says Christof Knoeri of the CBI team. Applicants must participate in open innovation workshops, a format designed to foster networking and collaboration among researchers, start-ups, and industry leaders. Selected teams present their ideas at a pitching event.

As a unique program centred around circular construction, the CBI Booster enables early-stage ideas to be developed, tested, and implemented. Beyond funding, the CBI Booster organizes numerous events, including the UnConference to create a thriving community around circular construction. "For those of us who initiated it, the annual UnConference feels like a class reunion, with everyone still involved. It is also encouraging to see established companies like Implenia participating in our calls and collaborating with innovation teams."

Funding opportunity



6

calls for innovation to accelerate the circular transition in construction

150

applications received

35

projects funded

700

k CHF funding disbursed supporting Swiss circular construction

Case study



Circularity is crucial for impact, but **without a solid business case, you won't attract funding** nor drive significant change.

Götz Hilber
CEO, Rematter

Rematter benefitted from accelerator programs on their journey to larger funding



Rematter, founded by Götz Hilber, Tobias Bonwetsch, and Nico Ros, combines advanced robotics with sustainable materials to create fully circular floor solutions. This concept of earth-timber floor slabs emerged during the HORTUS project in collaboration with Senn, Herzog & de Meuron, and ZPF Ingenieure.

As a hardware-focused start-up, Rematter recognized the importance of external funding early, securing support from programs like Venture Kick or the Klimastiftung. **“With our first funding from the CBI Booster and Tech for Impact, we could throw our full focus on developing our circular solution,”** says Götz. There are numerous programs available for start-ups and Götz shares that **“keeping track of all the different programs is time-consuming, but once you sign up at startupticker.ch, you get notified of the deadlines.”**

Architectural competitions also played a significant role in Rematter's early success.

By working closely with customers, the team was able to execute their first residential building project in June 2023, marking a major milestone and generating financial revenue.

Rematter successfully attracted advisors from the construction industry who later became angel investors early on in their start-up journey. **“These advisors not only held our back in the industry but also opened doors to valuable networks and investment opportunities”**, explains Götz. Their support has been instrumental in helping Rematter attract further funding from foundations and investors.

Finding a suitable investor turned out to be one of their biggest funding challenge. **“Receiving substantial support from the impact-driven Migros Pionierfond not only propels our mission forward with like-minded partners but also brings us significantly closer to securing additional capital for scaling.”**

Grants and government programs promote sustainability and emission reductions through different forms of innovation support



Direct funding opportunities



Innosuisse offers a wide range of funding opportunities to foster science-based systemic innovation and transdisciplinary collaboration such as **Innovation Booster programs**, **Flagship Initiatives**, or **BRIDGE projects**

Klimastiftung Schweiz supports project that contribute to climate protection in Switzerland

Migros Pionierfund funds pioneer project in the field of climate & resources, among other areas

Toni Piech Foundation* specializes on the future of construction, energy transition, and climate change

Gebert RUF Stiftung focuses on innovation and technologies

BAFU offers different funding for **environmental technology promotion** to reduce environmental pollution or **environmental research** on environmentally and resource-friendly technologies

Non-financial support



Innosuisse also offers **entrepreneurship training**, **start-up coaching**, and **innovation mentoring** to help young companies develop business ideas, coach young founders, and help them evaluate innovation potential

Swissnex connects with education, research, and innovation institutions globally

IFJ Startup Support helps young ventures to incorporate and start their business

Innovation Hubs such as Technoparks, Innovation Parks, or Startfeld support start-ups with mentoring, networks, and infrastructure

Cantonal Business and Economic Development promotes the innovation capacity of a location connecting start-ups with important stakeholders

* funding only by invitation

Note: Depending on the grants and program there are differences regarding thematic foci, eligibility criteria, criteria for selection, and commitment upon acceptance

Innosuisse offers funding, coaching and network opportunities to support innovation ideas

As Switzerland's national innovation agency, Innosuisse plays an essential role in fostering research and development across all sectors. With a mandate from the Swiss government, Innosuisse supports start-ups, research institutions, and organizations working on science-based innovations.

Innosuisse offers a wide range of financial and non-financial support across industries without a specific thematic focus. "Our goal is to assist organizations in developing and commercializing innovations that can bring tangible benefits to Switzerland," says Christoph Falk, Head of Start-up Coaching. This inclusive approach enables start-ups and organizations from various sectors, such as circular construction, to access resources that accelerate their research and development efforts.

The agency supports a wide array of projects, from company-specific research to Innovation Booster programs. "Funding is

typically provided in tranches, based on milestone reviews, to ensure progress and accountability." Companies are also required to co-finance part of the project and adhere to the proposed plan, ensuring efficient use of public funds while maintaining ownership and responsibility.


One focus of Innosuisse's non-financial support are start-ups. "We offer vouchers for coaching and access to services like meetings with patent lawyers." Additionally, the agency facilitates knowledge exchange by connecting start-ups with the right partners.

"Innosuisse is not in competition with other funding opportunities; instead, we complement them, offering non-dilutive, state-backed funding that doesn't need to be repaid." This unique offering, combined with expert guidance and access to a robust network, makes Innosuisse a key player in fostering science-based innovation in Switzerland.

2. Innosuisse (2024a) 2. Innosuisse (2024b) 3. Innosuisse (2023)

Funding opportunity



 Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra
Swiss Confederation
Innosuisse – Swiss Innovation Agency

492 million CHF of funding approvals in 2023¹

68 % of coached start-ups could secure funding during coaching³

Find the right support offer with the
Innosuisse Guide



We need to keep a balance between delivering to clients, developing the product and validating the market. At the same time, it is for us to figure out which type of funding and investors fit us best.

Dr. Panagiotis Martakis
CEO, irmos

Irmos established itself through close client collaborations and non-dilutive funding



Irmos was founded by Panagiotis Martakis, CEO and Co-founder, along with three postdoctoral researchers from ETH Zurich who turned their academic insights into a practical solution. Before incorporating, they secured a major contract, validating their idea with real-world clients. Today, irmos empowers building and infrastructure owners to manage risks, optimize maintenance costs, and reduce carbon emissions through their innovative technology for structural monitoring.

Since the beginning, irmos has remained self-funded by combining bootstrapping, grants, accelerators, and awards with customer projects that cover most of their expenses. Their control over both hardware — by developing their own sensors — and software has been a key factor in their success, enabling them to quickly adapt to customer needs while reducing costs. “To further develop our solution, we secured non-dilutive funding from Innosuisse, along with grants and accelerator programs.”

Yet, the indirect advantages — networking, client introductions, and partnerships — have often been even more valuable for irmos progress. According to Panagiotis, “Switzerland's ecosystem is incredibly supportive at an early stage, but it's crucial to start early, build traction, and connect with the right people.” Irmos plans to raise a funding round abroad for international expansion. Beyond capital, they seek investors who bring industry connections and networks to establish relationships with global clients.

The irmos team credits much of their success to their commitment to participation in different programs. Talking to as many people as possible, pitching at every opportunity, and actively engaging with Switzerland's innovation ecosystem has led to unexpected opportunities — from securing funding to landing clients. As they put it: “Sometimes, the best opportunities come from events where you least expect them.”

Pitching competitions and challenges help raising funds and gaining media traction



Construction



Swissbau Startup Challenge

Pitching competition by Startup Academy in cooperation with Swissbau that **fosters innovation in the construction and real estate industry**

Provides start-ups with a unique opportunity to **gain visibility** and **connect with key professionals** across the construction value chain as part of a leading industry platform



SWISS
INNOVATION
CHALLENGE

Swiss Innovation Challenge

Eight-month innovation program with seminars and networking events

Now offering an additional **special prize** for outstanding innovation projects in the construction sector

Sustainability

SWISS
SUSTAINABILITY
CHALLENGE

Swiss Sustainability Challenge

Organized by FHNW, a competition for start-ups and non-profits that **promote social and environmental sustainability**

Offering **seminars, workshops, and networking events** to support their projects

Three most convincing projects are awarded the **Pax Sustainability Award**



Bluelion

Tech for Impact Awards

Competition for impact start-ups using innovative technologies to advance the **UN Sustainable Development Goals**

Pitch to **impact investors**

Winning award serves as a **quality label within the impact ecosystem**

Angel investors provide funding, guidance and networks to scale up young ventures



Conventional



Business Angel Clubs

Different business angel networks in Switzerland offer **funding through open pitching rounds or investor days**

Investing often based on **specific criteria**, e.g., size, funding amount, or tech focus



Individual business angels

Experts in their respective field that can offer start-ups essential support through their **industry knowledge and networks**

Provide start-ups with **credibility and connections** to attract additional investments

VC-character



buildify.earth

More institutionalized, VC-like organizations that **can provide more targeted funding**

buildify.earth focus on **circular construction investments**, bridging a key funding gap in the sector

Preparing for pitching and meeting with investors

To secure an initial meeting and, ultimately, funding, founders typically need to submit their **pitch decks**

Free checklists and guides^{1,2} can assist early-stage founders in preparing effectively for pitching events and investor meetings

buildify.earth is the only Swiss investor with a specialized focus on circular construction

In the construction industry, early-stage innovations often struggle to advance independently after completing programs like the CBI Booster. As Sem Mattli, Co-CEO and Co-founder of buildify.earth, explains: “We need to think beyond the ecosystems, considering not only collaboration platforms, small-scale financing, and start-ups but also the entire market access. This requires venture capital focused not on quick returns but on long-cycle developments.” This is where buildify.earth, a specialized investor for circular ventures in the construction industry, comes in.

Founded in 2023, buildify.earth is a collaboration between Switzerland Innovation Park Central, private investors, and Zuger Kantonalbank. Beyond its mission to support circular and sustainable ventures, it also offers the Venture Desk, a dedicated support program for the construction industry.

Buildify.earth provides more than financial support by linking start-ups with strategic partners, facilitating market access, and boosting visibility through collaborations like Switzerland Innovation Park Central. It also connects start-ups with large-scale property owners, leveraging initiatives like the Circular Building Charter to secure their first major projects. “The construction industry is challenging for start-ups due to its project-based nature, but buildify.earth adds immense value by connecting them to real-world opportunities”, explains Sem.

“As a long-term investor with expertise in construction, we reduce market entry barriers and advance collaboration strengthening the ecosystem.” Buildify.earth demonstrates how targeted investments and strategic connections can overcome the industry’s challenges, fostering innovation and accelerating the transition to a circular economy in the building environment.

Funding opportunity



10 Investments in start-ups in 2024

2.7 million CHF invested and planning to build up their portfolio further

28 % of portfolio invested directly in circular economy ventures

Note: Figures as of January 2025

Venture capital with diverse investment focus and expertise can drive scalable innovation in circular construction



Construction



PropTech/ConTech

Focus on start-ups **developing cutting-edge technologies for real estate and construction**

Target innovations like **digital construction tools, automation,** and solutions to **enhance efficiency and industry practices**



Corporate ventures

Often **industry leaders**

Strategically invest in **start-ups that complement their operations or long-term strategies,** fostering innovations that strengthen their competitive edge

Circ. construction



buildify.earth

Specialize in start-ups **driving sustainability and circularity** through innovations like reusable materials and resource efficient-solutions, **advancing sustainability in the construction sector**

Sustainability



Impact

Prioritize start-ups that deliver **tangible environmental or social benefits**

Seek ventures that **align financial returns with measurable contributions** to sustainability and societal well-being



ClimateTech

Invest in **transformative solutions to combat climate change**

Focus on technologies that advance **decarbonization, clean energy,** and **climate resilience** across diverse industries



Venture capital funds can be super helpful, but only if they **know the challenges and complexities in the construction space**. If they understand your market and case and there is **mutual trust**, then they can support you with their network.

Dr. Evan Petkov

Co-founder & CEO, Optiml

Optiml opted for specialized VC funds to avoid being locked into corporate VCs



Optiml's origins trace back to a PhD project at ETH Zurich, where Evan Petkov, Co-founder and CEO, developed an optimization framework to help real estate asset management companies renovate buildings at the lowest environmental and economic cost. The company spun out with an initial angel investment, quickly attracting big pilot projects with major Swiss companies. Within months, Optiml secured a 1.6 million EUR pre-seed round from ClimateTech VC Planet A and DeepTech VC Innovation Endeavours, both globally-focused VCs fuelling rapid scaling.

The company's defensible technology made them an attractive investment opportunity. Optiml deliberately chose to avoid corporate VCs. Instead, they attracted a 4 million EUR pre-seed extension investment from two PropTech VCs, whose expertise aligned better with the challenges of long sales cycles and enterprise sales processes in the real estate sector, having built similar

businesses themselves. According to Evan, "they helped us headhunt our third commercial co-founder, further strengthening our management team".

In addition to venture funding, Optiml benefited from the strategic guidance and networks of senior angel investors. Their expertise and social capital were crucial in opening doors and securing key partnerships in the industry. "Building a network is essential, especially in a conservative industry like real estate. Participating in accelerators, winning awards, and gaining visibility can significantly boost your company's chances of success."

Evan advises founders to be mindful of whether their business is suited for VC funding. "It's okay if your company isn't VC-backed – such funding comes with immense pressure. Seek investors who believe in you, will coach you, and understand the real estate market."

Corporate partnerships offer diverse opportunities ranging from project collaborations to venture funding



Project-based collaboration



Partnerships

Corporations like construction companies partnering with start-ups or research teams, **sharing knowledge to develop specific, innovative circular solutions** and to **pilot new technologies**

Implenia collaborated with the CBI Booster to address challenges in urban mining, process innovation and warranties related to reuse, driving the transition to more circular practices **collaborating with different innovation teams**



Customized development of products and services

A start-up develops a **product that is tailored to the specific needs of architects and building owner**, delivering customized solutions to address their challenges and requirements

keeValue has **developed a customised, intuitive tool** for Gebäudeversicherung Bern to simplify and clarify the calculation of the insurance values of buildings

Corporate venture as an investment



Corporate ventures

Function like venture capital investments, where corporations within the building industry invest in start-ups or scale-ups to **gain access to innovative technologies, solutions, and business models aligned with their strategic goals**

Holcim Maqer Ventures is a venture capital and accelerator program for leading start-ups in the construction sector, offering **access to Holcim's global operations, technical expertise, and opportunities for pilot tests and demonstrators**

Business loans often work best for mature ventures, but can provide favourable terms for companies committed to sustainability



Conventional

Young companies oftentimes struggle to secure conventional business loans as they typically lack the creditworthiness, cash flow, or collateral required by banks, making them **too risky for traditional lenders**

Sustainability



Loan guarantees underwriting conventional loans

Enable young companies with **market-ready technologies** and **revenue exceeding 100,000 CHF** to secure business loans under favourable conditions of reduced interest rates

Projects need to **demonstrate positive environmental impact**, directly or indirectly reducing carbon emissions

Provides **easier access to financing** for start-ups

Supports scaling and implementation of innovative circular solutions



Sustainability-linked loans

Support economic activities and growth with a focus on environmental and social sustainability, **including projects promoting circularity**

Available to companies of various sizes, provided they meet creditworthiness criteria

Specific **sustainability performance targets** set out in the credit agreement, including periodical reporting and third-party audits

Meeting targets allows companies to **benefit from lower financing costs** through interest rate advantages

Technology Fund provides loan guarantees for innovative companies reducing carbon emissions

The Technology Fund, established by the Swiss federal government, accelerates the development and adoption of innovative technologies addressing environmental challenges. Administered by the Federal Office for the Environment (BAFU) and the Federal Office of Energy (BFE), the fund supports solutions that reduce greenhouse gas emissions, conserve resources, promote renewable energy, and enhance energy efficiency

At the core of the program are loan guarantees, designed to help Swiss start-ups and SMEs secure essential financing to bring novel solutions to market. The Technology Fund actively invests across diverse industries, with notable allocations in smart building solutions (8.3%) and building and construction materials (3.6%), reflecting its focus on sustainable construction. Although the fund is not directly aimed at circular economy projects, solutions that reduce carbon emissions, including circular ones, can receive loan

guarantees. By enabling innovative companies to thrive, the fund bridges critical financing gaps, fostering environmental progress and economic growth.

The fund's selection criteria emphasize impact and innovation. Applicants must demonstrate:

- A novel, market-ready solution generating at least CHF 100,000 in revenue.
- A positive environmental impact, such as reducing carbon emissions.
- Swiss value creation and creditworthiness.

Once selected, companies are required to contribute at least 40% of the total project funding through other sources, such as equity, loans, or cash reserves. Guarantees have a maximum duration of 10 years, ensuring projects have ample time to mature and deliver impact.

Funding opportunity



207 loan guarantees issued for 141 companies¹

285 million CHF of total loan guarantees issued¹

8.7 Mt CO₂eq. environmental benefit since 2014¹

11.9 % of portfolio companies construction-related^{*,1}

*Portfolio companies active in areas of smart buildings, construction, or materials
Sources: 1. Technology Fund (2024)



I underestimated how challenging fundraising is, but it is an exciting learning process. **Unexpected rejections can be tough, but they often come with valuable insights.** What is crucial is an unwavering belief in your idea.

Stefan Cadosch
CEO, keeValue

keeValue leveraged personal funds, grants, and loans supported by debt guarantees



keeValue's journey began when co-founder Stefan Cadosch and his partners, all architects, identified a common issue in the construction industry: "Underestimated building costs, and we wanted to solve this issue with AI." They invested personal funds and partnered with an AI expert from FHNW to develop their first tool, funded by an Innosuisse research grant. keeValue's mission is to precisely calculate costs and ecological footprints for new buildings, renovations, and building life cycles, saving architects 95% of their time.

Despite obstacles like COVID-19, keeValue secured initial funding from a building insurance company, a bank, and three business angels. In the second round, they attracted interest from a large construction company and another bank, thanks to their tool's alignment with investors' ESG strategies. keeValue secured a favourable loan through the Technology Fund, enabling access to larger amount of financing.

Reflecting on the fundraising journey, Stefan admits, "I completely underestimated how demanding fundraising is. It takes persistence, resilience, and unwavering belief in your product."

keeValue's success stems from their strong industry network, built over years of construction experience, and their initial personal investment. From the start, they prioritized investors with construction industry knowledge, stressing "our independence is crucial; we want to retain majority shares and uphold shareholder agreements without compromise."

Swiss investors tend to be risk-averse, but, as Stefan puts it, "the money is there; you just have to get it." keeValue actively sought investors who believed in their vision and offered more than financial backing. "We were looking for investors who believed in the idea, wanted to engage in equal partnership, and opened doors."

4

Key learnings and tips & tricks

With these eight key learnings, you are well-prepared to build your venture in the Swiss circular construction ecosystem

Make use of the ecosystem

Switzerland provides great support for start-ups: There are numerous funding programs and institutions available to support innovative ventures addressing circular challenges in construction.

Networking and collaboration: Leverage industry networks such as the CBI Booster, C33, and the Switzerland Innovation Park Central to connect with property owners, construction firms, and other key stakeholders early in the process.

Be smart in building your solution

Customer-centric development: Engage with clients early on to ensure your solutions address their needs and collaborate with stakeholders in the construction sector to secure pilot projects. Many Swiss start-ups successfully bootstrap through client projects without relying on external capital.

Understand what funding option suits you best

Non-dilutive funding options: Innosuisse, accelerator programs, pitching competitions, and the Technology Fund offer primarily non-dilutive funding. This will enable your venture to grow without giving up equity.

Diversified fundraising strategy: Have in mind that fundraising is a resource-intensive and often frustrating process. Avoid reliance on a single funding source by exploring a variety of vehicles to improve chances of success.

Industry-specific investors: Seek investors who understand the construction sector and its challenges as their support and guidance during periods of uncertainty can be critical to your venture's success.

Role of angel investors: Senior angel investors can provide credibility, open doors to new opportunities, and attract additional funding. This makes them valuable allies in the construction industry.

Pros and cons of VC funding: VC funding can provide significant financial support for scaling start-ups, but it often comes with ambitious growth targets and expectations of rapid return. It is crucial to assess whether your business model aligns with these expectations.

CEOs of Swiss circular construction ventures emphasize the importance of making use of the ecosystem, learning, and having fun in the process



"Fundraising can be time- and resource-intensive, especially at the start when applying for numerous non-dilutive programs, competitions, and awards. It is key to **recycle your applications and use reminders** from sources like startupticker.ch and existing investor lists to reduce the effort of searching and applying."

Götz Hilber
CEO, Rematter



"We focus on building long-term relationships with customers rather than seeking investors early on. However, we make sure to **send regular updates every three to six months to potential investors**, sharing our company's trajectory and plans. This helps building trust and allows them to get to know irmos better."

Panagiotis Martakis
CEO, irmos



"Your role as a founder evolves every four to six months, and **mistakes are part of the journey**. Surround yourself with mentors who can guide you through uncertainty and offer advice in specific areas. Choose investors you trust and who coach you rather than holding you back. And **always protect your cap table**, it is the most valuable asset your company has."

Dr. Evan Petkov
Co-founder & CEO, Optiml



"As a founder, you need perseverance, the ability to handle setbacks, and the courage to manage risks, while remaining to **have fun and being passionate about what you do**. In Europe, we tend to be too cautious, which puts us behind in speed. Speed is closely tied to risk, and a **greater willingness to embrace risk would greatly benefit the Swiss ecosystem.**"

Stefan Cadosch
CEO, keeValue

Investors and program representatives stress the value of customer centricity, networking, and fast iterations during the innovation process



“For us, two investment criteria are crucial: a **strong entrepreneurial network** around your product or technology to add credibility, and **tangible progress, ideally with paying customers**. We closely track results, from initial contact to financing, to see if teams achieve their own targets.”

Markus Oswald

CEO, Innovationsstiftung der SZKB



“People working on science-based innovations often focus too much on product development alone. To succeed, think about **business development and engaging with potential customers early on** to ensure your work aligns with real market needs. Innosuisse is here to help, not only with funding, but also with advice, as well as by bringing innovators together with potential partners and customers to drive innovation forward.”

Christoph Falk

Head of Start-up Coaching, Innosuisse



“Founders are often hesitant to share their ideas, fearing they might be copied. But **speed in execution and scaling the solution is far more critical**. Don't be too reserved – engage with potential customers and partners early on. The faster you can achieve a proof of concept with market players, the better your chances of success.”

Sem Mattli

Co-CEO, buildify.earth

The path to net zero and a more circular construction industry requires ambitious collaboration across the whole ecosystem



“Since 2022, we've seen a decline in investor demand, but historically, the scene has never been about big-ticket investments. This doesn't mean less money is available, but rather that there's less external funding being raised, and founders can now rely on founder capital to build lean businesses. Investors have also become more cautious when it comes to funding Swiss start-ups, even though the quality remains high due to the proximity to universities and research institutions. However, we've observed that the biggest concern for start-ups is not securing funding but building a solid customer base. In industries like real estate and construction, **a major challenge is knowing the right people and truly understanding the products**, as these are highly complex and wide-ranging sectors.”

Lars Sommerer
Managing Director, SwissPropTech



“We can achieve so much more than we think. If we all – property developers, implementers, and start-ups – set our ambition sky-high, net-zero by 2050 is within reach. But to get there, **we need to move beyond the status quo**. It's about taking responsibility, actively driving inspiring projects forward, and energizing the construction industry to create a sustainable future together.”

Sem Mattli
Managing Director,
Switzerland Innovation Park Central

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