

# Echo Investment Group Sustainability Report 2022

Non-financial information statement of the Management Board of Echo Investment Group

# 2022



**ECHO**  
Investment

# Content

---

1. Message from CEO	4
2. Echo Investment Group	7
3. Our Ethics Policy and results	39
4. We co-develop sustainable cities and spaces	47
5. Stable employment	62
6. Respect for environment and climate	91
7. Trust, health and comfort of our clients	117
8. Social involvement	137
9. About the report	149
10. GRI content index	161
Attachment 1	154

## Message from CEO



[2-22]

## Message from CEO

### Dear Stakeholders of Echo Investment Group,

with great satisfaction I present to you the sustainable development report of our Group, in which we summarised last year's achievements and results in the areas of environmental, social and corporate governance (ESG). We present the data of the entire Group, including Archicom, as in 2022 we unified most of the issues related to sustainable development in both organizations. Now, with the larger scale of operation, we have increased our impact on stakeholders, as well as scale of our commitments.

### We build cities responsibly

At Echo Investment-Archicom Group, we take responsibility for people who work for us, for the cities we co-create and for the environment in which we live in. Due to the large scale and number of projects, we have significant impact on the functioning of the largest cities in Poland. That is why we ensure that our projects, in addition to their business aspect,

*We ensure that our projects, in addition to their business aspect, also have the city-forming and suitable urban planning dimension. That they would improve the living conditions of people and support the proper development of the urban areas. Echo Investment's priority 'destination' projects are large and multifunctional parts of cities, integrated with the surroundings, green and open to all.*

“

also have the city-forming and suitable urban planning dimension. That they would improve the living conditions of people and support the proper development of the urban areas. Echo Investment's priority 'destination' projects are large and multifunctional parts of cities, integrated with the surroundings, green and open to all. Archicom has a similar philosophy, creating residential estates that provide residents with all basic needs within a walking distance.



## 2022 priorities

ESG issues are becoming more and more important for our business. We increase our efforts to create greenery in the city, preserving as much natural space as possible in our projects, using green and blue infrastructure in buildings, but also supporting social green projects. This is one of the reasons why we joined the “Ekopakt dla Łodzi” initiative, where we are designing green courtyards for six schools. Our program of sowing flower meadows is also extending. Now our meadows are already present in six Polish cities. Last year, we planted 312 trees on our projects. According to the dendrological analysis, they have twice as much ecological value as the trees that we had to remove. The health and safety of employees on our construction sites remains a priority. Last year, the number of accidents and the rate of lost working days decreased. We want this trend to continue in 2023.

Last year was marked by the war in Ukraine and a sudden inflow of refugees to Poland. Within a week, Echo Investment Group prepared its buildings in Warsaw and Krakow and made them available for accommodation centers, where about a thousand Ukrainian women and children live to this day. This required quick decisions, non-standard actions and extraordinary commitment of our employees. I am glad that Polish society and business coped perfectly with the reception of those fleeing the war.

## ESG strategy 2030

In 2022 we developed an ambitious ESG strategy for the entire group. The strategy announced in 2023 organizes our priorities and actions in the perspective of 2030. Its main assumptions focus on limiting the carbon footprint, improving the energy efficiency of buildings, minimizing the projects impact on the environment and biodiversity, as well as strengthening our corporate culture.

Our priorities for the current year are as follows: further unification of systems, procedures and measures used both in Echo Investment and Archicom, as well as a strategic review of development procedures in order to optimize the projects carbon footprint and energy efficiency.

In this report, you will find a description of how we manage our environmental and climate impact. We also present relations with employees and the local community directly related to our construction sites. For us, the report is also a starting point for continuous improvement and raising the bar in our activities related to ESG issues, what we demonstrate every year.

I encourage you to read the Sustainable Report of Echo Investment Group for 2022 carefully, and to follow the implementation of our ESG strategy.

Best regards  
**Nicklas Lindberg**  
CEO of Echo Investment





# Echo Investment Group

[2-1]

This Sustainable Development Report refers to the Echo Investment Group, which consist of the parent company Echo Investment S.A. with its subsidiaries (direct and indirect), including Archicom S.A. with its direct and indirect subsidiaries. The Archicom Group is included in this Sustainable Development Report for the first time, due to the first complete year of consolidation and development a common approach to majority issues related to sustainable development.

Whenever this document refers to the Echo Investment Group or Echo-Archicom Group, it means the parent company Echo Investment S.A. with all subsidiaries, including Archicom S.A. and its subsidiaries. The term 'Echo Group' means the company Echo Investment S.A. with its subsidiaries, excluding Archicom S.A. and its subsidiaries. The term "Archicom Group" means only the company Archicom S.A. and its subsidiaries.

[2-2]

Unlike the consolidated financial report of the Echo Investment Group published on 29 March 2023, this report includes information on entities and operations over which the Group has operational control. Therefore, it does not include information from operating projects (buildings) in which Echo Investment has a 30 percent stake (buildings with rental apartments Resi4Rent and Galeria Młociny in Warsaw). At the same time, because the Group controls construction sites of projects in which it has a minority stake or is only a service provider (such as Resi4Rent construction sites), these entities are included in reporting in this respect.

In financial and employee matters, the report includes information consistent with the scope of financial control, similarly to the consolidated financial statements of the Echo Investment Group.

A list of entities covered by this report is attached to this report.



**The Echo Investment's  
headquarters is located  
in Kielce.**

[2-3]

The report covers the period from 1 January 2022 to 31 December 2022. This is the period identical to the Group's financial year. The report on non-financial information in the Echo Investment Group is published once a year.

[2-4]

All material information presented in this report is comparable to the data published in previous reports. The Group made no adjustments or restatements.

[2-5]

The report has not been subject to external verification by an independent auditor.

The Echo Investment Group is managed by a five-person Management Board chaired by Nicklas Lindberg, the CEO, responsible for the company's strategy and development.

The Archicom S.A. Group is managed by a four-person Management Board with Waldemar Olbryk as the CEO.

Echo Investment S.A. has been listed on the Warsaw Stock Exchange since 1996. Its shares are included in the Warsaw Stock Exchange WIG Index, the sWIG80 sub-index and the industry index - WIG-Real Estate. Since 2019, our main shareholder has been the Hungarian Wing IHC Zrt and Griffin Capital Partners.

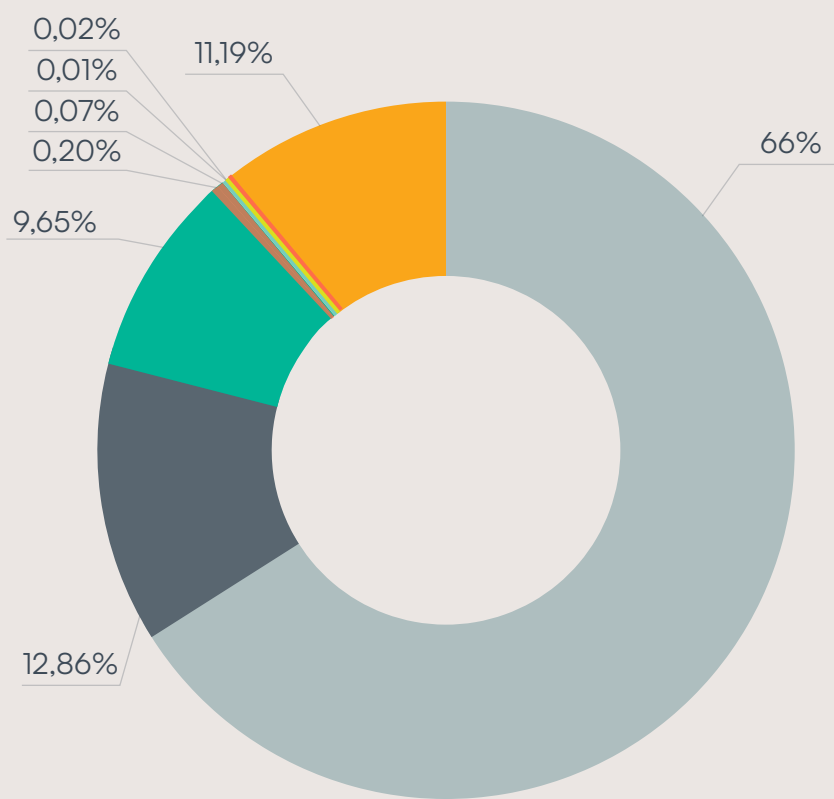
Our majority shareholder — the Wing company - is a leading real estate developer and investor in Hungary with a significant presence in the regional real estate market. Since its establishment in 1999, the company has developed 1.2 million square meters of real estate in Hungary. Wing is active in all market segments, including office, industrial, retail, hotel and residential development. As one of the largest privately owned real estate companies in Hungary, WING develops world-class landmark buildings that define the cityscape of Budapest. The company's latest developments include the new headquarters of Magyar Telekom and T-Systems - the country's most modern and largest new office building -, the Danube headquarters of Ericsson and Siemens-evosoft, the BB Hotel Budapest City and the Kassák Residence, Metropolitan Garden and Park West residential projects.





[2-1]

Echo Investment's shareholder structure  
as at 31 December 2022



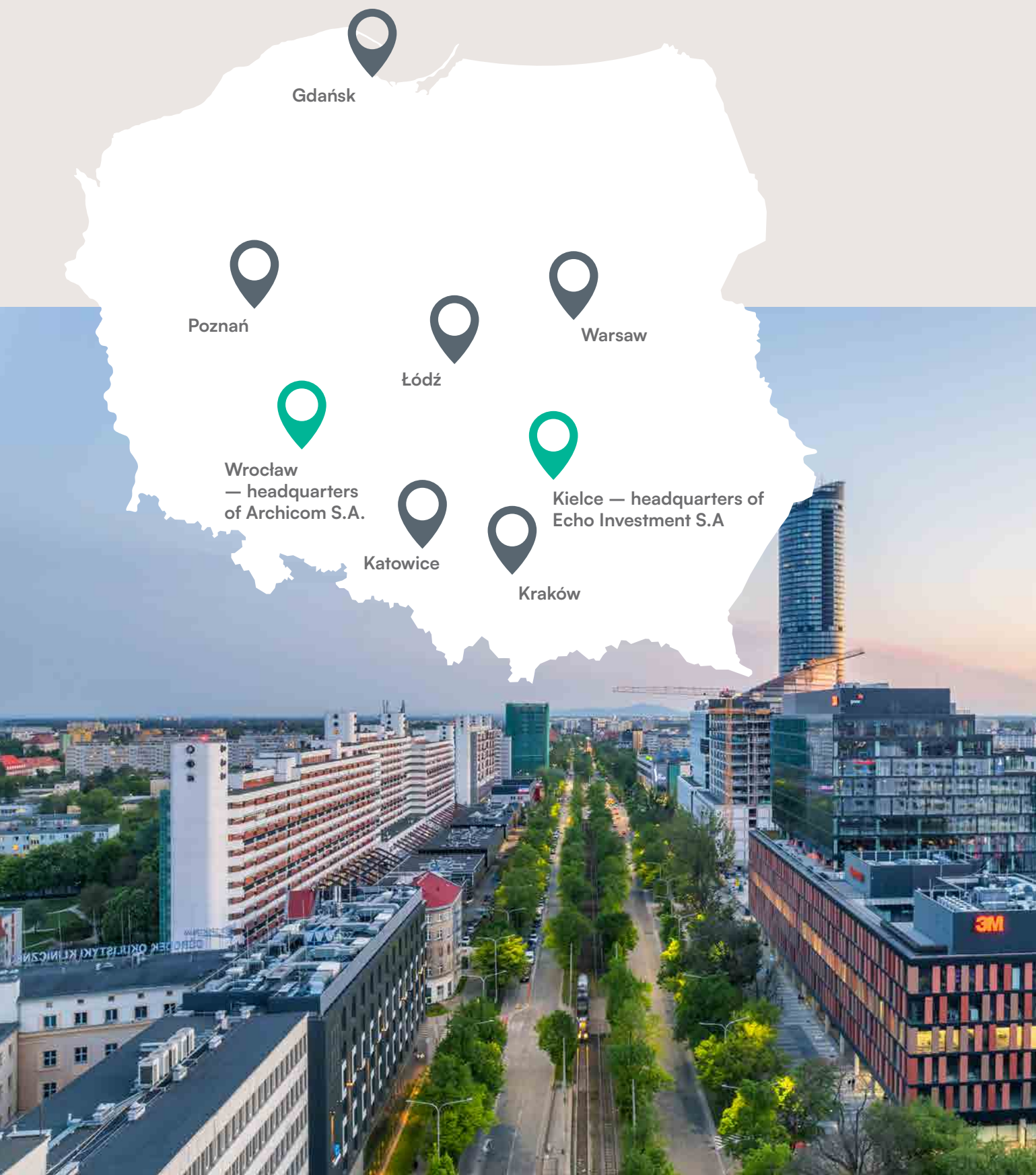
### Number of shares:

272 375 784	Lisala Sp. z o.o. (Wing IHC Zrt and Griffin Capital Partners)
53 062 355	Nationale-Nederlanden OFE
39 809 348	Allianz Polska PTE
845 622	Nicklas Lindberg — CEO
291 065	Maciej Drozd — CFO
94 192	Péter Kocsis — Member of the Supervisory Board
50 000	Bence Sass — Member of the Supervisory Board
46 162 216	others



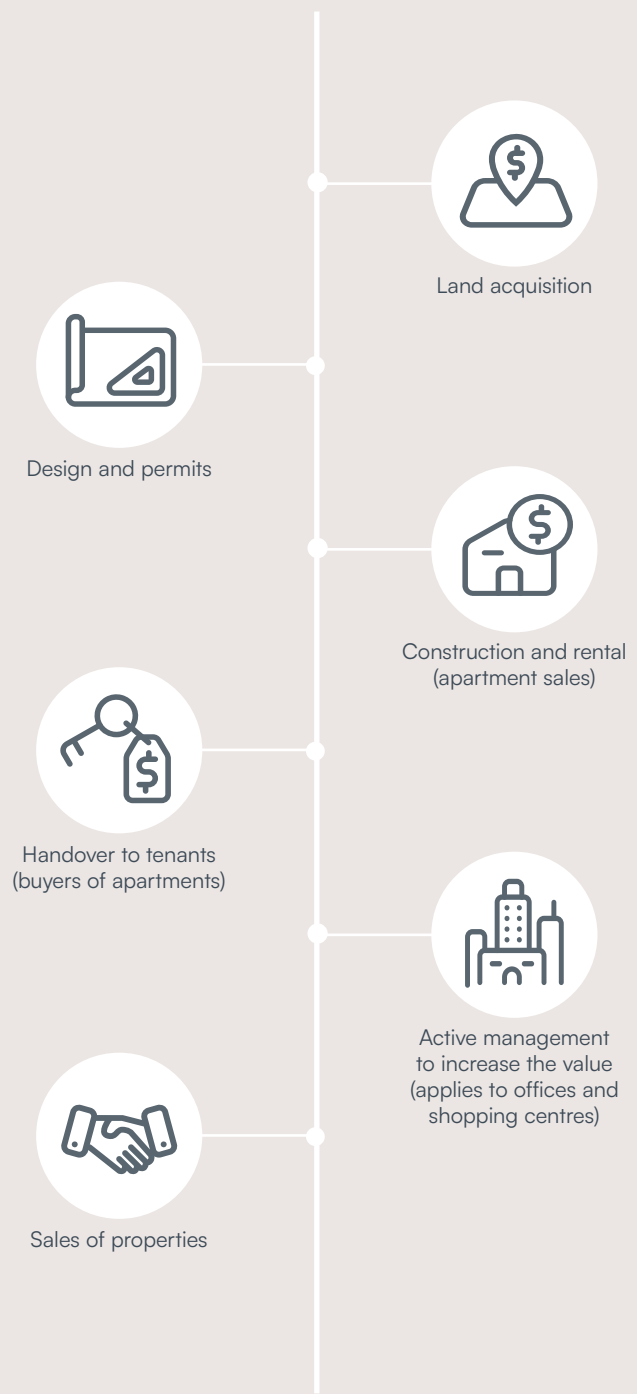
[2-1, 2-6]

The Group conducts development activities in seven major Polish cities, which are also the most attractive and liquid real estate markets.



# Value chain

We do not sell products or services that are prohibited, are of concern to stakeholders or are a subject of public debate.



## Business highlights of the Echo-Archicom Group in 2022:



**1,515** apartments sold



**2,169** apartments  
handed over to clients



**7** finished office  
buildings sold



**3** projects with **697**  
apartments for rent completed



**555** contractors with whom  
we signed **1,539** construction  
and design contracts



over **PLN 1 billion**  
— a total value of contracts signed



**PLN 157 thousand**  
— a median value of construction  
and construction-related contracts  
within Echo Investment (excluding  
Archicom)

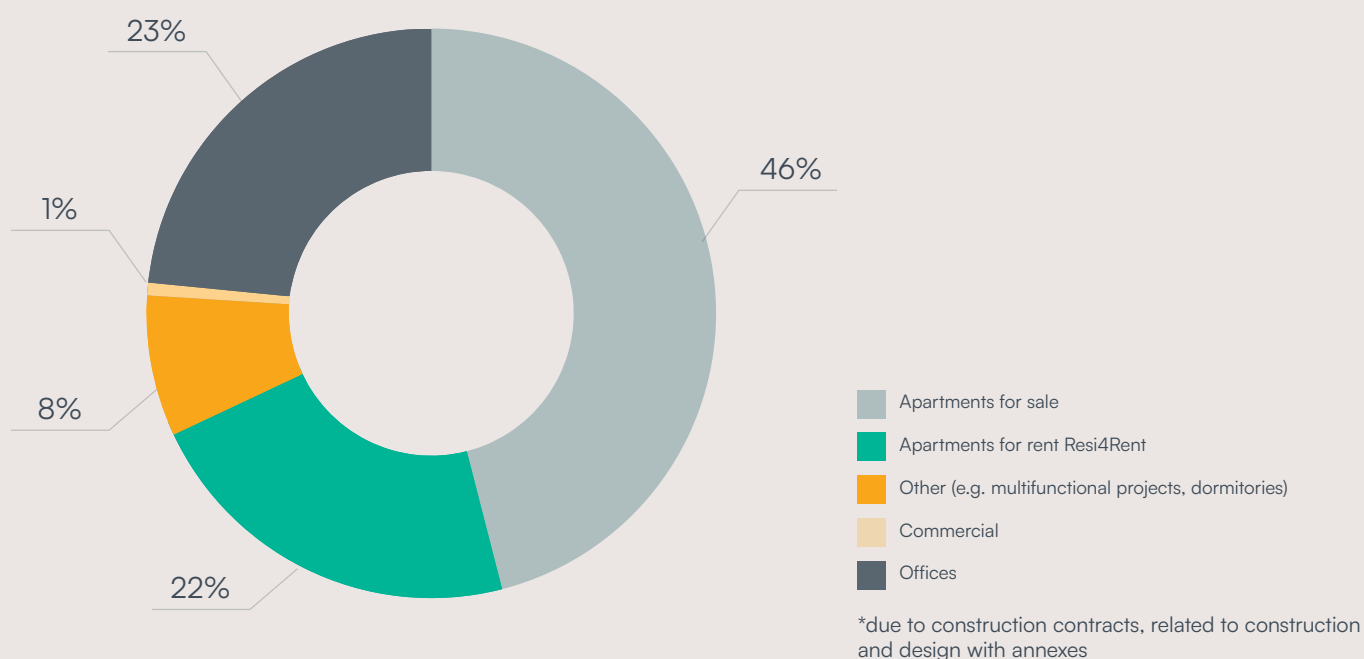


## Supply chain

We work with a large number of contractors. These are architects with whom we plan our investments, contractors, lawyers, advisers and specialists in specific fields related to construction. We also work with entities that sell real estates, brokers, intermediaries and many other groups of entities. In incidental cases, our contractors are also directly suppliers of equipment or building materials.

Due to ESG-related issues, construction companies are a particularly important group for us, as we maintain long-term relationships with them and our contracts usually has significant value. They are always Polish companies. In 2022, the Echo-Archicom Group signed 1,539 construction and construction-related contracts with 555 contractors. The total value of these contracts exceeds PLN 1 billion.

### Value of signed significant\* contracts by type of investment [%]



## Clients of the Group

Echo Investment Group's clients vary according to business segments.

### Apartments

---

— their purchasers are usually buyers who intend to purchase for their private use or for investment purposes and to protect their savings.

### Resi4Rent apartments for rent

---

— individual clients renting apartments for their own private use or companies renting apartments for their employees. The Echo Investment Group is not involved in rental but holds a 30 percent stake in the Resi4Rent platform.

### Office buildings

---

— their purchasers include large, international asset management funds, while their tenants are usually large and medium-sized companies, both Polish and with foreign capital.

### CitySpace flexible office space

---

— this offer is for small companies, often sole traders, experts and professionals. Such offices are also used by medium and large companies as a solution for projects that are either short-term or for transitional periods - e.g. until their target, conventional office space is delivered.

### Shopping centres

---

— in this case our clients are retail and service chains that rent premises for their outlets. Similarly to office buildings, final buyers of such projects are large, international real estate asset management funds.

### Services

---

— our companies provide services primarily to affiliated entities (Towarowa 22, Galeria Młociny, Resi4Rent), in less frequent cases to foreign entities (e.g. Student Depot).

[2-6]

## Our core business segments

We are the largest Polish development group with an extensive experience in the main sectors of the real estate market: residential (for sale to individual clients and for rent - for institutional investors) as well as commercial (office, retail and service and hotel).

Many years of experience in various market segments give us a competitive advantage resulting from the ability to implement large, multifunctional and city-forming 'destination' projects - places that are good for living, working and spending free time. We create projects that fit into the urban fabric and complement it.

The Echo Investment Group operates on the real estate market in the following sectors:



Apartments

*We build and sell apartments in Warsaw, Kraków, Poznań and Łódź (through Echo Group) and in Wrocław (Archicom Group)*

At Echo Investment Group, we do not want to follow trends - we want to be trend-setters. We treat the leading position among residential developers as a responsible commitment to setting the best standards and patterns in the industry.

People spend more and more time in the apartments and its immediate vicinity - it is not only a place to rest, but also to work, to study and to deal with many everyday chores. That is why we see our projects as part of a larger whole - an urban ecosystem with specific advantages and needs. We try to enrich the local offer by creating open and multifunctional spaces full of greenery. We comprehensively care for the well-being of residents by introducing amenities that increase the comfort of living in apartments, facilitate the use of the city's advantages thanks to the convenient location within a walking distance or a short bike ride, and promote environmentally friendly attitudes. The apartments we offer are purchased primarily by individuals - for their own needs or as an investment for rent.

In 2022, apartments for purchase by individual customers were offered by both Echo Investment and Archicom S.A., for which this is the core business.

Key figures in 2022

**2,169**  
number of apartments  
handed over to clients

**1,515**  
number of apartments sold

**3,667**  
number of units  
under construction

**about 8,700**  
number of units in the pipeline

as at 31 December 2022



## Apartments for rent

*We are a developer of residential buildings for Resi4Rent, the largest private company in Poland that rents and manages apartments. We are also a co-investor of this company (30 percent).*

Resi4Rent is the first in Poland private company which rent out subscription apartment - comfortable premises for rent or living in convenient. Resi4Rent rents apartments in five of the largest Polish cities: Warsaw, Wroclaw, Poznan, Lodz and Gdansk. Here you can live wherever you want, with whomever you want and for as long as you want. Each apartment is finished, equipped with basic kitchen furniture, household appliances, and additional furniture on request.

Echo Investment owns 30 percent of shares in Resi4Rent. The remaining 70 percent of its shares belong to a global fund. For this reason, we have a 30 percent share in the costs, revenues and profits of this company, but we also provide investment management services for it. In this report, we present ESG issues related to the design and construction of Resi4Rent investments (over which Echo Investment has full operational control), but we do not include issues related to the management of completed buildings (over which we have no control).

Resi4Rent is a pioneer in the rental housing market. It satisfy a basic social need, which is housing. According to various estimates, Poland faces a shortage of between 650 thousand ( the Ministry of Development) and 2 million (UN Global Compact) apartments, and those that do exist are the most overcrowded in the European Union (Eurostat). Since 2022, restrictive mortgage lending policies have resulted in the creditworthiness of potential buyers being very limited. In contrast, the wave of refugees from Ukraine has caused that potential apartments for rent on the market have decreased significantly. The institutional rental housing market contributes to easing this situation by providing the market with finished, well-equipped apartments for rent under safe and stable conditions.

### Key figures in 2022:

---

**2,998**  
number of apartments  
in management

**99%**  
commercialisation level  
of stabilised buildings\*

**697**  
number of apartments  
on offer in 2022

**2,362**  
number of units  
under construction

as at 31 December 2022

\*It refers to all buildings delivered except one which commercialisation started in December 2022.





Western and Northern Europeans have been living in rented accommodation for years. In Germany it amounts to 50 percent of the population, in Austria 45 percent and in Denmark 41 percent. The Polish institutional rental market is still one of the least developed in the European Union

**4.5%** — percentage of Poles that rent apartments on market conditions, according to the latest data provided by the Polish Association of Developers



**1%** — such a share in the rental housing market in Poland is held by companies from so-called Private Rent Sector (PRS)

“

### Insights from the expert

**Sławomir Imianowski,**  
CEO of Resi4Rent

What determines the young generation's lifestyle is their approach to ownership and affiliation to a place. The sense of community and of being at home is no longer determined by owning their own apartment, but whether the place they decided to live in matches their expectations, allows them to meet people similar to them, build relations and grow.

Surveys carried out among Resi4Rent residents show that nearly 62 percent of tenants would like to take part in neighbourhood meetings and socialising activities. For this reason, we work together on events that make everyone feel part of the community, such as sports activities, decorating the Christmas tree together, planting trees, meetings with a dog behaviourist or charity campaigns.

After several years of prosperity in the housing sales market, 2023 will be more about putting off dreams for many potential buyers. Inflation and high interest rates will continue to contribute to a higher rental demand. This is another factor behind why the institutional rental housing market has a good time to come and can support the society in providing one of the fundamental needs of people - a safe roof over their heads.





*We build and rent modern office buildings, which we then sell to long-term investors.*

For our designers, an office is more than a desk. It is a space for taking up challenges, for co-operation and for achieving success. In order for employees to want to spend time in it, they must like it and see the benefits of being there.

When we design our office buildings, we pay special attention to choosing technologies that ensure the comfort and safety of users, and we arrange the space in such a way as to support efficiency and concentration. It is important to ensure the comfort of access and use of the building, as well as to meet the most important everyday needs of employees.

Our clients in the office sector are primarily companies that rent office space for their own needs, and entities that buy ready-made and rented buildings (e.g. large international funds specialising in real estates).

#### Key figures in 2022:

**EUR 318 million**

total value of office buildings sold

**6** office buildings delivered with

**104 thousand sqm**

total usable area

**2** office buildings under construction with

**22.4 thousand sqm**

total usable area

as at 31 December 2022







## Flex office space

*Through our company CitySpace, we provide clients with flexible office space solutions. We rent workspaces (open space, offices, single desks) for shorter than standard periods, manage clients' offices, provide virtual address services, etc.*

The tenant's interest in the use of flexible office space grows, especially after the pandemic. More and more companies need an extra space for short-term projects, a rapidly enlarged space for suddenly growing business, additional conference rooms or a separate office for start-ups. Such services are offered by CitySpace, allowing entrepreneurs to concentrate on operational activities.

CitySpace is an operator of flexible office spaces from our Group, providing flexible serviced offices, co-working spaces, a virtual seat for companies and elegant meeting rooms also in the Work On-Demand formula, i.e. without a contract and unnecessary formalities thanks to the CitySpaceApp mobile application. Locations of CitySpace offices are very convenient - they are easy to reach by public transport, by bike or by car.

### Kluczowe liczby w 2022 r.

**3,500**

workplaces in 12 locations with a total area of

**25,000 sqm**

Being present in **5** cities in Poland: Warsaw, Wrocław, Cracow, Katowice and Gdańsk.

**2** new location — **390**

workplaces at MidPoint71 in

Wrocław and **242** workplaces at Plac Unii in Warsaw.

as at 31 December 2022





## Shopping centers, commercial and services properties

*We are the owner of the Libero shopping center in Katowice. We built it in 2018, and now we manage the building and its tenants. As a Company we do not intend to build shopping centers in the near future, but modern retail and services are a very important component of our investments - especially multifunctional 'destination' projects.*

Strategically, for Echo Investment, retail and service components are an element which strengthens the attractiveness of multifunctional "destination" projects such as the Warsaw Breweries or Fuzja in Łódź.

## Commercial and entertainment centres

Modern shopping malls should be more than just a cluster of stores. The inhabitants of modern cities expect much more - entertainment, an attractive way to spend time, a place where you can see products bought online and talk to specialists about them.

Libero and Galeria Młociny are popular among residents thanks to changes in the tenant mix, as well as through marketing campaigns - the customer is constantly rewarded by special barter campaigns, e.g. giving away tickets to the cinema, amusement parks for shopping or by collecting points in the loyalty platform. Thanks to a swift response to changing purchasing trends, both Libero in Katowice and Galeria Młociny in Warsaw returned to their typical functioning with very good footfall and tenants' turnover results.

## Services

*We provide a development process, construction, leasing of projects for our partners (e.g. projects such as Galeria Młociny, Towarowa 22, Resi4Rent, Student Depot).*

### Key figures in 2022:

**39%** — this is how much Libero's turnover increased in 2022 compared to 2021

**35%** — and this is how much its footfall increased

**41%** — this is how much turnover of Galeria Młociny's tenants increased in 2022, compared to 2021

**33%** — and this is how much footfall of the shopping centre increased

as at 31 December 2022.



---

### **Warsaw Breweries — services and restaurants making the city live**

A distinctive feature of Warsaw Breweries, a mixed-use project, is a large restaurant and entertainment offer, which attracts Varsovians and tourists. In 2022, they were visited by around 160,000-210,000 people per month. The popularity of Warsaw Breweries is based on our work: we take care of a marketing scheme of this place so that it responds to needs and interests of visitors in the best possible way.

## Our history

- 
- 1996** — Echo Investment starts its activities in the developer housing sector in Kielce and makes its debut on the Warsaw Stock Exchange. The founder of the company is Michał Sołowow, an entrepreneur from Kielce,
- 1997** — we start new development projects in the office sector and establish strategic co-operation with Accor, for which we will build 16 hotels throughout the country in the coming years,
- 1999** — we venture for a new business segment - shopping malls. To date, the Group has built 33 shopping malls and commercial-entertainment centres in 25 Polish cities,
- 2009** — we sign a loan agreement worth EUR 100 million for the extension of Echo Shopping Mall in Kielce. This is the first major financing agreement in the Polish real estate sector after the outbreak of the global crisis, which convinced other companies and banks of the stability of this sector,
- 2011** — the extended Echo Shopping Mall in Kielce receives the prestigious MAPIC Awards for the best extended shopping mall in Europe,
- 2012** — we celebrate the hundredth project in our history. It is the Aquarius Business House (an office building) in Wrocław,
- 2015** — a consortium of PIMCO, Oaktree and Griffin Real Estate funds takes over a majority stake in Echo Investment,
- 2016** — Nicklas Lindberg becomes the CEO. The Echo Investment Group adopts a new strategy, according to which it will focus on development activities in Poland with the intention to build large, urban projects, to maintain the leading position in all segments in which it operates and to pay regular dividends,
- 2017** — we become a part of the top ten residential developers in Poland, having sold over 1.4 thousand of apartments,
- 2018** — together with a financial partner, we start the construction of Resi4Rent - the first private apartment rental company in Poland, which is today the leader of this dynamically developing market,
- 2019** — Echo Investment's controlling stake is acquired by the Hungarian real estate company Wing,
- 2020** — we finish the development of Browary Warszawskie (The Warsaw Breweries) - the first multifunctional, city-forming „destination” project,
- 2021** — Investment acquires a controlling stake in Archicom, the Wrocław based residential developer,
- 2022** — we acquire a renowned joint-venture partner AFI Europe for Towarowa 22 project, with is going to be started already in 2023.

## The Strategy of Profitable Growth

In 2016, the Management Board of Echo Investment prepared and introduced the Strategy of Profitable Growth with the approval of the Supervisory Board. The strategic directions confirmed in 2020 place particular emphasis on the Group's development in the residential sector and increasing the importance of multifunctional, large destination projects in the pipeline. Echo's strategy is based on the following pillars:



### Leader position

---

Echo Investment is the biggest real estate development company in terms of number of projects as well as its total area, operating in Poland. It is active in both sectors of real estate market: residential and commercial. In accordance with the Strategy of Profitable Growth, Echo Investment is going to be one of the leaders in residential and commercial market, what implies higher dynamics in residential. Big scale of activity allows for optimum use of resources.



### Large destination projects

---

Echo Investment's many years of experience in three real estate sectors gives a competitive advantage consisting in the ability to implement large, multifunctional and city-forming projects. Thanks to this, the Group can buy larger areas, with regard to which the unit price is lower and the competition among buyers is much smaller. Combining the functions provides for faster completion of the project and comprehensive design of the urban space.



### Development activity

---

The focus of the adopted strategy model is on development activities, which include land acquisition, construction, lease, active management to increase the market value and then sale of finished project in optimal time for the possible return ratio, capital management, market expectations and trends. Commercial and residential properties under construction constitute majority of the group's assets.



### Focus on Poland

---

It is the strongest economy and real estate market in the Central and Eastern Europe. Echo Investment, which has been operating on this market for two decades, knows perfectly its potential, background and principles of functioning. This is why the Company focuses on running projects in the most important Polish cities, which are at the same time the most attractive and liquid real estate markets: Warsaw, Tricity, Poznań, Katowice, Wrocław, Krakow and Łódź.



### Strategic cooperation with reliable partners

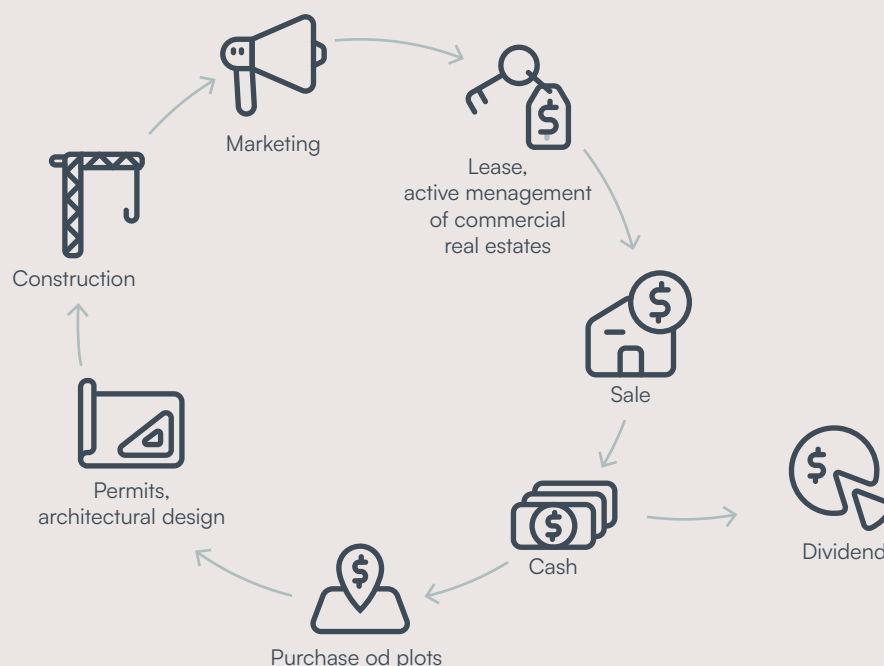
---

Echo Investment values long-term business relations with reliable partners, that created synergies for both sides. Development activities of Echo Investment are complementary to these entities. Such cooperation facilitates expanding Echo's scale of operation, accelerates speed of projects implementation and limits risks. Echo Investment assumes entering into joint-ventures for projects requiring significant capital expenditures, providing its partners with services such as development, planning, leasing, accounting etc. Partners may also be offered by Echo with priority to acquire ready projects on market conditions. Material agreements between Echo Investment and its partners need to be discussed and approved by the Supervisory Board.



## Business model

Echo Investment Group runs the entire process of real estate development in-house. We start with acquisition of attractive land plots, we obtain administrative permits, then we design and oversee of the construction process. Simultaneously with the construction works we conduct marketing activities, sale of apartments or lease in the case of commercial properties. After completion of an office and retail building we actively manage it to maximise its value, and then to sell it. The profits earned in this way is used for regular dividend payments and further investments.



## Consolidated financial data of the Echo Investment Group [PLN '000]

For the period of 1.01.2022-31.12.2022	
Revenue	1 394 306
Operational profit	275 403
Gross profit (loss)	219 001
Net cash flows from operating activities	9 184
Net cash flows from investing activities	584 836
Net cash flows from financing activities	-240 703
Total net cash flow	353 317
As at 31.12.2022	
Total assets	6 087 012
Long-term liabilities	1 962 076
Short-term liabilities	2 318 624
Equity attributable to shareholders of the parent company	1 643 778
The number of shares	412 690 582
Book value per share	3,98

## Management of Echo Investment S.A.

Echo Investment S.A. acts as an entity that consolidates the Echo-Archicom Group. The management of Echo Investment S.A. is indirectly the management of the entire Group.

The governing bodies of Echo Investment S.A., which is a parent company of the Group, are:

### General Meeting of Shareholders

whose powers include, among others: election, dismissal and suspension of the members of the Supervisory Board, adoption of resolutions on the payment of dividends or amendments to basic corporate documents.

### Supervisory Board and its Committees

whose powers include, among others: review of the Company's and Group's financial statements, review of the Management Board's report, election, dismissal and suspension of the Management Board or its individual members, monitoring of the most important processes (e.g. reporting, auditing), ongoing review of activities relating to purchases and sales of assets, financing plans, execution of the asset sales strategy and execution of investment plans on the basis of an approved annual budget.

### Management Board

which manages all current affairs of the Company subject to limitations resulting from the provisions of the Commercial Companies Code and the Articles of Association.

The detailed powers, tasks and organisation of the General Meeting, the Supervisory Board and the Management Board are described in the Articles of Association of the parent company Echo Investment S.A.



### [2-11]

In the Polish legal system, there is no common governing body for the Group, consisting of executive and non-executive directors. The Management Board is responsible for managing the Group's affairs, while the Supervisory Board has supervisory powers. The Supervisory Board is headed by its Chairman. The Management Board is headed by the President of the Management Board (CEO).

## Supervisory Board of Echo Investment S.A.



### Noah M. Steinberg

Chairman of the Supervisory Board

Wing Group's chairman and chief executive officer, and also one of its owners. An American citizen, he has worked in Hungary since 1990. In his current position since 1999, he has been responsible for establishing Wing and oversees the company's investment and development businesses covering all market segments — office, industrial and logistics, retail, hotel and residential. He is also the chairman of the Royal Institution of Chartered Surveyors (RICS) in Hungary.

Noah graduated from Princeton University (the Woodrow Wilson School of Public and International Affairs, Princeton University) with a BA, and from the Diplomatic Academy of Vienna) with an MA. He speaks English, Hungarian, French, German and Spanish.



### Tibor Veres

Vice Chairman of the Supervisory Board

The founder, together with his father, György Veres, of the legal predecessor of today's Wallis Group, which for several decades has been a leading investment firm on the Hungarian market. At present, he is the main owner of Wallis Group as well as the chairman of its board of directors, while he is also a member of the board of directors at Graboplast and Wing Group — the most significant enterprise within Wallis Group, both in terms of its asset value as well as the level of its business complexity. In 2016, he acquired home improvement chain Praktiker, which then held a considerable real estate portfolio, thus significantly broadening the scope of Wallis Group's interests.

Three of the companies he established are active on the Hungarian stock exchange as issuers of bonds and shares. In addition to Wing, Wallis Group also includes Alteo Energy Services Plc., which specialises in renewable energy production, and AutoWallis Plc., which incorporates the automotive subsidiaries of Wallis Group.

Tibor graduated with an MA in economics from the Moscow State Institute of International Relations in 1986.



### **Margaret Dezse**

Independent Member  
of the Supervisory Board

Former partner of Ernst & Young (EY) and PwC, having spent a total of 35 years at these firms. During that period, she was for 21 years a partner in transactions advisory and corporate finance, initially with PwC and for the final 11 years with EY.

As a chartered accountant, Margaret started out as an auditor in her home country of Canada. After moving to Hungary in 1989, her career quickly evolved from audit into privatisation and corporate finance. For more than 30 years, she has advised on hundreds of transactions and has assisted clients from a variety of industries on strategic and investment decision making.

In addition to leading the corporate finance and transactions advisory teams in Hungary, Margaret has held different regional leadership roles in the CEE region, including establishing a corporate finance department in Ukraine. She is presently serving as an independent member of the board of directors and chair of the audit committee of Masterplast Nyrt and as an independent board member as well as a member of the advisory board to the management of Kometa Zrt. Margaret is also a supervisory board member of social impact oriented venture capital fund Impact Ventures, and of the supervisory board of United Way Hungary.



### **Maciej Dyjas**

Member of the Supervisory Board

Managing Partner and co-owner of Griffin Capital Partners, the largest privately-owned investment and asset manager in private equity and real estate in the CEE region. Since 2014, Griffin and its strategic partners have deployed some EUR 2.8 bn of equity into more than 20 deals, mostly in real estate platforms, technology, and consumer-related companies. Currently, Griffin co-owns and helps manage 13 companies, with a total value of some EUR 5.7 bn. Companies such as ARES, Oaktree, PIMCO, Madison Realty, Bridgepoint, Redefine, Kajima and Wing are among strategic partners of Griffin.

Maciej Dyjas' career started in consulting companies affiliated with Hewlett Packard in Germany and US. He then went on to become a co-investor, Partner and subsequently Managing Partner and CEO at Eastbridge Group, an evergreen investment vehicle, majority owned by the Bruckner family. In tandem with his functions at Eastbridge, he held several executive and non-executive board positions controlled by the Group, including posts such as CEO of EM&F, listed on the WSE, and CEO of DTH Capital in New York. In 2014, the year he left the Eastbridge Group, the company held assets of over USD 3 bn in the retail, consumer goods, and real estate sectors in CEE, the EU, and the US.

Maciej holds a master's degree in Mathematics and IT from the University of Warsaw and pursued studies in the area of business and psychology of management and communication in Stuttgart and Frankfurt.





**Sławomir Jędrzejczyk**  
Independent Member  
of the Supervisory Board

Sławomir has more than 20 years of experience working for Warsaw Stock Exchange listed companies. In 2008–2017, he was vice-chairman of the management board and CFO of PKN Orlen S.A., as well as vice-chairman of the supervisory board of Unipetrol a.s., a member of the management board of Orlen Lietuva, and a member of the board of directors of Orlen Upstream Canada. His main responsibilities have included implementing strategy geared towards increasing value, building capital market relations, providing financing, and increasing cash flows through operating excellence, divestments and projects aimed at improving working capital levels. He has also been responsible for planning and reporting, business controlling, accounting, supply chain management, investor relations, M&A and IT. Sławomir has previously held the position of CEO of Emitel. He has also been employed by Telekomunikacja Polska, ORFE, Impexmetal and Price Waterhouse.

He graduated from the London Business School (senior executive programme) and the Łódź University of Technology's faculty of electronics, and is also a member of the Association of Chartered Certified Accountants (ACCA).



**Péter Kocsis**  
Member of the Supervisory Board

Wing's deputy chief executive officer responsible for strategy, risk and supervision. He joined Wing in 2006 and has been in his current position since 2009, where he is responsible for the risk analysis and supervision of a portfolio of around 22 property SPVs with €1 billion of assets and an annual rental income of €60 million. He is also responsible for supervising three real estate service provider subsidiaries with a total annual turnover of €70 million, as well as for drawing up the strategy and business plans for a development portfolio valued at €1.5 billion GDV. He is the chief risk officer of Wing's real estate fund management company.

Peter graduated from Corvinus University Budapest with an MA and subsequently completed postgraduate degrees at the University of Birmingham (MIS) and Georgetown University (MSFS). He speaks Hungarian, English and German.



### **Bence Sass**

Member of the Supervisory Board

He is an expert in real estate industry with 20 years of experience. Heads the international expansion activities of Wing Group and is also responsible for business development and transactions within the company. He is a senior real estate professional with 20 years of experience in real estate investment. Prior to his current employment, he was a member of the UniCredit Bank's leading real estate financing team.

Bence graduated with a BA from the Budapest Business School and an MBA from the Budapest University of Technology and Economics. He is a member of the Royal Institution of Chartered Surveyors (RICS). He speaks Hungarian, English and German.



### **Nebil Şenman**

Supervisory Board Member  
Audit Committee Member

Managing Partner and co-owner at Griffin Capital Partners. Nebil Şenman held leading positions for nine years as Senior Vice President and Supervisory Board Member of Oaktree's German and Polish real estate funds and operations worth several billion Euro. Before joining Oaktree, he spent eight years handling real estate and corporate consulting at Ernst & Young Real Estate (formerly Arthur Andersen), where he held various managerial positions.

He is a graduate of universities in Berlin (TU Berlin, EBS), Paris (ESCP Europe) and London (LSE) and holds an MBA and a master's degree in Civil Engineering. He also holds a post-graduate diploma in real estate management (EBS), and is a Chartered Member of the Royal Institution of Chartered Surveyors, MRICS.

The Supervisory Board of Echo Investment S.A. consists of eight persons, including one woman. Consequently, the representation of women in the Supervisory Board is **12.5** percent.

The following committees operate within the Supervisory Board:

- Audit Committee responsible for analysing the Group's financial statements, reviewing the risk management system, reviewing the effectiveness of the internal audit system, compliance and ongoing events within the Group,
- Investment Committee responsible for reviewing on an ongoing basis operations with regard to asset purchases and sales, financing plans, execution of the asset sales strategy and execution of investment plans based on an approved annual budget.

The Supervisory Board is appointed and dismissed by the General Meeting for a period of 3 years, although the members of the Supervisory Board are appointed for joint terms of office, which does not exclude the right to early dismiss any of them.

The Supervisory Board is appointed by the General Meeting of Shareholders. There are two independent members in the Supervisory Board - the others are related to the main shareholder.

## Management Board of Echo Investment S.A.



**Nicklas Lindberg**

President of the Board, CEO

Nicklas was appointed CEO of Echo Investment in 2016 and he is responsible for the strategy and development of the company. In 2021 Echo Investment acquired Wrocław-based development company Archicom S.A., and Nicklas Lindberg became its Chairman of the Supervisory Board.

From 2016 Echo Investment has significantly grown its scale of operation and pipeline. The launched Strategy of Profitable Growth transformed Echo Investment into pure developer operating in seven major Polish cities, market leader in residential, office and retail real estate sectors. The Group started to design and build urban 'destination' projects, that combine all functions and are well-designed parts of the cities, where people can live, work and entertain. It has also introduced operation in flex office space (CitySpace) and rental apartments (Resi4Rent) segments. Within a scope of increasing presence in residential market, in 2021 Echo Investment acquired Wrocław-based development company Archicom S.A.

Until 2015 Nicklas Lindberg was employed by Skanska Group, where he held several top positions, such as president of Skanska Commercial Development Europe (CDE), head of Skanska Property Poland, CFO and CEO of Skanska, Russia and a manager of residential development units in the Nordics. He graduated from the University of Lund in 2001.



**Maciej Drozd**

Vice-President of the Board, CFO

Appointed as a vice-president of Echo Investment's board in 2015. Responsible for finance and back office operations. In 2021 Echo Investment acquired Wrocław-based development company Archicom S.A., and he became its Vice-President of the Supervisory Board.

He restructured the Echo Investment Group while introducing the Profitable Growth Strategy. His task was, among others a change in the model of operation and financing of the Group, which was the long-term owner of a portfolio of commercial real estate generating fixed income from rent, and has become a classic developer focused on fast capital turnover and generating high returns. As a result, Echo Investment has been paying dividends on a regular basis since 2016. The company is also one of the largest bond issuers in the real estate sector.

In 1995 he joined Eastbridge Group, initially as the financial director of the group's operational companies. Between July 2009 and June 2015 he was also the CFO and managing partner of Eastbridge Group. He studied philosophy, mathematics and management at the University of Warsaw and holds a master's degree in philosophy and a master's degree in management. Maciej also holds an MBA degree from the University of Illinois.



### **Artur Langner**

Vice-President of the Board

In June 2005 he became a management board member and was made a vice-president of the management board on June 27th, 2008. Responsible for the construction department of the Group.

He is a graduate of the faculty of civil engineering at the Kielce University of Technology. After finishing his studies he started working in the construction sector, where he gained experience in participating in every stage of project construction. Artur started working for Echo Investment in 1998 as a project manager. In June 2000 he was appointed director of project preparation and later director of the technical division.



### **Rafał Mazurczak**

Member of the Management Board

Appointed to the Management Board on 15 September, 2016. Responsible for the commercial properties department. Since 2021, after acquisition of Wrocław-based development company Archicom S.A., he became its Member of its Supervisory Board.

He started his career at Echo Investment in 2000 as an office leasing manager. In 2007—2013 he was the leasing director of Echo Investment's office department. Since 2013 he has been the director of the office department. He co-devised the development strategy of this part of Echo Investment's business and was responsible for its implementation. He was also responsible for the construction, leasing and marketing of one of the company's flagship projects, the Q22 skyscraper in Warsaw, along with Park Rozwoju and O3 Business Park in Kraków, A4 Business Park in Katowice, the Tryton office building in Gdańsk as well as West Gate and Nobilis in Wrocław. Since 2021 Echo Investment joined departments responsible for office and retail properties and Rafał Mazurczak took over responsibility for the newly-created commercial properties department.







## Małgorzata Turek

Member of the Management Board

Appointed to the Management Board on 7 March, 2019. Responsible for investment, divestment, permitting and projects' preparation. Since 2021, after acquisition of Wrocław-based development company Archicom S.A., she became its Member of its Supervisory Board.

She has over twenty years of experience in the real estate sector, working for both investment and development companies as well as international law firms. In 2017, she became president of the then newly formed Globalworth Poland Real Estate, where she was responsible for the organisation and development of a sustainable, revenue-generating property portfolio, as well as the establishment of all key functions of the company. She also gained valuable experience at Skanska Property Poland, where in 2012–2017, as a board member (and chief operating officer), she was responsible for the company's transactions and operations. Previously, she was employed by leading law firm Linklaters, where she specialised in transactions on the commercial real estate market. Małgorzata is a graduate of the faculty of law and administration of the Jagiellonian University in Kraków and a member of the Polish Bar Association.

The Management Board of Echo Investment S.A. does not include any Committees.

The term of office of the Management Board lasts three years, although the members of the Management Board, are appointed for a joint term of office, which does not exclude the right to early dismiss any member of the Management Board. The appointment of the Management Board took place on 13 August 2020.

There is one woman in the five-member Management Board of the Echo Investment Group. Consequently, the representation of women in the Management Board is **20** percent.

Nicklas Lindberg, the President of the Management Board (CEO) of Echo Investment, and Małgorzata Turek, the Management Board Member, provide expertise, competence and experience in impact management. Both gained their knowledge of impact management in Skanska. Nicklas Lindberg was the President of Skanska Commercial Development Europe (CDE) and the Head of Skanska Property Poland. At Skanska Property Poland, Małgorzata Turek was the Management Board Member (COO) from 2012 to 2017, and then from 2017 was the President of Globalworth Poland Real Estate, where she was responsible for organising, building the property portfolio, as well as setting up all key functions.

Apart from sitting in the Supervisory Board of Archicom S.A., the members of the Management Board of Echo Investment S.A. have no other material functions and no other material obligations.

[2-10]

The members of the Management Board of Echo Investment S.A. are appointed and dismissed according to the provisions of the Code of Commercial Companies, and the provisions of the Articles of Association, the By-laws of the Management Board and according to the adopted principles of “Best Practice for WSE Listed Companies”.

The Management Board is composed of one or more members. Its members are appointed, dismissed and suspended by the Supervisory Board, which elects the President of the Management Board and the Vice-Presidents of the Management Board. The term of office of the Management Board is three years, although the members of the Management Board are appointed for a joint term of office, which does not exclude the right to early dismissal of any member of the Management Board.

The Members of the Management Board are appointed by the Supervisory Board, which when making its selection takes into account the current needs of the Company, competence and professional experience of candidates relevant to the impact of the organisation, and their educational background. The selection is determined by the opinion of the shareholders, who may also take into account other criteria such as the diversity of the Board of Management.

The Members of the Supervisory Board are appointed by the General Meeting of Shareholders, which in each case determines the numerical and personal composition of the Supervisory Board by passing a resolution.

For details of the appointment and responsibilities of the Members of the Supervisory Board and the Management Board, are described in the “Statement of the Management Board of the Corporate Governance Principles” in the chapters “Powers and rules of operation of persons holding supervisory positions” and “Rules related to the appointment and dismissal of managing persons and their powers”.

[2-12]

## Impact management

The Management Board of Echo Investment S.A., together with the Supervisory Board

and the Audit Committee, is responsible for overall impact and risk management in the Echo Investment Group.

[2-13]

The Management Board, supported by directors and managers of various departments, oversees the risk management process by creating, implementing and analysing systems and control procedures that correspond to identified risks. The process is supported by the Internal Audit Department, which evaluates the functioning of the risk management and internal control system and the effectiveness of the control procedures in place that address the relevant risk factors. The Echo Group’s Management Board is also responsible for impact management and overseeing as well as approving the Sustainability Strategy and the integration of ESG criteria into the overall business strategy (with a view to short, medium and/or long term) and as part of risk management.

The responsibility for management of impact and ESG risks is delegated within the Echo Investment Group to units and teams responsible for related impact issues. Such arrangement of responsibilities allows both business issues and impacts to be managed at the same time, what, according to the Management Board and taking into account past experience, allows for quick and flexible reactions.

Specific impact management responsibilities, linked to corresponding business operations, are overseen by members of the Management Board, whose duty it is to monitor overall risks. Risks rated as low (low chance of being materialised and low impact on the business in general) are managed at the level of managers and directors. Medium risks are managed by the corresponding member of the Management Board, while high risks, which can have a high impact on the business in general, are managed at the level of the President and the entire Management Board. The President, the Management Board and directors discuss current risks and how to manage them during regular sessions or meetings. The topic of risks is also discussed at meetings of the Audit Committee and, in the most serious cases, at meetings of the Supervisory Board. Reporting takes place as necessary on an ongoing basis.

Impact	Responsibility
Employees of the Group	HR
Workers on construction sites	HSE team, site managers
Environmental issues directly related to projects under construction	Architects Department, Construction Department
Environmental management standards for construction sites	HSE team
Relations with neighbours of construction sites	Site managers, Marketing Departments, Communications Department
Establishing and consulting legal solutions related to the Group's activities	Management Board, staff delegated to work with relevant professional organisations
Human rights	Management Board, Legal Department



As the Group prepares to implement its long-term ESG strategy, this method of impact management may change in the future to more effectively implement strategic assumptions across the Group.

The entire Management Board of Echo Investment is responsible for impact management - there is no designated person responsible for impact management.

We describe the methods of management of risks, impact and competitive advantage at Echo Investment in detail in the Management Report on operations of Echo Investment S.A. and its Group in 2022, in the chapter 'How we manage risks'.



[2-14]

## Role of the supreme management body in reporting of sustainability issues

Individual stages of the Echo Investment's Sustainability Report are consulted and approved by the Company's Management Board, in particular the President and the Vice President (finance), who are directly responsible for reporting.

In 2022, we reviewed the materiality matrix of ESG issues using engagement of our stakeholders, by reviewing the Echo Group's impact on each aspect. The members of the Management Board also influenced the materiality assessment. The President and the Vice-President responsible for finance approve the topics indicated in the materiality matrix and confirm the scope of the reported data.

The chapters, or their parts relating to each business, are prepared by the reporting team and approved by the relevant members of the Management Board responsible for specific topics. The document in its final form is adopted by the entire Management Board.



[2-17]

## Building knowledge and awareness of the importance of ESG issues in the Management Board

Due to the growing awareness of sustainability issues, as well as ESG requirements from regulators, banks and potential counterparties, the Echo Investment's Management Board pays more and more attention to reporting, data collection and analysis and implementation of ESG strategies.

- › Sustainability issues in 2022 were a subject discussed at five meetings of the Management Board and senior management (Management Team).
- › The members of the Management Board were involved in the creation of the Echo Investment Group's ESG strategy.
- › The Management Board and senior managers annually participate in a one-day awareness training on Health and Safety on construction sites, which ends with a mandatory knowledge test. In 2022, all members of the Management Board participated in this training.
- › The Management Board and senior managers participate once a year in a presentation and discussion on the current HSE performance on construction sites and the results of the audit on the compliance of the HSE management system with ISO 14001 and ISO 45001.
- › Selected members of the Management Board and senior managers participate in the audit of the HSE management system.
- › The members of the Management Board and senior managers in 2022 participated in at least 6 Executive Site Safety Visits (ESSVs) - inspections of construction sites in terms of HSE. This is one of the corporate annual goals.



## Our stakeholders

In our daily work, we care for high standards of operation, responsibility towards local communities and the nature, as well as relations with the environment. We conduct dialogue with stakeholders at every stage of the implementation of our investments. When planning new projects, each time we verify the map of our partners, i.e. all key groups in our environment that exercise impact on us and which are impacted by our activities.

In 2020, for the purposes of the first sustainable development report, we analysed our relations with internal and external

stakeholders. On its basis, we selected the groups with which we communicate directly, considering them the most important for operational activities. In 2022, we verified the list and the forms of dialogue undertaken with each of these groups as well as the methods of their engagement.

The goal of stakeholder engagement is to identify the specific risks and opportunities of a project (or activity) at the earliest possible stage, improve risk management, mitigate risks and enhance opportunities.

Most important stakeholders	Ways of communication
Employees	ongoing communication via internal communication channels (regular meetings with the management board, intranet, newsletters, e-mails, posters, meetings with managers, etc.), employee opinion surveys, integration meetings, workshops and trainings,
Owners, shareholders, investment funds	information about the company's condition, finances and implemented plans through periodic reports, current reports, press releases, regular meetings with analysts and shareholder representatives, presentations, General Meeting of Shareholders,
Local communities of the investment's area	project websites, press releases, public consultations, meetings with local communities, employee volunteering,
Customers	phone calls, face-to-face meetings in sales offices, communication using the CRM contract management system, organizing local events
Subcontractors, suppliers and other contractors	informing about standards and applicable principles of co-operation, ongoing communication during co-operation, exchange of design and implementation standards, meetings, customer satisfaction surveys, website and social media channels (Facebook, LinkedIn, Instagram), meetings, conferences and training, conferences and industry events,
Media	company's website (special subpage) and other electronic channels, social media, interviews, press releases, company's press officer, on-going relations with journalists, conferences and press briefings, interviews, expert comments, direct meetings,
Industry organisations	co-operation on industry initiatives, information exchange, co-operation on social projects, co-operation within organisations and industry or company's ventures.



[2-28]

## Our membership in organisations and associations

Over the years, we have gathered unique experience and business knowledge. We share it by co-creating the development industry in Poland and promoting - through participation in associations - our best market practices or by providing opinions on new solutions. In 2022 we were members of the following organisations:

### Economic organisation

- British Polish Chamber of Commerce (BPCC)
- American Chamber of Commerce in Poland (AmCham Poland)
- The Lewiatan Confederation

### Real estate and industry organisations

- Polish Chamber of Commercial Real Estate (PINK)
- Polish Council of Shopping Centres (PRCH)
- Polish Association of Developers (PZFD)
- Proptech Foundation
- Urban Land Institute (ULI)
- Association of House and Flat Builders SBDiM (Archicom)
- Polish Association of Construction Industry Employers PZPB (Archicom)

### Other organisations

- Association of Stock Exchange Issuers (SEG)
- Association of Individual Investors (SII)
- Lepszy Służewiec Association
- ASPIRE — IT and Business Process Services Association

## Our **Ethics Policy** and results

## Ethics and values

Over 27 years in business, we have built an excellent brand in the market thanks to honouring our core values. As a company, we make every effort to strengthen our values and ethical conduct in our daily work. We know that we can only achieve business success in the mid- and long-term if we act every day on the basis of the ethics of all employees and business partners of our organisation. At the Echo Investment Group, we have proved over all these years of functioning in a highly competitive market that this is possible.

### Our values:

- › **efficiency,**
- › **competence,**
- › **honesty,**
- › **trust,**
- › **respect and responsibility.**

§ Our ethical standards are defined in the Code of Conduct, which clearly indicates what values constitute the foundation of our business, what behaviour we require of ourselves and how we treat our partners and other stakeholders. The Code also sets out how we deal with difficult situations, such as conflicts of interest, suspected irregularities, a corrupt proposal or working with cooperators with a bad reputation.

### What does the Code of Conduct cover?

- rules for conducting business, including a dialogue with stakeholders,
- due diligence and prudence in the selection of business partners,
- how to conduct external communications with the market (Investor Relations, Marketing, Public Relations),
- selecting and managing relations with subcontractors,
- countering human rights violations,
- diversity and anti-discrimination,
- basic working conditions and staff development,
- quality of services offered,
- relations with public authorities and the market (preventing conflicts of interest, countering corruption),
- data security,
- it confirms the Group's compliance with the Universal Declaration of Human Rights.

§ The provisions of the Code of Conduct were later clarified and detailed by a number of procedures, such as:

- Anti-Corruption Code,
- Safety and Environmental Policies,
- Data Security Policy,
- Risk Management Policy,
- Donations and Sponsorship Procedure,
- Whistleblowing Policy.

The most important documents regulating ethics in the Echo Investment Group are available at [en.echo.com.pl/s,41,strategia-i-lad-korporacyjny.html](https://en.echo.com.pl/s,41,strategia-i-lad-korporacyjny.html)



The Code of Conduct was implemented at Echo Investment in 2016 and at Archicom S.A. - in 2021. Preparing and defining the content of both documents was commissioned by the presidents of the relevant companies and adopted by unanimous resolutions of the Management Board.

The other mentioned codes and policies were also adopted by resolutions of the Management Board.

Ethics-related policies apply to our employees and associates, but also to contractors. In particular, we pay attention to cooperation with architects, who represent our company before state and local government institutions, and contractors, due to the fact that we are tied by contracts of significant value and time.

The principles comprised in the Code of Conduct apply to every employee of the Echo Investment Group - regardless of the length of service, position or level of responsibility. We provide our employees with the necessary support and materials so that they can learn about the ethical principles applied in our group.

At the same time, we try to ensure that all suppliers, subcontractors, brokers, business partners and other parties involved in the implementation of our projects comply with the principles set out in the Code. The obligation to familiarise with the Code of Conduct and the contractor's declaration of compliance with the provisions of the Code are mandatory elements of significant contracts signed by companies from our Group.



[2-26, 205-2]

## Mechanisms for requesting advice and raising concerns



### Ethics Committee

The Ethics Committee is an advisory body to the Echo Investment Management Board.

The Committee monitors the correct execution of the adopted codes, bylaws and other internal regulations - including the Code of Conduct and the Anti-Corruption Code - and recommends and verifies the correct execution of procedures (mainly related to donations and sponsorship). The Ethics Committee may also advise employees on matters relating to ethics and compliance with internal regulations.

The Ethics Committee in 2022 comprised:

- Maciej Drozd, Vice President, CFO,
- Rafał Zboch, Head of Legal Department,
- Emil Górecki, Communications Manager.

There is an analogous body in the Archicom Group as well.

## § Documents and procedures regulating ethics and responsibility within the Echo Investment-Archicom Group

- Code of Conduct,
- Whistleblowing Procedure,
- Anti-Corruption Code,
- Sponsorship and Donations Policy,
- Recruitment and employment procedure,
- Echo Investment's health and safety requirements.

All these documents together build a coherent system that allows us to counter unethical behaviour in the company.

[2-25]

## Reporting of ethical violations

Each person who becomes aware of irregularities relating to our business, including violations of the Code of Conduct or the law, is obliged to report it to us immediately. Stakeholders reporting violations of the law are guaranteed a full investigation of a matter reported and confidentiality. Reports may include, but are not limited to, ethics, law violations, corruption, fraud, money laundering, failure to follow internal procedures, leaks of protected information, taking excessive risks, as well as reporting acts of discrimination, mobbing, harassment and other violations of employee relations, among others.

We allow reporting through various channels, including:



Our employees can report violations directly to a supervisor, the Head of Legal Department or the Vice President, CFO.



Linia Etyki, an external company that receives reports by phone or email (also anonymously).

We investigate and clarify each of the reported cases, according to internal procedures. We reject or confirm the allegations raised in the reports and take remedial actions when necessary.

Our employees also have the opportunity to request advice or opinions on ethical issues from the Ethics Committee. This approach allows us to monitor risks and improve the existing regulations on an ongoing basis.

During the reporting period, we did not note any reports of irregularities concerning our activities, including violations of the Code of Conduct or legal regulations.

[2-24]

## Ethics training

We pay attention to providing our employees and associates with opportunities to deepen and consolidate their knowledge of ethics. Each year, each one of them goes through a mandatory public e-learning training course as part of developing knowledge and awareness of the role of ethical business conduct and compliance with procedures within the Echo Group. In addition to our training courses, we encourage everyone to share their concerns and insights with their superiors and colleagues. Being introduced to our ethical rules is also part of onboarding a new employee into the organisation.

As part of their ethics training, all our employees also gain knowledge of policies and procedures that take into account aspects of responsible business conduct, including human rights.

During the training, participants are reminded of, among others:

- rules on whistleblowing,
- procedures for reporting irregularities,
- rules on how to behave in situations that may raise doubts about our intentions (especially when concluding contracts, making donations, giving gifts and hiring in Echo),
- rules for mutual respect in the company,
- ethics in our daily activities,
- safety at work and environmental protection,
- rules of conduct in relation to clients,
- rules on conflicts of interest in the company.

The training course ends with an examination. As of 31 December 2022, 80 percent of the Echo Investment Group's employees and those who provide work for the Group under other contracts underwent our ethics training and passed the exam.

Training on counteracting corruption	Number of people	Interest
Management Board	2	40%
Employees		80%
<b>Communication of the anti-corruption policies and procedures in the organization</b>		
Management Board	5	100%
Employees		100%
Business partners*		100%

\* applies to Echo Investment significant contractors, primarily those providing construction, design and consulting services. In relation to contractors of the Archicom Group, such an obligation was introduced to significant contracts in the Q4 2022



## Anti-corruption activities

There is no consent to any form of corruption in the Echo Investment Group. Our company carries out development projects that depend on obtaining decisions from local governments and other public institutions. Each investment requires obtaining numerous approvals and permits from local authorities and other offices. We strictly adhere to the principle that all activities should be carried out in full transparency and by appropriately authorised persons. Before engaging in co-operation with individuals or entities that would co-operate with public authorities on our behalf (such as architects, designers or consultants), we carefully check their reputation, analyse business activities and relationships for potential risk. We never engage in any political or politics-related activities, and our contacts with representatives of local and state authorities and officials are purely official.

We also do not provide – directly or indirectly – any financial or material support for political goals and organisations.

In 2022, the value of any financial or in-kind support provided to political purposes and organisations carried out in the Echo-Archicom Group amounted to PLN 0.

§ The risk of corruption in our Group is managed in accordance with the following documents:

- Code of Conduct,
- Anti-Corruption Code,
- Risk Management Policy,
- Procedure for granting donations and sponsorships,
- Whistleblowing Policy.

There were no changes in corruption risk management in 2022.

In 2022, no case of corruption or even suspected corruption was identified in the Group.

## Communicating key ethics issues (critical issues) to the Management Board

We consider all negative actions related to the areas set out in the Code of Conduct to be critical issues in the Echo Group. This is our company's superior and source document for ethics. It regulates and explains to us the values and principles that guide our daily conduct at work towards colleagues, superiors and subordinates, business partners, government officials and others. At the same time, we strive to ensure that all suppliers, subcontractors, brokers, business partners and other parties involved in our projects follow the rules established by the Code.

The obligation to become familiar with the Code of Conduct and the counterparty's statement of compliance with the Code are mandatory elements of major contracts signed by companies in our Group.

From the Q4 2022, Archicom for all contracts worth more than **PLN 500,000**, with general contractors and package contractors, the Code of Conduct is attached.

Our stakeholders can report all critical issues, concerns and doubts about our business operations and violations of the Code of Conduct or the law – also anonymously. We cooperate with an external company, Linia Etyki, in this regard, and reports can be made by telephone or email. In addition, our employees can report problems or requests for ethics advice/opinions directly to their supervisor, the

In the reporting period, we did not note any reports of a critical problem.



Head of Legal Department or the Vice President, CFO. The Management Board is informed of all critical issues and is also aware of the next steps in the investigation and its results.

[2-15]

## Process ensuring that conflicts of interest of the members of the Management Board are avoided and managed

We conduct our business taking into account all stakeholders' interests as long as these do not conflict with those of the Echo Group. In the "Code of Conduct" and the "Anti-Corruption Code" we defined clear procedures on how to deal with difficult situations such as conflicts of interest, suspected irregularities, a corrupt proposal or working with cooperators with a bad reputation. They clearly indicate what values constitute the foundation of our business, what behaviour we require of ourselves and how we treat our partners and other stakeholders. These documents are public and available on our website [echo.com.pl](https://echo.com.pl) in the section Strategy and Corporate Governance. In 2022, we have not identified any such situations in relation to the members of the Management Board.

Conflicts of interest and transactions with affiliated entities are also systemised and regulated in Chapter 3 of the Best Practice for GPW listed companies 2021. The rules described therein apply to all entities of the Echo Investment Group. In 2022, we did not record any situations, even incidental ones, that were a derogation from the applicable Principles.

Information on conflicts of interest through personal relations, shareholding relations with suppliers and other stakeholders, relations with a major shareholder, affiliated entities and through other dependencies is disclosed to stakeholders.

[2-27]

## Regulatory compliance

We take responsibility for our relations with stakeholders, as well as for our projects and services provided. On an ongoing basis, we ensure that our activities comply with the law, with regulatory requirements, as well as with our internal regulations that set out clear rules of cooperation applying to both us and our stakeholders.

In 2022, we did not receive any reports of suspected fraud or irregularities. In 2023, we intend to launch an internal campaign to remind everyone about the whistleblowing system and its tools.

None of our companies were sanctioned for non-compliance with laws or regulations in 2022.



## Human rights

The Code of Conduct of the Echo Investment Group refers directly to the UN Universal Declaration of Human Rights.

We implement its ideas by systematically determining appropriate standards of conduct and introducing relevant internal regulations. Simultaneously, we consequently develop our Code of Conduct which regulates selected areas in the field of human rights.

### Selected human rights areas regulated by the Code of Conduct:

- compliance with the Universal Declaration of Human Rights,
- prohibition of the use of forced, slave or in any other way compulsory labour,
- prohibition of discrimination in any form.

Our internal regulations unequivocally prohibit any discrimination or violation of human rights, both inside the company and among its contractors, associates and other entities with which we work.

### § The Code of Conduct in the area of human rights is complemented by internal and external policies and rules and regulations of the Echo Investment Group, in particular:

- Employee Rules and Regulations of Echo Investment S.A. - including Appendix 2 to the Employee Rules and Regulations of Echo Investment S.A. (the principle of equal treatment in employment),
- Remuneration Policy of Echo Investment S.A.,
- Anti-Corruption Code,
- The Policy on entering into donation and sponsorship agreements.

At the Echo Investment Group, we also understand respect for human rights as respect for the right to privacy with particular emphasis on the protection of personal data, compliance with the rules of fair competition and compliance the rules by suppliers and contractors, and providing competitive salaries in relation to job offers.

Our policies prohibit human rights violations and all types of discrimination on the basis of gender, age, origin, religion, affiliation, belief or orientation.

We have not identified any group exposed to such risks in a materially higher way than others.

## Collective labour agreements

There are no collective agreements in the Echo Investment Group at any level, in any company or business part. This is due to labour regulations, the nature of its business and what type of employees are hired.





**We co-develop**  
**sustainable cities and spaces**



[500, 3-3]

## “Destinations projects” - revitalization of degraded spaces

“Destinations” are places that attract. Places where people can live comfortably, work well and spend their free time pleasantly. Creating such places in cities is an important part of our strategy. Projects such as Warsaw Breweries, Fuzja in Lodz, Towarowa 22 in Warsaw or Wita Stwosza in Krakow. are a wisely and responsibly designed fragment of the city.

We assume that the most important thing lies between the buildings. We strive to ensure that people use the city space not only at certain times, but all the time. This is facilitated by well-designed green public spaces and functions that most encourage people to interact — gastronomy, entertainment and retail.

Our projects open up inaccessible, degraded areas of cities and complement them with missing functions. They are created in accordance with the latest global trends in urban planning, such as: ecology, sharing economy, promoting public transport, walking and cycling. Green areas are another inseparable element.

# De sti nation

**51%** — this is the share of “destinations” projects in the total space of our projects under construction and in preparation





### City-forming function

A living area based on good transport facilities, shared spaces and people-to-people relations. The concept of the development goes beyond the project boundaries, it goes further. It connects with the city, its history, thinks about infrastructure, greenery, growth – it is a place that connects people, reduces tensions, allows them to live comfortably and sustainably.

### Good neighbourhood

A place open to its surroundings, so it is not fenced off from its neighbourhood. It allows users to take full advantage of what the location has to offer, with full urban infrastructure, cycle paths and pedestrian routes available alongside apartments.

### A good place to live

A place providing comfortable live and saves time. The concept of the project is to have access on foot to workplaces, shops, education and other most important services in a maximum of fifteen minutes. Bringing it to life means comfort and favours the environment – this way we reduce the need to travel by car.



The ‘destination’ idea extend a multifunctional 15-minute city concept that provides residents with access to the most important services within walking or cycling distance. This animates city life and reduces the need for intensive, everyday travel to distant districts, e.g. to work, to school or to go shopping.

#### Our ‘destinations’ projects:

**5** cities – Łódź, Poznań,  
Warsaw, Wrocław, Kraków

**11** projects

**7,004** apartments

**373,5 sqm**  
of office and usable space

## Case study

### Fuzja

Fuzja is a space catering to all kinds of daily needs: living, working, running errands, meeting friends or simply having a good time. Is poised to become the beating heart of Łódź. It is being developed over more than seven hectares of land that is rich in history, breathing new life into the beautiful post-industrial buildings of the former textile factory of Karol Scheibler, one of Lodz's greatest industrial tycoons. The impressive Art Nouveau power plant designed by Alfred Frisch is its absolute highlight. Lodz residents can already use the first open, generally accessible space in Fuzja — Anna's Gardens, with separate relaxation zones and arranged greenery.

Fuzja entered the next phase of works in 2022. In the northern part of the post-factory complex, two historic buildings will be revitalised and given a residential purpose. One of the buildings will be completely

**Location:** Łódź

**Design:** Medusa Group

renovated and 171 lofts will be formed inside. In the other building, we will revitalise the external historical walls, around which we will create a new building providing 160 loft-style inspired apartments.

We will restore the original walls of the historic buildings, including the original bricks from Łódź that were a distinctive feature of the factory buildings. We will also restore the cast-iron pillars, elements of the staircases and muntin bars in the windows. We will finish the shared spaces around the lofts and loft apartments in a minimalist style, involving the use of concrete, tempered steel and glass. One of the interesting solutions will be the adaptation of cast-iron pillars, which used to support the ceilings and will now welcome residents and visitors with an original colonnade.



Anna's Gardens in Łódź-based Fuzja closed the year 2022 with the distinction "Designed Humanly. A More Shared City." in the competition and campaign by Gazeta Wyborcza.

ZAPROJEKTOWANE  
**POLUDZKU**





## Case study

# Warsaw Breweries

**Location:** Warsaw

**Design:** JEMS Architekci

This is the first Echo Investment's 'destination' project, that was completed and fully put into use in 2021. Between Grzybowska, Wronia, Chłodna and Krochmalna streets in Warsaw, where the most famous beer in the country was brewed some years ago, the city flourish again. A well-designed place was created here, in which historical and modern architecture, private and public spaces, greenery and buildings all exist in harmony. Warsaw Breweries is an area that blends into the urban fabric, with apartments, offices, restaurants, city squares and gardens. This makes it an open and friendly piece of Warsaw. Warsaw Breweries started to bustle with life in the summer of 2021, when all the buildings, city infrastructure and social space were put into use.

In 2022, Warsaw Breweries consistently enjoyed the popularity and recognition of

residents, architects, urban planners, but also guests from all over the world visiting the place. As proof of their success, they were awarded further prizes - THE GRAND PRIX and the title of the best public space as part of the Architectural Award of the Mayor of Warsaw, the title of Accessibility Leader and the finalist of this year's MIPIM Awards in the Best Mixed-Use Development category, the Grand Prix of Build Europe, the best City Forming Project and Small Retail Format according to the Eurobuild CEE Awards, the best commercial space according to the Prime Property Prize, the best effective brand development and Food Hall according to the Food Business Awards, the best office interior according to the Global Architecture & Design Awards, the Architectural Award of Tygodnik Polityka for the best public space and the Grand Prix.



Warsaw Breweries wrapped up the year 2022 with the title of the best urban revitalisation in the world, receiving the prestigious MAPIC Awards 2022 in the Best Urban Regeneration category. The international recognition proves that the project was loved not only by residents of Warsaw.

Since the beginning of their existence, Warsaw Breweries has won a total of 31 awards.





## Case study

# Towarowa 22

Echo Investment and AFI Europe are co-owners of a 6.5-hectare investment area on Towarowa Street in Warsaw. It is the most attractive location in the heart of Wola, the most dynamically developing district of the city. In 2023, the investors presented a mixed-use project to be built here.

The heart of the quarter between Towarowa, Pańska and Miedziana Streets will be the over two-hectare Słowa Polskiego Park. Its name refers to Dom Słowa Polskiego (the Polish Word House) - a gigantic printing complex which operated here from the 1940s to the early 2000s. Both the architects from the JEMS studio and the investors wanted the project to preserve as many reminders of Wola's industrial legacy as possible. The rapid transformation of the district in recent years has effectively removed almost all historical references.

The Słowa Polskiego Park will encourage people to visit the project from Miedziana Street, surround a publicly accessible historic pavilion of the Polish Word House and will be located in the former production halls behind the pavilion. This is a worldwide unique solution that will allow to bring here a recreational function and greenery, while highlighting and making use of the elements of the old factory hall.

Around the park, buildings with apartments, offices, institutional rental apartments and a number of spaces for restaurants, shops and services will be created. The total usable area of the buildings planned here is just over 200,000 sqm. Such a large scale of the project and the land area will also allow for the restoration of disrupted grid of roads and pedestrian and cycling routes, as well as the construction of a fully developed urban infrastructure. The investors want to start this project's construction as early as 2023.

**Location:** Warsaw

**Design:** JEMS Architekci

Towarowa 22 is being developed according to a draft of the Local Spatial Development Plan, more than fulfilling its assumptions and requirements. Completing this plot with a compact and well-thought-out development makes it possible to meet the most important urban policies, which ensure that the city should not sprawl into its suburbs, that new development should prevent the creation of heat islands, retain rainwater and make use of it, while caring for the local cultural heritage.





## Our contribution to the urban infrastructure development

**We are expanding the public infrastructure, responding to the needs of cities and their inhabitants.**

[500, 3-3]

[203-1]

The buildings we implement often introduce significant changes to the functioning of its neighborhood - new users with their needs, different traffic patterns or new ways of moving. Therefore, each project is also an opportunity to introduce improvements, better quality of public space and adapt it to new conditions and needs. Each of our new buildings is also an investment in local infrastructure: roads, pavements, paths, green areas, and even educational and sports facilities.

### Urban infrastructure projects that we built in in 2022

- Renovation and reconstruction of a fragment of ul. Ordona in Warsaw, adjacent to the Stacja Wola residential project,
- Co-financing of a fencing hall at Primary School No. 340 in Warsaw's Ursynów district,
- Establishment of two flower meadows in Wrocław and Kraków and maintenance of four meadows established in 2021,
- Reconstruction of ul. Szczepanowskiego and ul. Nad Saganką in Poznań, near our residential project Nasze Jeżyce,
- Reconstruction of ul. Wronia in Warsaw (sidewalks, green areas) in the vicinity of the Warsaw Brewery project,
- Reconstruction of ul. Powstańców Śląskich in Wrocław (including underground infrastructure, road, sidewalks, bicycle path, traffic lights, bus stop), in the vicinity of the MidPoint71 office project in Wrocław.



## Case study

### Project Mokotów residential estate and the public school on ul. Konstruktorska

In 2021, we received the Warsaw City Council consent for the construction of a housing estate for approximately 1.6 thousand flats in Służewiec Przemysłowy, in the so-called of the special housing act. We have prepared a project to replace the oldest office buildings in the heart of the Industrial Służewiec district (in the vicinity of Wołoska, Konstruktorska and Domaniewska Streets) with modern residential buildings. Alongside them, we will build a primary school for 450 children at our own expense, which we will hand over to the city, we will move a high-voltage line underground along the Wołoska Street, we will create a park and we will invest in two additional green areas in the area as well as in road infrastructure. The housing estate's design makes it open and more accessible for pedestrians and cyclists.

**Location:** Warszawa

**Design of the residential estate:**

BBGK Architekci

**Design of the school:** WWAA

In 2022, we focused on executive designs for all accompanying investments and the first residential buildings. Applications for building permits were submitted in 2023.

The most important accompanying investment for this project is a public primary school for 450 children, which goes far beyond the requirements of the Special Housing Act. It will be the first public school in Poland built for local government by a private investor. The school was designed by the renowned WWAA architectural studio under the supervision of Natalia Paszkowska - co-author of Warsaw standards for educational institutions. The Mokotów Project is an excellent example of the efforts of a private investor,





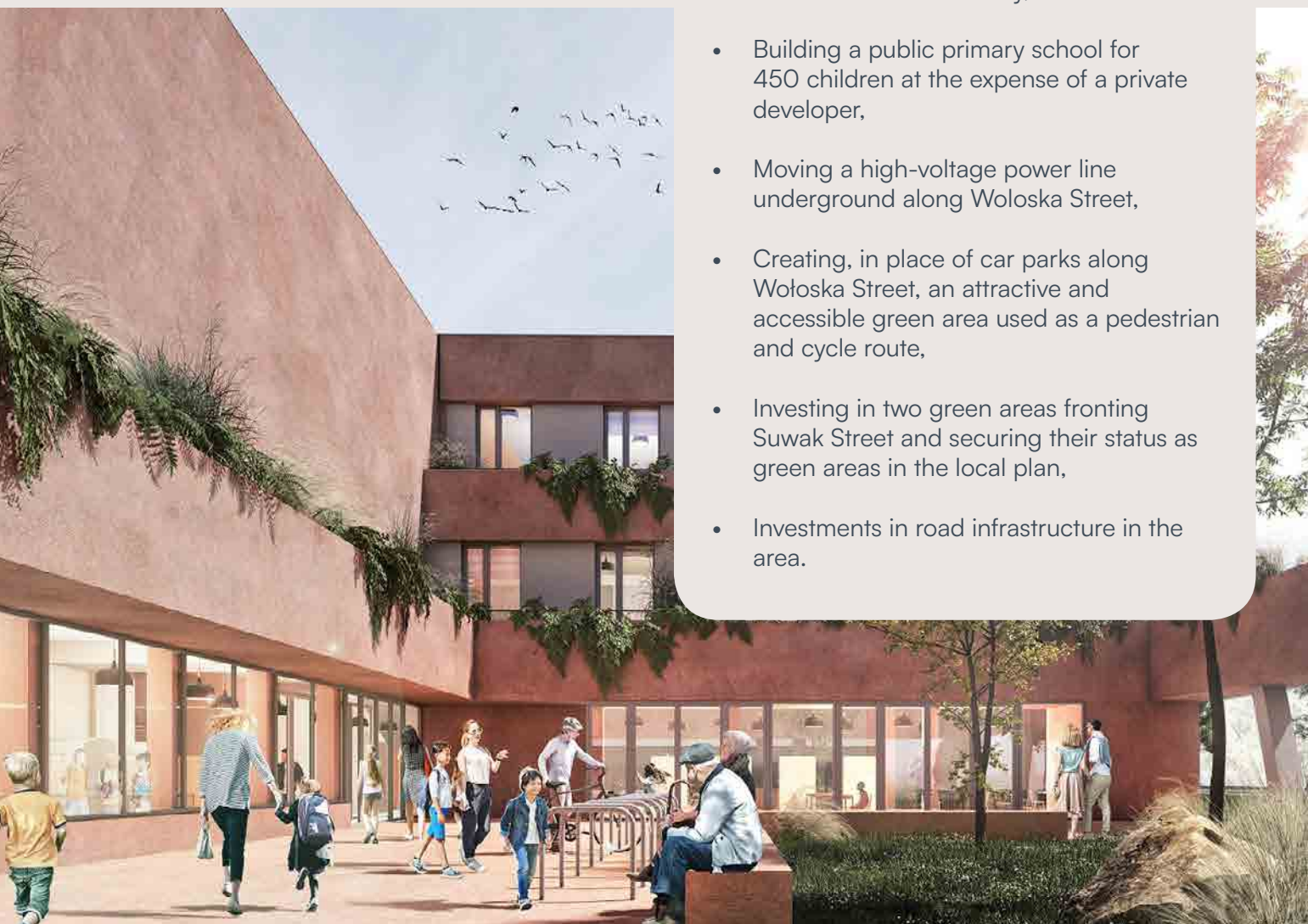
in cooperation with the city authorities, to improve the functioning of a significant part of the district.

The local masterplan adopted in 2012 provides only for office development in this place, but since its adoption, its assumptions have become obsolete. The mono-functionality of a given place is a great obstacle for living in a metropolis — as it limits, for instance, the life of a given part of the city to specific times of the day and days of the week, it triggers the accumulation of traffic at fixed hours or the lack of impulses for the development of social infrastructure. Changing the local urban development plan is possible, but such processes take many years, and changes in Służewiec district were needed now. The special act mode allowed for a significant

acceleration of the repair of the urban tissue. The whole process was very transparent, as the project gained the support of the Mokotów District, the local community and, as a result, the consent of the Warsaw Council only following extensive consultations.

### Public investments for the community of Służewiec

- Bringing more balance between functions of buildings in the area: moving away from office mono-functionality,
- Building a public primary school for 450 children at the expense of a private developer,
- Moving a high-voltage power line underground along Wołoska Street,
- Creating, in place of car parks along Wołoska Street, an attractive and accessible green area used as a pedestrian and cycle route,
- Investing in two green areas fronting Suwak Street and securing their status as green areas in the local plan,
- Investments in road infrastructure in the area.



## CitySpace provides a good working space

[500, 3-3]

CitySpace, owned by us - one of the largest providers of flexible offices in Poland - offers flexible serviced offices, coworking, virtual address for companies, elegant meeting rooms or separate offices for start-ups. CitySpace currently consists of more than 3,500 workstations in 12 locations with a total area of 25,000 sqm, and is now actively operating in 5 cities in Poland: Warsaw, Wrocław, Cracow, Katowice and Gdańsk.

- CitySpace's offices support ESG assumptions, adapting to a new challenging economic situation. The provider chooses to locate its centres in the highest A-class office buildings, where sustainable construction, quality and ecology are all standard, confirmed by the BREEAM rating of Excellent or Very Good.
- **77%** - that much electrical energy used by all CitySpace offices came from renewable sources. We continue to work on increasing this ratio.

In 2022, the network added its twelfth location - CitySpace MidPoint71 in Wrocław, built by Echo. The fruit of the provider's many years of design experience, it is a mixed-use space where a homelike character blends with modern touches, including metal mirrors designed by Oskar Zieta.

In the past year, CitySpace also decided to survey the level of satisfaction of clients that use the centres all over Poland. According to them, professional care from specialists, trusted, long-standing suppliers and the level of service is what makes clients stay with CitySpace longer and more likely to recommend their services.



In the client satisfaction survey carried out in 2022 by the Biostat Research and Development Centre with 226 tenants, the level of service of CitySpace, on a 10-point scale, reached a score of 8.5.



### Insights from the expert

**Lisa Zettlin**

Managing Director of CitySpaceDirector

*CitySpace is the undisputed leader among flex-office operators in Poland. We are modifying our portfolio, setting new goals and adapting our services to the needs of our clients. I am convinced that serviced offices are a great alternative for companies looking for flexibility, a stable place to work. Many discussions in business are about changing costs of running offices, but ESG is an equally important issue. More and more, green solutions are a key motivator in choosing our center. And thanks to our location in Class A office buildings, whose developers have sustainable construction in mind, the quality and ecology is our standard.*







## Offices ready for action

Echo Investment's cooperation with tenants does not end with the signing of their contracts. The team of interior designers (fit-out) supports companies choosing spaces from Echo Investment in coordinating the office finishing process. It is responsible for coordinating the preparation of office space for tenants, cooperation with architects and contractors. We know how to create places to work that are not only functional but also inspiring. Turnkey offices are our speciality.



Warsaw-based Echo Investment's office Warsaw Breweries was awarded the title of best office interior by the Global Architecture & Design Awards in 2022. We moved in here in 2021, but its standard and arrangement continues to be highly popular and impresses employees and visitors.

These include a representative lounge, spacious and functional meeting rooms or an open-plan office space. The main inspiration for office designers was provided by the film 'Inception', directed by Christopher Nolan.

In 2022, our team delivered **40** fully arranged co-working spaces totalling over **65,000 sqm**. These included offices for companies such as PepsiCo, Codelab, 3M, PwC, Fujitsu Poland and CitySpace.

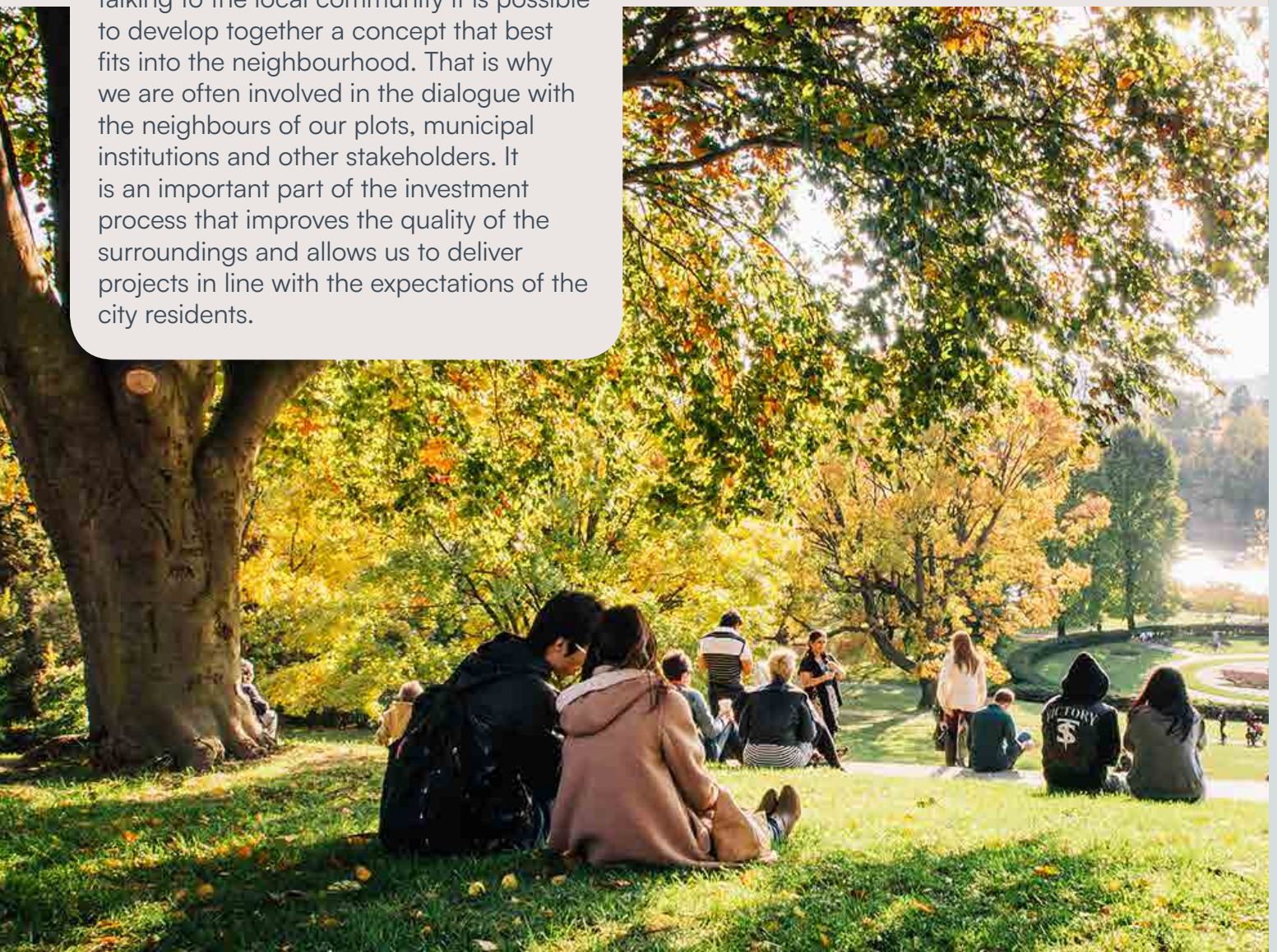


## We conduct social dialogue

[500, 3-3]

We build relationships with stakeholders based on transparent communication, openness and mutual respect. We take into account every opinion that is presented to us both during face-to-face meetings, as well as via e-mails or phone calls. The implementation of development projects often affects the daily functioning of the neighborhood. That is why we conduct a dialogue with our neighbors, clients and other stakeholders, providing them with the information they need and responding to current needs.

Based on experience, we know that by talking to the local community it is possible to develop together a concept that best fits into the neighbourhood. That is why we are often involved in the dialogue with the neighbours of our plots, municipal institutions and other stakeholders. It is an important part of the investment process that improves the quality of the surroundings and allows us to deliver projects in line with the expectations of the city residents.





## Case study

# The Przasnyska project - social dialogue according to the housing special act

**Location:** Warsaw

**Design:** WWAA

In 2022, we held a public dialogue on a planned residential development at Przasnyska Street in Warsaw. The project can be developed in the context of the so-called housing special act, which allows for a points-based modification of the local plan by building a residential development in a place where the plan does not provide for it. This is possible after a number of conditions have been met, the most important of which are conducting the so-called dialogue about the project with the local community, proposing additional investments for the local community and, finally, obtaining the consent of the City Council (in this case the Warsaw City Council) for a local plan amendment.

In return for the possibility of building the project with about 200 apartments, we offered to provide the local government free of charge with premises for a public preschool for about 50 children and to arrange a piece of linear greenery adjacent to the project. Following the instructions of the Mayor of Warsaw, we conducted a social dialogue. We communicated the intention through the media, the project website, social-media, through local associations and district councillors. In June, August and September 2022, we held three meetings: two informative and consultative (live and online), followed by a research walk in the area and a workshop on the development of the green space and the surrounding area. Throughout this time, interested parties were able to submit their comments and requests via, among other things, a form on the project website. The website was updated on an ongoing basis with answers to the most frequently asked questions.





#### Social dialogue statistics

**40** — people attended the in-person meeting about the project in June

**65** — tyle osób wysłuchało prezentacji projektu online w sierpniu

**227** — times the presentation was viewed on the YouTube platform, by mid-September (for the submission of this dialogue report)

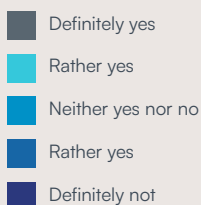
**12** — people participated in the research walk around the project site and in the workshop about the development of the neighbouring linear green space,

**52** — comments and questions were submitted via a form on the project website. Responses to these questions were also posted on the website.

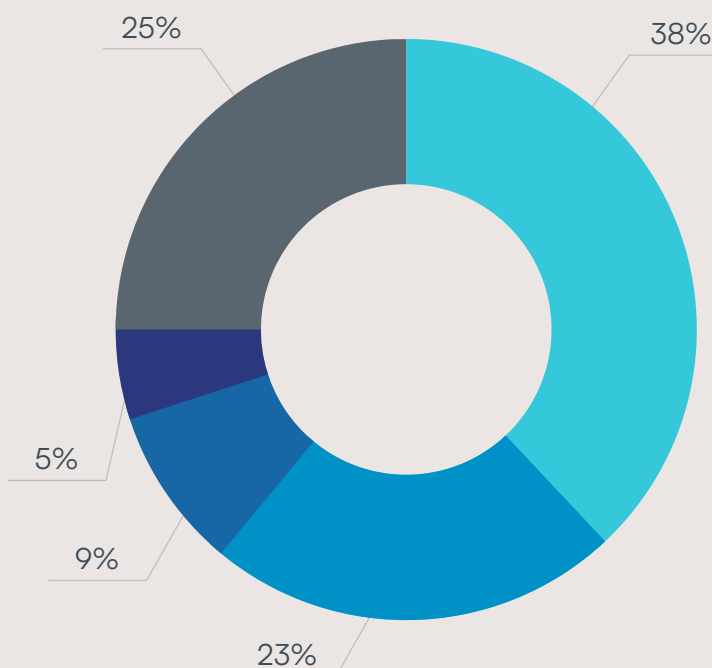
In addition, we commissioned an independent research company to survey the opinions of residents of Żoliborz who live in close proximity to the planned project area about the project. An overwhelming number of residents supported the project and felt that it would benefit the area.



## Will the Przasnyska project proposed by Echo Investment benefit Żoliborz residents?



Source: Opinion survey of Żoliborz residents carried out in December 2022 on a group of 1,000 people by the IQS Group



## As a result of the dialogue, the project proposal was modified:



We propose to build a separate public preschool pavilion for about 100 children, more than twice the number required by the special act,



We want to develop the entire linear green area of more than 6,000 sqm, i.e. for more than five times the amount required by the special act.

Due to the significant increase in the scope of the project for the community, the residential building was also modified in order to maintain the economic soundness of the project: about half of the roof area was raised by about 2 m, allowing an additional storey to be designed.

## Management of complaints and remarks

Our projects are most often constructed in an urbanised area and therefore they affect their neighbours, the functioning of transport and aesthetics. We pay attention to ensuring that construction sites do not inconvenience their neighbourhood, although it is not always possible. In order to monitor reported inconveniences better, as well as to manage them in the best possible way, we have been implementing a reporting system for requests in our company since the beginning of 2022. This allows us to react quickly and then analyse problems and improve our workflow.

In 2022, we recorded 54 complaints and objections throughout the Echo-Archicom Group - mainly from neighbours of our projects. For each one, we took action to clarify and solve issues. Once appropriate action was taken, 100 percent of the reports were closed. In 2023, we intend to develop our complaints reporting system to manage them quicker and more efficiently and to try to prevent them systemically.



**Stable employment**

## Employment structure and diversity management

Over the years of operation, in Echo Investment Group we gained a lot of experience from the main segments of the real estate market and has completed development projects in several dozen cities in Poland. It is an asset of high value for our future, which we developed and reinforced by a strong and stable team of managers, specialists and experts in many fields that we have in the company.

We have 576 employees due to employment contracts and 63 people perform work for the Group due to contracts other than employment contracts (as at 31 December 2022). Experience of the team, knowledge, way of working and individual point of view are the strength of the Echo Group and the foundation of our success. Our team building policy is focused on the competence of candidates and their talents, regardless of age, gender, nationality, level of fitness, social status, religion, sexual orientation or views. Differences boost creativity, openness to change and help make better decisions. The diverse team of the Echo Investment Group means that the company has the ability to understand diverse needs of customers and it is the source of our competitive advantage. As a result, we create increasingly better places where satisfied residents, tenants, employees and users can build robust communities.

[2-7]

Our employees include people who have been working with us since the company's inception, and the average length of service in the Echo Group is six years. This is a very good result in an industry as competitive as ours.

### Number of employees and number of employment contracts in the break-down to type and duration of employment:

<b>Number of employees</b>	<b>576</b>
Women	323
Men	253

<b>Employment contracts</b>	<b>576</b>
definite-term contract	96
Women	59
Men	37
indefinite-term contract	480
Women	264
Men	216
<b>Full-time employment</b>	<b>536</b>
Women	309
Men	227
<b>Part-time employment</b>	<b>19</b>
Women	5
Men	14
<b>Other job type</b>	<b>21</b>
Women	9
Men	12

[2-8]

We co-operate on a permanent basis with 63 people on the basis of contracts other than employment contracts. This mainly applies to qualified professionals and experts who provide consulting services (e.g. lawyers). However, the formal relationship does not change the way they are treated - all those who perform work for us, regardless of the type of contract, have similar rights, obligations or access to benefits.

### Other than employment contracts (UoP)\*

Kobiety	14
Mężczyźni	49
<b>Razem</b>	<b>63</b>

\* employees not included in the total number of people employed in the Group

**576** - so many employees we have due to employment contracts and **63** people perform work for the Group due to contracts other than employment contracts

as at 31 December 2022

## Employees turnover

Total number of new employees hired by the organisation during the reporting period, in the break-down to	
<b>Sex</b>	
Women	49
Men	34
<b>Total</b>	<b>83</b>
<b>Age</b>	
Up to 30 years	34
30-50 years	42
Above 50 years	7
<b>Total</b>	<b>83</b>
<b>The rate of new employees hired in the organisation in the reporting period, in the break-down to *</b>	
<b>Sex</b>	
Women	0.09
Men	0.06
<b>Age</b>	
Up to 30 years	0.07
30-50 years	0.01
Above 50 years	

Total number of employees who left the organisation during the reporting period, in the break-down to:	
<b>Sex</b>	
Women	121
Men	61
<b>Total</b>	<b>182</b>
<b>Age</b>	
Up to 30 years	42
30-50 years	121
Above 50 years	19
<b>Total</b>	<b>182</b>

Due to the downturn in the economy, primarily in the real estate sector, lower number of new projects under construction and a decrease in apartment sales, in 2022 the employment in the Echo Investment Group was reduced in order to maintain profitability and maintain business stability.

Employee turnover** in the reporting period, in the break-down to:		2022 [%]
<b>Sex</b>		
Women		0.21
Men		0.11
<b>Total</b>		<b>0.32</b>
<b>Age</b>		
Up to 30 years		0.07
30-50 years		0.21
Above 50 years		0.03

\* Rate calculated according to the formula: number of employees of the particular group / number of total employees

\*\*Rate calculated according to the formula: number of employees who left the organization in a given group/number of all employees in the organization



We help combine professional and parental responsibilities and we try to facilitate the return to work after a long break caused by caring for a child. In 2022, 17 women in the organisation back from parental leave.

#### Employees who returned to work after parental leave in 2022:

Women	17
Men	0
<b>Total</b>	<b>17</b>

#### Total number of employees who returned to work after parental leave in 2021 and were still employed 12 months after returning to work:

Women	10
Men	1
<b>Total</b>	<b>10</b>

#### Return to work rate \*

	[%]
Women	0.59
Men	0.0

#### Retention rate of employees who took parental leave \*\*

	[%]
Women	0.9
Men	0.0

\* return to work rate = (total number of employees who returned to work after parental leave / total number of employees who should return to work after parental leave)

\*\* employee retention rate = (number of employees employed in the organisation 12 months after return from parental leave / total number of employees who returned after parental leave in the previous reporting period)

#### Total number of employees who entitled to parental leave in 2022:

Women	36
Men	18
<b>Total</b>	<b>54</b>

#### Total number of employees who took parental leave in 2022:

Women	36
Men	0
<b>Total</b>	<b>36</b>



[405-1, 3-3]

**Diversity of people  
in management  
bodies  
(Management  
Board and  
Supervisory Board)**

	<b>2022 [%]</b>	
	Management Board	Supervisory Board
<b>Sex</b>		
Women	20	7.1
Men	80	92.9
<b>Age</b>		
Up to 30 years	0	0
30-50 years	50	42.9
Above 50 years	50	57.1

**Diversity of  
employees**

	<b>Number</b>	<b>Percentage</b>
<b>Sex</b>		
Women	323	56
Men	253	44
<b>Age</b>		
Up to 30 years	132	23
30-50 years	371	64
Above 50 years	73	13
<b>Position</b>		
Senior management	10	2
Managers	128	22
Other employees	438	76

[406-1, 3-3]

Diversity principles in our Group is regulated by the Code of Conduct. According to its provisions, we do not allow any sort of discrimination. We provide equal rights and opportunities for everyone, regardless of race, colour, gender, nationality, religion, ethnicity or other characteristics. The principle of equal treatment in employment is also regulated in Appendix 2 to the Work Regulations of Echo Investment S.A. in 2022,



## Employee compensation process

The principles of ensuring competitive salaries in relation to job offers in other companies are specified in the Echo Investment's Remuneration Policy. According to it, employees are remunerated in a manner that takes into account the importance of the position held, as well as skills and competence. The adopted payroll policy allows us to build a team of loyal and motivated employees.

The remuneration of each employee results from his/her role in the organisation and the assessment of his/her individual performance. We believe that job evaluation is the basis for fair remuneration: positions with greater responsibility – are better remunerated. Employees' salaries do not in any way depend on the gender, age, nationality or length of service of the employed person.

Salaries are set individually for each employee within the agreed salary range. The salary ranges are determined on the basis of market data received from specialist companies and amount to 80-120% of the median salary on the market. The salary consists of a fixed component and a bonus that each employee has a chance to receive. In 2022, bonuses related to sales were paid on a monthly and quarterly basis, while other departments received an annual bonus depending on the achievement of individual goals and the overall annual result of the organisation.

## Remuneration adequate to responsibility

We make sure that the database of positions is up-to-date, and we evaluate on an on-going basis new or changed roles as well as consistency with the standards in the real estate industry. We facilitate to employees to move internally between teams and departments, giving space for development in new roles and increasing responsibility, not only through vertical promotions. We are convinced that such a solution ensures high motivation, retention of talents and long-term development of the organisation, as well as supports the exchange of knowledge and building cross-functional co-operation

The amount of remuneration depends not only on the formal place in the structure of the Echo Group, but also to a large extent on the number and importance of duties, competence, experience, degree of responsibility and development potential.

When evaluating individual positions, we use the so-called Kornferry Hay's method, which takes into account:

- › **skills** — that is, the qualifications and knowledge required for a given position,
- › **initiative and creativity** — i.a. in terms of problem solving, analysis, creating new solutions,
- › **responsibility** — considered in three areas: freedom of action, financial responsibility in a given position, influence of position on the company's financial results.





## Job evaluation and salary calibration

Each position in the company has a valuation and a salary range determined on the basis of the above factors. We make sure that individual salaries within a given salary range are differentiated only on the basis of competence and quality of work, and not according to gender, nationality or other personal criteria. The process of job evaluation and salary calibration started at the Echo Group in 2017. As a result, it was possible to significantly reduce the differences in salaries for positions of similar value to the company. This process has also reduced the pay gap between men and women who hold similarly high-profile positions.

HR Director is responsible for the remuneration process. External consultants are involved in the remuneration process. There are no stakeholders involved in the process.

[2-18, 2-19]

## Remuneration policy

The remuneration policy implemented in the Echo-Archicom Group meets all legal requirements and support the development and security of the Group. It complies with the principles of sound and effective risk management, prudent capital management and the business strategy, objectives, values and long-term interests.

Our compensation practices embrace diversity, attracting and retaining the best-qualified employees with a competitive total benefits package that includes base salary, bonus schemes and attractive additional benefits.



Our remuneration rules are governed by:

- Regulations of remuneration and bonuses in companies from the Echo Investment Group
- Remuneration policy for members of the Management Board and Supervisory Board of Echo Investment S.A.
- Remuneration policy for members of the Management Board and Supervisory Board of Archicom S.A.

## The Management Board Members remuneration policy

Members of the Management Board receive remuneration and bonuses in accordance with the remuneration model described in the 'Work Rules of the Management Board' adopted by the Supervisory Board in a resolution of 21 March 2013. The bonus system is based on an agreement in accordance with the MBO methodology (Management by Objectives) and it is related to the company's results. Each Member of the Management Board may receive an annual bonus expressed in a multiple of monthly basic salary, depending on the key business objectives which he/she has an influence on in the scope of their responsibility. At the same time, all Members of the Management Board have common goals, the execution of which below the expected level will result in a reduction of the bonus. The amount of remuneration and bonuses of Management Board Members is confirmed by a resolution of the Supervisory Board every time.

The assessment of the Management Board performance is an autonomous decision of the Supervisory Board. In Echo Investment S.A. there is no practice of evaluating the Management Board performance by external auditors or advisors. The assessment of the Management Board's performance in 2021, made after the adoption of the financial statements, did not require the Supervisory Board to take any extraordinary actions related to the composition of the Management Board, responsibilities of individual members of the Management Board or organization of work.

The remuneration of a Member of the Management Board may consist of the following elements:

- basic salary,
- variable remuneration - annual bonus,
- variable remuneration - long-term bonus,
- other cash benefits,
- non-cash benefits

Members of the Management Board may be covered by the Employee Capital Plan (PPK) on the terms set out in the law.

There are no agreements concluded between the Company and executives, providing for compensation in case of their resignation or dismissal from their position without an important reason, or if their dismissal occurs due to a merger of Echo Investment S.A. or due to an acquisition.

The detailed conditions of employment and remuneration of members of the Management Board are determined as a resolution of the Supervisory Board.

### Long-term bonus agreement

In 2021 and 2022, the Company signed a long-term bonus scheme with the members of the Management Board: Nicklas Lindberg, Maciej Drozd, Rafał Mazurczak and Małgorzata Turek, as well as Waldemar Olbryk, the President of Archicom S.A., agreements on the terms of additional incentive remuneration in the form of a long-term bonus. Such additional remuneration is pursuant to the Remuneration Policy.

The amount of the bonus will depend on the increase in the value of the Company as measured by the sum of dividends paid and the increase in the share price on the Warsaw Stock Exchange during annual evaluation periods. The long-term bonus is to be delivered in the Company's shares (either existing or newly issued) annually, at the end of the evaluation period, or if this is not feasible, it will be paid at one time in cash at the end of the five-year (or seven-year if extended) scheme period. In the event of a material change in the shareholding structure, the long-term bonus will be paid at one time after such an event.

Details of the agreements on the terms of the additional remuneration are described in the Management Board Report of the Echo Investment Group in the section "Remuneration of the Management Board and Supervisory Board".

[2-21]

### Annual total compensation ratio

**43%** — this is the ratio of the total annual compensation of the best-paid person\* in the Echo Investment Group to a median annual total compensation for all employees and associates\*\* (excluding the best-paid person).

**91%** — this is the ratio of the percentage increase in annual total compensation for the best-paid person\* in the Echo Investment Group to a median percentage increase in annual total compensation for all employees and associates\*\* (excluding the best-paid person).

\*the compensation of the best-paid person in the Echo Investment Group, according to the remuneration report of the Management Board and Supervisory Board, consists of the sum of all components, i.e. base remuneration, bonuses, and benefits

\*\*the compensation of employees and associates, according to the remuneration report of the Management Board and Supervisory Board, consists of the average annual remuneration of employees who are not members of the management or supervisory boards on a full-time basis

[405-2, 3-3]

### The ratio of base remuneration of women to that of men

The ratio of the average monthly basic salary of women to men employed by the Echo Investment-Archicom Group on employment contract (without the Management Board) at the end of 2022 is 70.5 percent.

Average monthly base salary in the Echo-Archicom Group without the Management Board:	As at 31 December 2022
<b>Total</b>	<b>PLN 9,565</b>
Women	PLN 8,045
Men	PLN 11,410

The differences between the average total salary of women and men in the company result from the employment structure and the labour market. A significant part of the employees are engineers who, due to their high responsibility, are highly paid on the market. Taking into account the characteristics of the labour market and technical education in Poland, the overwhelming part of engineers are men. For this reason, the issue of equal remuneration in the Echo Investment Group should be analysed based on the job evaluation described below.

### The ratio of base remuneration of women to that of men occupying a similar positions in Echo-Archicom Group:

	women vs men [%]
Junior specialists	107
Specialists	89
Managers	92
Directors	101

The ratio of the average total remuneration (with bonuses and additional benefits) for 2022 of women and men on the Management Board is 58 percent.

[401-2, 3-3]

In addition to an attractive salary, we also offer employees a non-wage benefit system. These include:

- life and health insurance,
- private medical care,
- internal and external specialist training,
- retirement benefits,
- bonus system,
- co-financing for a sports activity,
- a fixed budget to be used for recreation and culture,
- social and random benefits from the Company's Social Benefits Fund,
- the possibility of purchasing products with a discount from our contractors,
- team-building events.

The majority of benefits can also be used by our employees on contracts other than employment contracts.



# Development and well-being of our employees

[404-1, 3-3]

Employees of the Echo-Archicom Group spent 9,801 hours improving their skills through external training in 2022 (compared to 3,632 in the previous year, but the comparative year did not include data from Archicom).

## Training and education in numbers:

**121** training courses

**294** training days

**9,801** training hours

**15** training hours per employee for the entire year\*

**Average number of training hours attended by the Echo-Archicom Group employees during the reported period:**

<b>Total number of training hours</b>	<b>9 801</b>
---------------------------------------	--------------

<b>Average number of training hours per employee</b>	<b>15</b>
--	-----------

**by gender:**

Women	14
-------	----

Men	17
-----	----

**by employment category:**

Senior management	7
-------------------	---

Women	11
-------	----

Men	6
-----	---

Managers	21
----------	----

Women	26
-------	----

Men	18
-----	----

Other employees	14
-----------------	----

Women	12
-------	----

Men	16
-----	----

\*employees on Employment Contracts and other contracts

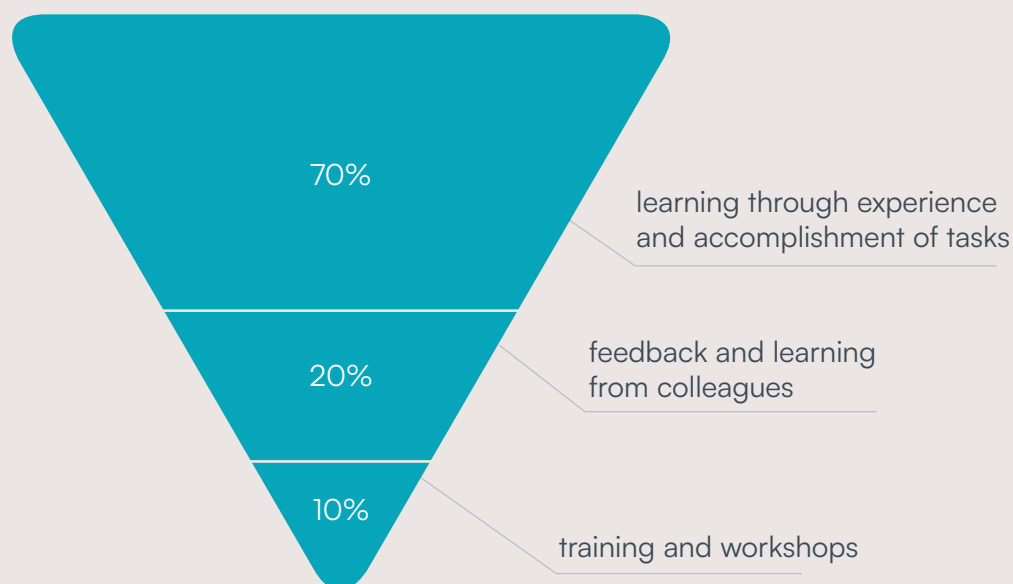


We grow competences of our employees using various forms and development tools. We share knowledge and skills through internal training and cooperation in interdisciplinary teams, we raise qualifications by participating in conferences and external trainings. We design trainings plan to be able to use the acquired knowledge and skills in everyday work. We are present at industry events.

**In developing the competences and skills of employees, we follow the 70-20-10 principle:**

The training program is created on the basis of business needs reported by team managers on an annual and ad hoc basis. One of the key initiatives in 2022, addressed directly to managers, was training to reinforce leadership competence. Team managers were trained in building employee motivation, in providing feedback and in conducting effective development conversations.

In 2022, we conducted some of the trainings in the online formula. An important element was the sharing of knowledge between employees and the exchange of good practices within the group.



# Professional competence development programs at the Echo-Archicom Group

## Expertise knowledge

Strengthening and developing skills and updating knowledge are integral parts of our work. We enable our employees to participate in customized training courses in soft skills and specialized knowledge. Employees of the Echo-Archicom Group attended training courses on such topics as the introduction of the “Polish Deal” and real estate tax in the real estate industry with elements of investment accounting, changes in the Labor Code, mapping of personnel processes, implementation of diversity&inclusion policies in the organization, implementation of projects in the construction sector, contract valorization, securing the interests of parties, legal challenges or finance. They also participated in time management and assertiveness training, strengthening their ability to communicate, listen to others and respond appropriately, regardless of whether they agree with someone’s opinion.

- › Number of employees trained: **15**
- › Skills strengthened: tax and labour law, finance, assertive communication and increased self-confidence.

## Feedback

We care about a culture of open communication. Considering the importance of building leadership authority, in the first quarter of 2022, we organized a training course on giving feedback to managers of the Echo-Archicom Group. It also prepared for annual development interviews (Personal Development Review - PDR) with employees. Thus, we solidified the ability to communicate empathetically.

- › Number of employees trained: **111**
- › Competencies strengthened: leadership, effective communication.

## Individual development of managers (support in new roles)

In 2022, four Echo Investment employees participated in a managerial training series consisting of 5 sessions organized by ICAN Institute. The purpose of the training was individual professional development after taking on a new role and expanding the area of responsibility. Managers were trained in essential managerial skills, communication with a team, motivation and commitment or self-management, among others.

- › Number of employees trained: **4**
- › Competencies strengthened: leadership, effective communication.



## Safe driving

For a great number of our employees, business travel - including by car - is a daily occurrence. In order to improve their safety and strengthen their competence, in 2022, we carried out training in improving driving techniques for Echo Investment employees.

- › Number of employees trained: **109**
- › Competencies strengthened: awareness of safe driving techniques.





## Strengthening the role of women in business

Through training and competence development, we strengthen the role of women in our organization. We promote their business achievements and support them in developing their competencies. In 2022, our female colleagues from Echo Investment attended a series of training by the Business Women Leaders Foundation, which prepares women to take on higher management roles in the organization. Their achievements gain recognition in such competitions as Top Woman in Real Estate, and some also participate, or become mentees, in the Top Woman in Real Estate mentoring program.

- › **Training for female managers preparing to take on senior management roles**
  - Number of employees trained: 4
  - Competencies strengthened: leadership, management.
- › **Top Woman in Real Estate 2022 competition**
  - Marlena Stańczyk, Marketing and PR of commercial projects at Echo Investment (nomination in category: Marketing & PR).
- › **Top Woman in Real Estate Mentoring Program**

Dedicated to ambitious women who want to gain or share knowledge with other women in the real estate industry. Provides an opportunity to exchange knowledge and experience during meetings and trainings with female leaders in the real estate industry.

  - Agnieszka Krawczynska, Fit-Out Client Director at Echo Investment (as mentee),
  - Judyta Sawicka, Head of Investment and Divestment at Echo Investment (as mentor).



## Client service

In 2022, we continued our training series for Echo Investment's residential sales managers and client advisors. These were practical training based on analysis of actual client service situations. Warranty service employees also attended similar training sessions. Their purpose was to improve communication and cooperation with clients and deal with stress at work.

- › Number of employees trained: **61**
- › Competencies strengthened: professional client service.

## LinkedIn — personal and employer branding

In the last quarter of 2022, employees of the commercial projects department participated in training on corporate branding and personal branding in social media. Moreover, several of Archicom's marketing team members also participated in training on effective social media advertising and internal communications planning.

- › Number of employees trained: **55**
- › Competencies strengthened: personal branding, social media advertising.

## Public speaking

We organized public speaking training for employees from Echo Investment's commercial department to help them present complex information in a clear, interesting and understandable way.

- › Number of employees trained: **17**
- › Competencies strengthened: public speaking, self-presentation.

## Risk management in projects

At Archicom, we continued the project management topic that started in 2021. Based on our internal Risk Management Policy, in 2022, we organized a two-day training on risk management in projects. Participants mapped and assessed risks, discussed actions, and developed tools to identify opportunities and threats that could affect project implementation.

- › Number of employees trained: **56**
- › Competencies strengthened: risk management, analysis.

## Effective communication for construction workers

In 2022, we invited site managers, construction managers and project coordinators of Archicom's residential projects to participate in a training course on communication with employees.

- › Number of employees trained: **15**
- › Competencies strengthened: effective communication.



## Other internal training (not included in the number of training hours)

### Ethics

Every year, based on the Code of Conduct and other internal documents and policies, we organize ethics training for every employee in our Group (both those under employment contracts and associates under other contracts). The training ends with a knowledge verification test.

- › Percentage of trained employees and collaborators as of 31 December 2022: **87 proc.**
- › Competencies strengthened: work ethics, anti-corruption.

Ethics training is not included in the total number of training hours. Completion of the training and test is conducted annually and is also part of onboarding for new employees.

### Business applications

Training in business tools helps develop the skills and knowledge required to perform current tasks in the company. Archicom organizes such training periodically for all its employees.

- › Number of employees trained: **67**
- › Competencies strengthened: knowledge of business applications.

In 2022, as part of the digitization process, Archicom automated the training process in its unit by introducing an electronic workflow of training applications.





## “Welcome on board”, that is, onboarding of new employees

In our Group, we care about the development and education of not only long-standing employees but also new employees. Good onboarding plays an important role. It is estimated that a new employee needs a minimum of three months in the organization in order to be introduced to work. This process is successful when they feel fully adapted and are able to perform 80-100 ptc. of their tasks without external support. In our Group, we are constantly improving the onboarding process. It starts as early as during the recruitment process, particularly its final stage. This is when the new employee gets to know the organizational structure and his team.

### The first days of work at the Echo Group

- › company-wide induction
- › job induction
- › IT training
- › OHS training



As part of their induction into the Archicom housing company, new employees learn about the process of building residential developments. The “Investment Walk” program lasts about three hours.

In addition to the necessary meetings, during onboarding, we show new employees their workplace and introduce them to people. Throughout the process, a key role is played by the direct manager, the closest team, the HR Department and the so-called buddy - a colleague who will help navigate the company at the beginning. After the implementation is complete, new employees fill out a survey in which they can share their impressions and feelings. Their opinion is extremely important and allows us to continuously improve the process.



In 2022, the onboarding process at the Echo Group was rated 4+ by new employees. We are carefully taking constructive comments to improve this indicator for the future.

### Company educational platform “Lesson bell”

In 2022, we launched a new corporate educational platform “Lesson Bell”. We aimed at mutual knowledge sharing within the organization and strengthening competencies based on internal resources. The role of teachers is played by our company specialists in various fields. In 2022, two one-hour lessons were held on the basics of financial reporting and the process of selling commercial real estate. The program continues in 2023.



## Health promotion among employees

### First aid

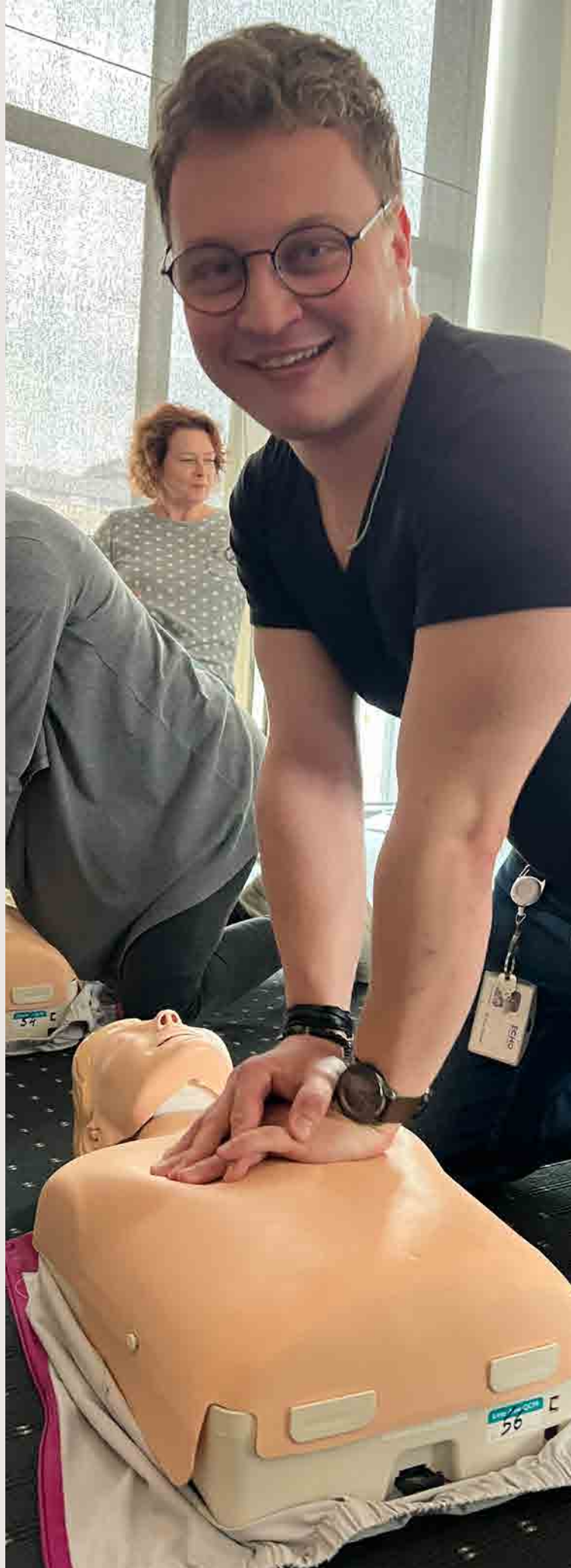
With a view to raising safety levels, in 2022, we organized a series of first aid trainings for Echo Investment employees. We organized them in several cities in Poland, primarily at our headquarters in Kielce and Warsaw. We have placed special emphasis on practical classes on poses and phantoms. We made sure that every employee learnt the basic skills to react well in a crisis situation. The trainings included both office and construction workers.

- Number of employees trained: **64**
- Competencies strengthened: first aid.

### Wellbeing in the workplace

Archicom, a company in the Echo Investment Group, held a training for its employees that covered, among others, physical and mental condition. The training involved maintaining well-being at work and out of work, healthy lifestyles and developing habits that improve our health.

- Number of employees trained: **7**
- Competencies strengthened: concern for well-being, maintaining a healthy mental and physical state.





## Supporting employees through change

Since we work in a reality referred to as VUCA (V - volatility, U - uncertainty, C - complexity, A - ambiguity), we need to make decisions quickly and establish new rules and principles. In order to support employees in developing openness to change and maintaining their self-motivation and commitment, we organized training for employees at the entire Group on "Change - how to approach it and how to deal with emotions." These were consultation and training sessions with a psychologist. They allowed us to provide answers to the questions: how to deal with difficult emotions, how to support teammates, how to deal with change and how to function effectively in it. The training also helped guide the organization through the redundancy process.

- Number of employees trained: **48** (including 17 managers)
- Competencies strengthened: empathy, adapting to change, managing emotions.

As part of the non-wage benefits system, we offer employees access to private medical care.

## Personal Development Review (PDR)

Every year in Echo Investment, we conduct a Personal Development Review (PDR) process for employees. Collaborators performing work on a basis of contracts other than employment contracts are also included in the process.

PDR consists of two stages — an employee self-assessment in a dedicated survey and a direct assessment review with the supervisor. The purpose of the process is to summarize the achievements of the past year and share with the supervisor a vision of one's professional future in the organization. This is the moment to discuss the achievements, consider competence, strengths and potential, and define development and business goals for the next year. In the following years, the program of development review will also be introduced in Archicom.

**85%** — so many employees and collaboration of Echo Investment took part in the development talks program, summarizing their achievements and sharing the vision of their professional future in the organization with their supervisor

“

### Insights from the expert

**Anna Stachewicz,**  
Human Resources Development Manager  
at Echo Investment-Archicom Group

The approach to managing employee competence and development has been evolving over the years. We need to be more and more flexible by implementing tools that support developing a culture of feedback in the organization and the assessment of results. Development reviews, so-called PDRs, are a good opportunity for a manager to summarize an employee's individual performance and discuss its impact on company goals. The meeting with the manager, based on an open and collaborative discussion, also provides space for feedback from the employee about the collaboration or the company, to discuss strengths and areas for development, and to look to the future together. The manager supports the employee in outlining a vision for their career path and defining development goals for the next year and helps to link them to business goals. This approach makes employees feel needed and see the value of the company.





## “Go Forward — Leadership Program”

Archicom is holding for its senior managers a development project, with the implementation of the “Go Forward - Leadership Program” in 2022. The program’s assumptions are consistent with the organization’s goals. Its directions have been defined by the board of directors. During the training, professional skills were individually assessed, including the strengths of each person, and areas for development were discussed. The program is based on tools such as the Hogan survey, Business Impact Interview, feedback sessions, individual development plans, development reviews, and 360 assessment.



The 360 assessment is based on giving constructive feedback from selected company employees - superiors, subordinates, and associates. The participant has the opportunity to learn about himself from different perspectives of the organization.

- Number of participants in the program: **8**
- Competencies strengthened: leadership, management.

## Internal transfers

In 2022, we facilitated employees from the entire organization to build career paths and to develop competence by promoting internal transfers and supporting relocation to new teams. This way, we developed key competence for the company, including flexibility, openness to change and a broad business perspective.

- Number of Echo employees who benefited from internal transfers: **20**
- Number of Archicom employees who benefited from internal transfers: **5**





## Health-care and safety of our employees and subcontractors

We do not accept any compromises when it comes to the safety of our employees. The vast majority of Echo Investment Group employees work in offices. All of them are covered by the safety system defined by the provisions of the OHS law and the internal Safety Policy. When we think about safety at work, we also feel responsible for all employees on our construction sites, even though most of them are employed by our subcontractors. The risk of injuries or accidents on construction sites is much greater than among office workers.

On our construction sites we implemented the highest safety standards:

**ISO 14001**  
**ISO 45001**

ISO 14001 and ISO 45001 certificates are audited every year by an external audit company Dekra. In 2022, the audit confirmed the full compliance of our OHS management system with standards. Health and safety KPIs are included in the annual performance goals of the management board, directors and employees on construction sites.

In 2021, two of our employees of the EHS Department obtained the prestigious and highly rated NEBOSH certificate, which confirms that our work standards in the area of safety are at the highest international level. The certificate is valid indefinitely.

### Employees of the Echo Investment Group and other companies covered by Echo Investment's work safety management system

	Number	Percentage
Echo Investment Group employees subject to a system that has been audited or certified by an external entity	639*	100%
Workers who are not Echo Investment Group employees, but whose work and workplace is controlled by the Group and subject to a system that has been audited or certified by a third party	1,920**	100%

\*employees and permanent associates employed on the basis of contracts other than an employment contract

\*\*average monthly number of employees on construction sites. The Group does not collect information regarding the identity of employees, only their number. All employees on the Group's construction sites are subject to the system

## The process of investigating accidents at work

There are over 30 construction sites run at the same time in our Group. We care about exchanging of knowledge and good practices between them. In the event an incident or accident occurs on any construction site, after the investigation into the causes of the event, a report is prepared with conclusions and recommendations for all construction sites. The task of the managers of each construction site is then to check a given issue, to implement the conclusions and to inform about the actions taken by the EHS Team.

Accidents and incidents causing injuries are always described and communicated to all parties concerned, as well as to all other construction sites of ours. Each time such a report triggers the need to analyse the possibility of a similar event occurring on any other construction site and to take measures to reduce such risk. Following the receipt of such information, on each construction site, employees have seven days to report to the EHS Team what actions have been taken in a given area. The analysis of accidents and incidents to date is the basis for determining the subject of the training programme for the coming year, and sometimes also for the organisation of ad hoc training.

Supervising and coordinating workers are always present on all our construction sites — these are construction directors, engineers and health and safety coordinators. We require at least 1 supervisor per 10 employees. Every person working on our construction sites - including employees of subcontracting companies - is obliged to report every accident, incident causing injuries, as well as potentially hazardous situations. The information is transferred to the health and safety services of our company and then used for preventive and educational purposes at all other construction sites. We also require that in the case of employing foreigners who do not speak Polish, an interpreter (usually a supervisor) is always present at the construction site.

## Current construction sites control

Our construction sites are regularly inspected in the aspect of their compliance with health and safety and environmental protection rules. Every week we conduct peer reviews on each construction site, focusing on health and safety issues. They are attended by representatives of construction supervision on the part of Echo Investment, persons responsible for order and safety, construction managers representing all subcontractors and individuals responsible for health and safety in subcontracting companies. During the meetings, current issues related to the functioning of the construction site, current risks, construction preparation are discussed, and the attendees check machines and their certificates, the correctness of the security measures used, the use of personal protective equipment, order and compliance with the guidelines, etc. After the visit, we formulate guidelines and recommendations for construction sites.

The construction sites are also controlled by Echo Investment's EHS Team, representatives of the management board and senior management (Executive Site Safety Visits - ESSV), as well as by state services — including the National Labour Inspectorate or the construction supervision.



### Good practice

Our construction sites have been inspected **11** times by the National Labour Inspectorate (PIP) in 2022. A significant part of these inspections was related to the „Build it safely” competition, in which we received **2** awards. As a result of the findings made during the inspection by the National Labour Inspectorate, no irregularities or offenses were found.



An average construction site of Echo-Archicom Group in 2022 involves:

**64** employees  
(investor + contractor)

**14** supervisors  
(investor + contractor)

**35** Peer Reviews visits

**5** ESSV visits

As part of the examination of the compliance of the OHS and environmental protection management system with the ISO 14001 and ISO 45001 standards, in 2022 as many as 35 construction sites were audited by Dekra. We also had 11 inspections by the Labour Inspection (PIP) and the Local Construction Sites Supervisory (PINB) on selected construction sites.





[403-2, 403-4, 3-3]

### Echo's standards

The best ambassadors of safe work on construction sites are the employees themselves. It is their responsibility and concern to observe health and safety rules that are of key importance in this aspect. Therefore, we encourage all employees on construction sites to report their observations of potentially dangerous events or places.

Our system of preventing and monitoring accidents at construction sites is based on collecting as many observations from employees as possible and on the appropriate response to reported information. We motivate employees to be mindful of safety issues and, since 2019, every month on our construction sites, we reward people who have distinguished themselves, among others in the health and safety aspect, by presenting a responsible attitude, by making a new proposal or by introducing an improvement.

The motivating element is also a system of yellow and red cards for people who do not comply with the health and safety rules at the construction site. Receiving a red card for a serious violation or ignoring previous comments will result in the removal of the worker from the construction site. Every worker on the construction site has the right to refuse to perform tasks that, according to him, may result in an accident, injury or deteriorate his health. In 2022, 987 people received yellow cards and 154 red cards.

Once every three months we hold meetings of the Health and Safety Committee, which focus on issues related to the employees of the Echo Investment group. The meetings are attended by, i.a. employee representatives, representatives of the EHS Team, HR specialists and an occupational medicine doctor.



**249** — that's how many production employees we awarded in 2022 for their OHS attitude on 35 projects carried out in our Group

The Environmental, Health&Safety Department (EHS) is responsible for the occupational safety management system in the entire organisation. The goal of the Team's work is to promote responsible attitudes, set standards and goals for construction sites, reduce the number of accidents and minimise possible risks that may cause an accident in the future.

### Tasks of the EHS Team:

- › construction site inspections,
- › control of the required documents, certificates and permits, — implementing standards,
- › performance monitoring,
- › EHS training,
- › accident and incident reporting,
- › meetings with employee representatives.

The EHS Team also conducts educational activities, promoting safety and pro-environmental attitudes. One the basis conclusions from the year that comes to an end, current needs as well as observations and comments from audits, the team develops a training programme for the coming year.

All our employees have completed the initial health and safety training and periodic training to update this knowledge. In addition, construction supervision employees, both ours and contractors, are covered by training courses that respond to the current safety needs.

The focus of 2022 training program was building a culture and awareness of safety at work and we conducted training for construction site supervision and a specialist training for employees directly on construction sites (working at heights, Lifting Operations on Site, Hot Works Training on Site).



### Safety-related training in 2022:

- › **19** Site Management Safety Trainings Scheme (SMSTS) — total of **134** individuals.
- › **14** Supervisor Orientation Trainings online (SOT) — total of **173** individuals,
- › **22** specialist trainings - Working at Heights (WAH) — total of **356** individuals,
- › **17** specialist trainings — Lifting Operations on Site — total of **228** individuals,
- › **2** specialist trainings — Safety by design — total of **34** individuals.

## Health and safety of employees

The risk of injuries or accidents on construction sites is much greater than among office workers. We are responsible for all employees on our construction sites, even though most of them are employed by our subcontractors. We have implemented the highest safety standards on our construction sites - ISO 14001, OHSAS 18001 and ISO 45001. ISO 14001 and ISO 45001 certificates are audited every year by an external audit company Dekra. Health and safety KPIs are included in the annual performance goals of the management board, directors and employees on construction sites.

As part of promoting health among its own employees, the Echo-Archicom Group offers its employees private medical care and sports activities.



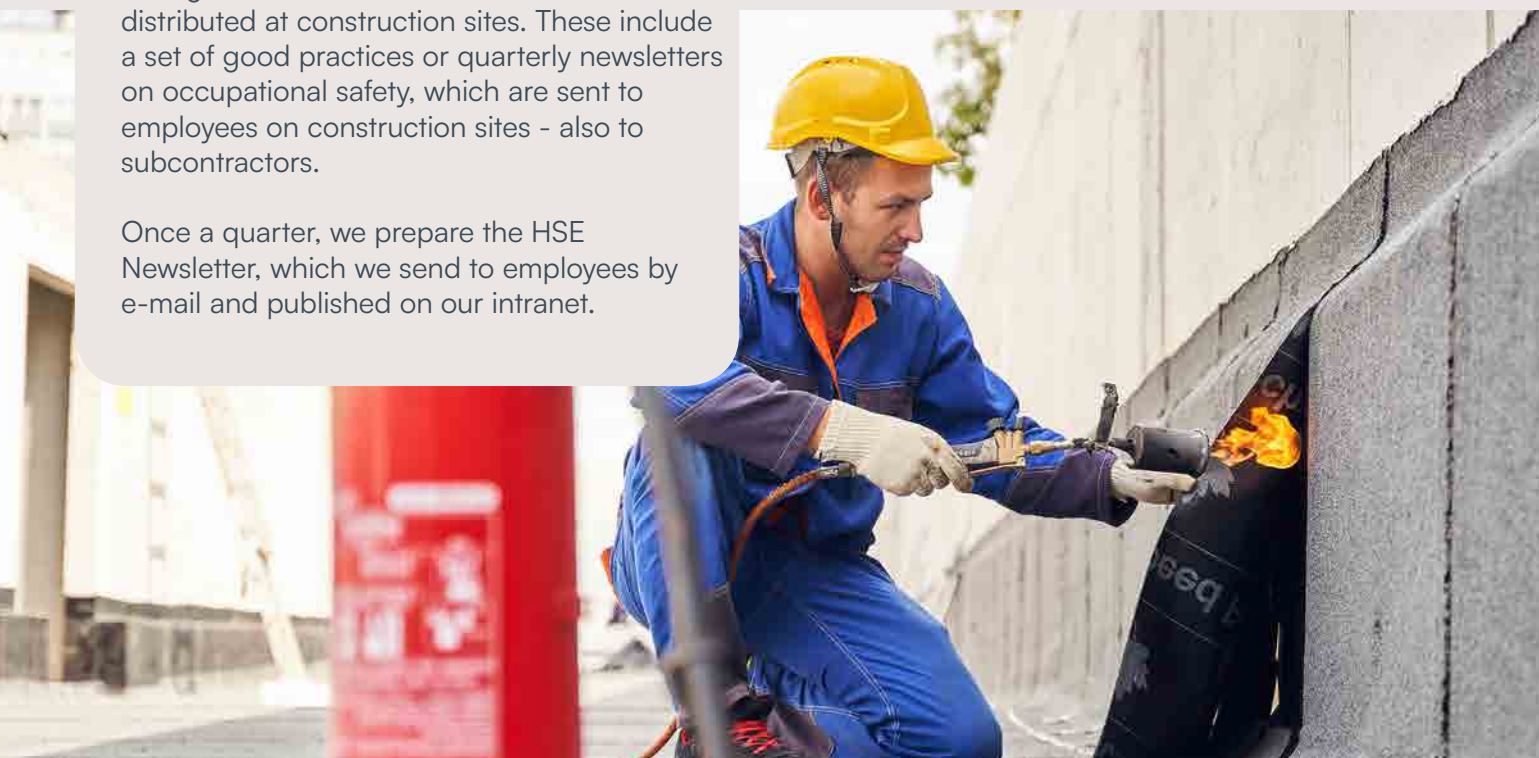
### Good practice

We regularly drew up brochures which are a collection of the best practices collected over two years on Echo Investment Group's construction sites. The aim of the publication is to raise awareness in the field of health and safety and environment protection among employees on construction sites, as well as among supervising staff. The publication includes photos and short comments on good and - for comparison - bad practices.

## Know-how exchange on the health&safety and environmental protection

In addition to carrying out post-accident proceedings aimed at preventing accidents in the future, the EHS Team also develops a range of educational materials that are distributed at construction sites. These include a set of good practices or quarterly newsletters on occupational safety, which are sent to employees on construction sites - also to subcontractors.

Once a quarter, we prepare the HSE Newsletter, which we send to employees by e-mail and published on our intranet.





[403-9, 3-3]

Employees of the Echo Group, namely individuals working predominantly in offices, did not suffer any work-related accident or injury in 2022. Data related to the accident rate of employees of subcontracting companies on our construction sites is presented in the table below:

	Number	Ratio*
Workhours	5,768,809	-
Fatalities resulting from work-related injuries	0	0
Work-related serious injuries (excluding fatalities, requiring a sick leave)	11	0.38
Minor work-related injuries (first aid required)	0	0
<b>Total accidents at work</b>	<b>11</b>	<b>0.38</b>

\* the rate is calculated according to the GRI standard: the number of accidents divided by the number of hours worked and multiplied by 200,000 man-hours

The main types of injuries associated with working on our construction sites are cuts and minor injuries.

[403-10, 3-3]

Due to the nature of work, no cases of occupational diseases were recorded among our employees. However, we do not have access to data on occupational diseases concerning employees of our subcontractors.



### Echo's standards

Our construction sites are also enrolled annually to the „Build safely” competition organised by the National Labour Inspectorate, in which they win awards every year. In 2022, two our construction sites were appreciated — the Inspectorate acknowledged the high OHS standards and good practices applied during accomplishment. The first prizes went to the construction sites of the Resi4Rent housing estate in Wrocław, the second place was taken by the Brain Park office estate in Kraków.

## We do understand each other

Workers from other countries are often hired on construction sites, among others from Ukraine, Belarus or Kazakhstan. Our contractors and subcontractors value their reliability and work culture, so together with them we make every effort to ensure that these specialists are treated fairly on our construction sites, regardless of their level of knowledge of the Polish language or the realities of the labour market in Poland. In agreements with contractors, we include clauses that ensure to our company the possibility of accessing certain documents regarding the employment of foreigners - these are mainly work permits, authorisations and completed vocational training certificates. Our construction site supervisors also pay attention to signs of unequal treatment of employees - primarily in the area of occupational health and safety.



We require that on our construction sites foreign workers are provided with interpreters on a permanent basis, and all written information regarding the rules of functioning on the construction site, safety rules, etc., is also translated into Ukrainian.





**Respect for**  
**environment and climate**



## Our Environmental Policy

The development and construction activities have a significant impact on shaping a sustainable world, which is why we are committed to environmental management at all levels. The main document that determines our business decisions and plans is the Occupational Health, Safety and Environmental Management System Manual, whose parts are the Environmental Policy and the Safety Policy. The manual is our guidebook in the aspect of environment protection and occupational health and safety that allows to positively influence key stakeholders, in particular customers and suppliers, at the stage of purchasing land and buildings, acquiring materials and services (e.g. facility management, services of advisers, designers, contractors) and at the stage of managing an investment or a facility.

We create the environmentally responsible value chain of the Echo Group. We engage our stakeholders in environmental issues - we involve employees, subcontractors and business partners in the activities. Our ambition is to continuously improve the ecological parameters of our projects. We optimise investments and look for ways to reduce their negative impact on the environment. We use natural, non-toxic, anti-allergic and certified materials with a limited content of volatile organic compounds, which come from certified sources and are as environmentally friendly as possible. We use new technologies and take care of the proper organisation of the construction process. In 2022, no penalty was imposed on any of the Echo Group companies for non-compliance with environmental laws and regulation.

**100%** of the built-in timber on our construction sites is FSC or PEFC certified

## ISO 14001

— it is the international management standard, which supports our activities related to environment protection and the reduction and prevention of pollution

For 5 years we have been operating in accordance with the international ISO 14001 management standard, which supports our activities related to environment protection and the reduction and prevention of pollution. We also maintain high health and safety standards, in accordance with ISO 45001 and ISO 14001. Every year we undergo an audit by Dekra, which confirms that we adhere to the best environmental practices and every year improve the standard of safety at work. We monitor the work of our suppliers, contractors and partners and conduct an open dialogue with them in order to constantly improve the level of environment protection. First of all, we select local partners to reduce the carbon footprint at the transport stage. All orders and contracts with suppliers and contractors require them to comply with Echo Investment guidelines related to environmental management and safety, in particular with the requirements of Occupational Health, Safety and Environmental Management System Manual. In our contracts, we clearly define the scope of liability regarding pollutants and hazardous substances. All contractors also complete the Health, Safety and Environment Protection Questionnaire, in which we ask for the disclosure of information regarding:

- › environment protection management, including policies and certified environmental management systems,
- › training of employees in the aspect of environment protection,
- › environmental impact of products / services,
- › emissivity of materials,
- › specific safeguards for chemicals,
- › compliance of products and services with national environmental regulations.

## Environmental policy of the Echo Group

- › We strive to use energy efficiently and to reduce emissions that are responsible for global climate change. If reduction is not possible, we try to compensate the emissions generated using available methods.
- › We reduce demand and reuse materials where possible. Where we cannot take advantage of these opportunities, we provide safe treatment or disposal of waste.
- › We segregate waste and use materials that are friendly to people and the environment.
- › We limit the negative impact of our activities on flora, fauna and their ecosystems. We work with designers, municipal green management, specialist companies, neighbours and the local community to protect trees.
- › We reduce the consumption of water, we save and reuse it.
- › We reduce the amount of pollutants emitted to the atmosphere by our projects, road vehicles, mobile and stationary equipment and processes.
- › Our staff training and development activities are accomplished in an environment-friendly manner.



[201-2]

### Risks and opportunities resulting from climate change

We identify activities related to significant aspects of Environment Protection and occupational health and safety hazards by assessing the risks and opportunities, and in this way we define the method of management control. The identification of risks results mainly from the provisions of law and other regulations, as well as from the practice of our organisation. We analyse the risks for each project.

Risk/opportunity arising from climate changes	Impact on the organisation	Risk or opportunity management in the organisation
<p><b>REGULATION RISK / OPPORTUNITY</b></p> <p><b>CO2 emissions in the construction process</b></p> <p>Due to the large impact of construction on global CO2 emissions ( approx. 38%), environmental regulatory measures are being taken to minimise the impact. All this results in the need to regularly adapt activities to higher environmental requirements, use more expensive materials, new procedures, etc.</p>	<p><b>+</b> Reducing harmful emissions and the impact of the Group's activities on the environment.</p> <p><b>+</b> As a large entity, the Echo-Archicom Group has resources and a lot of potential to adapt to environmental requirements faster than its competitors, as well as to foster them within its projects.</p> <p><b>-</b> Increasing costs.</p>	<ul style="list-style-type: none"> <li>exploring the potential of using new materials, new ways of building (e.g. modular construction),</li> <li>ongoing monitoring of environmental requirements and adapting to them,</li> <li>participating in industry organisations that also focus on these issues and monitor changes (e.g. the Polish Association of Developers (PFZD), engineering organisations).</li> </ul>
<p><b>REGULATION AND MARKET RISK / OPPORTUNITY</b></p> <p><b>The need to reduce the energy demand of buildings.</b></p> <p>National and international obligations require building owners, as well as developers, to make all new buildings zero-emission by 2030, and existing buildings to reach this goal through adaptation by 2050.</p>	<p><b>+</b> Reducing the energy demand of projects under construction.</p> <p><b>+</b> The potential competitive advantage. Increasing the effectiveness of sales ( in particular apartments) as a result of implementing solutions, materials and technologies that reduce maintenance costs and decelerate the degradation of buildings over time - a significant market advantage.</p> <p><b>+</b> As a large entity, the Echo-Archicom Group has resources and a lot of potential to adapt to environmental requirements faster than its competitors, as well as to foster them within its projects.</p> <p><b>-</b> Increasing construction costs.</p>	<ul style="list-style-type: none"> <li>ongoing efforts to improve primary energy demand coefficients of EP buildings (materials and technologies used and improving measurement methods),</li> <li>ongoing monitoring of new legal and technical requirements and adapting the Group's activities to them,</li> <li>long-standing experience in certifying buildings according to the BREEAM system, which takes into account energy efficiency issues,</li> <li>achieving zero-emission of buildings is a goal set in the ESG strategy and has been outlined in the roadmap for 2023-2030.</li> </ul>





## PHISICAL RISK / OPPORTUNITY

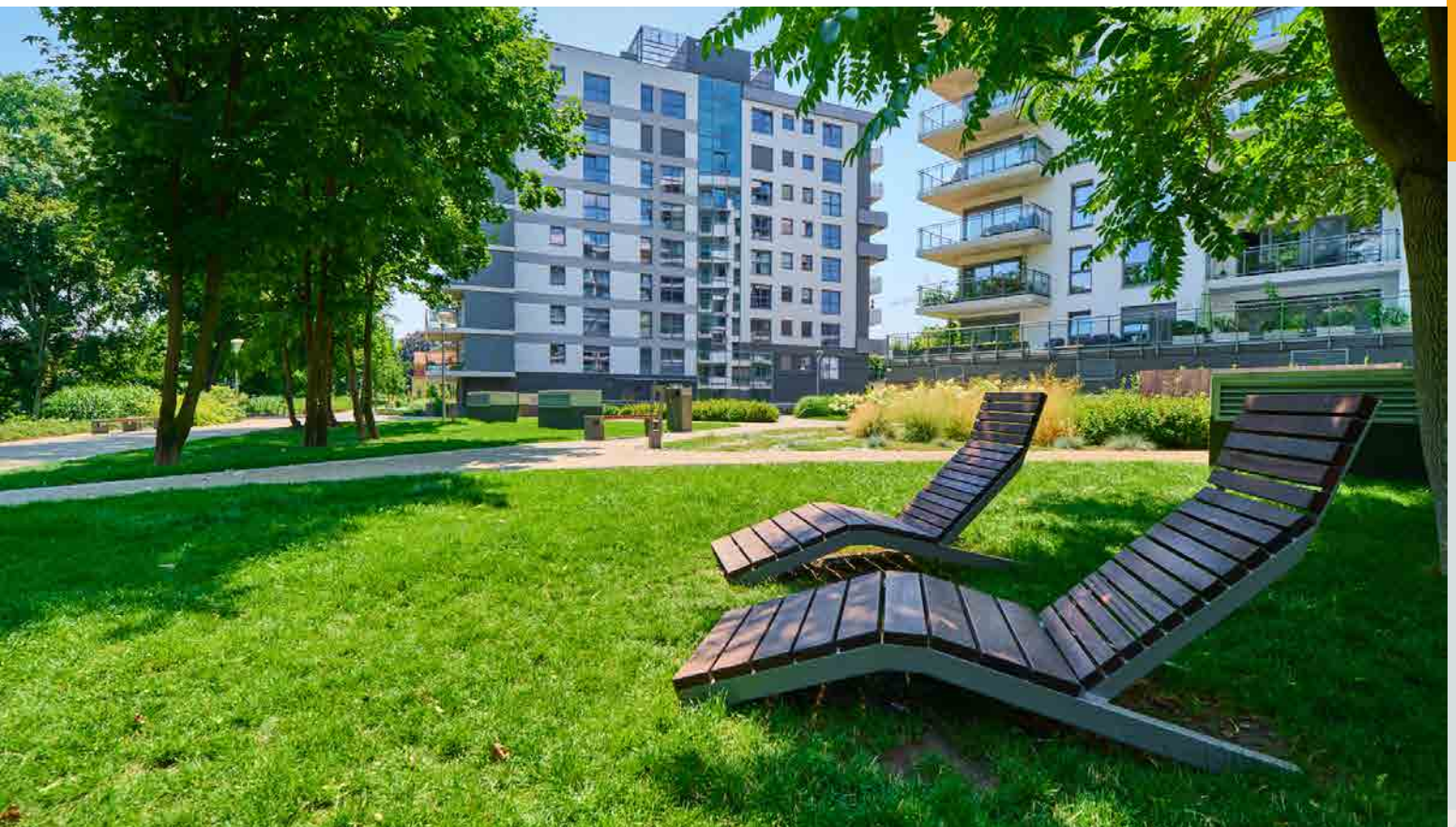
**The need to counteract the spreading of urban developments into suburbs. The move away from the mono-functionality of large urban areas towards a mixed-use approach.**

The conscious urban planning policy is moving towards the densification of cities, preventing them from sprawling into their suburbs. This is in line with Echo Investment's strategy to develop projects in cities, in well-connected and developed locations. Moreover, operating in different real estate sectors and being able to mix functions within a single project are in line with the policy of building multifunctional cities, where residents can do the most important things within a short walk or bicycle ride.

+

Public administration is more favourable to projects that are in line with city strategies and is more likely to support such projects. As we design and build cities following global trends and long-term policies, we gain the trust not only of city authorities, but also of contractors (including banks that finance our projects) and clients.

- the company's strategy and the resulting land acquisition strategy, is focused on looking for developed areas, located inside city limits, preferably large, where mixed-use projects on an urban scale can be designed, with full social infrastructure (green areas, shops, places for services, traffic routes, etc.),
- compatibility of constructed projects with local environmental policies and urban adaptation strategies.



# Carbon footprint

## Carbon footprint - greenhouse gas emissions

In 2021, we started in the Echo Investment-Archicom Group to monitor the level of greenhouse gas emissions resulting from our operating activities. The first comprehensive information on emissions for 2022 can be found below.

The boundaries of the reported emissions include:

- in the case of Echo Investment - all emissions related to the activities of Echo Investment S.A. and its subsidiaries (excluding the Archicom S.A. group), as well as the processes conducted (e.g. construction services provided), in accordance with the operational control,
- for Archicom S.A. - all emissions related to the activities of Archicom S.A. and its subsidiaries, according to the operational control.

The consolidation includes all levels of the group.

The reported emissions were calculated in accordance with the Greenhouse Gas Protocol (GHG) standard. The calculations include emissions of carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) converted into CO<sub>2</sub> equivalent.

### Scope 1

Direct emissions of the group as a result of fuel combustion in sources owned by the group (primarily the vehicle fleet used by employees).

### Scope 2

Indirect emissions of the group resulting from the use of purchased electricity and heat, primarily for the group's own offices, as well as those resulting from electricity and heating charges relating to unleased spaces in finished office buildings owned by the group, or which are already sold but for which the group is liable for such charges.





<b>Direct and indirect greenhouse gas emissions by source (in Mg CO2e) (scope 2: market-based)</b>	<b>Echo Investment</b>	<b>Archicom</b>	<b>Total</b>
<b>Scope 1 - direct emissions total</b>	<b>1 031,52</b>	<b>65,84</b>	<b>1 097,35</b>
fuels used in vehicles	827,91	65,84	893,75
fuels used in occupied buildings	92,51	0	92,51
leaks of refrigerants in occupied buildings	111,10	0	111,10
<b>Scope 2 (market-based)- indirect emissions total</b>	<b>3 284,33</b>	<b>492,64</b>	<b>3 776,97</b>
purchase of electricity	1 305,59	357,95	1 663,54
purchase of heat	1 978,74	134,69	2 113,43
<b>Total emissions (Scope 1 + 2 )</b>	<b>4 315,85</b>	<b>558,48</b>	<b>4 874,32</b>

<b>Greenhouse gas emission intensity ratios</b>	<b>Unit</b>	<b>2022</b>
Emissions scope 1 + 2: market-based	CO2-eq	4 874,32
Per employee and associate (639)	kg CO2-eq / person	7 628,04
Per sqm of development projects under construction and in use (495,500 sqm*)	kg CO2-eq / 1 sqm	9,84

\*value excluding the finished Resi4Rent and Galeria Młociny projects, which are outside the Group's operational control



Direct and indirect greenhouse gas emissions by source (in Mg CO2e) (scope 2: location-based)	Echo Investment	Archicom	Total
<b>Scope 1 - direct emissions total</b>	<b>1 031,52</b>	<b>65,84</b>	<b>1 097,35</b>
fuels used in vehicles	827,91	65,84	893,75
fuels used in occupied buildings	92,51	0	92,51
leaks of refrigerants in occupied buildings	111,10	0	111,10
<b>Scope 2 (location-based) - indirect emissions total</b>	<b>4 666,00</b>	<b>554,72</b>	<b>5 220,72</b>
purchase of electricity	2 735,79	399,61	3 135,4
purchase of heat	1 930,21	155,10	2 085,31
<b>Total emissions (Scope 1 + 2 )</b>	<b>5 697,52</b>	<b>620,55</b>	<b>6 318,07</b>

Greenhouse gas emission intensity ratios	Unit	2022
Emissions scope 1 + 2: location-based	CO2-eq	6 318,07
Per employee and associate (639)	kg CO2-eq / person	9 887,43
Per sqm of development projects under construction and in use (495,500 sqm*)	kg CO2-eq / 1 sqm	12,75

\*value excluding the completed Resi4Rent and Galeria Młociny projects, which are outside the Group's operational control

## EU taxonomy

In accordance with Article 8 of the EU Regulation 2020/852 (Taxonomy) below are provided information on how and to what extent the activities of the Echo Investment S.A. Group is related to economic activity that qualifies as environmentally sustainable (activity in accordance with the taxonomy). Key performance indicators are prepared in accordance with the requirements set out in the EU Delegated Regulation 2021/2178, to the best of our knowledge and with due diligence. The assessment of compliance of business activity with the taxonomy under individual key performance indicators was carried out on the basis of technical criteria set out in EU delegated acts 2021/2139 and 2022/1214.

### Minimum guarantees

Echo Investment S.A. Group meets the minimum guarantees referred to in Article 18 of Regulation EU 2020/852. The assessment of compliance with the minimum guarantees was carried out based on the requirements recommended for entities subject to the CSRD in accordance with the report of the EU Platform for Sustainable Finance, published in October 2022.

The provisions of the EU Regulation 2022/1214 were taken into account in the process of assessing the eligibility of revenues/ expenditures/expenditures. No revenues/ expenditures/expenditures related to the activities listed in this regulation have been identified.



## KPI Revenue

Business activity [thousand PLN]	Code	Total income	Share of revenue	Substantial contribution criteria						'Do no significant harm' criteria						Minimum guarantees	2021	2022	Supporting activity category	Transition activity category
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems		Taxonomy-compliant turnover share	Taxonomy-compliant turnover share		
A. Taxonomy eligible activity																				
A.1. Environmentally sustainable activity (taxonomy compliant)																				
Environmentally sustainable activity-related revenue (taxonomy compliant) (A.1)		0	0	0	0	0	0	0	0	-	-	-	-	-	-	Yes	0	0	-	-
A.2. Environmentally eligible activity, but not environmentally sustainable (taxonomy non-compliant)																				
Construction of new buildings	7.1.	1 376 039	98,9																	
A.2. Revenue from environmentally eligible activity, but not environmentally sustainable (taxonomy non-compliant)		1 376 039	98,9																	
<b>Total (A.1 + A.2)</b>		<b>1 376 039</b>	<b>98,9</b>																	
<b>B. Taxonomy non-eligible activity</b>																				
Revenue from taxonomy non-eligible activity		18 267	1,1																	
<b>Total (A + B)</b>		<b>1 394 306</b>	<b>100</b>													Yes	0	0	-	-





## Accounting rules

The basis for calculating the key performance indicator for turnover (KPI turnover) was the consolidated financial statement of the Echo Investment Group for 2022 prepared in accordance with the International Financial Reporting Standards (IFRS). Revenues were adopted as the denominator of the ratio.

## Information on compliance with Regulation (EU) 2020/852

Individual categories of Echo Investment Group's revenues have been analyzed in terms of eligibility for the taxonomy. This process included an analysis of activities eligible for the taxonomy defined in EU Regulation 2021/2139 and EU Regulation 2022/1214 in order to confirm whether the activities conducted by the Echo Investment Group were listed in the abovementioned regulations.

The activity 7.1. 'Construction of new buildings' is the main source of revenue of Echo Investment Group. In the next step, an assessment of the compliance of the conducted activity with the technical qualification criteria for activity 7.1 was carried out. As a result of the analysis, no revenues related to taxonomy-compliant activities were identified. All revenues related to the activity 7.1. were classified as revenues related to activities qualifying for taxonomy.

Business activity conducted by the Echo Investment Group related to 7.1. 'Construction of new buildings' includes:

- Construction and sale of apartments and related income,
- Construction and construction-related services,
- Rental of office, commercial and residential space.

The Group analyzed and separated revenue streams from individual special purpose vehicles (SPV) in terms of titles other than those related to the core business (i.e. sales of apartments and related revenues, such as changes in tenants, additional construction works, revenues from renting space, revenues from construction and construction-related services).

## Contribution to multiple objectives and disaggregation of KPIs

Not applicable. No revenues related to taxonomy compliant activities have been identified.

## Context information

Not applicable. In 2022, no revenues related to environmentally sustainable activities (taxonomy compliant) were identified in Echo Investment Group.

## KPI Capex

Business activity [thousand PLN]	Code	Capital expenditures	Percentage share of capital expenditures	Substantial contribution criteria						'Do no significant harm' criteria						Minimum guarantees	2021	2022	Supporting activity category	Transition activity category
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems		Taxonomy-compliant capital expenditure share	Taxonomy-compliant capital expenditure share		
A. Taxonomy eligible activity																				
A.1. Environmentally sustainable activity (taxonomy compliant)																				
Environmentally sustainable activity-related capital expenditure (taxonomy compliant) (A.1)		0	0	0	0	0	0	0	0	-	-	-	-	-	-	Yes	0	0	-	-
A.2. Environmentally eligible activity, but not environmentally sustainable (taxonomy non-compliant)																				
Transport by motorbikes, passenger cars and light commercial vehicles	6.5.	3	0,0																	
Construction of new buildings	7.1.	318 796	83,7																	
Installation, maintenance and repair of energy efficiency equipment	7.3.	150	0,1																	
A.2. Capital expenditures on environmentally eligible activity, but not environmentally sustainable (taxonomy non-compliant)		318 949	83,8																	
<b>Total (A.1 + A.2)</b>		<b>318 949</b>	<b>83,8</b>																	
B. Taxonomy non-eligible activity																				
Capital expenditure on taxonomy non-eligible activity		61 779	16,2																	
<b>Total (A + B)</b>		<b>380 728</b>	<b>100</b>													Yes	0	0	-	-

## Accounting rules

The basis for the calculation of the key performance indicator related to capital expenditures were capital expenditures recognized in the financial statements in accordance with the applicable International Financial Reporting Standards (IFRS). Costs were settled on the basis of:

- a. IAS 16 Property, plant and equipment, point 73 lit. (e) points (i) and (iii);
- b. IAS 38 Intangible Assets, point 118(a). e) point (i);
- c. IAS 40 Investment Property, point 76 lit. (a) and (b) (in the case of the fair value model);
- d. IAS 40 Investment Property, point 79 lit. (d) points (i) and (ii) (in the case of a model based on the purchase price or production cost);
- e. IAS 41 Agriculture, point 50 lit. b) and e);
- f. IFRS 16 Leases, point 53 lit. h).

## Information on compliance with Regulation (EU) 2020/852

Individual categories of capital expenditures of the Echo Investment Group have been analyzed in order to determine whether they meet one of the following conditions:

- a. They are relate to assets or processes related to economic activity in accordance with the taxonomy:

Echo Investment Group did not recognized revenue from taxonomy-compliant activities, therefore none of the costs shown in the denominator were disclosed in the numerator due to the connection with business activities consistent with the taxonomy. The Group earned revenue from activities that are taxonomy eligible. Therefore, capital expenditure related to activity 7.1. 'Construction of new buildings' were extracted as related to taxonomy eligible activities.

- b. They are part of a plan to expand a taxonomy-compliant business or enable a taxonomy-eligible business to become taxonomy-compliant;

Echo Investment Group does not have a capital expenditure plan referred to in point 1.1.2.2. Annex I to Regulation EU 2021/2178

- c. They are related to the purchase of products from taxonomy-compliant economic activities and individual measures to enable the targeted activity to become low-carbon or to reduce its greenhouse gas emissions, in particular the activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other the economic activities listed in the delegated acts adopted pursuant to Article 10 sec. 3, art. 11 sec. 3, art. 12 sec. 2, art. 13 sec. 2, art. 14 sec. 2 or art. 15 sec. 2 of Regulation (EU) 2020/852, and provided that these measures are implemented and operational within 18 months.

As part of the analyses, costs related to the purchase of products and individual measures enabling the target activity to become low-emission or enabling it to reduce greenhouse gas emissions purchased from taxonomy-eligible activities were identified. The activity from which the products were purchased was analyzed in terms of the technical criteria set out in the EU Regulation 2021/2139. The results of the conducted assessment were the basis for stating the lack of connection between investment expenditures and environmentally sustainable activities (in accordance with the taxonomy). Two taxonomy-eligible activities have been identified:





Number of activity	Name of activity	Description of activity
6.5	Transport by motorbikes, passenger cars and light commercial vehicles	Purchase of an electric car from a lease
7.3	Installation, maintenance and repair of energy efficiency equipment	Replacing light bulbs at your own premises

### Contribution to multiple objectives and disaggregation of KPIs

Not applicable. Investment expenditures related to environmentally sustainable activities (taxonomy-compliant) have not been identified.

### Context information

Not applicable. Investment expenditure related to environmentally sustainable activities (taxonomy-compliant) have not been identified. Echo Investment Group also does not have a capital expenditure plan referred to in point 1.1.2.2. Annex I to Regulation EU 2021/2178.



Business activity [PLN]	Code	Total operational expenditure	Percentage share of operational expenditure	Substantial contribution criteria						'Do no significant harm' criteria							2021	2022	Supporting activity category	Transition activity category
				Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Sustainable use and protection of water and marine resources	Transition to a circular economy	Pollution prevention and control	Protection and restoration of biodiversity and ecosystems	Minimum guarantees				
A. Taxonomy eligible activity																				
A.1. Environmentally sustainable activity (taxonomy compliant)																				
Environmentally sustainable activity-related operational expenditure (taxonomy compliant) (A.1)		0	0	0	0	0	0	0	0	-	-	-	-	-	-	Yes	0	0	-	-
A.2. Environmentally eligible activity, but not environmentally sustainable (taxonomy non-compliant)																				
Construction of new buildings	7.1.	90	6,5																	
A.2. Operational expenditures on environmentally eligible activity, but not environmentally sustainable (taxonomy non-compliant)		90	6,5																	
<b>Total (A.1 + A.2)</b>		<b>90</b>	<b>6,5</b>														<b>0</b>			
B. Taxonomy non-eligible activity																				
Operational expenditure on taxonomy non-eligible activity		1 291	93,5																	
<b>TOTAL (A + B)</b>		<b>1 381</b>	<b>100</b>													Yes	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>

## Accounting rules

The basis for the calculation of the operational expenditure key performance indicator was operating expenditure recognized in the financial statements in accordance with the applicable International Financial Reporting Standards (IFRS). Direct, non-capitalized costs related to the construction of temporary sales offices in residential projects were assigned to the Opex KPI denominator.

As part of the analyses, costs related to the purchase of products and individual measures enabling the target activity to become low-emission or enabling it to reduce greenhouse gas emissions purchased from taxonomy-eligible activities were identified. The activity from which the products were purchased was analyzed in terms of the technical criteria set out in EU Regulation 2021/2139. The results of the assessment were the basis of a statement that operating expenses were not related to environmentally sustainable activities (taxonomy-compliant).

## Information on compliance with Regulation (EU) 2020/852

The individual categories of operating expenses of Echo Investment Group shown in the denominator of the key performance indicator have been analyzed in order to determine whether they meet one of the following conditions:

- a. they are related to assets or processes related to economic taxonomy-compliant activities, including training and other needs related to the adaptation of human resources and direct uncanceled costs that represent research and development

Echo Investment Group did not record revenues from taxonomy-compliant activities, therefore none of the costs shown in the denominator was disclosed in the numerator due to the connection with business taxonomy-compliant activities. The Group

earned revenue from taxonomy-eligible activities. Therefore, operating expenses related to activity 7.1. 'Construction of new buildings' were extracted as related to a taxonomy-eligible activities.

- b. are part of a plan to expand the taxonomy-compliant business activities or to allow eligible business activities to align with the taxonomy ("capital plan") under the conditions set out in the second paragraph of this point 1.1.2.2;

Echo Investment Group does not have a capital expenditure plan referred to in point 1.1.2.2. Annex I to Regulation EU 2021/2178.

- c. relate to the purchase of products from economic taxonomy-compliant activities and individual measures to enable the targeted activity to become low-carbon or to reduce its greenhouse gas emissions, in particular the activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other the economic activities listed in the delegated acts adopted pursuant to Article 10 sec. 3, art. 11 sec. 3, art. 12 sec. 2, art. 13 sec. 2, art. 14 sec. 2 or art. 15 sec. 2 of Regulation (EU) 2020/852, and provided that these measures are implemented and operational within 18 months.

As part of the analyses, costs related to the purchase of products and individual measures enabling the target activity to become low-emission or enabling it to reduce greenhouse gas emissions purchased from activities eligible for the taxonomy or in accordance with the taxonomy were not identified.





## Contribution to multiple objectives and disaggregation of KPIs

Not applicable. Operating expenses related to environmentally sustainable activities (taxonomy-compliant) have not been identified.

## Context information

Not applicable. Operating expenses related to environmentally sustainable activities (taxonomy-compliant) have not been identified. Echo Investment Group also does not have a capital expenditure plan referred to in point 1.1.2.2. Annex I to Regulation EU 2021/2178.



## Energy and water

Our Group uses offices located in four buildings for its own purposes: City1 in Wrocław (the head office of Archicom), Astra Park in Kielce (the head office of Echo Investment), Biura przy Willi and Willa Schielego in Warsaw (the office of Echo Investment). In total, the Group occupies 8,555 sqm of usable space.

	Consumption	Per sqm of space
<b>Water (m3)</b>	<b>2 435</b>	<b>0,285</b>
<b>Electricity by energy sources (kWh):</b>	<b>718 902</b>	<b>84,03</b>
<b>Renewable sources, including:</b>	<b>404 732,08</b>	
biomass	12 852,21	
biogas	715,99	
wind power	374 690,83	
solar energy	7 666,31	
large hydropower	7 173,36	
small hydropower	1 633,38	
<b>Non-renewable sources:</b>	<b>314 171,60</b>	
hard coal	212 100,01	
lignite	66 008,67	
natural gas	30 438,37	
Others*	5 624,55	
<b>District heating (GJ)*</b>	<b>3 691</b>	<b>0,431</b>

\* incl. fuel oil, coke oven gas, blast furnace gas, sludge, gas

\*\*the Astra Park office building in Kielce uses its own natural gas-fired heating. The value in GJ is based on the conversion of natural gas



Company cars used by employees of the Echo Investment-Archicom Group (owned and leased by the Group) consumed 336,632 litres of fuel in 2022, of which 13 percent of the total was unleaded petrol, while 87 percent - diesel oil.

**7 174,0 GJ**

this is the total own energy consumption of the Echo Investment-Archicom Group

**0,839 GJ**

this is the total own energy consumption per 1 sqm of office space used by Echo Investment-Archicom Group

The index provides information on value includes heat and electricity used in Echo Investment and Archicom's own offices in Kielce, Wrocław and Warsaw, as well as the consumption of the company car fleet used by employees. Plus Energia Sp. z o.o., PGE Obrót S.A., E.ON (innogy Polska S.A.) i Tauron Sprzedaż Sp. z o.o. are the electricity suppliers that also provides information about the energy mix.





2022 (one for seven months). The total space under management was 25,200 sqm.

Consumption of utilities in offices of CitySpace* in 2022	Consumption	Per sqm of space
Water	2 912 m3	1,56 m3
Electricity	784 966 kWh	41,94 kWh
District heating	5 155,6 GJ	0,275 GJ

\*amounts not included in the Group's own consumption, as the consumption is related to the Group's clients



**77%** — this was the share of CitySpace's total consumption in 2022 made up by electricity from renewable sources

The Echo Investment-Archicom Group managed 35 active construction sites last year.

Consumption of utilities at construction sites* in 2022	Consumption	Per 1 construction site
Water		1 019,1 m3
Electricity	5 970 789 kWh	170 594 kWh
Waste water discharged	18 580 m3	530,9 m3

\*amounts not included in the Group's own consumption, as the consumption is related to the Group's contractors





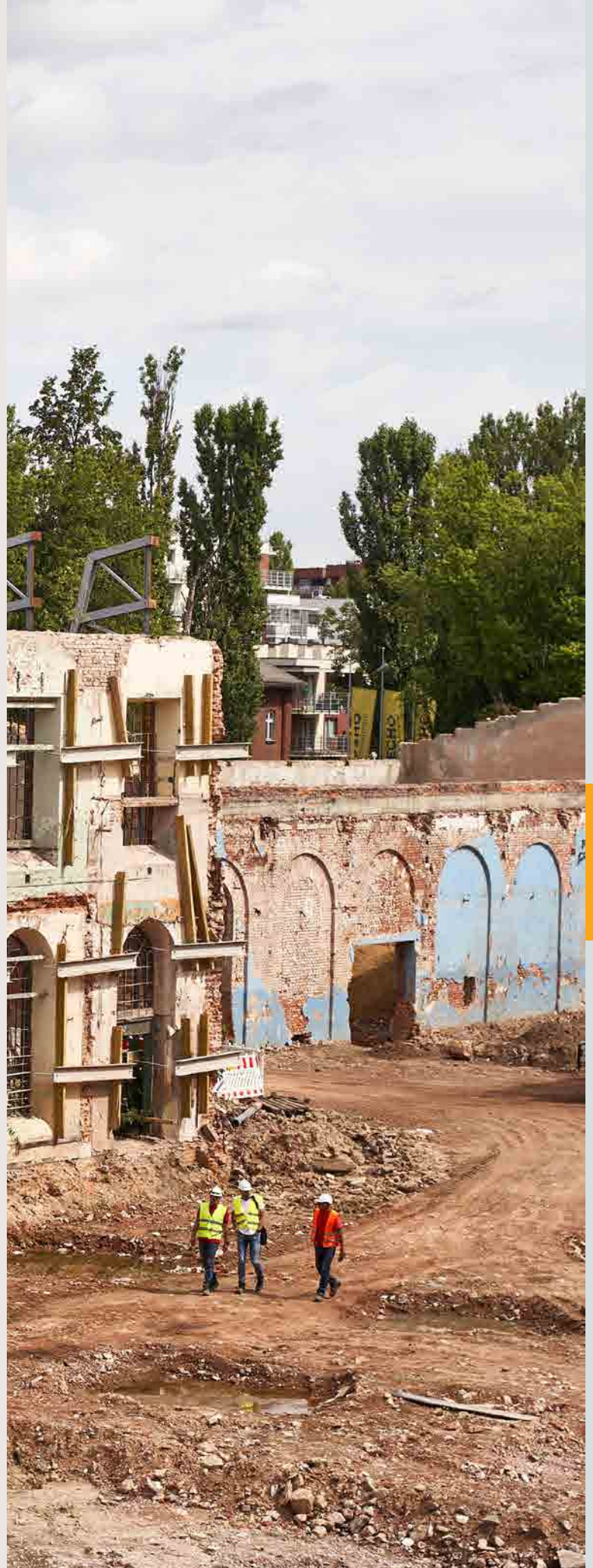
## Waste management on construction sites

In 2022, a total amount of waste collected on all of construction sites carried by Echo Investment Group was 16,788 tons. They were collected by professional entities whose task is to further segregate and process the waste.

In 2022, we strengthened our control over waste management and imposed the requirement to segregate at least **60%** of the waste generated on the construction site. Ultimately, **77%** of the waste generated throughout the year was segregated on construction sites.

### Hazardous waste

In 2022, 226.62 tons of hazardous waste (roofing paper and small amounts of asbestos) were collected on our construction sites, as well as 2,976.23 tons of soil and earth containing hazardous substances. All this waste was handed over to professional entities that dealt with its disposal or neutralization



## Biodiversity

### Protecting trees and felling compensating

Our projects often require interference with the existing environmental conditions. Tree felling is the most severe and noticeable for the urban ecosystem. Therefore, in the Echo Investment Group, we make sure that our activities are as least burdensome as possible.

We start analysing the possibilities of using the existing tree stand at an early stage of the project. We try to avoid the necessity to remove valuable trees and we require that the design documentation includes reliable dendrological information. During construction, we always properly protect trees to be preserved in such a way as to guarantee their survival and proper growth. If we are forced to disturb the existing ecosystem and cut trees down, we compensate the environment few fold. This is confirmed by the comparative analysis carried out along with the estimate of trees cut down and planted as part of our investments accomplished in 2022.

As part of projects being developed in 2022, 131 trees were removed in the entire Echo Investment Group. In contrast, 312 trees were planted as replacement plantings. The number of trees planted compared to trees removed is more than double - each tree removed is matched by 2.38 trees planted.

The most important part of the analysis provided by Edyta Rośton-Szeryńska, BEng, PhD, DSc, however, involved assessing the value of felled and planted trees and comparing them. Trees were assessed in seven criteria:

- estimated age,
- potential size,
- species value,
- conservation status,
- location and function in the natural system of the city,
- persistence and type of community,
- ecosystem services provided.

Trees that were removed in relation to those that were planted were given higher average scores in the assessment criteria: estimated tree age, size, location and function in the city's natural system and ecosystem services. However, their average value was lowered by characteristics such as species value (their invasiveness, short-livedness, susceptibility to diseases and pests, low adaptability to urban conditions), conservation status (health condition, statics and stability) as well as location and natural connections. The higher value of compensatory plantings in relation to removed trees concerned the assessment of characteristics such as species value, conservation status as well as persistence and type of plant communities.

The average rating of a felled tree in the valorisation amounted to 2.82 points out of a maximum of 5 points, while the average rating of a planted tree amounted to 2.79 points. The ratio of planted to removed trees was therefore 2.21.

**312** — number of trees we planted in 2022

**2.38** — ratio of trees planted for each tree that was felled

**2.21** — ratio of planted to removed trees



“

### Insights from the expert

**Edyta Rosłon-Szeryńska BEng, PhD, DSc**

A large tree has up to several tens of times the value of a small tree because of the volume of assimilation mass - an organ responsible for main natural functions and ecosystem services. However, the trees removed by the Echo Investment Group received rather low ratings due to characteristics such as poor health, disturbed statics or invasiveness. The rating of the average planted tree was slightly lower than that of the removed tree. Also taking into account that the number of trees planted was more than twice the number of trees removed, the total biological and landscape value of trees planted by the Echo Investment Group in 2022 was 2.21 times higher than the value of trees removed.

Increasing the difference between removed trees and planted trees, in favour of latter ones, will be possible by selecting for planting trees of native, long-lived species, of ultimately large size, with versatile functions in urban spaces. Not only the selection, but above all the arrangement of the plant composition, increasing biodiversity and sustainability, will be important.



### Modification of the methodology for calculating the natural value

Compared to the assessment carried out for 2020 and 2021, the valorization for 2022 tightened the criteria by placing more emphasis on the size of trees and their ecosystem services, as well as softening the approach to invasive trees, whose value in the city is growing due to the climate changes. The currently adopted method assumes that old and large trees are of greater value than young plantings.

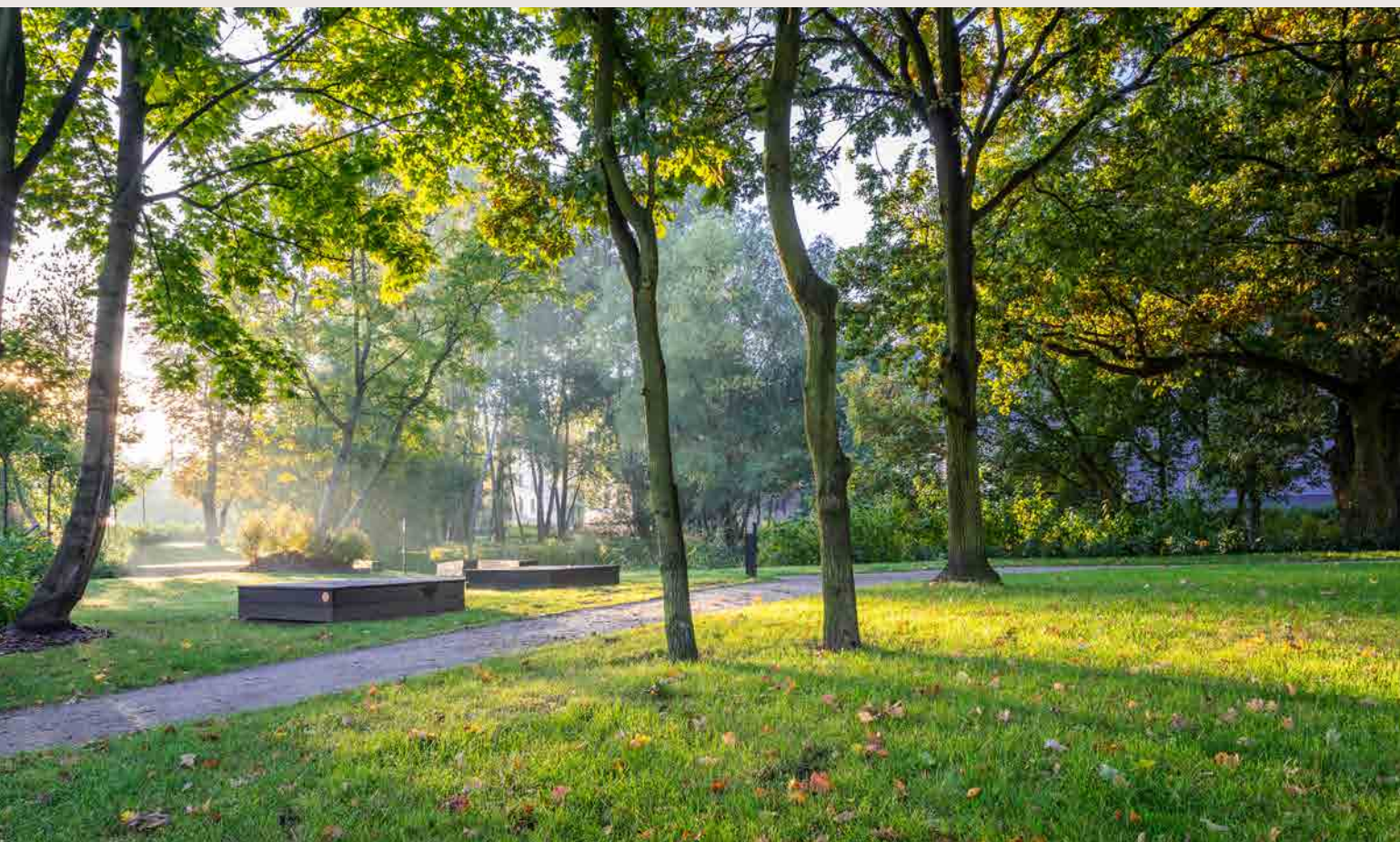




The obligation to protect trees and shrubs rests not only with the contractor, but also with us - the investor. We follow the principle of limiting the negative environmental impact of our activities. We strive to ensure that the design documentation includes reliable dendrological information. We recommend proposing measures to increase the biological value of the area. We have compiled all the rules concerning the activities aimed at the protection of trees and shrubs during construction works on the Group investments in the 'Tree protection guidelines'. The publication is available to all interested parties, contractors and subcontractors.

### Main rules of dealing with trees on construction sites:

- › if possible and justified, we replant trees that interfere with the investment, instead of removing them;
- › we work with municipal green management, neighbours and the local community to find new places for replanted trees,
- › if necessary to cut trees down, we replace them with new ones (compensation plantings), in accordance with applicable legal regulations,
- › we take special care of trees and shrubs that we keep in the investment area, we protect and watch them,
- › we make every effort to ensure that trees and shrubs do not suffer damage during construction works and maintain their viability.





## Residential buildings energetic efficiency

The average annual demand for non-renewable primary energy (EP) in Echo-Archicom's residential buildings put into use in 2022 is 78.4 kWh / m<sup>2</sup> per year. For comparison, in 2021 it amounted to 81.8 kWh / m<sup>2</sup> per year (but only for Echo Investments' buildings). In both years, the indicator was significantly below the standard set for residential buildings at 85.0 kWh / m<sup>2</sup> per year.

### Living green roofs and walls

We design green roofs or walls in some projects so that we can achieve a higher ratio of biologically active areas. Carefully selected greenery, situated over a fairly extensive roof or wall area, provides a barrier to pollution, absorbs carbon dioxide and produces oxygen.

In 2022, in the new Resi4Rent R4R Kraków Błonia project, we created a living wall full of plants, with an area of almost 200 sqm. There are ferns, bergenias, cranesbills, spindle trees, bellflowers, hostas, candytufts, carpet boxes, dwarf pines, periwinkles, snowberries and cotoneasters. It is probably the largest such wall in Cracow. It is a living ecosystem for birds, in addition to reducing noise levels, insulation from oppressive heat or frost, it is also an excellent filter capturing air pollutants. It also promotes water retention, improves energy efficiency, provides a natural wind barrier that retains heat in the building and protects the structure of the building from ultraviolet radiation. Complementing the external green wall is its smaller version in the building lobby.





## Green standards within our projects

### Eco-Echo - our original standard for sustainable residential buildings

Buyers want to know how their apartment will affect its surroundings, whether it will allow for a sustainable lifestyle and whether its construction was carried out with respect for the environment and its resources. That is why Echo Investment introduced its original system for assessing residential buildings in terms of ecology, responsible construction, amenities and impact on health in 2022. Transparent criteria make it easy to assess any project under construction.

Eko Echo is a rating system for residential projects. Each building can score 100 points in four categories: ecology (20 points), health (20 points), construction (20 points) and amenities (40 points). Points can be scored for meeting a specific condition or level, in such a way that the assessment is as objective as possible and leaves no room for doubt. The six-grade scale, which follows the system used in Polish schools, makes it easy to compare buildings.

### BREEAM certification

We certify our office projects in the international BREEAM system. It is currently one of the most popular environmental certificates in Europe. It is a method that allows us to evaluate buildings according to 8 objective criteria and clearly defined technical parameters: management, health and well-being, energy, transport, water, materials, land use and ecology, pollution. The certificate is a guarantee that we are in an office that is friendly to people and the environment, and that working in such a place is more environment-friendly and pleasant.



**Trust, health and comfort  
of our clients**

## Customer service standards

Buying one's own apartment is often one of the most important decisions in life. Renting an office or service premises can be a decisive factor in business success. We know the importance of decisions on the real estate market, therefore we approach each client individually. Understanding their needs gives us a guarantee that we are building a loyal relationship based on high ethical standards. Our clients are either individuals who buy apartments for themselves or their families, as well as investors who buy them to locate capital or those, who approach them as an investment for retirement. Our clients are also companies renting office or commercial space for their activities and large international funds specialising in real estate, purchasing entire office buildings, residential buildings and shopping malls.

### [417-1, 3-3]

The starting point for building a relationship with the client is for us a focus on their needs and a skilful communication. From the sales perspective, it is important to choose communication tools that will allow the customer to realistically assess the quality of the apartment, understand all aspects of a potential transaction, and, as a result, help the customer make a rational decision to buy an apartment or office building.



Booklets, information brochures, digital solutions, virtual tours, online meetings, sales applications - all this provides a sense of comfort and security to our customers. We always provide access to complete and reliable information about our projects.

The source of knowledge about our plans and investments is primarily our website and project websites. It is also an invitation to contact us. We inform as well about all projects through local, national or industry media. We value the insights of local communities, customers, Echo and Archicom employees, business partners, shareholders and the media. We know that each group has a different perspective, so reviewing all suggestions increases the quality of our housing estates or offices.



An element of the preliminary contract for the purchase of an apartment is always the investment prospectus, which is a compendium of data about the apartment and also a binding obligation for us. In addition to information about our company, the booklet is a source of knowledge about the location of the housing estate and its immediate vicinity, the areas of premises, the layout of rooms, the standard of finishing works and parking spaces. In the booklet, we also present important differentiators of the investment, which may be of key importance for the client, as they indicate its long-term value.





## Good practices

### 1. Website

— we prepare a separate website for each of our investments, presenting to the client all key information for the project: from basic technical data, through its advantages, to the information about the area, its character and history. It is also the place of first contact with the investment supervisor. Each website undergoes advanced security tests which guarantee the confidentiality of customers' data.

### 2. Online vs print

— all marketing materials that we provide to clients are both printed and electronic. We encourage and promote the use of online materials and we promote electronic communication solutions, which results from our care for the environment.

### 3. Technologies vs offline

— we provide our clients with access to the cutting-edge forms of contact with project supervisors, in particular via mobile devices, as well as virtual walks around the future investment, which investment clients appreciate the most. We are also still available offline in our sales offices, we make it possible to see in person the future place of residence - this form of contact is most appreciated by people who buy apartments for themselves.

### 4. Net Promoter Score (NPS)

—we check overall satisfaction regarding our service and product at key stages of client service. We ask our clients to complete a survey and their feedback is used to guide us in improving our communication, services provided and service quality. The NPS determines the ratio of brand promoters among all clients. Our NPS score is 38 for the entire network.

In 2022, we measured for the first time the satisfaction level of individual clients that use flexible offices from CitySpace. We conducted the survey in the following areas:

**8.9/10 points** - location

**8.8/10 points** - a building in which CitySpace is located (9 out of 12 buildings were constructed by the Echo Group)

**8.7/10 points** - cleanliness

**8.6/10 points** - hygiene safety from the viewpoint of COVID

**8.5/10 points** - design

### We support ESG assumptions by conducting responsible marketing

- We build marketing communication based on a comprehensive analysis of the environment of the future project. We aim to understand precisely the place where we are building, its habits, residents and needs.
- We teach multiple-use by eliminating single-use - we limit the production of gadgets by handing our clients only reusable ones that teach wise eco-behaviour. These include thermal bottles, fountain pencils and linen bags.
- We are introducing green solutions to our projects. In 2022, on the Resi4Rent apartment building at Cracow's Błonie Park, we created a live wall full of plants, with an area of nearly 200 sqm. There are ferns, bergenia, geranium, euonymus, bellflowers, funkias, iberis, camomile, dwarf pines, periwinkles, snowberries and cotoneasters. This is probably the largest such wall in Cracow. We also enable our clients to take care of their individual green compositions, giving them, among other things, woods in a jar or seeds to create their own flower meadow.

**226** — the number of individual clients who participated in the survey



**84%** - Customer Loyalty Rate among clients of CitySpace



## Compliance with regulations on responsible sales and marketing

[417-2, 417-3, 3-3]

In accordance with our Code of Conduct, our PR, IR or marketing communications is based on honesty and truthfulness. We do not use misleading methods of communication, and we openly discuss all matters related to our activities with stakeholders.

Among the business activities conducted by the Echo-Archicom Group, the sale of apartments to individual clients is the most important external regulations concerning sales and marketing. In relations with clients, the most important document describing the purchased apartment is the information prospectus, which is an appendix to the development agreement and is binding for the developer. The obligation to have a prospectus applies to each apartment sold. In 2022, we recorded no reports of non-compliance with regulations of information provided in our marketing materials or prospectuses or given during face-to-face meetings with account managers. As a result, we were not affected by any sanctions due to this.

In 2022, we did not record any violations regarding compliance with voluntary codes regulating marketing issues, such as the Code of Conduct.

[418-1]

The nature of our business requires the processing of customers' personal data. Throughout the company, we pay the utmost attention to its protection. In 2022, we did not record any breach of customer privacy or a loss of personal data. The incident involved the data of one customer. The Group reacted immediately to this situation, acting in accordance with the internal procedure: it analyzed the causes of the incident and took remedial action. The risk of leakage was assessed as low in this case.





# Our residential estates - standards and amenities

## Sustainable residential estates

### YES to EKO

We are very aware of the changes occurring and of our clients' expectations of their future place of residence, and solutions adapted to the current times. We know that they are able to pay a premium to live where the impact on the environment is minimized. For residents, a sustainable estate is a car-free zone with a separate play space for children, full of environmentally friendly and modern solutions.

In line with the concept of a sustainable estate, we are equipping it with a number of pro-environmental solutions, such as lighting the common parts of the buildings with energy obtained from photovoltaic panels or irrigating the greenery with rainwater from retention. The idea also includes the presence of electric vehicle chargers and the minimization of car traffic on the estate to ensure the greatest possible comfort and safety for residents.

### Energy efficiency = lower cost of energy bills, health and less pollution



Energy efficiency = lower cost of energy bills, health and less pollution



Energy consumption (PE)\* in 2022 at Archicom's 12 estates was 82.23 kWh/sqm

\*PE is an index of a building's annual demand for non-renewable primary energy necessary for heating, cooling, ventilation, and hot water preparation, as well as the energy needed to power lighting and all other electrical house appliances. We write more about this index in Chapter VI. We respect the environment and care for the climate

### Sustainable estate = self-sufficient

A sustainable estate should meet a number of environmental impact requirements both at the stage of its construction and during use by its residents, which is why in our estates:

#### during construction<sup>1</sup>:

- > we segregate waste,
- > we protect the plants provided for preservation and animal sites
- > we monitor and optimize energy and water consumption during construction,
- > we reduce the inconvenience to the environment associated with construction (noise, mud),
- > 100 percent of wood comes from certified sources,
- > we maintain safe working conditions.

#### during use<sup>2</sup>:

- > green areas are irrigated by rainwater stored in retention tanks,
- > photovoltaic panels power common parts of buildings and e-auto chargers,
- > energy-efficient LED lighting in common parts provides better energy efficiency,
- > heat pumps allow the use of renewable energy sources (RES),
- > green space occupies min. 30 proc. of the project site,
- > heat islands are eliminated with light-coloured buildings, green roofs or walls, among others.

1) You can read more about sustainable construction in the chapter IV "We co-creating sustainable cities and spaces"

2) solutions used in selected Echo Investment estates

# Eko Echo certification

## Eko Echo - a sustainable standard for our residential estates.

More and more buyers of apartments expect developers to create maximally self-sufficient and sustainable estates.

According to Echo Investment’s client satisfaction surveys, one in three clients (34 percent) attaches importance to whether their apartment meets high environmental standards. The growing interest in this issue is rapidly increasing: as recently as in 2020, this issue was important to 26 percent of respondents.

In 2022, we developed and introduced an original program that allows residential buildings to be rated in terms of ecology, how responsibly construction is carried out, facilities and the impact on health, i.e. the most urgent needs of clients and current ESG trends. Each project can score a maximum of 100 points in four categories: ecology, health, construction and facilities. The corresponding score ranges translate into a simplified grade according to a Polish grading system (1-6).



## Proving ourselves and setting ambitious targets.

At Echo Investment, we surveyed and graded our first eight projects, which was very well received by clients. Most of the estates were given a good rating. Our goal is that by 2024, half of the buildings that are being started will achieve a very good rating, and in the following years, an excellent rating.

## Advantages of evaluating buildings in the Eko Echo standard:

- the opportunity to evaluate a purchased apartment in terms of ecology, construction standard, facilities and health,
- the possibility to compare buildings between each other,
- reliable, quantified and easily accessible information about the standard and the solutions applied to improve the health and comfort of residents as well as neighbourhood conditions.

## Eko Echo assesment

Project	Number of scores	Grade
Osiedle Zenit I, Łódź	71	4+
Project Mokotów I, Warszawa	71	4+
Rytm Kabaty, Warszawa	70	4+
Stacja Wola II, Warszawa	63	4
Bonarka Living, Kraków	61	4
Fuzja lofty, Łódź	61	4
Wieża Jeżyce, Poznań	60	4
Osiedle Enter, Poznań	52	3

“

### Insights from the expert

**Rafał Gliwiński,**

Project Standardisation and Optimisation  
Manager at Echo Investment

The assessment of the impact on the environment and users is already a standard tool for verifying the quality of commercial buildings. We know that this is as important for buyers of apartments for their own purposes as it is for investment clients. Assessment standards available on the market are not understandable and too expensive for clients. Therefore, we decided to use the knowledge and experience of our experts in various fields to propose an original assessment system that is easy to understand, unambiguous and allows them to choose the best place to live for years to come.

We introduced the Eko Echo standard after months of analysis, dozens of visits to construction sites and discussions with sustainability experts. We needed a comparative scale for our projects that would allow us to build more and more friendly and sustainable estates year after year. The Eko Echo scale can be applied to each of our buildings and objectively assess which includes more facilities for residents, is more eco-friendly in design or construction. These factors are increasingly important to clients. Public discussions about Poland's energy future will make buyers increasingly expect developers to create maximally self-sufficient and sustainable estates.





# The report “There is no place like home, or how Poles live”

**Self-sufficient, sustainable and city-creating - such residential estates we need.**

In 2022, we studied how Poles live, what their housing needs are and what, if anything, they would like to change in this regard. The first edition of the report ‘There is no place like home, or how Poles live’ provided us with inspiring conclusions.

## How do Poles want to live?

In functional apartments. We need one extra room (every fourth respondent) and better room layouts (every sixth respondent). We want our own gardens (21 percent of respondents), balconies or terraces (17 percent). Nearly half of those surveyed (47 percent) assess the standard of their current apartment as good.

Modern technologies are spreading rapidly and becoming standard in new buildings . The apartment of the future will use less water, electricity and heat, will be managed via smartphone, will adapt to its owners’ habits and will be digitally connected to its surrounding infrastructure. Electronic systems, especially in the face of emergencies such as the pandemic, are becoming a guarantee not only for the comfort but also for the protection of residents. Men are greater ‘techmaniacs’ than women (42 percent vs. 34 percent indications of yes). Women, on the other hand, are more likely to pay attention to tidiness and greenery where they live (61 percent vs. 55 percent). They expect consistency in designing new residential estates with the existing urban fabric. They want new residential estates to be well thought-out and more often open to their neighbours.

In terms of the infrastructure of residential estates, they expect more greenery and spaces for relaxation, places for recreation and social bonding, including playgrounds, retail and service outlets, contactless technology, e.g. when opening a gate, as well as dedicated places to work.

The survey helps to analyse trends and prepare a better offer for potential clients. It was carried out in partnership with the Ariadna Research Panel among 1085 respondents.





### What are the most important ( i.e. green) housing trends?

- **61%** of those surveyed believe that apartments will become more expensive in the next two years,
- **58%** expect more greenery from new residential projects,
- **46%** would pay extra to live in a sustainable residential estate,
- **43%** of those taking part in the survey would finance the purchase of a new apartment with a mortgage,
- **38%** of Poles would pay extra for smart solutions in their apartments and residential estates,
- **30%** would take into account an energy-efficient building when looking for a apartment,
- **23%** percent pay attention to a building's construction technology.

### What smart solutions would we like to have in our apartments?

- notifying about flooding or smoke in an apartment - **47%**
- controlling roller shutters with a smartphone - **21%**
- opening of a front door with a smartphone - **14%**

### ...and which ones within their residential estates?

- opening a garage door using an app - **25%,**
- opening a building entrance door with a smartphone - **21%,**
- opening entrance gates with a smartphone - **20%,**
- opening a dumpster door using an app - **15%.**

“

### Insights from the expert

#### **Anita Makowska,**

Business Analyst, Archicom S.A. (the Echo Investment Group)

Only 29 percent of agglomeration Poles are satisfied with where they live. And this is good news, because it means that we want more. We want to live well, regardless of whether we live in Poznań or the Tri-City. Changing economic conditions mean that we approach preferences differently in different parts of the country. But the bar is now set very high everywhere, and in front of developers, urban planners and architects is an agglomeration Pole who is critical towards new projects and expects quality. This is the best conclusion of our study of city showcases for market creators and the foundation for the future.



“

### Insights from the expert

#### **Magdalena Teodorek,**

CEX quality and development coordinator at Echo Investment

We design and build responsibly, conducting a transparent dialogue with our clients, and such studies allow us to identify their needs in the best possible way. We want the places to live that we create to be as much in line with the hierarchy of needs of residents of our estates as possible. Indeed, there is a word that goes across all cases when it comes to characteristics of residential estates in which they would like to live: “green”. Greenery is also at the very top of the list when it comes to expectations of new development projects





# We care about our clients' comfort

## Moje Echo

- a platform for providing support to clients after acquiring a residential or commercial property,
- quick payments, synchronised with a repayment schedule,
- live chat with an account manager,
- a calendar of appointments.

## Paczkomaty

We were the first developer in Poland to sign an agreement with InPost and we have been equipping our residential projects with parcel lockers since 2021. There are currently 3 parcel lockers in our estates.

## Pakomatic

We have been installing Pakomatic postal and courier parcel collection points throughout our estates. This is a neighbourhood storage facility where couriers can leave a parcel for a resident who is away. It can be opened with a one-time code. We have now installed 18 such installations.

## Blue Bolt

We introduced a dedicated Blue Bolt app that replaces keys and entry cards successfully within our estates. It allows residents to move around the estate practically contactless, while opening the garage door or barrier and ordering the lift using their smartphone. In fact, we have already installed Blue Bolt in nearly 230 entrance doors and in 75 lifts within our estates.

## Ubraniomat

A result of the cooperation between Archicom, 4F and the Ubrania Do Oddania brand is a second-hand clothing collection unit, which appeared in the Olimpia Port residential estate in Wrocław in 2022. For every kilogram of items collected, the Ubrania do Oddania brand donates one zloty to the Rewir Twórczy Association. In 2022, we collected nearly 700 kilograms of unwanted clothes.

## Vehicle charging stations

Together with the Veolia Group, we are launching photovoltaic-powered electric vehicle charging stations within our estates. The solar power plants have a capacity of 3.8 kW and can produce up to 3.8 MWh of electricity. This means that the installation connected to the electric vehicle charging station allows up to 73 full charges of a car with a 52 kWh battery capacity and a range of 400 km. There are already 23 such stations functioning within our residential estates.



## Echo Share estate mobility point

In 2022, we were the first in Poland to design a neighbourhood mobility point - Echo Share. Residents of the Zenit residential estate in Łódź will have their own fleet of electric vehicles at their disposal and access to them using a free app. Echo Share will also be equipped with a full electric vehicle charging infrastructure. Chargers will be powered by energy generated by photovoltaic panels installed within the estate. The first vehicles will be rented by residents of the Zenith estate in spring 2023. The Echo Share points are being provided together with Keratronik and Veolia.

### Our Echo Share fleet:

- electric scooters,
- electric bicycles, including a cargo bike,
- a passenger car,
- a (planned) delivery van to help residents with furniture and larger items of equipment.



## Bicycle hangers

Together with Bike2Box, we are equipping all our estates with bicycle hangers. There are now more than 280 of them.



**1,300** — this is how many apartments we equipped with a 'smart home' system last year

At the start, **4,358** devices were installed in these apartments, and their owners can expand these systems as desired.

### Smart Home

"Smart home" is a smart home technology that allows you to remotely adjust the temperature, lighting or window opening level to your needs using your smartphone. The solution helps to optimise energy consumption, save money and protect the environment.

We plan smart home systems in apartments already at the design phase of our estates. Future residents, are provided with completed structured cabling as standard, so they can consider many different automation systems when fitting out their dream apartment.



## Case study of Echo Investment

### Sustainable residential estate Zenit I residential estate in Łódź

The reference project, where you can find many examples of green building solutions, is our Zenit housing estate in the Widzew district of Łódź. We commissioned the first stage at the beginning of 2023. It is the first residential estate designed and built in accordance with the sustainable development strategy of the City of Łódź and a place where technology supports ecology. Thanks to the co-operation with energy company Veolia the project uses photovoltaic systems. The generated energy is used to power shared parts of buildings, e.g. elevators, ventilation and air conditioning devices or electric car charging stations. We also supply the apartments with ecological heat generated in the local Veolia CHP plant.

Zenit is an open and green housing estate encouraging residents to undertake various activities in shared spaces. An alternative to fences is properly planned vegetation. We move away from creating unnatural external barriers, we create a space where people feel safe, retain their privacy, and at the same time a space that is conducive to meeting neighbors and to building local communities. Green areas are irrigated with rainwater stored in retention reservoirs. We have also made sure that the shared spaces are safe and meet the needs of both the youngest and teenagers.



The Zenit I residential estate in Łódź has a greenhouse where residents can grow herbs, flowers or vegetables.



The project benefits from photovoltaic systems that power shared areas of the buildings, such as lifts, ventilation and air-conditioning equipment or electric car charging stations.



Appropriately planned plants help to provide residents with safety and a sense of freedom, without fencing off the area.



The project will have its own local electric vehicle rental facility.





## Case study of Archicom

# Sustainable residential estate Olimpia Port in Wrocław

Olimpia Port is a picturesque residential estate located on the shores of the Oder river in Wrocław, which Archicom has been developing since 2012. Residents there can enjoy a rich public space mixing restaurants, shops, outdoor and indoor recreation areas. The estate also has places such as a health centre, pharmacy, hairdresser, vet, nursery and kindergarten. This is one of the largest comprehensively developed residential estates in Poland.



- a residents' club and **2** fitness rooms,
- floating bridges and a riverside boulevard,
- more than **20** service premises,
- **2** playing fields, outdoor climbing frames and a bicycle pumptrack,
- a marina with a fountain and a lounging area,
- a revitalised building of the Brickworks,
- **12** playgrounds,
- **1.5 km** of bicycle paths integrated into the city's bicycle network,
- **6 hectares** of greenery, representing **30 percent** of the estate's area, including well-preserved poplar and birch trees,
- a **1 ha** Barcelona square with greenery and a place to relax,
- elements that relate to the history of the place - a revitalised tender, historical transport rails used in the architecture of the estate.



“

### Insights from the expert

**Waldemar Olbryk,**  
CEO of Archicom S.A.  
(the Echo Investment Group)

Poles expect more from new development projects than they did even 30 years ago, when these were simply to fulfil their residential function, to provide a roof over their heads. Paradoxically, however, back then it was easier to build with the values we are more likely to pay attention to today - with more breath between buildings, more greenery, more parking spaces. Residents want future projects to be well thought out. A prime example of a project by Archicom based on the idea of a 15-minute city is the Olimpia Port estate, which we have been developing for over 10 years in Wrocław, with full infrastructure and access to recreation. In partnership with local residents, we managed to develop there a comfortable, well-connected place to live. The important aspects that play a key role here are consistency and openness. The consistency in architecture and the approach to life, ecology, values. The openness to people, neighbours and neighbourhoods, to changes, to surroundings. All this is bound together by the idea of sharing and working together. By recognising this potential of cities, today we can build the cities of the future.



## Our office buildings - standards and facilities

### BREEAM certified

All Echo Investment's office projects are certified according to the international BREEAM environmental system - one of the most popular in Europe. It is a method that verifies many features of a building and allows them to be rated using 10 objective criteria and clearly defined technical specifications: management, health and well-being, energy, transport, water, innovation, waste, materials, use of land and ecology, pollution. BREEAM is a certification of the quality and high standard of the project. A "green-stamped" office is not only an eco-friendly and cost-effective choice, but also a comfort for our tenants - a guarantee that they are in a place that is friendly to both people and the environment.

### In 2022, the BREEAM certificate was awarded to:

#### At the design level:

- Brain Park B S&C in Cracow (Excellent, most scores for transport),
- Fuzja J in Łódź (Very Good, most scores for transport),
- Fuzja I in Łódź (Very Good, most scores for transport).

#### At the post-construction (final) level:

- Moje Miejsce II in Warsaw (Very Good, most scores for transport),
- Villa Offices (Warsaw Breweries K, with tenant spaces) (Excellent, most scores for transport),
- Face2Face Business Campus in Katowice (Excellent, most scores for transport, use of land and ecology).



### Insights from the expert

**Anna Korycińska,**  
Breeam Certification Coordinator

In our office buildings, we have introduced a number of solutions to support energy and water savings, an efficient waste management policy and minimising the environmental impact. Considering the inner-city location of our projects, they receive most scores for accessibility to public transport, traffic-free cycle paths, car chargers, parking and changing rooms for cyclists, and their proximity to service points such as post offices, shops, schools, restaurants, ATMs, pharmacies and fitness centres. We also strive to encourage tenants to promote alternative means of transport, such as bicycles or scooters, among their employees. In addition, we dedicate the best-located parking spaces to people who commute in larger groups, in one car. This helps to reduce the carbon footprint - both users' footprint and indirectly, ours.





## WELL Health and Safety certification

We are improving standards related to safety, a good working environment and social interactions in our offices. In 2022, we introduced the WELL Health and Safety certification, which focuses on five main areas that improve the safety and work quality of our buildings' users: disinfection and cleaning procedures, emergency preparedness plans, healthcare availability, high water and indoor air quality, as well as stakeholder involvement and communication. We also support tenants' well-being in a friendly way through green solutions or the possibility to flexibly adapt office spaces to their current needs - individual or group work, relaxation, concentration or meetings with business partners. The fact that our two projects received this award is the best confirmation that we design a comfortable space that facilitates the creation of an organisational culture, cooperation, and the maintenance of relations between employees and between teams.

As the WELL Health and Safety certificate requires the health and safety of tenants, visitors as well as staff to be prioritised, it is only awarded for one year, which motivates owners and managers to continually review procedures and renew the certificate.

### In 2022, the WELL Health and Safety certificate was awarded to:

- › West 4 Business Hub in Wrocław,
- › React in Łódź.

Another of our buildings, Brain Park in Cracow, is applying for the certificate.

## Echo Pure Office

Ensuring the healthiest and safest possible working environment in office buildings is, after the pandemic, one of the most important technical specifications that potential tenants and building buyers are looking at. Taking into account what we learned from the COVID-19 pandemic, we implemented our original Echo Pure Office standard, which applies to all our office buildings. It provides a safe, good environment for working and social interaction in our offices. With hindsight and results, we can see that tenants trust the effectiveness of these efforts and very intentionally choose our buildings.

### What Echo Pure Office means:

- finishing materials easy to disinfect,
- tilt windows,
- safe fittings in toilets and, where possible, touchless opening systems,
- natural materials,
- noise protection,
- energy-efficient lighting,
- optimal access to daylight,
- energy-efficient air-conditioning and ventilation system,
- smoke and hyperventilation detectors,
- A-class office spaces,
- the RCI ActivePure technology,
- the "Five for safety" program.

The air we breathe in buildings significantly affects our health and well-being, but can also be responsible for transmitting pathogenic microorganisms. That is why we went one step further and, as part of our EchoPure Office standard, we increased sanitary rules in office buildings by providing clean and healthy air thanks to the RCI ActivePure technology.

## RCI ActivePure

a solution inside the office building ventilation system that eliminates microorganisms in the air. It is based on a natural phenomenon known from nature - the process of photocatalysis. It generates powerful, but human-safe oxidants that deactivate biological viral and bacterial contaminants both in the air and on surfaces, without the use of chemicals.

**96.4-99.9%** — this is how much airborne pathogens and contaminants are reduced within 1 minute from the start of the device, according to the US Food and Drug Administration

## The first to use the RCI ActivePure technology are tenants of:

- React I in Łódź,
- MidPoint71 in Wrocław,
- West 4 Business Hub in Wrocław,
- Brain Park I in Cracow.

## The 'Five for safety' program

We prepared a special 'Five for safety' handbook for office space managers. It has functioned since 2020. It contains a description of principles and actions focused around five areas: disinfection, protection, keeping distance, information and communication, including recommendations for hygiene and safety maintenance standards. During the COVID-19 pandemic, the handbook was given to every Echo Investment office building manager. This manual is also available to companies and organisations that want to introduce similar standards in their buildings. We start the 'five for safety' program in a state of high necessity, for the sake of health and safety of office users.





## Case study

# West 4 Business Hub in Wrocław

West4 Business Hub is a project that became a pilot for many innovative solutions. As early as at the phase of designing and construction, the office building was distinguished by high standards supporting sustainable development, as confirmed by the BREEAM Interim certificate at the Exellent level. For the convenience and comfort of users, we introduced a building application here called Zonifero, which allows for the agile management of parking spaces, conference rooms and virtual reception. Wrocław is a city of cyclists, and many employees here decide to actively use this means of transport. That is why as many as 146 bicycle parking spaces were provided here, along with a complete infrastructure for cyclists. West4 Business Hub is an office building that was constructed and leased during the first months of the COVID-19

pandemic. Despite a highly advanced phase of work, the project was able to succeed in dynamically adapting to the new reality. An innovative and highly effective real-time air treatment and surface disinfection system that is based on the RCI ActivePure technology, as well as the 'five for safety' program that introduces a series of policies and procedures for the duration of the epidemiological emergency, are the key solutions into which we armed the office building. The high safety standards are confirmed by the WELL Health&Safety certificate. This is appreciated by its tenants: CitySpace, PM Group, SII, Vorwerk, Żabka, Luppó Puppo.







## Sustainable supply chain

All 555 contractors or subcontractors and design companies we worked with in 2022 had to declare to operate in compliance with our Code of Conduct, including respecting human and labour rights issues. The declarations are verified during the course of their work and if discrepancies arise, then our contractor is called upon to rectify any breaches and put in place the correct standards, procedures and security measures. In exceptional situations, we make a decision not to work with a particular company because of its previous record, such as human rights violations.



### Our procurement process in numbers:

**1,539** — total number of construction, construction-related and design contracts signed

Over **1 billion** — total value of construction, construction-related and design contracts signed

**555** — total number of contractors who declared in 2022 to act in accordance with our Code of Conduct, including compliance with human and labour rights issues

**100%\*** — the percentage of expenditures on purchases from contractors - Polish or foreign construction, construction-related and design companies with registered office or branch in Poland.

\*relates to material contracts



[308-1]

### Supplier selection process — environmental and social assesment

All our contractors and suppliers are subject to uniform selection rules.

What does the qualification of suppliers to cooperate with the Echo-Archicom Group consist of?

- initial verification based on a qualification form: we check technical potential, organisational structure, experience in work execution, financial documents,
- we check whether a potential contractor or supplier diversifies its income and is not dependent on bank financing,
- verification of environmental certificates held, employee relations,
- we check contractors on their standard of compliance with health, safety and environmental regulations.
- we control the use of substances hazardous to life COSHH,
- we confirm the application of CSR principles, codes of ethics held, anti-corruption conduct and programs in place and reports published,
- we check the ethical approach to finances - employees' contributions, taxes and possible debts to contractors are controlled,
- we check whether a given entity is not involved in a tax carousel procedure,
- we verify potential reputational risks based on the Background Check procedure.

Information obtained as a result of these processes has a direct impact on the cooperation with suppliers.



[413-1, 413-2, 3-3]

## Social engagement policy

We support our social environment as responsibly as possible. We are proactive and orient our assistance to the communities whose part we feel. Transparency and effectiveness of our charitable activities are governed by the procedure of granting donations and sponsoring that responds to specific social needs and closely related to our group's strategy and business operation. It enables ethical, just and safe decisions on the applications for support. The procedure applies to all Echo Group companies and all contracts of donations and sponsoring and similar agreements, based on which the companies undertake to provide financial support or goods-in-kind to any social, cultural, sports or industrial initiatives, projects or events, according to the strategy adopted for the given year. As a rule, we do not participate in and do not finance political events or causes.

[500, 3-3]

**Łąka.**

## Echo-Łąka growing in six cities

In 2020 we started the Echo-Meadow ecological programme in cooperation with the reputable Łąka Foundation. We set up urban flower meadows that have a positive effect on the microclimate, biodiversity and reduce smog. Already there are seven meadows with a total area of nearly 6,500 sqm established. They are located in Warsaw at the ul. Towarowa, in Łódź, in the vicinity of the sustainable Zenit housing estate, in Poznań, in the vicinity of the planned investment at ul. Opieńskiego, in Kielce, next to our headquarters, in Kraków on ul. Bystrzycka and Wrocław on al. Pokoju. These are perennial meadows set up in areas managed by municipal institutions, although their care and maintenance is taken care of by Echo Investment and the Łąka Foundation. We intend to continue the project in the coming years so that our contribution to improving the climate and the look of cities is noticeable.



### Sponsorships and donations to non-profit organizations



Nearly **PLN 2 million** — in 2022, the Echo-Archicom Group donated to non-profit organizations and charities

In light of the humanitarian crisis in Ukraine, last year we decided to focus our charitable activities on supporting refugees. Most of the support donated was in cooperation with local governments and social service units.

Moreover, the Echo-Archicom Group supported the following non-profit organizations:

- › the Wrocław Hospice Foundation for Children
- › Grupa z Passją Association in Wrocław,
- › the Foundation of the Polish Knights of Malta in Cracow,
- › the Association of Physical Culture VIVE Kielce Sports Club,
- › the Association of Piaseczna Górka Residents “Z Górki”.

As a patron, we also took part in the scholarship program “Youth in Łódź”, the environmental program “Łódzkie szkoły dla klimatu” and we continued our cooperation with the Meadow Foundation.

### A shelter for refugees

Faced with the humanitarian crisis in Ukraine, it was natural to focus efforts in social activities on the refugee issue. The outbreak of war and the massive flow of Ukrainians escaping from it caused unprecedented challenges with providing them with decent accommodation. Therefore, just days after the outbreak of war, we prepared spaces at our own expense for up to 2,000 people in our office buildings in Warsaw and Cracow. Both spaces were handed over to the city’s social aid coordination centres. Throughout the year, we contributed to maintenance costs of both facilities, we provided ad hoc assistance to them and, in addition, our employees supported those living there with their own donations or voluntary work.

**The Empark Mars building in Warsaw** — currently housing **around 700 refugees**. For most of the year it accommodated around 400 people, but since October we have provided the centre with some additional space to accommodate another 300 people. The centre is run by the Warsaw Family Assistance Centre and the Warsaw Integration Centre “Integracyjna Warszawa”.

**The office building at Kapelanka Street in Cracow** — in cooperation with the City of Cracow and the Municipal Social Welfare Centre in Cracow, the Echo Group provides a roof over heads for **300 Ukrainian citizens** - in particular mothers with children.

**We can do more together**



**NEONET**



**SAMSUNG**



**Thank you for your support**  
with preparation of space  
for refugees from Ukraine!

From the very beginning of the war, the Echo Investment Group's employees were involved in all assistance activities, devoting a lot of energy and often private time to preparing spaces for the refugee centres, equipping them and providing the most necessary items. The commitment and private time of our employees resulted in our office buildings being ready to receive people from Ukraine just 7 days after the war started.

Furthermore, Archicom financially supported the Local Activity Centre - Rewir Twórczy - with a donation that made it possible to organise psychological support, art classes for children and adults, job search support (clothing rental, career guidance), language learning classes; legal advice and free document translation services. The Local Activity Centre arranged a kitchen space renovated with the help of employees from Archicom and the Whirlpool company, which provided kitchen appliances.

The Schiele Villa, a building occupied by Echo Investment in Warsaw Breweries, also hosted an educational day care centre for children from Ukraine called Junior Space for five months. The charges and their carers also participated in our annual family picnic in Kielce.





### Łomża Industria Kielce handball club

We have already been sponsoring the Łomża Industria Kielce handball club for the third season. The team is a showcase of Polish sport around the world and the Echo Investment logo appears on the players' clothes. The 2021/2022 season ended for the team with the nineteenth title of Polish Champion after winning the PGNiG Superleague, as well as the title of runner-up in the EHF Champions League Final4.



#### Insights from the Expert

**Rafał Mazurczak,**  
Management Board Member  
at Echo Investment

Echo Investment was founded in Kielce, this is where our head office is located and where most of our employees come from. Although we operate in major cities all over Poland, we feel part of the community of Kielce and the Świętokrzyskie region and that is why we are happy to support goals important for this community. We are happy to witness the successes of Łomża Industria Kielce and cheer on our team.





## Our family eco-picnic

Family picnics are a regular event that we have been organising for many years for our employees and their loved ones. In 2022, we organised this meeting in the area of the Paradise Cave under the banner of 'Eco-Echo'. All gathered guests could broaden their environmental knowledge and awareness.

- nearly 630 participants, including 222 Echo employees,
- special guests - 50 Ukrainian children and guardians from the Junior Space day care centre,
- numerous creative eco-workshops, during which participants had a chance to learn more about secrets of fauna and flora, e.g. building pollinator boxes, growing plants or preparing their own eco-cosmetics.

In gratitude to the hosts of the Paradise Cave for providing the place for our eco-picnic, we planted there 23 pedunculate oak trees several metres high. Each family taking part in the picnic received an eco-package promoting awareness and building positive role models in caring for nature - including waste segregation sets, bottle crushers and more.



## Builder's Day

Builder's Day was celebrated in 2022 with a photographic exhibition in Łódź-based Fuzja, where its builders could be seen in photographs. Although they are often anonymous in everyday life, thanks to their efforts we can once again admire the beauty of the former Karol Scheibler textile factory. To thank them for their commitment and effort they put into their work every day, we organised a photo shoot with their main participation.

## Youth in Łódź - a scholarship program

In 2022, we joined the group of funders in the largest scholarship program #MłodziwŁodzi. Funders, in the form of their choice, support students in the development of their talents and interests. 33 students from the Lodz University of Technology and the University of Lodz responded to our invitation and from this group we selected two students to be supported financially for a year of their studies.

## „Patchwork Łódź”

In 2022, we completed a prize for the winners of the architecture and urban planning competition “Patchwork Łódź 2019” for architecture and urban planning students. The four-day study trip to Amsterdam, Utrecht, the Hague and Rotterdam, was an opportunity to explore Dutch cities in the company of international experts from the UrbanOvation organisation, including an architect from STIR Architecture. Architects, managers (including from Westfield, Klepierre and Kroonenberg Groep) and urban planners showed the winners of our competition the most important examples of multifunctional Dutch architecture, with a focus on their integration into the transport system. One of the winners also received an internship at the Medusa Group Architecture Studio.

The competition and the award, which was delayed by the outbreak of the pandemic, were under the Honorary Patronage of the Mayor of Łódź and aimed at shaping good models and promoting architecture and urban planning.

## Competition winners

**The first prize** was awarded by the jury to the students of the Silesian University of Technology - Kamil Bryłka and Paweł Białas - for their clear, green solution to public spaces in the former Karol Scheibler factory in Łódź. The jury appreciated the simplicity and elegance of the concept and a great design maturity of the presented urban solutions. The proposed public pedestrian system blends in with the existing surroundings while introducing vertical compositional axes connecting the entire post-factory complex.

**The second prize** went to Shamil Marcin Jachimczyk, a student of the Warsaw University of Technology.

**The third prize** went to Ernest Białous and Mikołaj Cichański, students of the West Pomeranian University of Technology in Szczecin.

Congratulations!





## Charity Real Estate Beach Volleyball Tournament

As every year, our team represented Echo Investment at the Charity Real Estate Beach Volleyball Tournament organised by JLL. We also donated a jersey autographed by Robert Lewandowski for a charity auction, which was auctioned during the tournament for a record-breaking amount of PLN 60,000.

In 2022, all the money collected during the auction was donated to Polish Humanitarian Action and the Women's Rights Centre Foundation.



## Poland Business Run

Runners-employees of the Group represented Echo Investment in an annual charity run organised by the Poland Business Run Foundation. **The 2022 profits were donated to help people with locomotor disabilities and those after mastectomy.**

**45** of our employees from all over Poland ran in relay teams, covering a total distance of more than 180 km



## “Łódź schools for the climate”

“Łódź schools for the climate. Competences for the future” is a pilot project which combines global and environmental education and which was launched in 2022 in six schools in Łódź – three primary and three secondary schools. Its aim is to persuade children to try to give up their consumption habits and focus on what surrounds them.

We are experienced in creating many urban spaces, so we engaged in this important action in 2022 and designed six school green areas, using ecological solutions. This will give students and school staff a chance to interact with nature on a daily basis and will bring many other benefits, such as outdoor teaching and gardening together, which builds responsibility for a place they create. Łódź details embedded in this space will not only serve as a reminder of the city’s heritage, but also as evidence of the clever reuse of objects.

Duration of the project: October 2022 – April 2023.

We will design **6** green schoolyards in Łódź, using ecological solutions

“

### Insights from the Expert

**Rafał Gliwiński,**  
Project Standardisation  
and Optimisation Manager  
at Echo Investment

To intensify our involvement in the so-called ECO pact for Łódź, we will prepare projects to develop schoolyards in six chosen schools in Łódź. We will consult their appearance primarily with people who will use them on a daily basis, i.e. students and teachers, so that the areas become aesthetic and at the same time practical and comfortable to use. The projects will employ recycled elements, which will show young people new possibilities for giving objects a second life.





## We cleaned up the world!

On the **World Clean-up Day** - 16 September 2022 - more than 60 of our employees from several cities swapped laptops for bags and gloves. We cleaned up a number of neglected urban areas that had been identified by our employees and local authorities. Cleaning up together was also a fantastic opportunity for cross-departmental networking.



## World Tree Day

Echo Investment's corporate tradition is a big family picnic to welcome summer in Kielce, to which employees and their loved ones are invited. In 2022, the event was held as an opportunity to promote ecology in everyday life: we made natural cosmetics, promoted movement and fun in the fresh air. The picnic took place in the area of the Paradise Cave (Jaskinia Raj) - one of the most characteristic places in the Świętokrzyskie Mountains. In remembrance, we left behind 23 pedunculate oak trees, which were planted here on **World Tree Day** - 10 October.





## About the report

## About the report

[2-3]

The report has been prepared in accordance with GRI Standards 2021. The previous Report for 2021 was published on 25 May 2022.

This report was published on 29 March 2022.

Please provide all feedback on the report, comments and suggestions to:

Anna Strożek  
Stock exchange & ESG  
communications consultant  
e-mail: [anna.strozek@echo.com.pl](mailto:anna.strozek@echo.com.pl)

[3-1]

## About the process of preparing the report and assessing materiality

In preparing the publication of the report, we analysed the findings and feedback on the first and second sustainability reports and revised a materiality matrix for the Echo Group's ESG. The report shows key environmental, social, corporate governance metrics to understand how we manage our impact on the environment, taking into account the views of our stakeholders.

## The materiality analysis of ESG aspects involved three steps:

- Preparing a list of material topics related to the sustainable development of the organisation, the industry, global and local sustainability challenges.
- Creating a list of key stakeholder groups to whom we addressed our online survey to find out which of the identified topics considered material.
- Evaluating relevant topics. Each aspect was rated on a scale of 1-5 in terms of the Echo Group's positive or negative impact on a given issue.

A total of 64 responses were received from the following stakeholder groups:

Employees	25%
Subcontractors	17%
Clients	13%
Industry organisations	9%
Suppliers	8%
Media	4%
The Management Board and key directors (Management Team)	4%
Others (NGOs, universities, WSE, general contractors, competitors, shareholders, local community)	20%



### [3-2]

In the course of the dialogue to which we invited stakeholders, we asked them to rate the importance of a broad list of topics in the context of the Echo Group's impact on the environment, society and corporate governance. As a result of the stakeholder engagement, we obtained a list of topics identified in the survey as crucial. We considered the results of the analysis in the preparation of this report. All of the reporting topics highlighted in the process as most important affect both our company and its goals, as well as our environment.

There have been no material changes to the measurement methods used in the current report compared to the previous report.

The scope of reporting on material topics has been expanded - a summary of material reporting topics for 2020, 2021 and 2022 is presented in the table below.



We have analysed the key topics defined by stakeholders within the organisation. These are reflected in the content of the report.





Material ESG issues	If reported			Estimated impact on the environment in 2022	GRI indicators for the 2022 report
	2020	2021	2022		
<b>Environment</b>					
Environmental pollution (e.g. air, water or soil pollution)	Yes	No	Yes	3,66	303 — Water and Effluents 305 — Emissions
Gospodarka obiegu zamkniętego (np. ilość wygenerowanych odpadów, odsetek ponownie wykorzystywanych surowców)	No	Yes	Yes	3,56	301 — Materials 306 — Waste
<b>Society</b>					
Sustainable cities and communities (safe, stable, sustainable and inclusive cities)	Yes	Yes	Yes	4,23	500 — “Destinations” projects - revitalisation of degraded areas
					500 — We develop infrastructure to respond to real needs of cities and their residents
					500 — We provide space good for work
					500 — Community engagement
					500 — Sponsorship and donations to non-profit organisations
Employees: equal opportunities e.g. equal pay between men and women	Yes	Yes	Yes	3,70/3,60	405 — Diversity and Equal Opportunity 406 — Non-discrimination
Employees: working conditions, health and safety of employees, well-being of employees	Yes	Yes	Yes	3,55	401 — Employment 404 — Training and Education 403 — Occupational Health and Safety
Health and quality of life of the society (e.g. health, healthy lifestyle, well-being and quality of life)	No	Yes	Yes	3,68/3,21	500 — “Destinations” projects - revitalisation of degraded areas

					500 — We develop infrastructure to respond to real needs of cities and their residents
					500 — We provide space good for work
					500 — Our estates - standards and amenities
					500 — Our office buildings - standards and facilities
					500 — Community engagement
					500 — Sponsorship and donations to non-profit organisations
Employees: other employee rights (e.g. employee privacy at work, incidents related to human rights among employees or strikes)	Yes	Yes	Yes	3,59/3,13	407-1 Freedom of association and collective bargaining 2-23 Policy commitments
<b>Corporate governance</b>					
Local communities (e.g. dialogue or involvement in relations with communities affected by the organisation's activities)	No	No	Yes	3,86	413 - Local Communities 500 - Public dialogue
Employees in the value chain (e.g. respect for human rights by Echo Investment's subcontractors/suppliers)	Yes	Yes	Yes	3,63	414 — Supplier social assessment
Consumers and end-users (e.g. responsible marketing, responsible sales, quality of service)	No	No	Yes	3,67/3,02	417 — Marketing and labeling

 positive  
 negative

## Attachement 1

## Group companies

No.	Company	% of capital held	Parent company
1	Avatar - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
2	Bełchatów - Grupa Echo Sp. z o.o. S.K.A. w likwidacji	100%	Echo Investment S.A.
3	City Space - GP Sp. z o.o.	100%	Echo Investment S.A.
4	Rondo 1 City Space - GP Sp. z o.o. Sp.k.	100%	City Space Management Sp. z o.o.
5	City Space Management Sp. z o.o.	100%	Echo Investment S.A.
6	Cornwall Investments Sp. z o.o.	100%	Echo Investment S.A.
7	Dagnall Sp. z o.o.	100%	Echo Investment S.A.
8	Dellia Investments - Projekt Echo 115 Sp. z o.o. Sp.k.	100%	Pudsey Sp. z o.o.
9	Doxent Investments Sp. z o.o.	100%	Echo Investment S.A.
10	Duże Naramowice - Projekt Echo 111 Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
11	Echo - Advisory Services Sp. z o.o.	100%	Echo Investment S.A.
12	Echo - Arena Sp. z o.o.	100%	Echo Investment S.A.
13	Echo - Aurus Sp. z o.o.	100%	Echo Investment S.A.
14	Echo - Browary Warszawskie Sp. z o.o.	100%	Echo Investment S.A.
15	Echo - Browary Warszawskie Sp. z o.o. Sp.k.	100%	Echo Investment S.A.
16	Galaxy - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
17	Echo - Nowy Mokotów Sp. z o.o.	100%	Echo Investment S.A.
18	Echo - Nowy Mokotów Sp. z o.o. Sp.k.	100%	Echo-Browary Warszawskie Sp. z o.o. Sp.k.
19	Echo - Opolska Business Park Sp. z o.o. w likwidacji	100%	Echo Investment S.A.
20	Opolska Business Park — Grupa Echo Sp. z o.o. Sp.k.	100%	Pudsey Sp. z o.o.
21	Echo - Property Poznań 1 Sp. z o.o.	100%	Echo Investment S.A.
22	Echo - SPV 7 Sp. z o.o.	100%	Echo Investment S.A.
23	Echo Investment ACC - Grupa Echo Sp. z o.o. Sp.k.	100%	Echo Investment S.A.
24	Echo Investment Project 1 S.R.L.	100%	Echo - Aurus Sp. z o.o.
25	Echo Investment Project Management S.R.L.	100%	Echo Investment S.A.
26	Elektrownia RE Sp. z o.o.	100%	Echo Investment S.A.



27	Fianar Investments Sp. z o.o.	100%	Echo Investment S.A.
28	Galeria Libero - Projekt Echo 120 Sp. z o.o. Sp.k.	100%	Fianar Investments Sp. z o.o.
29	Galeria Nova - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
30	Galeria Tarnów - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
31	Gosford Investments Sp. z o.o.	100%	Echo Investment S.A.
32	GRO Nieruchomości Sp. z o.o.	100%	Echo Investment S.A.
33	Grupa Echo Sp. z o.o.	100%	Echo Investment S.A.
34	Kielce - Grupa Echo Sp. z o.o. S.K.A. w likwidacji	100%	Echo Investment S.A.
35	Malta Office Park - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
36	Metropolis - Projekt Echo 121 Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
37	Oxygen - Grupa Echo Sp. z o.o. S.K.A. w likwidacji	100%	Echo Investment S.A.
38	Park Rozwoju III — Grupa Echo Sp. z o.o. Sp.k.	100%	Pudsey Sp. z o.o.
39	Perth Sp. z o.o.	100%	Echo Investment S.A.
40	PHS - Grupa Echo Sp. z o.o. Sp.k.	100%	Echo Investment S.A.
41	Potton Sp. z o.o.	100%	Echo Investment S.A.
42	PPR - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
43	Princess Investment Sp. z o.o.	100%	Echo Investment S.A.
44	Projekt 1 - Grupa Echo Sp. z o.o. S.K.A. w likwidacji	100%	Echo Investment S.A.
45	Projekt 12 - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
46	React - Dagnall Sp. z o.o. S.K.A.	100%	Potton Sp. z o.o.
47	Projekt 16 - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
48	Projekt 17 - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
49	Cinema Asset Manager - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
50	Face2Face - Stranraer Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
51	Midpoint 71 - Cornwall Investments Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
52	Projekt 5 - Grupa Echo Sp. z o.o. S.K.A. w likwidacji	100%	Echo - Aurus Sp. z o.o.
53	Projekt Beethovena - Projekt Echo 122 Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
54	Projekt CS Sp. z o.o. w likwidacji	100%	Echo Investment S.A.

55	Projekt Echo 104 Sp. z o.o. w likwidacji	100%	Echo Investment S.A.
56	Projekt Echo 108 Sp. z o.o.	100%	Echo Investment S.A.
57	Projekt Echo 111 Sp. z o.o.	100%	Echo Investment S.A.
58	Projekt Echo 112 Sp. z o.o. w likwidacji	100%	Echo Investment S.A.
59	Projekt Echo 113 Sp. z o.o. w likwidacji	100%	Echo Investment S.A.
60	Projekt Echo 115 Sp. z o.o.	100%	Echo Investment S.A.
61	Projekt Echo 116 Sp. z o.o.	100%	Echo Investment S.A.
62	Projekt Echo 120 Sp. z o.o.	100%	Echo Investment S.A.
63	Projekt Echo 121 Sp. z o.o.	100%	Echo Investment S.A.
64	Projekt Echo 122 Sp. z o.o.	100%	Echo Investment S.A.
65	Projekt Echo 123 Sp. z o.o.	100%	Galeria Nova - Grupa Echo Sp. z o.o. S.K.A.
66	Projekt Echo 127 Sp. z o.o.	100%	Echo Investment S.A.
67	Projekt Echo 128 Sp. z o.o. w likwidacji	100%	Echo Investment S.A.
68	Projekt Echo 129 Sp. z o.o.	100%	Selmer Investments Sp. z o.o. Sp.k.
69	Projekt Echo 130 Sp. z o.o.	100%	Echo Investment S.A.
70	Projekt Echo 131 Sp. z o.o. w likwidacji	100%	Echo Investment S.A.
71	Projekt Echo 135 Sp. z o.o.	100%	Echo Investment S.A.
72	Projekt Echo 135 Sp. z o.o. Sp.K.	100%	Pudsey Sp. z o.o.
73	Projekt Echo 136 Sp. z o.o.	100%	Echo Investment S.A.
74	Projekt Echo 136 Sp. z o.o. Sp.K.	100%	Echo Investment S.A.
75	Projekt Echo 137 Sp. z o.o.	100%	Echo Investment S.A.
76	Projekt 139 - Grupa Echo Sp. z o.o. Sp.k.	100%	Echo Investment S.A.
77	Projekt 140 - Grupa Echo Sp. z o.o. Sp.k.	100%	Echo Investment S.A.
78	Projekt 144 - Grupa Echo Sp. z o.o. Sp.k.	100%	Echo - Arena Sp. z o.o.
79	Projekt Echo 93 Sp. z o.o. w likwidacji	100%	Echo Investment S.A.
80	Projekt Echo 99 Sp. z o.o.	100%	Echo Investment S.A.
81	Projekt Naramowice - Grupa Echo Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
82	Projekt Saska Sp. z o.o.	95%	Echo Investment S.A.
83	Pudsey Sp. z o.o.	100%	Echo Investment S.A.
84	Pure Systems Sp. z o.o. w likwidacji	100%	Echo Investment S.A.
85	Q22 - Grupa Echo Sp. z o.o. Sp.k.	100%	Pudsey Sp. z o.o.
86	Sagittarius - Projekt Echo 113 Sp. z o.o. Sp.k.	100%	Pudsey Sp. z o.o.
87	Seaford Sp. z o.o.	100%	Echo Investment S.A.
88	Selmer Investments Sp. z o.o.	100%	Echo Investment S.A.
89	Selmer Investments Sp. z o.o. Sp.k.	100%	Echo Investment S.A.

90	Senja 2 Sp. z o.o.	100%	Echo - Browary Warszawskie Sp. z o.o. Sp.k.
91	Stranraer Sp. z o.o.	100%	Echo Investment S.A.
92	Strood Sp. z o.o.	100%	Echo Investment S.A.
93	Swanage Sp. z o.o.	100%	Echo Investment S.A.
94	Symetris - Grupa Echo Sp. z o.o. Sp.k.	100%	Gosford Investments Sp. z o.o.
95	Taśmowa - Projekt Echo 116 Sp. z o.o. S.K.A.	100%	Echo Investment S.A.
96	ZAM - Projekt Echo 127 Sp. z o.o. Sp.k.	100%	Perth Sp. z o.o.
97	Villea Investments Sp. z o.o.	100%	Echo Investment S.A.
98	Bowen Sp. z o.o.	100%	Echo - Browary Warszawskie Sp. z o.o. Sp.K.
99	RPGZ IX Sp. z o.o.	100%	Echo Investment S.A.
100	Projekt Echo 139 Sp. z o.o.	100%	Echo Investment S.A.
101	Projekt Echo 140 Sp. z o.o.	100%	Echo Investment S.A.
102	Projekt Echo 141 Sp. z o.o.	100%	Echo Investment S.A.
103	Projekt Echo 142 Sp. z o.o.	100%	Echo Investment S.A.
104	Projekt Echo 143 Sp. z o.o.	100%	Echo Investment S.A.
105	Projekt Echo 144 Sp. z o.o.	100%	Echo Investment S.A.
106	Projekt Echo 145 Sp. z o.o.	100%	Echo Investment S.A.
107	DKR Echo Invest S.A.	100%	Echo Investment S.A.
108	DKR Echo Investment Sp. z o.o.	100%	Echo Investment S.A.
109	Archicom S.A.	79,79%	DKR Echo Investment sp. z o.o./ DKR Echo Invest S.A.
110	Archicom Residential Sp. z o. o.	79,79%	Archicom S.A.
111	Archicom Residential 2 Sp. z o. o.	79,79%	Archicom S.A.
112	Archicom Sp. z o.o.	79,79%	Archicom S.A.
113	Archicom Consulting Sp. z o.o.	79,79%	Archicom S.A.
114	Archicom Stabłowice Sp. z o.o.	79,79%	Archicom Consulting Sp. z o.o.
115	Archicom Jagodno 5 Sp. z o.o.	79,79%	Archicom S.A.
116	Bartoszewice 1 Sp. z o.o.	79,79%	Archicom S.A.
117	Archicom Nieruchomości Sp. z o.o.	79,79%	Archicom Holding Sp. z o.o.
118	Archicom Nieruchomości 2 Sp. z o.o.	79,79%	Archicom S.A.
119	Archicom Nieruchomości 3 Sp. z o.o.	79,79%	Archicom Nieruchomości Sp. z o.o.
120	Archicom Nieruchomości 4 Sp. z o.o.	79,79%	Archicom S.A.
121	Archicom Nieruchomości 5 Sp. z o.o.	79,79%	Archicom S.A.
122	Archicom Nieruchomości 6 Sp. z o.o.	79,79%	Archicom S.A.
123	Archicom Nieruchomości 7 Sp. z o.o.	79,79%	Archicom S.A.



124	Archicom Nieruchomości 8 Sp. z o.o.	79,79%	Archicom S.A.
125	Archicom Nieruchomości 9 Sp. z o.o.	79,79%	Archicom S.A.
126	Archicom Nieruchomości 10 Sp. z o.o.	79,79%	Archicom Consulting Sp. z o.o.
127	Archicom Nieruchomości 11 Sp. z o.o.	79,79%	Archicom S.A.
128	Archicom Nieruchomości 12 Sp. z o.o.	79,79%	Archicom S.A.
129	Archicom Nieruchomości 14 Sp. z o.o.	79,79%	Archicom S.A.
130	Archicom Poznań Sp. z o.o.	79,79%	Archicom S.A.
131	Archicom Nieruchomości 17 Sp. z o.o.	79,79%	Archicom Nieruchomości 20 Sp. z o.o.
132	Archicom Nieruchomości 18 Sp. z o.o.	79,79%	Archicom S.A.
133	Archicom Nieruchomości 19 Sp. z o.o.	79,79%	Archicom S.A.
134	Archicom Nieruchomości JN1 Sp. z o.o.	79,79%	Altona Investments Sp. z o.o.
135	Archicom Nieruchomości JN2 Sp. z o.o.	79,79%	Archicom S.A.
136	Archicom Nieruchomości JN3 Sp. z o.o.	79,79%	Archicom S.A.
137	Archicom Nieruchomości Club House Sp. z o.o.	79,79%	Archicom S.A.
138	Archicom Nieruchomości Residential Sp. z o.o.	79,79%	Archicom Residential 2 Sp. z o.o.
139	Archicom Holding Sp. z o. o.	79,79%	Archicom Consulting Sp. z o.o.
140	Archicom Cadenza Hallera Sp. z o.o.	79,79%	Archicom S.A.
141	Archicom Loft Platinum 1 Sp. z o.o.	79,79%	Archicom S.A.
142	Archicom Jagodno Sp. z o.o.	79,79%	Archicom Consulting Sp. z o.o.
143	Archicom Jagodno Sp. z o.o. Sp.k.	79,79%	Archicom S.A.
144	Archicom Marina 3 Sp. z o.o.	79,79%	Archicom S.A.
145	Archicom Marina 4 Sp. z o.o.	79,79%	Archicom S.A.
146	Archicom Marina 5 Sp. z o.o.	79,79%	Archicom S.A.
147	TN Stabłowice 1 Sp. z o.o.	79,79%	Archicom S.A.
148	Archicom Dobrzykowice Park Sp. z o.o.	79,79%	Archicom Consulting Sp. z o.o.
149	Archicom Byczyńska 1 Sp. z o.o.	79,79%	Archicom S.A.
150	Archicom Nieruchomości 20 Sp. z o.o.	79,79%	Archicom Consulting Sp. z o.o.
151	Space Investment Strzegomska 3 Otyńska Sp. z o.o.	79,79%	Archicom S.A.
152	Space Investment Strzegomska 3 Kamieńskiego Sp. z o.o.	79,79%	Archicom S.A.
153	Archicom Investment Sp. z o.o.	79,79%	Archicom S.A.
154	Strzegomska Nowa Sp. z o.o.	79,79%	AD Management Sp. z o.o.
155	AD Management Sp. z o.o.	79,79%	Archicom Consulting Sp. z o.o.
156	Archicom Sp. z o.o. Realizacja Inwestycji Sp.k.	79,79%	Archicom S.A.
157	Archicom Asset Management Sp. z o.o.	79,79%	Archicom S.A.

158	Archicom Fin Sp. z o.o.	79,79%	Archicom S.A.
159	P16 Inowroclawska Sp. z o.o.	79,79%	Archicom S.A.
160	Altona Investments Sp. z o.o.	79,79%	Archicom Nieruchomości Residential Sp. z o.o.
161	Archicom RW Sp. z o.o.	79,79%	Archicom S.A.
162	Archicom Wrocław Sp. z o.o.	79,79%	Archicom S.A.
163	Archicom Łódź Sp. z o.o.	79,79%	Archicom S.A.

## Joint-ventures

No.	Company	% of capital held	Parent company
<b>Galeria Młociny</b>			
1	Rosehill Investments Sp. z o.o.	30%	Echo Investment S.A.
2	Berea Sp. z o.o.	30%	Rosehill Investments Sp. z o.o.
<b>Towarowa 22</b>			
1	Projekt Echo 138 Sp. z o.o. Sp.k.	30%	Strood Sp. z o.o.
2	Projekt Echo 138 Sp. z o.o.	30%	Echo Investment S.A.
<b>Resi4Rent</b>			
1	R4R Poland Sp. z o.o.	30%	Echo Investment S.A.
2	R4R Leasing Sp. z o.o.	30%	R4R Poland Sp. z o.o.
3	R4R RE Sp. z o.o.	30%	R4R Poland Sp. z o.o.
4	R4R Kraków 3 Maja Sp. z o.o.	30%	R4R Poland Sp. z o.o.
5	R4R Warszawa Wilanowska Sp. z o.o.	30%	R4R Poland Sp. z o.o.
6	R4R RE Wave 3 Sp. z o.o.	30%	R4R Poland Sp. z o.o.
7	R4R Wrocław Jaworska II Sp. z o.o.	30%	R4R Poland Sp. z o.o.
8	Pimech Invest Sp. z o.o.	30%	R4R Poland Sp. z o.o.
9	M2 Hotel Sp. z o.o.	30%	R4R Poland Sp. z o.o.
10	R4R RE Wave 4 Sp. z o.o.	30%	R4R Poland Sp. z o.o.
11	R4R Kraków JPil Sp. z o.o.	30%	R4R Poland Sp. z o.o.
12	R4R Gdańsk Stocznia Sp. z o.o.	30%	R4R Poland Sp. z o.o.
13	R4R Wrocław Park Zachodni Sp. z o.o.	30%	R4R Poland Sp. z o.o.
14	M2 Biuro Sp. z o.o.	30%	R4R Poland Sp. z o.o.
15	R4R Łódź Kilińskiego Sp. z o.o.	30%	R4R Poland Sp. z o.o.
16	R4R Gdańsk Zielony Trójkąt Sp. z o.o.	30%	R4R Poland Sp. z o.o.
17	R4R SPV 10 Sp. z o.o.	30%	R4R Poland Sp. z o.o.
18	R4R Wrocław Grabiszyńska Sp. z o.o.	30%	R4R Poland Sp. z o.o.
19	Hotel Kraków Romanowicza Sp. z o.o.	30%	R4R Poland Sp. z o.o.

20	R4R Poznań Nowe Miasto Sp. z o.o.	30%	R4R Poland Sp. z o.o.
21	Hotel Kraków Zabłocie Sp. z o.o.	30%	R4R Poland Sp. z o.o.
22	Hotel Kraków Młyńska Sp. z o.o.	30%	R4R Poland Sp. z o.o.
23	Hotel Poznań Dmowskiego Sp. z o.o.	30%	R4R Poland Sp. z o.o.
24	Hotel Wrocław Bardzka Sp. z o.o.	30%	R4R Poland Sp. z o.o.



# 10

**GRI** content index

<b>Application Statement</b>	The Echo Investment Group submitted a report in accordance with the GRI Standards for the period 1 January 2022 to 31 December 2022.
Applied GRI 1	GRI 1: Fundamentals 2021
Applicable GRI sectoral standards	Not applicable

GRI Standard / other source	Disclosure	Location	Omissions			GRI SECTOR STANDARD REF. NO.
			Requirements (omitted)	Reasons	Explanation	
General disclosures						
GRI 2: General disclosures 2021	2-1 Organizational details	7, 9, 10				
	2-2 Entities included in the organization’s sustainability reporting	7				
	2-3 Reporting period, frequency and contact point	8, 150				
	2-4 Restatements of information	8				
	2-5 External assurance	8				
	2-6 Activities, value chain and otherbusiness relationships	10, 14,				
	2-7 Employees	63				
	2-8 Workers who are not employees	63				
	2-9 Governance structure and composition	26				

2-10 Nomination and selection of the highest governance body	34				
2-11 Chair of the highest governance body	26				
2-12 Role of the highest governance body in overseeing the management of impacts	34				
2-13 Delegation of responsibility for managing impacts	34				
2-14 Role of the highest governance body in sustainability reporting	36				
2-15 Conflicts of interest	45				
2-16 Communication of critical concerns	44				
2-17 Collective knowledge of the highest governance body	36				
2-18 Evaluation of the performance of the highest governance body	68				
2-19 Remuneration policies	68				
2-20 Process to determine remuneration	67				
2-21 Annual total compensation ratio	69				
2-22 Statement on sustainable development strategy	4				
2-23 Policy commitments	40, 46				
2-24 Embedding policy commitments	40, 43				
2-25 Processes to remediate negative impacts	42				
2-26 Mechanisms for seeking advice and raising concerns	42				
2-27 Compliance with laws and regulations	45				



2-28 Membership in associations and organizations	38				
2-29 Approach to stakeholder engagement	37				
2-30 Collective bargaining agreements	46				

#### Material issues

<b>GRI 3: Material issues 2021</b>	3-1 Process to determine material topics	150, 154				
	3-2 List of material topics	151				

#### Environmental pollution

<b>GRI 3: Material issues 2021</b>	<b>3-3 Managing relevant topics</b>					
<b>GRI 303: Water and effluents 2018</b>	303-5 Water consumption	108				
<b>GRI 305: Emissions 2018</b>	305-1 Direct greenhouse gas emissions (Scope 1)	96				
	305-2 Indirect greenhouse gas emissions (Scope 2)	96				
	305-3 Other indirect greenhouse gas emissions (Scope 3)	omitted		No data	The Group is preparing to report the indicator in next years	
	305-4 Greenhouse gas emission intensity	96				
	305-5 Reducing greenhouse gas emissions	omitted		No data	The Group is preparing to report the indicator in next years	
	305-6 Emissions of ozone-depleting substances (ODS))	omitted		No data	The Group is preparing to report the indicator in next years	

305-7 NOx, SOx and other significant air emissions	omitted		No data	The Group is preparing to report the indicator in next years	
--	---------	--	---------	--	--

## Circular economy

<b>GRI 301: Materials 2018</b>	301-1 Materials by weight and volume	omitted		No data	The Group is preparing to report the indicator in next years	
	301-2 Use of recycled materials	omitted		No data	The Group is preparing to report the indicator in next years	
	301-3 Recycled products and packaging	omitted		No data	The Group is preparing to report the indicator in next years	
<b>GRI 306: Waste 2018</b>	306-1 Waste generation and significant impacts associated with waste	omitted		No data	The Group is preparing to report the indicator in next years	
	306-2 Managing significant waste impacts	111				
	306-3 Waste generated	111				
	306-4 Recycled waste	omitted		No data	The Group is preparing to report the indicator in next years	
	306-5 Waste sent for disposal	omitted		No data	The Group is preparing to report the indicator in next years	

## Sustainable cities and communities

<b>Custom indicators</b>	500 "Destinations" projects - revitalisation of degraded areas	48				
	500 We develop infrastructure to respond to real needs of cities and their residents	53				
	500 We provide space good for work	56				
	500 Community engagement	140				
	500 Sponsorship and donations to non-profit organisations	141				
<b>GRI 405: Diversity and Equal Opportunity 2018</b>	405-1 Diversity of governance bodies and employees	66				
	405-2 Ratio of basic salary and remuneration of women to men	70				
<b>GRI 406: Non-discrimination 2018</b>	406-1 Total number of incidents of discrimination	66				

## Employees: equal opportunities e.g. equal pay between men and women

<b>GRI 401: Employment 2018</b>	401-1 New employee hires and employee turnover	64				
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	70				
	401-3 Parental leave	65				



<b>GRI 404: Training and education 2018</b>	404-1 Average hours of training per year per employee	71				
	404-2 Professional competence development programmes	72				
	404-3 Percentage of employees receiving regular performance and career development reviews	81				
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	83				
	403-2 Hazard identification, risk assessment, and incident investigation	84, 86				
	403-3 Occupational health services	87				
	403-4 Worker participation, consultation, and communication on occupational health and safety	86				
	403-5 Worker training on occupational health and safety	87				
	403-6 Health promotion among employees	79				
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	88				
	403-8 Workers covered by an occupational health and safety management system	83				
	403-9 Work-related injuries	89				
	403-10 Work-related ill health	89				

## Health and quality of life of the society

<b>Custom indicators</b>	500 "Destinations" projects - revitalisation of degraded areas	48				
	500 We develop infrastructure to respond to real needs of cities and their residents	53				
	500 We provide space good for work	56				
	500 Our estates - standards and amenities	116, 122				
	500 — Our office buildings - standards and facilities	116, 133				
	500 Community engagement	140				
	500 Sponsorship and donations to non-profit organisations	141				

## Employees: other employee rights

<b>GRI 407: Freedom of association and collective bargaining 2018</b>	407-1 Operations and suppliers in which the right to freedom	46				
<b>GRI 2: General disclosures 2021</b>	2-23 - Zobowiązania ujęte w politykach (Prawa człowieka)	40, 46				

## Local communities

<b>GRI 413: Local Communities 2018</b>	413-1 Operations with local community engagement, impact assessments, and development programs	140				
	413-2 Operations with significant actual and potential negative impacts on local communities	140				
<b>Custom indicators</b>	500 — Public dialogue	58				

---

**Employees in the value chain**

<b>GRI 414: Supplier social assessment 2018</b>	414-1 New suppliers that were screened using social criteria	138				
	414-2 Negative social impacts in the supply chain and actions taken	138				

---

**Consumers and end-users**

<b>GRI 417: Marketing and labeling 2018</b>	417-1 Requirements for product and service information and labeling	118				
	417-2 Incidents of non-compliance concerning product and service information and labeling	121				
	417-3 Incidents of non-compliance concerning marketing communications	121				



**Nicklas Lindberg**  
President of the Board,  
CEO

**Maciej Drozd**  
Vice-President of the  
Board, CFO

**Artur Langner**  
Vice-President of the  
Board

**Rafał Mazurczak**  
Member of the Board

**Małgorzata Turek**  
Member of the Board

Kielce, 28 March 2023



The document  
is signed with  
qualified  
electronic  
signature

