

# Echo Investment Sustainability Report 2020



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**DEAR CUSTOMERS, PARTNERS,  
SHAREHOLDERS AND STAKEHOLDERS,**

*Echo Investment Sustainability Report 2020*, which you have in front of you, is the first comprehensive publication of our company on the objectives, governance and actions taken in the areas of Environmental, Social and Corporate Governance (ESG). We build our business on trust, responsibility and transparency. The report presents the goals, activities, as well as our outcomes and results in the previous year.

Our business operations are building apartments, office buildings, commercial spaces for trade, services and entertainment. Due to the large scale and number of Echo Investment's projects, we have a real and significant influence on the functioning of the largest cities in Poland. That is why we try to ensure that our projects, in addition to their business aspect, also have the city-forming and suitable urban planning dimension. The report describes the implementation of our priority projects named 'destinations' - places that attract people. They result from many years of experience and competence of Echo Investment - we create large and multifunctional parts of cities, which are integrated with the surroundings, green and open to all visitors. We want to restore to cities closed, sometimes forgotten areas and give them a second life through our investments.

Development activity is inextricably linked with construction. As investors, we pay great importance to ensure that every employee working on our construction sites is safe and sure that they will come home every day to spend time with their loved ones.

We pay more attention to environmental issues. We study our impact, optimise the consumption of natural resources and set ourselves ambitious goals for the future. In this publication, you will find a description of how we manage our environmental and climate impact. We also present relations with employees and local communities directly related to our construction sites.

From March 2020, the Echo Investment operations, just like most companies globally, have been challenged by many macroeconomic and environmental risks related to the COVID-19 pandemic. The restrictions introduced

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have, until today, directly affected the business processes and organisation of our group's work. The past year was a challenge for us - we had to analyse the pandemic development on an ongoing basis and provide our employees with safe working conditions. From the business point of view, the most critical task was to ensure the continuity of work on all construction sites. The actions and efforts taken and how we manage these issues are another illustration of our responsibility for employees, partners and customers, and the local communities whose part we are.

This publication is based on the international reporting guidelines GRI Standards in the CORE version. We involved a large group of our employees in work on the report; we also engaged the company's stakeholders to learn their opinions. I would like to thank everyone for their commitment to ethical and fair business conduct and the preparation of this publication. Thanks to your input, we know that the report presents the information our stakeholders are expecting.

Enjoy the reading of the *Echo Investment Sustainability Report 2020* and contact us.

Best regards,



**Nicklas Lindberg**  
PREZES ECHO INVESTMENT

# CHAPTER 1

# ECHO INVESTMENT - HIGHLIGHTS



*Echo Investment is the largest Polish developer. We are experienced in the main sectors of the real estate market: residential, retail, office and hotel. As a company, which is co-responsible for the development of cities, we engage in large city-forming projects combining various functions, both related to work and leisure or free-time activities. Each of our projects is preceded by an extensive analysis of the needs of the community and the given area of the city. We want to create responsibly designed parts of the city where people can work, live, play, and satisfy their everyday needs.*



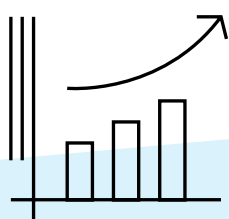
## 1.1. Our business

The main activities of Echo Investment Group include construction, lease and sale of retail and office property, construction and sale of apartments, and property trade. The company's head office is in Kielce, but we also have an office in Warsaw.

We operate on the Polish market, in seven major cities: Warsaw, Cracow, Łódź, Wrocław, Katowice, Gdańsk and Poznań.

Echo Investment Group is managed by a five-member Management Board (seven members of the Board until April 2021), chaired by Nicklas Lindberg, responsible for the company's strategy and development.

GRI [102-3]  
GRI [102-4]  
GRI [102-6]  
GRI [102-18]



### DIRECT ECONOMIC VALUE IN 2020 [PLN '000]

	Echo Investment Group
<b>Total revenues (revenues, profit on investment property, other operating income)</b>	<b>1 452 222</b>
Operating expenses (cost of sales, selling expenses, general and administrative expenses, other operating costs)	1 114 055
Salaries and employee benefits	56 134
Payments to investors (interest on bonds)	50 535
Payments to the state (corporate income tax)	13 391
Social investments (donations and investments for the benefit of society)	13 311
<b>RETAINED ECONOMIC VALUE</b>	<b>255 331</b>

GRI [201-1]



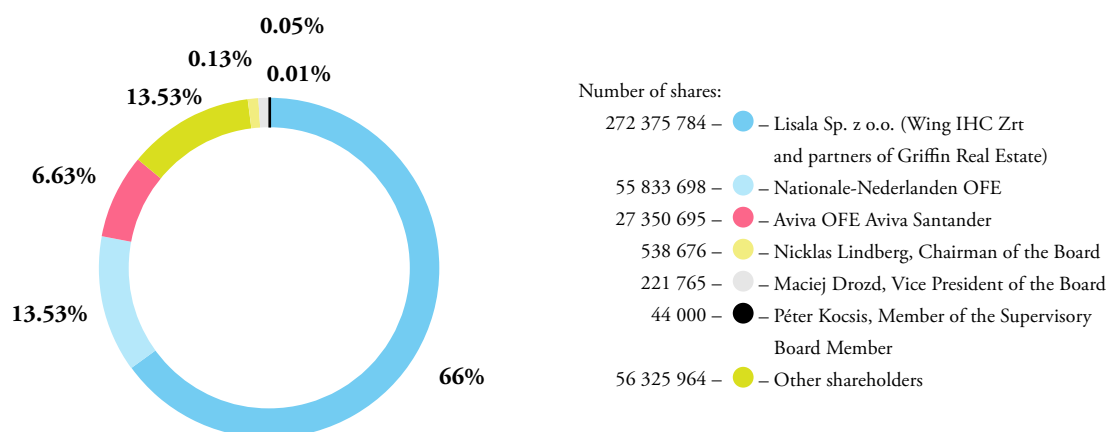
### *Retained economic value*

**direct economic value generated less costs such as operating costs, employee wages and benefits, payments to investors, payments to government and community investments.**

Echo Investment Group is a joint-stock company, listed on the Warsaw Stock Exchange since 1996. As of 2019, our main shareholder is Lisala Sp. z o.o., owned by Hungarian Wing IHC Zrt and Griffin Real Estate.

GRI [102-1]  
GRI [102-5]

## SHAREHOLDERS OF ECHO INVESTMENT S.A. AS AT 31 DECEMBER 2020



### Corporate Group composition

The most important role in the structure of our Group plays Echo Investment, which supervises, co-implements and provides funds for the implementation of development projects. The companies comprising the Group were established or acquired for the purpose of performing certain investment tasks, including those arising from the process of implementing a specific project. As of 31 December 2020, the Group constituted of 141 subsidiaries of full consolidation, and 23 co-subsidiary companies, consolidated using the equity method. All the current data is available on our website [www.echo.com.pl](http://www.echo.com.pl) under Investor Relations - Financial reports.

GRI [102-45]

Archicom S.A. (joint-stock company) joined the Echo Investment Group in 2021. We entered into an agreement to acquire a block of shares in Archicom S.A., representing a total of approximately 66.01% of the share capital and entitling to a total of approximately 65.99% of all votes, on April 22, 2021. Archicom operates mainly in Wrocław market and has been listed on the Warsaw Stock Exchange since 2016. Following the closing of the purchase, the Echo-Archicom Group will become the largest residential developer in Poland, with a total of 7,000 apartments for sale and rent to be started in 2021 alone. The acquisition is in line with our company's strategic goal of becoming a nationwide leader in the residential sector.





## BASIC INFORMATION ON ECHO INVESTMENT

# 455

Total number of employees

# 2

Number of Echo Investment's offices

# 8

Number of residential sales offices

# 1 570

Number of apartments sold

# 1 452 222 000

 PLN

Total revenues

# 5 630 796 000

 PLN

Total assets value

# 2 356 157 000

 PLN

Financial debt

# 1 684 559 000

 PLN

Equity

# 188

number of projects completed in several dozen cities and towns in Poland since 1996

# 1,5

 mln sqm

is currently under construction and preparation

# 122

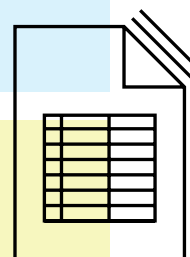
 PLN mln

our net profit for 2020

# 2

 PLN bn

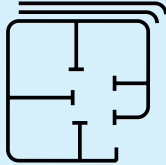
value of residential and commercial projects under construction



All data as at 31.12.2020.

We offer a variety of products and services to our clients. Thanks to this the group of our clients is also diverse. We address our wide range of products and services to both individuals and companies. Our clients also include specialist funds managing apartments or office space.

### APARTMENTS



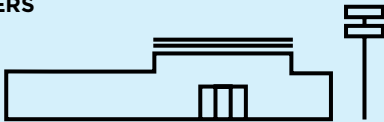
Echo Investment's apartments are mainly purchased by individual clients, for their own needs or as a capital investment.

### OFFICES



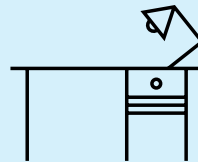
Our clients in this sector are primarily companies - business clients who lease office space for their needs and entities which buy ready and leased buildings (e.g. large, international funds specializing in real estate).

### SHOPPING CENTERS



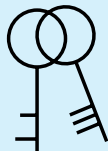
Our clients are mainly large retail chains, but also individual clients who visit shopping centers and funds specializing in real estate (space lease agents).

### CITYSPACE



Companies or individuals interested in flexible offices for lease with full service.

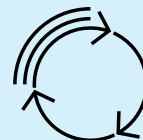
### RESI4RENT



Apartments for rent addressed to individuals or companies who want to rent an apartment from a trusted institutional investor for long term contracts. Echo Investment owns a 30% shares in Resi4Rent.

### SERVICES

**(project management, construction preparation and management services, rental services, legal services and others)**



A client of our services is the Resi4Rent platform (construction of residential buildings for remuneration) or EPP (within the cooperation we conducted construction and leasing of Galeria Młociny and we are preparing to implement another project - Towarowa 22).

## ECHO INVESTMENT BUSINESS 2020 IN NUMBERS

**1 767**

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Number of apartments built in 2020

**14**

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Number of residential projects for sale and for rent that were completed in 2020

**5**

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Number of office buildings completed in 2020

**125 400** sqm

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Area of office buildings completed in 2020

**73 900** sqm

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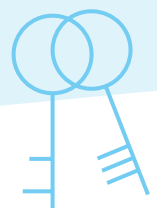
The area of apartments built in 2020





### *Resi4Rent – renting from a reliable landlord*

**Resi4Rent, 30% of which is owned by Echo Investment, is the first in Poland private company which rent out subscription apartments. The remaining 70% of its shares belong to a global fund. We are also responsible for the preparation and construction of Resi4Rent projects. Each Resi4Rent apartment is finished, equipped with basic kitchen furniture, household appliances, and additional furniture on request.**



### **Economic organizations**

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

### **Real estate organizations, trade associations**

- Polish Chamber of Commercial Real Estate (Polska Izba Nieruchomości Komercyjnych, PINK)
- Polish Council of Shopping Centres (Polska Rada Centrów Handlowych, PRCH)
- Polish Association of Developers (Polski Związek Firm Deweloperskich, PZFD)
- PropTech Foundation

### **Other**

- Polish Association of Listed Companies (Stowarzyszenie Emitentów Giełdowych, SEG)
- Association of Individual Investors (Stowarzyszenie Inwestorów Indywidualnych, SII)
- Urban Land Institute, ULI
- Better Służewiec Association (from 2021) (Stowarzyszenie Lepszy Służewiec)

### **Prizes and awards**

Echo Investment was awarded by the ISBnews Agency during the gala of the second edition of the 'Most Credible in the Polish Economy'. We received a commended in the category Most Credible in the Construction and Development Sector.

CEE Investment Awards is one of the most important competitions in the real estate industry in Central and Eastern Europe, which rewards the best companies associated with the sector, the most interesting projects and professionals who contribute to the development of the market. In 2020 we were awarded in three categories:

- Best Residential Developer
- Best Office Developer
- Warsaw Brewery - Best Revitalization of 2020

We received the award for Galeria Młociny for the Best New Shopping Center of the Year at the PRCH Retail Awards.

We were ranked 122nd in the top 500 list compiled by "Press" magazine and "PRESS-SERVICE Media Monitoring". TOP MARKA 2020 is the 13th edition of the biggest media analysis of brands on the Polish market.



## Strategy of Profitable Growth

Since 2016, Echo Investment has been operating based on a new strategy - the Strategy of Profitable Growth. The main assumption of the implemented plan is to accelerate the turnover of capital and, consequently, to earn a higher rate of return. We share the generated profit with shareholders in the form of regular dividends.

GRI [103-1]  
GRI [103-2]  
GRI [103-3]  
GRI [102-11]

## OUR STRATEGY IS BASED ON THE FOLLOWING PILLARS

### FOCUS ON POLAND



It is the biggest country and real estate market in Central and Eastern Europe. Echo Investment, as an entity that has been operating here for over two decades, is perfectly familiar with its potential, realities and principles of functioning. The company focuses on carrying out projects in the seven most important cities of the country, which are the most attractive and liquid real estate markets: Warsaw, Tricity, Wrocław, Poznań, Katowice, Cracow and Łódź.

### LEADING POSITION



Echo Investment is the largest development company operating in Poland in terms of the number and the area of realized projects. We are active in main property sectors: commercial and residential - including the new sector of apartments for rent. The profitable growth strategy assumes that Echo Investment will belong to the leading developers in each of these sectors separately. The large scale of operations will allow for optimal use of resources.

### DEVELOPMENT ACTIVITY



The adopted business model assumes focusing on development operations, which include the purchase of the land (property), preparation of a project, construction, sales of apartments, letting and active management of commercial projects in order to increase their value and sale of prepared office buildings and shopping centers at the optimal time concerning the possible rate of return, capital management and market expectations and trends. Echo Investment does not plan to be a long-term owner of developed projects, and revenues from office or shopping center rents constitute a smaller part of total revenues. Residential and commercial properties under construction constitute the largest value of the Group's assets.

### COOPERATION WITH PROVEN PARTNERS



Echo Investment values long-term business relationships with proven partners, which create synergies for both parties. Echo Investment's developer activity is complementary to the activity of these companies. Such cooperation facilitates the expansion of the scale of operations, accelerates project execution, and reduces risks. Together with partners, Echo Investment invests in projects requiring greater financial involvement, provides them with services (developer, lease, etc.) and provides priority purchase of ready assets on market terms. All significant agreements between Echo Investment and its partners are discussed and approved by the Supervisory Board.

### LARGE MULTIFUNCTIONAL 'DESTINATION' PROJECTS



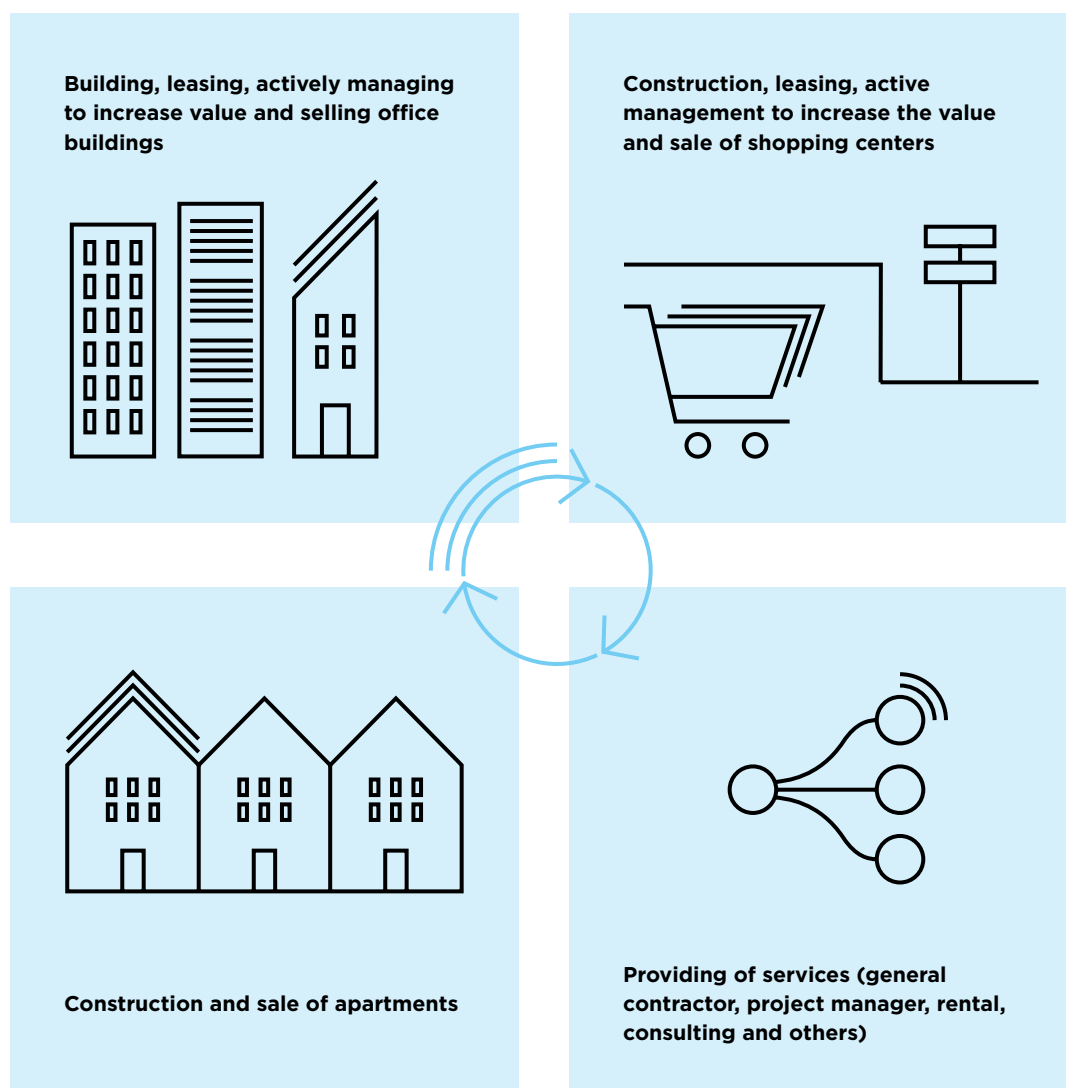
Echo Investment's long-term experience in the three property sectors gives it a competitive advantage based on its ability to develop large, multifunctional, city-forming projects. As a result, the Group can purchase larger areas where the unit price is lower and the competition from buyers is much smaller. Combining functions allows for faster project completion and a comprehensive design of urban space.

An integral part of the Profitable Growth Strategy is comprehensive risk management. The risk management procedures applied include risk identification, assessment, management and monitoring. Overall risk management is the responsibility of the Management Board, in cooperation with the Supervisory Board and the Audit Committee. The Management Board, in cooperation with the Internal Audit Department, also oversees risk management through the creation, implementation and analysis of control systems, employees responsible for internal audit and directors and managers of individual departments.

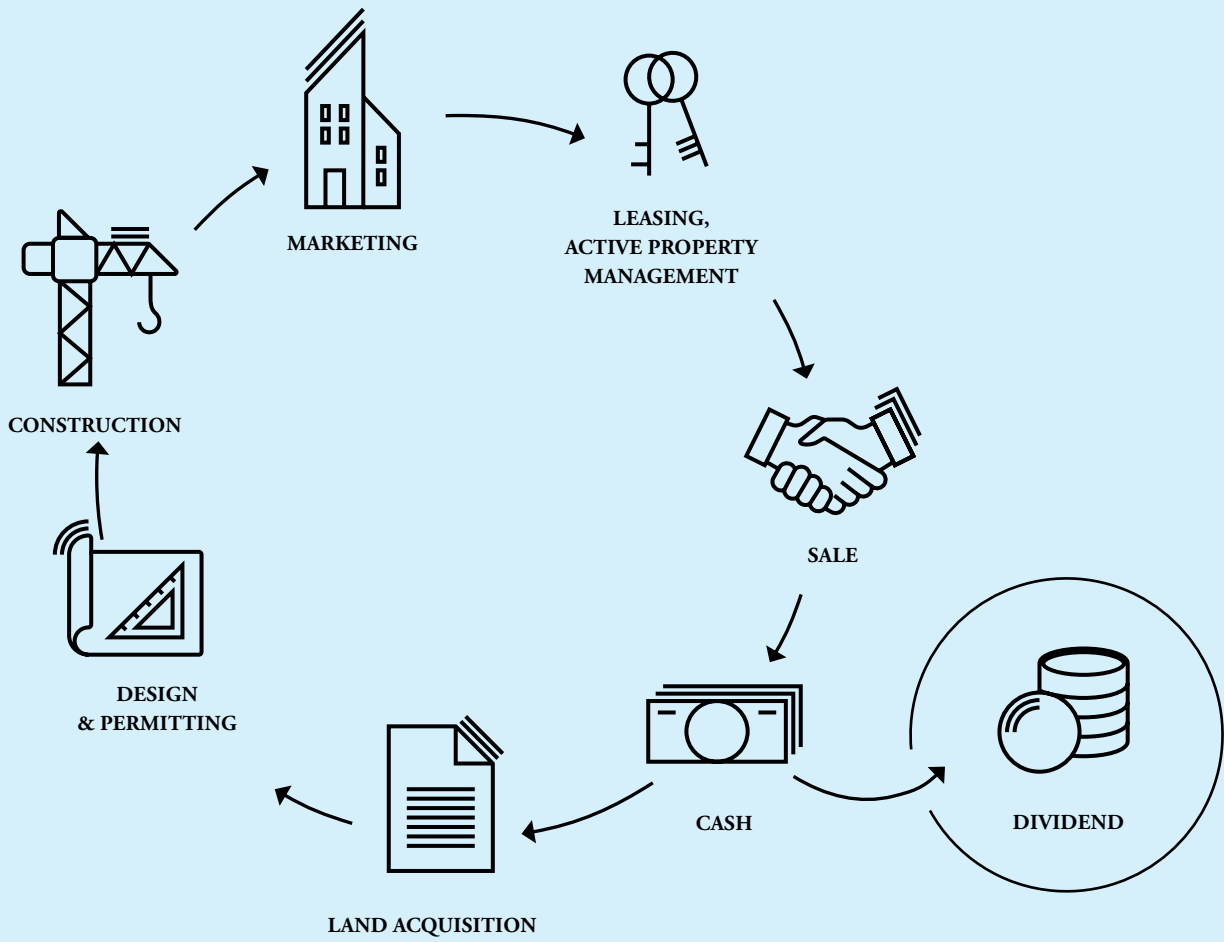
### Echo Investment’s business model

Echo Investment Group organizes the entire process of a real property project - from purchasing of the property, through obtaining administrative decisions, funding, supervising of the construction, to renting, commissioning the facility, actively managing in order to increase its value, making the decision to sell and executing the sale at the optimum time in terms of the achievable rate of return, capital management, market expectations and trends. We perform these activities, in most cases, through subsidiary special purpose companies.

### ECHO INVESTMENT’S BASIC ACTIVITY IS DIVIDED INTO THE FOLLOWING SECTOR



# ECHO INVESTMENT'S BUSINESS MODEL



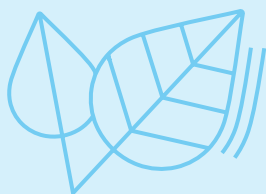


## ESG activities as support for strategy implementation

To support the strategy, we incorporate environmental and social projects and initiatives into our daily operations. By incorporating ESG initiatives into our business activities, we meet the expectations of the market and investors. We are the leader in the development industry and we want to be the leader also in the area of sustainable development.

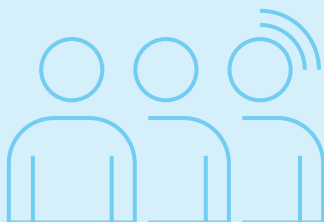
The Echo Investment Group's business strategy is based on the optimum use of land in a city. We implement urban policies focusing on counteracting the metropolitan area spreading onto the suburbs and using urban engineering, social and transport infrastructure. Our projects open inaccessible and derelict urban areas, complementing their vicinities with the missing functions. This way, we help implement the concepts of a multi-function 15-minute city that offers access to the essential services within a walking or cycling distance. It helps animate urban life and reduces the need for everyday commuting from remote districts to work, school, or to do shopping. Owing to our city co-creating projects, the inhabitants, users and visitors gain access to roads, bicycle lanes, pavements, urban furniture and well-organised green and leisure areas.

### KEY AREAS OF SUSTAINABILITY IN COMPANY OPERATIONS



#### **Environmental Activities:**

- Better material usage and less production of wastes
- Optimization of water and energy usage
- Tree protection
- Reducing CO2 emissions
- Eco fleet development
- Use of modern technologies
- Certified green buildings



#### **Social Activities:**

- Employee health and safety
- Providing job satisfaction and work-life balance
- Good community relations (being a good neighbor, including around our investments)
- Charitable support to organizations and projects



#### **Corporate Governance:**

- Ethical business conduct
- Anti-corruption
- Setting high standards in business among subcontractors
- Communicating the implementation of ESG actions

# Ethics and high standards of conduct

# 03

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We operate in an industry that should be based on ethics and responsibility. We expect this from both our employees and our business partners. All employees are bound by our Code of Conduct, which guides us in the right direction.

GRI [102-16]

The purpose of the Code of Conduct is to strengthen corporate culture and manage risk. It defines both the company's values and the ethical standards that are required in relations to employees, shareholders, administration and local communities. The Code organizes such issues as relations between employees and superiors or relations with business partners and other parties.

It also defines how to behave in difficult situations, such as conflicts of interest, suspected irregularities, corruption proposals or cooperation with disreputable business partners. Compulsory ethics training, mainly based on the Code of Conduct, is conducted annually for every employee of the company. After the training, employees must take a mandatory exam.

GRI [103-1]

GRI [103-2]

GRI [103-3]

At Echo Investment, we have implemented a system for reporting irregularities and a procedure for dealing with them. The system allows employees to inform anonymously about observed unethical or illegal activities which violate the law, internal regulations or rules of social coexistence. The system operates in cooperation with an external company, Linia Etyki. Reports can be made by phone, e-mail or directly to your supervisor or the Director of the Legal Department. Additionally, it is possible to report detected irregularities directly to the Vice President for Finance.

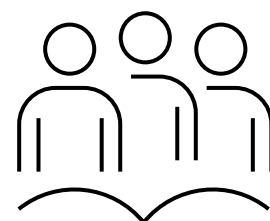
All of our employees gain knowledge of human rights policies and procedures incorporating human rights aspects as part of their ethics training.

GRI [412-2]

Echo Investment's Management Board has an ethics advisory body- the Ethics Committee. The Committee's tasks include overseeing the proper implementation of procedures and compliance with adopted codes, statutes and other internal regulations, in particular, the Anti-Corruption Code and the procedure for conclusion and performance of donation, sponsorship and similar agreements.

The Committee consists of:

- a member of the Company's Management Board appointed by a resolution of the Management Board or by the decision of the President of the Management Board;
- Director of Echo's Legal Office or another member of the Legal Office (legal advisor or attorney at law) as designated by the Director of the Legal Office;
- an employee of the marketing or communications department designated by resolution of the Company's Board of Directors or by decision of the President of the Management Board.



## Anti-corruption

As of 2018, the company has also an Anti-Corruption Code, which defines who is considered a public figure or their most closely related, under what rules Echo Investment employees may interact with public figures, and what precautions are required when engaging in such activities with public figures as donations and sponsorships, employment, invitations, meetings, presents or other occasional gifts.

***100% of our business units have been assessed for corruption risk.***

GRI [205-1]



At Echo Investment we closely cooperate with local and state administration who issue various resolutions, decisions (e.g. on land development and management conditions) or permits (e.g. building permit), therefore our employees manage numerous cases and are authorised to contact administration. Additionally, specific companies or persons who are not part of the company, e.g. architects, advisors, experts in various fields, are authorized to contact the administration. Anti-corruption statements are signed in all contracts with such authorized persons. We also verify all associates through a special background check procedure. We also check relations with public figures.

To minimize the risk of corruption, several people are always involved in the selection process of a subcontractor or contractor. Contracts of significant value are signed by two members of the Management Board (including the vice president directly responsible for procurement). Our specialists also work with employees on construction sites to select subcontractor partners. Additionally, by analyzing price or bid trends, they are able to identify bids that deviate significantly from the average or market trend and then explain these deviations.

With a comprehensive approach to corruption risk management, there was no case of corruption at Echo Investment in 2020.

GRI [205-3]

All Echo Group employees are obliged to participate in ethics annual training, which includes corruption issues. Training also applies to employees working under B2B contracts and to the Management Board. Additionally, as part of internal communication, we inform employees about our procedures concerning ethics, whistleblowing and the Code of Conduct, and carry out educational activities. Also, each new employee, as part of the induction process, is required to become familiar with the Code of Conduct.

**EMPLOYEES AND OTHER ECHO INVESTMENT WORKERS WHO  
HAVE BEEN INFORMED AND TRAINED IN ANTI-CORRUPTION,  
PROCEDURES AND POLICIES**

GRI [205-2]

	<b>Informed about anti-corruption policies and procedures</b>	<b>Received training in anti-corruption</b>
Number of members of governing bodies:	7	7
<b>Percentage of members of governing bodies:</b>	<b>100%</b>	<b>100%</b>
Number of employees by employment type and age (excluding members of the governing body):	454	454
- fixed	87	87
- indefinite	368	368
- full-time	442	442
- part-time	13	13
<b>Percentage of employees</b>	<b>100%</b>	<b>100%</b>
Workers with other than employment contracts	61	61
<b>Percentage of employees with other than employment contracts</b>	<b>100%</b>	<b>100%</b>

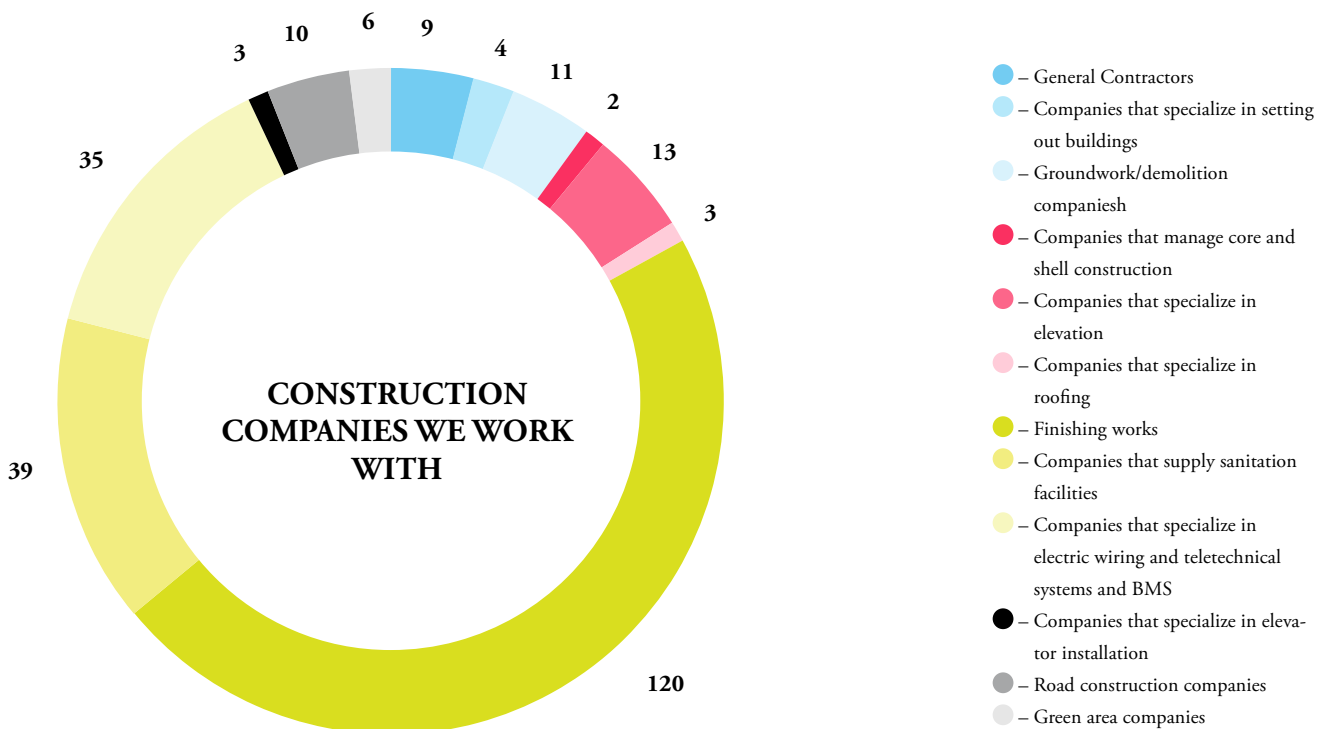
Status as of: 31.12.2020.

\* Since April 2021 the Management Board consists of 5 persons.

At Echo Investment we work with a large number of contractors every day. These are both architects, with whom we plan our projects, and construction companies, but also lawyers, advisers and specialists in particular fields related to construction. We also cooperate with entities that sell land, brokers, agents, and many other groups. A particularly important group for us are contractors, who build our projects - we regularly cooperate realizing numerous contracts and high-value projects.

GRI [102-9]  
GRI [102-10]

The purchase of construction services is one of the most important processes performed by the dedicated valuation and contracting department. In 2019, we signed 1022 contracts and annexes with 284 construction and construction-related companies, and the total value of these contracts amounted to PLN 1,172 million. In 2020 we signed 1051 agreements for a total amount of PLN 837 million. The list of our contractors is stable, and their number is constant. Last year 256 contractors signed agreements with us.



## Anti-corruption and respect for human rights in the supply chain

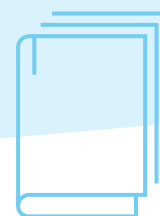
All our contractors and subcontractors are required to observe high ethical standards, including in particular the principles set out in our Code of Conduct. All contractors providing construction services for Echo Investment have to submit a statement on the application of the Code of Conduct. Additionally, they have appropriate anti-corruption clauses in the contracts they sign with us. The Code, our policies relating to business partners and good practices are available to them on our extranet.

GRI [103-1]  
GRI [103-2]  
GRI [103-3]

Echo Investment's employees are also obliged to pay attention to and keep informed about any circumstances suggesting any unethical or illegal activity of business partners. The task in such a case is to verify the circumstances indicated and to decide on further cooperation with a given business partner. At Echo Investment, we expect all our business partners to comply with rules resulting from generally applicable anti-corruption laws. For this purpose, when preparing or reviewing draft contracts concluded by Echo Investment or group companies, the Legal Department works to include anti-corruption clauses adequate to the nature of obligations under a given contract, such as

- a statement that the contractor will perform the activities covered by the contract following the provisions of the applicable law, in particular under the generally applicable anti-corruption regulations included in the Act of 6 June 1997. - Criminal Code (Journal of Laws 2017, item 2204 - i.e. as amended) and others applicable to each jurisdiction in which it performs the activities.
- a statement that no part of the remuneration provided for in the agreement will be used, even indirectly, to cover the costs of granting financial and personal benefits to persons performing public functions or to persons close to them.

*All our contractors and subcontractors are required to observe high ethical standards, including in particular the principles set out in our Code of Conduct.*



All 256 contractors or subcontractors we worked with in 2020 had to declare to act under our Code of Conduct, including adherence to human rights issues, labour rights, non-use of the slave power. The declarations are verified during the work and if there are any discrepancies, they are obliged to implement the declared standards, procedures and securities. In exceptional situations, we decide not to cooperate with a particular company due to its previous history, for example, human rights violations.

GRI [103-1]  
 GRI [103-2]  
 GRI [103-3]  
 GRI [414-1]



**TOTAL NUMBER AND PERCENTAGE OF MATERIAL CONSTRUCTION AGREEMENTS THAT INCLUDES HUMAN RIGHT STATEMENTS**

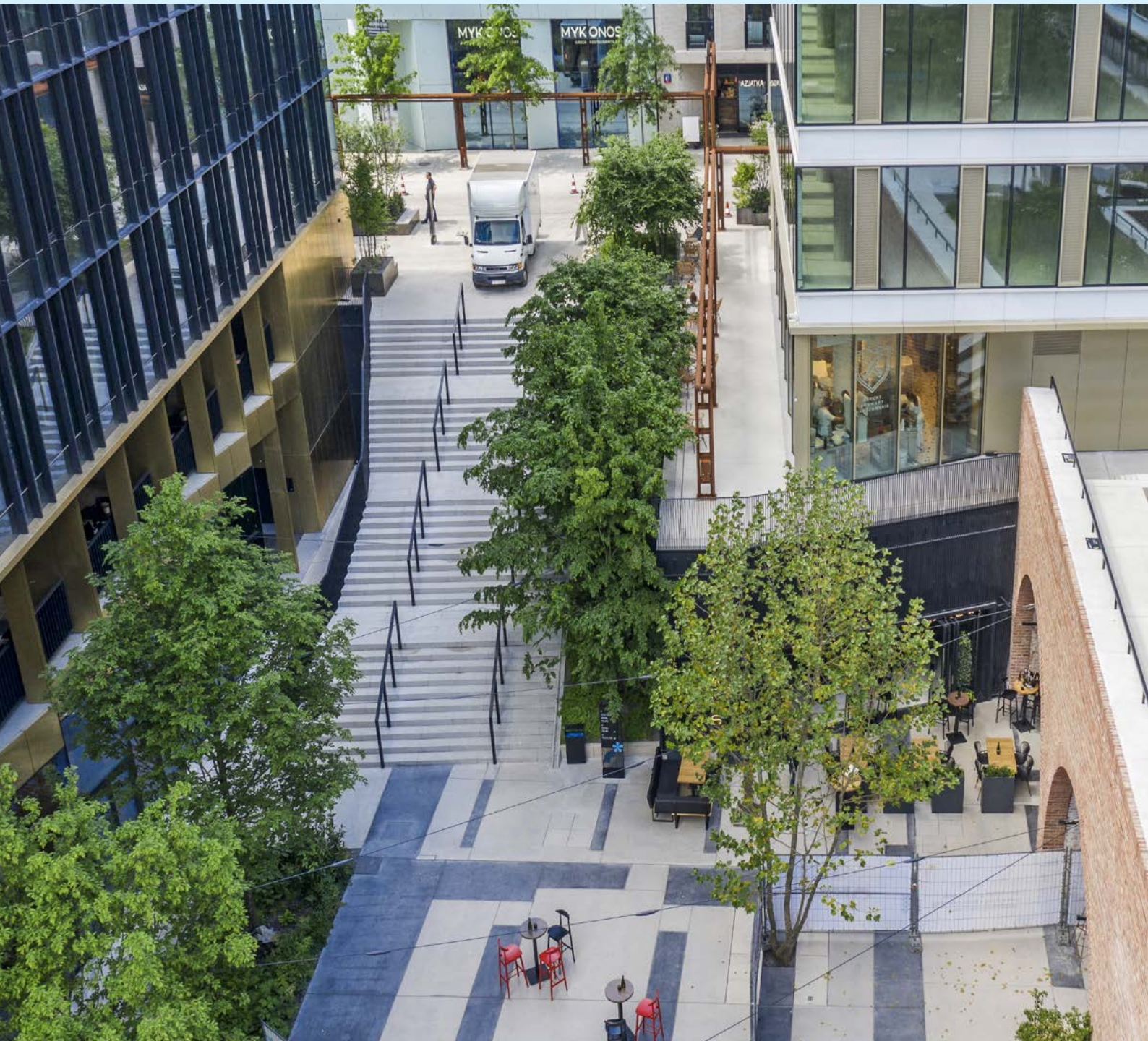
GRI [412-3]

Total number of agreements concluded in 2020 with construction companies	256
Percentage of agreements concluded in 2020 with construction companies that include human rights clauses or that have undergone human rights scrutiny.	100%

Refers to construction services contracts with a significant value for the Group - i.e. all contracts for procuring construction services with general contractors, subcontractors, incidentally with suppliers of materials or labor force.

# CHAPTER 2

# SOLUTIONS FOR CITIES AND HUMANS





*More and more people in our times decide to move to cities. We live, work and spend our free time there. According to the Central Statistical Office's report, at the end of 2020, Poland was populated by 38.35 M people, 23 M (60% of the population) of which lived in cities, mainly in those with over 200,000 inhabitants. The everyday reality of a large metropolitan area involves commuting, traffic jams, and congested means of public transport. Such urban centres face aggravating environmental problems, smog, lack of biologically active space, spreading to suburbia, and a lack of adequate technical and social infrastructure. The city dwellers' habits and lifestyles evolve, while cities have difficulty quickly adapting to the changes. It all poses new problems and challenges for entities affecting the city's functioning.*

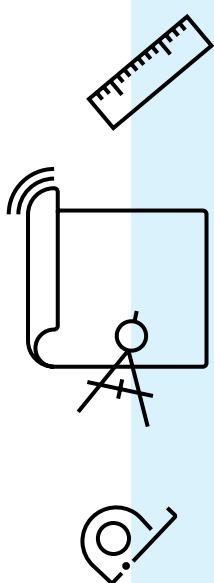


Echo Investment shares the responsibility for how the largest Polish cities function nowadays and will function in the future. Our objective is to create sound spaces for living, working and spending free time. We call them “destinations” - places that attract people, invite them for spending free time, encourage to live and inspire activity. The “destinations” projects derive from 25 years of our experience in the creation of Polish cities. We observe the inhabitants’ needs and their lifestyles. We are the only ones on the market competent in building apartments, offices, hotels and commercial and entertainment centres. Combining our experience and competencies, we create large and multi-functional city areas, integrated with the surroundings and open to all visitors. Browary Warszawskie (Warsaw Brewery), Fuzja in Łódź, Moje Miejsce (My Place) in Warsaw or new investments in Służewiec or Kabaty in Warsaw are just a few examples of such projects.

Creating multi-functional ‘destinations’ projects is among the pillars of Echo Investment’s ‘Strategy of Profitable Growth’, whose implementation started back in 2016. According to the strategy, large urban areas struggling with problems - isolated, degraded, deserted and with functions not living up to current standards - are preferred when buying land for future projects. Our land bank enables building versatile, excellently designed and attractive urban fragments - in Warsaw, Łódź, Poznań and Krakow. The projects focus on the revitalisation of urban space and its supplementing with new and necessary functions. More importantly, the projects are located close to the city centres and surrounded by infrastructure. Returning them to the city keeps people in the urban area, which prevents rampant suburbanisation. Moreover, it optimises the use of urban infrastructure - roads, pavements, public transport, water and sewer network, electricity, etc.

## 54%

such a part of Echo Investment’s projects under construction and in preparation co-create large, urban ‘destination’ projects (as at the end of 2020)



### The distinctive features of „destinations” projects include:

- Comprising different function buildings;
- Designed as coherent architectural and urban planning project;
- Offering high-quality public spaces in the city;
- Respecting the history, taking advantage of the mementoes and making reference to the past;
- Open to everybody and naturally integrating with the city;
- Full of greenery;
- Meant to offer space for living, working and doing everyday chores within a 15-minute walking or cycling distance, which reduces the need to use a car;
- Developed according to the latest global urban planning trends, including environmental friendliness, sharing economy, promoting public transport, walking and cycling.

### *Destinations*

**Building multi-functional, large-scale urban projects that attract people with their unique ambience. Urban spaces are supposed to merge several functions to best respond to the inhabitant’s needs while taking care of sustainable development and environmental protection.**



'Destinations' are multifunctional, urban projects of a large urban scale that attract people with its unique atmosphere.

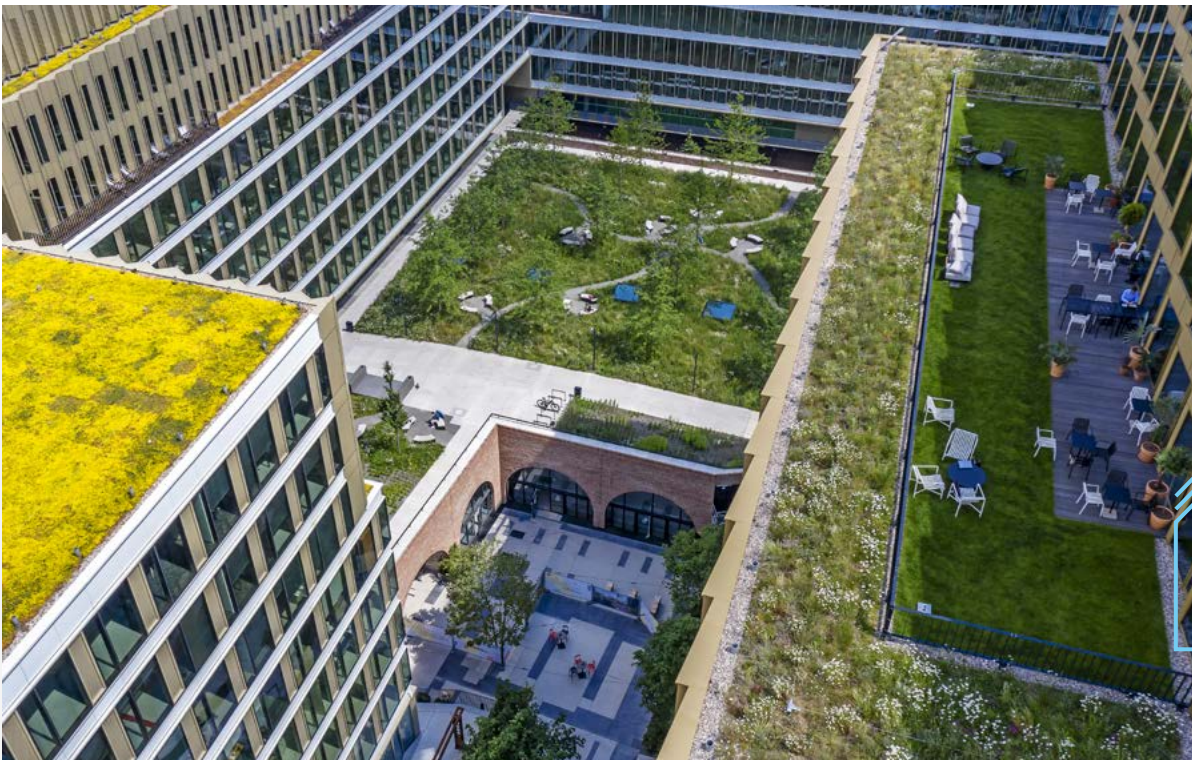
## We give back closed city parts to their inhabitants

The Warsaw Brewery (Browary Warszawskie) site was closed for nearly twenty years, with the remains of historical buildings falling into ruin. It is located in a dynamically changing district. The site revitalisation is the first and flagship “destinations” project. The abandoned area was re-composed into the city’s life. Within only five years, the 4.6 ha area in the district of Wola turned into a bustling quarter with apartments, offices, shops, and restaurants in historical buildings, completed with urban infrastructure and greenery.

Four legacy buildings were revitalised: the Malthouse (Warzelnia), old storage cellars (Leżakownia), Schiele’s villa and laboratory. The historical buildings gain new functions - they include restaurants, bars and catering facilities to attract visitors to the Warsaw Brewery.

A good urban quarter must be green, and so we fitted as many plants as possible into the squares developed under the project. In the Central Garden (Ogród Centralny), we planted 60 trees and shrubs and sowed a flower meadow, including perennials and decorative grass. Our designers selected a myriad of plant species to ensure urban biodiversity balance. At the Square Near the Gate (Plac przy Bramie), we placed insect hotels, e.g. for bees.

Over 230 large trees were planted in the Warsaw Brewery area. Green areas - trees, lawns, meadows, green squares with grass and perennials, and green roofs on some buildings - will cover a nearly 1.8 ha area.



## THE WARSAW BREWERY

### Our goals:

- turn a neglected and closed off area into a full blown city quarter and re-open it to people,
- bring people to the venue: inhabitants, employees, visitors and passers-by,
- save the remaining historical buildings and tell the place’s story,
- make the area green to support the city’s activities responding to climate challenges.

### Location:

Warsaw, Wola district, area delimited by ul. Grzybowska, Wronia and Krochmalna, former Haberbusch and Schiele (later turned into Browary Warszawskie) brewery site

### Functions:

flats, offices, Resi4Rent (apartments for rent), restaurants, food court, service outlets

### Project execution period

2016-2021

### Status

completed

### Area

4,6 ha

## We reach into the history and identity of sites

When creating new venues on the city's map, we must not forget their history, especially if the site is as significant as the area where Fuzja in Łódź is developed. The site has a nearly 8 ha area, mostly built-up with production facilities dating back to c. 19th and constructed from brick typical of Łódź architecture of those times. The remnants of Karol Scheibler's factory empire turns into an open space with apartments, offices, extensive service, commercial and restaurant zone in the buildings among which an already renovated Art Nouveau power plant completed at the beginning of c. 20 holds the central place.

Fuzja will consist of twenty buildings with different functions, fourteen of which are revitalised historical structures. The unique project is aimed to revive this part of the city. A new square will become a central point for the venue in summer 2021. The historical power plant constructed in 1910 will be the landmark and attraction of the place, supposed to become an open entertainment and culture zone. Green areas corresponding to the surroundings will provide an added value for the inhabitants. New squares and shared and greenery areas will cover nearly 4 ha. They will be available for the public, not only for people working and living in Fuzja. We want our projects to become parts of urban life and spaces for the city's inhabitants.



## FUZJA IN ŁÓDŹ

### Our objectives

- restore a large and attractive area to the city, degrading for a dozen or so years
- revive the historical splendour of industrial structures, providing them with new functions
- create a new meeting and leisure space for the inhabitants
- change the way this part of Łódź is perceived

### Location:

Łódź, Księży Młyn, area of ul. Tymienieckiego, Milionowa and Słowiańska; former Karol Scheibler's (later transformed into Uniontex) textile plant site

### Functions:

apartments, offices, culture space, restaurants, shops, entertainment

### Project execution period

2019 - 2025/2027

### Status

in progress

### Built-up area

7,7 ha

## We talk to local community and want to be good neighbours

GRI [102-43]

Another investment implemented based on the city-forming philosophy of creating open, friendly and multi-function parts of cities will be developed in the Warsaw district of Kabaty in the premises of a former shopping mall and fenced car park. We propose a high-quality project, suited to contemporary city's needs, including apartments, shops and service outlets, business space and social life local centre with many open and greenery areas. We care for the local community's acceptance, and that is why we discuss the project, its functionalities and good neighbourhood with local people. The project assumptions were presented during urban social consultations concerning the development of the surroundings. At the inhabitants' request, we conducted an extra presentation session, including Q&A and the opportunity to comment on the project. Moreover, we organised a series of meetings with the planned investment's neighbours and stakeholders to learn their opinions and adapt the project accordingly. We launched a website for submitting suggestions on the proposed solutions. It is available at [kabyty.echo.com.pl](http://kabyty.echo.com.pl). We consider all issues mentioned during the meetings and answer all questions. We want the Kabaty project to become a real local centre, a meeting place for the district inhabitants that responds to their needs.

### WARSZAWSKIE KABATY

#### Location:

Warsaw, Ursynów, area at al. KEN and ul. Wąwozowa, former hypermarket and car park area

#### Intended functions:

apartments, services, shops, restaurants, and business space

#### Project execution period

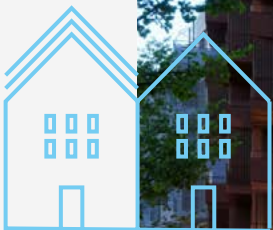
2021-2023 (residential part)

#### Status

in progress

#### Built-up area

4,5 ha



# We support urban development and infrastructure

We feel partly responsible for the development of cities and their smooth functioning. Through our projects, we support the community by building the necessary infrastructure or solutions useful for the inhabitants. We fulfil our responsibilities, resulting from investment agreements, towards local authorities. We invest in social infrastructure - we often modernise the road network that our clients and the site neighbours use. Our activities include reconstructing the current road networks, pavement building or repairing, building new access roads to ensure higher comfort to the inhabitants, planting trees, and developing green squares and areas.

GRI [103-1]  
GRI [103-2]  
GRI [103-3]  
GRI [203-1]

The investments are directly or indirectly related to the implemented projects but serve the entire local society by improving the local road network, appearance, functionality and safety of moving around the city. Owing to the investments, cities gain new public spaces.

The Warsaw Brewery investment project involved construction or renovation of the whole social infrastructure in the quarter delimited by ul. Krochmalna, Wronia and Grzybowska, i.e. a total area of 4.5 ha. As part of land development activities, we built a missing part of ul. Krochmalna, restoring its historical continuity (the street's fragment was not reconstructed after the war), created a new street named after Haberbusch and Schiele (Echo Investment took efforts to commemorate the founders of Warsaw Brewery in the street's name), built all pavements, green squares, urban public squares with trees, fountains and street furniture. All streets and pavements around the investment site, owned by the city, were also renewed.



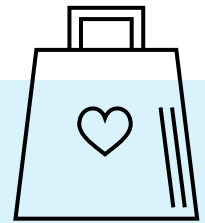


We support our social environment as responsibly as possible. In order to systematise our charity activities, in 2018, we implemented a procedure of awarding donations and sponsoring. The procedure is aimed to ensure transparent and effective money spending in the social responsibility area. It enables 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.

In the pandemic year 2020, we decided to focus our efforts on supporting hospitals and medical staff that had to face previously unknown challenges - the Covid-19 virus. We funded and delivered the necessary medical equipment to the dr Karol Jonscher Municipal Hospital in Łódź (the hospital was funded by the Scheiblers, and is symbolically and historically related to our Fuzja project), the Józef Struś Municipal Hospital in Poznań, Czerniakowski Hospital in Warsaw and the Regional Hospital Complex in Kielce. At our employee's request, we supported the Buffer Fund of the Great Orchestra of Christmas Charity (WOŚP).



Meals for health-care professionals delivered by grateful real estate industry leaders:



11

Hospitals and medical centres supported

40,000

Meals delivered

We managed to encourage other property companies, our competitors, to aid with us. In April 2020, we initiated the #property4heroes campaign to deliver meals to hospital and medical service staff. A total of 15 companies joined the initiative. Owing to the cooperation, we reached eleven hospitals and medical centres in Poland, e.g. in Gdańsk, Katowice, Kielce, Kraków, Poznań, Szczecin, Warsaw and Wrocław. We delivered 970 meals daily - particularly during the spring lock-down and autumn pandemic peak. A total of 40,000 meals were submitted during the campaign. Under the #property4heroes project, from April to December, Echo Investment provided around 1,600 meals to the Regional Hospital Complex in Kielce. Doctors, nurses, paramedics and other staff working for this hospital looked after a group of our seriously ill employees, their families and relatives.

**Echo Investment**  
Opublikowane przez: Weronika Ukleja [?] · 7 min · 🌐

W Łodzi jesteśmy aktywni już od 20 lat i czujemy się częścią tego miasta. Tym bardziej cieszymy się, że mogliśmy wesprzeć łódzkich pracowników służby zdrowia i ich pacjentów. Dziękujemy za Waszą pracę i zaangażowanie 🙏👏😊

**Adam Wieczorek - Wiceprezydent Łodzi**  
34 min · 🌐 Polub stronę

👏👏👏👏  
Ogromne podziękowania dla Echo Investment, budowniczego osiedla Fuzja Łódź za przekazanie dla Miejskiego Centrum Medycznego im. Karola Jonschera respiratora wartego aż 30 tysięcy złotych!  
To nie koniec darów - do szpitala trafiły też resuscytatory, „mankiety” do podawania płynów i pulsoksymetr. Dziękuję za wasze wsparcie w tych trudnych czasach 🙏👏

Więcej informacji: <https://uml.lodz.pl/.../do-miejskiego-szpitala-tra.../2020/4/14/>



UML.LODZ.PL  
**Do miejskiego szpitala trafił od darczyńcy respirator**  
Respirator, ale też resuscytatory, "mankiety" do podawania...

65 Liczba odbiorców    10 Aktywność    Promowanie niedostępne

Ty i 3 innych użytkowników

Lubię to!    Komentarz    Udostępnij

Skomentuj jako Echo Investment

**Wojewódzki Szpital Zespolony w Kielcach**  
23 godz. · 🌐

👏 Od wielu tygodni, personel naszego szpitala, otrzymuje posiłki finansowane przez Echo Investment. 🙏👏👏  
Wsparcie jest oferowane w ramach akcji #property4heroes .

Uczestniczą w niej firmy, na co dzień konkurujące ze sobą na rynku: CA Immo, Grupa Capital Park oraz Savills Investment Management, dołączając do grona CPI Property Group, Echo Investment, EPP, Ghelamco, Globalworth, Griffin Real Estate, HB Reavis, Immofinanz, Invesco Real Estate, Panattoni, Skanska oraz Vastint.  
Posiłki są przekazywane, każdego dnia, do szesnastu szpitali i stacji pogotowia ratunkowego w dziewięciu polskich miastach, w tym do Wojewódzkiego Szpitala Zespołowego w Kielcach.  
Za pomoc bardzo dziękujemy 🙏👏👏

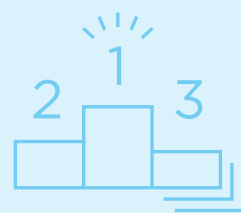
👏 Ponownie dziękujemy również Panu Mecenasowi Piotr Michalski, który wspólnie ze znajomymi, również finansuje posiłki dla naszej załogi 🙏👏👏

👏 Dziękujemy również Pani Jolancie Rozparze za przekazanie masek dla naszego szpitala 🙏👏👏



Our company was established in Kielce, and this is where most of our employees come from. That is why despite not implementing an investment project in Kielce, we feel a part of the local community. Last year, the local handball club - Łomża Vive Kielce - the city's pride and showcase got into a difficult situation. In order to support the club and its excellent outcomes, Echo Investment decided to become the club's sponsor in the 2020/2021 season.

Photo A. Benicewicz-Miązga,  
Photo P. Ptak / Łomża Vive Kielce



**We are proud that in the 2020/2021 season, Łomża Vive Kielce handball players won the Polish Championship for the 18th time, out of which 10 times year by year. Congratulations to the team and the trainer Talant Dujšhebaev.**



## Libero - socially engaged marketing

Our company eagerly supports local communities. We stay close to people and hence can quickly respond to their current needs. Actions carried out near our flagship shopping centre - Libero in Katowice - showcase such an approach. In the pandemic, we literally went to the streets to offer aid. We distributed masks and meals to those in need. During the first pandemic wave, we organised a Libero mask truck for the inhabitants of Silesia. It was driving around the city the day before mandatory face masks were introduced. Over 10,000 masks were distributed in two days.

Libero in Katowice is close to people and it wants to quickly respond to their needs. During the pandemic, it willingly supported the local community conducting socially engaged marketing at the same time.



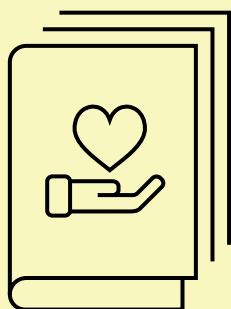
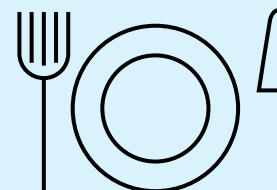
Pandemic meant limited business opportunities for many sectors, e.g. restaurants. That is why we supported our business partners - restaurant owners in Libero. Owing to our initiative, a Libero food truck was sent to the streets of Katowice to deliver meals from the restaurants in our centre to those who needed them. The cost of one meal was 5 PLN. Libero covered 80% of the meals' regular price. Additionally, we delivered over 150 meals for charity organisations. A total of 1,500 meals were distributed during the initiative.

over **1500**

meals

**11** miejsc

meal distribution spots in Katowice



*We aim to be proactive and orient our assistance to the communities whose part we feel. For more transparent operation in the charity area, in 2021, we undertook to develop an Echo Investment charity programme that responds to specific social needs and is closely related to our group's strategy and business operation. The programme is planned to commence in the second half of 2021.*

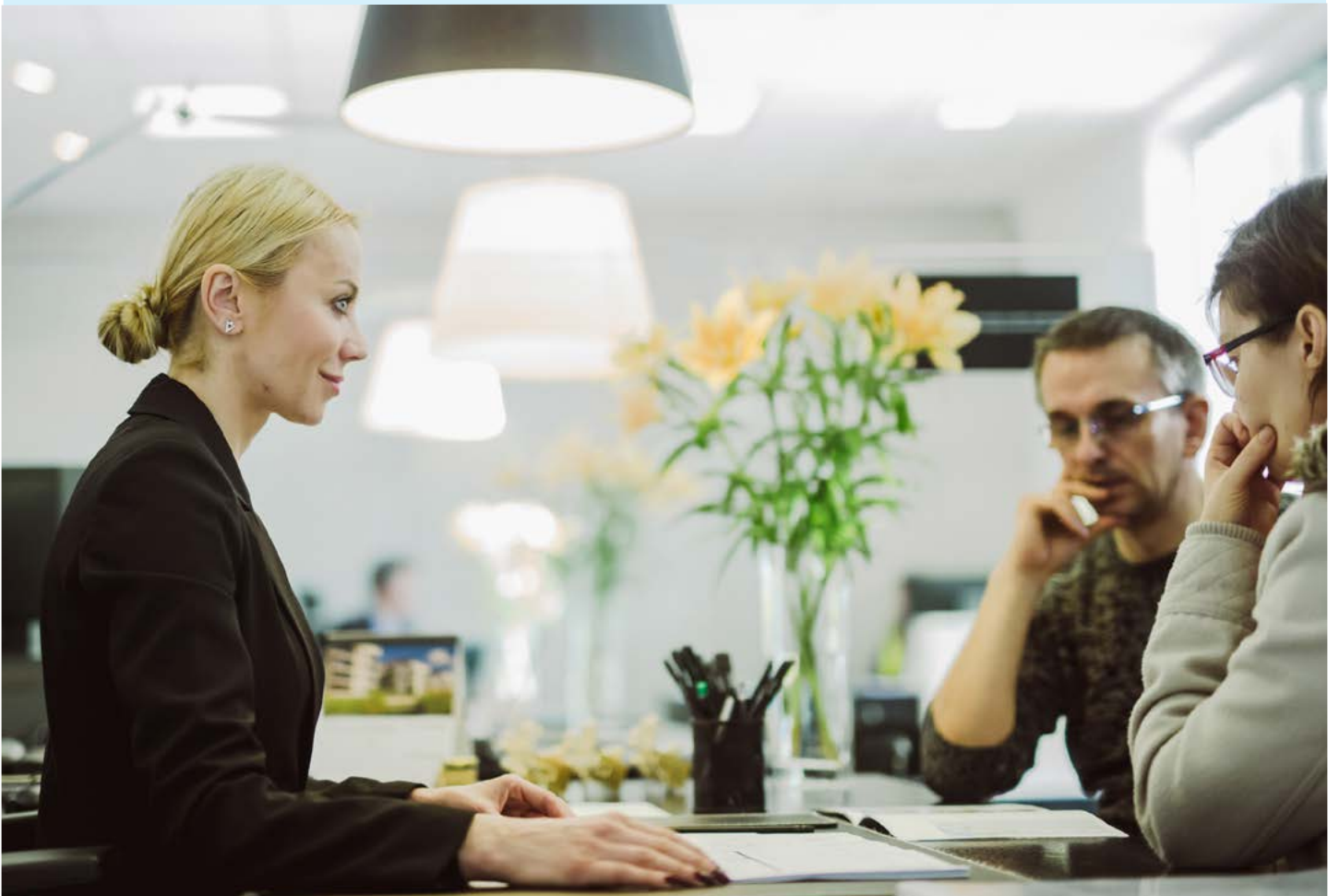
Read more about our actions for fighting SARS COV 2 pandemic and initiatives for our employees and clients in section Client Relations and section Employees.

# CHAPTER 3

# CLIENT RELATIONS



*Echo Investment's business activities are related to various segments of the real estate market, which is why we have a diverse group of clients that includes individual clients buying apartments, tenants of office buildings (usually large companies), retail chains that place their stores in our shopping centers, or owners of other service outlets, restaurants, cafes, etc. At the same time, our clients also include international funds that purchase office buildings or shopping centers, as well as companies that make use of our services - e.g. lease agency services, construction preparation services, construction management services.*



# We build confidence due to high standards

# 01

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In our relations with clients we are guided by the highest standards of ethics. We build confidence by creating conditions for conversation and mutual understanding of needs. Client data security is a particularly important issue in our sales activities. We process sensitive data concerning individuals and companies, which is why employee training and attention to the importance of this issue in daily work are so important.

GRI [103-1]  
GRI [103-2]  
GRI [103-3]  
GRI [418-1]

In 2020, we received only one complaint about the sharing of client's data: a sales person sent a draft apartment sales contract with basic personal data to a wrong person. It is important that the company recommended to determine the content of contracts with a client or contractor without personal data, which should be completed only in a final contract. In this situation the risk to the client was determined by the Legal Department to be low due to the circumstances, i.e. data was disclosed to only one person that the company knows. The addressee has confirmed to us that they deleted the incorrectly sent email without reading the attachment, which in our opinion significantly reduces the risk of that person taking actions that could harm the client. Naturally, the client whose data was mistakenly sent by e-mail was informed immediately of the situation.



New technologies are increasingly facilitating our daily duties at work and outside of it. Echo Investment has been also using the latest available technologies to respond to our clients' needs and to improve our daily work. We transfer more and more documents to our electronic workflow in order to accelerate processes and at the same time not to use paper unnecessarily. By investing in digitalization of processes, we were already well prepared for the need to work remotely due to restrictions of the coronavirus pandemic in early 2020. For the past two years, we have been offering, among others, online acceptance of apartments carried out using tablets with a special application. This allows us to save clients' time and speed up the acceptance process. Another improvement is to introduce an electronic process of apartment reservation - buyers can conclude a reservation contract without leaving their home, which was of great importance especially during the pandemic. We plan to introduce further solutions in business processes that will speed up procedures, reduce the number of mistakes, use less paper and reduce the need to confirm or collect documents in person.

## Virtual walks

We are the first developer on the Polish market that have already introduced mobile acceptance of apartments. For over two years, apartments are handed over using Samsung tablets. Additionally, we have introduced the possibility of online meetings with consultants, during which Virtual Reality models of our projects and their immediate surroundings are presented. This unusual virtual walk allows you to get to know our project from a different perspective - also from the inside.

[own indicator: Impact of the COVID-19 pandemic on the organization's operations]

## The pandemic vs. client solutions (selected):

### Full online service

A system for signing reservation contracts online

Initial client service via artificial intelligence

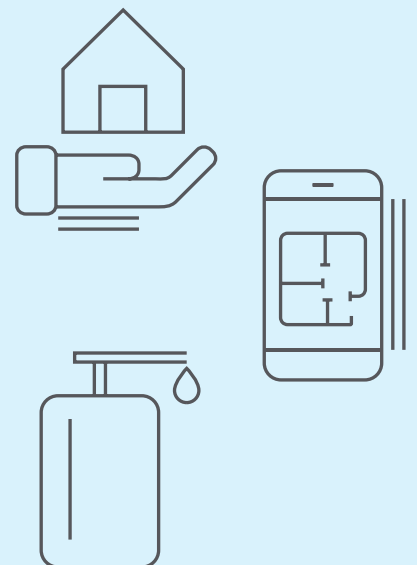


### Special signage and training materials



### Changes in the way apartments are designed:

- introduction of apps that allow touchless entry into an apartment,
- each apartment has a balcony, terrace or loggia,
- common areas (social hall) in buildings arranged as offices,
- washbasins at playgrounds;
- more flexible arrangement of apartments and architect's support when a client wants to arrange their own office corner or separate a study in their apartment,
- disinfectants in common areas.



## Virtual Client Advisor - Aurelia

Our clients expect fast responses and easy access to knowledge, and Aurelia - our chatbot - answers both conditions. Thanks to the chatbot, apartment seekers can always get the information they need and the best hints to find an apartment exactly matching their needs on the website. Aurelia is available around the clock and has a wealth of knowledge about our projects. People looking for an apartment can chat and find it with Aurelia to then discuss the details with our sales consultant during an online meeting.



Aurelia's chatbot is available via Facebook Messenger and on the websites of all our residential projects. It was launched in the spring for projects such as Stacja Wola in Warsaw, Fuzja in Łódź, the KRK residential estate in Kraków, Stacja 3.0 in Wrocław and Nasze Jeżyce in Poznań. Aurelia has access to the full database of apartments on offer and, based on criteria provided by clients, is able to find an apartment that meets their expectations in a few seconds. For example, users can specify their budget limit, area they are looking for, number of rooms or preferred orientation of their apartment.

Chatbot uses Dialogflow artificial intelligence technology developed by Google. Thanks to K2Bots.AI programming solutions, its capabilities have been integrated with our company's IT systems, taking into account both using residential product databases and cooperation with solutions such as CRM, Marketing Automation and Business Intelligence.

## Digital signature

The reservation contract is the first formal step in the purchase of an apartment, which until now required physical presence of parties at one table. Out of concern for the safety and comfort of our clients, in cooperation with Asseco Data Systems and Samsung Electronics Poland, we have launched a system that uses biometrics technology and ubiquitous mobile devices to fully electronize this process. This eliminates the need to sign a paper version of documents during a meeting with a client advisor.



A secured digital signature is simple and safe, saves time and simplifies paperwork. The details of the contact are established during online meetings between the advisor and the client. Signing documents directly via a smartphone is made possible by a special application, which allows both a handwritten biometric e-signature and a qualified e-signature. The process is additionally secured with a qualified electronic seal. This ensures that the buyer receives a document that is legally effective. This solution has been well received by our clients.

The process is based on a dedicated CRM system, which operates based on mobile devices. Services are provided by integrating biometric solutions with the trust services environment giving a modern way to protect and integrate the processed information. This is another step towards full digitalization of the apartment sales process and a great convenience for both parties. At the same time, we cannot forget about the ecological aspect - electronic solutions mean lower CO2 emissions due to reduced travels and fewer paper documents.

# How we are changing for clients during the pandemic

## New technologies in our apartments

Our strategy is to create people-friendly places - we want to provide comfort, safety and time savings for residents. One of the tools to achieve this goal is technology. For our clients, who buy apartments, we offer our intelligent apartment management system - Echo Smart. It allows for integration of multiple devices and their easy management by owners, in line with individual needs. As part of our Echo Smart offer, owners of new apartments can compose smart functions around a "heart" of the system - a control unit and installed automated functionalities, which they receive with keys to their premises. Buyers receive a smart home as standard - the control unit, a light dimmer and a smart thermostatic head. This package is just the beginning of the adventure with a smart apartment, which allows to control lighting, temperature, and management of roller shutters, locks, alarms or household appliances - according to client needs.

What is more, in order to increase the safety and comfort of residents, we introduce a special application called Blue Bolt in all newly finished residential estates, thanks to which users can move around their estate without touching anything. This solution has already functioned in the Reset II project in Warsaw and in Stacja 3.0 in Wrocław.

With the app, the garage door or barrier open for residents automatically due to remote smartphone recognition. At the front door, it is as easy as to click on a notification on your smartphone and use voice-activated opening. Once inside the building, the smartphone calls an elevator from the garage or entrance hall that takes residents to a specific floor. This eliminates the need for using an elevator panel.

All the applied solutions are not only convenient, but above all increase the level of safety of residents. Its additional advantage is the possibility to replace keys, entry cards and keyfobs with a single device - a smartphone.

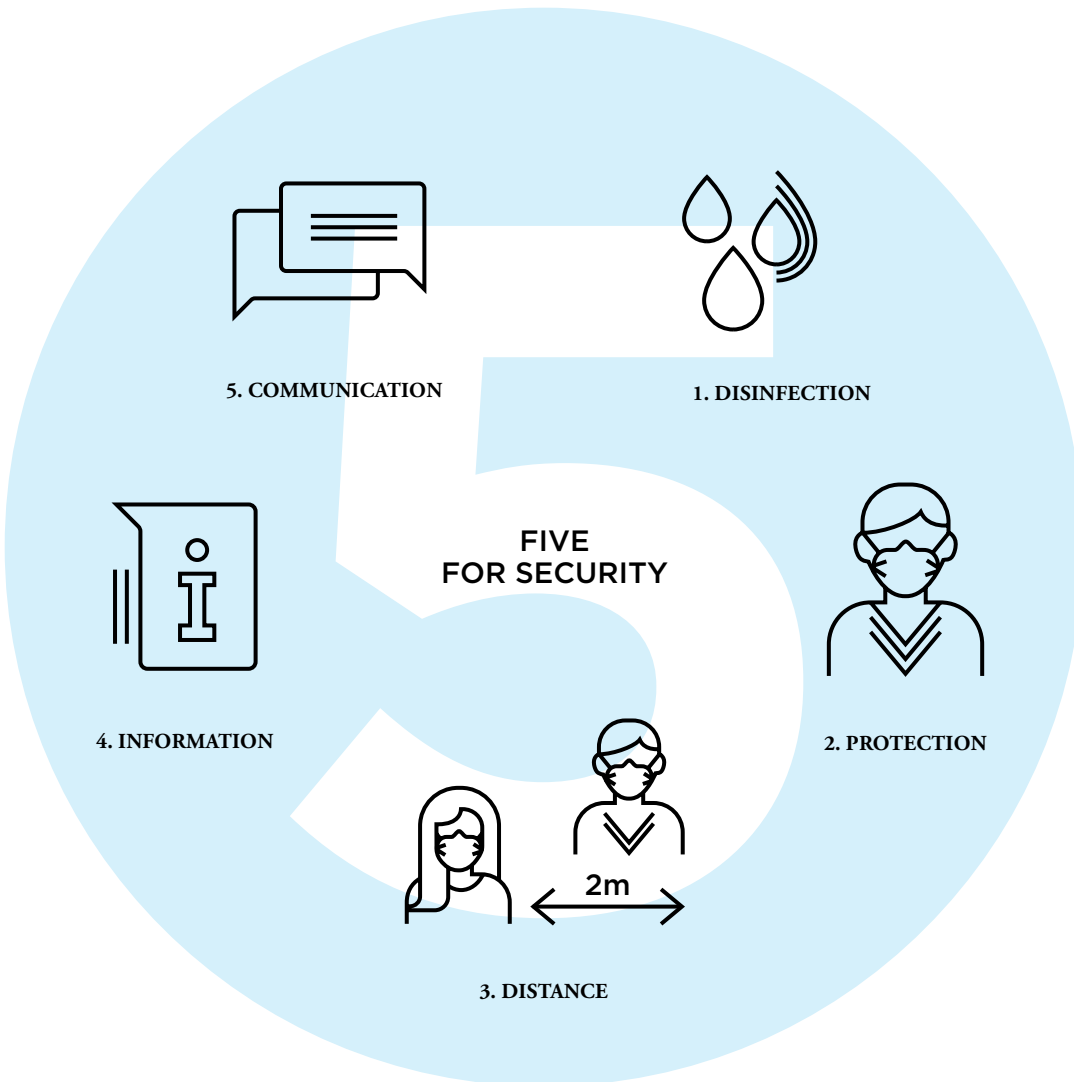
The epidemiological risk has affected the way we think about designing properties. We want the residents of our estates to feel it as soon as possible, so our architects have changed our emerging residential projects and design standards to be safer, more comfortable and better prepared for similar situations in the future. Responding to the needs of people who will not be able to go to their offices and at the same time do not want to work at home, in the Esencja residential estate in Poznań we have completed the residents' club with space to work.

Another solution which will help the residents of Esencja Apartments to act comfortably is a special application which will provide a space for the exchange of knowledge or news about the community's activities. It will also be used by building management to inform about the amount of rents and other organizational matters.

[own indicator:  
Impact of the COV-  
ID-19 pandemic on  
the organization's  
operations]

## Five for security in offices

An significant area of Echo Investment's pandemic efforts has been to ensure the comfort and safety of employees in our office buildings and CitySpace office spaces. We spend several hours a day in offices, meeting with different people at that time. Some of offices were closed during the peak of the pandemic - companies introduced numerous work-from-home solutions. We used this time to prepare our office buildings for the safe return of employees and introduce effective solutions for the post-covid time. Our role as property owners is to ensure that organizations and their employees have the safest and healthiest work environment possible. We have covered them with two programs: healthy office buildings and five for security.



[own indicator:  
Impact of the COV-  
ID-19 pandemic on  
the organization's  
operations]

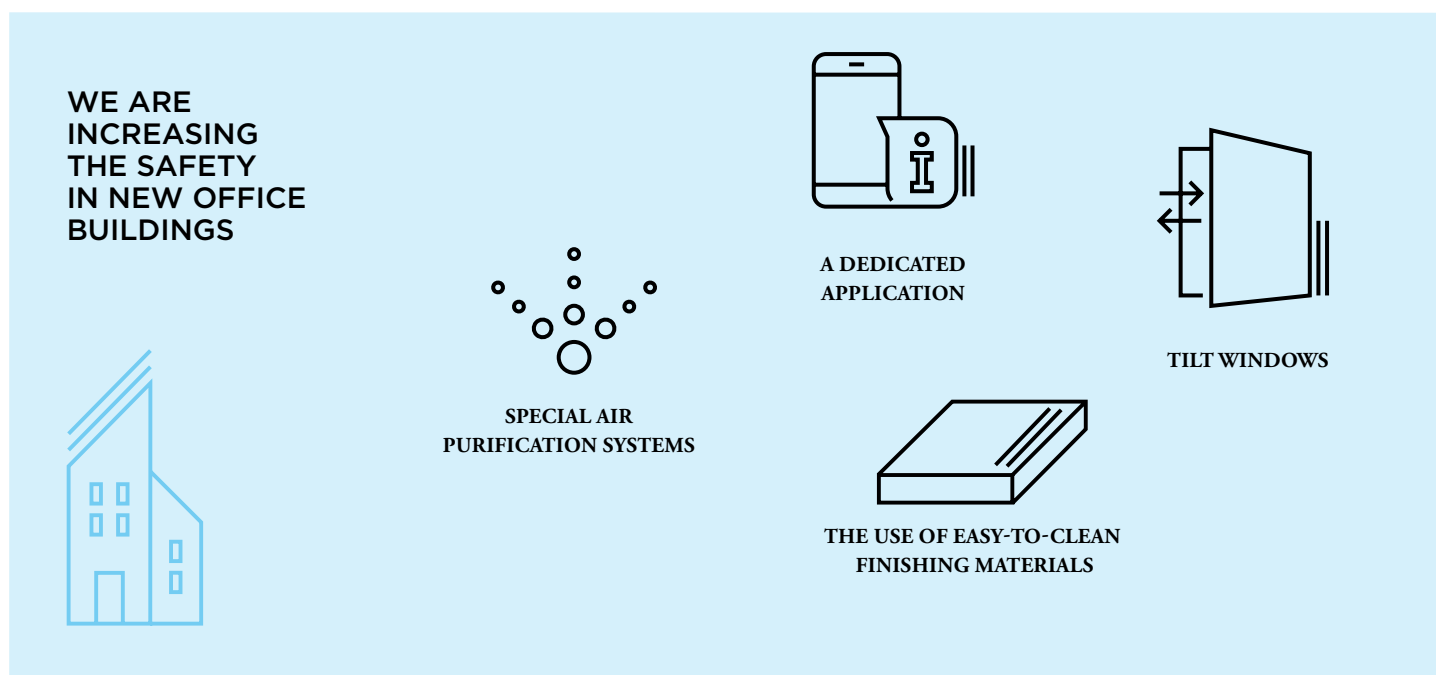
For managers of office spaces we have prepared a special guide 'Five for security'. It includes a description of principles and actions focused on five areas: disinfection, protection, distance, information and communication, including recommendations for standards of hygiene and safety. There are, among others, such recommendations as disinfection of common areas every 30 minutes, gloves and masks available at reception desks, "clean in & clean out" rules for all building employees and staff, recommendation of one-way foot traffic (those who enter a building take an elevator, those who leaved a building take stairs), dedicated furniture arrangement in common areas or transparent information about disinfection and cleaning in common areas. Such a guide with the most important rules was given to every manager of Echo Investment's office buildings. This manual was also available for companies and organizations, which wanted to introduce similar standards to their space.

As part of the “five for security” program, we have also introduced obligatory, periodic (weekends) fogging of the entire cubature of office buildings at the time of the pandemic. Fogging is perfect for disinfection, fungus removal, removing unpleasant smells, dust removal, humidity regulation and lowering temperature in rooms. This method of removing harmful microorganisms and building contamination is safe for people, computers, televisions and other electrical equipment.

Daily prevention will be supported by periodic actions aimed at improving sanitary and microbiological safety by disinfecting ventilation systems and the building cubature. As part of the development of the “healthy office buildings” program, we are constantly analyzing the situation on the market, looking for new solutions and talking to our tenants. Safety and setting new standards which increase comfort of our employees is the most important for us.

## Healthy office buildings

Thanks to the analysis undertaken at the beginning of the epidemic, we decided to introduce a number of new solutions to the newly built and planned office projects. We want to use such technologies and ideas that eliminate most risks and strengthen the safety of users. Our “healthy office buildings” program is today an essential element for maintaining the comfort of our office tenants and their employees.



Designers of Echo Investment verified several dozen scenarios of using office buildings. They traced the way an employee comes to work by car, public transport or bicycle. They played roles of guests in office buildings, couriers and suppliers, managers or canteen operators. As a result of these analyses, they have already decided to introduce new solutions or have confirmed the value of the solutions already applied.

The first projects where we are introducing post-covid innovations are React in Łódź and West 4 Business Hub in Wrocław. We have reduced the use of finishing materials that are difficult to clean and disinfect. We have made sure that our practice of using operable windows in buildings should be standard. We are introducing more and more touchless devices and systems. Additionally, we are using brand new technologies that reduce the epidemiological risk or allow us to respond quickly and effectively when needed.

Among others, we have introduced special devices that affect the quality of air in our buildings. These devices purify the air, drawing on solutions naturally occurring in nature. Due to the devices, ventilation systems will not carry toxic fungi, mould, bacteria and viruses in the air. The active air neutralizes pathogens and contaminants that accumulate in spaces and on surfaces. It eliminates viruses, including the SARS-CoV-2 virus, bacteria, fungi, allergens, and smog particles.

West 4 Business Hub is equipped with a mobile app that guides employees or guests through the building in a way that limits their contact with outsiders, buttons and panels where harmful microbes can accumulate. It shows the way to a designated parking space, announces guests through a virtual reception desk and helps them reach their destination. Guests will also receive all the information they need regarding their on-site meeting, including applicable safety rules. In addition, the application also allows for efficient use of the parking lot.

The introduction of completely new technologies, which reduce the epidemiological risk or allow for a quick and effective response when needed, became the basis for the development of the new Echo Pure Office standard, which applies to all our office buildings.



As the owner and developer of office buildings, during the pandemic Echo Investment quickly reacted to the increased need of the tenants security.

CHAPTER 4  
**EMPLOYEES**



*A company is made up of people. Echo Investment appreciates its employees, diverse experiences, competencies, education, different work practices, and individual task-approach. Not only are our employees offered stable employment, but also an encouragement to develop their competencies through training and development opportunities provided by our organisation. Our attention to good employment conditions, health, safety and communication makes it possible to boost employees' engagement.*





The Echo Investment Group staff - 455 full-time employees at the end of 2020; the headcount demonstrated 2% increase compared to the end of 2019. The average job seniority is currently 6.8 years and has been systematically growing since 2017. This confirms the attractiveness of Echo Investment as an employer. We highly appreciate experienced employees, there are some people among our staff who took part in the company establishment 25 years ago. We keep developing. We are open to taking on new talents. In 2020, we employed 49 people, and 36 people terminated employment in the Group. Our employees are not subject to any collective agreements.

GRI [102-41]  
GRI [103-1]  
GRI [103-2]  
GRI [103-3]

Some of our staff cooperate with Echo Investment based on other contracts than employment. As at the end of 2020 there were 67 such people. However this does not change the way they are treated. Regardless of their contract type, all our employees enjoy the same rights and have the same obligations and benefits opportunities. Mainly qualified professionals and experts are offered contracts other than full-time employment contracts as they are contracted for specific duty-time at particular investments. We highly regard our employees' experience and knowledge; we support their career development within our organisation. Whenever we need a new employee, start prospering for the right people among our own staff, we look for people who would like to develop differently from what they have done before. We create long-term relations; we nurture employee satisfaction ever since they join our company.

## 155%

Average Echo Investment employee salaries in comparison to the average salary in the enterprise sector

### ECHO INVESTMENT'S STAFF PER CONTRACT TYPE AND GENDER

GRI [102-8]

	2020			2019		
	Female	Male	Total	Female	Male	Total
<b>Employment contract:</b>			<b>455</b>			<b>431</b>
Fixed-term contracts	51	36	87	59	35	94
including part-time employment	1	0	1	3	3	6
open-ended contracts	202	166	368	185	152	337
including part-time employment	8	4	12	5	5	10
	253	202	455	224	207	431
<b>Other contracts - total</b>			<b>67</b>			<b>63</b>
Per gender	19	48	67	13	50	63

As of 31 December 2020. Data includes Management Board.



## EMPLOYMENT PER LOCATION

Voivodeship	2020		2019	
	Female	Male	Female	Male
Świętokrzyskie	129	103	128	95
Masovian	68	47	67	50
Łódzkie	6	11	8	9
Lower Silesian	15	8	15	9
Silesian	6	6	2	6
Wielkopolskie	16	15	15	10
Other	13	12	9	8
<b>Total</b>	<b>455</b>		<b>431</b>	

As of 31 December 2020. Employment contracts only.

### *New employment rate*

number of new hires in a given year to the total number of employees at the end of the year.

### *Turnover rate*

number of employees who left their jobs in a given year to the total number of employees at the end of the year.

## NEW EMPLOYEES AND EMPLOYEES WHO DISCONTINUED, PER GENDER AND AGE

	Female	Male	Total
<b>Total number of newly hired employees</b>			
under 30 years of age	16	8	24
from 30 to 50 years of age	21	7	28
over 50 years of age	0	1	1
<b>Total</b>	<b>37</b>	<b>16</b>	<b>53</b>
Employment rate	15%	8%	12%
<b>Total number of employees leaving work</b>			
under 30 years of age	11	7	18
from 30 to 50 years of age	16	10	26
over 50 years of age	3	2	5
<b>TOTAL</b>	<b>30</b>	<b>19</b>	<b>49</b>
Employee turnover	12%	9%	11%

Applies to employed on the basis of an employment contract.

GRI [401-1]

## We recognise the value of diversity

We value our employees' diversity. We know that employees' distinctiveness makes our team stronger, equipped with the manifold of competencies necessary to implement large-scale projects. We employ people from all walks of life, regardless of their race, gender, age, social status, religion, sexual orientation, political views, disability or marital status. We want decisions whether to employ a given person to be based on this person's skills. Therefore, recruitment and the best employees retention are our priority.

GRI [103-1]  
GRI [103-2]  
GRI [103-3]

We create a friendly workplace focused on cooperation and dialogue. Our Code of Conduct thus defines, inter alia, the rules for employee-employee as well as employees-manager relations. No discrimination allowed.

Everyone is provided equal rights and opportunities. In 2020, no discrimination case was reported; there was one mobbing notification. Following the internal procedures, the notification was thoroughly investigated by a committee of three, including representatives of the legal and HR departments. As a result, one person was formally reprimanded, which was also recorded in the employee's personal files. In addition, the management board resolved to send the transgressor to undergo training on the proper treatment of other employees. Mobbing and proper workplace relations are ranked among the important topics discussed at the annual ethics training for all employees. After the mobbing case disclosure, the 2021 training sessions were extended to make this issue emphasised.

GRI [406-1]

We invest in greater women's presence in managerial positions throughout the whole organisation. We recognise high competencies and experience, regardless of gender, which is in line with our HR policy. Following every year example, we have also participated in the Top Woman in Real Estate competition. We have thus promoted the achievements of women in the real estate market with the focus on those employed at Echo Investment.

We know how important it is to combine professional and parental responsibilities. Therefore our employees are offered full support when taking parental leave. We assist them in their return to work after a long, childcare-related break.

### INDICATORS OF RETURN TO WORK AND MAINTENANCE EMPLOYMENT AFTER PARENTAL LEAVE PER GENDER

	Female	Male	Total
Return to work index	53,85%	0%	51,85%
Employment retention rate	45,00%	0%	42,86%

GRI [401-3]

The employment retention rate indicates the percentage of employees who continued employed in the company for 12 months after returning from parental leave.

In 2020, six men were eligible to go on parental leave; however, this option was used by one employee only.

The values such as openness, respect for others and mutual support are promoted among our employees. In 2020, there were eight people with a disability certificate working in our company..

Our organisation puts respect for human rights and the highest ethical standards at the top of its priority list; we always comply with the law. In line with our Code of Conduct principles, we observe the United Nations Universal Declaration of Human Rights and commit ourselves to abide by its rules, in relations with our employees and our subcontractors in particular, as well as with the local communities we carry out our business activities in. We make every possible effort to ensure fair employment conditions, which meet all the domestic law requirements and the applicable International Labour Organisation's conventions.

[own indicator:  
Respect and compliance with all rights, contracts and obligations related to employees and subcontractors]

We do not use forced, slave or otherwise involuntary labour on our construction sites. We strongly oppose illegal employment, too. There has not been any trade union created by our organisation employees.

## TRAINING FOR ECHO INVESTMENT EMPLOYEES ON THE POLICIES RELATED TO HUMAN RIGHTS PROTECTION

Number of training hours on training in human rights policies or procedures that relate to human rights aspects	910
Number of employees who have received training in human rights policies or procedures that relate to human rights aspects	455
Percentage of employees who have received training in human rights policies or procedures that relate to human rights aspects	100%

We strive to ensure that all suppliers, subcontractors, brokers, business partners, and other parties involved in our projects' implementation adhere to the principles laid in our Code of Conduct. We do not work with dishonest partners of a bad reputation, ones that break the law, disregard ethics and our Code of Conduct principles.

Our subcontractors, whenever signing a contract, declare that they do not use slave labour and respect workers' rights when working on our construction sites. However, it is beyond our capacity to verify the working conditions of the companies we work with on projects other than ours.

GRI [407-1]

### We support the employees' competencies development

Echo Investment wants to recruit the best specialists available in the market to work for us, at the same time we keep developing the competencies of people who have already been employed. Numerous training programs enhance the team and increase the Group of in-company experts.

GRI [103-1]

GRI [103-2]

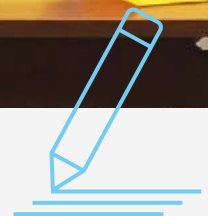
GRI [103-3]

The soft skills development programme included a continuation of a training courses series on communication and cooperation within and between teams. Held at the beginning of 2020, the training scheme included, inter alia, the Insights Discovery model for each employee's individual operation-style description.

In 2020, we also implemented a training program for the sales department; this comprised the two development paths, one for managers and the other for sales forces. The interactive workshops programme was the response to actual business needs and included practical, real-situations based exercises and challenges reflecting team and client relations. 2020 changed our approach to training, as was the case of many other companies. The pandemic and its possible negative impact on the company's condition resulted in transferring all development training online. Online training session made it possible for our employees to share their knowledge on the changes in construction law, construction sites safety and the latest systems and procedures, to name just a few topics. The agenda was complemented with a webinar and workshops on mental strength and resilience in order to equip the managers with tool-box used to enhance their teams' qualities.



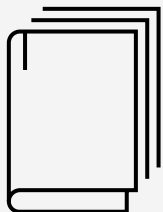
We recruit the best specialists and, at the same time, we give current employees the opportunity to constantly develop their competences.



### AVERAGE NUMBER OF TRAINING HOURS BY GENDER

GRI [404-1]

The average number of training hours per employee	5,1
The average number of training hours per women	4,6
The average number of training hours per men	5,7



Thanks to training programs, we strengthen the team and enlarge the group of internal experts.

### THE AVERAGE NUMBER OF TRAINING HOURS BROKEN DOWN BY GENDER AND STRUCTURE

	Female	Male	Total
Senior management	8,0	6,3	6,8
Middle management	6,2	6,4	6,3
Other employees	4,3	5,5	4,8

GRI [404-3]

Every year we also have annual development-focused talks called PDR - Personal Development Reviews, consisting of two stages: a self-assessment and a development review with the supervisor. In 2020, 395 people completed the self-assessment sheet, i.e. all people employed in positions other than managerial and supervising. Due to pandemic, only 81 employees had their interviews with the supervisor. This has been an exceptional situation; otherwise, the annual interviews are compulsory, with an average of c.a. 95% of employees' participation.

# Employees' health during the pandemic

# 02

## We care for the employees' health during the pandemic

Health behaviour, prophylaxis and well-being are promoted among both office staff and those working at construction sites. Our employees are provided free medical care and offered benefit cards which make it possible to join sports activities. The benefits package is available to all employees, regardless of the contract type. We also encourage our employees to live a healthy lifestyle and practice sports. Together, we take part in running events.

GRI [403-6]

### In 2020, our employees participated in the two runs:

- **The Polish Business Run - 27 people (Kielce, Warsaw, Wrocław)**

- **The Company Run (Everest Foundation) - 5 people (Wrocław)**

**The Echo Investment employees ran over 100 km in total in these events.**



Last year, our health-related activities were focused on the provision of maximum comfort, safety and peace of mind for employees so that they were able to perform their work. At the same time, we maintained the continuity of all the company's functions. We implemented numerous measures designed to reduce the risk of getting infected with the coronavirus among employees. We have provided additional hygienic standards in all our locations - these have been available all time (antibacterial gels, masks). We adapted the workflow to social distancing rules (shift work, greater distance between desks included). Also, appropriate changes were introduced in our office space (regular disinfection, air ozonation and ventilation).

The company was active in ongoing information and educational campaign for employees designed to promote safe behaviours, training for managers, answers to the most important questions related to our workflow, support for employees in the event of getting infected, support whenever there was a need to contact public institutions, information about the latest regulations and restrictions, the rules of quarantine and isolation. Ever since the pandemic started, we have introduced the employee-support scheme and implemented the highest safety standards. This included tests for all employees exposed to the risk of infection (disease symptoms or contacts with infected people), regular weekly screening tests for teams serving external clients to reduce risk to our clients.

[own indicator:  
Impact of the COV-  
ID-19 pandemic on  
the organization's  
operations]

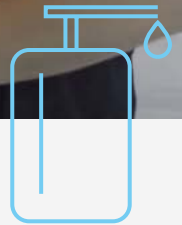
The crisis management team was formed already at the pandemic onset, with the Company CEO & president on board. This task force prepared the necessary safety procedures and made decisions about the workflow. The critical business units prepared business continuation plans for the event when a significant part of the team is sent to quarantine. The business continuity plan ensured risks minimisation through the preparation of crisis communication, the employee replacement principles and the development of local conduct procedures for particular construction sites.

## Our coronavirus-combat activities have focused on several areas:

1. Provision of remote-work capabilities for employees (network enhancement, training sessions for employees in the use of remote tools, provision of mobile equipment to enable teleworking).
2. Securing business continuity of the company's basic functions (construction, payments, sales).
3. Provision of additional personal protective equipment for the offices and construction sites.
4. Emergency procedures - development and implementation.
5. Regular teleconferences of the management staff held on an ongoing basis, with the objective of up-to-date risk analysis and sustaining the decision-making process.
6. Development and implementation of prudence procedures for employees' return to the offices.
7. Acceleration certain processes digitisation, in particular documents circulation.
8. We also conducted ample of analyses and studies to recognise the clients, colleagues, university students' (future employees) preferences regarding remote work and the pandemic impact on the change in consumer preferences and behaviour. This study made it possible to adjust the offer and marketing activities.



Last year, our activities were focused on providing employees with maximum comfort and safety at work, and at the same time maintaining the continuity of all the company's functions.





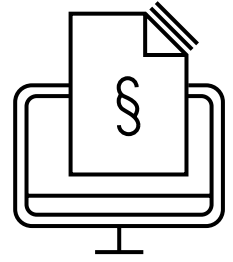
## Changes in offices and showrooms

Considerable changes triggered by the pandemic were introduced in Echo Investment's area of sales and customer service. The activities, so far in direct meetings with customers, required an immediate change of approach. Health safety and security of both our employees and customers needed to be taken care of. For several years now, we have continued the introduction of the increasing number of digital sales-related processes.

Remote customer service in Echo Investment's residential sales offices:

- the possibility of the offer presentation in online meetings and with the use of VR tools,
- negotiation contract provisions in the CRM system,
- presentation of the construction works' progress through the eyes of the camera.

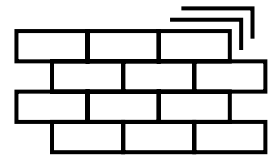
More on modern technologies used by Echo Investment's customer service department can be found in the section Client Relations.



## A construction site work in new conditions

Ensuring work continuity on all construction sites has been our main priority so that we were able to walk the talk and fulfil our obligations in relations to clients and tenants. In order to prevent infections among employees, we have introduced emergency procedures at construction sites in case of illness; all construction sites have been equipped with personal protective equipment, antibacterial gels, air purifying devices, masks and informational materials. Daily monitoring of the number of employees on individual construction sites was introduced. The plan was developed for the event of a threat to work continuity, which stipulated the possibility of delegating additional employees as support for the construction sites. The materials supply and the related risks were also monitored, especially with regards to equipment and materials delivered from abroad as transport-time to Poland might have been delayed, or transport completion jeopardised.

We have implemented a business continuity plan for all construction sites. The construction teams have been split so that two groups work at one location. In the event of one team getting infected, the construction continuity can be ensured by the other team. Emergency measures introduced at smaller construction sites where it is not possible to divide the team into two - teams transferred from other projects or external contracted teams, as a last resort. A strict sanitary regime has been maintained at construction sites, i.e. limitation of meetings, outdoor briefings and meetings, social distance observance, temperature screening, limitations regarding visits of external persons (postmen, couriers) who enter a separate zone in the construction site's office, disinfection and implementation of medical, air filtering devices in the most vulnerable places (e.g. meeting rooms).



## Responsible approach to construction sites safety

On average, there were 2,727 our subcontractors' employees and 578 persons performing work on behalf of Echo Investment (mainly site supervision) every day in 2020; provision of safe working conditions for them is our priority. The management board, directors and construction sites employees' yearly plans include health and safety goals.

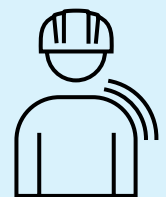
Most of Echo Investment's employees work in offices. All of them are included in the safety system defined by the OHS law provisions and the internal Security Policy of Echo Investment. The risks at work to which they are exposed, are incomparably lower than on the construction sites. For that reason safety of all employees on the sites – no matter employed by us or by our subcontractors – is much bigger challenge. We have implemented the ISO 14001, OHSAS 18001 and 45001 standards on our construction sites. ISO 14001 and ISO 45001 certificates are audited every year by an external audit company - DEKRA.

GRI [103-1]  
GRI [103-2]  
GRI [103-3]  
GRI [403-1]

GRI [403-8]

### EMPLOYEES COVERED BY THE OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

Number of people included in the Echo Investment's health and safety system (employed by the company and by other companies, whose work or place of work is controlled by Echo Investment)	3305
Percentage of people included in the Echo Investment's health and safety system (employed by the company and by other companies, whose work or place of work is controlled by Echo Investment)	100%
Number of people included in the Echo Investment's health and safety system that is internally audited (employed by the company and by other companies, whose work or place of work is controlled by Echo Investment)	3305
Percentage of people included in the Echo Investment's health and safety system that is internally audited (employed by the company and by other companies, whose work or place of work is controlled by Echo Investment)	100%



The number of employees on our construction sites varies throughout the year; on average, there are 3305 employees (our subcontractors' and Echo Investment's employees) included in the OHS system on our construction sites.

In 2020, in conjunction with other real estate development companies, we entered into an informal agreement on promoting occupational health and safety; the scheme includes regular meetings and workshops whose objective is to exchange experiences, develop common standards and promote occupational health and safety culture. The Group, apart from Echo Investment, also companies: Vastint, SkanskaResidential, SkanskaCDE, Dom Development, Robyng, VastaGroup. Further meetings and joint projects are planned within the cooperation scope. We also want to compare OHS statistics and exchange best practices to reduce the risk of accidents on construction sites.

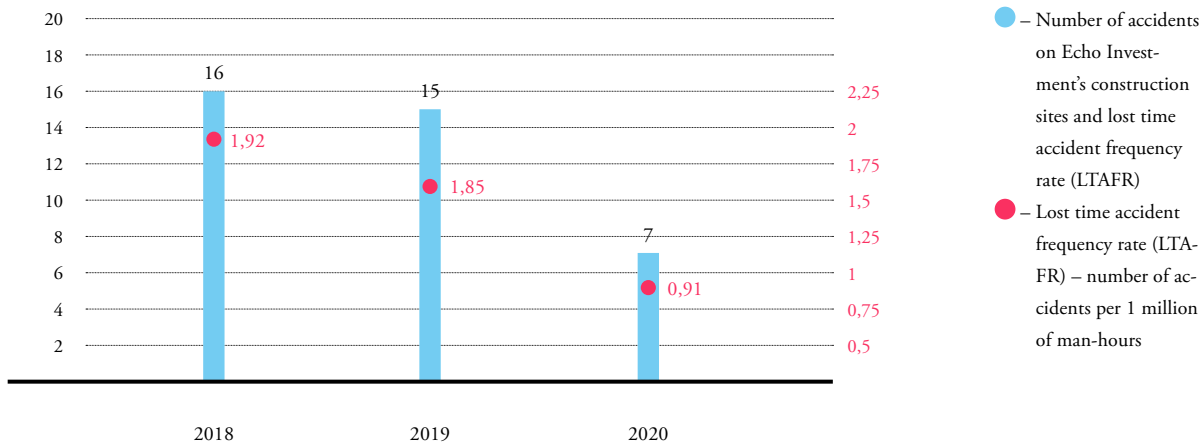


### *ISO 14001 i ISO 45001*

**Workers on our construction sites are covered by certified safety systems. Certificates ISO 14001 and ISO 45001 are annually audited by the DEKRA auditing company.**



## NUMBER OF ACCIDENTS ON CONSTRUCTION SITES AND ACCIDENTS RATE LTAFR



The Lost Time Accidents Frequency Ratio per 1 million man-hours (LTAFR) at Echo Investments' construction sites amounted to 0.91 in 2020 and it was a record low. For comparison, among general contractors associated in the Agreement for Safety in Construction, this ratio was 2.16, while among subcontractors that cooperate with them - 5.83. It is important, that this ratio is falling both on Echo Investment's construction sites and on the entire market. This proves the increasing professionalisation of construction companies, their great effort in terms of improving safety, as well as the growing awareness of the employees themselves.

The Echo Investment internal OHS management system is coordinated by a three-person OHS and Environmental Protection team, whose primary duty is to control and counteract construction sites risks, introduce standards and monitor results. The team's responsibilities also include employee education and information dissemination, reporting, meetings with employees' representatives. All employees can submit comments - there are boards available at construction sites. An EHS introductory training is held for all employees at construction sites on the first day of work.

GRI [403-3]  
GRI [403-4]

The OHS team also publishes the EHS Quarterly Newsletter available to all employees, including subcontractors.

The OHS team also scrutinises the required documents, certificates and permits, conducts regular site inspections, trains employees and reports accidents and incidents. All these measures aim at responsible attitudes promotion and reduction in the number of accidents, minimising possible risks and threats that may cause accidents in the future.

In 2020, the team also carried out the Health and Safety Culture Study on construction sites; the study shows the need for further development of health and safety at work activities carried out on construction sites. Employee training and awareness-raising campaigns are regarded as essential and well-addressed aspect according to the assessment. The training high competence level, as well as the fact that employees' suggestions are followed and implemented, were also appreciated. The survey was targeted at both Echo Investment's employees and subcontractors' employees.

Every quarter, the OHS Committee meetings are also held - the OHS and Environmental Protection Department are the organiser of the sessions attended by employees' representatives, the health and safety and environmental protection units' representatives and HR staff. Occupational physicians are also invited to join in.

Weekly functions are held on construction sites; this is an extra focus upon health and safety issues. Echo Investment's health and safety services and construction managers representing subcontractors take part in these events. Random machines check, and machine certificates verification, the correctness of the security measures implementation, the use of personal protective equipment, order and compliance with the guidelines, etc. are verified at such safety walks, which culminate in tips and recommendations provided to construction managers.

The so-called peer review visits, i.e. visits of project managers from other construction sites, offer another safety mechanism and the opportunity to observe good practices, discuss experiences and share insights. The construction sites are also visited by the company's management and key directors. After each visit, they submit a report which includes observation and conclusions. During the pandemic, senior management and coordinators from other construction sites' visits were limited, but from mid-2021 marks the return to the business as usual.



There is also a constant presence of our supervising and coordinating staff on our construction sites, i.e. construction site directors, engineers, health and safety coordinators. Every construction site employee (including a subcontractor's employee) is obliged to report every accident, the incident with injuries, as well as near-misses to their supervisor or Echo Investment employees; each notification is recorded and forwarded to the OHS services of our company, and then analysed.

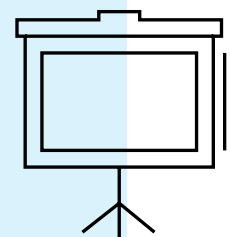
Accidents and incidents with injuries are always described and communicated to all interested as well as to all our other construction sites; each time such a report triggers the obligation to analyse the possibility of a similar event occurrence on any other construction site and to take measures to reduce such risk. After receiving such information, each construction site employees have seven days to notify the OHS services of what activities have been undertaken in a given area. The accidents and incidents analysis to date is the basis to determine the training programme themes for the coming year, and sometimes also for the holding ad hoc training.

## Knowledge enhances safety

In addition to introductory and periodic training, obligatory for all employees, we also hold ongoing training as a response to the construction sites' current needs. We also try to organise refresher training aimed at brushing up the knowledge from previous training sessions. In 2020, the total number of training hours on our construction sites amounted to nearly 250.

### TRAININGS IN 2020

Number	Average duration (h)	Total (h)	Location	Training type
9	14	126	online	Site Managers Safety Training Scheme (SMSTS) for construction workers - refresher training
3	8	24	online	Site Managers Safety Training Scheme (SMSTS) for the management team - refresher training
14	2	28	online	Awareness training related to hazards for construction supervision
11	1,5	16,5	on the construction site	Working at heights
24	1,5	36	on the construction site	Vertical transport
10	1,5	15	on the construction site	Using open flame to perform a job activity
<b>Total (h)</b>		<b>245,5</b>		





For construction site workers, we organize trainings on the principles of safe work, as well as regular reminding trainings to refresh the knowledge gained earlier.

## Joining forces to improve safety

GRI [403-7]

Awareness-rising of all employees at all levels is the best way to improve safety on construction sites as our success depends on each employee's responsibility, diligence and care of their own and others' safety. Therefore, one of the solutions we use is encouragement for construction sites workers to report their observations regarding potentially dangerous events or places voluntarily. Notifying superiors about such occurrences makes it possible to introduce early prevention of accidents, to avoid many events by implementing new, sometimes small-scale solutions or improvements. Such a notification system is promoted among employees; the most involved ones can receive the OHS award. The system designed to enforce subcontractors' employees' observance of safety rules and regulations comprises information about the dangers, education and awareness-building on the consequences of dangerous behaviour. Furthermore - all training materials, accident or incident reports, guidelines, and a good practice booklet are actively distributed among subcontractors and their employees.

2019 witnessed the introduction of an incentive system for construction sites employees - each month; site managers hold public meetings with builders and present symbolic prizes to people who have demonstrated exemplary behaviour in the field of health and safety or environmental protection in a given period. For example, they displayed a responsible attitude, suggested a new proposal or a new solution. The awards provide further motivation to employees to engage in active reporting potentially dangerous situations and thus help reduce the accidents risk at all construction sites. The logic behind our construction accidents prevention and monitoring system is to collect and respond to as many observations as possible, which should lead to fewer accidents and incidents.

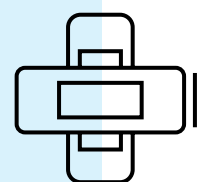
## We reduce accident rates

Ongoing educational activities and the implementation of new accident and incident prevention systems results in the reduction of the number of accidents in all our investments recorded every year. We have also limited the scale of the accident - in 2020, we did not record any accident that would result in an employee death. The results speak for themselves. We know that only the joint activities of Echo Investment, subcontractors and employees coupled with our management systems, policies implementation and extensive educational schemes makes it possible for us to achieve good results, and most importantly, offer a safe workplace.

### WORK-RELATED INJURIES AND ACCIDENTS

Accident types	Number of accidents
Cuts, improper use of tools	4
Fall from height	2
Related to cranes operations	1
<hr/>	
Number of fatal accidents in the workplace	0
Number of severe accidents in the workplace	0
Total number of accidents	7
Fatal accident rate	0
Severe accident rate	0
All accidents rate	0,18

An accident is defined as an event that results in loss of working hours.



GRI [403-9]

### *Rate of recordable work-related accidents*

**is calculated according to the GRI standard: number of recordable work-related accidents divided by the number of hours worked and multiplied for 200,000 h.**



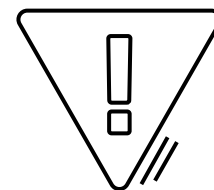
## High standards and high expectations

We expect all companies to cooperate with Echo Investment and work on construction sites to observe and implement high standards. Not only are these required in the area of ethics, but also employees' safety. Each prospective contractor is required to complete a special questionnaire with information on the implemented health and safety management systems. If the questionnaire demonstrates that a company's health and safety culture is lacking, future cooperation is not excluded, however, we take this as a warning signal. That this company required more time and attention, construction sites scrutinising and additional training. As a part of the cooperation agreement, we also oblige all contractors to sign the obligation to comply with the health and safety requirements set out in the documents publicly available on the website, in particular, the "Environmental and Health & Safety Management System Manual" and "Echo Health and Safety Requirements".

All subcontractors' employees undergo initial scrutiny for the correctness of the information they provided and the correctness of the procedures applied. We verify whether they are authorised to work on a construction site, they have the appropriate documents, permits, etc. We also regularly verify the construction workers' qualifications; we also require performing random sobriety checks in order to prevent risks. For each type of work, IBWR forms (Instructions for Safe Work Execution) are also filled in; IBWR specifies the hazards and risks and their degree together with remedial and security measures and works procedures. All documents contain information recommended by the Alliance for Safety in Construction Industry and are controlled by our OHS services.

We try to avoid applying the penalty system in our daily practice; employees receive penalties when requested by our OHS services, only when they intentionally and repeatedly violate the rules. The penalty system is based on yellow and red cards, with yellow being a warning. More severe offenses result in getting a red card (e.g. working under the influence of alcohol or other stimulants). A red-flagged worker is removed from the construction site. We know, however, that our contractors, i.e. employers are to be blamed rather than employees. For example, our subcontractor may not have provided appropriate safety equipment or certified devices. In such cases, we try not to apply financial penalties to subcontractors, although we are entitled to do so. We rather impose an obligation on subcontractors to purchase equipment or refinance the purchase costs of the necessary equipment whenever bought by us for the contractor's their employees. The discipline policy is therefore applied in such a way that it directly and realistically influences safety enhancement.

Cooperation with Echo Investment often increases smaller companies' professionalism; collaboration with our experts makes it possible for such companies to become familiar with new solutions, to raise standards, become more professional with every consecutive construction-site project they are involved in. This also results in awareness increasing and an improved workplace safety culture.





# CHAPTER 5

# DEVELOPMENT PROJECTS WITH A BETTER CLIMATE IN MIND



*Development and construction business hugely impacts the natural environment. We are aware of how important it is to manage this impact consciously and actively.*

*Constant improvement of our projects' ecological parameters and construction manner is our ambition; we keep finding new ways to reduce the projects' negative environmental impact and to optimise environmental compliance. We use more advanced and refined materials, analyse and improve processes, educate our contractors.*



# We manage our environmental impact

# 01

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Our environmental attitude is described in the Company's Environmental Policy, an integral part of our company's essential business plans and processes. Guided by the continuous improvement spirit, we involve our employees, subcontractors, business partners and other stakeholders in the environmental management process; thus we strive to advance to the position of a responsible and conscious developer and construction sector investor.

GRI [103-1]  
GRI [103-2]  
GRI [103-3]

Constant improvement of our projects' ecological parameters and construction manner is our ambition; we keep finding new ways to reduce the projects' negative environmental impact and to optimise environmental compliance. We use more advanced and refined materials, analyse and improve processes, educate our contractors.

In 2019 and 2020, none of the Echo Investment Group's companies was punished for their non-compliance with environmental laws and regulations, which serves as proof that we act in accordance with legal regulations and environmental standards.

GRI [307-1]

We attach the utmost importance to all construction site's works; all procedures' consistency with good construction practices, technical specifications and environmental requirements and respect for our neighbours. Construction-site noise and other nuisances reduction are some of the challenges we face; thus we streamline construction works so as to minimise the construction site's negative impact on its neighbourhood. Whenever needed, we go the extra mile and invest in appropriate solutions and equipment designed to neutralise the negative impact on our neighbourhood and reduces risks. We promptly react to neighbours' notifications regarding our construction sites and works. Unfortunately, certain stages of the investment process must be carried out without a pause as required by technological processes we have no control over. Although rare, it may sometimes be the necessity to carry out specific procedures outside standard working hours; whenever such situations occur, we talk to nearby buildings' residents, warn that there might be noise during the nighttime. We do our best to avoid such situations and kept to an unavoidable minimum.

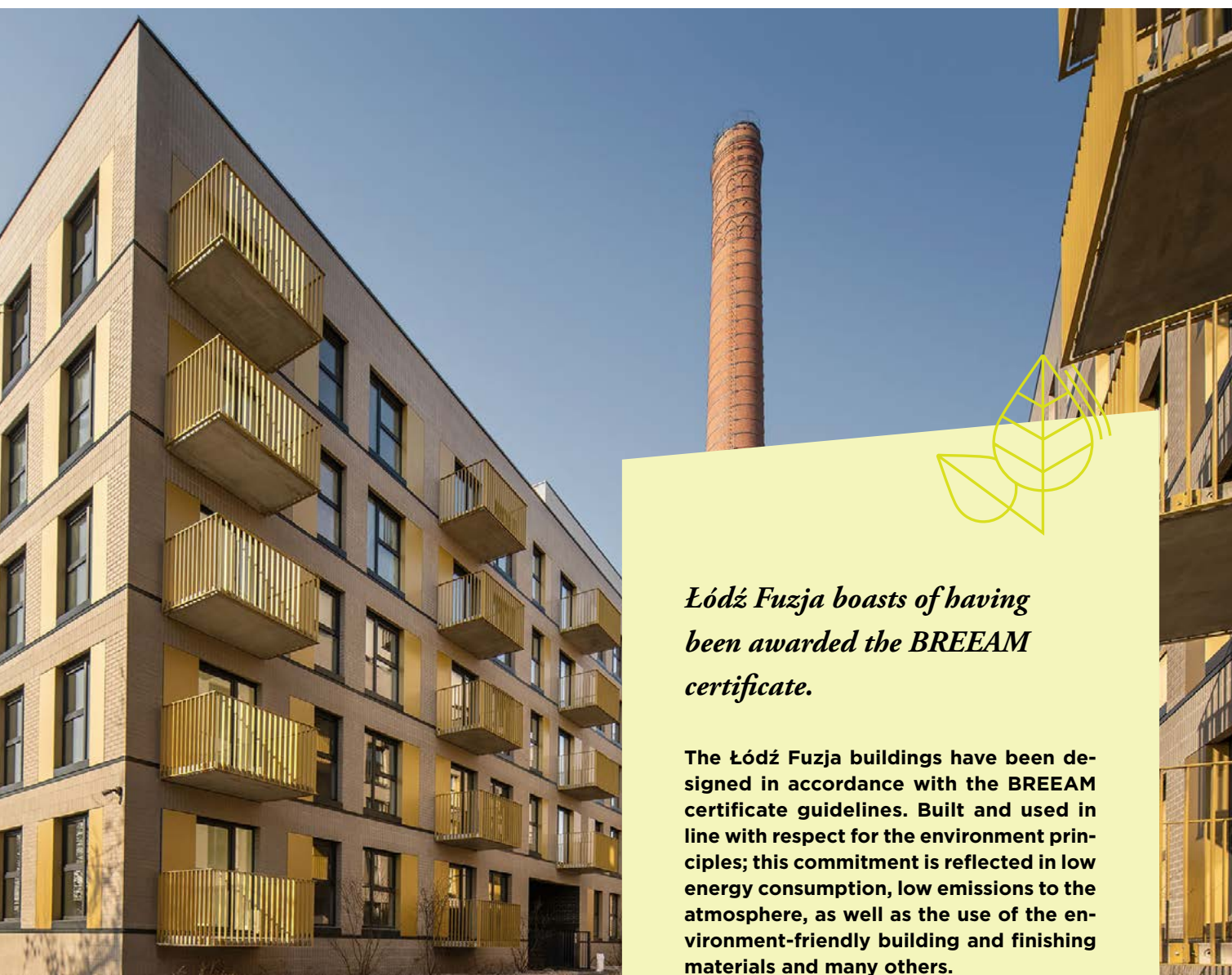
## Our obligations determined in the Environmental Policy:

- We pursue the goal of energy-efficient use and gas emissions reduction, as these are responsible for global climate change. Whenever reduction is not possible, we make efforts to balance the pollutant emissions; we make use of available methods,
- we reduce the demand and reuse materials wherever possible. Safe waste treatment or disposal is a guaranteed option in we cannot use any of the described options.
- We segregate materials and select only those friendly to people and the environment.
- We limit our activities' negative impact on flora, fauna and their ecosystems.
- In order to protect trees, we collaborate with designers, municipal green management authorities, specialist companies, neighbours and the local community.
- Water consumption reduction, preservation and reuse is our daily practices
- coupled with reducing pollutants amount emitted to the atmosphere by our projects, vehicles, mobile and stationary equipment and processes.
- Staff training and development rules comply with the ecological principles.

Until the end of 2020, we collected data regarding our construction sites' environmental impact to a limited extent; however last year, we implemented online, monthly reporting of basic environmental indicators. This implementation is as part of the Flow System project; starting January 2021, we expanded the reporting scope of environmental indicators. The monthly, our investments-under-construction reports include the following data:

- electric energy consumption;
- CO2 emissions;
- sewage;
- water consumption;
- waste segregation and management;
- post-inspection protocols of the National Labour Inspectorate and other authorities;
- complaints and appeals to our decisions
- the safety and health protection plan's development and revision dates (BIOZ safety and health protection plan).

Fuzja, Łódź



*Łódź Fuzja boasts of having been awarded the BREEAM certificate.*

**The Łódź Fuzja buildings have been designed in accordance with the BREEAM certificate guidelines. Built and used in line with respect for the environment principles; this commitment is reflected in low energy consumption, low emissions to the atmosphere, as well as the use of the environment-friendly building and finishing materials and many others.**

## RISKS AND OPPORTUNITIES ARISING FROM CLIMATE CHANGE

<b>Climate change-related risk / opportunity</b>	<b>Risk factor or development opportunity</b>	<b>How the risk or opportunity affects the organisation</b>	<b>Methods for risk or opportunity management</b>
<p>RISK: CO2 emissions in the construction process and the need to reduce emissions</p>	<p>because of the construction industry's high contribution to CO2 emissions, regulatory, environment-related measures have been taken in order to minimise this impact. This results in the necessity for ongoing adjustment of our operations to increased environmental requirements, use more expensive materials, new procedures, etc.</p>	<p>RISK: costs increase</p> <p>OPPORTUNITY: competitive advantage (we are a large entity that enjoys much better backup facilities and more significant potential of quick adaptation to environmental requirements, which can also be promoted in our projects)</p>	<p>research into potential use of new materials, new construction methods (e.g. modular construction), ongoing monitoring of environmental requirements and resulting adaptation, participation in industry organisations that are actively involved in the issues of interest and monitor changes (e.g. Polish Association of Development Companies PZFD).</p>
<p>OPPORTUNITY: the need to prevent urban sprawl into the suburban areas. A shift from large urban areas' mono-functionality towards mixed functions.</p>	<p>Conscious urban planning policy is aimed at increasing cities' density which results in prevention against further sprawl into the suburbs, which is in line with Echo Investment's strategy, which assumes locating its projects in well-connected and well-developed city areas. Furthermore, Echo Investment, an active actor in various real estate market's sectors, has the ability to combine functions within one project. This strategy is consistent with multi-functional cities development policy, which offers city-residents the possibility to do the most important daily errands within a short walk or cycling distance.</p>	<p>OPPORTUNITY: The administration is more favourable to projects which are in line with the city's strategies and thus more willing to support them. Not only do we gain city authorities' trust, but also contractors (including banks that provide financing for our projects) and customers; this is owed to the fact that our city design and development follow global trends and long-term policy.</p>	<p>The company's strategy and the resulting plots-purchasing strategy focused on prospering for developed areas located within the city perimeters, preferably large ones, where urban scale, multi-functional projects can be designed. Plots with complete social infrastructure (green areas, shops, roads, sidewalks, city furniture, etc.)</p>

We try to optimise raw materials, water consumption and reduce waste production on our construction sites. Basic, recyclable waste materials are segregated on construction sites; others are transferred to specialised companies, which separate individual fractions for further recycling. The 2021's goal is to achieve at least a 90% recovery level of the waste generated on our construction sites; all remaining waste is disposed of in accordance with all legal standards. We also introduce new technological solutions and work rules in order to minimise our climate impact; we keep reducing energy consumption, environmental emissions.

GRI [103-1]  
GRI [103-2]  
GRI [103-3]

Rational energy consumption in offices, through the use of the latest technologies coupled with incentives for employees, is also our ambition; in 2020, in our two headquarters, i.e. Warsaw and Kielce, we reduced energy consumption by 8% compared to 2019. Savings partly result from the introduction of remote or shift work options.

The Kielce office with the greatest headcount has the most significant energy consumption among all offices, however, since the beginning of 2021, this office has used 100% renewable energy.

## ELECTRICITY CONSUMPTION IN ECHO INVESTMENT'S MAIN OFFICES IN KIELCE AND WARSAW IN 2020

Energy sources	Consumption [Kwh]	Consumption [GJ]
<b>Renewable sources:</b>		
biomass	10 939,82	39,35
biogas	1 717,01	6,18
wind power	171 774,84	617,90
solar energy	2 869,86	10,32
large hydropower	4 169,89	15,00
small hydropower	2 943,45	10,59
<b>Total consumption of energy generated by renewable sources</b>	<b>194 414,87</b>	<b>699,33</b>
<b>Non-renewable sources:</b>		
hard coal	115 015,25	414,05
lignite	51 191,48	184,29
natural gas	23 670,23	85,21
others	5 568,02	20,03
<b>Total consumption of energy generated by non-renewable sources</b>	<b>195 444,98</b>	<b>703,59</b>
<b>Electric energy - total consumption</b>	<b>389 859,85</b>	<b>1 402,92</b>

GRI [302-1]

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

The index provides information on electricity consumption in Warsaw and Kielce offices; Tauron is the electricity supplier that also provides information about the energy mix. No information on heat consumption is available. Until 2020, we had not collected electricity consumption data on our construction sites.



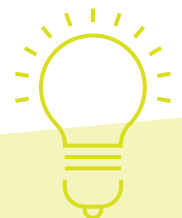
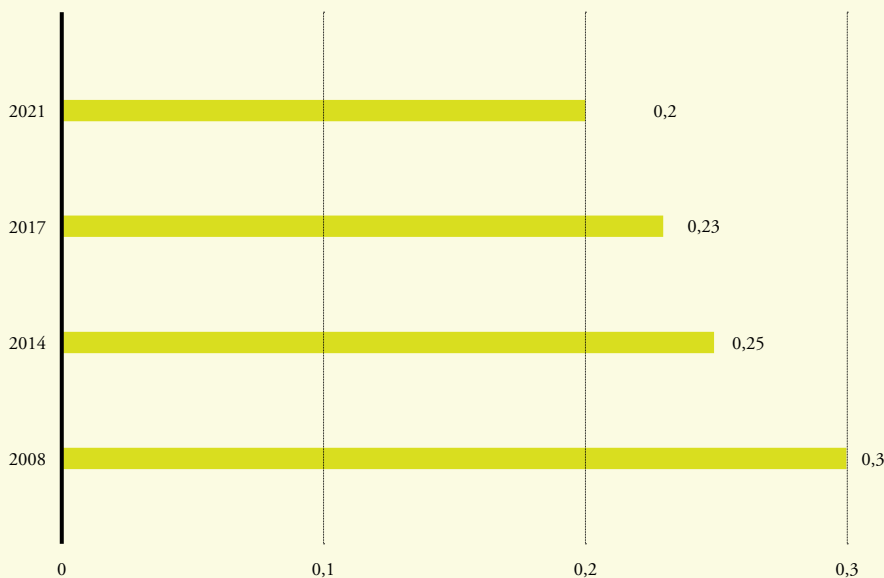
# We reduce energy consumption in buildings

A constant decline in primary energy consumption in our new office buildings has been observed in consecutive years; this results from the use of more advanced technologies and materials, as well as the need to adapt to even more stringent legal and technical standards. Under the applicable laws, we are obliged to decrease energy consumption in the buildings under construction compared to designed consumption in the technical design.

Every few years, the heat transfer coefficient is reduced in technical specification, pursuant to the Minister of Infrastructure ordinance on technical conditions to be met by buildings and their location. Thus even better and more efficient insulation of external partitions or windows is required.

GRI [103-1]  
GRI [103-2]  
GRI [103-3]  
GRI [302-5]  
Green Building:  
Prioritizing  
investments in  
energy-efficient and  
responsible buildings

## THE U HEAT TRANSFER COEFFICIENT IN BUILDINGS REQUIRED BY LAW (U [W / M2 \* K])

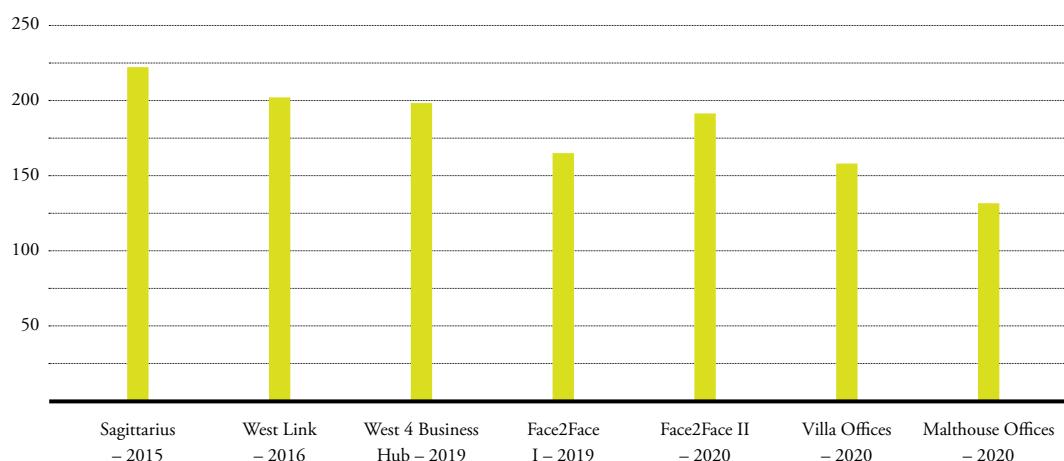


### *The U heat transfer coefficient*

the amount of heat transferred per area unit of a given building partition if there is a 1 Kelvin temperature difference on opposite sides of the partition. The U-factor is used to calculate how much heat escapes through the walls.

We endeavour to make the best use of available materials and thus reduce energy consumption. We do it for the environmental benefit; our investments comply with all the Directive of the European Parliament and of the Council 2009/125/EC setting ecodesign requirements. In order to comply with the Directive provisions, we use cutting-edge devices and solutions, including energy-saving motors mounted in fans, pumps, cooling compressors and ventilation devices. We harness the latest technical solutions, such as freecooling, water chillers - the building air-conditioning does not require use of compressors in transitional periods when the need to cool the building is limited.

## USABLE ENERGY DEMAND IN ECHO INVESTMENT'S OFFICE BUILDINGS DELIVERED IN INDIVIDUAL YEARS [kWh/sqm per annum]



Usable energy, primary energy and final energy indicators are the key parameters of energy consumption in newly constructed facilities.



### *Usable energy index (EU)*

demonstrates the building structure's quality; the lower the usable energy index, the less heat is lost through the building envelope. Energy-efficient buildings designing strives to achieve the lowest possible demand for usable energy.

### *Final energy index (EK)*

provides information on the planned energy consumption, including the efficiency of the heating system, hot water production, ventilation and possibly cooling. Based on EK, you can determine the expected costs of heating the building.

### *Primary energy index (EP)*

This is a parameter of non-renewable primary energy needed for heating, cooling, lighting, ventilation and the production of domestic hot water for the building.


## ENERGY EFFICIENCY OF SELECTED RESIDENTIAL BUILDINGS

Project	Current technical specification for the maximum EP index	EP indicator in the completed Echo Investment's building
<b>Technical specification - 2008</b>		
Dom pod Wilgą II, Kraków (construction completed in 2018)	105,5	85,6
<b>Technical specification - 2017</b>		
Reset housing estate, Warsaw (construction completed in 2019)	85,00	82,18
<b>Technical specification - 2021</b>		
Zenit, Łódź (construction commencement - in 2021)	65,00	55,12

**EP** – annual demand for non-renewable, primary energy [kWh / (m<sup>2</sup>\*year)]

### Electric car charging station - solar energy powered

Today's city inhabitants' use of the urban areas differs compared to how they used to use it a few years ago. They opt for other means of transport and pay even more attention to ecology. We promote Fuzja's modern solutions, which include an electric vehicle charging station powered with a photovoltaic installation that converts sunlight into electrical energy. The station is available to future residents, the sales office visitors and guests. The Veolia Energia Łódź is the installation operator; the Fuzja plant has an installed solar capacity of 3.8 kW. During daytime charging, the photovoltaic system transfers electricity into the station, and extra demand is replenished from the power grid. When the station is not being used, it transfers produced energy to the electric system.



## *A solar-powered electric car charger*

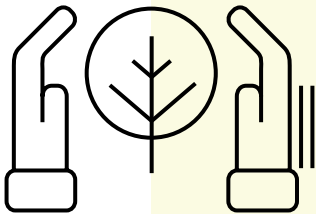
was launched in 2020 in the Fuz-ja project thanks to an agreement between Echo Investment and Veolia Group. The cooperation of both companies is developing. In the coming Zenit residential investment in Łódź at ul. Widzewska, Veolia is to install photovoltaic installations that supplies common areas of buildings, ventilation and air conditioning with green energy. Veolia will also provide renewable energy to local electric car chargers. The Zenit estate has been designed in accordance with the Sustainable Development Strategy of the City of Łódź.



Polish cities there are places without plants, which become heat islands in the summer. Our business activity may often require interventions in the existing ecosystem, which may also necessitate cutting trees down. However, this issue is comprehensively managed in order to compensate for environmental losses. We go the extra mile - plant many more new trees, select better species and make sure these trees are available for inhabitants.

Early on, we engage in the existing stand of trees analyses to see whether trees may remain and be reused; the design stage includes solutions designed to avoid the need to remove valuable trees or shrubs. Reliable dendrological information is required to be a part of design documentation for each project, it is recommended to implement measures that will increase the site's biological value once construction is completed. When the construction stage commences, we secure trees and shrubs which are to be preserved in such a way as to guarantee their wellbeing and proper development.

## What do we do with trees on construction sites:



- We prefer to replant trees that interfere with the investment rather than remove them;
- We collaborate with municipal green areas management, neighbours and local communities; we find new places for replanted trees together;
- If it is necessary to cut trees down, we plant new trees as compensation;
- We secure and observe trees and shrubs which stay in and remain on the site;
- We make every possible effort to make sure that trees and shrubs do not suffer any harm or damage during construction works; we maintain their viability.

We have created special guidelines for site managers which help them prevent damage and protect as many trees as possible during the investment-related works: **The Guidelines on trees protection** include construction-site, trees-related procedures - before, during and after construction, as well as good practices.



*We have created special guidelines for site managers which help them prevent damage and protect as many trees as possible during the investment-related works: The Guidelines on trees protection include construction-site, trees-related procedures - before, during and after construction, as well as good practices.*



## The construction site's tree-protection rules

- We mark out and fence the tree protection zone (SOD); a protective fence designed in the plan view, about 1.5 m larger than the crown of the tree.
- We do not store materials inside and less than 1 m from the SOD zone's border.
- We do not store any hazardous (chemical) substances near trees.
- Machines' operation and pedestrians traffic are not allowed in the tree root system area.
- We strictly protect the SOD area against heavy equipment traffic (mechanical damage).
- We protect SOD against flooding, processing water in particular, etc.
- We protect the tree against roots drying in the trench.
- We make sure that no soil is dumped or removed in the area of 1 m (in the plan view) around the tree-crown border projection.
- Temporary plant and facilities - containers, warehouses, transport bases are not placed in the SOD.
- We protect SDO against soil contamination (e.g. concrete residues).

## Tree removal and planting in 2020 - valorisation

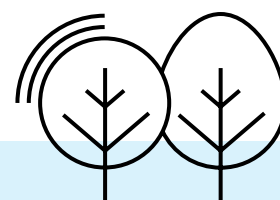
In 2021, specialists-dendrologists<sup>1</sup> were commissioned a comprehensive valorisation of trees cut and planted in 2020 on our investments sites and at accompanying investments. We wanted to have a thorough assessment of our activities' overall impact on urban ecosystems. The analysis demonstrated that the cumulative natural and landscape value of trees planted at all Echo Investment's investments sited in 2020 was five times greater than the value of trees which had been removed.

The valorisation consisted in individual trees assessment and assigning appropriate role-value in the ecosystem. The tree removal included only the trees which required a tree-felling permit. Each tree assessment included the following criteria:

- the tree's estimated age,
- tree species,
- condition,
- the city's natural system's location,
- the tree size,
- recreational suitability.

These features describe a given tree specimen's natural, landscape and recreational functions in a city. The trees felled because of the construction site needs and trees planted by Echo Investment as part of the investments were assessed; the analysis and trees valuation shows that, in general terms, the trees planted by Echo Investment offer a much higher value compared to felled trees, both in terms of quality and durability. Most of the removed trees were representatives of species that offer limited natural and landscape value; i.e. box elders, willows and poplars trees which were short-lived trees with brittle wood. All 302 new trees, however, are young trees, less than 25 y.o. In most cases, these trees had well-developed trunks and crowns, relatively large for newly planted trees. Most of planted trees belong to native species, which regularly occur in the Polish landscape, often long-lived trees or those with an average life expectancy.

<sup>1</sup> Engineer Kamil Melaniuk MSc in landscape architecture is the author of the analysis completed in May 2021.



# 67

the number of trees removed in 2020 on all Echo Investment's construction sites

# 302

the number of trees planted in 2020 on all Echo Investment projects and accompanying investments (mainly in road lanes, squares)

*The analysis demonstrated that the cumulative natural and landscape value of trees planted at all Echo Investment's investments sited in 2020 was five times greater than the value of trees which had been removed.*





## The main benefits of new plantings:

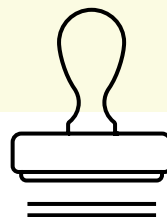
- New plantings - valuable, native and long-lived species. As many as 63% of the removed trees were low environmental value species (short-lived, invasive, brittle wood and hazardous. Scored below 3 points on a five-point scale).
- All new plantings are healthy, selected at three nurseries. A large portion of removed trees were ill-health, drying or already dry ones (the average health rating of the removed trees was 2.3 on a five-point scale).
- All new-planted trees were located in the medium-value urban greenery areas, which complement build-developed areas and greenery along streets,
- All new-planted trees were placed in cultivated greenery zones, in public or restricted-access areas. The removed trees were located in inaccessible locations, single specimens in post-industrial and degraded areas whose average recreational-function rating was 2.2 on a five-point scale. The planted trees score 4.2).

### We define environmental standards for subcontractors.

Our subcontractors are also required to be a part of environmental impact management; thus, implementations contracts require our contractors to sign the commitment clauses to comply with all Echo Investment guidelines, in particular, those included the provisions in the Environmental and Health & Safety Management System Manual.

All contractors complete the OHS & Environment Questionnaire, which is used to learn about contractors':

- environmental management system, including protection policies and certified environmental management systems,
- employees' training in the field of environmental protection,
- products/services' impact on the environment,
- emissivity of materials,
- specific measures which safeguard chemicals use,
- statement that the contractor's products or services comply with national environmental regulations.



●

# ABOUT THE REPORT



We have been listed on the Warsaw Stock Exchange for 25 years. Therefore we regularly advise the market about our business operations and financial results. Starting from 2021, we have also decided to publish our sustainability reports, presenting our shareholders, business partners and other stakeholders with an overview of our activities in the field of corporate responsibility. This report is our first comprehensive publication in this area. We want our stakeholders to get to know Echo Investment, our goals, projects, and outcomes. We need to emphasise that responsible business for us means a long-term commitment to act for the environment.

GRI [102-47]  
GRI [102-48]  
GRI [102-49]  
GRI [102-51]

The report has been prepared per the GRI (Global Reporting Initiative) standards in the Core version and covers Echo Investment's scope of operations in 2020. The report has not been subject to external assurance. We intend to publish the report on an annual basis.

GRI [102-46]  
GRI [102-50]  
GRI [102-52]  
GRI [102-54]  
GRI [102-56]

The report creation process was divided into several stages, which allowed us to select the critical issues to be presented. During creating the publication and selecting topics, we were supported by Go Responsible consulting agency. In the first step, we involved a group of employees who identified topics important from the company's perspective. Subsequently, in order to assess the crucial issues to be related in the report, we invited a group of our direct stakeholders, including employees, business partners, stock exchange investors, individual clients, media, industry organizations and representatives of local authorities. Over 70 people were involved in the process. All potential topics to be disclosed in this report were rated on a scale of 1-5 points, with 5 representing the greatest interest. For presentation in this year's report, we have selected a list of key issues that were rated the highest by external stakeholders in an online survey and identified as the most important in the company's internal analysis.

## VITAL ASPECTS IMPORTANT FOR THE COMPANY AND THE ENVIRONMENT INCLUDED IN THE REPORT

GRI [102-44]  
GRI [102-47]

Subject	Company perspective	Environment perspective
Financial Results	3,0	3,8
Anti-corruption	4,0	3,8
Clean energy	3,0	4,1
Climate impact	4,0	4,0
Compliance with environmental regulations	5,0	4,1
Green building, sustainable construction	4,0	4,3
Employment	4,0	3,8
Occupational Health and Safety	5,0	4,1
Training and education	4,0	3,8
Non-discrimination	5,0	4,1
Freedom of association	4,5	4,2
Human rights	5,0	4,1
Assessment of suppliers in social terms	5,0	4,1
Indirect economic impact	4,0	3,7
Customer privacy	5,0	3,7
Business ethics	4,0	4,2
Respect and compliance with all rights, contracts and obligations related to employees and subcontractors	4,5	4,2

All topics to be disclosed in this report were assessed on a scale of 1-5 points, with 5 representing the greatest interest.

## Contact regarding the report:

GRI [102-53]

### Echo Investment S.A.

#### Weronika Ukleja

Spokesperson



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## Stakeholders

GRI [102-40]

In our daily work, high standards of operation, responsibility and relations with the environment are of utmost importance. We build our relations at each new investment, and we want to know our stakeholders' opinion.

When planning subsequent projects, we analyse the map of our stakeholders, i.e. all groups of our environment that affect us and whom we influence. The key stakeholder groups for the company were defined based on an internal analysis conducted during the workshop. We try to build relationships with our stakeholders based on the principle of mutual respect, taking into account their opinions and expectations in our business.

We inform about all our projects through the local media. In the case of larger and more significant investments, we also provide a website describing the project's principal functions and values to all interested parties. The websites are also an invitation for those interested to contact our company. We collect the comments of residents and stakeholders from the areas where we plan new projects; we invite them to meetings where we present the projects. We listen to questions and comments and respond to them regularly.

In engaging stakeholders, we primarily care about communication and dialogue. Our stakeholders are diversified; therefore, communication with them takes place through various channels. We are in continuing contact with selected groups, and we communicate with others on particular projects.

GRI [102-42]

GRI [102-43]

<b>Selected groups of stakeholders</b>	<b>How we communicate</b>
Employees	Ongoing communication via internal communication channels (regular meetings with the company's management, intranet, dedicated e-mails, posters, etc.)
Owners, shareholders, investment funds	Informing about the company's condition, finances and implemented plans (periodic reports, current reports, press releases, regular meetings with analysts and shareholders' representatives and presentations)
Local communities within the investment	Websites of our projects and investments Press releases
Customers	Telephone calls, face-to-face meetings at sales offices
Local authorities	Regular personal contact with representatives of local authorities, informing about implemented projects via the media, adapting to the requirements of local zoning and other legal acts regarding spatial policy
Subcontractors and suppliers	Informing about the standards and applicable rules of cooperation, ongoing communication within the framework of cooperation
Media	Company website and other electronic channels, social media, interviews, press releases, spokesperson
Industry companies	Cooperation on industry initiatives, information exchange, cooperation on social projects, collaboration within organizations and industry or company projects

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GRI standard	Indicator No.	Indicator name	Reporting level	Page
GRI 101 Basic information 2016	GRI 101	Basic information		83-88
<b>GENERAL STANDARD DISCLOSURES</b>				
GRI 102 Profile indicators 2016	<b>Organization profile</b>			
	GRI 102-1	Name of the organization	Full	8
	GRI 102-2	Primary brands, products, and services	Full	10
	GRI 102-3	Location of headquarters	Full	7
	GRI 102-4	Number of countries where the organization operates and the names of these countries	Full	7
	GRI 102-5	Ownership and legal form	Full	8
	GRI 102-6	Markets served	Full	7
	GRI 102-7	Scale of the organization	Full	9
	GRI 102-8	Information on employees and other workers	Full	49
	GRI 102-9	Value chain	Full	21
	GRI 102-10	Significant changes to the organization and its supply chain	Full	21
	GRI 102-11	Precautionary principle	Full	14-15
	GRI 102-12	External initiatives adopted by the organization	Full	13; 59
	GRI 102-13	Membership of associations	Full	13
	<b>Strategia</b>			
	GRI 102-14	Statement from senior decision-makers	Full	3-4
	<b>Ethics and honesty</b>			
	GRI 102-16	Values, principles, standards and norms of behaviour	Full	18
	<b>Corporate order</b>			
	GRI 102-18	Governance structure	Full	7
	<b>Stakeholder's engagement</b>			
	GRI 102-40	List of stakeholder groups	Full	84
	GRI 102-41	Percentage of employees covered by collective bargaining agreements	Full	49
	GRI 102-42	Identifying and selecting stakeholders	Full	84
	GRI 102-43	Approach to stakeholder engagement	Full	30; 84
	GRI 102-44	Key topics and concerns raised	Full	83
	<b>Information about the equipment</b>			
	GRI 102-45	Entities included in the consolidated financial statements	Full	8
	GRI 102-46	Defining report content and topic	Full	83
	GRI 102-47	List of material topics	Full	83
	GRI 102-48	Restatements of information with reasons	Full	83
	GRI 102-49	Changes in reporting	Full	83
	GRI 102-50	Reporting period	Full	83
	GRI 102-51	Date of the most recent report	Full	83
	GRI 102-52	Reporting cycle	Full	83
	GRI 102-53	Contact point for questions regarding the report	Full	84
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<b>Economic performance</b>				
GRI 201 Economic performance 2016	GRI 103-1	Explanation of the material topic and its boundary		14-17
	GRI 103-2	The management approach and its components		14-17
	GRI 103-3	Evaluation of the management approach		14-17
	GRI 201-1	Direct economic value generated (revenues) and distributed (operating costs, employee wages and benefits, payments to providers of capital and the government, and community investments)	Full	7
	GRI 201-2	Financial implications and other risks and opportunities due to climate change	Partial	71
<b>Indirect economic impact</b>				
GRI 203 Indirect economic impact 2016	GRI 103-1	Explanation of the material topic and its boundary		31
	GRI 103-2	The management approach and its components		31
	GRI 103-3	Evaluation of the management approach		31
	GRI 203-1	Infrastructure investments and services supported	Partial	31
<b>Anti-corruption</b>				
GRI 205 Anti-corruption 2016	GRI 103-1	Explanation of the material topic and its boundary		18-19
	GRI 103-2	The management approach and its components		18-19
	GRI 103-3	Evaluation of the management approach		18-19
	GRI 205-1	Total number and percentage of operations assessed for risks related to corruption and main identified risks	Full	19
	GRI 205-2	Percentage of employees that have received training on anti-corruption policies and procedures		20
	GRI 205-3	Confirmed incidents of corruption and actions taken	Full	19
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GRI 302 Energy 2016	GRI 103-1	Explanation of the material topic and its boundary		73-75
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	GRI 302-1	Energy consumption (electricity, heat, cooling, steam) within the organization - generated from renewable and non-renewable sources	Full	72
	GRI 302-5	Reductions in energy requirements of products and services	Partial	73
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GRI 307 Environmental compliance	GRI 103-1	Explanation of the material topic and its boundary		69-70
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<b>Occupational Health and Safety</b>				
GRI 403 Occupational Health and Safety 2018	GRI 103-1	Explanation of the material topic and its boundary		58
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	GRI 403-9	Injuries at work	Full	64
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	GRI 404-1	Average hours of training per year per employee, by gender and category	Full	53
	GRI 404-3	Percentage of employees receiving regular performance and career development reviews, by gender and category	Full	54
<b>Non-discrimination</b>				
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	GRI 406-1	Total number of incidents of discrimination during the reporting period and remediation measures.	Full	51
<b>Freedom of Association and Collective Bargaining</b>				
GRI 407 Freedom of Association and Collective Bargaining 2016	GRI 103-1	Explanation of the material topic and its boundary		22
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	GRI 407-1	Operations and suppliers in which workers' rights to exercise freedom of association or collective bargaining may be violated or at significant risk and measures taken to support the rights	Partial	52
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GRI 412 Human rights 2016	GRI 103-1	Explanation of the material topic and its boundary		22

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	GRI 103-3	Evaluation of the management approach		22
	GRI 412-2	Total number of hours in the reporting period devoted to training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	Full	52
	GRI 412-3	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	Full	23
<b>Supplier Social Assessment</b>				
GRI 414 Supplier Assessment 2016	GRI 103-1	Explanation of the material topic and its boundary		23
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	GRI 414-1	New suppliers that were screened using social criteria	Full	23
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GRI 418 Customer privacy 2016	GRI 103-1	Explanation of the material topic and its boundary		40
	GRI 103-2	The management approach and its components		40
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	GRI 418-1	Total number of substantiated complaints received concerning breaches of customer privacy	Full	40
	Own indicator	Impact of the COVID-19 pandemic on the organization's operations	Full	41; 43-44; 55
	Own indicator	Respect and compliance with all rights, contracts and obligations related to employees and subcontractors	Full	51



