



 **SUSTAINABLE  
DEVELOPMENT** REPORT

2022

# TABLE OF CONTENTS

	<b>LETTER FROM THE MANAGEMENT BOARD</b>	<b>4</b>
<b>01</b>	<b>ABOUT THE CAVATINA HOLDING GROUP</b>	<b>6</b>
	CAVATINA HOLDING GROUP AND ITS BUSINESS	7
	OUR BUSINESS MODEL	10
	OUR PROPERTIES	13
	DIRECTIONS OF OUR STRATEGY	15
	STAKEHOLDER RELATIONS	17
	PARTNERSHIPS AND AWARDS	20
<b>02</b>	<b>NATURAL ENVIRONMENT</b>	<b>22</b>
	WE RECOGNIZE OUR ROLE IN COMBATING CLIMATE CHANGE	23
	WE REDUCE THE ENVIRONMENTAL IMPACT OF OUR PROJECTS	27
	GREEN CERTIFICATES	36
	CLIMATE RISKS AND OPPORTUNITIES	38
<b>03</b>	<b>CORPORATE SOCIAL RESPONSIBILITY</b>	<b>42</b>
	CORPORATE SOCIAL RESPONSIBILITY IS IMPORTANT TO US	43
	WE CREATE CITY-FORMING PROJECTS	47
	MISSION OF EXTENDED CORPORATE SOCIAL RESPONSIBILITY	51
	HEADCOUNT IN THE CAVATINA HOLDING GROUP	58
	WE CARE ABOUT THE SAFETY, HEALTH AND WELL-BEING OF OUR EMPLOYEES	62
	WE TAKE CARE OF OUR EMPLOYEES	64
<b>04</b>	<b>GOVERNANCE</b>	<b>66</b>
	WE CONDUCT OUR BUSINESS RESPONSIBLY	67
	CAVATINA HOLDING S.A.'S GOVERNING BODIES AND CORPORATE GOVERNANCE PRINCIPLES	72
	WE BUILD VALUE BY ACTING ETHICALLY	76
<b>05</b>	<b>ABOUT THE REPORT</b>	<b>78</b>
	APPROACH TO REPORTING	79
	GRI CONTENT INDEX	81



# LETTER FROM THE MANAGEMENT BOARD



## DEAR SHAREHOLDERS, CUSTOMERS, PARTNERS, EMPLOYEES,

Our business as an office real estate developer has a major impact on urban space and the people who use it. We strive to use that impact in the most positive way, designing and implementing sustainable projects that meet the expectations of city users and our tenants. As one of the key elements of our business is transparency in our approach to governance, for the second time we are sharing with our stakeholders a summary of the activities we have implemented in the areas related to the environment, society and governance in 2022.

We invariably focus on developing Class A office projects. A significant part of our portfolio is made up of mixed-use buildings that fit the idea of the 15-minute city. Today's city residents want to be able to meet all their daily needs without having to waste time on long drives – that's why we support the trend of away from mono-districts in favor of multi-use complexes.

We focus not only on distinctive, modern design, but also on the city-forming nature of our projects. We approach each location individually, analyzing what functions will positively affect the development of the area and meet the needs of both the users of our buildings and the residents of the cities in which they are built. Offices, services, housing, cultural facilities, places for relaxation and for activity – we combine all these elements in a thoughtful way in different layouts and proportions.

We also undertake projects requiring the revitalization of post-industrial urban areas, thanks to which we restore undeveloped spaces to cities – examples of such projects include WIMA Widzewska Manufaktura in Łódź, Grundmanna Office Park in Katowice and Palio Office Park in Gdańsk.

As a responsible developer, we want to contribute to real, positive change, so we incorporate aspects of sustainable construction into every stage of the investment process. We strive to systematically reduce the negative environmental impact of our projects. In 2022, more of our commissioned developments – Global Office Park A in Katowice, Palio Office Park B in Gdańsk and Quorum Office Park D in Wrocław – received international BREEAM environmental certificates, at the highest Excellent and Outstanding levels. We also evaluate new projects entering our portfolio according to WELL Health-Safety Rating certification systems to help tenants of our office spaces create a safe working environment. In the past year, we also received numerous industry awards,

which is a valuable confirmation that the projects we implement meet the highest standards. Particularly noteworthy is Cavatina Hall, a unique mixed-use building combining office and cultural functions, which received as many as six prestigious awards last year. The cultural part of the building consists of two modern concert halls using state-of-the-art audiovisual technologies and a professional recording studio.

In making every business decision, we try to take ESG criteria into account, but our efforts go much further. Since the beginning of our activity, we have been guided by the idea of extended social responsibility, so we are active in areas related to education, health, culture and arts. We are also involved in sports-related activities, which include both sponsorship and internally organized bicycle initiatives. In 2022, Cavatina Hall, a significant asset given to the city and its residents, hosted 60 concerts attended by more than 50,000 people. The non-profit Cavatina Studio recorded more artists, and Cavatina Film Production, which produces and promotes independent cinema, produced two films. The Holistic Think Tank working on education also had a busy year. This is just a selection of projects that illustrates how we understand and carry out our mission of extended social responsibility.

Our goal is to continue consistent implementation of the adopted business strategy, as well as to strengthen the Group's position in the capital market. However, we are convinced that the realization of long-term business goals is not possible without taking into account the company's non-financial activities, and the principles of sustainability should be the foundation of any company that wants to remain competitive, respond to growing stakeholder expectations and set industry standards.

We invite you to read this report carefully.

Yours sincerely,  
**Management Board of Cavatina Holding S.A.\***

**Rafał Malarz**, President of the Management Board of Cavatina Holding S.A.

**Daniel Draga**, Vice-President of the Management Board of Cavatina Holding S.A.

**Szymon Będkowski**, Vice-President of the Management Board of Cavatina Holding S.A.

\* as at the date of publication of the report



# ABOUT THE CAVATINA HOLDING GROUP

# CAVATINA HOLDING GROUP AND ITS BUSINESS

LEADER OF THE OFFICE REAL ESTATE MARKET IN POLAND

GRI: 2-1; 2-2

In terms of the scale of our operations, including the number of cities where we implement our projects, we are one of the leading office developers in Poland. Our core business is to execute development projects consisting in the construction of large Class A office buildings, and to manage the properties, earn rental income and sell the commercialized buildings.



We carry out investment projects in the largest cities in Poland, in particular in Gdańsk, Katowice, Kraków, Łódź, Warsaw, Wrocław and Bielsko Biała.



Our headquarters are located in Kraków; we also have one branch in Bielsko-Biała, as well as regional sales branches in each of the cities where we implement our projects.



We focus on developing projects ranging from 20,000 sqm GLA<sup>1</sup> (single buildings) to 100,000 sqm GLA (complexes of office buildings, the so-called office parks).



We operate on the basis of the unique business model we have developed, which is based on the consistent building of broad competencies within the Group, allowing us to independently manage all key stages of the investment process.



The projects we develop are distinguished by unique architecture, for which it received awards in national and international competitions, and high quality of finish.



We place emphasis on sustainable property development as well as comfort and safety of our office users, which is confirmed by the BREEAM and WELL Health and Safety Rating certificates received.



We attach great importance to the city-forming role of our projects, ensuring that they fit into the existing urban fabric and meet the needs of the local community.

\* GLA – gross leasable area A measure of area used to determine rented space in commercial buildings.

**WE MAINTAIN A STRONG POSITION IN THE MARKET THANKS TO:**

- our own stable capital base, which we systematically supplement with external financing to increase the profitability of our projects,
- many years of experience of the team of managers and associates responsible for the implementation of individual stages of the projects,

- broad competence within the Group, which allows for comprehensive implementation of development projects, including acting as the architect and general contractor. With this business model, we are able to optimize project schedules and budgets,
- cooperation with proven and reliable subcontractors, responsible for the execution of specific construction and installation work, and leading suppliers of construction materials.

**GRI: 2-2**

**COMPOSITION OF THE GROUP**

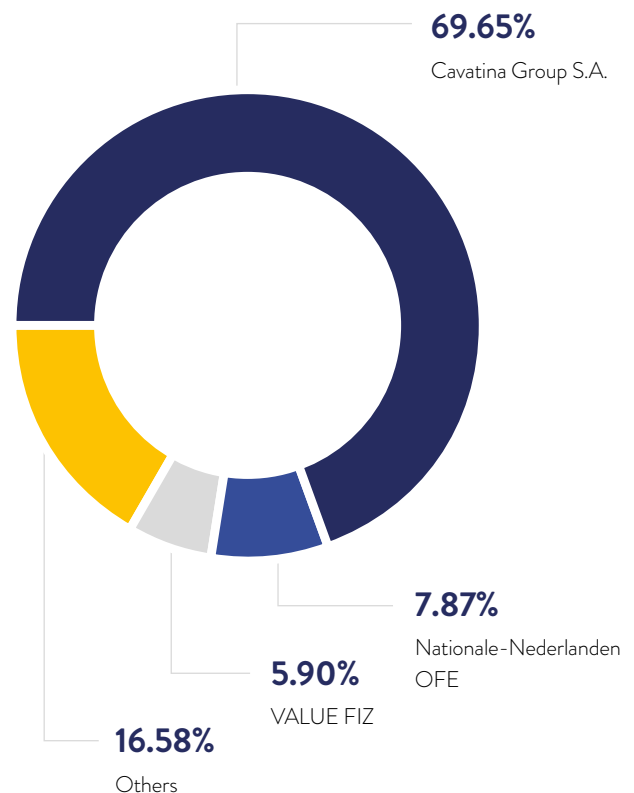
The Cavatina Holding S.A. Group of Companies (referred to in the text as the Cavatina Holding Group or the Group) as of 31 December 2022, consisted of the parent company Cavatina Holding S.A. and 46 subsidiaries (Cavatina GW – general contractor; Cavatina CUW – shared services center; and 44 SPVs dedicated to individual investment projects) and one jointly controlled entity (Cavatina Office – SPV dedicated to the CH89 project). Subsidiaries are consolidated using the full method, while the jointly controlled entity is consolidated using the equity method. The composition of the Group is presented in the Group’s consolidated financial statements for 2022, available

at [ir.cavatina.pl/sprawozdania/sprawozdania-finansowe/](http://ir.cavatina.pl/sprawozdania/sprawozdania-finansowe/) in the section "Entities covered by the consolidated financial statements," page 7. The ultimate parent of the Group, which includes Cavatina Holding S.A., is Cavatina sp. z o.o. The direct parent of Cavatina Holding S.A. is Cavatina Group S.A. Cavatina Holding S.A. has been listed on the Warsaw Stock Exchange since 23 July 2021.

The sustainability report applies to Cavatina Holding Group entities and the following companies: Cavatina sp. z o.o., Cavatina Group S.A., Fiducia Foundation, Globiana sp. z o.o., Fertilita sp. z o.o. and Pensierisp. z o.o.

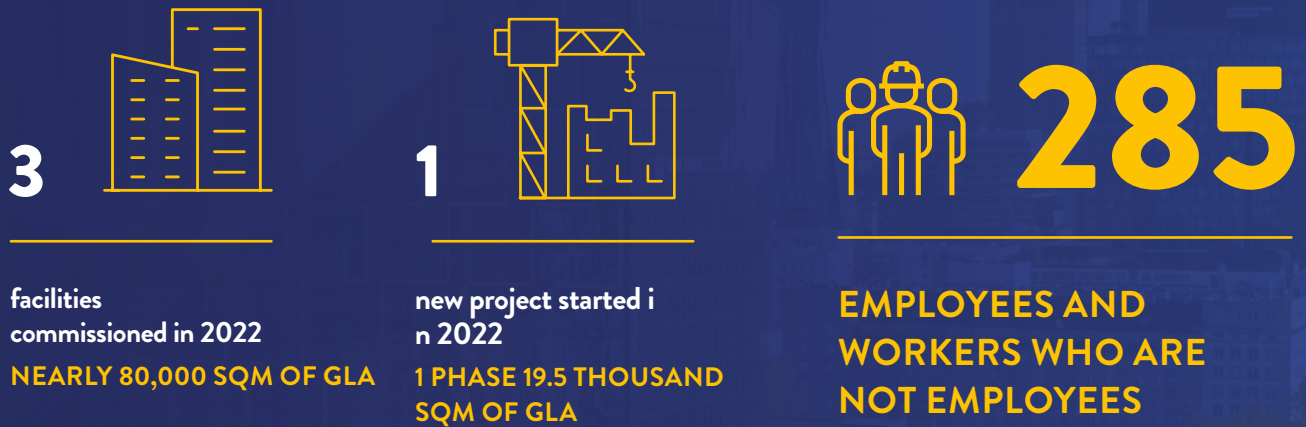


**Chart 1. SHAREHOLDING STRUCTURE as at 31 December 2022**





## KEY INFORMATION ABOUT THE GROUP AS AT THE REPORT DATE



## FROM THE BEGINNING OF OUR OPERATIONS TO THE DATE OF PUBLICATION OF THIS REPORT, WE HAVE COMPLETED THE CONSTRUCTION OF 19 OFFICE PROJECTS WITH A TOTAL AREA OF OVER 303,000 SQM GLA.

Eight of them, with a total area of nearly 150,000 sqm of GLA, we sold to third parties in transactions with a total value exceeding PLN 1.6 billion. In August 2022, we finalized an agreement to sell three buildings: Carbon Tower in Wrocław, Tischner Office and Ocean Office Park A in Kraków for more than EUR 139 million. This was one of the largest deals in the regional office markets in 2022. The remaining properties in the Group's portfolio, with a total area of more than 150,000 sqm of GLA, were on average commercialized in 70% at the end of 2022. In 2022, we delivered three more projects – the Global Office Park office complex in Katowice, Palio Office Park B in Gdańsk, and Quorum D in Wrocław. In December, we launched a new project – Grundmanna Office Park in Katowice. We are currently constructing office projects with a total area of about 136,000 sqm.



## OUR BUSINESS MODEL

WE OPERATE ON THE BASIS OF THE UNIQUE BUSINESS MODEL WE HAVE DEVELOPED, WHICH IS BASED ON THE CONSISTENT BUILDING OF BROAD AND DIVERSE COMPETENCIES WITHIN THE GROUP.

We manage all key stages of the investment process, from land analysis and acquisition, through design, general contracting and project budget management, to commercialization of the facility, finishing, interior design and management of the building in the operational phase.

**We distinguish the following elements within our chain of competence:**

- | **land acquisition** – seeking and selecting attractive land properties, based on a broad network of agents and land database, analyzing their legal status and business attractiveness, and then, in the case of a positive assessment, preparing and quickly executing purchase transactions,
- | **architectural design** – comprehensive design in the field of architecture and construction, as well as interior design of planned buildings in our own design-architectural office using the developed know-how and best market practices,
- | **general contractorship** – performing the function of a general contractor for the project, which involves contracting the project based on a unique system of contracting and managing construction processes up to the stage of obtaining an occupancy permit, which allows us to maximize the margin,

- | **commercialization of space** – cooperation of a team of commercialization specialists with the largest and prestigious consulting agencies in the real estate sector,

- | **interior design and finishing** – developing a design for an individual office space layout as expected by a tenant, taking into account the latest trends, with the possibility of rapid implementation of any changes, and then implementation of the project on a turnkey basis, i.e. in a model that minimizes the involvement of the Group's clients in the process,

- | **facilities management** – active management of owned properties during the period from the occupancy permit stage to sale, i.e. during the life of the building,

- | **sale of commercialized facilities** – preparation and sale of a commercialized office facility.

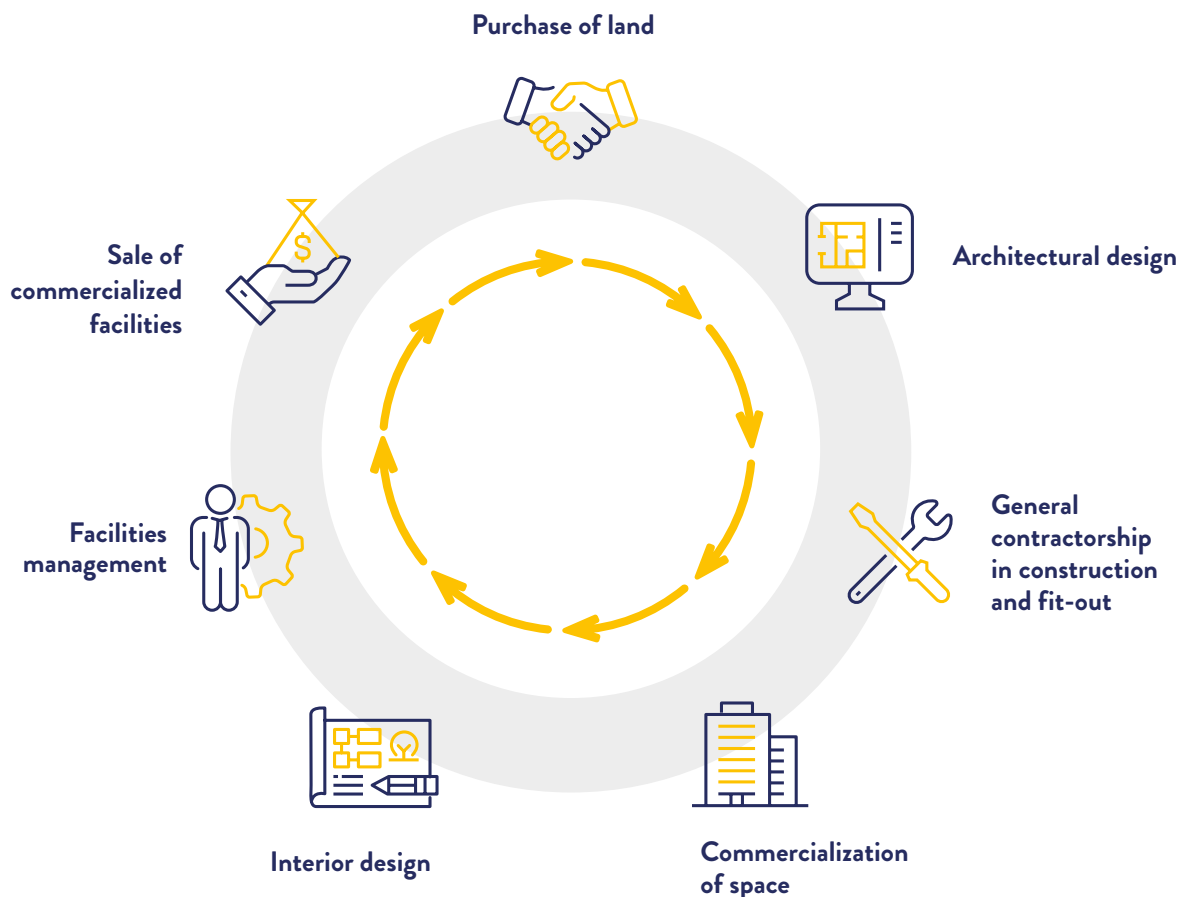
A particularly important part of our business model is that we have our own resources allowing us to act as a full general contractor for each of its projects (including architectural design and structural engineering services). As a result, we are not dependent on external architectural design services, we minimize the purchase price of construction and finishing materials, and we have full, direct supervision of the projects.

Our business model also allows us to mitigate risks while maintaining margins within the organization at each stage of execution, which translates into high total margins achieved on our projects. The advantage of our business model is also the high flexibility towards customers and the efficiency of handling the process of adapting the space to the needs and expectations of tenants, which is crucial from the point of view of the tenants' choice of the building. Thanks to the broad competencies within the Group, we maintain the very high quality of our projects.

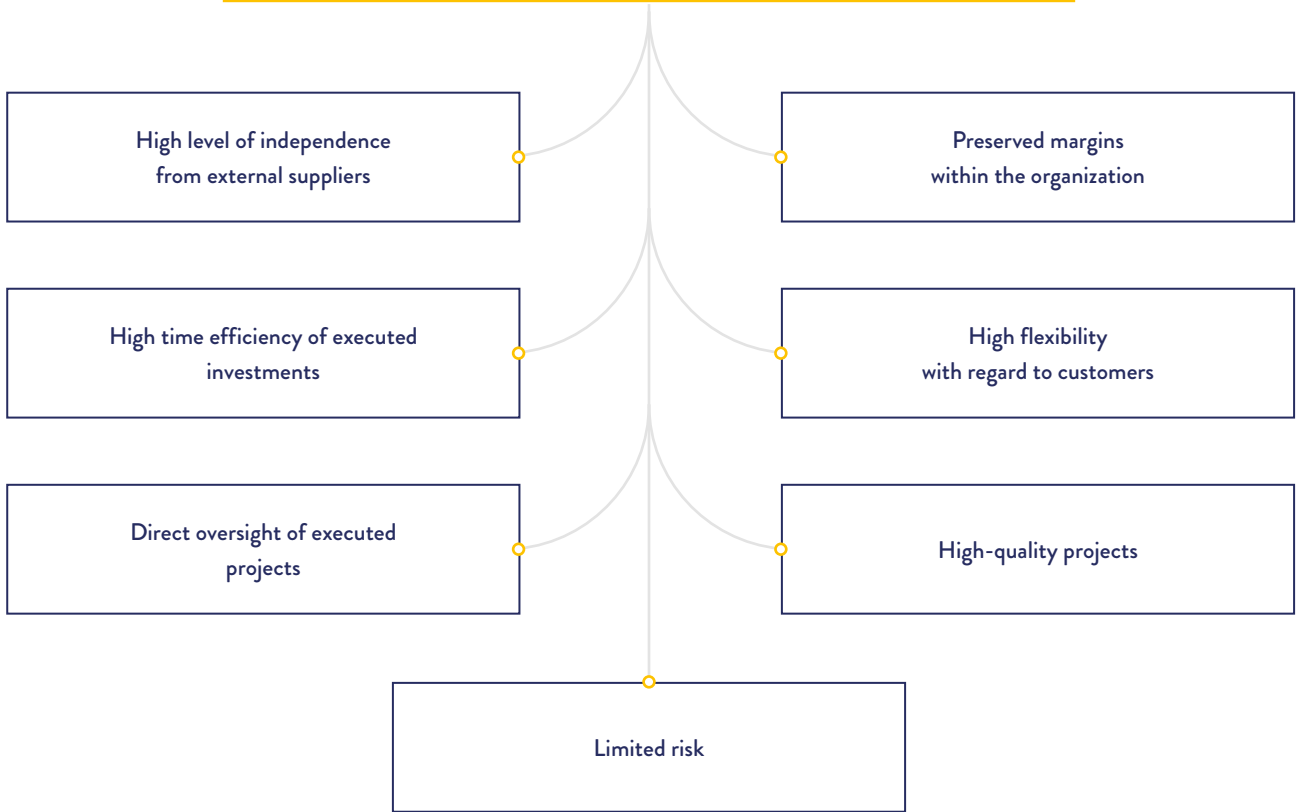


**Sebastian Suchodolski**  
Head of Leasing,  
Cavatina Holding.

” With a unique model in which we buy the land ourselves, prepare the designs ourselves, then do the building ourselves because we have a general contractor, and end up renting these spaces, it is easier for us to meet the responsible building requirements. We are convinced that it will soon be impossible to raise financing if the organization does not adhere to sustainability. It will be difficult, if not impossible, to find a tenant who will not pay attention to these aspects. And completing the chain – it will be impossible to sell a building that is not designed, built and maintained in the spirit of ESG. This is the direction that all commercial real estate players expect, and we understand this very well.



## KEY ADVANTAGES OF OUR BUSINESS MODEL



# OUR PROPERTIES

WE CARRY OUT PROJECTS IN POLAND'S BIGGEST CITIES



## GDAŃSK PALIO OFFICE PARK

A functional mixed-use complex. A complex of modern buildings is being erected on the site of the Gdańsk Shipyard in the surroundings of the emerging new business and cultural center of the city.



## WARSAW CHMIELNA 89

An office building with an undercut shape resembling a crystal, located in the center of Warsaw. Designed with the existing and planned developments in this part of the city in mind. The users of the building can take advantage of the services available on the ground floor and the numerous green terraces.



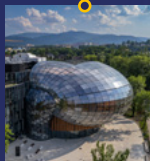
## WROCLAW QUORUM

The first mixed-use complex in Wrocław to be developed on this scale, offering space for work, living and recreation. It comprises retail premises and green spaces available for employees and residents. The tallest building will also have an observation deck, offering a panoramic view of the city.



## ŁÓDŹ WIMA WIDZEWSKA MANUFATURA

The WIMA complex is being built on the site of former textile mills. The mixed-use project, being carried out respecting the historical heritage of the site, will restore this space to the city's users. Among other things, it will comprise offices, commercial and retail units, apartments and recreational spaces. The green heart of the project will be the revitalized 100-year-old park with a fountain.



## BIELSKO-BIAŁA CAVATINA HALL

A unique mixed-use development that uniquely combines office and cultural functions. In addition to office space, one of the two buildings houses a modern conference and concert hall and a recording studio.



## KRAKÓW OCEAN OFFICE PARK

The office complex being built in a prime location is distinguished by exciting architecture inspired by the aquatic ecosystem. The project includes extensive infrastructure for cyclists and extensive green spaces. Among other things, the complex will be equipped with a modern technological tool for office space management.



## KATOWICE GRUNDMANNA OFFICE PARK

The office complex is being built with the idea of creating a sustainable work environment where people will find a place to relax, be physically active and take advantage of service establishments. Every detail of the project was designed to minimize CO<sub>2</sub> emissions and provide the community with more green spaces.

**Table 1.**  
**PROJECTS COMPLETED AND SOLD AS AT 31 DECEMBER 2022**

NO.	PROJECT	CITY	
1	Global Office Park C	Katowice	
2	Cavatina Hall A (office and retail part)	Bielsko-Biała	
3	Palio Office Park A and B	Gdańsk	
4	Equal Business Park D	Kraków	
5	Global Office Park A1 and A2	Katowice	
6	Quorum D	Wrocław	
SOLD PROJECTS	7	Chmielna 89*	Warsaw
	8	Diamentum Office	Wrocław
	9	Equal Business Park A, B, C	Kraków
	10	Carbon Tower	Wrocław
	11	Tischnera Office	Kraków
	12	Ocean Office Park A	Kraków

\* Cavatina Holding has sold a 65% stake in the Chmielna 89 project.

**Table 2.**  
**PROJECTS IN PROGRESS ON 31 DECEMBER 2022**

NO.	PROJECT	CITY
1	Widzewska Manufaktura D	Łódź
2	Palio Office Park C	Gdańsk
3	Widzewska Manufaktura A	Łódź
4	Ocean Office Park B	Kraków
5	Ocean Office Park D	Kraków
6	Quorum A	Wrocław
7	Quorum B	Wrocław
8	Cavatina Hall B	Bielsko-Biała
9	Grundmanna Office Park	Katowice

# DIRECTIONS OF OUR STRATEGY

## KEY AIMS OF OUR STRATEGY



to achieve a portfolio with GLA of 1 million sqm, understood as the sum of projects completed, including sold, projects and projects in progress and planned with land purchased and commenced design process,



to continue the business in the best locations of most of the largest Polish cities,



to achieve the capacity to pay regular dividends of approx. 20-50% of net profit.

## STRATEGIC GOALS WILL BE ACHIEVED THROUGH EIGHT KEY OPERATIONAL ACTIVITIES

- 1. Focus on large commercial office projects, characterized by unique architecture, above-average quality and design, located in major metropolitan areas, ensuring the highest margins through economies of scale and attractive pricing when selling the project.**
- 2. Focus on identifying and satisfying the needs of potential tenants,** among others through: highly-selective location selection process and regular analysis of trends in the office construction market, in particular with respect to technology, architecture, design, and expectations concerning environmental features of buildings.
- 3. Expanding and strengthening the competencies of the in-house expert team** allowing the Group to carry out the entire investment process on its own, in particular in the areas of engineering and architectural design, acting as a general contractor, commercialization of space and property management.
- 4. Showing care for the quality of cooperation with the Group's business partners,** in particular subcontractors and construction material suppliers, among others by adjusting contractual payment terms based on individual arrangements with the specific partners enabling them to maintain adequate liquidity and maintain long-term relationships with proven subcontractors.
- 5. Optimizing the schedules of the individual projects** in order to ensure the best possible parameters of execution and to mitigate risks in the organizational, time and financial aspects.
- 6. Securing diversified and stable sources of funding** adequate to the planned pace of growth of the Group, enabling it to achieve optimum rates of return, while maintaining financial security.
- 7. Minimizing the periods between the end of commercialization and the sale of facilities,** while maintaining the planned returns on investments, in order to ensure the most efficient possible reinvestment of capital into successive projects.
- 8. Ongoing monitoring and analysis of the office property market and the investors active on the market.**

## WE ARE BUILDING A STRATEGY BASED ON SUSTAINABLE DEVELOPMENT PRINCIPLES

### GRI: 2-22

We are aware that the real estate sector has a very large impact on the environment. At the same time, we are constantly mindful that this translates into a huge role for the entire industry in combating climate change. We keep this in mind as we embark on each new project. We strive to ensure that all the places we create meet the needs of local communities and modern business in terms of care for the environment and the well-being of their users. By systematically incorporating more ESG elements into our business operations, we are also responding to market and investor expectations.

Our actions translate into tangible results that confirm our responsible approach to environmental issues. All the buildings we have completed are distinguished by their BREEAM (one of the most well-known international environmental certification systems) environmental certification at Excellent and Outstanding levels. Our buildings receive high marks in all categories: location and accessibility, application of solutions

reducing water and energy consumption, use of pro-environmental and ecological materials. In 2022, BREEAM certification at the Outstanding level, the highest possible, was awarded to the Global Office Park A office buildings in Katowice, which motivates us to consistently raise the certification levels of more projects.

In the coming years we also plan to define assumptions and identify the Group's priorities regarding gradual decarbonization, based, among other things, on an analysis of stakeholder needs and on scenario analysis related to climate risks and opportunities, in order to be able to meet the ambitious target set by the European Green Deal: achieving climate neutrality by 2050. We are convinced that by operating in a sustainable manner, we will be able to perform better in the financial and business dimensions – increasing our market advantage, improving our financial performance and reducing operational risks – but also in the non-financial dimension – increasing our impact on combating climate change.



**Rafał Malarz**

President  
Cavatina Holding

” Looking solely through the lens of financial performance has never been part of the Cavatina Group's philosophy. Thinking focused on adding value in areas related to neighborhood and community impact adds a multidimensional touch to business. This translates into greater involvement of collaborators in the activity – it is easier to identify with projects that, in addition to profit, carry emotional value and positive change that will be present in the architecture of the city for decades to come.





# STAKEHOLDER RELATIONS

GRI: 2-29

## WE LISTEN TO OUR STAKEHOLDERS

As a responsible company, we listen to our stakeholders and strive to engage them in our activities, so that we better understand their needs and then take them into account when making business decisions (see Table 3). This approach allows us to implement projects and conduct our business in a way that meets the expectations of our various stakeholder groups as much as possible. An example of an architectural design that was based on numerous consultations between our architects and the city's building conservation officer is the Palio Office Park development in Gdańsk. It is in line with the trend of revitalizing post-industrial urban spaces, giving city dwellers a new, functional space. At the same time, a number of construction-technical solutions that we applied in this project are consistent with the idea of sustainable construction. The design of the space around the buildings of the Palio Office Park complex has received a positive opinion from the building conservation officer and is an example of excellent cooperation with stakeholders. Our further steps on the road to developing a strategy for gradual decarbonization of the Group will also result from, among other things, an analysis of stakeholder needs.

Given the nature of our business, in addition to our business goals, the aspects of impact on communities and urban space are very important to us. We also apply a fully responsible approach to the environmental challenges facing the real estate sector. Thinking about the impact we can have on our surroundings, we go beyond the mandatory scope with numerous initiatives, including in areas often overlooked by other industry players, such as education, health, culture and the arts, and urban change. We summarize all our activities and achievements in areas related to the environment, society and governance in sustainability reports, which we have published since 2021. We are committed to ensuring that the reports provide an additional valuable resource for all our stakeholders.

## WE HAVE REGULAR AND OPEN COMMUNICATION WITH OUR STAKEHOLDERS

### OWN INDICATOR:

Quality of communication with stakeholders

In creating the stakeholder map, we have identified the most important groups, taking into account the criterion of the type of cooperation. In the table below, we have outlined the stakeholder groups that we have the most influence on and that have the most impact on us. We communicate with each of these groups on a regular basis, using a variety of communication tools and channels.

We are committed to making this communication accessible, understandable and valuable to our stakeholders, as well as being one of the building blocks for positive relationships. In order to verify and evaluate it in 2022 we conducted an anonymous survey among selected stakeholders (banks, business partners and customers) in the form of IDI interviews in accordance with the AA 1000 standard. Respondents gave a positive assessment of our communications, noting that we address their needs effectively, efficiently and in a pleasant atmosphere, and that our employees are always willing to help.



**Table 3.**  
**STAKEHOLDER COMMUNICATION**

STAKEHOLDER GROUP	HOW DO WE COMMUNICATE WITH THEM?
<b>Customers/tenants</b>	<ul style="list-style-type: none"> <li>• face-to-face meetings,</li> <li>• email and telephone contacts,</li> <li>• industry conferences,</li> <li>• sustainable development report,</li> <li>• website,</li> <li>• Internet news channels,</li> <li>• online webinars and conferences,</li> <li>• social media,</li> <li>• media publications,</li> <li>• corporate materials such as folders and brochures,</li> <li>• videos,</li> <li>• information system in the form of a publicly available, external newsletter dedicated to office space,</li> <li>• studies, surveys and periodic interviews with managers and tenants of office space, including regular satisfaction and opinion surveys / studies regarding customer expectations, and customer opinions to be used when designing solutions, and creating customized products and services,</li> <li>• good purchasing practices regarding suppliers and customers.</li> </ul>
<b>Business partners</b>	<ul style="list-style-type: none"> <li>• face-to-face meetings,</li> <li>• email and telephone contacts,</li> <li>• industry conferences,</li> <li>• periodic financial reports and presentations of results,</li> <li>• sustainable development report,</li> <li>• website,</li> <li>• Internet news channels,</li> <li>• investor relations website,</li> <li>• online webinars and conferences,</li> <li>• social media,</li> <li>• media publications,</li> <li>• corporate materials such as folders and brochures,</li> <li>• videos,</li> <li>• good purchasing practices regarding suppliers and customers.</li> </ul>
<b>Banks and funds</b>	<ul style="list-style-type: none"> <li>• face-to-face meetings,</li> <li>• email and telephone contacts,</li> <li>• industry conferences,</li> <li>• periodic financial reports and presentations of results,</li> <li>• result meetings after publication of periodic financial reports,</li> </ul>

STAKEHOLDER GROUP	HOW DO WE COMMUNICATE WITH THEM?
	<ul style="list-style-type: none"> <li>• investor relations website,</li> <li>• sustainable development report,</li> <li>• online webinars and conferences,</li> <li>• media publications.</li> </ul>
<b>Investors and analysts</b>	<ul style="list-style-type: none"> <li>• face-to-face meetings,</li> <li>• email and telephone contacts,</li> <li>• regular meetings with investors and shareholders, e.g. at industry conferences,</li> <li>• periodic financial reports and presentations of results,</li> <li>• result meetings after publication of periodic financial reports,</li> <li>• sustainable development report,</li> <li>• investor relations website,</li> <li>• online webinars and conferences,</li> <li>• social media,</li> <li>• media publications.</li> </ul>
<b>Rating companies</b>	<ul style="list-style-type: none"> <li>• financial reports and presentations of results,</li> <li>• investor relations website,</li> <li>• sustainable development report,</li> <li>• media publications.</li> </ul>
<b>Environmental organizations</b>	<ul style="list-style-type: none"> <li>• sustainable development report,</li> <li>• website,</li> <li>• social media,</li> <li>• media publications,</li> <li>• videos.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• internal meetings with employees,</li> <li>• internal information exchange system (newsletter, internal publications) that provides employees with career development opportunities and builds understanding of strategy implementation, and incentivizes employees to get involved in internal initiatives,</li> <li>• social media,</li> <li>• media publications,</li> <li>• videos,</li> <li>• sustainable development report.</li> </ul>
<b>Local communities</b>	<ul style="list-style-type: none"> <li>• website,</li> <li>• social media,</li> <li>• media publications,</li> <li>• videos,</li> <li>• sustainable development report.</li> </ul>

One of the key operational activities in our strategy towards different stakeholder groups is to identify and satisfy the needs of potential tenants. We realize this through a series of activities:

- | We take a selective and precise approach to choosing the locations of our projects.
- | We systematically analyze trends in the office real estate market, with a particular focus on construction technology, architecture, design and expectations for environmentally friendly solutions in buildings.
- | We optimize the scale of each project to ensure the best technical, operational and financial parameters.
- | We carry out projects with the highest quality, both in technological and technical aspects, as well as aesthetics.
- | We are actively involved in interior design and finishing processes on behalf of future tenants, which is one of our differentiators in the market.
- | We regularly improve the substantive and relational skills of the Group's employees who are responsible for the cooperation with tenants.

## PARTNERSHIPS AND AWARDS

### MEMBERSHIP ASSOCIATIONS

**GRI: 2-28**

In 2022, we were a member of the Polish Association of Developers (PZFD) – an industry organization of nearly 300 development companies, representing their interests in Poland and the European Union. PZFD undertakes activities in support of legislative projects concerning, among other things, commercial real estate, as well as activities to improve investment conditions in the real estate market, professional development of employees of member companies, and to improve the image of the industry.

We are also a member of the Polish Chamber of Commercial Real Estate (PINK), which promotes good standards in the commercial property market by providing its members with a platform to exchange knowledge, contacts and business opportunities.

### AWARDS RECEIVED

**OWN INDICATOR: Awards received**

The dynamically developing activities of Cavatina Holding are recognized and appreciated in the industry, as evidenced by the titles of **Developer of the Year**, which we received in three prestigious competitions

In 2022, we were named **Developer of the Year in the Prime Property Prize competition for the third consecutive year**. The award is given for achievements and activities on the commercial property market, contribution to the development of this sector in Poland, high quality of projects as well as reputation in the industry. In 2022, we were recognized for dynamically growing our investment portfolio and independently managing all key investment processes – from acquisition, architectural design, interior design to general contracting and fit-out.

We were also honored with the title of **Developer of the Year in the Outsourcing Stars 2022 competition**. We received this award as the fastest growing organization in the modern business services sector in the developer category. In addition, also the **Financial Journal awarded us the title of Developer of the Year**. According to the editors, we have earned recognition as a developer who, despite the turmoil resulting from the Covid-19 pandemic and the war in Ukraine, drawing on years of experience, constructs its offering in such a way as to continually meet customer expectations.





Cavatina Hall, a mixed-use facility located in the center of Bielsko-Biała, is a project that is unique in many dimensions, as evidenced by the numerous awards granted in 2022. In addition to an office and service area of more than 9,000 sqm, the building includes a high-end recording studio and a concert hall for 1,000 people, designed to the highest acoustic standards.

**Cavatina Hall received the prestigious Architecture MasterPrize in the Commercial Architecture category.** Architecture MasterPrize is one of the world's most renowned architectural awards, recognizing those who push boundaries and set new standards in design.

As an expression of appreciation for the architects who have designed Cavatina Hall, the building was also awarded the **main prize in the DNA Paris Design Awards in the Cultural Architecture category.** This is an international award honoring architects and designers who improve our daily lives through practical, beautiful and innovative designs.

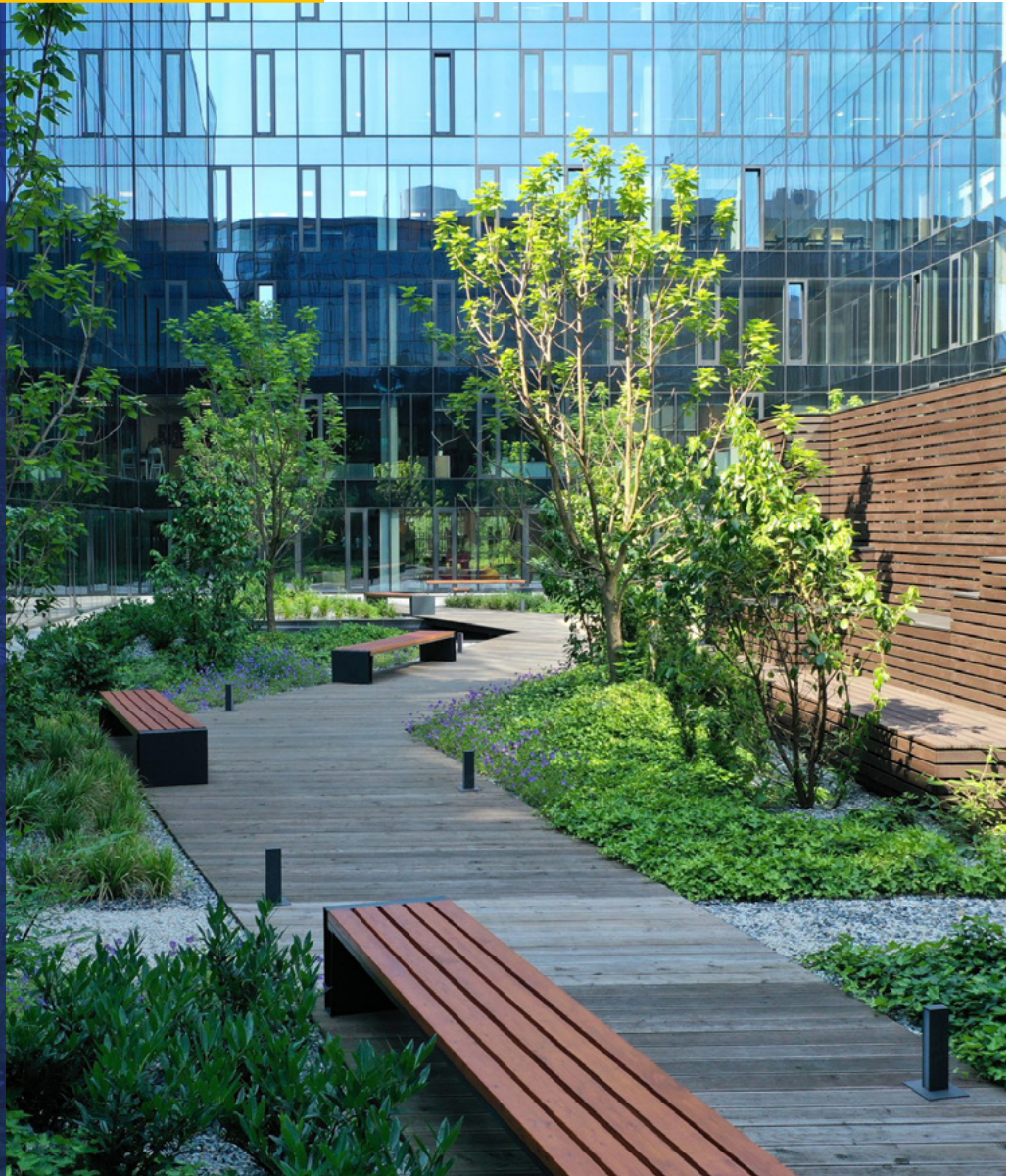
**Cavatina Hall also won the Property Design Award 2022 in the category: body – office building.** It is also a tribute, above all, to the work of the architects, who combined the office and service function with the concert hall in an unusual way in the body of the building.

In addition, Cavatina Hall received an honorable mention in **the best green certified building category of the sustainable building and architecture competition, PLGBC Green Building Awards 2022**, organized by the Polish Green Building Association PLGBC. The jury's attention was drawn to the professional concert hall, which is an additional feature of the facility of great social importance. The jury also recognized the BREEAM certification at a high Excellent level, which the entire complex received, and the WELL Health and Safety Rating, important for the comfort and safety of the facility's users.

In 2022, our projects were awarded in the **European Property Awards 2022-2023. The main prize in the Mixed-Use Architecture for Poland category went to Cavatina Hall. In the Office Development for Poland category, in turn, the main prize went to Global Office Park in Katowice.** The European Property Awards is part of the International Property Awards, one of the most prestigious competitions in the real estate industry, which assesses primarily the quality, usability, innovation and originality of design, as well as sustainability issues.

**An international jury has awarded two of our developments in the International Architecture & Design Awards.** The main prize and Platinum Winner in the Commercial Interior Built category went to Cavatina Hall. It was the only project from Poland to receive this prestigious award. Quorum, a mixed-use complex in Wrocław, in turn, received the main prize in the Mixed Use Architecture Concept category.

The most important awards for our projects in 2022, for the next consecutive year, have been given to facilities designed by the architects and designers working at Cavatina GW Sp. z o.o.



**NATURAL  
ENVIRONMENT**

# WE RECOGNIZE OUR ROLE IN COMBATING CLIMATE CHANGE

THE REAL ESTATE SECTOR IS ONE OF THE INDUSTRIES THAT HAS A PARTICULAR IMPACT ON THE CLIMATE. ACCORDING TO THE 2022 GLOBAL STATUS REPORT FOR BUILDINGS AND CONSTRUCTION, PUBLISHED BY THE GLOBAL ALLIANCE FOR BUILDINGS AND CONSTRUCTION, THE CONSTRUCTION SECTOR ACCOUNTS FOR 37 PERCENT OF GLOBAL CO<sub>2</sub> EMISSIONS<sup>1</sup>. THE FIGURE SHOWS THE ROLE THE INDUSTRY CAN PLAY IN COMBATING CLIMATE CHANGE AND THE DECARBONIZATION PROCESS.

As a responsible developer, we want to contribute to real, positive change, so we incorporate aspects of sustainable construction into every stage of the investment process. Our goal is to systematically reduce the negative impact of our projects on the environment, while ensuring maximum comfort for their users.

We strive to make all office projects we develop energy efficient, and in this way we want to lower their carbon footprint. In the coming years, we plan to define assumptions and identify the Group's needs for gradual and sustainable decarbonization, taking into account the objectives of the Paris Agreement, in order to meet our goal of achieving climate neutrality by 2050.



<sup>1</sup> <https://www.unep.org/resources/publication/2022-global-status-report-buildings-and-construction>

## WE HAVE BEEN CONSISTENTLY IMPLEMENTING THE UN SUSTAINABLE DEVELOPMENT GOALS IN EVERY AREA OF OUR BUSINESS



### SUSTAINABLE CITIES AND COMMUNITIES

**Tasks implemented in connection with this goal:**

- 11.1** By 2030, ensure access for all to adequate, safe and affordable housing and basic services, and upgrade slums.
- 11.6** By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality, municipal and other waste management.
- 11.7** By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, particularly for women and children, older persons and persons with disabilities.

**How are we implementing them?**

⌈ We are developing mixed-use projects that fit the idea of the 15-minute city, which combine multiple complementary functions. These are facilities where workspace intermingles with relaxation and recreation zones, as well as catering and other service outlets, located near residential infrastructure.

⌈ Some of our investments are created by revitalizing post-industrial urban spaces that no longer meet their previous functions and residents' expectations, and adapting them to the current needs of future users. As a result, we are creating new projects while respecting the decreasing availability of land for projects, and local communities are reclaiming pieces of urban space.



### CLIMATE ACTION

**Tasks implemented in connection with this goal:**

- 13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

**How are we implementing them?**

⌈ All our projects are certified under the international BREEAM system (as Excellent or Outstanding) and receive high scores in all environmental categories.

⌈ For the purposes of BREEAM certification, climate change adaptation reports are produced for the buildings we construct. The reports are meant to predict the impact of extreme weather resulting from climate change and to encourage the implementation of measures to mitigate such impact over the life of a building.





## CLEAN WATER AND SANITATION

### Tasks implemented in connection with this goal:

- 6.3** By 2030, improve water quality by reducing pollution, eliminating landfills, reducing the use of harmful chemicals and other harmful materials. Halve the amount of untreated wastewater and significantly increase the level of recycling and safe reuse of materials globally.
- 6.4** By 2030, significantly increase water use efficiency in all sectors and ensure sustainable water abstraction and drinking water supply to address water scarcity and significantly reduce the number of people suffering from it.

### How are we implementing them?

**Our projects stand out due to our focus on quality and water saving.** All buildings are certified in accordance with the international BREEAM system, which confirms, among other things, the use of water-saving solutions. We achieve high scores in this category in each of our buildings thanks to the fittings used, the water leakage detection system or rain and soil moisture sensors used for optimum management of greenery watering.

**Our buildings are designed for safe and efficient use by their occupants, as evidenced by WELL Health-Safety certifications.** It is awarded to office spaces that ensure minimization of the risk of disease transmission, and create safe workplaces designed to promote good health. We make sure that our buildings offer, among other things, high quality air and water, precise cleaning and decontamination procedures, emergency response strategies, transparent communication with tenants and access to medical supplies.



## AFFORDABLE AND CLEAN ENERGY

### Tasks implemented in connection with this goal:

- 7.3** Double the growth rate of global energy efficiency by 2030.

### How are we implementing them?

We select installations and solutions used in the facilities that we build with a view to maintaining the highest standards of energy efficiency. Our buildings are equipped with, among others, energy-efficient lifts, energy consumption monitoring systems,

LED lighting only, motion and dusk sensors, as well as green roofs to increase the biologically active area and to improve the energy efficiency parameters.



## SUSTAINABLE CONSUMPTION AND PRODUCTION

### Tasks implemented in connection with this goal:

- 12.5** By 2030, significantly reduce waste generation through prevention, reduction, recycling and reuse.
- 12.6** Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

### How are we implementing them?

Building life cycle analyses have been developed for our projects in line with the BREEAM certification system. This analysis had the aim to assess the construction materials used in terms of their environmental impact at each stage of use (from manufacture, through use to disposal).

On our construction sites, the general contractor is required to comply with applicable waste management regulations, use construction materials in an efficient manner and follow the Construction Waste Management Plan we have developed.



# WE REDUCE THE ENVIRONMENTAL IMPACT OF OUR PROJECTS

AT EVERY STAGE OF OUR PROJECTS WE TAKE MEASURES TO REDUCE OUR IMPACT ON THE ENVIRONMENT

Environmental protection is an issue of particular importance to us, so we try to look at this area in the broadest possible perspective. We minimize the environmental impact of our operations through a series of measures implemented at all stages of projects – from site selection, through the design and construction process, to building maintenance/operation. One of the methods we use to engage in environmental issues is to minimize our environmental impact, including proper waste management, reduction of pollution, lower energy and water consumption, use of high-grade building materials and other eco-friendly solutions at every stage of our projects.



## LOCATION

Land is a scarce resource, and its availability is shrinking. Taking this into account, we are acting in accordance with the belief that a responsible developer should also carry out projects on reclaimed land. Currently, two of our developments are being built as part of revitalization of post-industrial urban spaces. These include Palio Office Park in Gdańsk, an office and retail complex being built on the site of the Gdańsk Shipyard, and Widzewska Manufaktura in Łódź, a project on the site of a post-industrial complex. We are convinced that with this approach to selecting sites for projects, we are helping local communities reclaim pieces of urban space that are gaining new functions.

native plants, honey plants, plants producing fruit or providing a habitat for animals. For each project, we obtain a biodiversity report, which is a confirmation that the level of biodiversity after the completion of construction is higher than before.



## CONSTRUCTION

Most of the building materials we use have Type III EPDs (Environmental Product Declarations) – and come from companies that meet the international environmental standard ISO 14001. We make efforts to choose locally produced materials and use materials that are environmentally friendly. In addition, we performed an LCA (Life Cycle Analysis), which is an assessment of the building materials used in terms of their environmental impact at each stage of the building's use (we calculate the impact on global warming, ozone depletion, environmental acidification and CO<sub>2</sub> emissions).



## DESIGN

When designing our buildings and installations, we use solutions that will meet the highest standards of energy efficiency, or reduce water consumption. We also attach great importance to designing green roofs, terraces and green areas around our developments to be environmentally friendly and to serve the building's users and local communities. When planning green areas, we work with an environmental expert, who, after a prior analysis of the surroundings of a given development, supports us in selecting appropriate species of

We make sure that the general contractors we work with not only manage waste in accordance with applicable regulations, but also use construction materials in an efficient manner that minimizes the amount of final waste sent for disposal. This is supported by the Construction Waste Management Plan we have developed.

We have also established a sustainable procurement policy to make sure that all suppliers and companies cooperating with us purchase consumables in a manner that protects the environment and public health, saves natural resources, and reduces waste volumes and their toxicity.



USE

Thanks to the fact that we think about environmentally friendly solutions already at the stage of designing the building, and then during construction we use materials that meet environmental standards, we minimize the negative impact of the building on the environment at the stage of its operation. This also entails benefits for tenants. The expenses incurred at the design and construction stages translate into lower operating costs and greater comfort in the facilities.

For our business, we have the greatest impact on the environment during the construction phase. Being aware of this, we are taking numerous measures to minimize this impact:

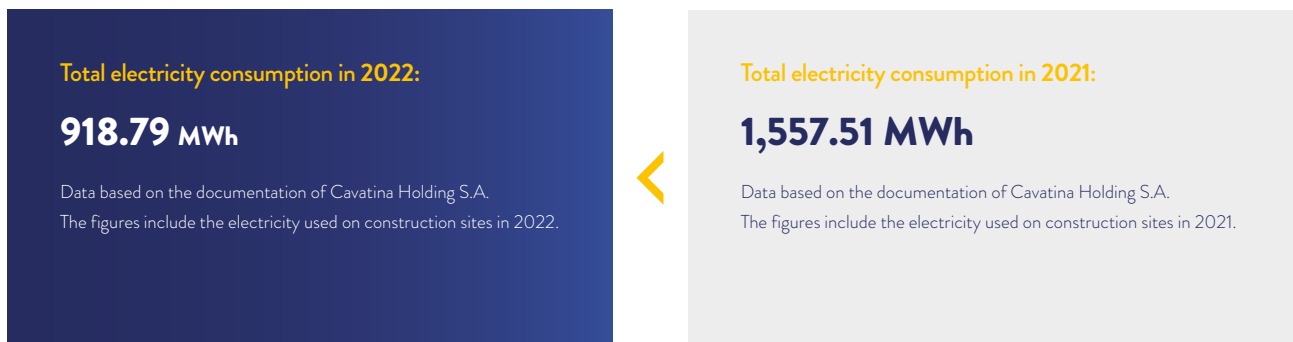
- | we secure trees in and around construction sites;
- | we take care to keep the construction site, the entrance and exit of trucks and delivery vans clean;
- | we reduce lighting pollution by using directional lighting;
- | we monitor water consumption based on invoice data, and analyze any increased consumption, so we are able to reduce water consumption;
- | we reduce energy consumption by using energy-efficient lighting solutions at the site;
- | we consciously manage waste: we have prepared a Waste Management Plan, monitor the waste generated, and ensure that it is properly stored and recycled.

**ELECTRICITY**

GRI: 3-3 302, 302-1

The efficient use of energy is an important environmental aspect for us at every stage of the life cycle of buildings. We use electricity primarily for construction purposes.

**ENERGY CONSUMPTION**



The lower total electricity consumption in 2022 compared to the total electricity consumption a year earlier is due to the lower number of square meters of space under construction.

## ENERGY INTENSITY

GRI: 302-3

### ENERGY-INTENSITY INDEX

The energy intensity index for buildings put into service in 2022 was:

**127.3 kWh / (m<sup>2</sup> × YEAR)**

The indicator was calculated based on the methodology of energy performance certificates for buildings. The indicator includes electricity, heat and cooling. The indicator takes into account consumption inside and outside the organization.



The energy intensity index for buildings put into service in 2021 was:

**139.69 kWh / (m<sup>2</sup> × YEAR)**

The indicator was calculated based on the methodology of energy performance certificates for buildings.

## EMISSIONS

GRI: 305-1

With the construction sector accounting for 37 percent of global CO<sub>2</sub><sup>2</sup> emissions, reducing emissions by individual companies in the industry is of paramount importance to achieving the EU's climate neutrality goals. In our business, the building process is the main source of greenhouse gas emissions to air in Scopes 1 and 2.

### INTENSITY OF GREENHOUSE GAS EMISSIONS

Intensity for buildings put into service in 2022:

**0.037 T CO<sub>2</sub> / (m<sup>2</sup> × YEAR)**

Data on direct emissions (resulting from electricity consumption and building heating) derived based on building energy performance certificate methodology.



Intensity for buildings put into service in 2021:

**0.04 T CO<sub>2</sub> / (m<sup>2</sup> × YEAR)**

Data derived based on building energy performance certificate methodology.

The reduction in the values of energy intensity and greenhouse gas emission intensity indicators in 2022 compared to 2021 was possible, for another year in a row, thanks to, among other things, the use of equipment that features even lower energy consumption with higher standards for HVAC (heating, ventilation, air conditioning)<sup>3</sup> and sanitary equipment. In addition, we have upgraded the insulation of construction partitions and brought buildings into compliance with increasingly stringent energy efficiency requirements for appliances.

We strive to specify and design energy-efficient solutions for both the building systems and equipment. We give priority to sustainable use of energy and sustainable management of building maintenance, with a view to improving the building's internal energy efficiency, encouraging reduction in carbon emissions and promoting effective management at the building operation stage. The use of energy-efficient solutions, as evidenced by the BREEAM certifications of all our buildings, allows us to reduce energy consumption in our projects.

<sup>2</sup> <https://www.unep.org/resources/publication/2022-global-status-report-buildings-and-construction>

<sup>3</sup> HVAC is the sanitary engineering area that deals with heating, ventilation and air conditioning.

Through the BREEAM certification process, the investor and the general contractor monitor the impact of the installations on energy use and carbon emissions and mitigate these effects by selecting energy efficient vehicles and installations. Monitoring is performed based on supplier invoices, and any above-normal consumption is accounted for.

We try to implement our projects in such a way that as many of them as possible fit into the idea of the 15-minute city, according to which the urban fabric is created so that residents can realize their daily needs within a 15-minute walk, bike ride or using public transportation. In this

way, we contribute to reducing the amount of greenhouse gases and pollutants emitted into the air, thereby improving its quality. In addition, under our sustainable procurement policy, the general contractors we work with are required to avoid cooling agents that contribute to global warming. As a result, they choose cooling systems with the latest cooling agents that have a negligible impact on global warming, appropriate for their practical application. In addition, disposal and collection of unnecessary cooling equipment must fully comply with legal requirements, including degassing or emptying by responsible persons.

## RAW MATERIALS

GRI: 3-3 301, 301-1

Rational consumption of raw materials is very important in our projects and is one of the basic elements of conducting business in a sustainable way.



Aside from the main materials listed in the table, we also use glass, aluminum (for facades), silicate blocks, XPS (extruded polystyrene), rock wool, HPL boards, ceramic tiles.

In line with our sustainable procurement policy and relevant contractual provisions, the investor and the general contractor are required to obtain materials compliant with ISO 14001 or other applicable standards whenever possible. The wood and wood-based materials that are used in our developments must come from legal sources and be FSC<sup>4</sup> or PEFC<sup>5</sup> certified whenever possible. The policy of the investor and the general contractor is to identify, promote, and influence decision-making processes regarding the selection of more durable materials while considering the full life cycle cost.

## WASTE

GRI: 3-3 306, 306-1

According to GRI Standards, inputs means any type of material that has been input in the organization and used by it to create any type of waste, which had actual and potential impact on the environment, society and economy. In the Cavatina Holding Group, these are primarily construction inputs (e.g., wood, steel), office operations inputs (e.g., paper) and other inputs (e.g., company car tires).

During the construction and operation of buildings, we generate construction and municipal waste, some of which is recycled. For example,

steel is remelted and wood is recovered for further use. Most of the waste we generate comes from construction and finishing work, and the amount of waste we generate depends on the number of projects underway at any given time and how advanced they are. During construction work, debris, waste soil and water dirt are produced.

At the office usage stage, we generate: household waste, waste associated with the use of cars, municipal wastewater and waste associated with printing on paper.

<sup>2</sup> FSC stands for Forest Stewardship Council. It is an international not-for-profit organization which sets standards for responsible forestry, taking into consideration social, ecological and economic aspects.

<sup>3</sup> PEFC is an acronym standing for Programme for the Endorsement of Forest Certification Schemes. It is an independent non-governmental non-profit organization whose major aim is to promote sustainable forestry by certification performed by independent entities.



In offices, we use coffee in capsules made of aluminum. By recycling 3,000 capsules a month, we are reducing our negative impact on the environment. They return to the aluminum value chain, where they are used in a number of products, such as car engines, bicycles, computers, cans for carbonated drinks and even new pods. We also reuse waste coffee to produce nutrient-rich compost or green energy.

#### GRI: 306-2

Thanks to the implementation of a sustainable procurement policy as well as appropriate planning, procurement and logistics processes we optimize the quantity of ordered materials and reduce waste generation in our business activity. We require the same from our business partners. The investor and the general contractor are required to source materials that can later be reused or recycled and to reduce the environmental impact of our projects. Every delivered material is checked for declaration of conformity and performance, hygienic approvals and certificates. This is the responsibility of the As-Built Documentation Department, which follows internal procedures. We believe that such measures may encourage other companies to implement best practices like that and therefore have an impact on the industry as a whole.

Construction materials and structural elements used to build our investment projects are selected so as to be quickly and easily replaceable if needed, e.g. when an element is worn out. External walls are made of glass panels and claddings which may be easily replaced with other panels without interference in the structure of the building. We make elements of each story on the basis of modular and panel systems which can be freely arranged and replaced.

While doing finishing works for interiors of buildings, we select products of renowned brands, which makes it possible to repair and maintain units and appliances. We apply high-quality materials which can be used longer. For example, they include tiles with high abrasion resistance

that can be polished, claddings with washable surfaces or prefabricated stairs. In our investment projects, we also try to use recycled materials and products, e.g. floors made from secondary raw materials or ceilings made of recycled stuff.

We make efforts to avoid exposure of users, including employees, to potentially toxic or hazardous materials. The investor and the general contractor are required to source and use non-toxic materials, or if that is not possible, to consider less hazardous materials. Caring for the health of our employees and subcontractors as well as for the environment, we choose materials emitting low levels of volatile organic compounds (VOC<sup>6</sup>).

In order to limit the amount of waste generated and at the same time to reduce its impact on the environment, we require general contractors and any subcontractors working at construction sites to follow the Waste Management Program we have developed. In line with those documents, they are required to manage materials and waste so as to limit their consumption and minimize the amount of residual waste sent for disposal.

We treat waste generated by us in a responsible way. At the stage of construction, we make efforts to sort collected waste, which allows for decreasing disposal costs and reducing the amount of mixed waste in storage locations. All waste is transferred to containers for waste provided by external companies. Then, the containers are collected, transported and processed by external companies which operate in compliance with the laws on entries to the BDO (Database on Products, Packaging and Waste Management) registry issued by Province Governors (Marshals).

One of our objectives is to increase the amount of generated construction waste which is sorted. From 2025, at construction sites, we will carry out separate waste collection.

<sup>6</sup> VOC is a group of organic air pollutants with distinctive properties. First of all, they easily vaporize, becoming vapours or gases. They make up a complex mixture of gases containing coal as well as atoms of oxygen, hydrogen, fluorine, chlorine, sulfur, nitrogen, bromine.

On construction sites we also perform activities in the area of circular economy. An example may be reuse of soil and earth from excavation and brick rubble from demolition for resurfacing.

Steel and wood is handed over to external companies which recycle them. All pallets on which construction materials are delivered are returned to suppliers.

After completing a construction project, we determine the benefits achieved due to the implementation of the Construction Waste Management Program, e.g.:

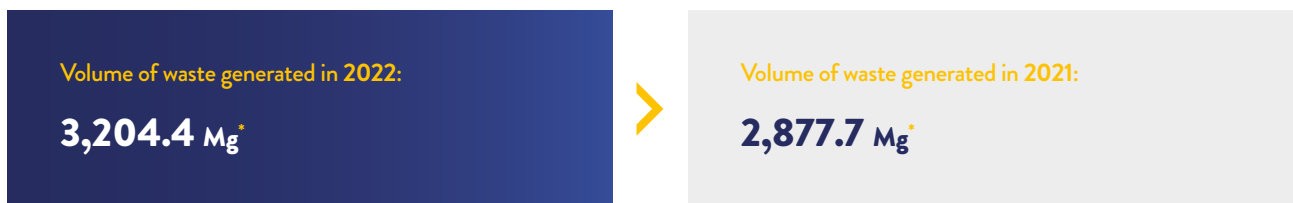
- | by how much the volume of generated waste was reduced,
- | by how much the amount of construction waste was reduced due to precisely calculated material requirements (e.g. the number of tiles is calculated on a per module basis).

In our view, applying the waste hierarchy is of key importance to the investor's and the general contractor's approach to waste management, particularly in order to reduce the amount of waste generated. In that respect, an important role is also played by specific activities within the supply chain, which includes designing products in standard sizes, controlling packaging, managing deliveries properly, preventing damage, and offering various options for taking back and reusing products.

The data presented in the study come from waste records maintained on the basis of waste handover cards (KPO) issued in the BDO system and prepared in compliance with the Waste Management Act.

**GRI: 306-3**

**WASTE GENERATED**



\* Mg = metric ton

The greater amount of generated waste compared to 2021 follows from a higher number of square meters of surface area at the stage of interior design for the needs of tenants. **In 2022, no hazardous waste was generated as part of our operations.**





**Table 4.**
**BREAKDOWN OF WEIGHT OF WASTE GENERATED BASED ON COMPOSITION**

WASTE CODES	TYPE OF WASTE	MG
17 09 04	Mixed construction, renovation and disassembly waste other than mentioned in 17 09 01, 17 09 02 and 17 09 03	2,586.2
17 01 01	Concrete waste and concrete rubble from demolition and refurbishment work	266.7
17 01 07	Mixed concrete, brick rubble, ceramic materials waste and fittings elements other than mentioned in 17 01 06	130.9
17 02 01	Lumber	111.1
17 01 02	Crushed bricks	8.0
17 04 05	Iron and steel	42.3
17 02 03	Plastics	59.0
16 02 14	Discarded equipment other than that mentioned in 16 02 09 to 16 02 13	0.2

Data derived from annual reports submitted through the BDO (Database on Products, Packaging and Waste Management) system to the marshall's offices.

**WSE: E-S6**

We comply with all the duties resulting from provisions of the construction laws and other laws in force, in particular as a waste-generating entity, we operate in compliance with the Waste Management Act.

## WATER

**GRI: 3-3 303, 303-1, 303-5**

**WSE: E-S4, E-S3**

**We approach water resources in a responsible way and we try to minimize water consumption in our buildings.**

We use water resources based on water permits, and in accordance with their requirements, we monitor our impact on the resources on an ongoing basis. As a result of construction projects, we change the level of groundwater in the land plots but we perform work in compliance with the Construction Law and good engineering practice.

Water is supplied by third party suppliers who are responsible for its quality standards. Our buildings fulfill the technical requirements for water systems<sup>7</sup> to avoid replication of Legionella bacteria. Water in HVAC systems is treated in water treatment plants. Water from the construction

sites is discharged to stormwater drainage or combined sewer system in accordance with the water permit issued for the specific development.

We identify our impact on water by performing life cycle assessment (LCA) for each investment project. We have also conducted analyses of current demand for consumption and use of water in view of the needs of technological and social processes.

We maintain records of water consumption and amount of wastewater (municipal wastewater from the administrative parts and employee lounges) in all the Group companies. We do not conduct activity in areas affected by water shortages.

<sup>7</sup> Regulation of the Minister of Health of 22 April 2005 on biological factors in the workplace that are hazardous to health and the protection of employees exposed to these factors; Regulation of the Minister of Health of 13 November 2015 on the quality of potable water; technical requirements for water and HVAC systems to avoid replication of Legionella bacteria, COBRITI Instal, Book 11. Warsaw, October 2005.

CONSUMPTION OF WATER



Data based on the documentation of Cavatina Holding S.A. Data refer to water consumption during construction.

\* megaliters

Lower water consumption in 2022 compared to water consumption the year before results from a lower number of square meters of space under construction.

**Water in our operations is mainly consumed during construction works, including for:**

- | setting the mix in the processes of concreting, bricklaying and plastering,
- | concrete maintenance in summer to ensure a correct cement hydration in order to guarantee the designed resistance parameters.
- | installation rinsing.

In addition, we use water for domestic purposes. In compliance with prevailing provisions of law, we use runoff holding tanks. We store water for fire purposes and we capture runoff water.

Water is also used by our tenants. To minimize its consumption, we apply appropriate solutions including, water-saving fittings, water leakage detection systems, and rain sensors and soil moisture sensors for optimum management of watering the greenery in the vicinity of our investments. Furthermore, we are analyzing the possibility of using runoff water to water the greenery. In order to clean water in our buildings, we install oil derivative and fat separators.

**GRI: 303-2**

We satisfy all the Polish, European and international standards required by law regarding wastewater quality and tests of water quality.

**Before transporting wastewater to the drainage system, it is cleaned in oil derivative and fat separators.**





## BIODIVERSITY

### GRI: 3-3 304, 304-2

Works associated with the completion of our projects are carried out in compliance with law in such a manner and at such times so as to minimize the adverse impact on the flora and fauna habitats existing in the area of the investment and in its immediate vicinity, e.g:

- | tree felling is done by us outside the breeding season,
- | we eliminate discharge of hazardous and oil-derived substances into the soil in the area of the construction site and administration and storage facilities<sup>8</sup>.

In 2022, none of our construction sites were protected areas or habitat of protected species. Areas of our investments, due to their location in urban areas, are usually of low ecological value.

When preparing for the execution of a project, the ecologist we cooperate with takes a number of actions, such as the following:

- | identifying natural habitat types and mapping them;
- | drafting a botanical inventory for particular habitats to determine the number of species in the area, with particular attention to naturally occurring protected species;
- | determining potential occurrence of animal species based on habitat types;
- | verifying animal presence in the area of the planned project;
- | identifying threats to biodiversity within and around the investment during construction.

<sup>8</sup> Machines are supplemented only at specific sites designed for them. In the event of mass transports, the responsibility rests with the carrier.

At the stage of project performance, we make recommendations to improve biodiversity due to which:

- | we establish within the site ecologically and biologically active areas with high biodiversity providing additional living space for a variety of animal species; reduce the negative heat balance of the site; improve the site microclimate and increase its water retention capacity;
- | we may increase biodiversity of species of avifauna and entomofauna within a given investment.

### GRI: 304-3

Before acquiring land, we analyze in detail the risk that claims for damages may arise and the potential obligation to cover remediation costs. We are currently developing three construction projects on land where historical contamination of the land surface has been identified. These are the following projects: WIMA Widzewska Manufaktura in Łódź, the Palio Office Park in Gdańsk and Grundmanna Office Park in Katowice. Development in these areas required that plans for remediation of historically contaminated land surfaces be established and a decision to this effect be issued by the regional director of environmental protection.

# GREEN CERTIFICATES

**OWN INDICATOR:**

*Certified buildings in the real property portfolio*

We want to make sure that our buildings are friendly to both the users and the environment and this is why we develop in accordance with the principles of sustainable construction. We apply a number of technical solutions which allow for using our investment projects in a sustainable manner. These include solutions that minimize energy consumption and improve energy efficiency of an investment as well as optimize office space management, providing tenants with access to complete space plans, possibility of registration at reception desk, conference rooms management and available parking spaces.

Our developments meet high standards as regards materials used, energy efficiency, water consumption and application of other solutions limiting the adverse impact on the environment. This is confirmed by BREEAM (one of the most well-known international environmental certification systems) environmental certification at Excellent and Outstanding levels granted to all the projects which have been completed by us to date. To achieve high certification levels requires very good marks in all categories – from location and transportation accessibility, through the water and energy saving solutions, to the application of materials obtained from legal and local sources, holding appropriate environmental certificates.

**As of 31 December 2022, our investment portfolio included 15 certified buildings. They made up 100% of the portfolio value of the Group's real properties.**





**IN 2022, THREE OF INVESTMENT PROJECTS WERE AWARDED BREEAM CERTIFICATION.**

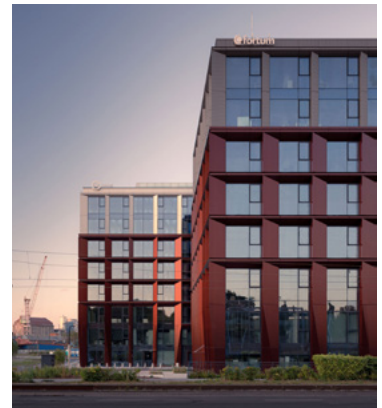


**GLOBAL OFFICE PARK A – OUTSTANDING**

What deserves particular attention are the Global Office Park A office buildings in Katowice, which were awarded BREEAM certification at the Outstanding level, the highest possible. To be awarded the Outstanding level requires fulfillment of at least 85% of the requirements. The buildings received the highest marks in the category of water management and saving and the category of ecology and space utilization. Our investment project also received very high marks for materials used and energy efficiency of solutions.

**PALIO OFFICE PARK B – EXCELLENT**

BREEAM certification at the Excellent level was received by Palio Office Park B, the second office building of the Gdańsk project, which is being built where a shipyard used to be. In the certification process, the office building was awarded the highest mark for water management solutions. It was also highly assessed for, among others, energy efficiency, materials used and provision of healthy conditions conducive to well-being of residents.



**QUORUM OFFICE PARK D – EXCELLENT**

BREEAM certification at the Outstanding level was also awarded to Quorum Office Park D, which is the first completed facility in the Wrocław mixed-use complex. The building received the highest marks for water saving solutions, use of materials which are safe for health and environment, location and accessibility of many different means of transport.



**Tomasz Zydorek**  
Leasing Director,  
Cavatina Holding.

” The high marks in the BREEAM certification resulted from our consistent policy used while designing and building each of our investment projects. We verify new solutions and opportunities on an ongoing basis to constantly raise the quality of offered facilities. The responsibility for the environment and pro-social and culture-forming measures are an important element of our activity.

# CLIMATE RISKS AND OPPORTUNITIES

GRI: 3-3 201, 201-2

WE HAVE IDENTIFIED RISKS AND ADVANTAGES RESULTING FROM CLIMATE CHANGE, WHICH MAY AFFECT OUR ACTIVITY OR INCURRED COSTS. WE WILL ADJUST THE SOLUTIONS TO THE SPECIAL CHARACTER OF INVESTMENTS PERFORMED BY US.

**Table 5.**  
**FINANCIAL IMPLICATIONS, RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE**

## 1. RISK: INUNDATIONS

### RISK DESCRIPTION

Increased load on the building's rainwater system, including drainage of spaces around the building and its roof, and increased exposure of a facade to rainwater (due to increased rainfall).

### IN WHAT WAY DOES THE RISK AFFECT THE ORGANIZATION

This may affect durability of the building structure, weather resistance of the building, and durability of the materials used. Too much rainwater in the sewer system can cause inundations and reduce durability of the building structure. Excessive rainfall can lead to dampness of a building envelope.

### FINANCIAL CONSEQUENCES OF THE RISK BEFORE THE ORGANIZATION TAKES ACTION

**High:** High impact on financial issues.

### RISK MANAGEMENT METHODS

Emergency drainage systems in the form of e.g. storm overflows were used in the designs to ensure drainage of rainwater in case of disturbance of the main system and retention tank.

## 2. RISK: TEMPERATURE

### RISK DESCRIPTION

Deterioration of indoor thermal comfort due to increased daily heat gains for a building (due to increased air temperature)

### IN WHAT WAY DOES THE RISK AFFECT THE ORGANIZATION

This may affect health and safety of users. Incorrectly selected heat transfer coefficients may pose a threat to comfort of a building's users. Maximum allowable indoor conditions must not exceed the values specified in thermal comfort analysis for a facility.

### FINANCIAL CONSEQUENCES OF THE RISK BEFORE THE ORGANIZATION TAKES ACTION

**Medium:** Medium impact on financial issues.

### RISK MANAGEMENT METHODS

A maximum allowable heat transfer coefficient (U) for the building envelope is assumed in the designs. To calculate the capacity of the cooling system in a building, a higher outdoor temperature is assumed: +32°C or more.

### 3. RISK: WIND

#### RISK DESCRIPTION

Increased exposure of facades to extreme events, including windstorms and strong winds.

#### IN WHAT WAY DOES THE RISK AFFECT THE ORGANIZATION

This may affect the building structure (facade stability) and safety of users.

Facade of a designed building will be exposed to strong winds. Its elements may be damaged or torn off and users and other people present in the vicinity of a building will also be exposed.

#### FINANCIAL CONSEQUENCES OF THE RISK BEFORE THE ORGANIZATION TAKES ACTION

**High:** High impact on financial issues.

#### RISK MANAGEMENT METHODS

Any exterior elements that could be detached during high winds and pose a hazard to users were eliminated in the designs.

### 4. RISK: AIR POLLUTION

#### RISK DESCRIPTION

In spite of educational and prevention efforts of local authorities to tackle air pollution, measures must be put in place to improve air quality in a designed facility.

#### IN WHAT WAY DOES THE RISK AFFECT THE ORGANIZATION

All users and visitors of a building will be exposed to harmful effects of polluted air. Air pollution also leads to pollution of watercourses and soil.

#### FINANCIAL CONSEQUENCES OF THE RISK BEFORE THE ORGANIZATION TAKES ACTION

**Low:** Low impact on financial issues.

#### RISK MANAGEMENT METHODS

Solutions implemented in projects:

- ▮ avoiding natural ventilation (opening windows) in winter,
- ▮ use of filters of F7 class or higher in the air handling units,
- ▮ local air purifiers,
- ▮ use of plants with air-purifying properties in offices.

At present, the Group has no system in place to calculate financial effects or to forecast revenues connected with climate change. The Group Management Board monitors on an ongoing basis all the aspects of the companies' activity with regard to profitability of investments. These measures are aimed to help make decisions which take into consideration both risks and opportunities in a short-term and long-term perspective.

#### WSE: E-P3

We have identified risks associated with transition to a low-carbon economy, including technological risks. Technological risks motivate us to further development and we treat them as challenges and opportunities to create additional competitive advantages.

At present, the Group has no formalized risk management procedure. The Group Management Board monitors on an ongoing basis all the aspects of the companies' activity in terms of potential threats or opportunities. On an ongoing basis, we carefully observe and analyze the changing legal, market and social environment. Due to this, we are able to make decisions which take into consideration both risks and opportunities in a short-term and long-term perspective.

What we perceive as an opportunity in connection with the identification of climate change scenarios is intensification of the implemented direction towards the Group's carbon neutrality and transition to a low carbon economy in a medium-term perspective and to zero emissions in a long-term outlook.

Issues connected with climate risks and opportunities are taken into consideration at the strategic level in planning investments and decision-making processes. These issues have also been key elements in managing risks and opportunities in the entire organization. In response to the risk of higher environmental requirements resulting from the tightening of the European Union's climate policy, we have taken the following measures:

- | we are going to introduce the Group's Environmental Policy;
- | we conduct business activity whose impact on the environment complies with the sustainable development principles;
- | we aim to manage water resources in the best possible way;
- | we actively seek technical and organizational solutions to minimize the impact on business activity on climate change.

In response to the identified opportunity connected with more possibilities of investing in renewable energy sources, we have taken the following measures:

- | we conduct business activity whose impact on the climate complies with the sustainable development principles;
- | we are optimizing and increasing capital expenditures for sustainable activity and low carbon or carbon neutral investments;
- | tenants of other office buildings may change their decisions and lease our office space if competitors are less environmentally friendly;
- | due to a reputation of a company which cares about climate, it may be easier for us to retain tenants and win new ones as well as obtain financing.







## INTERVIEW WITH **AGNIESZKA SEWERYN**

**ESG & SUSTAINABILITY MANAGER,  
CAVATINA GROUP**

### ” WHAT CONCLUSIONS HAVE YOU DRAWN WHILE WORKING ON THE FIRST REPORT AND AFTER ITS PUBLICATION?

Due to the first sustainability report of the Cavatina Holding Group, published in 2022, we were able to summarize and present to our stakeholders the full scope of conducted activities. And this refers not only to the environmental area, which is strongly associated with real estate development but also to the social area, which is of particular importance to us and expanded in our activity. In a longer perspective, non-financial reporting, making it possible to compare data from one year to the next, will provide our stakeholders with the opportunity to verify and assess the company's activity more easily and in more reliably. I believe that this is important for all the groups of stakeholders, including participants of the financial market. It is beyond doubt that non-financial data are becoming increasingly important in the eyes of investors and after some time, it may be comparable to purely financial factors.

### ” WHAT ARE THE BIGGEST CHALLENGES IN ESG AREAS IN REAL ESTATE DEVELOPMENT NOW?

The real estate sector is recognising more and more the growing importance of ESG most often in the context of the necessity to reduce the sector's environmental footprint. The sector strongly focuses on activities in this area because there is still a lot to do. On the other hand, the most mature and market-conscious players are also trying to have a positive impact on local communities, integrate people, and create spaces that develop the entire urban ecosystem, instead of focusing only on individual functions of buildings. Those projects that actually have a city-forming and cultural impact and at the same time support the green transformation of the real estate market can be considered really good investment projects.

### ” WHAT ARE THE NEW SUSTAINABILITY GOALS OF CAVATINA HOLDING GROUP FOR 2023?

Our goal for 2023 is to become ready to implement the decarbonization strategy.

We will also continue and expand our pro-social and cultural activities through the activities of the Fiducia Foundation, responsible for initiatives such as Cavatina Hall, Cavatina Studio and Cavatina Film Production. We are proud of the work we have been doing for local communities over the years. We leverage our influence on the evolution of the urban fabric in a positive way and seek to adapt it to the needs of the residents, inter alia through completion of sophisticated mixed-use investment projects. However, our activities go beyond the basic responsibilities of a developer. For many years, we have been actively implementing the concept of the so-called extended social responsibility – we have been active in areas related to education, health, culture and arts.

### ” IS ESG A KEY ISSUE DRIVING THE CHANGES WITHIN THE COMPANY?

Definitely. The issues of sustainability and our role in the community or relations with employees and business partners shape our company policies to a large extent. They are also one of the key drivers of the need for further optimization, just as much as technological, economic and social issues. Given the present rate of technology development, the pursuit of developer investments that comply with the highest standards of sustainability requires constant monitoring of the market and adjustment of processes to the current opportunities. We have already developed a number of solutions to support us in this endeavor, such as a system facilitating the continuous search for new construction materials that improve building insulation, as well as a system for monitoring the market for installation solutions. We have also developed a solution to modify ventilation costs when employees are away from the offices which has proven very useful. We are satisfied that we already have a track record of tangible successes, which is confirmed by our investments regularly receiving environmental certifications and awards, but at the same time we do not forget that we still need and want to grow.



## **CORPORATE SOCIAL RESPONSIBILITY**

# CORPORATE SOCIAL RESPONSIBILITY IS IMPORTANT TO US

THE PROPERTY INDUSTRY SHAPES OUR ENVIRONMENT LIKE NO OTHER, SO WE FEEL THAT OUR SOCIAL RESPONSIBILITY AS A DEVELOPER IS SUBSTANTIAL.

We have a significant impact on the functionality and appearance of public spaces. We endeavor to use it to create socially beneficial trends that meet the expectations of city users and our tenants with respect to sustainable design and project development account being taken

of the sustainability principles. In our core business, we always strive to take into account the needs of the users of our buildings and local communities and create space for them to continue to grow.

## WE HAVE BEEN CONSISTENTLY IMPLEMENTING THE UN SUSTAINABLE DEVELOPMENT GOALS IN EVERY AREA OF OUR BUSINESS



### GOOD HEALTH AND QUALITY OF LIFE

#### Tasks implemented in connection with this goal:

- 3.8** Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.
- 3.C** Substantially increase health financing and the recruitment, development, training and retention of the health workforce in developing countries, especially in least developed countries and small island developing States.

#### How are we implementing them?

┌ **All of our buildings have the WELL Health and Safety Rating certification.** It is a guarantee of providing a sense of security and comfort to the occupants, while creating a healthy, ergonomic and friendly working conditions.

┌ **We invest in employee health programs and policies** and in designing and building spaces that help them to stay in good health and care for their well-being.

┌ **The Cavatina Group has established the Globiana medical center, a modern medical center that is adapted to the changing needs of patients,** offering a range of specialized services such as diagnostic tests, laboratory tests and specialist consultations.



## QUALITY EDUCATION

### Tasks implemented in connection with this goal:

- 4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.
- 4.C** By 2030, substantially increase the supply of qualified teachers, including through international cooperation for teacher training in developing countries, especially least developed countries and small island developing states.

### How are we implementing them?

**In collaboration with the Fiducia Foundation, we have established the Holistic Think Tank consisting of experts focused on implementing change in education.** It analyzes the latest developments in educational science and practice, and conducts own empirical

research in school settings. The Holistic Think Tank seeks to answer the question of what modern education is and promotes new ideas and educational methods.



## GENDER EQUALITY

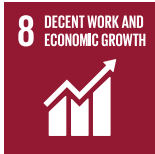
### Tasks implemented in connection with this goal:

- 5.4** Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate.
- 5.5** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic and public life.
- 5.6** Ensure universal access to sexual and reproductive health and reproductive rights as agreed in accordance with the Programme of Action of the International Conference on Population and Development and the Beijing Platform for Action and the outcome documents of their review conferences.
- 5.C** Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

### How are we implementing them?

**We implement our diversity policy** by hiring employees who are diverse in terms of gender, age, work experience, education or cultural background.

**We support infertility treatment:** the Globiana medical center operating within Cavatina Group S.A is a shareholder of Fertility, a state-of-the-art infertility treatment clinic.



## DECENT WORK AND ECONOMIC GROWTH

### Tasks implemented in connection with this goal:

- 8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors.
- 8.3** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small – and medium-sized enterprises, including through access to financial services.
- 8.8** Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

### How are we implementing them?

▮ **In line with the sustainable procurement policy** that general contractors and investors are required to follow, when selecting locations for new investment projects **we take into account**

**the diversity and wide range of suppliers and the availability of their services to optimize the supply chain.**



## INDUSTRIES, INNOVATION AND INFRASTRUCTURE

### Tasks implemented in connection with this goal:

- 9.B** Support domestic technology development, research and innovation in developing countries, including by ensuring a conducive policy environment for, inter alia, industrial diversification and value addition to commodities.

### How are we implementing them?

▮ **Our projects are distinguished by unique and innovative architecture** as well as state-of-the-art construction solutions, as confirmed by numerous awards and prizes in Polish and international competitions.

▮ **We use modern building technical solutions and technological tools** to manage facilities and office space in the best possible manner.



## SUSTAINABLE CITIES AND COMMUNITIES

### Tasks implemented in connection with this goal:

- 11.3** By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.
- 11.6** By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.
- 11.7** By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities.

### How are we implementing them?

▮ **We carry out mixed-use projects**, combining numerous functions in one space, which fits the trend of the fifteen-minute city.

**buildings are accessible to all users of the city** and provide respite from work and the hustle and bustle of the city.

▮ **By designing open spaces for rest and recreation, as well as numerous green areas, we ensure that the surroundings of our**

▮ **We make sure our buildings are accessible to everyone**, including the elderly and those with disabilities.



## PARTNERSHIPS FOR THE GOALS

### Tasks implemented in connection with this goal:

- 17.17** Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships.

### How are we implementing them?

▮ **We engage in initiatives that support local communities, including through:**

- the activity of a recording studio, as well as organization of concerts and events in the modern concert facility, Cavatina Hall, in Bielsko-Biała,
- the culture-forming project Cavatina Film Production dealing with the production and promotion of independent cinema.

▮ **As part of the Holistic Think Tank**, a non profit initiative whose aim is to promote a modern approach to learning and provide schools with reliable solutions to change the way children are taught around the world, **we bring together scientists, researchers and education experts.**

# WE CREATE CITY-FORMING PROJECTS

**OWN INDICATORS:**

Revitalization,  
15-minute city

## WE DEVELOP URBAN SPACE, TAKING SOCIAL NEEDS INTO ACCO

We believe that it is very important that the designs we implement have a convenient location, which is an important factor affecting their attractiveness. This means providing appropriate infrastructure, location in close proximity to residential areas and optimal connectivity of the facilities with other areas of a city where they are being built.

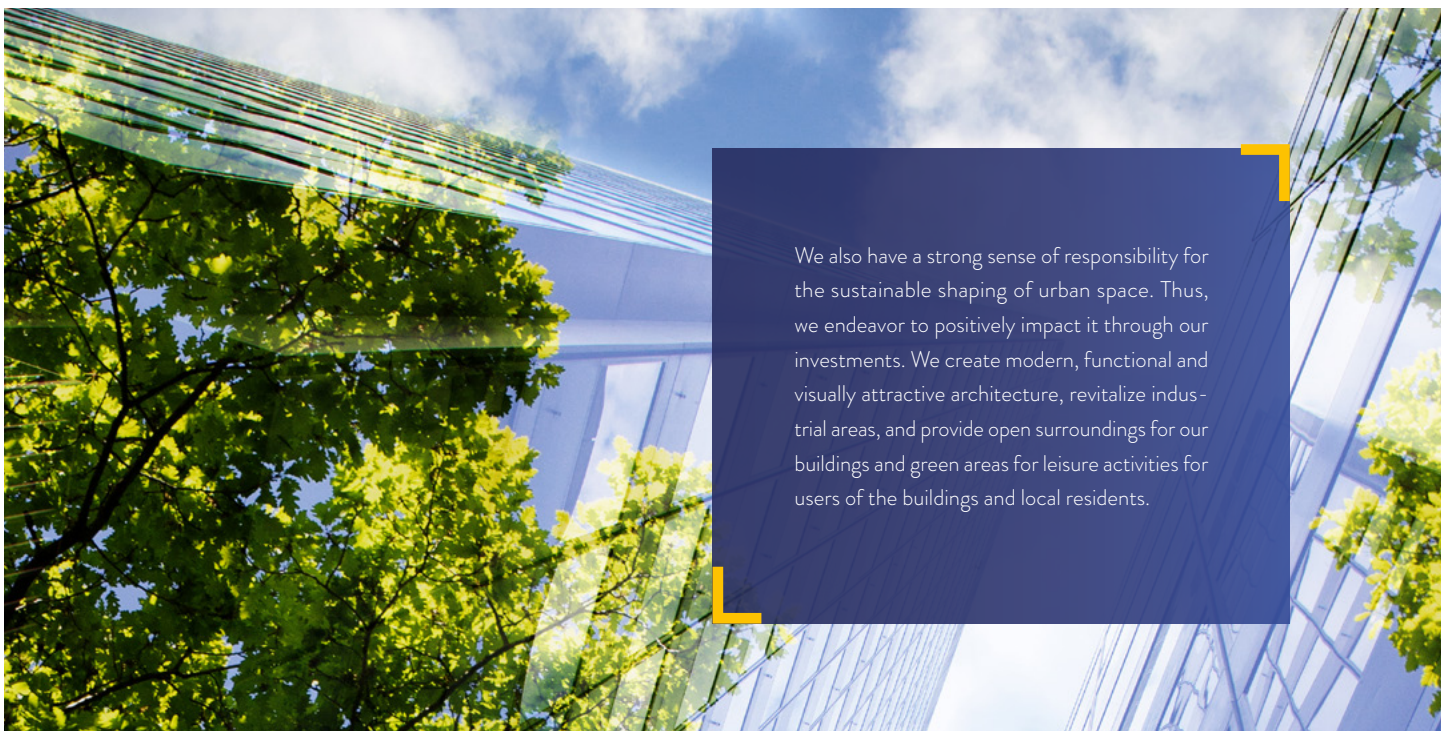
This way, we are satisfying the current needs of the users of our buildings, who appreciate convenient access to the workplace. It saves them time and enhances quality of life. Since we believe that multifunctionality is the future of the real estate development industry, a large part of our portfolio consists of mixed-use projects.



**Rafal Malarz**

President  
Cavatina Holding

” Properties offered by Cavatina Holding, combining various functions, are in line with the 15-minute city concept, i.e. spaces where one can move quickly, often without the use of a car, between work, school, commercial facilities and leisure area. They are located close to public transportation hubs. They transform and complete urban areas with functions that city residents need, including taking care to keep or restore green areas.



We also have a strong sense of responsibility for the sustainable shaping of urban space. Thus, we endeavor to positively impact it through our investments. We create modern, functional and visually attractive architecture, revitalize industrial areas, and provide open surroundings for our buildings and green areas for leisure activities for users of the buildings and local residents.



## GLOBAL OFFICE PARK, KATOWICE

In 2022, we completed two Global Office Park office towers, forming part of a building complex in the center of Katowice. The development, which was built on the site of a former unofficial parking lot, has completely modified the functions of this space. The Global Office Park project consists of office, retail, residential and recreational space (the residential part is being developed by Resi Capital S.A.). The users have easy access to public transportation and the train station as well as extensive infrastructure for cyclists. They can also enjoy a break from work and the hustle and bustle of the city on the green terraces. The towers overlooking the center of Katowice have received BREEAM certification at the Outstanding level, i.e. the highest possible score.



**Tomasz Zydorek**

Leasing Director,  
Cavatina Holding

” Global Office Park is not just an extremely modern and well-designed office building. Above all, it is a mixed-use development open to the city, enriching its infrastructure and supporting the transformation of the center of Katowice.

## QUORUM, WROCLAW

Quorum D in Wrocław is another building we have completed in 2022. The Quorum project will combine modern offices with apartments and a retail and services part (the residential part is developed by Resi Capital S.A.). Approx. 100,000 sq. m. of mixed-use space for work, living and recreation, is being built in the center of the city, along the Oder River. The facility will also serve the residents of Wrocław and tourists as an attractive place to spend free time. On the top floor there will be a viewing terrace, from which one can see not only Wrocław, but also the beautiful panorama of the region. It is currently the largest mixed-use development under construction in Wrocław. Quorum Office Park D, which is the first building to have been completed in the mixed-use complex in Wrocław, received the BREEAM certificate (Excellent) in 2022.



” The Quorum development with its attractive green areas will become a city-forming place that, together with the Oder River boulevards, will enrich the lives of residents and create a space filled with restaurants and cafes with gardens overlooking the river that is perfect for rest and recreation. Quorum has all the advantages that will make it just right to work and live there.



**Patryk Czernik**

Leasing Director,  
Cavatina Holding





## PALIO OFFICE PARK, GDAŃSK

One of our largest mixed-use projects, which at the same time is part of the trend associated with the revitalization of post-industrial urban spaces, in this case port areas, is the Palio in Gdansk. According to the design approved by the voivodship conservation authority, the Young Town will gain a multifunctional space. In addition to office and retail space, there will be places for meetings, sports and relaxation, restaurants and cafes, and green areas. In 2022, we completed Palio Office Park B, the second building within the complex which received BREEAM certification at the Excellent level.

The objectives of this developments are, on the one hand, to fit into the historical image of the Shipyard, and on the other hand, to meet the needs of residents and develop the urban fabric. The plans include the reconstruction of the original road layout and a reference to the shipyard's urban layout with separate zones for various services and activities open to residents.



**Tomasz Zydorek**  
Leasing Director,  
Cavatina Holding

” Our objective was to create a modern, high-tech workspace, while respecting the history and the Gdańsk Shipyard that previously operated here. When designing Palio Office Park, our team of architects took into account strict guidelines for the revitalization options of this area. We work in cooperation with the local government to reinvent the “Młode Miasto” district while keeping the past in mind.

## WIMA WIDZEWSKA MANUFAKTURA, ŁÓDŹ

As part of our contribution to urban redevelopment, in Łódź work is underway on the former factory complex of Widzevska Manufaktura. A mixed-use development will be created in the revitalized four post-factory buildings from the 19th century, housing office, retail and residential space. It will be maintained in the post-industrial atmosphere characteristic of Łódź.



” Cavatina Holding takes a very individual approach to each of its projects, factoring in all specific considerations. The concept for WIMA’s renovation primarily includes the restoration and modernization of the existing post-factory buildings. A 100-year-old park with a fountain will be the heart of the complex, a meeting place and the green core of this development. High-tech class A offices, accompanied by service outlets, will find their place in the former spinning mill, while the buildings of the former twisting and winding mill, where service functions will also be introduced, will be adapted for residential purposes.



**Sylwia Wasilewska**  
Leasing Manager,  
Cavatina Holding

## OFFICE DESIGN

When designing office spaces, we always consider the needs of future tenants and the latest industry trends. Such approach is possible thanks to our flexibility and the Group's own team of architects, who can efficiently prepare proposals for changes in the building under construction at the stage of negotiations.

In our designs, we provide attractive and functional common areas to allow direct interaction between employees, foster the exchange of experiences and encourage creativity. We also pay attention to the availability of green terraces and landscaping around the building.

Our team provides comprehensive services in design, planning and space arrangement (turnkey standard). We offer services tailored to high requirements, ensuring not only cost optimization, but also responsible and efficient management of the entire project. The proposed solutions are tailored to both the space and the organizational culture of the companies, which improves efficiency and comfort of employees.

**As a socially responsible company, we take part in discussions on topics such as urban management or revitalization of post-industrial sites. This way we want to draw public attention to important phenomena, contribute to development of positive social attitudes and change the world in which we live.**



# MISSION OF EXTENDED CORPORATE SOCIAL RESPONSIBILITY

**OWN INDICATORS:**

Social engagement, Fiducia Foundation,  
Company involvement in educational activity,  
Aid to Ukraine

BEST PRACTICE

## WE ARE PURSUING THE MISSION OF EXTENDED CORPORATE SOCIAL RESPONSIBILITY

Social issues have been high on the list of business strategy priorities since the beginning of our operations. The idea of extended corporate social responsibility is particularly important to us which means that our work goes beyond basic thinking about the necessary ESG elements. Consequently, we have the chance to efficiently leverage the deep impact that we may exert on the environment. We have been active in areas such as education, culture and arts for years.

Our social initiatives significantly exceed industry standards, which distinguishes us from other office developers. We operate holistically and consider various aspects of community functioning in the location where we operate. We stimulate and support their development through well-thought-out diverse charitable activities, sponsorships, and involvement in cultural projects. These are carried out at the corporate level within the Cavatina Holding Group and through entities with which we closely cooperate. One of such independent entities, whose initiatives we support in many fields of activity, is the Fiducia Foundation.

**The activities conducted in 2022 as part of our extended corporate social responsibility include:**

- | supporting the Fiducia Foundation and the activities of the Holistic Think Tank,
- | organization of cultural events in the Cavatina Hall,
- | activities of the Cavatina Studio and Cavatina Film Production,
- | opening the first Globiana medical care facility in Katowice,
- | activities promoting sports within the Cavatina Bike Club,
- | support for the development and maintenance of the Enduro Trails sports center in Bielsko-Biała,
- | organization of the Cavatina Music Camp in Italy,
- | supporting Polish athletes and personalities, including Julia Nowak, a young and talented taekwondo player, and Malgorzata Zdziechowska, a volunteer at wildlife welfare centers,
- | supporting charity projects, including the Noble Package.



The involvement of the Cavatina Holding Group in the specific initiatives in 2022 is described further in this chapter.

## FIDUCIA FOUNDATION

The Fiducia Foundation was established in 2019 and operates with the support of the Cavatina Holding Group, among others.

The Foundation's statutory objectives include scientific, scientific and technical and educational activities, including those involving the education of students.

**These include:**

- | charity activities and socially necessary initiatives,
- | equal opportunities and support for people excluded from social life due to age, gender, social status or unfavorable life circumstances,
- | providing access to culture and arts, education and activation of younger and older people.

**The Foundation achieves its goals by:**

- | extensive aid campaigns intended to support people excluded from social life,
- | research to create new systemic solutions for educating children and youth around the world, providing educational opportunities,
- | interdisciplinary grant programs in education,
- | financial and in-kind support for children and youth in the areas of artistic education, especially music.

The Fiducia Foundation is the official operator of the Cavatina Hall concert hall in Bielsko – Biala. It is Poland's only private concert hall and recording studio that simultaneously combines commercial functions with the promotion of art in a unique and modern mixed-use building. It is also the first building of its kind in this part of Europe.

## CAVATINA HALL – A SYMBOL OF FREEDOM

Music is about emotions. We give them space. At Cavatina Hall, we operate comprehensively, offering audiences exposure to music from all corners of the world in a comfortable space. We are also open to young talents and provide opportunities to pursue interesting ideas. We ourselves are passionate about music and good company, and the Cavatina hall is a place open for everyone.

The combination of commercial and cultural functions is a unique response to the region's demand, contributes to the city's development and increases its attractiveness. When designing the Cavatina Hall, it was our intention to create a space when the audience experiences the highest quality sound and a visual feast, and to create unforgettable memories in a modern and comfortable space.

Its tasks include, inter alia, increasing access to culture and the arts for both local residents and tourists visiting the city. When implementing these tasks, we particularly wish to provide such opportunities to people with difficulties in experiencing and receiving art, including those who are excluded (e.g., people with disabilities and lower social and financial status, seniors). We take efforts to integrate them into society and enable cultural education.

In 2022, the Cavatina Hall concert hall saw performances of, among others, Grzegorz Turnau, Krzysztof Zalewski, Miuosh and Śląsk ensemble presenting the "Pieśni Współczesne" project, World Orchestra Grzech Piotrowski, Sanah, Ralph Kamiński as well as many other Polish and foreign artists.



**Sebastian Suchodolski**

Head of Leasing,  
Cavatina Holding

” Cavatina Hall is an excellent example of a mixed-use development that fits well into the urban space, addresses the expectations of the local community, and enhances the attractiveness of the region. Every town has the potential for such a project to run successfully. The crucial element is to identify what is missing in a given place and design such an investment project in accordance with the actual needs of future users.



**CAVATINA HALL**  
IN 2022 IN NUMBERS

> **60**

CONCERTS

ATTENDED BY

**50**

THOUSAND  
PEOPLE

**6**

PRESTIGIOUS  
AWARDS

**CAVATINA STUDIO**



**CAVATINA  
STUDIO**

In 2016, we established the Cavatina Non-Profit Studio in Bielsko-Biała with a mission to support talented musicians at the beginning of their careers. We are now advancing this idea through the Cavatina Studio, which is located in the Cavatina Hall and has been designed for professional sound recording.

The director's booth, equipped with cutting edge technology solutions and connected directly to the concert hall provides the possibility to broadcast concerts, ensuring high quality of sound. Five studio

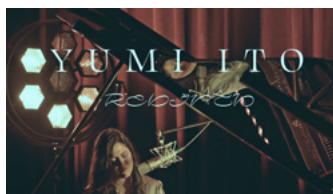
rooms, including the largest live-room in this part of Europe with an area of almost 130 sq. m., allow artists and large music groups to make recordings.

The studio also operates on a nonprofit basis, with the objective of recording and promoting the work of young independent artists. Thanks to expert support and professional technical facilities, aspiring musicians and singers can record their music free of charge. The results of this cooperation are, among others, music releases, music videos and "live session" recordings, the production costs of which are fully covered by the Cavatina Studio. The Studio also organizes concerts, meetings and free of charge training and workshops for musicians.

**THE CAVATINA STUDIO IN 2022**

**Work completed:**

- └ audio post-production for the "Kurierka" movie,
- └ "live session" Yumi Ito and Highlander Project,
- └ a recording session of the Beethoven Academy Orchestra – "Symphony of Three: Peace, Love, Tolerance" by Ihab Darwish, David Shire and John Debney.



**Albums:**

- | “Norwid”, Kasia Pietrzko Trio feat. Maciej Kądziała and Andrzej Chyra,
- | “Homeland”, Piotr Budniak Essential Group,
- | Apostolis Anthimos Trio,
- | “Żyj kolorowo”, The Sound Pack & Yarosh Organ Trio,
- | Sebastian Zawadzki Trio,
- | Robert Świstelnicki,
- | Chojnacki/Migula Contemplation,
- | Anna Kijanowska,
- | carols sang by the Choir of the University of Silesia (Cieszyn Branch),
- | Alessio Zucca,
- | Grzegorz Ziółko,
- | Highlander Project.



In 2022, a special project entitled “Cavatina Friends” was launched with a view to creating 12 pieces with the participation of local musicians under the direction of Krzysztof Maciejowski, a composer, arranger and multi-instrumentalist. It will be finished with a concert at the Cavatina Hall in June 2023.



**CAVATINA FILM PRODUCTION**

At Cavatina Film Production, we complement sound with image. We support filmmakers and produce and promote independent cinema. In 2022 we worked on “Bejbis” directed by Andrzej Saramonowicz, and “Illusion” by Marta Minorowicz.



## HOLISTIC THINK TANK FOR EDUCATION

In 2021, we established the Holistic Think Tank (HTT) as part of the Cavatina Holding and the Fiducia Foundation. This non profit initiative brings together scientists, researchers and education experts. Its aim is to promote a modern approach to learning and provide schools and teachers with reliable solutions to change the way children are taught around the world. To achieve this, HTT conducts its own research in the school environment and relies on the support and experience of experts to prepare original educational materials and model lesson scenarios. The primary objective is to introduce new learning methods into schools through the implementation of the Interdisciplinary

School Subject (IDS), an approach through which children – using soft and social skills – will learn how to integrate knowledge gained in the classroom with out-of-school reality. The next step will be to design a textbook that will meet the requirements of educational institutions.

The essential ideas of the interdisciplinary approach to teaching we promote have been described by Holistic Think Tank researchers as part of the “What Schools Should Teach” list of values and guide the organization’s activities.

### FOLLOWING OUR MISSION STATEMENT, THE OBJECTIVE OF A GOOD EDUCATION SHOULD BE TO DEVELOP TEN KEY SKILLS EMBEDDED IN HUMANISTIC VALUES TO PREPARE STUDENTS FOR LIFE IN A CHANGING WORLD.



#### ADAPTABILITY

Ability to be able to relate to changing conditions and contexts, especially with the increasing development of systems based on artificial intelligence and Industry 4.0.



#### CURIOSITY

Curiosity regarding the world and its multi-level complexity, openness to other people. Positive attitude towards learning and new experiences while maintaining critical thinking and rational analysis of sources.



#### SENSE OF COMMUNITY

An active and conscious mindset of belonging to the community, the ability to take responsibility for others. Acting in keeping with democratic values, as well as justice and social responsibility.



#### SELF CARE

Taking care of one’s physical, mental and emotional health. Ability to recognize and name emotions and mental states. Habit of observing one’s body and recognizing and responding to its signals.



#### AGENCY

Entrepreneurial and proactive attitude, ability to take initiative and act thoughtfully and effectively. Knowledge of basic economic tools and ability to make informed financial decisions.



#### CIVILIZATION AND CULTURE

Aesthetic sense. Sensitivity to art and its informed reception. Respect for the heritage of civilizations and cultures. Ability to recognize and read codes and symbols and develop one’s own creativity.



#### CONCERN FOR NATURE

Respect and humility in relation to nature, understanding the relationships between various ecosystems. Awareness of climate change and willingness to act for the environment and the well-being of the planet.



#### HUMANITY

Proactive efforts for the future not only of one’s own, but of humanity as a whole. Morals and ethics rooted in humanistic values. Respect for others and their self-determination.



#### COMMUNICATION

Ability to efficiently communicate one’s thoughts and needs, verbally and non-verbally, and with respect for others. Understanding signals of interlocutors. Language culture.



#### TRUST AND HOPE

Optimism and belief in a better future and awareness of joint responsibility for creating it. Ability to build trust at all levels of interaction, from daily life, to community activities, to trust in institutions and systems.

**SINCE THE BEGINNING OF 2022 UNTIL THE PUBLICATION OF THIS REPORT WE HAVE TAKEN THE FOLLOWING ACTIONS AS PART OF THE DEVELOPMENT OF THE INTERDISCIPLINARY SCHOOL SUBJECT (IDS):**

**1.** We conducted **empirical research to discern universal educational needs of children** in elementary schools all over the world. The HTT team of researchers developed research tools and performed a phenomenographic research in 19 schools in ten countries (Kenya, Zimbabwe, South Korea, the Philippines, the US, Poland, South Africa, the Emirates, Lebanon and Brazil), searching for answers to the question: what do contemporary elementary schools teach, and what they should teach.

The **summary report** and **materials presenting the results of empirical works in individual countries** are available on the HTT website.

**2.** We started **cooperation with foreign research centers in the field of education research** to develop the scientific concept of the Interdisciplinary School Subject (IDS). For this purpose, HTT funded the first edition of the grant program (USD 300,000) granted to three educational institutions:

[ School of Education – The University of Sheffield (UK),  
School of Education,

[ Human Restoration Project (USA) Human Restoration,  
Human Restoration Project,

[ The Fab Foundation (USA) The Fab Foundation,  
The Fab Foundation.

Scientific studies of the concept of the Interdisciplinary School Subject (IDS) along with a library of lesson plans and other teaching tools are available on the HTT website.

**3.** During the first **HTT Summit 2023** that was held at Ohio State University, Columbus, we summarized the first cycle of research grants awarded by the Holistic Think Tank. At the event, three scientific studies of the Interdisciplinary School Subject (IDS) concept prepared by HTT grant recipients were presented. A plenary session and group workshops also took place as part of HTT Summit 2023.

**4.** We made a **full-length documentary film, “Good Day”** showing the universal need to change the way schools around the world teach towards holistic education rooted in humanistic values. It can be viewed on YouTube.

[▶ CLICK TO VIEW](#)

**5.** We have established the **Holistic Think Tank Scientific Council** composed of prominent experts in the field of education.

We have launched an open call for the IDS Education Program for teachers who teach Interdisciplinary School Subject. The purpose of the program is to create an open, free library of lesson plans implementing the values of the “What school should teach” list, and to build a community of teachers who want to teach (or are already teaching) in an innovative and interdisciplinary way by developing humanistic attitudes in elementary school students.

We launched **the second cycle of HTT grant program** (USD 150,000) to develop model materials for IDS ambassador teachers and to test the methodology in the spirit of IDS in work with students in schools in Poland, the UK and the US. This time, the funds were granted to two beneficiaries:

**6.** [ School of Education – The University of Sheffield (UK)  
School of Education,

[ Human Restoration Project (USA)  
Human Restoration Project.

**In 2023, we intend to continue work regarding the Interdisciplinary School Subject (IDS) curriculum, including in particular collecting documentation on the first pilot implementations of IDS in school practice, as well as launching a website for teachers providing IDS teaching materials.**



## SUPPORT TO THE BUXTON CENTER FOR BAINBRIDGE PERFORMING ARTS

The Bainbridge Performing Arts (BPA) has been at the heart of the artist community on the Bainbridge island for over 60 years. BPA is a space designed to inspire, educate and entertain through art. From large productions to community get-togethers, it offers artists, actors, musicians, dancers and audiences countless opportunities to create, learn, reflect, move and laugh together.

**Cavatina has always been involved in important initiatives that enable the development of local communities. The company is a contributor to the BPA project and has so far provided it with financial support in the amount of USD 500,000.**



## AID TO UKRAINE

Since the beginning of the war in Ukraine, we have carried out charitable actions to benefit Ukrainian citizens. Primarily, we have provided assistance to families of Ukrainian immigrants with housing and ongoing financial support. Furthermore, we have provided in-kind donations as indicated by the consultant in Ukraine, corresponding to the most current needs.



## NOBLE PACKAGE

In 2022, the Group was involved for another consecutive year in supporting families in need or lonely people as part of the Noble Package initiative organized by the 'Stowarzyszenie Wiosna' Association.

# HEADCOUNT IN THE CAVATINA HOLDING GROUP

The employees are the very heart of the organization and they are the ones who shape it. That is why it is very important for us to provide them with an attractive and friendly workplace in which they can grow. We are committed to diversity in the teams and a good atmosphere, because we believe that this has a great impact on the company

performance and the projects we carry out. The Group employees and workers who are not employees are provided with appropriate working conditions and are entitled to various benefits, such as professional medical care, among others.

GRI: 2-7

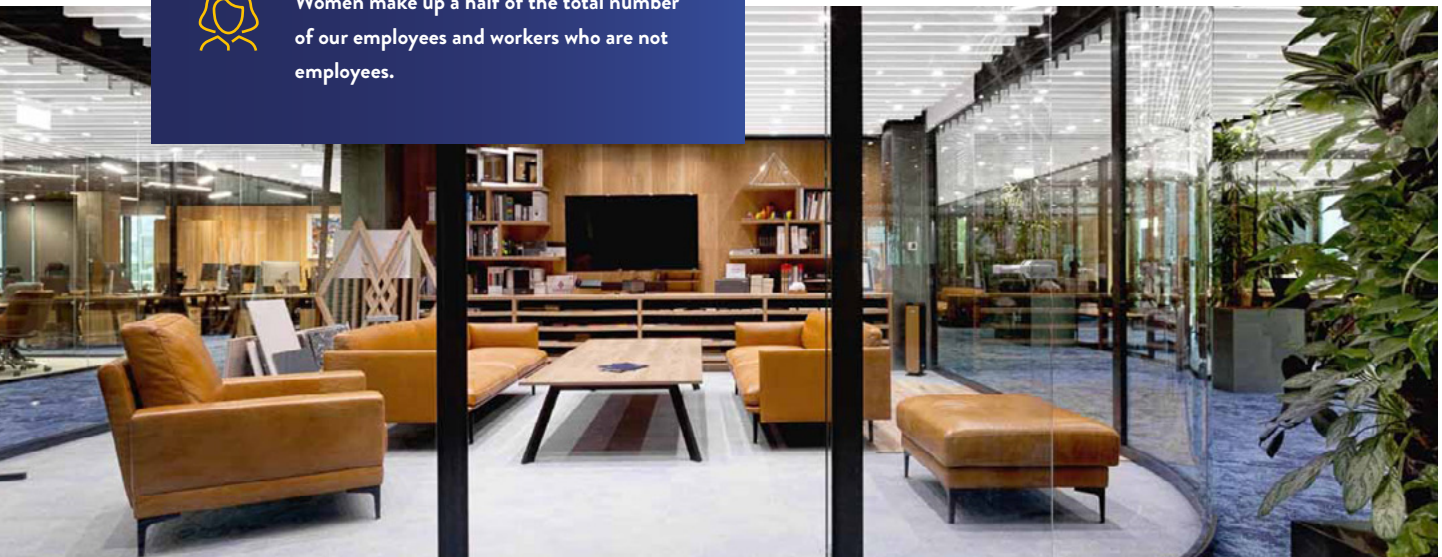
**Table 6.**

## TOTAL NUMBER OF EMPLOYEES AND WORKERS WHO ARE NOT EMPLOYEES BY GENDER AS AT 31.12.2022

NUMBER OF EMPLOYEES AND WORKERS WHO ARE NOT EMPLOYEES BY GENDER	WOMEN	MEN	TOTAL
Number of employees	142	143	<b>285</b>
Number of permanent employees	78	110	<b>188</b>
Number of temporary employees	64	33	<b>97</b>
Number of non-guaranteed hours employees (on-demand employees).	0	0	<b>0</b>
Number of full-time employees	142	142	<b>284</b>
Number of part-time employees	0	1	<b>1</b>



Women make up a half of the total number of our employees and workers who are not employees.



GRI: 2-8

**Table 7.**
**NUMBER OF WORKERS WHO ARE NOT EMPLOYEES BY TYPE OF WORK AS AT 31.12.2022**

TYPE OF WORK	NUMBER OF WORKERS WHO ARE NOT OUR EMPLOYEES	TYPE OF CONTRACT	SEASONALITY OF COOPERATION
Technical and engineering area	110	B2B contract	none
Financial and legal area	24	B2B contract	none
Sales and marketing	20	B2B contract	none
Technical and engineering area	7	mandate contract	none
Financial and legal area	3	mandate contract	none
Sales and marketing	1	mandate contract	none
<b>TOTAL</b>	<b>165</b>		

GRI:401-1

**Table 8.**
**HIRING NEW EMPLOYEES AND WORKERS WHO ARE NOT EMPLOYEES AND EMPLOYEE TURNOVER**
**TOTAL NUMBER AND EMPLOYMENT RATIOS FOR NEW EMPLOYEE AND WORKER HIRES AND EMPLOYEE TURNOVER IN THE REPORTING PERIOD BROKEN DOWN BY AGE AND GENDER**

NUMBER OF NEW EMPLOYEES IN 2022	WOMEN	MEN	TOTAL
under 30 years old	25	17	42
30 to 50 years old	42	57	99
over 50 years old	0	1	1
<b>TOTAL</b>	<b>67</b>	<b>75</b>	<b>142</b>

NEW HIRES IN 2022	WOMEN	MEN	TOTAL
under 30 years old	78%	213%	105%
30 to 50 years old	39%	43%	41%
over 50 years old	0%	100%	50%
<b>TOTAL</b>	<b>47%</b>	<b>52%</b>	<b>50%</b>

NUMBER OF EMPLOYEES IN 2022	WOMEN	MEN	TOTAL
under 30 years old	32	8	40
30 to 50 years old	109	134	243
over 50 years old	1	1	2
<b>TOTAL</b>	<b>142</b>	<b>143</b>	<b>285</b>

**TOTAL NUMBER OF DEPARTURES AND EMPLOYEE TURNOVER FOR EMPLOYEES AND WORKERS IN THE REPORTING PERIOD BROKEN DOWN BY AGE AND GENDER**

NUMBER OF EMPLOYEE DEPARTURES IN 2022	WOMEN	MEN	TOTAL
under 30 years old	6	6	12
30 to 50 years old	19	43	62
over 50 years old	0	1	1
<b>TOTAL</b>	<b>25</b>	<b>50</b>	<b>75</b>

EMPLOYEE TURNOVER RATE IN 2022	WOMEN	MEN	TOTAL
under 30 years old	19%	75%	30%
30 to 50 years old	17%	32%	26%
over 50 years old	0%	100%	50%
<b>TOTAL</b>	<b>18%</b>	<b>35%</b>	<b>26%</b>

WSE: S-P3

<b>33</b>	NUMBER OF EMPLOYEES WHO LEFT VOLUNTARILY <i>in the reporting period</i>	<b>0.12</b>	Voluntary TURNOVER RATE
<b>42</b>	NUMBER OF EMPLOYEES WHO LEFT INVOLUNTARILY <i>in the reporting period</i>	<b>0.15</b>	Involuntary TURNOVER RATE

GRI: 2-19

## COMPENSATION

The Compensation Policy with regard to the Management Board members, adopted by the Supervisory Board, has been in effect in the Cavatina Holding since 2021. The Policy stipulates that they are compensated based on the achievement of their goals, regardless of gender.

### Variable compensation may be paid to members of the Management Board in the form of:

- | subscription warrants with the right to subscribe for the company shares, as provided for in the company Incentive Program,
- | cash benefit granted in accordance with the provisions of the Bonus Program,
- | task-based bonus, i.e. a bonus for the completion of a specific task.

### Within variable remuneration components, the Management Board members may receive task-based bonuses for effective management of environmental issues connected with the Company's operations, including inter alia:

- | managing potential or identified environmental risks associated with the company operations,
- | taking actions to minimize environmental damage caused by the company operations,
- | taking actions to reduce emissions, recycle resources efficiently, replace or reduce the use of environmentally harmful substances in the Company's operations,
- | taking actions aimed to ensure that raw materials used in production come from responsible sources,
- | promoting ecological attitudes among the company clients.

The task-based bonus can be also granted for efficient company management taking into account its corporate social responsibility. This include, inter alia, contributing to the sustainable development of the company (including the health and well-being of its employees which translates into an increase in their commitment to work and more effective performance of their duties), the company's involvement in activities supporting local institutions and individuals, cooperation with local organizations, programs for children and young people.

GRI: 2-2

All Group's employees and workers who are not employees are remunerated based on their respective expertise, experience, education, position and scope of responsibility. Remuneration is differentiated solely on the basis of expertise, skills and quality of work. It is never affected by gender, age or other criteria not related to work.

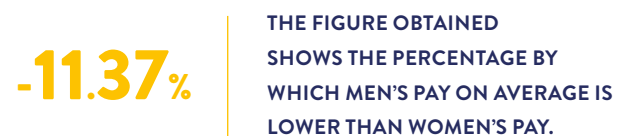
The process of determining remuneration does not involve independent remuneration consultants and is not overseen by members of the governing body or an independent remuneration committee.

GRI: 2-21



WSE: S-P2

## PAY EQUITY RATIO



GRI: 3-3 406, 406-1

No case of discrimination or harassment was found in the Cavatina Holding Group in 2022.

WSE: S-P4

## COLLECTIVE BARGAINING AGREEMENTS

There are no collective bargaining agreements established in the Cavatina Holding Group. At the same time, the Group companies do not restrict the right of employees to organize in any way, and act in this respect in accordance with the applicable laws, including the Labor Code.

# WE CARE ABOUT THE SAFETY, HEALTH AND WELL-BEING OF OUR EMPLOYEES

IT IS OUR PRIORITY TO PROVIDE OUR EMPLOYEES WITH THE HIGHEST POSSIBLE OHS STANDARDS

**GRI: 3-3 403, 403-1, 403-4, 403-5, 403-8**

We are bound by occupational health and safety regulations. All employees and workers who are not employees are covered by the occupational health and safety management system. All newly recruited employees receive general OHS training (conducted by a third-party provider with whom we have worked for many years) and position-specific training. Then periodic training courses are performed on a timely basis as required by the person's position. Workers who are not employees engaged to work at development investments also receive OHS training.

67

**PERSONS**  
**RECEIVED OHS TRAINING**  
**IN 2022**

We strive to ensure that all of our employees follow best health and safety practices on a daily basis. In addition to training, they can contact a health and safety inspector at any time for further information on occupational safety.

**GRI: 403-7**

**Safety is a priority for us.** We are committed to creating safe working conditions, and absolutely require compliance with regulations and internal procedures by both employees and all external contractors for outsourced work.

For each construction project, the Contractor's Environmental Policy has been prepared. The aim of such a policy is to prove that the general contractor took into consideration the environmental impact of the project and measures implemented to prevent and mitigate that impact. The scope of the policy includes safe and adequate access to the construction site and a friendly work environment. Guidelines and advice can be also found in a construction project's rules and regulations and safety and health protection plan.

Construction works are performed in accordance with the Polish occupational health and safety laws and regulations and we comply with all the employer's duties in that regard. OHS inspections are regularly conducted on our construction sites.

Furthermore, we draft a comprehensive report along with a health and safety analysis on a weekly basis. It is presented during weekly industry coordination meetings which include:

- | presentation of conclusions and recommendations based on detailed photographic record from the construction site,
- | discussion of the progress of preparatory works in connection with planned tasks,
- | familiarization of contractors with the scope of tasks to be commenced (threats, adopted protection measures, information on secure manner of performance).

**GRI: 403-3**

The entity with which we cooperate in the field of occupational health and safety performs unannounced inspections of working conditions both in our head office and the branches. **In 2022, the company head office was inspected by the Voivodship Sanitary and Epidemiological Station in Kraków. No irregularities in terms of the working conditions were found.**

In line with the applicable regulations, we provide all employees with initial, follow-up and periodic medical examinations. Workers who are not employees and who work with the company on investment projects also undergo such examinations. **In 2022, four inspections by the National Labor Inspectorate (PIP) took place on our construction sites, during which no deficiencies were found with regard to working conditions, worker safety, required health and safety training and medical examinations.**

Only HR personnel, obliged to maintain confidentiality, have access to all employee health data within the scope related to their work. They also obtained appropriate authorizations with respect to GDPR. Information about the employee health does not affect their career in the Group.

**GRI: 403-2 WSE: S-S1**

The Cavatina Holding Group performs assessment of vocational risk on individual positions. Such risks are reviewed by the OHS services on an ongoing basis. Thanks to our responsible approach to safety, in 2022, we did not record any accidents at work, especially on construction sites, involving the employees and workers who are not employees of the Group companies.

GRI: 403-9

## WORK-RELATED INJURIES IN THE CAVATINA HOLDING GROUP IN 2022

0

NUMBER OF FATALITIES AS A RESULT OF WORK-RELATED INJURY

NUMBER AND RATE OF HIGH-CONSEQUENCE WORK-RELATED INJURIES

NUMBER AND RATE OF WORK-RELATED INJURIES

GRI: 403-10

## WORK-RELATED ILL HEALTH IN THE CAVATINA HOLDING GROUP IN 2022

At every stage of construction, there are real hazards to workers, such as the dangers of working at height, using construction equipment, risk of loss of stability of structures and objects on site. These are described in the risk assessment for each position. In order to minimize the risk of these hazards, employees and workers who are not employees are provided with health and safety training to raise their awareness of hazards, know how to react in a given situation, and take greater care of their safety on the construction site. Thanks to the measures taken, we have not recorded any injuries or accidents at work in the Group.

0

NUMBER OF FATALITIES AS A RESULT OF ILL HEALTH RELATED TO WORK

NUMBER OF WORK-RELATED DISORDERS THAT CAN BE REPORTED



# WE TAKE CARE OF OUR EMPLOYEES

IT IS THANKS TO THE COMMITMENT AND RESPONSIBILITY OF EMPLOYEES THAT THE CAVATINA HOLDING GROUP CAN CONTINUE TO GROW. THE EMPLOYEE HEALTH AND WELL-BEING HAS A DIRECT IMPACT ON THE COMPANY.

The main health promotion goals implemented among our employees include:

- | investing in programs and policies that support the overall health and well-being of employees,
- | ensuring access to professional medical care,
- | obtaining the WELL Health and Safety Rating,
- | aligning health and wellness initiatives with the company culture,
- | promotion of healthy lifestyles, private health care and cards allowing access to sports and recreation facilities.

## WE PROVIDE OUR EMPLOYEES WITH A WIDE RANGE OF BENEFITS

Non-wage benefits that we offer our employees are an important part of the Group's culture. Although their scope depends on seniority and position, they cover all employees. They can benefit from private medical care, a medical support fund, or various types of training, including those related to their work, in soft skills or foreign languages. We also offer Christmas gifts, team-building events and trips, and events for children.

We promote the well-being of employees and workers who are not employees by encouraging physical activity. They and their families can use sports cards that give access to sports facilities all over the country. The Group finances sport cards for those interested in physical activity.

In addition, as part of the Cavatina Bike Club, which exists in the Cavatina Group, our employees and workers who are not employees can participate in bicycle trips and rallies, and in winter, in ski trips both in Poland and abroad. Upon individual requests, we provide financial support to employees and workers who are not employees engaged in other sports to achieve specific targets.

## WE PROMOTE OUR EMPLOYEES' HEALTH

GRI: 403-6

All our employees and workers who are not employees, together with their closest family members (partners, children), are entitled to take out private medical insurance the total cost of which is covered by the company. The medical care package includes access to physicians of all specializations, outpatient and specialist tests, as well as rehabilitation and physiotherapy. The entity that we cooperate with provides medical care in the whole of Poland, in numerous own and partner facilities, so that access to such care is not limited based on the place of residence.

We have established the medical support fund for the benefit of our employees, workers who are not employees and their family members. Every person in the organization is entitled to use it, irrespective of seniority and employment agreement type. Its purpose is to ensure financial support in case of an illness, including reimbursement of expenses for paid tests, access to specialists, medication and medical supplies as well as rehabilitation.





## GLOBIANA MEDICAL CENTER

In an effort to create state-of-the-art medical centers that are adapted to the changing needs of patients, the Cavatina Group has established the Globiana medical center, offering a range of services such as diagnostic tests, laboratory tests and specialist consultations. The Group's employees can use Globiana services on preferential terms. In 2022, we opened the first medical facility in Katowice. Its objective is to improve the quality of medical care in the region.

Globiana is committed to sustainability and a responsible and ethical approach to business. It promotes diversity in the workplace. Globiana follows the "less waste" principle, introducing solutions that reduce waste generation and eliminate paper consumption in favor of digital solutions. The company also engages in many social activities, including involvement in community projects, workshops and specialized training. Transparent and responsible management is a core feature of the company's business philosophy.

Globiana is also an equity shareholder in the Fertilita clinic, which specializes in restoring and preserving fertility in young women at risk of infertility related to cancer treatment or affected by primary ovarian insufficiency. The Fertilita clinic uses an innovative procedure to retrieve normal egg cells from stem cells of ovarian tissue, giving hope of motherhood to patients for whom traditional treatment methods are

**43** | **SPECIALIST PHYSICIANS**  
as at the end of 2022

**13** | **State-of-the-art**  
**MEDICAL ROOMS**

**HIGH-TECH EQUIPMENT,**  
including an innovative MRI scanner

**UNIQUE, SOOTHING INTERIORS,**  
that help to reduce patients' stress

insufficient. The procedures used at the clinic prevent the three main problems associated with conventional IVF techniques: oncogenic risks associated with estrogen hyperstimulation, low birth rates in young women affected by primary ovarian insufficiency, and formation of genetically damaged embryos.

## WELL HEALTH AND SAFETY RATING

We consider it very important to make sure that our buildings conform to the highest standards of cleanliness, which were further tightened during the pandemic. We value safety and health of our employees and all of those who use our buildings.

Obtaining the WELL Health and Safety Rating for all the buildings in our portfolio confirms our serious approach to quality. It is the cutting-edge safety standard developed by the renowned International WELL Building Institute (IWBI) based on the guidelines from the World Health Organization (WHO). The standards developed as a result of the requirements imposed by the pandemic guarantees safety and assurance that the designers took care to ensure the highest possible quality of air and water supply systems and that the building satisfies the strict standards of cleaning and disinfection of all spaces.

In addition, the buildings are equipped with contactless hand sanitizer dispensers, touchless flush toilets, baskets and toilet paper dispensers. We provide personal protective equipment, including face masks, gloves and disinfectants and disinfection lamps. Procedures of conduct (e.g. designation of areas accessible only to couriers, food suppliers and visitors) make it possible to improve privacy and comfort at work.

In an effort to inform our employees and tenants, we are distributing the "Guide for beWELL! tenants" with a view to clarifying the cleaning and disinfection procedures, crisis preparedness plan, health aspects, water and air quality management, as well as the issues of engagement building and efficient communication.

**In 2022, three of our investments received the WELL Health and Safety Rating certificate: the Global Office Park office towers in Katowice, Palio Office Park B in Gdańsk, and Quorum D in Wrocław.**



# GOVERNANCE

# WE CONDUCT OUR BUSINESS RESPONSIBLY

GRI: 2-23 WSE: S-P5

OWN INDICATOR: Methods of checking subcontractors and verifying whether human rights are not violated



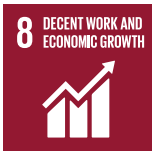
Rafał Malarz

President  
Cavatina Holding

“ We believe that by developing a corporate culture based on the idea of sustainable governance, we will strengthen our position as one of the largest developers of office space in Poland.



## A MISSION OF SUSTAINABLE GOVERNANCE



### DECENT WORKS AND ECONOMIC GROWTH

#### Tasks implemented in connection with this goal:

- 8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors.
- 8.3** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small – and medium-sized enterprises, including through access to financial services.
- 8.8** Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

#### How are we implementing them?

“ We have been developing a diversity policy which is reflected in both our business operations and the hiring policy. Our team is composed of employees who are diverse in terms of gender, age, work experience, education or cultural background.



## CLIMATE ACTION

### Tasks implemented in connection with this goal:

- 13.2 Integrate climate change measures into national policies, strategies and planning.
- 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

### How are we implementing them?

「 **We perform our investments with respect for the environment and with future generations in mind.** We take actions to counteract negative impacts of the economy on the natural environment. We are making changes to enable effective waste management and to reduce energy consumption and CO<sub>2</sub> emissions. In pursuing our sustainability goals, we work with contractors who are aware of environmental requirements.



## SUSTAINABLE CONSUMPTION AND PRODUCTION

### Tasks implemented in connection with this goal:

- 12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.
- 12.7 Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

### How are we implementing them?

「 **We focus on the development of our investment portfolio based on the highest standards of “green” construction, i.e. construction of office spaces holding BREEAM certification.** It is one of the most widely used methods for assessing the environmental performance of buildings in Europe, and satisfaction of its high standards makes it possible to reduce the costs of usage of properties, reduce their adverse environmental impact and create a place friendly for users and conducive to their health. During the evaluation procedure, aspects such as environment and ecology, energy efficiency, local infrastructure and convenience of use, among others, are taken into account.



As one of the leaders of the Polish market of commercial real estate, we are convinced that our company must developed based on a sustainable approach to governance. We develop our relations, both corporate, and with investors, with due diligence. We consider ethics and accountability to be among the fundamental principles of doing business. We adhere to them in relations with both our business partners and our employees and workers who are not employees.

Cavatina Holding S.A was established in 2017. It has been listed on the Warsaw Stock Exchange since 2021.

On 10 January 2022, the Polish Financial Supervision Authority approved the prospectus for Cavatina Holding S.A.’s bond issuance program. Transactions are executed in the form of public issues, and bonds are listed on the WSE. As part of the 2022 issue program, the following bonds went on the Catalyst market: 3.5-year P2022A series bonds, 3.5-year P2022B series bonds, 3.5-year P2022C series bonds and 3.5-year P2022D series bonds<sup>1</sup>.

As a public company, we also operate on the basis of regulations for the operation of the capital market, including the Act on Public Offerings, Act on Trading in Financial Instruments and MAR.

We apply the principles of corporate governance contained in the set of “Good Practices of Companies Listed on the WSE 2021.” We comply with the Articles of Association, internal regulations and procedures which are available to every employee of our organization in HR newsletters.

**THE SYSTEM OF RULES AND PRACTICES APPLICABLE WITHIN THE CAVATINA GROUP CONSISTS OF:**



equal treatment and promotion of diversity in the workplace



occupational health and safety



compliance with social coexistence standards



protecting and safeguarding confidential information



countering corruption and violations of law

<sup>1</sup> Further information on the public issue of bonds can be found on Cavatina website, under the BONDS tab.

## CORPORATE RESPONSIBILITY POLICY

### GRI: 2-6 WSE G-P3

The Cavatina Group’s corporate responsibility policy takes into account due diligence in carrying out its commitments. The due diligence policy obligations apply especially to our contracts with business partners. These contracts contain appropriate anti-corruption clauses requiring the parties to exercise due diligence and comply with all applicable anti-corruption laws issued by authorized bodies in Poland and in the European Union.

Business partners acknowledge that they will comply with all of our applicable requirements and internal regulations that establish standards for ethical conduct, anti-corruption, lawful accounting of transactions, costs and expenses, conflicts of interest, giving and receiving gifts.

### GRI: 2-26

To strengthen the control system, we established a Whistleblowing procedure to report any irregularities via e-mail.

### GRI: 2-23

In pursuing our corporate responsibility policy we apply the precautionary principles. They involve taking measures that will mitigate or prevent potential negative impacts of our operations. The Cavatina Group applies the precautionary principles in areas such as health and safety, but mostly in relation to environment protection. It is our guiding principle whenever we look for and select land for our investments. We conduct an analysis of attractiveness in business terms and of the legal status. We analyze in detail the risk that claims for damages may arise and the potential obligation to cover remediation costs. Further information on remediation can be found in the “Environment” chapter.

## HUMAN RIGHTS POLICY

### GRI: 2-23 WSE: S-P5, S-P6

We consider respect for human rights to be a fundamental issue, therefore we take actions to implement the human rights policy. It is our objective to make sure these principles are complied with by our suppliers and business partners. We are aware that our decisions and choices are key to conduct business focused on the highest ethical standards. That is why observance of human rights is crucial, especially at the stage of establishment of our supply chain. We want it to be based on good practice and in line with the sustainability standards. We have implemented regulations to ensure responsible supply chain management, including procurement guidelines and contractor selection procedures. With respect to risks in this area, the provisions of our contracts always provide for the possibility of termination in the event of serious violations.

### Own indicator: Methods of checking subcontractors and verifying whether human rights are not violated

The Sustainable Procurement Policy is one of appendices to contracts with subcontractors. It defines the company position as regards the respect for human rights. This Policy applies from the conception stage until the completion of the construction stage. It is compliant with all the national and EU laws related to labor. We expect our partners and suppliers to comply with fair employment policies and to act in accordance with the law. Each time, our subcontractors submit statements on compliance with all the applicable internal requirements and regulations.

We strive to continuously improve respect for human rights and awareness of acting for the benefit of a better perception of applicable standards in this respect. All our employees have been trained in the area of human rights policies, with special focus on procedures relevant to our activity.

We are committed to making the communication of these aspects to both employees and our stakeholders accessible, understandable and valuable, as well as one of the elements of building positive relationships. The company identifies and removes potential barriers related to informing about the obligations, for example by making them available in relevant foreign languages. The obligations resulting from the corporate responsibility policy are overseen by the Management Board, which directly supervises the Group’s work and holds periodic meetings to control the team’s work in this regard.

The Cavatina Group does not have in place a separate human rights policy document specifying in detail the company’s position on respect for human rights. The applicable standards and legal norms are governed by internal regulations and procedures. The policy obligations pertain equally to the Group’s operations and its business relationships.

**GRI: 2-23, 2-24, 2-25**

Since the floatation on the Warsaw Stock Exchange in 2021, we have been consistently implementing **“Standards recommended for compliance management system in respect of anti-corruption and whistleblower protection system in companies listed on the Warsaw Stock Exchange markets.”**

In line with the recommendations of the document, the implementation of anti-corruption procedures in the Cavatina Group – compliance risk and corruption risk management – is supervised by the Compliance Officer, i.e. a director who reports directly to the Management Board.

The Compliance management system is in place to identify and manage risks of non-compliance with the law, Group’s internal regulations and generally applicable practices and ethical standards.

The Group’s internal documents are a declaration to propagate and promote compliance, ethical activities and explicitly reject corruption. Employees are familiar with the content of the documents and the values expressed therein and undertake to apply them.

We are committed to complying with generally applicable anti-corruption laws. The Cavatina Group has in place transparent procedures for reviewing and approving costs and expenses, and for engaging with third parties: intermediaries, agents, subcontractors and suppliers. Every material contract, including contracts with our subcontractors, includes anti-corruption clauses. Implementation of the above procedures makes it possible to exclude the risk of occurrence of mechanisms for granting benefits using the Group’s assets.

In 2022, the Cavatina Group did not report any complaints or incidents that required corrective processes.

At present, stakeholders are not involved in the development and review of the Group’s internal mechanisms. So far, no need to engage them has occurred in the Group’s history.

**GRI: 2-25 WSE: G-P4**

The Cavatina Group has in place an internal whistleblowing system (violations of laws, procedures and ethical standards). Irregularities may be reported anonymously, via a dedicated e-mail address.

It is available not only to our employees, but also to other stakeholders. The procedures implemented at the Cavatina Group provide the opportunity to report irregularities anonymously and without worrying about negative consequences. There is also a log in place in which any reports concerning potential cases of corruption are recorded. No such cases were reported in 2022.

Our stakeholders can seek advice regarding the implementation of policies and practices related to responsible business via e-mail. Moreover, after the publication of periodic financial reports, the Cavatina Group holds regular meetings with stakeholders, where the Management Board directly answers questions concerning the system for submitting questions and concerns related to responsible business.

We strive to ensure that the communication channels include information of key importance from the stakeholders’ perspective and enable quick and direct contact.

We are committed to protecting personal data and maintaining professional secrecy by means of, inter alia, the work of a data protection officer.



# CAVATINA HOLDING S.A.'S GOVERNING BODIES AND CORPORATE GOVERNANCE PRINCIPLES

GRI: 2-9, 2-10, 2-11 WSE: G-P1

THE CORPORATE BODY MANAGING THE ACTIVITIES OF THE CAVATINA GROUP IS THE MANAGEMENT BOARD OF CAVATINA HOLDING S.A. HEADED BY THE PRESIDENT OF THE MANAGEMENT BOARD. HE IS ALSO A SENIOR MANAGER IN THE ORGANIZATION, PERFORMING THE FUNCTION OF CORPORATE GOVERNANCE HEAD.

As of 1 February 2022, the Management Board of Cavatina Holding S.A. is composed of three members. The joint term of office of the Management Board members expires on 31 December 2027.

## MANAGEMENT BOARD OF CAVATINA HOLDING S.A.



**Rafał Malarz**  
President of  
the Management  
Board



**Daniel Draga**  
Vice-President of  
the Management  
Board



**Szymon Będkowski**  
Management  
Board Member

Further information on the Group Management Board is provided on the Cavatina Holding Group's website, under the ABOUT US tab and in the "Consolidated annual report for 2022" [ir.cavatina.pl/en/financial-statements/financial-statements/](https://ir.cavatina.pl/en/financial-statements/financial-statements/)

The scope of powers, rules for appointment and dismissal of members and operating rules of the Management Board are defined by provisions of the Commercial Company Code, provisions of the Articles of Association and the Management Board Bylaws. To achieve the highest standards of the performance of duties by the company's Management Board and ensure their effective performance, only persons having appropriate competences, skills and experience are appointed as members of the Management Board.

GRI: 2-10

The criteria for appointing the members of the Cavatina Group include, inter alia:

- | opinions from stakeholders, including shareholders,
- | impartiality and independence,
- | expertise related to the market, specialization and location of the organization.

In the Cavatina Group, there is an **Audit Committee** operating within the Supervisory Board. It is composed of three members, most of whom meet the criteria for independence set out in the Act on Statutory Auditors. Two members have knowledge and skills in accounting and auditing financial statements and one has knowledge in the industry in which the Company operates. The Committee's responsibilities include, among others, monitoring the financial reporting process and the effectiveness of internal control systems and risk management as well as internal audit systems.

The **Supervisory Board** is a supervisory body which exercises permanent supervision over the Cavatina Group's activity in all areas of its operations. The number of Supervisory Board members in a given term is defined by the Shareholder Meeting by way of a resolution. The term of office of the Supervisory Board members is joint and lasts five years.

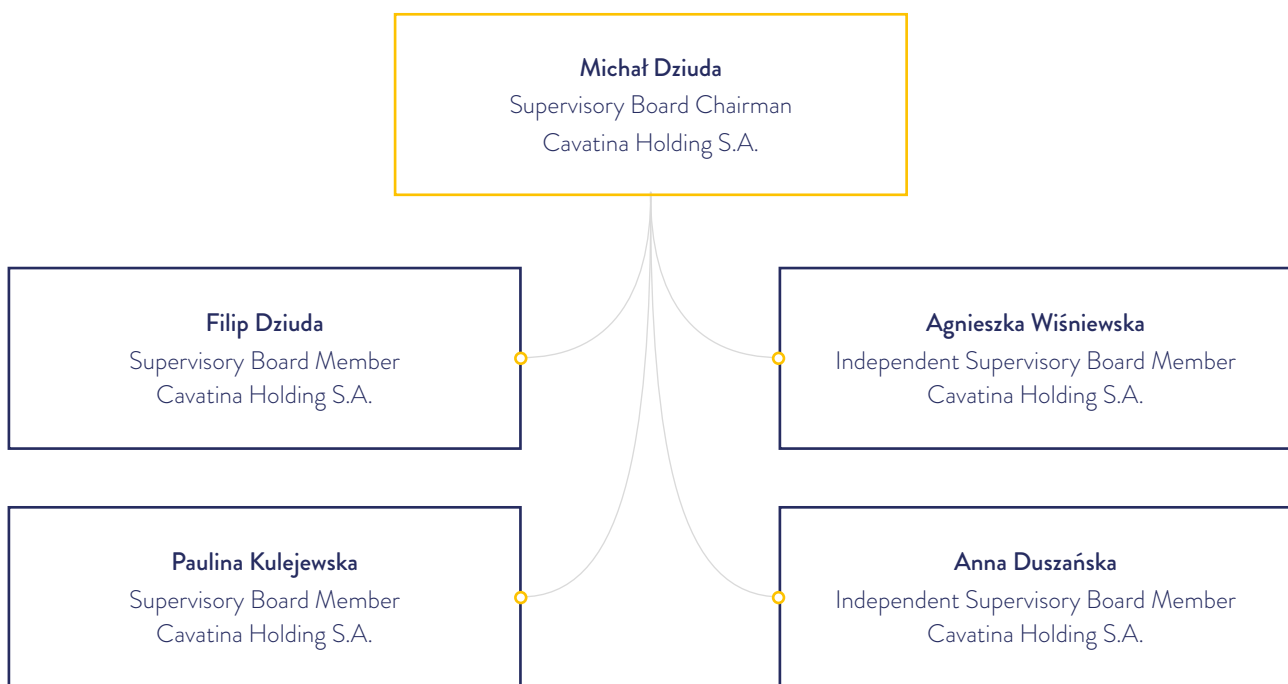


Two members of the Cavatina Holding Group’s Supervisory Board meet the independence criterion.

The rights and obligations of the Cavatina Group bodies, including the Supervisory Board, are governed by the Group’s Articles of Association. In particular, the Supervisory Board gives its opinion on the Group’s strategy and verifies the work of the Management Board with respect to achieving the set strategic objectives, as well as monitors the results achieved by the Group.

The representatives of the Cavatina Group Supervisory Board were appointed for a joint term that will end on 31 December 2025. Further information on the Group Supervisory Board is provided on the Cavatina Holding Group’s website, under the ABOUT US tab and in the “Consolidated annual report for 2022.”

## SUPERVISORY BOARD COMPOSITION AS OF 31 DECEMBER 2022



**Table 9.**

NUMBER OF MEMBERS OF THE MANAGEMENT BODY IN SPECIFIC CATEGORIES	WOMEN	MEN	TOTAL
managers/persons in executive positions	3	6	9
persons not in executive positions	0	2	2
impartial persons, independent of the organization	2	0	2
representatives of social minorities (e.g., ethnic, religious, people with disabilities)	0	0	0
shareholders	0	0	0
<b>Total</b>	<b>5</b>	<b>8</b>	<b>13</b>

**GRI: 2-12, 2-18**

The ESG team headed by a manager is responsible for the entire range of activities concerning the development, approval, and updating of the Cavatina Group’s sustainability goals and strategies. It consists of specialists in managing the sustainable processes, including: investment, environmental, social and corporate governance. The team has been continuously improving its expertise. They make sure that the best standards are complied with throughout the entire life of an investment project.

The work of the ESG team is directly supervised by the Management Board of the Cavatina Group, which holds regular meetings to review the work of the team in terms of activities related to the organization’s economic, environmental and social impact.

We feel responsible for the quality of life and supporting the development of communities especially in the cities where we develop investment projects. When defining the directions for our projects we put special emphasis of the city-forming role of our investments, i.e. mixed-use developments. We believe that the right, carefully considered selection of functions can become a catalyst for positive change in a given area.

We operate holistically and look at various aspects of community functioning in these locations.

We stimulate and support their development through well-thought-out, diverse charitable activities, sponsorships, and cultural projects. These are carried out at the corporate level within the Cavatina Group and through entities with which we closely cooperate. One of such independent entities, whose initiatives we support in many fields of

activity, is the Fiducia Foundation. Further information on its operations in 2022 can be found in the “Society” chapter.

The efficiency of the Management Board’s oversight over the implementation of activities related to the organization’s economic, environmental and social impact is reviewed at least once a year. The activities of the Cavatina Group Management Board – including in terms of the organization’s impact on the economy, environment and people – are evaluated by the Supervisory Board, which establishes new guidelines or indicates activities to which special attention should be paid.

The Supervisory Board defines the tasks of the Management Board, including environmental objectives to be achieved by the Cavatina Group:

- | **taking actions to reduce emissions, recycle resources efficiently,** replace or reduce the use of environmentally harmful substances in the Cavatina Group’s operations,
- | **taking actions aimed to ensure that raw materials used in production come from responsible sources and promoting ecological attitudes** among the Cavatina Group’s domestic and foreign clients,
- | **contributing to the sustainable development of the Cavatina Group, including the health and well-being of the Group’s employees and workers who are not employees,** which translates into an increase in their commitment to work and more effective performance of their duties,
- | **managing the Company in a manner compliant with all corporate governance rules** applicable at the Warsaw Stock Exchange.





**GRI: 2-13, 2-14, 2-24**

The Management Board of Cavatina Holding Group S.A. engages third party providers with expertise and experience in specific environmental issues which helps optimize work in the areas related to the Cavatina Group’s impact on the economy, environment and people.

Both senior and middle management members have been appointed to manage corporate responsibility in selected areas. They periodically report on the performance of the goals related to the organization’s impact on the economy, environment and people directly to the Management Board during periodic review meetings.

The Management Board of the Cavatina Group is actively involved in the drafting of sustainability report. They have a say in the identification of significant topics for reporting. The Group has already developed mechanisms related to standardized non-financial reporting. The Management Board has also defined the milestones to be achieved in the upcoming years.

We exercise due diligence in carrying out each of our responsible business policy commitments, both as part of our business operations and relationships. In the Cavatina Group, the responsibility for the performance of obligations is distributed at various levels of the organization, including the Management Board, senior officers and operational levels.

The Cavatina Group does not organize training on the implementation of obligations under the CRS policy.

**GRI: 2-17**

Formalizing the business strategy encompassing the ESG issues is one of the Cavatina Group’s priorities. In addition to business objectives, the Cavatina Group focuses on the aspects of positive impact on the communities and the environment, urban space and sustainable development. A dedicated ESG team headed by a manager is responsible for the performance of these milestones within the Group. The team is composed of specialists in sustainable management of investment, environmental, social and corporate governance processes. The team has been continuously improving its expertise in the full operational scope. They make sure that the best standards are complied with throughout the entire life of an investment project. The work of the ESG team is supervised directly by the Cavatina Group Management Board.

# WE BUILD VALUE BY ACTING ETHICALLY

**GRI: 2-27**

AS A PUBLIC COMPANY LISTED ON THE WARSAW STOCK EXCHANGE WE ARE SUBJECT TO SUPERVISION BY THE POLISH FINANCIAL SUPERVISION AUTHORITY.

We are committed to ensuring that our operations comply with the law in various areas, which is why we have implemented many internal regulations dedicated to, among other things, protecting and safeguarding confidential information and preventing corruption, discrimination and harassment. We also have in place an internal procedure for anonymous reporting of potential violations of the law and ethical standards (whistleblowing).

**GRI: 2-15, 2-16, 3-3 205, 205-3 WSE: G-P2**

The Cavatina Group has implemented processes to prevent the occurrence of conflicts of interest relating to governing bodies, as well as to mitigate their effects should they arise.

The Cavatina Group's Management Board and the Supervisory Board members avoid undertaking professional or non-professional activities that could lead to a conflict of interest. In accordance with the internal rules of procedure, if any conflict of interest arises the management or supervisory body member fulfils is obliged to immediately inform the other members thereof and refrain from taking part in discussions or voting on matters to which the conflict of interest relates.

A Supervisory Board member is obliged to promptly inform the Management Board on any relationship with a shareholder who holds Company's shares representing no less than 5% of all votes at the Shareholder Meeting. This obligation applies to economic, family, or other relationships that may have an impact on a Supervisory Board member's position with respect to a matter considered by it.

The following information is presented to the stakeholders:

- | shares held in companies that are suppliers to the Cavatina Group or in other entities being the organization's stakeholders,
- | controlling shareholders,
- | related entities: their relations, transactions and overdue payments.

In accordance with the Cavatina Group's policy, information on critical incidents is reported to the governing body.

In 2022:

- | no critical events occurred,
- | no incidents of corruption were confirmed,
- | no public corruption lawsuits were filed against the Cavatina Group or its employees,
- | we did not identify any cases of non-compliance of our operations with the law or generally accepted principles of social coexistence,
- | during the on-boarding, all employees and members of the management and supervisory bodies were informed about the Company's policies,
- | we did not identify any substantiated complaints regarding our operations or complaints concerning breaches of customer privacy and loss of customer data.

We comply with the applicable regulations related to taxes and social security. Every salary, all benefits and other perks received by employees are lawful, properly charged and accounted for and reported.

The Cavatina Group does not have in place a separate anti-corruption policy document. Yet, since the floatation on the Warsaw Stock Exchange in July 2021, we have been consistently implementing "Standards recommended for compliance management system in respect of anti-corruption and whistleblower protection system in companies listed on the Warsaw Stock Exchange markets." Also, we include an anti-corruption clause in our contracts with business partners. An e-mail address has been available to report irregularities: [sygnalista@cavatina.pl](mailto:sygnalista@cavatina.pl).

In the development of the Cavatina Group, we put great emphasis on respecting the sustainability principles, including the environmental dimension. This is demonstrated, among other things, by special concern as regards the quality of our supply chain. It consists of suppliers of material and service providers, including consultants and subcontractors, who perform work at construction sites. The contractors range from large companies to sole proprietors. We make every effort to cooperate with verified subcontractors who declare respect for human rights, employee rights and who apply high ethical standards.

It is of utmost importance for the Cavatina Group to build business relations on a local basis and properly manage cooperation with service and product suppliers.

**GRI: 3-3 204, 204-1**

We support the domestic market and local economies by creating jobs and choosing Polish suppliers. **99% of suppliers are registered in Poland.** Outside the country, we only purchase materials that are not available in Poland or whose availability is limited.

We have implemented regulations to ensure responsible supply chain management, including procurement guidelines, contractor selection procedures, and guidelines regarding the content and form of as-built documentation of buildings.

We are a leading developer of office space in Poland. Due to the scale and complexity of our projects we cooperate on a regular basis with many third parties providing construction, assembly and finishing services. Based on many years of experience and know-how developed by the Group's engineering staff, we divide each project into approximately one hundred standardized and precisely defined budget items. For this purpose, we hire entities specializing in the execution of such works. A narrow specialization of subcontractors is aimed to achieve, among other things, the best quality and to optimize costs. We are independently responsible for purchases of key construction materials, whereas subcontractors are responsible for materials which are of lesser value and do not affect the design and visual effects.

Our Central Procurement Department is constantly looking for new suppliers, products and replacements, so we can be sure to order materials at the optimum price and high quality at all times.

At every stage of execution, our engineering staff at the construction site supervises the quality and correctness of work performed, takes care of the proper use of materials, ensures their correct storage and controls materials management. Materials are each time checked by qualified employees to exclude cases of assembly of elements not allowed for sale, incompatible with the project or lacking the appropriate quality documentation.

**THE CAVATINA GROUP HAS IN PLACE THE SUSTAINABLE PROCUREMENT PLAN.**

The adoption and consistent use of such procurement model ensures, among other things:

- | optimization of the costs of materials thanks to a large scale of orders and diversification of suppliers of materials necessary for the work in individual projects carried out by various subcontractors,
- | an optimum value for money of the materials purchased,
- | competitive business terms.





## ABOUT THE REPORT

# APPROACH TO REPORTING

GRI: 2-3, 2-4, 2-5, 3-1, 3-2

THIS REPORT IS THE SECOND PUBLICATION BY THE CAVATINA HOLDING GROUP PRESENTING ITS ACTIVITIES REGARDING SOCIAL, ENVIRONMENTAL AND CORPORATE GOVERNANCE ISSUES.

The report presents data for the period from 1 January to 31 December 2022. The content of the publication has been reviewed and approved by the Management Board of the Cavatina Holding Group.

The report has been prepared on the basis of guidelines contained in GRI Universal Standards and the ESG Reporting Standards of the Stock Exchange. The report has not been externally reviewed. The Group intends to continue publishing sustainability reports on an annual basis.

## DETERMINATION OF MATERIAL TOPICS

The selection of material topics was preceded by a several-stage analysis of internal documentation, an analysis of the macroeconomic situation, the market environment and an analysis of Polish and foreign industry reports. The proposed material topics were discussed with external stakeholders, who gave weight to each topic and had the opportunity to add other topics.

Dialogue with external stakeholders took the form of detailed interviews conducted online. Representatives of business partners, clients and financial institutions took part in such dialogue. To get an inside perspective, we conducted an online survey among the Group representatives. Each topic was rated on a scale of 1-10, where 1 meant the least material topic and 10 meant the most material one. Bringing these two perspectives together gave us a full picture of the materiality of the topics we described more broadly in the report.

Throughout the process of drafting the sustainability report, we were supported by a consulting company, the TAILORS Group.



**Table 10.**  
**MATERIAL TOPICS PRESENTED IN SUSTAINABILITY REPORT FOR 2022**

MATERIAL TOPIC	ESG AREA
1. Participation in the provision of services to the community through the development of infrastructure and local market, and creating new jobs	Society
2. Revitalization of brownfield, degraded and underutilized areas	Society
3. Social involvement and participating in charity projects	Society
4. Supporting the concept of sustainable cities, including the so-called 15-minute city	Society
5. Company involvement in educational and cultural activity	Society
6. Respect for human rights within the organization and the supply chain	Society
7. Aid to the Ukrainian people	Society
8. Actions for the benefits of employees; employee training and education and career development support	Society
9. Certified “green” construction in the Group’s portfolio	Environment
10. Designing and performing investment projects in line with the circular economy concept	Environment
11. Efficient use of raw materials and materials	Environment
12. Fighting climate change; climate change adaptation and mitigation	Environment
13. Transparency and open dialogue with stakeholders and environment	Management and corporate governance
14. Transparent communication with clients and tenants in the context of information on products delivered	Management and corporate governance
15. Ensuring quality of investment projects for the end users	Management and corporate governance
16. Business ethics	Management and corporate governance

**IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENT OF THIS REPORT,  
PLEASE CONTACT US**

**Contact details**

**Łukasz Zarębski**

Head of Marketing & Communications

**e-mail: [lukasz.zarebski@cavatina.pl](mailto:lukasz.zarebski@cavatina.pl)**

**phone: 533 889 240**



# GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	PAGE NUMBER
<b>GRI 1</b>		
Application statement	The CAVATINA HOLDING Group has prepared the report based on guidelines to GRI Standards for the period from 1 January 2022 to 31 December 2022.	
Applied GRI 1	GRI 1: Foundation 2021	
Applicable GRI sector standards	Not applicable	
<b>GENERAL DISCLOSURES</b>		
<b>GRI 2: General disclosures</b>		
	1. The organization and its reporting practices	
	2-1 Organizational details	7
	2-2 Entities included in the organization’s sustainability reporting	7
	2-3 Reporting period, frequency and contact point	79
	2-4 Restatements of information	79
	2-5 External assurance	79
	2. Activities and workers	
	2-6 Activities, value chain and other business relationships	70
	2-7 Employees	58
	2-8 Workers who are not employees	59
	3. Governance	
	2-9 Governance structure and composition	72
	2-10 Nomination and selection of the highest governance body	72
	2-11 Chair of the highest governance body	72
	2-12 Role of the highest governance body in overseeing the management of impacts	74
	2-13 Delegation of responsibility for key reporting areas	75
	2-14 Role of the highest governance body in sustainability reporting	75
	2-15 Conflicts of interest	76
	2-16 Communication of critical concerns	76
	2-17 Collective knowledge of the highest governance body	75
	2-18 Evaluation of the performance of the highest governance body	74
	2-19 Remuneration policies	61
	2-20 Process to determine remuneration	61
	2-21 Annual total compensation ratio	61
	4. Strategy, policies and practices	
	2-22 Statement on sustainable development strategy	5

GRI STANDARD	DISCLOSURE	PAGE NUMBER
<b>GRI 2: General disclosures</b>	2-23 Policy commitments	67
	2-24 Embedding policy commitments	71
	2-25 Processes to remediate negative impacts	71
	2-26 Mechanisms for seeking advice and raising concerns	71
	2-27 Compliance with laws and regulations	76
	2-28 Membership associations	20
	5. Stakeholder engagement	
	2-29 Approach to stakeholder engagement	17
	2-30 Collective bargaining agreements	61

MATERIAL TOPICS		
	3-1 Process to determine material topics	79
	3-2 List of key areas	79
<b>GRI 201: Economic Performance 2016</b>	3-3 201 Management of material topics	38
	201-2 Financial implications and other risks and opportunities due to climate change	38
<b>GRI 204: Procurement Practices 2016</b>	3-3 204 Management of material topics	77
	204-1 Proportion of spending on local suppliers	77
<b>GRI 205: Anti-corruption 2016</b>	3-3 205 Management of material topics	76
	205-3 Confirmed incidents of corruption and actions taken	76
<b>GRI 301: Materials 2016</b>	3-3 301 Management of material topics	30
	301-1 Materials used by weight and volume	30
<b>GRI 302: Energy 2016</b>	3-3 302 Management of material topics	28
	302-1 Consumption of energy by the organization	28
	302-3 Energy intensity	29
<b>GRI 303: Water and Effluents 2018</b>	3-3 303 Management of material topics	33
	303-1 Interactions with water as a shared resource	33
	303-2 Management of water discharge-related impacts	34
	303-5 Water consumption	33
<b>GRI 304: Biodiversity 2016</b>	3-3 304 Management of material topics	35
	304-3 Habitats protected or restored	35
<b>GRI 305: Emissions 2016</b>	3-3 305 Management of material topics	29
	305-1 Direct (Scope 1) greenhouse gas emissions	29
<b>GRI 306: Waste 2020</b>	3-3 306 Management of material topics	30
	306-1 Waste generation and significant waste-related impacts	30
	306-2 Management of significant waste-related impacts	31
	306-3 Waste generated	32
<b>GRI 401: Employment 2016</b>	3-3 401 Management of material topics	59
	401-1 New employee hires and employee turnover	59

GRI STANDARD	DISCLOSURE	PAGE NUMBER
<b>GRI 403: Occupational Health and Safety 2018</b>	3-3 403 Management of material topics	62
	403-1 Occupational health and safety management system	62
	403-2 Hazard identification, risk assessment, and incident investigation	63
	403-3 Occupational health services	62
	403-4 Worker participation, consultation, and communication on occupational health and safety	62
	403-5 Worker training on occupational health and safety	62
	403-6 Promotion of worker health	64
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	62
	403-8 Workers covered by an occupational health and safety management system	62
	403-9 Work-related injuries	63
403-10 Work-related ill health	63	
<b>GRI 406: Non-discrimination 2016</b>	3-3 406 Management of material topics	61
	406-1 Incidents of discrimination and corrective actions taken	61
<b>OWN INDICATORS</b>	Quality of communication with stakeholders	
	Awards received	20
	Intensity of CO <sub>2</sub> emissions	29
	Certified buildings in the real property portfolio	36
	15-minute city	47
	Revitalization	49
	Social engagement – Fiducia Foundation	51
	Company involvement in educational activity	51
	Aid to Ukraine	51
Methods of checking subcontractors and verifying whether human rights are not violated	67	
<b>WSE INDICATORS</b>	WSE E-S3 Consumption of water	33
	WSE E-S4 Management of water resources	33
	WSE E-S6 Waste management	33
	WSE G-P2 Ethical standards	76
	WSE G-P3 Anti-Corruption Policy	70
	WSE G-P4 Breach notification mechanism	60
	WSE S-P3 Employment turnover	60
	WSE S-P4 Freedom of association and collective negotiations	71
	WSE S-P5 Human rights policy	67
	WSE S-P6 Due diligence procedures for human rights	70
	WSE S-S1 Work-related injuries	63

WWW.CAVATINA.PL



**CAVATINA Holding S.A. with its registered office in Kraków**  
ul. Wielicka 28 B, 30-552 Kraków, PL  
tel. +48 536 288 119, +48 536 289 889  
[biuro@cavatina.pl](mailto:biuro@cavatina.pl)



WWW.CAVATINA.PL



2022

SUSTAINABLE DEVELOPMENT REPORT

**CAVATINA**  
LOCAL · GLOBAL · HOLISTIC

WWW.CAVATINA.PL



**CAVATINA**  
LOCAL · GLOBAL · HOLISTIC

**CAVATINA Holding S.A.** with its registered office in Kraków  
ul. Wielicka 28 B, 30-552 Kraków, PL  
tel. +48 536 288 119, +48 536 289 889  
biuro@cavatina.pl

CAVATINA HOLDING

# SUSTAINABLE DEVELOPMENT REPORT

2022