

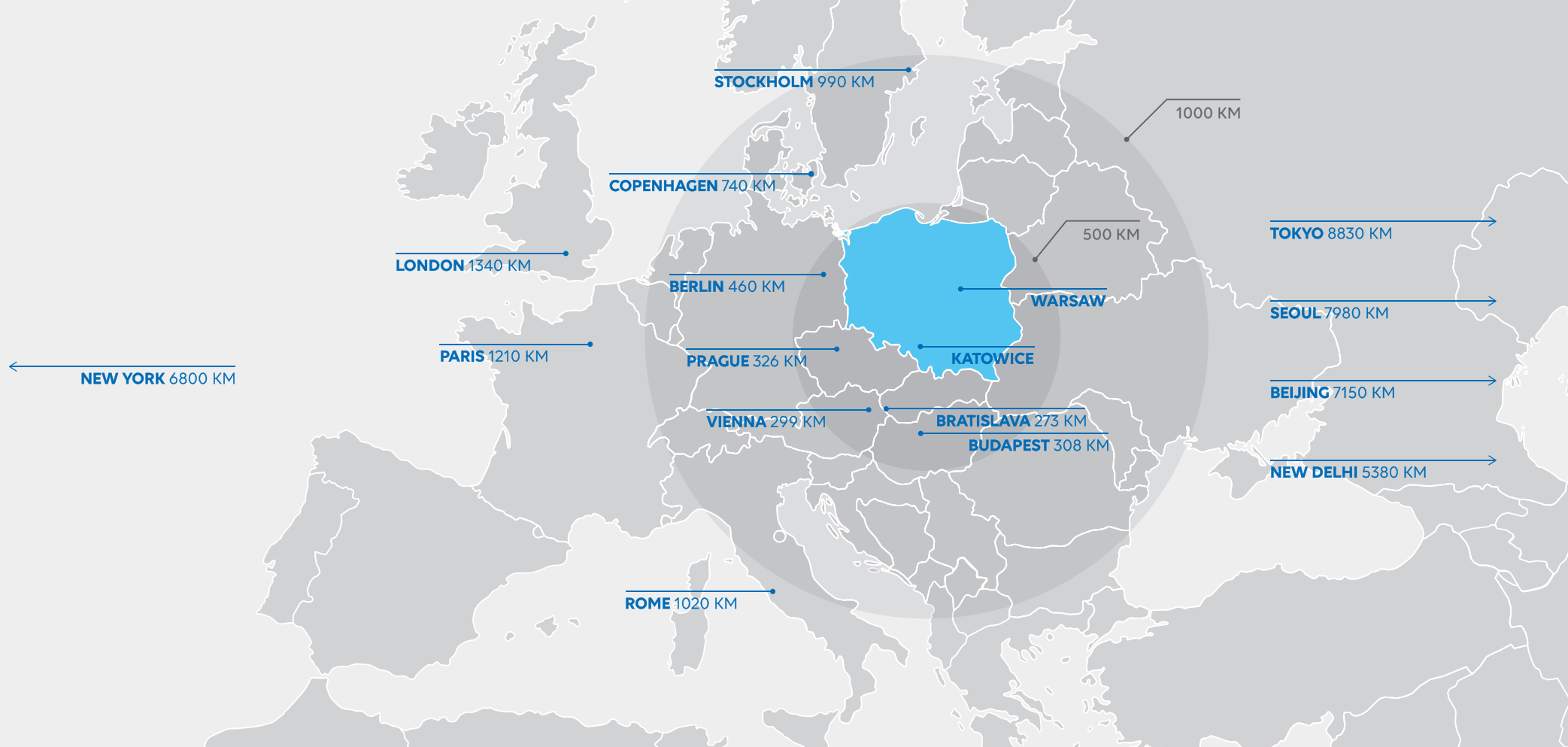


KATOWICE SPECIAL ECONOMIC ZONE

EDITION 2022

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STRATEGIC LOCATION

With its location in the central part of Europe, Poland is an excellent place for investment, as it is a link between Western Europe and Eastern & Southern Europe and Asia. In addition, direct access to the Baltic Sea provides easy communication with Scandinavian countries.

The sales market with a population of more than 38 million is one of the largest in the European Union. Its perfect location in the centre of Europe, and at the intersection of the main communication routes, makes Poland a convenient place to export goods to all European countries and to Asia.

Poland is a member of many international organizations, including the United Nations (UN), the European Union (EU), the North Atlantic Treaty Organization (NATO), the World Trade Organization (WTO), and the Organization for Economic Cooperation and Development (OECD).

POLAND IN FIGURES



Area

312,700 km²

(6th position in the EU)



Population

38.1 million

(5th position in the EU)



Working-age population

22.7 million



Age median

41.3

one of the lowest age medians in Central and Eastern Europe



Unemployment rate

5.4%

in December 2021



23 cities

with a population of more than 100,000



GDP per capita

33,890

international dollars measured by purchasing power parity



Minimum salary

PLN 3,010.00

Minimum gross monthly salary in 2022



Average monthly salary

PLN 5,662.53

Average gross monthly salary in 2021 for an employee under a contract of employment

TRANSPORT AND COMMUNICATION

Poland is a transit country across which main European communication routes run north-south and east-west. There are also two main European transport corridors in Poland that are part of the TEN-T core network:

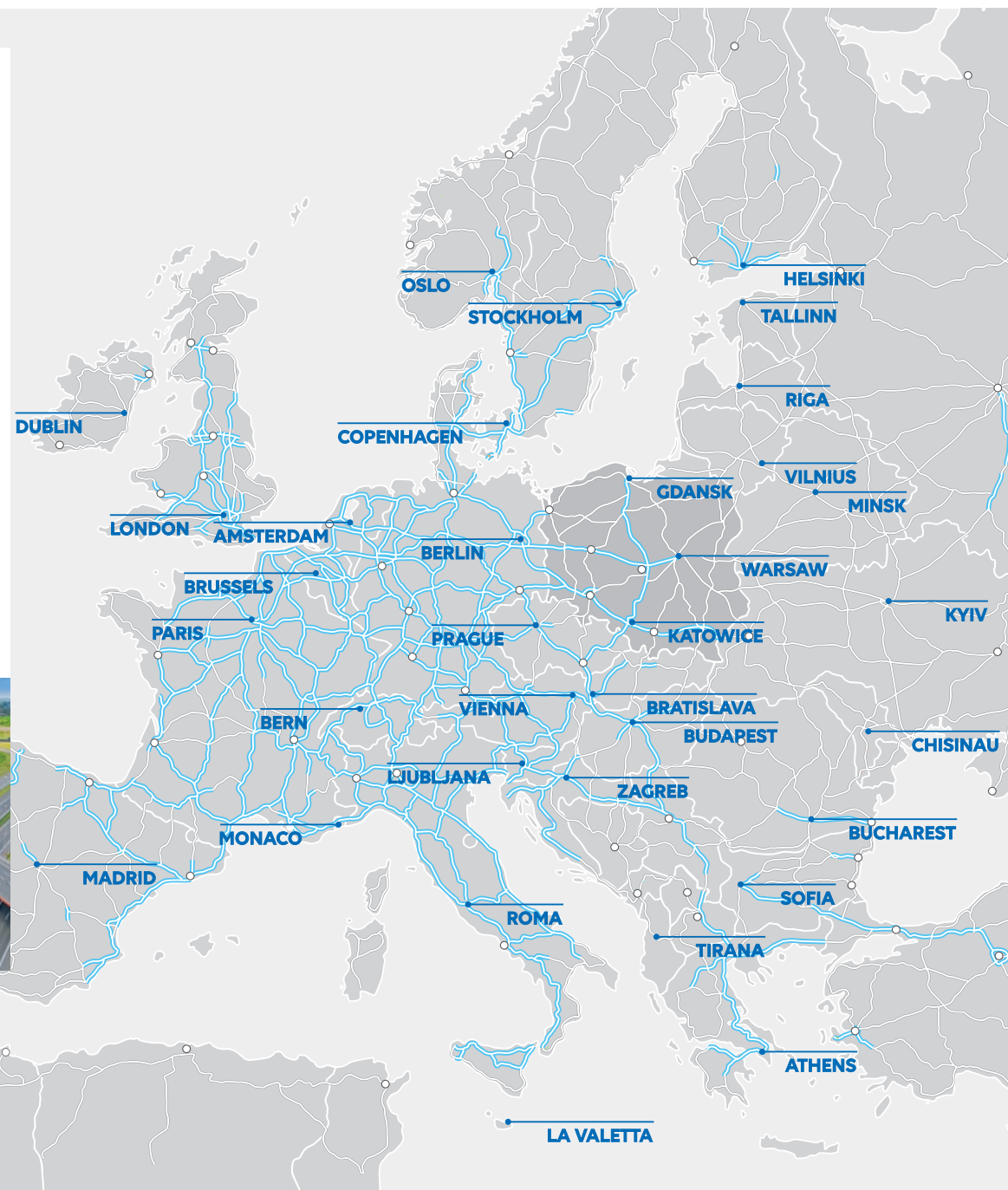
- Baltic-Adriatic Corridor
- North Sea-Baltic Corridor

Poland has a well-developed road and rail infrastructure. A dynamic growth of air and sea transport can also be seen in Poland. Inland waterways located in Poland are part of European waterways, and the infrastructure supporting this mode of transport is being modernized and expanded.

Intermodal transport is also being developed in Poland. In 2020, there were 34 active intermodal terminals in Poland, through which a total of 77.9 million tonnes of containerized cargo were handled.



photo Radosław Kaźmierczak





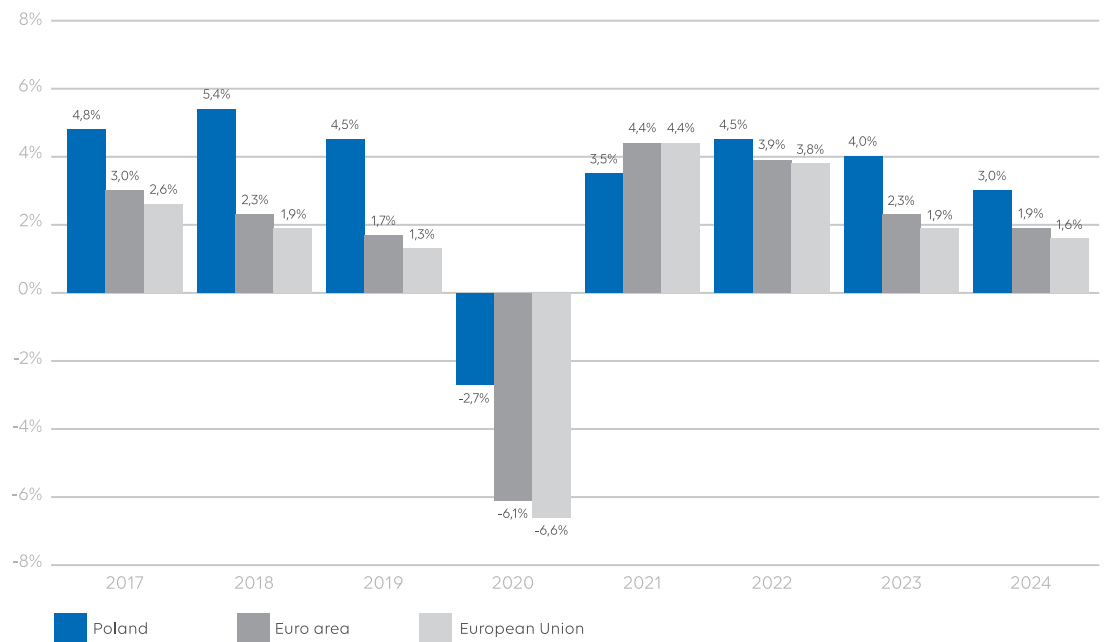
ECONOMY

Poland is considered to be one of the most stable and fastest growing economies in the world.

The Polish economy is the sixth largest economy in the European Union and has been growing at a stable rate for over 25 years.

According to the International Monetary Fund, in 2019, the Polish economy was growing at a rate of 4.5%, i.e. much faster than the average growth rate in the euro area (1.7%) and the entire European Union (1.3%).

GDP growth – constant prices (%)



Source: International Monetary Fund

FOREIGN TRADE

For many years now, Poland has held a stable, high position in global foreign trade. Over the years 2001–2020, Poland's share in the world trade in goods rose approximately 0.9% for exports (to 1.48%) and 0.7% for imports (to 1.46%).

In 2020, Poland was the 22nd largest exporter in the world. Compared to 2001, Poland moved up ten places in the ranking of the top exporters. In terms of exports, Poland has outdistanced such large economies as, for example, Brazil, Ireland, Saudi Arabia and Turkey. Poland has also advanced in the ranking of the world's largest importers (from 26th to 20th place).*

Trade value in 2020**



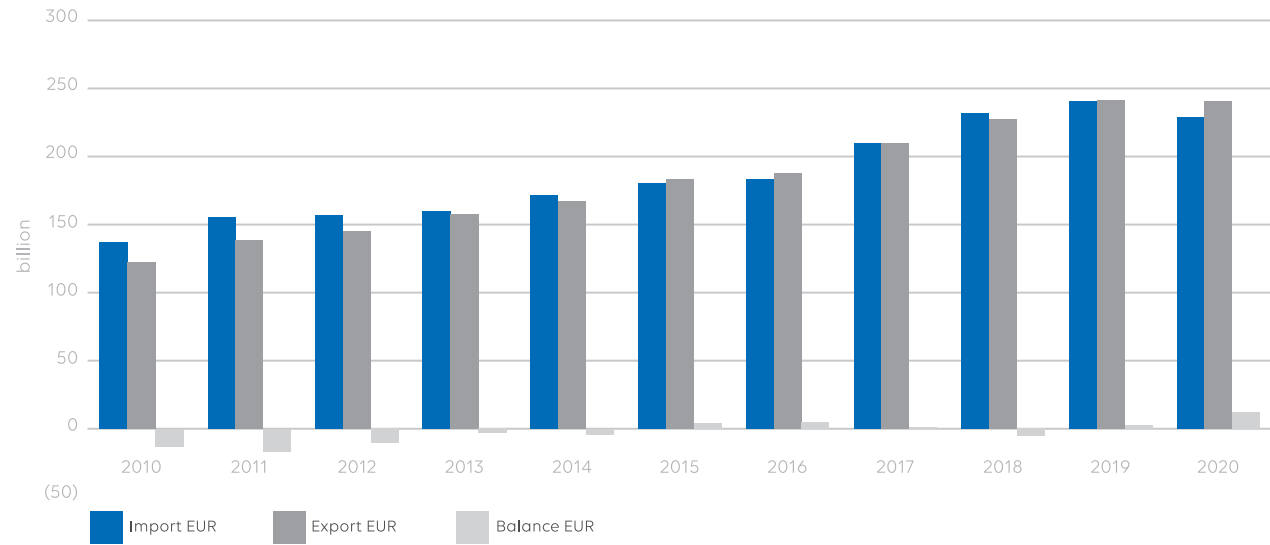
*Based on the „Compendium of Poland's Foreign Trade August 2021”, Polish Development Fund
**Source: Statistics Poland



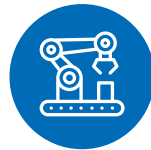
photo Radosław Kaźmierczak



Poland's foreign trade turnover in 2010 - 2020*



The most important export products



Machinery and mechanical devices



Vehicles



Base metals and articles thereof



Products of the chemical or allied industries



Plastics and articles thereof

*Source: Statistics Poland

KSEZ

The Katowice Special Economic Zone has been operating in Poland since 1996.

The KSEZ creates preferential conditions for investment by offering tax incentives, prepared and developed investment areas and support in the investment process.

Since 2018, the Katowice Special Economic Zone has been providing support within the Polish Investment Zone (Polska Strefa Inwestycji).



#1 in Europe

in 2015–2017, 2019 and 2021, according to the Financial Times



#2 globally

in 2015 and 2019, according to the Financial Times





KSEZ IN FIGURES



over
500 companies



PLN 44 billion
investment value



approx.
90,000
jobs



over
800
investment projects



KSEZ AREA

The Katowice Special Economic Zone covers the area of the Silesia Region and the eastern part of the Opolskie Region.

SILESIA REGION

For many years now, Silesia has been the most attractive region in Poland in terms of investment. It is also the largest industrial region in Poland, where, in addition to traditional industrial sectors, the automotive, service and high-tech sectors play important roles.

The region has the best-developed transport infrastructure in Poland, which includes a very well-developed road and rail network.

WROCLAW

OPOLE

KĘDZIERZYN-KOŹLE

RACIBÓRZ

8,5 mln

CZĘSTOCHOWA

4,8 mln

2,5 mln

KATOWICE

KRAKÓW

BIELSKO-BIAŁA



Area

12,294 km²



Working-age population

2.6 million



Population

4.5 million



Number of national economy entities

434,900



Unemployment rate

3.6%



Number of universities and colleges

30



photo Jaroslaw Malkowski (Marshal Office of the Opolskie Voivodeship archive).



Area

9,412 km²



Population

1 million



Unemployment rate

5.8 %



Working-age population

0.6 million



Number of national economy entities

95,000



Number of universities and colleges

6

OPOLSKIE REGION

The Opolskie Region is a region with many years of industrial traditions, especially in the field of food, mineral, metal, machinery and chemical industries.

The region has one of the best-developed road networks in Poland. The most important transportation axis in the region is the A4 motorway which is the main component of the Berlin-Kyiv transport corridor.

The most important sectors of the region's economy include agriculture & food, metal & engineering, automotive, chemical, construction, furniture and energy sectors.



photo Jaroslaw Malkowski (Marshal Office of the Opolskie Voivodeship archive)

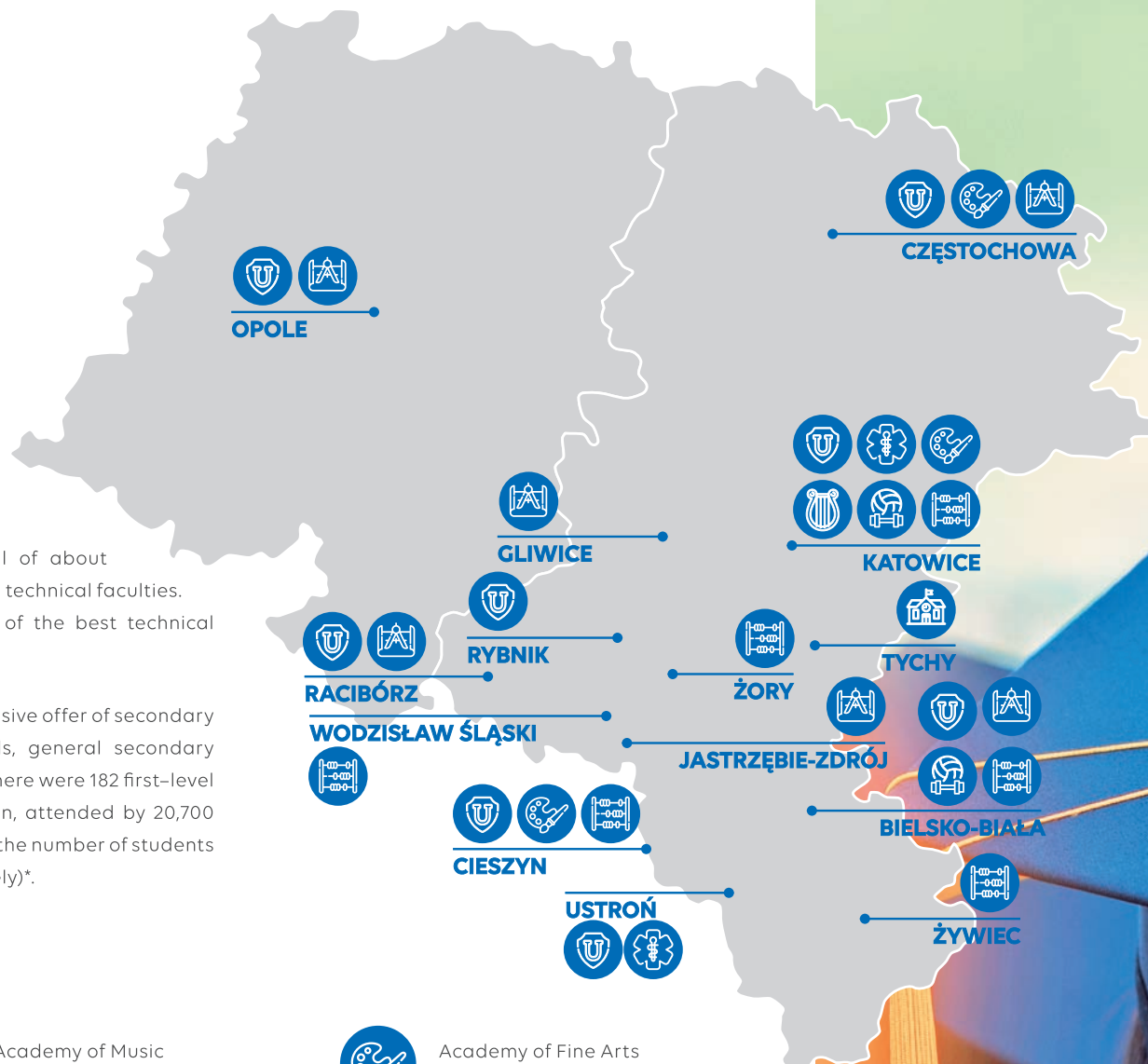


EDUCATION OFFER

The area under the management of the Katowice Special Economic Zone is Poland's third largest academic centre.

In the Silesia and Opolskie Regions, there are a total of about 40 universities educating students in many humanities and technical faculties. The Silesian University of Technology in Gliwice is one of the best technical universities in Poland.

In addition, the Silesia and Opolskie Regions have an extensive offer of secondary education, which includes, first-level vocational schools, general secondary schools and technical schools. In the 2019/20 school year, there were 182 first-level vocational schools for young people in the Silesia Region, attended by 20,700 students. Compared to 2018/19, the number of schools and the number of students have increased in the region (by 5.8% and 36.1%, respectively)*.



University



Academy of Music and music colleges



Academy of Fine Arts and art colleges



University of Technology and technical colleges



Academy of Physical Education and sports colleges



Other universities and colleges



University of Economics and business colleges



Medical University of Silesia and medical colleges

*Based on: "Report on the socio-economic situation of the Silesia Region 2021", Katowice 2021.



TRAINING OFFER

EMT-Systems, located in Gliwice, is the largest and most comprehensive technical training centre in Poland, which specializes in organizing training courses in the field of mechatronics and various engineering technologies.

The training courses cover the following topics:

- automation
- maintenance
- engineering design
- mechatronics
- information technology
- engineering
- robotics
- quality management



KATOWICE – THE CAPITAL OF BUSINESS SERVICES

Katowice, the capital of the Silesia Region, is a city with a good climate for business, which is considered to be one of the most attractive cities in Poland in terms of investment. The key advantages of the city include its economic stability and well-developed infrastructure.

The business services sector is currently the most dynamically growing segment of the city's economy. Katowice and other cities located in the central part of the region create one of the five most important areas of business service centres in Poland, with over 110 service centres owned by investors representing 19 countries (including the US, Germany, France).

The largest employers in the Business Services sector in the region:

Capgemini Cloud Infrastructure Services
and Capgemini Business Services



Sopra Steria



PWC Service Delivery Center



ISTA



IBM Client Innovation Center



TAURON



Rockwell Automation



UNILEVER



ING TECH POLAND



photo Radosław Kaźmierczak



Main categories of services



IT
services



insurance
services



banking
services



commercial
services



financial
services



professional
services



Office area in Katowice

over **600,000 m²**



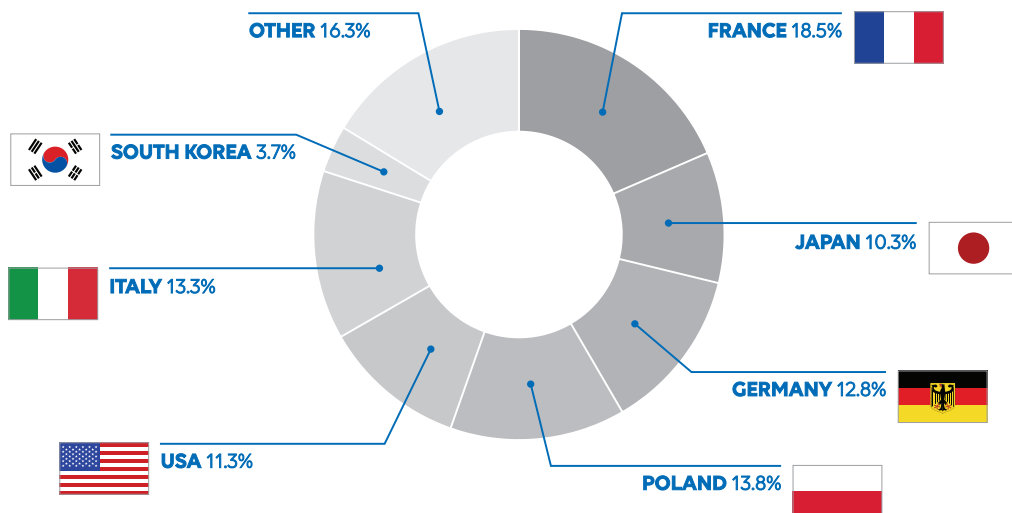
Number of employees in Q1 2022

approx. **30,000**

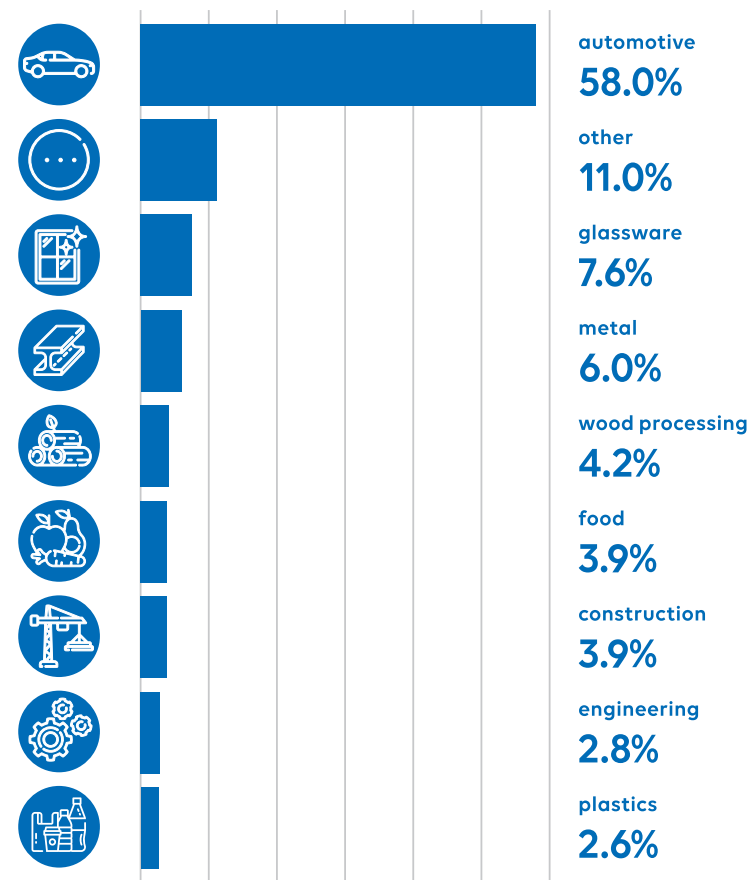
Based on: "Business Services Sector in Katowice", prepared by the Association of Business Service Leaders (ABSL) in cooperation with Colliers, Mercer, Randstad and Randstad Sourceright, 2022.

INVESTMENTS IN KSEZ

Investments per country of origin



Investments per sectors



THE LARGEST INVESTORS IN KSEZ

| | NAME | SECTOR | CAPITAL'S COUNTRY OF ORIGIN |
|----|--|-----------------|-----------------------------|
| 1 | Opel Manufacturing Poland | automotive | France |
| 2 | NGK Ceramics Poland | automotive | Japan |
| 3 | FCA Powertrain Poland | automotive | Italy |
| 4 | Brembo Poland | automotive | Italy |
| 5 | SK hi-tech battery materials Poland | automotive | South Korea |
| 6 | Nexteer Automotive Poland | automotive | China |
| 7 | Guardian Częstochowa | glassware | USA |
| 8 | Saint-Gobain Innovative Materials Poland | glassware | France |
| 9 | Kronospan OSB | wood processing | Austria |
| 10 | DSO | wood processing | Austria |
| 11 | Johnson Matthey Poland | automotive | Great Britain |
| 12 | Adient Seating Poland | automotive | USA |
| 13 | Grupa ZF | automotive | Germany |
| 14 | Rockwell Automation | engineering/BPO | USA |



AUTOMOTIVE SECTOR

Poland is the largest manufacturer of automotive parts in Central and Eastern Europe. Moreover, it is the third country in the EU with the largest number of people employed in the automotive sector. According to the data published by the Association of European Vehicle Manufacturers, this sector employs over 213,000 people in Poland.

Silesia is a regional leader in the automotive industry. At the end of 2019, the value of marketed production of motor vehicles in Silesia amounted to almost PLN 54 billion, which accounts for 33.8% of domestic production*. Silesia ranks second in Poland in terms of the number of automotive companies. At the end of 2020, there were 418 automotive companies in Silesia*. The automotive industry is also one of the main export industries in the region. Automotive production and related activities account for approx. 1/3 of all exports from the Silesia Region**.

Silesia is home to many factories manufacturing various types of vehicles and companies manufacturing components for the automotive industry. The Fiat Chrysler Automobiles Poland plant in Tychy is in operation within the Katowice Special Economic Zone, where the Fiat 500, Abarth and Lancia Ypsilon models are manufactured, and since 2022 new models of Jeep, Fiat and Alfa Romeo passenger cars are also being manufactured. The Opel Manufacturing Poland plant in Gliwice is another large facility where the Opel Astra V generation hatchback was manufactured until 2021, and where electric vans have been manufactured since 2022. Both companies are owned by the Stellantis group.

*Statistics Poland, 2021.

**Based on: "Silesian Voivodeship – direction: export", PWC, April 2021.

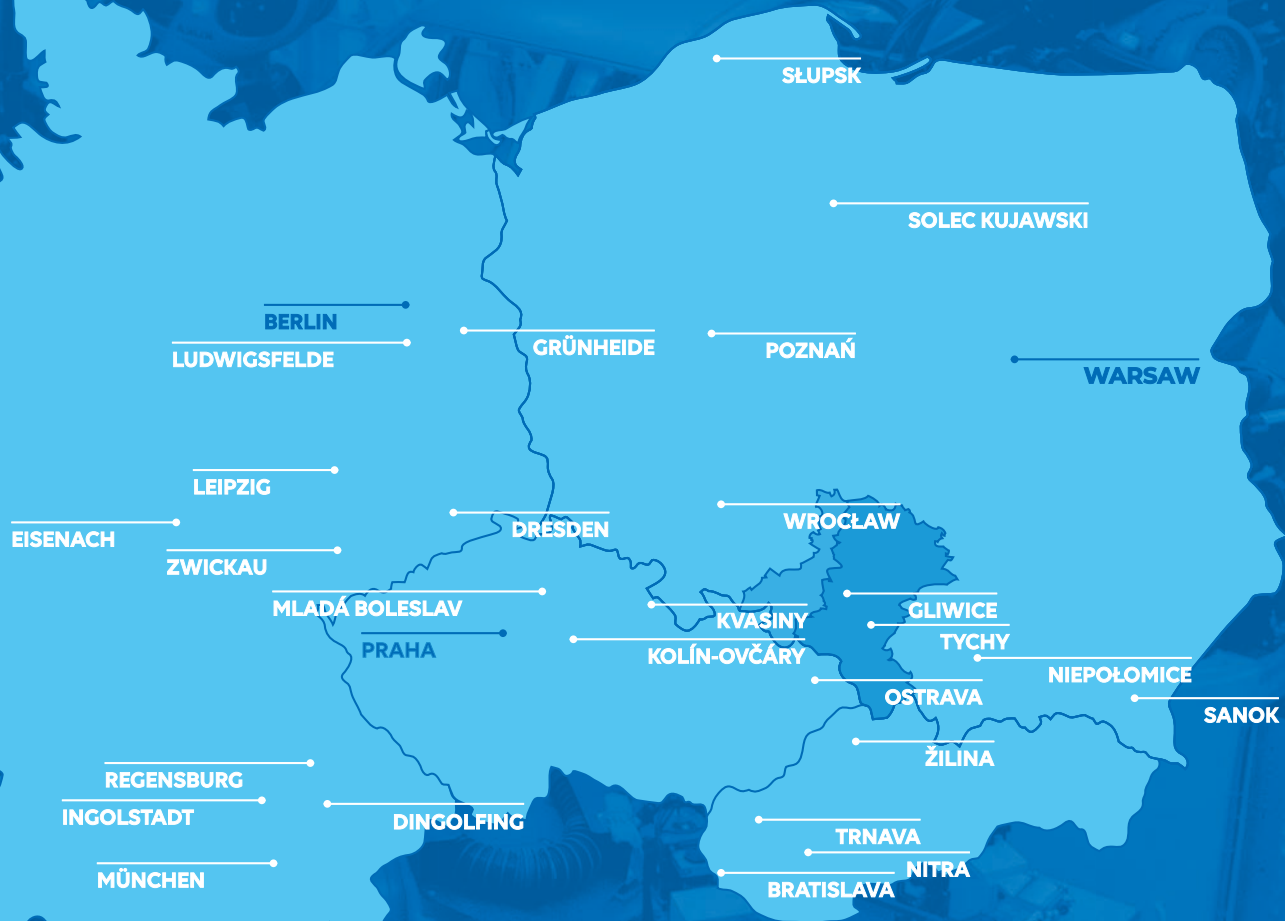


POLAND

| | | |
|----------------|---|----------------|
| Gliwice |  | OPEL |
| Niepołomice |  | MAN |
| Poznań |    | MAN SOLARIS VW |
| Sanok |  | AUTOSAN |
| Słupsk |   | kapeňa SCANIA |
| Solec Kujawski |  | SOLBUS |
| Tychy |   | FIAT Ford |
| Wrocław |  | VOLVO |

SLOVAKIA






| | | |
|------------|---|-------------------|
| Bratislava |    | Audi SKODA SEAT |
| Nitra |   | JAGUAR LAND-ROVER |
| Trnava |   | CITROËN DELIA |
| Žilina |  | KIA |



GERMANY

| | |
|--------------|---|
| Dingolfing |  |
| Dresden |  |
| Eisenach |  OPEL |
| Grünheide |  TESLA |
| Ingolstadt |  Audi |
| Leipzig |   |
| Ludwigsfelde |  Mercedes-Benz |
| München |  |
| Regensburg |  |
| Zwickau |  |

CZECH REPUBLIC

| | |
|----------------|---|
| Kolín – Ovčáry |  TOYOTA |
| Kvasiny |   SEAT ŠKODA |
| Mladá Boleslav |  ŠKODA |
| Ostrava |  HYUNDAI |

ELECTROMOBILITY

Poland is becoming an important player in the electromobility industry in Europe. Based on data from the Polish Investment and Trade Agency, Poland has become a leader in the export of lithium-ion batteries in the European Union and a hub for the production of electric batteries. In mid-2020, the value of battery exports from Poland stood at approximately EUR 2.9 billion.

The most important investments in the electromobility industry, implemented in recent years, within the Katowice Special Economic Zone include:

- a factory of the SK Innovation concern in Dąbrowa Górnicza, where separators for lithium-ion batteries used in electric cars are manufactured,
- an investment project of Foosung Poland in Kędzierzyn-Koźle, under which the company will build their first European plant to manufacture the main component of LiPF₆ electrolyte for electric vehicle batteries,

In the coming years, the first factory of IZERA – Polish electric car, is planned to be opened in the city of Jaworzno, Silesia Region.





SILESIA AUTOMOTIVE & ADVANCED MANUFACTURING CLUSTER (SA&AM)

Silesia Automotive & Advanced Manufacturing (SA&AM) is a cluster initiative acting in support of the development of the automotive industry in the Silesia Region and the neighbouring regions. SA&AM Cluster, coordinated by Katowice SEZ – supports, through its activities, the development of competences in companies and their employees and creates favourable conditions for the development and creation of new automotive investments.

The SA&AM Cluster has the status of the National Key Cluster, as a cluster of key importance for the national economy and high international competitiveness.

The SA&AM cluster ensures:

- continuous monitoring and identification of the needs of companies,
- promotion of best practices and new products, services and cooperation offers at the Cluster level,
- bringing together and integrating companies associated with the Cluster around practical solutions and best practices,
- support for companies in using their technological capabilities, know-how, resources and competences to provide services to their Cluster partners,
- support in the search for new solutions, as well as product and production process applications.

In 2020, the SA&AM cluster was awarded the SILVER LABEL Cluster Management Excellence certificate, issued by the European Secretariat for Cluster Analysis ESCA.



KSEZ PROJECTS

As part of activities in the area of education, the Katowice Special Economic Zone implements a number of educational programmes and projects, including:

“ENERGY” PROJECT

The project is implemented by the Katowice Special Economic Zone and the lead partner, the Voivodeship Labour Office in Katowice, as part of the Regional Operational Programme of the Silesian Voivodeship for 2014–2020.

The objective of the project is to resume work or continue employment, and additionally to obtain qualifications or skills serving this purpose by individuals who have been made redundant, who are going to be made redundant or who are at risk of being made redundant for reasons attributable to the employer, with a particular emphasis on employees or former employees of organizational units of coal mining or related companies, based in the Silesia Region.



SILESIA SMART SYSTEMS – DIGITAL INNOVATION HUB

Silesia Smart Systems, coordinated by the Katowice Special Economic Zone, is a digital innovation hub that focuses on supporting industrial companies in the processes of digital transformation. Silesia Smart Systems operates as a platform for cooperation between business environment institutions, research units and universities. This initiative supports industrial companies that want to undergo a digital transformation with the use of technology, or consider changing the business model and implementing smart products based on digital technologies.





INTERNATIONAL COOPERATION

BRASILEZIA PROGRAMME

The Katowice Special Economic Zone, together with the special purpose vehicle of the University of Silesia in Katowice, named SPIN US, and the Invento Capital company are implementing the programme entitled "BraSilesia". It is the first initiative of this type in Poland and an acceleration programme for developing companies, start-ups and innovators from Poland and Brazil. The programme's aim is to enable its participants to expand their activities on a new market, find technological and business partners, customers or suppliers, and also to create joint R&D projects and attract foreign investors.



As part of activities involving international cooperation, the Katowice Special Economic Zone has signed a number of cooperation agreements aimed primarily at increasing the level of investment in the region and supporting Polish companies planning foreign expansion.

KSEZ FOREIGN PARTNERS:

- "INDI" Promotion and Trade Agency from the Minas Gerais region of Brazil
- Suez Canal Economic Zone, Egypt
- Ras Al Khaimah "RAKEZ" Economic Zone, the United Arab Emirates
- Khalifa Industrial Zone Company, the United Arab Emirates

SUPPORT FOR INVESTORS

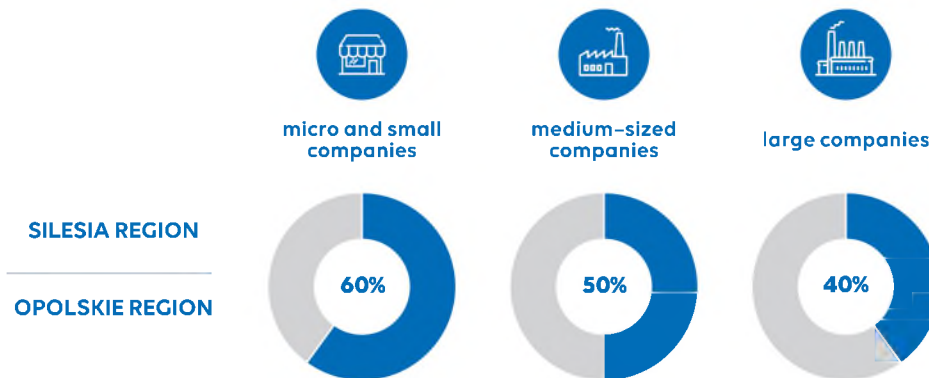
Companies investing in Poland are entitled to support in the form of:

- income tax relief within the Polish Investment Zone granted by special economic zones,
- property tax relief granted by municipalities (even from 3 to 10 years),
- government grants allocated by the minister responsible for the economy as part of the Programme for supporting investment of strategic importance for the Polish economy for 2011–2030.

The Katowice Special Economic Zone is the competent institution for those companies that want to benefit from public aid in the form of corporate income tax (CIT) or personal income tax (PIT) relief.

The amount of the tax relief granted by the Katowice Special Economic Zone depends on various factors, such as the location of the investment and the size of the company.

Maximum intensity of public aid



* not applicable to the Częstochowa subregion

Tax relief calculation:

- for investment costs incurred in connection with a new investment or
- for the creation of new jobs in connection with a new investment

EXAMPLES OF CALCULATION OF PUBLIC AID FOR THE SILESIA* AND OPOLSKIE REGIONS

* not applicable to the Częstochowa subregion



| CAPITAL EXPENDITURES | | EUR |
|--|--------------------|------------|
| I. | land | 1 million |
| II. | buildings | 4 million |
| III. | other fixed assets | 5 million |
| total (I + II + III) | | 10 million |
| tax relief for a large company (40%) | | 4 million |
| tax relief for a medium-sized company (50%) | | 5 million |
| tax relief for a micro and small company (60%) | | 6 million |



| NEW JOBS | | EUR |
|--|----------------------|--------------|
| I. | monthly labour costs | 1 000 |
| II. | new jobs | 200 |
| III. | 2 years = 24 months | 24 |
| total (I x II x III) | | 4.8 million |
| tax relief for a large company (40%) | | 1.92 million |
| tax relief for a medium-sized company (50%) | | 2.4 million |
| tax relief for a micro and small company (60%) | | 2.88 million |

MAXIMUM PERIOD FOR WHICH THE DECISION ON SUPPORT IS ISSUED



12 years



15 years

for an investment implemented on plots
with the special economic zone status

ELIGIBLE COSTS

As part of capital expenditures:

- the cost of acquisition of land or perpetual usufruct right,
- the cost of acquisition or the cost of manufacturing of fixed assets, provided that they are recognized, in accordance with separate regulations, as the taxpayer's assets,
- the cost of expansion or modernization of the existing fixed assets,
- the cost of acquisition of intangible assets related to the transfer of technology through the acquisition of patent rights, licences, know-how or unpatented technical knowledge,
- the cost related to the rental or lease of land, buildings and structures – provided that the rental or lease period is not shorter than 5 years, and for micro, small and medium-sized companies – not shorter than 3 years from the expected completion date of the new investment,
- the cost of acquisition of assets other than land, buildings and structures that are rented or leased, where the rental or lease takes the form of a finance lease and involves an obligation to acquire the assets after the expiry of the rental or lease period.

As part of labour costs:

Two-year costs related to newly created jobs: employee gross salary costs, plus obligatory contributions, such as social insurance (ZUS), incurred by the entrepreneur from the date of employment of these employees.



KSEZ OFFER

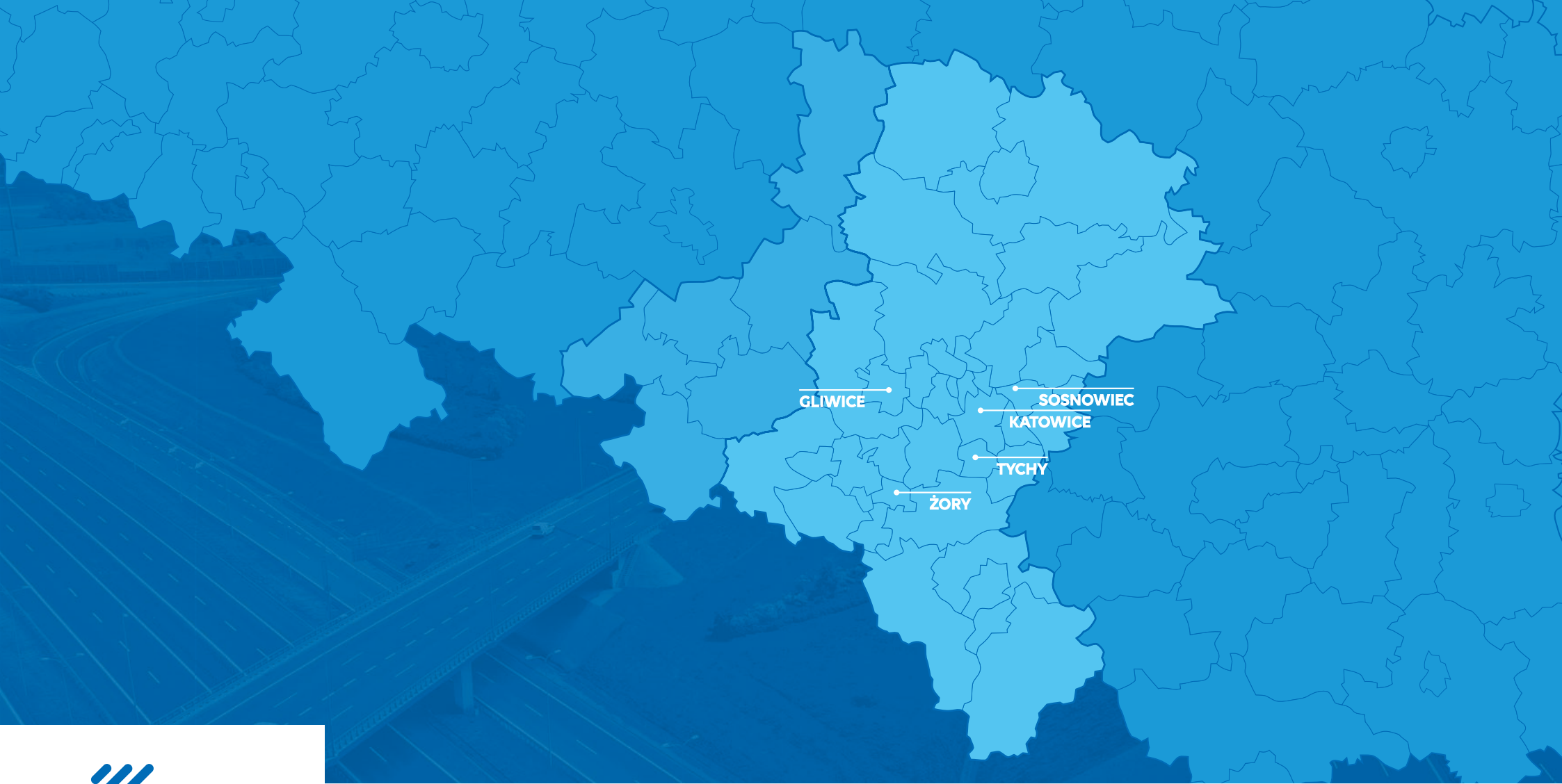
- opportunity to benefit from tax reliefs
- developed investment areas
- manufacturing, warehouse and office space
- perfect location in the south of Poland
- access to qualified staff
- opportunity to participate in educational programmes, including dual education programmes
- membership in the automotive cluster
- professional support



photo Radosław Kaźmierczak



photo Radosław Kaźmierczak



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Polska Strefa Inwestycji