



POLISH INVESTMENT ZONE

Poland | 2019



INTRODUCTION

More than a year has passed since the entry in force of the act on support for new investments. The main goal of the act was to bring all investment land in the country into the single Polish Investment Zone. Prior to the enactment of the act many small and medium-sized domestic enterprises were convinced that activity within the zone was not available to them. The introduction of the Polish Investment Zone has shown that the zone privileges are within the reach of this group of entrepreneurs, and obtaining zone support has become much easier. What's important is that thanks to new legislation entrepreneurs do not need to concentrate their investments in specific parts of Poland, rather they can choose locations they consider best for their businesses. Also thanks to the lowering of capital expenditure requirements, small and medium-sized enterprises can take advantage of zonal privileges. The simplification of regulations has resulted in more and more domestic companies benefiting from Special Economic Zones. Approximately 90% of decisions issued under the new regulation went to Polish companies, more than half of which are small and medium-sized enterprises. These enterprises are investing and creating new jobs, in return for which they do not pay either personal or corporate income tax. It is worth mentioning that almost 300 decisions were issued since September 2018 and the total amount of capital expenditures reached the level of approximately PLN 17 billion.

Details of the changes introduced in the 2018 act, the experiences of enterprises that have already benefited from support on the new terms, the benefits and challenges of doing business with SEZ support and other important aspects connected with the introduction of the Polish Investment Zone can be read about further in this document. This report was written in collaboration between Colliers International, EY and the Polish Investment and Trade Agency S.A.

We would also like to thank the Special Economic Zones and companies operating in them for their commitment and willingness to share their knowledge.

WE INVITE YOU TO READ!



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The change in the regulations concerning the Polish Investment Zone allowed our company to receive support for the company's business outside Wałbrzyska SEZ "Invest-Park". This had a positive effect on our investment plans and employment, which will exceed 700 people next year.

Tristone Flowtech Poland sp. z o.o.
Automotive sector

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PROCEDURE FOR OBTAINING SUPPORT FOR INVESTMENTS

The system of public aid in Poland is currently in the process of important transformation. Polish Government replaced Special Economic Zones (SEZ), which have been operating in Poland for more than 20 years, with new instrument: Polish Investment Zone (PIZ).

POLISH INVESTMENT ZONE OVERVIEW

Recently, Polish government has introduced Polish Investment Zone program. This program is an extension of Special Economic Zones - the tax relief is available for investments in every location in Poland. Poland has fully become an economic zone. The new programme was introduced by:

1. The Act of 10 May 2018 on supporting new investments (came into force on 30 June 2018).
2. The Regulation of 28 August 2018 of Council of Ministers on public aid granted to entrepreneurs for executing new investment projects (came into force on 5th September 2018).

From the moment of implementing the new law, investors are able to benefit from the income tax exemption for new investments located anywhere in Poland. It provides an opportunity for tax exemption for all investment in Poland over 10, 12 or 15 years given that they fulfil specific entry criteria. The PIZ exemption allows for CIT exemption of income generated by activities covered by a decision on support (defined by the PKWiU codes) and conducted

within the territory specified in this decision.

From Olimp Laboratories' point of view, the key aspect of the new regulations was the abolishment of local limitations and shortening of procedures for granting investment support decisions. Our company owns investment land that according to previous legislation was not included in a special economic zone. Thanks to the change, innovative projects conducted by Olimp Laboratories can be completed on the land owned by the company, which has an enormous influence on logistics processes and the concentration of high-class specialists in one place.

Olimp Laboratories sp. z o.o.
Pharmaceutical sector

PIZ IN A NUTSHELL

	Form of support	CIT or PIT exemption
	Subject of support	Initial investment project
	Maximum level of support	Up to 50%: of the value of capital expenditures or two-year employment costs (up to 60% for medium enterprises and up to 70% for small enterprises)
	Maintaining obligation	Maintaining period for the supported investment, created workplaces and purchased fixed assets
	Form of administrative decision	Decision on support
	Location	Any location in Poland
	Duration of the tax exemption	From 10 up to 15 years of CIT exemption depending on investment location
	Evaluation criteria for granting CIT exemption	Quantitative (capex expenditures) and qualitative criteria (e.g. R&D activities, creating highly-paid jobs, investments in people) will have to be met

Table 1: Special Economic Zone and Polish Investment Zone comparison

POLISH INVESTMENT ZONE IN DETAILS DECISION ON SUPPORT

The income tax exemption is granted on the basis of decision on support issued by Area Administrator (organ that acted previously as authorities of the relevant SEZ). Decision on support will specify the activities to be performed in the defined territory which qualify for tax exempt income. Activities not included in the decision is subject to standard CIT or PIT taxation.

Previously, our company had not benefited from 'zona' exemptions or any other form of state aid, because existing procedures were time-consuming and complicated. It was only the entry into force of the act that made it possible for our company by shortening the decision-making period for granting a support. Equally important was the procedure for including our facility in Wilkasy in the zone was not complicated.

ES-SYSTEM Wilkasy Sp. z o.o.
Industrial sector

The decision on support specifies in particular:

- Duration period of the decision.
- Subject of business activity (defined by the PKWiU codes).
- Conditions that the entrepreneur is required to fulfill, in particular:
 - number of new workplaces to be created by entrepreneur in connection with a new investment within the specified deadline,
 - the value of capital expenditures to be incurred by the entrepreneur within the specified deadline,
 - the deadline for the investment completion,
 - the quantitative and qualitative criteria to which the entrepreneur has committed.
- The maximum amount of capital expenditure and two-year labor costs that can be taken into account while determining the maximum amount of state aid.
- The area where the investment will be carried out according to the real estate registration data..

	Medium company	Small company
Liczba pracowników	< 250	< 50
	AND	AND
Obroty roczne	≤ EUR 50m	≤ EUR 10m
	OR	OR
Suma bilansu	≤ EUR 43m	≤ EUR 10m

Table 2: Classification to small and medium enterprises

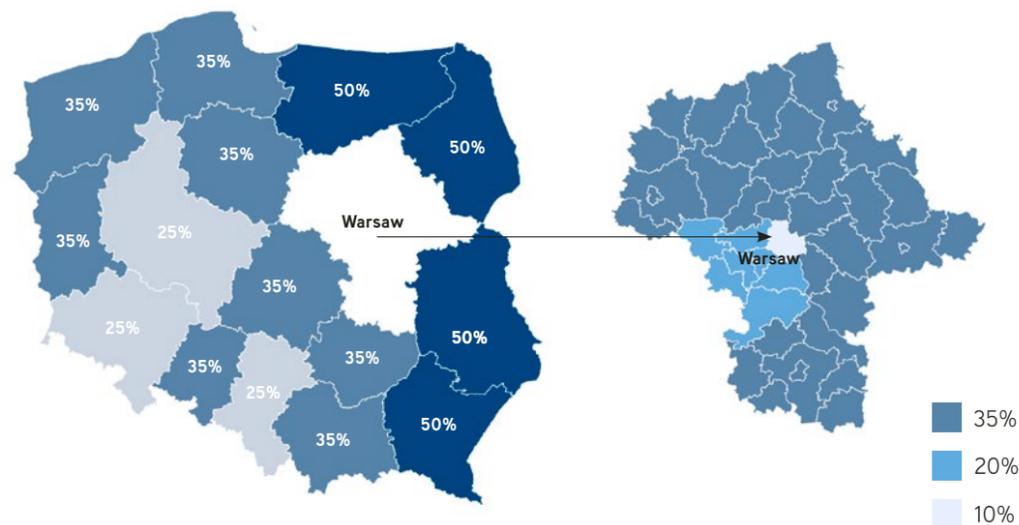


Fig. 3: Regional Aid Intensity Map for 2014-2020

TAX BENEFIT FOR INVESTOR

The level of tax exemption depends on location of the investment and size of the enterprise. It may amount to:

- 10% - 50% for large enterprises,
- 20% - 60% for medium enterprises,
- 30% - 70% for micro and small enterprises.

The level of support for large enterprises according to location of the investment is presented on the map (fig. 3).

However, the level of aid intensity is increased by 20 percentage points for small enterprises and 10 percentage points for medium enterprises.

The small and medium enterprises are defined in Annex no. 1 to Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty: (Table nr. 2)

The value of aid is calculated as a product of the maximum aid intensity, established in accordance to the above map multiplied by the higher value of costs (two-year employment costs of newly created jobs or eligible investment costs) (fig. 4).

The maximum aid intensity for large investment projects (above EUR 50 million of eligible expenditures) is additionally scaled down and the maximum amount of aid shall be established according to a specific formula (fig.5).

The amount of tax exemption determined in line with the above rules is valid for the definite period of time. This period may equal to 10, 12 or 15 years from the date of decision on support issuance, depending on location of the investment (according to fig. 6).

For investments located in the area covered by the SEZ status, the period of income tax exemption is 15 years.

ENTRY CRITERIA

In order to obtain the support under new scheme the investor is supposed to fulfill number of criteria (in some cases more challenging than before) i.e. both quantitative and qualitative.

Quantitative criteria

Quantitative criteria define the minimum value of investment costs. As investment costs may be deemed capital expenditures or two-year labor costs of newly created work places. The minimum required level of these costs depend on the unemployment rate in the district proper for location

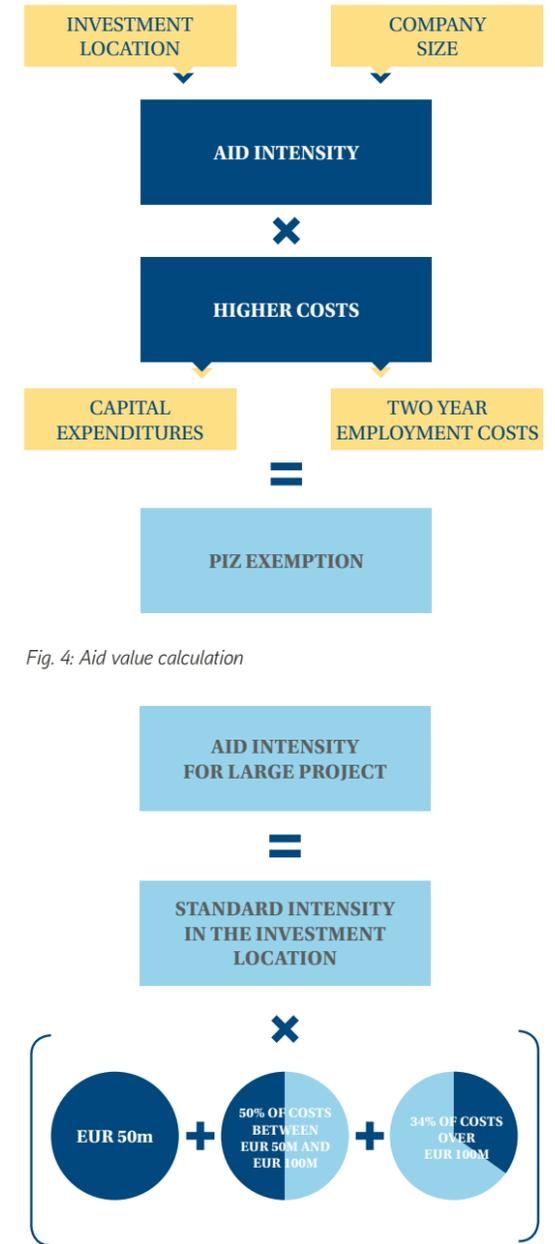


Fig. 4: Aid value calculation

Fig. 5: The maximum aid intensity

of the new investment (in comparison to the average unemployment rate in the country) and the size of the enterprise. The basic level of eligible costs is decreased by:

- 80% for medium enterprises,
- 95% for small enterprises,
- 98% for micro enterprises.

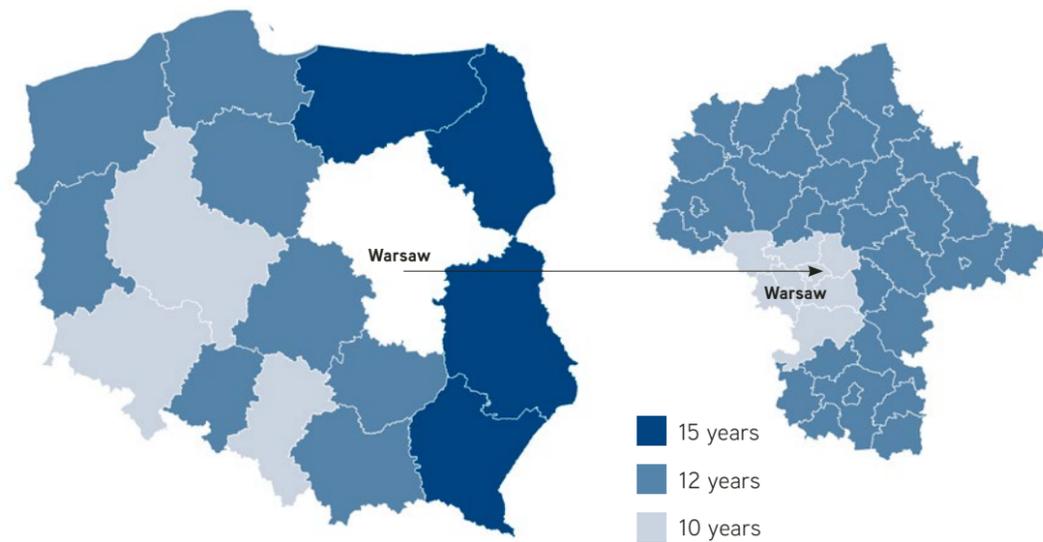


Fig. 5: The period of income tax exemption according to location

Also for the investments in modern business services (including R&D activity) the basic level is reduced by 95%. The minimal eligible investment costs are presented in the table 3.

The modern business services projects are defined in the regulation and include the services:

- related to the release of other software specified in class 58.29 of the PKWiU, excluding licensing services related to the acquisition of rights to use certain computer programs specified in the category 58.29.5 of the PKWiU,

- related to software and consultancy in the field of information technology and related services, specified in section 62 of the PKWiU, excluding originals of computer software specified in the category 62.01.2 of the PKWiU,
- data processing, web site management (hosting) and other services related to ensuring infrastructure for information and computer technologies specified in the category 63.11.1 of the PKWiU,
- financial audit services specified in the category 69.20.1 of the PKWiU,

Unemployment level* in a given district	MINIMUM ELIGIBLE COSTS (PLN M)				
	Industrial project of large enterprises	Modern business services projects	Medium enterprises	Small enterprise	Micro enterprises
≤ 60%	≥ 100	≥ 5	≥ 20	≥ 5	≥ 2
(60%; 100%>	≥ 80	≥ 4	≥ 16	≥ 4	≥ 1,6
(100%; 130%>	≥ 60	≥ 3	≥ 12	≥ 3	≥ 1,2
(130%; 160%>	≥ 40	≥ 2	≥ 8	≥ 2	≥ 0,8
(160%; 200%>	≥ 20	≥ 1	≥ 4	≥ 1	≥ 0,4
(200%; 250%>	≥ 15	≥ 0,75	≥ 3	≥ 0,75	≥ 0,3
> 250%	≥ 10	≥ 0,5	≥ 2	≥ 0,5	≥ 0,2
Cities losing its socio-economic functions and communes bordering with these cities	≥ 10	≥ 0,5	≥ 2	≥ 0,5	≥ 0,2

* rate in a district where investment will be located, as a fraction of average unemployment rate in Poland

Table 3: The minimum required level of eligible costs

- accounting and bookkeeping services specified in the category 69.20.2 of the PKWiU,
- head offices and management-related consultancy specified in the section 70 of the PKWiU,
- architectural and engineering as well as technical research and analysis specified in the section 71 of the PKWiU,
- scientific research and development works specified in the section 72 of the PKWiU,
- specialized design services specified in the group 74.1 of the PKWiU,
- consultancy in environmental matters specified in the sub-category 74.90.13 of the PKWiU,
- call centers services specified in the group 82.2 of the PKWiU,
- repair and maintenance of computers and communication equipment services specified in the group 95.1 of the PKWiU.

Qualitative criteria

The qualitative criteria differs according to the type of investment (slightly different criteria for industrial and service investments). In both cases criteria are divided into two groups:

- sustainable economic development and
- sustainable social development

Each of group has five criteria, each of them for 1 point. The maximum amount of points is 10. The required minimum depends on investment location as it is presented in fig. 7, but it is necessary to score at least 1 point in each group: the qualitative criteria are presented in the table 4.

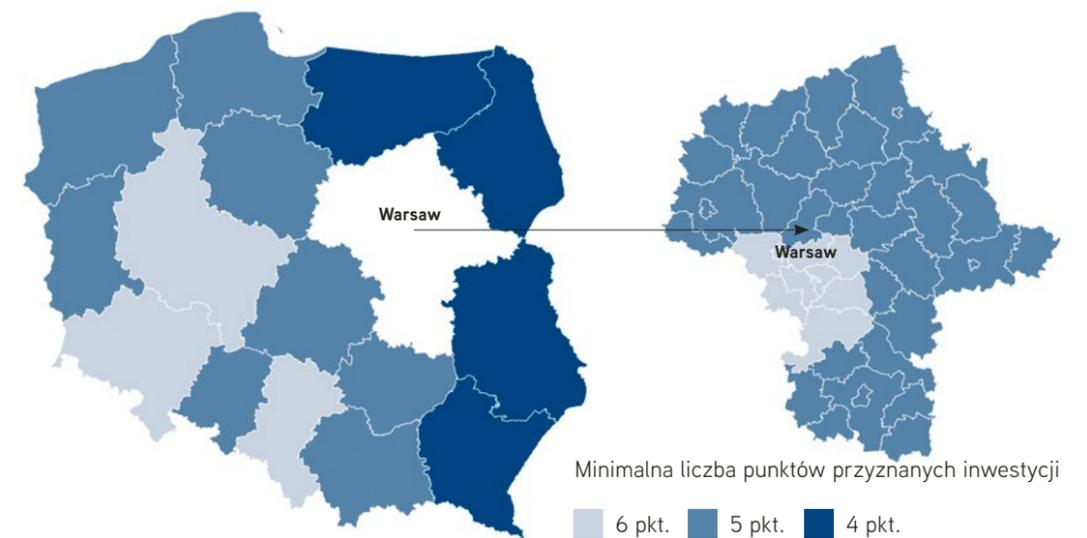
ELIGIBLE BUSINESS ACTIVITIES

Similar to SEZ, certain activities are not allowed to take advantage over PIZ. However, the new regulation has introduced possibility to receive the support for the following service activities that were not allowed in SEZ:

- other online content (PKWiU 58.19.2),
- head offices and management-related consultancy (PKWiU 70),
- architectural and engineering as well as technical research and analysis (PKWiU 71),
- specialized design services (PKWiU 74.1),
- consultancy in environmental matters (PKWiU 74.90.13).

Amendments to the Special Economic Zones Act added criteria relating to the size of company and the local market in which an investment can be located. Now, it is not only capital expenditure that is important. This change has had a positive influence on the small and medium-size enterprises sector, and it has also closed the gap between foreign and domestic companies

VT-Sport Sp. z o.o.
Cruise and sports boats, sports equipment sector



Rys. 7: Minimalna wymagana liczba punktów w ramach oceny jakościowej dla inwestycji w poszczególnych lokalizacjach

Industrial Investments		Service Investments
SUSTAINABLE ECONOMIC DEVELOPMENT		
1	Consistency of the investment with the current national development policy (priority sectors)	
2	Adequate level of exports of products or services	
3	Conducting R&D activities	
4	Participation in Key National Clusters	Creation of a modern business services center with a range extending beyond the territory of Poland
5	Possession of status of micro, small and medium – sized enterprises	
SUSTAINABLE SOCIAL DEVELOPMENT		
6	Creation of specialized jobs in order to conduct business activities covered by new investment and offered stable employment	Creation of high-paid specialized jobs and offered stable employment
7	Running a business with a low negative impact on the environment	
8	Location of investments in medium-sized cities losing socio-economic functions or communes bordering on those cities or districts with an unemployment rate > 160% of the average	
9	Predefined forms of cooperation with industry schools specialized in the given industry and supporting employees in constant development, acquiring education and professional qualifications	
10	Taking actions in the area of the employee assistance programme	

Table 4: Comparison of qualitative criteria for Industrial Investment and Service Investment

OBLIGATIONS OF INVESTORS

The main obligations of investors results from the decision on support. However, some additional obligations result from the EC regulation on regional aid. The Table 5 summarizes the main obligations of investors.

SUMMARY

The new legislation, mainly due to elimination of territory restriction, should both encourage current investors to reinvest in Poland as well as attract new foreign investors. The aid may be granted for both production and service investments. In terms of service projects the scope of activities that may benefit from tax exemption has been extended. The investments involving services that are classified as modern business services or R&D may take advantage of significantly lower quantity criteria. The same refers to micro, small and medium enterprises.

In the new system of support the process of applying for tax exemption should be more standardized in the entire Poland. On the other hand investors will have more obligations: not only the amount of capex, number of workplaces and deadlines specified in decision on support and maintenance period of the investment (as it used to be in SEZ) but also the quantitative criteria.

In terms of benefit the most valuable advantage is significantly longer period of tax exemption. It concerns especially investments located within SEZ area or region with highest (50%) aid intensity, where exemption period is 15 years and almost doubles the period that were granted within SEZ recently (8,5 years).

Obligation	Small and medium investors	Large investors
Not starting investment* before decision on support is issued	✓	✓
Not performing the relocation** of activity from other EEA country	✓	✓
Incurring declared value of capital expenditures within declared deadline	✓	✓
Maintaining ownership of the purchased assets (capital expenditures)	3 years	5 years
Creating declared number of new workplaces within declared deadline	✓	✓
Maintaining created workplaces	3 years	5 years
Maintaining investment in the region	3 years	5 years

* Start of works means the earlier of either the start of construction works related to the investment, or the first legally binding commitment to order equipment or any other commitment that makes the investment irreversible. Buying land and preparatory works such as obtaining permits and conducting feasibility studies are not considered start of works.

** "Relocation" means a transfer of the same or similar activity or part thereof from an establishment in one European Economic Area (EEA) country (initial establishment) to the establishment in which the aided investment takes place in another contracting party to the EEA country (aided establishment). In order to receive public aid the company must sign the confirmation that it has not carried out a relocation in the 2 years preceding the application for aid and guarantee that it will not do so up to a period of 2 years after the investment for which aid is requested is completed. If relocation of activity in the context of new project occurs as defined above, the public aid has to be notified to the European Commission or cannot be granted.

Considering new investment, entrepreneur should thoroughly analyze the considered location of the investment, as it determines:

- minimum required value of eligible investment costs under the quantitative assessment
- number of required points within qualitative evaluation
- maximum aid intensity and the amount of available tax exemption
- period of tax exemption

There are no application rounds – application for tax exemption can be submitted any time during the year. Investor applies for a decision on support to an Area Administrator, i.e. organ that used to be SEZ authorities for the relevant region. As a rule, the application process should not take longer than 30 days from submitting the application. However, the term may be changed in case of need for delivering additional documents for the application.

The changes in the regulations on the Polish Investment Zone meant that we can get an investment support decision quickly, which has significantly accelerated our investments. These projects are connected with introducing new and innovative products on the market, so timing is essential.

Dafi Pro SA
Production sector

BENEFITS AND CHALLENGES

Investors who support of the Polish Investment Zone name economic and geographical factors as the key benefits.

PUBLIC SUPPORT

The community law of the European Union, in principle, does not allow the member-states to offer public support (Treaty on the Functioning of the European Union) meaning that it may harm competition on the common market. But it allows public support to be granted to selected regions of the country, if it meets the criteria of preferential support to the less developed areas.

Before joining the European Union, Poland had to adjust its regional support rules to the guidelines from the European Commission (EC). These rules required compliance between tax exemptions inside the Special Economic Zones and the respective EU standard – the level of income tax relief was limited down to the maximum acceptable support going to a particular area.

Except for some rare cases, support granted by the state each time requires the European Commission's consent. One of such exceptions is support given to companies in the Special Economic Zones which helps the Zones (currently Polish Investment Zone) to operate in a more efficient way.

BENEFITS

Investors who want to use the regional support offered as part of the Polish Investment Zone point to the economic factor as a key benefit: the opportunity to get an income tax exemption. Public support granted in this form is a chief incentive to place investment projects in sites covered by the Special Economic Zones and, under the new law, it means the possibility to invest in almost any place across Poland. There are also a number of other privileges available to investors, especially if they make their investments in the area of the former Special Economic Zone, among them:

- purchase of land property destined for investment. Property owned (or managed) by Special Economic Zones is often ready for investment projects, that is, it guarantees legal and planning security, access to technical infrastructures and utilities,
- exemption from property tax in some municipalities (local law). If the local authorities choose to adopt a law on property tax relief, the relief is valid on the area of the whole municipality. Solutions of this type are more frequent in areas managed by Special Economic Zones usually owing to collaboration between local authorities and the Zones,

- extended income tax exemption period in sites covered by Special Economic Zones on previous principles. Under the new law, the income tax exemption can be granted to entrepreneurs for a period of 10, 12, or 15 years. All investment projects located within the existing Special Economic Zones are eligible for a 15-year tax exemption,
- possibility to combine the income tax exemption, which is the main benefit from operating within a Special Economic Zone, with other support forms, such as, the government's investment grants, subsidies from county job exchanges, and EU funds. The complementary character of the available incentives permits to maximize the basket of public support,
- possibility to use the existing technical and scientific research background offered by the Special Economic zones in cooperation with local authorities. This includes, among other things, renting office space, laboratories, and the use of machinery to train workers,
- possibility to collaborate with other companies investing in the same Zone. Managements of the particular Special Economic Zones provide conditions for establishing new business relations. These relations may help to create group purchasing organisations (purchase of energy) or to organise joint transportation of workers,
- another desirable aspect of the formation of clusters inside Special Economic Zones is the common access to the ecosystem serving the production companies of similar profiles, e.g. better coverage of the site by recruitment companies, suppliers, machinery maintenance services, firms certifying production, etc.,
- Special Economic Zone managements also share their knowledge and offer assistance to companies in their daily operation within the Polish Investment Zone.

CHALLENGES

While there are a multitude of reasons for starting a business within a Special Economic Zone, it is good to remember that such a decision also involves certain risks that should be considered before the commencement of project implementation and that respective precautions should be taken.

The main challenges identified by beneficiaries of Special Economic Zones include stronger competition for the work force. Barriers preventing (qualified and unqualified workers) from changing the employer do not practically exist in the case of production companies operating within the same site.

They can very easily compare wages offered by the particular employers and changing the place of work does not involve any problems with commuting, modifying employees' daily agendas, etc. While a new entrant in a Special Economic Zone always enjoys certain recruitment synergies in the start-up phase, the incumbent investors who want to retain their work force must keep increasing wages and improve the work quality by, among other measures, offering additional non-financial benefits.

The fact that Special Economic Zones often cooperate with local authorities is certainly an advantage of those sites but the division between obligations and jurisdiction of the particular entities involved is not always precisely defined, which may invite disputes over new infrastructural investments inside the Zones, such as, for instance, a relocation of a bus stop (competence of municipal authorities) to another place down a Zone's internal road. In order to ensure a proper functioning of the Zone, all the management bodies involved must be willing to cooperate and accept compromise.

While the management boards of the Special Economic Zone verify each investment in terms of compliance with the local law, and at the same time try to anticipate the possible effects of a given investment, in some cases a dispute arises between the neighbouring companies, e.g. regarding logistics (trucks blocking internal roads), planning (location of individual external factory elements, such as retention reservoirs, pumping stations, garbage dumps, etc.) or environmental hazards (emissions from the plant). As in most disputes with neighbours, good intentions of the involved parties and eagerness to solve problems usually play an important role.

"The New Investment Support Act (PSI) has undoubtedly created new opportunities for the development of our company. The investment project planned by us assumes the construction of a modern and innovative in terms of IT solutions window joinery factory in Koszalin. The new factory will enable production in quantity and quality meeting the expectations of customers from the Benelux countries. Without support, the implementation of the investment would not be possible or possible to a limited extent. Professional support of PARR S.A. and high level consulting allowed for efficient transition of the administrative procedure related to the support."

James Windows Sp.zo.o.
Manufacturing sector

POLISH INVESTMENT ZONE

AREAS PRESENTATION



KAMIENNA GÓRA SEZ

1,386 ha

AVAILABLE AREA

116.4 ha

MAXIMUM AREA OF PLOT

18.8 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE KAMIENNA GÓRA SEZ

■ 2019 – The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Kamienna Góra)



SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	2.8 mld PLN
Number of investors*	55
Number of permits issued	127
Number of decisions on support issued	11
New created jobs *	6,617
Maintained jobs *	979

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees))



Manufacturing	Bauer Print Wykroty, Joyson Safety Systems, Dr. Schumacher, Toyota Boshoku
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LEADING SECTORS IN THE SEZ



Metal processing, Products of rubber and plastic, Non-metal raw materials

INVESTMENT OPPORTUNITIES



Plans for preparing new investment areas.	✓
Possibility to buy land without obtaining a decision about support	✓

Source: Special Economic Zone for Medium Business S.A. in Kamienna Góra, as on 30.06.2019

KATOWICE SEZ

978 ha

AVAILABLE AREA

100 ha

MAXIMUM AREA OF PLOT

3-10 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE KATOWICE SEZ

■ 2019 – The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Katowice)



KATOWICE SEZ

SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	35.4 mld PLN
Number of investors*	416
Number of permits issued	590
Number of decisions on support issued	31
New created jobs *	46,951
Maintained jobs *	29,271

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees))



Manufacturing	PSA Manufacturing, NGK Ceramics, Brembo, TRW, Cooper Standard
Biurowi	Sopra Steria, Aiut

LEADING SECTORS IN THE SEZ



Automotive, Glassware, Metal processing, Construction

INVESTMENT OPPORTUNITIES



- Plans for preparing new investment areas. ✓
- Possibility to buy land without obtaining a decision about support ✓

Source: Katowice Special Economic Zone S.A., as on 30.06.2019

KOSTRZYŃ-SŁUBICE SEZ

900 ha

AVAILABLE AREA

60.2 ha

MAXIMUM AREA OF PLOT

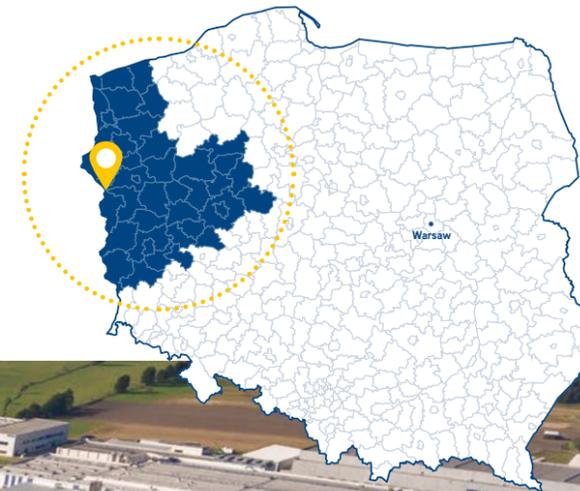
5 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE KOSTRZYŃ-SŁUBICE SEZ

■ 2019 – The Polish Investment Zone area which is managed by the SEZ
 📍 Headquarters (Kostrzyn)



SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	10 mld PLN
Number of investors*	150
Number of permits issued	344
Number of decisions on support issued	26
New created jobs *	21,556
Maintained jobs *	42,321

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees))



Manufacturing Volkswagen Poznań, Amica Wronki, Barlinek Inwestycje, ICT, TPV Displays, Magna, Gedia

LEADING SECTORS IN THE SEZ



Automotive, Papermaking, Wood, Plastics processing

INVESTMENT OPPORTUNITIES



- Plans for preparing new investment areas. ✓
- Possibility to buy land without obtaining a decision about support ✓

Source: Kostrzyn-Slubice Special Economic Zone S.A., as on 30.06.2019

KRAKÓW TECHNOLOGY PARK

383 ha

AVAILABLE AREA

100 ha

MAXIMUM AREA OF PLOT

8 ha

AVERAGE AREA OF PLOT

LOCATION OF INVESTMENT AREAS WITHIN THE KRAKÓW TECHNOLOGY PARK SEZ

■ 2019 – The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Kraków)



KRAKÓW TECHNOLOGY PARK SEZ

SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	8 mld PLN
Number of investors*	195
Number of permits issued	265
Number of decisions on support issued	27
New created jobs *	17,800
Maintained jobs *	13,544

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees)



Manufacturing	MAN Trucks, Valeo
Office	UBS Business Solutions, Shell

LEADING SECTORS IN THE SEZ



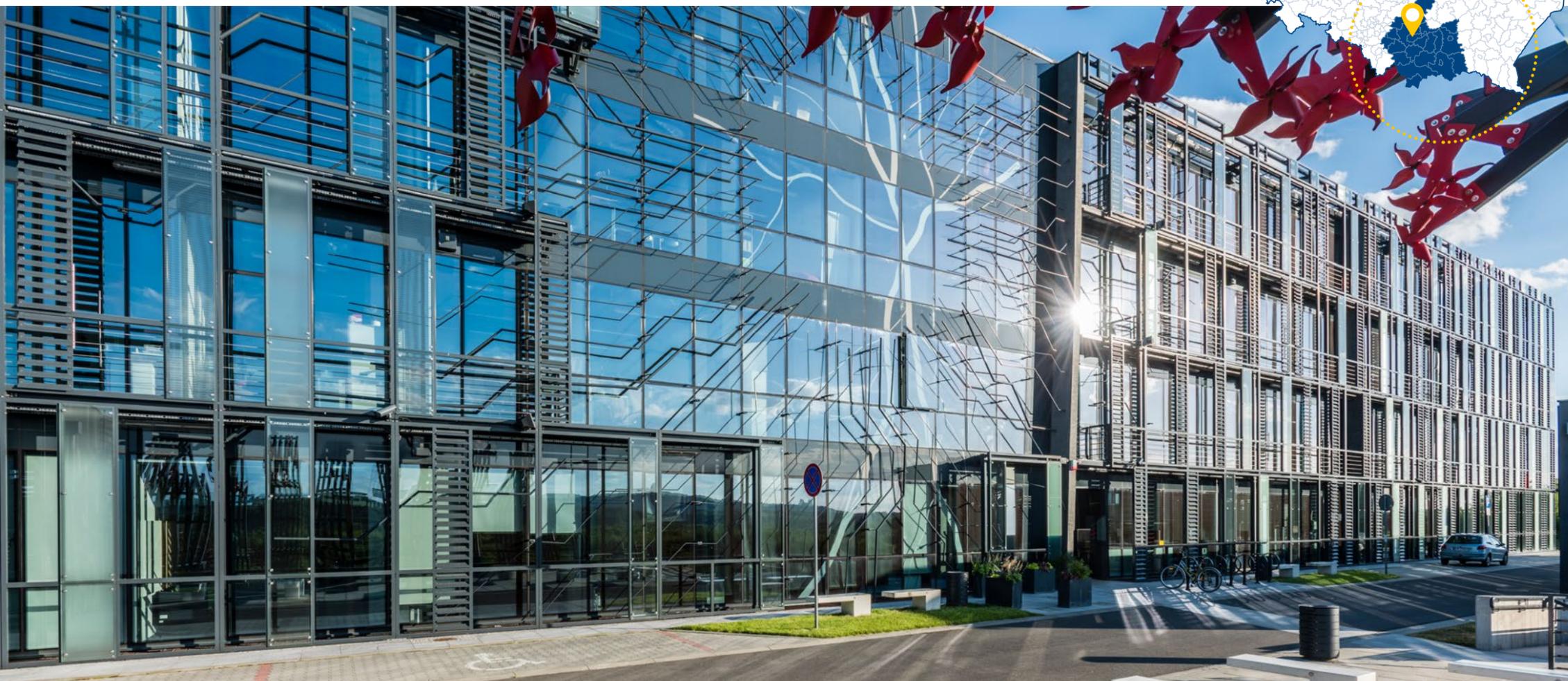
Automotive, IT/ICT, BPO/SSC, Chemicals

INVESTMENT OPPORTUNITIES



Plans for preparing new investment areas.	✓
Possibility to buy land without obtaining a decision about support	✓

Source: Kraków Technology Park sp. z o.o., as on



LEGNICA SEZ

918 ha

AVAILABLE AREA

105 ha

MAXIMUM AREA OF PLOT

5 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE LEGNICA SEZ

■ 2019 - The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Legnica)



LEGNICA SEZ

SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	6,6 mld PLN
Number of investors*	57
Number of permits issued	170
Number of decisions on support issued	9
New created jobs *	10,565
Maintained jobs *	5,530

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees)



Manufacturing Volkswagen, Sitech, Winkelmann, BASF, Voss Automotive, Sanden Manufacturing

LEADING SECTORS IN THE SEZ



Automotive, Metal processing, Plastics processing

INVESTMENT OPPORTUNITIES



Plans for preparing new investment areas.	✗
Possibility to buy land without obtaining a decision about support	✓

Source: Legnica Special Economic Zone S.A., as on 30.06.2019

ŁÓDŹ SEZ

592 ha

AVAILABLE AREA

200 ha

MAXIMUM AREA OF PLOT

5-10 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE ŁÓDŹ SEZ

■ 2019 - The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Łódź)



SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	14.9 mld PLN
Number of investors*	167
Number of permits issued	350
Number of decisions on support issued	24
New created jobs *	26,862
Maintained jobs *	42,159

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees)



Manufacturing	Euroglas, Whirlpool, Procter and Gamble, Grupa Ceramika Tubądzin, Ceramika Paradyż, UMA Investments, Miele Technika, Jutrzenka, Agros Nova
Office	Ericsson, Fujitsu Technology Solutions, Infosys, Bluerank

LEADING SECTORS IN THE SEZ



Household appliances, BPO/SSC/IT, Pharmaceuticals & cosmetics, Food, Plastics processing, Construction ceramics

INVESTMENT OPPORTUNITIES



Plans for preparing new investment areas.	✓
Possibility to buy land without obtaining a decision about support	✓

Każdy taki przypadek rozpatrywany jest indywidualnie przez Zarząd ŁSSE S.A.

Source: Łódź Special Economic Zone S.A., as on 30.06.2019

EURO-PARK MIELEC

1,000 ha

AVAILABLE AREA

340 ha

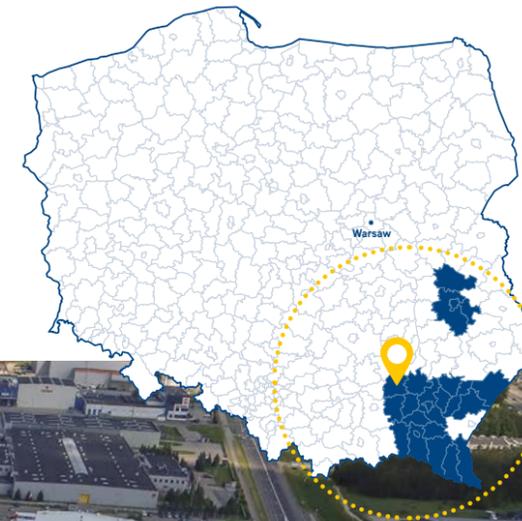
MAXIMUM AREA OF PLOT

2 ha

AVERAGE AREA OF PLOT

LOCATION OF INVESTMENT AREAS WITHIN THE SEZ EURO-PARK MIELEC

■ 2019 - The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Mielec)



SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	10.3 mld PLN
Number of investors*	191
Number of permits issued	449
Number of decisions on support issued	25
New created jobs *	22,927
Maintained jobs *	18,319

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees)



Manufacturing Kronospan, MTU Aero Engines, BorgWarner, Goodrich Aerospace, Pratt&Whitney, Lear Corporation, Kirchoff, Polskie Zakłady Lotnicze

Office Lingaro

LEADING SECTORS IN THE SEZ



Aviation, Automotive, Plastics processing, Chemicals

INVESTMENT OPPORTUNITIES



- Plans for preparing new investment areas. ✓
- Possibility to buy land without obtaining a decision about support ✓

Source: Industrial Development Agency Branch Office in Mielec, as on 30.06.2019

POMERANIAN SEZ

1,738 ha

AVAILABLE AREA

486 ha

MAXIMUM AREA OF PLOT

15.5 ha

AVERAGE AREA OF PLOT

LOCATION OF INVESTMENT AREAS WITHIN THE POMERANIAN SEZ

■ 2019 - The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Sopot)



SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	11.1 mld PLN
Number of investors*	139
Number of permits issued	177
Number of decisions on support issued	19
New created jobs *	16,817
Maintained jobs *	10,644

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees)



Manufacturing	Bridgestone, Cargotec, Flextronics, International Paper, Mondi, Plastica, PDH (Grupa Azoty), Polpharma, Lacroix Electronics
Office	Juul Labs Services

LEADING SECTORS IN THE SEZ



Papermaking, Products of rubber, Plastics processing, Chemicals, Pharmaceuticals & cosmetics, Metal processing and constructions

INVESTMENT OPPORTUNITIES



Plans for preparing new investment areas.	✓
Possibility to buy land without obtaining a decision about support	✓



Source: Pomeranian Special Economic Zone sp. z o.o., as on 30.06.2019

SŁUPSK SEZ

538 ha

AVAILABLE AREA

180 ha

MAXIMUM AREA OF PLOT

1-5 ha

AVERAGE AREA OF PLOT

LOKALIZACJA OBSZARÓW W RAMACH SŁUPSKIEJ SSE

■ 2019 – The Polish Investment Zone area which is managed by the SEZ
 📍 Headquarters (Słupsk)



SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	2.2 mld PLN
Number of investors*	75
Number of permits issued	90
Number of decisions on support issued	8
New created jobs *	2,600
Maintained jobs *	4,600

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees))



Manufacturing	Kronospan, Albatros Aluminium, Nordglass, Paula Fish Sławomir Gojdz, ROTHO, Q4Glass, ABJ Investors
Office	Aparator Telemetry, Kaliop, Macrologic

LEADING SECTORS IN THE SEZ



Automotive, Metal processing, Plastics processing, Food, Wood, Furniture

INVESTMENT OPPORTUNITIES



Plans for preparing new investment areas.	✓
Possibility to buy land without obtaining a decision about support	✓

Source: Pomeranian Regional Development Agency S.A., as on 30.06.2019



"STARACHOWICE" SEZ

245 ha

AVAILABLE AREA

71 ha

MAXIMUM AREA OF PLOT

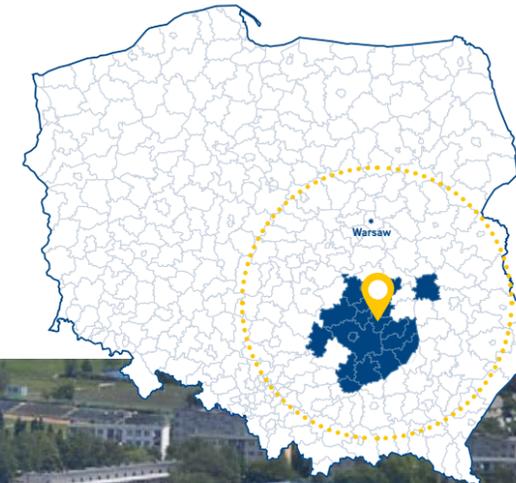
1-10 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE "STARACHOWICE"

■ 2019 – The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Starachowice)



"STARACHOWICE" SEZ

SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	3.2 mld PLN
Number of investors*	76
Number of permits issued	183
Number of decisions on support issued	12
New created jobs *	4,800
Maintained jobs *	4,600

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees)



Manufacturing MAN Bus, Zakłady Azotowe "Puławy" (Grupa Azoty), Cerrad, Walstead Starachowice

LEADING SECTORS IN THE SEZ



Automotive, Metal processing and machinery, Chemicals, Ceramics

INVESTMENT OPPORTUNITIES



Plans for preparing new investment areas.	✓
Possibility to buy land without obtaining a decision about support	✓

Source: "Starachowice" Special Economic Zone S.A., as on 30.06.2019

SUWAŁKI SEZ

195 ha

AVAILABLE AREA

100 ha

MAXIMUM AREA OF PLOT

2-7 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE SUWAŁKI SEZ

■ 2019 – The Polish Investment Zone area which is managed by the SEZ
 📍 Headquarters (Suwałki)



SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	3.5 mld PLN
Number of investors*	128
Number of permits issued	251
Number of decisions on support issued	11
New created jobs *	5,440
Maintained jobs *	4,323

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees)



Manufacturing Tanne, Pfeleiderer Mdf, Rockwool, Porta KMI, Impress Deco, Padma, Malow, Aquael, Bison Chucks, Serwistal

LEADING SECTORS IN THE SEZ



Wood, Furniture, Metal processing, Plastics processing

INVESTMENT OPPORTUNITIES



Plans for preparing new investment areas.	✓
Possibility to buy land without obtaining a decision about support	✓

Source: Suwałki Special Economic Zone S.A., as on 30.06.2019

TSSE EURO-PARK WISŁOSAN

443 ha

AVAILABLE AREA

60 ha

MAXIMUM AREA OF PLOT

2-10 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE TSEZ EURO-PARK WISŁOSAN

■ 2019 - The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Tarnobrzeg)



TSSE EURO-PARK WISŁOSAN

SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	9 mld PLN
Number of investors*	156
Number of permits issued	213
Number of decisions on support issued	13
New created jobs *	16,307
Maintained jobs *	8,823

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees)



Manufacturing LG Display, UPM Raflatac, Piklington Automotive, LG Electronics, Quadwinkowski, Federal-Mogul, Thoni Alutec

LEADING SECTORS IN THE SEZ



Automotive, Glassware, Metal processing, Aluminum

INVESTMENT OPPORTUNITIES



- Plans for preparing new investment areas. ✓
- Possibility to buy land without obtaining a decision about support ✓

Source: Industrial Development Agency S.A. Branch Office in Tarnobrzeg, as on 30.06.2019

WAŁBRZYCH SEZ "INVEST-PARK"

1,639 ha

AVAILABLE AREA

200 ha

MAXIMUM AREA OF PLOT

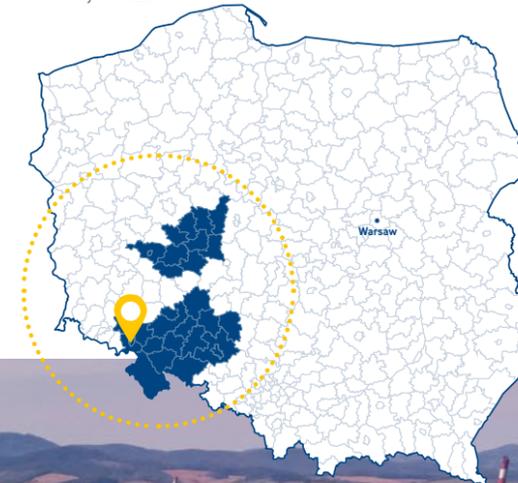
8 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE WAŁBRZYCH SEZ "INVEST PARK"

■ 2019 - The Polish Investment Zone area which is managed by the SEZ 📍 Headquarters (Wałbrzych)



WAŁBRZYCH SEZ "INVEST-PARK"

SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	25.7 mld PLN
Number of investors*	215
Number of permits issued	478
Number of decisions on support issued	25
New created jobs *	41,375
Maintained jobs *	54,820

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees))



Manufacturing	Volkswagen, Toyota Motor Manufacturing, Mondelez, Production, Essity Operations, Electrolux, Adient, Faurecia
Office	IBM Global Services Delivery Centre

LEADING SECTORS IN THE SEZ



Automotive, Machinery, Chemicals, Plastics processing, Food

INVESTMENT OPPORTUNITIES



- Plans for preparing new investment areas. ✓
- Possibility to buy land without obtaining a decision about support ✓

Source: Wałbrzych Special Economic Zone "INVEST-PARK" Sp. z o.o., as on 30.06.2019

WARMIA – MAZURY SEZ

150 ha

AVAILABLE AREA

41.4 ha

MAXIMUM AREA OF PLOT

5 ha

AVERAGE AREA OF PLOT



LOCATION OF INVESTMENT AREAS WITHIN THE WARMIA-MAZURY SEZ



SEZ RESULTS FROM THE BEGINNING OF THE ACTIVITY



Investment value	4.3 mld PLN
Number of investors*	148
Number of permits issued	230
Number of decisions on support issued	32
New created jobs *	9,337
Maintained jobs *	15,303

*according to valid permits and decisions on support

SELECTED LARGEST INVESTORS

(by investment expenditure and (by number of employees))



Manufacturing LG Electronics, Ikea Industry, Cedrob, Egger, Polmlek, MlekoPol, Michelin, Tymbark, DFM, Grupa Meblowa Szynaka, Meble Wójcik

LEADING SECTORS IN THE SEZ



Products of rubber and plastics, Electronics, Metal processing, Furniture, Food

INVESTMENT OPPORTUNITIES



Plans for preparing new investment areas.	✓
Possibility to buy land without obtaining a decision about support	✓

Source: Warmia-Mazury Special Economic Zone S.A., as on 30.06.2019

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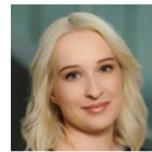
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