

Strong cities



City attractiveness, office market, HR trends

Q4 2024

The office market sentiment, the investment potential of the city and the labour market.

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Wrocław

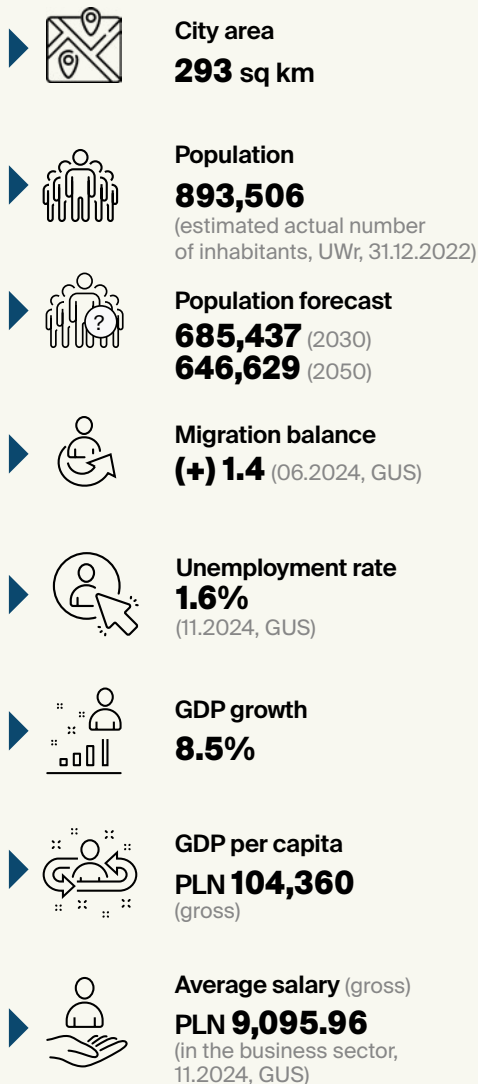
*Prepared
in cooperation with*



Wrocław Agglomeration
Development Agency

Michael Page

Wrocław



Investment attractiveness

Rankings

1ST
PLACE

in fDi's **Mid-Sized European Cities of the Future 2024 - Overall**

1ST
PLACE

in fDi's **Mid-Sized European Cities of the Future 2024 - Business Friendliness**

1ST
PLACE

in „**Polish Startups 2023**” compiled by the Startup Poland Foundation

1ST
PLACE

in the **classification of a place for doing business** according to the subjective ranking by managers, **ABSL report 2023**

1ST
PLACE

in Poland, No. 2 in Europe, No. 8 in the world in **rising star among technology hubs category**, according to the „The next generation of tech ecosystems” report compiled by Dealroom

2ND
PLACE

in **Business Environment Assessment Study (BEAS) 2024**

4TH
PLACE

in fDi's **Mid-Sized European Cities of the Future 2024 - FDI Strategy and Economic Potential**

Investment incentives

"One stop shop" - Investment process support from the Wrocław Agglomeration Development Agency.

Real estate tax exemption in case of investments in a photovoltaic installation, heat pump, recuperator, ground heat exchanger, solar collector.

Accelerator programmes: Concordia Design Accelerator, Accel Boost, Startup Booster for Social Impact.

Real estate tax exemptions in Wrocław.

Lower Silesian Special Economic Zones.



Quality of life

Rankings

1ST

PLACE

in fDi's **Mid-Sized European Cities of the Future 2024**
- Human Capital and Lifestyle



Wrocław listed among the 100 cities of the EU mission, „100 Climate Neutral and Smart Cities by 2030”

Research and development potential in the Wrocław agglomeration

1) High concentration of R&D companies

Wrocław has 11% of Polish companies with the status of R&D center granted by the Ministry of Development and Technology.

2) Diversity of R&D business fields

Companies in Wrocław conduct R&D activities in a wide range of fields, such as engineering and manufacturing, information technology, chemicals and materials, energy, and medicine. This diversification contributes to the creation of innovative solutions in various sectors.

3) Innovative start-ups

Wrocław is the leader in Poland in terms of the number of start-ups, 28% of all Polish start-ups are registered in Lower Silesia, with the vast majority in Wrocław.

4) Significant role of universities

There are 30 universities in Wrocław, which educate more than 105,000 students, of which more than 42,000 are in fields of study that are key to R&D.

5) High rating of educational potential

64% of companies rate the educational potential of Wrocław universities in the context of R&D cooperation as good or very good. Students have access to numerous internship and traineeship programs at companies such as Selena, Mikroel, LG Energy Solution Wrocław, Hasco-Lek, among others, which fosters the development of practical skills.

6) Highly qualified human resources

Sixty percent of companies rate the availability of qualified R&D specialists as good or very good. High levels of education, creativity and innovation, and knowledge of modern technologies are the main strengths of Wrocław's human resources.

7) Dynamic growth of the R&D sector

At the turn of the last few years, the R&D sector in Lower Silesia has experienced dynamic growth, as reflected, among other things, in a 34 percent increase in the number of entities engaged in research and development activities.

Read more about the research and development potential in the Wrocław agglomeration in the latest report. →



Bike paths
1400 km



Green areas
~41% of the total city area

Facts & Figures



Number of students
106,116



Number of graduates
26,094



Number of universities
30



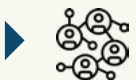
Airport - distance to the city centre
10 km



Airport - number of passengers
4,473,945 (2024)



BSS sector - number of centres
234



BSS sector - number of employed
66,200



STEM - chart your future

RATING
AGENCY






Moody's

RATING




A-

Wrocław

Q4 2024

▶ 	Existing stock 1.38m sq m
▶ 	Supply under construction 35,000 sq m
▶ 	Vacancy rate 19.3%
▶ 	New supply 38,000 sq m
▶ 	Take-up 146,000 sq m

Standard lease terms in new buildings

▶ 	Service charge PLN/sq m/month 16.00-31.00
▶ 	Rent-free period 1.5 month for each contract year
▶ 	Fit-out budget EUR/sq m 450.00-550.00

▶ Wrocław, following Warsaw and Kraków, is the third-largest office market in Poland, with total office space reaching 1.38m sq m, accounting for nearly 11% of the country's total office supply. The city enjoys strong tenant interest - in 2024, 146,000 sq m of office space was leased, making it the second-highest result among regional cities.

SUPPLY

As of the end of 2024, Wrocław's office stock totalled 1.38m sq m. Developer activity has markedly declined, with only 38,000 sq m of new office space delivered throughout the year and 35,000 sq m remaining under construction. The most significant project completed during this period was Quorum Office Park A, developed by Cavatina Holding, contributing over 18,000 sq m to the market..

TAKE-UP

Wrocław continues to be the second most sought-after regional city for office tenants in Poland, with leased office space surpassing 146,000 sq m, which represents 21% of the total transaction volume recorded outside Warsaw.

Demand for office space remains relatively robust, with the 2024 leasing volume surpassing the five-year average by 3,000 sq m. However, it decreased by 12% compared to the previous year, which saw the second-highest volume of leased office space in the history of the local market.

As observed in other cities, the vast majority of leased space comes from lease renegotiations (over 57% of the total volume), which reflects tenants' continued cost-conscious approach. Consequently, tenants are reluctant to change offices, with the share of new leases dropping to 36%. The number of expansions continued to decline, accounting for only 2% of the total volume, while owner-occupier deals accounted for the remaining 5%.

VACANCY RATE

The weakening demand in 2024 resulted in a persistently high vacancy rate in Wrocław. By the end of Q4 2024, the vacancy rate reached 19.3%, an increase of 1.1 pp compared to the end of 2023. However, it is notable that the rate decreased by 0.4 pp compared to the previous quarter, which signals the start of a downward trend, particularly considering the limited new supply currently under construction.

RENTS

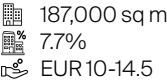
As of the end of 2024, asking rents in Wrocław remained stable, ranging from EUR 10.00 to 16.00 /sq m/month, although rents for prime office spaces in newly developed buildings may exceed this range. Service charges also remained stable, ranging between PLN 16.00 and 31.00 /sq m/month.

Office market in Poland

Q4 2024



SZCZECIN



POZNAŃ



WROCLAW



KATOWICE



TRICITY



WARSAW



LÓDŹ



LUBLIN



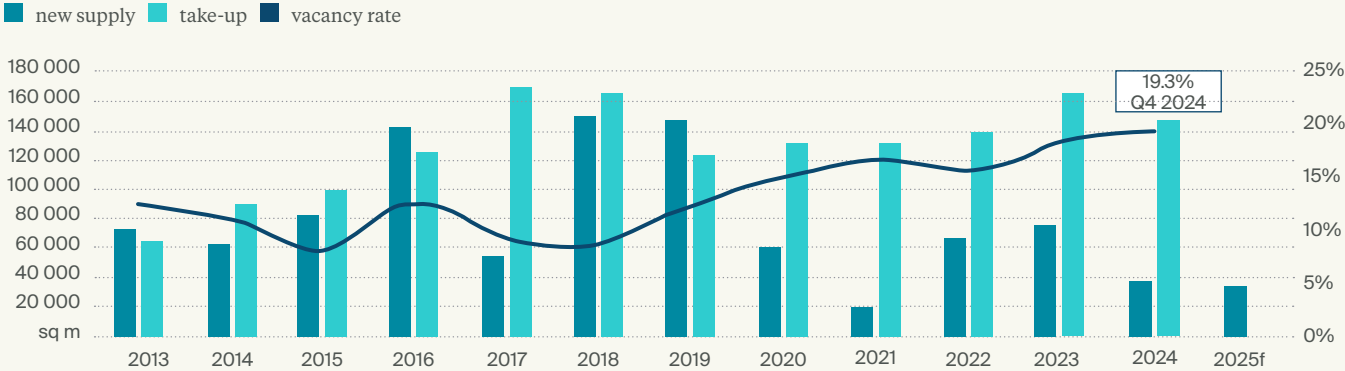
KRAKOW



 - office stock  - vacancy rate
 - asking rents (per sq m per month)

Source: Knight Frank

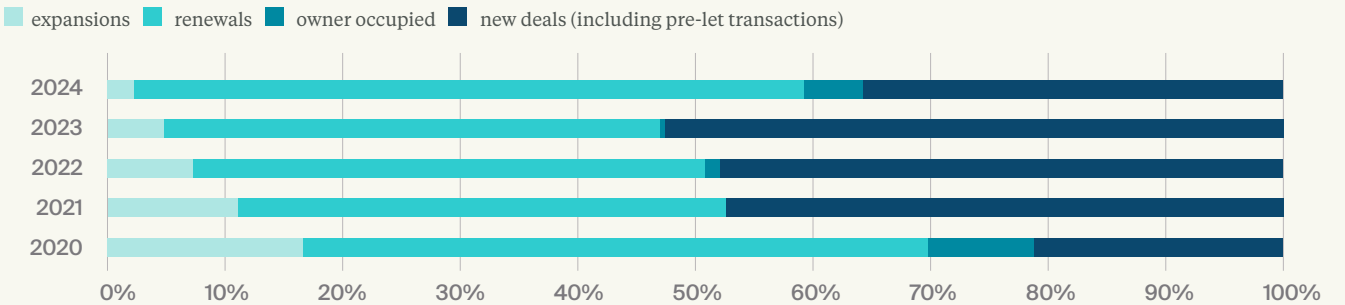
Annual new supply, take-up and vacancy rate in Wrocław



f-forecast based on schemes under construction

Source: Knight Frank

Take-up structure in Wrocław



Source: Knight Frank

Salary and Trend Overview in Production, Warehouse Logistics, and Manufacturing in Poland

The year 2025, as a continuation of 2024, brings numerous challenges for the sector of production logistics, warehouse logistics, and manufacturing in Poland. Naturally, the context of these challenges is broader and involves changes across Europe and globally. The market is facing several significant difficulties related to growing challenges in operational efficiency, the need to attract qualified employees, and changing salary expectations, which are evident throughout Europe, with this increase being particularly noticeable in Poland.

Although the production and logistics industry plays a key role in the economy, its dynamics are constantly evolving, requiring companies to demonstrate flexibility and adapt to new economic realities and labor market challenges.

Salaries in Logistics and Manufacturing

According to industry reports, including one published by Michael Page, average salaries in production and logistics are expected to continue growing in 2025, although at a slower pace than the previous year. The level of remuneration largely depends on the specific position, location, and company size, but a general trend of rising salary expectations is observed across the market. In addition to macroeconomic factors and inflation, the increase in the minimum wage also plays a role, impacting not only the salaries of production workers and warehouse staff but also those in specialized, expert, and managerial roles.

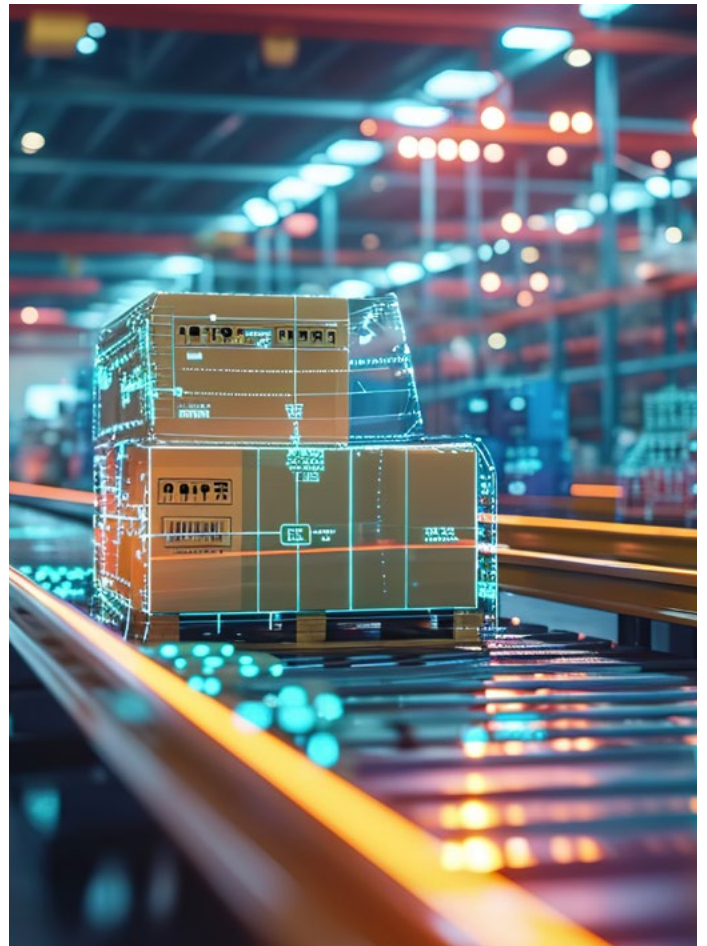
For another consecutive year, the gap in salaries between qualified experts and managers is expected to diminish, with the wage distance between these two groups narrowing.

The increase in wages in recent years, despite intense competition in the labor market, is a result of the growing automation and digitalization of production and logistics processes. Operational efficiency is becoming increasingly important, and achieving this without appropriate human and technological resources is difficult.

Recruitment in Logistics and Manufacturing: Challenges and Needs

With each passing year, as automation of processes advances, the demand for workers in logistics and manufacturing also increases, particularly in warehouse management, transport, and maintenance areas. It is estimated that, in 2025, the number of job vacancies in this sector in Poland could exceed 100,000. The logistics sector, especially with the intensive growth of e-commerce, requires adequately skilled employees who can meet the growing demands related to the speed and precision of deliveries.

According to a 2024 report from the Polish Institute of Logistics and Warehousing (PILM), 60% of companies in the warehouse and logistics industry report difficulties in recruitment, especially for manual laborers and middle management positions. Employers must rely on innovative methods of talent acquisition, such as collaborating with technical universities, organizing internships,





and creating career development programs. Companies often also turn to specialized headhunting firms to acquire the best talent, as they face challenges reaching them independently.

Automation and the Future of Employment

Trends indicate continued development in the automation of logistics, warehouse, and production processes, which may reduce the demand for manual labor in the short term. On the other hand, there is an increasing demand for specialists in the operation of advanced technologies such as robotics, automation, artificial intelligence, and the Internet of Things (IoT). These changes prompt companies to invest in the development of their employees' skills, offering courses and training related to modern warehouse systems or advanced production lines, and encouraging the search for new talent to strengthen existing teams.

Experts predict that in the coming years, the most sought-after specialists will include supply chain managers, logistics data analysts, and automation engineers. In the production sector, increasing importance will be placed on individuals involved in designing and implementing new technological solutions that enable more efficient process management. The manufacturing sector will also face the impact of artificial intelligence development and advancing automation, aiming to meet numerous standards, stabilize product prices, and improve cost efficiency.

Best Practices in Personnel Management in Logistics and Manufacturing

Companies in the logistics and manufacturing sectors that successfully attract and retain employees implement a range of best practices. Transparency in the recruitment process, aligning job offers with the actual needs of employees, and creating opportunities for career development are crucial factors before entering into collaboration with a potential candidate. Employers are increasingly adopting work flexibility, using hybrid work models for positions where this is technologically or process-wise feasible. Moreover, companies are investing in motivational and loyalty programs that support long-term retention of talent. These include, among other things, bonus programs and the development of career paths.

The logistics and manufacturing industries in Poland face many challenges, but their growth is essential to maintaining the competitiveness of the economy. Rising salaries, changing employee expectations, and the increasing role of technology are key elements shaping the future of the sector. Companies that successfully adapt to these changes will gain a competitive advantage in the market and can expect continued growth and enhanced operational efficiency.

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The Wrocław Agglomeration Development Agency is a company whose goal is to attract foreign investors, and thus create new jobs and increase economic region. The company also conducts extensive information and promotion activities for residents and implements projects supporting development and cooperation in the agglomeration.

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