

Prepared  
in cooperation with



Michael Page



# KATOWICE

*City attractiveness and office market*

Q3 2021

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photo: POLANDONAIR.com

# KATOWICE

FACTS & FIGURES



CITY AREA

164.7 km<sup>2</sup>



POPULATION

Katowice: **290,553**  
GZM **2.2m**



POPULATION FORECAST

**261,050** (2030)



UNEMPLOYMENT RATE

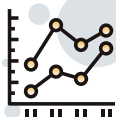
**1.8%**



SHARE IN THE GENERATION OF GDP

**12.1%**

(Silesian Voivodeship)  
(GUS, 2019)



GDP PER CAPITA

**PLN 60,963**

(Silesian Voivodeship)  
(GUS, 2019)



AVERAGE SALARY

**PLN 6,429**

(gross)

## INVESTMENT ATTRACTIVENESS

### 1. RANKINGS INDICATING THE INVESTMENT ATTRACTIVENESS OF THE CITY

5.

5<sup>th</sup> place in fDi European Cities and Regions of the Future 2020/21 ranking among large European cities.

7.

7<sup>th</sup> place in global fDi's ranking fDi Tier 2 Cities of the Future 2020/21.

According to the report „Investment potential of Katowice”, as part of the Business Environment Assessment Study, Katowice is included in the top four of the most advantageous areas for foreign investments in several categories.

RATING

**A-**  
(STABLE OUTLOOK)

RATING AGENCY **Fitch**

## QUALITY OF LIFE

### 2. RANKINGS ON THE QUALITY OF LIFE IN THE CITY

1.

1<sup>st</sup> in the Forbes Ranking for the most ecological city in Poland (2018-2019).

2.

2<sup>nd</sup> place in the „Electromobility Cities Ranking” prepared by Polityka Insight in cooperation with the Electric Vehicles Promotion Foundation. Katowice was also appreciated for public transport and clean air.

2.

2<sup>nd</sup> place in Green Cities Ranking in „Europolis” report: Green cities, Polish cities for the climate, environment and residents health by Polish Schuman and Adenauer Foundation.

1.

1<sup>st</sup> place for activities for air quality in the „Europolis” report: Green cities, Polish cities for the climate, environment and residents health by Polish Schuman and Adenauer Foundation.

Katowice was among the winners of the jubilee edition of the prestigious „Top Municipal Investments of the Decade” plebiscite - the Culture Zone was awarded. Additionally, in this year's edition of the competition, the project of swimming pools construction located in districts was awarded.

## 3. CITY INITIATIVES AIMED AT IMPROVING THE QUALITY OF LIFE IN THE CITY

### The most important infrastructure projects in Katowice currently under construction

- Reconstruction of Dworcowa St. and Tylna Mariacka St. (planned budget – PLN 4,016,204).
- Bicycle infrastructure in Katowice (planned budget – PLN 54,796,579).
- Extension of national road no. 1 from the junction of the A4 motorway - road no. 86 to the junction under construction at Armia Krajowa St. - Stage I (planned budget - PLN 298,525,140).
- Construction of a new tram line along Grundmanna Street - the first new tram line in 74 years - 1,900 m of a single track with parts of trackways at the junction of the new route with the lines running along Gliwicka and Chorzowska Streets. The section of the double-track line along Grundmanna Street is just over 600 m.
- Revitalization of Dolina Pięciu Stawów (planned budget – PLN 50,000,000).
- „District of New Technologies in Katowice” - an initiative to create the Katowice Gaming and Technology Hub. The planned office and technology complex is to serve as an educational place and a design centre for technological needs. In practice, it will become the main offices of high technology companies, in particular the computer games and e-sports industry. For the purposes of the project, the area around the Pułaski Shaft, which is part of the shutdown „Wieczorek” mine, will be developed. The investment will be the next stage in the revitalisation of the Nikiszowiec district.
- Katowice was the first city in Poland to introduce the „Low-Emission Economy Plan”. The implementation of the plan contributes to the improvement of air quality and energy security. The city regularly improves the efficiency of waste management.
- Development of ecological public transport and a network of city bikes:
  - 15 electric buses;
  - 144 charging points for electric cars (68 stations);
  - City by bike - 107 bicycle stations with 860 bicycles, almost 182 km of bicycle infrastructure;
  - 4 integrated transfer hubs in the park & ride formula with over 1,100 parking spaces.
- AWAIR - the largest air condition monitoring system in Poland, consists of 127 sensors installed throughout the city and 154 screens which present the concentrations of PM10 and PM2.5 particulate matter concentration.
- The construction of 11 retention reservoirs with a total capacity of 6,500 m<sup>3</sup> and the renovation and expansion of the existing rainwater sewage system is aimed at reducing the effects of climate change.
- „Good climate” is an initiative of the city of Katowice, which was created on the occasion with the organization of the COP24 climate summit in December 2018. Currently, the profile is run by employees of the Energy Management Office, who post information on the broadly understood climate and its protection.
- Green Budget - in the current edition of the budget 89 projects worth close to PLN 2.8 M will be implemented.
- A circular economy means rationalizing resource management and reducing the environmental impact of waste. Katowice is the first city that has decided to introduce such an economy model.



#### BIKE PATHS

**182 km**  
(2021)



#### GREEN AREAS

**82 sq km**

## FACTS & FIGURES

#### NUMBER OF STUDENTS



Katowice:  
**52,476**  
GZM: **85,655**

#### NUMBER OF GRADUATES



Katowice:  
**13,764**  
GZM: **22,757**

#### NUMBER OF UNIVERSITIES



Katowice: **11**  
GZM: **18**

#### AIRPORT - DISTANCE TO THE CITY CENTRE



**30 km**

#### AIRPORT - NUMBER OF PASSENGERS



**1,445,781** (2020)

#### BSS SECTOR - NUMBER OF CENTRES



Katowice: **90**  
GZM: **115**

#### BSS SECTOR - NUMBER OF EMPLOYED

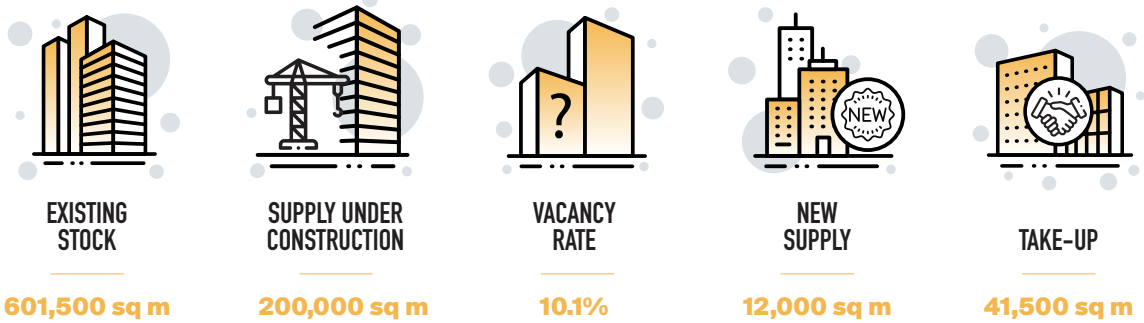


Katowice:  
**22,900**  
GZM: **27,500**

GZM - Górnośląsko-Zagłębiowska Metropolia  
(The Metropolis consists of Katowice together with 40 other cities and communes)

# KATOWICE

Q1-Q3 2021



Katowice's total office stock at the end of September 2021 exceeded 600,000 sq m. In Q3 2021 over 10,000 sq m was delivered in 2 projects: Kolońska Park with an area of 7,900 sq m, and Młyńska.6, offering almost 2,600 sq m of office space for lease. Additionally, at the end of September 2021 approximately 200,000 sq m was under construction, over 60% of which is scheduled for delivery by the

end of 2022. The largest of the projects under construction - .KTW II (42,000 sq m) and Global Office Park A1 and A2 (56,000 sq m) – are also scheduled for delivery in 2022. No new offices are scheduled for completion in last three months of 2021.

Since the beginning of 2021, however, over 41,000 sq m of space has been leased in the city. As a result of declining

tenant interest and new office project completion, the vacancy rate at the end of September 2021 stood at 10.1% - an increase of 0.9 pp. q-o-q and 3.5 pp. y-o-y. It should be noted that it is still one of the lowest vacancy rates among the largest cities in Poland in this period. Asking rents in Katowice in Q3 2021 remained stable, ranging from EUR 8.00 to EUR 15.00 per sq m per month.

## SELECTED SCHEMES UNDER CONSTRUCTION

### GLOBAL OFFICE PARK A1, A2

- 56,000 sq m
- Q4 2022
- Cavatina Holding

### CRAFT

- 26,700 sq m
- Q1 2023
- Ghelamco Poland

### ECO CITY KATOWICE I&II

- 18,000 sq m
- Q1 2023
- GPP

### CARBON OFFICE

- 8,450 sq m
- Q1 2022
- Opal Maksimum

### .KTW II

- 42,000 sq m
- Q1 2022
- TDJ Estate

Total office space    Completion date    Developer / Owner

## SELECTED BPO, SSC/GBS, IT AND R&D CENTERS:

- Capgemini | Fujitsu
- Technology Solutions |
- Groupon Shared Services |
- Honeywell Services |
- ING Tech Poland | ista Shared Services | Orange | PwC
- Service Delivery Center | Sii

## STANDARD LEASE TERMS IN LARGE SCALE, NEW BUILDINGS

**SERVICE CHARGE**  
PLN/SQ M/MONTH

16-20

**RENT-FREE MONTHS**

5-8 months

**FIT-OUT BUDGET**  
EUR/SQ M

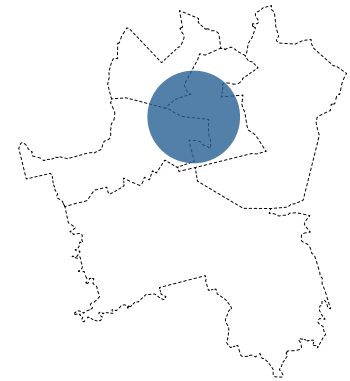
300-450

## COWORKING OPERATORS IN KATOWICE:

- City Space
- Spaces
- Własne B.

## MAJOR OFFICE CONCENTRATION AREAS

	EXISTING STOCK	SUPPLY UNDER CONSTRUCTION	VACANCY RATE	MONTHLY ASKING RENT
<b>CITY CENTRE</b>	262,117 sq m	128,846 sq m	7.1%	EUR 8-15 /sq m
<b>OUTSIDE CITY CENTRE</b>	339,393 sq m	71,922 sq m	12.5%	EUR 8-14 / sq m



## MAJOR REGIONAL CITIES

KRAKÓW, WROCŁAW, TRICITY, POZNAŃ, KATOWICE, ŁÓDŹ

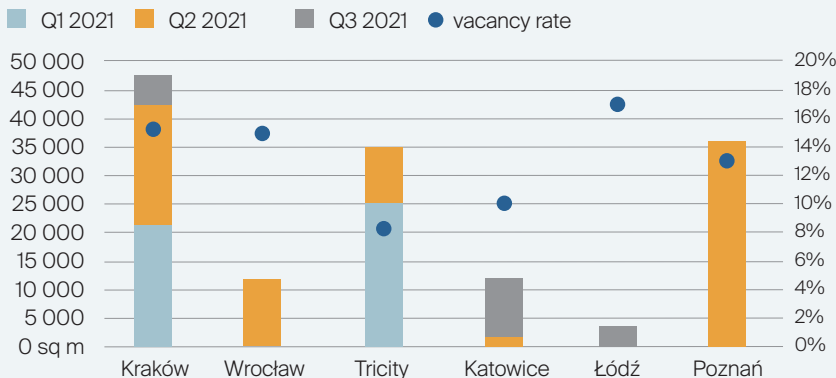
Q1-Q3 2021



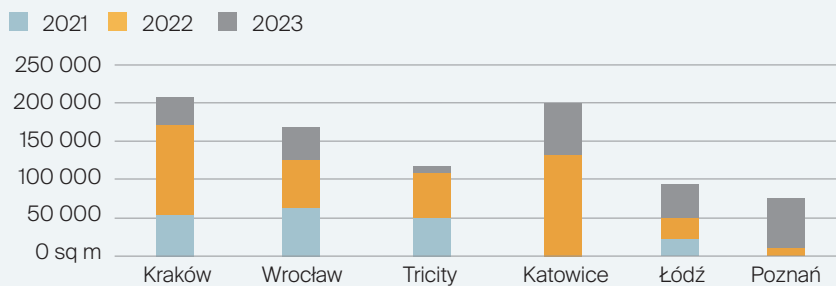
### KATOWICE COMPARED TO MAJOR REGIONAL CITIES

Katowice is a smaller scale office market than the leading regional business hubs, however, recent years have seen dynamic development in the city. This potential has been noticed by developers, who had previously focused on the largest office markets. As a result, there is currently approx. 200,000 sq m under construction in Katowice, the vast majority of which will be delivered to the market in 2022, giving a wide selection of A-class space to potential tenants.

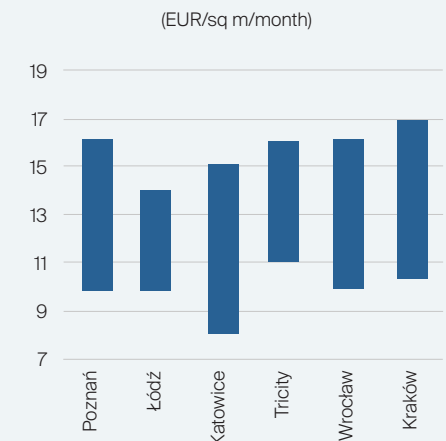
### NEW SUPPLY AND VACANCY RATE (Q3 2021)



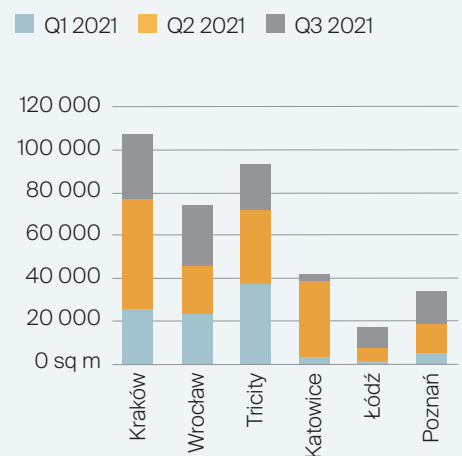
### SUPPLY UNDER CONSTRUCTION BY COMPLETION YEAR (Q3 2021)



### ASKING RENTS (Q3 2021)



### TAKE-UP VOLUME (Q3 2021)



# KATOWICE

## RECRUITMENT IN THE IT SECTOR



The growth of the IT sector in Katowice is unquestionable. Every year, **20%** of new jobs are added within the business services sector, including, above all, a variety of positions for IT specialists.



The Katowice labour market is attractive for investors chiefly because of the **11 universities and colleges** based in the area with their **14 thousand graduates** each year; **almost 52 thousand students are in full-time or part-time education.**



Metropolitan resources are also important to increase access to the qualified specialists, whose educational profile corresponds to the needs of companies providing IT or telecommunications services.



## TOP 3

1.

FRONTEND DEVELOPER

PLN 15,000 - 26,000 gross

2.

QA ENGINEER

PLN 14,000 - 20,000 gross

3.

ANDROID DEVELOPER

PLN 18,000 - 26,000 gross



## THE CRISIS IN THE HR SECTOR WAS INTENSE, BUT RELATIVELY SHORT

It looks like the changes brought about by the pandemic are here to stay. Both recruiters and candidates have openly appreciated the separation of the recruitment process from the physical location. Online job interviews will surely become a trend that will take root for a long time to come once the COVID-19 epidemic has been combatted. Online recruitment sessions simply save a lot of time to both parties of the process. Face-to-face meetings will now only be held at the final stages of the hiring procedure and will involve exclusively a handful of most promising candidates. There were already some feeble symptoms of recovery in July, followed by a calm and more holiday-like August. September, in turn, has seen a major upward trend, which is still in full swing. Those clients who earlier on preferred to hold back on taking major steps have now started to feel the need to hire additional staff on a mass scale.

## THE DAWN OF THE DIGITAL TRANSFORMATION OF RECRUITMENT

In the past, it was common practice to vet candidates on the phone at the preliminary stage of recruitment, which in most cases eventually led to face-to-face meetings. Since the pandemic, new standards have been set, making video interviews a permanent fixture in modern hiring practices, forcing consultants to instantly shift to the virtual world. About 99% of recruitment procedures, including final meetings, are now conducted online. The force of habit of the past seems to have made room for the new pandemic-driven reality of the present. Despite the initial uncertainty, it has turned out that at the end of the day it is perfectly possible to use online tools to hire specialists, managers, or top-level managers.



## THE ROLE OF MOTIVATION THROUGHOUT RECRUITMENT

In the era of the COVID-19 pandemic, particular emphasis is placed on issues related to work motivation, which are often raised at job interviews. Currently, the risk that a potential employee will change his/her place of employment after a few months is extremely high, and employers strive to avoid such situations. Candidates are also asked to explain why they are looking for a new job, and what factors lie behind their choices when deciding to change jobs. In this way, it is possible to check whether an applicant will successfully settle down within the structure of a given organisation, and whether his/her values coincide with its mission. Potential employees are expected to freely and honestly answer the questions they get during an interview. If they want to stay with the company for longer, they also need to be sure that they will adapt to its organisational culture. Since remote work to some extent hinders the mutual understanding and bonds between employers and employees, businesses often ask candidates about their attitude to the idea of coming back to traditional work in the office, even on a part-time basis.



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