The Strength of Cities

City attractiveness, office market, HR trends

H1 2026	The office market sentiment, the investment potential of the city and the labour market.	*knightfrank.com.pl/en/research*

Prepared in cooperation with

GROW WITH WARSAW

Michael Page

Warsaw

City area
517.2 sq km

Population
1,866,729
(state of 31.12.2025, GUS)

Population forecast
1,919,300 (2030)
1,906,300 (2050)
(state of 31.12.2025, GUS)

Migration balance
(+) 4,390
(state of 2024, GUS)

Unemployment rate
1.6%
(state of 05.2026, GUS)

GDP growth
14.9%
(2023)

GDP per capita
PLN **217,793**
(2022)

Average salary (gross)
PLN **11,204.68**
(in the business sector, 05.2026)

Investment attractiveness

Rankings

1. ST PLACE in the **Ranking of Shared Mobility Friendly Cities in Poland 2024**

2. ND PLACE in the ranking fDi **"European Cities and Regions of the Future 2025"** w kategorii Business Friendliness

2. ND PLACE in competition **European Innovation Capital - iCapital**

3. RD PLACE in the ranking fDi **"European Cities and Regions of the Future 2025"** - OVERALL

Investment incentives

Investment support

Offer for investors:

- individual approach;
- assistance at every stage of the investment, including the organization of reference visits;
- back office support;
- providing necessary information on available public aid.

Key areas of support

Information activities:

- assistance in obtaining data;
- providing industry know-how;
- city information pack.

Support in acquiring office space:

- access to information on municipal real estate;
- support in choosing a location;
- cooperation with real estate agencies.

Recruitment activities:

- cooperation with academic centres and universities;
- cooperation with HR agencies;
- coordination of joint activities with universities.

Post-investment support:

- support in day-to-day operations in the form of obtaining industry information;
- undertaking joint activities for the development of sectors;
- coordination of joint projects;
- support in corporate social responsibility projects.

Quality of life

Rankings

1st PLACE in the **Meetings Star Award 2025** competition in the category "New Europe Meeting Destinations"

2nd PLACE in the ranking of the most interesting travel destinations in the world - The New York Times, **"52 Places to Go in 2026".**

1st PLACE in the ranking **"European Cities Of The Future: 10 Places To Visit In 2026"** published by Forbes magazine.

2nd PLACE in the fDi **"European Cities and Regions of the Future 2025"** ranking in the category Human Capital and Lifestyle

1st PLACE in CEE ranking **Sustainable Cities Index 2024** (Arcadis)

The title "**Best European Capital of MICE & Leisure 2026"** awarded by European Best Destinations.

Quality of life in numbers

Culture and recreation

- 102 museums and art galleries;
- 32 theatres and music institutions;
- 34 cinemas;
- 3,164 food service establishments, including over 540 restaurants;
- approx. 2.4m sq m of commercial retail space;
- 224 outdoor gyms;
- 37 swimming pools and 15 ice rinks;
- 11 beaches along the banks of the Vistula.

Public transport

- In 2024, 90% of residents rated the quality of public transport as "good" or "very good.";
- 2 metro lines, 5 lines of Szybka Kolej Miejska, 275 bus lines with approx. 1,430 vehicles (100% low floor);
- investments for over PLN 6.9bn in public transport and infrastructure (2017-2025);
- 27 tram lines with over 774 trams;
- 79% of city residents consider Warsaw as bicycle-friendly city;
- over 3,590 city bikes; 348 bike stations;
- water trams and ferries on the Vistula, canoes and water skis.

Bike paths
over **883.5** km

Green areas
47%

Facts & Figures

Number of students
262,700

Number of graduates
51,000

Number of universities
67

Airport - distance to the City centre
9.8 km

Airport - number of passengers
24.1m (2025)

BSS sector - number of centres
418 (2025)

BSS sector - number of employed
>100,000

RATING AGENCY | **Fitch** | RATING | **A-**

Warsaw

H1 2026

Existing stock
6.24m sq m

Supply under construction
129,000 sq m (-0.8% YoY)

Vacancy rate
8.5% (-2.3 p.p. YoY)

New supply
45,000 sq m (-47% YoY)

Take-up
417,000 sq m (+38.8% YoY)

Warsaw remains by far the largest and most mature office market in Poland. The capital's total stock of modern office space stands at 6.24 million sqm, accounting for almost half of the country's modern office supply and over 50% of the national leasing activity.

A constrained development pipeline continues to be one of the defining characteristics of the Warsaw office market. New supply forecast for 2026 amounts to just 49,000 sqm, making it one of the lowest annual totals recorded over the past two decades. At the same time, occupier activity has increased significantly, with leasing volume in H1 2026 rising by more than 38% compared with the same period of the previous year. As a result of constrained supply and robust take-up, the vacancy rate declined to 8.5% (-2.3 pp yoy), reinforcing Warsaw's position as a clear landlord's market, particularly within the prime office segment.

SUPPLY

In H1 2026, approximately 45,000 sq m of modern office space was delivered to the Warsaw market across four schemes. The largest completion was Studio A, developed by Skanska, which added 24,000 sqm of office space to the market.

Only a further 4,000 sqm is scheduled for delivery by the end of the year, bringing total new supply in 2026 to a record-low level.

The development pipeline is projected to remain subdued, with just 125,000 sq m scheduled for completion between 2027 and 2028. Nearly all space currently under construction is located in central locations, with the most significant concentration (65% of the pipeline) situated in the Daszyński Roundabout area.

TAKE-UP

Take-up in Warsaw strengthened considerably. In H1 2026, total leasing volume reached nearly 417,000 sqm, representing a 38.8% increase compared to the corresponding period of the previous year.

Central locations attracted the highest level of tenant activity, accounting for 59% of total leasing volume. The western part of the city centre (including the Rondo Daszyńskiego area) captured the largest share at 34%, while the Central Business District (CBD) accounted for 18% of total take-up. Służewiec also remained a key office destination, generating 21% of total leasing activity during the first half of 2026.

Take-up was primarily driven by lease renewals and new lease agreements, which accounted for 48% and 46% of total transaction volume, respectively. Expansions represented 5% of take-up, while owner-occupier transactions remained marginal over the period.

The business services sector was the most active occupier group, accounting for 15% of leased space. Significant take-up was also generated by companies from the banking, insurance and investment sector (13%), the IT sector (11%), and public sector institutions (11%).

VACANCY RATE

Limited new supply coupled with growing occupier activity contributed to a further decline in vacancy levels. At the end of June 2026, the vacancy rate stood at 8.5%, down by 1.0 percentage point quarter-on-quarter and 2.3 percentage points year-on-year.

The Rondo Daszyńskiego area further strengthened its position as Warsaw's most sought-after office destination. As of the end of June 2026, only 2% of modern office stock in the area remained vacant, representing a decrease of 3.2 pp (yoy).

The limited development pipeline, combined with sustained take-up, is expected to support further vacancy compression in the coming quarters.

RENTS

As of the end of June 2026, headline office rents in Warsaw's central locations typically ranged between EUR 18.00 and EUR 32.00 per sqm per month, while rents in non-central locations stood between EUR 12.00 and EUR 18.00 per sqm per month.

Persistently low development activity, combined with declining vacancy rates, continues to put upward pressure on rental levels, particularly in prime locations and best-in-class office buildings. Service charges remained stable, most commonly ranging between PLN 18.00 and PLN 38.00 per sqm per month.

Standard lease terms in new buildings

Service charge
PLN/sq m/month
18.00-38.00

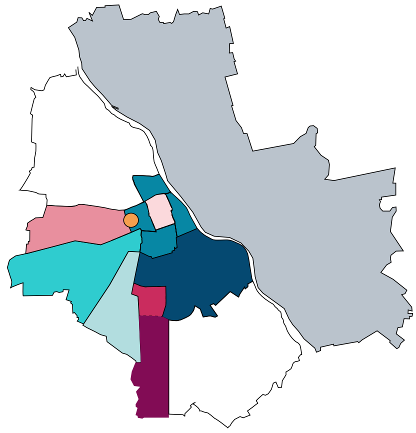
Rent-free period
1.5-2 months
for each contract year

Fit-out budget
EUR/sq m
250.00-750.00

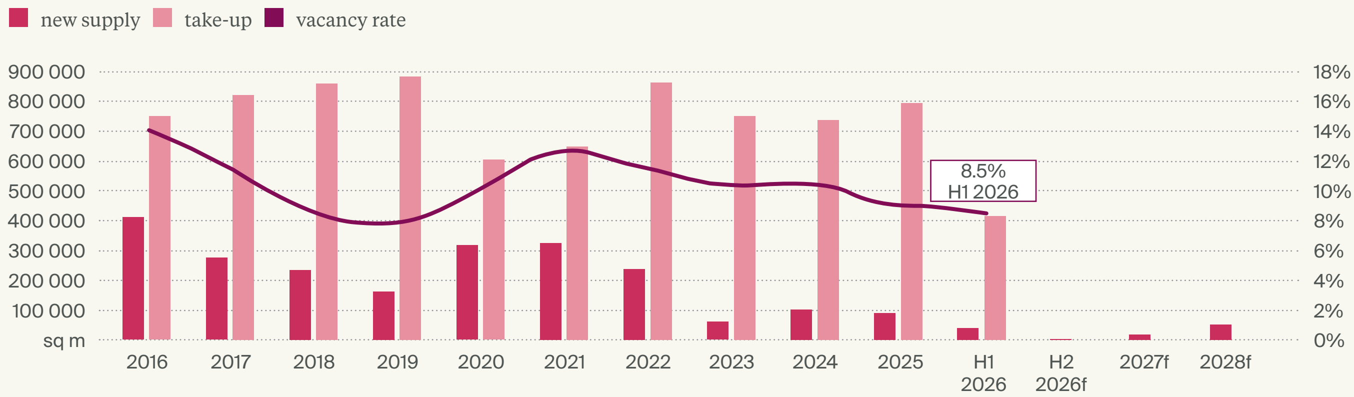
Office space

Major concentration areas

	EXISTING STOCK	SUPPLY UNDER CONSTRUCTION	VACANCY RATE	MONTHLY ASKING RENT
CBD	982,000 sq m	36,000 sq m	5.6%	EUR 18-32 sq m
City Centre (excluding Daszyński Roundabout)	1.05m sq m	0 sq m	6.4%	EUR 18-28 sq m
Daszyński Roundabout	897,000 sq m	87,000 sq m	2.0%	EUR 20-28 sq m
Służewiec	987,000 sq m	0 sq m	17.0%	EUR 12-17 sq m
Mokotów (excluding Służewiec)	371,000 sq m	0 sq m	4.8%	EUR 14-18 sq m
Jerozolimskie Corridor	758,000 sq m	0 sq m	11.1%	EUR 14-18 sq m
East	284,000 sq m	3,000 sq m	8.0%	EUR 13-17 sq m
Żwirki i Wigury	258,000 sq m	0 sq m	19.7%	EUR 14-18 sq m
West	219,000 sq m	0 sq m	11.2%	EUR 13-17 sq m
Puławska	193,000 sq m	3,900 sq m	6.6%	EUR 14-17 sq m



Annual new supply, take-up and vacancy rate

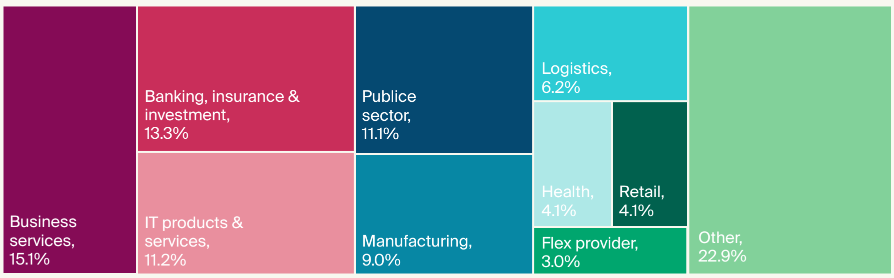


f-forecast based on schemes under construction

Source: Knight Frank

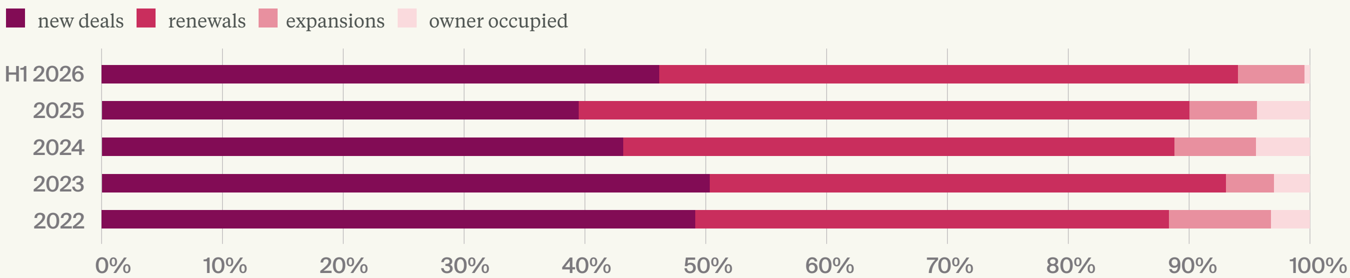
Take-up by sector H1 2026

- Business Services
- Banking, insurance & investment
- IT products & services
- Public sector
- Manufacturing
- Logistics
- Health
- Retail (incl. wholesalers)
- Flex provider
- Other



Source: Knight Frank

Take-up structure



Source: Knight Frank

Michael Page

Nearshoring as a catalyst for evolving skills and new market demands

Nearshoring has become one of the defining forces reshaping European industry. As geopolitical uncertainty continues to prompt organisations to strengthen the resilience of their supply chains, relocating manufacturing and operational activities closer to end markets has evolved from a strategic consideration into a commercial imperative. Supported by its mature infrastructure and strategic location, Poland has firmly established itself as one of Europe's principal beneficiaries of this structural shift.

The scale of this transformation is reflected in the logistics sector, where modern warehouse stock surpassed 37 million square metres in 2026 - exceeding the combined capacity of the Czech Republic, Romania and Hungary. Yet buildings alone do not create competitive advantage. As increasingly sophisticated production and operational functions move closer to customers, the decisive factor becomes access to leadership and specialist expertise capable of managing far more complex business environments. Human capital has become as critical to investment success as physical infrastructure.

THE EVOLUTION OF INDUSTRIAL LEADERSHIP

The profile of industrial leadership has undergone a profound transformation. Manufacturing and supply chain executives are no longer judged solely by operational excellence; they are increasingly expected to shape corporate strategy, improve profitability and translate operational performance into sustainable enterprise value.

This shift coincides with a broader transformation across Polish businesses. As many organisations navigate generational succession, demand is rising for leaders who combine commercial judgement with the ability to lead organisational change, build resilient teams and develop long-term succession strategies.

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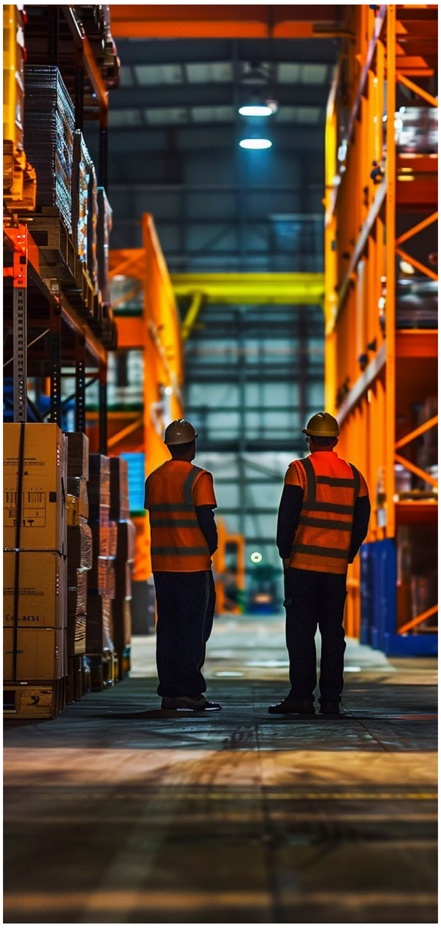
THE COST OF DELAYED HIRING

These changing expectations are reshaping executive recruitment. Faced with ongoing economic uncertainty, organisations have become significantly more cautious when appointing senior leaders. Recruitment processes now involve additional assessment stages, extensive market mapping and increasingly rigorous benchmarking.

Caution, however, comes at a cost. In a market where experienced industrial executives remain scarce, lengthy recruitment processes frequently result in the strongest candidates accepting competing opportunities. Our experience at Michael Page consistently demonstrates that organisations capable of combining thorough



> "In a market where experienced industrial executives remain scarce, lengthy recruitment processes frequently result in the strongest candidates accepting competing opportunities. "

evaluation with decisive action are those most likely to secure exceptional leadership talent.

A NEW GEOGRAPHY OF TALENT

Nearshoring is increasingly aligning investment decisions with talent availability rather than infrastructure alone. While established hubs such as Warsaw, Wrocław, Łódź and the Silesian region remain central to Poland's industrial landscape, investors are also looking towards emerging regions with distinctive human capital advantages.

West Pomerania offers an attractive combination of quality of life and executive mobility. The Tri-City region benefits from the convergence of advanced business services, manufacturing and logistics, creating a deep pool of internationally experienced leaders. Meanwhile, the Lublin region provides a strong academic ecosystem and relatively untapped labour market, enabling businesses to build sustainable operations without entering an aggressive competition for talent.

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As nearshoring continues to redefine Europe's industrial landscape, access to leadership capability—not simply location - will increasingly determine which organisations and regions are best positioned for long-term growth.

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- tailored presentations and market reports for clients.

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