The following report has been developed based on information contained in the database of certified buildings run by PLGBC at https://baza.plgbc.org.pl/. The database provides useful information on each of the buildings included in it and can be filtered in many ways.

The time period covered by this report, March 2020 to March 2021, was marked by the COVID-19 pandemic, which completely changed the reality in which we live. What seemed like deep-rooted standards just a year ago was suddenly lost during the pandemic. We have had to reshape the way we live, the way we work, the way we function in the economy. Some of these changes will stay with us for a long time.

The development of certified construction in Poland during this period, comparing it with the year covered by the previous study, can be assessed positively. Two most important parameters - increase in the number of new buildings and certified usable floor area, are even better than in the previous year. However, it should be taken into account that the investments included in the current report were commenced before the pandemic, and only the analysis of subsequent years will show the full extent of the impact of COVID-19 on the certified construction market in Poland.

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©2021 PLGBC. Polish Green Building Council (PLGBC) is a non-governmental organization, which since 2008 has been pursuing a mission to radically improve the design, construction and use of buildings in Poland so that sustainable construction becomes the norm.

As a member organization, we are the united voice of the current and future leaders of our industry. Together, we aim to achieve a significant transformation of the built environment to make it healthy and sustainable. This is our response to climate change and caring for the planet.

We are part of a global community of more than 70 green building councils organizations brought together under the World Green Building Council.
In the analysed period, the number of certified buildings more than doubled in the residential sector - from 43 to 89, which perfectly illustrates the dynamics of the market. Additionally, the introduction of PLGBC’s multi-criteria certification dedicated to Polish residential buildings, ZIELONY DOM, fosters optimism in this sector. We hope that next year’s report will feature the first buildings with this certificate.

Another very clear trend, which has been continued since the previous year, is the rapidly growing number of warehouse and logistics facilities that are designed and built with multi-criteria certification requirements. The number of certified facilities in this sector increased by 61%.

In this study, for the first time we present the Green Building Standard certification, which was added to the PLGBC certified buildings database. It is a Polish certification system designed to achieve maximum user comfort while optimising energy consumption of the building.

In addition, during the period from March 2020 to March 2021:

- In response to the COVID-19 pandemic, the International WELL Building Institute has developed a special version of its system: WELL Health-Safety. The first office building in Poland to receive this certificate in December 2020 is KTW I in Katowice. At the moment of writing this report, seven such certificates have been issued in Poland.

- First residential buildings received a LEED certificate - Riverview estate by Vastint Poland, located in Gdansk, achieved Gold certificate for its seven buildings.

- In Poland, we can already speak of buildings certified in four types of the BREEAM International 2016 New Construction system: Commercial, Industrial, Residential and Education.

- The first building that received the BREEAM International 2016 New Construction: Education (Very Good) certificate is the Faculty of Psychology at the University of Warsaw.

- In the BREEAM Communities 2012 system, at the interim stage, two residential developments were certified: SILO in Jaworzno (over 60 buildings) and SOHO by Yareal in Warsaw (14 buildings).

- V.Offices building in Krakow has received the final BREEAM certificate with the highest rating - Outstanding, with a score of 98.87%, making it currently the highest rated BREEAM building in Poland and the second highest rated office building in the world.
The best indicator of sustainable, certified construction in Poland is the usable floor area of certified buildings. Currently, it has already exceeded 23 million m² (CHART 1), which is a 35-percent increase over the year. A year earlier, the area was as much as 6 million m² smaller (in 2020, the increase was 3 million m² compared to the previous year).

Poland has also crossed the threshold of a thousand certified buildings, reaching exact number of 1100 (CHART 2). BREEAM maintains its leading position, having already achieved over 78% market share. Over 17% of all buildings are LEED certified, while the share of each of the other four certifications remains at around 1%.

It is common for one certification to cover several buildings in one complex. This data is also included in the CHART 2 which covers all certification systems and all building types. Importantly, it takes into account buildings being designed, under construction, as well as those existing before the certificate was issued. Pre-certified (LEED and WELL) and interim certified (BREEAM) buildings are also included. However, registered buildings are not included in the statistics.

The annual growth in the number of certified buildings reached 30% - exactly the same as last year. It should be emphasized, however, that there was a significant difference in the numbers year to year - in the analysed period there were as many as 255 certified buildings, while the previous year the number was less than 200.
ANALYSIS OF THE SYSTEMS

BREEAM, which holds the largest market share, recorded the annual growth of 33% in the number of buildings, which is very close to the previous year’s growth of 34%. From 255 total buildings that joined the list during the year, 216 were BREEAM certified.

So far, the largest number of certificates has been awarded under the BREEAM In-Use scheme (dedicated to existing facilities), however it should be taken into account that most buildings apply for two separate certificates under this scheme (Part 1: Asset Performance and Part 2: Building Management), therefore the total number of certificates should be divided by two to present a reliable picture. There were 427 BREEAM certifications in new buildings.

Of these, 75% have already achieved final certificate and 25% have interim certificates at design level. It is worth noting that the BREEAM New Construction scheme is already represented on our market in four options: Commercial, Industrial, Residential and Education. The ratings achieved by investments certified in the BREEAM system remain at a consistently high level. The best grades - Very Good, Excellent and Outstanding constitute as much as 84% of all grades awarded.

LEED certification, the second most popular in Poland, has recorded a small 12% increase in the number of new buildings over the past year (it was 16% the year before). LEED certification in Poland is represented by the Core & Shell and New Construction schemes for new buildings and Existing Building Operations & Maintenance for existing facilities. The Commercial/Retail Interiors scheme is dedicated to tenants who can certify their offices in a given building. In addition to the above schemes, also Schools and Warehouse & Distribution Center schemes were used. Like BREEAM, the LEED rating level is very high, with the two highest grades accounting for 92% of all results.

In the German DGNB system, 15 buildings have been certified so far, which in this case translates into a number of six certificates, as one of the certificates covers 10 buildings within one investment.

In the French HQE system, no new buildings have been certified since the end of 2018. It still covers five residential buildings.

The WELL scheme, on the other hand, has boasted significant growth. In last year’s list there were eight projects, and as of the date of this analysis there are already 17, including seven certificates in the latest WELL Health-Safety scheme.

In this year’s report the Green Building Standard system appears for the first time. It is represented by nine certified buildings, of which seven are office buildings and two are schools.
NEW AND EXISTING BUILDINGS

For a complete picture of the Polish certified buildings market, it should be also analysed in terms of both newly built and existing buildings. Most certification systems offer the possibility to evaluate both types of buildings. While schemes dedicated to new developments can be considered similar to each other, those dedicated to existing buildings differ significantly in terms of scope and cost, which has a direct impact on the number of certified buildings.

CHART 8 illustrates the number of newly constructed and existing certified buildings. The share of newly constructed buildings in total number of certified buildings is now 65% - with 1% increase compared to the previous year. Similarly, a 1% decrease was recorded in the share of certified existing buildings.

The annual increase in the number of newly constructed certified buildings was as high as 32% (it was 28% in the previous year), which equals to 173 facilities. Meanwhile, number of certificates for existing buildings increased by 27% (72 buildings), compared to 35% the year before.

Detailed information on certified usable floor area broken down between newly constructed and existing buildings is presented in CHART 9. As of the date of the report, the usable floor area of buildings that have already been certified at the design stage is 61%, which is 1% lower than in the previous year. Consequently, the existing buildings cover 39% of the total certified floor area.

Over the year, a record 3.4 million m² of certified usable floor area was delivered in newly constructed buildings and 2.5 million m² was delivered in existing buildings.

CHART 8 Newly constructed and existing certified buildings

CHART 9 The usable floor area of newly constructed and existing certified facilities
As the certification market in Poland grows and develops, we can observe an annual decrease in the share of the office buildings, which initiated the certification standards in our country. While the share decrease in 2020 was 3% compared to 2019, it is now 7.5%. Nevertheless, office buildings, with a share of 54%, are still in the leading position among certified buildings. The logistics and industrial real estate sector continues to increase its share, having already reached 21%. Retail properties have not recorded any major changes, still accounting for 15% of certified buildings.

The residential sector increased its share to 8%, while hotels account for 1.5% and schools for 0.5% of all certified buildings.

The following chart shows the breakdown of certified usable floor area by sector. What can be seen in this case is a 7% decrease in the share of certified office floor area in favour of warehouse floor area compared to the previous year.

Looking at specific sectors, it is worth mentioning the annual increase in the number of certificates. This year, for the first time in five years since the Polish Green Building Council has been monitoring the market, the office sector lost its leading position in the increase of the number of certified buildings in favour of the warehouse and industrial sector, which recorded as many as 86 new certified buildings, a 61% increase compared to the previous year.

The largest percentage increase (107%) can be observed in the residential sector, which however translates into a relatively smaller number (46) of new certified buildings.

Chart 11: Increase in number of certified buildings by sector

Chart 12: The usable floor area of certified buildings by sector
At the end of 2020, there were 11.7 million m² of modern office space in Poland available, of which 83% is certified, which is 7% more than in the previous year. Today we can confidently say that no new office investments are being built that are not subject to multi-criteria certification. Analysing modern office buildings constructed in Warsaw, this trend is even more visible, as 94% of modern office space located in the capital city are buildings with multi-criteria certificates.

This year, for the first time, certified retail space exceeded half of total modern retail space, which is a significant 13% increase compared to the previous year.

WAREHOUSE AND INDUSTRIAL FACILITIES

Over the last two years we have been observing a dynamic growth of certified space in the warehouse and industrial sector. This is due to a general trend of rising demand for warehouse space in Poland. This is largely facilitated by Poland's strategic location, investments in the development of transport infrastructure and increased demand, especially during the pandemic, from the e-commerce sector. While in the previous year, there was an increase of 55 certified buildings in this sector, between March 2020 and March 2021, further 86 buildings were certified, bringing the total number of certified buildings in this sector to 227 (CHART 16). It is worth noting that out of 86 new certifications, 85 are BREEAM.

For the first time in this report, we take a closer look at the share of certified warehouse space in the total modern warehouse space, which reached 20.8 million m² by the end of 2020. Thanks to the dynamic growth in this sector, the share of certified space is already at 28% (CHART 17).

The percentage increase in certified warehouse and industrial space between March 2020 and March 2021 was 76% (compared to 70% a year earlier).

RESIDENTIAL BUILDINGS

The residential sector is experiencing a growing interest in multi-criteria certification. Over the course of the year, there were 46 new residential buildings, including the first LEED-certified ones. This number may not seem large, but it represents a 107% increase compared to the previous year, indicating a growing interest and increasing awareness among homebuyers.

As mentioned at the beginning of this report, Polish Green Building Council developed and launched the Polish multi-criteria certification for residential buildings ZIELONY DOM. The certificate recognizes investments of high environmental and energy performance and related reduction of utility costs. It was created to provide developers and investors with a simple yet ambitious tool to demonstrate the quality of residential investments and a conscious commitment to sustainable construction in Poland. We are currently working on the first pilot projects, which we hope to be able to present in next year’s edition of the report.

As of the date of this report, residential buildings were certified in three schemes and the number of total residential buildings certified was 89 (CHART 19), with a 22% increase in certified residential space compared to a 14% increase in the previous year.
In the breakdown by voivodeship, invariably the Mazowieckie voivodeship holds the first, unthreatened position. This year its share amounted to 45%, which means a 1% decrease compared to the previous year. The next two voivodships are Małopolskie and Dolnośląskie, with practically the same, 10% share.

As every year, since the beginning of analysing the certified buildings market, Poland remains the leader in terms of the number of such buildings among the countries of Central and Eastern Europe. However, Poland’s share no longer exceeds half, as it did last year. Currently 46% of all certified buildings from the CEE region are located in our country, which gives a 5% decrease compared to last year. We can also observe a large, 58% increase in the number of certified buildings in other countries of our region. Especially significant growth can be seen in Czech Republic, where number of certified buildings increased by 124%, from 209 last year to 468 currently.