

Editorial

Dear Readers,

You currently have before you our latest annual magazine. I am sure that this year too you will find lots of interesting and inspiring information about Accolade's various activities in 2020.

The past year has seen humanity face one of its most difficult trials in modern history, and I am extremely proud of all our employees, associates, business partners and investors. It is only thanks to them that we are coming out of this crisis stronger. As Albert Einstein said, "In the midst of every crisis, lies great opportunity". Industrial real estate has taken full advantage of this opportunity to show that it is key to the sustainable future of European business and that it plays an important role in all our lives.

For the first time in the 21st century, society was able to appreciate something as ordinary as logistics and warehouses. Thanks to our halls, none of the supply waves collapsed and the European economy was able to go at full speed even during the strictest lockdown. I really believe that this has shown the strength and importance of infrastructure for modern business and has also reinforced our confidence in this sector. I am glad that our halls, and especially the tenants who work in them, also contributed to how the global crisis was successfully managed.

Our belief in modern halls as a pillar of a sustainable and self-sufficient future for the whole of Europe has long been reflected in the trust shown by our Fund's investors. When we established the Industrial Fund for qualified investors six years ago, our goal was to establish a financial institution that would support the development of modern industry in Central Europe. We now have more than 1,200 satisfied investors who, together with us and our tenants, are involved in what could be described as another milestone in the development of world business. Just as the importance and significance of industrial halls has been fully demonstrated this year, the infrastructure for modern business has also shown its investment potential. I am very pleased

that, in addition to supporting and modernising local economies, we can bring long-term stable and attractive returns for those who see things in the same way as us. The trust shown is the driving force for us in our future work.

In conclusion, I would like to express my huge thanks to all those who really deserve it. From the doctors, nurses, paramedics and others on the front line to the sales assistants, couriers, lorry drivers to the scientists behind the discoveries that have helped save millions of lives. I am really pleased that we also support some of them, and you will be able to get to know more about them while reading this magazine.

I wish you pleasant reading and good health!



Milan Kratina, CEO of the Accolade Group



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Responsible investments in the future of modern business

This year, for the first time in the 21st century, each of us has been able to fully appreciate the importance of logistics, warehousing and production halls. Modern industrial buildings and the companies operating in them have played a key role in supplying all of us and kept the European economy running even during the strictest lockdown. E-commerce and warehousing are still on the rise and demand for new premises for modern business sectors will grow. Investing in industrial real estate is an attractive investment opportunity.



SMART INVESTMENT

A FUND WITH INNOVATIVE TENANTS

Expansion of the KION Group “smart factory” in Ostrov u Stříbra. Fully digitised information transfer and unique production processes. All this is fulfilled by a modern hall for the European leader and the world’s second largest manufacturer of storage technology. The “smart factory” is equipped with advanced technologies that make it one of the most modern and largest companies in the world for the production of industrial technology for warehousing.



STABLE INVESTMENT

A FUND WITH THE TRUST OF EUROPEAN BANKS

Increasing the profitability of the Polish portfolio worth four billion crowns. Accolade and the German Aareal Bank have agreed to refinance four Polish parks in Szczecin, Bydgoszcz, Lublin and Zielona Góra. In terms of volume, it was one of the largest financial transactions in the industrial real estate sector in Central and Eastern Europe. The confidence of banks in times of crisis is a confirmation of the value of our business.



RESPONSIBLE INVESTMENTS

A FUND WITH THE MOST ENVIRONMENTALLY FRIENDLY BUILDING IN THE WORLD

The award for the most environmentally friendly industrial building in the world. This was won by the real.digital distribution centre in the revitalised grounds of the former Cheb engineering works with a record score of 90.68% according to the latest BREEAM 2016 New Construction standards. The unique rainwater flushing system reduces drinking water consumption by 84%. Consumption optimisation saves 56% of energy and the generated carbon footprint has been reduced by 58%. You will come across elements of modern sustainable construction in the hall at every step.



LONG-TERM TRUST

A FUND THAT MORE THAN A THOUSAND PRIVATE INVESTORS BELIEVE IN

In the 6 years of our existence, we have gained the trust of many investors. They appreciate long-term stable investment solutions with an interesting return. Thank you all for your trust. Thanks to your investments, we can together create the future of European business.

THE ACCOLADE INDUSTRIAL FUND IN NUMBERS AS OF 31.12.2020

11.13 %	AVERAGE ANNUAL APPRECIATION IN THE CZECH CROWN CLASS IN THE LAST FIVE YEARS
11.56 %	AVERAGE ANNUAL APPRECIATION IN THE EURO CROWN CLASS IN THE LAST FIVE YEARS
1 252	NUMBER OF QUALIFIED INVESTORS
CZK 18.6 billion	VALUE OF ASSETS UNDER MANAGEMENT
936 304 sq m	PORTFOLIO SIZE
16	NUMBER OF PARKS IN THE PORTFOLIO IN THE CZECH REPUBLIC, POLAND AND GERMANY

Zdeněk Šoustal:
It is important
to invest in a
quality portfolio
of industrial
buildings.



2020 was a difficult test for the whole world. According to experts and analysts, industrial real estate stood up to the test. How to cope with a crisis, and what did last year bring us, what did it take away from us and what did it teach us? We talked about this and much more with Zdeněk Šousta, co-owner of the Accolade Group and an experienced investor and entrepreneur across industries.

The whole world has just experienced one of the most difficult years of the 21st century. How do you think Accolade coped with it?

I think it has coped well so far. It was also due to the fact that we started preparing in time. When information began to seep out about the spread of the Covid-19 virus in China in the autumn of 2019, and the complete closure of Wuhan began, we realised that something was going on. We bought respirators, disinfection and gloves relatively early. We started working from home and introduced team rotation in offices, and intensified the use of conference calls. And we also started collecting cash and planning long-term cash flow.

What are the moments from 2020 that you would highlight? Whether in terms of business or events in the Czech Republic and in the world.

In the spring of last year, I was happy with how the nation came together, and we actually managed it all. We sewed masks, made disinfectants and helped both physically and financially those who needed it most. Unfortunately, that has changed over time. I think that also due to poor communication and the example of government officials, the discipline, responsibility, and also the consideration of individuals have totally disappeared. Without it, the whole situation will simply be poorly managed. In the first wave, we managed it together, it's logically worse since the autumn, but we all just have to pull our socks up and take responsibility and discipline back into our own hands. That's the only way we will manage it.

The sooner and better we tame the pandemic, the sooner and better we can start the economy. And if we don't succeed at home, it is important for the world economy that Germany, the United States and China can do it. We will join them sooner or later.

How long will it take for us to return to "normal"? When will the pandemic and the crisis end?

I can say for sure that no one knows. Probably someone will guess right and then they will be seen as a

great visionary. However, the current situation is so unprecedented that it is impossible to predict the development of the health side of the situation, let alone the economic context and consequences.

What would you recommend to companies in crisis? Save or invest?

You always have to save, regardless of the economic cycle. You can definitely invest out of a crisis, but first of all you have to have something to invest and then you have to have a quality project ready. When I look at the state of public finances, I am afraid that there won't be anything to invest and I don't even see any vision in any projects. Fortunately, the Czech economy is on a slightly different track to our political scene. Therefore, I believe that Czech companies will have projects and the finances to implement them. As long as the Czech state doesn't slow them down with its sluggishness and bureaucracy.

“Many companies have a completely unique product, but it is the lack of cash flow that gets them in trouble in the event of a crisis.”

In any case, in a crisis, I would recommend that companies should focus on cash flow. I myself was surprised when I read a study from the JP Morgan Chase Institute about how long companies will last without incoming cash flow. Most small businesses don't last a month! (Cash Flows, Balances, and Buffer Days | JPMorgan Chase Institute)



It was cash flow that proved to be a problem for many companies. Did this put you at risk?

With regard to the emerging crisis situation, we already dealt with cash flow in the winter. It surprised many, but foresight and caution paid off for us. We have also benefited from the long-term perspective of our business. Modern halls are used primarily by tenants who are now thriving. E-commerce, related logistics and sophisticated production. For these sectors, it was the impetus to accelerate growth. Also thanks to that, we had 100% of rents paid and began to see that we should be able to cope with the current situation. Many companies have a completely unique product, but it is the lack of cash flow that gets them in trouble in the event of a crisis.

If we go back to Accolade, what changed the most in terms of operation?

The biggest change, of course, was the change in the working environment, and we have now been working from home for almost a year and have significantly reduced travel. The situation was and is difficult, especially for parents who have small children. But overall, I think we have handled it well. After all, even in this situation, we managed to enter one new foreign market, Spain, and start active distribution of our fund on the first market outside the Czech Republic, in neighbouring Slovakia.

Accolade also includes an investment fund. What do you personally see as the biggest benefits of investing in industrial buildings?

The biggest advantage is investing in a “quality portfolio” of industrial buildings. Not just investing in industrial buildings. These two words are absolutely essential. Industrial buildings without a “portfolio” can be a relatively risky investment. You can buy one hall, for example, for EUR 15 million, but it has one tenant. What will you do when they leave? And the word “quality” is also very important. You start with a perfect location, a versatile property, a tenant in a promising industry and a strong tenant. The mixture of not just these things makes a quality portfolio. I believe that for our size we have already managed to create a good basis for a “quality portfolio” of industrial real estate, which I consider to be the biggest advantage. In addition, it is now becoming clear that the future of the entire business is moving towards modern halls. Sectors operating in them are currently growing. This is also reflected in the fund’s results.

The current crisis seems to be benefitting the Accolade investment fund. How do you assess the current situation?

“You always have to save, regardless of the economic cycle. You can definitely invest out of a crisis, but first of all you have to have something to invest and then you have to have quality projects ready.”

It is true that the growth of e-commerce and logistics helped us last year and, thanks to a well-diversified portfolio, we have gained tenants who are from more affected sectors. Another and a long-term advantage of our fund in particular is the fact that the return is directly dependent on the collection of rent from the world’s largest business brands such as DHL, Tchibo, Raben, Schenker, Dachser and Kion. With an average length of leases exceeding 6 years, we offer investors an interesting investment opportunity even in today’s uncertain times. In addition, the demand for modern industrial premises continues to grow and is likely to grow further as e-commerce grows. The lack of quality land, the protection of agricultural land resources and, in the Czech Republic, the extreme sluggishness of the building authorities make our halls increasingly valuable. In any case, we know how fortunate we are to be in a field that has not been affected by the pandemic, and we certainly take our success with great humility.

What is the main priority of the Accolade Industrial Fund?

Accolade is now celebrating its first decade on the market and we want to be here, including our fund, for the coming decades. Both for our tenants and for our investors, and we want to adapt everything to that. Our priority on the assets side is to provide quality

premises for our tenants and to build a modern European infrastructure for business.

Our priority on the liabilities side is the security of our investors’ invested funds. Investments in our fund should primarily be conservative, safe, stable in the long run and bring an interesting return.

How important is growth for you? Where is the supposed limit of growth?

The growth that a lot of people ask about is, for us, a further effect. It’s one of the subsets in the security set. It is interesting here that someone might ask about growth and expect it to be our priority and that we will grow quickly. But there are also investors who ask us if we are perhaps growing too fast and are already too big.

But the bigger your portfolio, the more diversification you have, and that means security. You need to diversify properly both in terms of tenants and investors. So yes, growing in size is also part of our top security priority.

And where is the limit in growth when we all know that nothing grows up to the sky? In the future, we want our fund to have an investment rating from a reputa-

“We know how fortunate we are to be in a field that has not been affected by the pandemic, and we certainly take our success with great humility.”

ble international rating agency such as Moody’s, S&P Global, or Fitch. This means having good governance, good diversification, liquidity, indebtedness, etc. One of the criteria we must have in order to obtain an investment rating is size. That size starts at € 2 billion, and the Accolade fund now has a size of € 0.8 billion. So for now, we definitely have space to grow. I believe that we have a great product, tenants, investors, the Accolade team and direction, and sooner or later we will be in the “first division”.

What would you like to say in conclusion?

Given the stage of the pandemic (the interview was given on 24 February 2021), I would like to thank our tenants for paying their rent, investors for investing with us, bankers for financing us, the Accolade team for a great job and my partner Milan Kratina for ten great years of working together. I believe that together we will manage both the current pandemic and our journey into the first division of global investment funds.



Zdeněk Šoustal was born in 1975 in Prostějov. He graduated from the University of Economics in Prague and the Faculty of Law at Charles University. He studied abroad in Great Britain, the USA, Russia and Ukraine. In 1998, he took over the company Reticulum, a.s. from his father, which invests in real estate, agriculture, distressed companies and start-ups. At the same time, he and Milan Kratina each have half-ownership of Accolade Holding, a.s., where he is involved in financing, strategic management of the group and communication with key partners.

ESG STRATEGY:

We do our business with respect for the world around us

Every day at Accolade we strive to meet clearly defined goals not only in terms of business strategy, but we also focus on achieving the priorities set by our ESG strategy. We are proud that our commitments and goals copy those set by the UN. As the partial steps of our strategy are reflected in all the topics you will find in our magazine, we'd like to introduce ESG through the eyes of a major player in the field of industrial real estate investment in Europe.

is for "environmental"

We invest with respect for nature and our surroundings. Our parks meet the highest modern construction standards and we always draw up projects to meet the BREEAM or DGNB sustainable approach certifications on the German market. These guarantee a high degree of environmental friendliness, suitable working conditions for employees and, for example, the energy self-sufficiency of the building. We also pay attention to the surroundings of our industrial premises, where there are elements that you really won't normally find in the surroundings of an industrial park, such as lizard dwellings, insect hotels, beehives and flower meadows, which provide a home for large amounts of vegetation and "tenants" from the animal world including bees, lizards, beetles and many more.

is for "socially responsible"

We have long supported charitable projects and organisations. In addition to supporting the disabled, we invest in culture, sports, science and education. In the localities where we operate, we collaborate with municipalities and support civic amenities and local development. Our goal is to be a responsible partner, a good neighbour and, overall, to make the regions where we operate a better place to live. At Accolade, we also emphasise equal opportunities, gender balance and the creation of suitable working conditions for our employees.

is for "guaranteeing transparency"

A clearly set out strategy, transparency and responsible management of the company. We are fully aware of the responsibility we have towards our investors, tenants, employees, business partners and other cooperating organisations, to whom we behave openly, and we always play by the rules. Each of us makes sure that his or her actions comply with the principles of fairness in our business.

Our ESG strategy contains many other commitments and we strongly believe that the contents of this magazine will show that we are succeeding in fulfilling these commitments and further developing our activities for a better future of sustainable business in Europe.

"Each of us is important, plays a role and can make a difference. Each of us must take our share of responsibility for our own lives and, above all, show respect and love for the living things around us, especially towards each other."

Jane Goodall

CHEB STAR

THE GREENEST INDUSTRIAL HALL IN THE WORLD

Welcome to Cheb. This town in the west of the Czech Republic has been attracting attention for several years. Not only in the field of dynamic development of modern industry and efforts to innovate in business, but also by having a sustainable approach in the construction of industrial halls. Back in 2017, our DHL distribution centre for Estée Lauder in the first park in Cheb was given the award as the best project in Central, Southern and Eastern Europe in the CIJ Awards 2017. We continue with ambitious projects in this region. The most interesting one started its journey in 2019 and last year it received a very prestigious award.



The most environmentally friendly industrial hall in the world. How good does that sound? The feeling is all the better when the award is really deserved. Unique technology, a modern approach and new life for a space with a long history and character, which few brownfields in the Czech Republic can boast. Come with us to look under the lid of a project known for revitalising the dilapidated area of the former Cheb engineering works.

This jewel in the approach to environmentally friendly construction and the world around us was created in collaboration with Panattoni, our long-term construction partner. This is the first industrial project in the Czech Republic that can boast

This is the first industrial project in the Czech Republic to receive an *OUTSTANDING* sustainability score.



having an “Outstanding” sustainability mark. With a record score of 90.68%, it was declared the most environmentally friendly industrial building in the world according to the latest BREEAM 2016 New Construction standards.

“This is the culmination of the path towards green building construction, which Pavel Sovička (Panattoni) and I marked out in 2015. Thanks to this, we now have one of the greenest portfolios in the world, in which a high share of regeneration of old brownfields with a long industrial tradition plays a key role. I am glad that the Czech Republic is at the forefront again and that modern halls have received such prestigious awards. A stamp of having the most environmentally friendly approach to the world around us. And these are the very halls that are often wrongly referred to as being wasteful boxes. I would like to thank the entire team that participated in its design and construction,” said our CEO Milan Kratina.

The distribution centre for the major German e-commerce player, real.digital, came into being by revitalising the dilapidated grounds of the former Cheb engineering works and you can see signs of sustainable development on the premises literally on every one of its 27,000 m².

At the same time, it has the most impressive parameters in water management, in keeping with the increasingly relevant impact of climate change. Thanks to the unique system of flushing toilets with rainwater, it was possible to reduce the consumption of

drinking water by an incredible 84% compared to the industry standard. The hall is also equipped with smart LED lighting, measurement and optimisation of energy consumption, and exterior blinds, which significantly save the energy needed to air-condition the premises. All this contributes to a 56% reduction in energy consumption and a 58% carbon footprint reduction. All the selected building materials were chosen with regard to ecology and sustainable construction. Many materials (more than 12%) have one of the ISO 14001, BES or FSC certificates as well as an EPD (Environmental Product Declaration). The quality of the indoor environment, which takes into consideration the working conditions for employees, also helped it to get a high evaluation in the BREEAM 2016 New Construction certification. However, the industrial building in Cheb is just the beginning on the path to constructing modern industrial properties that are environmentally friendly.

“We have much higher ambitions and we want to motivate investors to support green construction through our fund. Thanks to this, everyone can benefit from rent from reliable, well-known tenants and at the same time participate in something that has a much deeper meaning and incalculable value – the sustainable future of European industry,” Kratina added regarding the clear long-term goal.

The total area prepared for other projects exceeds 100,000 m² and we are very much looking forward to being able to start working in another part of our Cheb jewel.



“The fact that the project in Panattoni Park Cheb South achieved the Outstanding rating in the BREEAM certification tells you a lot about the client’s vision and the hard work and commitment of the evaluator and the wider project team. When implementing a truly sustainable building with such a high score, it is not enough to just focus on one area, but you have to keep an eye on all of them together. The whole team can be rightfully proud of this success, which is a model for other projects not only in the Czech Republic but also around the world,” said Shamir Ghurma, CEO of BREEAM, which provides sustainable development certifications around the world.

“Although it was a challenge to target the highest level of certification – Outstanding, this project was unique from the very beginning. Superior solutions have been incorporated here, such as a rainwater flushing system, safe access for pedestrians and cyclists, an outdoor rest area, diverse greenery featuring locally native species, reuse of demolition materials and much more. This, together with the excellent cooperation of all stakeholders with our team, led to the highest BREEAM certification for the newly built building in the Czech Republic,” said Małgorzata Sochacka of Arcadis, which led the BREEAM certification process.

Greenery, meadow flowers, loggeries and beehives? Modern halls work in harmony with nature.

A flood of greenery made up of local meadow flowers and the sound of buzzing bumblebees. When the flowers bloom, their wealth of colours attracts butterflies, and their pollen attracts bees. Our parks are simply alive!



“From beekeeping I learned to know nature more and to love it more than from many learned books.”

J. A. Komenský – teacher of the Czech nation

Who would have thought that various members of the animal kingdom can do so well around modern halls? For example, have you ever heard of loggeries? Logs of dead wood provide a home to many species of insects. With food and accommodation provided they have everything that they could need. The same goes for specially adapted multi-storey insect hotels, where our six-legged guests can survive in maximum comfort, reproduce and take care of their young in peace. And nor do we neglect our small tenants from the lizard family. The stony environment of the lizard dwelling is adapted for heating and mating of all kinds of lizards. But there should always be something in our parks for the most important animal on Earth. The bee. We have built beehives in our blue and white colours. The bees are looked after by professional beekeepers, who make sure that our tenants have a lovely home. Thanks to them, once a year we can then fill glasses of delicious honey. We also plan to expand our portfolio of animal tenants with hedgehogs who will be given new houses.

„The return to nature is
our salvation“

J. J. Rousseau



Lizard dwellings



Loggeries

FOCUS ON BROWN- FIELDS

Investing in brownfields is one of the key areas of our strategy. Thanks to us and our tenants, places with a long industrial tradition are being given a face-lift and finding a new meaning. Since 2011, the share of brownfields in our portfolio has increased to 35% at the end of 2020, while we have breathed new life into premises with a total area of 777,509 m². What interesting projects have we coming up in 2020?

**Revitalising neglected parts
of airports**

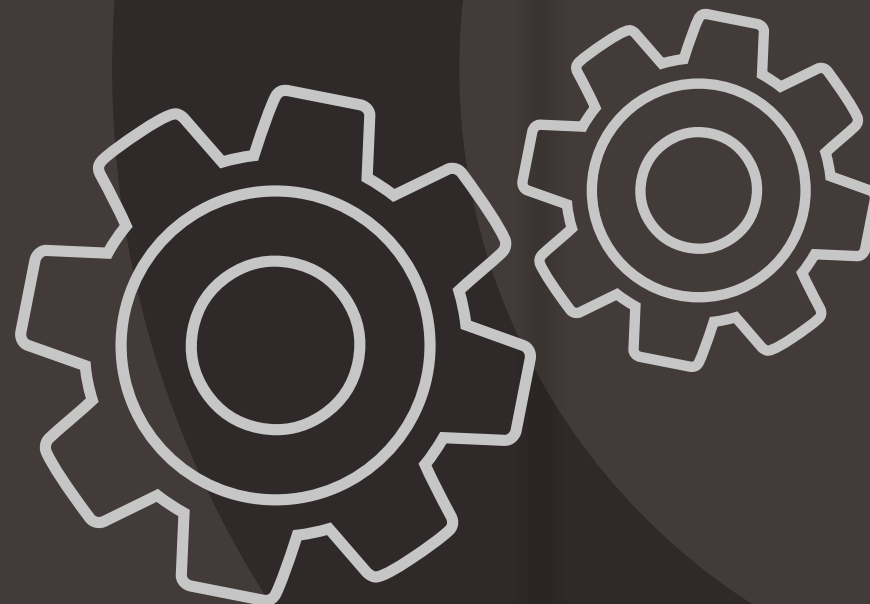
Brno Airport and a new base for DHL Express

After investing in security and improving the airport traffic infrastructure, we decided to also invest in modernising long-overlooked areas within the airport complex. Old aircraft hives for storing aircraft, the infamous “army irritation” (military unit platform) and ugly pieces of reinforced concrete. That’s all gone. The area, which has not been used for years, has been given a new, modern face-lift. It has been used since September 2020 by DHL, the global leader in logistics, as its new air and freight zone with its DHL Express distribution branch. The new zone is ideal for satisfying the growing demand for fast delivery and from Brno it can serve several key markets in Central and Eastern Europe. The hall also boasts a great modern innovation by having a line with a sorting capacity of up to 4,000 packages per hour.



The revitalisation of the old air base in Legnica, Poland, increased the share of brownfields in Poland to 50% at the beginning of 2020.

The new park in Legnica, built on a pre-war base for airships, increased the share of brownfields in the group’s portfolio in Poland to 50%. In addition to revitalising the old into the new, there is great interest in the project. The first tenants in the complex, which covers a total area of 90,000 m², are Spreadshirt, Raben and MiTek.



Richard Hodul: Sustainability in all directions is at the heart of what we do and a necessity for anyone who wants to succeed in the world of business.



The German company Tchibo has been a leader in coffee production for more than 70 years, and in the last decade it has also become a key player in the field of consumer goods trade. One of the most successful family businesses in Europe is known not only for its business story, but also for its great emphasis on innovation and a sustainable approach to the world around us. Richard Hodul, Tchibo's General Manager for Central Europe, also takes care of the sustainability of values and the company's further growth. Amongst other things, he talked to us about how business was affected by the 2020 pandemic, how the current crisis will affect the further development of the business environment and why sustainability is the basis for success.

We are talking together during the second wave of the pandemic. Do you notice any change compared to the first one?

It is different mainly because we went into the second wave already prepared. We are repeating what we learned during the first wave, and thanks to the fact that we set up good processes in the first wave, we are coping with it. Our people know what to expect. Logically, it is also less emotional and calmer. In March, no one really knew how to deal with the situation. Today, I feel that people tend to perceive it as a new "normal".

A far bigger difference is in customer behaviour. With the first wave came stricter measures, lockdown and people were very frightened. We could see extreme fluctuations and fears, which meant we also had dead spots in sales. Customers didn't know how to behave and focused mainly on everyday items such as toilet paper, etc. It took about two weeks for people to mentally adjust to the fact that life would go on. In addition, some of them shopped online for the first time. Now things look different. Although normal life is still limited, customers have just moved to the internet and can go on in peace from day to day. This year it was wonderful to see that people can get used to practically everything. I dare say that if a third wave comes, we will cope with it now like old hands.

You have been with the company for more than 20 years, so you can compare the last two global economic crises. In your opinion, are the years 2008 and 2020 fundamentally different?

Of course, it may seem similar, but they are two completely different situations. 2008 was very strange. On the one hand, Central and Eastern Europe were not fundamentally affected. We did not have failing

banks or financial houses going bankrupt in our immediate area. On the other hand, there were large secondary impacts. Companies took extreme measures and many people lost their jobs. So nothing happened at first, but the consequences were great at the time. We as a company dealt with it well because we slightly knew that something similar could happen. At the first signs, we took measures against external influences and, paradoxically, 2008 was a very successful year for us worldwide. For us, the main problem was the exchange rate fluctuation of the Czech crown against the euro. When the exchange rate moves by two crowns, that already hurts and can have a major impact on the economic result. When you have a turnover of 100 million euros and millions are flying up and down just because of transaction costs, that's bad.

And the current crisis?

This one concerns us directly. It is a "primary crisis". People are at home, children aren't going to school, pubs and shops are closed. In short, it affects us immediately. I would say that we won't feel the real economic effects until 2021. Many companies, and even countries themselves, are kicking problems into touch and, through subsidies and various financial injections, are just delaying the arrival of real problems. I don't think that even multinational companies have taken any radical measures or corrections in the current crisis. The paradox is that although this crisis affects us all right away, most of us will only feel the consequences in the future. Unfortunately, some sectors are already in trouble. Small and medium-sized businesses, the self-employed, hospitality and tourism, restaurants. There, it must naturally manifest itself immediately. In our eyes, however, customers have quickly orientated themselves, found their position and have been able to adapt to all possible approaches. That can help a lot.

And specifically for you, as Tchibo, what was 2020 like?

It turned out that if you have been good at something for a long time, then you have a great chance of coming out of the crisis not only with a minimal loss, but maybe even stronger. With all modesty, that has been our case. We have been strong in e-commerce for a long time, we have a well-established supply chain and local distribution also works well for us. We have a business model set up and it works. Whether there is a crisis or not, we fill up our points of sale several times a week. Now the process has only intensified. Capacity requirements have increased and we simply have to manage them. This means that our lives have not fundamentally changed. Unlike others, we didn't have to hastily look for a solution that we didn't have. Many people in retail deliberately ignored online business and it is then a problem to switch from an e-shop with dozens of customers to one with hundreds of thousands. We just moved a large part of the retail to online and reconfigured the key processes so that it could all be handled and worked with. The only problem was the interruption to the supply route from Asia. When you have a regular cycle of six months to a year and a half and they close it for three months and disrupt it, that is a complication.

Could this also lead to companies relocating production more to Europe?

Yes, I think it definitely could. It will not be a massive migration, but this trend will certainly become

apparent. We have been preparing for this for a long time and geographically we have great diversification not only by background, but also by key partners. We have been strengthening Central and Eastern Europe for a long time because we knew that it was not easy to readjust from one day to the next. It will certainly lead to many companies and, in my opinion, also countries understanding what it means to be truly independent. In some sectors, dependence is at a level of 90 to 100%, and this is critical. Although the input costs may be lower by 10-15%, there is no point if you are not able to import or produce anything. Strengthening Central and pan-European independence is a key factor for the future. Of course, it won't happen that everyone will be producing and storing in Europe within half a year. In a way, we never learn, but those who are smarter will insure themselves.

How did employees react to the situation?

The most interesting and pleasant finding is that in a crisis a person really finds out what incredible power he has in his people. Of course, we know the potential of our employees, they are our key competitive advantage and the success of the company is mainly their success. But now it has been shown to the full. They have shown that despite the obstacles, they have huge self-discipline and can handle even very tense situations. Perhaps for me a lot of things are working much better than before.

Really, what specifically has improved?

I have to start with myself. I reduced meetings just to really important things, and those meetings and discussions that had previously seemed necessary and, most crucially, the constant moving from one place to the next suddenly were not important, and in fact it turned out that they were not nearly as essential as they seem. We've never gone in for these things, we don't behave like a classic corporate, but I travel a lot, I'm constantly on the move, and when this went away, I was able to just focus on what is relevant. It is nice to have it confirmed that everything works without us seeing each other in person. Everyone used to have x activities and maybe a lot of them were not very effective and now they are gone and we can just focus on the essentials.

Another thing that has pleasantly surprised me is the awareness of employees who fight for the company to the maximum every day. We never checked them, we always trusted them and they have given back to us now. We were also supported by the management at the headquarters in Germany and we made it clear that we would stand up for the employees. In times of crisis, it is our moral duty to take care of them. No downsizing was on the table at all. Even when they were all at home and for some it is more complicated because they can't work from home. When you have 40 stores and 6-10 people in each of them, that's a really large number of people. And despite the loss of sales, we didn't think about whether to reduce or limit salaries and bonuses. I know that standing up for people is the right thing to do, and this has shown to be the case. If you trust people in good times and support them, they will give back to you and you are then happy to hold on to them when things get tough.

Is it possible to guess what the developments or your strategy will be for 2021?

Two key things have emerged. Firstly, it has been shown that being independent is the most important thing. The more independent a company is, and therefore has better channels of its own, the more it can withstand external influences and the more stable it is. Our developed system has proved its worth, and despite the closing of borders and other restrictions, we have managed it very well. Needless to say, independence from others should be cultivated not only by companies but also by countries as a whole. If everything is simplified and made more efficient, it will be good

not only for business, but also for society as a whole. On the other hand, the problem is that plans simply cannot be made for 2021. None of us knows what will happen and what to prepare for. I always smile at predictions, because 2020 was a completely irrelevant basis for making any estimates. Everyone is trying to use a crystal ball to predict the future, but I won't do that. It's all just guesswork and I think that's become a kind of craze in recent months.

Would greater intervention by states or, for example, the European Bank help to stabilise the environment more?

I'm very conservative about this. For me, the solution does not lie in intervention by states or the activity of European institutions. In the medium term, it is rather harmful and printing money indefinitely will not solve the crisis. It's just postponing problems and passing the hard consequences on to future generations. In my opinion, the solution is for companies to set it up in such a way that they survive with minimal third-party support.

Yes, no one could have anticipated that something like this would happen, and in my opinion other unexpected situations will occur and we need to be ready for them and to anticipate a lot. Plan less. As the saying goes, "If you want to make God laugh, tell him about your plans." It is essential to react quickly. Flexibility and speed are key nowadays. Maybe, lots of companies will understand that they have mechanisms in place preventing them from operating at that speed.

When it's all over, the market will probably cleanse itself and some enterprises will probably no longer exist. But it will be the group that was already doing business incorrectly and on the edge of profitability. Mostly start-ups that have been artificially inflated to gradually become part of large funds or that appealed to investors. Many will only invest in long-term solid and stable companies. Those who really need help are small tradesmen and entrepreneurs. But it is not support like the current measures, it is support in the sense that I do not hinder them in any of their spheres. The mechanisms that suppress small and medium-sized enterprises simply need to be dismantled. The big ones will survive, but the small ones, in fact the basis of the Czech economy, need help.



“Boom e-commerce” is nowadays an extremely trendy phrase. How do you view it?

This is not the first wave of e-commerce. It has been said before that retail is dead and everything will only be online. Paradoxically, retail has reformed into a multi-channel, multi-experience package, it has changed its approach and perhaps has become slightly stronger. The only thing that has happened now is that even those who would never go online have found that it works. There has been a massive acquisition of new customers, but now it doesn't matter how many there are. Some you lose, they are replaced by others, and you may hold back or something new comes along. I see the future being that those who are skilled will understand that they have to work with customers much more intensively. It will be about relationships and it doesn't matter if it is online or retail. Again and again the main thing is speed. Until some time ago, delivering an order by the next day was a small miracle but nowadays it is the norm. However, fast delivery from e-shops does not mean that people will stop going to shops. Only by combining retail and online will we reach a level where twenty stores will not be needed, but only five. Of course, thanks to the development of the internet and globalisation, the world will be slightly different, but not fundamentally. I expect that shopping centres will have to change the most. We will have to wait and see how.

Now slightly differently. Is there anything you enjoyed in 2020?

I don't know if I would say I enjoyed, but I'm glad we found a lot of new possibilities. The fact that we can do an interview together long-distance is proof that we have learned something. It's not that it didn't work before, but it wasn't the preferred option. The move on to the online environment also brought with it some great ideas within the company. It amuses me that our employees organise dinners, parties and other meetings together online. Or, for example, home deliveries from restaurants, where, despite the lockdown, you can still have your favourite food and support your local restaurant. Those were the little things that made me happy.

Sustainability has also been a big issue in recent years. How does Tchibo respond to this? After all, to many you are a leader in this area.

There are two types. We have already discussed the first, that is the sustainability of business. Be as self-sufficient as possible and ensure that the business will be here for generations to come. As a family business, we know this very well, of course. Sustainability is practically the core of the family business. And then there is an economical and responsible approach to the world around us. For us, this is the number one priority. I've been with the company for twenty years and I have considered sustainability to be essential since the time when many companies couldn't even spell the word. In coffee production, the principle of sustainability is an absolute necessity. It's not about selling and making money. It's not about reducing the price and getting rich. You don't want to just sell coffee, but you want to be able to sell it for decades to come. For us, sustainability is a symbol that permeates all sectors of the business. It's not just the superficial ecological wave of the last two years. We know we have to take care of our planet. If your business is based on raw materials, nature is your partner. One day, coffee may not be available in the places where it exists now, but if we save the planet, it will grow elsewhere. In my opinion, everyone has to finally understand that nature is more powerful than we are. Many people still live under the illusion that we are in control of things here. We are not in control, and therefore the whole chain of our business must be sustainable. We need to encourage this idea among everyone, we need to educate them and we need to take further steps. Whether it's optimising logistics, reducing the carbon footprint, etc. This is also related to European independence. If you can produce here, then produce here. That's what sustainability is all about. I'll give you one example. Experts have been telling us for a long time that it is simply not possible to reduce plastic packaging for textile goods. This was very important to us because we have a lot of them. They told us that there really is no alternative and it is not possible without packaging. So we set up a working group and it figured out that it can be done. Our solution eliminated x hundreds of tons of plastic. Once again, it turned out that if you want something, you can do it. It's not about advertising, it's about humility and attitude. It is morally right, and what's more, it is a basic prerequisite for a sustainable future for all of us.

Tchibo's motto is “Fair to man and nature: this drives us forward”.

The company is aware of its responsibility towards people and the environment, and this commitment is reflected in all activities across the countries in which it operates. Both in its long-term strategy and in everyday activities. In the places of origin of its products, it participates in the activities of many local communities and implements a number of projects both to support them and to support the environment and valuable resources. It focuses mainly on education, in the spirit of the motto “Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime”.

With Tchibo consumer goods, social responsibility and sustainability are an integral part of the entire product cycle; from product design and source selection through packaging and logistics to its subsequent recycling. As far as coffee is concerned, the company considers the ecological and social aspects of its cultivation. Respect for the environment is also reflected in everyday life in offices through ecologically focused topics.

For the company to reduce environmental pollution from old plastic, it has created its own collection of clothing containing recycled material.

Reducing the amount of waste, reducing plastics and recycling are big topics for Tchibo. Since April

For more than 70 years, since it was founded in 1949 by Max Herz, Tchibo has been synonymous with freshness and quality in the coffee market. Originally a mail-order coffee shop, it has developed into an international company that operates in many business sectors, not just the traditional coffee shop. Over the years, Tchibo has systematically expanded its product range and sales channels, bringing diversity, quality and innovation. Tchibo is one of the leaders in having an ecological approach to modern business to the world around us and its goal is to become a 100% sustainable company by 2025.

last year, they have completely stopped using plastic packaging for textile goods (with the exception of selected underwear), which in 2019 alone reduced the number of plastic bags used in the transport of textile goods by 9 million pieces.

Since 2018, the company has included products in its collections that were created from this seemingly unusable waste - discarded PET bottles and old fishing nets are then transformed into new things, such as sportswear, cleaning aids and functional sportswear made with coffee grounds. In 2018, Tchibo managed to recycle more than 3.5 million PET bottles for the production of textile products, in 2019 the figure was 12 million PET bottles and 19 tons of nylon waste.

By 2025, Tchibo wants to become a 100 % sustainable company.

We are all responsible for the world we live in, and we should strive to leave future generations with a world in which they can

continue to live a quality life.

Sustainability has been embedded in the company's DNA since 2006, and since then Tchibo has been working intensively to make its products and supply chains responsible. In 2019, one in four Tchibo coffees came from sustainable sources, 100% of its garden furniture from tropical and boreal wood and 89% of the cotton used to make textiles also came from sustainable production. And since 2006, CO2 emissions associated with the transport of goods have been reduced by 27%. And much more...

Richard Hodul is Tchibo's General Manager for Central Europe. He has been working in the company in various positions since 2000. He first worked in Slovakia, then in several subsidiaries within the group as well as for the parent company Tchibo GmbH in Hamburg, Germany. He has extensive experience internationally and interculturally - in different approaches to work and the ways employees of different nationalities in many European countries communicate - as well as in different areas of business - FMCG, retail, marketing, HR, sales or e-commerce.

**WE ARE
LAYING THE
FOUNDATIONS
FOR THE FUTURE
OF MODERN
CONSTRUCTION**

**The path to take
is through the
revitalisation
of brownfields
and ecological
solutions.**



Modern halls are gaining in importance and not only their importance for the global economy, but also often overlooked technological and environmentally friendly solutions are coming to the fore. Formerly “boxes along the side of the motorway”, today’s “jewels of modern construction” bring innovative elements to industry across various sectors. We talked to Martina Životová (Senior Project & Acquisition Manager) and Jiří Stránský (Head of Development) about the present and future of sustainable infrastructure development.

Why is the development of modern industrial parks so important? And what are Accolade's plans in this area?

Martina: Well, the European economy can't do without them. If your business grows to a certain size, you need space for production, storage or sale, this cannot be avoided. At the same time, during the pandemic, it has become clear how the halls have helped with the continuity of supply, and each of us has been able to have everything we need by the next day. Most of our halls are built according to certain standards, which eliminates the risk of them not being used in the future. The buildings are rented by companies that are new to the region or companies that are expanding in the region, which sharpen competition on the local job market, thus leading to natural wage growth. And with wage growth, more and more complex businesses come here with larger margins that can afford it. We must not forget that our buildings are environmentally friendly and most of them meet the criteria of BREEAM certification.

Jiří: „Moderní development“ aims to minimise the carbon footprint of our buildings. During construction we recycle up to 90% of the materials that were located there. As Martina mentioned, most of our buildings have received at least a “Very Good” BREEAM certification, and for new projects we are aiming for “Excellent”. We also think of our tenants' employees and during construction we try to create the best possible working environment for them, which will also offer a number of relaxation activities, such as a work-out playground. To make

transport easier for employees, we negotiate with transport companies operating in the area to create new bus lines or reduce the waiting time at existing ones. We are also here for our “tenants” from the animal kingdom, who can “rent” beehives, loggeries, lizard dwellings or insect hotels from us. But we don't just look after our park and its surroundings. We also invest in the infrastructure of the municipalities where we operate. We build crossroads, roads, cycle paths and sewage plant networks.

Martina: As far as our future plans are concerned, we are currently preparing almost 1,100,000 m2 of new sites in the Czech Republic alone, which are projects that have some form of permit and that are in stabilised areas with zoning plans for production and storage.

What are the main benefits and why are people afraid of modern industry?

Martina: The buildings that we come to sites with are designed to be universal, which eliminates the risk of their not being used and most of the tenants' demands can be placed in them. This option was not available in older premises. In the areas in which we do business, we try to be a good neighbour. We help improve the economy in municipalities, we expand it, we offer new jobs, we work with local companies and we also build important transport infrastructure. We are socially responsible and we support cultural and social life in the communities, such as Christmas markets or fun fairs, but also in the social sphere, such as hospices and non-profit organisations caring for people with mental or combined disabilities.

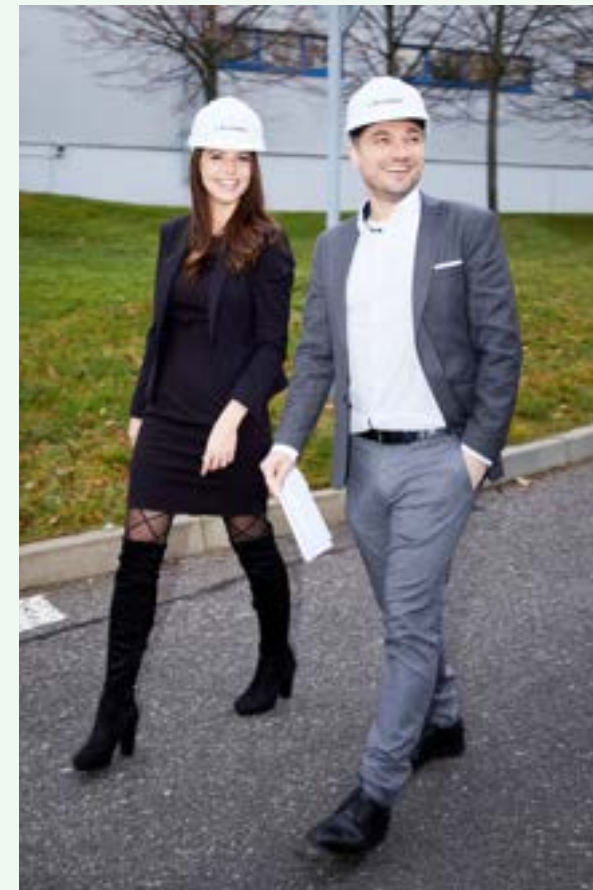
Of course, there are also some things to do with modern industrial parks that people in a particular location will not view positively. This could be a possible increase in traffic and the noise associated with it, with hundreds to thousands of employees all of a sudden working in the area, which the infrastructure must adapt to. That is why we support a change in the budget allocation of taxes so that regions that are business-proactive receive significantly more from taxes than before. This is what happens, for example, in Germany where this potential damage has been compensated for.

Jiří: We and our tenants follow strict standards during the construction and running of the premises. At most of our tenants you could eat off the floor, as they

have clean, robotic and perfectly controlled factories and warehouses. Many of them have development centres or large office spaces in the Czech Republic, from which they manage the entire region. People often do not realise how great the Czech management that leads individual companies is. They are people who run multinational companies with thousands of employees and huge responsibilities. I have great respect for what they have accomplished.

What is the difference between greenfield and brownfield construction? Why is it not possible to build only on brownfields? On the other hand, why is there currently such a big boom in investment in brownfield constructions?

Martina: Brownfield is left over from a previous activity, so it is a disused property. Due to their previous function, brownfield sites are often polluted and transforming them is more expensive than greenfields. It may happen that the infrastructure that was used until recently no longer meets current standards and some parts need to be demolished. Brownfield construction involves complex legislation, for example permitting a new construction can be more complicated due to the residential development that arose



in the area while the site was not being used, which doesn't make this construction any easier. The criteria for the use of demolished material, management of waste and contaminated material or soil become stricter every year, and together with the increase in the price of landfills, these are parameters that often discourage investors from brownfields.

Greenfield, on the other hand, is literally building on a “green field”. This investment is cheaper, often more conveniently located outside residential areas on the outskirts of towns and at motorway exits. Areas suitable for industrial use are not unlimited. Part of modern industry is trying not to unnecessarily occupy additional arable land, so we target areas that for years have been in the zoning plans for industry and storage. In addition, we see the added value of brownfields being that we can transform something old and often non-functional into a new, modern space suitable for even the most technologically demanding clients.

Jiří: Brownfield often has many disadvantages due to its historical tradition. These areas are located in the middle of towns and are surrounded by residential buildings. Previously, not much thought was given to ecology and sustainability, which are extremely important to us. Many brownfields have a certain crust of the past, it is often not known how the construction was done or what material was used, etc. The state is unable to respond appropriately and sufficiently penalise the owners of dilapidated buildings that burden and devalue the surrounding area, and it offers zero help to new owners. Uncertainty is a huge problem. The premises must undergo demolition and decontamination. Surveys and risk analyses, which last a month for a greenfield, take half a year for a brownfield. It takes a lot of time to build something on a brownfield, and many potential tenants will be put off.

Martina: If we want to make more use of brownfields for new constructions, we need to get more support from the state and local government. Currently, there are rapid changes in the law, which are difficult to keep up with. Also, the legislation is constantly tightened, often contradictory and it does not give you any legal security.

Jiří: There are a few state-selected brownfields that receive special treatment. However, investing in a brownfield can knock an investor for six, all it takes

is to come up against a complex area with contamination, which is not obvious during the first surveys. We try to go down the brownfield route, as can be seen in the number of these buildings in our portfolio. In the future, all that is needed is for the state to develop a taste for their renewal and try to reduce the risks for potential investors.

In 2020, you received the BREEAM “Outstanding” award for the hall in Cheb with a record score of 90.68%. How difficult and laborious was it for such a building to see the light of day? We know that this building is the only one in the Czech Republic with such a high rating.

Martina: We are really proud of our project in Strojirna. It is our largest Czech brownfield reconstruction and the BREEAM score it achieved is amazing. This project was much more complex than investing in a greenfield, both during the authorisation process and during the construction itself. We had to deal with several problems that we did not expect at the beginning of the project, such as building new infrastructure, including transport, because we were not allowed to use the existing one. Getting authorisation involved countless meetings and consultations with the Traffic Inspectorate of the Czech Police, but also with the town of Cheb, because several different long-term plans meet in the vicinity of the former Cheb engineering works, which had to be taken into account. We also had to respect the buildings that grew up in the vicinity during the times that the area was in operation and try to deliver our project as carefully as possible, of course, while respecting all legislative requirements. During construction, for example, we had to deal with the demolition and decontamination of the area, which meant an investment of tens of millions for us. In the end, we managed to overcome everything, so we can now look forward to an extremely environmentally friendly project.

Jiří: The construction of the project is adapted to the customer’s needs, recommended standards and criteria.

A pilot project we tested in Cheb was flushing with rainwater, which is not as easy as you would think. It was a test for us to find the right balance between volume, consumption and precipitation throughout the seasons. There are no prescribed standards for the use of rainwater. However, we had to make sure we had enough of it and also that we didn’t have too much, otherwise the water would spoil.

Can we say that these buildings will be the future of modern industry?

Jiří: We hope and believe that they will be. The buildings are designed to be attractive to tenants for up to 15 years. The halls have high standards in terms of technology and materials and are very well prepared for the future. The ecological demands of buildings are the lowest possible. Our tenants and the industries in which they operate will be constantly evolving, as will the development of materials and technologies for the construction of halls. So, it can be said that there will be a small evolution, an effort to further reduce the environmental performance of buildings. I believe that, for example, waterproofing and LED lighting will be developed further.

Martina: I would just like to add that there will always be the possibility to advance further, but it will only be in small steps. At present, for example, greater insulation thickness of buildings is being looked into. But that can be tricky. On the one hand, the building will not need to be heated, on the other hand, the production of new insulation may create more pollution than leaving the current insulation. It’s important to find a compromise so that, in the end, well-intentioned measures, as a result, don’t burden the environment more than if they had not been done at all.

What do you think the development of localities will look like in the next 10, 20 or even 50 years?

Martina: In the future, there will be fewer lucrative greenfield sites, so there will be a greater effort to use brownfields. The

evolving Industry 4.0 and the robotisation associated with it will place higher demands on the infrastructure of buildings, data processing and higher qualification of employees. “Height technology” will be used in automation, robotics and area reduction. For example, multi-storey warehouses are already being used in the USA and progressive Asian countries. They are very expensive, but we certainly see great potential in them for the future, like many of our tenants. We are already seeing a trend in demand for higher halls where multi-storey systems can be placed. And with the coming electro mobility an absolute necessity will be chargers for electric cars and electric lorries, which we are already building into our projects.

Jiří: I agree with Martina’s prediction. As for brownfields and ecology in general, this is the prospect for the near future. We should also mention the clash of different generations. In the 1990s, personal computers flourished. Now there are ever more internet-savvy generations who appreciate and enjoy shopping online. You can easily order anything and have it at home the next day. This leads to an overall change in thinking and the requirements for modern industry. In about 10 years, the current situation will have improved, and halls, e-shops and logistics will be optimised.

Transport to the customer will become more efficient and autonomous electric cars will be used. Receiving a parcel within a few hours of ordering it will be normal. Autonomous cars, vans and lorries will be 100% reliable and it will be possible to use them without a break. Parks will congregate around large towns.

As for the next 50 years, I’ll try to make a subjective prediction. Artificial intelligence will become part of our daily lives and become our life mentor.

In your opinion, will the planned “Green Deal” have an impact on future construction?

Martina: There will be more pressure to renovate brownfields, which will involve the need to amend legislation. Coal energy will end, causing new brownfields. Research and development will focus more on technologies that will help reduce the carbon footprint, electromobility, hydrogen-based automobility and will solve the problem of battery capacity to ensure an emission-free Europe by 2050. Even more attention will be paid to biodiversity and the already uncompromising assessment impact on animal species will be tightened more. Buildings will be more self-sufficient in themselves; solar energy will be used, and the use of LED light sensors will be improved. Energy use will be reduced. The thickness of facades and roofs will capture any minimal heat loss. Electric cars, which already have places for charging stations in our projects, will be on the rise. In general, the infrastructure will be improved, railway lines will be electrified, and the power supply system will be unified, which will enable greater use of freight train transport with the help of sidings for our tenants. Ecological thinking will become a necessity, which will also be taken into account by end users.

Jiří: There will be more and more pressure to reduce the carbon footprint, energy consumption and the global warming that this leads to. Whenever legislation changes, we have a duty to adapt to it. However, any regulation will bring with it a market shock that will affect rental prices. It will be necessary to find the right balance between economics and ecology. Better and “greener” technologies are always more expensive. However, everyone needs to follow the same rules. If restrictions on emission limits affect, for example, the car industry in the EU, the same rules should be set, for example, in Asia. Otherwise, it would mean a poor economic position for one country compared to another, and we would not be able to compete with countries outside the EU.



New localities, the expansion of successful parks and European-size refinancing

The expansion of successful sites, new projects with interesting tenants, participation in one of the largest financial transactions in the industrial real estate sector in Central and Eastern Europe and an overall increase in the value of the Polish portfolio by 120% to 668.5 million eur. Poland is the Promised Land as far as modern halls are concerned, and thanks to our investments it is a very interesting location in the eyes of the biggest names in world industry.

POZDROWIENIA

Z POLSKI

The largest investment of 2020 in Legnica and a further project in Bydgoszcz

A model project for 21st century industry with everything you could desire. This is how our biggest investment in Poland last year in **Legnica** could be described. Revitalisation of a dilapidated pre-war airship base, more than 90,000 m² of modern storage and production facilities and investments amounting to 1.5 billion crowns. Also, thanks to this project, the share of brownfields in our Polish portfolio has increased to 50%. The first phase was completed last summer. Location in the Lower Silesian Voivodeship, one of the most industrialised and urbanised regions in Central and Eastern Europe, the availability of skilled labour and proximity to the A4 motorway, Germany and the Czech border. This means that Legnica is a very attractive proposition for various tenants. This is also reflected in the first tenants, who are MiTek, the technology leader and distributor in software solutions for the construction markets, Raben, a leading provider of comprehensive logistics services, and Spreadshirt, a manufacturer for clothing e-commerce. The whole project is designed to bring new economic

power to the local market and aims to be one of the key pillars for further development and modernisation of the business environment in Legnica and the surrounding towns.



LEGNICA

BYDGOSZCZ II

The third investment and the fifth hall in total. Following the revitalisation of the former chemical plant, we presented our third project in **Bydgoszcz**. Bydgoszcz Park I and II are now fully occupied by renowned tenants such as Oponeo, Nissin, InPost, Rohlig Suus, DB Schenker, Chep, Dadelo, DPD, DSV and Sims Lifecycle Services. However, tenants are not only attracted by the location, infrastructure development and the further potential of the city and the region, but also by the design of the modern halls that meet the requirements of BREEAM sustainability with many ecological aspects. We go much further at **Bydgoszcz III Park**, and the 46,000 m² BREEAM-certified building will offer a range of environmental solutions, such as LED lighting, photovoltaic panels and rainwater management systems.



New developments in the portfolio include the production of protective equipment.

The year 2020 brought with it several fundamental changes. The main one was the increased demand for industrial real estate and, above all, the much greater diversification of tenants who can use these halls. The flexibility and technological facilities of the buildings allows them to be adapted to almost any production. Our new park in **Minsk Mazowiecki** is proof of this. The company TW Plast, which has built its production on environmentally friendly and ecological plastic packaging, has decided to include the production of protective equipment and face masks in its portfolio. It is great to see that our halls can also help protect people's health in a crisis, and the possibilities for their use are endless.



MINSK MAZOWIECKI

Gorzów Wielkopolski has also become a new location. The logistics and industrial park in the west of Poland will reach a total area of 71,000 m² in four stages. The first stage with an area of 18,500 m² has already been completed and occupied by other interesting tenants: Logoplaste, Omnipack and Magma. The first of these designs and manufactures plastic packaging. Omnipack is a logistics company dealing with a comprehensive service of online stores.

The third new location is the **Szczecin Airport Park** located near the town of **Goleniów**. Yes, this is a further extension of our successful operations around the city of Szczecin. Thanks to the nearby Szczecin Airport, the park is also one of the most dynamically developing regions in Poland. In the financial evaluation of the Polish regional administration for 2019, Goleniów ranked 38th in its category among 628 classified municipalities. At the same time, the region is one of the richest in Poland. The first tenant is the world-famous Bosch.

Increasing the profitability of the portfolio thanks to refinancing with Aareal Bank

This year, industrial buildings have definitely confirmed that they are the most sought-after asset among commercial real estate. Growing e-commerce, stable logistics companies and major manufacturers are a mix in which the most important investors and the largest European banks focusing on real estate invest in support and growth. We are extremely pleased to have agreed with the German Aareal Bank to refinance six Polish parks in Szczecin, Bydgoszcz, Lublin, Legnica, Bialystok and Zielona Góra. The refinancing with a total value of four billion crowns is one of the largest financial transactions in the industrial real estate sector in Central Europe.

"A sustainable and ecological approach is our number one priority. Sometimes people think that modern halls are simply "wasteful", but it is never good to judge things by their packaging. We want our projects to be modern and significantly strengthen the environmental trend in the industrial real estate market. When it comes to concrete solutions, each of our new investments is a significant step forward."

Michał Białas, Country Head, Poland

Polish parks as a paradise for innovative and strong tenants



DPD (formerly called Masterlink Express) started operations with 100% Polish capital almost 30 years ago. How did the market work then and what were its main characteristics?

DPD Polska (formerly Masterlink Express) began operating in 1991 as a company with 100% Polish capital specialising in the delivery of domestic packages. Everything changed in 1994, when the company formed partnerships with several international courier companies and expanded its range of services to also include delivery of international shipments. In the early 1990s, the Polish courier market was completely different from today. At that time, courier companies only provided services on the B2B market. Packages for ordinary consumers were delivered by the state operator, i.e. by Polish Post.



In 2012, you completed the construction of the DPD Polska "Diament" Central Sorting Facility in Stryków, which connects the largest regional sorting centres in the country. How did this idea come about and what were the biggest benefits of this project?

The central sorting centre has significantly increased the capacity for delivery. Since 2012, our logistics strategy has changed, and the network is no longer in the shape of a diamond. The new strategy has brought some decentralisation, which makes it possible to shorten delivery routes, so that we can speed up transport, minimise costs and reduce CO2 emissions. Last autumn, we opened a new hub in Ruda Slaska, which is able to process up to 300,000 packages a day and which has optimised the package handling processes in the south of Poland.

In 2016, you launched a network of "DPD Pickup Points" and there are now more than 2,600 of them. How has this innovation changed the market? And how has it helped to improve the lives of ordinary people?

We were responding to customers' need for flexible deliveries by creating a network of pickup points. Last year, our annual report, which we call the DPD Group E-shopper Barometer, showed that our customers are interested in the possibility of delivery to places other than their home or office. The Pickup Points and the "Pickup Urban Depots" allow packages to be picked up and transported. In addition, the depots offer you the opportunity to try on newly purchased clothes or shoes in changing rooms and, if necessary, return them conveniently on the spot. The network consists of more than 3,000 pickup points and also includes bale lockers and collection points in certain retail chains. These solutions are becoming increasingly popular because they offer consumers the convenience they require. They are also highly appreciated in times of increased demand for courier services, such as the Christmas season.

Three years ago, you launched a new service called DPD Today, which guarantees same-day delivery in major cities. Do you have information about how much this service is used in times when people want everything right away?

According to the annual report we already mentioned, we found that customers nowadays expect their orders to be delivered conveniently, safely and

quickly. DPD Today allows packages sent from selected pickup points to be delivered on the same day. This solution is currently available in Warsaw and Lodz but will gradually be introduced in other cities as well.

Has the current pandemic brought about any interesting phenomena in the courier market? Are there any innovations you have started thinking about and that would be appreciated by customers?

The pandemic forced us to take unusual measures. We immediately introduced new rules and offered customers innovations that they appreciated. We have enabled door-to-door delivery without the need for a signature and "personal delivery" by signing through a unique PIN code. We encourage customers to work to ensure safe delivery by courier (for example, by leaving the package at reception). We also ask recipients to let us know if they are in quarantine, and we recommend payment by card for packages that need to be paid for on delivery. We are confident that some of these solutions will remain popular not only during the pandemic, but also in the future.

What innovations do you think the current delivery situation will require? Where do you see the courier market in the next 10, 20, 50 years?

At the moment, it is difficult to predict the future, because the world is changing very rapidly. However, we have noticed that as a result of the coronavirus pandemic, e-commerce has become a means of safe shopping in almost every area of human life, and some consumers are likely to remain loyal to this sales channel. In order to meet growing customer expectations and changing requirements, courier companies will need to tailor their approach to customer needs in the future. The courier market will therefore move towards developing services which will enable flexible delivery – a network of pickup points and consignment management apps.

Rafał Nawłoka is the Chairman of the Board of Directors and CEO of DPD Polska (formerly Masterlink Express). He has been working for the company since 2000, when he took up the position of sales director. In June 2005, he became CEO. In the DPD Group, he is also responsible for managing the entire CEE region and the Baltic region. He graduated from the Management Faculty of the Maritime University in Gdynia. He has had many professions in his professional career. He has worked as a sailor, steward, account manager and sales director. In 1992, he began his professional career in international companies such as IDV and Japan Tobacco.

DPD Polska is part of the DPD Group, the second largest international courier network in Europe and a leading company on the Polish market. The company employs more than 6,000 couriers. DPD Polska has a network of more than 2,600 collection and issuing points. Thanks to innovative technologies, knowledge of local specifics and excellent services, DPD provides carriers and recipients of packages with the highest quality services. In 2016, DPD Polska was the first on the market to introduce the option of paying the courier by card. In 2018, the company developed a network of city branches and introduced new business services – DPD Today (delivery on the day of dispatch) and Night Delivery (delivery between 22:00 and 6:00). DPD Group delivers over 5.2 million packages a day in an environmentally friendly manner worldwide.



Poland is ready to be a European leader. Investments will primarily go into technology and a responsible approach to our planet.

The Promised Land for modern halls. For some time now, Poland has had the label of being a significant Central European logistics and warehousing market. What is behind its success? What trends can it expect to see in the coming years? Does the Polish market have the potential to become a European leader of modern industry? We talked to Małgorzata Więcko (Head of Asset Management, Poland) and Michał Białas (Country Head, Poland) about this and other things.



The Polish market has been on the rise for several years. What is the reason for this?

Małgorzata: Poland has been developing economically since the 1990s, and in 2019 this growth made it one of the top ten economies in Europe. Its strategic location, a growing and long-term stable economy and investment potential are just some of the main advantages that Poland has. We are one of the largest recipients of EU funds, and as a result we can invest in infrastructure, which is followed by further development and expansion of business activities. The last point for me is human resources. We have the largest domestic market (with a population of more than 38.5 million) in Central and Eastern Europe and a stable influx of foreign workers, which can be converted into disposable income. Overall, Poland can, in my opinion, boast very good availability of skilled labour.

Michał: I agree with Małgorzata, but I would like to mention a few more specific factors that contribute to the success of the market. Why, for example, is the Polish warehouse market so successful? It is, of course, a combination of all the factors already mentioned, but there are others too.

If we compare wages around 100 kilometres east

and west of the Polish-German border, we find that despite the relatively small distance, this difference is huge. If a company runs an online store or a logistics project, it can save up to 30% of expenses just by moving to Poland. Combined with the access to skilled labour that our country is able to provide, these factors are very lucrative. This means that you not only get savings, but also great flexibility for your business.

In addition to this, there has been extensive infrastructure development in Poland over the last decade. New motorways and high-speed communications make a significant contribution to the transportation of goods and are another benefit for reputable companies that the country offers them. And finally, the construction law is extremely favourable for developers in Poland and provides great flexibility if a tenant wants to expand. This is key for our e-commerce partners, who can boast up to double-digit growth year-on-year and whose business is completely dependent on their ability to expand. In short, Poland offers opportunities that are hard to find elsewhere in Central and Eastern Europe.

Construction law for building warehouses is significantly simpler in Poland compared to the Czech Republic. How important do you think this is in the industrial market?

Michał: The biggest difference between Poland and the Czech Republic is the planning process, not the construction itself. I think that what would take two years in the Czech Republic, takes only half or three quarters of a year in Poland. This is very advantageous for the construction of modern halls because we can be very flexible in planning. If we look at e-commerce, for example, these companies often grow by 20% a year, often even more. This is exponential growth. They don't know how big they will be in five years or how much space they will need. So, first of all they will rent 50,000 m² in our park, but they are expanding very quickly and require more space to be able to support their development. That is why Poland is winning in this sector. If you have a large amount of land and flexibility for development, you are able to take care of companies' changing needs. The legislation suits us in this regard, gives us flexibility and gives our tenants room for rapid growth.

Małgorzata: The fastest I saw was that a building was approved within five months. Again, this is due to our building and land laws and the ability to obtain all the necessary permits very quickly. Shorter construction means a faster response to tenants' needs, subsequent market development and other aspects of the economy.

Michał: Time is the most important thing for our tenants. They want their building to be ready in 9 or 12 months, and the question is whether we can manage that or not. The big players know that it will be much easier for them to do business in Poland than in any other country, so if they want to carry out a quick project, Poland is ideal for them. These are documented cases. If there is a project that is urgent, large and time is vital to the tenant, Poland is an ideal choice. The construction period is then roughly the same in all countries, but the biggest difference is in the preparation process.

Why is Poland important for Accolade? What are the advantages and disadvantages of it?

Michał: For us as a long-term player, it's important to choose places where we can cover the market to a certain extent and have a tangible impact on events in the region. This way, we can invest in locations, see how our investments are thriving, and grow with them. If we look at Szczecin, which is a very strategic city for us, we were one of the first

investors to start investing fully in this region. We now own the largest modern industrial project here. There are only a certain number of premium places around a town, so it's important for us to invest in these areas and grow together with the region. That is our philosophy.

If we compare Poland again from the investor's point of view with the Czech Republic or Germany, Poland offers a slightly different mix of tenants than these other countries – more focused on medium-term leases, online stores and slightly higher returns. From our point of view, Poland excels in our portfolio, together with investments in other countries. It's great to combine it and bring diversity to our portfolio.

Poland has a large supply of land, it provides flexibility to tenants, has enough manpower and offers a fast pace of construction. The Czech Republic has the advantage of connecting the warehouse market with large manufacturing companies in Germany. The number of suppliers operating here compared to Poland is incomparable. It also boasts a higher value of the remaining plots due to its limited supply, which is suitable for long-term investors. From an investor's point of view, Germany offers a slightly lower return on investment, but the tenants are usually companies with a long tradition and significantly longer leases, which reduces investment risk. I am glad that Poland has found its place in the market.

Małgorzata: Investments primarily helped to create the market. Without them, we would not have a product that attracts other companies to the country. Without human capital, we would not be able to offer tenants potential growth. The strategic location of the country is also a key factor. Being a crossroads between east-west and north-south Europe makes Poland a perfect investment destination. I think that great emphasis is also placed on the significant influx of investment from different parts of the world. Other markets in Central and Eastern Europe are still evolving. Once they reach a stage where they will be able to secure significant investment potential, they will begin to grow.

On the other hand, how important is modern industry in Poland?

Michał: We have already mentioned the offers that the Polish government gives investors. I think it's

also one of the factors that tenants consider when thinking about a convenient location. Our government offers investors a number of grants. There are also special economic zones in Poland, which are exempt from income tax and real estate tax and which provide the infrastructure for the investment product that is created in these zones. There are currently fourteen economic zones in Poland that seek to attract companies and create suitable workplaces for local people. Thanks to SEZ, local markets are growing. The investment then improves the quality of life by increasing disposable income, which is again the engine for further prosperity.

Wherever we operate, we contribute to the development of infrastructure, such as better roads, transport systems, etc. We also create jobs. To date, up to 6,000 new jobs across Poland.

Małgorzata: If you look at it from the point of view of the job market, modern business, modern halls and Industry 4.0 help transform the economy. The workplace environment is friendlier and these are value-added jobs. In Poland, we face the great problem of people leaving for the West. So if we are able to create interesting jobs for people near their hometown, they will be motivated to stay. Accolade's investment and the growth of modern industry also bring higher wages in the regions, helping to eliminate depopulation.

How will the Polish industrial market develop in the future?

Michał: An interesting but difficult question. Several scenarios are currently being discussed. I think a lot of investors expect rent growth. However, the situation in Poland is unique, due to the flexibility of development and the strength of professional developers. I believe that, thanks to these factors, Poland will go in the same direction as before. This means that supply is likely to match growing demand and demand will be at the same or a higher level. The current coronavirus crisis is creating greater demand in Central Europe. Information is also spreading that large companies want to diversify their logistics networks. So if they are looking for an economically sound solution in Europe, Central and Eastern Europe is a natural choice for them. And Poland will use this choice to its advantage in the medium and long term.

I think that tenant demand will remain the driving force behind the growth of the Polish industrial market. Developers are strong in Poland and can cope with even great demand. So we will probably see an increase in supply and demand in the coming years. However, under this scenario, it may be difficult to achieve rent growth.

Małgorzata: I agree with Michał, the demand will continue, and tenants will be interested in expanding to key locations. Logistics tenants have started to optimise costs and are interested, for example, in technological solutions using the height of space, which will allow more levels to be installed on existing halls. Most logistics companies now operate on ground level, but I think they will gradually start to make efficient use of the entire height of the halls. I believe that this will be one of the fundamental changes. As a result of coronavirus restrictions and current limitations, production will begin to come nearer to the end market and the customer. Green halls are gaining in importance nowadays. A few years ago, green certification was typical only for the office sector. However, almost every developer has now started to deal with ecological solutions implemented in the technical specifications and is looking for ways to optimise the amount of energy used using natural resources, etc. In this respect, we are much further ahead in industrial real estate.

Can Poland be a leader in the industrial market throughout Europe?

Małgorzata: I would like that to be the case, but I think there are some limitations. The country has a lot of advantages, it is the market leader in Central and Eastern Europe, and I think it will remain the leader. In Europe, however, there are markets that are much more developed than ours. Poland has a great location and infrastructure, but we are limited in terms of land. We are strong and we will be stronger, but I do not think we will be a pan-European leader, but we will definitely be part of a group of European players.

Michał: I would say that Poland's geopolitical position is very unique, and if we look back at history, Poland has used it to its advantage in connecting trade between West and East. Currently, for example, if we focus on Germany, there are a large number of key companies with a developed infrastructure and traditions on which other

companies rely. That is why it is very difficult to reach the level of Germany, and it may never happen. If we act smart, we can become one of Europe's leaders. The way to achieve this is first and foremost by using a skilled workforce at a competitive price. If we can do that, large and important companies will build/relocate their production and main business activities to Poland. Secondly, further infrastructure development is needed. Poland should create an infrastructure important for the entire CEE region and cargo transport. But it would be a huge investment and we still lack it. The road infrastructure is probably the strongest in Poland, and if we manage to connect it with intermodal transport, cargo trains, cargo planes on a large scale, I think we can expect an interesting battle with other European leaders in logistics. If Poland were able to secure major transport hubs and sell them to the world, it would become an important link in global trade and then the sky's the limit. (smiles).

How far can the development of modern industrial parks go? And what can the future bring?

Małgorzata: Being "green" will be the right choice due to the current misuse of natural resources and the land itself. For example, water tanks, the installation of photovoltaic panels and measurement of energy consumption will become the standard... This is something you would not have seen on the industrial market a few years ago. Along with tenant requirements, the technical specifications of buildings will also change to focus more on these sustainable aspects. I think the areas surrounding industrial buildings will also change. Our tenants' employees come to work here every day and we want to provide them with the opportunity to work in the most pleasant environment possible. Similarly, tenants themselves are beginning to be interested in what they can provide to their employees to

make them feel better and work more efficiently.

Michał: I agree with Małgorzata. We will focus on environmental solutions, cost optimisation and improving the efficiency of buildings. These will be important factors. I believe that buildings will use more automated solutions and more sophisticated technologies. We call our buildings "infrastructure" because they offer tenants a building in which we install whatever they can think of. This trend will continue due to the availability of custom-made solutions, such as conveyor belts or self-propelled solutions that are better and cheaper than ever before. And with the future development of robotics and artificial intelligence, they will become even more accessible. This is a trend that I imagine modern industry will follow.



VAMOS A

ESPAÑA!

Our goal is to create a network of state-of-the-art infrastructure for 21st century business throughout Europe. So it is not that surprising that after occupying key markets in Central Europe, we are now heading to another strategic region. To Spain, an attractive market in south-west Europe, especially important in terms of logistics and warehousing. We are not coming to the market empty-handed, from the beginning we have projects in two important locations with great development potential. Let's take a closer look at the north and south of the Iberian Peninsula. Valencia and Vitoria, ¡Bienvenidos!

After conquering Central Europe, we're heading south.

VITORIA



Almost directly south of the first location lies the second project under preparation, with an area of 20,000 m². Valencia, the third largest city in Spain, is located in the middle of the Mediterranean corridor and has been an important industrial area for many years. Mainly thanks to the nearby port, which is one of the largest in the Mediterranean and in terms of size is the fifth largest in Europe. In addition to the great location, there is also one major challenge for incoming investors. The region around Valencia is the third largest logistics market in Spain with three million m² of logistics space and only a minimum of buildings remain unoccupied. So the problem here is not quantity, but quality. Most of the existing equipment in halls is outdated and insufficient for modern logistics operations, and current tenants are looking for opportunities to relocate. This means there is great demand from a number of interesting brands for something new and modern. Finally, the largest shopping chains such as Mercadona and Consum are located in the area.

We firmly believe that we will make full use of the market, which offers endless opportunities both for the development of modern infrastructure and for our tenants and will soon be adding other interesting projects. ¡Vamos a trabajar!

"Locals have a clear idea of the direction they want industry to take. Primary for them are investments into modernising the entire environment with a strong emphasis on a considerate approach to the world around us and the innovative side of projects. After all, according to the International Federation of Robotics ranking, Spain is already among the top three countries in Europe in terms of automation and digitisation. The values that we have used to build one of the most technologically advanced and greenest portfolios of industrial halls in Europe therefore directly coincide with the vision of local municipalities. Investments in a sustainable future are very supportive of business and their approach to foreign investors is really first-class. At the same time, domestic and foreign companies are aware that the halls in which they now operate were mostly built in the period before the crisis in 2008. Here we feel not only support from local institutions, but also demand from large players on the logistics and e-commerce scene in Spain."

Milan Kratina, CEO Accolade

” Spain is not just all about sunny beaches and summer holidays. It is often forgotten that it is the second largest country in the European Union and is also the EU's fifth largest and most stable market. The strategic location of the new parks plays a crucial role for us. Both Valencia and Vitoria are areas that we can already consider to be centres of logistics and modern industry. To a large extent they benefit from their location on the routes of two major European corridors. The readiness and determination of local municipalities to invest in modernising business premises also played an important role in our decision-making, as did the demand for technologically state-of-the-art and environmental halls, which now significantly exceeds supply in Spain," says Milan Kratina, CEO of Accolade.

the pillars of European industry. Future tenants will be able to take advantage of Vitoria's freight airport, a port in Bilbao in the Basque Country with excellent connections to the UK and USA, proximity to key cities in northern Spain and France, as well as plenty of skilled workers coming to Vitoria and the surrounding area from all over Spain.



The first project covering an area of 33,000 m² is located in an industrial zone on the west side of the Basque capital, Vitoria-Gasteiz. Vitoria, like the whole of the Basque Country, lies on the route of the Atlantic Corridor, and the region is considered by many to be a trade gateway to western Europe. The Basque Country is one of the richest and most developed areas not only in Spain but also in the EU as a whole. Eighty percent of the country's machinery and 45% of its automotive industry is concentrated in a small area, and some Spanish trade associations also have their headquarters here. With an economic strength equal in GDP to the Serbian economy, the region is already considered one of



VALENCIA

The German trail: Alsdorf is up and running, Bochum soon will be.

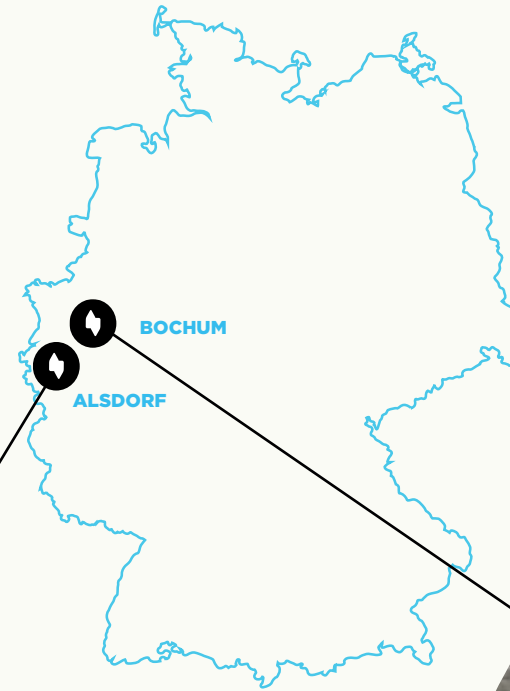
In 2019, we were the first Czech investment group to enter the German industrial real estate market. Two well-located parks, in Alsdorf and Bochum, have completed their first two years. While the logistics centre for Dachser in Alsdorf is already being fully utilised by the tenant, the Faiveley production and technology centre, built on the brownfield of the former OPEL car plant, will be ready for this rail components leader in the spring of 2021.

The logistics star Dachser needs no introduction, and we are glad that the tenants in our park are doing well. There are several interesting advantages for a carrier and distributor here. The Alsdorf complex is located between Cologne (70 km) and Aachen (20 km). It mainly benefits from a great strategic location and quality infrastructure in the area. The Benelux countries are less than three hours away and a lorry can reach the Dutch or Belgian borders in half an hour.

While the park near the royal city of Aachen is ready, the project near the industrial centre of Dortmund is still under construction. Mainly also because the project in Bochum involves the revitalisation of a large area which, until a few years ago, brand new OPEL cars would leave from. Here, we are especially pleased that the link to the long industrial tradition will be more than sufficient. Faiveley, part of the global WabTec group, has decided to expand the number of its development and production sites in the west German city. The best electric traction devices for locomotives, trams, trol-



ALSDORF



BOCHUM



leybuses and underground trains will be manufactured here. Who knows, maybe one day you will ride in a vehicle that is running thanks to products from our park. We are extremely pleased that the leadership of the city of Bochum is also actively supporting this project, and we are already discussing other possibilities for future collaboration, including interconnection as part of the pro-ecological approach.

Yes, in Germany too, we strive to provide the highest standards and environmentally friendly construction. Unlike Central Europe, in German-speaking countries, BREEAM certification is replaced by the DGBN sustainability assessment.

The Košice park is growing and the whole town is benefiting from our investments.

The park at Košice Airport was our initial investment in the Slovak market the year before last. The first hall with a size of 16,000 m² has been completed and four very interesting tenants are benefiting from the park's excellent location.



KOŠICE



GGT, a Slovak distributor and wholesaler of tobacco products, has been here with us from the very beginning. Another domestic company is FOOD, unsurprisingly a food distributor. The furniture and home accessories sector is represented here by XXXLutz. The most well-known name in the park is certainly Fauceria, the automotive specialists, producing leather modules, dashboards and door panels, all for world-class customers such as Peugeot, Volkswagen, Citroën, Volvo and Audi. All these tenants use modern premises with BREEAM sustainability certification and, in addition to developing their business, they bring something extra to the region. Our experience shows that together with our in-

vestments and tenants, a great impetus comes to the sites for further economic development and potential growth in living standards for all inhabitants. This is often used by the towns themselves, by working with legislative rules for incoming investors. A good example of this is Košice, which actively attracts investors, but also wants them to contribute to the city's budget. It solves this with a 'development fee'. This one-time contribution from the investor for the construction guarantees, among other things, that the city can use the money, for example, to support the non-profit sector, build a new school or repair transport infrastructure. An interesting path to take, as well as an inspiration for Czech communities.

"We have experience that our tenants bring jobs with higher added value to the regions and therefore also higher salaries. In addition, Košice has three universities to offer, whether it be for industrial cooperation with them or the qualified local graduates they provide. However, Slovakia has great potential in its other regions, and I look forward to expanding the number of locations."

Milan Kratina, CEO Accolade



Brno Airport as an auxiliary infrastructure in the fight against COVID-19

Tough government measures restricting commercial flights with passengers on board have affected air traffic around the world, creating a situation that all airports, not only in the Czech Republic, have had to deal with. For regional ones, such as our airport in Brno-Tuřany, the situation has been critical. However, limited traffic has not prevented airport staff from assisting in handling flights that are more important than ever in an emergency.

These have been regular and irregular cargo flights, flights by the Air Rescue Service and the Czech Police and flights helping in the fight against COVID-19. The flights to combat coronavirus have also included a very special helper. The legendary Baťa's Electra Lockheed. As part of the Pilots for People project that we support, it stopped off several times in Brno carrying a very important load: medical sup-

plies, masks, disinfectant and other vital things for St Anne's University Hospital. As well as delighting the hearts of aviation lovers, the twin-engine aircraft from the 1920s also was a welcome sight to doctors and medical staff fighting on the front line.

Thank you to all the experienced pilots who got involved in helping. We are glad that we were able to help at least in part, and we look forward to the unique Lockheed Electra 10A aircraft coming to us in better times.

“When everything seems to be going against you, remember that a plane always takes off against the wind, not with the wind.”
Henry Ford



“Remember to have respect for yourself, respect for others, and responsibility for your actions.”

Dalai Lama



INVESTING IN OTHERS IS PRICELESS

We are not only committed to be a good investor, but also an ethical partner and philanthropist. We believe that investing in others is the way to a better future for all of us without distinction, which is why we support many projects in various branches of science, culture and the non-profit sector, especially in the regions where we operate. The following pages are devoted to those who make us happy and show that investing in others makes sense!

A water adventure for a good cause

Water management has been a big topic in recent years. What is the view of one of the greatest experts on the current state of wetlands and water areas? What role do ponds play in nature? And why are animals absolutely indispensable for the aquatic world? We talked about this and other things with the hydrobiologist and biology and ecology expert Jaromír Maštera.



Do you remember when you first became interested in hydrobiology? How did you come to study it and what does the term hydrobiology actually mean?

It was sometime in high school that I did my first amphibian surveys. At first, I was more interested in just amphibians, but from that moment on, the subject as a whole began to appeal to me. I studied systematic biology and ecology at Palacký University in Olomouc with a focus on hydrobiology. And to briefly describe the concept of hydrobiology, it is a science dealing with any life in water.

Could you tell us about your job, what are you doing now? What are you involved in?

You could say that I'm a professional and technical worker in nature protection. I carry out biological surveys, assessments, evaluations, but also the necessary work in nature – mowing meadows, dredging and digging pools, revitalising streams, pruning trees, looking after ponds and so on. I also organise events for the public and lectures.

Why are ponds and wetlands so important to our planet? What exactly is a wetland?

A wetland is a place with permanently waterlogged, increased occurrence of surface water or a high level of groundwater. Simply put, this is a place that if you enter it, you won't be leaving with dry shoes.

Ponds are a natural part of wetlands and wetlands as a whole are of great importance to nature and people. They regulate temperature and climate by using incident solar energy to evaporate water instead of it staying in the atmosphere. Therefore, if this area were drained, the energy would bounce back and further heat and dry the landscape. They also support a small water cycle. Evaporation of water creates precipitation clouds and water falls back as local minor precipitation. They also retain and maintain water in the landscape. During heavy rainfall, water is collected in wetlands and gradu-

ally released. An important function they have is supporting biodiversity and endangered species.

Wetlands are one of the most species-rich ecosystems on Earth. Wetlands with ponds are quite im-

**We cannot command Nature
except by obeying her.**

Francis Bacon

portant for slowing down the outflow of water from the landscape, which is crucial in times of drought and floods. Well-functioning wetlands also purify water, they're like a natural root treatment plant.

If someone looks after a wetland or wants to create one themselves, what do they have to consider? And where is it appropriate to build a wetland or pond and where not?

This can be quite complicated for a layman. It is not possible to create a wetland everywhere and it is not suitable to build ponds everywhere. Each location is a little different and each one needs to be assessed individually. In general, it is appropriate to restore wetlands in the places where they used to be, and intensive farming is not being considered there. Wetlands should be established in locations with suitable soil and with a source of water on or below the surface.

To begin with, you need to examine the site well, find out the composition of the soil, water sources, etc. Then you need to think carefully and consult with experts. You have to take into account the organisms that live or will live in the wetland. The site needs to be mown in a mosaic fashion, or by leaving parts out, and the number of times it is mown needs to be kept to a maximum of two per year.

Jaromír Maštera is a hydrobiologist and a graduate in systematic biology and ecology from Palacký University in Olomouc. He works in theoretical and practical nature protection. He focuses on restoring and creating pools, repairing smaller ponds, biological surveys of them, creating wintering grounds for small animals and a number of other activities related to water, aquatic animals and amphibians. He suggests measures to improve the water regime of localities and parts of the landscape and measures to retain water in the landscape. He previously worked for the Czech Union for Nature Conservation in Jihlava, at the Křivoklátsko Protected Landscape Area Administration and for the Nature Conservation Agency in Havlíčkův Brod. He is an active member and chairman of the Mokřady Association.

Never do earthwork when there are most animals in the wetland and do it in the autumn and winter.

In your work, you focus a lot on the issue of amphibian protection. What kind of amphibians and why are they so important to our planet?

My colleagues and I are trying to take appropriate measures especially for the most endangered species, which include, for example, the European fire-bellied toad, the yellow-bellied toad, the northern crested newt, the moor frog and the natterjack toad.

Amphibians are of great importance in nature, feeding on various species of insects, including those that we would call pests. And they are part of the diet of other animals, which creates a functional food chain. They are also important indicators of the quality of nature and the environment. The more species of amphibians live in an area, the better the environment there. Their importance in medicine is still very underappreciated, for example, their ability to regenerate is incredible.

The organisation where you work is also involved in public awareness activities. How do these events work? Are people interested in these issues? And how could any of us get involved in caring for wetlands?

We do various events for the public, especially in nature. We try to draw people into the action in the wetland, so the events also include demonstrations of live amphibians and other animals, excursions and the chance to dig a new pond. People's interest in nature is growing, which I am happy about. There are more and more people who would like to build a pond or take care of wetlands. But on the other hand, there are still not enough people interested, so we need to continue educating.

Anyone interested in getting involved in caring for wetlands can contact me. Every year we are happy to welcome helpers, especially for summer mowing and clearing grass. But anyone interested in manually digging ponds can also get involved. If you are interested, you can contact us through our website: www.mokrady.wbs.cz.



THE MOKŘADY ASSOCIATION

The Accolade Group has been a new partner of the Mokřady Association since 2020. As the name suggests, it is an organisation that brings together people interested in nature and with a closer focus on wetlands. In particular, the association implements suitable measures to improve water retention in the landscape and the functioning of the water regime in the Czech Republic. In its work, it deals a lot with the issue of protection of amphibians, which are very endangered in the current landscape due to the loss of suitable habitats for reproduction. Part of its mission includes educational activities about the importance of wetlands and everything else that is connected with them.

Support for the best Czech scientists through the Neuron Foundation

We support people who have the courage to change the future! For this reason, we are the main and an extremely proud partner of the Neuron Endowment Fund for the Support of Science and Technology, which aims to support scientists, popularise science and develop modern patronage in the Czech Republic.

Last year, given the current situation, Special Prizes to successful scientists were awarded with a view to the fight against pandemics and viral and bacterial infections. Two Czech scientists, Tomáš Cihlář and Karel Raška in memoriam, won the awards for their remarkable world-class work. Their successes include the eradication of smallpox, the treatment of people with HIV and the development of Viread and Remdesivir to combat COVID-19. Both have bravely changed the future of people around the world. We thank them!

Co-founder of the Neuron Foundation Monika Vondráková: Czech scientists are heroes to me!

The year before last, we as the general public were not particularly interested in the discoveries scientists made in their laboratories, now our eyes are fixed on them during the fight against the coronavirus pandemic. Scientists are needed more than ever during the current situation. Why is it necessary to support scientists in their research and how does the Neuron Endowment Fund help? These and other things are explained to us by the co-founder of the Neuron Foundation, Monika Vondráková.



How does a bank manager, PR specialist and marketing director make her way to science?

Sometimes I compare my professional life to Forrest Gump's story of a box of chocolates – I never really knew what I was going to get. And because I'm inquisitive and not afraid to jump, I tried different professions – I left my native Ore Mountains to go out into the world when I started as an au pair in Israel, worked in a kibbutz and as an assistant in Cape Town, South Africa. Then the wind blew me towards finance, where I found myself in the German-French BNP-Dresner Bank in the private department and after maternity leave I tried my hand at PR and marketing. I gradually found out what my strengths and weaknesses were. In the end, I settled in building brands, which I enjoy the most. While I was in charge of the RSJ brand, I took the opportunity to look for a project that would be interesting for the company and its shareholders. At that time, subsidies for science were being reduced and I felt that it was scientists who needed to be supported because they and the ones who move society forward. That is why I came up with a proposal to establish an endowment fund that would increase the prestige of scientists. This took hold and we gradually developed the fund into its current form.

One might argue that you don't have any "scientific" education/specialisation. How is it that you are so successful in the scientific sphere?

To begin with, I was unsure how much the scientific community would accept me when I wasn't one of them. But, in actual fact it has been fascinating, I have got to know a new world in which I feel at home. It is completely different from the business world; it has its charm and is pleasantly charged. I have met kind people who are trying to convey to the general public how much they want to do research. To tell the truth, it was a big advantage that I wasn't a scientist because I asked questions like an ordinary person. The general public is interested in science, it just gets lost in the complexity of it all. And my job is to "translate" its fantastic results for the public. Scientists, on the other hand, really enjoy connecting with successful businessmen – our patrons and vice versa. That is why this symbiosis is beneficial for all.

Why do you think it's important to support science, especially at this time?

In my life, I always look a few steps ahead. When I saw a few years ago that successful and smart scientists go abroad and stay there because of the better conditions – not only financially, but also how they

are viewed by society as a whole, I felt sorry. But it is important for society to look after this intellectual treasure. We knew that we wouldn't save science by establishing a fund, but we would help to give scientists much more prestige and to make people realise how vital their professions are, because they are heroes. And nowadays we can see how important their contribution is. It is not just about doctors, chemists and biologists, but mathematicians, physicists and, of course, entrepreneurs themselves also play an important role. Without their support some results could not be applied.

Could you tell the readers what led to the creation of your Neuron project? How did this project occur to you?

When the financial crisis started twelve years ago, subsidies for science began to decrease and "Help Czech Science" posters were hung around Prague. At that time, quite a few scientists were leaving to go and work abroad, and I was thinking about how to motivate them to stay. At that time, I came across the story of the architect Josef Hlávka, one of the biggest patrons of science, who said that in order for society to develop it is very important to support two areas – science and the arts, because they move it forward. He himself was very modest, and it is thanks to him too that the first Academy of Sciences was established. And the people behind RSJ also realised the importance of supporting these two areas in society. That's why I wondered if they could take over Hlávka's role. The idea caught on and we started the fund.

The Neuron project is supported by many patrons and sponsors. Why do you think science is also important to them?

The Neuron Endowment Fund attracts people who are very successful and at the same time realise how important it is for the whole of society to support scientists who are trying to push the boundaries of human knowledge. The promotion of science is closely linked to the development of society. Countries that pay a lot of attention to science and scientists are among the most advanced and have gone furthest technologically – Israel, the USA, Scandinavia. Like our patrons, they are also aware of how science affects the whole of civilisation.

Do the scientists who have received the Neuron award have anything in common? What does a scientist have to have to win the Neuron Award?

It's incredible, but with the young scientists who receive our awards I notice similar traits – they are modest and

eager to do their research. They also often mention cooperation. Each time a winner receives our award, he or she always says that it is the result of teamwork. At the same time, they are leaders in their field, able to set up and lead a working group that, as a whole, manages to work on amazing discoveries.

Do you have any other projects or competitions in the pipeline?

Yes, we are currently going to focus more on high school students who are deciding where to go next. We feel how important it is for this young generation to realise how crucial science is to planet Earth, and their role in this area can be key. We try to connect young students who have a desire to immerse themselves more in science with our global winners, so that they have the best inspiration and the right mentors.

Has the pandemic affected your project in any way?

At first, the whole situation caught us unawares, no one really knew what would happen. The financial situation in society was uncertain, there was talk of a major financial crisis. Fortunately, our specific situation is stable – we enter into long-term contracts with patrons, and at the beginning of last year we had also acquired a new general partner – the Institute of Organic Chemistry and Biochemistry, which joins the Neuron Founders. What's more, thanks to the pandemic, I realised that this was the precise time when we had to show the public more than ever how important the role of scientists was, and we began to act. I prepared a concept for presenting Special Neuron Awards at the State Opera on Czech Statehood Day so that we could show, through the play *The Elegance of the Molecule*, that the Czech nation is one of the best in the world in the field of virology. Professor Holý developed antivirals that treat HIV-positive patients and Tomáš Cihlár has followed up on his work and participates in the development of the Remdesivir drug, which helps treat COVID-19. At the same time, we try to provide our patrons and partners with important information from relevant scientists on current developments, through online Neuron clubs.

What would you say to people who, for example, are currently studying science?

That I support them because their work is very important to us as humanity. And not just in the field of medicine. Right now, with COVID-19, we see how important the work of chemists, biologists, mathematicians, physicists and physicians is. They are all connected and it is wonderful to see scientists from different fields work together.

What is your opinion about women in science? What would be needed to increase the percentage of women in science? Would it benefit science?

The 2020 Nobel Prizes showed that women scientists also deserve a place in the limelight. Personally, I was also surprised by how many women won the award. I know that with awards for women it is more complicated; compared to men, there are fewer women who receive awards. Family plays a major role in scientific careers. Here it depends on what the conditions are for a female scientist. I think that the conditions for them have been slightly improving lately, so we have the opportunity to get to know more of them.

Do you have a life motto?

Yes, I like two quotes. The first one is really useful in life: "If today was not your friend, it was your teacher." And this one I love because it always gives me the desire to push the boundaries: "Dream big".



Monika Vondráková is a woman with a diverse professional background and is responsible for a large number of interesting projects across disciplines. As well as successfully managing the Neuron Foundation, she was also involved in establishing the Anticorruption Endowment. Through corporate and non-profit structures, she has moved to the forefront of promoting Czech scientists and their unique discoveries.

The virologist Tomáš Cihlář: The basis of my success is my family and an amazing work team. Science is the way to solve virtually all of humanity's problems.

When Tomáš Cihlář appears somewhere, you would certainly not guess that someone has just entered the room who has saved millions of human lives around the world. He speaks modestly not only about his past and his current fight against coronavirus, but also about the future of the scientific environment. We are extremely pleased that the winner of last year's special NEURON Award has made time for us and we can tell you his fascinating story.



When did you first know you wanted to get into science? What led you to study chemistry and technology?

I was probably interested in science and research somewhere inside for a long time, but my interest lay dormant inside me. It was awakened at the very end of my studies at the University of Chemistry and Technology in Prague, when I was doing my thesis. That brought me to the Institute of Organic Chemistry and Biochemistry. From the very beginning, the combination of chemistry and biology seemed to me to be a very meaningful way of creating something useful that could directly help people in the treatment of diseases. From there, my path to virology and antivirals was relatively straightforward.

What makes you so successful in the science world?

The teams I am involved in are successful. The development and research of new drugs is not the success of any one individual. However, it often happens that the focus is on an individual, but this is a very simplified concept of success in our field. Gilead's success is due to many creative and hard-working people both in the company and among our partners and co-workers. I am very grateful for the opportunity to be a part of it. A number of factors contributed to this, including Professor Holý's contact with a small company starting in California at the time, a very good science education from the Czech Republic, and a great family background that has helped me for 25 years in the United States.

Why do you think it is important to support science, especially at this time?

Modern science is and will be absolutely necessary to solve all the fundamental problems that humanity faces now and in the future, whether it be malignant diseases, pandemics, transport, efficient waste recycling, new energy sources or global warming.

What was your path to developing Remdesivir? How is a drug like this even developed?

The beginnings of the discovery and development of Remdesivir can be traced back to 2009, when our chemists first designed a precursor to Remdesivir, which carried a number of fundamental properties, which were then used to design and prepare Remdesivir itself a few years later. I myself started working on the project in mid-2014, when we put together a team focused on the development of Remdesivir for the treatment of Ebola and a number of other viruses, including coronavirus. I led the team for five years, during which time

we moved the substance from the laboratory to several stages of clinical trials and also learned how to produce Remdesivir on an industrial scale. When COVID-19 appeared at the end of 2019, we had enough results and stocks of the drug so that we could immediately start testing it against the new coronavirus.

As the developer of Remdesivir against COVID-19, you have certainly been affected by the pandemic. What do you see as the biggest problem of this coronavirus crisis?

COVID-19 is a completely new virus for which, when it appeared, there was neither a vaccine nor any drugs. This is problem number one. There is no doubt that this problem will be resolved successfully. But it takes some time. The second and perhaps even bigger problem is the human factor. This is reflected in politics and public behaviour. These two aspects are closely connected and absolutely fundamentally affect the course of the pandemic, unfortunately at the moment negatively, as we are witnessing in many countries, including the Czech Republic. How quickly we bring the pandemic under control will depend to a large extent on people's behaviour, how willing and able they are to respect and adhere to the basic rules for minimising the transmission of the virus, and how politicians influence the public, how much space they give to real experts, to what extent they are willing to support fundamental measures and, in particular, to what extent they will lead by example. The strength is in prevention, which of course is not popular, because it is most effective to implement it at a time when not much is happening. People don't want to change their behaviour when they have no good reason to do so. But there are examples that this can be done successfully. The Czech Republic was also an example of this in the spring of last year, so the power and responsibility must be there somewhere among the people, but it needs to be re-awakened and properly directed.

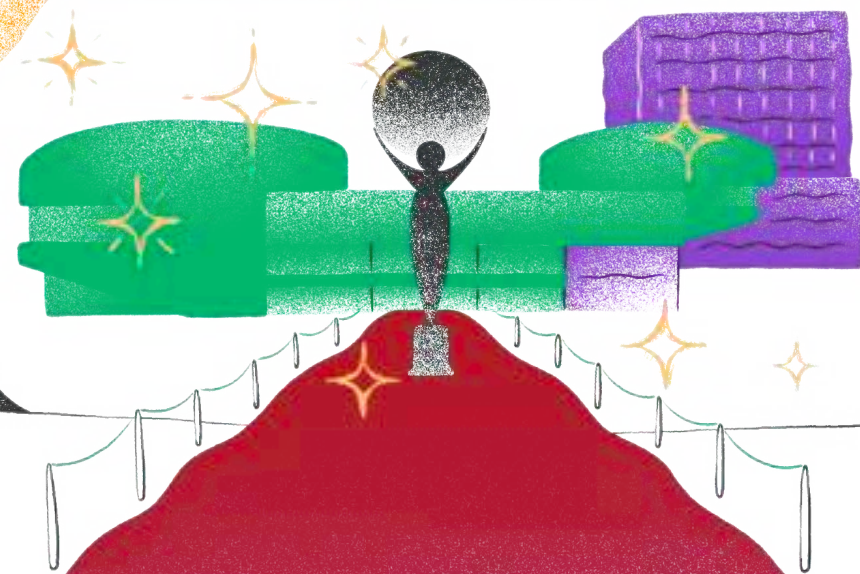
Tomáš Cihlář is a Czech virologist and winner of the 2020 Special Neuron Award for a Significant Scientific Discovery. He studied bioengineering and fermentation chemistry at the University of Chemistry and Technology in Prague. He completed his postgraduate studies at the Institute of Organic Chemistry and Biochemistry of the Academy of Sciences of the Czech Republic, during which time he did research into antiviral substances, and in 1994 he was given a PhD. He is currently vice president of virology at Gilead Sciences and has a team of more than 100 scientists. Specialists in his department are working on research into new substances for the treatment of viral diseases, especially HIV, but also hepatitis B and now also Remdesivir against coronavirus.

Support for culture in difficult times, KVIFF 2020 looking a little different

Closed cinemas, delayed premieres and a summer without film festivals. The year 2020 was a really difficult test for the culture industry. Unfortunately, this also affected the International Film Festival in Karlovy Vary, which the organisers had to move in its traditional format to the summer of 2021. However, they came up with an interesting alternative programme and we, as a partner, were there to support them this year as well.



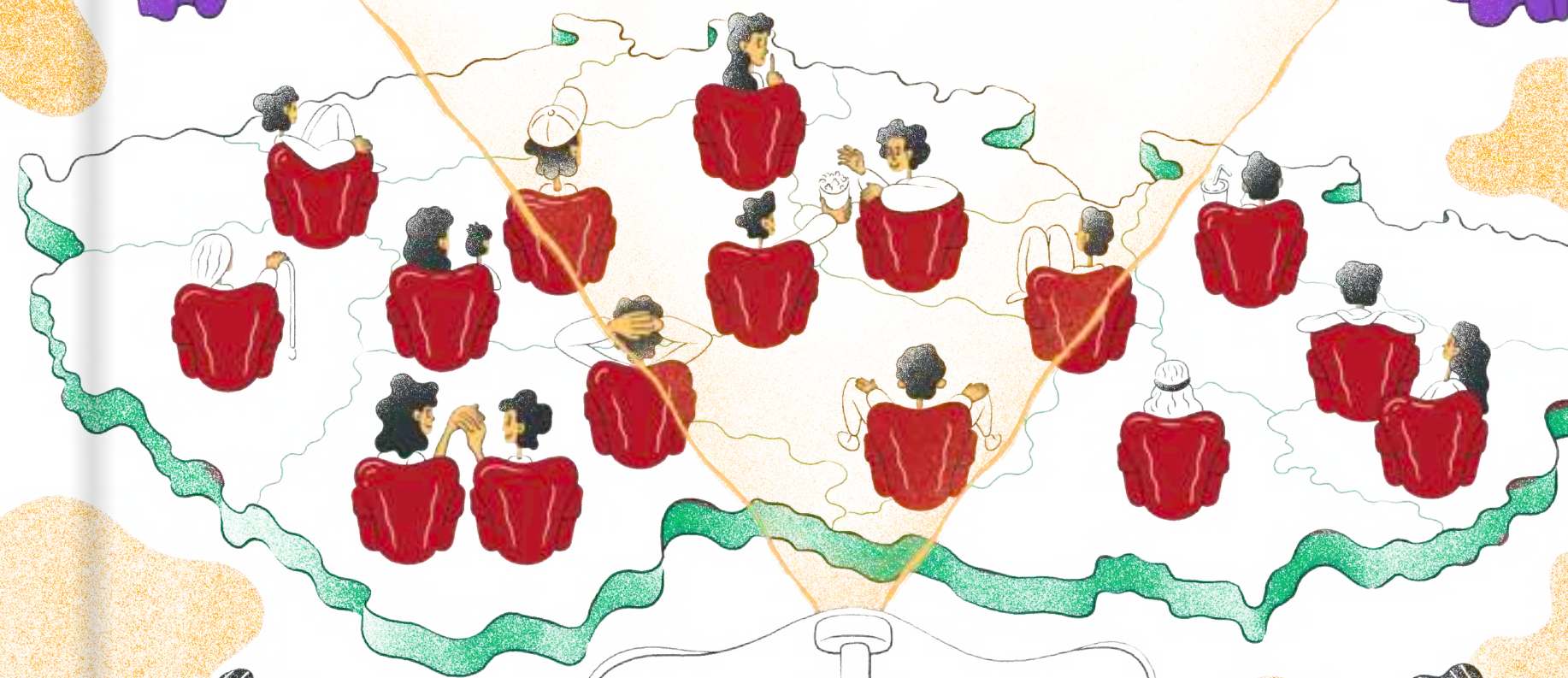
© Film Servis Festival Karlovy Vary



Favourite walks along the colonnade, talking to celebrities not only from the world of film and the best movies from around the globe. All this was transferred from Karlovy Vary to the whole of the Czech Republic in 2020. Despite the postponement of this magnificent festival, the organisers came up with an alternative way of not depriving fans of the latest films. Sixteen towns, thirty-five cinemas and hundreds of amazing films. This was the TADY VARY project, a showcase of films that spread the atmosphere of the festival throughout the country and that could be seen by people who would not normally make it to Karlovy Vary. And who knows, maybe they en-

joyed the films so much that this year they will come to Karlovy Vary in person and it will be a bit bigger and better again.

Of course, we are all looking forward to the summer when we will meet again in this famous spa town. We will enjoy some good food, maybe have a coffee and in the evening go and watch a great film. We are so pleased that our investment in culture enriches and delights not only cinema lovers every day. We keep our fingers crossed for filmmakers and entrepreneurs in Karlovy Vary, and will see you in the summer!



"We love films and have been supporting them for a long time. As well as supporting Karlovy Vary, where we have been present for more than seven years, we continue to invest in its development. We were all the more pleased when the organisers decided to expand the festival to other regions. The TADY VARY showcase brought joy to the whole country and despite the difficult period, this alternative way of showing new films not only helped the film world."

Milan Kratina, CEO Accolade



Overcoming obstacles to reach for the stars, cyclists celebrate a successful year despite complications



We are a proud sponsor of young athletes from our Česká spořitelna – Accolade cycling team, which dates back to 1994. Although the restrictions due to the fight against the pandemic also affected the team's cycling season, cyclists with the Accolade logo on their chest made themselves known last year. Despite lockdown and other complications, they had an extremely successful year. We are proud that our logo and the values it represents are worn by these talented athletes. Look back with us at their unconventional but very successful season.

The team did not underestimate their winter training, and as long as the situation allowed, they trained in Mallorca and the Canary Islands, for example. At the end of February last year, Tomáš Višňovský managed to win the "Andalucia Bike Race". Then, however, came an unplanned stop for the entire world and with it the cancellation of many races, for which our team had been preparing for the whole season. But they were not going to take things easy and as soon as the measures were relaxed, they took part in several domestic races. Again, Tomáš Višňovský did not disappoint and won the prestigious 170-km Obra Drásala race.

The team has other big races ahead of it due to the postponement of the season. Comping up are the world championships in Turkey, where the best woman on the team, Tereza Neumanová, will be competing. Last year, she spent her last season in the under-23 category, so she had a slightly modified programme. She was given more space and took part in all disciplines. Interestingly, she also participated in some e-bike races. They are popular in the media and therefore Tereza sees them as a big challenge.

In the Czech Republic, the e-bike Championship took place for the first time in Lower Moravia, where our team easily won both categories. Filip Rydval won the men's race and Tereza Neumanová the women's race. Unlike in other countries, cycling in the Czech Republic quickly adapted to the situation and allowed cyclists to race. Changes are being planned for the team in the future, with some new reinforcements being added, so there is definitely something to look forward to!



**"Life is like riding a bike.
To keep your balance, you
have to keep moving
forward."**

Albert Einstein



We help those in need and they reciprocate our help with love

We have been supporting disabled people for a long time and we try to integrate them into society and ensure a full and happy life for them. We have joined forces with two great organisations that offer support to these people, the Mela charitable organisation and Joker. But we also think of those who have already lived a large part of their lives and are now slowing down. We work with the St George Hospice charitable organisation which provides comprehensive hospice palliative care services and tries to ensure that its clients can live the end of their lives in peace, surrounded by their loved ones. The pandemic crisis has made the conditions for the day-to-day operations significantly more difficult for our friendly organisations and their clients, and it has been

even more difficult for them than for the rest of us. However, they have coped really well. And for that they deserve our great admiration. We are a proud partner of these organisations and we are very happy to see that our support helps them and gives their clients the opportunity to experience the ordinary joys of life and sorrow with a smile on their face.

“Friendship is part of human happiness.”

Jan Werich



The MELA, charitable organisation was established at the beginning of 2008 and operates in Kolín and Sedlčany. The organisation strives to be a starting point for people over the age of fifteen with mental and combined disabilities and long-term chronic psychiatric illness on the path to independence and an everyday life in the natural conditions of the human community, outside large institutions.

By providing social services and offering work and activation activities, we motivate our clients to do

activities that will enable them to be a part of their natural social environment and to live a life like that of their peers in the general population.

- Protected housing
- Day care centre
- Social rehabilitation
- Social therapy workshops
- Citizens' advice
- Čajovna Ve Dvoře (The Tea Room in the Courtyard)



The **JOKER** sheltered workshops were established in 2004 by a group of parents of children with disabilities. The goal of the organisation is that even people with disabilities have a chance to live a full life. It tries to integrate them into life, to get them from the fringes of society where they lived until recently. These people have their own world, which may look different from ours, but it is certainly of no less value. Moreover, encountering a different approach to life is often enriching.

The Joker organisation provides social services, creates sheltered jobs and seeks to involve its disabled clients in various activities in social therapy workshops. The non-profit organisation currently employs 59 people with disabilities in a total of seven premises in two towns. In Cheb there is a sewing workshop, handicraft workshop, laundry, reception, bistro and café, in Aš it helps with operating a camera system.



The St George Hospice charitable organisation was established in mid-2008 with the aim of supporting and spreading ideas about hospice care and developing the establishment of palliative care institutions in the Cheb region. The hospice's mission is to provide medical, psychological, social and spiritual support to the dying so that they can live the end of their lives with their loved ones in a home or home-like environment and view this period as a natural and meaningful part of their lives.

The organisation provides comprehensive hospice palliative care services, comprising medical, psychological, social and spiritual support.

- Medical health care and treatment of pain in the patient's family
- Nursing health care in the family and emergency service 24 hours a day
- Support from a social worker regarding matters of care for the dying
- If interested, contact with a psychologist or member of the church
- Training of members of the family in nursing the patient
- Rental of medical and compensatory aids
- Support and assistance in the period after the patient's death

Thanks to the Veronika Kašáková Endowment Fund (NFVK) and the Restart project, we have the opportunity to support young people from children's homes on their path to adulthood



The Restart project, which is one of many NFVK projects, focuses on helping young people leaving a children's home to get involved in everyday life. After leaving the home, these people are often dependent on themselves, and can often face a number of difficult situations on their way to becoming independent. The endowment fund tries to change this feeling of insecurity and often even loneliness and offer young

people a "guide to life", which helps them with practical matters and, above all, is a psychological support in a period when their lives are changing.

The Restart programme offers every young person who leaves the gates of a children's home the opportunity to establish an individual human relationship before leaving, which continues even after leaving the home. Every young person who shows an interest will get their

own guide, whom they meet at least a year before leaving the home, so that a loving relationship based on trust can be established. While still in the children's home, they put together an individual plan, which they then work on twice a month after the young person has left the home, focusing on, for example, completed education, selecting suitable employment, financial management, housing, good-quality relations, fulfilling their obligations to the state. After leaving the children's home, they meet together until this plan is fulfilled and, above all, until the young person's life situation is stabilised.



Veronika Kašáková is a Czech model and a finalist in the Miss Czech 2014 competition, who grew up in a children's home herself. In 2016, she founded the Veronika Kašáková Endowment Fund, which supports children in children's homes so that they can live a full life and be prepared for the everyday obstacles in life after leaving the children's home. Precisely because Veronika Kašáková experienced these moments in life herself, she is able to empathise with the situation of young people and offer them exactly the help they need. NFVK is currently working on four projects, each of which helps children from children's homes in a different direction.

- *A New Start with Veronika is a one-day discussion where the founder shares her stories with the children, tells them her experiences and builds trust that has the power to influence their future decisions.*
- *Start is a programme focused on the directors of children's homes, their development and mutual inspiration. The aim of the project is to create a common inspiring environment where it is great to live and work for everyone who is working or growing up in the home.*
- *Restart offers young people leaving their homes a guide that will be both a support and a source of advice on their journey through life.*
- *Transformations with Veronika is a project in cooperation with the cosmetic brand Oriflame, which will provide children with one special day, which will be just for and about them. It also includes an educational part, in which all the participants complete a course on developing their inner potential.*

"We need to support young people and give them a vision and a future. And it is even more important to help those who are less fortunate. We are very happy to be able to support this meaningful organisation and help young people achieve the life they dream of,"

- said Milan Kratina, CEO of Accolade, about the partnership.

We are Accolade



