ENVIRONMENTAL IMPACT

ACHIEVEMENT OF ENVIRONMENTAL GOALS IN 2019:

In 2019 Agora adopted environmental goals in building administration, in particular with respect to the Czerska head office in Warsaw.

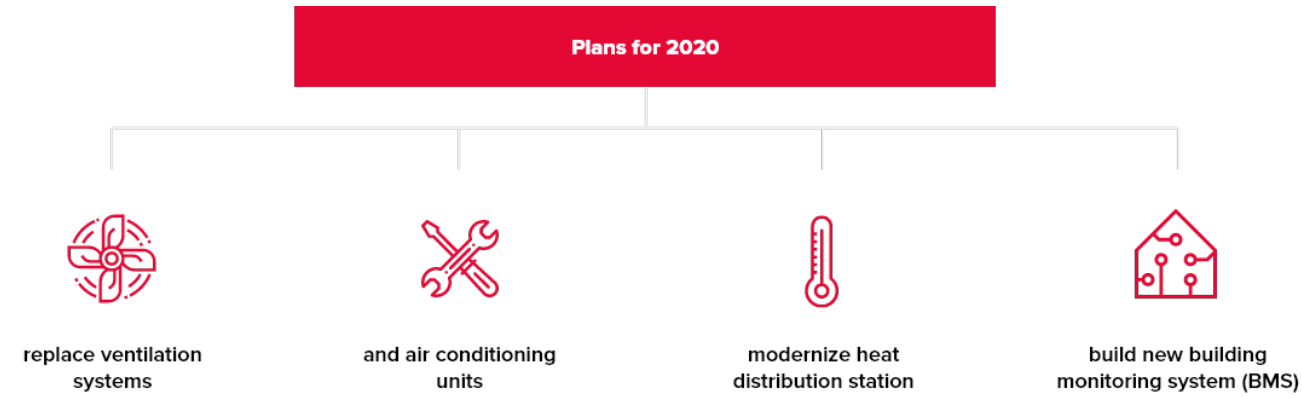
Environmental goals in buildings under Agora's administration in 2019:

Category	Goal	Measures taken	Progress
ENERGY EFFICIENCY	10% YOY reduction of electricity consumption in Agora's Warsaw HQ	• optimize electricity consumption through eco solutions and investment in energy-efficient installations and devices • optimize ventilation and AC systems • replace lights with LED technology	In progress (17.4 achieved, 16.9% in all offices)
WASTE REDUCTION	10% YOY reduction of waste	• minimize bio waste (canteen) • digitize processes, including digital local issues of newspaper titles • introduce an electronic system for managing the lease of company equipment by employees	Achieved
MANAGEMENT	Develop and adopt an environmental impact policy for Agora	• develop an environmental impact policy for Agora S.A.	Achieved
EDUCATION AND COMMUNICATIONS	Increase waste sorting awareness among Agora employees	• educate employees in waste sorting • develop an electronic system for reporting technical and other administrative problems	Achieved

GOALS FOR 2020:

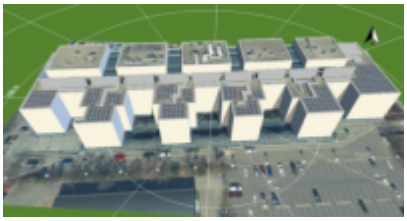
Area	Goals for 2020
ENVIRONMENT	• Introduce pro-eco solutions energy efficiency solutions, such as photovoltaic systems • optimize energy consumption – replace ventilation systems in the building • develop ecological end environmental projects in the media of Agora Group • continue educating employees

PLANS FOR 2020:



Photovoltaic systems

Install photovoltaic panels on the roof of Warsaw headquarters of Agora (1st half 2020)



Photovoltaic system of total output 89.76 [kWp] (two micro systems 49.50 and 40.26 [kWp]).

Photovoltaic solutions enable:

- savings in the form of lower electricity bills;
- positive impact on the climate: reduced CO2 emissions translate into positive impact on the quality of local air;
- security and independence – protection against growing costs of energy;
- technology of tomorrow and education of employees and the environment about nature protection.

AVERAGE EQUIVALENT OF REDUCED CO2 EMISSIONS BY PHOTOVOLTAIC SYSTEMS INSTALLED ON AGORA BUILDING

REDUCED CO_2 EMISSIONS, WHICH TRANSLATES INTO	59,409	[kg/year]
SAVINGS IN EMISSIONS GENERATED BY CARS	12.5	[vehicles]
NUMBER OF KILOMETRES COVERED BY CARS	227,449	[km/year]
REDUCED VOLUME OF WASTE COLLECTED BY THE MUNICIPAL SERVICES	21.3	[tons/year]
SAVINGS IN PETROL CONSUMPTION	25,305.1	[[litres/year]

Calculated on the basis of the official EPA/USEPA calculator (United States Environmental Protection Agency) http://www.epa.gov/cleanenergy/energy-resources/calculator.html

BUILDING ADMINISTRATION

Agora Group has offices in multiple locations. The company’s headquarters are located in Czerska 8/10 in Warsaw. The building, owned by Agora, houses the offices of Agora S.A. and Agora TC, AMS, Adpol, Domiporta, Grupa Radiowa Agory (GRA), Doradztwo Mediowe, Inforadio, NEXT FILM, GoldenLine, Optimizers, Yieldbird some departments of Helios Helios, Foodio Concept, Step Inside. Helios and Foodio Concept have their main offices in Łódź.

19

local offices of Agora S.A.

Agora S.A. has 19 regional offices that also serve the employees of the group's subsidiaries. In most cases, Agora shares the building with other organizations, which leaves the environmental aspects in the competence of the respective buildings' administrators. It also makes it difficult to monitor water consumption, effluents and waste output, etc.

The main elements of the environmental impact management in Agora Group in building administration are reduction of:

- electricity consumption,
- water consumption,
- effluents output.

This is particularly important for Czerska 8/10 office that houses most of the entities of Agora Group.

In 2019 Agora implemented corrections in line with the recommendations from energy efficiency audit. As a result of:

- converting lighting systems to LED technology
- installation of timer system
- replacing pumps and engines in VAC systems electricity consumption Czerska 8/10 Agora headquarters was reduced by 20 percent.

16.9%

reduction of electricity consumption in office

buildings of Agora in 2019

Electricity consumption in office buildings of Agora

Electricity consumption in office buildings of Agora

	2018	2019	YOY
Electricity [MWh]	10,951	9,102	↓16.9%
Heating [GJ]	16,890	13,378	↓20.8%

Source: data based on invoices
Due to Agora S.A. sharing the Warsaw office as well as other locations with other entities of Agora Group, the data is aggregated for locations: Białystok, Bielsko-Biała, Bydgoszcz, Częstochowa, Gdańsk, Gorzów Wlkp., Katowice, Kielce, Kraków, Lublin, Łódź, Olsztyn, Opole, Płock, Poznań, Radom, Rzeszów, Szczecin, Toruń, Wrocław and Warszawa (Czerska 8/10). No data for Tychy and Zielona Góra (amounts included in cost of rental).

20.4%

reduction of water consumption and effluent discharge in the office buildings of Agora Group Agora Group in 2019

Water consumption and effluent discharge in the office buildings of Agora

Water consumption and effluent discharge in the office buildings of Agora

	2018	2019	YOY
Water consumption/effluent discharge [m^3]	22,592	17,160	↓20.4%

Source: data based on invoices
Due to sharing the Warsaw office as well as other locations by Agora S.A. and the other entities of Agora Group, the data is aggregated for locations: Bielsko-Biała, Bydgoszcz, Częstochowa, Gdańsk, Kielce, Kraków, Opole, Szczecin, Wrocław and Warszawa (Czerska 8/10). In the remaining 11 locations no data or amounts included in cost of rental.

The fleet of Agora Group includes 112 cars * and one van (Adpol). Most vehicles run on petrol, some are hybrids.

181.8 thousand

litres fuel consumption by vehicles of Agora Group in 2019*

2.5 million km

distance covered by vehicles of Agora Group in 2019*

*Data for Agora, Adpol, AMS, GRA, Doradztwo Mediowe, Helios, Foodio Concept

WASTE MANAGEMENT

All entities of Agora Group have signed contracts with waste collection and treatment service suppliers, ensuring that 100 percent of the waste they collect from Agora companies is properly recycled or neutralised. Each of Agora Group businesses has their own waste management system and reports on it to relevant authorities, in accordance with applicable laws and reporting regulations.
In all companies and printing plants of Agora Group, municipal waste undergoes sorting and separate collection, in accordance with the local municipal waste management policies. Therefore, the company does not monitor the weight of its waste output. Hazardous and non-hazardous waste is passed to relevant external waste-disposal contractors who are responsible for their proper handling.

Waste output in buildings managed by Agora S.A. (by weight)

Waste output in buildings managed by Agora S.A. (by weight)

[Mg]	2018	2019	YOY
Electronics and appliances	2.4	5.4	↑125.0%
Expired and uneaten food	23.9	20.3	↓15.1%
Hazardous waste	31.5	27.8	↓11.7%

Source: contracts with waste collection and treatment service providers.

Increase in the output of electronics and appliances waste was the consequence of replacing computer equipment.

HELIOS GROUP

- In 2019 Helios S.A. and Helios Group were registered in Waste Production Database (Baza Danych Odpadowych).
- Foodio Concepts and Step Inside signed contracts with external service providers to comply with the obligation to recycle and recover packaging waste.
- From 2020 Helios cinemas will also comply with this regulation.
- In 2019 Helios S.A. started switching from plastic to paper and wooden recyclable plates and cutlery in their restaurants.

Czerska 8/10 building houses a canteen that generates food waste.

15.1%

weight decrease of expired and uneaten food

11.7%

weight decrease of hazardous waste Czerska 8/10 building

Waste output in buildings managed by Agora S.A. (by weight)

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Increase in the output of electronics and appliances waste was the consequence of replacing computer equipment.

OUTDOOR ADVERTISING

ENVIRONMENTAL GOALS OF AMS IN 2019:

- **Reduce electricity consumption in currently operating AMS displays:**
  - application of energy-saving LED technology, replacing conventional lights systems with LED – increase of LED use by 35 percent
- **Innovative ecological solutions to reduce electricity consumption:**
  - develop and implement a new passive, zero-energy shelter design, i.e. producing and consuming equal amounts of energy through the application of lighting solutions based on photovoltaic (solar) technology

- **State-of-the-art ecological solutions for clients:**
  - develop and implement ecological an city furniture design

ACHIEVEMENT OF ENVIRONMENTAL GOALS OF AMS IN 2019:

40%

share of LED technology in AMS displays reached

- Share of LED technology in AMS displays reached beyond 40 percent. AMS continued replacing conventional with energy-saving LED lighting technology of displays: 968 double-sided Citylight and 101 Backlight 18 m2 displays. As a result 5488 conventional systems were replaced, total output of over 300 KW, by LED lights. 118 Metal Halide Lights were converted to LED systems consuming four times less energy. New solar stands were installed.
- New design was developed for state-of-the-art shelters with renewable energy lighting systems and promoted among the authorities of Polish cities.
- Continued and developed the ecological ‘green shelters’ project and its promotion among the clients of AMS.

ENVIRONMENTAL GOALS ACHIEVED IN 2019:

990 MWh

electricity consumption reduction through replacement conventional with LED technology (each source used for 12 months)

2.4 MWh

electricity consumption reduction in 2019 through the use of five solar stands

MONITORING OF ELECTRICITY CONSUMPTION

AMS monitors advertising panels energy consumption and takes steps to improve the quality of panel lighting (backlighting), thus minimizing the environmental impact.

AMS energy consumption in 2019

Zużycie energii w spółce AMS w 2019 r.

	2018	2019	YOY
Annual output of energy for lighting advertising display boxes and bus/tram shelters [MWh/year]*	10,380	8719	↓16%
Number of advertising displays	24,357	22,176	↓9.62

Source: data based on invoices, Data applies to: advertising displays and shelters with light powered by energy suppliers and lit by street lights systems. *2018-2019 data complemented by data other sources of electricity.

ENVIRONMENTAL GOALS OF AMS FOR 2020:

- **Develop smart city environmental projects in Polish cities**
  Build green shelters and install vegetated roof on existing shelters. Promote smart and eco solutions among city authorities and inhabitants
- **Continue replace traditional light sources with energy-efficient solutions**
  Use energy-efficient LED technologies, replace traditional lighting systems in AMS displays with LED technology
- **Educate clients about ecological solutions offered by AMS**

HELIOS CINEMAS

Helios S.A. is holds an Energy Efficiency Certificate of 190 thousand tons. All Helios cinemas have VEMS and Enabler systems that reduce electricity consumption through intelligent management of HVAC systems. The solution produces year-to-year ecological effects of no less than:

- reduction of energy consumption by 2000 MWh/year,
- reduction of CO2 emissions by 1800 Mg/year

100.4 Mg

exhaust gases discharged into air from

48

vehicles in the fleet of Helios S.A.

251.3 Mg

HFC gases from heating – cooling systems (data for 49 cinemas)

69,056 m^3

water consumption / effluents discharge in Helios cinemas in 2019 (data for 49 cinemas)

25,395 MWh

electricity consumption in in Helios cinemas in 2019 (data for 49 cinemas)

Electricity and water consumption and effluents discharge in Helios S.A.

Zużycie energii i pobór wody/zużycie ścieków w spółce Helios S.A.

	2018	2019	r/r
Electricity consumption [MWh]	22,150	23,302	↑5.2%
Water consumption/effluents discharge [m^3]	57,449	60,365	↑5.1%
Number of viewers in Helios cinemas (calendar year)	12.7 million	14.0 million	↑23.0%

Data based on invoices from 44 Helios cinemas. The calculation does not include cinemas opened in 2018 and 2019.: Helios Forum Gdańsk, Helios Libero Katowice, Helios Blue City in Warsaw, Helios Pabianice, Helios Legionowo (no comparable data for the relevant period).

In 2019 cinemas were revitalised and Helios dream theatres were opened in Łódź, Poznań, Rzeszów and Radom, which caused higher consumption of energy and water. The main factor was higher audience volume.

FOOD SERVICES IN FAST CASUAL SEGMENT

Through Helios cinema network Agora sells food in concession snack bars (popcorn, drinks, snacks) and Helios Cafe. Data on the impact of this activity are aggregated and included in the section on cinema operations of Agora. In 2018 Helios was joined by Foodio Concepts, a provider of restaurant services.

Environmental goals of Papa Diego restaurant chain are:

- **reduce the use of plastic by 100 percent by introducing biodegradable containers,**
- **minimize energy, fuel and water consumption.**

In 2019 **Foodio Concepts** opened a central kitchen in Warsaw, the effect of which was reduction of electricity, fuel and water consumption. Moving to a centralized production model also reduced the output of biodegradable waste.

Foodio Concepts introduced biodegradable containers and straws in their restaurants. To

promote ecological and environmental values, we introduced a ‘zero waste’ campaign – ‘bring your own cup’ lower price on lemonade.

ENVIRONMENTAL IMPACT OF FOODIO CONCEPT RESTAURANT CHAIN

Foodio Concept was launched in 2018, with three restaurants operating at the end of the year.
As of 31 December 2019, **14 Foodio Concept restaurants** were in operation. Since they were opened throughout the year, it is not possible to compare their environmental impact for 2019 and 2018. Below is 2019 data.

946 GJ

heat consumption by Foodio Concept in 2019

10,699 litres

fuel consumption by Foodio Concept in 2019

13,600 m^3

water consumption and effluents discharge by Foodio

Concept restaurants in 2019

1289 MWh

electricity consumption by Foodio Concept restaurants in 2019

Organic waste produced by Papa Diego restaurants are collected by the shopping centres in which the restaurants are located, and reporting on the volume is in the charge of the shopping centres.

18,098 kg

total weight of packaging waste produced by Foodio Concept restaurants in 2019, including:

7246 kg

mixed

5 474 kg

paper

3855 kg

plastic

1 100 kg

glass

421 kg

wood

1 690 kg

total mass of oil used in all restaurants of Foodio Concept in 2019

GREEN PASIBUS

90%

Pasibus restaurants switched from bottled water to eliminate plastic bottles

Pasibus is an iconic fast casual street food brand. The food is based on original recipes and made of excellent quality fresh ingredients from local suppliers. Pasibus menu offers a number of unique burgers, Pasi salads, kid menus (Pasi Kids), side dishes (such as fries made without palm oil) and drinks (such as Pasi Lemoniada) and alcohols (house beer brand), and vegan burgers. From its launch the brand has been committed to ecological and green solutions.

Since in 2019 seven restaurants operated by Step Inside under Pasibus label, it is not possible to compare environmental impact data for 2019 and 2018.

Pasibus introduces solutions that cut costs and reduce negative environmental impact. In 2019 the chain began eliminating plastic bottles from their restaurants. 90 percent of the water used to make Pasi Lemoniada and Pasi Ice-tea as well as available to the employees is tap water filtered through Brita filters. Pasibus kitchens also stopped using paper towels and replaced them by electric dryers and multiple use cloths. Packaging is a major challenge to the environmental impact. In 2019 Pasibus introduced products such as eco salad containers, recyclable paper burger boxes, PLA Compostable cutlery and paper straws. Straws are used only on a customer’s express demand. Since 2018 all takeaway bags are 100 percent paper.

Amount of plastic bottles used in Pasibus restaurant was reduced by nearly 85 percent in all locations. Bottled water continues to be sold by foodtrucks, because of lack of access

to running water.
Reduction in paper towels consumption is estimated at ca. 3-6 thousand zł per restaurant.
In the nearest future Pasibus will introduce water filter in all restaurants and continue introducing new environmental measures – in particular educational activities addressed to customers.

PRINTING SERVICES

Agora S.A. and Agora Poligrafia adopted a special document (Quality Management System Policy) specifying the company's approach to managing their impact on the environment. Printing plants of Agora Group are located in Piła and Warsaw (Agora S.A.) as well as in Tychy (Agora Poligrafia) and are equipped with presses for printing newspapers, magazines and ephemera.

QUALITY MANAGEMENT SYSTEM IN PRINTING PLANTS

Key elements of the policy introduced on 24 July 2018, with respect to the environmental impact are:

- compliance with relevant environmental legal regulations,
- stimulating safe and pro-environmental attitudes and behaviours among the employees through their participation and involvement in pro-environmental activities,
- reducing the consumption of natural resources through: rational consumption of water, reduction in the consumption of electricity and heating, reduction of technological losses,
- waste segregation, reducing waste output and preventing pollution.

The policy was adopted on 24 July 2018 as a revised document was adopted by Agora Group in 2009.

ENVIRONMENTAL GOALS IN PRINT SEGMENT IN 2019:

- effective materials management for reduced electricity consumption and rational water management,
- maintaining electricity and water consumption on projected levels.

ACHIEVEMENT OF ENVIRONMENTAL GOALS IN PRINT SEGMENT IN 2019:

- The process of preparing ‘directly-on-press’ print plates forms 19 percent of total production – which allows for more effective materials management in Agora plants.

ENVIRONMENTAL GOALS ACHIEVED IN 2019:

- Due to moving production from two printing plants in Piła and Tychy to Warsaw (in the middle of the year) it is not possible to compare environmental impact between 2018 and 2019.
- Reliable data for environmental impact conclusions will be available in 2021, for comparison between 2020 and 2021. Printing plants in Piła and Tychy closed operations in July 2019.

ENVIRONMENTAL GOALS OF THE PRINT SEGMENT IN 2020:

- effective materials management for reduced electricity consumption and rational water management,
- maintaining electricity and water consumption on projected levels.

CONSUMPTION OF ENERGY, WATER, MATERIALS AND SUPPLIES

In 2019 there were no major investment to reduce CO2 emissions.

Table 1. Electricity, heating and water consumption

Electricity, heating and water consumption

	2018	2019	YOY
Electricity [MWh]	6 963	7 144	↑2.6%
Natural gas* [m3/year]	263,831	261,043	↓1.1%
Heating [GJ]	8298	7037	↓15.2%
Water and effluents from municipal systems [m3]	4516	5813	↑28.7%

Source: data based on invoices. GJ conversion factor 1MWh=3.6GJ.

Materials and supplies as well as technological paper loss in the production of newspapers and magazines

Materials and supplies as well as technological paper loss in the production of newspapers and magazines

	2018	2018	YOY
Share of recycled materials in production	56.3%	51.9%	↓4.4 pp.
Technological paper loss in the production of newspapers and magazines	1626	1604	↓1.4%

Paper loss was calculated on the base of the volume of sold waste paper. The value is easy to identify and verify in audit, on the basis of documentation. Source: Waste transfer documentation.

51.9 pp

average share of recycled materials used in production in Print Segment in 2019

4.4 pp

share decrease of recycled materials used in production in Print Segment in 2019

1.4 pp

weight decrease of technological paper loss in 2019

In 2019 printing plants of Agora Group reduced technological paper loss by 22 Mg, which brought paper waste in production down by 1.4 percent. This figure applies to the printing plant in Warsaw.

CHALLENGE:

The main supplier of paper for the printing plants decided to stop producing the material in 2020 (made 100 percent of recycled paper). This decision will significantly affect the share of recycled materials for production in 2020.