Impact Dashboard 2023



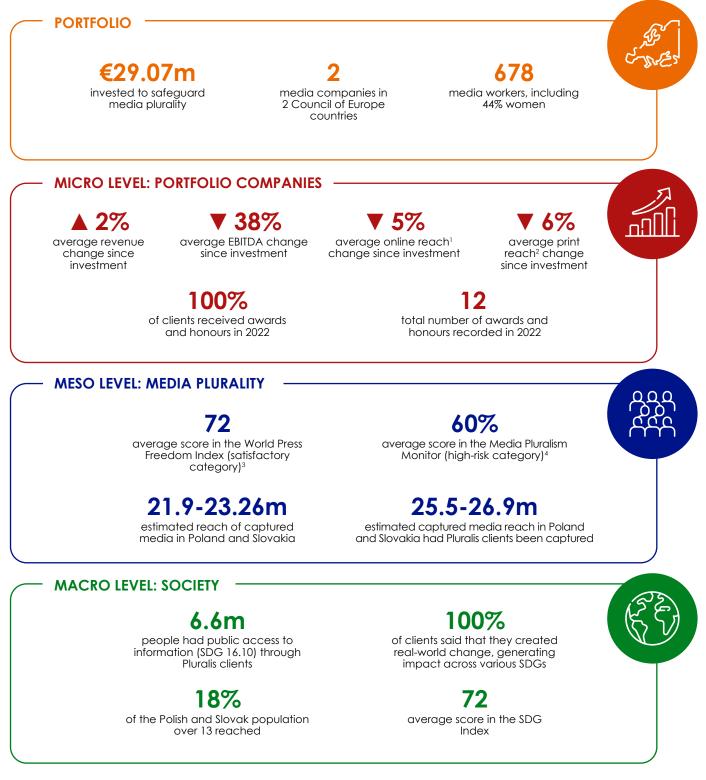
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Executive summary



1 Average monthly users

2 Sales per edition

3 85-100 good, 70-85 satisfactory, 55-70 problematic, 40-55 difficult, 0-40 very serious https://rsf.org/en/ranking

- 4 0-20 very low risk, 20-40 low risk, 40-60 medium risk, 60-80 high risk, 80-100 very high risk https://cmpf.eui.eu/media-pluralism-monitor/
- 5 0-100 https://www.sustainabledevelopment.report/



Dashboard introduction

About Pluralis

Pluralis B.V. supports media plurality by purchasing shares in media companies at risk of capture or in those providing pluralistic voices in already captured or threatened markets across Eastern, Central and Southeastern Europe. Beyond investing, Pluralis offers its investees strategic media growth expertise, helping to fortify their operations and preserve their editorial autonomy. Bringing together a coalition of European media companies, democracy-supporting foundations and impact investors, its ultimate goal is to ensure that European citizens have access to the news, information and debate needed to build and preserve free, thriving societies.

Pluralis has invested €29 million in two prominent news businesses in two countries to date: Petit Press a.s. in Slovakia, the second-largest news publisher running the daily SME, and Gremi Media S.A. in Poland, a leading media company publishing the daily Rzeczpospolita. Both companies are diversifying from their established legacy brands into digital news and information services. To learn more about the investees of Pluralis, please see below.

About MDIF

Pluralis is managed by Media Development Investment Fund, a not-for-profit investment fund for independent media. MDIF provides debt and equity financing supported by advisory services in countries where access to free and independent media is under threat. With more than \$141 million assets under management, since 1996 MDIF has invested \$296 million in 146 independent media businesses in 47 countries.

About Pluralis Impact Dashboard

Pluralis impact assessment is focused on three levels: micro level (impact on individual media outlets), meso level (impact on media plurality) and macro level (impact on society)⁶. Custom-tailored to Pluralis' mission and goals, the approach was developed in-house with the support and feedback from the Media and Journalism Research Center, a leading European media research institution. The method combines primary data with various comparable and pertinent indicators⁷, and, on the macro level, aligns itself with the UN Sustainable Development Goals (SDGs). You can learn more about the approach on the following page or read more information about it here.

6 Note that as we consider the impact, we remain very careful not to attribute causality, instead viewing our and our clients' work as a contributor to, not the sole cause of, changes that happen.

7 World Press Freedom Index published by Reporters Without Borders https://rsf.org/en/index; the Media Pluralism Monitor by the Centre for Media Pluralism and Media Freedom https://cmpf.eui.eu/media-pluralism-monitor/ and the Sustainable Development Goal Index prepared by the Sustainable Development Solutions Network and the Bertelsmann Stiftung https://www.sustainabledevelopment.report/



Approach to impact

Pluralis invests in independent media in Council of Europe countries where a plural media is at risk⁸ to...



» System-level developments in progress towards SDGs

DICTIONARY -

- » Independent media outlets with editorial autonomy that operate free from external influence, interference, or control from governments, corporations, or any other vested interests.
- » Media capture a situation where the media are controlled by governments, vested interests or a combination of both, to erode their editorial independence and to exert political influence.
- » Media plurality the diversity and variety of independent media companies that are not under the influence of a single entity within a particular market or society.
- 8 Pluralis invests in media across the Council of Europe's 47 member states minus states currently perceived as not needing such support and countries where an investment model of support is impossible. Nearly 20 potential target Council of Europe countries have been through first screening, but the location of investments will depend on changing political circumstances and investment opportunities as they arise. Each new country considered for investment must undergo country approval in line with MDIF's operating procedures. The decision as to whether a country should be "open" for investment is made by MDIF's Board of Directors based on management's recommendation. The Board considers the country from MDIF's mission point of view, taking into consideration the legal and investment climate in the country.



Pluralis portfolio

Petit Press

Petit Press is the second-largest publisher in Slovakia with a wide portfolio of printed and digital products. The company is an awardwinning, journalism leader, publishing 35 national and regional titles, including SME and Korzár dailies, and multiple digital sites, including www.sme.sk.

In 2021, Pluralis purchased a 34% minority stake in Petit Press from a conglomerate shareholder. The overarching goal of the investment was to support the efforts of the management to retain control of the company and to find a targeted media investor to bring sectoral expertise to assist the company's growth. Type: Print and online Website: petitpress.sk Main publications: Sme, Korzar, My, sme.sk Stake: 34% Disbursed: Q2 2021

Country: Slovakia Press Freedom: satisfactory (78/100)⁹ Media Pluralism: high risk (52%)¹⁰ SDG progress: challenges remain (79/100)¹¹



⁹ According to the World Press Freedom Index: 85–100 good, 70–85 satisfactory, 55–170 problematic, 40–155 difficult, 0–140 very serious https://rsf.org/en/ranking

11 According to SDG Index prepared by the Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung https:// www.sustainabledevelopment.report/

¹⁰ According to the Media Pluralism Monitor: 0–20 very low risk, 20–40 low risk, 40–60 medium risk, 60–80 high risk, 80–100 very high risk https://cmpf.eui.eu/media-pluralism-monitor/



Gremi Media

Gremi Media is a leading media group in Poland, which publishes Rzeczpospolita, one of the country's most respected and opinion-forming daily newspapers, the economic and business-focused Parkiet daily, Sport daily, the monthly magazine Uważam Rze Historia, and multiple digital sites, including rp.pl and parkiet.com.

In 2021, Pluralis purchased a 40% minority stake in Gremi Media, with an option for a further stake ensuring 57% of votes. The overarching goal of the investment was to prevent the capture of the company by politically aligned bidders and allow its newsroom to continue to operate without interference. Type: Print and online Website: gremimedia.pl Main publications: Rzeczpospolita, Parkiet, rp.pl, parkiet.com Stake: 38.8% Disbursed: Q4 2021/Q1 2022

Country: Poland Press Freedom: problematic (66/100)¹² Media Pluralism: high risk (67%)¹³ SDG progress: challenges remain (81/100)¹⁴

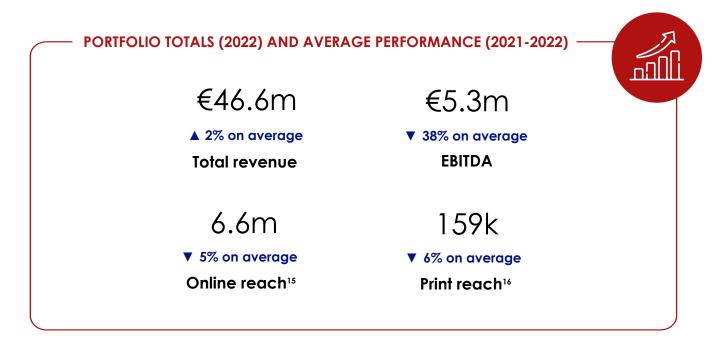


- 12 According to the World Press Freedom Index: 85 100 good, 70 85 satisfactory, 55-70 problematic, 40-55 difficult, 0-40 very serious https://rsf.org/en/ranking
- 13 According to the Media Pluralism Monitor: 0-20 very low risk, 20-40 low risk, 40-60 medium risk, 60-80 high risk, 80-100 very high risk https://cmpf.eui.eu/media-pluralism-monitor/
- 14 According to SDG Index prepared by the Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung https:// www.sustainabledevelopment.report/



Micro level: Portfolio companies

Pluralis, as an investor, is dedicated to promoting the long-term sustainability of the independent media companies it supports. Our firm conviction is that a thriving and resilient media is vital in preserving editorial independence and in providing the news, information and debate that people need to build and preserve free, thriving societies. To evaluate its impact at the micro level, that is on the individual media outlets, the Dashboard tracks how supported media organisations change over the course of working with Pluralis when it comes to their revenues, EBITDA and reach. The metrics presented below provide a snapshot of performance, showcasing both the grand totals for 2022 and the changes observed between 2021 and 2022.



While growth over the long term is an objective, Pluralis recognises the challenges facing the media industry globally and acknowledges that investees may need to periodically prioritize sustainability and resilience over growth. In 2022, Pluralis clients encountered various challenges, such as escalating costs of printing and distribution, slowdown in the advertising market, rampant inflation, and economic crises sparked by Russia's invasion of Ukraine. The primary focus and opportunity for growth of Pluralis clients remained centred on the transition to digital.

To ascertain whether clients can thrive and thus maintain their journalistic standards, the Dashboard also reports on investee awards and achievements. In 2022, 2 out of 2 companies in the portfolio won awards and we counted as many as 12 honours, accolades and achievements.

- 15 Average monthly users
- 16 Sales per edition



Examples of awards and achievements (2022)

- » Rzeczpospolita was again the most opinion-forming press title in Poland in 2022, according to the Institute of Media Monitoring
- » A Rzeczpospolita reporter was nominated to Grand Press 2022 in the Journalistic writing category.
- » Sme.sk is the second most visited news and media publisher website in Slovakia, according to SimilarWeb.
- » Petit Press and its journalists received prizes at the Journalism Awards (Novinárska cena).

Pluralis also recognizes that media workers are a crucial component for creating impact and achieving success for the companies we collaborate with. Last year, Pluralis investments supported the work of 678 journalists, managers and other media workers, including 320 working for Gremi and 358 for Petit Press, with a gender breakdown presented below.

	Ť	Ń
	Portfolio average	25
Employees	44%	56%
Management	31%	69%
Newsroom leadership	34%	66%
	Petit Press	
Employees	39%	61%
Management	32%	68%
Newsroom leadership	40%	60%
Gremi Media		
Employees	49 %	51%
Management	29 %	71%
Newsroom leadership	29 %	71%

Gender ratio (2022)



Meso level: Media plurality

Pluralis' objective is to promote media plurality throughout Europe by investing in shares of media companies at risk of capture or in media that offer diverse voices and perspectives in already captured or threatened markets.

To evaluate impact at the meso level, that is, on media plurality in countries where Pluralis has investments, the Dashboard relies on the expertise and analysis provided by the Media and Journalism Research Center. First, it presents its expert opinions, which aim to underscore the importance of Petit Press and Gremi Media remaining independent and testify to the importance of those investment for strengthening media plurality.

"THE INVESTMENT IN PETIT PRESS IS KEY IN SUPPORTING MEDIA PLURALITY IN THE COUNTRY AND PREVENTING POWERFUL BUSINESSES AND STATE BODIES FROM CAPTURING THE COUNTRY'S INDEPENDENT MEDIA SECTOR. THANKS TO ITS REACH PETIT PRESS POSITIONS ITSELF AS ONE OF THE MAIN MEDIA PLAYERS IN THE COUNTRY. WITHOUT PETIT PRESS' PORTFOLIO, MEDIA CAPTURE CAN'T BE REALLY ACHIEVED IN SLOVAKIA."

"BY ACQUIRING GREMI MEDIA, A KEY PLAYER IN THE POLISH MARKET, PLURALIS MADE AN ESSENTIAL STEP IN PREVENTING THE RAPID CAPTURE OF THE COUNTRY'S MEDIA SECTOR AND ENSURING THAT AN OASIS OF PLURALITY WILL BE SECURED. EVEN IF, IN THEORY, BUSINESSES CLOSE TO THE POLITICAL POWER CAN STILL ACHIEVE CAPTURE IN POLAND, GREMI MEDIA, THANKS TO ITS PUBLICATIONS, CARVED AN IMPORTANT SPACE FOR INDEPENDENT JOURNALISM IN THE POLISH MEDIA SCENE THAT WILL BE IMPOSSIBLE TO CLOSE FROM NOW ON."

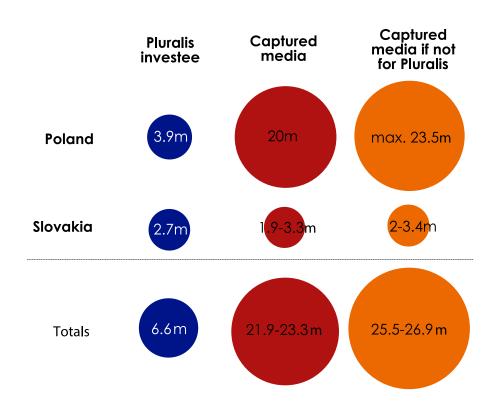
– Media and Journalism Research Center



Next, the Media Plurality Matrix was developed with the objective of evaluating if the Pluralis investment helped shift the balance of power that captured media outlets have over the audience in each market. Additionally, the analysis includes a counterfactual scenario, examining the potential outcome if Pluralis had not made those investments.

According to the Center, there were ten captured¹⁷ or instrumentalized¹⁸ media outlets in Poland and Slovakia as of 2022. To the extent feasible given the known limitations of the estimation¹⁹, between 21.9 million and 23.26 million people consumed one or more captured media outlets in the two countries. Had Pluralis clients been subjected to a hostile takeover, the combined reach of captured media in the two countries is projected to have increased by approximately 16% to a range between 25.5 million to 26.9 million. The graph depicted below presents the relevant estimates at both the country and portfolio levels.

Media Plurality Matrix (2022)

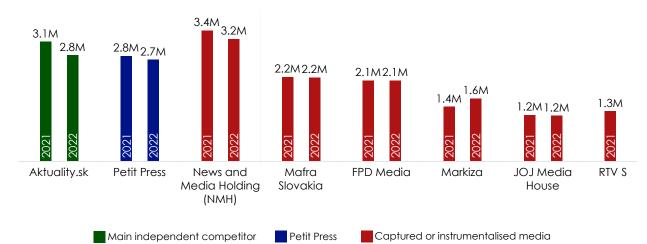


17 Media that are owned by the state or by businesses close to the government, and whose editorial agenda is controlled by those entities.

- 18 Media outlets used by their owners, companies or businesspeople as tools to pursue their interests. These outlets can become part of media captured systems if political and business developments allow for that (i.e., if links are established between their owners and state institutions).
- 19 The Media and Journalism Research Center has used its expertise and third-party audience data to estimate audience reach. Yet, estimating the combined audience of different media outlets is extremely difficult due to the size and complexity of the market as well as double counting that can occur when outlets have an overlapping audience. Taking into account this challenge, the proposed audience reach figures presented in this report use different methods to compare different data points in an attempt to provide the most accurate estimate of the combined audience possible, while acknowledging the inherent research limitations stemming from double counting.

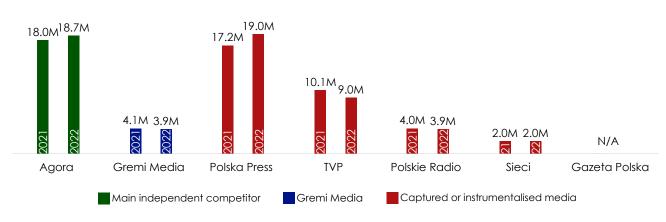


In Slovakia, there were one captured and four instrumentalized media outlets at the end of 2022, reaching an audience of 1.9 million to 3.26 million, according to the Center's estimations. Had the Pluralis investee been subject to capture, the combined reach of media that are not independent was projected to have increased by approximately 5% to range between 2 million and 3.4 million. Petit Press' audience was projected to be roughly 4% smaller than that of its key independent competitor, the news website Aktuality.sk, and 21% smaller than that of News and Media Holding (NMH), the biggest media outlet among controlled media in the country.



Media Plurality Matrix, Slovakia (time of investment-2022)

In Poland, there were five captured media in 2022, according to the Center, with approximately 20 million Poles consuming one or more of those outlets. In case of an aggressive acquisition of Pluralis' investment, the total audience reach of the captured media in that country would have surged by approximately 17% to a maximum of 23.5 million. When compared to its main independent competitor, the audience of Gremi Media represents a fifth of Agora's. Its flagship news title, Rzeczpospolita, has approximately half of the audience attracted by Agora's main news portal, Gazeta Wyborcza. Gremi Media's audience is also approximately five times smaller than that of Polska Press, the outlet with the biggest reach among the captured media in the country.

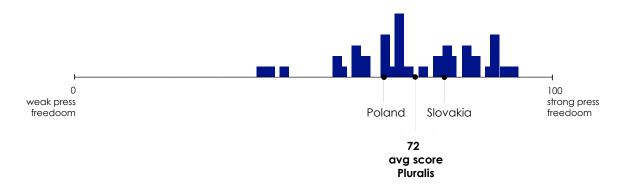


Media Plurality Matrix, Poland (time of investment-2022)

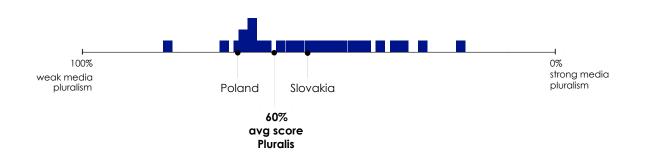


To monitor system-level developments, the Dashboard also tracks changes in the World Press Freedom Index published by Reporters Without Borders²⁰ and the Media Pluralism Monitor published by the Centre for Media Pluralism and Freedom²¹. In 2022, 2 out of 2 clients were in countries where press freedom was not good and media pluralism at risk. The portfolio's ranking in the World Press Freedom Index was in the "satisfactory" category, with an average score of 72. As for the Media Pluralism Monitor, Pluralis countries had an average score of 60%, placing them within the "high risk" category. The graphs below present how Slovakia and Poland compare against other Council of Europe countries.

Pluralis portfolio in the World Press Freedom Index compared to other Council of Europe countries (2022)²²



Pluralis portfolio in the Media Pluralism Monitor compared to other Council of Europe countries (2022)²³



- 20 85-100 good, 70-85 satisfactory, 55-70 problematic, 40-55 difficult, 0-40 very serious https://rsf.org/en/ranking
- 21 0-20 very low risk, 20-40 low risk, 40-60 medium risk, 60-80 high risk, 80-100 very high risk https://cmpf.eui.eu/media-pluralism-monitor/
- 22 San Marino and Monaco not included (no data).
- 23 Andorra, Armenia, Azerbaijan, Bosnia and Herzegovina, Georgia, Iceland, Liechtenstein, Monaco, Norway, Moldova, San Marino, Switzerland, Ukraine and United Kingdom not included (no data).

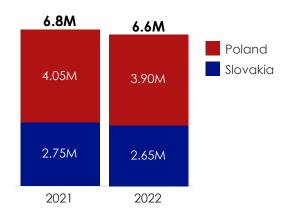


Macro level: Society

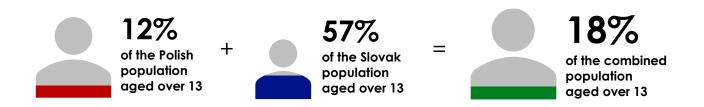
The aim of Pluralis is to ensure that citizens from across Europe have access to information (SDG 16.10), which, when free, accurate and impartial, ensures open and pluralistic societies and drives change towards all SDGs²⁴.

Reach (2021-2022)

In 2022, Petit Press and Gremi Media continued to effectively connect with a broad, national audience, playing a crucial role in providing valuable information to the citizens of Slovakia and Poland. According to best available estimates by Media and Journalism Research Center²⁵, the two outlets reached an audience of 6.6 million in 2022, 4% less compared to 2021. It is estimated that among the population over 13 years of age, 12% in Poland²⁶ and 57% in Slovakia obtain their news and information from Pluralis investees. Combining both countries, this makes up 18% of population aged 13 and over. To evaluate impact on a macro level, that is, on society, the Dashboard first looks at audience numbers and assesses the number of people having access to information through Pluralis clients.

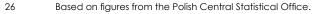


Audience penetration (2022)



24 MDIF (2022) "The role of media: driving change towards SDGs" https://www.mdif.org/wp-content/uploads/2022/09/MDIF-The-roleof-media-Driving-change-towards-the-SDGs.pdf

25 Media and Journalism Research Center has used its expertise and third-party audience data to estimate audience reach. Yet, estimating the combined audience of different media outlets is extremely difficult due to the size and complexity of the market, as well as double counting that can occur when outlets have an overlapping audience. Taking into account this challenge, the proposed audience reach figures presented in this report use different methods to compare different data points, in an attempt to provide the most accurate estimate of the combined audience possible, while acknowledging the inherent research limitations stemming from double counting.





Second, the Dashboard assesses the number of clients who report having contributed to a real-world change each year. In 2022, 2 out of 2 clients declared that they created impact. We show how their journalism and informationsharing (SDG 16.10) helps bring about social change across a wide range of SDG sectors. Their efforts range from conducting fearless investigations that result in probes and charges, to crafting powerful and impactful humaninterest stories that bring attention to social issues and motivate changes in people's lives. While we showcase a range of exceptional work from Pluralis clients that contributed to the betterment of their communities in 2022 further in the Dashboard, this year we also include a focus on their reporting related to Russia's invasion of Ukraine and the Ukrainian refugee crisis.



To monitor system-level developments, the Dashboard tracks changes in the SDG Index, prepared by the Sustainable Development Solutions Network (SDSN) and the Bertelsmann Stiftung²⁷. In 2022, 2 out of 2 clients were in countries with relatively high progress on SDGs, yet where challenges remain, with an average score of 80 out of 100 for the portfolio. The graph below presents how Slovakia and Poland compare against other Council of Europe countries.

Pluralis portfolio in the SDG Index compared to Council of Europe (2022)²⁸





Special focus: Ukraine

It is impossible to look back at 2022 without mentioning Russia's full-scale invasion of Ukraine, which deeply affected European media and society as a whole. Public interest media – including Pluralis clients – have played a pivotal role during the crisis, providing unbiased and accurate information to the public. This section will delve deeper into that work, highlighting examples of reporting, information-sharing, and other initiatives that kept countries' citizens and Ukrainians fleeing the war informed and connected during the conflict.

EXAMPLES OF WORK -

- » SME launched a dedicated newsletter "Ukrajinský spravodaj", which, first daily and then weekly, provided a summary of important events and developments related to the invasion.
- » At the onset of the war, Rzeczpospolita launched a live blog documenting minute by minute developments and bringing together the latest news on topics related to Ukraine.
- » Rzeczpospolita published a series of specialized legal guides in both Polish and Ukrainian, aiming to provide a comprehensive understanding of the legal procedures and options available to those affected by the conflict and to those wanting to offer help.
- » SME ran a series of stories aimed at debunking common hoaxes and Russian propaganda. Its journalists identified the most frequently used arguments of pro-Russian propaganda and exposed the lies within these.
- » A SME reporter and photographer travelled to Irpiň and Bucha, Ukraine, to document Russian war crimes. There, they gathered testimonies from locals and documented their stories through photographs, bringing attention to the impact of the conflict on individual lives.

"THE ALARM STARTED ON A SATURDAY LATE AT NIGHT, THE SIRENS WERE HOWLING AS IF RIGHT NEXT DOOR, THERE WAS GLOOMY DARKNESS - FOR THE FIRST TIME I CONSIDERED WHETHER IT WAS TIME TO MOVE TO A SHELTER"

– Jerzy Haszczyński, correspondent for Rzeczpospolita during the first days of the war in Kyiv, providing the newspaper's readers with first-hand reports of the conflict.

"IT STRUCK ME HOW CRUEL WAR IS. SOMEONE CLOSE TO YOU GETS KILLED AND YOU HAVE A VERY SHORT TIME TO PROCESS IT, TO SAY GOODBYE. ... APART FROM THE FACT THAT YOU HAVE TO COME TO TERMS WITH THE FACT THAT SOMEONE HAS BEEN KILLED, YOU THEN QUICKLY HAVE TO BURY THEM, OFTEN IN AN IMPROVISED GRAVE"

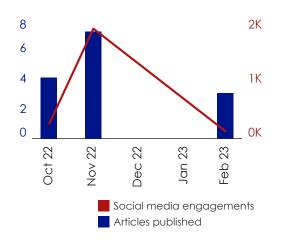
- Jozef Jakubčo, a photographer for Denník SME talking about his work documenting the war in Ukraine.

Photo: Jozef Jakubčo



Examples of impact

Gremi's Rzeczpospolita broke a story about a pedophile priest who abused hundreds of children over decades in Communist Poland. It described how, despite serving a short prison term, he subsequently remained in the priesthood and continued to abuse more victims, protected by both church leaders and Communist-era secret police. Soon after the story was published, more victims came forward detailing their horrific experiences. In response to Rzeczpospolita's findings, the head of the Polish episcopate's office for the protection of children and youth launched a call seeking victims to offer them support. On the following Sunday, a message was read out in parishes where the now-deceased perpetrator had worked, asking people who had been wronged or who had knowledge of crimes to come forward. Two months later, the Institute of National Remembrance (IPN), which archives all documents about the Polish Communist security apparatus, announced that it would set up a team to conduct a inquiry into sexual crimes committed by clergy in the period of the People's Republic of Poland.





SOCIAL MEDIA ENGAGEMENTS²⁹

2,197

29 According to SharedCount

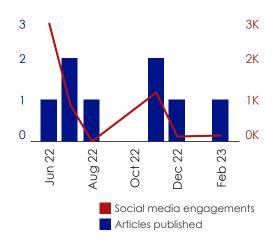


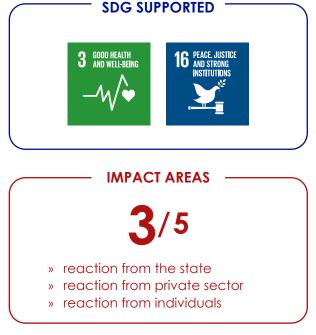
na Zachód PFN rusza na podbój Hollywood

ego sąsiada



Petit Press' daily SME was the first to publish a series of articles about misconduct and mismanagement at Slovak network of eye clinics. Having interviewed several former patients, SME's investigation detailed eye surgeries that resulted in serious damage to patients' vision, including a case where one of the patients almost went blind after laser eye surgery. In response, the clinic's spokesperson stated that the article was biased, yet three months after the article appeared, the doctor who operated was charged by the police with bodily harm. In total, the police are conducting 19 criminal prosecutions against the medical facility. The Office for Healthcare Supervision received 27 complaints about this facility, the most of all eye clinics in Slovakia, and after its inspection filed a criminal complaint to the General Prosecutor's Office. The Ministry of Health is looking into the matter and could fine the clinic and revoke its license.



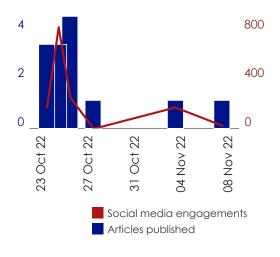








Rzeczpospolita was among the media raising alarm over a bill proposed by the ruling Law and Justice party (PiS), who wanted to use their powers to grant favours to their cronies and solidify their grip on power. Had it passed, PiS would have created the Strategic Security Council packed with its nominees, who would have power over key government-owned companies, including the appointment and dismissal of the authorities of Poland's largest state-owned enterprises. This would allow current PiS appointees to remain on the boards of state-owned companies even after a potential defeat in the elections this year. The opposition criticized the highly controversial project, but most likely would not have enough votes to stop the bill. Given media pressure - including from Rzeczpospolita – and in response to negative popular sentiment, within two days, the government was compelled to retract the bill.







31 According to SharedCount.





Some years ago, SME investigated allegations of sexual abuse in a Slovak summer camp for children. The outlet obtained access to victims and witnesses who spoke out about their experiences. The reporting shocked the public and triggered a wave of condemnation, including from women activists and civil society members. The organizers denied the child abuse allegations yet cancelled that year's camp. Soon after publication, the General Prosecutor's Office launched a prosecution. Following a months-long investigation, police accused a former camp director of sexual abuse in 2020. In 2022, SME continued following the case. The trial was set to begin in January but was adjourned to May 31, due to the absence of the main defendant, who denies the charges and rejects a proposal to enter into a plea agreement. If the abuse is proven, he faces two to ten years in prison and the court could dissolve the camp.

