

Socially Responsible Investment Policy

PNO Media



2026-2028

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1. Introduction

Foundation Pensioenfonds voor de Media PNO (hereinafter 'PNO Media') serves the interests of its participants, pension beneficiaries and affiliated employers through the administration of pension schemes. By carefully investing the contributions paid, PNO Media helps employees from the creative and digital sector accrue a decent pension. We do this with an eye to social responsibility and sustainability. We focus on appropriate and responsible returns. The 2025 participant survey showed that a majority of PNO Media's participants support the Socially Responsible Investment Policy (SRI policy).

PNO Media has a long history of responsible investment. Responsible investment is a self-evident and essential part of the fund's identity. Responsible investment is part of all our investment decisions, and it is rooted in our investment beliefs.

Socially responsible investment (SRI) is an integral part of the investment policy.

The fund takes generally accepted standards and values into account in its investment choices and pursues a policy of socially responsible investment. Adopting a responsible investment policy contributes to risk management.

A strong responsible investment policy is socially and financially good for PNO Media and its participants. In 2025, PNO Media conducted a survey among participants for the second time in three years about their preferences in the field of sustainable investment. The results of this survey have been incorporated into the administrative process for developing the renewed SRI policy.

In this document we first discuss our vision in Chapter 2 *on* and principles *for* responsible investing, which serves as the basis for the SRI and investment policy. Chapter 3 will address the three goals of the SRI policy. These goals form the core of the SRI policy. PNO Media aims to steer positive change and thereby contribute to society and the environment ('doing good'). In addition, we want to prevent or mitigate SRI risks ('doing no harm') and identify and utilise investment opportunities that arise from, for example, the energy transition. We exclude investments that have a seriously negative impact on society and the environment. In line with the European SFDR Guidelines, the pension fund has posted [a negative impact statement](#) on the website. This provides more information about the measures the pension fund is taking to mitigate the negative impact of our investments on society and the environment.

To implement an effective SRI policy, it is necessary to maintain focus. PNO Media has selected **climate** and **biodiversity** as important themes to align its investments and SRI policy with. These are described in Chapter 3. The integration of the goals and themes is further elaborated in Chapters 4 to 6. Chapter 7 describes the ways in which PNO Media communicates about its

policies. PNO Media monitors the progress of its responsible investment policy on a quarterly and yearly basis, and regularly assesses the policy to make sure it is aligned with new insights, laws and regulations.

2. Vision and principles

PNO Media aims to create long-term value through its investments, which aligns with the fund's long-term pension obligations. The pension fund is convinced that attention to the environment, society and good governance leads to better investment choices and a future-proof portfolio. In doing so, it contributes to the interests of the fund and its participants.

Responsible investment is an essential part of PNO Media's identity. The fund faces significant social challenges that, in terms of investment practices, bring opportunities, risks and responsibilities alike.

The pension fund has formulated three goals for this purpose (see Chapter 3). PNO Media believes that within the constraints of its investment policy, there are opportunities to contribute to a better world. In addition, the pension fund takes into account social and financial risks and opportunities in the second goal (future-proof portfolio). The third goal (social responsibility) carefully weighs the pros and cons of excluding certain investments. Reasons for excluding certain investments are not limited to financial considerations alone. They are based on the principal conditions that PNO Media's investments are required to meet. For the first two goals (liveable world and future-proof portfolio), we consider the portfolio's risk/return profile during implementation. At the same time, we accept that the sustainability policy can lead to a (temporary) lower return or higher management costs. This prerequisite is not set at the level of individual investments, but at the level of the entire investment category in question.

PNO Media is aware of its social responsibility as a pension fund, and it acts accordingly. This means that in its investment policy, the fund relies on standards and values that are broadly accepted in society. The pension fund implements the guidelines of the Organisation for Economic Cooperation and Development (OECD) and the United Nations (UNGP) where possible. The guidelines serve the purpose of identifying, prioritising and addressing the negative impact of a company (or the underlying chain) on the investment portfolio. We believe that our investments must at least comply with the principles of responsible business practices of these international organisations and we will tighten these if we believe they do not go far enough.

The share of PNO Media's investments in the overall financing of specific companies and governments is, generally speaking, limited. This is partly due to the fund's size and the target spread. We influence the activities of companies or governments by collaborating with other investors via an ESG service provider. This increases our influence on the operations of companies and allows us to make our voice heard clearly.

Within the non-liquid investment portfolio, we invest via investment funds. In these cases, we exercise our influence on the policy of these investment funds through our voting rights as a participant and by engaging in dialogue with the external fund manager,

A **non-liquid** investment fund is a collective investment vehicle that pools money from various investors and invests it in a diverse portfolio of private equity, private loans or private real estate. Investment funds are managed by external asset managers who make investment decisions and manage the day-to-day operations of their respective funds. Since there are multiple investors in a given investment fund, PNO Media is limited in its ability to influence this fund's (socially responsible) investment policy. We exercise influence by voting at the meeting of participants, or through dialogue with the external asset manager.

Developments in the areas of climate, environment and society have consequences for PNO Media's investments. They present risks, but offer opportunities at the same time. The pension fund weighs the effect of these risks and opportunities in its investment decisions. PNO Media is also aware that its investments have a negative or positive effect on the world. The fund believes it has a responsibility in this. Aiming for positive change ('doing good') and preventing negative impact ('doing no harm') are essential components of the fund's responsible investment policy. We will do all we can to make sure that our investment activities do not have a negative impact on the environment and society.

In sum, PNO Media sees socially responsible investment as involving at least the following factors: contribution to a more liveable world, avoidance or mitigation of negative impact on the world, and taking environmental and social factors and good corporate governance into account in all its investment decisions.

Administrative integration

The SRI policy is determined by the Fund Board. The Fund Board takes into account the investment beliefs related to socially responsible investment, as well as the sustainability preferences of the pension fund's participants. These are collected periodically from the participants through a participant survey. The results of this survey will be used to assess whether the SRI policy is still up to date and appropriate for our participants. If the results of the survey give reason to do so, the SRI policy will be further tightened. The Fund Board decides on adjustments to the SRI policy. The Fund Board also decides on adding or removing an asset category in the investment portfolio. This decision takes into account the most important SRI considerations, as described in the Investment Case for this category.

The Executive Board (EB) assesses new SRI investment proposals and decides on SRI implementation proposals. The EB also monitors progress on SRI KPIs every quarter and

whether the investment portfolio complies with the ESG risk management measures. In addition, the EB decides on the appointment of a new external asset manager. An important consideration in this choice is whether the new asset manager fits in with PNO Media's SRI policy and can implement this policy.

The Investment Advisory Committee (IAC) advises the EB and/or the Fund Board on new sustainability proposals. In addition, the IAC discusses and advises on progress on ESG KPIs and control measures every quarter.

The responsible investment policy is part of PNO Media's strategic investment policy.

3. Goals and themes

PNO Media has formulated three goals for its responsible investment policy based on its identity, philosophy and vision:

1. PNO Media wants to actively contribute to a liveable world by aiming for positive change through engagement and voting and to invest in goods that contribute to society and the environment ('doing good');
2. PNO Media seeks to build up a future-proof portfolio by integrating financially material environmental, social, and governance risks and opportunities into the investment portfolio. In its implementation of the ESG policy, the fund considers the risk/return profile of the portfolio, but accepts the risk of (temporarily) somewhat lower returns or higher management costs as a result of the sustainability policy;
3. As part of its social responsibility, PNO Media seeks to avoid or mitigate the negative impact of its investments on society and the environment ('doing no harm').

Implementation of these principles is subject to the following conditions:

- The responsible investment policy is aligned with the basic principles, and is part of the long-term strategic investment policy.
- In its responsible investment policy, the fund is guided by prudent financial considerations (in the short and long term).
- The fund is cost-conscious; it weighs the implementation costs of the responsible investment policy against the expected added value. The concept of added value extends beyond financial added value – it also covers non-financial added value such as contribution to biodiversity and climate conditions.

After consulting its participants, PNO Media has defined two focus themes. These focus themes help in making choices for the implementation of the responsible investment policy. The implementation of these themes is further elaborated in Chapters 4-6. These themes are as follows:

'Doing good' themes. These contribute to:

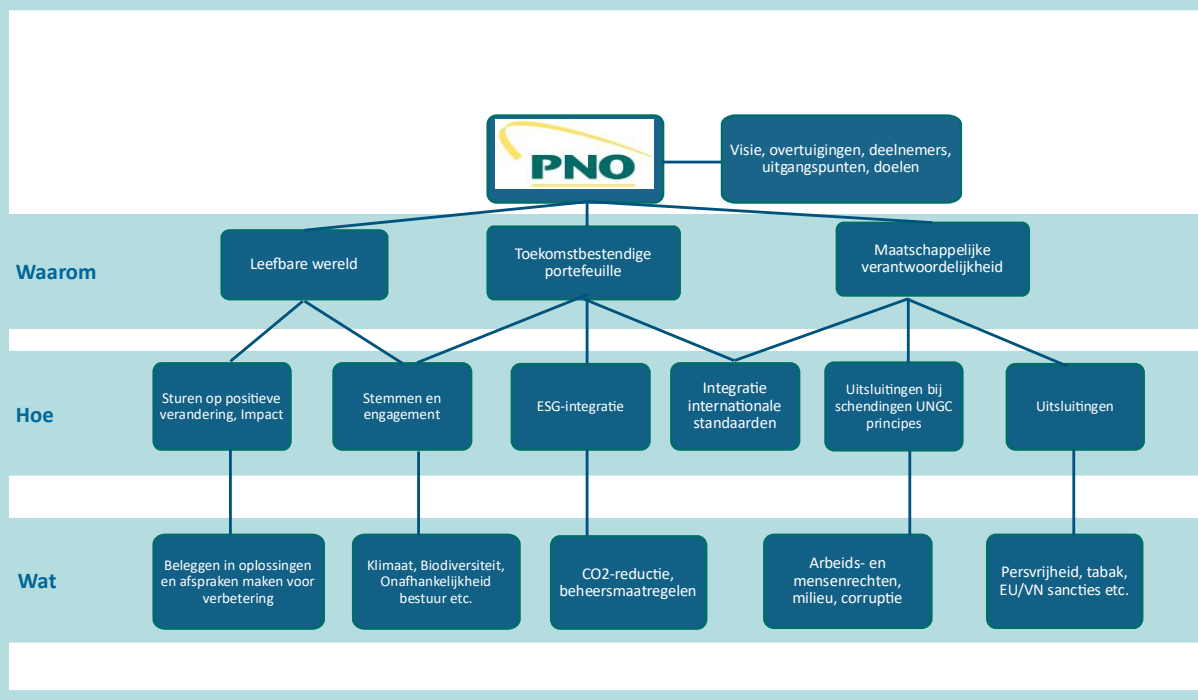
- a stable and resilient climate for people worldwide;
- preservation of natural resources and promotion of biodiversity.

'Doing no harm' themes. Avoiding investments in, or avoiding/mitigating involvement in:

- serious violations of freedom of the press;
- controversial weapons;
- tobacco production;
- UN and EU sanctions due to violations of human rights and arms trading;
- serious violations of human rights and employee rights;
- countries with an impaired level of democracy;
- climate change and environmental pollution (particularly on investments in CO₂-intensive sectors);
- activities that seriously harm biodiversity;
- Poor corporate governance.

Cohesion between goals, instruments and themes

The figure below illustrates the cohesion between goals, themes and instruments. The goals are linked to one or more instruments that shape them, and further to the themes in which they are applied. In some cases, a goal is also fulfilled using other instruments, albeit in a less prominently visible way. For example, engagement¹ (see Sections 4.2 and 5.2) and various components of the engagement programme contribute to all goals (social responsibility, future-proof portfolio and liveable world). This also applies to voting, which also contributes to all goals. The goal of a liveable world is fulfilled through voting, engagement and impact investments under the condition that the risk/return profile is taken into account on an aggregate level across the investment category in question during implementation, and as long as the risk of (temporarily) somewhat lower returns or higher management costs is accepted. The goal of a future-proof portfolio is mainly served through ESG integration. This addresses the impact of financially material ESG risks and opportunities on investments. We also weigh the impact of investments on the world. We refer to this as integration of international standards.



4. Goal 1: a liveable world

With its investment portfolio, PNO Media seeks to focus on contributing to positive social impact ('doing good'). With our engagement and voting policy, we aim for positive change in the companies and countries in which we invest. We apply this to the vast majority of the investment portfolio. We also invest part of the portfolio in companies and products that offer a solution to the most important sustainability challenges of our time. For this purpose, we invest in corporate

¹ Engagement is an active dialogue between investors and companies on environmental, social and governance matters. Through engagement, investors can influence the policy and practices of the companies they invest in. Fixed-term agreements are made with the companies in order to improve their operations.

green bonds with a strategic weight of 3% of our investment portfolio. In addition, a strategic weight of 2% has also been allocated to an impact portfolio of alternative investments. These investments mainly focus on our focus themes climate and biodiversity.

4.1 Investments with a positive social impact

Investments with a positive sustainability impact are investments in companies whose products and services contribute to one or more sustainability goals (such as SDGs²), and that meet certain financial risk and return requirements. Such companies contribute positively to one or more sustainability goals, but may not conflict with other sustainability goals or have serious adverse sustainability impacts.

The Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) are a set of goals adopted by the UN as the 2030 Agenda for Sustainable Development. The SDGs involve 17 goals and 169 underlying targets for achieving these goals. The 17 SDGs are shown in the figure below (the 5 SDGs that PNO Media concentrates on as part of its 2 focus themes are circled).

To bring focus to the policy, PNO Media does not aim to achieve all sustainability goals (17 SDGs). The pension fund has chosen two key themes that are largely supported by its participants, and in which the fund can invest at its own scale: climate and biodiversity (see also Section 3).

Climate (SDG 7 (Affordable and clean energy) and SDG 13 (Climate action))

² The Sustainable Development Goals (SDGs) are a set of goals adopted by the UN as the 2030 Agenda for Sustainable Development.

Climate is vital to our world and our future. Because of global warming, we see an increasing amount of extreme weather events such as heat waves, floods and droughts. Not only does this have serious implications for humanity and nature, but it also affects our investments. By taking climate into account in our investments, we reduce the financial risk of climate change.

At the same time, we reduce the negative impact of our investments on the climate and contribute to solutions for the energy transition. The main cause of global warming is the sharp increase in greenhouse gas emissions caused by human activity. There are several ways to reduce greenhouse gas (CO₂) emissions, such as promotion of sustainable energy, reducing waste, and improving energy efficiency. It is important to take this impact on climate and the environment into account when we are making investment decisions.

Biodiversity (SDG 12 (Responsible consumption and production), SDG 14 (Life underwater) and SDG 15 (Life on land))

Biodiversity is crucial to the health of our world and to our well-being as humans. It helps nature maintain its balance, and ensures that ecosystems are able to function and adapt to changes. Biodiversity also plays an important economic role, as many of our foods, medicines and other raw materials originate from wild plants and animals. Moreover, the protection of biodiversity can serve to aid our fight against climate change and natural disasters. It is important to take into account the impact on biodiversity when we are making investment decisions. We should also, wherever possible, act to protect and restore biodiversity.

The themes of climate and biodiversity are closely interconnected. These themes intersect not only in the matter of increasing production, but also in the effort to keep Earth liveable. Climate and biodiversity have a direct impact on people and the environment. The fund thus seeks to invest more in goods and services that make a positive contribution to this. Wherever possible, PNO Media will base its investment decisions on investments with a positive social impact. Among other things, the pension fund is implementing this by apportioning a strategic allocation of 3% of the value of the total investment portfolio to corporate green bonds (see box below) and a strategic allocation of another 2% to an impact investment portfolio³.

Corporate green bonds

Corporate green bonds are bonds specifically targeted towards financing green projects, such as renewable energy, energy efficiency, environmental protection and climate adaptation. These bonds are usually issued by international organisations, or companies. Their aim is to offer investors an opportunity to benefit from the growth of the green economy while also supporting the energy transition. Corporate green bonds at PNO Media are selected by the external asset manager after applying a strict assessment framework to ensure that the

³ PNO Media has appointed an external asset manager to manage an impact portfolio. The first investments for this portfolio were made in 2025.

proceeds of these bonds are effectively spent on projects that support the climate transition. By making conscious investments in companies' green bonds, we contribute to financing a sustainable future.

Impact portfolio alternative investments

An impact portfolio is an investment portfolio that focuses not only on financial returns, but also on making a measurable positive impact on people, planet and society. The impact portfolio at PNO Media consists of investments in various alternative categories. These investments demonstrably contribute to our key themes of climate and biodiversity. We support companies that offer solutions for the climate transition and companies that contribute to the conservation and restoration of biodiversity. An impact investment aims to consciously contribute to sustainability goals, without losing sight of the financial return.

4.2 Shareholder engagement: engagement

We also contribute to a more liveable world by promoting positive change through engagement. In its engagement with companies, PNO Media seeks to encourage these companies to increase the positive social impact of their goods and services. The principles are improving sustainable investment results, mitigating risks and stimulating long-term value creation. As investors, we engage in dialogue with companies to inform them of the (negative) impact of their actions on the world and their responsibility in this regard. In this way, companies become more aware of their position in society, which leads to more sustainable business operations. PNO Media has agreed with its external ESG service provider to focus the proactive engagement programme on preventing and mitigating negative impact and promoting positive impact. We monitor the progress of engagements with companies in which we invest and report the results on our website every quarter. In addition to the themes of climate and biodiversity, we also pay a lot of attention to governance themes such as independence of government and social themes such as working conditions and human rights. Engagement is part of the goals of 'Contributing to a liveable world' and a 'Future-proof portfolio', and covers multiple themes. These will be further elaborated in Section 5.2.

5. Goal 2: future-proof portfolio

5.1 ESG integration

We apply ESG integration to all investment categories. By 'ESG integration', we mean consideration of environmental (E), social (S) and governance (G) aspects that are financially material within an investment strategy. Consideration of ESG aspects can result in lower financial risks and/or better returns within the investment mandate. In addition to financial risks, we also look at opportunities that arise in our investment decisions. In addition, we take the negative impact of our investments into account in our investment decisions.

PNO Media implements ESG integration as follows:

1. Engagement and voting are important tools that support our SRI policy.
2. When monitoring existing and new external asset managers, responsible investment is an important part of the assessment.
3. When selecting external asset managers, we take their responsible investment policies into account in our assessment.
4. Particular ESG goals are assigned to external asset managers.
5. We consider ESG risks and opportunities in investment cases for existing and new investment categories.
6. We invest part of the portfolio in solutions that support our focus themes (so-called impact investments).

For each investment category, we prepare an investment case, which we use to assess specific ESG features of this investment category. This assessment helps determine, on the one hand, whether the pension fund's material ESG criteria can be seamlessly integrated into the investment category, and, on the other hand, whether the investment category is in keeping with PNO Media's responsible investment policy.

Climate policy

Climate is one of the two key themes that we as a pension fund focus on in particular. Section 4.1 describes the impact of climate change on the Earth, and its potential implications for humanity and its living environment. Viewed this way, climate is a theme that plays an important role in all three of the fund's goals. Combatting climate change helps make the world liveable and maintain its liveability. Such effort is also important to ensuring a future-proof portfolio. Climate change is largely caused by human actions. Greenhouse gas (CO₂) emissions have risen sharply since the Industrial Revolution due to increased use of fossil fuels. CO₂ concentrations in the air have risen from 280 particles per million in the year 1750 to 420 particles per million today. That is why we, with the Paris Climate Agreement⁴ as a guideline, have set a CO₂ reduction target for our investments (see below).

Climate change poses risks to the investment portfolio. To identify these risks, a climate risk analysis was carried out on the portfolio. In this analysis, various stress tests were performed on the investment portfolio to map the exposure to the physical risks of climate change and transition risks. The pension fund uses the results of this analysis when formulating sustainability goals and selecting new asset categories.

Below are some of the measures that PNO Media takes to mitigate climate risks in its portfolio.

⁴ The Paris Climate Agreement, part of the Climate Convention, is an international treaty aimed at limiting the warming of our climate.

Investments in energy intensive sectors

PNO Media seeks to mitigate climate risk in its investment portfolio while contributing to a more liveable world. The fund is aware that there are companies that the fund invests in that have a (negative) impact on society and the environment. Engagement with these companies makes it possible to agree upon certain measures for keeping the negative impact at a minimum and for seeking sustainable solutions. The oil, gas and coal sectors are sectors that use a lot of energy to deliver their goods or services. They play a major role in the economy and the energy transition, but are also responsible for a significant portion of greenhouse gas emissions. PNO Media believes that the greatest climate gains can be achieved in these sectors and that risks for these companies are reduced when they become more sustainable. That is why we focus our policy first on the fossil industry. We only invest in oil and gas producers if their target is to reduce their carbon emissions to net zero by 2050, in line with the commitments set out in the Paris Climate Agreement. Moreover, these targets must be validated by the CDP and/or SBTi⁵. These are independent external organisations that assess whether the goals of these companies are realistic. The remaining oil and gas-producing companies, after being screened against these criteria, must demonstrate that they are making progress towards achieving the validated targets. If there is insufficient progress, these companies will still be excluded from our investment portfolio. This is in line with the fund's third goal: responsibility for society.

The production of thermal coal and oil from tar sands also falls under these sectors and most of our participants see it as an operation that does serious harm to the environment, and does not fit in a sustainable investment portfolio. Engagement with these companies has not proven to bring much progress due to the nature of their products, which cannot be changed or carried out in a sustainable way. For this reason, PNO Media does not invest in companies that secure more than 5% of their revenue from thermal coal and oil production from tar sands. This applies to the entire liquid investment portfolio and, to the extent possible and practicable, to non-liquid investment portfolios as well.

Oil production from tar sands

Oil production from **tar sands** is considered to be highly polluting because the extraction of heavy, viscous oil from the sand requires a significant amount of energy and water. Oil extraction from tar sands releases large amounts of greenhouse gases that contribute to climate change. Additionally, the extraction process leaves behind tailing ponds that contain a mixture of water, fine clay and residual bitumen. These tailing ponds create a risk of toxic chemicals entering the environment and doing harm to the surrounding habitat. Oil extraction from tar sands also causes deforestation, which, in turn, can affect biodiversity and local communities' traditional ways of life.

⁵ Companies' emission reduction targets are validated by the Science Based Targets initiative (SBTi): ([Companies taking action - Science Based Targets](#)) or CDP: [CDP.net](#)

Reduction of greenhouse gas (CO₂) emissions in the portfolio

PNO Media is aware that greenhouse gas emissions must be reduced to keep the temperature increase securely below 2°. We are guided by the Paris Climate Agreement of 2015 in developing our climate policy. Governments and businesses must do everything they can to cut down CO₂ emissions. PNO Media also assumes responsibility in this regard. The fund requires its external asset managers of the liquid investment categories⁶ to keep greenhouse gas emissions at least 25% lower than the benchmark currently in use. Relative carbon footprint reduction is a consistent measure, which means that it will remain in force until the pension fund decides otherwise.

We expect the absolute CO₂ emissions of our investment portfolio to fall significantly in the coming years. This is because the companies in which we invest must further reduce their emissions, in line with the agreements of the Paris Climate Agreement. The pace of absolute carbon reduction in the investment portfolio thus also depends on how fast the companies we invest in reduce their carbon emissions. The board will periodically assess whether the carbon reduction measure remains in line with pension fund's goals.

The setting of clear targets demonstrates that the pensionfund takes the Paris Climate Agreement seriously, while also offering companies an opportunity to proceed with energy transition. Carbon reductions fit in with the goal of making and keeping the portfolio future-proof. We do this by placing more emphasis in the investment portfolio on companies that have a lower impact on the environment. We are fulfilling our 'contributing to a liveable world' goal by, among other things, investing in green bonds and through impact investments.

Greenhouse gases

Emissions of **greenhouse gases** such as carbon dioxide (CO₂), methane (CH₄) and nitrogen oxide (N₂O), hereinafter referred to with the cover-term 'CO₂', have a major impact on climate. These gases absorb and reflect heat in the atmosphere, which causes the Earth's warming. This process is known as the greenhouse effect. Most greenhouse gas emissions are the result of human activities, such as burning of oil and coal to generate energy, changes in land use, industrial processes, and deforestation. The burning of such fuels, such as (thermal) coal, oil and gas, accounts for the largest portion of greenhouse gas emissions. Build-up of CO₂ in the atmosphere causes the Earth's temperature to warm, and increases the number of extreme weather events, such as heat waves, floods and droughts, all of which have major economic, social and environmental implications.

⁶ This requirement does not apply to the 'green bonds' portfolio.

5.2 Shareholder engagement: engagement

Engagement and voting are important tools for ESG integration in the portfolio. PNO Media has a policy of active stewardship. This is also required by the EU's Directive as regards the encouragement of long-term shareholder engagement (Shareholder Rights Directive II). On the one hand, the engagement policy aims for positive change (the liveable world goal) and on the other hand, it creates conditions aimed at preventing incidents and negative impacts (the future-proof portfolio goal). One of the goals of engagement is to create long-term value for companies. Managing ESG risks leads to more stable and sustainable business results. PNO Media collaborates with an ESG service provider for engagements with companies and countries in its liquid equity and (corporate) bond portfolio. In doing so, the fund focuses more on:

- Human and labour rights
- Environmental pollution
- Corporate governance
- Climate
- Sustainable consumption and production
- Life in water and on land (biodiversity)

International guidelines for SRI policy

PNO Media bases much of its SRI policy, such as engagement and voting, on internationally accepted guidelines. Good corporate governance is an important tool in achieving climate, environmental and societal goals. We abide by the Dutch Corporate Governance Code and the OECD's and ICGN's (International Corporate Governance Network) principles of good corporate governance. For other key SRI themes, we rely on the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the UN Global Compact, which is based on ten principles that promote responsible business conduct in the areas of human rights, labour, the environment, and anti-corruption. These principles are based on the UN Universal Human Rights and the ILO (International Labour Organisation) labour rights. PNO Media uses the Paris Climate Agreement (2015) as a guideline when developing climate policy. For freedom of the press, the fund relies on the World Press Freedom Index (see also Section 6.1). In the case of countries with an impaired level of democracy, the fund seeks to team up with a commonly used and reputable data provider, the Economist Intelligence Unit (EIU). For its liveable world goal, the fund leans upon focus themes based on various SDGs (see Section 4.1).

Social and ethical aspects

Well-run businesses cannot ignore the impact of their goods and services on society. In order to ensure long-term value creation, companies need to maintain good relations with their key stakeholders, and this needs to be in line with their social objectives. These objectives must be in compliance with international agreements such as the OECD Guidelines for Multinational Enterprises. If companies are engaged in activities that have a negative impact on society, this may ultimately result in higher costs and underperformance for the business. It is the responsibility of the management of these companies to ensure that these impacts are minimised and that they contribute fairly and responsibly to society. To this end, companies should ensure ethical and respectful treatment of their employees, suppliers and customers. By using our votes and engaging with companies, we help them develop strategies and goals that are oriented towards ensuring dignified and respectful treatment of employees, and that subsequently serve to ensure adequate possibilities for development. Companies should also exercise their influence to encourage their suppliers to achieve similar results. We urge companies to identify human rights risks, manage such risks, and mitigate any adverse impact. We also promote measures that have a positive impact on human and employee rights. In its contracts with external asset managers, PNO Media stipulates that international treaties on employee and human rights must be taken into account in the making of investment decisions. We do not invest in government bonds issued by countries that regularly violate human rights (see Section 6.1). We ensure that our voting and engagement policies at companies are well aligned and mutually reinforcing. Our voting policy is aimed at voting against the (re)appointment of the board or against granting discharge to the board of a company if that

board fails to protect labour and human rights. In addition, we will support shareholder proposals that aim to improve social conditions within a company.

5.3 Voting

The right to vote is an important right held by shareholders. Wherever possible, PNO Media votes at shareholder meetings with respect to all companies whose shares we hold in the portfolio. We do this centrally across all investments through an ESG service provider and based on voting guidelines that align with our standards and values and have been endorsed by our board. See the most important voting guidelines at: [Policies, reports and records | PNO Media](#)). When exercising its right to vote, PNO Media relies on the codes and principles of good corporate governance laid out in Section 5.2, and on the aforementioned treaties on the environment and society. By publishing our voting policy and detailed voting reports on our website, we are transparent about our voting behaviour.

Securities lending

To ensure that voting can be done at as many shareholder meetings as possible, we do **not** lend shares. This approach also improves the efficiency of engagement in situations where important engagement-related matters are placed on the agenda via shareholder resolutions.

Class actions

Where relevant, PNO Media participates in class actions brought against companies that are guilty of violating standards and/or laws. It is often the case that these violations involve social or environmental matters. In this way, it is possible to enforce companies' compliance with laws and regulations.

A **class action** is a lawsuit filed by a group of investors who bought or sold a company's publicly traded securities during a specific period of time (known as the class period), and suffered economic loss as a result of violations of securities laws. A class period generally starts when a company issues an untrue statement regarding material facts about itself, or fails to disclose material facts that are necessary for a proper evaluation thereof.

6. Goal 3: social responsibility

PNO Media aims to be socially responsible, and operates on the conviction that it should avoid any potential negative impact that its investments could have on society and the environment. We believe that investing for positive change is better than directly excluding certain investments, as the former option allows a greater possibility of mitigating the investments' negative impact. This strategy is supported by most of our participants. With all this said, investing for positive change is not always possible. We immediately exclude companies that sell goods that have a predominantly and demonstrably negative effect. When it comes to the conduct of governments (when we invest in government bonds), we strive to engage with government representatives, and to reply to consultation requests from regulatory authorities, to thus correct the conduct. To address the conduct or performance of the companies in which we invest, we can enter into dialogue with these companies with the aim of mitigating, remedying (providing remedy and/or redress in line with OECD Guidelines) and further avoiding any negative impact. If a company fails to improve to an adequate degree, we may decide to stop investing in this company. Companies and government bonds excluded by us are listed on an exclusion list published semi-annually on our website ([What we do not invest in | PNO Media](#)).

6.1 Direct exclusions

PNO Media excludes government bonds and companies from its investment portfolio that must by law be excluded and that do not align with PNO Media's standards and values. PNO Media uses the following exclusion criteria:

Freedom of press

As a pension fund for the creative and digital sector, and in particular for media-related companies, freedom of press is an important issue for us. Press freedom is a fundamental right and part of freedom of expression as enshrined in Article 19 of the UN Universal Declaration of Human Rights. Countries are responsible for the protection and reinforcement of press freedom. We exclude government bonds issued by countries with an impaired level of press freedom. We rely on the annually-published World Press Freedom Index for information on a large number of countries around the world.

Impaired level of democracy

In their assessments of countries, PNO Media and its participants attach high value to well-performing democratic systems. This neatly aligns with the social responsibility stance of our pension fund, and with the standards and values we advocate. In determining whether a given country has a low level of democracy, we rely on data from the Economist Intelligence Unit (EIU), a renowned research firm. Government bonds of countries with low democratic scores are excluded from our investment portfolio.

State violations of human rights

Countries can be involved in broad violations of human rights and/or (civil) wars. In serious situations, the United Nations and the European Union compile sanctions lists in order to curb arms trading with these countries, or to prevent human rights violations in a broader scope. The sanctions are often targeted against individuals, companies and organisations. We exclude investments in government bonds issued by countries that are sanctioned because of their involvement in grave human rights violations and/or (civil) wars.

Controversial weapons

We aim to avoid investment in enterprises that are directly engaged in the production of weapons, weapon systems, or essential parts of either, or in the maintenance of any weapons that are considered essential for and/or specific to the lethal use of controversial weapons. Some of the weapons that we consider 'controversial' here are prohibited under international law because these weapons violate fundamental humanitarian principles. Among such humanitarian principles are the principle of proportionality (unnecessary suffering must be avoided), and the principle of distinction (military targets and civilian targets must be distinguished from one another). These *controversial weapons* can be of two types: weapons of mass destruction (with consequences for both military targets and civilians in a military conflict), and weapons that can cause civilian casualties during and after a military conflict (for example, unexploded land mines or radioactive radiation caused by certain types of ammunition). We have further extended the list of controversial weapons to include weapons containing depleted uranium or white phosphorus. The use and possession of the latter weapons are not prohibited under international law, but the (residual) damage they cause does not match the criteria of proportionality and distinction.

We regard 'controversial weapons' as including the following:

- Chemical and biological weapons
- Nuclear weapons
- Anti-personnel mines
- Cluster munitions
- Depleted uranium ammunition

- White phosphorus weapons

We exclude any companies involved in the production of these types of weapons from the investment portfolio.

Controversial weapons

Biological weapons include microbiological or biological substances in amounts that are not justified for peaceful use, and ammunition designed for using these substances as a weapon. (This definition follows that of the UN Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on their Destruction.)

Chemical weapons include chemicals with properties that can kill or cause other forms of harm due to their toxicity, and ammunition designed for using these chemicals as a weapon. (Definition as per the UN Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction.)

A nuclear weapon is any device that is capable of releasing nuclear energy in an uncontrolled manner, and that has a set of features allowing its use as a weapon. (Definition as per the UN Treaty for the Prohibition of Nuclear Weapons in Latin America and the Caribbean.) The 1968 Treaty on the Non-Proliferation of Nuclear Weapons (NPT), signed by almost all UN member states, does not provide a clearer definition.

Anti-personnel mines are objects designed to detonate when people come into proximity with them or make contact with them, and that are intended to injure or kill a person who does so. These mines remain active, and can thus cause civilian casualties for a long period after the end of a military conflict. (Definition as per the Ottawa Convention/UN Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction.)

Cluster bombs are bombs that release multiple sub-munitions, for the purpose of bombing a larger area. Unexploded submunitions can also cause civilian casualties after a military conflict has ended. The definitions are according to the Oslo Convention on Cluster Munitions (2008).

Depleted uranium is used in projectiles for the purpose of enabling them to (e.g.) pierce through armour plating. Its radioactive load remains active long after the end of a military conflict, and can (slowly) kill civilians. There is no international convention regulating the dissemination of depleted uranium ammunition, nor even a definition for such ammunition. According to a common definition used by responsible investment research firms, depleted uranium (DU) ammunition includes projectiles (bullets, missiles, etc.) that have been treated with a radioactive chemical agent (DU). Due to its high density, DU is generally used to increase the shock power of projectiles (so that e.g. they will be able to pierce through steel). The U-235 concentration used for these purposes is 0.7% or lower.

White phosphorus (WP) is a chemical element that burns fiercely when exposed to oxygen. WP munitions include any projectile (e.g. flares, grenades or mortars) containing WP that acts as a smoke-producing agent or tracer, as illumination, or as incendiary ammunition. The use of WP munitions can cause serious injury or death, for example if the substance is inhaled, swallowed or causes burns. When used as a smokescreen, WP acts randomly and often severely affects dwellers of densely populated areas.

Controversial companies

Controversial companies are companies engaged in incidents and grave violations of human rights, labour, the environment, and corruption (violation of the UN Global Compact principles⁷). These companies have demonstrated that they are not open to engagement in regards to this behaviour, or do not respond adequately to incidents.

Before investing in a company, our external asset managers conduct appropriate due diligence on companies or investment funds. They consider potential and actual negative impacts on society and/or the environment, in accordance with the UN Guiding Principles for Human Rights (UNGPR) and the OECD Guidelines for Multinational Enterprises. We engage in dialogue with companies or investment funds that can improve on these guidelines. We do not invest in companies that commit a gross violation of the UN Global Compact principles. These principles are derived from the UN Universal Declaration of Human Rights. We draw up a list of companies that seriously violate the UNGC principles and exclude them from our investment portfolio. To this end, we use data provided by research firm Sustainalytics to identify the companies that should be excluded.

Tobacco production

Tobacco is a very harmful, even deadly product. It is deadly not only to the user, but also to non-users exposed to second-hand smoke. Worldwide, this causes millions of deaths every year and generates huge healthcare costs. The tobacco industry also carries legal risks and risks resulting from laws and regulations, and potential changes therein. Social rejection of smoking is growing increasingly strong. We exclude from our investment portfolio any companies that derive their income from tobacco products⁸. Tobacco products include cigarettes, cigars, snuff and chewing tobacco, and e-cigarettes, as well as the cultivation of tobacco leaves. Companies that own a stake of more than 10% in a company involved in tobacco production are also excluded by PNO Media.

Coal and tar sands

As part of its climate action, PNO Media does not invest in companies that secure more than 5% of their revenue from thermal coal or oil production from tar sands. This applies to the entire liquid

⁷ [Ten Principles - UN Global Compact Network Netherlands](#)

⁸ PNO Media obtains its data from data suppliers specialising in ESG research. The pension fund thus ensures that the exclusion list is aligned with its exclusion policy as much as possible.

investment portfolio and, to the extent possible and practicable, to non-liquid investment portfolios⁹. For more details, please see Section 5.1 (Climate action). The measure to exclude companies that produce thermal coal and oil from tar sands was introduced after consultation with our participants.

Oil and gas producers

We only invest in oil and gas producers if their target is to reduce their carbon emissions to net zero by 2050, in line with the agreements set out in the Paris Climate Agreement. Moreover, these targets must be validated by independent external organisations. These are organisations that assess whether the goals of these companies are realistic. The remaining oil and gas-producing companies, after being screened against these criteria, must also demonstrate that they are making progress towards achieving the validated targets. If there is insufficient progress, these companies will still be excluded from our investment universe.

6.2 Integration of international standards

A great number of pension funds signed the ISRI covenant in 2018. This covenant sets out the commitments to implement international guidelines, including those prepared by the Organisation for Economic Cooperation and Development (OECD) and the United Nations (see also Section 5.2). The guidelines serve the purpose of identifying, prioritising and addressing the negative impact of a company (or the underlying chain) on the investment portfolio. The covenant's term has already expired, but we still use the agreements as the basis for our (ESG) investment policy. The covenant's overriding goal was to make sure that pension funds record, in their policies and contracts with external managers, that they had adopted the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. Wherever possible, PNO Media will respect and record the commitments set out in the covenant in its relationship with its external asset managers. In this respect, the fund is governed by the OECD guidelines for institutional investors, and integrates relevant provisions of the covenant into its selection and monitoring framework. These provisions are incorporated into mandates or selection criteria for investment funds across all investment categories in which the fund invests. Where possible, we conduct appropriate due diligence into (potential) negative impacts of our investments on society and the environment. We expect our external asset managers to do this as well.

PNO Media's due diligence

1. **Policy:** in our ESG policy, we are governed by the OECD and UN guidelines, and we expect the same from our external managers. External asset managers are expected to familiarise themselves with our ESG policy and take it into account in their investment decisions. External asset managers are expected to integrate ESG data into their management systems and to consider ESG risks in their investment process.

⁹ The pension fund invests in illiquid investments through investment funds (see Section 6.1). Because multiple investors participate in investment funds, the influence on policy is limited.

2. **Screening:** From time to time, we query our participants about their expectations and preferences with respect to socially responsible investment. This helps the fund understand what participants find important, and helps it develop policy based on these findings. We have ESG data at our disposal that helps identify potential negative impact in our investments. To this end, we use the 'principal adverse impacts' of the EU Sustainable Finance Disclosure Regulation (SFDR) as a reference. Additionally, our ESG service provider screens the share and corporate bond portfolio to identify companies that cause the most serious negative impact in terms of severity, scale and irreversibility. The ESG service provider engages with these companies, and makes time-bound agreements to reduce negative impact. If a company does not co-operate in this regard, we exclude it from our investment portfolio.
3. **Mitigation:** We mitigate negative environmental and social consequences of our investments by voting at shareholder meetings, by engaging with companies, and by making time-bound agreements on improvements. We have also decided not to invest in companies and countries that do not meet our standards and values (see Section 6.1). Furthermore, we are guided by the Paris Climate Agreement in developing climate policy aimed at reducing negative impact.
4. **Monitoring:** We monitor, on a daily basis, the implementation of our exclusion list by external asset managers. The external asset managers submit quarterly reports on the progress and implementation of the ESG policy. ESG implementation is an essential component of the external managers' quarterly assessment. Additionally, we have our own ESG data that allows us to monitor and review ESG implementation with regard to our investment portfolios.
5. **Communication:** We publish quarterly reports on voting and engagement policies on our website. In these reports, we disclose the votes that have been made, and the progress of the engagement processes. Additionally, from time to time, we post updates to the ESG policy on our website and on social media.
6. **Remedy and redress:** Generally, we will only have 'direct relation' to the negative impact caused by companies that we invest in. In such a case, we will use our influence to encourage the companies that have caused or contributed to negative impact to accept their responsibility, as set out in the OECD guidelines and the UNGP. This means that such companies must ensure, or help provide, access to remedy options.

In doing so, our external assets managers should prioritise the most serious negative impacts, based on their severity, scope, irreversibility, and probability. Where practical, the companies should seek the advice of external stakeholders or experts in the assessment and/or addressing of such impacts. If needed, we provide this service as well. An external asset manager can use these findings in their work for the purposes of (de)selection and/or active ownership of companies. We expect our external service providers to actively monitor and report on the implementation of these agreements. Such reports should include, among other things, findings

on negative impact within the investments administered by a given manager, and how the manager engages in prevention and mitigation, and/or encourages remedy or redress. We discuss this with the service provider, and make adjustments insofar as needed.

7. Communication

As a pension fund intended for the creative and digital industry, and specifically for media-related companies, we place a high value on accountability and a clear and transparent communication policy. For this reason, we wish to keep our participants as well informed on responsible investment matters as possible. In our annual responsible investment report, or on our website, we provide insight into activities and results across all investment categories, and for all the instruments mentioned in this policy document. We give an account of our voting and engagement activities, including progress in engagement processes, the positive results of engagement, and/or engagement processes wherein the engagements have not yielded the desired results. Further details of voting and engagement activities, including votes for each company and on each agenda item at shareholder meetings, companies that the fund has engaged with and engagement efforts deployed over a given year are disclosed by us on our website. Every quarter, on our website, we publish a list of countries and companies that we invest in, and every six months, we publish a list of countries and companies that we exclude from our investment universe. We regularly use our website, social media or newsletters to publish examples of the results of the engagements with particular companies and industries. We also use these channels to explain amendments to our ESG policy.

SFDR and taxonomy

The SFDR is a transparency obligation, and part of the European Commission's Action Plan for Financing Sustainable Growth. It also regulates reporting on how financial market participants deal with sustainability factors. It also includes a common 'taxonomy' (classification) that should be used to help understand what activities are sustainable according to this classification. In line with the European SFDR Guidelines, the pension fund has posted a negative impact statement on the website. We do this to demonstrate how we take into account the negative impact that our investments can have on the environment and society. The pre-contractual information document, the annual report and the negative impact statement describe the measures we have taken in order to mitigate the negative impact of our investment portfolio on society and the environment. These documents can be found on PNO Media's website: [Policies, reports and records | PNO Media](#).

Appendix: Glossary

ALM	Asset and Liability Management	Asset and Liability Management is the process of comparing the value of assets (investments) against the value of liabilities (pension payments). This implies the use of scenarios of the future that take climate risk into account.
Investment portfolio		The investment portfolio is a set of investment instruments, countries and companies in which the pension fund can invest. Investments in the portfolio must meet certain criteria to be admitted to the portfolio.
Due diligence		This term is used in many different spheres. In the context of ESG investments, it refers to a step-by-step process carried out in order to determine whether a given investment decision has negative implications for society or the environment.
ESG	Environment Social Governance	Factors of environmental, social and good corporate governance
ESG integration		Consideration of financially material ESG risks and opportunities in investment decisions.
ICGN	International Corporate Governance Network	International network organisation of companies, investors and academics for the promotion of good corporate governance.
ILO	International Labour Organisation	
ISRI covenant	International Socially Responsible Investment	A covenant, adopted in 2018, under which pension funds agreed to take into consideration investment risks to the environment and society in their investment activities. This covenant expired in 2023.
Integration of international standards		Integration of the guidelines of the Organisation for Economic Cooperation and Development (OECD) and the United Nations (UNGP) with investment mandates regarding to business operations, the environment, and human and employee rights. The guidelines serve the purpose of identifying, prioritising and addressing the negative impact of a company (or the underlying chain) on the investment portfolio.
IORP II	Institutions for Occupational Retirement Provision	European Union Directive for pension funds and premium pension institutions. IORP II establishes (inter alia) new governance requirements for pension funds.
OECD	Organisation for Economic Cooperation and Development	An international organisation in which 38 countries work together to promote economic growth, employment and trade and to reduce poverty and inequality.
OECD Guidelines	OECD Guidelines for Multinational Enterprises	A set of principles for internationally operating enterprises, adopted in 2011, that covers the areas of supply chain responsibility, human rights, child labour, the environment, and corruption.
Paris Agreement	The Paris Climate Agreement	The Paris Agreement, part of the Climate Convention, is an international treaty aimed at limiting the warming of our climate. The agreement was presented at the 2015 Paris Climate Change Conference on 12 December 2015.
SDG	Sustainable Development Goals	The Sustainable Development Goals were adopted by the United Nations (in 2015) as the new 2030 Agenda for Sustainable Development.
SRD II	Shareholder Rights Directive	A European directive aimed at strengthening the position of shareholders and ensuring that companies make decisions that secure their own long-term stability.

UNGC	United Nations Global Compact	A set of principles established by the United Nations and companies, in the year 2000, that covers the areas of human rights, employee rights, the environment, and corruption.
UNGP	UN Guiding Principles on Business and Human Rights	A set of principles established by the United Nations (2011) that covers companies' responsibilities with respect to human rights.