



Sustainability review

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We focus on ensuring sustainability
to empower people
and enrich communities



Focusing on sustainability

At our core we strive to have a lasting positive impact on people’s lives around the world – empowering people and enriching their communities long term. This has always been a fundamental part of who we are and what we do and we continue to evolve and strengthen the way we live up to our commitment to sustainability.

Our commitment

We are a responsible business committed to creating sustainable value for all our stakeholders.

Our commitment to sustainability is set out in our sustainable development policy on www.prosus.com. Operating as a sustainable business presents both opportunities and risks. Critical global risks include those reported on in the annual World Economic Forum’s Global Risks Report. We recognise that our stakeholders are taking a growing interest in the long-term sustainability of our operations.

We take our responsibility seriously and are fully committed to identifying and focusing on our goals under our board-approved group sustainability plan.

The board oversees sustainability and the progress made against the sustainability plan. Our risk, and Naspers social, ethics and sustainability committees assist the board in this.

We measure and report on the sustainable value we create across the six capitals set out in the International Integrated Reporting Framework: financial, human, intellectual,

manufacturing, social and relationship, and natural capital.

We recognise the importance of the six capitals and the United Nations’ Sustainable Development Goals (UN SDGs), which address global challenges and aim to achieve a sustainable future for all.

As we continue to refine and evolve our sustainability strategy, we are working to identify and focus on the SDGs where we can make the biggest positive difference. Throughout this report we highlight examples of our impact against these SDGs.

In the About this report section on page 4, we list the legislation and frameworks that inform our reporting.

We recognise the importance of the UN SDGs and the six capitals. On pages 19 and 20, we articulate our long-term value creation across the capitals, as well as our contribution to the SDGs.

Operating responsibly

We are committed to operating responsibly throughout the group. Our commitment starts at the top with our board. We reinforce it through our tried-and-tested strategy, our groupwide culture and the guiding principles and policies we share with our different businesses. We bring it to life across the key areas set out in the sustainability review and governance section.

Our framework

Every year we review our sustainability as part of our strategic planning. In the past two years we have progressively stepped up our planning in terms of sustainability and we are looking to continue with this in the years ahead. This builds on our long-term commitment as a group and also the different initiatives already under way across our diverse range of companies.

Our ongoing journey

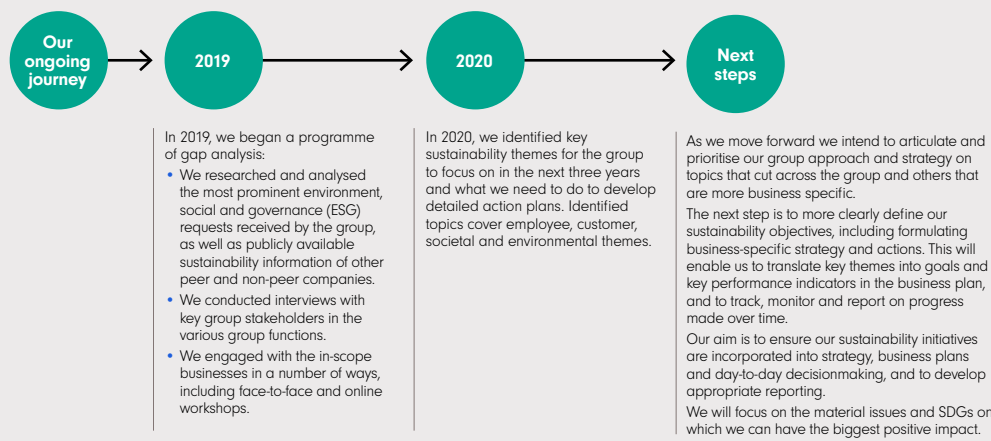
To ensure we live up to our sustainability commitment, we will continue to:

- Align with the most appropriate reporting frameworks to support how we report.
- Engage with investors on environmental, social and governance (ESG) matters.
- Analyse the overlap between ESG reporting requirements and other reporting frameworks.
- Refine and evolve our sustainability approach through research, education and engagement.
- Report on progress to our risk committee and board, Naspers’s social, ethics and sustainability committee, and also in our annual report.

We have also included the following disclosures as required by the EU non-financial reporting directive (NFRD):

Category	Criterion	Reference annual report
Company business model		• Group overview: Delivering sustainable value throughout the year (page 19)
Diversity	Policy and targets	• Governance, Governance for a sustainable business (page 79)
	Implementation and results	• Governance, Governance for a sustainable business (page 79)
Social matters	Policy and description	• Sustainability review, Data privacy and protection: Our commitment; Our approach (page 62) • Sustainability review, Our people: Attracting, developing and rewarding our great people (page 67); Investing in learning and development (page 67); Cultivating a strong groupwide culture (page 68); Focusing on health, safety and wellbeing (page 69)
	KPI/Outcome	• Sustainability review, Our people: Attracting, developing and rewarding our great people (pages 67 to 70); Investing in learning and development (page 67); Focusing on health, safety and wellbeing (page 69);
	Risk	• Managing risks and opportunities (page 53)
Environmental matters	Policy and description	• Sustainability review, The environment (page 71)
	KPI/outcome	• Sustainability review, The environment (page 71)
	Risk	• Sustainability review, Our impact on the environment (page 71)
Human rights	Policy and description	• Governance: Legal compliance, anti-bribery and anti-corruption, and human rights (page 84)
	KPI/Outcome	• Governance: Legal compliance, anti-bribery and anti-corruption, and human rights (page 84)
	Risk	• Governance: Governance for a sustainable business: Legal compliance, anti-bribery and anti-corruption, and human rights (page 84)
Bribery and corruption	Policy and description	• Governance: Legal compliance, anti-bribery and anti-corruption, and human rights (page 84)
	KPI/Outcome	• Governance: Legal compliance, anti-bribery and anti-corruption, and human rights (page 84)
	Risk	• Governance: Legal compliance, anti-bribery and anti-corruption, and human rights (page 84)



Stepping up our sustainability focus







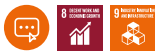
Our alignment to the SDGs

As a global consumer internet group and technology investor, the group contributes to the UN SDGs on multiple levels and with different intensities. Prosus contributes to the SDGs on a group level through its strategy, its groupwide policies and its inherent investment activities. This results in a core focus on three main SDGs. Moreover, Prosus also contributes to the UN SDGs through the strategies and the initiatives sustained by many of its businesses worldwide.



Goal	Reference annual report
Contribution at group level	
<p>5: Gender equality Prosus strives to contribute to global gender equality and inclusiveness through its employment practices by creating a diverse and inclusive work culture.</p> 	<p>Sustainability review:</p> <ul style="list-style-type: none"> Our people: Focusing on gender diversity
<p>8: Decent work and economic growth By investing in innovative businesses all around the world and actively promoting entrepreneurship, skills, development, access to financial services, Prosus is contributing to provide decent work and economic growth worldwide.</p> 	<p>Group overview:</p> <ul style="list-style-type: none"> Our business model <p>Performance review:</p> <ul style="list-style-type: none"> Introduction
<p>9: Industry, innovation and infrastructure Prosus supports businesses that develop financial and trade infrastructure worldwide. By investing in payment businesses and online marketplaces, Prosus contributes to the development of infrastructures and innovation in development of countries.</p> 	<p>Group overview:</p> <ul style="list-style-type: none"> Our business model <p>Performance review:</p> <ul style="list-style-type: none"> Classifieds Payments and Fintech Food Delivery
Contribution at business level	
<p>3: Good health and wellbeing Through our employee value proposition and employment practices worldwide, we actively promote and encourage the wellbeing of our employees by implementing health insurance coverage programs in our businesses locally. Through our various businesses, we also contribute to improving health and wellbeing of our delivery partners and communities.</p> 	<p>Performance review:</p> <ul style="list-style-type: none"> Food Delivery (iFood) - Improving driver safety; Promoting wellbeing; and Helping drivers learn and prosper Etail (eMAG); Promoting employee wellbeing <p>Sustainability review:</p> <ul style="list-style-type: none"> Our people - Focusing on health, safety and wellbeing; and Taking the lead (Swiggy on welfare and training of delivery partners)

<p>4: Quality education By developing and investing in online educational platforms, we enhance access to education by allowing the right skills to reach anyone in the world with an internet connection, no matter the age, gender, country, etc. We also allow technical and technological skills that are growing in importance in today's employment market to reach larger audience.</p> 	<p>Performance review:</p> <ul style="list-style-type: none"> Food Delivery (iFood) - Helping drivers learn and prosper Etail (eMAG) - Enhancing learning and development; and Encouraging educational excellence Ventures - Focusing on education
<p>12: Responsible consumption and production We actively contribute to more sustainable consumption practices by promoting products' circular journey and sustainable options but also by initiating waste management and waste reduction strategies in our businesses.</p> 	<p>Performance review:</p> <ul style="list-style-type: none"> Classifieds - Championing conscious consumption Food Delivery (iFood) - Environmental initiatives Etail (eMAG) - Managing waste <p>Sustainability review:</p> <ul style="list-style-type: none"> The environment
<p>13: Climate action We recognise the increasing climate risks and strive to minimise our impact on the environment and play our part in addressing climate change. In order to understand our carbon footprint and how to better reduce it, we currently measure our scope 1 and scope 2 emissions. Across the group we have various initiatives underway to minimise our environmental impact.</p> 	<p>Performance review:</p> <ul style="list-style-type: none"> Classifieds - Championing conscious consumption Food Delivery (Swiggy) - Green cloud kitchens Etail (eMAG) - Reducing carbon emissions Ventures (Dott, Quick Ride) - Going green with Dott; and Focusing on India <p>Sustainability review:</p> <ul style="list-style-type: none"> The environment
<p>17: Partnerships for goals In addition to our own initiatives, we support many organisations and partner at a local level to support the community around our businesses. Our partnerships focus on education, employment, safety and awareness, financial inclusion, hunger, etc.</p> 	<p>Performance review:</p> <ul style="list-style-type: none"> Classifieds - Investing in communities; and Making the most of sustainability Payments and Fintech - Acquiring Wibmo; and Contributing to communities Food Delivery - Training drivers in first aid; and Tackling hunger <p>Sustainability review:</p> <ul style="list-style-type: none"> Artificial intelligence and machine learning - Looking ahead Our people - Focusing on gender diversity



Data privacy and protection

We are committed to ensuring data privacy and protection. This is core to our business.

Our commitment

We recognise that privacy is an important value and an essential element of public trust.

We strive to be a trusted company and we expect the same of all our businesses. We expect each business to implement responsible data-privacy practices in a way that is adapted to its own circumstances, which considers its business model, the cultures of the countries in which it operates, its compliance obligations, and its human and financial resources.

For many years we have viewed data privacy as critical for the group, not only in terms of good governance and risk management, but also to do the right thing and build trust with our key stakeholders. Accordingly, we have a comprehensive data-privacy governance policy and a privacy programme designed to ensure the vast amount of data across the different businesses within the group is protected and managed.

Our approach

A groupwide policy

Our policy on data-privacy governance sets out the responsibilities, principles and programmes for ensuring data privacy across the group.

It is designed to define and document how data privacy is managed in the group; to promote best practice; to accommodate the different business models, resources, culture and legal requirements across the group; and to support trust in our businesses' products and services.

Clear accountability

The critical foundation is to give clear accountability to individual businesses. Each business is directly responsible for managing data privacy in its organisation.

This responsibility rests ultimately with the CEOs of each business – they lead in implementing the group's policy and are directly accountable for the data-protection programmes and privacy standards in their organisations.

This approach to data privacy aligns with our model of decentralised governance and broader belief in encouraging great leaders and businesses to excel. We believe setting the right shared principles and giving businesses the direct responsibility to enact them is the best way to have a greater long-term positive impact. More broadly, we are fostering a culture of data privacy and looking to businesses to ensure privacy by design, where privacy becomes part of the fabric of day-to-day work rather than an add-on.



Seven data-privacy principles

Each business is expected to respect and implement seven core data-privacy principles. Widely recognised internationally as fair information privacy principles, they are ethical guidelines for the responsible use of data. Critically, they are both universal and able to be applied to the different businesses in the group – from established global players to start-ups in jurisdictions that may not yet have a data-privacy law.

Data-privacy programme

To help businesses put the principles into practice, we have a data-privacy programme designed to scale to their different needs and circumstances. This ensures that our core data-privacy commitment and approach is followed in ways that really work for our businesses. The programme has seven key elements: ensuring executive buy-in; knowing your data; setting policies; training employees; managing vendors and third parties; legal compliance; and reporting.

We are investigating the performance indicators that are most relevant for our operations to report on to our stakeholders.

Supporting and monitoring

The group's data-privacy office supports and monitors the businesses. Help ranges from guidance on implementing the data-privacy programme, a secondment programme that develops and trains future privacy leaders nominated by companies within the group, and advice on any data-privacy implications of mergers and acquisitions.

Businesses provide regular privacy and security reports to group executives as an integral part of ongoing business reviews. The board's risk committee reviews the data-privacy policy and its implementation annually as part of its oversight and governance responsibilities.

Our seven data-privacy principles:

- 1. Notice.** We offer appropriate notice about our data-privacy practices.
- 2. Individual control.** We honour data subjects' choices regarding their personal data.
- 3. Respect for context.** We recognise that data subjects' expectations about fair and ethical use of their personal data is informed by the context in which their data was first collected.
- 4. Limited sharing.** We limit unnecessary personal data sharing with third parties.
- 5. Retention.** We retain personal data only for as long as we need it.
- 6. Security.** We ensure appropriate security.
- 7. Governments.** We engage with governments responsibly.

Our progress this year Artificial intelligence and machine learning

Throughout the year we focused on making sure we are using AI and ML in a responsible way for consumers. It is one of the key issues in our business and we work closely with the AI group team to align AI and ML with data privacy and protection. This includes providing training and setting up guidelines for the AI teams and data-privacy leads across the group. The aim is to make sure we are handling data in the right way across the different businesses both in terms of global policy and ethics, and local regulatory requirements and customer expectations. See page 65 for more information.

"Consumer digital businesses are all about providing customers with something that improves their lives, and doing that in a trusted way. Our user growth and retention are predicated on this underlying trust in good, responsible data practices and that includes data privacy."

Justin B Weiss
Global head of data privacy

Building trust

We also focused on making sure users' experiences are positive by honouring their expectations and avoiding unwelcome surprises. Looking after and using data responsibly to deliver on our promises to users builds trust – the key currency of our consumer internet business.

Increasing regulation

The proliferation of regulation around the world beyond the EU's General Data Protection Regulation (GDPR) was another key area for us. Important strategic markets where we operate, such as China, Russia, Central and Eastern Europe, North America, Latin America, India, Southeast Asia, Africa, and the Middle East have advanced the cause of privacy and in many cases have introduced new legislation, which brings additional focus on regulatory compliance.

In the US, letgo focused on making product and procedure changes to comply with the California Consumer Privacy Act (CCPA), which came into force in January 2020.

In Brazil, iFood and other companies inside the Mavile group stepped up and formalised their programmes to ensure they are ready to comply with the LGPD, Brazil's General Data Protection Law, which comes into force in the summer of 2020.



Data privacy and protection continued

In India, we expect comprehensive data-protection legislation to come into force soon. We have been working hard to make sure our Indian investments have a strong awareness of the requirements and how they can leverage the group privacy model and expertise.

Raising awareness and understanding

Throughout the year, we significantly increased levels of awareness and understanding around data security and privacy. This included board-level engagement as well as developing and empowering data-privacy leaders across the segment.

Our secondment programme has been a highly effective way to grow our groupwide network of data-privacy leaders, and fortnightly calls are an invaluable opportunity for the network to share knowledge and discuss issues. In addition, we have been raising awareness among all group employees.

Data privacy and security by design

We have also been investing more time and effort in reinforcing our capabilities to address data-privacy and security issues at the design stage of new products and services and changes to operations. Building data privacy and protection in as early as possible is a key part of our commitment as a responsible

consumer internet company and we will be increasing our focus on this in the coming year. We are working closely with the AI team on data privacy and security by design and we aim to do more, at scale, in the coming year.

We have been broadening the scale of our capacity as a group and as a collective of individual internet experts to do privacy assessments that anticipate customers' expectations at an early stage of product development.

To do this effectively, we aim to amplify our central data-privacy expertise and best practice with a growing army of data-privacy champions in the businesses themselves. We are empowering people around the world to understand the privacy issues and focus on local consumer-centric expectations and solutions in the most effective ways.

To this end we are keen to pursue a privacy engineering certification programme which will allow people across the different businesses to become qualified in privacy-by-design analysis. We are looking to cultivate this capability in the businesses across the group. It is an initiative in line with our broader groupwide decentralised approach which will help scale and accelerate our privacy by design. We aim to empower the businesses with the skills and resources to forge ahead in building privacy into their products and services at the earliest opportunity.



Camila's story

iFood Data Protection Officer (DPO) Camila Nagano shares her story of championing data privacy and protection in iFood and Brazil.

"Since college, I really liked the subject – I did my thesis on the right to be forgotten. My first contact with real privacy in practice was when Justin came to iFood and he gave a class on privacy 101 and I was amazed, I loved it. Justin proposed a secondment and the legal general counsel, Lucas, appointed me.

So, I went to Hong Kong on secondment in 2017 – it was a total life-changing experience. Besides getting to know the culture of a completely different country in Asia and meeting people from around the group, I learnt everything about privacy – not only how to understand privacy and prepare myself for the International Association of Privacy Professionals (IAPP) exam but also how to present at executive meetings. This was for me a turning point in what I really wanted to do.

I took and passed the IAPP exam in Europe. When I came back to Brazil, the Brazilian General Data Protection Law (LGPD) was due to be implemented the following year and it was interesting to be part of the preparations. Then the law was approved and everything started for real. That's when I stopped doing technology contracts and other roles and I started to be dedicated fulltime for privacy in iFood. I became one of the first Data Protection Officers (DPOs) in Brazil.



Here in Brazil, people don't have the same privacy culture as in Europe. It's very new, so it is much more than a legal role – it's an engagement role, a policy role and a tech role. I spend much more of my time talking with technology people than with lawyers, and that's very interesting for me. The best thing is that I can use all the experience I have learnt from GDPR and the Brazilian law and combine all the best practice.

One thing that also really helps is having biweekly calls with the group DPO network where we can all share experiences and insights.

We got a lot of attention from outside, because we are one of the few 100% Brazilian technology companies developing from scratch the means to be compliant with the privacy laws. We are pioneering a made-in-Brazil data-privacy solution. I'm really proud of it because we are building our privacy protection from zero. We want the best privacy standards for our users, for our drivers and our employees.

The thing I like the most is that it is never-ending work. Because it's not only about making sure we are compliant with LGPD – it's about the culture, policy-making and being the best we can, to keep building users' trust and bring much more value. There are always going to be new products, new technology and new regulation to discuss and to learn and new cases to think about. So, we can always keep improving privacy inside the company and across the country.

I've been invited to a lot of events to speak in the name of iFood. I am also part of a network of privacy professionals in Brazil, trying to plant the privacy seed around the country.

For me the main opportunity in Brazil is to be part of this educational moment, where we can teach people what privacy means, why it's important, how it's a differential in iFood's products and how we are building that to ensure we deliver data privacy and protection. The future is just starting. It's exciting!"



Cybersecurity

From senior leadership to our central team to the wider community across our businesses – we are deeply committed to ensuring strong cybersecurity.

Leading from the top

The board sets our groupwide cybersecurity policy. It has four key parts: good governance, good protection, good detection, and good response. This forms the backbone of our robust approach. We cascade the policy through the segments to the businesses, giving the businesses ultimate responsibility for making sure they implement strong cybersecurity in line with their own operations and challenges. For example, we expect each business to have the right level of incident management and crisis management to ensure a good response to any security incidents.

Central expertise

Our central cybersecurity team provides expert help and support to the segments and businesses. As part of our internal audit and risk function, the team's approach is to help the development of a competent, agile community of cyber and risk professionals. To this end, the team has three guiding principles:

1. **Cyber is an enabler, not a blocker**
2. **Help manage risk, not spread fear, uncertainty and doubt (FUD)**
3. **Every employee is a cyber warrior**



The team undertakes about 70 advisory and assurance projects a year to help ensure cybersecurity is implemented well around the world by the different businesses, in line with our groupwide policy.

Major focus areas include business resilience, the security of the platforms at the heart of the businesses and, in turn, the security embedded in the software development life cycle.

Regular reporting

The team reports to the risk and audit committees four times a year. On two occasions, it presents an extended report on how well the businesses are doing against the policy – where they are now, where they were six months ago and where they are expected to be in six months' time.

The reports for the risk committee give a comprehensive overview, including the key risks, the biggest challenges and any major incidents. Formal audit reports are provided for the audit committee. This regular reporting enables senior leadership and key governance committees to stay in touch and on top of cybersecurity.

In addition, every three months the team leader meets with the head of internal audit and the group CFO to discuss the most important cybersecurity issues and where to focus in the months ahead.

Focused help and support

The team's audit work ranges from regular informal discussions with security leaders across the group through to formal audits of businesses as and when required.

As part of its advisory brief, the team coordinates a high level of active testing, including hiring teams of ethical hackers as well as using the responsible disclosure platform to stress test defences.

The aim is to keep testing and strengthening the security and resilience of the individual businesses and group as a whole.

The team provides a range of other advisory help and support, from assessing the cybersecurity risks and strengths of a business as part of a mergers and acquisition (M&A) project through to specific issues around a particular platform upgrade or change. The emphasis is not just on providing security advice around the technology but also in terms of helping the businesses meet their challenges, make the most of their opportunities and achieve their ambitions. The ultimate aim is to help our businesses grow and succeed in a safe and secure way.

Building a strong cyber-community

We also cultivate a strong cyber-community across the group. By connecting everyone they can quickly and easily exchange updates and know-how. It's also a great way to build a shared sense of belonging to something bigger and playing an important part in the success of the group as a whole.

Every six weeks the security leads from the different businesses get together on a call hosted by the central team lead. It is a great way for everyone to discuss hot topics and share updates on key events and risks.

This coming September the first of an annual series of cyber-retreats is planned where the security leads can align on strategy and focus on the year ahead.

For the wider cyber-community across the group, an online workspace has proven to be a very popular and effective way for all the security professionals to stay in touch, discuss the latest security trends and risks, and also come together to coordinate responses to incidents.

Cultivating our cybersecurity culture

In November 2019 we held our first Cyber Forward Conference, in Amsterdam. Building on the success of this two-day event, the plan for 2020 is to hold three Cyber Labs, in Latin America, Europe and India. This will enable us to take the event around the world and introduce more experimentation and interactions around building the security and resilience of the businesses.

Looking ahead

As the group grows, we will continue to ensure that cybersecurity remains a key focus across all our businesses. We are looking to broaden and deepen our culture of cybersecurity and also to extend our capabilities. On this front, we will be exploring the creation of cyber-internships, working with a local university in the Netherlands to develop a joint six-month master's programme. It is one of the ways we are investing in the next wave of cybersecurity talent to ensure we keep growing and succeeding safely and securely.

Bringing everyone together

"We travel a lot and we see all the security people from around the group. Our job is to cross-pollinate knowledge and bring best practices to the businesses. No matter how much we share, we cannot share too much."

Trojce Dimkov
Group cyber coach

Our services at a glance



Risk-driven process reviews

- IT risk assessment
- Business resilience assessment
- SDLC assessment
- Application security assessment
- IT general controls assessment



Data-driven deep dives

- Cloud X-ray
- Data X-ray
- Process X-ray



Security testing

- Ethical hack
- Cloud ethical hack
- APT simulation



Resilience exercises

- Crisis simulation
- War gaming



Managed services

- Security posture evaluation
- Crowd-sourced vulnerability programmes



Artificial intelligence and machine learning

We continue to build on our capacity to capitalise on artificial intelligence (AI) and machine learning (ML) across the group.

Critical importance

We have reached the point at which AI and ML are powerful and mature enough to make a critical difference to value creation. Increasingly, AI and ML are part and parcel of how we grow and succeed in improving people's lives around the world. It is a mission-critical enabler for us.

From image-recognition to the ability to interpret text, AI and ML technology has advanced rapidly in recent years. As a data-rich business, we have the fundamental asset – the essential ingredient – to really make the most of this technology's strengths and potential.

Importantly, a natural positive cycle accelerates value creation – the more quality data you can flow into ML, the better your algorithms will be. Better algorithms make better tools which create better services that, in turn, attract and keep more customers, creating yet more good data to flow back into your ML. It is a quality and quantity game – one where we have a distinct advantage in our markets: strong local businesses generating volumes of valuable data for ML. So, for example, when we train open-source image-recognition tools on our proprietary data sets for classifieds, we obtain much more accurate models than otherwise possible. These models, in turn, serve to deliver a more personalised buyer experience and a more streamlined seller experience.

Our central AI and ML team focuses on three key tasks:

- 1. To accelerate** – help all organisations in the portfolio activate the tools and opportunities necessary to get the value of ML realised as fast as possible.
- 2. To scale** – ensure we use ML efficiently throughout the entire organisation, to serve customers better and improve our operational performance and efficiency.
- 3. To embed AI and ML as a super-utility across the organisation** – a horizontal layer of competence and technology that everyone uses, much as we use electricity today. This naturally leads to a new and exciting era of AI and ML by design.

Extending our capabilities

Building on the foundation we established in the last financial year, we have significantly extended our capabilities in AI and ML across the group. The teams have grown as has the capacity to execute across our three core segments: Classifieds, Payments and Fintech, and Food Delivery.

Implementing more models

Fuelled by the increase in capabilities, the number and depth of ML models going into production have almost doubled in a year. We now have many different targeted models touching every aspect of the platforms.

Leveraging learning

We are looking to take full advantage of our platform businesses across Classifieds, Payments and Fintech, and Food Delivery. For example, by applying best practice from the centre and leveraging learning in one segment across all segments. This is one of the key ways we ensure we make the most of the opportunities to build better recommendations engines, enhance search and manage data more effectively – so we can ultimately provide ever-better services and experiences for our users.

Creating a network of collaboration

We are boosting collaboration across the group through shared technologies. We leverage the ecosystem of ML experts across the group to share knowledge, practices and ML models. This enables local teams to jump-start developments, accelerate learning and bring models into production faster so that different businesses can develop new ML models, for example, for recommendation or dynamic pricing, quicker and more efficiently.



Training leaders

This year we continued and accelerated our AI and ML training for senior leaders from across the different businesses. We offer all leaders in the group the opportunity to attend AI For Growth, a three-day residential programme focused-designed by Prosus. It focuses on building shared understanding, a common language and insights into how to apply and make the most of AI and ML in their businesses. By demystifying the subject, putting the emphasis on practical use cases, and by identifying the key elements of successful AI strategies, the programme gives leaders the tools to make decisions on AI and ML for positive business impact. The programme runs approximately every eight weeks. To date, more than 100 leaders from across the group have been trained on the programme. It has helped activate a number of AI and ML initiatives in businesses around the world.

We are looking to go further with our leadership training through the development of an additional programme, AI In Depth. Planned for the coming financial year, this programme will dig deeper into key areas such as AI by design.

Training engineers

Across the industry, demand for data scientists remains higher than supply. One of the ways we are tackling this is by upskilling our own people, particularly our engineers and others who have a good base knowledge. The training programme lasts about six months and participants can gain a recognised qualification in ML. So far, more than 80 people from across the group have gained this qualification.



Artificial intelligence and machine learning continued



Training product managers

As our AI and ML teams develop more and more models, our product managers need to be able to take these models, put them into production, manage, maintain and upgrade them. We have introduced Machine Learning for Product Managers, a training programme designed to ensure product managers have the tools and knowledge to make the most of the many models we develop.

Training everyone

Last but not least, we have also introduced AI For Everyone. As the name suggests, this introductory training programme aims to give everyone across the group a solid grounding in AI and ML.

So far, more than 4 000 people around the world have undertaken this training. It is a critical part of our ongoing aim to embed AI and ML throughout the group so that it becomes key to our thinking, our everyday work, our innovative, entrepreneurial, always-learning and advancing culture.

Building across the segments

In Classifieds, we continue to apply AI and ML to make every step of the value chain better, faster, and cheaper – from onboarding customers to listing, verifying, selling, searching for and buying items. It plays a key part in improving the experience for both buyers and sellers – making it quicker, easier, safer, more effective and in turn increasing trading activity and customer retention.

In Payments and Fintech, AI and ML are supporting advances in fraud detection. We are also offering ground-breaking new credit services to underbanked people in India, based on ML algorithms for credit risk management.

In Food Delivery, we are using AI and ML to manage the mass of data and many different elements that go into delivering the right food to the right place as quickly as possible and critically, on time. iFood for example is using ML to predict how long it takes to prepare a specific dish at a particular time, so that the driver arrives just in time to collect the food for delivery. iFood also leverages ML to optimise delivery, for instance by batching orders. These applications of ML orders drive down the total cost of operation as well as increasing customer satisfaction and retention.

Looking ahead

We have started to support a programme of education called Data Science For Social Good. It began last year and we plan to continue and increase our involvement, for example by some of our people mentoring on the programme. This is part of our wider commitment to support the responsible use of AI for good.

We continue to focus on increasing the scale and speed of our AI and ML implementation through the adoption of specific platforms that streamline ML at scale. The aim is to embed ML throughout our operations and businesses and to compress the time it takes for a good idea to get into the hands of the customer where it actually makes a difference and adds value.

Aligned to this, we will still further our focus on AI by design, or the practice of designing new products and services so that they can automatically learn from data and user interactions. Our goal is that AI by design becomes a mindset and a capability shared across the organisation.

We are bringing all this together into an exciting initiative that we are taking forward into next year. A team drawn from the AI and ML experts at Prosus, together with product and domain experts from the segment, is focusing on developing in a short period of time innovative product concepts that can be tested, with the best ones being taken further. We are focusing here on making big advances, rather than incremental innovation. It reflects how we are intensifying commitment to scale and speed up how we turn AI and ML to the advantage of our companies, our customers, and all our stakeholders.

For more information on how AI and ML are being applied across the group in various businesses, see the performance review on pages 35 to 52.

“As well as sharing technologies, we are also making sure people have access to all the AI and ML skills, knowledge and competence from across the group. This network of collaboration enables people in the different businesses to advance with a jump, rather than a small step – to go further, faster. We want to remove any bottlenecks from the idea to the moment when we can create value. So we can really increase the speed and positive impact of AI and ML on our business.”

Euro Beinat

Global head for data science and artificial intelligence



Our people

Our people are at the heart of our business – they make all the difference to our success. We are dedicated to helping our people be the best they can be by creating a diverse, inclusive learning organisation.

Attracting, developing and rewarding our great people

We face the challenge of the global shortage of digital talent every day – digital talent is scarce in all our markets. The best people have real choices about how and where they work, and who they work for – and our employee value proposition therefore remains critical in enabling the continued growth and success of our business.

To this end, we focus on creating an experience which:

- delivers career-enhancing professional development, and ongoing opportunities to network, learn and collaborate internally and externally

- recognises excellent work with fair and competitive rewards and enables us to compete for talent with global and regional/local consumer internet players
- offers meaningful jobs with a sense of purpose, in a company committed to deploying technology to address big societal needs and to enriching the communities in which we operate, and
- puts positive, engaging and inclusive culture and leadership at the heart of everything we do, in an environment where many different types of people feel happy and are able to do their best work.

Investing in learning and development

With the pace of change happening in our industry, we need to continuously invest in learning resources so our people can acquire the new skills needed to build strong and scalable technology products and services. Our approach is to prepare our people for upcoming job challenges by giving them access to the best learning resources.

We employ smart people – we find them all around the world. We offer them interesting, relevant and meaningful work to do. We reward and recognise them for that work in a fair and market-competitive way. And we want them to be part of an engaging and positive culture in which the leadership standards, our ethics, and our commitment to doing the right thing is evidenced all around, and in which people know they are valued as the enablers of our business success.

PERMANENT EMPLOYEES⁽¹⁾

20 524

(2019: 15 078) permanent employees in some 80 countries and markets

⁽¹⁾ Includes employees of controlled entities.

Making a wide range of learning accessible for everyone

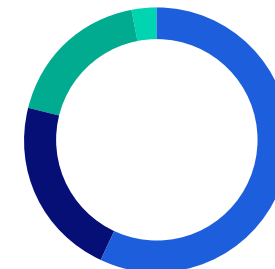
MyAcademy, our group online learning hub, connects our people, wherever they are located, to learning materials. We have curated the very best learning experiences from providers around the world, including our own education partners (Udemy, Codecademy and Brainly) as well as other leading global providers such as Big Think, Harvard Business School, Ready, Vado and Rosetta Stone, and our own, home-grown content.

Growing rapidly

MyAcademy has 30 000 users who have spent more than 240 000 hours learning online over the past year. We have seen that number grow rapidly over the past three years, to an average of 12 000 monthly active users.

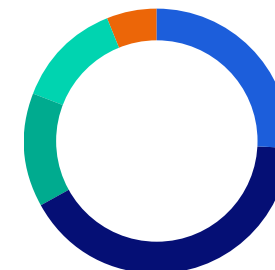
MyAcademy allows us to reach out quickly to our people all over the world in order to expose them to key topics and trends. This year MyAcademy has been a critical element in our ML and AI transformation plan. We used MyAcademy to train thousands of our non-engineering people in ML and AI, through our AI For Everyone course.

HEADCOUNT BY REGION (%)



Europe, Middle East and Africa	56
LatAm	22
Asia Pacific	18
America	3

HEADCOUNT BY SEGMENT FOR EMPLOYEES (%)



Retail	26
Classifieds	41
Ventures	0*
Payments and Fintech	14
Food Delivery	13
Group functions	6

FEMALE VERSUS MALE EMPLOYEE HEADCOUNT (%)

Female	40
Male	60

* Denotes figures of less than 1%.

Our employee value proposition

To compete for and win the very best global talent, we need a compelling value proposition for our people. Our people seek meaningful jobs with line of sight to business outcomes and the opportunity to learn and grow professionally, in a purpose-driven environment that they enjoy, where they are recognised for a job well done and are paid fairly in line with personal and company performance.



Our people continued

MYACADEMY

240 000

hours of learning over the past year, compared to 180 000 hours in 2019

30 000

unique active users per month

12 000

monthly active users

We also provided ML and AI training for senior leaders, gave our engineers the opportunity to upskill through access to nanodegrees in ML, AI, and data science, and introduced ML programmes for product managers. See pages 65 and 66 for more information on AI and ML.

Training on machine learning, artificial intelligence and much more

Technology is in high demand and is a significant proportion of the total hours consumed online, but we also use MyAcademy to accelerate and strengthen our workforce capabilities on other topics critical to our future growth, from leadership and management skills to personal development and cross-cultural training.

Our live education programmes focus on leadership, management, business development, ML and AI. These sessions bring people together from across the group, giving them the opportunity to learn from each other, share best practices and interact with the best trainers and facilitators in their field.

We will continue to introduce our leaders to the latest innovations so they can translate them into practical business initiatives. For example, our AI For Growth programme equips business leaders with the skills and knowledge they need to build AI-centric businesses.

Cultivating a strong groupwide culture

We are a diverse group of global companies, but some things are consistent for our people regardless of where in the world we operate:

- **We empower.** We back local teams and learn from each other. We encourage diversity in our teams and in our thinking. Our people are empowered to be responsible and make decisions because we trust them to do an outstanding job. We believe in them and we want them to share their talent and expertise across the group. Each year we organise internal networking and learning events to bring together teams and communities of expertise, often from across the group, to share ideas and learn from internal and external experts.

“Our talent is a competitive advantage – it defines the experience we give to our customers, the value we deliver to our shareholders, the success of our business. We aim to attract, motivate and retain the best people to enhance this advantage and create sustainable shareholder value.”

Aileen O’Toole
Chief people officer

- **We perform.** We push for performance in everything we do, and we link achievements and rewards. We agree on clear and ambitious goals, have continuous conversations about achieving even more and reward our people for what they deliver and how they deliver it. We encourage innovation from all our people.

To attract and retain the skills on which our sustainability depends, and to reward superior performance, we offer share options/share appreciation rights and/or restricted share units to our eligible employees through long-term incentive plans.

- **We matter.** We matter to the communities we serve and, wherever we operate, we hold ourselves to high standards. Our code of business ethics and conduct defines our commitment to conducting business fairly, ethically and with integrity. This code and related policies are communicated to all employees and are available on www.prosus.com.

We deliver positive impact

Many of our companies invest in corporate social responsibility programmes and we encourage our people to support these by investing their time. Wherever we operate we employ local people and we create supportive, flexible and pleasant environments to help them perform at their best while developing their skills. We focus on the ongoing development of our managers, as creating an environment where our people feel cared for, heard and supported in their ambitions, is ultimately in their hands. Together we are all responsible for the positive impact we have on our stakeholders.

We learn

Developing our talent is a critical enabler of present and future success as well as playing a role in the motivation and retention of our people. Most of our businesses around the world have a learning and development agenda focused on their own specific needs.



This is influenced by factors such as what the business is aiming to achieve, the maturity level of the business, the opportunities and challenges it is tackling, its competitive landscape, and the demographic nuances of the region or countries where it operates.

We base our people-development focus on three key areas:

- Reinforcing the leadership pipeline and accelerating the growth of top talent.
- Driving a performance culture.
- Supporting the ongoing development and growth of our businesses by equipping our people with core consumer internet and digital media skills such as new programming languages, cybersecurity, machine learning/data science, commercial/sales and business skills (eg finance).

We encourage positive engagement

We believe happy and engaged employees create satisfying customer experiences and in a competitive global talent market, it is important that we provide our people with a compelling place to work. Our businesses actively encourage participation, address issues raised and share best practices.

We continue to measure employee engagement across the group and ask our people for feedback on their experience of working at our various group companies. Engagement survey participation rates and engagement scores are in line with external benchmarks and we continue to focus on positive employee engagement across the group.

Building a diverse and inclusive workplace

Building a diverse and inclusive workplace is a key element of our future business growth and success. Throughout the year, we placed a big focus on diversity and inclusion (D&I) and we give an example in the performance review on pages 35 to 52 of specific initiatives undertaken by one of the segments.

Given the scarcity of talent in the consumer internet industry and our focus on emerging markets, we face the ongoing challenge of attracting and retaining talented and qualified candidates. We are proactively addressing that challenge with talent sourcing and acquisition strategies designed to attract a diverse range of people who in turn represent the full diversity of our customer base.

Reflecting the diversity of our consumers

People who understand the local markets we operate in are a key strength and asset for us in building products that consumers love. Like many other consumer internet companies, we pay specific attention to gender diversity to address the under-representation of women in the technology sector.

We think about diversity and inclusion broadly and respect the dignity and human rights of individuals and communities wherever we operate in the world. Building an inclusive workplace where everyone feels welcome and can thrive regardless of their gender, gender identity, gender expression, transgender status, sexual orientation, class, race, religion, creed, colour, marital or family status, age, nationality, political association, or disability is critical for us. All our people are on this journey with us and we have provided access to education and content, so that they understand the important role they play and the positive impact they can have.



Our people continued

Focusing on gender diversity

While our commitment to create an inclusive workplace attractive to many kinds of people is broad, we face the same specific challenge as our consumer internet competitors in attracting and retaining female talent, especially into product and technology roles. Our efforts to address diversity in general and gender diversity specifically, span the whole employee life cycle. Our drive for diversity is led and championed by our chief executive, Bob van Dijk, who is a member of the Male Champions of Change global technology group <https://malechampionsofchange.com/globaltech/>.

Involving our employees

We are assessing our progress in building an inclusive workplace by asking all our employees for their feedback as part of our annual

engagement survey (at my company we care about gender diversity and we act on it). Monitoring the results enables us to understand if we are making the positive impact we want, and the results this year show great progress. We are further reinforcing the building of an inclusive workplace by including the topic in our leadership development programmes. We are committed to creating working environments that are free from harassment of any kind and have provided training and education to all our employees on our zero-tolerance approach to harassment, as well as guidance about how to raise any concerns.

Championing diversity beyond our business

This year, we have also hosted external events focused on diversity and inclusion in selected countries where we operate. In India, we hosted 100 senior female leaders from consumer internet companies in a series of events offering opportunities to network, join focus groups and share good practice.

Focusing on health, safety and wellbeing

The health, safety and wellness of our people is critical, given that our growth depends on their skills. Employee wellness is key to organisational sustainability. Accordingly, we care for our employees through various initiatives, recognising that a healthy and resilient workforce is essential to support the changes our business is navigating.

Managing risks

Health and safety risks are assessed as part of our risk management framework. Our group goal is to ensure the health and safety of our employees. Businesses are required to report on any health and safety-related incidents. Any reported matter gets reviewed by the group's governance committee that meets quarterly. In 2020, no reports of serious injuries sustained by employees while on duty were reported.



Ensuring a safe working environment

We regularly perform health and safety risk assessments to ensure that all our offices are safe working environments for all employees. In larger locations we have trained safety officers who know what actions to take to ensure employee safety and wellbeing in an emergency.

Focusing on safety for business travellers

We are committed to ensuring the safety of employees who travel for business purposes. All employees who travel are registered with International SOS, which provides real-time news and updates on global and local travel risks and issues, and guidance on health and safety matters when travelling. All our employees are covered by business travel insurance.

We actively monitor travel risks and issues on an ongoing basis and take precautionary measures where needed. Due to the Covid-19 pandemic, we suspended business travel throughout the group at an early stage.

Promoting wellbeing

We promote and encourage wellbeing, and our local businesses offer varying benefits and programmes, including health insurance and employee assistance programmes. Some of our larger offices also offer onsite employee services, for example fitness facilities. This year, we launched an employee assistance programme (EAP) in 36 countries, allowing our people to access confidential counselling and advice in their own language.

Enabling flexible working

As well as ensuring our offices are modern, pleasant and safe working environments, we also enable flexible working arrangements to help our people find good work-life balance wherever possible.

We actively support our employees to work remotely. This includes providing online collaboration tools and video-conferencing facilities to encourage and increase employee community and collaboration, and promote improved wellness through better work-life balance.

Our people continued

Encouraging positive employee relations

We strive to maintain a healthy employee relations environment in which ongoing dialogue is embedded in our work practices. We use various formal and informal channels to engage people and encourage open communication, including leadership and CEO updates, webcasts, town hall meetings, team meetings, face-to-face gatherings and online collaboration and content sharing.

We promote safe reporting of feedback or issues with our people processes and practices. There are various mechanisms through which our employees can report issues or concerns, including a whistleblower helpline managed by an independent third party. Our Dignity at Work programme emphasises our zero-tolerance approach to harassment of any kind.

Taking the lead

We are committed to being a responsible leader in deploying technology that addresses big societal needs, improves people's lives and enriches the communities we live and work in. We care about the key issues facing our sector, including people's health, safety and welfare. We strive to be thoughtful and responsible, always considering how we can have a positive impact.



To this end, we are actively supporting our companies and partners in adopting market-leading and forward-thinking positions to address these issues.

For example, our Brazilian online food-delivery company, iFood, was one of the first online delivery platforms to launch insurance benefits in Brazil for the delivery partners, using the iFood platform.

iFood also promotes educational opportunities for delivery partners, offering online courses regarding safety standards, personal finances and entrepreneurship, customer service and proper equipment usage. Broader educational programmes are due to take place in the future. In addition, iFood is developing restaurant owner online training in general management, finance and sustainability.

iFood continues to work side by side with government stakeholders in Brazil to shape and modernise the future regulatory framework for the gig economy sector.

In India, Swiggy has more than 240 000 delivery partners, many of whom are women. Swiggy has paid particular attention to creating a safe and positive experience for female delivery partners, identifying 'safe zones' for women drivers to operate in and advising them on safe working practices.

Swiggy invests in training delivery partners in technology, driver safety and customer service. The company also has programmes and benefits for delivery partners' general welfare, including life insurance, educational and personal loans, rewards and recognition for exemplary performance.

Find out more in our review of our Food Delivery segment on page 38.

iFood's commitment

Multiply Prosperous relations Increase iFood restaurants' reputation and increase deliveries by drivers that make more than minimum wage Drivers and restaurants	Share meals to minimise hunger Offer more than 20 million meals for vulnerable Brazilian people Vulnerable people	Reduce Plastic delivery Avoid sending 400 million plastic items in our consumer food deliveries Society and environment	Add Diversity and inclusion Increase the diversity and sense of inclusion and belonging among our people People
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Key issues during the year



Covid-19

We prioritise the health and wellbeing of our people, whether in the country where they work or in the course of business travel, and we took early and decisive action to support this, such as requiring people to work from home, and suspending business travel.

We actively monitor travel risks and issues on an ongoing basis and take precautionary measures where needed.

Pollution in India

Our offices in Gurgaon were affected by pollution last year. We took several measures in response to the risks to employees during this period, including the provision of face masks and onsite safety advice, and encouraging employees to work from home.



The environment

We seek to minimise our impact on the environment. We also play our part in addressing critical issues, including climate change and the responsible use of natural resources.

Risks

As a group we acknowledge there are critical global risks, including those reported on in the World Economic Forum's Global Risks Report, notably the risk of climate change and global environmental and social risks. We are still investigating the extent to which these environmental and social risks impact our operations and how to mitigate these risks. Refer to progress made against our sustainability plan in the focusing on sustainability section on pages 60 and 61.

Impact

We currently report scope 1 and scope 2 emissions. We are in the process of prioritising the sustainability matters, including environmental matters, that are material to the group and to the individual businesses. Refer to progress made against our sustainability plan in the focusing on sustainability section on pages 60 and 61. This will inform our action plans and focus areas. We will report on the outcome of this process in next year's report.

Our measured carbon footprint (scope 1 and scope 2) totalled 14 044 tonnes of CO₂e with electricity the highest contributor of totalled measured emission at 65%. eMAG Group being the largest contributor within the scoped entities, representing 71% of the total emissions.

	2020 tonnes of CO ₂ e
Scope 1	4 968
Scope 2	9 076
Total emissions⁽¹⁾	14 044

⁽¹⁾ Electricity is the highest contributor of total measured emissions at 65%.

The Financial Control Principle has been elected by the group for the purpose of reporting the carbon footprint, and therefore recognition of control will match that of the financial statements and will recognise 100% of greenhouse gas emissions for all subsidiaries and the equity share of greenhouse gas emissions of joint ventures.

Looking ahead

As part of our sustainability plan, we plan to measure our scope 3 impact in 2021 to enable us to formulate our strategy to address our impact and report against set goals. We are also planning to align to the framework of the Task Force on Climate-Related Financial Disclosures (TCFD), and to cover this in next year's annual report.

Initiatives this year

Businesses across the group have various initiatives under way to minimise their environmental impact. More information on these initiatives can be found in the performance review on pages 35 to 52, but we highlight some of the key ones here.



Offsetting carbon credits

At a group level we have partnered with Greenseat, part of the Carbon Neutral group, to offset our carbon credits for our corporate functions' air travel in the past year. This initiative will contribute to projects based in India, South Africa and Brazil.

Championing conscious consumption in Classifieds

We believe that classifieds is a force for good in the world - helping people consciously reuse and extend the life of all kinds of items, which in turn benefits the planet and communities. During the year, we launched our first Global Impact Report (<https://www.olxgroup.com/impact>). This pioneering report looked in depth and detail at the positive impact of using our classifieds platform in four key product lines: mobile phones, tablets, laptops and fashion. Resource savings for these products include material weight (including conflict minerals), energy-savings equivalent, water, and carbon emission-savings equivalent.

• See more on page 36



Reducing carbon emissions and waste at eMAG

eMAG strives to reduce its carbon emissions. The introduction of its EasyBOX network, for example, has reduced last-mile delivery and promoted stacked delivery. In addition, eMAG has a fleet of 100% electric delivery vehicles for last-mile urban deliveries and starting in 2020, the eMAG warehouse in Joița și Chitila will be powered by 100% green energy. eMAG's waste reduction initiatives include using recycled packaging material, choosing the smallest size box for shipping to avoid overpackaging, avoiding single-use plastic, promoting the recycling of shipping materials after customers receive their shipment, and also offering customers free-of-charge pick-up for their old white goods to ensure these are disposed of responsibly. As a result, eMAG has reduced cardboard used per delivered unit by 40% YoY, and plastic used per delivered unit by 17% YoY, while also reducing the incidence of product damages per delivery.

• See more on page 47



Reducing single-use packaging and items at iFood

iFood is undertaking a number of environmental initiatives. In the year ahead, iFood is committed to reducing the amount of disposable plastic items delivered to consumers. The work includes providing awareness through marketing campaigns and stimulating restaurants to rethink their procurement practices. Through the app, iFood will implement several initiatives to encourage sustainability practices. The first pilot is an opt in/out to give customers the choice not to receive unwanted disposable items - like cutlery, straws and cups. The second initiative is to give customers the option to replace plastic packaging and items by choosing biodegradable and other sustainable materials.

• See more on page 41



Reducing fuel consumption in Swiggy cloud kitchens

In Swiggy Access cloud kitchens, sensors monitor and regulate fuel and electricity consumption. In addition, infra-red burners have reduced fuel consumption by 20%.

• See more on page 42

Going green with Dott

With our US\$21m investment in Dott through Ventures, we are backing green mobility across Europe. Dott makes it easy for people to share dockless electrical scooters and bikes for short-distance travel across cities in Belgium, France, Germany, Italy and beyond. More inner-city mobility; less inner-city pollution.

• See more on page 49



Society

As we grow our business around the world, we want to increase the positive impact we have on society. So that people's lives improve and communities prosper in meaningful, sustainable ways.

We invest in improving the communities we operate, live and work in, in a number of ways.

Social matters

Our approach to our employee value proposition, health and safety, data privacy, and diversity and inclusion can be found on pages 24, 36, 45 and 68.

The group encourages and supports different businesses to implement corporate social responsibility initiatives that have the biggest positive impact locally. Businesses on the ground around the world are best placed to identify and back the corporate social responsibility initiatives that will deliver the most impact.

Responding to the Covid-19 pandemic

The Covid-19 pandemic has created unprecedented challenges and uncertainties for everyone around the world. In responding to the evolving situation, we are ensuring that we safeguard our people, maintain our ability to serve our customers, and protect our businesses for the long term. As ever, the health and wellbeing of our people and our impact on the communities we serve remain our priority during this difficult period.

• See more on pages 14 and 15

Looking ahead

As part of our sustainability plan, we plan to better articulate the scale of our socio-economic impact.

EMERGENCY AID

INR 1bn

Prosus donated 1bn rupees in emergency aid in response to Covid-19

• See more on pages 14 and 15

Initiatives this year

There are various corporate social responsibility initiatives across the group. More information on these initiatives can be found in the performance reviews on pages 35 to 52, but we highlight some of the key ones here.

Classifieds is delivering social good

We are proud of the social good we deliver in Classifieds. We are the lifeline for individuals, from all walks of life, and for small businesses. We are good for individuals – enabling them to manage their own budgets and lifestyles, either buying items they could not afford new, or making money from items they no longer need, and especially in times of crisis. We are good for small businesses, too – providing a simple, easy-to-use and low-cost leads channel. We enable valuable social transactions whereby people meet in person, improving social cohesion in a more individualistic world.

• See more on page 37



PayU is building a world without financial borders where everybody can prosper

To build a world without financial borders where everyone can prosper, PayU is connecting consumers and merchants across high-growth markets in innovative, seamless, helpful ways that are revolutionising payments, credit and other financial services for people. In India for example, PayU has been pioneering credit for underbanked people.

• See more on page 43



Contributing to communities

PayU also undertakes a range of initiatives designed to contribute to communities across the Payments and Fintech segment. In Poland for example, PayU is one of the co-organisers of the RogalOVE campaign, which aims to help improve the treatment conditions for children with cancer.

• See more on page 45

iFood is targeting affordable lunches with Loop

iFood has launched Loop – an innovative way to provide affordable lunches. Customers receive reasonably priced meals and save time; restaurants can fully use their kitchens' spare capacity; and couriers generate incremental income across a full day. At the same time, order batching significantly improves unit economics for iFood. With Loop, everybody wins. Loop is proving to be very successful. Currently in 54 cities across Brazil, the plan is to expand and scale Loop as quickly as possible.

• See more on page 40

Making lives better

Through its Make Lives Better programme, iFood is committed to delivering ever-greater sustainability benefits to restaurants, drivers, consumers – everyone involved in its rapidly expanding food-delivery ecosystem. Initiatives include improving driver safety; promoting the wellbeing of drivers; helping drivers learn and prosper through the iFood Academy;

training drivers on first aid; providing learning and support to restaurants; and tackling hunger in Brazil.

• See more on page 40



eMAG is encouraging educational excellence and promoting employee wellbeing

Across Romania, eMAG's Let's Go to School Olympics! and We Care About programmes focus on supporting and raising the level of education of children. eMAG also places a big emphasis on wellness and wellbeing – for employees and communities. Employees are encouraged to develop and exercise both mentally and physically. And through the 140 Beats per Minute Foundation programme, eMAG works with communities to promote sports as an essential part of education.

• See more on page 47

Supporting local businesses

eMAG also supports local businesses with the Open Romania programme. Introduced in 2019, it enables small businesses to trade their products and services on eMAG's platform without paying any commission.

• See more on page 46

Ventures is investing in better education for more people

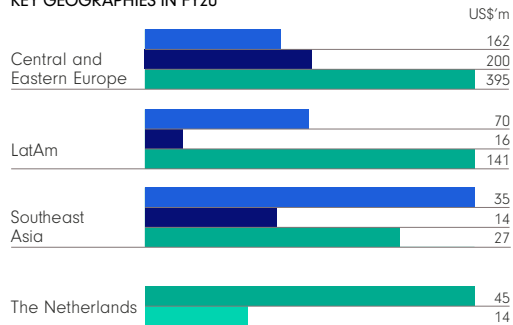
Education is at the heart of strong societies and it is a key focus area for Ventures. There is a big demand around the world to enable people to learn more effectively and efficiently – whether that is helping schoolchildren learn or lifetime learning. Technology is playing a key part in meeting this fundamental social need. To date, we have invested over US\$560m in five education businesses.

• See more on page 48

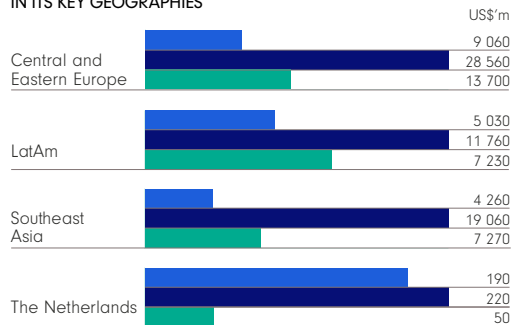
Tax

Prosus aims to contribute positively to the communities and countries in which it operates. We are a global group and our businesses are located and operate in many countries around the world. Although we are a global group, we operate and pay taxes locally. We employ people in the countries where the businesses are, we contribute to supply chains in those countries, we develop businesses and create opportunities in those countries and we pay taxes locally in those countries. We recognise that the tax we pay is an important element of our broader economic and social contribution to the communities and the countries in which we operate.

PROSUS CONTRIBUTED AN ESTIMATED US\$1.1BN IN TAXES IN ITS KEY GEOGRAPHIES IN FY20



PROSUS ALSO SUPPORTED A TOTAL OF 106 400 JOBS IN ITS KEY GEOGRAPHIES



● Direct ● Indirect ● Induced ● Direct and indirect

Prosus businesses pay taxes locally, in the countries in which the businesses operate. At Prosus there is zero tolerance for non-compliance with tax laws in all jurisdictions in which our businesses find themselves. In managing our tax affairs we take into account the interests of all our stakeholders, including governments and our shareholders. Our tax principles are set out in the Prosus group tax policy which is available on our website at www.prosus.com/about/tax-page/tax-policy.

The digitalisation of the economy is raising various tax challenges that need to be addressed. Prosus regards it as important that consensus is reached on a global basis for the solutions to these challenges. Tax profiles of companies can be skewed as a consequence of size and footprint. At Prosus we like to keep it simple: businesses should pay tax locally, ie where their operations are and where their clients and users are. Paying taxes in the countries where one operates is an important contribution to local societies and economies.

GLOBAL TAXES

US\$1bn

Prosus's contribution in taxes in its key geographies in FY20

We, at Prosus, are of the view that local taxes should be equally applicable to all companies irrespective whether companies have a global, regional or local footprint. The playing field should be level.

The global Covid-19 pandemic has challenged the corporate world to work closely with governments, communities and citizens to ensure an effective response to Covid-19. "Could this mark the dawn of a new era of social awareness and contribution?", Bob van Dijk recently asked. We at Prosus are well positioned to further our contributions in the countries where we operate as we are already closely aligned with and integrated into those communities - a global group with local businesses.

Prosus shows a meaningful normalised effective tax rate of 22.2% for the 2020 financial year. The group accounts for its share of the results of its equity-accounted investments net of the taxation recognised by those investments. In order to provide a more comparable effective tax rate, the tax recognised as part of the group's share of the results from equity-accounted investments is included, for purposes of the calculation of the normalised effective tax rate, in the total tax recognised by the group.

Furthermore, exceptional items like tax-free capital gains on the sale of subsidiaries are excluded from the profit before tax to arrive at the normalised effective tax rate of 22.2%.

As part of its mission to create value by improving people's lives, the Prosus group measures and reports on the social and economic contribution it generates.

The benefits that Prosus's activities generate in local economies and societies have been estimated in order to assess to what extent Prosus's strategy to create value by improving lives realises. Prosus's tax contribution assists governments in addressing some of the most pressing needs within their societies. During FY20, Prosus made a substantial contribution to societies and economies in its key geographies.

During FY20, Prosus contributed US\$619m in direct and indirect taxes globally.⁽¹⁾ In its key geographies, Prosus's activities generated US\$543m in direct and indirect taxes and a further US\$577m in induced taxes (see Figure 1).⁽²⁾

Prosus contributed an estimated US\$1.1bn in taxes in its key geographies in FY20

Through its tax contribution, Prosus supported local societies in tackling some of their most pressing issues. A summary of the social impact of Prosus's tax contributions is presented below.

In addition to the social benefits enabled by its tax contributions, Prosus also supported a total of 106 400 jobs in its key geographies, both directly and through its connections to the wider economy. This includes 51 320 in Central and Eastern Europe, 24 020 in LatAm, 30 590 in Southeast Asia and 470 in the Netherlands.

⁽¹⁾ This excludes taxes paid by Naspers in South Africa.

⁽²⁾ Induced impacts presented in this study relate to impacts in up to five main countries in each geography representing 95% or more of Prosus's revenue.

Tax continued

1

Central and Eastern Europe

In FY20, Prosus's total tax contribution in Central and Eastern Europe amounted to US\$757m, including US\$362m in direct and indirect taxes and a further US\$395m in induced taxes.

Prosus's activities supported Central and Eastern European countries in achieving their social objectives as governments used this total tax contribution to address some of the most pressing social priorities.

In FY20, Prosus employed 9 060 permanent employees⁽¹⁾ in Central and Eastern Europe and generated a further 42 260 jobs in the rest of the economy through its connections with the wider economy.

⁽¹⁾ This excludes temporary and contract employees.

Illustrative examples of social impacts enabled by Prosus's tax contribution in Central and Eastern Europe in FY20



3 860 health personnel



11 430 primary school children educated



3 900 educators



4 710 SMEs funded



US\$122m public sector investment supported



265 850 people covered with social protection

2

LatAm

In FY20, Prosus's total tax contribution in LatAm amounted to US\$227m, including US\$87m in direct and indirect taxes and a further US\$141m in induced taxes.

Prosus's activities supported LatAm countries in achieving their social objectives as governments used this total tax contribution to address some of the most pressing social priorities.

In FY20, Prosus employed 5 030 permanent employees in LatAm and generated a further 18 990 jobs in the rest of the economy through its connections with the wider economy.

Illustrative examples of social impacts enabled by Prosus's tax contribution in LatAm in FY20



1 120 health personnel



4 450 primary school children educated



530 educators



530 SMEs funded



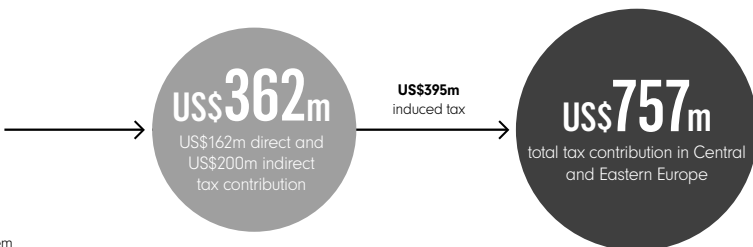
US\$11m public sector investment supported



47 650 people covered with social protection

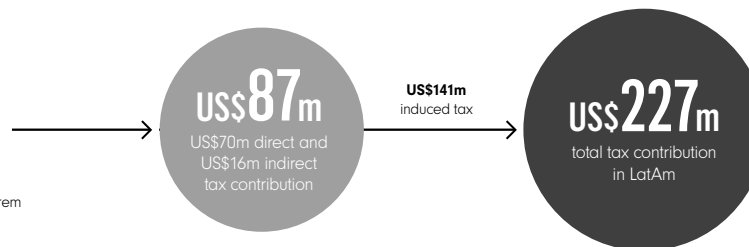
Prosus contributed an estimated US\$757m to public finances in Central and Eastern Europe in FY20

- US\$198.4m Value-added taxes (VAT)
- US\$79.0m Labour and employee taxes
- US\$67.5m Corporate income tax (CIT)
- US\$7.6m Withholding tax (collected)
- US\$5.5m Other taxes paid
- US\$2.7m Withholding tax (entity cost)
- US\$1.5m Customs, excise and ad valorem
- US\$0.0m Securities transfer tax (STT)



Prosus contributed an estimated US\$227m to public finances in LatAm in FY20

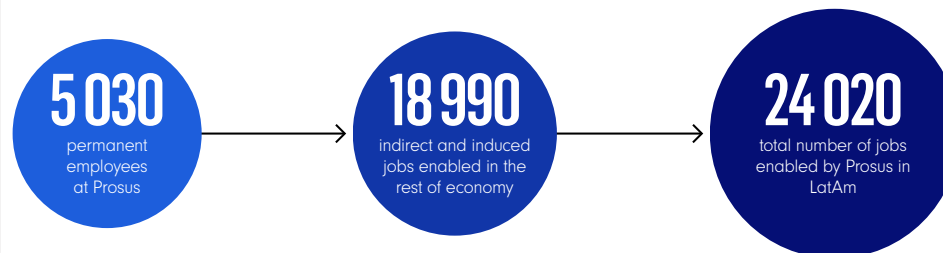
- US\$42.6m Labour and employee taxes
- US\$14.9m Value-added taxes (VAT)
- US\$12.3m Other taxes paid
- US\$10.6m Withholding tax (entity cost)
- US\$7.0m Withholding tax (collected)
- US\$1.4m Customs, excise and ad valorem
- US\$0.0m Securities transfer tax (STT)
- US\$-2.3m Corporate income tax (CIT)



Prosus generated an estimated 51 300 jobs in Central and Eastern Europe in FY20



Prosus generated an estimated 24 000 jobs in LatAm in FY20





Tax continued

3 Southeast Asia

In FY20, Prosus's total tax contribution in Southeast Asia amounted to US\$76m, including US\$49m in direct and indirect taxes and a further US\$27m in induced taxes.

Prosus's activities supported Southeast Asian countries in achieving their social objectives as governments used this total tax contribution to address some of the most pressing social priorities.

In FY20, Prosus employed 4 260 permanent employees in Southeast Asia and generated a further 26 330 jobs in the rest of the economy through its connections with the wider economy.

Illustrative examples of social impacts enabled by Prosus's tax contribution in Southeast Asia in FY20



410 health personnel



6 990 primary school children educated



420 educators



2 230 SMEs funded



US\$9m public sector investment supported



67 880 people covered with social protection

4 The Netherlands

While the Netherlands is a relatively small market in terms of revenue, it plays an important role as the group's head office location for Prosus. Corporate activities including management services and corporate support are provided to segments, subsidiaries and associates by the Prosus staff based in the Netherlands. Prosus has no significant local businesses in the Netherlands.

In FY20, Prosus's total tax contribution in the Netherlands amounted to US\$59m, including US\$45m in direct and indirect taxes and a further US\$14m in induced taxes.

In FY20, Prosus employed 190 permanent employees in the Netherlands and generated a further 270 jobs in the rest of the economy through its connections with the wider economy.

Illustrative examples of social impacts enabled by Prosus's tax contribution in the Netherlands in FY20



90 health personnel



600 primary school children educated



110 educators



40 SMEs funded



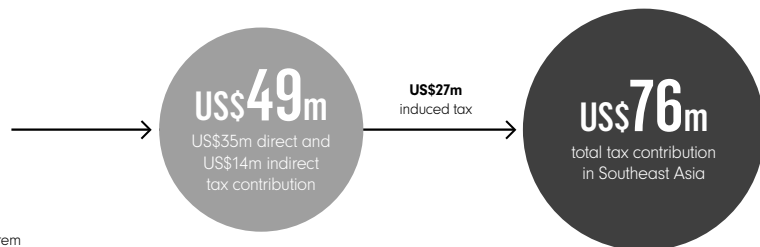
US\$6m public sector investment supported



4 200 people covered with social protection

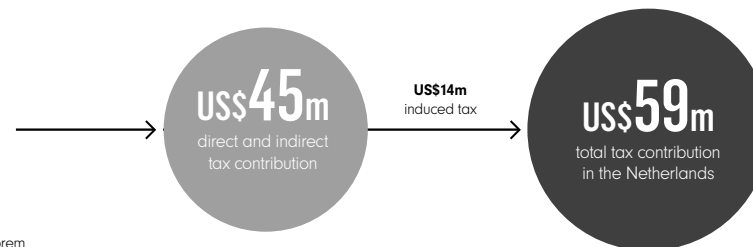
Prosus contributed an estimated US\$76m to public finances in Southeast Asia in FY20

- US\$16.1m Labour and employee taxes
- US\$14.3m Value-added taxes (VAT)
- US\$13.3m Withholding tax (collected)
- US\$2.9m Withholding tax (entity cost)
- US\$2.3m Corporate income tax (CIT)
- US\$0.1m Securities transfer tax (STT)
- US\$0.0m Customs, excise and ad valorem
- US\$0.0m Other taxes paid

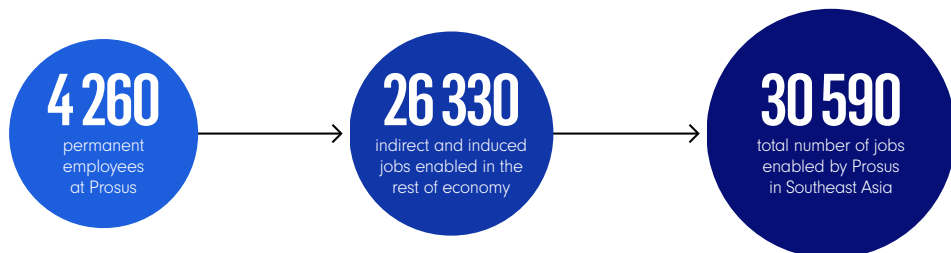


Prosus contributed an estimated US\$59m to public finances in the Netherlands in FY20

- US\$42.7m Labour and employee taxes
- US\$11.2m Withholding tax (entity cost)
- US\$2.7m Corporate income tax (CIT)
- US\$-11.6m Value-added taxes (VAT)
- US\$0.0m Withholding tax (collected)
- US\$0.0m Securities transfer tax (STT)
- US\$0.0m Customs, excise and ad valorem
- US\$0.0m Other taxes paid



Prosus generated an estimated 30 600 jobs in Southeast Asia in FY20



Prosus generated an estimated 470 jobs in the Netherlands in FY20

