

23 August 2023

Questions submitted for the hybrid annual general meeting



prosus

1. INTRODUCTION

In accordance with the notice of the annual general meeting, from the date of publication of the notice of the hybrid annual general meeting until Sunday, 20 August 2023, at 1:00 CET, shareholders could submit written questions about the items on the agenda. We set out below the questions, and responses to the questions. For these questions and for general information please refer to the company by email on investorrelations@prosus.com or by phone: +31 (20) 299 97

2. Questions from the Vereniging van Beleggers voor Duurzame Ontwikkeling (VBDO)

- 2.1. VBDO is pleased to observe that Prosus is discussing biodiversity in its annual report and in the Environmental Sustainability Programme report (ESP). In the ESP (p. 3) Prosus recognises the relevance of biodiversity related to its corporate supply chain and investment portfolio (ESP, p. 22). For the annual report 2024, Prosus expects to have mapped (1) hotspots of high biodiversity impact and (2) opportunities to restore biodiversity. VBDO is eager to learn more about the approach Prosus takes to engage its portfolio companies on biodiversity. When can we expect a concrete and time-bound strategy that includes objectives which aim to minimise Prosus' negative impact and create a positive impact on biodiversity?**

We recognise that biodiversity impact is inextricably linked to climate change and, to combat climate change, the business community can utilise mature impact frameworks and accounting standards to guide and codify industry best practice. However, in the case of biodiversity, frameworks such as the TNFD are relatively new, with most of industry still in the early stages of applying them to understand the impacts, risks and opportunities of these challenges. We are on our journey to map and define our impacts and dependencies on natural resources in our value chain. But as a family of digital platforms, we have small pockets of physical activities.

In FY24, we are intending to commence a biodiversity risk and opportunity mapping exercise across our portfolio of controlled entities. As these companies are located across the world, and have significantly different business models, to do this exercise well, we will need to invest time and resources, while also ensuring the primary data being used for the mapping is robust and reliable. In the FY24 report, we will share progress on our efforts to map biodiversity risks and opportunities while expecting to have more granular insights included in the following year FY25 annual report.

- 2.2. VBDO appreciates that Prosus is committed to the United Nations Guiding Principles on Business and Human Rights (Human Rights Statement, p. 2). Prosus also detailed these commitments in its On-demand Platform Worker Statement document, concerning pay, social protection, fair working conditions and flexibility. Which is clearly a step in the right direction. Prosus states it aims to pay no less than the legal minimum. VBDO, however, also expects to see an indication of the relation between the legal minimum wage and a living wage for the most relevant countries. Could Prosus investigate these relations and include the outcomes of this study in its following annual report? Furthermore, VBDO misses the topic of accidents in Prosus' On-demand Platform Worker Principles. It is positive that Prosus, for the past three years, used a third-party supplier assessment tool (Annual report, p. 93). However, VBDO could not find the outcomes of this due diligence process. Especially considering the upcoming Corporate Sustainability Due Diligence Directive, it is important that a company like Prosus reports to its shareholders about the identification of negative impacts on labour conditions in the supply chain. Given large differences between countries, VBDO understands the complexity of reporting accurately. However, could Prosus, in its next annual report, publish the aggregated outcomes of the labour condition assessments and accident rates related to Prosus' on-demand workers?

In line with the European Union's Corporate Sustainability Reporting Directive, we are developing our underlying data gathering to support disclosures on material topics associated with own workforce and workers in value chain at a Group level.

- 2.3. This year, VBDO introduces lobbying as a new engagement theme. Prosus, positively, reports in its annual report how it engages with governments (p. 30). In general, InfluenceMap found that 89% of industry associations do not (always) lobby in line with the Paris Agreement, therefore a risk exists of Prosus (unintentionally) supporting unsustainable lobby practices, even in the absence of concrete evidence of such practices.¹ VBDO was happy to learn that Prosus participates actively to establish sustainable packing solutions in India's fast growing e-commerce sector. This way, Prosus contributes to a more sustainable society via political engagement. However, VBDO could not find an overview of Prosus' lobby vision and activities on material topics. Therefore, VBDO has the following questions:

- 2.3.1. Could Prosus report more extensively on its lobbying activities and contributions?
- 2.3.2. Could Prosus investigate its indirect lobbying activities which may unintendedly be misaligned with the company's sustainability objectives?
- 2.3.3. Is Prosus willing to disclose a detailed overview of all its lobbying activities, including the lobbying activities of aligned industry associations in its next annual report?

Engagement with experts and regulators, partnerships with industry bodies, and regular exchanges with peers strengthen our group's approach, knowledge, and ability to be more effective in managing our environmental impact. We have set ourselves a time bound, Paris aligned climate action roadmap that we extensively describe in our [environmental programme](#) document. To enable us to achieve our climate targets, the country level operating context and country climate targets are of great significance. Enabling policy, infrastructure, local

energy mix are some of the factors that will influence our pathway. Thus, 'lobbying', or engaging with policy makers and governments on creating an enabling ecosystem is an element of our climate action.

We publish our membership in relevant industry association and provide regular updates on our website on the forums where we engage, such as COP 27, round tables on sustainable packaging, BRICS Summit etc. where policy makers participated in the discussions. In accordance with VBDO's guidance on disclosures on interactions with government organisations, Prosus will continue to provide public disclosures on its engagements on environmental issues with policy makers and regulators both through our website and our annual report, where relevant.