



NASPERS

2025

GROUP ENVIRONMENTAL SUSTAINABILITY PROGRAMME

Improving everyday life for billions
of people through AI-first technology

Naspers
is a global
technology
group with
businesses and
investments
in growth
markets around
the world.

Contents

1	Introduction
2	Chief executive's statement
3	Managing our impact
3	1.1 Responsible investing
3	1.2 Materiality
4	1.3 Scope of impact
7	2 Governance
7	2.1 Sustainability governance
8	2.2 Management responsibilities
8	2.3 Portfolio engagement approach
8	2.4 Building collaboration and learning across the group
9	2.5 Environmental advocacy, awareness and training
9	2.6 External partnerships and commitments
10	3 Strategy and climate transition plan
10	3.1 Our strategy
11	3.2 Targets and metrics
12	3.3 Climate transition engagement plan
12	3.4 Fair and just transitions
13	3.5 Value-chain engagement
14	4 Risk management and scenario analysis
14	4.1 Assessing climate-related risks
14	4.2 Climate-related physical risks
15	4.3 Climate-related transition risks
16	4.4 Scenario analysis
17	4.5 Risk impact quantification
17	4.6 Managing exposure to climate-related risks
18	4.7 Climate-related opportunities assessment and management
21	5 Resource use and circular economy
21	5.1 Sustainable packaging
21	5.2 Framework for sustainable packaging
22	5.3 Packaging waste
22	5.4 Building a circular economy
23	6 Pollution: Air pollution from delivery vehicles
24	7 Water and sustainable buildings
24	7.1 Corporate water use
24	7.2 Water consumption in data centres
24	7.3 Sustainable buildings
25	8 Biodiversity
26	Glossary

Introduction

Our impact on our natural environment – positive or negative – can affect our people, customers, reputation and operations, which can affect our financial performance. Measuring, managing and reporting our environmental impact is an important element of our ability to create sustainable value as a business.

In this document we share our approach on how we define, measure and manage the environmental impacts of our group. We have created this document for all our stakeholders, to provide a comprehensive overview of our impact on the planet and outline how we address the resulting risks and opportunities.

The framing of our environmental impact draws from the United Nations Sustainable Development Goals (UN SDGs) and contributes in particular to principles 9, 12 and 13.

We apply environmental principles and environmental or climate key performance indicators (KPIs) to the core of what we do – making investment decisions and building successful businesses – contributing to the sustainable development of our world. Our investments help to increase the resilience of communities in which they operate, supporting the transition to greener economies.

Environmental, social and governance (ESG) feed into sustainability. These are dynamic areas that will continue to evolve, particularly in the markets in which we operate.

Consequently, our environment programme, which is based on the concepts and principles outlined in our sustainability policy, is reviewed and updated regularly in response to changing legislation, stakeholder expectations and developments in our business. We will continue to focus on transparency in our environmental impact reporting updates via our annual report and corporate website.



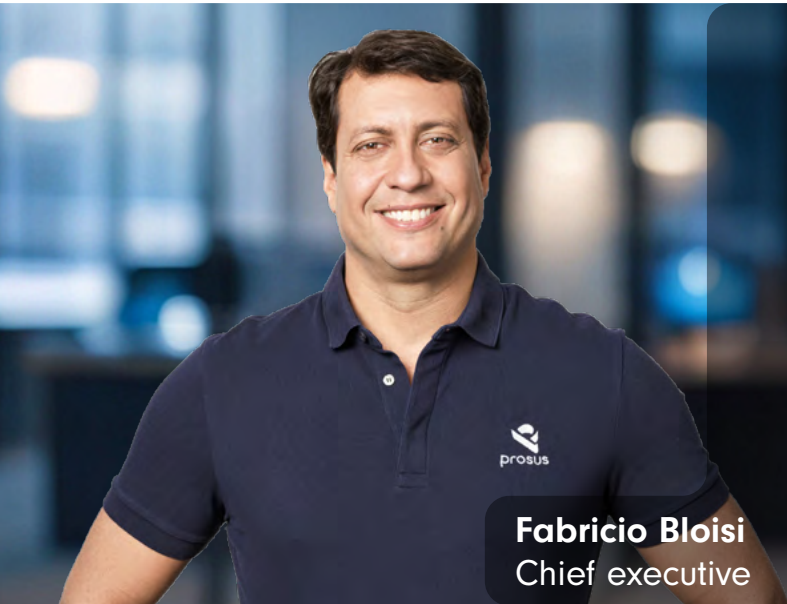
Complementary disclosures

For a complete overview of how we manage and measure our environmental impact, use this document with the following complementary publications available on our website:

- » **Annual report** is our primary disclosure that includes our audited sustainability statements, in alignment with the European Sustainability Reporting Standard (ESRS). It includes the approach to and outcomes of our double-materiality assessment.
- » **Environmental impact report** contains annual disclosure of detailed data and progress on material environmental topics.
- » **2025 boundaries and scope of ESG reporting** describes the methodology in calculating GHG (greenhouse gas) emissions of our corporate actions and investment portfolio (subsidiaries).
- » **TCFD report** discloses our climate approach, applying the framework of the Task Force for Climate-related Financial Disclosure (TCFD).

We welcome feedback on this document, please reach us via sustainability@naspers.com.

Chief executive's statement



Fabricio Bloisi
Chief executive

Sustainability targets are embedded in the annual business-planning process where we engage in the ESG performance of our portfolio companies and their strategies, targets and budgets for the year.

At Naspers and Prosus, we use technology to build leading companies that enrich communities. I am convinced that we can harness this power of innovation and technology to contribute to climate action.

Our aim is to be a sustainable business. We do this by investing in tech-driven asset-light and low-carbon digital services in high-growth markets that support local job creation and prosperity. Equally, a robust environmental sustainability programme is crucial to deliver long-term value for our investors.

We have a low emissions profile and we do not operate in high-emitting sectors – so why do we spend so much time and resources to drive climate action across our group? We do this because each of us needs to contribute to solutions that will limit global warming to enable us to leave behind a planet that can meet the needs of our generation and generations to come.

Action on climate change, access to digital services, responsible supply chains, and delivering sustainable consumer products and services are fundamental to our sustainability agenda. By integrating sustainability considerations into our decision-making – from capital allocation to value crystallisation – we have built a portfolio of low-carbon businesses that contribute to social progress.

The management team is responsible for creating a culture aimed at long-term value creation and ensuring that ethical business standards are integrated into the group's strategies and operations. Our most senior executives have sustainability KPIs as part of their remuneration scorecard and progress is published annually in our remuneration report.

Climate action is a key priority and we apply a considered approach that suits our diversified business and operations. We are committed to a climate journey aligned with the Paris Agreement to limit global warming to 1.5°C. We will continue with our plan to reduce the GHG emissions of our corporate operations and our investment portfolio, having defined our science-based targets (independently verified) and working towards establishing a net-zero pathway.

We are helping our investment companies, many of which operate in higher-growth economies, to define their individual climate action strategies. Please note that their specific actions depend on their operating environments.

Our activities contribute to building an economy characterised by circularity, financial inclusion, improved access to livelihoods, and education for all. We are committed to increasing our exposure to sustainably-driven business models, not only by improving the ESG performance of our established businesses but also by investing in breakthrough technologies with the potential to address global challenges.

We will continue to find opportunities where technology is driving a systemic transition towards low-carbon growth and sustainable business models. And we will intensify our work to uncover opportunities where technology can lead to meaningful change for the benefit of the planet and its people.

Fabricio Bloisi
Chief executive

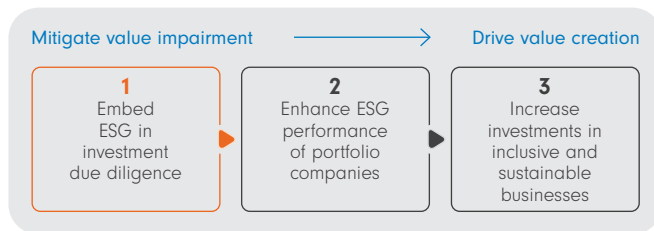
1 Managing our impact

Making responsible investments is at the heart of our capital allocation decisions.

1.1 Responsible investing

To create sustainable value, we follow a responsible investment approach, based on three pillars (see figure 1.1).

Figure 1.1: Three pillars of responsible investment



Firstly, we mitigate risks to people and to our planet: ESG screening is built into our pre-investment due diligence process. We proactively limit our exposure to carbon-intensive sectors.

Secondly, we manage for performance: our investees share our entrepreneurial instincts, and our companies are motivated by a commitment to delivery and profitability. We strive to enhance the ESG performance of all companies in our investment portfolio, both those that are majority-owned and those in which we have a minority interest (although our influence is naturally greatest over the former).

All portfolio companies are encouraged to conduct regular materiality analyses and participate in an ESG performance assessment, using the Standard & Poor's global corporate sustainability assessment framework.

Thirdly, we are committed to increasing exposure to sustainability-driven business models across our portfolio. We will identify and invest in:

- » Innovations that drive the systemic transition to a low-carbon economy
- » Digital opportunities where online services are transforming the environmental footprint and social impact of traditional business sectors
- » Asset-light digital services that deliver on our group purpose to improve everyday life for a large portion of the planet's people.

Figure 1.2: Our investment area



Through our investment activities, we are ideally positioned to play an active role in the transition to a low-carbon economy. Our investments can contribute to positive systemic change, such as developing a circular economy and dematerialisation of educational services.

1.2 Materiality

We have built an investment portfolio of businesses focused on consumer internet services, across five areas: Classifieds, Food Delivery, Payments and Fintech, Edtech (education technology) and Etail (see figure 1.2).

The digital platforms in our portfolio are software-driven and asset-light in their operations, translating to a relatively low environmental footprint.

The diversity of our group companies – by business sector and geography, as well as in their relative maturity – means that the nature of their material environmental impacts, and how to define them, will vary.

Most companies in our investment portfolio operate in high-growth markets and regions that typically are more vulnerable to the effects of climate change, biodiversity loss and other changes to our natural world. All subsidiaries are encouraged to conduct a materiality analysis based on their business model, operations and geography to help identify their environment-related risks and opportunities. This analysis is an important pillar in our understanding of their potential to create sustainable value.



1 Managing our impact continued

To determine the materiality of environmental impact categories, we have performed a double-materiality assessment, following the impact and financial materiality definitions and requirements of the July 2023 guidance of the European Sustainability Reporting Standards (ESRS). External and internal experts supported us in identifying the environmental impacts, risks and opportunities for our group. The material themes, along with the specific topics, are presented in both our **annual report** and the specific environmental outcomes in our annual **environmental impact report**. Due to the dynamic nature of our portfolio following investment activities, material topics may change year on year.

For our portfolio companies, we set annual targets to increase their understanding of environmental impacts and performance in managing these. For instance, we encourage our portfolio companies to develop science-based climate targets.

In the absence of global standards on packaging and circular economy, we have developed our own framework to steer and measure progress (see chapter 5).

1.3 Scope of impact

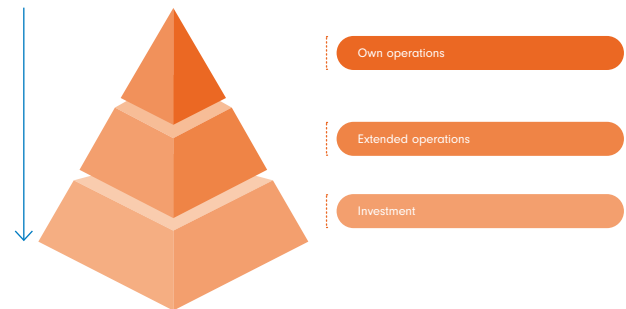
We identify three scopes of environmental impact within our broader group:

- » Own operations
- » Extended operations
- » Investment portfolio

Our direct and indirect operational impact lies within the boundaries of our corporate headquarters, while our extended

operational activities cover suppliers that provide services and goods to our headquarters. Our most substantial impact is from the businesses that make up our investment portfolio (see figure 1.4).

Figure 1.4: Scoping our environmental impact



Own operations

Our corporate operations are limited to small offices in various locations around the world. The materiality threshold for our corporate office to measure and report data against key environmental indicators is set at a minimum of 10 employees. Our use of resources and emissions is linked to providing a workplace for our employees. We apply a considered approach to the environmental footprint of our office space, for example our office in Amsterdam is BREEAM-certified and we procure 100% of our electricity from renewable sources. For details about the boundaries and scope of our GHG emissions, please see our **environmental impact report** and 2025 boundaries and scope of ESG reporting disclosure.

Extended operations

Our corporate supplier represent the majority of our extended environmental impact, and we take the opportunity to make a positive impact by embedding sustainability considerations in our procurement practices.

Our supplier base comprises mostly services such as consulting and audit fees, insurances and other professional services which, by the nature of their operations, have a relatively low environmental footprint. Our analysis shows that we have no dependency on specific suppliers or reliance on suppliers that are critical to our business and operations. Please see section 3.5 on supplier engagement for more information on how we manage our extended value chain and engage with our suppliers on topics like climate action.

Investment portfolio

Our investment portfolio, including subsidiaries, associates and investees, generates environmental impacts from the development and operation of their digital platforms and online service-delivery models. At the same time, they also have opportunities to support the transition to a circular, low-impact society, such as enabling reuse of consumer products by our Classifieds businesses, and scaling non-pollutive electric vehicles in Food Delivery and Etail. Their extended value-chain impacts are linked to the products and services of their business partners and suppliers, and to the footprint of their customers.

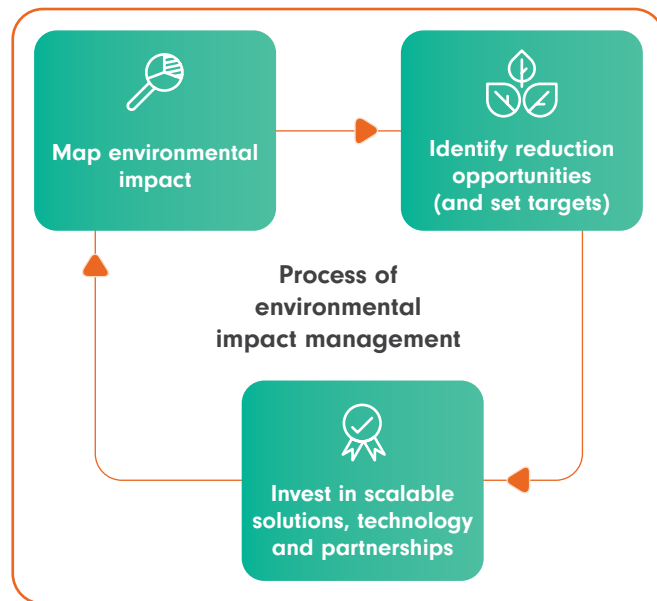


1 Managing our impact continued

Supporting portfolio companies in impact management

We apply a three-step approach to support our investment portfolio in managing environmental impact: map, identify and invest (see figure 1.5).

Figure 1.5: Process of environmental impact management



1 Map environmental impact

All subsidiaries are required to conduct an assessment of their material environmental impacts and define their boundaries for the purpose of environmental impact reporting. We support them on their GHG emissions inventory and ESG data on designated ESG data management tools, creating a repository of their upstream and downstream environmental data.

This enables our diverse businesses to apply a data-driven approach to defining the baseline underpinning their longer-term environmental strategy. All newly acquired companies (where we have a majority share) will be required to measure and disclose data for scope 1 and scope 2 GHG emissions, in line with the **GHG Protocol**. They will also map and disclose the most material scope 3 categories.

Our carbon-accounting process applies internationally acknowledged and globally orientated emission conversion factors. The GHG emission data measurement relies on geolocation data of assets and operations which is used for the climate-related and biodiversity risk assessment.

Our annual **environmental impact report** discloses the detailed GHG emissions of all subsidiaries and estimates emissions from associates and investees in our wider investment portfolio, as well as data for other material impact categories. Our Classifieds and Etail businesses measure their environmental positive impact by enabling the circular economy.

2 Identify reduction opportunities (and set targets)

We identify KPIs and opportunities for impact reduction for each of the material impact areas for the controlled companies in our investment portfolio. In our annual **environmental impact report**, we report on progress on these indicators.

The common objective on climate change across all our portfolio companies is the implementation of science-based climate targets and pathways, captured in our commitment to ensure 50% of our invested capital will have done so by FY30, and our entire portfolio by FY40.

3 Invest in scalable solutions, technology and partnerships

Achieving targets may require transitioning to new solutions, deploying new technologies or building partnerships. For example:

- » a new solution is to engage suppliers to collect primary GHG data
- » deploying new technology can happen through introducing electric vehicles for last-mile deliveries
- » building partnerships can take the shape of joining industry-wide collaborations on sustainable packaging like the Plastics Pact.

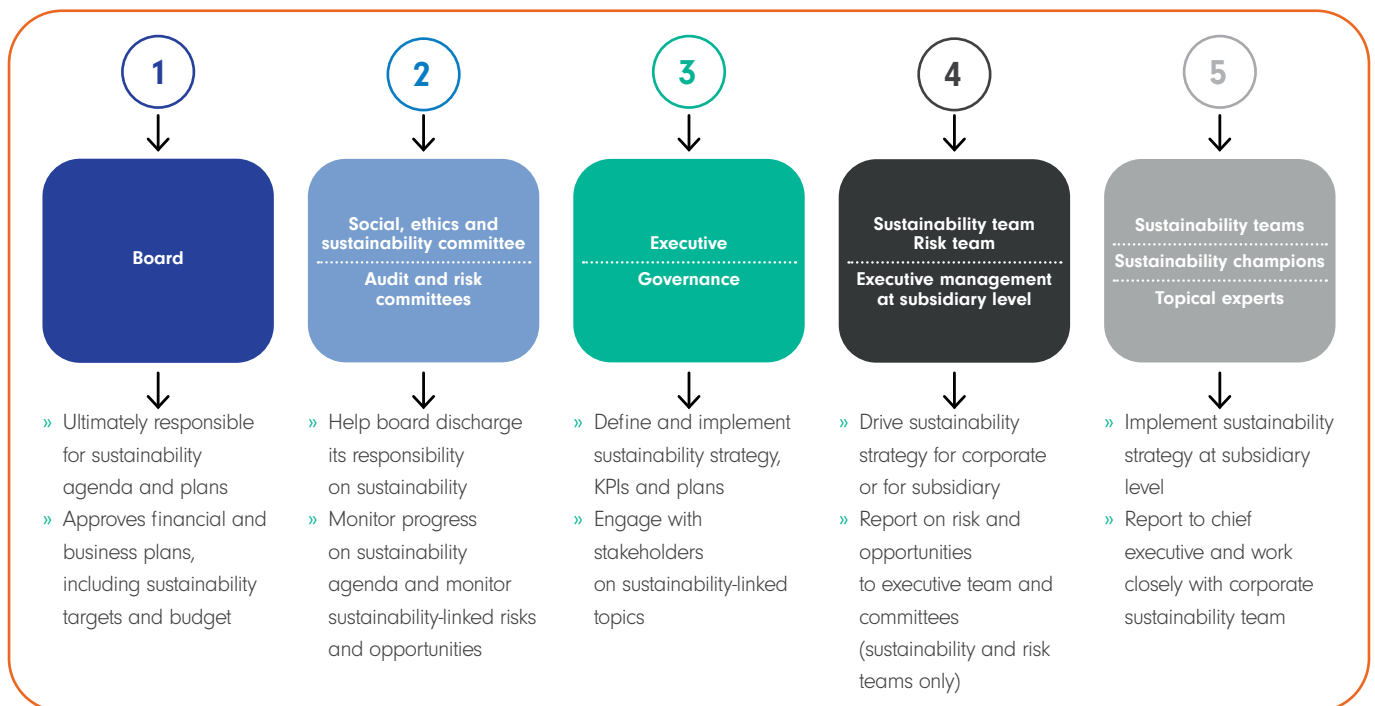
2 Governance

Good governance is crucial in achieving sustainability objectives in the short and long term.

2.1 Sustainability governance

Robust governance practices help to ensure decisions are made transparently, with the participation of stakeholders, and that the benefits and costs of actions are distributed fairly. In addition, good governance provides the necessary framework for monitoring and enforcing environmental regulations and sustainability targets, ensuring progress towards our group-level targets.

Figure 2.1: Sustainability governance structure



Board and executive-level oversight

Climate and sustainability issues are considered at the highest organisational level via the social, ethics and sustainability committee and the risk committee of the Naspers board. The board is informed about environmental sustainability-related risks and opportunities, in particular climate-related, at all scheduled social, ethics and sustainability committee and risk committee meetings. Our social, ethics and sustainability committee meets at least twice per year to discuss environmental impact performance and progress against targets. The risk committee meets at least three times per year and discusses environmental impact performance. These committees report back to the board meeting.

Our board retains overall responsibility for the oversight of our environmental impact management. The most senior executives have sustainability KPIs as part of their remuneration scorecard which means that part of our chief executive and chief financial officer's variable compensation is tied to achieving specific sustainability KPIs. Details and progress are published annually in the remuneration report. The group chief executive and chief

financial officer's KPIs are cascaded to all their direct reports, including the chief executive officers of the subsidiaries, putting ESG management firmly on the agenda of these companies.

Sustainability targets are embedded in the annual business-planning process where our subsidiaries finalise their strategies, targets and budgets for the year. In addition to climate KPIs, which are universal, we use materiality to determine other workstreams and objectives. For example, our Etail companies have targets on carbon accounting and GHG reduction, and also work on KPIs for fleet electrification. The sustainability targets are reviewed and signed off at board level.

In addition, our Ventures team looks for investments in sustainable start-ups that show growth opportunities. Potential opportunities are being explored in sustainability-native sectors and activities like agriculture technology, alternative proteins and low-carbon transportation.

Further information on our corporate governance structure, policies and reporting appears in the governance section of our website.

2 Governance continued

2.2 Management responsibilities

Responsibility for the day-to-day management of environmental impact and sustainability topics resides with the executive management team. Our dedicated global head of sustainability leads associated activities across the group and reports to the chief HR officer for the group, who in turn reports to the group chief executive.

We have defined our principles and approach to environmental impact management at the corporate level. These are cascaded to the group's portfolio companies to adapt and refine their specific business models and operational contexts.

Sustainability professionals at each portfolio business are responsible for implementing the environmental programmes of those businesses. This group of sustainability accelerators is supported by the group's core sustainability team on topics ranging from the basics of measuring and reporting extended carbon footprints to developing environmental strategies and learning from each other. A unifying group objective is the implementation of our science-based targets and pathways, which each of our subsidiaries is required to define by FY30.

Figure 2.2: Ownership and control

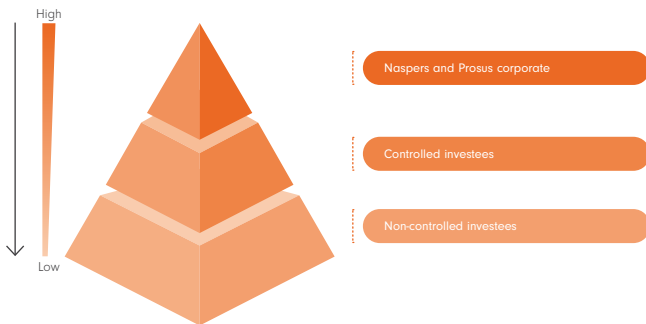
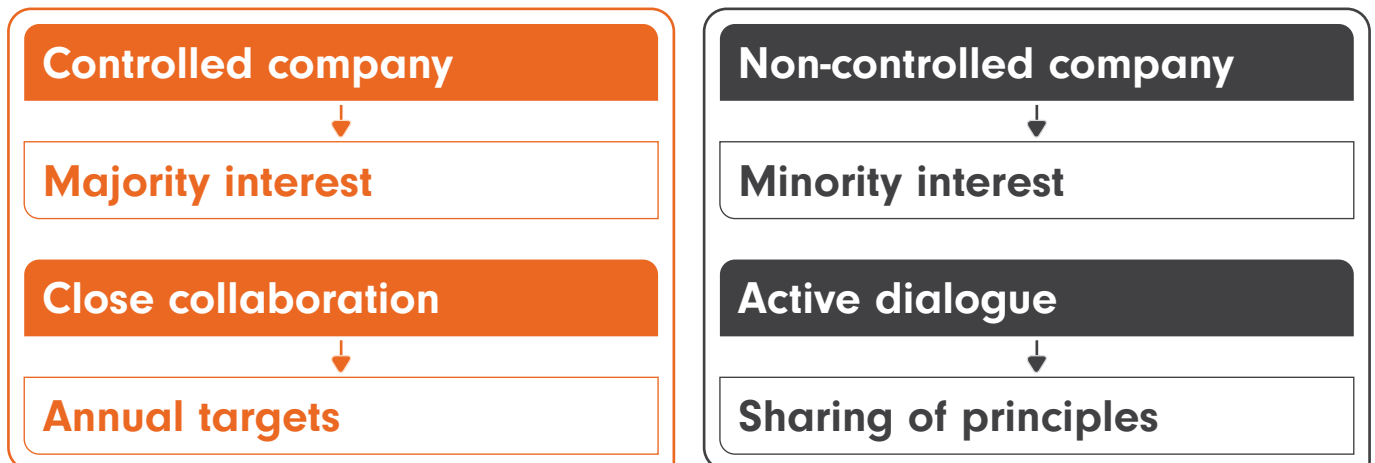


Figure 2.3: Ownership and engagement



2.3 Portfolio engagement approach

We engage in the ESG performance of companies across our investment portfolio. If we acquire a controlling interest, this leads to a higher level of accountability and influence. Our influence over subsidiaries, associates and investees varies with each investment, but the principles that guide us are consistent (see figure 2.2).

Where we have majority shares in a company, we work closely to ensure its management embeds our principles and takes action on all material environmental issues, adapted to local factors such as business model, geography, available resources and the complexity of its activities. For instance, on climate action, we are deeply involved with portfolio companies to support their progress on carbon accounting, measurement and management.

Where we have a minority interest, we build a relationship with the company and, where appropriate, seek to share our sustainability agenda and ESG principles (see figure 2.3). We apply a nuanced approach to our engagement strategy with companies where we have a minority interest. Our engagement considers the position and role of the private sector in the larger operating context of the company, including requirements of local regulatory regimes and jurisdictions. This makes it important to have a bespoke approach to engagement.

2.4 Building collaboration and learning across the group

We aim to enhance environmental awareness and build expertise across our group. We deploy a multipronged model of engagement with our investment companies:

- » Bilateral engagement – with each subsidiary, and on request with our associates and investees, we organise regular bilateral engagement to discuss progress on sustainability by, for instance, providing in-depth support on GHG emissions data calculation and audit, or setting up governance structures for ESG topics. Designated ESG data tools play a critical role in steering this engagement.
- » Sustainability accelerator network (SAN) – a quarterly forum for sustainability leaders and experts across our group to share insights and best practices on all relevant ESG and sustainability topics, from employee engagement to electrification of delivery fleets.

- » Expert working groups – we run specific working groups on social impact and electrification of delivery fleets. The working group on electrifying delivery fleets shares best practices and solutions across the Food Delivery and Etail companies in our portfolio, helping to scale the transition to zero-emission vehicles. These collaborations have led to the publication of several reports (see our website).
- » Sustainability workshops – tailored, often on-site, events with and for companies from our investment portfolio. These workshops aim to engage management and employees on the company's sustainability journey.

2.5 Environmental advocacy, awareness and training

Regularly training our people to develop their skills and knowledge and help them stay abreast of fast-paced ESG developments is critical. The knowledge of our board members on ESG in general and specific topics like climate change-related risks and opportunities is increased through tailored training sessions and company-wide educational tools. We have developed an e-learning module on ESG that is offered to employees at all group companies, from corporate headquarters to investees.

The sustainability team at corporate headquarters continually conducts training for our subsidiaries, and on request for associates and investees. The objective is to empower these companies to take control of their own environmental impact management, particularly climate action, using our designated GHG accounting tools.

We enhance the quality of sustainability management across our group through the four engagement tools of bilateral support, groupwide sustainability network calls, expert working groups and bespoke workshops, as outlined above.

2.6 External partnerships and commitments

Feedback from our stakeholders, as well as collaboration with experts, 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 receive feedback from a diverse group of stakeholders through multiple channels such as bilateral engagements with investors, larger forums such as our annual general meetings (AGMs), industry peers and sustainability experts through roundtables and other stakeholder engagement sessions. For more information about our stakeholder engagement approach, please see our [annual report](#).

Identifying scalable technologies, partnerships and strategies to reduce our environmental impact and improve performance is fundamental to ensuring our own low-carbon and low-impact growth. Below is an overview of the partnerships we have at group level to unlock opportunities connected with the net-zero transition. The work that we do with our partners may indirectly help to inform policy and policy-makers.



- » United Nations (UN) Global Compact – we are members of the world's largest corporate sustainability initiative, which helps us to align our operations and strategies with its [Ten Principles](#) in the areas of human rights, labour, environment, and anti-corruption.



- » [PCAF](#) (Partnership for Carbon Accounting Financials) – we are part of a highly active network collaboration between financial institutions worldwide to enable harmonised assessments and disclosures of GHG emissions financed by loans and investments.



- » [The Climate Pledge](#) – we have committed to reaching net-zero carbon emissions by 2040, 10 years ahead of the goal set out in the United Nations' Paris Agreement.



- » [Board Now](#) – we are part of a coalition of companies committed to sustainable air travel by addressing the significant and growing environmental impact of aviation fuels.



- » [Plastic Pacts](#) – we have joined as supporters of the [Indian](#) and [South African Plastic Pacts](#), which are influential national initiatives where users of packaging collaborate to keep packaging in the economy and out of the environment.

3 Strategy and climate transition plan

Taking action on climate is a critical agenda for all companies in our portfolio.

3.1 Our strategy

For our group, taking climate action means two things. Firstly, to shape our science-based reduction pathway for our corporate operations and investment portfolio (explained in this section). Secondly, to gain insights into climate-related risks and opportunities that we use in our decisions, whether for day-to-day operations or new investments (section 4 sets out this risk and opportunity assessment and management).

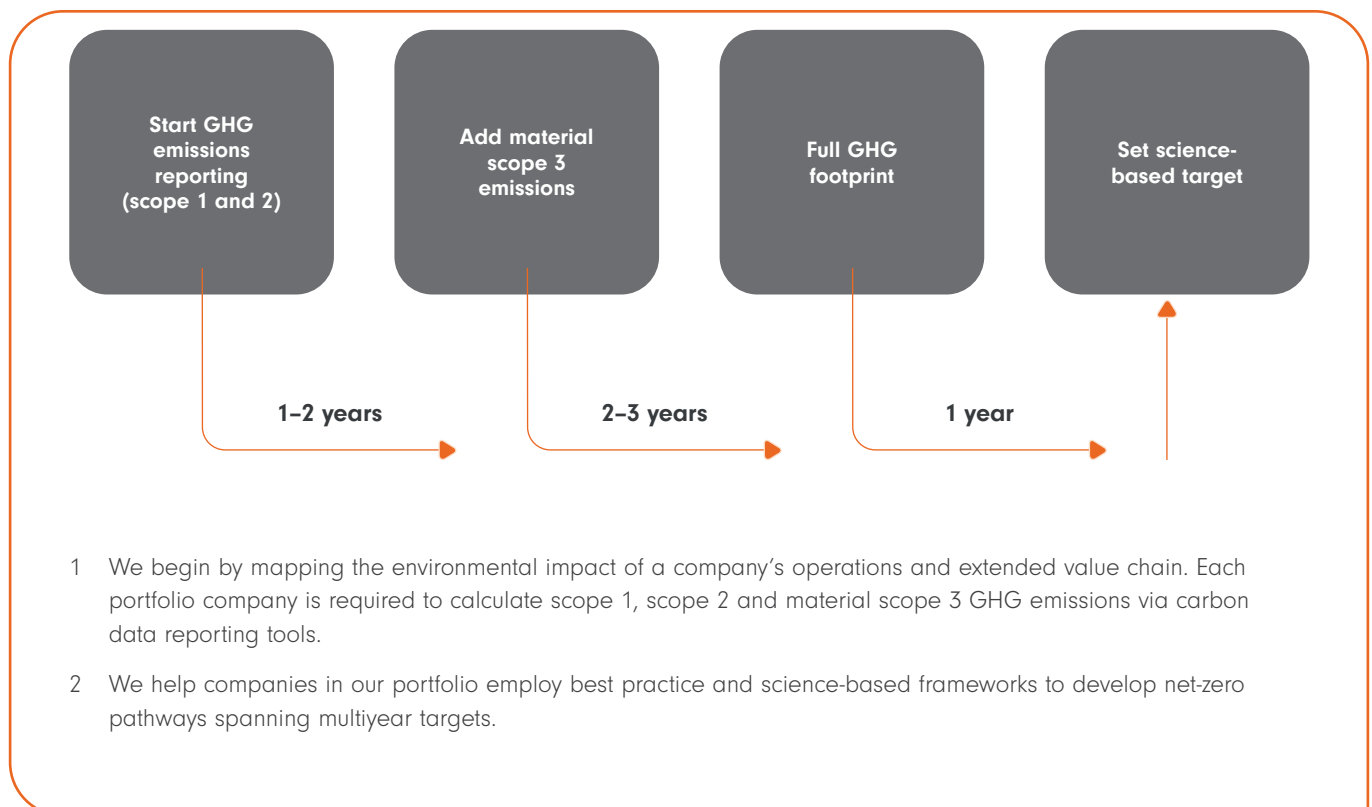
We believe that a commercial strategy anchored in the global climate agenda will contribute to reducing systemic risk, enhancing human capital and securing our societal licence to operate. Taking action on climate is a critical agenda for all companies in our portfolio, particularly our subsidiaries which are required to develop a science-based target by FY30. Below we have set out our climate transition plan, which ranges from establishing the boundaries for carbon accounting to setting multiyear science-based reduction targets.

In collaboration with our Ventures team and our businesses, we are working to identify scalable technologies and partnerships that support individual decarbonisation pathways. Our Ventures arm identifies investment opportunities for building our future core segments and has built a portfolio of sustainable business models underlining the group's commitment to scaling sustainable innovations (see section 4.7 on climate-related opportunities).

Process to setting science-based targets

Applying the three-step process for environmental impact management (see figure 1.5), we work with our portfolio companies to help them move from the first steps of carbon accounting to a science-based emission reduction target. The typical timeline for developing science-based targets is illustrated below and depends on the complexity and maturity of the business (see figure 3.1).

Figure 3.1: Typical timeline for developing science-based targets



3.2 Targets and metrics

With climate action a requirement for all controlled portfolio companies, climate-related KPIs are always included in the annual process to define budgets and targets. The costs to deliver on these targets are borne by the portfolio companies. We ask each portfolio company to design its annual budget to include the necessary investments in carbon accounting, energy-reduction measures and technology to decarbonise business growth from GHG emissions. These annual budgets are planned, finalised and signed off by our board and translated into KPIs for the companies' leadership. Progress towards these targets is tracked throughout the year.

Science-based reduction targets

After establishing the full GHG footprint of a company, the next phase consists of defining a baseline and articulating company-specific reduction roadmaps, supported by multiyear reduction targets.

We have developed a real-world climate plan that is both relevant and practical in the context of our diversified holdings and group structure. For our target setting, we have applied the Science Based Targets initiative (SBTi) guidance for financial institutions and investors, which best matches our diverse and dynamic portfolio of investments (see figure 3.2) and enables alignment with the Paris Agreement to keep global warming to 1.5°C above pre-industrial levels:

- » Operational emissions: We commit to an absolute reduction in our scope 1 and 2 GHG emissions of 100% by FY28 from the FY20 base year. After realising this reduction, we commit to maintaining it for the future.
- » Supply-chain emissions: We commit to reducing absolute scope 3 GHG emissions from air business travel by 30% by FY30 from the FY20 base year.
- » Portfolio companies' emissions: We commit to 50% of our eligible investments by invested capital setting SBTi-validated targets by FY30. Our portfolio target covers 90% of our total investment and lending activities by invested capital as of FY20.

The targets we have developed shape the absolute reduction pathway of our corporate emissions (scope 1, 2 and material scope 3) as well as multiyear engagement of our investment portfolio to put their businesses on a net-zero pathway. The targets were developed at the highest level in our group, to ensure they cover our entire company, which means we have set the targets at Naspers level. We will ensure our targets remain aligned with the latest scientific insights to address global warming.

Decarbonising our corporate operations

Decarbonising our headquarters operations, with the aim of eliminating all scope 1 and 2 emissions by 2028, will be realised by:

- » Removing all company cars or switching them to electric vehicles. This was achieved in FY23 and we are committed to ensuring scope 1 emissions remain at zero
- » Where possible, installing or procuring renewable energy for our offices. The electricity used for Prosus' headquarters in Amsterdam and our office in London is already 100% renewable.

When renewable energy is not available, we invest in renewable-energy credits (RECs), and where possible, in distributed RECs or D-RECs, to reduce emissions from our electricity use.

We established the framework for D-RECs in FY23, which we see as a meaningful way to contribute to the growth of renewable-energy capacity, while providing rural and remote communities with significant additional benefits, such as access to more reliable clean energy.

Our target is to reduce air business travel, a significant source of GHG emissions, by 30% by FY30 from our FY20 base year. We report on our progress towards this target. In addition, we have engaged in a multiyear offtake agreement to purchase sustainable aviation fuel (SAF) credits from SkyNRG. We are committed to purchasing SAF credits for five consecutive years. While contributing to an absolute reduction of our business travel emissions, the investments in these credits present the only feasible short-term solution to structurally decarbonise the aviation industry.

Portfolio coverage target

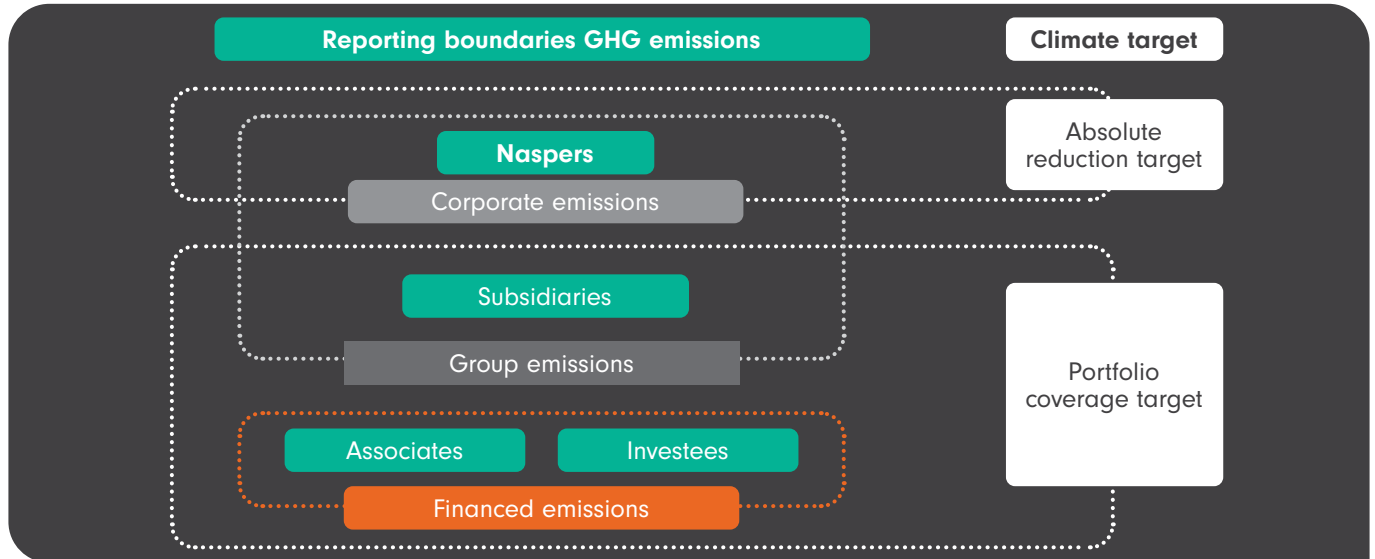
Our portfolio coverage target is aimed at realising the majority of our portfolio, measured by invested capital, having set science-based targets by FY30.

We will deliver on our FY30 portfolio coverage target by engaging our subsidiaries, where we have the greatest level of influence and strong established collaborative relationships. Our aim is to guide and support at least one subsidiary per year to complete the target-setting journey and submit it to SBTi for verification, with the objective to ensure that 100% of majority-owned companies set a target by FY30. The anticipated impact of our multiyear commitment is substantial: by 2030 we expect to help a group of companies with several billion dollars in turnover in aggregate advance along their decarbonisation pathways.

The implementation of our climate transition plan and its results are monitored by the social, ethics and sustainability committee (a committee of the board) whose meetings are attended by the group's chief executive and chief financial officer.

3 Strategy and climate transition plan continued

Figure 3.2: Our science-based climate targets and reporting boundaries



3.3 Climate transition engagement plan

We ensure that our portfolio companies remove GHG emissions from their operations and supply chains by requiring them to apply rigorous carbon accounting and develop their science-based reduction pathways. For each company and segment, decarbonisation brings different challenges, magnified by the specific local contexts of the countries in which the portfolio company operates. For example, the Payments and Fintech company PayU, with its headquarters in India and most of its emissions coming from business travel and purchased goods and services, has different challenges from Brazilian Food Delivery company iFood, which relies on thousands of restaurant partners and drivers to deliver food to its customers. We support the entire journey for each portfolio company, from footprint assurance and reporting to developing the multiyear pathway to reduce emissions and ultimately achieve net-zero.

For this to work, we continue to build on a large number of reduction initiatives already taken by our portfolio companies, fuelled by the high ambition level of their employees. Please see our [environmental impact report](#) for detailed updates on progress.

To increase the number of portfolio companies with science-based climate targets, our tools for engagement include:

- » Cross-segment seminars for all portfolio companies that have started to set science-based targets
- » Bespoke bilateral projects to guide and support individual portfolio companies in their target-setting process
- » Leading carbon and ESG data management tools.

3.4 Fair and just transitions

Most of our businesses are located in the global south, often operating in communities that are most vulnerable to the effects of climate change. This means the need to ensure the climate transition is just and fair is high on our agenda. While countries of the industrialised north are overwhelmingly responsible for climate change, its impacts are felt most strongly in parts of the world with limited resources to adapt to its effects. For example, a company seeking to decarbonise its fleet of delivery vehicles in Germany benefits from lower costs of capital and more enabling policies, incentives and infrastructure than a comparable business in Brazil, India or South Africa.

This reality is core to any concept of climate justice – and is recognised in article 2.2 of the Paris Agreement by an explicit commitment to ‘the principle of common but differentiated responsibilities and respective capabilities’. Deploying technologies to curb emissions is often more difficult, disruptive and expensive in those economies that are least responsible for global warming.

Climate goals are global, but operating environments and the costs of transition are local, influenced by the available energy mix, economic structures, and government commitments, policies and regulations. Each company’s operating context is critical to its decarbonisation pathway. For example, Brazil has set a goal of achieving net-zero by 2050, while India has set a date of 2070 to achieve the same target. The available incentives for companies, and therefore the cost of funding their transition, vary accordingly: our subsidiary iFood has access to benefits from Brazil’s enabling ecosystem that are unavailable to its peer Swiggy, which operates in India.

Our commitment to a just and fair transition underpins our approach to creating sustainable value.

We believe that a commercial strategy anchored in the climate agenda will contribute to reducing systemic risk, enhancing human capital, and securing our societal licence to operate. Our governance and management framework is in place and ready to support all our businesses, operations and investee companies to meet global climate targets aligned with the Paris Agreement goal of net-zero emissions by 2050.

3.5 Value chain engagement

Governance and performance management related to the purchase of external goods and services is an important addition to our environmental impact management. By setting environmental impact and disclosure requirements for our suppliers and business partners, we use our procurement influence to drive further climate action in our value chain.

Supplier code of conduct

Our board has set out our guiding business values and ethical stance in our **code of business ethics and conduct**. This code sets out what we expect from all our employees, stakeholders and the companies we invest in. Building on this code, our **supplier code of conduct** defines the ethical principles and professional behaviours we expect our suppliers to abide by if they wish to remain our business partners. Our supplier code of conduct expects our suppliers to live up to our standards when it comes to social and environmental matters by, for example, ensuring alignment on upholding human rights and requiring action on important environmental themes like climate. The supplier code governs our commercial engagements with suppliers and is made part of these contractual relationships. We monitor and track whether the code is included in all our new contracts.

Supplier screening

Before we engage with a supplier organisation, we screen it for historical conduct on elements including financial conduct, incidents related to human rights, and environmental management. Only when the results of this screening are satisfactory, and any red flags sufficiently addressed, can we onboard or continue to work with the supplier. We pride ourselves on setting up the necessary checks and balances to ensure all our vendors are screened.

Supplier engagement

Given the need for decarbonisation across all sectors and value chains, and the importance we attach to climate action for our group, we also expect our suppliers to measure, report and reduce their GHG emissions. In particular, we expect them to:

- » Measure and disclose their GHG emissions associated with the services and products provided to us
- » Set GHG reduction targets, preferably aligned with science-based frameworks.

The results of our supplier engagement are disclosed in our annual **environmental impact report**. We encourage all our portfolio companies, particularly those with a large supply chain, to develop and implement supply-chain engagement programmes. We look to build a robust method to include primary data from suppliers in calculating GHG emissions across our value chain.

Our supplier base comprises predominantly professional service providers (consultants and auditors) and fees for insurances and subscriptions. The small number of products we procure are IT hardware, office rental and office supplies. As an investor, we do not have any business-critical or significant suppliers, but we work with a range of trusted business partners. The absence of critical suppliers gives us the flexibility to work with our suppliers on environmental disclosures and action, and over time include more stringent ESG criteria in our supplier selection process.



4 Risk management and scenario analysis

Our business is driven by our culture in which people are empowered to promptly respond to business opportunities while keeping risks within defined acceptable levels.

Management and the board are accountable for the choices and decisions we make, how we execute these, and for delivering value in its broadest definition – within the parameters of the risk profile the board deems acceptable. We proactively manage broader sustainability risks from both an investor and an operator perspective. We expect our businesses to apply a methodical approach to analyse risk and opportunities, while ensuring sustainability aspects are included.

4.1 Assessing climate-related risks

Several of our group companies operate in high-growth markets that are more vulnerable to climate-related risks due to lower levels of economic resilience than more mature markets. Despite being an asset-light, low-carbon-intense group of businesses, we do however have emissions resulting from our operation, and our business can be impacted by climate change. The ultimate objective of our approach to climate-related risks is to empower our colleagues and our businesses to enhance the resilience of our investment portfolio companies and, consequently, the group.

For the two climate-related risk categories: physical and transition risks, our core business model of investing in and operating digital platforms structurally lends to a low climate-related risk profile:

- » Our focus on 'pure software' opportunities where digital services are transforming the environmental footprint of traditional business sectors rooted in the physical economy
- » We invest in companies that develop digital technology, are asset light, and have low-carbon business models. Our investment strategy restricts us from investing in carbon-intense

assets and activities, meaning that we limit exposure to climate-related scrutiny, regulation and stakeholder engagement.

However, our exposure to climate-related hazards, which can create physical risks to our business, is high due to the geographical location of our portfolio companies.

Our ability to create sustainable value is underpinned by a comprehensive and robust risk management framework. We apply scenario analysis to determine our risk exposures. See section 4.4 below for the applied scenario analysis.

4.2 Climate-related physical risks

Exposure to physical risks that arise from changes in climate, such as extreme precipitation or wildfires, is geolocation-based. Vulnerability to climate change is a function of the sensitivity of the business at risk, the potential impact a climate hazard can have, as well as the companies' inherent adaptive capacity.

Using climate scenarios against 2030 and 2050 timelines, we have assessed the exposure, vulnerability and potential financial impacts of our subsidiaries to six hazards such as flooding and high temperatures. Figure 4.1 shows the result of our assessment, executed at Naspers, at the highest level of our group, to include all subsidiaries. The businesses of Edtech, Payments and Fintech, and Classifieds are digital and use very limited physical assets, which results in insignificant impact from climate change. More vulnerable to climate change are the businesses that rely on more elaborate operations, for the delivery of food, groceries and other goods by our Food Delivery and Etail companies.

Figure 4.1: Climate-related physical risk assessment (Naspers level)

Climate-related physical risks					
For six climate hazards (floods, precipitation, temperature, fire, heat and drought):					
Sector	Subsidiaries	Key geography	Exposure*	Vulnerability	Estimated financial impact**
Classifieds	OLX	Eastern Europe	High – very high	Low	Nil
Food Delivery	iFood	Brazil	High – very high	Medium	Less than 1% of revenues
Etail	eMAG	Eastern Europe	High – very high	Medium	Less than 1% of revenues
Payments and Fintech	PayU	India	High – very high	Low	Nil
Edtech	GoodHabitZ	Western Europe	High – very high	Low	Nil
Etail	Takealot	South Africa	High – very high	Medium	Less than 1% of revenues
Etail	Media24 Logistics***	South Africa	High – very high	Medium	Less than 1% of revenues

* Exposure is a function of the location of assets and operations, as predicted by the climate models deployed.

** Financial impact is calculated as aggregated estimated revenue loss for three hazards: floods, heat and fire. Please note, it is highly unlikely these hazards all occur at the same time across all locations of operations.

*** The scope of the climate-related risk assessment for Media24 was limited to ecommerce business unit Media24 Logistics.

In the businesses where vulnerability to climate change is medium, our analysis concludes that the potential impact on business operations remains low. This is due to the following mitigations:

- » Diversified portfolio of businesses
- » Broad and diverse supplier and customer base
- » Agility to be able to adjust and adapt operations.

For example, Food Delivery company iFood in Brazil: with thousands of restaurants and clients across the country, there is no concentration of operations or business. This creates a natural mitigant to local impacts of climate hazards. Equally, the resilience is high; in the past iFood has been able to adjust routes for delivery to circumvent flooded areas.

Emerging category

We recognise that climate-related risks, in particular physical risks, are an emerging risk category. The fast pace of changes to our climate, and to the efforts to tackle climate change, warrant

continued investment in our internal capacity to gauge and understand climate-related risks, with a focus on equipping our portfolio companies to be able to take specific operational actions when warranted by assessing risks and potential impacts. Our FY24 assessment will form the basis of an ongoing engagement with our subsidiaries to further understand potential risks and impacts and how to grow resilience as well as adaptive capacity can be built into the fabric of the operations.

4.3 Climate-related transition risks

Transition risks are related to the transition to a lower-carbon economy which, according to the Task Force on Climate-related Financial Disclosures (TCFD), may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organisations. Our analysis has identified that transition risks are low for our portfolio companies, as shown in figure 4.2.

Figure 4.2: Climate-related transition risk assessment (Naspers level)

Climate-related transition risks						
Sector	Subsidiaries	Key geography	Risks related to changes in:			
			Policy	Legal	Technology	Market
Classifieds	OLX	Eastern Europe	Low	Low	Low	Low
Food Delivery	iFood	Brazil	Low	Low	Low	Low
Etail	eMAG	Eastern Europe	Low – medium	Low	Low	Low
Payments and Fintech	PayU	India	Low	Low	Low	Low
Edtech	GoodHabit	Western Europe	Low	Low	Low	Low
Etail	Takealot	South Africa	Low – medium	Low	Low	Low
Etail	Media24 Logistics*	South Africa	Low – medium	Low	Low	Low

* The scope of the climate-related risk assessment for Media24 was confined to Ecommerce business unit Media24 Logistics.

Most of our digital and software-driven subsidiaries have a low direct carbon footprint, which results in low risks of financial impact from regulations that levy costs for carbon emissions. Equally, our strong focus on decarbonisation (see our climate transition plan above) means that regulatory transitions risks, like carbon pricing, are further reduced. Our businesses do not consume primary raw materials nor are they exposed in other ways to carbon-intensive sectors, which in turn are exposed to transition risks like taxes and technology shifts. Some of the products procured and sold by our Etail companies, such as electronics, could be impacted by carbon taxes, but these influences are likely to be passed on.

There is a potential for reputational risks to emerge on the back of a larger environmental impact of the Food Delivery and Etail segments, as they use vehicles and packaging for transportation, but this risk is mitigated with a set of actions and targets, as outlined in section 4.6.



4 Risk management and scenario analysis continued

4.4 Scenario analysis

Scenario analysis is a useful tool to map value at risk consequent to climate change. We partnered with a leading third-party expert to perform a detailed climate risk assessment for our subsidiaries and corporate activities, identifying the exposure and vulnerability of individual subsidiaries and calculating potential financial impacts. We disclose the results in our annual reports.

Figure 4.3: Key elements of climate-related risk assessment

Element	Description
Scenarios physical risks	IPCC RCP 2.6 (best-case scenario) and IPCC RCP 8.5 (worst-case scenario)
Description of scenarios	RCP 2.6 scenario overview: Pathway to limit warming to below 2°C above pre-industrial levels by the end of the 21st century. - Physical risks: Physical risk implications are relatively low compared to other scenarios and there is a greater chance of avoiding some of the most severe climate change impacts. - Transition risks: Transition risk implications are high due to ambitious mitigation efforts. Some sectors may face challenges in adapting to new regulations and market shifts. RCP 8.5 scenario overview: High emissions scenario leading to global warming ranging from 3.2°C to 5.4°C above pre-industrial levels by the end of the century. RCP 8.5 is used by the IPCC as a 'very high baseline emission scenario' representing the 90th percentile of a no-policy baseline scenario. RCP 8.5 does not represent a most likely 'business as usual' outcome. - Physical risks: Physical risks are most severe compared to other scenarios. It assumes a continuation of current emission trends without significant mitigation efforts, leading to global warming of more than 4°C. - Transition risks: Transition risk implications are lower compared to other scenarios. This scenario assumes late adoption of mitigation efforts.
Timelines	2030 and 2050
Hazards	Acute: Floods, drought, fire and heat Chronic: Precipitation and temperature
Key input metrics	Geolocation of assets Geolocation of operations (eg cities with high number of food deliveries) Historical occurrences and impacts of hazards (when businesses dealt with hazards, what mitigating actions are in place) GHG emissions (scope 1 and 2)
Companies included	Naspers and Prosus corporate, OLX, eMAG, iFood, GoodHabitZ, PayU, Takealot, Media24 Logistics



4.5 Risk impact quantification

We assess three potential financial and strategic impacts from climate change:

- » **Revenue loss:** The direct impact of climate hazards on the ability of our subsidiaries to run their business and generate revenue is estimated by mapping the locations of assets and main operations in climate scenario models. This helps to assess the vulnerability of the core business model to climate change impacts and their ability to mitigate. A threshold of 1% of a company's revenues was set in classifying material risks.
- » **Company valuations:** The potential impact on the net asset value (NAV) calculation of our portfolio companies. All our subsidiaries are private companies which limits the ability for a real-time objective valuation of their net assets through the stock market and its ESG benchmarking instruments. Therefore, to assess the potential impact of climate-related issues on their NAV, we invest in tools and research to understand how these companies perform on climate against peers and against international frameworks like the Paris Agreement. To do this, we have invested in, for example, the S&P corporate sustainability assessment tool which we deploy across our

portfolio companies as a mandatory ESG assessment tool. We set the threshold for significant impact on company valuation at a total score gap of 10 points compared to the average sector score.

- » **Access to capital:** Our investors regularly have specific questions on our decarbonisation pathway. We map our performance on climate-related topics through bilateral investor engagements as well as assessments from external third-party rating agencies. We want to ensure our climate action agenda is understood and valued and that, as a result, our stock is included in the investment universe of both active and passive ESG investors.

4.6 Managing exposure to climate-related risks

As a responsible business, we mitigate the potential impact of a changing climate, even though it is assessed to be low for our group. Below we have described how some climate-related risks appear to our group and outlined how we are mitigating and managing them.

Climate-related risk	Description of risk in our portfolio	Mitigation strategy
Transition risk: Policy	Our Classifieds, Edtech, and Payments and Fintech segments are digital platforms and have few physical assets, relying only on office buildings and data centres. They therefore have low GHG emissions and do not consume primary raw materials, meaning they have limited exposure to the risk of climate-related policy interventions.	Our companies strive to take leadership positions in their respective markets on decarbonisation, to ensure they are ahead of, or in line with, policy expectations. In our most material markets, we have mapped the country-level net-zero commitments that are an indicator of the level of regulation and policy expected. In none of our most material markets are we expecting disruption from climate-linked legislation. We will continue to monitor regulation developments.
Transition risk: Legal	Legal action by civil society or NGOs (non-governmental organisations) against listed entities in our portfolio.	Our strategy is to create societal value by building a digital portfolio that is not involved in high-emission sectors, and which supports a low-carbon and circular economy. Any pockets of GHG emissions are addressed through our climate transition plan, setting our entire portfolio on a decarbonisation pathway. Listed associates: Tencent and Delivery Hero have set science-based targets, putting the companies on a pathway to decarbonised operations.

4 Risk management and scenario analysis continued

Climate-related risk	Description of risk in our portfolio	Mitigation strategy
Transition risk: Market	Our Etail segments have an extended supply chain that includes many business partners. Market risks, like changes in consumer preferences or shifts in supply, could impact the business.	Their supply chains and business partners are well diversified and not concentrated. In addition, activities are expanding from delivering parcels or food to groceries and other adjacencies, which further builds commercial resilience by reducing concentration of activities to mitigate market risks.
Transition risk: Technology	The integration of low-carbon technology for transportation and logistics is happening in the delivery and transportation of food and parcels. As this becomes more the norm in these segments, there is a risk that demand for these technologies outpaces supply, resulting in lower availability or higher costs.	All companies in these segments are running programmes to encourage drivers to adopt low-carbon vehicles and support several parties to build a robust ecosystem of supply, finance, charge and manage low-carbon transportation vehicles. Because most vehicles are not owned, but provided by third-party suppliers, there is limited investment needed for this strategy, which reduces impact of price hikes.
Transition risk: Reputation	Online shopping and food ordering, facilitated by our Food Delivery and Etail companies, can be perceived as polluting due to their reliance on transport and single-use packaging. This exposes Food Delivery and Etail companies to some negative reputation risk.	Our companies all take leadership positions in their respective markets on decarbonisation. We invest in research to understand how the impact of online shopping can be reduced, like introducing electric vehicles and sustainable packaging.

4.7 Climate-related opportunities assessment and management

We recognise opportunities in the global transition to a low-carbon economy on five levels:

- 1 Building a circular economy that is sustainable and more resilient (resource efficiency)**
- 2 Core business models contributing to the transition to a low-carbon economy (market opportunity)**
- 3 Investing in new low-carbon ventures and growth markets (market opportunity)**
- 4 Greening transport and delivery (energy source)**
- 5 Increasing the benefits of decarbonisation strategies (operational efficiency)**

1 Building a circular economy – extended lifecycle of consumer products

We support the transition from a take-make-waste system to a circular economy. A circular economy is more than recycling; it is a commercial system that enables consumers to live the lives they want but with much lower negative environmental impacts. A critical element of such a system is keeping products in the economy by extending their useful lives. Our Classifieds and Etail platforms make this possible by facilitating the trade and refurbishment of secondhand products. These platforms unlock the value of everything a consumer uses to create a positive space for which we need significantly fewer materials and create much less waste and pollution by avoiding the need to make new products. See section 5.4.



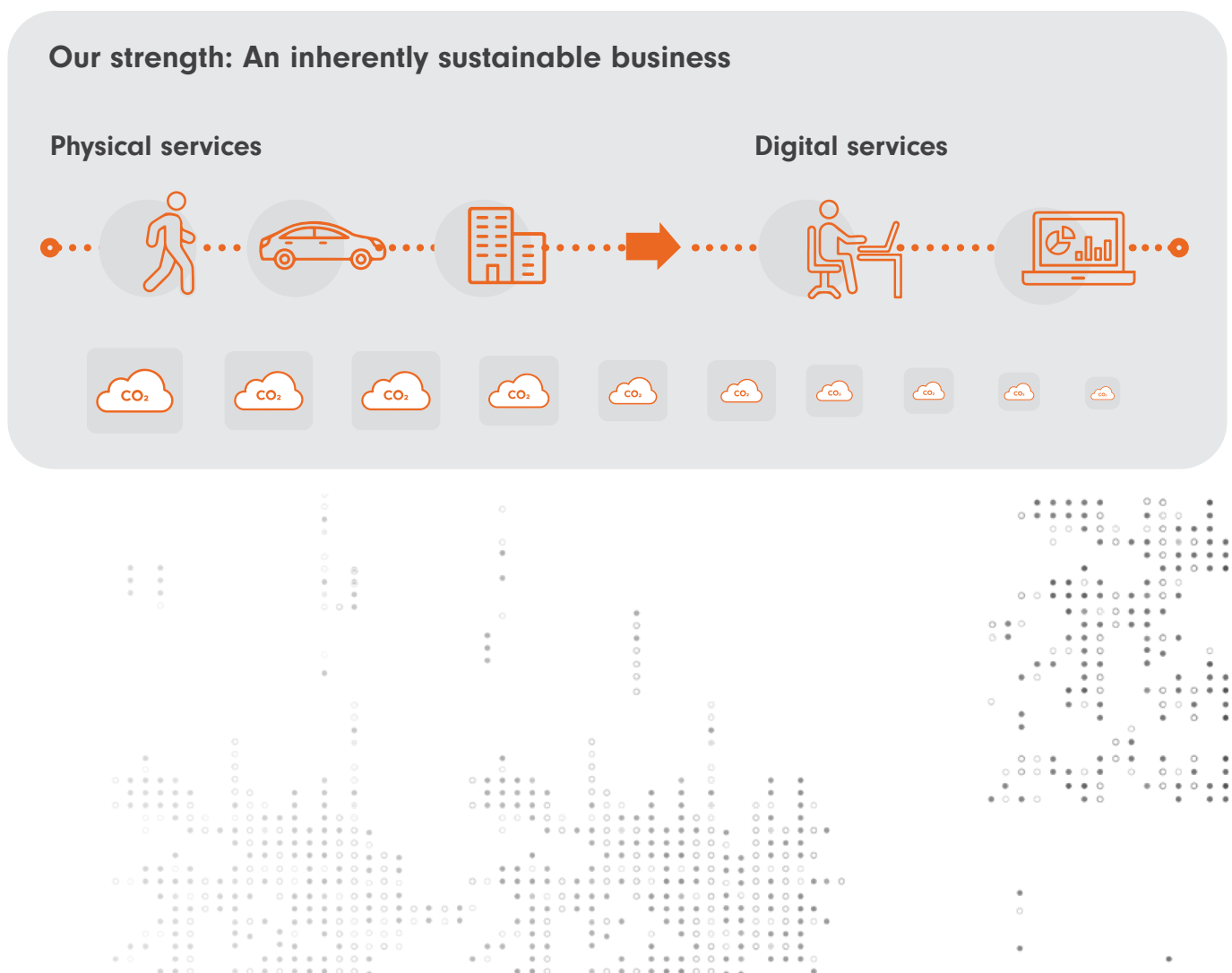
2 Core business models contributing to the transition to a low-carbon economy

Building a net-zero society requires not only changing our energy systems, it also requires transforming how we live our lives, the products we buy, food we eat and services we use. Dematerialisation of services powered by digital technologies can contribute to building such a society (see figure 4.4). Consider the carbon footprints of a student who follows an online course, of a consumer having products delivered to their home, or a customer paying a bill online. Their footprints can be lower because they do not engage with the offline alternatives of going to school and universities, using a car to go shopping or paying with cash at the shop. The digital services of Etail, Payments and Fintech, and Edtech that allow for these online services can support bringing our way of living in line with a low-carbon economy.

Our approach to these opportunities is firstly to quantify the positive impact of dematerialising services through data-based research and then to use the results to better advise our platforms how to motivate consumers and other users to further reduce their footprints. Life-cycle analysis and other data-based comparative studies will enable us to develop these insights further and consequently promote the accelerated uptake of sustainable practices.

Lastly, our Etail platforms sell several low-carbon technologies such as solar panels, batteries and inverters. These are growing markets that help transition economies away from their reliance on fossil fuels.

Figure 4.4: Digitalisation leads to dematerialisation of services



4 Risk management and scenario analysis continued

3 Investing in new low-carbon ventures and growth markets

Through our Ventures arm, we are increasing our focus on sustainable investments that use low-carbon technologies or help adapt to a changing climate. For instance, the Ventures arm invests in companies in the agtech (agriculture technology) industry that apply sustainable digital solutions by using soil biology and AI-based analytics to increase yields and crop health. Some examples of investments in its portfolio include:

- » **Creating nature-positive solutions through technology:** Portfolio company Biome Makers integrates soil microbiology into agricultural decision-making to optimise farming practices and reverse the degradation of arable soils.
- » **Sustainable food production:** Portfolio company EVERY aims to create a structural shift in the food industry by sourcing animal-free protein through DNA sequencing and precision fermentation to meet increasing consumer demand for sustainable food production.
- » **Regenerative and resilient food production:** DeHaat and Vegrow work with farmers to improve production through soil health and quicker-to-market strategies to prevent food waste. Aruna is supporting fisherfolk to improve the sustainability of their work.

4 Greening transport and delivery

Electrification of transportation and decarbonising mobility is critical in establishing a net-zero economy. For our Food Delivery and Etail companies, this is a vital agenda to make their business future-proof. The opportunities arise across the logistical value chain, from first and mid-mile deliveries in our Etail operations, to last-mile deliveries for both Food Delivery and Etail. Shifting from internal combustion engines to electric vehicles like bikes, motorcycles and cars has several benefits as it reduces operational costs for fuels and improves the sector's reputation as it moves to clean, non-polluting modes of transportation. For more on implementing clean deliveries, see section 6.

5 Increasing the benefits of decarbonisation strategies

Opportunities arise when making investments to reduce carbon emissions that also have wider benefits, contributing to the business's operational performance and its societal impact. For instance, the investment of iFood and Takealot in electric bikes both reduces GHG emissions and air pollution from the delivery of food and parcels, and expands the pool of drivers available to the business. This is because young people do not need a licence to drive e-bikes. So the investment in e-bikes increases job opportunities for struggling job seekers, helping them build financial capital and start their careers. Another example is the investment in on-site solar energy, which reduces reliance on electricity from the national grid and reduces impact from periods of disrupted electricity supply.

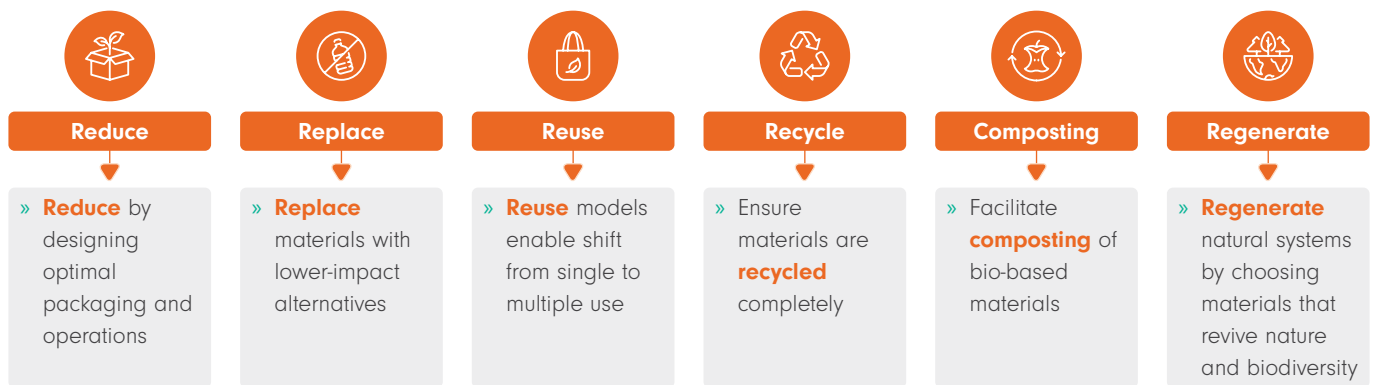
5 Resource use and circular economy

We believe that delivery platforms can play an accelerating role in scaling the sustainable use and disposal of packaging.

5.1 Sustainable packaging

In our Food Delivery and Etail businesses, packaging is an essential part of the business model and a material environmental impact category. We therefore play an active role in supporting companies in our portfolio to develop impactful strategies for packaging, to prevent waste and use more sustainable materials and solutions. In the absence of a global framework on how to approach sustainable packaging, we have developed a policy at group level, based on the six principles of sustainable packaging (see figure 5.1). We use these principles to engage and support relevant businesses.

Figure 5.1: Sustainable packaging principles



5.2 Framework for sustainable packaging

We believe that delivery platforms can play an accelerating role in scaling the sustainable use and disposal of packaging. Platforms are powerful aggregators. They can set the rules for the marketplace, push the boundaries of sustainability initiatives, and significantly help scale innovation in materials and solutions. They can support partners and help them showcase their sustainability work while attracting sustainability-conscious consumers.

This insight has inspired us to articulate 10 golden rules for digital delivery platforms to scale sustainable packaging across their own operations and their value chains (see figure 5.2).

Figure 5.2: Ten golden rules to scale sustainable packaging



5 Resource use and circular economy continued

Our Food Delivery and Etail portfolio companies work on several actions to implement these golden rules, including:

- » Providing affordable sustainable packaging to restaurants
- » Building in-app solutions that help customers reduce disposable packaging and choose sustainable restaurants and sellers
- » Implementing state-of-the-art packaging lines that guarantee efficient fit-for-purpose packaging, reducing excess packaging
- » Working with cities and the informal waste-picking sector to build a more effective recycling system.

Data from our Etail portfolio companies on procured packaging is reported annually in our **environmental impact report**. It is important to acknowledge the different levels of control over the use of packaging between Food Delivery on the one hand and Etail and groceries on the other. The latter procures, uses and manages packaging in its operations, while in the Food Delivery sector, it is the restaurants and business partners that are in charge of the packaging. While this creates different opportunities and responsibilities for impact management, accurately measuring packaging volumes in Food Delivery is complex due to the thousands of types and sizes of packaging used by its multiple restaurant partners.

Via specialised sessions organised at group level for all companies in our portfolio that use packaging, we are focused on identifying scalable and systemic sustainable packaging solutions.

5.3 Packaging waste

Operational waste is assessed to be a non-material topic for our group. In our digital companies, mostly headquarter functions are executed, and the offices used by our businesses are serviced by professional waste management operators that collect and recycle the waste stream in alignment with local recycling infrastructure. For example, our corporate head office in Amsterdam benefits from very high collection and recycling rates in the Netherlands. Data on the waste generated in our Amsterdam headquarters is disclosed in our annual **environmental impact report**.

Operational waste is only generated in higher volumes in our Etail businesses, where packaging is removed from inbound products received from sellers on the platform, before being repackaged for shipment to the end consumer. These volumes are relatively small. Equally, when packaging has to be removed, it happens in a controlled environment and professional waste management companies are hired to ensure high rates of recycling, with a focus on low incineration and burial. Data on this flow of materials is reported in both our **annual report** and our **environmental impact report**.

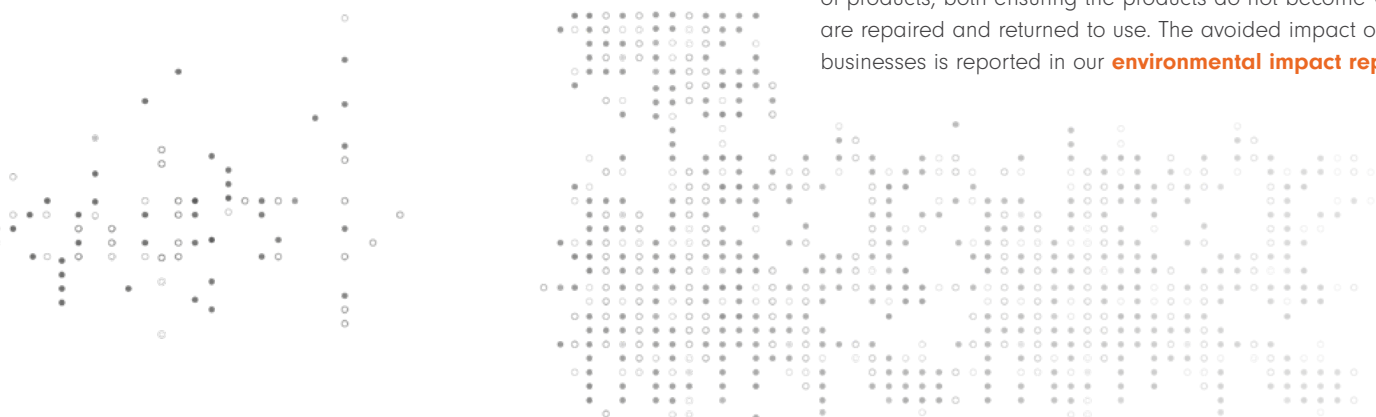
5.4 Building a circular economy

A critical element of a circular economy is keeping products in the economy by extending their useful lives. Our Classifieds and Etail platforms create a positive space for reusing consumer products and, as a result, we need significantly fewer materials and create much less waste and pollution by avoiding the need to make new products.

Environmental impact avoided

Classifieds platform OLX has taken a leadership role since 2019 in calculating the environmental contribution of the trade of secondhand products. In its **annual OLX impact reports**, it quantifies this positive impact: it calculates emissions avoided by enabling its customers to extend the life of goods like TVs, phones, furniture and clothing. OLX helps prevent millions of tonnes of GHG emissions through the trade of several million consumer products. The company uses life-cycle analysis methodology to establish avoided emissions, use of materials, water and energy by extending the life of millions of items sold, such as tablets, phones, clothes and cars on its platforms across multiple countries.

Similarly, our Etail business eMAG is active on several fronts to keep materials in use and increase circularity. The eMAG group includes companies like Flip and Depanero, which both repair and refurbish consumer electronics and products. Flip specialises in remanufacturing phones and other electronic devices, while Depanero repairs an even wider range of products, both ensuring the products do not become void, but are repaired and returned to use. The avoided impact of these businesses is reported in our **environmental impact report**.



6 Pollution: Air pollution from delivery vehicles

The businesses in our group are mostly digital platforms, with few operational assets, which results in low environmental impact across the board.

Impact category pollution is relevant when we consider emissions from the tailpipes of delivery vehicles used in the Food Delivery and Etail sectors to bring food, groceries and parcels to customers. These tailpipe emissions contain pollutants that impact local air quality and people's health.

Regulation of tailpipe emissions happens across the globe and some of the markets of our portfolio companies, in particular four-wheel vehicles like cars and trucks. However, in many markets, most last-mile deliveries are done on two-wheelers, for which emissions are often unregulated and unmanaged by local governments. There are several opportunities to reduce tailpipe emissions, through the use of filters, choice of fuel, specifics of engines and driving style. However, the main strategy, which we support with many actions, is switching from fuel-based vehicles to zero-emission vehicles and modes of transport; from deliveries on foot, to bicycles but predominantly electric two-, three- and four-wheelers.

Etail and groceries deliveries also require first- and mid-mile transportation for the supply of warehouses and distribution centres. This requires larger and fewer vehicles that make fewer trips. Food delivery on the other hand is predominantly last-mile, which is typically handled by third-party companies that provide and manage delivery drivers and vehicles.

We support our portfolio companies that rely on deliveries with implementing solutions to increase the use of a fleet of zero-emission and electric vehicles (see more in our reports on scaling electric vehicles on our website, under the Impact section). These solutions range from outright purchases of electric vehicles to providing incentives for drivers to switch vehicles, to working with governments on policies and other public support that create enabling conditions for more electric vehicles. Through a range of activities, from roundtable events, to developing the Deliver-E Coalition, a unique collaboration of the largest food-delivery companies globally, hosted by the UN Environment Programme (UNEP), we share best practices and knowledge to accelerate the adoption of zero-emission deliveries. In our annual **environmental impact report** we report on the share of zero-emission vehicles used in deliveries.



7 Water and sustainable buildings

Water use is small across our group, as we do not engage in activities that require large volumes of water like processing or manufacturing.

7.1 Corporate water use

The only water consumption is municipal water for the offices of our companies and warehouses in our Etail businesses.

For instance, for our corporate headquarters in the Netherlands, the office is part of the municipal ecosystem where treatment facilities clean sewer water before releasing it into surface water. Our office in Amsterdam is BREEAM-certified (certificate number: 1488-BIU-2016), meaning its water consumption, efficiency and management are tracked. We report water use data in our annual **environmental impact report**.

7.2 Water consumption in data centres

Our materiality assessment highlights that water use in the operations of our group does not create a high impact, as operational water consumption is predominantly municipal water consumed by employees in our offices. However, our companies are web-based, digital platforms that rely on cloud and data centre services for their business. While no subsidiary owns any data centres (in FY26 Stack Overflow will have

transferred the small remaining data centres to the cloud), they are procuring their cloud services from vendors such as AWS and Azure. Water is critical for cooling in all data centres. While there is no direct control over water consumption by our companies that use data centre providers for data storage and webhosting, we recognise an opportunity to use our influence and push for a more positive impact by engaging with data centre vendors on the approach and performance of responsible water management, and we aim to engage the services of the best-performing data centre providers on environmental impact management like Azure, AWS and Google.

7.3 Sustainable buildings

The predominant buildings used in our group are to house employees in typical corporate functions. Most of these buildings are leased and not controlled by the companies. In our Etail businesses, where warehouses and other logistical centres play a key role in their logistics, these buildings are often custom-made. Where possible, we aim to have these buildings designed and operating along BREEAM and LEED guidelines. Our **environmental impact report** lists the current certified buildings in use.



8 Biodiversity

We are committed to protecting biodiversity, despite the fact our group has an immaterial impact on biodiversity.

We have performed an assessment using the World Wide Fund for Nature (WWF) biodiversity tool which helped us determine biodiversity is not a material impact category across our group, due to the digital nature of our businesses and the fact that most companies have offices in city centres which are low biodiversity concentrated areas.

The most direct manifestation in terms of land use across our group companies takes the form of logistical buildings in the Etail sector. Whenever a greenfield location is being developed, an environmental impact assessment is performed, and any material negative impact is mitigated or prevented.

In addition, reforestation projects are supported by several group companies, like iFood and eMAG. iFood has developed an in-app donations platform to give money to plant trees in the Amazon, and eMAG is partnering with an organisation to conserve a large national park in Romania. At corporate level, we support and fund these projects, further underpinning our biodiversity approach.

Upstream impacts or dependencies on biodiversity, like food products for the restaurants serviced by our Food Delivery companies, are assessed to be out of direct influence and scope, but iFood is working to train and support restaurant partners to prevent food waste.



Glossary

Term/acronym	Description
Agtech	Agricultural technology uses innovation and technology to innovate and improve efficiency, profitability and/or sustainability of agricultural practices across the value chain.
Associate	An entity over which we have significant influence, being the power to participate in the financial policy decisions of the entity through our influence on the board of directors. Typically, an entity in which we have an interest of 20% to 50%.
Circular economy	An economic system in which waste and pollution are designed out of materials and products that are circulated within the economy and regenerates our natural environment.
Corporate	Corporate entities that have offices include the Netherlands, United States (Ventures), India, United Kingdom and Hong Kong, and corporate employees mean people at these offices who are employed by the corporate entities.
Edtech	Educational technology, marrying learning with technology, enabling new and exciting ways for more people to add to their skills and knowledge.
First party	In the context of food delivery and etail, a capital-intensive own-delivery model.
FSC (Forest Stewardship Council)	International, non-governmental organisation dedicated to promoting responsible management of the world's forests, and the world's most respected and widespread forest certification system.
Group	Naspers, including its subsidiaries (majority-owned companies), associates (minority investments) and joint ventures.
Investment or investee	An entity over which we do not have significant influence, being the power to participate in its financial and operating policy decisions. Generally an entity in which we have an interest of less than 20%.
Majority-owned company	Portfolio company in which we have a majority shareholding, over which we have financial control (also referred to as subsidiary).
Minority investments	Portfolio company in which we have a minority shareholding, over which we exercise significant influence, but do not control (also referred to as associate).
Plastics Pact	National and regional voluntary initiatives that bring together key stakeholders, both public and private, to implement solutions towards a circular economy for plastic, tailored to each geography.
Portfolio companies	Subsidiaries, associates and investments, excluding corporate.
Sustainable aviation fuels (SAF)	Renewable fuel for aeroplanes made not from fossil fuels but from sustainably sourced, renewable resources that can be mixed with any fossil jet fuel to reduce emissions.
Science-based climate targets	Decarbonisation targets aligned with the Paris Agreement to keep global warming to 1.5°C.
Science Based Targets initiative (SBTi)	A partnership between CDP, United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF), driving ambitious climate action in the private sector by enabling organisations to set science-based emission reduction targets.

Term/acronym	Description
Scope 1 emissions	Direct GHG emissions that arise from sources that organisations own or control. To determine control, the group recognises emissions from owned and controlled assets as direct emissions.
Scope 2 emissions	Indirect GHG emissions that organisations report from the generation of purchased electricity consumed for operations owned or controlled. The group accounts for electricity purchased for both owned and rented buildings under scope 2.
Scope 3 emissions	Indirect GHG emissions that occur in the value chain of the group, from sources not owned or controlled by the group. These include upstream and downstream activities such as purchased goods and services, transportation, use of sold products, and waste. The group will recognise relevant scope 3 categories based on materiality and data availability.
Subsidiary	An entity that we control, evidenced by: » owning more than one half of the voting rights » the right to govern its financial and operating policies under a statute or agreement » the right to appoint or remove the majority of members of the board of directors, or the right to cast the majority of votes at a meeting of the board of directors.
Third party	In the context of food delivery and retail, a capital-light marketplace model where meals and parcels are delivered by third-party delivery drivers.
Value chain	The network of all the individuals, organisations, resources, activities and technology involved in the creation and sale of products and services.

