



2024

DISCLOSURE IN TERMS OF THE APPOINTMENT OF THE CHIEF EXECUTIVE

Improving everyday life for billions
of people through technology

Chief executive – Fabricio Bloisi

As stakeholders are aware, the company announced on 17 May 2024 that Fabricio Bloisi will be appointed CEO of the Naspers and Prosus groups effective 10 July 2024. Furthermore, Fabricio joined the Naspers board as an executive director on 10 July 2024 and the Prosus board, subject to shareholder approval, on 21 August 2024.

His compensation will be structured as follows: In broad terms, an annual salary of US\$750 000 (€695 000). Plus an annual short-term incentive that can be earned if defined short-term targets are achieved. Then a long-term incentive that rewards long-term value creation both in the group as a whole and specifically in the Ecommerce segment. Last the potential of a ‘moonshot award’ if truly extraordinary net new value is created in the market capitalisation of the group.

FY25 single-figure table

Currency	Fixed remuneration	Standard STI maximum ¹	LTI ²				Other benefits	Total remuneration ³	Proportion of fixed and variable remuneration (%)
			PSUs	SARs	Pension				
€'000	695	695	25 018	25 018	83	173	51 682	1.8/98.2	
US\$'000	750	750	27 000	27 000	90	187	55 777	1.8/98.2	

The PSUs and SARs set out in the single-figure table above are a once-off grant in FY25 that covers the full four-year term of Fabricio’s appointment. The table below shows the equivalent annual position, including the single grant which equates to an annual average fair value of US\$13.5m for PSUs and SARs. The PSU grant will vest only if the performance conditions determined at grant are achieved. There is no annual vesting of PSUs and the actual amount for the PSUs will be determined only at the end of the four-year period. The SARs vest on an annual basis: 25% each year over the four-year term.

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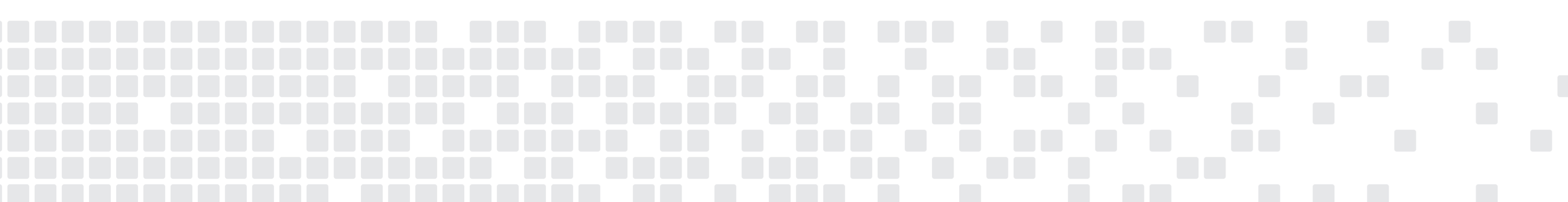
¹ This is the maximum STI as a percentage to base salary.
² Represents the grant date fair value of awards to be made during FY25. The actual value accruing to the executive will depend on the real value created over the time of the award.
³ Executive directors serve both Naspers and Prosus. Their remuneration as executive directors of these entities is split 10/90 between Naspers and Prosus.

FY25 STI goals and objectives

In the table below, we disclose FY25 STI goals for Fabricio. All are objective and will be validated. Actual targets will be retrospectively disclosed in the FY25 remuneration report. Each year, the human resources and remuneration committees thoroughly assess whether targets are sufficiently stretched in the context of potential remuneration.

Group financial goals	Weighting (%)	Description	Maximum payout (US\$'000)
Core headline earnings (including Tencent)	10	Achieve core headline earnings at target, including Tencent	75
Free cash flow to equity	10	Achieve free cash-to-equity inflow at target	75
Ecommerce financials	20	Deliver organic revenue growth at target	150
Trading profit	25	Achieve trading profit at target	187.5
Total	65		487.5

Strategic, operational and sustainability goals	Weighting (%)	Description	Maximum payout (US\$'000)
Ecommerce ecosystem	15	Increase growth of group companies by 3% through synergies of the ecosystem	112.5
Sustainability: People	10	Achieve employee engagement score of 78% positive or 2% higher than FY25	75
	5	Through promotions and new hiring, achieve an outcome of no fewer than two women in the senior leadership of the group	37.5
Sustainability: Climate	5	Majority-owned businesses are to effectively measure and document material scope 3 emissions	37.5
Total	35		262.5



Chief executive – Fabricio Bloisi

FY25 LTI awards to be made

The entirety of our executives' LTI is determined by the performance of the group and growth in the valuation of our underlying assets. It is consequently deemed 'at risk'.

Performance stock unit (PSU)

Following stakeholder engagement, a PSU award focused on total shareholder return (TSR) is being introduced. This TSR peer group includes other relevant peers outside of ecommerce, so as to ensure maximum relevance⁴.

Achievement of the performance condition will be assessed by the human resources and remuneration committee. This will be validated by the valuations subcommittee as per the process described on page 100 of the remuneration report.

This drives the number of shares that ultimately will vest:

- › At threshold performance: only 50% of the allocated shares will be awarded if the performance is at the 30th percentile or better of the peer group (which is an increase from the 25th percentile that previously applied)
- › At target performance: 100% of the allocated shares will be awarded if the performance is at the median or better of the peer group
- › At maximum performance: 200% of the allocated shares will be awarded if the performance is at the 75th percentile or better of the peer group.

It should be noted that the PSU levels of the achievement are set against a highly competitive set of peer companies. Based on an assessment that the committees conducted against a set of indices, including the Stoxx600 and MSCI Emerging Markets, the selected peer group currently greatly outperforms these indices. It shows the target-setting to be sufficiently stretched. To cater for the unlikely eventuality of a sudden, short market shock right near the end of the four-year period, we introduced a circuit breaker. In the event that the average TSR of the relevant peer set has declined by 10% or more over the measurement period, the PSU will automatically be extended by and remeasured one year after the original end date.

If the threshold level of performance is not achieved, no shares at all will be awarded to the participant. If more than maximum performance is achieved, no more than the maximum 200% will be awarded.

Naspers Global Ecommerce Share Appreciation Rights (SARs)

The Naspers Global Ecommerce SARs are a right to benefit from any increase in value of the business unit over which an award is made (in this case the group's Ecommerce businesses) and vest over a period of four years. The performance hurdle is embedded in the award as there is no value to be gained unless there is an increase in value in the underlying, Ecommerce businesses (excluding Tencent) between the date of the grant made and vesting/exercise. Gains, if any, are settled in cash.

The valuations are performed by a third-party (details of which are described on page 100 of the remuneration report) and are driven by longer-term projections.

We have set out information below on the LTIs to be made during FY25. They cover the full four-year term of Fabricio's appointment:

LTI awards⁵

Award	Fair value ⁶ of award (US\$'000)
Naspers PSUs (relative TSR)	8 100
Prosus PSUs (relative TSR)	18 900
Naspers Global Ecommerce SARs	27 000
Total LTI awards	54 000

The above awards are applicable over a period of four years, ie equivalent to an annual award with average fair value of US\$13.5m per year over a period of four years.

Special once-off 'moonshot'

In addition, following stakeholder engagement, Fabricio will be incentivised to build shareholder value at an exceptional and peer-beating pace. This once-off 'moonshot' award will be triggered only when two conditions are met simultaneously:

- 1 The group's aggregate market capitalisation (being the combined Naspers/Prosus market capitalisation expressed in US\$) is doubled or better within a four-year period between 1 July 2024 and 30 June 2028 – and that value is maintained for at least one year following, thus to 30 June 2029; and
- 2 The group's net value creation over the four-year term measured in US\$ in terms of total shareholder returns compared to the TSR peer group beats the 50th percentile.

If he meets all these conditions, Fabricio will receive a special once-off award of US\$100m in Prosus and Naspers shares (split 70/30) in July 2029. If attained, it will recognise truly exceptional performance.

We believe that this LTI award will be very difficult to achieve, as it sets up two separate hurdles, which are both tough:

- › First, Fabricio has to double the market capitalisation of the entire group within four years. With the aggregate market capitalisation of Prosus and Naspers standing at US\$84bn⁷ on 1 July 2024, the number aimed at will be US\$168bn⁷ in four years.
- › Second, Fabricio has to outperform the majority of our peers – some of the most energetic and best tech groups in the world.

We believe that the relative size of the award is therefore justified if both conditions are achieved. In which case the reward will be a very small fraction of the total new net value created.

Key terms of employment contract

Fabricio Bloisi has entered into a fixed-term contract for four years, beginning on 10 July and ending on 30 June 2028. It is renewable by mutual agreement with the board. In case employment ends at the initiative of the group, the group will pay Fabricio a gross termination payment equal to 12 months' base pay within thirty days after the date of termination.

⁴ TSR peer group: Adyen N.V., Airbnb, Alibaba Group Ltd, Alphabet, Amazon, Auto Trader, Baidu, Bajaj Finance, Bilibili, Block, Booking.com, Chewy, Coupang, Deliveroo plc., DoorDash, eBay, Etsy, Exor N.V., Expedia group, FSN Ecommerce (Nykaa), IAC, JD.com, Just Eat Takeaway.com, Kinnevik AB, Kuaishou Technology, LY Corporation, Match group, Meituan, MercadoLibre, Meta Platforms, NetEase, Ocado group, One97 Comms, PayPal, Pinduoduo, Pinterest, Rakuten group, Schibsted ASA, Sea Limited, Shopify Inc., Snap, SoftBank Group, Trip.com Group, Uber Technologies, Vipshop Ltd, Wayfair, Zalando SE, Zillow group and Zomato.

⁵ Share options granted prior to his appointment as group chief executive that have been released (vested), but not yet exercised, held indirectly: Prosus ordinary shares N 20 442; Naspers N ordinary shares 9 380.

⁶ Fair value is an accounting estimate of the value of an LTI over the vesting period, and is set when granted.

⁷ Based on free float (unrestricted) shares as at 1 July 2024.

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