

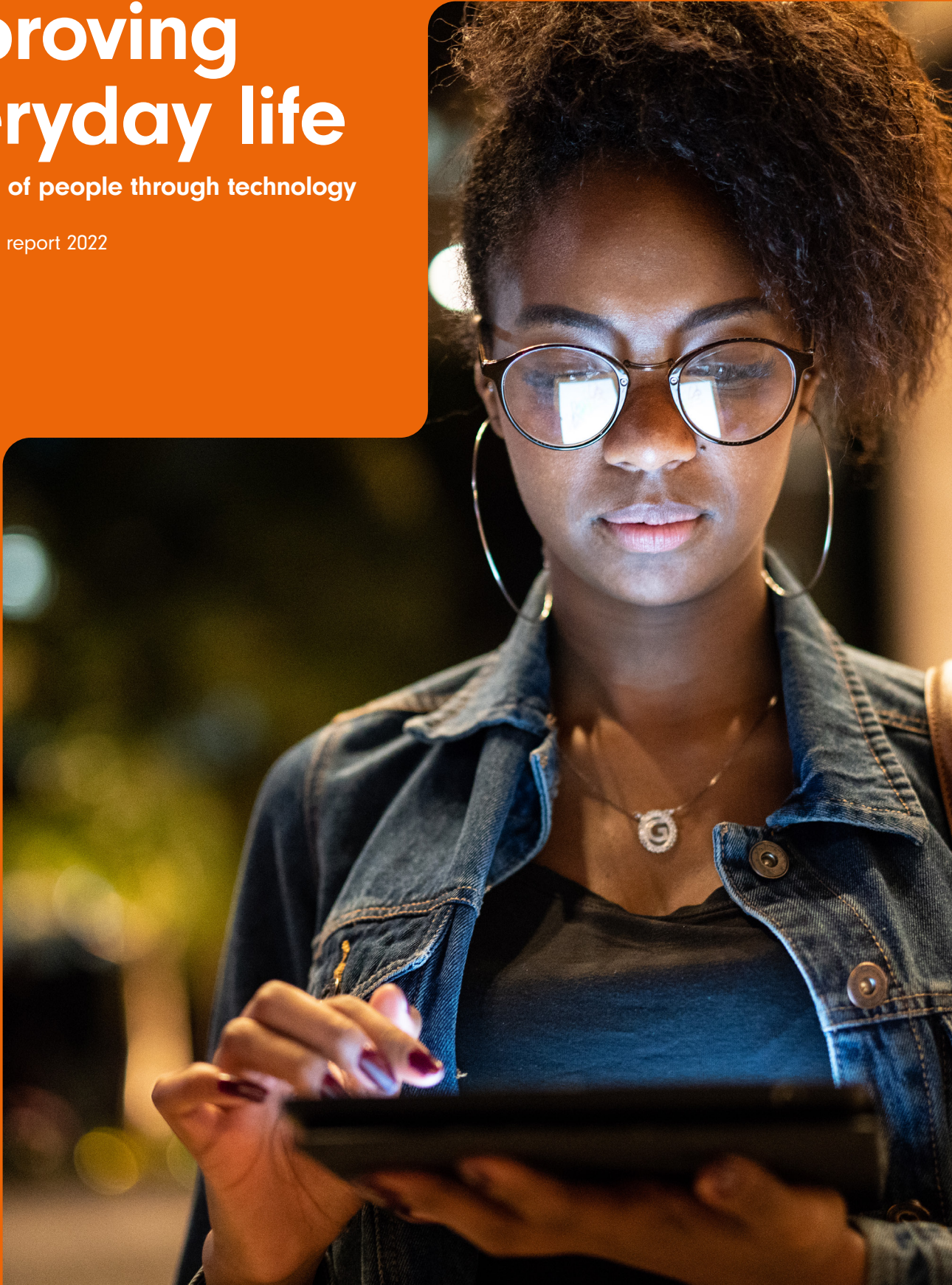


NASPERS

Improving everyday life

for billions of people through technology

Remuneration report 2022



Remuneration report



Craig Enenstein

Chair: Human resources and remuneration committee

'We aim to attract, motivate and retain the best people to create sustainable shareholder value.'

Members of the committee

- CL Enenstein (chair)
- JP Bekker
- EM Choi¹
- R Oliveira de Lima

Key focus areas during the year

- Reflecting the business performance in the FY22 remuneration decisions.
- Ensuring correct pay-for-performance mix is applied.
- Setting short-term incentive (STI) targets, including environmental, social and governance (ESG) goals, that are measurable, sufficiently stretched and linked to the group's strategy.
- Establishing high weighting of performance share units (PSUs) in the long-term incentive (LTI) mix for executive directors, ensuring alignment between executive remuneration and shareholder outcomes.
- Improving disclosure of executive remuneration in the integrated annual report, in a bid for greater transparency.
- Continued engagement with shareholders on remuneration topics.
- Ongoing monitoring of market developments to ensure our remuneration structure allows us to compete globally for talent, and that our offering is compelling, fair and responsible.
- Considering independent external advice on non-executive directors' fees.

Dear Shareholder

On behalf of the board, I am pleased to present our remuneration report, covering the 2022 financial year (FY22).

Despite a year of global turmoil and uncertainty, the past financial year has seen a solid operational performance at the group. We have focused on building strong momentum in our Ecommerce portfolio and investing in our businesses to capture the significant market opportunities that we see.

Business performance²

The group has delivered a solid set of financial results for FY22. Group revenue, measured on an economic-interest basis, grew 24% (24%) to US\$36.7bn. The Ecommerce segment revenue grew strongly, increasing 56% (49%) to US\$10.7bn. Tencent's contribution to group revenue grew 14% (16%). Group trading profit reduced 10% (6%) to US\$5.0bn, reflecting investment to expand the market opportunity for each segment and strengthen the customer ecosystems of our businesses. Tencent's contribution to the group's trading profit improved 2% (4%). Consolidated free cash outflow was US\$701m, a decrease on the prior year's free cash outflow of US\$4m, as we stepped up operational, working capital and capital expenditure investment across our businesses. Core headline earnings were US\$2.1bn, a reduction of 40% (16%) which reflects ongoing investment in our Ecommerce portfolio and a period of slower growth at Tencent.

Major transactions

In April 2021, we trimmed our shareholding in Tencent, selling 2% of Tencent's issued share capital, raising US\$14.6bn and reducing our holding to 28.9%. Proceeds were used to support our investment programme and two US\$5bn share buyback programmes that enhanced our net asset value (NAV) per share.

In August 2021, Prosus completed an exchange offer for 45.8% of Naspers N ordinary shares. This transaction has created a capital structure that, over time, is designed to allow the inherent value of the group to be better reflected in the share prices of Naspers and Prosus.

Global markets

Despite a solid operational performance across our portfolio, like many technology companies, we have faced significant and growing macroeconomic and geopolitical headwinds, particularly in the second half of the year. Weakening global markets, faced with higher inflation and rising interest rates, were plunged into turmoil when Russia invaded Ukraine. The combination of the appalling war in Ukraine, slowing growth and increased global uncertainty has led to valuations of global technology companies declining sharply as investors' risk appetite has reduced.

Discount to net asset value

On the back of a confluence of negative factors, the discount in the Prosus and Naspers trading value relative to a sum-of-the-parts valuation grew to its highest level in FY22. While we continue to believe in focusing a material portion of executive directors' incentives on the non-Tencent portions of the group over the long run, we recognise there is a critical benefit to applying attention to reduction of the discount.

Remuneration report continued

For FY23, we are materially increasing the CEO's and CFO's short-term variable compensation exposure to the reduction of the discount. Given the potential of value creation for shareholders through discount reduction, we have designed a special incentive, focused exclusively on reduction of the discount. At the same time, we have materially reduced the balance of annual compensation in order to emphasise the importance of this discount-centric incentive and align remuneration with shareholder performance. Where this requires a change in our remuneration policy, we will present this to shareholders for review and approval.

We believe strongly that discount reduction is fundamental to maximising shareholder returns and desire to ensure the CEO's and CFO's incentives are aligned with those of our shareholders. It is in this light that the committee decided not to award LTIs for FY23.

Details of the FY23 remuneration for the executive directors can be found on page 140 of this report

Vesting of first PSU awards

Performance share units (PSUs) were awarded for the first time in FY20 and were introduced following feedback from our shareholders, to better incentivise long-term value creation in our underlying internet businesses, as well as close the discount to NAV.

The first PSU awards were due to vest in June 2022 and will be settled in Naspers shares³, based on the set number of shares at the time of grant. The performance condition as defined for the PSUs, measures the three-year CAGR valuation of the Ecommerce portfolio against a basket of global peers. Given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year, and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the achievement of the PSU performance condition until the sale of that business has been concluded, even though the Avito business represents only a limited percentage of the Ecommerce valuation. We will inform shareholders as soon as practicable of the impact on the FY20 PSUs. The vesting for participants will be delayed until such time.

Disclosures

We have made considerable effort in improving disclosure of executive remuneration, in a bid for greater transparency. We have disclosed the STI goals and achievements for FY22. Showing our competitors details of the STI targets before the end of the financial year, is not in the best interests of our shareholders, but from FY23 onwards, we will be disclosing these targets retrospectively.

Our stakeholder engagement

We engage openly and frequently and take extensive input from our investors and advisers, including meetings directed specifically to discussing remuneration with shareholders, to clearly demonstrate the link between Naspers's strategy, business

Structure of report

In compliance with article 2:135b of the Dutch Civil Code, the European Shareholder Rights Directive (SRD II) and the Dutch Corporate Governance Code, this report is split into the following sections:

1. Background and policy: Provides a detailed overview of our approach to remuneration and information on the components of our executive pay packages.
 - [Read more on page 121](#)
2. Implementation of the remuneration policy: Sets out information on how we implemented our policy for FY22.
 - [Read more on page 129](#)

We conclude with an Additional information section on page 146.

It is noted that all remuneration is presented at 100%, including the cost that is apportioned to Naspers.

performance and our remuneration philosophy. The results of the prior year's advisory vote and the feedback from investor meetings were taken into account and debated by the remuneration committee, leading to a number of changes in remuneration design and disclosure, including adding a discount-linked STI as well as being committed to disclosing retrospective STI targets starting in 2023.

We strive for a higher level of N shareholder support for the remuneration resolutions, and in that spirit, we will continue to make appropriate changes to our remuneration design and disclosures. We will continue to engage with our shareholders on a frequent basis.

I thank you for your feedback and support and look forward to our future interactions.

Craig Enenstein

Chair: Human resources and remuneration committee

25 June 2022

1 Emilie Choi resigned as member of the Prosus and Naspers board, effective 26 August 2021.
 2 In presenting and discussing our performance, we use certain alternative performance measures not defined by IFRS, referred to as non-IFRS financial measures, alternative performance measures or APMs. Such measures include economic-interest basis information; trading profit; adjusted EBITDA; headline earnings; core headline earnings; and growth in local currency, excluding acquisitions and disposals. Numbers included in brackets represent the equivalent measure on the basis of growth in local currency, excluding acquisitions and disposals.
 3 Includes the Prosus shares linked to Naspers PSUs as a result of the Prosus capitalisation issue in 2019.





Background and policy

Our philosophy

Our remuneration philosophy underpins our group’s strategy and enables us to achieve our business objectives. Our commitment to pay for performance and alignment with shareholder value creation drives all our remuneration activities and supports the ownership mentality and spirit of entrepreneurship in our teams

around the world. We believe in a level playing field for our people. We strive to pay fairly and responsibly. As much as possible, the structure of our pay is consistent, regardless of the seniority of the employee, ensuring equality of pay structures across all employees. In the committee’s view, the remuneration policy achieved its stated objectives in the year under review.

Five key principles to guide our remuneration approach

 <p>Paying for performance</p> <p>We believe in pay for performance: we are comfortable with bigger rewards for those that make the highest contribution.</p>	 <p>Shareholder alignment</p> <p>Remuneration must be aligned with shareholder outcomes.</p>	 <p>Incentivisation</p> <p>Remuneration must incentivise the achievement of strategic, operational, sustainability and financial objectives, in both the short and longer term.</p>	 <p>Consistency</p> <p>We are consistent: our reward package elements are broadly the same, regardless of seniority*.</p>	 <p>Attracting and retaining talent</p> <p>Our reward systems must help us attract and retain the best talent around the world in a fair and responsible way.</p>
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<p>Fair</p> <ul style="list-style-type: none"> • Equitable: Free from discrimination • Relevant: Linked to personal and company performance • Rational: Easy to explain 	<p>Responsible</p> <ul style="list-style-type: none"> • Independent: With oversight, top-down via the board • Managed: All employee pay decisions are properly overseen • Considered: Judgement is applied; we shy away from solely formulaic appraisals that could lead to unacceptable outcomes • Sustainable: Remuneration designed with sustainability in mind
<p>We strive to deliver fair and consistent remuneration across all our business operations and this includes permanent and temporary employees, contractors, consultants and trainees.</p> <p>Maintaining pay equality is embedded in our ways of working, and through regular analyses we compare compensation levels of groups of people, for example, women versus men</p>	<p>performing in similar jobs. We conduct calibrations across the group as a standard process before (annual) reward decisions are taken, working towards closing unjustified pay gaps, should they exist.</p> <p><small>* LTI is an important part of compensation for most employees, except those in junior roles.</small></p>

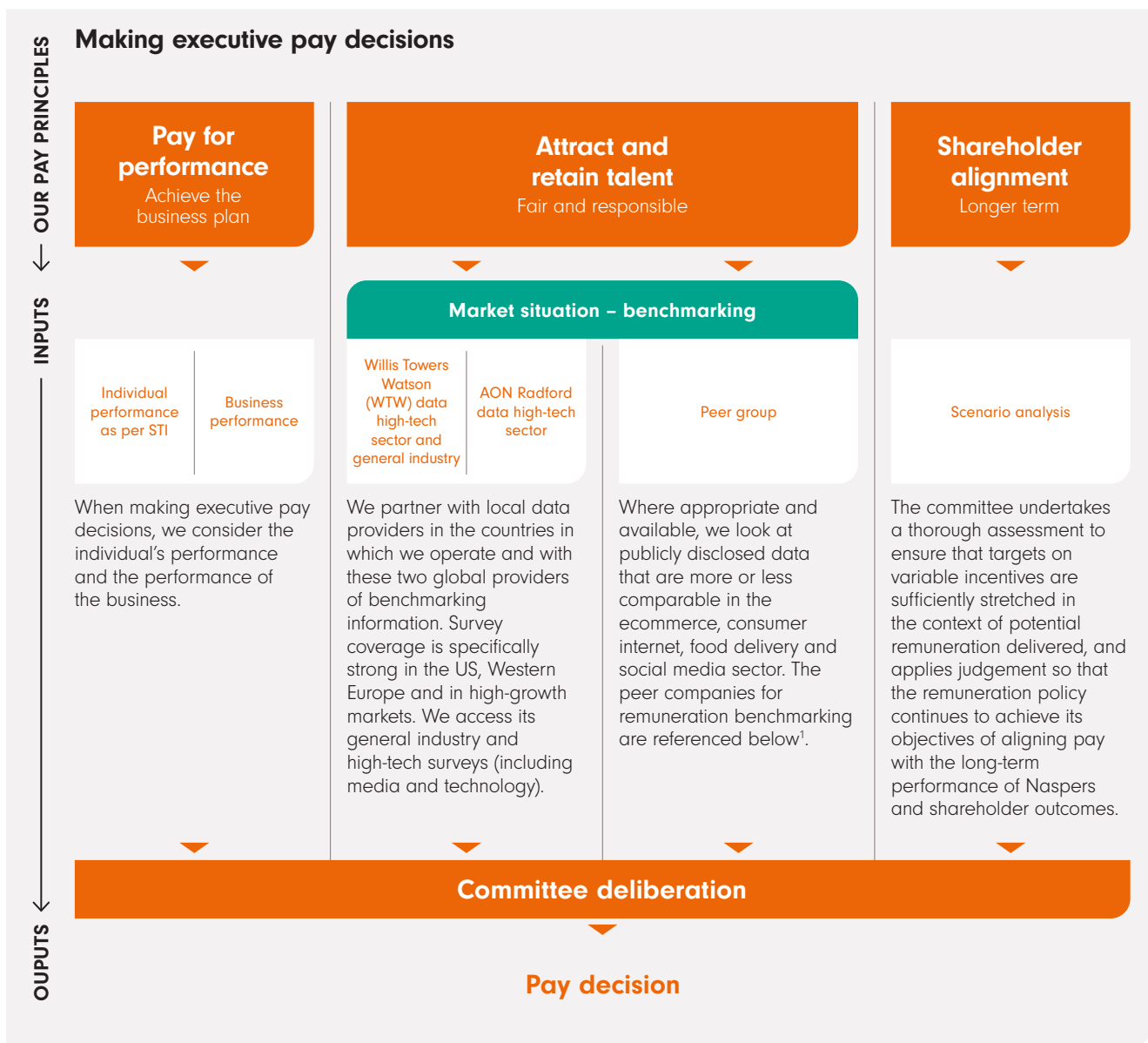
Background and policy continued

Our competitive environment for talent

A global market for talent

We are a global rather than a South African company, operating in a highly competitive international environment. Most of our

competitors are not listed in Johannesburg or included in the JSE index. Our remuneration practices are aligned within a global technology landscape and may differ from what is customary in a South African context. Executive talent comes from other international, often leading US-listed companies in the consumer internet sector, which forms the basis of our executive remuneration benchmarking.



¹ Amazon, Alphabet, Meta, PayPal Holdings, Netflix, Uber, Booking Holdings, Snap, Adyen, Twitter, Doordash, eBay, Wayfair Inc, Zillow Group, Zalando SE, Expedia Group Inc, Ocado Group, IAC/InterActiveCorp, Just Eat Takeaway.com, Adevinata and Auto Trader Group.

Background and policy continued

Our remuneration structure: Pay for performance

Remuneration for our executive directors consists of base salary, STI, LTI, pension and other benefits. The approach is similar for the CEO's other direct reports.

FY22 Pay elements					
	Our pay design links to our pay principles				
	Pay for performance	Shareholder alignment	Incentivisation	Consistency	Attract and retain talent
Fixed remuneration					
	<ul style="list-style-type: none"> • Base salary reflects the contribution of the individual and market value of the role. • Paid monthly in cash. • May be reviewed annually; any increase is typically effective from 1 April each year. • Benefits typically include pension, medical insurance, and life and disability insurance. 				
STI – annual performance-related incentive					
	<ul style="list-style-type: none"> • Discretionary annual performance-related incentive with performance measures that are tailored to the executives' roles and responsibilities. • At least 50% of the bonus opportunity is based on delivery of financial performance ahead of the board-approved business plan. • Strategic and operational goals include an objective to address the holding company discount and additional financial performance metrics for the underlying businesses. • Environmental and sustainability goals are set for the short and longer term. Target and maximum bonus opportunity are the same (no payout for over-performance against the target), and the standard STI is set at 100% of base salary for both the CEO and CFO. • The committee undertakes a thorough assessment to ensure that targets are rigorous and sufficiently stretched. STI payout is typically below the maximum 100% opportunity. • Any STI payout is made in cash. • The committee may apply judgement with discretion to make appropriate adjustments to the annual bonus. 				
LTI – Performance share units (PSUs)					
	<ul style="list-style-type: none"> • PSUs are designed to incentivise the increase in the value of internet businesses (excluding Tencent*), and deliver superior returns to shareholders. • Three-year cliff-vesting, subject to the achievement of the performance condition. • Performance condition is the three-year compound annual growth rate (CAGR) of the Global Ecommerce SAR scheme*, relative to a group of industry peers. • Vested PSUs are settled in shares. • Further details are available on page 124. <p>* It is noted that VK never was part of our Global Ecommerce SAR Plan. We announced in March our intention to write down the full carrying value of the VK asset.</p>				
LTI – Share appreciation rights (SARs)					
	<ul style="list-style-type: none"> • SARs incentivise the growth in value of the business units or an aggregation of underlying assets. See page 126 for details on the valuations process and the valuation performance of the Ecommerce portfolio linked to the SARs plan. • Any value upside delivered by individual businesses is offset by any value downside delivered by other businesses, thus ensuring that senior executives' remuneration is negatively affected should individual businesses not perform. • The change in value is measured over a four-year period to ensure focus on the longer-term delivery of shareholder value. • Any gains are settled in cash. 				
LTI – Share options (SOs)					
	<ul style="list-style-type: none"> • SOs: Any gains are based on the growth in share price over a four-year period. • Performance hurdle: Value is only delivered to participants if there is an increase in the share price. • Any gains are settled in shares. 				

Malus and clawback provisions apply to STI and LTI.

Background and policy continued

Executive director participation in LTI plans

The committee reviews three key elements before conducting the scenario analyses, to determine the size of any award of PSUs, SARs or SOs:

- Strong short-term (annual) personal performance leading to a decision to grant an LTI.
- Superior business performance over the time of the executive's tenure, leading to value creation in the scheme and for the shareholder.
- Industry benchmarking of executive compensation in consultation with external advisers WTW and FW Cook.

LTI awards represent a significant portion of total compensation and are designed to incentivise the delivery of sustainable longer-term growth and provide alignment with our shareholders. The entirety of our executive directors' LTI is determined by the performance of the company and growth in the valuation of the underlying assets and, as such, is deemed 'at risk'. LTI is only delivered to the executive directors, providing the PSU performance conditions are met and the share price of SARs or SOs has increased in value, ensuring strict alignment with our wider stakeholder interests.

Detailed scheme rules provide for the operation and governance by trustees of each scheme.

A blend of LTI

Our executive pay is heavily weighted towards longer-term performance, typically delivered in PSUs, SARs, and SOs. Each element of the LTI programme plays a distinct part in delivering a remuneration approach that drives business performance for the longer term and is fair, responsible, aligned with shareholder outcomes and relevant to the talented executives we need to attract and retain (as shown in the table on page 140).

In the past year, we have made significant progress in shifting LTI towards compensating executive management on the performance of the Global Ecommerce portfolio, excluding Tencent. In FY22, the PSU plan and the SARs plan together made up 92.5% of the LTI allocation.

PSUs – measures the three-year CAGR valuation of the Ecommerce portfolio against a basket of global peers.

SARs – measures the value creation of directly controllable factors in the Global Ecommerce portfolio.

PSUs

Achievement of the performance condition will be assessed by the human resources and remuneration committee, based on the share price of the Global Ecommerce SAR Plan (in absolute and relative terms), validated by the valuations subcommittee as per the valuations process described on page 126.

The level of achievement relative to the performance condition at the end of the three-year performance period drives the number of shares that ultimately will vest:

- At threshold performance: 50% of the allocated shares would be awarded if the performance is at the 25th percentile of the peer group.
- At target performance: 100% of the allocated shares would be awarded if the performance is at the median of the peer group.
- At maximum performance: 200% of the allocated shares would be awarded if the performance is at the 75th percentile of the peer group.

The PSU threshold level of achievement is deliberately set at the 25th percentile, as it is positioned against a highly competitive set of comparator companies, as shown below. If the threshold level of performance is not achieved, no shares will be awarded to the participant. If more than the maximum performance is achieved, no more than 200% of the allocated shares would be awarded.

Peer group for PSU performance condition

For the performance condition underpinning the FY22 PSU grant, the peer group consists of Amazon, Alphabet, Meta, PayPal Holdings, Netflix, Square, Booking Holdings, Snap, Adyen, Twitter, eBay, Wayfair Inc, Zillow Group, Zalando SE, Deliveroo, Expedia Group Inc, Ocado Group, IAC/InterActiveCorp, Just Eat Takeaway.com, Adevinta, Auto Trader Group, and Qurate Retail.

The board remains committed and incentivised to continue on this journey for the long-term value creation of the group. To emphasise that intent, the FY23 remuneration will be adjusted accordingly. Further details can be found on page 140 of this report.

Background and policy continued

FY22 Blend of LTI (% in FY22 mix)	PSU (60%)	Global Ecommerce SAR (32.5%)	SOs (7.5%)
Plan characteristics	<p>A performance share award that is transferred to participants after time restrictions have passed, subject to the performance condition being met.</p> <p>Cliff-vesting at the end of three years.</p>	<p>A right to benefit from any increase in value of the business unit over which an award is made.</p> <p>Vests over four years.</p>	<p>A right to buy a company share at a pre-agreed price.</p> <p>Vests over four years.</p>
Performance	<p>Three-year performance condition of the Global Ecommerce SAR scheme CAGR relative to a high-performing industry peer group¹.</p> <p>Any potential gains are driven by achieving value growth in the underlying consumer internet assets (excluding Tencent).</p>	<p>Embedded with a performance hurdle as there is no value to be gained unless there is an increase in share value in the underlying, unlisted consumer internet businesses (excluding Tencent) between grant and vesting/exercise.</p>	<p>Embedded with a performance hurdle as there is no value to be gained unless there is an increase in share value between grant and vesting/exercise.</p>
Settlement	<p>Depending on the achievement against performance condition, between 0% and 200% of the awarded PSUs may vest and Prosus or Naspers² shares are delivered³ on vesting.</p>	<p>Gains, if any, are settled in cash.</p>	<p>Upon exercise, SOs are settled in Naspers or Prosus shares^{2, 3}.</p>
Focus on longer-term value creation	<p>Value driven by longer-term outcomes.</p>	<p>Valuation (by third party) driven by longer-term projections⁴.</p>	<p>Market cap represents longer-term value.</p>
Alignment with shareholder interests	<p>Performance condition incentivises creating value in the underlying internet business, closing discount to NAV.</p>	<p>Incentivises value creation in underlying internet business (excluding Tencent).</p>	<p>Aligned with shareholders incentivising executive management to reduce the discount to NAV.</p>

1 Please see page 124 for the current PSU peer group.
 2 The issue of PSU and SO awards, if any, will gradually be rebalanced between Prosus and Naspers shares, aligned with the free-float ownership in Prosus and Naspers.
 3 Shares are purchased on the market for cash to avoid shareholder dilution as a result of the company settling its LTI award obligations.
 4 Please see page 126 for further detail on the valuation process.

Background and policy continued

Valuations

The Global Ecommerce portfolio

The performance of SARs and PSUs is determined by year-on-year changes in the per-share valuation of the group's Global Ecommerce portfolio. This made up 92.5% of the 2022 LTI allocation and excludes the performance of Tencent.

Methodology

The valuation is an amalgamation of a number of individual schemes and assets which are valued annually by an external valuer. In determining the company value and the scheme share value, the valuer shall use the appropriate application of reasonable valuation methods, including, without limitation, the use of comparable peer multiples, precedent transactions and discounted cash flow (DCF) valuations. Importantly, the methodology deployed in valuing the ecommerce schemes has remained consistent since inception which is essential both for the legitimacy of the valuation and for transparency for the scheme participants.

Where predominantly employing a DCF methodology, the valuer is using assumptions for future cash generation, discount rates and long-term growth. These valuations assess the pathway to value creation and should serve as a critical component of a comprehensive compensation vehicle designed to align management performance and compensation, excluding Tencent, with shareholder outcomes. It is also important to note that funding is initially dilutive to value and many of our companies are early stage or loss-making, meaning that the schemes are diluted by short-term investment and acquisitions.

The Global Ecommerce portfolio scheme is made up of underlying schemes, each of which has a different set of assumptions.

2022 valuation outcome

During this financial year, the group's assets continued to outperform their plans and grow revenue strongly with Ecommerce segment revenue accelerating meaningfully to 58% (51%) growth year on year versus 46% (54%) growth in the previous year. With this increased scale, each of the group's consolidated assets has achieved profitability at the core of their businesses and has identified additional investment areas to expand their overall opportunity sets. Despite this significantly improved performance, a decline in the value of the portfolio will reflect the de-rating of all our listed assets, including Delivery Hero in particular, and to a lesser extent a decline in the value of our unlisted assets. Although private markets have not declined as significantly, the valuation approach applied by the valuer includes a weighting to public comparable companies with the overall result being a decline in our private portfolio.

Figure 1 - Governance of our valuation process



Background and policy continued

It is noted that, given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the FY22 Global Ecommerce share price for the purpose of settling and issuing awards, until the sale of that business has been concluded. We will inform shareholders as soon as practicable. Until such time, the SAR plan remains closed.

Figure 1
Ecommerce portfolio and SARs performance 2019 to 2021

	2019	2020	2021
Ecommerce valuation (US\$m)	18 844	22 149	39 109
Ecommerce valuation growth	30.7%	17.5%	76.6%
SAR share price (US\$m)	35.95	41.47	64.28
Notional shares	13 102 799	13 351 913	15 210 390

Governance

Recruitment policy

On the appointment of a new executive director, their package will typically be in line with our remuneration policy. To facilitate recruitment, it may be necessary to 'buy out' remuneration forfeited on joining the company. This will be considered on a case-by-case basis and cash or LTI may be used.

Termination policy

Payments in lieu of notice may be made to executive directors, comprising salary for the unexpired portion of the notice period. Such payments may be phased. On cessation, there is no entitlement to an annual performance-related incentive (STI). However, the committee retains the discretion to award a bonus to a leaver during the financial year taking into account the circumstances of their departure, considering pro-rating for time and actual performance achieved. There is no entitlement to a particular severance package provided for in the executive directors' contracts.

Malus and clawback

Malus and clawback provisions apply to the STI and LTI awarded to executive directors and the directs of the CEO, such that all or part of the unpaid STI may be modified or cancelled and all or part of the unvested LTI may be modified or cancelled and all or part of the vested LTI may be claimed back. Malus and clawback provisions may be invoked in case of certain material events, including cases of material financial misstatement or gross misconduct on the part of the executive director or directs of the CEO. In the financial year ended on 31 March 2022, no malus and/or clawback was applied to any remuneration of the executive directors or any of the CEO's direct reports.

Service contracts

Executive directors' contracts comply with terms and conditions in the relevant local jurisdiction.

	Bob van Dijk	Basil Sgourdos
Date of appointment at the group	1 August 2013	1 August 1995
Date of appointment to current position	1 April 2014	1 July 2014
Employer notice period	Six months	Three months

Other non-executive roles

At 31 March 2022, Bob van Dijk was a non-executive director of Booking Holdings Inc.

Basil Sgourdos does not hold any board positions outside of the Prosus and Naspers groups.

Shareholding requirement for the CEO

To reflect the balance of the underlying value of the economic interests between Naspers and Prosus, the CEO is required to maintain a Naspers shareholding of four times his annual salary and a Prosus shareholding of six times his annual salary. He has a requirement of rebalancing his current holding of 10 times annual salary in Naspers shares by the end of FY23 while maintaining an overall combined holding in Naspers and Prosus shares of 10 times annual salary.

Background and policy continued

Non-executive directors' remuneration policy

The fee structure for non-executive directors has been designed to ensure we attract, retain and appropriately compensate a diverse and internationally experienced board of non-executive directors, given the highly competitive markets in which we operate, and the global competition we face.

Non-executive directors receive an annual fee as opposed to a fee per meeting, which recognises their ongoing responsibility for effective control of the company. They may also receive an additional fee for group board committees and subsidiary boards, to reflect the additional responsibilities and associated time commitment. Remuneration is reviewed regularly and is not linked to the company's share price or performance. Non-executive directors do not qualify for share allocations under the group's incentive schemes.

The remuneration of non-executive directors is determined following regular benchmarking that primarily considers international comparators in the consumer internet and media sectors, as well as top 10 AEX-listed and JSE-listed companies.

Dual responsibilities

Non-executive directors receive no additional compensation for their dual responsibilities to Naspers and Prosus. However, the aggregate cost of their compensation is currently allocated 70% to Prosus and 30% to Naspers. The split was determined based on the underlying assets and the amount of time required to ensure that sufficient time is allocated to assume the dual responsibilities.

Non-executive directors' terms of appointment

The board has procedures for appointing and orienting directors. The nominations committee periodically assesses the skills represented on the board and determines whether these meet the company's needs. Annual self-evaluations are done by the board and its committees. Directors are invited to give their input in identifying potential candidates and we frequently engage the services of a reputable search firm. Members of the nominations committee propose suitable candidates for consideration by the board. A fit-and-proper evaluation is performed for each candidate.

Retirement and re-election of non-executive directors

The governance structures of Naspers and Prosus substantially mirror each other. Naspers and Prosus have an identical one-tier board structure of executive and non-executive directors.

All non-executive directors are subject to retirement and re-election by shareholders every three years. The names of non-executive directors submitted for election or re-election are accompanied by brief biographical details to enable shareholders to make an informed decision on their election. The reappointment of non-executive directors is not automatic.

Shareholder engagement

During the 2022 financial year, we engaged with our shareholders by way of regular (online) roadshows, and there are frequent discussions with our major shareholders, including on the topic of remuneration. We continue to engage with investors on remuneration topics.

We have outlined the committee's decision process on remuneration on page 122. A remuneration section is included on our Investor pages at naspers.com, including a questions-and-answers video with the chair of the human resources and remuneration committee, Craig Enenstein.

For the full remuneration policy, refer to www.naspers.com/about/policies.

Implementation of remuneration policy

Aligning remuneration to our strategy and performance

In this section we outline how our remuneration policy for executive directors has been implemented during FY22 and how we intend to operate it during FY23. All decisions in relation to executive remuneration have been made in line with our remuneration policy for this financial year, reflecting our business performance and with the global impact of the Covid-19 pandemic in mind.

Our strategy	<ul style="list-style-type: none"> • We partner with local entrepreneurs to build global technology leaders. • We operate at the intersection of high-growth markets and technology to address major societal needs at scale. • Build sustainable leadership positions in high-growth markets. • Build businesses with big potential to address societal needs. 			
Our business priorities	<table border="0"> <tr> <td> <ul style="list-style-type: none"> • Classifieds • Food Delivery • Edtech </td> <td> <ul style="list-style-type: none"> • Payments and Fintech • Etail • Ventures </td> <td> <ul style="list-style-type: none"> • Social and Internet Platforms • Media </td> </tr> </table>	<ul style="list-style-type: none"> • Classifieds • Food Delivery • Edtech 	<ul style="list-style-type: none"> • Payments and Fintech • Etail • Ventures 	<ul style="list-style-type: none"> • Social and Internet Platforms • Media
<ul style="list-style-type: none"> • Classifieds • Food Delivery • Edtech 	<ul style="list-style-type: none"> • Payments and Fintech • Etail • Ventures 	<ul style="list-style-type: none"> • Social and Internet Platforms • Media 		
Our financial highlights¹ (all figures from continuing operations)	<ul style="list-style-type: none"> • Revenue: US\$36.7bn, up 24% (24%). • Trading profit: Down 10% (6%) to US\$5.0bn. • Core headline earnings, the board’s measure of sustainable operating performance: Down 40% (16%) on last year at US\$2.1bn. 			
Our operating highlights¹	<ul style="list-style-type: none"> • Ecommerce revenue of US\$10.7bn for the year grew 56% (49%). Strong growth was seen across all our core segments. Each segment reported strong growth and profitability at the core and during the period we increased our level of investment on the back of that strength to expand the market opportunity for each segment and strengthen the underlying ecosystems of underlying businesses. This increased investment resulted in aggregated trading losses increasing to US\$1 120m, from just US\$439m in the prior year. • Classifieds: OLX Group revenue of US\$2.98bn grew 85% (92%) from US\$1.6bn in the prior year. This was largely driven by OLX Autos, which grew 158% (173%) year on year. Despite continued aggressive investment in the autos transaction business, pay-and-ship, and people and technology to build capacity for the next growth phase, trading profit was maintained largely at last year’s level as the segment reported a trading profit of US\$25m (FY21: US\$15m). • Food Delivery portfolio companies continued to benefit from economies of scale and delivered strong growth. Total orders and gross merchandise value (GMV) grew 60% and (59%) respectively, translating into 101% (77%) growth in revenue to US\$3bn in the current year. While restaurant delivery platforms are nearing breakeven, the investment in adjacencies and growth initiatives has contributed to the increase in the Food Delivery segment’s trading losses from US\$355m in FY21 to US\$724m in FY22. • The Payments and Fintech segment continued to benefit from the shift to digital payments. Revenue grew 38% (45%) to US\$796m, driven by strong performance in the India payment business and a strong recovery in the credit business. The segments’ overall trading loss margin improved to negative 8% as trading losses reduced from US\$68m in the prior year to US\$60m. • Edtech grew revenue by 270% (55%) to US\$425m. During the financial year, we made several investments and acquisitions, most notably the acquisition of a controlling stake in Stack Overflow and acquisitions within the BYJU’S group, leading to trading losses increasing to US\$117m from US\$14m in the prior year. Education remains a significant and high-potential sector with compelling secular tailwinds such as population growth in emerging markets. • Etail: eMAG reported a trading loss of US\$34m for the year. eMAG group revenues increased by 3%, representing revenue of US\$2.3bn. eMAG in Bulgaria performed particularly well. Takealot continued to grow across all three businesses. GMV and revenue grew 46% (34%) and 36% (27%) respectively, despite a rebound in offline retail sales. The Takealot group remained near breakeven, with a trading loss of US\$7m, or 1% trading loss margin, similar to the prior year. 			
Remuneration outcome FY22	<ul style="list-style-type: none"> • We have largely met the targets set in our business plans, including financial performance, except for achieving core headline earnings, including Tencent. With the significant volatility currently effecting the global capital markets, there are many factors that have led to an increase in the discount. Some of these factors are within the control of the group, while others are not. We acknowledge that the discount has risen to an unacceptable level and that taking action to reduce it, while still executing the group’s strategy, should be a top priority. To that end, we are committed to taking action on controllable uses. The next page contains information on the annual change of CEO compensation linked to the performance of the company, as well as the FY22 remuneration for the CEO and CFO as shown in the single-figure table. The outcomes of STI linked to all group financial goals and strategic, operational and ESG goals are disclosed on pages 132 and 133. 			

¹ Numbers in brackets represent growth in local currency, excluding M&A. This is considered to provide additional information on the economic reality of these investments and corresponds to the manner in which the chief operating decision-maker (CODM) assesses segmental performance. Adjustments have been made for the effects of foreign currencies and acquisitions and disposals to reflect underlying trends. These adjustments (‘pro forma financial information/alternative performance measures’) are quoted in brackets after the equivalent metrics reported under International Financial Reporting Standards (IFRS).

Implementation of remuneration policy continued

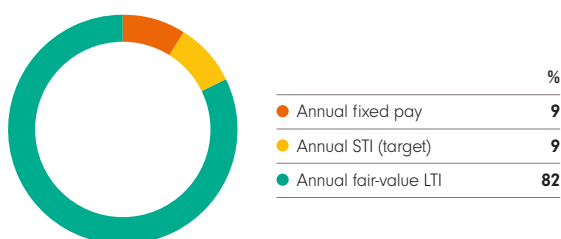
Aligning remuneration to our strategy Compensation is substantially 'at risk' and longer term

Executive directors' remuneration is designed to drive the long-term success of the company. In FY22, the CEO remuneration comprised 91% variable pay and for the CFO it was 88%.

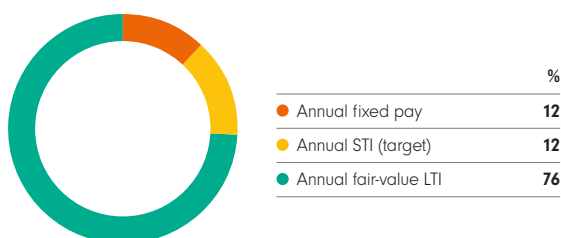
Of the executives' FY22 LTI awards, 92.5% was geared towards PSUs and SARs, which incentivise core-business-value growth, excluding Tencent.

Figure 1 Fixed salary, STI and LTI for each executive as at 31 March 2022

Bob van Dijk



Basil Sgourdos



Business performance and remuneration outcomes Figure 2

Executive directors' remuneration versus company performance

	FY22 %	FY21 %	FY20 ⁴ %	CAGR ⁵ %
CEO remuneration				
Cash ¹ year-on-year change	(13)	5	9	0
LTI ² year-on-year change	(2)	3	28	9
CFO remuneration				
Cash ¹ year-on-year change	(9)	5	13	3
LTI ² year-on-year change	(2)	17	26	13
Company performance				
Organic revenue growth ³	24	33	23	25
Organic revenue growth ³ (excluding Tencent)	50	51	32	39
Ecommerce share price growth <small>footnote 6</small>		55	15	n/a

- 1 Base salary + benefits + actual bonus payout, using the currency in which the CEO (in €) and CFO (in US\$) are paid.
- 2 Fair value at grant, using the currency (US\$) in which we grant LTIs.
- 3 Metric, excluding impact of foreign exchange (FX) and M&A.
- 4 FY20 growth measured from date of listing. It is noted that all remuneration is presented on a full-year basis and at 100%, including the cost that is apportioned to Naspers.
- 5 Period CAGR is between FY20 and FY22.
- 6 Given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the FY22 Global Ecommerce share price for the purpose of settling and issuing awards, until the sale of that business has been concluded.

Single-figure table FY22 remuneration

Table 1 shows a single figure of remuneration and the implementation of the remuneration policy in FY22 for the executive directors.

Executive director	€'000	Base salary	Variable remuneration			Pension	Other benefits ⁴	Total remuneration ⁵	Proportion of fixed and variable remuneration	
			STI ¹	LTI ^{2,3}						
				PSUs	SARs					SOs
Bob van Dijk, CEO	1 296	810	6 642	3 778	873	85	41	13 525	10%/90%	
Basil Sgourdos, CFO	1 085	781	3 936	2 239	517	85	13	8 656	13%/87%	

Executive director	US\$'000	Base salary	Variable remuneration			Pension	Other benefits ⁴	Total remuneration ⁵	Proportion of fixed and variable remuneration	
			STI ¹	LTI ^{2,3}						
				PSUs	SARs					SOs
Bob van Dijk, CEO	1 435	897	7 884	4 499	1 029	94	45	15 883	9%/91%	
Basil Sgourdos, CFO	1 200	864	4 672	2 666	610	94	15	10 122	12%/88%	

- 1 Actual payout over FY22 performance; achievement of STI goals is shown on page 131 of this remuneration report.
- 2 Represents the grant date fair value in accordance with IFRS 2 of awards made during FY22, assuming on-target vesting for PSUs. The actual value accruing to the executive will depend on the real value created over the time of the award. PSUs and SOs will be partly settled in Naspers shares (approximately 72.5%) and partly in Prosus shares (approximately 27.5%), aligned with the free-float ownership in Naspers|Prosus at time of grant. The figures disclosed in the 2021 remuneration report were estimated and therefore differ slightly from the figures reported in this table.
- 3 The IFRS 2 expense recognised for unvested and vested but unexercised LTI awards as at 31 March 2022 is -US\$27m (-€23.3m) for the CEO and US\$4.3m (€3.7m) for the CFO and does not reflect the impact of the non-adjusting subsequent event regarding the intended sale of Avito. The total IFRS 2 expense is shown in note 43 - related party transactions and balances (executive directors' remuneration) of the consolidated financial statements.
- 4 Medical insurance, life and disability insurance.
- 5 Executive directors are executive directors of both Naspers and Prosus. The costs of their remuneration as executive directors of these entities are split 10/90 between Naspers and Prosus. The remuneration paid to the executive directors reconciles with the executive directors' remuneration as disclosed in note 43 of the consolidated financial statements. In there, we show base pay, STI, pension and benefits at 90% of the aggregate cost as tabled in this remuneration report, plus the full IFRS 2 expense of the LTI per this footnote 5, minus the FY22 LTI awards in fair value at grant, as shown in this single-figure table.

Implementation of remuneration policy continued

CEO remuneration in comparison to average employee remuneration

As we operate in high-growth economies where socio-economic disparity can be large, societal fairness is very important to us. We take our responsibilities in that respect seriously and ensure that our pay practices around the world are fair and competitive and well above minimum wage standards. Pay is an important aspect, but not the only consideration. In general, our people join us because of the opportunity to do meaningful work where they can make a difference and can learn and grow.

When reviewing the CEO's remuneration, the human resources and remuneration committee takes into account the employee remuneration globally across the group.

As a consumer internet company we have a wide geographical footprint. Most of our activities and employees are based in high-growth countries, including India, Brazil, Central and Eastern Europe, Russia¹ and South Africa. On a global level, the CEO pay ratio versus employees (including LTI) would be 347:1 (FY21: 316:1, FY20: 311:1. The increase versus last year is due to the now fully amortised relatively lower historical LTI grant). However, we do not consider the pay ratio to be an appropriate measure of fairness given the widely different pay levels that are observed in the countries where we operate. If we compare CEO pay versus employees in the Netherlands it shows a ratio of 40:1 (FY21: 19:1, FY20: 22:1. (Note: the increase for the Dutch ratio versus last year relates to the more junior employee profile in our recently acquired GoodHabitz business).

Also, as shown on page 130 of this remuneration report, the pay-at-risk portion for the CEO, and within that more specifically LTI, weighs heavily in our total executive remuneration mix, as is typically found within the consumer internet and technology sector in which we compete for talent. For completeness sake we have, therefore, also reviewed the pay ratios, excluding LTI, showing a ratio of 71:1 (FY21: 75:1. FY20: 72:1) globally and 14:1 (FY21: 6:1, FY20: 8:1) for the Netherlands.

The ratios are obtained by dividing the FY22 total remuneration for the CEO by the FY22 average total remuneration of all other employees. This includes salaries, wages, on-target bonus, pension and benefits for employees, excluding contractors and CEO remuneration. It also excludes training and development that we offer to our employees. Details of the staff costs can be found in note 15 on page 82 of the consolidated financial statements.

Competitive pay – knowledge workers

We review the pay levels of our staff at least annually and in relation to pay in the markets and countries that we operate in, our reward levels are competitive. We see the effectiveness of our reward philosophy and practices confirmed via our formalised employee engagement surveys. Most employees find that they are paid fairly, relative to similar jobs in other companies, reporting a high satisfaction level that is above external benchmarks.

Fairness

We strive to deliver fair and consistent remuneration across all our business operations and this includes temporary and permanent employees, contractors, consultants and trainees. Irrespective of the classification of the engagement, we ensure that our pay practices around the world are fair, competitive and above local minimum wage standards. We ensure that critical benefits and protection for our entire workforce are in line with the markets in which we operate.

Pay equality

Maintaining pay equality is embedded in our ways of working, where we compare compensation of groups of people, for example women versus men, performing in similar jobs. We conduct calibrations across the group as a standard process before (annual) reward decisions are taken, working towards closing unjustified pay gaps, should they exist.

Remuneration – response to the ongoing Covid-19 pandemic

When we entered the pandemic in 2020, we took prudent executive remuneration decisions. Executive directors and the directs of the CEO did not receive a pay increase for FY21 and LTI awards were deferred to September 2020. During FY21, competing in a sector that performed exceptionally well, we exceeded our business plan and delivered financial performance ahead of the budget as originally set pre-Covid-19. This performance was reflected in our remuneration decisions for FY22 and the CEO and CFO were granted LTI awards at similar levels as in FY21.

For employees below the executive directors and the directs of the CEO, pay reviews took their regular course during FY22, allowing us to address the demands of increasingly scarce technology talent.

STI – FY22 goals and achievements

STI is based on financial, strategic, operational and sustainability performance targets that are tailored for each role.

The minimum STI payout was 0% of base salary. The target and maximum STI opportunity are the same at 100% of base salary, in other words, there is no opportunity to overachieve on bonus payout.

All STI awards are paid out in cash.

Measurements for bonus achievement were based on the business plan for FY22.

We disclose the STI goals and achievements for FY22. STI goals are reflective of the annual business plan and many goals are representative of a multiyear effort, for example, to win new markets or increase our customer base. We believe that showing our competitors details of the goal targets before the financial year in order to support greater transparency, is not in the best interests of our shareholders. However, at the end of the new financial year we will be disclosing the FY23 targets in retrospect. Clearly, we have highlighted in the integrated annual report metrics or developments for FY22 and FY23 that were included in the STI of the executive directors.

Strategic, operational and sustainability performance measures for both executive directors accounted for 50% of the total bonus opportunity. Strategic and operational performance measures include financial objectives on the underlying business' performance.

The assessment of the financial goal achievement excludes M&A.

FY20 PSU award vesting – delayed

The first PSU awards were due to vest in June 2022 and will be settled in Naspers shares¹, based on the set number of shares at the time of grant. The performance condition as defined for the PSUs, measures the three-year CAGR valuation of the Ecommerce portfolio against a basket of global peers. Given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the achievement of the PSU performance condition until the valuation of that business has been concluded. We will inform shareholders as soon as practicable of the impact to the FY20 PSUs. The vesting for participants will be delayed until such time.

¹ As announced before the end of our financial year, we have decoupled from our Russian businesses.

Implementation of remuneration policy continued

Investing for long-term value creation

Across our consumer internet businesses, we compete against both local and global ‘tech titans’. Reaching scale relatively quickly, in terms of consumer numbers and markets served, is of paramount importance in this environment. It requires significant investment and often involves incurring losses in the early years. We make a deliberate choice to invest in these businesses, knowing that short-term profitability and free cash flow may be negative. As such, the financial architecture is quite different to that of traditional business models. The diversity in our portfolio allows us to sustain this investment phase. It is, therefore, appropriate to incentivise management to strike the right balance between investing to grow the business and outpace the competition in the long term and driving free cash flow generation and to not sacrifice the former for the short-term benefit of the latter.

Bob van Dijk

Maximum STI opportunity: 100% base salary

Further details can be found in the 2022 integrated annual report on page 13.

Outcomes of STIs

The outcomes as shown in figure 1 on this page and figure 1 on page 133 resulted in annual bonus payout levels of €810 253 or 62.5% of base salary for Bob van Dijk and US\$ 864 246 or 72% of base salary for Basil Sgourdos.

In FY22, a portion of the CEO’s and CFO’s STIs was associated with developing executable solutions to reduce the discount. Although the voluntary share exchange program was developed and implemented, the discount increased during FY22, and therefore the committee used its discretion to determine that this objective has not been achieved.

All financial, strategic, operational and ESG goals are measurable and validated.

Figure 1 – FY22 goals and achievements

✓ Achieved ✗ Not achieved

Group financial goals	Weighting %	Description	Further information can be found in the integrated annual report on page	Outcome	Actual payout
Revenue	10.0	Achieve revenue target (on an economic-interest basis and excluding M&A)	52	✗	€0
Core headline earnings (including Tencent) ¹	10.0	Achieve core headline earnings at target, including Tencent	54	✗	€0
Core headline earnings (excluding Tencent) ¹	20.0	Achieve core headline earnings at target, excluding Tencent	54	✓	€259 281
Free cash flow	10.0	Achieve free cash outflow at target	54	✓	€129 641
	50.0				€388 922

Strategic, operational and ESG goals	Weighting %	Description	Further information can be found in the integrated annual report on page	Outcome	Actual payout
Classifieds	10.0	Deliver organic topline growth and organic trading profit growth at target	55	✓	€129 641
Food Delivery	10.0	Deliver organic topline growth and manage organic trading loss at target	59	✓	€129 641
Payments and Fintech	5.0	Deliver organic topline growth and manage organic trading loss at target	62	✓	€64 820
B2C	5.0	Deliver organic topline growth and organic trading profit at target	69	✗	€0
Edtech	5.0	Deliver organic topline growth and manage organic trading loss at target	66	✓*	€32 410
Holding company discount	10.0	Take structural action to address the holding company discount to NAV	7	✗	€0
Sustainability: Diversity and inclusion	2.5	Promote diversity and inclusion in the company and ensure high employee engagement	24	✓	€32 410
Sustainability: Climate sustainability	2.5	Be carbon-neutral on scope 1 and scope 2 emissions at the group level by year-end FY22	43	✓	€32 410
	50.0				€421 332

¹ Core headline earnings is an alternative performance measurement. Please refer to ‘Other information – Non-IFRS financial measures and alternative performance indicators’ on page 181 of the integrated annual report.

* The following target for Edtech was achieved: Organic topline revenue growth.

Implementation of remuneration policy continued

Figure 1 – FY22 goals and achievements

Basil Sgourdos

Maximum STI opportunity: 100% of base salary

Group financial goals	Weighting %	Description	Further info can be found in the annual report on page	Outcome	Actual payout
Core headline earnings (including Tencent) ¹	8.0	Achieve core headline earnings at target, including Tencent	54	✗	US\$0
Core headline earnings (excluding Tencent) ¹	17.0	Achieve core headline earnings at target, excluding Tencent	54	✓	US\$204 058
Free cash flow	25.0	Achieve free cash outflow at target	54	✓	US\$300 085
	50.0				US\$504 143

Strategic, operational and ESG goals	Weighting %	Description	Further info can be found in the integrated annual report on page	Outcome	Actual payout
Holding company discount	15.0	Take structural action to address the holding company discount to NAV	7	✗	US\$0
Taxation	12.5	Prudent and optimal tax management structure	84	✓	US\$150 043
Investor relations	10.0	Ensure the investor relations programme is effective and impactful	102	✓*	US\$60 017
Group finance	5.0	Develop finance team to drive excellent delivery	24	✓	US\$60 017
Governance, internal audit and risk management	2.5	Ensure that effective systems of internal control are operated throughout the group's controlled entities	101	✓	US\$30 009
Sustainability: Diversity and inclusion	2.5	Promote diversity and inclusion in the function and ensure high employee engagement	24	✓	US\$30 009
Sustainability: Climate sustainability	2.5	Be carbon-neutral on scope 1 and scope 2 emissions at the group level by year-end FY22	43	✓	US\$30 009
	50.0				US\$360 102

¹ Core headline earnings is an alternative performance measurement. Please refer to 'Other information - Non-IFRS financial measures and alternative performance indicators' on page 181 of the integrated annual report.

* The investor relations target is partly achieved.

Implementation of remuneration policy continued

LTI over FY22

LTI awards represent a significant portion of total compensation and are designed to incentivise the delivery of sustainable longer-term growth and provide alignment with our shareholders. The entirety of our executives' LTIs is determined by the performance of the company and growth in the valuation of the underlying assets and, as such, is deemed 'at risk'. In table 1 below and table 1 on page 136, we have set out information on unvested LTI, including awards made during FY22 as well as awards that have vested⁴ during FY22. Details of the group's LTI schemes settlement are disclosed in note 37 on pages 130 and 131 of the consolidated financial statements at www.naspers.com.

It is noted that, given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the FY22 Global Ecommerce share price for the purpose of settling and issuing awards, until the sale of that business has been concluded. The trading of SARs and vesting of PSUs will be delayed until such time.

Table 1 – Overview of LTI awards for Bob van Dijk

Bob van Dijk	Performance metric	Main conditions of share plans				Number of unvested awards ¹				Value in US\$	
		Award date	Vesting date(s)	Expiry date	Strike price of option/SAR	Opening balance 1 April 2021 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2022 (unvested)	Potential gain of awards vested during the year at vesting date ²	Fair value of unvested awards 31 March 2022 ³
Naspers Performance Share Units (PSUs)	Three years cliff - TSR	09/09/2019	footnote 4	n/a	-	24 527	-	-	24 527	-	4 219 279
		21/09/2020	21/09/2023	n/a	-	48 302	-	-	48 302	-	5 630 946
		21/06/2021	21/06/2024	n/a	-	-	27 796	-	27 796	-	3 240 399
		Subtotal					72 829	27 796	-	100 625	-
Prosus Performance Share Units (PSUs)	Three years cliff - TSR	26/08/2021	26/08/2024	n/a	-	-	26 993	-	26 993	-	1 497 523
		Subtotal					-	26 993	-	26 993	-
Naspers Global Ecommerce Share Appreciation Rights (SARs)	Four-year measurement of value growth of ecommerce business units	15/08/2017	15/08/2021	15/08/2027	27.25	146 789	-	(146 789)	-	5 523 670	-
		15/08/2017	15/08/2022	15/08/2027	27.25	146 789	-	-	146 789	-	4 409 542
		08/09/2017	08/09/2021	08/09/2027	27.60	35 051	-	(35 051)	-	1 370 845	-
		08/09/2017	08/09/2022	08/09/2027	27.60	35 055	-	-	35 055	-	1 040 783
		25/06/2018	25/06/2021	25/06/2028	33.57	104 608	-	(104 608)	-	3 184 268	-
		25/06/2018	25/06/2022	25/06/2028	33.57	104 610	-	-	104 610	-	2 481 349
		16/07/2019	16/07/2021	16/07/2029	36.70	109 208	-	(109 208)	-	3 163 756	-
		16/07/2019	16/07/2022	16/07/2029	36.70	109 208	-	-	109 208	-	2 248 593
		16/07/2019	16/07/2023	16/07/2029	36.70	109 208	-	-	109 208	-	2 248 593
		21/09/2020	21/09/2021	21/09/2030	41.98	62 571	-	(62 571)	-	1 470 419	-
		21/09/2020	21/09/2022	21/09/2030	41.98	62 571	-	-	62 571	-	957 962
		21/09/2020	21/09/2023	21/09/2030	41.98	62 571	-	-	62 571	-	957 962
		21/09/2020	21/09/2024	21/09/2030	41.98	62 572	-	-	62 572	-	957 977
		21/06/2021	21/06/2022	21/06/2031	63.89	-	39 092	-	39 092	-	-
		21/06/2021	21/06/2023	21/06/2031	63.89	-	39 092	-	39 092	-	-
21/06/2021	21/06/2024	21/06/2031	63.89	-	39 092	-	39 092	-	-		
21/06/2021	21/06/2025	21/06/2031	63.89	-	39 092	-	39 092	-	-		
Subtotal						1 150 811	156 368	(458 227)	848 952	14 712 956	15 302 760

Implementation of remuneration policy continued

Table 1 – Overview of LTI awards for Bob van Dijk (continued)

Bob van Dijk	Performance metric	Main conditions of share plans				Number of unvested awards ¹				Value in US\$	
		Award date	Vesting date(s)	Expiry date	Strike price of option/SAR	Opening balance 1 April 2021 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2022 (unvested)	Potential gain of awards vested during the year at vesting date ²	Fair value of unvested awards 31 March 2022 ³
Naspers N Share Options (SOs)	Four-year share price growth	05/07/2016	05/07/2021	05/07/2026	2 056.88	49 302	-	(49 302)	-	7 035 031	-
		08/09/2017	08/09/2021	08/09/2027	2 755.72	12 932	-	(12 932)	-	1 089 707	-
		25/06/2018	25/06/2021	25/06/2028	3 100.99	15 285	-	(15 285)	-	1 295 283	-
		25/06/2018	25/06/2022	25/06/2028	3 100.99	15 287	-	-	15 287	-	-
		16/07/2019	16/07/2021	16/07/2029	3 494.00	3 958	-	(3 958)	-	230 118	-
		16/07/2019	16/07/2022	16/07/2029	3 494.00	3 958	-	-	3 958	-	-
		16/07/2019	16/07/2023	16/07/2029	3 494.00	3 961	-	-	3 961	-	-
		21/09/2020	21/09/2021	21/09/2030	2 827.88	3 552	-	(3 552)	-	-	-
		21/09/2020	21/09/2022	21/09/2030	2 827.88	3 552	-	-	3 552	-	-
		21/09/2020	21/09/2023	21/09/2030	2 827.88	3 552	-	-	3 552	-	-
		21/09/2020	21/09/2024	21/09/2030	2 827.88	3 552	-	-	3 552	-	-
		13/07/2021	13/07/2022	13/07/2031	2 819.37	-	2 316	-	2 316	-	-
		13/07/2021	13/07/2023	13/07/2031	2 819.37	-	2 316	-	2 316	-	-
		13/07/2021	13/07/2024	13/07/2031	2 819.37	-	2 316	-	2 316	-	-
13/07/2021	13/07/2025	13/07/2031	2 819.37	-	2 316	-	2 316	-	-		
		Subtotal				118 891	9 264	(85 029)	43 126	9 650 140	-
Prosus N Share Options (SOs)	Four-year share price growth	26/08/2021	26/08/2022	26/08/2031	71.61	-	2 295	-	2 295	-	-
		26/08/2021	26/08/2023	26/08/2031	71.61	-	2 295	-	2 295	-	-
		26/08/2021	26/08/2024	26/08/2031	71.61	-	2 295	-	2 295	-	-
		26/08/2021	26/08/2025	26/08/2031	71.61	-	2 298	-	2 298	-	-
		Subtotal				-	9 183	-	9 183	-	-
		Total				1 342 531	229 604	(543 256)	1 028 879	24 363 096	29 890 907

- The aggregated cash-settled liability of vested unexercised SARs is included in the aggregated cash-settled liability in note 37 of the consolidated financial statements on page 130. The share-based compensation reserve of vested but unexercised SO is included in the aggregated retained earnings balance shown on the consolidated statement of changes in equity of the consolidated financial statements on page 42.
- The potential gain of awards vested in FY22 is calculated by taking the difference between the closing share price on vesting date and the offer price and multiplying that difference by the number of SOs/SARs that vested in FY22. The value does not necessarily accrue to the individual. It is available to them should they have chosen to exercise (buy and/or sell shares) on or after the date the SOs or SARs vested. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue one Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant.
- The fair value of unvested awards on 31 March 2022 is calculated by taking the difference between the closing share price on 31 March 2022 and the offer price (if applicable) and multiplying that difference by the number of unvested SOs/SARs/PSUs as at 31 March 2022 and assuming 100% vesting for the PSU awards. The closing share price applied for the Naspers Global Ecommerce SAR Plan reflects the best estimate share price as at 31 March 2022 and is in line with the group's IFRS 2 liability on page 130 of the AFS which does not reflect the impact of the non-adjusting subsequent event regarding the intended sale of Avito. All impacted LTI plans, including the Naspers Global Ecommerce SAR Plan, will remain under a ban on trade until such time as the sale of Avito is successfully concluded, and accordingly, participants will not be able to exercise their vested awards. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue one (1) Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. The actual value accruing to the executive will depend on the real value created over the time of the award.
- Given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the achievement of the PSU performance condition until the sale of that business has been concluded. The vesting date will be delayed accordingly.

Implementation of remuneration policy continued

Table 1 – Overview of LTI awards for Basil Sgourdos

Basil Sgourdos	Performance metric	Main conditions of share plans				Number of unvested awards ¹				Value in US\$	
		Award date	Vesting date(s)	Expiry date	Strike price of option/SAR	Opening balance 1 April 2021 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2022 (unvested)	Potential gain of awards vested during the year at vesting date ²	Fair value of unvested awards 31 March 2022 ³
Naspers Performance Share Units (PSUs)	Three years cliff - TSR	09/09/2019	footnote 4	n/a	-	12 718	-	-	12 718	-	2 187 825
		21/09/2020	21/09/2023	n/a	-	28 623	-	-	28 623	-	3 336 809
		21/06/2021	21/06/2024	n/a	-	-	16 472	-	16 472	-	1 920 271
		Subtotal					41 341	16 472	-	57 813	-
Prosus Performance Share Units (PSUs)	Three years cliff - TSR	26/08/2021	26/08/2024	n/a	-	-	15 995	-	15 995	-	887 374
		Subtotal					-	15 995	-	15 995	-
Naspers Global Ecommerce Share Appreciation Rights (SARs)	Four-year measurement of value growth of ecommerce business units	29/08/2016	29/08/2021	29/08/2026	20.45	32 603	-	(32 603)	-	1 464 853	-
		15/08/2017	15/08/2021	15/08/2027	27.25	25 353	-	(25 353)	-	954 033	-
		15/08/2017	15/08/2022	15/08/2027	27.25	25 354	-	-	25 354	-	761 634
		08/09/2017	08/09/2021	08/09/2027	27.60	21 017	-	(21 017)	-	821 975	-
		08/09/2017	08/09/2022	08/09/2027	27.60	21 020	-	-	21 020	-	624 084
		25/06/2018	25/06/2021	25/06/2028	33.57	53 689	-	(53 689)	-	1 634 293	-
		25/06/2018	25/06/2022	25/06/2028	33.57	53 692	-	-	53 692	-	1 273 574
		16/07/2019	16/07/2021	16/07/2029	36.70	56 626	-	(56 626)	-	1 640 455	-
		16/07/2019	16/07/2022	16/07/2029	36.70	56 626	-	-	56 626	-	1 165 929
		16/07/2019	16/07/2023	16/07/2029	36.70	56 627	-	-	56 627	-	1 165 950
		21/09/2020	21/09/2021	21/09/2030	41.98	37 079	-	(37 079)	-	871 357	-
		21/09/2020	21/09/2022	21/09/2030	41.98	37 079	-	-	37 079	-	567 679
		21/09/2020	21/09/2023	21/09/2030	41.98	37 079	-	-	37 079	-	567 679
		21/09/2020	21/09/2024	21/09/2030	41.98	37 080	-	-	37 080	-	567 695
		21/06/2021	21/06/2022	21/06/2031	63.89	-	23 165	-	23 165	-	-
		21/06/2021	21/06/2023	21/06/2031	63.89	-	23 165	-	23 165	-	-
		21/06/2021	21/06/2024	21/06/2031	63.89	-	23 165	-	23 165	-	-
21/06/2021	21/06/2025	21/06/2031	63.89	-	23 166	-	23 166	-	-		
Subtotal						550 924	92 661	(226 367)	417 218	7 386 966	6 694 225

Implementation of remuneration policy continued

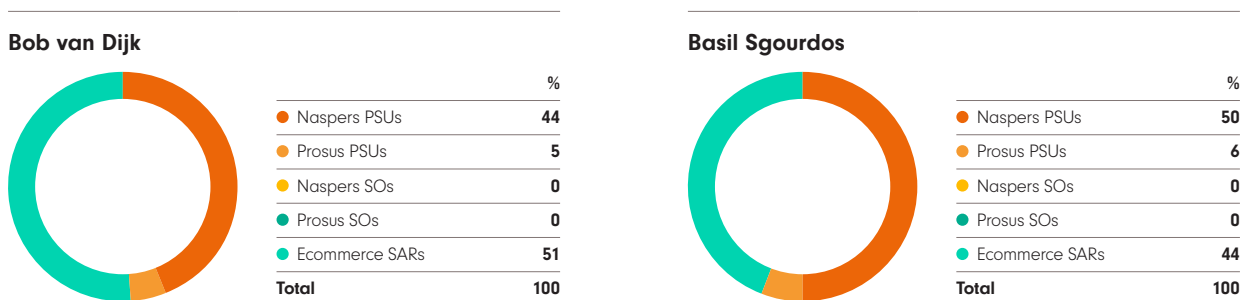
Table 1 – Overview of LTI awards for Basil Sgourdos (continued)

Basil Sgourdos	Performance metric	Main conditions of share plans				Number of unvested awards ¹				Value in US\$	
		Award date	Vesting date(s)	Expiry date	Strike price of option/SAR	Opening balance 1 April 2021 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2022 (unvested)	Potential gain of awards vested during the year at vesting date ²	Fair value of unvested awards 31 March 2022 ³
Naspers N Share Options (SOs)	Four-year share price growth	29/08/2016	29/08/2021	29/08/2026	2 323.52	3 231	-	(3 231)	-	290 772	-
		08/09/2017	08/09/2021	08/09/2027	2 755.72	1 444	-	(1 444)	-	121 678	-
		25/06/2018	25/06/2021	25/06/2028	3 100.99	8 277	-	(8 277)	-	701 410	-
		25/06/2018	25/06/2022	25/06/2028	3 100.99	8 277	-	-	8 277	-	-
		16/07/2019	16/07/2021	16/07/2029	3 494.00	2 052	-	(2 052)	-	119 303	-
		16/07/2019	16/07/2022	16/07/2029	3 494.00	2 052	-	-	2 052	-	-
		16/07/2019	16/07/2023	16/07/2029	3 494.00	2 055	-	-	2 055	-	-
		21/09/2020	21/09/2021	21/09/2030	2 827.88	2 105	-	(2 105)	-	-	-
		21/09/2020	21/09/2022	21/09/2030	2 827.88	2 105	-	-	2 105	-	-
		21/09/2020	21/09/2023	21/09/2030	2 827.88	2 105	-	-	2 105	-	-
		21/09/2020	21/09/2024	21/09/2030	2 827.88	2 105	-	-	2 105	-	-
		13/07/2021	13/07/2022	13/07/2031	2 819.37	-	1 372	-	1 372	-	-
		13/07/2021	13/07/2023	13/07/2031	2 819.37	-	1 372	-	1 372	-	-
		13/07/2021	13/07/2024	13/07/2031	2 819.37	-	1 372	-	1 372	-	-
13/07/2021	13/07/2025	13/07/2031	2 819.37	-	1 373	-	1 373	-	-		
		Subtotal				35 808	5 489	(17 109)	24 188	1 233 163	-
Prosus Share Options (SOs)	Four-year share price growth	26/08/2021	26/08/2022	26/08/2031	71.61	-	1 360	-	1 360	-	-
		26/08/2021	26/08/2023	26/08/2031	71.61	-	1 360	-	1 360	-	-
		26/08/2021	26/08/2024	26/08/2031	71.61	-	1 360	-	1 360	-	-
		26/08/2021	26/08/2025	26/08/2031	71.61	-	1 362	-	1 362	-	-
				Subtotal			-	5 442	-	5 442	-
		Total				628 073	136 059	(243 476)	520 656	8 620 129	15 026 503

- The aggregated cash-settled liability of vested unexercised SARs is included in the aggregated cash-settled liability in note 37 of the consolidated financial statements on page 130. The share-based compensation reserve of vested but unexercised SO is included in the aggregated retained earnings balance shown on the consolidated statement of changes in equity of the consolidated financial statements on page 42.
- The potential gain of awards vested in FY22 is calculated by taking the difference between the closing share price on vesting date and the offer price and multiplying that difference by the number of SOs/SARs that vested in FY22. The value does not necessarily accrue to the individual. It is available to them should they have chosen to exercise (buy and/or sell shares) on or after the date the SOs or SARs vested. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue one Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant.
- The fair value of unvested awards on 31 March 2022 is calculated by taking the difference between the closing share price on 31 March 2022 and the offer price (if applicable) and multiplying that difference by the number of unvested SOs/SARs/PSUs as at 31 March 2022 and assuming 100% vesting for the PSU awards. The closing share price applied for the Naspers Global Ecommerce SAR Plan reflects the best estimate share price as at 31 March 2022 and is in line with the group's IFRS 2 liability on page 130 of the AFS which does not reflect the impact of the non-adjusting subsequent event regarding the intended sale of Avito. All impacted LTI plans, including the Naspers Global Ecommerce SAR Plan, will remain under a ban on trade until such time as the sale of Avito is successfully concluded, and accordingly, participants will not be able to exercise their vested awards. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue one (1) Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. The actual value accruing to the executive will depend on the real value created over the time of the award.
- Given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the achievement of the PSU performance condition until the sale of that business has been concluded. The vesting date will be delayed accordingly.

Implementation of remuneration policy continued

Figure 1 – the balance of the executive directors' unvested LTIs (based on potential value) as at 31 March 2022:



Executive directors' LTI exercised in FY22

Basil Sgourdos exercised Naspers SOs in the MIH Internet Holdings B.V. Share Trust which were due to expire on 2 July 2022 and he disposed of the Naspers shares that he received. The full net gain after tax was reinvested back into the group in the form of Prosus N ordinary shares which he bought on the open market. The pre-tax gain amounted to US\$2 418 642 and includes the value of the Prosus shares linked to his Naspers SOs as a result of the Prosus capitalisation issue in 2019. Details of the transaction are summarised in the table on the right.

Figure 2 – LTI exercised in FY22 by Basil Sgourdos

	Date exercised	Number of SOs/SARs	Gross gain (pre-tax)
Naspers N SOs	31 January 2022	11 124	US\$1 502 965
Naspers N SOs - linked Prosus shares	31 January 2022	11 124	US\$915 677

Shares purchased in the market

Since 1 April 2018, to avoid shareholder dilution as a result of employee LTIs, the group has been purchasing Naspers and Prosus shares on JSE/Euronext for the purpose of issuing new Naspers SOs, Naspers PSUs, Naspers RSUs, Prosus SOs, Prosus PSUs and Prosus RSUs to employees and settling gains made on all share-based incentive schemes (prior to 31 March 2020).

In FY22, the group purchased Naspers N shares to the value of US\$38m (FY21: US\$48m) and Prosus N shares to the value of US\$182m (FY21: US\$65m) in the market, totalling US\$220m (FY21: US\$113m). Details of these Naspers and Prosus share purchases are summarised in figure 3 below and figure 1 on page 139 respectively.

Figure 3 – Prosus shares purchased in the market

	2022			2021		
	Number of shares	Purchase price (US\$) ²	Average market price range (€)	Number of shares	Purchase price (US\$) ²	Average purchase price range (€)
Prosus N.V. Share Award and Option Plan Trust ¹	2 064 211	182 002 007	42.44 and 84.58	670 032	64 703 088	77.40 and 108.81

¹ The Prosus N.V. Share Award Plan is used to grant Prosus RSUs to employees of the group (executive directors are not eligible to receive RSUs) and PSUs to executive directors and eligible senior management. The Prosus N.V. Share Option Plan is used to grant Prosus Options to executive directors and eligible senior management. Shares are purchased on Euronext and JSE Limited, Johannesburg's stock exchange, for non-South African and South African employees respectively.

² Purchase price in euro (€) converted to US dollar (US\$) by using the exchange rate on date of purchase.

Implementation of remuneration policy continued

Figure 1 – Naspers shares purchased in the market

	2022			2021		
	Number of shares	Purchase price (US\$) ²	Average market price range (R)	Number of shares	Purchase price (US\$) ²	Average purchase price range (R)
MIH Internet Holdings Share Trust ¹	77 813	16 125 917	2 467.00 to 2 978.27	107 101	19 444 686	2 978.39 to 3 111.41
MIH Holdings Share Trust ¹	71 096	14 545 917	1 978.64 to 2 978.27	68 718	12 285 548	3 042.13
Naspers Restricted Stock Plan Trust	36 939	7 712 018	2 978.27	92 918	16 612 074	3 042.13
Total	185 848	38 383 852		268 737	48 342 308	

1 The MIH Internet Holdings Share Trust is used to grant Naspers options to our non-South African employees. The MIH Holdings Share Trust is used to grant Naspers options to our South African employees.
 2 Purchase price in SA rand (R) converted to US dollar (US\$) by using the exchange rate on date of purchase.

Dilutive impact of group LTI schemes

The board has determined that no more than 5% of the current N ordinary share capital may be used for purposes of share-based incentive schemes.

LTI costs

LTIs across the group account for 15.5% of total staff costs, and 3% of overall group costs, for example, the cost of providing services and sale of goods, selling, general and administration expenses. The LTI costs decreased due to changes in valuation assumptions, including share prices and volatility, as well as the impact of allocations made and vesting of options. Further details can be found in note 37 on page 130 of the consolidated financial statements at www.naspers.com.

Statement of compliance

Termination payments

No termination payments were made to executive and non-executive directors on termination of employment or office in FY22.

Malus and clawbacks

Malus and clawback provisions apply to the STI and LTI awarded to executive directors and the directs of the CEO. In FY22, no malus or clawback was applied to any remuneration of the executive directors and the directs of the CEO.

CEO shareholding requirement

The CEO's shareholding requirement of rebalancing his current holding of 10 times annual salary in Naspers shares by the end of FY23, while maintaining an overall combined holding in Naspers and Prosus shares of 10 times annual salary, is already met.

Implementation of remuneration policy continued

Looking forward to FY23

Given the increase in the discount to net asset value, we determined for FY23 to make three material changes in CEO and CFO remuneration. First, as is also suggested for the board, there will be no increase to base salary. Second, there will be no issuance of LTIs for the financial year. Finally, a new discount-linked STI is being put forth to ensure intense focus is put into material reduction of the discount to net asset value.

We believe this one-year decision is prudent and consistent with our commitment to ensure there is proper alignment between executive and shareholder outcomes.

The special incentive, if approved by shareholders, will be a discount-linked STI whereby the CEO and CFO will only be paid on successful discount reduction. The aspiration is to create an

even greater focus on discount improvement and to align the incentives outcome directly with shareholder outcomes. Moreover, we believe that a discount reduction only deserves CEO and CFO remuneration if the reduction holds. The above-mentioned special incentive will be held in reserve until 31 March 2024 and remeasured against a claw-back provision. After the first fiscal year, the committee will evaluate the success of the special incentive and determine whether another similar incentive should be implemented for the subsequent financial year.

We believe strongly that discount reduction is fundamental to maximising shareholder returns and desire to ensure the CEO's incentives are aligned with those of our shareholders. It is in this light that, although LTI continues to be an important element in our executive compensation, the committee decided not to award LTIs for FY23. The committee does intend to award LTIs in FY24.

FY23 single-figure table

EUR'000	Fixed remuneration ¹	Variable remuneration			Pension	Other benefits ⁵	Total remuneration ⁶	Proportion of fixed and variable remuneration
		Standard STI ²	Discount-linked STI ³	LTI ⁴				
Executive director								
Bob van Dijk, CEO	1 296	1 296	3 150	0	85	44	5 871	22%/78%
Basil Sgourdos, CFO	1 085	1 085	1 807	0	85	15	4 077	27%/73%

FY23 single-figure table

US\$'000	Fixed remuneration ¹	Variable remuneration			Pension	Other benefits ⁵	Total remuneration ⁶	Proportion of fixed and variable remuneration
		Standard STI ²	Discount-linked STI ³	LTI ⁴				
Executive director								
Bob van Dijk, CEO	1 435	1 435	3 486	0	94	49	6 498	22%/78%
Basil Sgourdos, CFO	1 200	1 200	2 000	0	94	16	4 510	27%/73%

1 The executive directors will not receive an increase in base salary for FY23.

2 This is the at-target and also maximum STI as a percentage to base salary. FY23 STI goals are shown on page 141 of this remuneration report.

3 This special cash incentive, if approved by shareholders, will be a discount-linked STI whereby the CEO and CFO will only be paid on successful discount reduction. This target amount is also the maximum amount achievable. Any achievement pay-out on this FY23 discount-linked STI will be held in reserve until 31 March 2024 and remeasured against a claw-back provision.

4 There will be no FY23 LTI award for the executive directors.

5 Medical insurance, life and disability insurance.

6 Executive directors are executive directors of both Naspers and Prosus. Their remuneration as executive directors of these entities is currently split 10/90 between Naspers and Prosus.

Discount-linked STI

The special incentive, if approved by shareholders, will be a discount-linked STI whereby the CEO and CFO will only be paid on successful discount reduction. The aspiration is to create an even greater focus on discount improvement and to align the incentives outcome directly with shareholder outcomes. Moreover, we believe that a discount reduction only deserves CEO and CFO remuneration if the reduction holds. The above-mentioned special incentive will be held in reserve until 31 March 2024 and remeasured against a claw-back provision.

Implementation of remuneration policy continued

FY23 STI goals

In this report, we have clearly disclosed the STI goals and achievements for FY22. We believe that showing our competitors details of the STI targets before the end of the financial year, is not in the best interests of our shareholders, but from FY23 onwards, we will be disclosing these targets retrospectively.

All financial, strategic, operational and ESG goals are measurable and validated.

The committee undertakes a thorough assessment to ensure that targets are sufficiently stretched in the context of potential remuneration delivered.

Bob van Dijk

Target and maximum STI opportunity: 100% base salary (standard FY23 STI)

Group financial goals	Weighting %	Description	Maximum payout
Core headline earnings (including Tencent)	19.05%	Achieve core headline earnings at target, including Tencent	€246 965
Free cash flow	19.05%	Achieve free cash outflow at target	€246 965
Strategic, operational and environment, social and governance (ESG) goals	Weighting %	Description	Maximum payout
Ecommerce financials	14.28%	Deliver organic topline growth at target, excluding Tencent	€185 127
	14.28%	Manage trading loss at target	€185 127
Sustainability: Diversity and inclusion	16.67%	Promote diversity and inclusion in the function and ensure high employee engagement	€216 111
Sustainability: Climate sustainability	16.67%	Reduce scope 1 and 2 emissions to zero at group level by year-end FY23	€216 111

Basil Sgourdos

Target and maximum STI opportunity: 100% of base salary (standard FY23 STI)

Group financial goals	Weighting %	Description	Maximum payout
Core headline earnings (including Tencent)	19.05%	Achieve core headline earnings at target, including Tencent	US\$228 665
Free cash flow	19.05%	Achieve free cash outflow at target	US\$228 665
Strategic, operational and ESG goals	Weighting %	Description	Maximum payout
Taxation	9.52%	Execute plans to navigate the changing global tax landscape	US\$114 272
Governance, internal audit and risk management	9.52%	Ensure that effective systems of internal control are operated throughout the group's controlled entities	US\$114 272
Balance sheet	9.52%	Take action to support our debt ratings responding to macro impacts on the balance sheet	US\$114 272
Sustainability: Diversity and inclusion	16.67%	Promote diversity and inclusion in the function and ensure high employee engagement	US\$200 097
Sustainability: Climate sustainability	16.67%	Reduce scope 1 and 2 emissions to zero at group level by year-end FY23	US\$200 097

Implementation of remuneration policy continued

Non-executive directors

Non-executive directors' fees

Given the global scale and complexity of the businesses that the group operates and in which it has interests, it is important that we can attract and retain the best globally orientated board members. The committee conducts a regular benchmarking exercise to ascertain whether the fees for non-executive directors are competitive, fair and reasonable.

The committee is informed by the external market when reviewing the fee structure and levels for our non-executive directors. This includes primarily market fee levels for the Naspers and Prosus industry peers internationally, as well as fee levels observed in the Top 10 AEX and JSE companies.

At the August 2021 AGM, shareholders approved a 5% increase of the non-executive directors' fees for FY22 and FY23, based on recent review of the external market data and inputs from our advisory partners. However, in view of the share performance, the board is proposing to defer the FY23 fee increase to FY24.

Non-executive directors' fee development	2020 %	2021 %	2022 %	2023 % (deferring to 2024)	2024 %
Board	5	0	5	0	5
Committees	5	0	5	0	5
Trustees of group share schemes/other personnel funds	5	0	5	0	5
All members: Daily fees when travelling to and attending meetings outside home country	0	0	0	0	0

Note: Following the listing of Prosus N.V. (Prosus) on Euronext Amsterdam in September 2019, Naspers non-executive directors serve on the boards of both companies. As a result of the non-executive directors assuming these dual responsibilities, the fees are split between Naspers and Prosus, on a 30/70 basis.

No additional fees are paid to boards members serving on the projects committee or on the valuations subcommittee of the human resources and remuneration committee. Non-executive directors do not receive any short- or long-term incentives or equity-based compensation.

Naspers and Prosus on a 30/70 basis, pro-rated from the date of listing of Prosus. The split was determined based on the underlying assets and the amount of time required to ensure that sufficient time is allocated to assume the dual responsibilities.

Non-executive directors serve on the board of both Naspers and Prosus and receive no additional compensation for their dual responsibilities to Naspers and Prosus. Fees are split between

The non-executive chair does not receive additional remuneration for attending meetings or being a member of or chairing any committee of the board or attending Tencent board and committee meetings.

Non-executive directors' fees

In US\$ (unless otherwise stated)		Naspers: 31 March 2022 ¹	Prosus: 31 March 2022 ¹	31 March 2022 ¹	31 March 2021
Board					
	Chair ²	156 973	366 270	523 243	498 325
	Member	62 789	146 508	209 297	199 330
	Daily fees when travelling to and attending meetings outside home country	1 050	2 450	3 500	3 500
Committees					
Audit committee	Chair	38 675	90 241	128 915	122 775
	Member	15 470	36 096	51 566	49 110
Risk committee	Chair	22 972	53 601	76 573	72 925
	Member	9 189	21 440	30 629	29 170
Human resources and remuneration committee	Chair	27 177	63 413	90 590	86 275
	Member	10 871	25 365	36 236	34 510
Nominations committee	Chair	14 648	34 178	48 825	46 500
	Member	5 859	13 671	19 530	18 600
Social, ethics and sustainability committee	Chair	20 104	46 909	67 013	63 825
	Member	8 042	18 764	26 805	25 530
Other	Trustee of group share schemes/other personnel funds	R16 934	R39 514	R56 448	R53 760

1 Following the listing of Prosus on Euronext Amsterdam, Naspers non-executive directors serve on the boards of both Naspers and Prosus. As a result of the non-executive directors assuming these dual responsibilities, the proposed fees will be split between Naspers and Prosus, on a 30/70 basis.

2 The chair of Naspers does not receive additional remuneration for attending meetings or being a member of or chairing any committee of the board. He receives no compensation for serving on the board of Tencent

Implementation of remuneration policy continued

Non-executive directors' fees

US\$'000	FY22							FY21								
	Directors' fees ¹		Committee and trustee fees		Other fees ²			Total	Directors' fees ¹		Committee and trustee fees		Other fees ²			Total
	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	FY22	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	FY21		
JP Bekker ³	558	24	-	8	-	-	590	533	22	-	7	-	-	562		
EM Choi ⁴	109	-	27	-	-	-	136	224	-	64	-	-	-	288		
HJ du Toit ⁵	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
CL Eenstein	244	-	110	-	-	50	404	234	-	105	-	-	50	389		
DG Eriksson ⁶	-	-	-	-	-	-	-	234	-	260	-	-	-	494		
M Girotra	234	-	52	-	-	-	286	234	-	49	-	-	-	283		
RCC Jafta	244	72	127	42	-	-	485	234	65	150	23	-	-	472		
AGZ Kemna ⁷	160	-	54	-	-	-	214	-	-	-	-	-	-	-		
FLN Letele	244	-	27	-	-	-	271	231	-	26	-	-	-	257		
D Meyer	241	-	67	-	-	-	308	234	-	26	-	-	-	260		
R Oliveira de Lima	244	-	56	-	-	50	350	234	-	53	-	-	50	337		
SJZ Pacak	244	-	205	-	-	-	449	234	-	59	-	-	-	293		
MR Sorour ⁸	244	139	-	-	-	120	503	234	150	-	-	-	120	504		
JDT Stofberg	244	-	27	-	-	-	271	231	-	26	-	-	-	257		
BJ van der Ross ⁹	244	-	27	-	-	-	271	234	-	29	-	-	-	263		
Y Xu	244	-	-	-	-	-	244	177	-	-	-	-	-	177		
Total	3 498	235	779	50	-	220	4 782	3 502	237	847	30	-	220	4 836		

1 Following the listing of Prosus, non-executive directors serve on the boards of both Naspers and Prosus. As a result of the non-executive directors assuming dual responsibilities, the fees were split between Naspers and Prosus on a 30/70 basis.

2 Compensation for assignments.

3 Kaos Bekker elected to donate the after-tax rand equivalent of all his director's fees to education. This year the recipient will be the primary school in Heidelberg, Gauteng, South Africa, that he attended.

4 Emilie Choi resigned with effect from 26 August 2021.

5 Hendrik du Toit elected not to receive directors' fees.

6 Retired with effect from 1 April 2021.

7 Appointed with effect from 15 April 2021.

8 Mark Sorour received US\$14 227.13 from MIH Holdings Proprietary Limited for the period 1 April 2021 to 31 March 2022. This payment relates to the increased cost of medical aid for retired members of the MMED medical aid scheme as a result of the unbundling of MultiChoice Group. Originally, it was noted that the company will provide an annual allowance to cover the difference in cost for retired scheme members during FY20 and FY21 only. However, this was extended to FY22. This is not disclosed in the above table.

9 Retired with effect from 1 April 2022.

Implementation of remuneration policy continued

General notes

Directors' fees include fees for services as directors, where appropriate, of Naspers and Media24 Proprietary Limited. An additional fee may be paid to directors for work done as directors with specific expertise. Committee fees include fees for attending meetings of the audit committee, risk committee, human resources and remuneration committee, nominations committee and the social, ethics and sustainability committee. Non-executive directors are subject to regulations on appointment and rotation in terms of Naspers's memorandum of incorporation, Prosus's articles of association, Dutch legal requirements and the South African Companies Act.

As announced on 20 December 2021, Sharmistha Dubey was appointed as a non-executive director of Naspers with effect from 1 April 2022.

The group arranges for, and pays, directors' and officers' liability insurance for the directors and officers of the group.

As at the date of this report, the group has not provided any personal loans, advances or guarantees to the executive and non-executive directors.

Koos Bekker and Cobus Stofberg each have an indirect 25% interest in Wheatfields 221 Proprietary Limited, which controls 168 605 Naspers Beleggings (RF) Limited ordinary shares, 16 860 500 Keeromstraat 30 Beleggings (RF) Limited ordinary shares, 179 988 (2020: 179 988) Naspers A shares and 834 540 (2021: 657 609) Prosus A1 shares.

Compliance

There were no deviations from the executive and non-executive directors' remuneration policy in FY22.

Figure 1 Executive and non-executive directors' interest in Naspers shares

The non-executive directors of Naspers had the following interests in Naspers A ordinary shares on 31 March 2022:

Name	31 March 2022			31 March 2021		
	Naspers A ordinary shares			Naspers A ordinary shares		
	Beneficial			Beneficial		
	Direct	Indirect	Total	Direct	Indirect	Total
SJZ Pacak	-	105	105	-	105	105
JDT Stofberg	-	175	175	-	175	175
Total	-	280	280	-	280	280

Implementation of remuneration policy continued

Figure 1

The executive and non-executive directors had the following interests in Naspers N ordinary shares on 31 March 2022:

Name	31 March 2022			31 March 2021		
	Naspers N ordinary shares			Naspers N ordinary shares		
	Beneficial			Beneficial		
	Direct	Indirect ¹	Total	Direct	Indirect	Total
JP Bekker ²	-	1 687 887	1 687 887	-	4 688 691	4 688 691
EM Choi ³	-	-	-	-	-	-
HJ du Toit ²	1 265	-	1 265	3 512	-	3 512
CL Enenstein	-	415	415	-	415	415
DG Eriksson ⁴	-	-	-	-	-	-
M Girotra	-	-	-	-	-	-
RCC Jaftha	-	-	-	-	-	-
AGZ Kemna ⁵	-	-	-	-	-	-
FLN Letele ⁶	2 604	-	2 604	2 604	-	2 604
D Meyer	-	-	-	-	-	-
R Oliveira de Lima	-	-	-	-	-	-
SJZ Pacak ²	113 986	82 800	196 786	316 635	134 000	450 635
V Sgourdos ^{2,7}	11 694	104 395	116 089	32 483	98 410	130 893
MR Sorour ²	1 349	166 636	167 985	2 145	159 295	161 440
JDT Stofberg ²	81 028	291 888	372 916	183 317	291 888	475 205
BJ van der Ross ^{2,8}	918	295	1 213	2 550	820	3 370
B van Dijk ²	18 651	1 088 957	1 107 608	51 809	1 003 928	1 055 737
Y Xu	-	-	-	-	-	-
Total	231 495	3 423 273	3 654 768	595 055	6 377 447	6 972 502

1 Naspers SOs that have been released (vested), but have not yet been exercised, are included in the indirect column:

Bob van Dijk: 1 088 957 (2021: 1 003 928). Basil Sgourdos: 104 395 (2021: 98 410). Mark Sorour: 166 194 (2021: 158 853). Steve Pacak: 54 000 (2021: 54 000).

2 Each of these directors participated in the share exchange which was approved by Prosus shareholders on 9 July 2021 and concluded on 16 August 2021. As part of this transaction, the directors traded a portion of their Naspers N ordinary shares in exchange for Prosus ordinary shares N.

3 Resigned as a director of Prosus and Naspers on 26 August 2021.

4 Resigned as a director of Prosus and Naspers on 1 April 2021.

5 Appointed as a director of Naspers on 15 April 2021.

6 On interrogation of the Naspers certificated register, the direct holding has been restated. The comparative has also been restated.

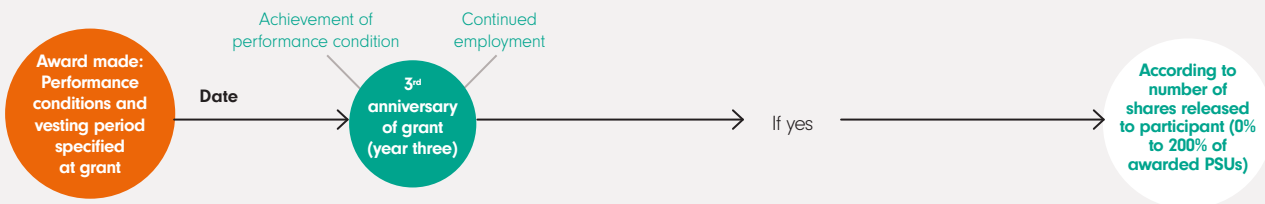
7 On 31 January 2022, Basil Sgourdos had exercised 11 124 Naspers and Prosus options and decided to dispose of the Naspers N ordinary shares he received and to retain the Prosus ordinary shares N. The full net gain after tax on disposal of these shares was reinvested back into the group in the form of Prosus ordinary shares N when, on 1 March 2022, he purchased 20 000 Prosus ordinary shares N at a volume-weighted average value per share of €56.3933.

8 Resigned as a director of Prosus and Naspers on 1 April 2022.

Additional information

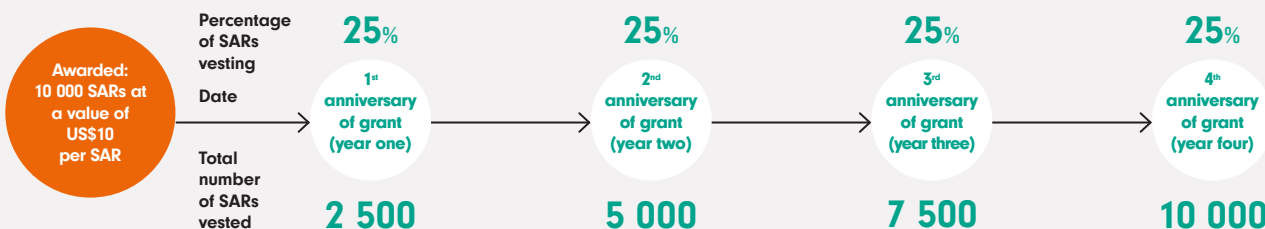
Graphic overview of our LTI plans

PSU How does a performance share unit (PSU) work?



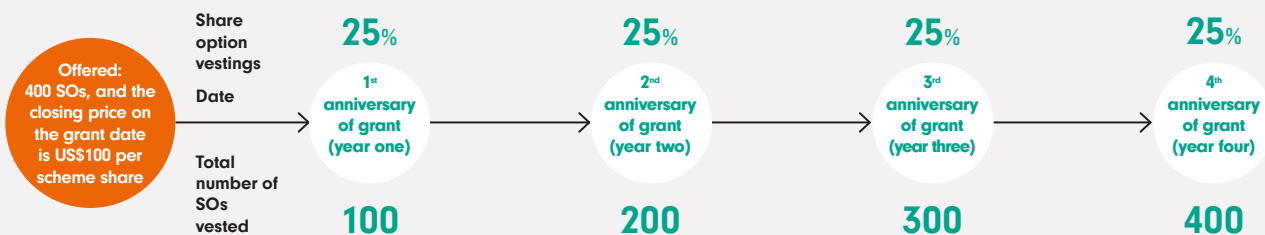
The vesting of a PSU is determined not just by time. In order for an award to vest, certain business performance conditions must also be met. If the threshold level of performance is not achieved, no shares will be awarded to the participant.

SAR How does a share appreciation right (SAR) work?



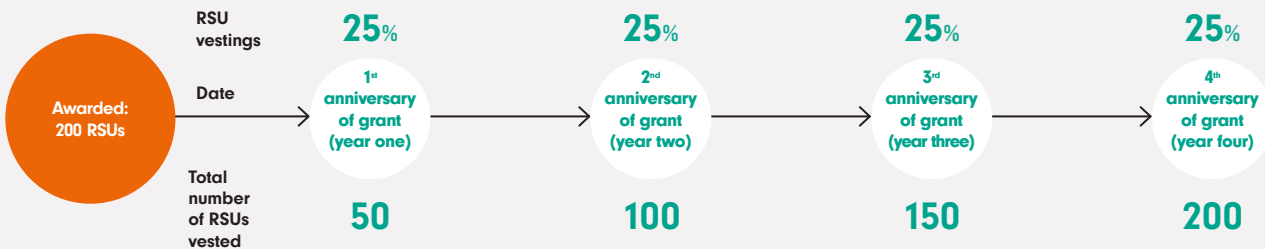
After two years the employee, assuming they didn't exercise their first 2 500 after year one, may exercise 5 000 of their 10 000 SARs. If the value of an SAR at this point has increased to US\$14, the employee made a gain of US\$4 per SAR, giving the employee a total gain of US\$20 000 (5 000 SARs x US\$4 gain per SAR). So, if exercised, the employee would be awarded a value of US\$20 000. If there is no increase in share value there is no gain to the participant.

SO How does a stock option (SO) work?



Let's say that two years after the grant date, the employee chooses to exercise and pay for 200 scheme shares, ie US\$100 x 200 = US\$20 000; if the market price of a scheme share has increased to, say US\$120, and the employee decides to sell them, that is a gain of US\$20 per share. This means the employee shares in the success of the group by earning a benefit of US\$4 000, ie US\$20 x 200 scheme shares. If there is no increase in share value there is no gain to the participant.

RSU How does a restricted share unit (RSU) work?



Employee is awarded 200 RSUs on grant date. On each of the vesting dates they will automatically receive 50 shares. Let's assume that on the first vesting date the price is US\$100 per share, the employee would then receive a benefit, at that point, to the value of US\$5 000, ie 50 shares times an assumed US\$100 per share.

Note: the CEO and his direct reports are not eligible to receive RSUs.

Additional information continued

LTI policies

Date and price of SARs, SOs and PSUs/RSUs

Our LTI policy does not allow for the backdating of LTI awards, or for the offer price to be adjusted so as to bring underwater SARs or SOs ‘into the money’. There is no strike price for a PSU or an RSU, these are full-value shares and PSUs vest only if there is an achievement of the performance conditions determined at grant.

Offer prices may be adjusted within the rules of the scheme to take account of material structural changes to the group, for example, when Prosus was listed in 2019, Naspers shareholders and employees holding Naspers SOs received Prosus capitalisation/ Naspers N capitalisation shares (depending on which share trust they participated in), linked to each option.

LTI dividend policy

Employees of the Prosus group holding unvested PSUs, RSUs or SOs do not receive ordinary dividends. Upon vesting, then participants are treated as per all other shareholders with regard to ordinary dividends.

Prudent approach

Vesting periods are conservative relative to the companies with which we compete for talent. Our LTI plans typically vest over four years, with equal tranches vesting annually. The PSU plan has a three-year cliff-vesting. Across the consumer internet sector, a three- or four-year vesting period is commonly observed, with grants often vesting monthly after the first year.

In FY22, we continued to broaden the use of RSUs as an effective LTI for many of our employees. RSUs are a common and widely spread LTI vehicle across the competitive consumer technology sector. For our senior roles (excluding senior executives), RSUs will continue to be complemented with SAR allocations on our unlisted assets, aligning the incentive to the performance delivery and value creation in the underlying business segments. With that, RSUs do not come in addition to SARs, but are part of the blend of LTI offered.

It is noted that RSUs are not available to the CEO, CFO, or other senior executives across the group. In an exceptional case, RSUs may be applied for a new hire, when necessary to ‘buy out’ remuneration forfeited on joining the company.

Our SO plans typically have a 10-year expiry term. This is a common term length across the consumer internet sector where early-stage businesses take longer to reach maturity and create shareholder value. Effective 1 April 2022, we are limiting the expiry period of our SARs plans to six years.

LTI scheme limits

We place limits on how much of the capitalisation (CAP) table is available for employee compensation. In general, no more than 5% of the Prosus CAP table can be used for unvested employee compensation. For the SARs plans that relate to our unlisted assets, no more than 15% of the CAP table can be used for unvested employee compensation. Depending on the life stage of the business, the scheme limit can be lower. When the business takes funding from Prosus, the SAR scheme is diluted as additional shares are issued.

Offer price

Also called grant price, strike price or purchase price. The price of the share on the date the SAR or SO was granted, at which the participant can buy the share at a later date (or in the case of a SAR, used to calculate a gain).

Exercise price

The price of the share at the time the participant chooses to exercise their SARs or SOs. The value gain to the participant is calculated by subtracting the offer price from the exercise price.

Offer date

Also called grant date. The date on which an LTI is offered to the participant, giving that participant the right to buy or receive shares at a date in the future.

Performance management

Pay for performance is one of the pillars of our reward philosophy. Personal performance and business performance are the determining factors in whether an individual receives a base salary increase, an annual performance-related incentive payout and/or an LTI in the form of SARs, PSUs (for executives only), RSUs (not for executives) or SOs.

Personal goals are arrived at as an outcome of the annual business planning process. As budgets and operating plans are designed prior to the end of the financial year, so too are the personal performance goals at an individual level. These goals, if achieved, drive the accomplishment of the financial and operating plan of the business.

Managers engage in continuous conversations with their teams throughout the financial year to ensure that their plans are on track. At the end of the financial year, both the overall performance of the business and the individual’s achievement of their personal goals are considered, and this may translate into the payment of an annual performance-related STI. While we do not force-rank performance scores, we do expect that any performance-related incentive payments reflect the overall performance, where appropriate. Individuals who have performed well against their performance-related incentive goals, are eligible to be considered for an LTI grant and a pay increase. Only strong performers are considered for LTI awards.



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