



Craig Enestein, chairperson of the Naspers HR & remuneration committee, answers questions on Naspers' approach to remuneration and how we make pay decisions.

Describe your approach to remuneration.

We build leading internet companies and we operate and invest in a significant number of markets and regions across the globe. The talent of our teams and our people is a key competitive advantage in our industry. To succeed, we need experts who are specialists in fields like data science, product design, machine learning, digital marketing and many other disciplines. They are incredibly scarce and therefore at a significant premium in terms of cost. To attract and retain the talent we need every day, we must compete hard against the world's biggest technology brands as well as local competitors, in addition to world class investors.

Our remuneration approach is designed to help us attract and retain the talent we need. It is relatively simple and is based on 5 principles:

Firstly, we pay fairly and responsibly: Fairly means that we take a rational approach and it's easy to explain our decisions to our people. It also means that our decisions are equitable, and free from discrimination.

Responsibly means that we have the right governance and oversight in place and that all pay decisions are properly managed and overseen. Being responsible also means we use our judgment: we avoid strictly adhering to formulaic approaches that might lead to unacceptable outcomes. And finally, being responsible means that we think about the long-term: about talent retention, succession and inclusion.

Secondly, the remuneration we offer must incentivize the achievement of our strategic, operational and financial objectives, both in the short-term and long-term.

Thirdly, we believe in pay-for-performance, and we believe in differentiating rewards for those who make the biggest contribution.

The **fourth** element is that we strive to create alignment between remuneration outcomes and shareholder outcomes.

And **lastly**, we aim for consistency; the elements of our remuneration packages are broadly the same, regardless of seniority.