



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

Why not go all the way and award only PSUs from now?

We are still a complex group and each element of our variable, or “at-risk” compensation scheme serves a particular purpose. The short-term incentive plan is focused on financial measurements like revenue, core headline earnings with and without Tencent and free cashflow. It also incentivizes the achievement of critical operational and strategic goals, within the financial year.

Naspers Stock Options incentivize the increase in the value of the entire Naspers group including Tencent over time. They reward the increase in the market cap of Naspers over time, and they expose Naspers management to the market's view of Naspers, in the same way as shareholders.

Share Appreciation Rights associated with the internet business incentivize the value of Naspers' listed and unlisted internet businesses over time excluding Tencent by driving growth and profitability. This is the biggest lever management has to create value.

Naspers Performance Share Units incentivize the increase in value of Naspers internet business excluding Tencent, and the delivery of superior returns over time to shareholders. They create an even stronger link between management rewards and shareholder outcomes over time and further alignment is created by exposure to the Naspers share price.