

# Group tax policy

Last reviewed and approved on 28 November 2023



NASPERS

## Group tax policy

### 1. INTRODUCTION

The purpose of the Group Tax Policy is to set out the policy governing the management of taxes by Naspers Limited (“Naspers”) and its subsidiaries (the “Group”). The Group Tax Policy is relevant to all employees of the Group dealing with tax matters. Its intention is to set out the goals and guiding principles which direct and control tax activity in the Group. This policy applies to all taxes including any interest and any penalties, additions to tax or additional amounts imposed by any Government authority or tax authority.

### 2. GOALS, PRINCIPLES AND GOVERNANCE

#### 2.1 Goals

Naspers is a committed member of the communities in which it operates. As a global group comprising local businesses, Naspers takes its responsibility to be a good corporate citizen of all countries where it operates and where its clients and users reside seriously, acting at all times with explicit and demonstrable honesty and integrity in all its dealings. In managing the tax affairs this corporate goal is followed. The aim is to have positive relationships with all key internal and external stakeholders (including tax authorities in all the countries where its businesses operate or are located) and to manage tax affairs efficiently, effectively and transparently with honesty and integrity. Naspers’s approach to taxes, its tax policy and tax disclosures form part of Naspers’s dialogue with its stakeholders, both internal and external, and are open to all for review. The tax policy is evaluated periodically and, where necessary, clarified or improved annually.

#### 2.2 Principles

In seeking to achieve the goals, Naspers employees should act in accordance with Naspers’s core values and codes of conduct as embedded in the Code of Business Ethics and Conduct, whilst safeguarding Naspers’s interests, including Naspers’s reputation and brand.

#### 2.3 Governance

This Group Tax Policy is endorsed by the Group CFO, and the board and is subject to annual review.

### 3. COMPLIANCE

Naspers stipulates that with respect to compliance:

- We comply with all our statutory obligations;
- We pay our taxes on time;
- We build good, honest and open working relationships with tax authorities;
- We disclose information legitimately required by the tax authorities. This includes information necessary to properly understand entries in a tax return and information specifically requested during tax audit enquiries;
- We are able to provide evidence that tax positions adopted are legally sustainable in the event of challenge by a revenue authority; and
- We comply with local Transfer Pricing regulations.

### 4. Technology

The use of technology in the tax management and compliance process is essential in ensuring greater efficiencies and supporting the integrity of tax relevant information. Naspers has embarked upon a journey to embed technology in tax management, compliance and reporting processes. In countries where tax authorities require online access to information, Naspers uses technology to enable this. Technology embedded in tax processes positively contributes to

the horizontal monitoring and cooperative compliance programs Naspers has with tax authorities.

## 5. TAX ACCOUNTING, TAX REPORTING, TAX PLANNING AND RISK REPORTING

### 5.1 Tax Accounting and Reporting:

Tax balances are calculated and reported in accordance with local accounting rules, International Financial Reporting Standards (IFRS) and Naspers accounting principles. The Finance Departments of the Segments and Businesses are accountable for reporting of tax balances, supported by internal and external tax specialists. External tax assurance is obtained for all disclosed financial tax information.

### 5.2 Tax Planning and Risk Reporting:

Naspers aligns tax management with the commercial drivers of the businesses – the group and local business strategies and operations are supported by relevant tax team members to ensure tax efficiency and compliance. Naspers believes it is appropriate to manage its tax cost effectively and efficiently as permitted by the regulatory framework and taking into account its low tax risk appetite thus ensuring that the correct amount of tax is paid. Naspers approaches tax management with caution and with the benefit of specialist advice if the circumstances so require. Steps taken to save taxes must always be aligned with our business strategy and our business operations. The tax strategy applied follows and aligns with the business drivers – the business objectives are the primary focus, any tax planning is secondary to these and is applied to enhance the business strategy. Naspers's aim is to avoid tax havens or non-cooperative tax jurisdictions in its tax management. Legacy structures with entities in tax havens are cleaned up and liquidated. The tax planning strategy takes the spirit of the law into account. Tax planning needs to happen in consultation with the Group Head of Tax. The Group Head of Tax ensures that all tax planning occurs within the parameters of Naspers's approach to tax and low appetite for tax risks and is aligned with and supported by business strategy.

Tax matters and risks (including disputes) are actively monitored by Business and/or Segment CFOs. Business and/or Segment CFOs are required to carry out periodical tax risk assessments. The summary of such assessment is presented to the Group Head of Tax and is then discussed at the Governance Committee (formerly the internal control oversight forum) or some other appropriate forum. The Group Head of Tax will periodically submit an update report relating to tax matters and tax risks to the Audit and Risk committees. In addition, there are regular tax update meetings between the Group Head of Tax and Group CFO.

Where appropriate, to enhance efficiency and tax certainty, agreements are entered into with tax authorities or rulings are obtained. Rulings are only obtained to provide clarity or certainty on the interpretation of facts or legislative provisions, not to enable the granting of any 'special treatment' or favours. Naspers supports the public availability and accessibility to any such rulings.

In addition, Naspers regularly engages with tax authorities to implement programmes of cooperative compliance where tax authorities are open to such engagements or to participate in pilots in countries where these pilots are started. Naspers pro-actively engages with policymakers about its approach to tax and global, regional and domestic tax developments.

## 6. ROLES AND RESPONSIBILITIES

### 6.1 Naspers Group Tax

Naspers Group Tax is a centre of excellence and supports Segments and Businesses both proactively and on request.

Group Tax is responsible for maintaining the overall relationship with the tax administration in South Africa.

Regardless of the responsibilities of the Segment CFOs or Business CFOs as listed above, it is required that the Group Head of Tax approves any major contract or transaction before key aspects are agreed in the Heads of Terms or implemented, specifically:

- Structuring of any acquisitions or disposals (including shares, assets / businesses and intellectual property); and

- Any change in the legal entity structure, for example by way of incorporation or formation of a new company, partnership, branch or other entity, merger, liquidation, transfer of legal ownership/shares, transfer of a business.

## **6.2 Segment CFOs and Business CFOs**

Segment CFOs and Business CFOs are responsible for all (local) tax activities and will escalate to Naspers Group Tax for guidance. Specific responsibilities of the Segment CFOs and Business CFOs include:

- Ensure that the (deferred and current) tax positions as included in the group reporting pack and Annual Financial Statements (“AFS”) are correct;
- Review of annual tax returns to ensure that these returns are correct and submitted on time;
- Ensure financial information reported in tax return reconciles properly to the AFS;
- Ensure financial and qualitative information is reported to Naspers Group Tax for Naspers’ obligations regarding CFC compliance and Country by Country reporting (“CbCR”) purposes in South Africa;
- Develop, maintain and submit Master files (files containing high level information regarding the group’s global business operations and transfer pricing policies to be available for all relevant tax authorities per the OECD guidelines) to Naspers Group Tax, and develop, maintain and file Master files and Local files to local authorities, for CbCR purposes;
- Receive regular updates on legislation and rule changes plus ensure proper implementation thereof;
- Make tax payments on time;
- Establish adequate resources internally and in advisory capacity commensurate with the size of the business and complexity of the tax regime or tax position;
- Undertake a comprehensive review of the tax affairs on a cyclical basis;
- Ensure that key data is immediately available;
- Build effective relationships with local tax administrations; and
- Integrate technology into tax management, compliance and reporting processes.

## **6.3 Joint Roles and Responsibilities**

Naspers Group Tax and the Segment CFOs and Business CFOs are jointly responsible for operating as a truly global group composed of motivated and skilled members with the following objectives:

- Enforcement of tax policies and standards;
- Compliance with all statutory and tax legislation and regulations;
- Comprehensive / holistic approach to tax risk management and tax planning;
- Adequate and timely tax reporting, risk reporting and escalation;
- Regular training is available to all finance, tax, legal and compliance officers; and
- Enhancing the use of technology for tax management.

## **7. POLICIES AND STANDARDS**

All Naspers Group, Segment and Business policies, standards, procedures and practices should be in line with the Naspers Group Tax Policy.

## **8. MEDIA AND EXTERNAL ENGAGEMENT**

All tax-related questions from media and other stakeholders must be referred to the Group CFO and the Group Head of Tax at all times. Any policy activity must be pre-approved by the Naspers Group Head of Tax at all times.

## 9. SPEAK UP

If you believe that there has been a breach of this Policy (or intention to do so), we encourage you to Speak Up. You may, at any time, contact your line manager, HR, an Ethics & Compliance Officer or the Naspers Group Ethics & Compliance team ([speakup@naspers.com](mailto:speakup@naspers.com)) to seek advice, guidance or to formally raise a concern.

If you do not feel comfortable raising a concern internally, you may use the independent, external Speak Up Service operated by Navex Global EthicsPoint. There are two ways to report a concern using the Speak Up Service:

- Online: <https://speakup.naspers.com>
- Telephone: (numbers available on website above)