



**Improving
everyday life for
millions of people...**



...by building leading consumer internet companies that address societal needs.

Welcome to our 2021 integrated annual report

At Naspers, we are committed to improving everyday life for millions of people by building leading consumer internet companies that address societal needs. This is at the heart of why and how we create value responsibly for all our stakeholders.

On the following pages we share our story of living up to this commitment in an extraordinarily challenging, transformative year.

Group overview

- 02 About this report
- 03 Statement of the board of directors on the integrated annual report
- 04 Group overview
- 11 Chair's review
- 13 Chief executive's review
- 18 Our strategy
- 20 Our business model
- 21 Measuring our impact
- 22 The world around us
- 25 Stakeholder engagement and materiality
- 29 Our culture

Performance review

- 31 Our performance
- 32 Classifieds
- 36 Food Delivery
- 42 Payments and Fintech
- 46 Etail
- 52 Ventures
- 57 Naspers Foundry
- 58 Social and Internet Platforms
- 60 Media
- 62 Financial review
- 63 Managing risks and opportunities
- 65 Monitoring of key risks

Sustainability review

- 73 Our sustainability direction
- 75 Data privacy and protection
- 77 Cybersecurity and technology resilience
- 79 Artificial intelligence and machine learning
- 81 Our people
- 88 The environment
- 91 Society
- 95 Tax

Governance

- 99 Our board
- 101 Naspers group governance framework
- 102 Governance for a sustainable business
- 116 Remuneration report

Summarised consolidated annual financial statements

- 146 Chief executive and financial director responsibility statement
- 146 Statement of responsibility by the board of directors
- 147 Independent auditor's report
- 148 Summarised consolidated annual financial statements

Further information

- 175 Notice of virtual annual general meeting
- 181 Form of proxy
- 182 Notes to the form of proxy
- 184 Shareholder and corporate information
- 185 Analysis of shareholders and shareholders' diary
- 186 Naspers voting control structure

About this report

This integrated annual report assesses our performance for the financial year ended 31 March 2021. We aim to provide a picture of our progress and impact on society.

THE SIX CAPITALS

- Financial
- Human
- Manufacturing
- Intellectual
- Social and relationship
- Natural

KEY ISSUES

Business

- Financial performance
- Responsible investments
- Customer centricity

Environment

- Climate action

Societal

- Business culture, ethics and integrity
- People
- Data privacy
- Digital inclusion

Technological

- AI
- Cyber-resilience
- Innovation

Reporting

In line with best practice for integrated reporting we measure our performance by evaluating how we create value for our key stakeholders by taking account of the six capitals¹. We also report on the 11 material issues identified by our stakeholders in our first materiality assessment as well as progress made against our strategy. We regularly measure returns on invested capital. We understand the risks we take and manage these to minimise their impact on our business and results.

This way of telling a comprehensive, connected story fits well with our holistic view of value and our focus on creating sustainable value for long-term good.

Responding to Covid-19

We were quick to respond to the Covid-19 pandemic. From the outset we focused on ensuring we safeguarded our people, maintained our ability to serve our customers and protected our businesses for the long term. Throughout the report we sum up how we have lived up to this commitment, including the many different initiatives undertaken by portfolio companies.

Listing information

Naspers Limited (Naspers) has its primary listing on the JSE Limited's stock exchange (JSE) (NPN.SJ) and a secondary listing on A2X Markets (NPN.AJ) in South Africa. It is the largest South African company on the JSE. It also has a level 1 American Depository Receipt (ADR) programme listing on the London Stock Exchange (LSE: NPSN) and trades on an over-the-counter (OTC) basis in the United States (US). Investors are therefore able to buy and sell Naspers securities on several markets. Naspers's subsidiary, Prosus N.V. (Prosus), is listed on Euronext Amsterdam with secondary listings on the JSE

Where relevant, we have adjusted amounts and percentages for the effects of foreign currency, as well as acquisitions and disposals.

Such adjustments (pro forma financial information) are quoted in brackets after the equivalent metrics reported under International Financial Reporting Standards (IFRS). Refer to pages 161 to 168 of the summarised consolidated annual financial statements for a reconciliation of these metrics with the equivalent amounts reported under IFRS. Financial commentary and segmental reviews are prepared on an economic-interest basis (which includes consolidated subsidiaries and a proportionate share of associated companies and joint ventures), unless otherwise stated.

This report contains certain non-IFRS financial measures (non-IFRS measures), which are not liquidity or performance measures under IFRS, and which the group considers to be alternative performance measures (APMs). These APMs are prepared in addition to the figures that are prepared in accordance with IFRS. Such measures include trading profit; adjusted EBITDA; headline earnings; core headline earnings; free cash flow; growth in local currency, excluding acquisitions and disposals; and economic-interest information.

The group provides non-IFRS measures and other information because the board believes that they provide investors with additional information to

measure its operating performance. The group's use of non-IFRS measures may vary from the use of other companies in its industry. The measures used should not be considered as an alternative to net income(loss), revenue or any other performance measure derived in accordance with IFRS or to net cash inflow(outflow) from operating activities as a measure of liquidity. The non-IFRS measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of the group's results as reported under IFRS. They may exclude or include amounts that are included or excluded, as applicable, in the calculation of the most directly comparable measures in accordance with IFRS. Their usefulness is therefore subject to limitations, which are described below. In particular, other companies in the industry may define the non-IFRS measures used herein differently than the group does. In those cases, it may be difficult to compare the performance of those entities to the group's performance based on these similarly named non-IFRS measures. In addition, the exclusion of certain items from non-IFRS measures does not imply that these items are necessarily non-recurring. From time to time, the group may exclude additional items if it believes doing so would result in more transparent and comparable disclosure.

Limited's stock exchange (XJSE:PRX) and A2X Markets (PRX.AJ) and also has bonds listed on Euronext Dublin. Prosus also has ADRs that trade on an OTC basis in the US.

Scope and boundary of reporting

Financial and non-financial reporting

This report extends beyond financial reporting. It reflects on non-financial performance, opportunities, risks and outcomes attributable to or associated with key stakeholders who have a significant influence on our ability to create value. Our subsidiaries, associates and investees (non-controlled entities) are required to comply with

applicable law and regulation. The group also encourages its associates and investees (non-controlled entities) to adopt appropriate governance standards (for example, codes of business ethics and conduct, and policies relating to anti-bribery and anti-corruption, competition compliance, privacy and sanctions and export controls).

It includes the strategy and financial performance of Naspers and its subsidiaries, joint ventures and associates (the group). The scope of reporting on non-financial performance is indicated in this report. Group reporting standards are continually being developed to make disclosure meaningful

¹ As identified in the framework of the International Integrated Reporting Council: financial, human, intellectual, manufacturing, social and relationship and natural capitals.

About this report continued

and measurable for stakeholders. Given the highly competitive environment in which we operate, this report mostly excludes financial targets or forward-looking statements other than as explained on this page.

Legislation and frameworks that inform our reporting

This integrated annual report was prepared against local and global standards, including:

- 2013 Framework of the International Integrated Reporting Council (IIRC): this principles-based approach promotes the concept of the six capitals¹, which considers material inputs and resources required to create and sustain value in the long term. We describe key components of the Naspers value chain (business model) that creates and sustains value for our stakeholders.
- We have aligned our climate change approach and our integrated reporting to the framework of the Task Force on Climate-related Financial Disclosures (TCFD), and this year we publish our first TCFD report.
- To meet the needs of investors and analysts and provide financially material information for all our stakeholders, we align our disclosures with the Sustainability Accounting Standards Board (SASB). This is also the first year we have published an SASB response.
- We support the United Nations Sustainable Development Goals (UN SDGs) and, like many other businesses, have identified which of those goals our business aligns with. We discuss this alignment and our activities in support of the SDGs in this report.
- South African Companies Act 71 of 2008, as amended (Companies Act).
- King IV Report on Corporate Governance for South Africa (King IVTM)².
- IFRS.

¹ As identified in the framework of the International Integrated Reporting Council: financial, human, intellectual, manufacturing, social and relationship and natural capitals.

² The Institute of Directors in Southern Africa NPC (IoDSA) owns all copyright and trademarks for King IVTM.

Materiality and material matters

We apply the principle of materiality in assessing what information to include in our integrated annual report. This report focuses particularly on those issues, opportunities and challenges that impact materially on the group and on its ability to be a sustainable business that delivers value to key stakeholders, including our shareholders.

Assurance

Financial information in this report extracted from the audited Naspers Limited consolidated annual financial statements for the year ended 31 March 2021 was audited by PricewaterhouseCoopers Inc. (PwC) (refer to page 147 for its report). PwC also performed specific procedures on material non-financial information in this report. In addition, PwC performed limited assurance on our scope 1 and scope 2 carbon footprint (refer to page 88). South African broad-based black economic empowerment (BBBEE) information (for Naspers and Media24) was assured by EmpowerLogic.

The group has a combined assurance model for internal use. This model is designed to cover key risks through a combination of assurance service providers and functions as appropriate for Naspers.

An overview of combined assurance per key risk is reported for consideration by the audit and risk committees.

The scope for our group internal audit and risk support function includes all controlled assets. The head of internal audit and risk support reports to the audit committee and presents for its approval an objective-driven, risk-based internal audit plan. Where required, external parties, such as forensic specialists or data-analytics experts, support the internal audit function. Other external assurance providers are enlisted as needed. In our more regulated businesses (like PayU), regulatory inspectors visit periodically.

The audit committee recommends the appointment of the external auditor to shareholders, reviews the auditor's independence annually and oversees the external audit. The audit committee makes recommendations to the board and assists the board in ensuring the integrity of external reports.

Forward-looking statements

This report contains forward-looking statements as defined in the United States Private Securities Litigation Reform Act of 1995 concerning our financial condition, results of operations and businesses. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control and all of which are based on our current beliefs and expectations about future events. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "plans", "assumes" or "anticipates", or associated negative, or other variations or comparable terminology, or by discussions of strategy that involve risks and uncertainties. These forward-looking statements and other statements contained in this report on matters that are not historical facts involve predictions.

No assurance can be given that such future results will be achieved. Actual events or results may differ materially as a result of risks and uncertainties implied in such forward-looking statements.

A number of factors could affect our future operations and could cause those results to differ materially from those expressed in the forward-looking statements, including (without limitation): (a) changes to IFRS and associated interpretations, applications and practices as they apply to past, present and future periods; (b) ongoing and future acquisitions, changes to domestic and international business and market conditions such as exchange rate and interest rate movements; (c) changes in domestic and international regulatory and legislative environments; (d) changes to domestic and international operational, social, economic and political conditions; (e) labour disruptions and industrial action; and (f) the effects of both current and future litigation. The forward-looking statements contained in this report apply only as of the date of

the report. We are not under any obligation to (and expressly disclaim any such obligation to) revise or update any forward-looking statements to reflect events or circumstances after the date of the report or to reflect the occurrence of unanticipated events. We cannot give any assurance that forward-looking statements will prove correct and investors are cautioned not to place undue reliance on any forward-looking statements.

Statement of the board of directors on the integrated annual report

This report is primarily intended to address the information requirements of long-term investors (our equity shareholders, bondholders and prospective investors). We also present information relevant to the way we create value for other key stakeholders, including our employees, clients, customers, regulators and society.

After being reviewed by the audit committee and board, the board approved the integrated annual report. The summarised consolidated annual financial statements for the year ended 31 March 2021 were prepared in accordance with IFRS and the Companies Act, while the integrated annual report was prepared using the IIRC framework and recommendations of King IV. In our opinion, the integrated annual report and annual financial statements fairly reflect the financial position of the group and its operations at 31 March 2021.

On behalf of the board

Koos Bekker
Chair

Bob van Dijk
Chief executive

Cape Town
19 June 2021

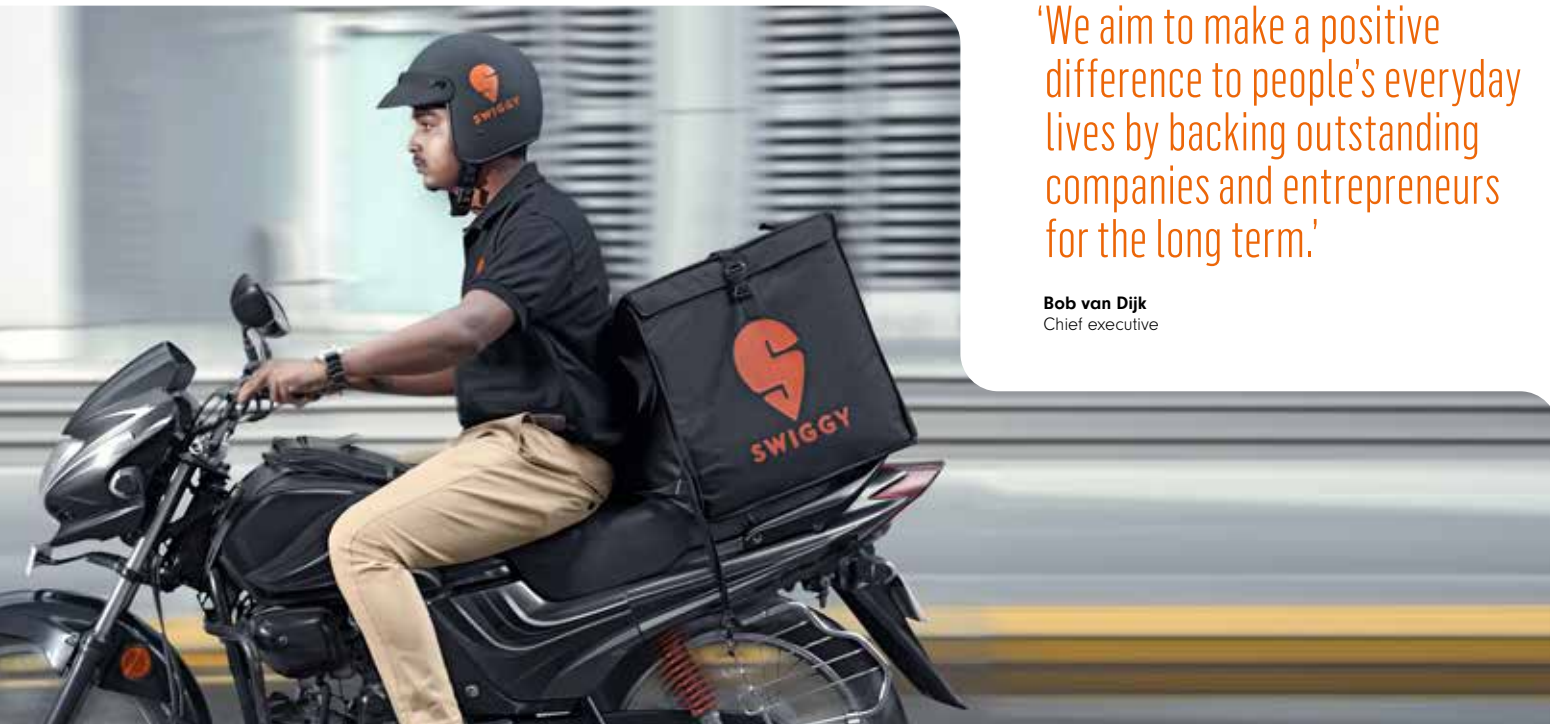


Group overview

Contents

- 04 Group overview
- 06 Where we operate
- 07 We focus on high-growth segments
- 08 Improving everyday life
- 09 An extraordinary year
- 10 Fit for the future
- 11 Chair's review
- 13 Chief executive's review
- 18 Our strategy
- 20 Our business model
- 21 Measuring our impact
- 22 The world around us
- 25 Stakeholder engagement and materiality
- 29 Our culture

From India to Brazil to South Africa to Russia – we improve everyday life for well over a billion people around the world. Millions more are within our reach and we want to help them too.



'We aim to make a positive difference to people's everyday lives by backing outstanding companies and entrepreneurs for the long term.'

Bob van Dijk
Chief executive


We are a global consumer internet group and one of the largest technology investors in the world.


We build leading companies that empower people and enrich communities.


We continue to grow and actively search for opportunities to partner with exceptional entrepreneurs using technology to address big societal needs. We keep going further in living our purpose to improve everyday life for millions of people.

Where we operate

We are in some high-growth parts of the world



We focus on dynamic markets around the world

Market leaders
We are leaders in many markets where we operate. Our most significant markets are India, Russia, Latin America, Central and Eastern Europe, North America, China, Southeast Asia, Africa and the Middle East.

Financial highlights

32%¹
growth in group revenues to US\$29.6bn

US\$3.5bn
21% in core headline earnings

45%¹
growth in trading profit to US\$5.6bn

R160m
investment via Naspers Foundry targeting early-stage technology companies

¹ On an economic-interest basis. Growth in local currency, excluding acquisitions and disposals.

Geographic reach/major markets



We focus on high-growth segments

We focus on core segments, including Classifieds, Food Delivery, Payments and Fintech, and Etail. Through our Ventures segment we invest in the next wave of growth segments, such as Edtech. We also invest in key Social and Internet Platforms.

Ecommerce (global consumer internet portfolio)

Classifieds OLX Group	Food Delivery	Payments and Fintech	Etail	Ventures	Social and Internet Platforms	Media Media24																																																												
REVENUE¹ US\$1 609m up 18%	REVENUE¹ US\$1 486m up >100%	REVENUE¹ US\$577m up 36%	REVENUE¹ US\$2 856m up 57%	REVENUE¹ US\$168m up 54%	REVENUE¹ US\$22 526m up 28%	REVENUE¹ US\$211m down 19%																																																												
TRADING PROFIT¹ US\$15m down 9%	TRADING LOSS¹ US\$355m up 42%	TRADING LOSS¹ US\$68m down 6%	TRADING PROFIT¹ US\$61m up >100%	TRADING LOSS¹ US\$48m up 2%	TRADING PROFIT¹ US\$6 154m up 29%	TRADING LOSS¹ US\$8m down 100%																																																												
EMPLOYEES 8 754	EMPLOYEES 4 126	EMPLOYEES 2 980	EMPLOYEES 8 318	Our Ventures arm partners with entrepreneurs to build leading technology companies, with the ambition to fuel the next wave of growth for the group.	Prosus also holds investments in two listed internet companies: Tencent, China's largest and most-used internet services platform, and Mail.ru Group, the leading internet company in Russian-speaking markets.	EMPLOYEES 2 697																																																												
Our brands, OLX and Avito, including 15 other brands, hold leading market positions in more than 22 countries.	Our portfolio consists of food-delivery businesses, including iFood, Delivery Hero and Swiggy.	PayU is one of the largest online payment services platforms in the world, with operations in 20 markets across Africa and the Middle East, Central and Eastern Europe, India, Southeast Asia and Latin America. Included in this segment are the group's fintech and credit associates Remitly and ZestMoney.	eMAG is an ecommerce leader in Central and Eastern Europe.	Takealot is South Africa's leading retailer, with three major businesses: Takealot.com, Superbalist and Mr D Food.		Media24 is Africa's leading print and digital media group with interests in digital media and services, newspapers, magazines, ecommerce, book publishing and media logistics. It publishes several magazines and newspapers and reaches 1.5 million average daily unique browsers - up 45% year on year, generating 12.6 million average daily page views, across its digital platforms.																																																												
<table border="0"> <tr><td></td><td>28.94%</td></tr> <tr><td></td><td>28.60%</td></tr> <tr><td></td><td>73.19%</td></tr> <tr><td></td><td>73.19%</td></tr> <tr><td></td><td>66.38%</td></tr> </table>		28.94%		28.60%		73.19%		73.19%		66.38%	<table border="0"> <tr><td></td><td>45.55%</td></tr> <tr><td></td><td>15.44%</td></tr> <tr><td></td><td>30.15%</td></tr> </table>		45.55%		15.44%		30.15%	<table border="0"> <tr><td></td><td>73.19%</td></tr> <tr><td></td><td>66.70%</td></tr> <tr><td></td><td>73.19%</td></tr> <tr><td></td><td>17.65%</td></tr> <tr><td></td><td>57.97%</td></tr> <tr><td></td><td>52.50%</td></tr> <tr><td></td><td>73.19%</td></tr> </table>		73.19%		66.70%		73.19%		17.65%		57.97%		52.50%		73.19%	<table border="0"> <tr><td></td><td>58.61%</td></tr> <tr><td></td><td>96.99%</td></tr> </table>		58.61%		96.99%	<table border="0"> <tr><td></td><td>6.46%</td></tr> <tr><td></td><td>10.24%</td></tr> <tr><td></td><td>29.32%</td></tr> <tr><td></td><td>12.34%</td></tr> <tr><td></td><td>15.33%</td></tr> <tr><td></td><td>14.52%</td></tr> <tr><td></td><td>11.58%</td></tr> <tr><td></td><td>7.74%</td></tr> <tr><td></td><td>68.32%</td></tr> <tr><td></td><td>9.05%</td></tr> </table>		6.46%		10.24%		29.32%		12.34%		15.33%		14.52%		11.58%		7.74%		68.32%		9.05%	<table border="0"> <tr><td></td><td>22.59%</td></tr> <tr><td></td><td>19.97%</td></tr> </table>		22.59%		19.97%	<table border="0"> <tr><td></td><td>100%</td></tr> </table>		100%
	28.94%																																																																	
	28.60%																																																																	
	73.19%																																																																	
	73.19%																																																																	
	66.38%																																																																	
	45.55%																																																																	
	15.44%																																																																	
	30.15%																																																																	
	73.19%																																																																	
	66.70%																																																																	
	73.19%																																																																	
	17.65%																																																																	
	57.97%																																																																	
	52.50%																																																																	
	73.19%																																																																	
	58.61%																																																																	
	96.99%																																																																	
	6.46%																																																																	
	10.24%																																																																	
	29.32%																																																																	
	12.34%																																																																	
	15.33%																																																																	
	14.52%																																																																	
	11.58%																																																																	
	7.74%																																																																	
	68.32%																																																																	
	9.05%																																																																	
	22.59%																																																																	
	19.97%																																																																	
	100%																																																																	
Read more on page 32	Read more on page 36	Read more on page 42	Read more on page 46	Read more on page 52	Read more on page 58	Read more on page 60																																																												

¹ Presented on an economic-interest basis. Growth in local currency excluding acquisitions and disposals.

Improving everyday life

We improve everyday life for millions of people around the world in many different ways.



Bringing delicious food to people's doors...

...and more customers to restaurants' kitchens.

[Read more on page 36](#)



Putting the power to make fast, secure payments in people's hands...

...and giving them credit options too, often for the first time.

[Read more on page 42](#)



Enabling people and businesses to buy and sell things quickly, conveniently and safely...

...while giving those items a second, third, fourth or fifth life.

[Read more on page 46](#)



Opening up a world of learning for people...

...in ways that fit in with where, when and how they want to learn.

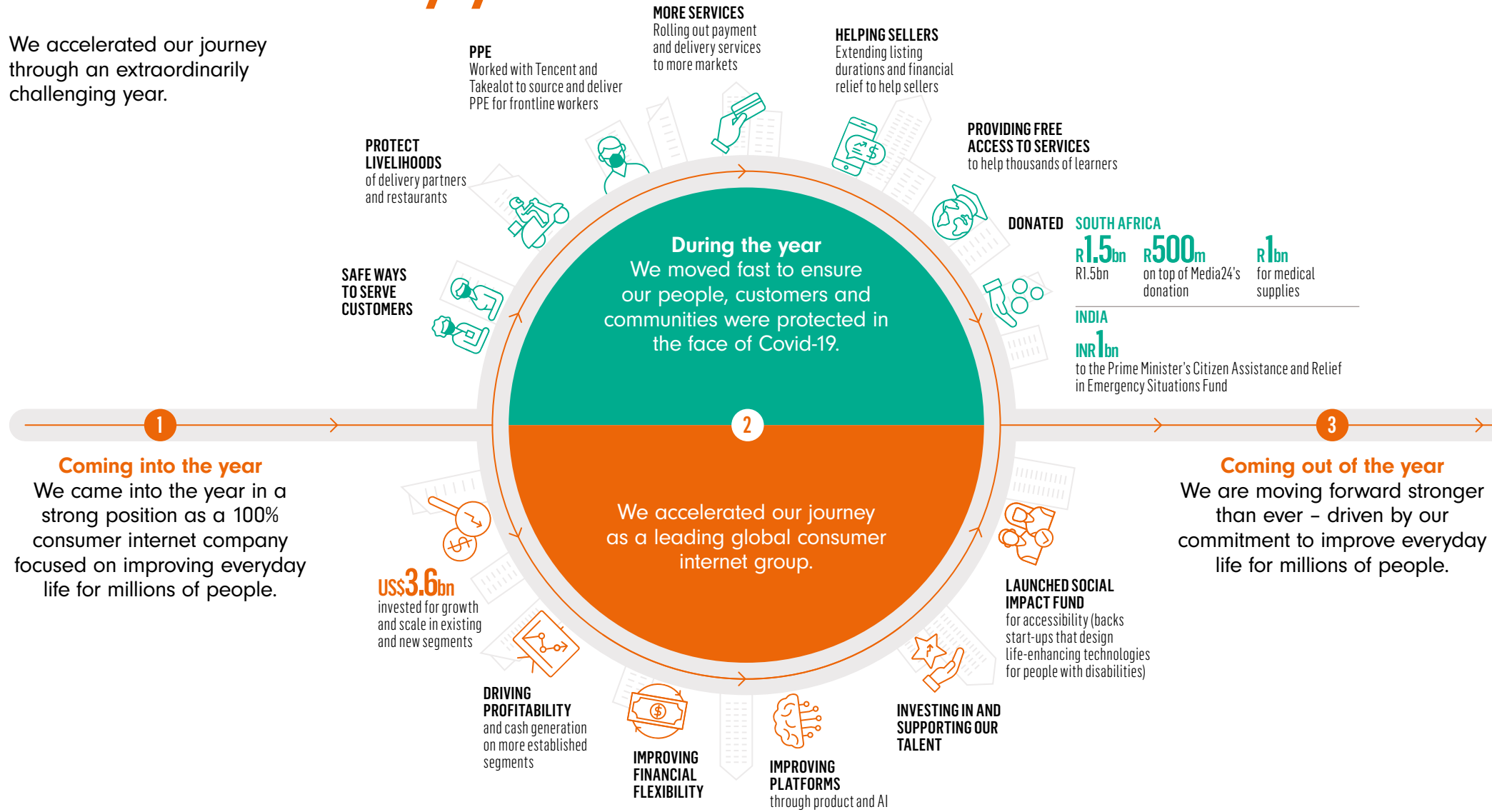
[Read more on page 52](#)

Building financial value for our shareholders by backing and growing leading businesses across our core segments, empowering employees to learn new skills on our online hub MyAcademy, and helping communities stay safe and well fed during the pandemic with online deliveries – we create long-term sustainable value for our stakeholders.

Going forward, we aim to do much more to live up to our core purpose.

An extraordinary year

We accelerated our journey through an extraordinarily challenging year.



The pandemic has accelerated the consumer adoption of online models and we are well placed to benefit from that

Fit for the future

We are now in an even stronger position to grow our business and go further faster in improving everyday life for millions of people.

Making the most of our strengths

Throughout the year, we demonstrated resilience in the face of the pandemic and progressed on our journey as a leading global consumer internet group. Across our core segments, we are improving everyday life for over 2 billion people in well over 100 countries around the world. We have leadership positions in some 77 markets. Year on year, we grew group revenue 32% to US\$29.6bn. Group trading profit increased 45% to US\$5.6bn.

IMPROVING EVERYDAY LIFE FOR OVER

2bn

users

OPERATING IN OVER

>100

countries and markets

Spotlight on...

...key countries

We focus on high-growth markets around the world, including India, Latin America, Russia, Central and Eastern Europe, North America, China, Southeast Asia, Africa and the Middle East.



...key segments

We focus on core high-growth segments, including Classifieds, Payments and Fintech, Food Delivery and Etail.



...growth trends

Driven in great measure by the pandemic, the world has moved online like never before. This growth trend adds great momentum to our business. It is at the heart of where we focus as a leading global consumer internet group.



Focusing on the next billion

We are proud to be improving everyday life for over 1.5 billion people around the world and we don't want to stop there. Indeed, we have our sights set on the next billion.

To this end, we have identified key countries, segments and growth trends where we are focusing our energy and investment. From continuing to invest in exciting high-growth countries such as India to making the most of our high-growth industries such as Edtech - we have a clear path to keep growing and adding value.

LEADERSHIP POSITIONS IN SOME

77

markets

CONTINUING TO GROW

32%

group revenue growth YoY

India

From Food Delivery to Payments and Fintech to Edtech - India continues to be a key growth market for us.

Digital payments are expected to overtake cash payments by 2022 in India

Brazil

Through Food Delivery pioneer iFood, for example, we are building on our leading presence in Brazil.

iFood order growth 100% in Brazil

Southeast Asia

During the year, our Ventures business made investments in markets across Southeast Asia where we see strong growth opportunities, including Indonesia.

We first invested US\$8m in Shipper, Indonesia, in 2020 with an additional US\$12.7m in March 2021

Classifieds

In Classifieds, we are shaping the future of trade to unlock the hidden value in everything.

OLX Group: 322m monthly active users

Payments and Fintech

In Payments and Fintech, we are building a world without financial borders where everybody can prosper.

PayU operates in 20 high-growth markets, five of which are in the top 10 growing markets

Food Delivery

We are building a global leader in Food Delivery - transforming the way people source, consume and experience food.

Global market potential US\$330bn by 2022

Etail

We continue to grow and strengthen our Etail businesses in Central and Eastern Europe and South Africa.

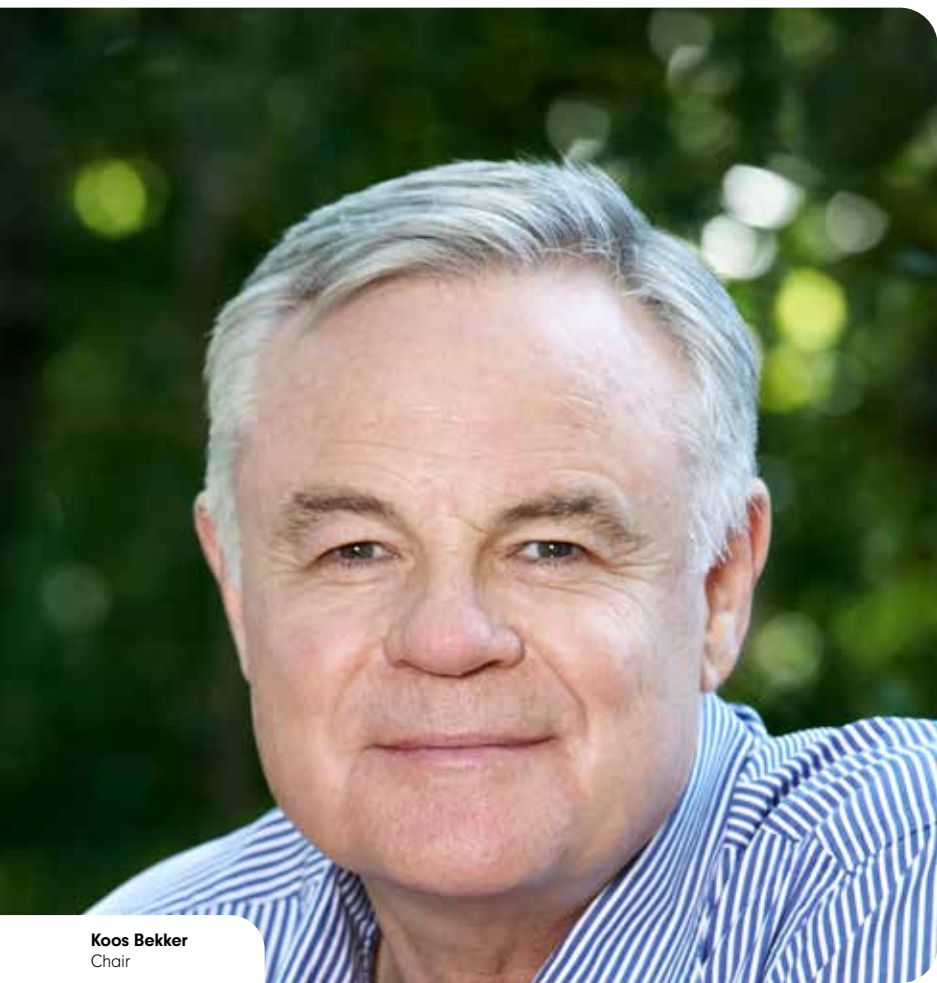
Ecommerce expected to grow by 15% annually in Romania, 8% in Bulgaria and 12% in Hungary

US\$3.6bn invested into portfolio companies in the year

'We are looking forward to building on our strengths, so we can keep on growing and create more value for our stakeholders.'

Chair's review

In a year characterised by the pandemic and the rapid acceleration online, I am proud to say that we have risen to the challenges and made the most of opportunities to emerge stronger as a group.



Koos Bekker
Chair

Rising to the challenges

Covid-19 created unprecedented challenges. We responded rapidly, putting the safety, health and wellbeing of our people, our customers and communities first. We sum up our response to Covid-19 throughout the report, notably in the performance review on pages 30 to 61.

Making the most of opportunities

The world has been moving online for some time. Indeed, it is at the heart of our focus as a global consumer internet group and one of the largest technology investors in the world. This year, the trend accelerated and we both responded to and helped fuel that growth across most of our businesses.

Pursuing our purpose

We wish to improve everyday life for millions of people around the world by building leading companies that use tech to meet big societal needs in better ways. So we have transformed ourselves into an almost 100% consumer internet group.

Focusing on sustainable positive impact

At the heart of our purpose is our commitment to being a responsible business that has a sustainable, positive impact on the world. We aim to create sustainable value for all our key stakeholders. We measure this value across six capitals: financial, human, intellectual, manufacturing, social and relationship and natural. We also align to the UN SDGs. Throughout this report we highlight examples of impact against the SDGs.

This year we increased focus on sustainability to improve our long-term impact. This included analysing material areas where we can make the biggest difference. We sum up our work on materiality on page 26.

Ensuring good governance

Good governance is fundamental to our business. New policies adopted include anti-money laundering and counter-financing of terrorism, and we developed a human rights statement. We discuss this in the Governance section on pages 98 to 115.

Succeeding together

While strong governance frameworks are critical, they count for little without our people doing the right things in the right way day after day. I am proud of the collaborative, dynamic culture we have nurtured across the group over the years.

Bob van Dijk and his team led the group with enterprise and skill. Board members provided valuable guidance and support. From data scientists to human resource managers, from cybersecurity experts to product engineers – everyone played their part.

On behalf of the board I thank all our people for their contributions in a year of great pressure and change.

Contributing to South Africa

We remain deeply committed to South Africa. As our local businesses grow, they have a positive impact on the country – from jobs and wealth they create to the ways they contribute to society. This year Takealot, for example, played a key role in sourcing and distributing personal protective equipment (PPE) to South Africa's frontline workers fighting Covid-19. We also contribute through Naspers Foundry, which invests in the next generation of South African tech businesses. In addition, we pay a significant amount of tax: in total, Naspers group paid R7.3bn in taxes in South Africa during the year.

Board changes

On 1 April 2021, in accordance with our retirement of director's policy, Don Eriksson retired from the board. He was also chair of the audit, risk and social, ethics and sustainability committees. The board thanks Don for his valuable contribution and excellent chairing of these committees.

Steve Pacak was appointed chair of the audit and risk committees and Debra Meyer chair of the social, ethics and sustainability committee. In addition, Angelien Kemna was appointed as an independent non-executive director on 15 April 2021. She also serves as a member of the audit committee. Confirmation of her appointment will be sought at the annual general meeting.

In line with the company's memorandum of incorporation, one third of non-executive directors retire annually and reappointment is not automatic. Hendrik du Toit, Craig Enenstein, Nolo Letele, Roberto Oliveira de Lima and Ben van der Ross retire by

'We aim to create sustainable value for all our key stakeholders.'

Chair's review continued

rotation at the annual general meeting. Being eligible, they offer themselves for re-election. At the annual general meeting, shareholders will be asked to consider the re-election of these directors (see Notice of virtual annual general meeting on page 175).

Steve Pacak, Rachel Jafta, Angelien Kemna and Manisha Girotra are members of the audit committee. The board will recommend to shareholders that Steve Pacak, Angelien Kemna and Manisha Girotra be reappointed to this committee. Rachel Jafta steps down from the audit committee at the annual general meeting - the board thanks Rachel for her significant contribution to the committee over several years. Please see directors' curricula vitae on pages 99 and 100.

Dividend

(All figures in South African cents unless stated otherwise.)

A dividend will be paid in relation to the Naspers N ordinary shares and A ordinary shares of the amount that Naspers receives from Prosus as a dividend as referred to in the Prosus results announcement dated 21 June 2021: either (i) as a terminal economics distribution under the cross-holding agreement between Naspers and Prosus if the exchange offer transaction announced by Prosus on 12 May 2021 is implemented and settlement thereof occurs; or (ii) if this is not the case, as a dividend payment in the ordinary course. The board intends to declare the dividend as soon as practicable after the exchange offer transaction has been implemented, or it is known that the exchange offer transaction will no longer proceed.

Responding to Covid-19

The Covid-19 pandemic has created significant challenges and uncertainties for everyone around the world. The health and wellbeing of our people, their families and the communities we serve, continues to be our priority during this difficult time.

Together, we have ensured we:

- safeguard our people
- maintain our ability to serve our customers, and
- protect our businesses for the long term.

As India confronts a devastating second wave of Covid-19, we continue to focus on ensuring the safety and wellbeing of our people, customers and partners across the country.

Our approach

The group has a crisis response protocol to ensure that serious situations be recognised early and addressed in a coordinated manner. We implemented the protocol in response to Covid-19, including assessing the potential impact on our people and the businesses we operate. Key business risks were assessed and mitigation plans implemented. We continue to update these plans.

What we've been doing

Our primary objective has been to prioritise the health and wellbeing of our employees.

All our workplaces adhere to local laws and regulations as well as the group's global safety protocols. This includes reduced capacity, the maintenance of social distancing and strict hygiene procedures.

We recognise that our people need additional support at this time. Our employee assistance programme provides assistance on clinical, emotional, legal and financial matters.

Supporting communities

We have been supporting the communities we live and work in.

iFood introduced an option to donate money to fight hunger in Brazil as part of each food order. Donations support the NGO Açoã da Cidadania, which offers basic food packages to socially vulnerable families. So far, this has benefited 160 000 recipients. In addition, ready-made meals are donated to CUFA (Central Unica das Favelas), a Brazilian organisation that helps the socially vulnerable in favelas (informal settlements).

In 2020, Delivery Hero announced a global partnership with the United Nations World Food Programme to roll out the ShareTheMeal donation feature to its delivery platforms. The partnership resulted in a donation function integrated in Delivery Hero's local apps.

Making a difference in South Africa

In April 2020, we donated R1.5bn in emergency aid to the government's response to the Covid-19 crisis.

This comprised R500m to the Solidarity Fund announced by President Cyril Ramaphosa, and R1bn of PPE and other medical supplies. These we sourced in China, in partnership with the Chinese government and Tencent, to support South Africa's health workers. This included the logistics to fly the equipment to South Africa and, in conjunction with the government, distribution to medical facilities across the country.

Providing support in India

In April 2020, we donated INR1bn to the Indian Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund). Donations are used to alleviate suffering of those affected by the Covid-19 crisis and to aid the emergency response.

Swiggy launched a campaign to donate meals to persons in need in India. The campaign donated approximately three million meals and grocery kits to people in need.

Swiggy also used its network of restaurants and commercial kitchens to help several state governments and non-governmental organisations (NGOs) provide simple, wholesome meals in Covid-19 relief camps in Delhi, Gurgaon, Bangalore, Mumbai and Hyderabad.

BYJU'S offered its learning platform for free in India for the first few months of the pandemic to benefit children that could not attend school due to closures.

Looking forward

Covid-19 is still with us, although the roll out of vaccines around the world makes this less threatening to us all.

The acceleration of online adoption continues, too. We look forward to growing further and having an ever-bigger positive impact. As a global consumer internet group dedicated to improving everyday life for millions of people around the world, there is a great deal more we can do and achieve. Also, more sustainable value to create for our stakeholders.



Koos Bekker
Chair

19 June 2021

Our commitment to sustainability

Ensuring strong sustainability governance

Reflecting our commitment to strong sustainability governance, the board-approved group sustainability plan identifies and focuses on specific sustainability goals. The board oversees, and is ultimately responsible for, sustainability and the progress made against the sustainability plan. The risk and social, ethics and sustainability committees assist the board in discharging this responsibility.

The board ensures that processes are in place to assess and respond to sustainability risks and opportunities that arise as a consequence of the group's activities.

The board delegates the implementation of the sustainability plan to the management team.

Given the range of majority-owned companies in our portfolio, a one-size-fits-all approach to governance is not practical, so the companies vary their approach to sustainability, based on factors such as business model, operations, workforce size and geography, resources and complexity of activities.

• [Read more on page 72](#)



'As we grow, our potential to have a long-term positive impact on people's lives around the world grows too.'

Chief executive's review

We entered the year with confidence, from a position of strength and with momentum in all our core segments. We move forward from the year with even more conviction that we are on the right path.



Bob van Dijk
Chief executive

Performance highlights

- In Classifieds, OLX Group innovated and grew, ending the year ahead of expectations on both revenue and profits.
- Our food delivery businesses performed strongly, with iFood growing revenue 205% year on year.
- Our Payments and Fintech reached a new level, driven by the pandemic-fuelled acceleration in the adoption and use of digital payments across our core markets.
- Our retail businesses continue to show considerable growth in their markets.
- Through our Ventures arm, we continued to invest in the next wave of growth, notably Edtech.
- Tencent and Mail.ru, leading platforms in their respective markets, delivered strong results.

We set our direction well before the start of this reporting period. Throughout the year, we stuck to it and advanced at pace, while responding to the challenges of the pandemic.

As we highlight in this report, we have emerged stronger from the year – even more focused on our journey and excited by the opportunities ahead.

Responding quickly and effectively to the pandemic

As detailed throughout the report, we responded quickly and effectively to Covid-19. Our top priority was the health and wellbeing of our people, their families and the communities we serve. Together, we ensured we safeguarded our people, maintained our ability to serve our customers and protected our businesses for the long term.

I am proud to say, we also played a key part around the world in helping countries and communities throughout this time. In particular, we supported governments' humanitarian efforts with the provision of much-needed personal protective equipment (PPE) for frontline healthcare workers.

In South Africa, our promise was to source, buy, ship and distribute, as fast as possible, R1bn of PPE from China to frontline workers at hospitals identified by the Department of Health.

This significant undertaking was made possible through tireless collaboration between our South African teams, our long-term partners at Tencent in China, teams in government, and the logistics experts of our ecommerce retailer Takealot.

Across our group, our companies and partners made their own contributions. For example, OLX, our online classifieds business, used its marketplace platform in Portugal to help find homes for healthcare professionals. In India, we donated INR1bn to Prime Minister Modi's relief fund. In many different ways, we have been helping to improve people's lives amid the pandemic.

Maintaining our strategy

While dealing with the pandemic, we maintained our strategic focus throughout the year.

Our strategy has always been to back and build businesses that improve people's everyday lives. We do this by understanding both people's day-to-day needs and technology's advances – working in the space where these two fundamentals intersect.

In this way, we have grown to become a top 10 global consumer internet company and one of the largest technology investors in the world. Today, the entrepreneurs and teams at the heart of our investments and companies improve the daily lives of millions of people. They enable people to buy and sell online, easily order meals delivered quickly to their homes, access important financial services that traditional banks will not provide to them, educate themselves without ever visiting a classroom, and much more; and they help to satisfy that most basic of human needs, the ability for people to connect and interact with each other – vitally important during the pandemic.

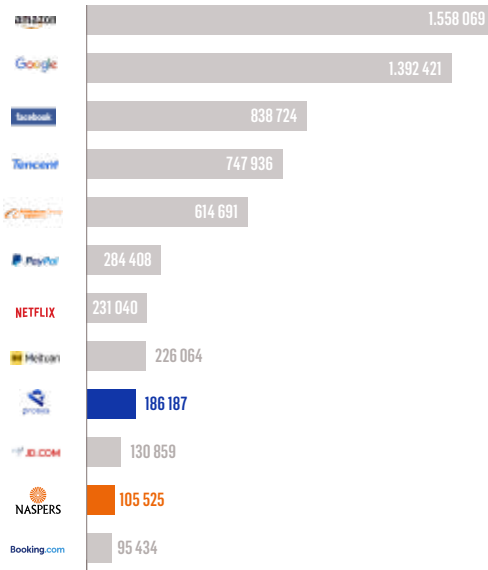
Staying focused and disciplined is key to delivering our strategy

Despite the pandemic, we continued to invest and accelerate our business. Our aim, as ever, is to deliver sustainable growth and long-term value creation.

The pandemic has certainly impacted the market. In terms of valuations, it's been unsurprising that

Chief executive's review continued

PROSUS IS A TOP 12 GLOBAL CONSUMER INTERNET COMPANY MARKET CAP (US\$'bn)



Source: Capital IQ

investors want more exposure to companies they view as structural winners – whether that be in communication, tech or ecommerce. We believe there has been a structural shift to the positive in our segments, particularly in Food Delivery, Payments and Fintech, Etail and our Edtech businesses. We are long-term investors and we invest and operate in a fast-growing and ever-evolving space where there will be ample opportunity to deploy our capital and continue to generate returns over time. Our goal is to deliver strong internal rates of return (IRR) at scale over a long period of time. We have an excellent track record and will continue to allocate capital diligently, aiming for returns well above our cost of capital.

Over the past decade, our internet portfolio has delivered more than 20% IRR and we aim to sustain this going forward. The required returns depend on a range of factors such as scale, risk and profitability. For early-stage partnerships in new or high-growth markets, the risk profile is clearly high. In these cases, we look for venture-style IRRs well over 20%, understanding that operational success will determine the outcome. As our bigger businesses mature and we

make larger investments that already are proven leaders in their fields, the risks are reduced. In this case we can look for a commensurately lower IRR but one that generates more significant profit.

Performing well

Group revenue grew 32% to US\$29.6bn. Group trading profit increased 45% to US\$5.6bn.

We detail our performance on pages 30 to 62. To share a few highlights, our core segments all performed well during the year, capitalising on and contributing to the widespread acceleration to digital around the world, driven by the pandemic.

Strengthening our position in Classifieds

We made considerable progress in Classifieds, strengthening our strategic and financial position. Although the pandemic affected our business at the start of the year, we innovated to continue enabling trade, and ended the year stronger than expected, with both revenue and trading profit exceeding the revised budget, taking into account the anticipated impacts of the pandemic.

We are an investor and an operator

An investor: We take a disciplined and systematic approach to capital allocation

- **We test:** First, we experiment and expand, building our understanding and presence.
- **We invest:** Over time, we deploy more capital and accelerate growth.
- **We scale:** In our chosen focus areas, we continue organic and inorganic growth and drive profitability.

An operator: We have a responsible, long-term approach to operating

- We take a long-term, responsible view as an operator.
- Our aim is to help, support and encourage entrepreneurs and businesses as much as we can, so they create as much value as possible.
- We actively share our groupwide insights and expertise, to help businesses create more value.
- With our disciplined test, invest and scale approach, we are used to having a range of ownership stakes across different segments and, in turn, varying how we help.

Key events throughout the year



'From Food Delivery to Payments and Fintech, from Classifieds to Edtech – we focus on improving everyday life for millions of people in areas where we can really excel. We do this in a rigorous, tried-and-tested way for long-term value creation.'

Chief executive's review continued

'The world was well on its way to shifting online when the pandemic hit, and the crisis brought this trend forward a number of years in a matter of months. The future was brought forward'.

Reaching a new level in Payments and Fintech

Payments and Fintech benefited from the pandemic-fuelled acceleration in adoption and use of digital payments across our core markets. In Latin America, transactional volumes grew 69% year on year. Poland and Romania were also very strong. In our core market of India, annual transactional volumes grew 42% (in local currency, excluding M&A).

Continuing to grow in Food Delivery

Our core food-delivery businesses continued to grow during the year. iFood performed strongly, growing gross merchandise value (GMV)¹ by 148% and revenue by 205% year on year (in local

currency, excluding M&A) and strengthening its position as Brazil's clear leader. Delivery Hero also had a strong year, reporting €12.4bn in gross merchandise value and €2 472m revenue from continuing operations for its year ended 31 December 2020. Mr D had a strong year as a leading South African food-delivery business, growing 88% in revenue for the year. A key driver in growth was the shift of consumer demand from restaurant dining to online delivery due to lockdown conditions.

Creating the next core segment – Edtech

In recent years, we have progressively grown our portfolio of companies focused on education as part of our Ventures arm. On 1 April 2021, we split these out of Ventures into a formal Edtech segment, reporting separately. Education is a US\$10tn global market that is still fairly untouched by technology. We aim to capitalise on the opportunity to make education universally accessible.

Continuing to focus on the next wave through Ventures

Just as Edtech is about to graduate from Ventures, so too did Food Delivery in 2019. Our Ventures arm is the advance guard of our highly focused approach to investing and building leading global businesses that improve people's everyday lives. Through Ventures, we explore and lock onto the next big waves of our growth story.

Capitalising on our strong culture

The strength of our highly collaborative culture was proven as we met the challenges of a pandemic-dominated year and made the most of opportunities from a global leap forward online. We highlight our culture on page 29. But I touch on one key aspect here: learning.

Looking to learn as much as possible

We are a learning organisation that continually adapts and moves forward. This is evident in many different ways. When we invest in start-ups through Ventures, for example, this enables us to learn first-hand with entrepreneurs about exciting new areas of opportunity such as agtech (investments and start-up activity in agricultural technology).

At the other end of the spectrum from this highly specific knowledge-gathering, we automate and scale our learning through our growing investment in and roll out of artificial intelligence (AI) and machine learning (ML) across our core segments. As we highlight on pages 79 and 80, we are applying AI and ML at scale across the group, which will enable us to learn more, and faster, so we can apply this to improve the services and experience we deliver for our business partners, customers and users.

We aim to share as much learning and best practice as possible across the group. This is one of the key ways in which we add value to businesses in our portfolio. Through our MyAcademy learning hub, for example, a great variety of knowledge is available on demand to everyone in the group, including minority investees. This year, more than 50 000 users took advantage of MyAcademy to add to their skills and understanding.

This deep cultural attachment to learning makes the creation of Edtech as our newest segment a natural next step for us.

Our commitment to learning is also closely allied to our focus on diversity, equity and inclusion – which essentially fuels greater learning and creativity. Building a diverse and inclusive workforce is a key element of our business growth and success. As we discuss on pages 84 and 85, we increased our emphasis on this during the year.

¹ GMV represents the value of all successfully closed transactions between users on a platform. GMV provides a measure of the overall volume of transactions through a platform, both through first-party and third-party transactions.

Oct

US\$15m

Klar, a leading challenger bank in Mexico, closes US\$15m in a series A funding led by Ventures

US\$5bn

Announcement of intention to acquire up to US\$5bn of Naspers and Prosus shares

Nov

>US\$500m

Additional US\$400m investment and strategic support agreement in Churchill Capital Corp II, brings total investment to US\$500m and total private investment in public equity (PIPE) commitments in connection with the Skillsoft and Global Knowledge transactions to at least US\$530m

Dec

R45m

Naspers Foundry invests R45m in The Student Hub, an online learning platform that increases access to vocational education to large numbers of students while reducing the costs of delivery of education and training

Inaugural Prosus SICA selects as the top three start-ups Sohum Innovation Labs, NeoMotion Assistive Solutions and Stamurai from Demosthenes Technologies – all early-stage Indian ventures developing technology to aid people with disabilities

Prosus prices new 30-year tranche USD bond and taps its 2028 and 2032 EUR bonds

Prosus announces secondary listing on A2X Markets

Jan

US\$30m

Full-stack agtech platform DeHaat raises US\$30m series C led by Ventures

Mar

20.37m

Acquired approximately 20.37 million shares in Delivery Hero

Launch of Prosus FLIGHT, an education and employment initiative for marginalised women and girls in India in partnership with UN Women

Apr

Naspers reduced its stake in Tencent from 22.6% to 21%

May

Announce intention to implement a voluntary share exchange offer to Naspers shareholders

Chief executive's review continued

Improving every day

Importantly, learning never has to end. As we are demonstrating through our Edtech businesses, with the help of technology, learning can continue non-stop for everyone in ways that work best for them. This means we all have the opportunity to be better; and, as a group, we have the opportunity to go further in living our purpose of improving life for millions of people around the world – to add more value day by day.

We want to do this for more people across our core segments of Classifieds, Food Delivery, Payments and Fintech, and Etail – so that many more millions of people around the world benefit from the products, services and experiences provided by businesses in our portfolio. We also want to do this in new and better ways to play an ever-deeper and more positive part in people's everyday lives.

In essence, we are committed to growing the size of our core segments and deepening their positive impact on people. Moving forward with our purpose in this way will help us fulfil our commitment to generate increased growth and value for our shareholders.

Focusing on the issues that matter to our stakeholders

Another major part of our culture is our deep commitment to being a responsible business that takes a long-term view and seeks to engage with and look after all our key stakeholders. During the year, we completed our first materiality assessment to ensure we focus on the issues that are most important to our stakeholders and our business. From financial performance to data privacy, from cyber-resilience to customer centricity, the issues our assessment highlighted as most material are ones we already focus on. The assessment is a valuable reinforcement of our direction and one that we will continue to use and evolve in the interests of our stakeholders. More detail appears on pages 25 to 28.

While our materiality process helps us identify the issues that matter, the critical follow-on is that we address these issues in the right way to serve our stakeholders and our purpose. Throughout this report, we highlight how we go about doing this as well as our progress. In the sustainability review from page 73, for example, we discuss how we are stepping up our commitment to have a progressively greater impact across key areas – our people, data privacy and protection, cybersecurity and technology resilience, AI and ML, the environment, and society.

Making a positive difference to people's lives

There are many examples of how we are having a broader positive impact on people's lives around the world, beyond the immediate benefits we bring to everyday life through businesses in our core segments.

In India, for example, we launched SICA in partnership with Invest India and Social Alpha. This aims to create long-term positive societal impact by supporting start-ups in India, working on assistive technologies to enhance life for people with disabilities, and encouraging the adoption of best-in-class coding standards to offer enhanced accessibility by design. The programme is aligned with the Prime Minister's vision to bring Digital India to Accessible India.

We also launched Prosus FLIGHT, in partnership with UN Women, to help young women in India gain education and employment. Barriers to entry for women include poverty, lack of educational opportunities and role models, gender stereotypes and early marriage. Prosus FLIGHT aims to alleviate some of these barriers by supporting women and girls to earn a formal degree or certification, and helping them acquire employable skills that would allow them to participate in India's digital economy.

Our commitment to South Africa remains deep and strong. We continue to invest for sustainable socio-economic impact through two key initiatives: Naspers Labs and Naspers Foundry. Naspers Labs focuses on tackling youth unemployment with a hyper-local programme combining community spaces with online learning and support. Naspers

Going further on our sustainability journey



Focusing on materiality

We conducted our first materiality assessment to help identify the issues that are most important to our stakeholders and that we can have the biggest impact on.

[Read more on page 26](#)



Committing to being climate-neutral

We announced our commitment to becoming carbon-neutral and began to map out our path to get us there.

[Read more on page 88](#)



Investing in cybersecurity and technology resilience

We continued to focus on ensuring our platforms and businesses are as secure and resilient as possible.

[Read more on page 77](#)



Helping our people to learn and develop

Through our groupwide online learning hub MyAcademy and various opportunities provided by portfolio companies, we enabled our people to continue learning and developing despite the pandemic.

[Read more on page 82](#)



Responding to Covid-19

We reacted quickly and effectively to the Covid-19 pandemic.

[Read more on page 83](#)



Putting data privacy and protection at the heart of the business

We established three key performance indicators (KPIs) for data privacy and protection, to help us manage and monitor our performance.

[Read more on page 75](#)



Making the most of AI and ML

We further enhanced our AI and ML capabilities across the group.

[Read more on page 79](#)

Chief executive's review continued



‘Through Prosus FLIGHT, we are helping young women in India gain education and employment.’

Foundry invests in talented and ambitious South African technology entrepreneurs so they can develop and grow businesses that improve people's lives.

More details on these and other social impact initiatives appear in our Sustainability review from page 72.

Embracing our responsibilities

We have always taken a long-term responsible approach to our business. We aim to deliver a strong internal rate of return (IRR) on our investments and to deliver a strong performance across environmental, social and governance (ESG) matters. We see these core areas of focus as complementary – responsible value creation brings IRR and ESG together.

Celebrating our people

At heart, we are a responsible, people-focused technology business. We concentrate on how innovative technology can improve people's everyday lives – that is the focus of the entrepreneurs we back and the businesses we invest in and help build. It is not tech for tech's sake, rather tech for the betterment of all. We can only do this through the skills and efforts of our many different people across the group. This year, more than any other, our people made the critical difference. I thank everyone in the group for their outstanding commitment and contributions in this extraordinary year.

Increasing our funds for growth investments

On 8 April 2021, we announced the sale reducing our stake in Tencent from approximately 22.4% to 20.9%, yielding US\$14.6bn. We intend to use the proceeds of the sale to increase our financial flexibility to invest in growth. At the same time, we announced our commitment not to sell any further Tencent shares for at least the next three years.

Creating value for both Naspers and Prosus

On 12 May 2021, Prosus announced its intention to implement a voluntary share exchange offer to Naspers shareholders. The aim is to deliver immediate and also longer-term value creation for both Naspers and Prosus shareholders.

Prosus intends to acquire 45.4% of the issued Naspers N ordinary shares in exchange for newly issued Prosus ordinary shares N, which would take its overall interest in Naspers to 49.5%. The transaction would more than double the Prosus free float's effective economic interest in the group's underlying businesses to around 60%.

We expect the transaction will be value-creating for Naspers shareholders. It will lead to enhanced trading dynamics by almost halving Naspers's weighting on the JSE. This will give us headroom for future growth while remaining South Africa's most valuable company on the JSE. It is also expected to increase the value of the Prosus free float to +US\$100bn and elevate Prosus to a top 20 EURO STOXX 50 Index company, with increased liquidity and index weighting and significantly enhanced trading dynamics.

The transaction is expected to be implemented in August 2021.

Looking forward

Looking forward, we will continue riding the wave of digital acceleration and growing our core segments. But we still have a long way to go, more to do, greater growth and value to realise.

India will remain a key focus. In addition, our newest segment, Edtech, holds much promise – the world wants and needs to learn, and we want to help; and, through Ventures, we will continue to explore the next big segment opportunities.

I look forward to working on all this with everyone in the group. Together we can realise the full potential of our purpose to improve everyday life for people around the world; and, in doing so, create greater long-term value for our shareholders and all our key stakeholders.

Bob van Dijk
Chief executive

19 June 2021

Our strategy

We have a proven strategy for building long-term value.

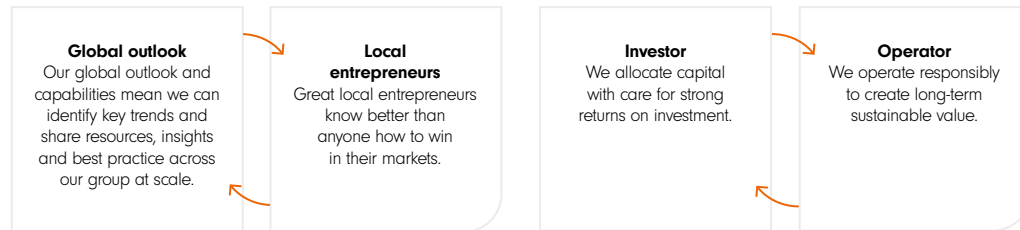
Our goal

Create sustainable value by building and investing in high-growth businesses.

Our focus areas



Our operating model



Our core approach

Active Bring more than just money	Focused Invest in a targeted way	Long-term focus Build sustainable businesses	Disciplined Play to win, progressively	Responsible Do the right thing
---------------------------------------------	--------------------------------------------	--------------------------------------------------------	--------------------------------------------------	------------------------------------------

A strong, differentiated strategy

We have a strong, differentiated strategy that has proven its worth and remains well suited to the future as we see it.

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. Above all, we pursue a simple goal: to build sustainable leadership positions. This is the key to reaching scale and profitability – most of our platforms are leaders in their markets.

We take a distinctive approach to building global technology leaders. We are **active** participants in our investments and operations. We believe that to be successful we have to bring much more than just money. We are **focused**. We invest where we can make a difference based on deep industry insights in areas that we know, rather than widely and wildly. We are **long-term** focused. We aim to build sustainable businesses, not driving for short-term liquidity events or paper-value increases. We are **disciplined**. We play to win, but progressively grow our capital commitments as we learn and scale. We are **responsible**. We take full responsibility – acting like owners and doing the right thing for the long term, for all stakeholders.

In addition, we combine our global presence and outlook with the dynamism and insights of local entrepreneurs. In building great companies that improve everyday life for people, we both invest and operate as we seek to create the greatest value long term.

An investor:

We take a disciplined and systematic approach to capital allocation

We test

First, we experiment and expand, building our understanding and presence:

- We explore promising trends and opportunities where new technologies have the potential to transform big societal needs in high-growth markets.

- We make initial investments to learn and explore further.
- We look for promising local players with strong founder-led teams.
- We build our stakes in the best opportunities and businesses.

We invest

Over time, we deploy more capital and accelerate growth:

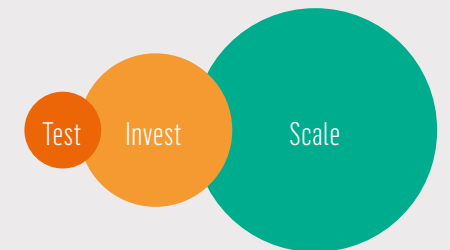
- We focus our investment on specific core segments.
- We look to create global category leaders, stepping up our investment to drive growth and gain market share.
- We extend core assets.
- We invest for the long term.

We scale

In our chosen focus areas, we continue organic and inorganic growth and drive profitability:

- We scale progressively – building lasting, leading businesses.
- At the right moment, we go all in, driving these businesses to profitability and cash generation.

Our systematic approach



Test Experiment and expand	Invest Deploy more capital and accelerate growth	Scale Continue to grow and drive to profitability
--------------------------------------	------------------------------------------------------------	-------------------------------------------------------------

Our strategy continued

An operator:

We have a responsible, long-term approach to operating

We take a long-term view as an operator. Our aim is to help, support and encourage entrepreneurs and businesses.

We actively share our groupwide insights and expertise, to help businesses create more value.

With our disciplined test, invest and scale approach, we are used to having a range of ownership stakes across different segments, varying our involvement appropriately.

Making a difference directly and indirectly

As a group we make a direct impact by allocating capital carefully in great companies that improve everyday life. We also support our group companies by sharing our cybersecurity, data-privacy and protection, and AI and ML expertise.

We have a good track record and will continue to allocate capital diligently, aiming for returns well above our cost of capital.

Over the past decade our internet portfolio has delivered over 20% IRR and we aim to sustain this going forward. The required returns depend on a range of factors such as scale, risk and profitability. For early-stage partnerships in new or high-growth markets, the risk profile is clearly high. In these cases, we look for venture-style IRRs well over 20%, understanding that operational success will determine the outcome. As our bigger businesses mature and we make larger investments that already are proven leaders in their field, the risks are reduced. In this case we can look for a commensurately lower IRR, one that generates more significant profit.

Across the group, we apply consistent governance policies and standards and implement best practice, while bearing in mind our varying levels of control and influence. At the holding company level, we set minimum standards and expectations while demonstrating best practice on topics that are material to our business and operations. With majority-stake, controlled companies we engage proactively to ensure they reflect our own best practice on topics that are material to their own business and operations. This is a journey that requires flexibility. Topics material to one segment are addressed within that segment, rather than across all segments. For example, challenges and opportunities of the gig economy are addressed by the food-delivery businesses. We encourage minority-stake, non-controlled companies to adopt best minimum standards that are aligned with our position on key ESG topics.

Future focus

Focusing on our core segments



Classifieds

[Read more on page 32](#)



Food Delivery

[Read more on page 36](#)



Payments and Fintech

[Read more on page 42](#)



Etail

[Read more on page 46](#)

The bulk of our capital will go into these core segments while we continue to explore new opportunities through Ventures.

Building these segments is a lever to reduce the discount.

We will strive for returns well above our cost of capital.

We are an active shareholder, not just a financial investor.

We are also now targeting a fifth core segment



Edtech

[Read more on page 52](#)

WE AIM TO BUILD BIG SEGMENTS

US\$10-20bn

Increasing value across our segments

We aim to improve the competitiveness of our segments by:

- Building integrated ecosystems to deliver superior consumer value.
- Continuing to accelerate the use of AI across our businesses.
- Adopting and driving a data-first approach in and across segments.
- Acting as a responsible corporate citizen: take responsibility for all stakeholders and our customers in particular.
- Focusing on our users' experience and shaping the regulatory agenda accordingly.

Our business model

We are driven by our purpose

To improve everyday lives for millions of people

We prioritise our approach based on our material issues

BUSINESS

- Financial performance
- Responsible investments
- Customer centricity

ENVIRONMENT

- Climate action

The resources we need

Financial

Financial funds and assets used to invest and develop our operations.

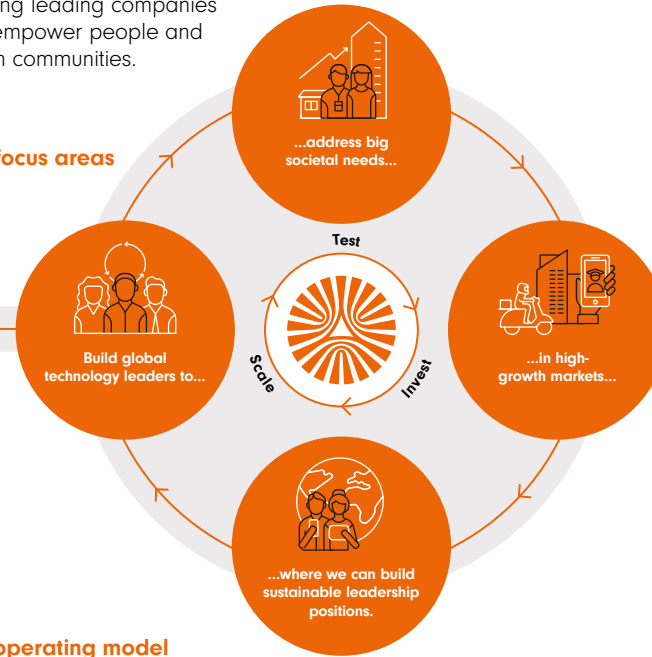
Human

Skills owned by our employees.

How we add value through our strategy

We pursue growth by building leading companies that empower people and enrich communities.

Our focus areas



The value we create

Financial

We deliver long-term shareholder value through disciplined capital allocation and robust financial performance.

Human

We create a working place with a fair and inclusive culture and development opportunities for all our employees.

SOCIETAL

- Business culture, ethics and integrity
- People
- Data privacy
- Digital inclusion

TECHNOLOGICAL

- AI
- Cyber-resilience
- Innovation

Manufacturing

All investments in facilities and technologies across the group.

Intellectual

Ideas, source code, domains, know-how and knowledge we create, own and protect.

Social and relationship

Relationships we build with customers, communities and trade organisations.

Natural

Natural resources we have an impact on, such as energy, water and climate.

Our operating model



Our core approach



Read more on page 72

Measuring our impact

We create sustainable value for key stakeholders through our business model, drawing on our pool of six capitals and in line with the UN SDGs. In this section we measure our impact this year across our material issues.

Material topics

Business

- Financial performance
- Responsible investments
- Customer centricity

Environment

- Climate action

Societal

- Business culture, ethics and integrity
- People
- Data privacy
- Digital inclusion

Technological

- AI
- Cyber-resilience
- Innovation

KPIs

REVENUE¹
US\$29.6bn
 2021: 29.6 | 2020: 22.1

US\$3.6bn in Prosus share purchase programme
R7.3bn total tax contribution

TRADING PROFIT¹
US\$5.6bn
 2021: 5.6 | 2020: 3.7

Helped many small and medium-sized businesses move online in Payments and Fintech, and Food Delivery

Ventures have invested a total of **US\$89.6m** into **5** Edtech companies, excluding Churchill in 2021

SCOPE 1 CARBON EMISSIONS
11 282.48 tCO₂e

SCOPE 2 CARBON EMISSIONS
18 401.90 tCO₂e

Commitment to becoming **carbon-neutral**

20% of eMAG deliveries via Easybox network

OLX championing the circular economy

iFood reducing waste by using recyclable cutlery options

US\$31.5m invested in Dott – supporting micromobility

Energy-saving and water-saving initiatives across many group companies

MYACADEMY
41 000 hours of learning

~14 900 employees connecting to MyAcademy monthly

50 500 users

1 490 monthly active users

Code of conduct, anti-harassment policy and human rights statement available online

[Read more on page 74](#)

DIVERSITY
43% female employees

LEGAL COMPLIANCE
3 legal compliance officers appointed

DATA PRIVACY
 In our majority-owned companies, we increased the number of data privacy leaders across the group by 67% YoY and the number of data-support people by 30%

Number of privacy audits conducted across the group
7

We launched the Prosus Privacy Technologist Programme, to support our commitment to privacy by design

ARTIFICIAL INTELLIGENCE AND MACHINE LEARNING
>250 data scientists now part of the Prosus AI community

LEGAL COMPLIANCE
3 legal compliance officers appointed

5 incidents reported to group compliance

2 substantiated incidents (requiring remediation)

1 unsubstantiated incidents

2 cases ongoing

In FY21, no reports of serious injuries sustained by employees while on duty were reported

INNOVATION
 Many new products delivered for customers

AI PROGRAMMES LAUNCHED
 Accelerating AI innovation, focus on fast-forwarding non-incremental AI-used cases and concepts, for example, AI-driven video-selling at OLX and the food-knowledge graph at iFood

AI For Impact training programme to support AI For Growth

Engineering training for ethical and responsible AI, delivered to the group's AI technical community

CYBER-RESILIENCE
 From FY22, we will start monitoring technology risks through a number of KPIs:

- Dedicated security functions in the businesses
- A risk function capable of supporting the management of technology risks in the businesses
- A responsible vulnerability disclosure programme across the businesses
- Red team exercises (ethical hacks) at the businesses
- Audit or advisory work at the businesses

UN SDGs group and business levels



● UN SDGs group level ● UN SDGs business level

¹ Presented on an economic-interest basis and from continuing operations.

The world around us

Despite the current great uncertainties and turmoil, if one looks at the broader picture, one could say Covid-19 has acted as an accelerator of underlying trends.

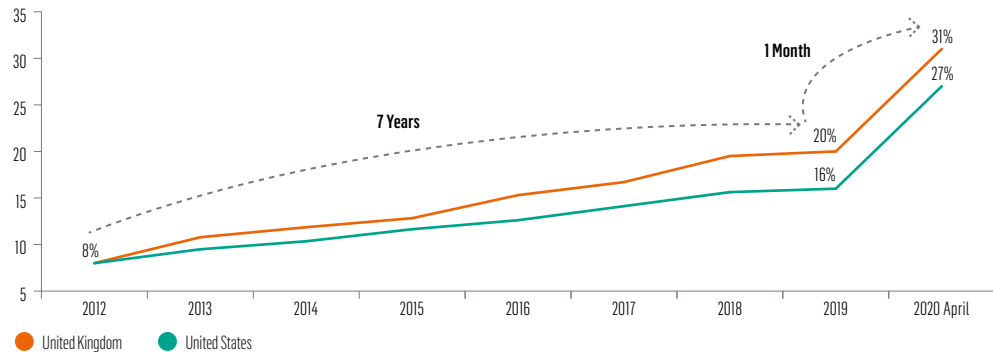
Take technology, for example. We are all working from home on Zoom (or a similar platform) these days, but many people were working this way before the pandemic. Food delivery was a reality pre-pandemic too; it is just a much bigger reality now. The world has moved online as never before, but it has been heading there for quite some time. This is where we focus – making the most of the potential of entrepreneurs and technology to build companies that improve everyday life for millions of people around the world.

Four key trends

Using our long lens, we see four key trends shaping the world around us:

- 1 The ongoing rise of China in particular and Asia as a whole is shifting the centre of world power and innovation
- 2 The accelerating application of AI is transforming people's lives radically
- 3 The tide of investment is turning from growth-at-all-costs to sustainable profitability – playing to responsible long-term investors
- 4 The growing importance of responsible technology creates opportunities to make a positive difference for society

ONLINE SHARE OF RETAIL SALES
2012-2020 YTD

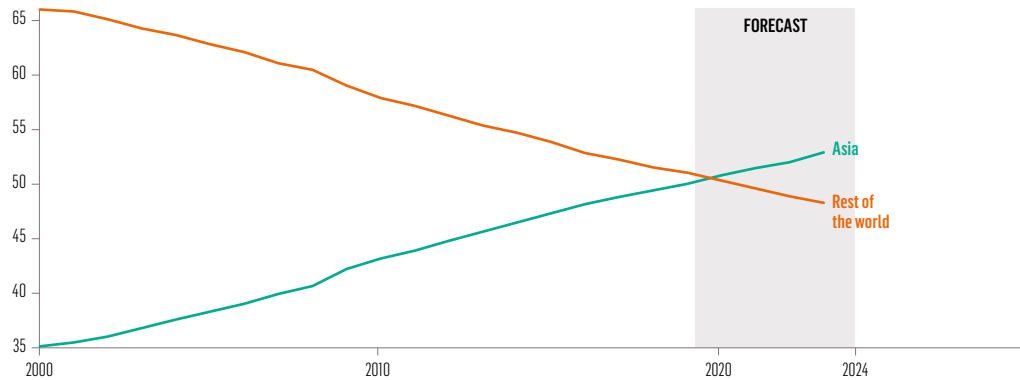


Source: Dealroom report, Online marketplaces entering the next phase (June 2020); data from ONS and US Department of Commerce for online share of retail; *Indexed to meal delivery January 2018 sales (=100).



The world around us continued

THE ASIA CENTURY IS ABOUT TO BEGIN
Share of world GDP at PPP US\$, 2000-2024



UNCTAD definition of Asia Sources: IMF, @valentinaromei

1 The ongoing rise of China in particular and Asia as a whole is shifting the centre of world power and innovation

China's transformation

China really took off when it began to connect its economy to the rest of the world. But China has outgrown its role as "factory of the world" as it moves up the curve in the most complex production chains.

Online or ecommerce in China is already bigger than everywhere else combined. World-leading connectivity and scale helped nurture innovative business models that are now being copied.

At the same time, China continues to invest deeply in frontier technology, particularly in AI where its data scale could offer an enormous competitive advantage.

India's advance

Driven by population growth, urbanisation and a rising middle class, India is projected to be the world's third-largest economy in the next decade.

On many measures, India is also well on its way to becoming a digitally advanced country. With over 500 million internet subscribers, it is already the second-largest and fastest-growing market for digital consumers.

In the past decade, India has become the third-largest entrepreneurial ecosystem in the world, right after the US and China. India is also our second-largest market after China in capital allocation.

2 The accelerating application of AI is transforming people's lives radically

AI superpower

AI can be regarded as a platform superpower that is being fully integrated into society. Similar to the moving assembly line that enabled mass production of cars at low cost, AI is supercharging organisational decisions. What sets apart the most influential companies in the world, such as Microsoft, Facebook, Google, Amazon and Netflix, is that they have all mastered the art of applying AI.

Covid-19 has been the great accelerator of this exponential change. Technology is entering all our lives like never before and can be bigger than ever imagined.

Ecosystem advantage

In traditional industrial organisations, the value of scale eventually tapers off. Companies cannot really get much bigger because complexity sets in. This is not true for today's digital businesses. Once AI gains traction, it can accelerate exponentially and quickly overtake traditional firms.



The world around us continued



3

The tide of investment is turning from growth-at-all-costs to sustainable profitability – playing to responsible long-term investors

A more mature phase

On the investment front, we are seeing an increased shift of capital to leaders in mature and consolidating verticals. Investors are turning a critical eye on structurally challenging business models burning through cash, and increasingly seeing established big-tech players as safe havens.

A path to profitability

We appear to be entering a phase where it is not growth at all costs. Investors appear keener to see a path to profitability. They are looking at unit economics, margins and profitability more closely, with a bigger focus on more capital-efficient business models. The stress on capital-consuming businesses has been hugely amplified by the pandemic.

A new next big thing

This does not mean the end of venture investing. Instead, the venture capital focus will increasingly shift to look for the next big thing that will drive innovation and add further sustenance to the extraordinary technology revolution of the past two decades. Vast cash piles plus lower-for-longer interest rates are combining to drive investors towards deals with higher return potential – there are still many technology investors eager to bet on possible winners in the next big thing.

4

The growing importance of responsible technology creates big opportunities to make a positive difference for society

The urgency of responsibility

From the specific urgency on climate change to broader concerns addressed in the UN SDGs, the need for businesses to be truly responsible has never been more crucial. This has been brought into sharp focus by the pandemic.

The ethics of technology

Technology today has a big impact on people's lives and with such power comes great responsibility. It raises ethical dilemmas across a range of issues, including privacy and transparency, the impact of automation, inequality, biases in decision automation and uses of the technology we build. It is a complex world where there are no easy answers, but we aim to play our part responsibly.

The rise of regulation

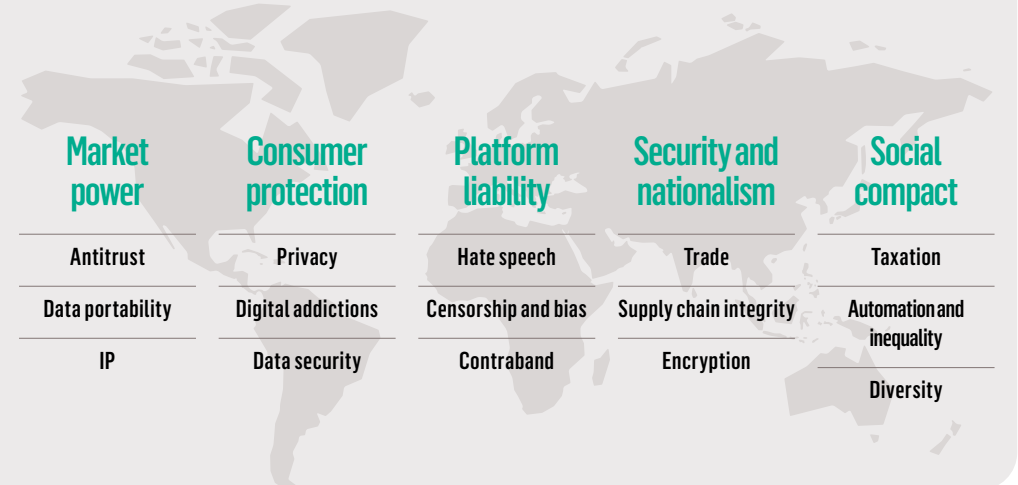
Governments are no longer assuming that the technology sector will find the right answers. This is not unusual. Every wave of new technology that changed the world eventually became regulated. Regulation is complicated and the issues facing technology are many and complex.

The call for technology for good

The world needs a more responsive, more inclusive type of corporation. One that lets entrepreneurs exploit new digital technologies but still holds them to account within the wider society. It is the responsibility of those at the cutting edge of innovation to listen. This more mature, regulated era creates substantial responsibilities and opportunities for leading global consumer internet companies that we are keen to take on and live up to.

Broad range of issues facing technology

Focus of accelerating global policy challenges



Stakeholder engagement and materiality

To create sustainable value for our stakeholders, we actively engage with them to inform our direction and strategic choices. We value the input they provide and build constructive, long-term relationships to enable ongoing dialogue. This helps us map and prioritise areas that are of high importance to our stakeholders, as well as where we can have a positive impact within our business and operations. We then focus on these material areas and proactively communicate our position and performance on them.

Stakeholder relationships

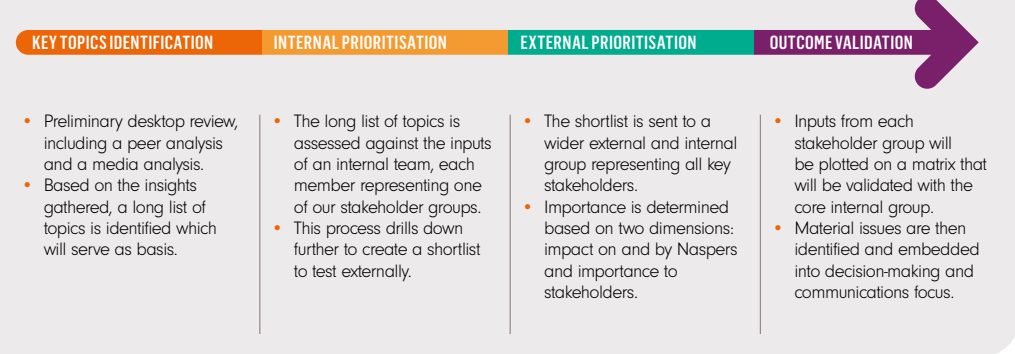
To support the board in fulfilling its governance role, the social, ethics and sustainability committee retains oversight of stakeholder management across the group. In order to balance the needs, interests and expectations of a diverse group of stakeholders, we take an inclusive approach. More information can be found in the social, ethics and sustainability committee’s report in the full 2021 governance report.

We provide an overview here of the underlying process and outcomes of our stakeholder engagement to identify material issues. We also provide links to the various sections of this report covering our response and impact.

We have the following key stakeholder groups:

- 1 **Customers and users** – We want to help customers and users improve their everyday lives.
- 2 **Employees** – Our employees are at the heart of our success. Their commitment and entrepreneurial drive make all the difference.
- 3 **Investors and shareholders** – We are a for-profit organisation committed to growing and increasing value for our investors.
- 4 **Business partners** – We aim to work closely with our business partners, including suppliers and consultants.
- 5 **Industry bodies** – We aim to be an industry leader, playing an active part in progress.
- 6 **Society** – We are committed to making a lasting positive impact for society and the world we live in.
- 7 **Media** – We report transparently and aim to build constructive relationships with the media.
- 8 **Government and regulators** – We recognise how important it is to work with governments and regulators, particularly given that many of our businesses have such a big impact on people’s lives.

Materiality process phases



Focusing on material issues

This year, we conducted our first materiality assessment to help identify the issues that are of high importance to our stakeholders and that we can have the biggest impact on. This process was facilitated by an external expert agency, to ensure rigour and best practice.

The process

The first step was to conduct a preliminary desktop review, including a peer analysis and a media analysis to map the landscape of ESG issues. This included the most relevant macro-level risks benchmarked against the WEF Global Risk Report 2021.

Through this landscaping process we identified an initial long list of 18 issues that are of high relevance to our industry. The next step was to distil this list with the input of a key group of internal representatives through a materiality tool. This led to a further prioritisation within the 18 relevant issues to a shortlist of 11.

These 11 issues were presented to a wider group of internal and external stakeholders, including investors, customers, employees, regulators, key group executives and representatives of the wider community either directly or through a proxy representative of the stakeholders. They were asked to rank the issues on three parameters: importance and relevance to stakeholders, the level of impact the specific issue would have on our business and how it will be impacted by us.

The outcomes of the internal and external stakeholder prioritisation were validated in a session with key group executives.

Taking each issue in turn

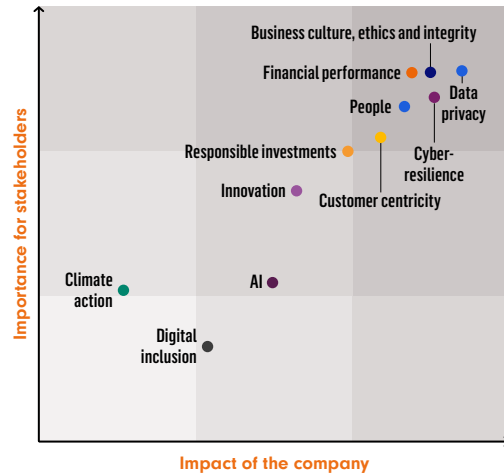
We share the broader definition of each of the followings issues, together with a guide to where more information on our position and performance can be found in this report.

Stakeholder engagement and materiality continued

Our 11 most material issues

The graph below plots the 11 most material issues:

Materiality results



Business	Societal
Financial performance	Business culture, ethics and integrity
Responsible investments	People
Customer centricity	Data privacy
Environment	Technological
Climate action	Digital inclusion
	AI
	Cyber-resilience
	Innovation

Eight issues (those in the top right corner of this quadrant) were ranked as being very important, given that they are most material to our stakeholders, our business and operations.

Nevertheless, the other issues on this matrix remain on our priority list as they are either critical for all businesses to tackle (for example, climate action) or are of key importance, especially going forward, for a specific stakeholder group (for example, AI and digital inclusion).

Business: Financial performance

Generating financial value by increasing our revenues and market shares. Detailed disclosure of our financial performance can be found on pages 144 to 173 of this report.

Responsible investments

Embedding ESG factors in the assessment process of our investments. Our Sustainability review on pages 72 to 97 provides a summary of how we view our role as an operator and an investor through the lens of our environmental and social impact. We continue to evolve our monitoring and reporting on sustainability, for example, by providing greater detail on our website.

Customer centricity

Putting the experience and satisfaction of customers at the heart of our development. Ensuring our customers' safety, including protecting people when using our products and platforms. This includes, for example, protecting customers against scams and protecting children on the internet. This is of fundamental importance for our licence to operate as a consumer internet group and we share how we address this on pages 25 to 28 of this report.

Environment: Climate action

Reducing greenhouse gas (GHG) emissions, energy use and mitigating the effects of long-term changes in the earth's climate and its physical impacts on societies and business operations. Aligning our climate targets to those of the Paris Agreement (a landmark international accord that was adopted by nearly every nation in 2015 to address climate change and its negative impacts) by embedding

environmental considerations within operations and investment decisions. We provide a detailed breakdown of our environmental footprint this year on page 88 of this report.

Societal: Business culture, ethics and integrity

Communicating our purpose, goals and values effectively and embedding these in our activities, operations and engagement with our business partners. This includes governance on tax, competition and compliance, and ethics. Read more in the Governance section on page 98.

People

Enabling fair employment and having best practice standards for our own people management, including talent attraction and retention; diversity and inclusion (D&I); training and development; upskilling; labour management relations; and health, safety and wellbeing, including mental wellbeing. We sum up our approach and performance regarding our people on pages 81 of this report. Our human rights statement can be found on www.naspers.com/about/policies.

Data privacy

Setting up and adhering to the right policies and control frameworks to keep business, customers and employees' data safe. Read more about this on page 75. More information on our policies to safeguard the privacy of our customers and employees can also be found on www.naspers.com/about/policies.

Digital inclusion

Enabling equal access to critical digital networks and technology, between and within countries; overcoming the lack of necessary skills in the workforce, insufficient purchase power, government restrictions and/or cultural differences. Providing equitable access for individuals, businesses and states to critical digital networks and technology, and reducing the risk of discretionary pricing mechanisms, lack of impartial oversight, unequal private and/or public access. More information can be found on page 91.

Technological: Artificial intelligence (AI)
Defining our position around the value of AI and communicating externally on the topic. Read more in the report on page 79.

Cyber-resilience
Protecting business, government and household cybersecurity infrastructure to prevent increasingly sophisticated and frequent cybercrimes that could result in economic disruption, financial loss, geopolitical tensions and/or social instability. Read more in the report on page 77.

Innovation
Promoting innovative technology to create new ways of conducting business and promoting solutions to societal needs. Innovation underpins our purpose of improving everyday life for people by backing outstanding companies and entrepreneurs for the long term. We are innovative in our capital allocation strategy – actively searching for new opportunities to partner with exceptional entrepreneurs who are using technology to address big societal needs. Businesses in our portfolio are continually innovating to meet the needs of individuals around the world. Read more in the Performance review on pages 30 to 61 of this report.

Next steps
Our materiality assessment has given us valuable insights into the key issues we should be focusing and reporting on. We will use this understanding to guide our thinking and help us apply our capabilities in the right way to the right areas to ensure we have the biggest possible sustainable impact for stakeholders.

Engaging our stakeholders
Engaging closely with our key stakeholder groups is a critical part of being a successful, responsible business. We engage with our stakeholders in various ways, depending on their needs and interests.

The Covid-19 pandemic inevitably shaped both the concerns of our stakeholders and the way we maintained our engagement. Overall, we increased the intensity of much of our engagement – making the best use of technology tools and continuing to gain and share views through virtual meetings and online communication.

* The overview is calculated by weighing each stakeholder group's input the same.

Stakeholder engagement and materiality continued

Key issues	● Customer centricity	● People	● AI
● Financial performance	● Climate action	● Data privacy	● Cyber-resilience
● Responsible investments	● Business culture, ethics and integrity	● Digital inclusion	● Innovation



1 Customers and users

- Main interests this year**
- Continued access to products and services
 - Positive experience - fast delivery, return and feedback
 - Competitive pricing and range of products
 - Content preference
 - Trust
 - Product safety
 - Data privacy

- How we engage**
- Call centres, showrooms and client relationship managers (CRMs).
 - Electronic communication (email, SMS, apps, web and social media platforms).
 - Workshops and events.
 - Surveys and market research.

- Our response and impact**
- We work to continuously improve our range of products and the customer experience, and ensure that we fairly price our offerings.
 - Our businesses undertake a range of customer-focused initiatives from investing in and developing artificial intelligence and machine learning to improve convenience and safety to developing new services such as home delivery of groceries.
 - Throughout the Covid-19 pandemic, our businesses have focused on ensuring the safety of customers while maintaining delivery of services. In many cases, they have increased the volume and variety of services to meet the needs of people locked down at home during the year.

2 Employees

- Main interests this year**
- Support for coping with the challenges of Covid-19, particularly ensuring health and safety, working from home and wellbeing
 - Purpose - providing jobs with meaning and a sense of purpose, in a company committed to deploying technology to address big societal needs and enriching the communities in which we operate
 - Talent - recruitment, retention and development
 - Culture - including D&I, employee wellbeing and engagement

- How we engage**
- Maintaining a healthy employee relations environment, where ongoing dialogue with our people is embedded in our work practices.
 - Various formal and informal channels to engage employees and encourage open communication, from leadership and CEO updates by email and video to face-to-face gatherings and online collaboration and content sharing.
 - Promoting continuous learning and development through our online learning platform MyAcademy, and through live education programmes.
 - Engaging formally through employee forums.
 - Covid-19 response, including regular Bob videos, pulse surveys, particularly on wellbeing.

- Our response and impact**
- We undertake ongoing investment in developing our people, including creating and supporting professional development opportunities. We also recognise great work through fair and competitive rewards.
 - We focus on building an inclusive and supportive culture.
 - We are a diverse group of companies, but some issues are consistent for our people wherever we operate. These include our commitments to learning, D&I, engagement, and empowerment.
 - We care for our people through various initiatives, recognising that a healthy and resilient workforce is key to supporting our business growth and success.

3 Investors and shareholders

- Main interests this year**
- Our response to Covid-19
 - M&A: industry consolidation or bigger deals
 - Competition across core segments
 - Strategy for Food Delivery as well as Payments and Fintech segments, and how we are investing for growth
 - Path to profitability and cash flow generation
 - Our approach to ESG issues
 - Holding company discount
 - Internal rates of return
 - Tax consequences of Naspers's ownership of Prosus, tax on distribution and tax due to sale of assets
 - Capital allocation: further buybacks or investment in core assets
 - Remuneration policy and disclosure

- How we engage**
- Investor meetings and teleconferences.
 - Conference participation.
 - Interim and integrated annual reports.
 - Financial results presentations.
 - Investor day.
 - Press and stock exchange releases.
 - Reporting via corporate website.
 - Dedicated email address for inbound queries and distributing announcements.
 - Instructive videos.

- Our response and impact**
- Management engages more often with shareholders and investors.
 - Our reporting includes focused messaging on the path to profitability for our core segments.
 - We provide biannual updates on our internal rate of return (IRR) for the total portfolio and for ecommerce.
 - We are acting on measures to reduce the holding company discount.
 - At the time of listing, the Prosus value unlock was around US\$16bn by reducing the discount to the combined net asset value of Prosus and Naspers. In October 2020, the group announced Prosus would acquire up to US\$5bn of Prosus and Naspers shares (up to US\$1.4bn Prosus N ordinary shares and US\$3.6bn Naspers N ordinary shares) on the market.

4 Business partners

- Main interests this year**
- Continued supply of products and services despite Covid-19
 - Ensuring awareness on relevant developments in the business
 - Understanding and recognising our partners' rights, specifically on changing procurement processes, pricing, content, platform use, privacy and security

- How we engage**
- Structured meetings, calls and electronic communication.
 - Informal day-to-day communication.

- Our response and impact**
- We actively engage with our business partners, responding quickly and constructively as required.
 - We have strong relationship management systems in place to ensure regular communication between key management and business representatives.
 - Structured grievance processes ensure that, in the event of a dispute, there is timely action to find a resolution.
 - Through active negotiations we ensure mandates clearly lay out the relationship and agreement terms and requirements.
 - Business approaches are reviewed regularly to ensure they align with international norms.

Stakeholder engagement and materiality continued

- | | | | |
|---------------------------|------------------------------------------|---------------------|--------------------|
| Key issues | ● Customer centricity | ● People | ● AI |
| ● Financial performance | ● Climate action | ● Data privacy | ● Cyber-resilience |
| ● Responsible investments | ● Business culture, ethics and integrity | ● Digital inclusion | ● Innovation |

5

6

7

8

Industry bodies

Main interests this year

- Clear communication of material issues
- Engagement around increasing meaningful and positive impact
- How to ensure a positive sector experience, for example through the regulation and culture of the sectors

How we engage

- Membership of selected and appropriate bodies.
- Cooperating with selected partners on projects addressing legislative initiatives.

Our response and impact

- We take the lead in responding to industry consultations on proposed regulations and legislation.
- To build understanding and engagement across the industry, we share our approach and examples of action on specific topics, such as how we align to changing legislation.
- We produce thought leadership and position papers on material issues.

Society

Main interests this year

- The group's response to Covid-19 and support for communities
- Corporate investment to support meaningful impact
- Sound business operations to improve quality of life
- Minimising our environmental impact
- Local employment and value creation, including supporting local businesses
- Adherence to local laws and paying taxes due

How we engage

- Corporate social investment (CSI) programmes.
- Employment offering and service providers.
- Website content and public announcements on material issues.

Our response and impact

- Our businesses focus on maximising positive impact in local communities in the most appropriate ways. More information on our corporate social responsibility programmes can be found on pages 91 to 94.
- Our groupwide aim is to develop products and services that meet societal needs, for example, food delivery (Food and Swiggy) and education (BYJU'S, Codecademy and Brainly).
- We contribute to enabling and encouraging conscious consumerism through our OLX online classifieds platform. This helps to extend the life of products, save water, energy materials (including conflict minerals) and lower carbon emissions.
- We focus on hiring local employees and growing local talent, including investing in local businesses.
- Our group legal compliance programme is tailored to the unique risks and local laws that apply to each business.
- Details of the board-approved group tax policy and tax disclosure appear on pages 95 to 97.

Media

Main interests this year

- Our response to Covid-19
- Our investment strategy and performance
- Requests for comment on rumour and speculation, notably on potential acquisitions and divestitures
- Requests for comment on reputational risk issues, such as cybersecurity and privacy
- Our focus on geographies, for example, Indian press interest in how we view that country
- Our view on key industry segments, such as classifieds, payments and fintech, and food delivery
- How we work across our group companies
- Requests for time with management, particularly at key points such as results announcements

How we engage

- Press releases, editorials and articles.
- Interviews and reactive comment.
- Reporting through company website.
- Events.

Our response and impact

- We invest time in regularly engaging with key journalists and editors to build relationships and understanding.
- We proactively schedule media interviews to provide briefings on strategic updates and significant news.
- We build announcement plans to maximise coverage of announcements.
- We respond to requests for comment in line with communications and investor relations policies.
- We are quick to correct inaccurate commentary or articles as appropriate.
- We attend and participate in various events in line with our communication strategy.

Governments and regulators

Main interests this year

- Sustainable development
- Innovation and entrepreneurship
- Competition policy
- Taxation
- Investments and international trade
- Data protection and privacy
- Private-public partnerships, international and other collaborations
- Intermediary liability
- Financial services legislation
- Copyright and intellectual property (IP)
- Tech policy, including ecommerce
- Societal contribution, including employment and social policy

How we engage

- Direct participation in advisory committees, meetings and public consultations.
- Formal one-on-one meetings and round tables.
- Response to sector and company-specific enquiries.
- Indirectly through sector and industry associations.
- Participation in international events, such as BRICS (Brazil, Russia, India, China and South Africa) summits or membership of the World Economic Forum in Davos.
- Site visits, including hosting official delegations.
- Integrated annual report.

Our response and impact

- We are transparent and have implemented a programme to ensure compliance with all applicable laws and regulations.
- We make formal representations and written submissions to express views.
- When invited, or where relevant, we provide information to policymakers in the form of expert advice, based on our global experience as well as technology and sector expertise.
- We invest in the group's capability and capacity to respond to enquiries and requests to share views on legislation and issues affecting the industry.
- We share our views through media engagement and public speeches at international events.

Our culture

Over the years we have built up a strong, distinctive culture across the group.

It's a culture that keeps us changing for the better and moving forward. Above all, it encourages us to keep learning and adapting - from how best to enhance AI across the group to where best to invest in the next wave. So we can continue developing, changing and growing together - finding new ways to improve everyday life for people around the world.

Our corporate values guide our culture:

- We aim to be useful in the communities we serve.
- We create an environment for entrepreneurs to succeed.
- We do business with integrity.
- We value diversity.
- We love to innovate.
- Above all, we solve problems for customers.

Our culture comes to life through the things we do and the way we do them, every day around the group.



We build

At heart, we're entrepreneurs. Together, we build leading companies that empower people and enrich communities.



We do the right thing

We matter to the communities we serve and wherever we operate we hold ourselves to high standards.



We empower

We back local teams and learn from each other. We encourage diversity in our teams and in our thinking.



Performance review

Contents

- 31 Our performance
- 32 Classifieds
- 36 Food Delivery
- 42 Payments and Fintech
- 46 Etail
- 52 Ventures
- 57 Naspers Foundry
- 58 Social and Internet Platforms
- 60 Media
- 62 Financial review
- 63 Managing risks and opportunities
- 65 Monitoring of key risks



Our performance

We are building leading global businesses across our core segments of Classifieds, Food Delivery, Payments and Fintech, and Etail; and we are looking to capitalise on the next wave of growth through our Ventures arm. This year, we made strong progress on all fronts – growing our core businesses, taking advantage of new opportunities and, as ever, focusing on improving everyday life for millions of people around the world.

Highlights of the year

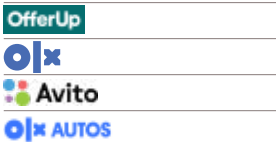


Ecommerce



Classifieds

We made considerable progress in FY21, strengthening our strategic and financial position. Although the pandemic affected our business at the start of the year, we innovated to continue enabling trade, and ending the year stronger than expected on both revenue and trading profit.



Read more on page 32



Food Delivery

Our core food delivery businesses continued to grow throughout the year. iFood performed strongly, growing gross merchandise value (GMV) by 148% and revenue 205% year on year (in local currency, excluding M&A), strengthening its position in Brazil.

Delivery Hero also had a strong year, reporting €12.4bn in GMV and €2 472m gross revenue from continuing operations for its year ended 31 December 2020.



Read more on page 36



Payments and Fintech

Payments and Fintech reached a new level, driven by the pandemic-fuelled acceleration in the adoption and use of digital payments across our core markets. In Latin America, volumes grew 69% year on year. Poland and Romania were also very strong. In our core market of India, volumes grew 42% year on year (in local currency, excluding M&A).



Read more on page 42



Etail

eMAG continued to strengthen its position as a leading etailer in Central and Eastern Europe – growing revenues by 54% (in local currency, excluding M&A) and becoming profitable in terms of trading profit for the first time.

Takealot group
The Takealot group had a very strong year, accelerating growth in all its businesses. Takealot group revenue increased by 65% year on year (in local currency, excluding M&A) and negative trading margin was 0.1%. GMV grew 84% year on year (in local currency, excluding M&A). Takealot.com had its first profitable year.



Read more on page 46



Ventures

Throughout the year, we continued to focus on our core areas of investment, notably Edtech, which became a new core segment for the group on 1 April 2021. In all, we invested US\$163m in 18 transactions, including investments in Edtech and in India, another key focus area for Ventures.



Read more on page 52



Social and Internet Platforms

Early in the development of our internet strategy we invested in leading social and internet platforms in two of our key high-growth markets, China and Russia. Tencent's fundamentals remain strong with excellent growth prospects in China, while Mail.ru continues to be the largest internet group in Russia.



Read more on page 58



Media

Media24 is Africa's leading print and digital media group with interests in digital media and services, newspapers, magazines, e-commerce, book publishing and media logistics. It publishes several magazines and newspapers and reaches 1.5 million average daily unique browsers – up 45% year on year, generating 12.6 million average daily page views, across its digital platforms.



Read more on page 60



Classifieds

Shaping the future of trade to unlock the hidden value in everything.

REVENUE¹ (US\$'m)



TRADING PROFIT¹ (US\$'m)



Performance highlights

We made considerable progress during the year and strengthened our strategic and financial position. The Covid-19 pandemic affected our business at the start of the year. However, we innovated to continue enabling trade and ended the year with strong momentum, with both revenue and trading profit exceeding initial expectations.

¹ Presented on an economic-interest basis.

'In a year dominated by the Covid-19 pandemic and characterised by an accelerating shift to digital, the power of our purpose came to the fore.'

Lydia Paterson
CFO, Classifieds

The opportunity

Classifieds is a highly dynamic environment. Trends are accelerating, offering many opportunities and challenges. We see four key trends and are aligning OLX Group to capitalise on these. Firstly, user needs are evolving. Users are looking for more trust, more safety, more convenience, more help. They are expecting, and getting, seamless online-to-offline experiences, with more support along the transaction chain. Secondly, the competitive landscape is changing, with global digital players entering classifieds trade. Thirdly, artificial intelligence (AI) is becoming increasingly critical. AI can radically improve user experiences, automate or optimise tasks and enable new product features – it is truly transformative. Fourthly, sustainability is at the forefront now. Many believe that current global consumption patterns are unsustainable, with natural resources being depleted and most items only used once. We agree that the world needs a smarter model of consumption, where products and materials are used more effectively. This requires changing consumer behaviour and supporting circular business models and products. At OLX Group, we want to lead this change, to improve everyday life for people in a responsible, sustainable way.

Shaping the future

This year we sharpened OLX Group's purpose to better reflect our objectives and contribution to the world: ***We shape the future of trade to unlock the hidden value in everything.***

In a future dominated by digital, we will create customer journeys that are simple and seamless. This will facilitate trade in many ways, thereby helping consumers unlock value in the items they own, the businesses they run, and the means they have to improve their lives. This means goods will have multiple lives, extending the value of the world's limited resources.

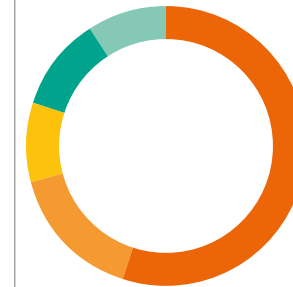
In addition, we will unlock value in our people by investing in their development. We will also unlock enterprise value for our shareholders by being resourceful and identifying opportunities to solve even more customer problems.

Accelerating our growth

In the year we accelerated our move into the transaction space, and developed differentiated propositions for consumers, supporting our customers along their transaction journey.

Most car dealers and agents were facing little to no demand and inspection centres closed across Asia and Latin America due to the Covid-19 pandemic. We innovated to continue enabling trade, and came out of the year stronger than expected.

CAR AND REAL ESTATE REPRESENT KEY CATEGORIES IN REVENUE (%)



Cars	55%
Real estate	16%
Goods	9%
Jobs and services	11%
Advertising and other	9%

OLX GROUP

322m
monthly active users

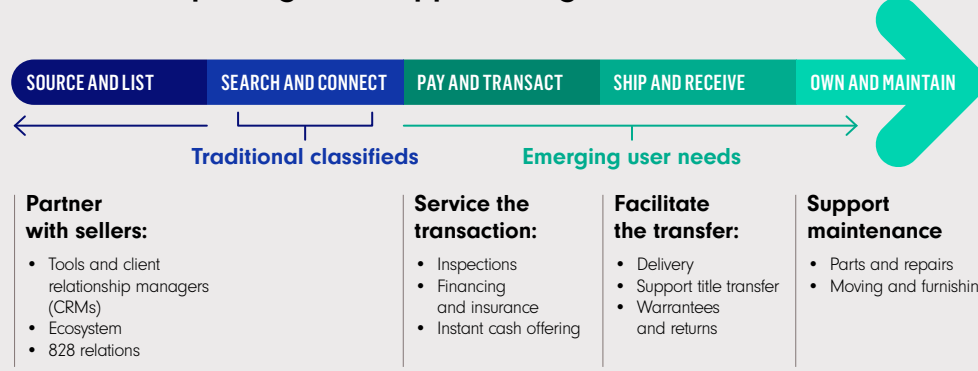
58m
net new listings

116m
monthly active app users

Present in
41
markets, leading positions in 24 countries

4.1m
paying listers

Users are requesting more support along the chain



Classifieds continued

OLX GROUP

Physical transactions of

>100 000

vehicles in a year

>520 000

monthly pay-and-ship transactions in Europe

Wide network of

6 250

dealers for vehicle transactions

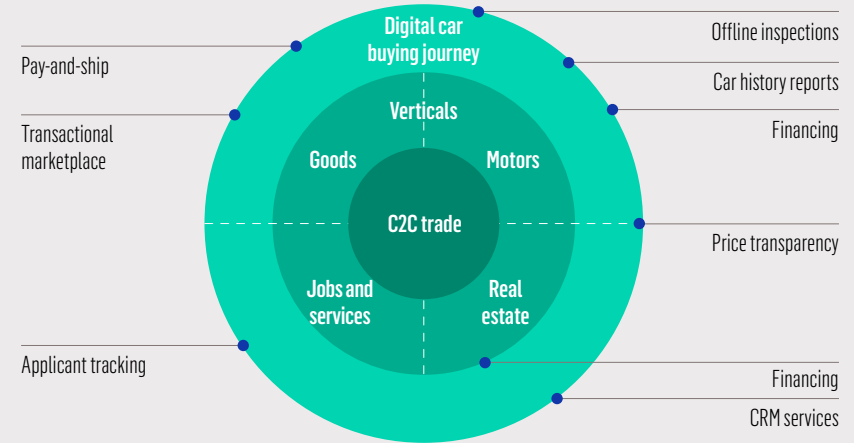
Lockdown restrictions accelerated the digitisation journey, with consumers completing more transaction steps online, and professionals using tools to facilitate more digital interactions.

Focusing on the customer experience

To further help our customers in these unprecedented times, we focused even more intensely on the customer experience. We want to bring new experiences to customers to make it easier, more intuitive and convenient to derive as much as possible from their most valuable assets, such as their car or their home.

For example, pandemic restrictions aside, we are making it possible for people to drive their car to one of our inspection centres, get a fair value assessment on the spot and, within 30 minutes, receive a cash offer for their car. Super quick, safe and convenient – this is transforming the way cars have traditionally been traded. In response to pandemic lockdowns, we developed a remote inspection process. From the comfort and safety of their own homes, people can use their smartphones to conduct a self-assessment using AI and other technologies to identify the vehicle, the make, model, year, different specifications, condition and quality. This is just one way we are shaping the future of trade.

The multiple layers of our ecosystems



Building our full ecosystem

In Russia and Europe, we extended our full ecosystem by evolving towards a marketplace proposition, a customised experience where new and used goods can easily be compared, bought or sold. We expanded pay-and-ship to Poland, Romania and Brazil, in addition to Ukraine and Russia, so people could order and have goods delivered to their doors. We also developed a digitised car buying journey across Poland and Russia.

Launching an end-to-end experience

In Asia, Latin America and Turkey, we launched an end-to-end car-selling journey, where consumers can value their cars online to sell instantly at one of our centres. We complemented this with options to buy and finance inspected cars directly from us or on our platforms, creating a seamless buying journey.

Building our position

In Brazil, we further strengthened our multivertical offering by integrating with Zap+, creating a strong position in real estate and offering users a more comprehensive and accurate overview of the real estate market. We have also started offering real estate loans, via a fintech partnership.

Increasing our strengths through M&A

We merged our Middle East entities (Dubizzle in the UAE, and OLX in Pakistan, Lebanon and Egypt) with Emerging Markets Property Group (EMPG), a leading property portal in the region, retaining a minority stake of 39.07% in the combined entity.

letgo and OfferUp combined their respective US marketplaces, the main app first peer in the US, retaining a 39.54% stake in the combined entity.

In Central America, we merged with Encuentra24 in Panama, Costa Rica, El Salvador and Guatemala, keeping a 37.5% stake in the combined entity.

In Poland, we invested in the Carsmile online showroom, buying a majority stake in a dynamic automotive platform offering online new car rental and leasing. This created the most complete car ecosystem in the country, with a classifieds platform (OLX), a car marketplace (Otomoto), an offline car marketplace (321Sprzedane!), and now, rental and leasing (Carsmile). We also acquired Obido in Poland to enhance our offerings in real estate.

Four options for the strategic direction applied in a market:

	Full eco-system offering	Multivertical	End-to-end car journey	Associates
Goods	Russia, Europe			US, Central America
Motors		Brazil, South Africa, Turkey	Asia, Americas	
Real estate				Middle East
Jobs				

Classifieds continued

In Romania, we acquired KIWI Finance, the largest credit broker in the country, amplifying our ecosystem by adding finance-related services to our portfolio.

Continuing to make the most of artificial intelligence and machine learning (ML)

In Europe, we use AI and ML to solve customer problems and improve their experience, and to keep users safe, for example, by detecting fraud. During the year, our ML models had a substantial impact on our search, lead qualification, and trust and safety initiatives. This has enabled us to advance further in becoming a smart, convenient and trusted way for people to make big and small life choices.

Personalised recommendations using item2vec technology enable our products to make “smart” alternative suggestions to our users. Accurate job recommendations, as well as online price valuation in the motors category, are prime examples of offering transparency and peace of mind to our customers. Finally, automated content moderation keeps our platforms safe and trusted.

Avito introduced a new chatbot for quick and convenient resumé creation in the jobs category. Product innovation, focused on trust and safety, has enabled online car owner verification via ownership documents. In addition, Avito has developed a smart model for fraud prevention in chats.

OLX Autos is developing an AI-driven consumer self-inspection process, and offers auto-answer functionality online, initially available in English.

‘The excitement of the journey is that hidden value is there to be discovered. We are trying to transform this idea of trade – to get closer to the customer to understand and solve their problems and, as we do, unlock hidden value. This is what drives us.’

Responding to the pandemic

Focusing on our people

Throughout the year, we maintained our focus on keeping our people safe. We quickly and effectively enabled working from home for all our teams globally, including at-home delivery of office equipment. Offices that have reopened are operating at reduced capacity and on a voluntary basis. Inspection centres, a core part of our automotive business, were originally closed under local government regulations. These have reopened as regulations and safety conditions permit.

Since the start of the pandemic, all employees have been provided with the appropriate PPE and safety protocols. We also offered our office-based employees the support they needed to work from home, including a special employee assistance programme focused on health and wellbeing.

Adapting quickly to customers’ needs

We were quick to adapt to serve our customers’ needs. Our automotive business, for example, organised car inspections and valuations at customers’ homes, as well as virtual inspections to avoid unnecessary face-to-face contact.

We created local programmes that helped businesses move from offline to online, enabling people to keep trading safely.

In addition, many of our platforms took steps to offer practical financial assistance to business customers, including extended paid listings and discounted or free advertising packages.

We wanted to help as much as possible. Accordingly, we ran an internal innovation contest to find new ideas to help our customers. The winning idea was expanded into OLX Shop, and launched in all European markets.

Helping communities

Our platforms have always provided a way for people to connect, but this took on a whole new dimension in the pandemic.

In many countries, our platforms became a source of reliable information, linking to government and local health bodies, helping combat disinformation in turbulent times. Many of our platforms set up new product categories to collect donations or coordinate help for vulnerable groups. In India, for example, we organised the relief fund OLX Pledge with local non-governmental organisations (NGOs) to support the livelihoods of severely affected migrant workers.

In Portugal, the team partnered with an initiative to help find accommodation for healthcare professionals. Our team also promoted an app for volunteers to coordinate assistance for elderly people.

Fixly in Poland introduced a new category, neighbourly help, to connect people needing assistance in daily matters with those who could provide it.

Driving the circular economy

We place specific focus on driving the circular economy. In the year, we measured the impact of our platforms in eight categories: mobile phones, tablets, laptops, televisions, cars, motorcycles, books and fashion. The results were impressive. In the 2020 calendar year alone, our users potentially saved over:

- 5.5bn kilograms of materials
- 842m gigajoule-equivalent of energy
- 481m cubic metres of water, and
- 59m tonnes CO₂-equivalent emissions.

‘Giving items second and third lives. Helping people get the most out of their budgets, whether it’s for a place they want to rent, or their vehicle. Providing people the opportunity to be paid for their skills, and matching them with employers that need their services. These are things we are really proud of.’

Promoting health, safety and wellbeing

We launched a three-week mental health awareness campaign, offering resources and assistance for employees working from home. In addition, we ran programmes on working remotely: topics included parenting while working from home, managing remote teams and time management. We also ran listening sessions, after which some teams experimented with initiatives such as ‘no Zoom Friday’, encouraging walking time and setting clearer ‘online times’. In our January 2021 wellbeing survey, 90% of employees believed the company was supporting them through the pandemic. The employee wellbeing score also improved by three percentage points compared to the prior survey.

Training and developing our people

We use MyAcademy and KnowBe4 as key parts of our training and professional development initiatives. KnowBe4 is used predominantly to train our employees on data-privacy and security issues – ensuring we fulfil our obligations under GDPR (the EU’s general data protection regulation) and embed our groupwide privacy-by-design culture and skill set.



Classifieds continued



Focusing on data privacy and security training

Our goal is to train and certify at least 100 of our product and technology community members as privacy technologists. At the same time, we include general security and data privacy training for all employees in two annual compulsory training modules.

Focusing on artificial intelligence training

We place much emphasis on AI training, including AI translator training, AI activation workshops and AI nanodegrees.

In 2020, we launched the OLX Group leadership behaviours, offering 360 degree feedback based on this framework to the group management team and senior leaders.

Ensuring customer safety and wellbeing

We are a customer-centric organisation – putting our customers first to ensure they can transact on our platform in a trustworthy and safe way. As such, we are committed to continually improving moderation as well as trust and safety to ensure we combat illegal activity and hate speech on our sites.

Increasing accessibility

We offer 'Dark Mode' for iOS users, following benchmark web content accessibility guidelines in helping people with full-vision disabilities. The Disability Employee Opportunity Centre in India named OLX as an easy app for people with disabilities to access.

OLX Romania has created a dedicated category on its platform for job seekers with disabilities, with job postings free of charge.

Promoting diversity and inclusion

We are committed to promoting diversity and inclusion (D&I) across the OLX Group, because we regard a diverse workforce and inclusive workplace as a strategic competitive advantage. We believe that solving customer problems and unlocking hidden value becomes much more possible when we have diverse opinions in an environment where people can speak up.

Accordingly, we incorporate D&I into senior management's annual goals. We are also proactive about improving diversity in our workforce, including hiring practices, employee development and rewards – ensuring we attract, hire, retain and reward our people without bias.

Looking forward

Our purpose guides and inspires us. We shape the future of trade to unlock the hidden value in everything. We will continue to help our customers get the most value out of what they have. We will also help our teams and our people unlock even more value in themselves and each other; we will also keep on extracting as much enterprise value as possible for our shareholders and stakeholders.

In 2020, the resale of certain products via our platforms potentially saved:

2020 impact report (calendar year)

	Materials: kg	Energy (equivalent): GJ-eq	Water: m ³	CO ₂ emissions (equivalent): tonnes CO ₂ -eq
Mobile phones	2 455 456	1 812 883	1 892 960	124 413
Tablets	343 976	251 167	258 848	17 588
Laptops	3 632 578	3 657 653	6 698 814	232 332
Televisions	39 864 739	8 429 063	8 316 914	586 840
Cars	4 780 381 911	704 228 934	397 282 081	49 419 918
Motorcycles	674 553 004	124 047 226	58 591 408	8 623 397
Books	597 112	35 966	33 691	1 592
Fashion	1 928 359	325 602	8 161 473	24 633
Totals	5 503 757 135	842 788 494	481 236 189	59 030 713
Equivalents	The weight of over 71 million washing machines	The yearly energy use of over 21 million US households	The yearly water use of over 1.1 million US households	Over 20 million passengers travelling by plane between AMS and LAX

Note: The series looks at secondhand sales in the following categories: electronics (phones, tablets, laptops and televisions), fashion, vehicles (cars and motorcycles) and books. It's then calculated how much energy, materials, water, and emissions may have been saved through trading these secondhand products on our platforms, instead of buying new.



Food Delivery

Transforming the way people source, consume and experience food.

REVENUE¹ (US\$m)



TRADING LOSS¹ (US\$m)



Performance highlights

Our core food-delivery businesses continued to grow during the year. iFood performed well, growing GMV by 148% and revenue by 205% year on year (in local currency, excluding M&A), and strengthening its position in Brazil.

Delivery Hero also had a strong year, reporting €12.4bn in GMV and €2 472m revenue from continuing operations for its year ended 31 December 2020.

¹ Presented on an economic-interest basis.

'We are building a global leader in food delivery, focused on providing the best possible experience for consumers, restaurants and delivery partners. We continue to enhance and innovate across our food-delivery platforms to lead in transforming the way people source, consume and experience food.'

Larry Illg
CEO, Food Delivery

The opportunity

Food delivery is an attractive sector for the group. It addresses a core societal need and is executed locally, which fits with our experience and expertise. It remains an attractive long-term investment with a global market potential of more than US\$330bn¹ by 2022. This is especially true in the high-growth economies we focus on. In these markets, food accounts for a relatively high share of total consumer spending.

We expect even more growth beyond 2022 – the sector is in its early stages despite already being sizeable.

In addition, we are on the cusp of a tech-enabled shift in dining habits, with more meals being delivered rather than home-cooked or consumed in restaurants.

The hyperlocal nature of Food Delivery also fits well with our strengths and strategy of partnering with local entrepreneurs who understand their local markets.

This in turn makes the food-delivery market less susceptible to the potential entry of big-tech players.

As yet, there is no global leader. We see signs of potential for market consolidation and we want to be at the forefront of those developments.

In addition, food delivery has high customer engagement. Given its on-demand and high-frequency nature, food delivery exhibits higher retention rates than other verticals. This aligns well with our focus on increasing customer satisfaction at scale.

¹ Source: Online food addressable market 2022E per Euromonitor International Limited, consumer Foodservice 2019

Building a global leader

We are a leading global investor and operator in food delivery, having invested around US\$5.54bn in the sector with an internal rate of return (IRR) of over 57%, based on sell-side analyst valuations.

We are present in over 69 markets, via direct stakes in our three core companies – iFood, Swiggy and Delivery Hero – as well as Wolt and Oda and indirect investments that provide further insights on the sector. In all, we cover over half the global population and have recorded significant growth across our portfolio.

Our journey in food delivery began with a US\$2m investment in iFood via Movile in early 2013. At that time, iFood Brazil's business was minuscule compared to today (800 restaurants compared to over 284 000 restaurants in some 1 200 cities). Similarly, we first invested in Swiggy in 2017 when it was present in only seven cities with 12 000 restaurants, compared to more than 155 000 restaurants in almost 500 cities today.

The evolving world of food delivery

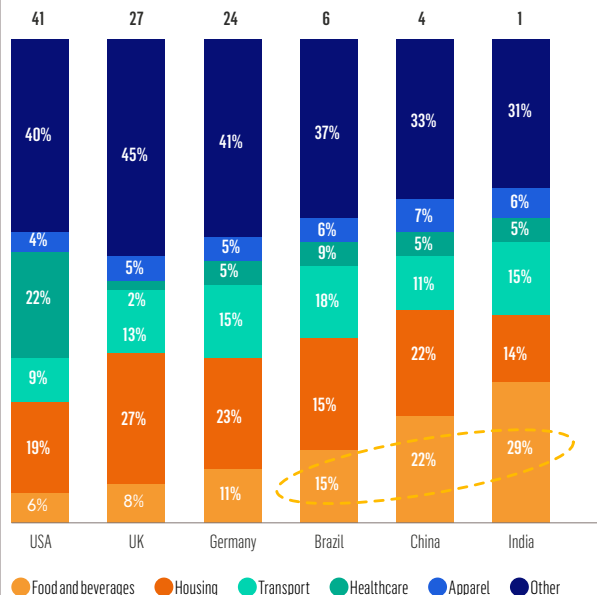
Food delivery has changed dramatically in recent years, and we believe it will continue to evolve.

In the early 2000s, food delivery started as a relatively simple marketplace business model (food 1.0). In recent years, own-delivery challengers expanded food platforms (food 2.0), increasing the selection of restaurants and raising consumers' expectations for service. But that is only the beginning. There are several exciting growth adjacencies, including groceries/convenience deliveries, cloud kitchens, private brands and restaurant software that could expand the growth profile and improve the ability of leading food platforms to compete successfully (food 3.0).

The increasing importance of the first-party model

Historically, the industry was dominated by the capital-light marketplace model (third party or 3P), where meals are delivered by restaurants.

FOOD VS OTHER VERTICALS: CONSUMER SPEND SHARE TOTAL CONSUMPTION PER CAPITA BY TYPE (2018) (US\$'000)



GLOBAL MARKET POTENTIAL

US\$330bn by 2022

Food Delivery continued

However, the 3P model does not address customer needs fully in terms of range of restaurants and delivery experience. Increasingly, the more capital-intensive own-delivery model (first party or 1P) has come to the fore, driven by the increased growth and value-creating opportunities it presents. Our food-delivery businesses are well positioned for 1P and they continue to build and invest in this capability.

Using artificial intelligence and machine learning

Another key advantage with 1P is that it creates greater touchpoints and opportunities for using data and applying AI and ML along the value chain. We are making the most of AI- and ML-enabled 1P across our food-delivery businesses to increase efficiency, make deliveries faster and more reliable – giving customers more choice and better service.

PERFORMANCE IN FY21

98%
year-on-year growth in revenue

69
markets covering half of the global population

52%
year-on-year order growth

Invested a total of
US\$5.5bn
in food delivery

Driving change

Having identified the need to invest in own-delivery capabilities early on, we have a long record of building leading businesses in some of the largest markets globally. We believe the opportunity in food delivery is to disrupt and transform across the supply chain, from how food is sourced to how it is prepared and consumed, and that the impact of this disruption is likely to have major societal impact. We aim to be at the forefront of this transformation.

iFood

Prosus has a 62.24% stake in iFood through Movile. As a leader in Brazil, iFood is one of the largest online food-delivery companies in Latin America and has a strong presence via a joint venture with Delivery Hero in Colombia.

Becoming part of people's lives

The Covid-19 pandemic was the catalyst for true transformation at iFood, changing it from a convenience service to an important service for restaurants and consumers. The focus became primarily about how iFood could take care of its community – delivery partners, restaurants, employees, customers and wider society.

This meant that business performance and social performance were fused, marking a step-change in iFood's commitment to positive long-term sustainable impact. In practice, business growth largely reflected the way iFood rose to the challenge of the pandemic by prioritising its social responsibilities as a leading corporate citizen.

By ensuring food delivery was safe all along the chain, throughout the community of participants – from customers to delivery partners to restaurants – and by increasing the awareness and sense that food delivery was safe, iFood created the foundation for orders to grow at an unprecedented rate. iFood entered the year with 34 million monthly orders, and ended the year with some 60 million monthly orders.

Responding to the pandemic

When Covid-19 hit, iFood immediately made it clear to the public that they could count on it to help them through the crisis. Health, wellbeing and taking care were at the centre of iFood's new strategy.

Taking care of customers

For customers, this involved protecting and informing people to ensure and emphasise the safety of food delivery. iFood developed contactless delivery and payment, and created a website within 24 hours to answer questions and reassure people.

iFOOD

~1 200
cities covered

~60m
monthly orders

35%
own-delivery orders

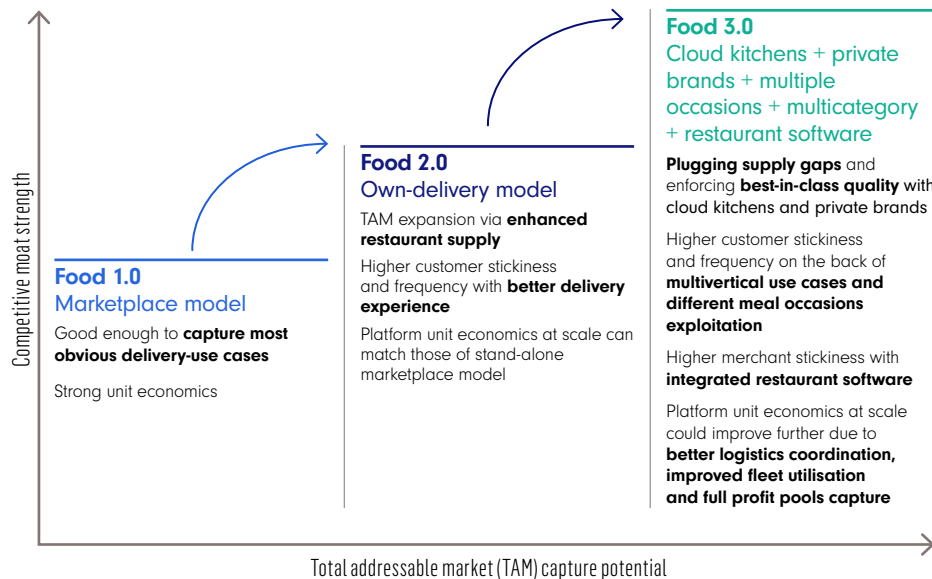
>280 000
restaurant partners

iFood order growth

100%
Brazil: order growth 100%, 60m monthly orders, to 9.4m unique buyers from 272 000 active restaurants in over 1 258 cities

1p
("logistics") business has grown to more than 23m orders per month

FOOD PLATFORMS' EVOLUTION



Food Delivery continued

Three pillars

iFood focused on three key pillars:

- 1 Feeding Brazil
- 2 Education programme
- 3 Sustainable delivery

Later in the year, iFood developed a communication platform, Opening the Kitchen. This enabled everyone to see and understand exactly how the iFood platform works, for example, how much delivery drivers are being paid. Being absolutely clear and upfront helps build trust and support with stakeholders.

In addition, iFood gave customers the option of using their company-provided meal vouchers (a common benefit in Brazil) on the app, so they could continue using this benefit while working from home.

During the year, many new customers joined the iFood platform, including older people ordering online for the first time.

Taking care of communities

iFood implemented a number of initiatives to help communities.

It introduced an in-app option to donate money to fight hunger in Brazil, as part of each food order. These donations support the NGO Ação da Cidadania, which offers basic food packages to socially vulnerable families in all Brazilian states. To date, this has benefited 160 000 recipients.

In addition, ready-made meals are donated to Central Única das Favelas (CUFA), a Brazilian organisation that helps the socially vulnerable in favelas, and to the Franciscan Solidarity Service (SEFRAS), which supports homeless people. More than 150 000 meals have already been distributed.

iFood also developed the “all at the table” initiative that partners with other corporations to donate food to individuals via organisations like SEFRAS, CUFA and InCor. More than 80 000 meals were donated in the most critical period of the pandemic in 2020.

Taking care of delivery partners

A tipping option in the app (not common practice in Brazil) has been optimised to suggest larger tipping amounts for riders.

iFood’s commitment to delivery partners extends well beyond the immediate demands of Covid-19. The average hourly earnings for iFood delivery partners are significantly above the local minimum wage and above the individual living wage in Brazil.

iFood is leading its peers by offering education to delivery partners through online training modules. Available through the delivery partner app, they cover, for example, responsibility in traffic, work equipment, society and personal development, including financial literacy. Throughout the year, 54 000 drivers enrolled in the programme and 99% would recommend it to colleagues.

iFood also leads the way in offering other valuable benefits to delivery partners, through a programme known as Delivery of Advantages. Delivery partners are eligible for discounts with established partners for motorcycle repairs, spare parts replacement and mechanical support. iFood also offers discounts with established partners for insuring a motorcycle, mobile phone purchases and other electronic goods.

The iFood driver loyalty programme continues to grow, with more benefits offered to drivers who are loyal to the platform. Through this programme, drivers gain benefits linked to their vehicle, their education and the wellbeing of their family/dependants.

iFood Environmental, Social and Governance (ESG) initiatives

IN-APP DONATIONS:
>775 000
people in Brazil received food donations

1.93
tons donated in the form of basic food baskets

173 000
prepared meals donated

Avoided the use of
4m
plastic items

48 000
restaurants enrolled on management support course with 9.5 average rating

54 000
delivery workers enrolled on training course

173 000
people benefited from donation of loop meals to support homeless people and truck drivers without access to rest areas on the roads

Todos a Mesa: support for
19 800
small restaurants

580 000
people benefited from donations of basic food baskets

iFood provides health benefits to riders and their families/dependants, with discounted rates for medical appointments, online consultations, laboratory tests and medication (up to 80% discount of cost). The plan is free to join.

During the year, iFood focused on creating a new mindset and way of working with delivery partners – controlling the number of new drivers and planning fewer drivers per order so that existing drivers could enjoy a more stable, rewarding income. As a result, average driver earnings per available hour rose 40% and the number of average orders per driver nearly doubled. This has opened the way for stronger relationships that benefit all involved – drivers, restaurants, customers and the business.

Taking care of restaurants

iFood focused on supporting the financial health of restaurants during the pandemic. In particular, it looked for ways to help with all-important cash flow, by accelerating payments from 30 days to seven days, for example.

It also reduced its commissions charged to restaurants, supporting restaurants and local heroes specifically with around US\$44m. In addition, it introduced a no-cost takeaway option.

In partnership with Escola Conquer, iFood offers a free online course to all restaurants on topics such as marketing and digital transformation, finance and consumer trends to help partner restaurants in difficult times.

Food Delivery continued

Collectively, this support has been key in helping thousands of restaurants to continue. In fact, during the year, traditional high-end restaurants discovered the benefits of iFood’s platform, as have many smaller local restaurants across different parts of the country. Around 50% of iFood’s growth in the year came from small- and medium-sized restaurants.

Taking care of employees

In response to the lockdown, iFood introduced a “work from anywhere” policy for employees. iFood already had a flexible hours policy, physical and mental wellbeing programmes, a “dog day” initiative (employees can bring their dogs to the office), and a range of in-office wellness services.

In addition, iFood introduced further flexibility in its benefits through a points programme, and offers a subsistence allowance for in-app meal orders and working-from-home costs.

The company also offers childcare assistance for mothers and fathers, with extended maternity/paternity leave. Appropriately, for a leading food-delivery company, it offers free breakfast, barista coffee, and fruits and snacks in the office throughout the day.

Taking care of society

As vaccines began to roll out globally, Brazil faced a shortage of vaccines to distribute to its population. As part of an initiative to help increase the quantity of vaccines available, iFood donated BRL5m to the São Paulo government for a factory to produce vaccines. iFood was one of the biggest donors, along with other Brazilian companies in different sectors. In addition, iFood donated BRL5m to the federal government to develop a vaccine production facility in Rio de Janeiro.

Innovating for everyone

iFood aims to innovate in ways that benefit everyone involved. For example, it is pioneering food deliveries by drones and robots to speed up time to customers. In addition, 300 iFood boxes have been installed in corporate and residential buildings to provide secure, convenient collection points for meals, groceries and other items. It also supports delivery partners in using electric or e-bikes through discounted rentals.

Improving environmental impact

iFood initiatives to improve its environmental impact include a reverse-logistics solution for its delivery bags and guaranteeing the environmentally correct disposal of obsolete bags. From 2020, all materials are reprocessed instead of going to landfill, either by powering energy plants or reusing the source material.

iFood has started to offer sustainable packaging in its iFood Shop (the materials-purchase service for restaurants) – plastic-free products made from renewable sources such as paper, sugar cane and cassava fibre. iFood Shop no longer sells disposable single-use plastic items such as cutlery, cups and plates.

In 2020, iFood started a pilot scheme for an opt-in/opt-out option that gave customers the choice not to receive unwanted disposable items like cutlery, straws and cups. This also helps restaurants to save money on purchases. Another pilot scheme gives customers the option to replace plastic packaging with biodegradable and other sustainable materials.

In addition, iFood is increasing recycling awareness and behaviour via WhatsApp and QR codes on packages. Users simply scan the code to initiate a WhatsApp conversation that explains how to properly discard each type of material.

Looking ahead, iFood plans to encourage best practices in restaurants, for example, by creating a green category on its app and a green restaurants list and/or label.

Supporting D&I

iFood supports D&I in several ways, including career-development programmes for minorities, affinity-group committees and financial support to transgender people for hormone treatment, surgery and legal support to change their names. To promote gender equality, iFood now offers a leadership accelerator programme for women.

The company has also introduced an AI training programme, in which half of all participants will be women, people of colour and driver participants.

‘Our core business is about connecting hungry people with restaurants and restaurants with hungry people. We are mastering data, technology and logistics to make these connections in ways that work well for everyone involved.’

Fabricio Blois
CEO, iFood



Food Delivery continued

Swiggy

Prosus has a 41.19% stake in Swiggy – a leading food-delivery platform in India, with an ambition to become India’s “everything app”. Since our initial investment in 2017, Swiggy has grown rapidly – building its core 1P food-delivery business by expanding to almost 500 cities; growing its supply base to more than 155 000 restaurants; unlocking the middle-class segment with curated low average order value (AOV) offerings and subscription/loyalty innovations such as Swiggy POP, Swiggy Daily, Droppt and Swiggy Super; and heavily investing in 1P infrastructure, vouchers, marketing, product and tech.

Swiggy currently delivers food from more than 155 000 restaurant partners leveraging the network of more than 160 000 couriers.

Navigating the pandemic

Apart from the economic impact, the pandemic and national lockdown affected the business in several ways:

- Diminished restaurant supply due to government policies and supply-chain disruptions.
- Shortage of restaurant workers and delivery partners due to migrant workers returning to their home villages.
- Higher percentage of customers relying on home-prepared meals.

Swiggy is, however, operating at pre-Covid-19 levels in many respects, and above those levels in several key areas. It has also improved unit economics throughout the year.

SWIGGY

~500

cities covered, adding a new city every two days

160 000

own-delivery partners



Part of everyone’s everyday

Swiggy: Long-term consumer value proposition – transforming consumers’ lifestyles in unimaginable ways

07:00

Milk, freshly baked bread, diapers, cold pressed juice ordered from previous night



09:10

Swiggy Bike-Taxi when running late for meeting at 09:30



13:00

Working lunch with Bowl Company



16:00

Daily fruit salad from Swiggy Daily



19:00

Special birthday dinner for Swiggy One customers



22:00

Night snacks – Swiggy Store or Dark Pods for last-minute convenience (eg chips, ice-cream, beverages)



23:00

Remember meal subscription



Food Delivery continued

Delivery Hero

Prosus has a 21.1% stake in Delivery Hero, the leading multibrand food-delivery platform with a presence in 53 markets.

From January 2021, Delivery Hero became carbon neutral for its Latin American operations. Delivery Hero aims to offset 100% of the carbon footprint generated by its operations worldwide by the end of 2021. Since the start of its carbon neutrality initiative, Delivery Hero has offset 215 378 tonnes of CO₂-equivalent by supporting a range of environmental projects across the globe.



Expanding into grocery

Online grocery presents a large growth opportunity, where structural category dynamics are attractive (high frequency and average order value) but online penetration is low compared to other ecommerce categories. We have seen a significant switch over the past year, with the market's transition to online accelerated by the pandemic.

Grocery is second only to housing in global spend – at an annual US\$6.1tn, this is more than double the total addressable market for restaurants. Online penetration for grocery is still low – ranging from a high of 9% in South Korea to 1-2% in the US, Canada, Germany and Italy. However, growth is increasingly rapid. There are strong synergies with our existing food-delivery businesses, reflected by Delivery Hero, Swiggy and iFood expanding into grocery.

Prosus in grocery delivery

- Delivery Hero is expanding aggressively into grocery through its wholly owned Dmarts. It had 603 Dmarts across 37 countries by 31 March 2021. Also, in August 2020, Delivery Hero acquired 100% of InstaShop, an Instacart type business in the Middle East and North Africa (MENA).
- In 2020, Swiggy launched grocery-delivery services under the Instamart brand. Services are currently available in Gurgaon and Bangalore, with plans for expansion.
- The acquisition of SiteMercado in late 2020 helped establish grocery delivery as an integral piece of the iFood ecosystem and allows the company to make progress against its vision of being a leading food destination platform in Latin America.
- Just days after FY21 ended, Prosus invested €100m in Oda, the leading online grocery operator in Norway, currently serving 50% of the country's population in and around Oslo with next-day delivery. The company offers freshly baked goods and flowers, in addition to fresh and processed foods, with its own last-mile delivery service operating alongside 3P providers. Oda is preparing an organic launch into Finland in 2021, and expansion to Germany in 2022.

Looking forward

We will continue to grow our core food-delivery markets and build adjacencies – local food-service brands, grocery and convenience delivery, and more. To drive growth, we will innovate with new services and experiences. For example, we are exploring dark stores – giving people an easy way to order online and quickly receive everyday convenience items at their door. We want to play an ever-increasing part in leading the food-delivery revolution for consumers, restaurants and delivery partners around the world.

The Covid-19 pandemic has provided a significant boost to the use of food delivery and online grocery/convenience delivery during 2020 and 2021. More people than ever before are now using online delivery options for food. This is likely to boost continued growth going forward. While the ultimate impact of that boost is uncertain, what seems clear is that early movers are the likely winners.

DELIVERY HERO

Present in

>50
markets

603
Dmarts across

215 378
tonnes of CO₂-equivalent offset

37
countries



Payments and Fintech

Building a world without financial borders where everybody can prosper.

REVENUE¹ (US\$'m)



TRADING LOSS¹ (US\$'m)



Performance highlights

Payments and Fintech reached a new level, driven by the pandemic-fuelled acceleration in the adoption and use of digital payments across our core markets. In Latin America, volumes grew 69% year on year. Poland and Romania were also very strong. In our core market of India, volumes grew 42% year on year (in local currency, excluding M&A).

¹ Presented on an economic-interest basis.

'The world of payments and credit is becoming increasingly digital and we are proud to be leading in this transformation by connecting consumers and merchants online – quickly, securely, seamlessly – across high-growth markets around the world. Our mission is to build a world without financial borders where everybody can prosper.'

Laurent Le Moal
CEO, PayU

The opportunity

Payments is one of the most important and fastest-growing areas in financial services worldwide. Global payments revenues have grown from US\$1.9tn in 2018 to a projected US\$2.7tn by 2023, with 60% of relative growth coming from emerging markets. In addition, online payments are expected to increase at double the rate of offline payments.

Five fundamental trends are shaping the payments industry:

- 1 Increasing growth driven by emerging markets and the shift from cash to digital payments

The shift to digital payments is driven by high-growth markets where cash use (currently over 90% of transactions) is gradually being displaced.

PayU has a presence in five of the top 10 fastest-growing markets, with very strong positions in India and Turkey.

- 2 Increasing use of alternative payment methods

In high-growth markets alternative payment methods (APMs) such as bank transfers, cash-on-delivery, wallets and local debit cards are becoming the most common ways to pay and are expected to command an 80% share of transactions online and offline.

- 3 Accelerating consolidation to create global players at scale

The payment industry remains fragmented but is moving towards consolidation, enabling key players to reach scale faster and establish global positions.

- 4 Rise of "buy now pay later" as a new credit category

2020 saw the "buy now pay later" (BNPL) credit category becoming mainstream. This product targets the underserved category of millennials by providing them with easy instalments while merchants benefit from increased conversion rates. Global BNPL transaction volume is estimated to grow 10–15 times to US\$650bn–1tn by 2025.

KEY TRENDS IN PAYMENTS

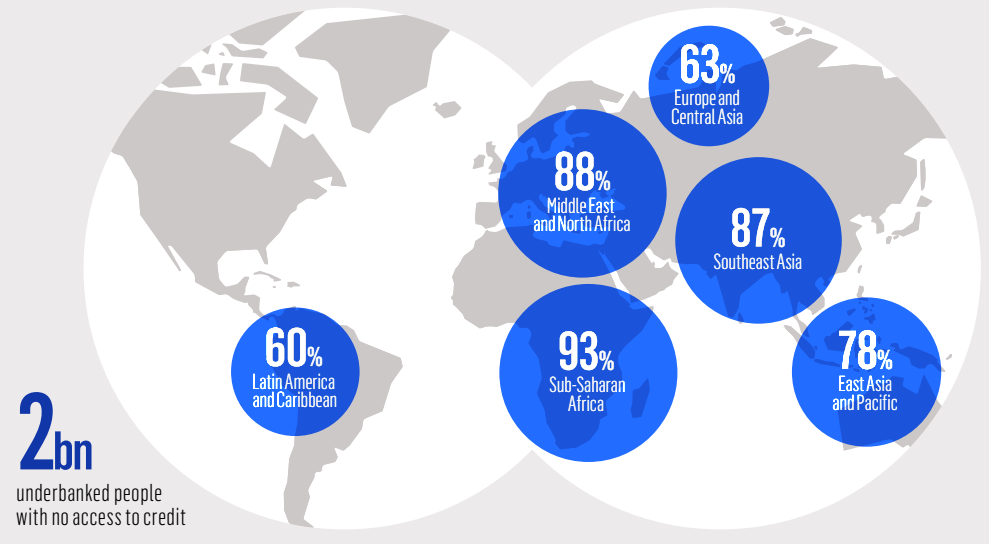
PayU operates in **20** high-growth markets, five of which are in the top 10 growing markets

Digital payments are expected to overtake cash payments by **2022** in India

Global payments revenue to reach

US\$1.8tn in 2024

Adults without credit bureau coverage – regional % of population



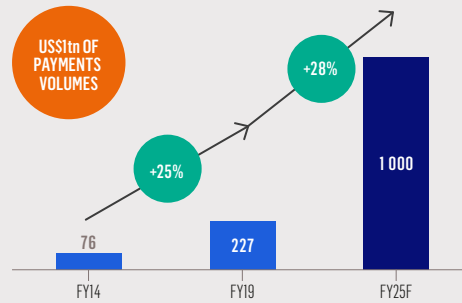
Key trends in payments

- 1 Increasing growth driven by emerging markets and the shift from cash to digital payments
- 2 Increasing use of alternative payment methods (APMs)
- 3 Accelerating consolidation to create global players at scale
- 4 Rise of 'buy now pay later' as a new credit category
- 5 Data-enabling new services

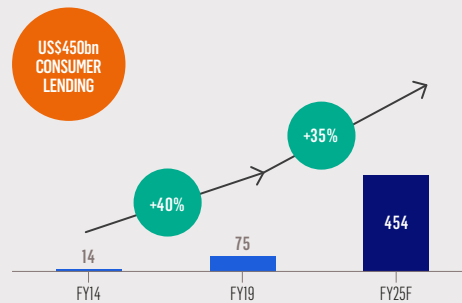
Payments and Fintech continued

India offers a large opportunity in payments and credit

INDIA DIGITAL PAYMENTS¹ EXPECTED TO REACH US\$1tn...



...AND INDIA DIGITAL LENDING² TO GROW TO US\$450bn



Source: Research BCG-Google Digital Lending Report
 1 Digital payments include cards, net-banking, UPI and wallets.
 2 Digital lending includes loans disbursed digitally at both online and offline channels.

5 Data-enabling new services

We believe the next wave of growth and innovation in payments will be driven by new services built around alternative data sources and proprietary models. By responsibly combining transaction data with other data sets such as mobile, social, government, and applying AI and ML capabilities, we can develop new revenue models and increase margins.

Our strategic priorities

To capitalise on these trends, our priorities are to:

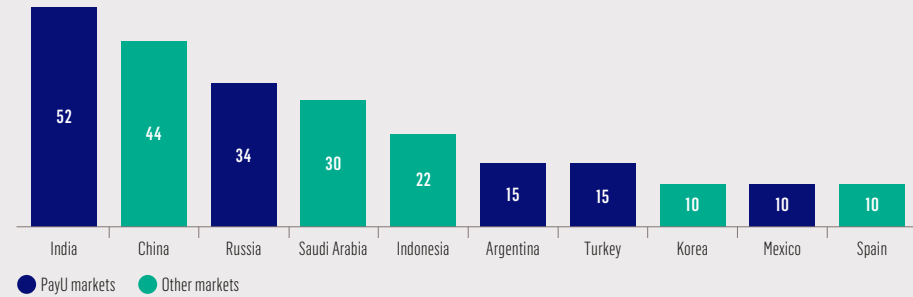
- Double-down on India and build a financial ecosystem around our payments and credit franchise.
- Unlock value in our core payments business.
- Invest across fintech adjacencies and AI.

Building a financial ecosystem in India

India is a priority market for PayU, driven by the strong macroeconomic environment, solid growth in digital financial services and our leading position in online payments. Around half of India's 1.4 billion people are under the age of 30. Over the next decade, more than 100 million young, digitally savvy Indians will join the country's workforce and consumer pool. Smartphone penetration, key technology for payments, is estimated to reach 700 million in 2023. India's digital payments industry is expected to reach US\$1tn in 2025, while digital lending is expected to grow from US\$75bn at present to US\$454bn by 2025.

PayU is in five of the top 10 fastest-growing payments markets

GROWTH OF DIGITAL PAYMENT TRANSACTIONS (CAGR 2015-2018)



Focusing on payments in India

PayU currently has a strong presence in the ecommerce vertical and has doubled volumes in the past two years to ~US\$26.6bn. By making the most of our position in ecommerce, we aim to expand and establish leadership across all digital payment segments in India, piloting omnichannel solutions and focusing on serving consumers and banks as well.

Focusing on credit in India

In India, we process more than 800 million payment transactions with a total value of US\$26.6bn, while capturing more than 3 billion data fields on 100 million unique customers. Using this data, we aim to scale our credit business. We have set the ambitious goal of building a US\$1.5bn loan book and a profitable combined credit entity over the next five years by combining PaySense and LazyPay. This would make us the largest digital lender in the country.

Unlocking value in our core payments business

Our core differentiation stems from our positioning in fast-growing digital payments markets. Our competitive advantage relies on providing access to all local alternative payment methods and higher conversion rates through our local platforms.

Last year, our broad geographic footprint and focus on pure online payments worked to our advantage as we benefited from a boost in digital payments amid lockdown restrictions. Our core markets of Latin America and Turkey grew 69% and 45% respectively, based on volumes in local currency terms.

To accelerate our growth, we look for targeted acquisitions to integrate into our platforms and deliver scale and efficiencies. Last year, for example, we acquired Iyzico for US\$134m, to consolidate our position in Turkey's high-growth ecommerce market. We also completed the majority acquisition of Red Dot Payments, for US\$48m, to expand our presence across the dynamic Southeast Asia region. This transaction gives us access to local payment processing capabilities in the region and unique payment solutions for the hotel and hospitality segment. We are integrating Red Dot Payments into our global hub to offer all existing merchants access to the Southeast Asia market.

Both these transactions are at the heart of what we are building at PayU - powering global merchants through regional platforms. We will continue to scan our current markets to identify local champions that can bring us growth, profitable revenues and great teams. We will explore opportunities for global consolidation.

PERFORMANCE IN FY21

>US\$55bn
 processed payment volume, up 51% year on year (in local currency, excluding M&A), 48% contributed by India

>10bn
 data fields captured

>1.7bn
 transactions, up 38%, excluding Wibmo

>2.4m
 loan transactions in FY21

Payments and Fintech continued

Investing across fintech adjacencies and artificial intelligence

While over 70% of our capital investment has been in our core business of payments and credit, we will continue to invest in other fast-growing fintech segments and AI-driven innovative companies.

We will look for leaders in their spaces that fit well with our strategy. Our minority stake (24.12%) in remittances pioneer Remitly, illustrates this approach. We will invest selectively to build an ecosystem in India by targeting leaders in key fintech consumer segments, such as wealth management, insurance, robo-advisory and card-issuing services. This execution approach is aligned with our past investments into Fisdom and DotPe, two leading companies respectively in the wealth management and omnichannel spaces in India. We will build a common distribution and data platform to strengthen our access to alternative data sources and build new products that are not just transactional, for example, credit scores. We will also continue to look for the right partner in the digital banking sector. In addition, we will invest in AI-led companies with unique data access and capabilities.

A transformative year

With the challenges and changes resulting from the Covid-19 pandemic, it was a transformative year for the digital payments industry. There was a big acceleration in adoption and growth across the industry as a whole and we saw significant growth across the majority of our markets. In Latin America volume grew 69% year on year. Poland and Romania were also strong. With the hard lockdown in India early in the year, we initially saw a 35% decline in volumes, then a sizeable recovery, and we achieved a 42% increase (in local currency, excluding M&A).

We believe this step-change in adoption of digital payments is here to stay, and we are looking to capitalise fully on it in line with our mission to create a world without financial borders where everybody can prosper.

Helping businesses move online

The pandemic triggered the need to support the accelerated transition from offline to digital. Faced with hard lockdowns, many businesses had to move online to survive. Partnering with companies such as Shopify, we conducted targeted campaigns to enable small- and medium-sized enterprises (SMEs) to move online. We developed initiatives to educate SME merchants on how best to digitise their business, and ensured our onboarding process was seamless to get them started online quickly.

This has been especially successful in Latin America and India. During the year, we helped around 70 000 SMEs begin trading online for the first time in India, Colombia and Poland.

Collecting donations during the pandemic

We implemented a number of initiatives to provide much-needed support for those in need during the pandemic:

- We collected online donations for non-governmental organisations (NGOs) supporting Covid-19 relief projects, doing the online processing at no cost.
- In our Matching May campaign, PayU matched any employee donation to double the support.
- The PayU Twenty challenge combined feeling good and doing good. To promote employee wellness with social investment, PayU donated every time an employee completed a Twenty challenge of their choice, such as 20 minutes of physical exercise or a 20-mile run.

Innovating for customers

The pandemic changed consumer behaviour in many ways. For example, even when people went offline to make payments, they preferred not to use cash. In India, this translated into increased use of our omnichannel solution.

Continuing to focus on credit

We managed our credit business carefully during the year, navigating the challenges of the pandemic and hard lockdowns in India. Our priority was taking a responsible approach to lending, for the business and our customers. As such, we continued to offer short-term transactional loans,

while curtailing our new instalment loans. We used that time to revamp our credit offer – particularly the entire user experience and expanding our product range. As a result, we relaunched with an enhanced offer, including an updated app and new products like BNPL.

Going from strength to strength in Turkey

Our acquisition of Iyzico in 2020 has been a success, with this company's technology and platform proving to be the right solution at the right time for the market. As planned, we are strengthening our position in Turkey's high-growth ecommerce market, which has recorded a compound annual growth rate (CAGR) of 30% from 2014 to 2017. Turkey has a large contingent of global merchants and is now our second-largest market in the Europe, Middle East and Africa (EMEA) region. By integrating Iyzico with PayU, we are able to leverage existing relationships with global merchants and Iyzico's product capabilities to drive cross-border volume.

Analysing the whole system

We have significantly enhanced fraud detection and prevention – going from analysing a selection of data points to now using ML to quickly and effectively analyse the whole system. Quicker, better fraud detection means improved security, peace of mind and trust for consumers and merchants, which is good news for us.

Innovative, responsible use of technology and data

Innovative use of technology and data, especially in the growing credit business in India, lies at the heart of our focus on removing financial borders and enabling digital inclusion. At the same time, the responsible and ethical use of data and underlying decision models is paramount. PayU has instituted a formal responsible AI framework, with experts in data, credit, privacy and risk working closely together on this as a cross-functional team.

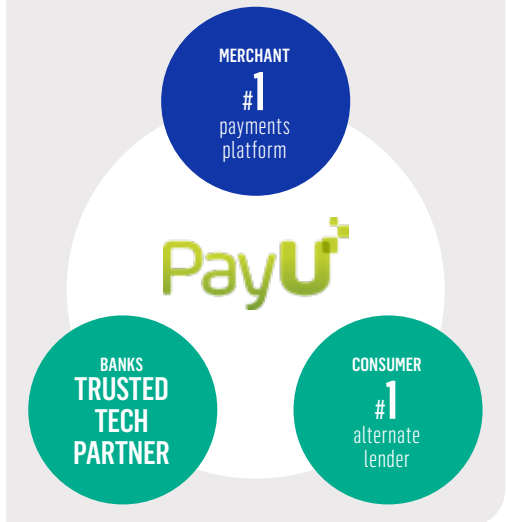
We have added to the breadth and depth of skills and capabilities in AI and ML across both payments and credit, and are constantly looking to leverage data and AI to keep our platforms, merchants and customers safe and our ecosystem running as efficiently as possible. We look for ways

to optimise data internally, for example, by increasing the effectiveness of fraud detection and prevention or improving the customer experience. We also look to optimise it externally, to help merchants target and serve their customers more effectively, for example. Accordingly, our data team now takes care of both payments and credit requirements, so that we leverage the data present in both businesses. To underpin this coordinated approach, we are working on a global data hub that will standardise available data from all our businesses to apply the best possible AI and ML.

Supporting D&I

PayU is actively driving D&I, and has further developed associated programmes. This started with gender diversity and we have made good progress on four pillars: creating awareness and breaking stereotypes; refining the talent acquisition process; focus on developing and retaining female talent; and improving infrastructure to support our employees.

Building an ecosystem for merchants, banks and lenders



Payments and Fintech continued

Financial prosperity barometer – key findings



Over 75% of respondents believe that financial services can help people plan for future prosperity



60% of respondents feel financial services have already helped them to become more prosperous



50% of people in the countries surveyed believe you cannot be prosperous without access to financial services



For over 30% of respondents 'being happy with your life' and 'good health for friends and family' are the key characteristics for defining 'prosperity'



Only 25% of respondents feel that 'being wealthy' in itself is necessary for prosperity



Nearly one in 10 (9%) respondents declare that they don't have access to any major financial service

During the year, we extended this focus to make PayU fully accessible to people with disabilities, both employees and customers. We are also partnering with the Prosus social impact challenge for accessibility (SICA) in India to mentor start-ups developing innovative solutions to help people with disabilities.

Focusing on employee wellness

We introduced Uthrive – an online wellness initiative for employees with a special focus on Covid-19-related needs. This comprehensive programme includes training and awareness components provided through digital channels. Other initiatives include advice and support in improving work-life balance, and an employee assistance programme that offers free counselling, legal and financial consultation, and crisis-intervention services to all our employees and their dependants.

Improving employee engagement and satisfaction

Targeted actions in recent years have improved employee engagement and satisfaction. Participation rates in our global employee survey have increased year on year, to 92% in FY21. Our engagement score for the year improved to 74% (2020: 69%).

Training and developing our people

All our training moved online due to lockdowns, so we used MyAcademy as much as possible. This included introductory AI sessions and developing the PayU leadership framework.

Investing in social projects

We were particularly active with social projects in Latin America during the year. Supported initiatives included Proyecto Guajira, helping children from indigenous communities in the north of Colombia to go to school; Fundación Ecosueños, sheltering immigrant children; and Fundación sin Limites where volunteers help children to improve their school performance.

Undertaking environmental initiatives

During the year, PayU businesses undertook multiple environmental initiatives. In India, for example, PayU sustainability champions are leading measures such as switching off artificial lights and using natural light; choosing energy-efficient light bulbs; switching off equipment when not in use; printing only when necessary; and controlling heating and cooling.

Waste-reduction initiatives include using ceramic instead of plastic plates; looking for partners to remove food waste; using fewer rubbish bags; and wherever possible, buying second-hand equipment or leasing equipment rather than replacing it frequently.

Looking forward

Our strategy is focused on realising our mission to build a world without financial borders where everybody can prosper.

Accordingly, we will continue to establish PayU as a leading, full financial services provider in India. We aim to be the number one payments and digital credit provider in this vibrant fast-growing country. To underpin our leadership, we will position our data platform at the centre of India's fintech ecosystem.

We will also focus on being the number one payments company in our other growth markets, consolidating payments in existing markets, and expanding into new growth markets.

At the same time, we will continue to invest across fintech adjacencies and AI to build an ecosystem.





Etail – eMAG

Giving customers across Central and Eastern Europe the best etail experience.

REVENUE¹ (US\$'m)



TRADING PROFIT/(LOSS)¹ (US\$'m)



Performance highlights

eMAG continued to strengthen its position as a leading etailer in Central and Eastern Europe, growing revenues 54% (in local currency, excluding M&A) and becoming profitable in terms of trading profit for the first time.

¹ Presented on an economic-interest basis.

'We focus on providing our customers with a best-in-class experience in selection, value and convenience. This deep customer commitment is at the heart of our strategy to build the largest ecosystem of technology and hybrid (1P/3P) ecommerce platform in Central and Eastern Europe. It drives us to keep delivering, innovating and growing for our customers.'

Iulian Stanciu
CEO, eMAG

The opportunity

The etail opportunity across Central and Eastern Europe is substantial. eMAG's geographies promise robust growth. These broader growth trends combine with a relatively low level of etailing. Ecommerce penetration in Romania is just 7% compared to 15% in the US and 26% in China. Rates in Hungary (5%) and Bulgaria (3%) are similarly low. The ecommerce sector is expected to grow by 15% annually in Romania, 8% in Bulgaria and 12% in Hungary.

An ecommerce leader in Central and Eastern Europe

eMAG is dedicated to becoming Central and Eastern Europe's leading online retailer. The company operates a first-party/third-party (1P/3P) business-to-consumer (B2C) ecommerce platform in Romania, Hungary and Bulgaria under the eMAG brand, and a leading fashion-shopping destination in Romania under the Fashion Days brand. In addition, eMAG operates Sameday (courier delivery), PC Garage (specialised online retailer focused on gamers), Depanero (repair service) and Conversion Marketing (performance marketing). In 2019, it acquired a 54% stake in EuCeMananc, a food-delivery platform in Romania, rebranding this as Tazz by eMAG in 2020.

Growing profitably

eMAG had an excellent year, with growth in all business units and group revenues growing by 54% to record eMAG's maiden profit. Demand increased sharply following lockdown in March 2020 and the quality and scalability of its operations enabled it to respond rapidly and effectively.

eMAG had laid the foundations for success well ahead of the pandemic. It had started to broaden its product lines as part of its strategy to compete across all general merchandise categories. So, alongside its traditional strengths in technology and consumer electronics, eMAG was accelerating in, for example, home and garden as well as consumables. Demand for products across all categories increased over the year, while eMAG added new categories to meet demand: dry food, beverages and medical products.



Donating face masks to frontline workers

In eMAG's core market of Romania, there was huge demand for face masks and other medical products as the pandemic hit. eMAG rose to the challenge by quickly sourcing and bringing these items into the country. Working with partners, the eMAG Foundation donated more than four million masks and other PPE to frontline workers in Romania.

Sourcing and selling face masks at cost

In the early uncertain days of the pandemic, prices for face masks rose sharply. eMAG responded by making high-quality masks available on its platform at cost.

Continuing to improve the customer experience

eMAG aims to keep improving the customer experience through three strategic initiatives: enhancing its own delivery courier business (Sameday) with a network of Easybox – automated parcel lockers; expanding its Fulfilment by eMAG model; and expanding its showrooms.

OPPORTUNITY

7%

Ecommerce penetration in Romania is just 7% vs 15% in the US and 26% in China. Rates in Hungary (5%) and Bulgaria (3%) are similarly low

15%

Ecommerce expected to grow by 15% annually in Romania, 8% in Bulgaria and 12% in Hungary

Etail – eMAG continued



Increasing Sameday deliveries

eMAG continued to build its Sameday courier business, which aims for a 99% on-time delivery rate. During the year, Sameday grew 148%, meeting increased demand for deliveries from eMAG and other businesses. We also expanded Sameday into Hungary.

Non-contact delivery for Sameday was one of a number of measures introduced to ensure the safety of customers and couriers in the Covid-19 era.

Growing the Easybox network

To ensure customers have a full suite of delivery options, Sameday is deploying automated lockers (Easybox), giving customers 24/7 service, pick-up flexibility and over 99% on-time delivery rates. These lockers have cost advantages and are more environmentally friendly by reducing the need to deliver to multiple individual addresses.

Sameday continued to expand the Easybox network in Romania, from 300 to 1 000 lockers by the end of the financial year. They also started an Easybox network in Hungary, which already has 100 lockers. Currently, around 20% of eMAG deliveries go via Easybox, and that percentage will continue to increase, enhancing customer convenience and business efficiency while reducing environmental impact.

As well as expanding the network, eMAG continued to enhance the service, for example, by introducing customer returns via lockers. Customers can return items when they like and, the moment they close the locker door, their money is electronically refunded. Called 'magic return', this is quicker, safer and greener – a good example of improving everyday life.

Fulfilling orders for third-party partners

The company has doubled down on its Fulfilment by eMAG model, where it manages delivery logistics for 3P partners. This enables eMAG to ensure delivery quality for customers and deepen relationships with merchants.

Expanding in food delivery

In 2019, eMAG bought 54% of food-delivery platform EuCeMananc. To meet the rapid pandemic-driven rise in demand for food delivery in the 2020 calendar year, eMAG accelerated its expansion plans by two years. The business was rebranded, becoming Tazz by eMAG, and the range expanded beyond food to include supermarket and other deliveries. Tazz by eMAG has quickly become one of the leading food-delivery operations in Romania.

eMAG PERFORMANCE IN 2021

Revenues grew

54%

and became profitable for the first time

1 000

eMAG lockers throughout Romania



Improving the customer experience even further through:

Same-day courier business



Automated parcel machines (lockers) roll out



Fulfilment by eMAG model



Showrooms



Etail – eMAG continued

Innovating for customers

To help the many fashion businesses facing the pressures of lockdown, eMAG opened up its Fashion Days platform to make it easy for offline businesses to move online fast. This included creating a dedicated channel for Romanian designers.

eMAG also launched Genius, its premium subscription service for customers. With Genius, customers can order as late as midnight for next-day delivery.

Building a next-generation warehouse

To further strengthen its distribution and fulfilment capabilities, eMAG has invested in a next-generation warehouse at its regional hub in Joița, Romania. The new warehouse will open in the second half of the 2021 calendar year. Featuring state-of-the-art technology, the new facility will increase the speed and efficiency of handling the broad range of products eMAG now offers.

Going green

The new warehouse will be fully powered by green energy, via its rooftop 1.5MW solar panel grid. eMAG has opted for a 100% green energy contract for its other warehouse – reducing carbon emissions from purchased electricity.

As part of developing the new warehouse, eMAG constructed a connection to the highway that will benefit the whole community. In addition, it will carry out an afforestation project on a 10-hectare area to improve air quality for employees and the community living close to the new warehouse.

Sameday continued to invest in its green delivery fleet, replacing conventional fuel vehicles with electric ones to achieve its goal of having 100 e-vehicles by the end of the 2021 calendar year.

Reducing waste

To reduce waste, eMAG replaced cardboard boxes with metal cages to transport parcels in bulk. Pallets are now being reused and, when possible, orders from vendors are consolidated. In addition, eMAG further increased the use of recycled paper instead of plastic (bubble) packing material, to protect customers' items in transit in an environmentally friendly way.

Learning and development

From functional development programmes designed for each team in eMAG to leadership and talent growth initiatives, the company is constantly developing new ways to meet learning needs. During the year, eMAG launched the third edition of Future25, a Yale executive programme for its top 50 leaders, a new leadership development programme, an internal trainers' community, a new mentoring programme and two career-coaching events.

Supporting diversity, equity and inclusion

At 43% compared to 25%, eMAG's gender diversity score is above that of the digital industry, and has increased 1.2% year on year. In its technology teams, eMAG is above the market benchmark, at 31% versus 22% for the Romanian technology industry.

To improve diversity further, eMAG partnered with an organisation facilitating Romania's digital transformation to empower women who choose a career in the digital field. The company targets an increase of women in management roles from 31% to 40%. This initiative includes more diversity metrics in recruitment funnels to better track progress.

Focusing on health and safety

eMAG's intensified focus on health and safety was driven by Covid-19. Couriers are given masks and sanitiser, and customers are encouraged to have their products delivered using cashless payment. Around 40% of transactions in Romania are now prepaid online, a significant increase from previous years. eMAG and Sameday also used their websites and YouTube channels to improve awareness of safety issues such as using masks correctly.



Investing in the eMAG Foundation

eMAG continues to invest in its foundation to support its social responsibility initiatives. The foundation focuses on three pillars: community support for teachers and students; the We Care About programme for children at risk of dropping out of school; and the 140 Beats per Minute programme to encourage physical activity for children. For the 2020/21 school year, We Care About established 46 after-school centres, and reached over 1 228 students and 194 teachers.

Donating in response to the pandemic

In response to the Covid-19 crisis, eMAG and its partners started the #DonateForFirstLine initiative to encourage support across Romania for frontline healthcare workers. eMAG donated several million lei, and donated IT equipment to the national centre tasked with Covid-19 crisis management in Romania.

Looking forward

eMAG aims to continue developing at pace by developing existing businesses. Through its new eMAG Ventures, it will also explore support for promising start-ups – investing and sharing its experience and know-how. Through existing businesses, eMAG aims to excel as the leading ecommerce platform in Central and Eastern Europe.



Etail – Takealot group

Now a closely integrated platform of three leading ecommerce businesses continuing to grow and innovate in South Africa.

REVENUE¹ (US\$'m)



TRADING LOSS¹ (US\$'m)



Performance highlights

The Takealot group had a very strong year, accelerating growth in all its businesses. Takealot group revenue increased by 65% year on year and negative trading margin was 1.2% in 2021, compared to 11% in 2020. GMV grew 84% year on year (in local currency, excluding M&A). Takealot.com, the general ecommerce business, had its first profitable year.

¹ Presented on an economic-interest basis.

'Although the pandemic brought about significant operational challenges, all three businesses have performed remarkably well while ensuring the safety of both employees and customers. We believe that the shift towards online is a permanent one, accelerating the development of all our businesses by up to three years. We have an enabling platform that contributes to the South African economy and we are proud to do so.'

Kim Reid
Founder and CEO, Takealot

The opportunity

South Africa's ecommerce sector continues to show considerable promise and momentum. Although the sector has grown significantly throughout the year, South Africa remains one of the lowest-penetrated of the top 50 retail markets in the world when measuring ecommerce as a percentage of total retail. Today, online retail makes up just 2.6% of total retail compared to territories like China and South Korea that have already exceeded 30%. The ongoing potential for growth in online retail remains apparent.

South Africa's leading retailer

The Takealot group in South Africa includes three major businesses: Takealot.com (general online retail), Superbalist.com (apparel, footwear and homeware) and Mr D Food (food-delivery business). The group remains focused on placing the customer at the centre of its universe.

Providing essentials

When South Africa went into full lockdown from late March 2020, Takealot began delivering essentials through its Takealot.com and Mr D Food (Mr D) businesses. This involved running warehouse and logistics infrastructures safely and effectively in the uncertain, highly pressured early days of the pandemic and throughout the year.

The foremost priority, then as now, was to protect staff and customers as Takealot continued to deliver the essentials people needed. Measures ranged from providing all staff with PPE to regular testing, nurses on site and implementing contactless deliveries. During the year, the Takealot group distributed over 7 000 surgical masks, 19 000 cloth masks and 50 000 litres of hand sanitiser for free to all drivers. This was in addition to our support for country initiatives and PPE provided to those directly employed by the group.

Working remotely

Takealot also had to switch to remote working, notably enabling its 600 call centre staff to continue supporting customers from home. This was a major task, carried out successfully. Beyond the pandemic, it has laid the foundation for continued expansion without having to invest in the same level of office space for call centre staff traditionally required.

Supporting the country

To support the country during the pandemic, Naspers donated R1bn of PPE. Takealot participated in sourcing and executing local delivery of this PPE to hospitals, government institutions and frontline workers.

Handling increased volumes

With people locked down and buying from home, business accelerated. May 2020 was Takealot's record month at the time, and set the tone for the rest of the year. The business went from being geared primarily for seasonal peak volumes in October, November and December to handling growth month after month. All the businesses have been brought forward by two to three years in terms of growth.

Takealot grew 80% year on year, Mr D Food 117% and Superbalist 45%.

Improving customer service and satisfaction

As well as handling the substantial increase in volumes, Takealot improved operational performance, with November and December 2020 being record peak-season months operationally. Takealot measures business on a number of fronts, including on-time delivery and Net Promoter Score (NPS).

In December 2019, for example, Takealot recorded 4.5% late deliveries to customers, while in December 2020 this was down to 1.3%. Its NPS score for the year increased from 73 to 77.

Increasing click-and-collect

Takealot expanded its network of click-and-collect points during the year from 45 to over 80. Combining convenience and safety, this is an attractive option for customers.

Strengthening Mr D's leadership

Mr D consolidated its position as South Africa's leading food-delivery business, growing orders by 117%. Some of this growth came from expanding beyond food deliveries, for example, to deliver essentials such as medication from pharmacies, and everyday items from convenience stores and petrol station forecourts.

OPPORTUNITY

63%

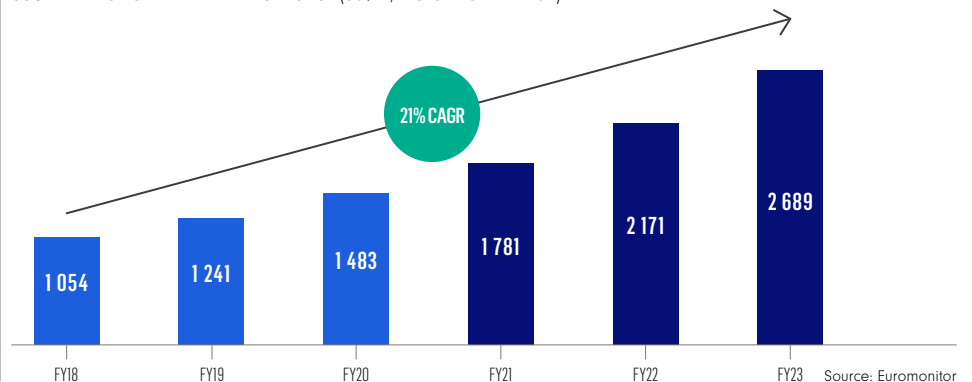
South Africa's low rates of internet penetration (63%*), and online retail penetration (1.4%*) leave considerable scope for consumers to migrate from offline to online

21%

From 2019 to 2023, this migration is expected to drive 21% annual growth in online retail.

*In 2019 according to Euromonitor

SOUTH AFRICA ONLINE RETAIL FORECAST (US\$'m, EXCLUDING INFLATION)



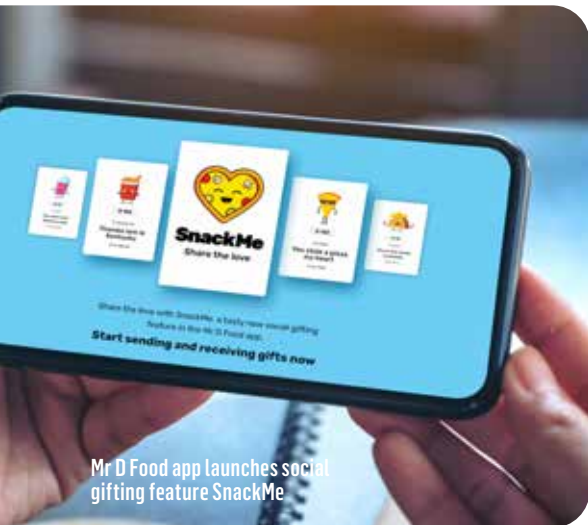
Etail – Takealot group continued

Restaurant deliveries were inevitably affected by the full lockdown. In these difficult times, Mr D supported many of its restaurant partners by lowering its commissions, and raising over R4.1m for restaurants through the novel Covid-19 contribution feature in the Mr D Food app.

The general culture of ordering online for home delivery in South Africa has undoubtedly been boosted by the pandemic, and Mr D is well placed to continue meeting this growth in demand.

SnackMe

During the year, Mr D launched an innovative social food-gifting service, SnackMe. An instant hit with customers, SnackMe allows them to send and receive food gifts (vouchers) with quirky personalised messages, redeemable at any restaurant on the Mr D app. Mr D users can also send gifts to non-users. Users can invite friends and accept friend requests. And a social-gifting feed allows users to see which of their friends are gifting each other. This is a popular new way for people to share their love of food, and friends.



Mr D Food app launches social gifting feature SnackMe

Continuing to grow Superbalist

Superbalist had a strong year, delivering substantial growth. The expansion of its private label portfolio remains a key focus, with an ongoing drive to source from local suppliers.

Hiring more employees

While many companies in South Africa buckled under the impact of the pandemic – retrenching or restructuring operations, employing fewer people – Takealot continued hiring over the year, providing security of employment for more people and continuing to contribute to the South African economy and job creation.

Supporting drivers

Driver numbers doubled to almost 10 000 during the year. In tough times, Takealot provided a valuable source of work. It also provided financial support when lockdown prevented drivers from working. A dedicated fund made payments to drivers during the initial hard lockdown, from March to April 2020, to replace lost income. After restaurants were allowed to reopen, the fund remained in place for the benefit of drivers who could not work because they had contracted Covid-19 or were self-isolating after potential exposure. Over the year, R13.8m was paid to support drivers.

TAKEALOT PERFORMANCE IN 2020

3P GMV accounts for

46%
of total GMV

R8.5m

customer donations facilitated by Takealot at checkout to Beautiful Gate, an organisation dedicated to helping family welfare, based in Cape Town

Takealot prioritises the welfare and safety of drivers. For example, it has always monitored driver earnings in the franchise network to ensure these are fair. Currently, drivers who contract to the franchise network full-time, on average earn significantly above the minimum wage after taking drivers' costs into account.

Drivers are given high-visibility safety vests and helmets at heavily subsidised prices. In addition, during extreme or unsafe weather conditions, delivery areas are deactivated until conditions stabilise and drivers are not expected to make deliveries during this time. Similarly, if there are any non-weather-related threats to driver safety, delivery areas are also deactivated.

Personal injury, death or disability insurance is in place for all drivers performing deliveries for the Takealot group. The insurance benefits include lump-sum payments and coverage of medical costs where applicable.

Takealot's franchise network offers drivers access to a rent-to-own bike scheme, enabling those without transport to lease subsidised bikes. There are currently 600 drivers signed up to this scheme and they will own their bikes after three years.

Helping businesses

The Takealot.com marketplace allows sellers to enable themselves digitally. During lockdown, this marketplace provided an easy route for many small- and medium-sized businesses to continue trading and growing. The Takealot.com marketplace remains one of the many available routes to market for any business wanting to digitally enable itself and an easy go-to market channel for those struggling to list products in conventional retail.

Continuing to focus on AI and ML

Takealot expanded its AI team over the year. The focus is on consolidating the team to undertake centralised AI and ML projects across the businesses. A new head of data is working closely with the AI team to organise data so it can be better used for AI and ML in the future.



AI and ML are being used to increase efficiencies and enhance customer service and satisfaction. During the year, for example, Takealot implemented review moderation (to ensure content is relevant and suitable) using AI models to automate and speed up the review process. Reviews that used to take 14 days can now be completed in less than a day.

Takealot has also implemented personalised restaurant recommendation models on Mr D, increasing conversion and engagement.

Investing in local businesses and people

Takealot undertakes various broad-based black economic empowerment (BBBEE) initiatives. For FY21, these included bursaries to 10 software engineering students; R1.3m in funding to three Takealot delivery-team franchisees to expand their operations; and sponsored learnerships for 90 participants, including 30 people with disabilities.

Etail – Takealot group continued

Donating to Naspers Labs

Takealot donated R1m of laptops, USB dongles and other learning equipment to Naspers Labs to help disadvantaged young South Africans continue with their learning through the pandemic, and gain the skills they need for the futures they deserve.

Making it easy for people to donate

Takealot has a long-standing relationship with Beautiful Gate, which supports the welfare of underprivileged families in Cape Town. Whenever someone checks out on the Takealot site, they have the option to donate to Beautiful Gate. Around R100 000 was donated in the first year of the partnership, rising to R4.8m in FY20. In FY21, this almost doubled to R8.5m.

Ongoing environmental initiatives

Environmental initiatives include using 100% recyclable packaging, with paper not plastic voids. An updated transport fleet of newer, larger, more energy-efficient vehicles also saves money and is better for the environment.

More energy-efficient LED lighting is being introduced in distribution centres. In addition, where possible, Takealot uses seafreight rather than airfreight, which is more cost efficient and environmentally friendly.

Looking forward

All three Takealot group businesses have shifted to a new level. The aim is to grow, continuing to build in a market that is now significantly more attuned to ecommerce. Total South African online retail sales are currently 2.6% of the total retail market. Takealot now predicts that to grow to 11% over the next 10 years.

To make the most of this opportunity, Takealot is concentrating on its logistics platform to ensure that more and more packages are delivered through this platform, known as the Takealot delivery team. Currently, Takealot completes 89% of deliveries through its own systems and network, rather than using third-party couriers. The aim is to continually increase this percentage as it has proven the most reliable and efficient means of delivery for the group.

Takealot.com will continue to expand into a greater range of product categories, including deeper selection in auto, home goods and DIY, offering customers more of what they seek online.

Takealot.com will also expand its marketplace and improve its offer for third-party merchants. Currently, around 46% of the company's GMV is through third-party merchants, and the aim is to increase this to over 50%. As such, Takealot will provide additional tools and services to merchants to enable them to manage their businesses more easily and effectively on its platform.

In the year ahead, Superbalist will focus on expanding its private label offering, building on its inhouse fashion design and manufacturing capability.

Mr D will continue to scale its core food-delivery business and offer an expanding range of other home-delivery options for customers.



'We have an enabling platform that contributes to the South African economy and we are proud to do so.'

Kim Reid
Founder and CEO, Takealot



Ventures

Identifying and investing in the next waves of group growth.

REVENUE¹ (US\$m)



TRADING LOSS¹ (US\$m)



Performance highlights

During the year, we continued to focus on our core areas of investment, notably Edtech, the group's new core segment with effect from 1 April 2021, and India. In all, we invested US\$89.6m in five edtech companies in FY21.

¹ Presented on an economic-interest basis.

'We focus on identifying the waves of innovation that are tackling big societal needs enabled by technology. To this end, we make carefully considered and targeted risk-adjusted investments, and enable the waves to get bigger.'

Martin Tschopp
CEO, Ventures

The opportunity

There are many opportunities for technology to improve everyday life for people around the world and we focus on two key factors when evaluating where we partner with innovative businesses. One, we focus on the countries and markets where these opportunities are biggest, such as India, Southeast Asia or Mexico, which have large fast-growing populations and a rising middle class. Two, we narrow in on the sectors where technology has the greatest opportunity to transform consumer behaviour for the better. Exciting examples of this are educational and agricultural technology. Education is essential for progress and people need to eat; there is great scope to revolutionise how both these basic human needs are met through today's fast-advancing, data-driven AI- and ML-enabled technology.

Identifying and building the next wave for the group

Ventures partners with entrepreneurs around the world to build leading technology companies in high-growth markets. Our goal is to identify the next phase of growth for the group, by identifying trends, technologies, themes and geographies to select investments with the potential to experience significant growth in the coming decades.

By 31 March 2021, we invested a total of US\$1bn into 25 companies worldwide, across education, health, agriculture, elder care, blockchain, logistics, mobility and more.

In keeping with our role of cultivating future core group segments, we split out the Ventures companies focused on education into a formal Edtech segment on 1 April 2021, similar to graduating Food Delivery from Ventures as a core segment in 2019.

Targeting winners

Each year, we formally meet hundreds of companies, but invest only in a select few. This highly discretionary approach helps us target the next generation of outstanding entrepreneurs and businesses.



Key investment criteria

With Ventures, as with all our investments across the group, we look for three key things:

- 1 A great idea addressing a big societal need
- 2 A strong tech angle
- 3 Outstanding founders with the ambition and ability to grow their businesses into global leaders

Creating the next core segment – Edtech

Education has been a key focus area for us for a number of years. It is a US\$10tn global market that is still fairly untouched by technology. We are galvanised by the opportunity to make great education universally accessible to everybody.

Edtech promises great improvements in accessibility, personalisation, impact and enjoyment. Not everybody learns at the same pace or time, or wants to learn the same content in the same way. Edtech can cater to these differences, transform how much people can learn, improve the experience and efficacy of learning, and increase the number of people able to learn. All of which can only be good for a world where being knowledgeable and skilled is critical in the information age.

In recent years, we have been progressively growing our portfolio of companies focused on education. In April 2021, we split these out of Ventures into a formal group segment, Edtech.

In FY21, we invested a total of US\$89.6m into five Edtech companies.

Our edtech investments include Brainly, the world's largest social learning community; BYJU'S, India's leading personalised kindergarten to 12th grade learning platform; Codecademy, an online coding education platform where millions of people have learned to code; Eruditus, an online platform using technology and curriculum innovation to offer professional education courses in collaboration with top-ranked universities globally; SoloLearn, the world's largest community of mobile code learners; and Udemy, the leading global marketplace for learning and instruction.

Ventures continued

EDUCATION

Making learning accessible to all

US\$10tn

Edtech market opportunity by 2030 (source: Holon IQ)

>US\$1bn

committed to invest in Edtech companies

Key Edtech investments



100

programmes in partnership with 30 universities



350m

students, parents and teachers in over 35 countries



180%

growth in students from March to September 2020



56%

year-on-year growth in paying subscribers



425%

increase in learner enrolments during the pandemic



19.84%

our stake in SoloLearn

BYJU'S

BYJU'S learning app is the leader in personalised learning programmes for school students in India, catering for kindergarten to 12th grade as well as competitive exams such as JEE, NEET, CAT, IAS, GRE and GMAT. Delivering world-class learning experiences, the app merges videos and interactive content to bring concepts to life. It also adapts to the unique learning style of every student, adjusting to the pace and style of their learning. BYJU'S has over 80 million users who have downloaded its learning app, with an average daily engagement of 71 minutes per student. BYJU'S became profitable in 2019.

During the pandemic, BYJU'S offered its service free to users for several months to help students who were out of school due to lockdowns.

BYJU'S recorded over 180% growth in new students from March to September 2020.

We invested US\$383m in BYJU'S in December 2018. As at 31 March 2021, our stake in BYJU'S was 10.57%. In April 2021, we purchased additional shares for some US\$153m in BYJU'S. This investment enabled Prosus to remain above an 11% effective interest in the company.

Brainly

Brainly is the world's leading social-learning platform, serving more than 350 million students, parents and teachers in over 35 countries. Students use Brainly to strengthen their skills across core subjects such as maths, history, science and social studies. The platform allows them to connect with their peers, subject-matter experts and professional educators to discuss subjects and seek answers to tricky questions.

Brainly more than doubled its user base in 2020, adding 164 million users globally.

During the pandemic, Brainly offered its premium service free to users and was highlighted by the Polish government as an approved free resource during school closures.

We first invested in Brainly in April 2016. We invested an additional US\$16.1m in FY21 in primary and secondary transactions. To date, we have invested US\$63.5m, with a current stake of 40.06%.

Codecademy

Codecademy is a leading online interactive platform for coding education that has taught over 50 million people globally to code.

During the pandemic, Codecademy launched a scholarship programme with the goal of giving away 10 000 Codecademy Pro scholarships to students affected by the crisis. To date, Codecademy has awarded over 100 000 Pro scholarships to students at 15 000 institutions in 147 countries.

Codecademy recorded 56% growth year on year in paying subscribers in the 2020 calendar year.

We have invested US\$23m in Codecademy since 2016. Our current stake is 20.94%.

BYJU'S

80m

registered users

Average daily engagement of

71

minutes per student

CODECADEMY

50m

people globally taught to code

200 000

Pro scholarships awarded to date



Ventures continued

Eruditus

Eruditus provides executive education and short private online courses globally in partnership with the world's leading universities. The company makes high-quality education more accessible by offering over 100 programmes in partnership with 30 universities to a global audience covering the US, Latin America, Asia, the MENA region and Europe.

During the pandemic, Eruditus recorded significant growth in course bookings.

We invested US\$60m in Eruditus in October 2020. Our current stake is 8.83%.

SoloLearn

SoloLearn is a leading mobile-first knowledge-sharing community where students can learn, create and share programming content.

We have invested US\$4.4m since 2018. Our current stake is 19.84%.

UDEMY

70 000

instructors teaching in over 65 languages

80%

of Fortune 100 companies use Udemey for Business to build the skills of their employees

SKILLSOFT

45m

learners globally

Udemy

Udemy is a global education marketplace for lifelong learners. With around 70 000 instructors teaching in over 65 languages, it offers more than 155 000 courses and serves over 480 million course enrolments in 150 countries. Udemy also has over 7 000 enterprise customers and 80% of Fortune 100 companies use Udemy for Business to build the skills of their employees.

Early during the pandemic, Udemy recorded a 425% increase in learner enrolments, and an 80% increase in learning from corporate customers.

We first invested in Udemy in 2016 and, to date, have invested a total of US\$121m. Our current stake is 13.98%.

Skillsoft

In October 2020, Churchill Capital Corp II and Skillsoft, a global leader in digital learning and talent management solutions, announced they had entered into a definitive agreement to merge. Churchill also announced it had entered into a definitive agreement to acquire Global Knowledge Training LLC, a worldwide leader in IT and professional skills development. Churchill will merge with Skillsoft in a transaction valued at some US\$1.3bn, and the combined company will acquire Global Knowledge for around US\$233m, putting the total cost of the transactions at US\$1.5bn.

Prosus subscribed for 10 million newly issued shares of Churchill Class A common stock.



In November 2020, Prosus exercised an option to subscribe for an additional 40 million shares of Churchill Class A common stock.

The transaction closed in June 2021.

Focusing on India

India remains a high-focus area for us, given the vast opportunity for growth in that market across a number of sectors. Despite the challenges of the pandemic, our Ventures portfolio in India performed well, with most businesses quickly recovering after the strict lockdowns and growing significantly year on year.

During the year, we invested over US\$78m in agricultural technology, ecommerce, edtech and more in India.

New investments in India

Notable investments in 2021 are summarised alongside:

DeHaat

We invested US\$15m in DeHaat in January 2021 and currently own a 10.40% stake. DeHaat is a technology-based platform offering full-stack (end-to-end) agricultural services to farmers, including distribution of high-quality agricultural inputs, customised farm advisories, access to financial services and market linkages for selling produce.

API Holdings

We invested US\$191m into API Holdings in April 2021 and currently own a 16.3% stake. API Holdings owns India's largest integrated digital healthcare platforms. The company's platforms empower and connect over 60 000 brick-and-mortar pharmacies and 4 000 doctors in 16 000 zip codes across India. API Holdings also owns the largest consumer digital healthcare platform, PharmEasy, which touches the lives of two million patients each month by providing access to genuine products at affordable prices in the convenience of their home.

Ventures continued

'We continue to focus on making the most of opportunities to back existing new ventures in India.'



Ongoing investments in India

We continued to support our existing investments in India throughout the year.

Meesho

Meesho is a social selling platform that acts as a marketplace for suppliers and resellers. It has so far helped to create over 10 million entrepreneurs across India by enabling individuals to build their own small businesses. Homemakers and women on career breaks make up more than 70% of these entrepreneurs. Meesho provides these entrepreneurs with products, logistics and payment tools to start and grow their business, and invests heavily in training and mentoring these entrepreneurs. The company has also created online and offline communities that allow these entrepreneurs to connect, share and learn with their peers.

We first invested in Meesho in August 2019 and recently participated in another round of investment in April 2021. We have invested US\$146m to date. Our stake at year-end is 12.36%.

ElasticRun

ElasticRun is the kirana commerce platform, enabling businesses to reach small kirana stores in the deep rural parts of India. The company acts as an extended arm of FMCG companies' direct distribution networks in the rural area to provide a set of net new customers to the FMCG companies. ElasticRun also helps ecommerce companies reach their customers in far-flung areas through its network of rural kirana stores and brings banks and financial institutions closer to a new set of underserved SME customers from its rural kirana network.

We first invested US\$30m in ElasticRun in October 2019 and recently co-led another round of investment in April 2021, bringing our total investment to US\$60m. Our stake at year-end is 20.57%.

Exploring new markets

During the year, we made our first investments in a number of new markets where we see strong growth opportunities, including Indonesia, Pakistan and Mexico.

Shipper

Shipper is a tech-enabled logistics platform in Indonesia offering a one-stop logistics solution, from a multi-courier shipping platform to distribution warehousing and a fulfilment network. Despite the massive size of the logistics market in Indonesia, it is still extremely inefficient. In tier-2 and tier-3 cities, shipping costs can often add up to 40% of ecommerce basket sizes, becoming a major barrier to mass ecommerce adoption in the country. Shipper aims to solve three major problems in Indonesia's logistics: a confusing plethora of different warehousing and shipping options; lack of price transparency; and below-average trackability.

We first invested US\$8m in Shipper in 2020 with an additional US\$12.7m in March 2021. We currently own a 15.89% stake.

Bykea

Bykea is an on-demand app in Pakistan that connects people in urban areas for transport, logistics and payment services. Public transportation is underserved in all three major cities in Pakistan, but these urban centres drive the economy of the fifth-most populous country in the world. The expected growth of Pakistan's middle class in the coming decade provides immense opportunity for companies like Bykea that are transforming the way big societal needs such as transportation, logistics and payments are met, through a technology-enabled platform.

We invested US\$10.4m in Bykea in 2020 and currently own a 22.33% stake.

Klar

Klar is a 100% digital, transparent, free and secure alternative to traditional debit and credit services in Mexico. Ageing, archaic architecture has made it difficult for traditional banks to serve the needs of the growing middle class in that country, with only 10% of adults owning credit cards. Klar has built a new banking infrastructure core that aligns with the financial needs of consumers and allows it to service a massive segment of the population in Mexico that previously did not have access to financial services.

We invested US\$7.7m in Klar in 2020 and currently own a 15.91% stake.

Focusing on blockchain

Blockchain is beginning to disrupt and revolutionise a number of key industries. To tap into and explore this opportunity, we have invested in three blockchain companies: Immutable, DappRadar and our newest investment, Republic.

Republic is a leading investment platform that provides access to start-up, real estate, crypto and gaming investments for both retail and accredited investors. We acquired US\$2.6m worth of the Republic Note, a profit-sharing digital security meant to align the incentives of the community with activity on the Republic platform.

Ventures continued

Immutable builds video games with player-owned assets. We invested US\$6m in September 2019 and currently own an 11.11% stake.

DappRadar is a leading global platform for discovering and analysing blockchain-based decentralised applications (dapps). We have invested a total of US\$5m in the company, with the most recent investment closing in March 2021, and we currently own a 31.28% stake.

Backing a home-care pioneer

Founded in 2014, **Honor** combines workforce management and technology expertise with high-touch, personalised care to improve the in-home care experience. Since launching the Honor Care Network in 2017, it has partnered with a growing roster of independently owned home-care agencies to deliver reliable, high-quality care with greater transparency.

We have invested US\$56m in Honor since 2018 and currently own a 15.83% stake.

Investing in the future of micro-mobility

Dott is a European micro-mobility company focused on investing in the future by transforming the way people travel around their city. Dott won a highly competitive tender to operate its e-scooters in Paris, Lyon and London. It also won a licence to operate e-bikes in two boroughs in London.

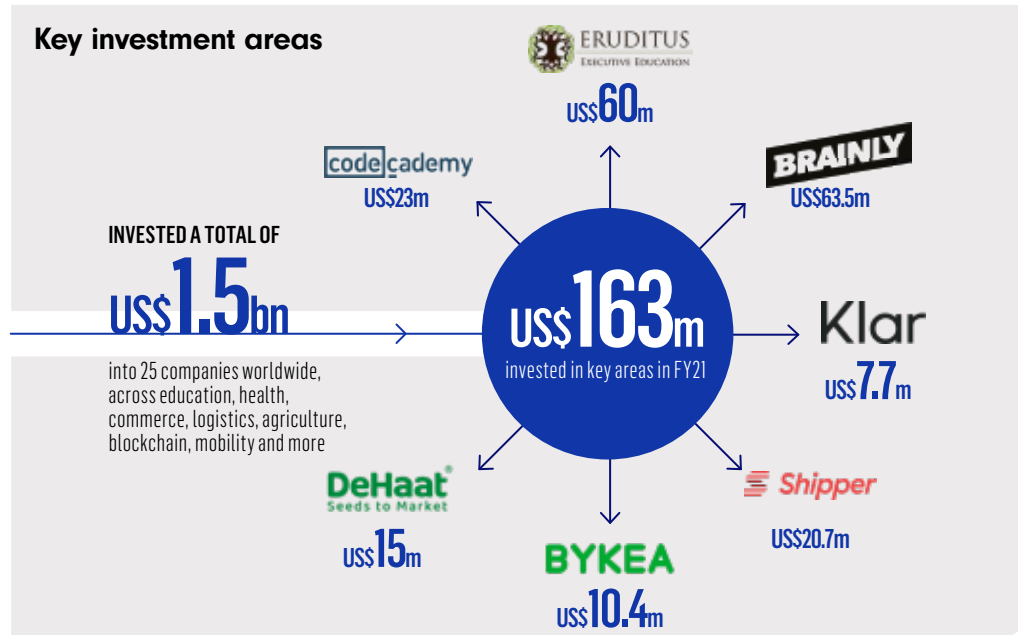
We have invested US\$31.5m in Dott since 2018 and currently own a 19.70% stake after our recent investment in April 2021.

Looking forward

We will continue to nurture and develop our portfolio of investments. At the same time, we will maintain our focus on identifying trends, technologies, segments and geographies with significant growth opportunities and invest in the best opportunities.



Key investment areas



'From home-care to micro-mobility, we are exploring the next wave of tech-enabled innovation and entrepreneurship to improve people's lives.'

Martin Tschopp
CEO, Ventures



Naspers Foundry

Investing in South Africa's early-stage tech sector through our investment vehicle, Naspers Foundry.

Performance highlights

Since its launch at the start of the 2019 calendar year, Naspers Foundry has invested in four growing South Africa-focused tech companies, with another two investments in the last quarter of FY21. Naspers Foundry has a solid investment pipeline.

'We are looking to boost the development of South Africa's early-stage tech ecosystem, to have a lasting impact on the broader South African economy. The best way to achieve that is to create success stories. So, at Naspers Foundry, we focus on finding, investing in and helping to grow the next big South African tech success stories.'

Fabian Whate
Head, Naspers Foundry

Boosting South Africa's growing tech ecosystem

Through our early-stage tech investment initiative Naspers Foundry, we are focusing on helping talented and ambitious South African tech entrepreneurs develop and grow businesses that improve people's lives.

Focusing on early-stage tech investment

Naspers Foundry is a R1.4bn South Africa-focused early-stage investment vehicle that aims to boost the development of the country's venture capital and tech ecosystem by investing in and supporting high-potential businesses that address societal needs.

Backing founders

Naspers Foundry backs founders who operate high-potential and highly scalable businesses. Its sector focus is broadly aligned with the group's core strategic segments, such as Food Delivery, Payments and Fintech, and Edtech. In line with the group's Ventures segment, Naspers Foundry also looks to invest in other sectors that address societal needs, including agriculture and health technology.

Taking a long-term view

Again in line with the group, Naspers Foundry takes a long-term view - backing businesses and helping them grow and succeed through a highly collaborative approach and active portfolio management. Naspers Foundry draws on the considerable experience, expertise and resources of the group, for example, to help portfolio companies with governance, legal or regulatory issues.

Having a broader impact

Naspers Foundry is the largest South Africa-focused early-stage tech investor. As such, it plays a key role for the companies in which it invests and helps to grow the wider early-stage tech ecosystem, for example, by encouraging more investment from other investors.

To date, Naspers Foundry has invested R200m across four South African early-stage technology businesses:

Aerobotics

In May 2020, Naspers Foundry invested R100m (US\$6m) in Aerobotics, alongside current investors and new international investors. This investment formed part of Aerobotics' series B fundraise, which closed in December 2020 at R253m.

The company provides drone and satellite-enabled AI technology for tree crop management and yield intelligence. Focusing mainly on citrus and macadamia nut markets, it is rapidly expanding in South Africa as well as the US, Europe and Australia.

'It's huge from a validation perspective; just getting that belief that someone else buys into you and backs you as a founder and early-stage company is great. Also buying you the headspace to focus on building value and focusing on your customers is huge.'

Benji Meltzer
Co-founder and chief technology officer, Aerobotics

The Student Hub

In November 2020, Naspers Foundry invested R45m (US\$3m) in The Student Hub.

The Student Hub partners with public technical and vocational education training (TVET) colleges to overcome their physical infrastructure constraints by digitising course material and providing an online alternative for students who would otherwise not have been able to attend the colleges.

The Student Hub makes TVET education more cost effective and accessible. It also enhances outcomes, with a marked increase in pass rates.

In addition, its marketplace brings students and potential employers together, so students can find the job they are looking for and employers can find suitably qualified people.

'The Foundry team was the first to come and say, "Look, we see the vision, we see the potential. We're investing in the team. Great potential, we're going for it." That mindset was groundbreaking for us.'

Hertzy Kabeya
Founder and managing director, The Student Hub

Food Supply Network

In September 2020, Naspers Foundry invested in Food Supply Network, an independent food marketplace platform that links the ordering systems of manufacturers, distributors and buyers in a marketplace to provide price and stock transparency and logistical efficiency in the food supply chain. The company's solution has drawn interest from some of the world's largest food manufacturers and is being used by many manufacturers and distributors in South Africa, Angola, Namibia and Zambia.

'Running a tech start-up in a developing country, you have to punch above your weight to succeed. We weren't actually looking for investors, we were looking for partners. We picked Naspers because of that partnership fit.'

Gert Steyn
Co-founder and CEO, Food Supply Network

SweepSouth

In June 2019, Naspers Foundry made its first investment - R30m in SweepSouth, Africa's first online home-cleaning-services marketplace, which connects clients to vetted domestic cleaners who are able to work flexibly and receive fair pay. SweepSouth has 5 000 domestic cleaners on its platform and has provided employment opportunities for over 20 000 women to date.

During the year, Naspers Foundry helped SweepSouth navigate the pandemic and raise additional capital.

Looking forward

Naspers Foundry is increasing its focus on portfolio management in the year ahead. The aim is to increase and formalise initiatives to help investee companies grow further and create greater value. At the same time, Naspers Foundry will continue to find new early-stage businesses to invest in - contributing to a rapidly growing South Africa tech ecosystem.



Social and Internet Platforms

Connecting people in everyday life through innovative technology.

REVENUE¹ (US\$'m)



TRADING PROFIT¹ (US\$'m)



Performance highlights

Early in the development of our internet strategy, we invested in leading social and internet platforms in two of our key high-growth markets, China and Russia. Tencent's fundamentals remain strong with excellent growth prospects in China, and Mail.ru continues to be the largest internet group in Russia while expanding into new areas.

¹ Presented on an economic-interest basis.

Tencent

The opportunity

Amid the global downturn, China achieved 2% annual gross domestic product (GDP) growth in 2020. The World Bank estimates China's GDP will grow at 8.1%¹ in 2021. Rising incomes, increased connectivity and a growing middle class in a population of 1.4 billion – the opportunity in China for innovative social and internet platform leaders remains vast.

China is the world's largest consumer internet market and continues to grow ahead of many other large internet markets. Chinese internet businesses continue to innovate at a rapid pace. There were 989 million internet users in China in December 2020 (904 million in March 2020), 99.6% of whom were mobile users. The China internet industry recorded healthy growth in 2020 – with online advertising, ecommerce, entertainment content subscription, smart retail and online payments all posting decent growth. The pandemic accentuated certain structural trends in the internet industry, including online healthcare, online education, enterprise communication and remote productivity, ecommerce (particularly groceries) and online entertainment. This will have a lasting impact and further accelerate China's digital transformation. These themes underline the conviction in Tencent's prospects.

Performing well

Tencent performed well through the pandemic, thanks to the strength of its diversified portfolio of products, businesses and investments, and the leadership team's prompt and focused response to a fast-changing environment.

Continuing to lead

Tencent remains the largest internet company by market capitalisation in China, leading with 10 of the top 20 mobile apps. Weixin, the largest mobile community in China, continues to meet the digital needs of over 1.2 billion users via transformative innovation to enhance its platforms with a focus on user experience.

¹ Based on latest East Asia and Pacific Economic Update by the World Bank.

For the year ended 31 December 2020, Tencent's revenues of RMB482bn were up 28% on the prior year. Combined monthly active users (MAU) of Weixin and WeChat increased 5% to 1.23 billion. Weixin launched video accounts that enabled public sharing of informative and educational content in video format, enhanced user engagement and drove enterprise transaction. The Weixin Mini Program ecosystem became increasingly vibrant, with daily active users (DAU) passing 400 million and annual transaction volume more than doubling on the prior year.

QQ increased stickiness (retention) among young users by enriching interactive experience and catering to their entertainment and online or e-learning needs. QQ smart devices' DAU, however, declined 8% to 595 million as Tencent proactively cleaned up spamming and bot accounts.

Tencent extended its domestic game-industry leadership, with six of the top 10 mobile games by DAU. The launch of Call of Duty Mobile in China drew players with a fast-paced and competitive first-person experience, complementing Peacekeeper Elite and CrossFire Mobile. The release of Moonlight Blade Mobile demonstrated Tencent's capabilities in the MMORPG (massively multiplayer online role-playing game) genre. The partnership with Nintendo extended its home-entertainment offerings to consoles, with more than one 1 million Switch consoles distributed and over 10 popular Switch titles published by the end of 2020.

Tencent has strengthened its global leadership in online games via self-developed franchises and intellectual property (IP) collaboration with partners and investee companies. In 2020, Honour of Kings was the top-grossing mobile game worldwide, while PUBG Mobile ranked as the most popular mobile game in international markets by MAU. Supercell's Brawl Stars was one of the best-performing original IP mobile titles in 2020, with its lifetime gross revenue exceeding US\$1bn.

TENCENT

China's internet population grew by 9% since March 2020 to

989m
with 985m mobile users

Among the top 100 mobile apps in China, Tencent accounts for

56%
of all time spent online by Chinese users



Tencent continued

Despite the challenging economic environment, Tencent achieved robust advertising revenue growth by progressively integrating its advertising platforms and expanding its mobile ad network. It also strengthened its recommendation algorithms and analytic services to increase user acquisition efficiency and sales conversion for advertisers. Subscriptions for fee-based registered value-added services grew some 22% in 2020 to 219.5 million. Tencent remained the leader in long-form video with 123 million subscriptions.

Tencent's mobile payment platform continued to grow, with more daily active consumers and increasing adoption in verticals, including retail, public services and groceries. Tencent has been working closely with regulators and industry partners to deliver compliant fintech products. Aggregated customer assets under wealth management service grew robustly year on year.

The group has been working to facilitate the structural shift to remote work via product innovation. Tencent Meeting has become the largest stand-alone app for cloud conferencing in China, while the new enterprise version penetrated the energy, healthcare and education industries. WeCom, the enterprise version of Weixin, has become an integral communications tool for remote workplaces, serving over 5.5 million enterprise customers, connecting them internally and to over 400 million Weixin users.

Tencent views sustainability as vital to the development of its strategy and operations, and has committed to move to carbon-neutrality. It also strives to integrate social responsibility into its products and services, in areas such as data security, balanced online use, business continuity and rural vitalisation.

Looking forward

Based on its vision Value for Users, Tech for Good, Tencent will continue to focus on user value and harness the power of technology to develop innovative products and services, and create value for all stakeholders.

Tencent is listed on the stock exchange of Hong Kong. Further information is available on its website at www.tencent.com.

Mail.ru

The opportunity

Russia is Europe's largest internet market, with 96 million users, 71% of whom are mobile users.

Mail.ru is the largest internet group in Russia

Despite increasing competition, Mail.ru remains the leading internet group in Russia by users, reaching 95% of the country's internet users across its platforms. It continues to innovate and expand into new areas such as ecommerce, mobility, foodtech, fintech, cloud and AI.

For the year ended 31 December 2020, Mail.ru's revenues grew 21% to RUB107.4bn. This was driven primarily by growth in massively multiplayer online games revenue (+29%) and new revenue streams in Edtech and location-based marketplaces (+97%).

Vkontakte (VK), the most popular mobile messaging and social networking app in Russia, continued to perform well. Total MAU increased 4.5% to 73.4 million, reaching some 48% of Russian internet users daily. The VK Mini Apps platform expanded rapidly, currently offering over 25 000 active Mini Apps, with MAU increasing 67% year on year. VK Connect was introduced in 2020 to allow users to access the full Mail.ru ecosystem via a single ID.

Mail.ru's online games segment also continued to perform well, with solid performance in established titles – including Warface, Hustle Castle and War Robots – and newly acquired titles such as Grand Hotel Mania. International revenues accounted for 75% of total online games revenue. MY.GAMES Cloud was introduced in 2020 to enable PC access to high-quality games via streaming, which is expected to expand to mobile and smart TV in 2021.

Mail.ru is expanding into social ecommerce and online-to-offline (O2O) verticals that complement its user experience. The O2O joint venture with SberBank recorded strong growth. Delivery Club emerged as the leader in ready-to-eat food delivery and expanded to the rapidly growing e-grocery segment. Its number of active customers, vendors and cities of presence grew by almost 2x, 3x and 5x respectively. Samokat (express e-grocery brand), LocalKitchen (express food-delivery brand) and Citymobil (ride-sharing service) grew orders by 12x, 3x and 2x respectively over the year.

Driven by continuous improvement in logistics and customer service, AliExpress Russia continued to scale, with 29.1 million MAU and 8.8 million DAU. Local businesses accounted for 25% of GMV.

Mail.ru has offered support and services to help its users and partners in Russia mitigate the impacts of the pandemic. Marketing, technological and service solutions were launched for people to study, work, purchase, entertain and stay informed during quarantine and self-isolation. A task force was established to roll out a RUB1bn support initiative to assist SMEs to conduct their business online and find staff remotely.

The pandemic has cultivated new online habits and accelerated digitalisation of broader segments of the Russian economy and its population. Mail.ru is proactively expanding its capabilities to capitalise on this trend.

In July 2020, Mail.ru's global depository receipts started trading on the Moscow Exchange. In October 2020, Prosus, Tencent and other major strategic investors participated in Mail.ru's issuance of US\$600m global depository receipts and convertible bonds.

Looking forward

Mail.ru will continue to transition its strong and well-diversified product portfolio and partnerships into a broader internet ecosystem via cross-selling and deeper integration.

Mail.ru's global depository receipts are listed on the London Stock Exchange. Further information is available at www.corp.mail.ru.





Media – Media24

Building a smaller, more profitable South African media business with a significant investment in ecommerce.

REVENUE¹ (US\$'m)



TRADING (LOSS)/PROFIT¹ (US\$'m)



Performance highlights

Media24 is Africa's leading print and digital media group with interests in digital media and services, newspapers, magazines, ecommerce, book publishing and media logistics. It publishes several magazines and newspapers and reaches 1.5 million average daily unique browsers – up 45% year on year, generating 12.6 million average daily page views, across its digital platforms.

¹ Presented on an economic-interest basis.

'We have built a strong foundation for the next phase of our journey of sustainable profitability in an increasingly digital world.'

Ishmet Davidson
CEO, Media24

The opportunity

The media industry remains challenging, with pressures on revenues and growth in the print media sector. However, there are opportunities to deliver sustainable profitability through careful cost management, targeted investment in digital operations (including paywalls) and technology, reigniting diverse revenue projects beyond live events and growing external revenues in media logistics. Ecommerce opportunities in South Africa are significant after the surge in online shopping ignited by the pandemic.

Performance

After a dismal start to FY21, which saw Media24 bearing the full brunt of the pandemic as revenues plummeted in our already-fragile print business, performance improved significantly from the third quarter – albeit still down considerably against the prior year.

This turnaround over the past six months was underpinned by several highlights, including:

- Reaping the benefits of our timely response to the impact of the pandemic – including the major restructure of our print media operations.
- First-rate news reporting to a country hungry for information it can trust, resulting in strong growth in digital audiences and subscriptions, as well as advertising. By the end of March, our year-on-year performance on digital metrics included:
 - News24 average daily unique browsers grew 45% year on year to 1.5 million
 - Netwerk24 subscribers grew 29% year on year to 77 500
 - the News24 paywall attracted almost 31 200 subscribers since its launch in August 2020, and
 - digital advertising grew 10% year on year.
- Our print portfolio – newspapers and magazines:
 - Recovering faster and much better than expected, boosted by trimmed costs and new publishing models.
 - Solid returns on our investment in ecommerce.
 - Fulfilment volumes at Contract Logistics more than doubled as this sector continued its unprecedented growth since the early days of the pandemic.



- Excellent schoolbook orders and higher general book sales after the hard lockdown.
- Significant gains in external revenue at On the Dot, our media logistics operations.

As a result, revenue contracted 19% from the prior year, much less than expected. Revenue from the media business (news, magazines, distribution and TV) declined by 21% over the year and that of the books business by 7%, while revenue from the ecommerce portfolio (Contract Logistics and Careers24) increased 51% compared to the past year on significant growth in ecommerce volumes. Supported by the much-leaner cost base and new operational models implemented in the second quarter, combined with stringent cost management, the trading loss was limited to R8m, compared with a prior-year profit of R8m.

Responding to the pandemic

From the earliest days of the pandemic in South Africa, we have focused on two main priorities – the health and safety of our people and business continuity. However, the pandemic has accelerated the pre-existing and long-term structural decline in print media, resulting in a devastating impact on our own already-fragile print media operations.

Even with a return to pre-Covid-19 economic levels, the impact of the pandemic on the print media operations has been unrecoverable. This part of the business contributed 60% of Media24's revenues and in addition to the early interventions to mitigate losses – ranging from operational adjustments and not awarding salary increases, to a freeze on non-essential hires – we also initiated a major restructure in July 2020. This included the closure of eight magazines and four newspapers, going digital-only with two newspapers and one magazine, outsourcing the editorial production, and reducing the frequency of the remaining monthly magazines, and reducing staff in related support services and corporate departments. This resulted in cutting nearly 610 positions and retrenching about 510 people out of a total staff complement of 2 697.

At the same time, Media24 implemented its business continuity plans and was able to serve record digital audiences and produce newspapers and magazines with almost no one being in the office. Additional safety measures were implemented for our journalists working in the field, as well as for logistics and warehousing staff responsible for the distribution of our own and third-party printed publications and processing ecommerce fulfilment orders.

We will continue to align our plans and strategies to the post-pandemic realities as they emerge.

Media – Media24 continued

Applying AI and ML

As we continue to reposition and transition Media24 for a sustainable future in an increasingly digital landscape, we are taking great care with the level and scope of our operational investments in AI and ML. We make good use of multiple technologies and models at News24 and Netwerk24, focused on issues such as predictive analytics of articles for digital newsrooms, content recommendations, customer subscription and churn prediction. In addition, 24.com combines the power of ad technology and analytics for more impactful behavioural profiling and targeting. This includes profiling readers according to content consumption and assigning them to interest segments. These segments are integrated into the ad-serving solution to enhance targeting.



The home of quality journalism

We are proud to keep Media24 the home of quality journalism and publishing. The long list of industry awards and accolades includes: News24 being named by the Reuters Institute as the most-trusted news brand in the country for the second year in a row; four Sikuville and 14 regional Vodacom journalism awards; two WAN-IFRA African Digital Media awards; six ATKV Mediaveertjies; 26 finalists and two winners in the Forum of Community Journalists excellence awards; two South African Film and Television awards; and six South African Literary Awards for authors at NB Publishers. Media24 also received the South African Graduate Employers Association award for the best place to work in the media for the fifth consecutive year.

Environmental commitment

In line with our commitment to the environment, we currently measure scope 1 and scope 2 greenhouse gas emissions – from next year, also scope 3 – and our carbon footprint decreased by 28% year on year to 8 766 tonnes of CO₂e (2020: 12 326 tonnes of CO₂e). We seek to use technological innovation to create solutions that minimise our impact on the environment. We also perform regular risk assessments to identify operations where our direct impact on the environment is most significant. This year, we also conducted data gathering and collection to determine our scope 3 emissions and going forward we will enhance this reporting process.

We have several energy-efficiency initiatives, including movement-activated and energy-efficient lighting, energy-efficient air conditioning, power-factor corrections and load balancing. As South

Africa remains a water-scarce country, we continue to apply water-saving measures, even in provinces no longer suffering from the severe drought of recent years.

We also recycle to limit our impact on the environment. For example, we recycle unsold newspapers and magazines, and we use responsible service providers to dispose of electronic waste.

Investing for positive social impact

We undertake a range of social investments and initiatives. These include policies to encourage procurement from small black-owned businesses; providing training to learners at ThisAbility – an NGO that publishes a newspaper with content by people with disabilities and offers tertiary bursaries to promising black journalism and computer-science students; and supporting enterprise development in the education sector through donations and time.

The emphasis is on encouraging business units to lead in social investments. Our proud tradition of enriching lives beyond our media business is well established through our Volunteers24 programme and its spin-off, the #1000ActsofKindness campaign. All staff members are entitled to three days' paid leave per year for charity work and their contributions are acknowledged in performance reviews.

However, in the 2020 calendar year, Covid-19 regulations and an erratic school calendar have severely hampered our staff's efforts, most of which are closely linked to physical events (such as festivals and fundraising drives) and structured

activities (for example, education, including the donation of school textbook and reading material to operating schools in underserved communities). Instead, we shifted the emphasis to offering free advertising and marketing support for charity drives and fundraising in the education sector, for feeding schemes and for poverty-relief initiatives. Fortunately, most of the education-support projects for school learners could continue online.

We contributed R1m to the South African government's Solidarity Fund in FY20. This year, our main financial contributions were to the Botswana government's Covid-19 relief fund (R0.8m, through our subsidiary Collegium Publishers) and seed funding of R0.5m for the Eat Out Relief Fund. This fund was founded by subsidiary New Media to support a feeding scheme run by the restaurant industry, which has been affected severely by lockdowns, and pay the salaries of restaurant staff from funds raised. All our publications/platforms supported this fund with free advertising calling for donations. By 31 March 2021, the fund had paid out R1.9m in relief funding to 55 restaurants countrywide, providing 1.2 million meals to feeding schemes.

In addition, we ran campaigns offering struggling small-business clients free advertising and the opportunity to incorporate ecommerce into their operations, as well as supporting calls for donations to and applications for business-relief funding.

Looking ahead

We continue to build on our smaller, more profitable media business and to capitalise on our ecommerce and media logistics strengths and opportunities.

PERFORMANCE IN FY21

Digital audience up

45%
year on year

News24 launched a paywall in August 2020 and attracted

31 200
subscribers by 31 March

Netwerk24 subscriptions up

29%
year on year

News24: most-trusted digital news brand in South Africa for second year running

(Reuters Institute)

Ecommerce fulfilment volumes more than doubled year on year

Exceptional school textbook orders in South Africa and in Botswana

Media24 television launched a second channel on DStv

HONEY is a pan-African lifestyle channel, commissioned by MultiChoice

Staff engagement increased 2% year on year to a record high of

79%

Financial review

The group delivered strong results for the year ended 31 March 2021.

Group revenue, measured on an economic-interest basis of US\$29.6bn was driven by Ecommerce revenues which grew 46% (55%) year on year, and Tencent which grew 32% (28%) year on year. Group trading profit grew 49% (45%) to US\$5.6bn. Aggregated trading losses in our Ecommerce segments reduced by 47% (49%) or US\$384m to US\$439m. Trading profit of our profitable ecommerce businesses grew by 44% (49%) to US\$450m. Tencent's contribution to the group's trading profit improved 33% (29%).

Core headline earnings were US\$3.5bn - up 21% (15%), driven by improved profitability from our Ecommerce units and the growing contribution from Tencent.

On a consolidated basis, total revenue increased by US\$1.9bn, or 48%, from US\$4.0bn in the year ended 31 March 2020 to US\$5.9bn in the year ended 31 March 2021, primarily due to Food Delivery and Etail. Operating loss increased from US\$720m to US\$1.2bn despite the significant, improved performance in revenue and profitability across most of our segments. This was primarily due to an increase in the cash-settled share-based payment expense as a result of marked improvement in ecommerce and tech valuations. The strong performance of our businesses over the past year drove an increase in valuations of these businesses and therefore an increase in the cash-settled payment liability.

Our equity-accounted results in equity-accounted companies increased by US\$3.2bn, or 81%, from US\$3.9bn in the year ended 31 March 2020 to US\$7.1bn in the year ended 31 March 2021. The increase is driven primarily by Tencent and Swiggy, which reported improved profitability during the year. The equity-accounted results include

investment disposal gains of US\$1.1bn, impairment losses of US\$968m and net fair-value gains on financial instruments of US\$2.5bn.

In August and December 2020, Prosus raised US\$4.4bn in debt, comprising its longest-dated US dollar offering to date and its debut euro notes offering. Strong investor demand resulted in attractive pricing that reduced our average funding cost. The group has no debt maturities due until 2025.

We ended the period with a strong and liquid balance sheet. We had net debt of US\$2.7bn, comprising US\$5.2bn in cash and cash equivalents (including short-term cash investments), net of US\$7.9bn in interest-bearing debt (excluding capitalised lease liabilities). In addition, in April 2021, we received US\$14.6bn from the sale of a 2% interest in Tencent Holdings Limited. Proceeds from this further strengthened our financial flexibility for further investment. We also hold an undrawn US\$2.5bn revolving credit facility. Overall, we recorded a net interest expense of US\$167m for the period.

Consolidated free cash outflow was US\$4m¹, an improvement on the prior year's free cash outflow of US\$383m. This was driven by growth in our Ecommerce profitability, dividends received from Tencent of US\$458m (2020: US\$377m), and improved working capital management.

We continue to explore growth opportunities to expand our ecosystem and position the business for sustainable growth. Across the group, we invested US\$3.6bn, notably:

In Classifieds, we merged letgo and OfferUp into a business with national reach across the United States (US), well positioned in a highly competitive market. As part of the transaction, we contributed US\$100m to support its continued growth and monetisation. We injected our Middle Eastern Classifieds assets into Emerging Markets Property Group (EMPG) and contributed US\$75m in a financing round that valued the business at over US\$1bn. Our joint venture, OLX Brazil, completed the US\$520m (BRL2.9bn) acquisition of leading real estate vertical, Grupo ZAP, strengthening its positioning in the real estate market.

In Food Delivery, we acquired an additional 8% interest in Delivery Hero on 31 March 2021 for US\$2.6bn, to offset current and future dilution. We remain the largest shareholder.

In Payments and Fintech, we invested an additional US\$67m in Remitly to expand its suite of products.

Finally, we focused on increasing our exposure to Edtech by investing US\$60m in Eruditus, a global professional higher-education online platform. In November, we announced a total investment commitment of US\$500m in Skillsoft via Churchill Capital Corp II's special-purpose acquisition company which closed in June 2021. The transaction creates a leading digital learning company with a comprehensive suite of on-demand and live virtual content.

There were no new or amended accounting pronouncements effective 1 April 2020 with a significant impact on the group's consolidated financial statements.

Effective 1 April 2020, the group made a voluntary change to its accounting policy on the subsequent measurement of written put option arrangements with non-controlling shareholders. Subsequent changes in the carrying value of put option liabilities previously recognised in the summarised income statement in 'Other finance income/(costs) - net' are now recognised through equity.

We adopted this change in accounting policy retrospectively, but the impact is insignificant to the consolidated statement of financial position as all previous remeasurements recognised through the income statement are already accumulated in equity as at the effective date of the change.

¹ Free cash flow represents cash generated from operations, plus dividends received, minus capital expenditure, capital lease repayments and cash taxation paid.

Managing risks and opportunities

At heart, we are entrepreneurs. We seek to create sustainable value by investing in and operating leading technological companies that enrich communities.

Our success is driven by our culture in which people are empowered to promptly respond to business opportunities while keeping risks within defined acceptable levels.

We are committed to applying principles of good governance, as well as complying with laws and regulations as applicable in the territories in which we operate and as dictated by the listing requirements of relevant securities exchanges. Our governance structures, policies and processes are designed to accomplish this.

How we consider opportunities and govern risks

To create stakeholder value in the broadest sense and in a sustainable manner, the six capitals transformation model is considered useful to analyse business opportunities and risks.

In setting our strategy, we evaluate strategic opportunities and select objectives that either drive performance directly or strengthen our business – or that may achieve both at the same time. We select those objectives that we consider to be the greatest drivers of value for our stakeholders and aim to achieve an overall net positive value in capitals transformation through our strategy execution.

We proactively manage broader sustainability risks from both an investor and an operator perspective. Our policies, governance guidelines and statements on ESG-related issues, responsible investment considerations and human rights are guiding principles that govern our practices.

We expect our businesses to apply a methodical approach to analyse risk and opportunities, while ensuring sustainability aspects are included.

The various risks thus identified present themselves as either overconsumption of any of the six capitals (higher input than intended) or underproduction (lower output than intended). We may also identify opportunities for increased efficiency (lower input than anticipated) or more effective production (higher output than anticipated) in any of the capitals and, therefore, exceed against our original objectives.

The parameters to create value for our stakeholders are set and monitored by our board of directors and supporting governance committees (refer to governance structure on page 101). These parameters include policies that govern our risk management and compliance processes, and relevant tolerance levels for individually identified risks.

Key risks are evaluated at the appropriate level and reported to the board. The risk committee assists the board to ensure that risks and opportunities are governed as intended and achieve desired outcomes.

Roles and responsibilities

Management and the board are accountable for the choices and decisions we make, how we execute these and for delivering value in its broadest definition – within the parameters of the risk profile the board deems acceptable.

As the group continues to evolve and invest in companies that operate at different maturity levels, risk tolerance levels are set topdown, and management of the business segments is accountable to manage risk within these levels.

Analysing and responding to different risks

Our businesses are expected to apply a defined, structured approach to identifying, assessing, analysing and responding to risk and opportunities within tolerance levels set by the board,



Our risk analysis focuses on the impact of risk on our objectives without losing sight of any opportunities that may arise.

For risks we are not prepared to accept, we act to reduce our vulnerability.

Depending on the importance of the risk in relation to tolerance levels, active management of the risk takes various forms and varies in extent.

<div style="background-color: #f0f0f0; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center; margin: 0 auto;"> <div style="font-size: 2em; font-weight: bold; color: #e67e22; margin-bottom: 5px;">1</div> <div style="font-size: 0.8em; color: #e67e22; text-align: center;">Controls to prevent and detect risk</div> </div>	<p>We operate or implement enhanced control and monitoring measures that either prevent or detect the materialisation of a risk at the earliest stage.</p>
<div style="background-color: #f0f0f0; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center; margin: 0 auto;"> <div style="font-size: 2em; font-weight: bold; color: #e67e22; margin-bottom: 5px;">2</div> <div style="font-size: 0.8em; color: #e67e22; text-align: center;">Spread risk</div> </div>	<p>We take measures that mitigate any material consequences and, on a portfolio basis, we spread uncorrelated risks.</p>
<div style="background-color: #f0f0f0; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center; margin: 0 auto;"> <div style="font-size: 2em; font-weight: bold; color: #e67e22; margin-bottom: 5px;">3</div> <div style="font-size: 0.8em; color: #e67e22; text-align: center;">Share or transfer risk</div> </div>	<p>Where we can, we explore ways to share or transfer risk.</p>
<div style="background-color: #f0f0f0; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center; margin: 0 auto;"> <div style="font-size: 2em; font-weight: bold; color: #e67e22; margin-bottom: 5px;">4</div> <div style="font-size: 0.8em; color: #e67e22; text-align: center;">Mitigate risk</div> </div>	<p>We enhance our resilience to risk where possible and run adequate insurance programmes to mitigate the risk of sudden losses caused by the materialisation of insurable risk.</p>
<div style="background-color: #f0f0f0; border-radius: 50%; width: 60px; height: 60px; display: flex; align-items: center; justify-content: center; margin: 0 auto;"> <div style="font-size: 2em; font-weight: bold; color: #e67e22; margin-bottom: 5px;">5</div> <div style="font-size: 0.8em; color: #e67e22; text-align: center;">Exit strategy</div> </div>	<p>Wherever we find a risk we cannot manage within or mitigate to acceptable levels, we consider ways to avoid the risk altogether, for example by entering into an exit strategy.</p>

Increasing risk

Managing risks and opportunities continued

The responsibility for managing risk lies with the owner of risk: in most cases operational management, assisted by the finance function and, where considered useful in our businesses, specialised risk management and risk support functions.

The group's internal audit and risk function assesses the effectiveness of the system of risk management and internal control and may assist and guide the business in this respect.

Monitoring of key risks

The board, assisted by its committees as applicable, periodically reviews and monitors the risk profile of the group and any developments thereto. This is to determine that the profile remains in line with the overall risk appetite and, for individual key risks at the consolidated level, within stated risk tolerance levels. The key risks that are considered to determine the overall profile are linked to the six capitals.

For this purpose, the businesses, assisted by the various support functions, submit regular reports on the key risks and any changes in the business.

Key areas of focus in the year from an opportunity and risk perspective

1. During the year we have pursued opportunities and invested in:

- Growing and strengthening our businesses in the various segments, through further financing of organic growth and acquisitions.
- Product and technology development, supported by development of ML and AI.
- Business resilience through investing in infrastructure and cloud solutions and enhancement of cybersecurity.
- Talent management.

2. Capital allocation:

- We have been prudent to allocate capital to stay within our return on investments (ROI) targets.
- We have initiated a US\$5bn share buyback programme.

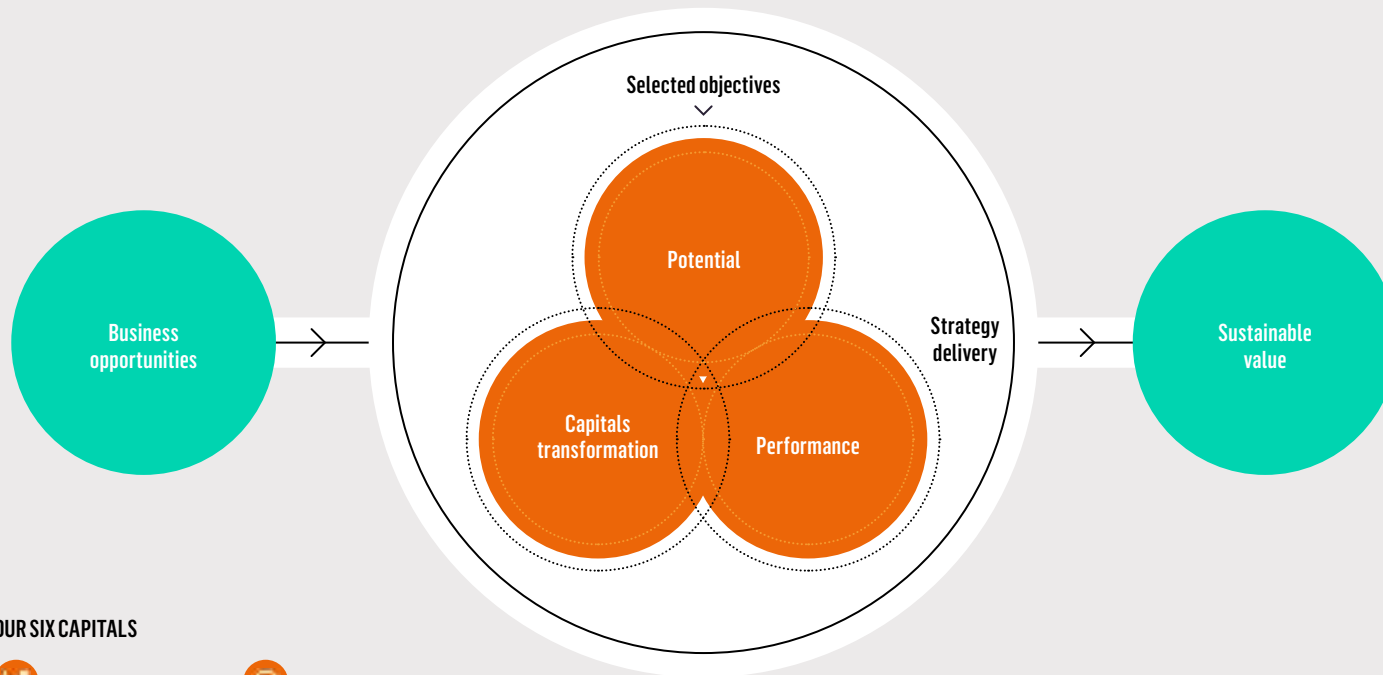
3. Sustainability:

- Enhanced integration of sustainability aspects into our strategy setting, execution and reporting.
- We continue to develop our integrated annual report to improve non-financial information disclosure.
- Enhanced data governance and ensuring compliance with data privacy regulation around the world.
- We have strengthened our legal compliance teams and processes.
- Reduce our carbon footprint, by zero-rating the group travel emissions by way of partnering with climate-neutral organisations.

4. Responding to the global Covid-19 pandemic outbreak:

- We deemed Covid-19 a global crisis in early February 2020 and have been implementing protocols globally and locally since then (refer to pages 81 and 83).
- Our work includes scenario planning for how Covid-19 could evolve, the impact this could have on the countries we live and work in and the businesses we operate and invest in.
- We are assessing key business risks across our core segments and putting in place mitigation plans.

Objective-driven dynamic approach




OUR SIX CAPITALS


- | | |
|---------------|-------------------------|
| Financial | Intellectual |
| Human | Social and relationship |
| Manufacturing | Natural |

..... Risk impact
 Improvement opportunity


Monitoring of key risks

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
<p> Financial capital</p>				
<p>At heart, we are entrepreneurs. Within the parameters set by the board, we continuously pursue growth and set ourselves ambitious goals that create sustainable value for our stakeholders. We actively seek opportunities to improve and strive to preserve the value created within our existing businesses.</p>	<ul style="list-style-type: none"> Focus on investments in business models and technologies that hold promise for future growth and have potential to scale globally and align with global sustainable development agendas. Benefit the countries we operate in by creating business for local suppliers, employing people and giving governments their dues via taxes and levies. Manage our assets and liabilities with regard to the interests of our investors and other stakeholders and in accordance with board-approved risk appetite. Comply with relevant company law and securities exchanges regulations. Report accurately on our financial position and performance in accordance with applicable accounting standards and regulated disclosure requirements. Avoid obsolescence of products and services. Minimise our investments in working capital. 	<ul style="list-style-type: none"> Global and political market disruptions. Insufficient funding to realise our ambitions. Unexpected changes in the value of our assets. Currency exchange fluctuations as well as navigating applicable exchange controls. Failing to compete effectively. Credit and counterparty risk. Fraud-related crimes and theft. Financial misstatement and/or failure to accurately disclose in our public reports. Most of our businesses are subject to extensive laws and regulations: legal or regulatory developments, including changes in tax laws, may have an adverse impact on our businesses. A number of new laws and regulations around consumer protection and privacy have been passed globally. In recent years investors' awareness of ESG issues, such as climate change, pushes them to invest in funds that benefit society in addition to generating returns. The continued focus on ESG performance scores will mean that businesses that do not meet certain ESG base criteria will not attract investment. Our capital allocation disciplines underlying our investment strategy may not deliver the (above-average) sustainable return our investors seek in return for the risk they appreciate. We may not find investment opportunities that fit our strategy and deliver an expected return more than our cost of capital. Portfolio risk may prove to be higher than we assumed to accept, which could negatively impact IRR and lead to a decline in the valuation of Prosus and/or Naspers. 	<ul style="list-style-type: none"> We do not tolerate risk levels that impose an immediate threat to the group as a going concern. We tolerate currency translation risk as it is uncontrollable and, while short- and mid-term movements may be volatile, in the long run they are expected to be less impactful. We promote the operation of an effective internal control environment (no major failings have occurred to the knowledge of the directors) in our businesses and the audit committee oversees that the overall assurance sourced from various providers is sufficient to base upon the board's assessment of key risks in the overall risk profile. We develop and use AI, inter alia, to counter fraud and platform abuse. We have strong inhouse teams to monitor global and social/political developments, including legal, tax and regulatory, and adjust quickly. We invest in diversified markets. We allocate significant resources to analyse market developments and invest in early-stage opportunities to stay ahead. We act early to ensure we have the funds and resources to realise our ambitions over the longer term and we manage the balance sheet conservatively. We currently have a large cash position and spread the maturity of debt facilities. We invest funds and manage our cash and currencies in accordance with our group treasury policy which, inter alia, sets minimum standards to mitigate risk of counterparty default. In exercising our business strategy, we perform regular country and business reviews. We periodically perform and report on impairment of our investments. We operate a legal compliance programme, focusing, inter alia, on bribery and corruption and anti-money-laundering. We implement specific controls, such as diligent know-your-customer (KYC) processes and fraud detection. Leading advisers are used for reviewing markets or businesses, including due diligence processes, and legal and/or compliance-related risks are managed in consultation with external lawyers and specialist advisers within specific legal jurisdictions. We perform regular reviews of tax compliance and specific risk areas and apply responsible corporate citizenship as taxpayers while operating within tax control frameworks. We execute on a communication strategy for our shareholders and other stakeholders. Published segmental results enable the investment community to form an opinion of the valuation of the individual businesses in the group. We comply with IFRS accounting standards. The audit committee and PwC rigorously apply regulations around audit independence. Regular reviews of the effectiveness of auditors and their independence are performed. Both at group level and at individual business level, we operate insurance programmes for various classes of risk and place cover with reputable underwriters. We engage with investors and ESG analysts on our ESG ratings and investor expectations and focus on enhancing our ESG performance. Any investments we make are carefully considered and significant ones require board approval in accordance with delegation of authorities. Corrective action is taken if an investment deviates materially from the business plan and financial targets, including options to divest. 	<p>Global market disruptions, mainly as a result of the global Covid-19 pandemic outbreak on top of heightened political and international trade tensions may impact on our ability to grow our businesses and deliver returns for our capital providers.</p>


Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
 Human capital				
<p>We acknowledge that our employees' competencies, capabilities and experience, as well as their drive and engagement, are key to our success.</p>	<ul style="list-style-type: none"> Attract and retain high-calibre individuals to execute on strategy and build sustainable businesses. Back entrepreneurs and local teams by providing them with resources to accelerate growth. Provide our employees with focused career development and training. Benefit the economies and societies in which we operate by creating employment opportunities. Protect our employees and promote social cohesion. Foster a safe and healthy working environment where people feel cared for, heard and supported in their ambitions. Reinforce the leadership pipeline and accelerate the growth of top talent. Support the ongoing development and growth of our businesses and equip our people with new skills for tomorrow. Develop core business skills in the segments we invest in. Be fair and responsible in our remuneration practices and have a pay-for-performance remuneration strategy. Encourage diversity in our teams and thinking, and build inclusive workplaces. Comply with relevant labour laws in the countries where we operate. 	<ul style="list-style-type: none"> Human rights violation, including unfair treatment and remuneration, or engaging in practices that may adversely affect humans in any of the six capitals. Global shortage of high-calibre (digital) talent. Employees are actively seeking out employers that reflect a higher sense of purpose and choose to be part of a company that contributes positively to society. Non-compliance with applicable occupational health and safety (OHS), and labour and economic empowerment laws. Our food-delivery businesses use a large pool of drivers that in many cases are also external contractors. Due to shifting public opinion and/or regulation our businesses are increasingly expected to take responsibility for safety of drivers (and the general public) and provide increased benefits. Societal restrictions related to the Covid-19 pandemic have lasted for more than a year, and these create additional challenges: reduced social contact and extended working from home manifest in additional stresses on the mental health of employee populations. Those in family situations are faced with the additional responsibilities of childcare and home schooling over and above work performance priorities. Employees working in customer-facing roles have concerns about their potential exposure to the virus. 	<ul style="list-style-type: none"> We unequivocally respect human rights and protect the fundamental dignity of our workforce. We are committed to providing a respectful, safe and secure environment that is free from any form of human rights abuse. We expect everyone to behave in a way that supports this commitment wherever they work and in all situations directly related to work. This commitment extends to the board and all people who work at Prusus and Naspers, including temporary and permanent employees, contractors, consultants, agents, trainees and/or job applicants. Where an individual is employed by an operating company, this group commitment supports any local policies that may be in place. Our food-delivery businesses apply specific procedures to the hiring and monitoring of independent contractors. Strategies to develop employees and attract talent to meet the business's objectives, including learning and development initiatives, training and employee wellness initiatives across the group. A global talent function focuses on attracting, retaining, developing and engaging people with key skills and rewarding exceptional performance. We prepare and table succession plans annually to the human resources and remuneration committee. Our global human resources function focuses on attracting, retaining, developing and engaging people with key skills and rewarding exceptional performance. We benchmark our remuneration practices and structure them to attract and retain critical talent necessary to achieve our objectives. These practices are overseen by the human resources and remuneration committee. Human resources policies and procedures to address talent attraction, management and retention, development, succession planning, fair and responsible remuneration, working conditions, grievance procedures and diversity, inter alia, to protect employees from human rights violations. We monitor labour legislation in the various countries we operate in and ensure we comply. Our businesses increasingly put insurance programmes in place to cover relevant drivers' (health) liabilities. The insurance markets are, however, still in development in this respect. Our businesses are closely monitoring the development of regulations and our compliance with them. <p>Covid-19</p> <ul style="list-style-type: none"> During the pandemic, our priority has been to maintain the health and safety of our people and to act responsibly. Our relatively strong financial position, with good short-term liquidity and our online business models place us in a comparatively better position than most during pandemics. We have managed risks and adhere to government requirements by moving knowledge workers to work predominantly from home, closing offices where required and limiting occupancy where offices remain open. Support materials have been provided to people managers and individuals on working effectively from home. We have put restrictions on business travel. Employees working in frontline and/or customer-facing roles (eg e-tail warehouses, vehicle inspection centres, media distribution) have been supplied with PPE, and social distancing protocols have been maintained. Through our employee assistance programme, our people and their families have access to confidential support/counselling for emotional, legal and financial problems. Our business continuity protocols have proved effective during the current pandemic and we have meaningfully limited negative business impact. 	<p>Increasing as a result of shortages of necessary talent and the effect of the global Covid-19 pandemic outbreak. Food delivery is enabled by a high number of drivers who, in the main, are independent contractors but our businesses are increasingly expected to take responsibility for safety of drivers (and the general public) and provide increased benefits.</p>

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
 Manufacturing capital				
<p>Manufacturing capital is key to our services and operations. Across the group, manufacturing capital may include:</p> <ul style="list-style-type: none"> Office, service centre and warehouse buildings and equipment. Information and technology infrastructure and equipment. Distribution networks (such as customer service centres, retail outlets and courier services). Public infrastructure such as roads for delivering goods. Vehicles. Inventory/stock. 	<ul style="list-style-type: none"> Ensure that office buildings, warehouses, retail outlets, vehicles and equipment are efficient, well maintained and adequately insured against relevant risks. Maintain and/or occupy buildings and facilities with low carbon impact and green-certified where possible. Ensure our operations do not negatively impact on the societies in which we operate. Operate and/or source green fleet solutions. Operate a secure and resilient technological infrastructure. Manage our outsource partners to deliver on agreed service levels. Avoid obsolescence of products and services held for sale by procurement and inventory management. 	<ul style="list-style-type: none"> Natural or human-induced disaster and political risk. Most of our businesses have buildings (eg offices, outlets, warehouses) and various types of IT equipment, office furniture, vehicles and other. Failure to operate these assets efficiently and/or to maintain these adequately could result in service interruption or write-offs and affect profitability. Furthermore, such assets are subject to potential theft and damage, which could result in losses should they not be appropriately insured. Service-availability risks such as failure of software, systems or infrastructure (eg due to technical failures or cyber-attacks) could disrupt continuous services to our customers, affecting satisfaction. The risk is higher in some of the countries that we operate in, where the energy grid infrastructure may fail to provide consistent and reliable levels of power supply. Certain business segments operate in locations that are likely to be impacted by physical climate-related hazards such as floods and sea level rise in the longer term (eg in Mumbai). As was witnessed in recent years, operations in South Africa are vulnerable to disruption by the impact of increased water stress and drought. More broadly, logistics (upstream from suppliers and downstream to customers) of some of our companies might be impacted due to storms and localised risks. Our South African businesses in particular may suffer from power shortages. Some of our businesses, especially in the B2C segment, carry significant inventory. Our Classifieds segment engages in car trading and may hold meaningful investments in cars for sale at points in time. Such inventory is subject to a wide range of risks, such as obsolescence, shrinkage and theft (including robbery of warehouse premises) and damage. 	<ul style="list-style-type: none"> The group's subsidiaries are required to act in line with the group's good governance guidelines, which, inter alia, aim to ensure effective management of IT- (and cyber-) related risks across the group. This includes risks of data/information security breach and business interruption, for instance by implementing and testing disaster recovery plans as part of their overall business continuity planning. Robust business planning, including working capital. We maintain adequate short-term insurance cover for our assets and loss of income due to business interruption. Asset maintenance programmes. Contracting with and regular performance evaluations of our service providers (including service-level agreements with outsourcing parties). We run SAP in most of our B2C businesses and invest in other support systems to optimise our inventory planning and management and to ensure efficient warehouse operations. Our warehouse operations and procedures include strict access control, separate storage of high-value goods, camera observation and other security measures. As part of their overall business continuity planning, in territories where continuous power supply is a risk, our businesses have contingency backup in the form of generators. We conducted a groupwide assessment of climate-related transition and physical risks to help assess vulnerabilities and be better prepared to respond. The outcome was that most of these risks are located in specific operations and countries and are unlikely to disrupt the operations of businesses as a whole. 	<p>Moving our IT operations to the cloud makes us asset lighter and more resilient against cyber-attacks, but increases our dependency on outsourced services suppliers. Cybercrime remains and requires significant focus and investment to protect our data and manage cybersecurity risks.</p> <p>The global Covid-19 pandemic outbreak may impact on the net realisable value of components of the inventory held by our businesses.</p>


Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
 Intellectual capital				
<p>Intellectual capital (knowledge-based intangibles) includes intellectual property (IP) such as patents, copyrights, trademarks, domain names, confidential information, as well as institutional knowledge, systems, procedures and culture.</p>	<ul style="list-style-type: none"> Use intellectual capital to drive customer-focused development and innovation strategies. Strategically protect our intellectual capital and take reasonable steps to avoid infringing or misappropriating third-party rights. Produce and acquire valuable content for consumption by our customers through our various platforms (in Media). Cultivate positive, innovative, ethical cultures within the group, including measures like adoption of groupwide IP guidelines and open-source software guidelines to educate employees on appropriate protection and use of IP rights. Build intellectual capital through continuous investment in our people and knowledge-sharing programmes throughout the group. Maintain adequate cybersecurity programmes commensurate to business size and workforce. 	<ul style="list-style-type: none"> Cybersecurity risks: Our systems and the data they store are subject to various IT security threats, which target sensitive information, integrity and continuity of our services and the reputation of our businesses. Data privacy risks: A failure in or breach of our operational or security systems or those of third parties with which we do business could disrupt our businesses, result in the disclosure or misuse of personal, confidential, or proprietary information, damage our reputation, increase our costs and cause losses. Failure to properly protect and enforce our businesses' IP rights against any unauthorised use or infringement by third parties may lead to loss of market share, revenue opportunities and reputation. Ineffective response, including insufficient innovation, to meet our customers' changing demands and consumption patterns. 	<ul style="list-style-type: none"> Consistent with the Risk Management Policy, the group's Information and Technology Governance Charter and the Cybersecurity Policy, individual businesses directly manage cybersecurity risk and IT operations. Chief technical officers (CTOs) or chief information security officers (CISOs) or chief information officers (CIOs) establish an appropriate risk management framework and relevant policies and procedures aligned with in-country legislation. Management teams ensure cyber-risk resilience is on their agenda, that adequate crisis (and communication) plans are implemented and tested and that disaster recovery plans are in place. Annually, CEO/CFO's sign off on this. The group, through the risk and audit function, periodically checks the security fitness of the businesses and requires semi-annual and security status reports from the risk function, the CTOs and heads of security. The reports are aggregated and shared with the group executives and the risk committee. The group expects the business to procure adequate cyber-insurance, which is in place for our larger segments and at corporate level. Legal functions provide legal advice on cybersecurity and data privacy, communicates legal requirements to internal stakeholders and establish a privacy framework and relevant policies for implementation. Through risk and audit working together with human resources and through businesses' own initiatives, around the group we run security awareness programmes (eg by way of phishing awareness campaigns) and deploy training sessions on security in the workplace. Our businesses comply with in-country data protection laws and, where applicable, Payment Card Industry - DIGITAL Security Standards form part of management's responsibilities. Our policy on data privacy governance sets out the responsibilities, principles and programmes to manage data privacy across the group. The group's policy on data privacy governance defines how data privacy is managed in the group, as an element of information and technology (I&T) governance described in King IV, promotes best practice with respect to the processing of personal data within the group; accommodating diversity with respect to business models, resources, culture and legal requirements; and supporting trust in our businesses' products and services. We have appointed a group head of data privacy, who has implemented a data protection privacy programme that incorporates incident response, training and assigning responsibilities to resources within the businesses to ensure capacity to report and coordinate on incidents with relevant regulatory bodies. We have appointed a group head of IP, who developed our IP strategy designed to provide freedom to operate and grow our businesses. The strategy focuses on the creation of critical IP assets - trademarks, domain names, patents and copyrights - to protect what we know and what we create. Any relationships with employees, consultants or third parties where intellectual property is created or used - our business agreements include terms to ensure ownership of or licences to any necessary IP rights for our companies. We extensively monitor internet and social media platforms for infringement of our trademarks and copyrights that may be an indication of competitors attempting to unfairly trade on our companies' goodwill to develop their own business or bad actors attempting to misuse the trust our businesses have earned for dishonest or illegal purposes. When we discover third-party use of our IP rights that is deemed to be improper or unauthorised, we quickly take remedial measures such as initiating a takedown of the infringing activity by working with the platform operator. In the case of bad actors who carry out organised and widespread infringement of our brands for criminal purposes (eg phishing), we work with the authorities to determine whether they can eliminate the threat at the source. Research and development spend strategies are linked to value creation. We hold regular strategy and operations reviews, also to assess product and service development. 	<p>Increasing as we need to increase our investment in data-driven technologies and run heightened risk of technology obsolescence or falling short in building AI/ML solutions towards our service and product offering.</p>

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
Social and relationship capital				
<p>We acknowledge that we are required to act in line with our values and code of business ethics and conduct, and carefully manage both internal and a wide array of external stakeholder relationships.</p>	<ul style="list-style-type: none"> Respect human rights. Cultivate an ethical culture. Comply with relevant company and other applicable laws. Meet the requirements of regulatory and financial authorities (including securities exchanges) and participate in the development of policies beneficial to societies and markets in which we operate. Build trust and maintain the businesses' licences to operate, our brands and reputation. Engage with our stakeholders and respond to legitimate and reasonable issues raised. Benefit the countries we operate in by investing in local entrepreneurs, creating business for local suppliers, employing people and giving governments their dues via taxes and levies. Focus on hiring local employees and growing local talent. Give our people meaningful jobs with the opportunity to learn and grow professionally, in a purpose-driven environment where they are recognised for a job well done and are paid fairly in line with personal and company performance. Create a diverse and inclusive workplace. We promote safe reporting of feedback or issues with our people, processes and practices. Safeguard the health, safety and wellness of our people. Sustain corporate social initiatives focused, targeted and linked to business strategy. 	<ul style="list-style-type: none"> Infringement on human rights contrary to the group's human rights statement. Unethical behaviour in breach of our code of business ethics and conduct. Loss of consumer trust, for example, failing to deliver on our service promise, data-security breaches, non-compliance and inferior product offerings. A breach in customer-, employee- or business partner-sensitive data resulting in identity theft, discrimination or possible financial losses. Non-compliance with laws and regulations in the countries where we operate, specifically, but not limited to company law, data privacy, anti-bribery and anti-corruption, taxes and duties, licence conditions, consumer protection, anti-money laundering and international sanctions. Non-compliance with the rules of the Euronext Amsterdam, JSE, LSE, A2X Markets stock exchanges could result in the suspension of Prosus and Naspers shares and bonds from trading. Negative impact as a result of our business operations or products in societies in which we operate. Infectious diseases affecting societies in which we operate. 	<ul style="list-style-type: none"> Our associates and investees (non-controlled entities) are required to comply with applicable laws and regulations. Mindful of the opportunity that we have to influence our supply chain partners through our supplier and purchase decisions, we expect a commitment to minimum human rights standards, that is compatible with our own commitments, by companies who seek to qualify as a supplier to Prosus and Naspers. Management is committed to setting the right tone at the top and we communicate our values as per our code of business ethics and conduct and through ethics awareness initiatives. Anti-bribery and anti-corruption training and programmes as part of the legal compliance programme. We make our OpenLine whistleblower facility available for employees to report suspected unethical behaviour. Measuring and monitoring strength of customer relationships (such as Net Promoter Score) and strategy to ensure customer satisfaction. The group actively manages stakeholder relationships and responds to legitimate and reasonable issues raised by major stakeholders. We strive to provide increasing transparency, primarily through our integrated annual report and various stakeholder meetings, presentations and leadership interviews throughout the year. We continue to strengthen our public policy teams, increase engagement with regulators and invest in corporate affairs, government relations and communication while operating a robust legal compliance programme. Adopting measures to protect customers (including frameworks and policies in place, and training and awareness) and ensuring customer privacy and data security are managed and monitored. This includes measures to protect against cyberthreats. Data privacy is managed by our data privacy team and measures are taken to protect all sensitive data, including compliance with laws per territory. We further ensure our platforms conform to data privacy requirements. Corporate social investment programmes that benefit the community and the business, such as providing learning and internship opportunities to students, contributing to the community and improving employment in the country, but also contributing to the human, intellectual and financial capitals of the business in the long term. We have a number of social responsibility and social impact projects that aim to uplift communities in which we operate - these projects are based on the needs identified per territory. An example is Naspers Labs in South Africa. The company secretary manages compliance with stock exchanges' rules where Naspers securities are traded, including required submissions of reports and updates. The social, ethics and sustainability committee monitors compliance with BBBEE and similar industry charters in place for the South African businesses as well as other matters stipulated in the South African Companies Act. The group's tax department proactively engages with tax authorities and has developed a tax control framework to enhance transparency and respond to increased scrutiny from tax authorities. We periodically survey employee engagement and take corrective action where needed. Selection, onboarding and evaluation of drivers and running safety (awareness) programmes. Management of our businesses that run crisis-simulation exercises from time to time. Internal audit periodically assesses the risk culture of selected entities. Results are indicative of the company's control environment and are discussed with segment and local management. 	<p>No change.</p>

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
 Social and relationship capital <small>continued</small>				
		<ul style="list-style-type: none"> Regulatory requirements in relation to governance are well established globally and regulation of environmental and social topics is on the rise. In Europe, Prosus is required to comply with the European Non-Financial Reporting Directive and faces further regulation in the coming years such as further revisions to the EU directive, the EU's taxonomy regulation and the draft EU regulation on human rights and environmental impacts. Further, certain countries (such as South Africa) have introduced carbon tax and other countries are expected to do so in the future. A listed company is expected to demonstrate responsible business conduct in line with stakeholder expectations of its ability to impact and be impacted by material issues. Lack of transparency and information in the public domain on topics important to stakeholders can lead to reputational damage. Digital inclusion is a global risk and prevalent in the countries in which we operate. As a global technology investor and operator, we are exposed to markets where information, and communication and technology (ICT) is slow to develop, and uptake as well, due to specific in-country constraints. 	<ul style="list-style-type: none"> The sustainability team monitors applicable requirements and assists businesses where required – for example measurement of footprint and carbon tax assessment. We proactively engage with stakeholders to identify topics that are important to them that can have an impact on and be impacted by our business and strategy. Our sustainability policy provides the guidelines for responsible business conduct in our role as an investor and as an operator, allowing for the diversity of business models, resources, culture and legal and regulatory requirements across the group. Proactively addressing climate-related issues, including by setting and publicly communicating strategy and progress made for the company, as well as majority-owned businesses. Our business models are aligned with promoting digital inclusion, by virtue of using our products and services. All entities in our group currently fall below the threshold of a carbon tax and tend to be relatively low impact in terms of the carbon footprint of their direct operations. However, if the world is to meet its 2050 climate targets, eventually some of our businesses may be affected 	<p>No change.</p>

Monitoring of key risks continued

Capital	We aim to	Key risks	Measures to respond to opportunities and manage risk	Changes to risk to be considered
Natural capital				
<p>We acknowledge that we are required to act in an environmentally responsible way. As a technology investor, the group has a relatively low impact on natural resources. Our businesses consider the extent to which natural capital may significantly affect current or future operations; trigger legal or regulatory processes or fees, such as emission fees; have a financial impact, eg on insurance conditions; and affect company image or relationships with stakeholders, eg changing customer and employee preferences. Each business's responses to mitigate key risks and pursue opportunities will differ depending on the unique risks and opportunities in its operating environments.</p>	<ul style="list-style-type: none"> Minimise our impact on the environment and address critical issues, including climate change and the responsible use of natural resources, specifically energy and water usage. Comply with laws and regulations that relate to the environment. To be useful to the communities we serve, acknowledging that environmentally responsible behaviour is part of this. Take advantage of opportunities to reduce our environmental footprint. Invest in high-growth markets and credible sustainable products and services that may offer new revenue streams. 	<ul style="list-style-type: none"> Despite our sustainability commitments, we may not be successful in achieving our own goals and ambitions towards minimising our ecological footprint. As our stakeholders increase their focus on responsible environmental behaviour and carbon emissions, we are at risk to be seen (rated) unfavourably in such respect, which may affect our reputation and ability to attract investors. Worldwide extreme climate changes. Rise in consumption of energy due to increased use of technology, leading to an increased carbon-emission footprint, adversely impacting climate change. 	<ul style="list-style-type: none"> We require our businesses to adhere to our group sustainability policy. We measure our carbon footprint to understand how to reduce it. We publicly report on our carbon footprint and annually participate in an audit process to obtain assurance on the information reported. We have taken various initiatives across the group to minimise our carbon footprint. These include reducing carbon emissions through the use of energy-efficient offices, operations and fleets. We also offset carbon credits through partnerships by investing in certified standard projects. Where relevant, our businesses reduce waste through promoting recycling, reducing single-use plastic and using recycled packaging, as well as actively contributing to water-saving and preservation initiatives. We monitor compliance with environmental laws and regulations. The business models of our platform businesses have an inherently lower natural capital requirement. Some contribute to reusing products instead of buying new (eg Classifieds). Reducing operational costs by minimising consumption and impact. Reducing environmental compliance/regulatory fees and charges. 	<p>We measure and disclose our scope 1, scope 2 and scope 3 emissions. This year we are taking a step towards becoming carbon-neutral. To be carbon-neutral in our own operations' (Naspers and Prosus core) scope 1 and scope 2 emissions by the end of FY22, is embedded in the sustainability-linked goals of the chief executive and cascaded through the organisation. Next year, we will communicate our carbon roadmap and will be working with an independent specialist on strengthening our greenhouse gas (GHG) inventory and mapping reduction opportunities. Refer to our environmental section on pages 88 to 90.</p>



Sustainability review

Contents

- 73 Our sustainability direction
- 75 Data privacy and protection
- 77 Cybersecurity and technology resilience
- 79 Artificial intelligence and machine learning
- 81 Our people
- 88 The environment
- 91 Society
 - 92 Naspers Labs
 - 93 Promoting accessibility in India: Prosus SICA
 - 94 Helping young women in India gain education and employment: Prosus FLIGHT
- 95 Tax

Our sustainability direction

Sustainability has always been at the core of who we are, what we do and who we partner with.

Our business is built around backing companies that use technology to help improve everyday life for people around the world. Our positive impact starts with the choices we make in the companies that we invest in. We choose to support local entrepreneurs who are using digital technology to address the everyday needs of the communities around them. By investing in local entrepreneurs, we enable them to access our financial and non-financial support. Moreover, we stimulate the economic and social development of the local communities as jobs are created and businesses gain a strong partner for their journey.

As people increasingly move their activities to digital platforms, there tends to often be a positive environmental impact. The digital delivery of products and services replaces the need for physical infrastructure and limits the need for transport. When customers buy and sell second-hand goods, for example, they are extending the life of the product, which directly contributes to a more sustainable way of life. From Classifieds to Payments and Fintech to Food Delivery to Edtech (our newest segment from 1 April 2021) – the businesses we back are at the heart of this digital transition.

Going forward, we aim to extend our commitment to sustainability through a greater focus on the material topics that have been highlighted by our stakeholders, so we can have a progressively better impact.

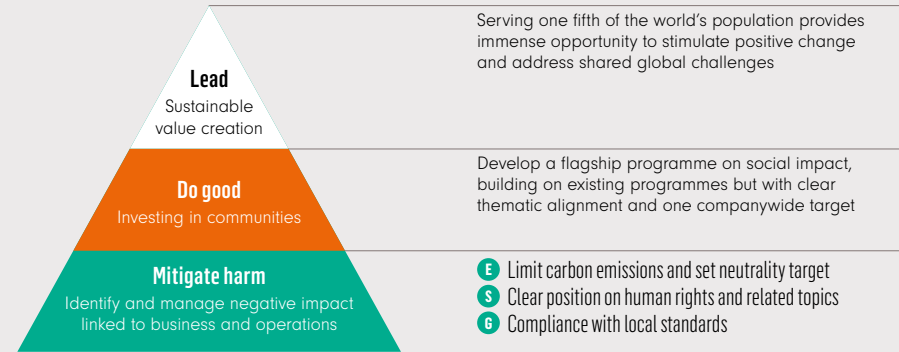
Our approach

We apply a rigorously layered approach to sustainability, rooted in our purpose and strategy and applied across the group, bearing in mind where we have direct influence and where our opportunity is to influence and encourage.

For us sustainability is a journey, where we start with looking inwards at how we can minimise the possible negative impacts of our own operations as much as possible. For example, we aim to be more efficient in our use of energy and reduce our emissions from our physical presence. By doing this, we look to minimise our scope 1 and scope 2 carbon emissions as a group. We extend this by encouraging our group companies to minimise their emissions, too.

However, we know that we can go further. We look for ways to give back to the communities that we operate in and to use our resources to lead the transformation to a more sustainable world. To this end, we work towards maximising the positive impact directly at a group level and indirectly through the companies we invest in. Some examples: we are increasing the use of renewable energy for the group's office buildings; and eTailer eMAG, is investing in its own solar power for its new warehouse, as well as planting a 10km forest next to the warehouse.

Our approach to driving sustainability progress



Our commitment

Our commitment to sustainability is set out in our sustainability policy, available at www.naspers.com.

Sustainability governance

We take our responsibility seriously and the group's board-approved group sustainability plan reflects this commitment by identifying and focusing on specific sustainability goals. The board oversees, and is ultimately responsible for, sustainability and the progress made against the sustainability plan. The risk committee and the social, ethics and sustainability committee assist the board in discharging this responsibility.

The board ensures that processes are in place to assess and respond to sustainability risks and opportunities that arise as a consequence of the group's activities.

As part of its oversight of performance, the board considers the general sustainability of the group with regard to its solvency and liquidity, its status as a going concern and its reliance and impact on the six capitals. The board delegates the implementation of this sustainability plan to the management team and conducts a biannual review of progress against targets.

Living sustainability at a local level

Applying a one-size-fits-all approach to sustainability governance is not practical, given the diversity of majority-owned companies in our portfolio. As a result, the companies vary their approach to sustainability, based on factors such as business model, operations, workforce size and geography, resources and complexity of activities.

Sustainable value creation



Our sustainability direction continued

KEY ISSUES	Societal
Business	Business culture, ethics and integrity
Financial performance	People
Responsible investments	Data privacy
Customer centricity	Digital inclusion
Environment	Technological
Climate action	AI
	Cyber-resilience
	Innovation

Creating impact where it matters most

Through our materiality process we identified the 11 issues that are most important and that we can have the biggest positive impact on. More detail can be found on page 26.

The United Nations Sustainable Development Goals (UN SDGs) provide a framework for measuring impact. At a group level we believe our most meaningful contribution through our business and operations to enable the SDGs are:

- gender equality through our diversity and inclusion (D&I) initiatives
- decent work and economic growth through our various business and societal initiatives in the communities we operate in
- industry, innovation and infrastructure through AI, innovation and cyber-resilience, and
- climate action through our emissions-reduction initiatives.

Our group companies across our core segments contribute to the UN SDGs through their own particular strategies, initiatives and operations. Their most meaningful contribution is to quality education, responsible consumption and production and partnerships for goals.

For more information see our separate download 'Aligning our impact to the UN SDGs' and 'Measuring our impact' on page 21.

'We are a dynamic, responsible business committed to creating sustainable value for all our stakeholders.'

Bob van Dijk
Chief executive

Moving forward

There is no endpoint with sustainability – we are always looking to move forward. With the world around us constantly changing, our sustainability direction provides an anchor to help us keep contributing to positive change. To this end, every year, we review our sustainability direction as part of our strategic planning.

To ensure we live up to our sustainability commitment, we will:

- refine and evolve our sustainability approach through research, education and engagement
- consider the sustainability risks and opportunities, set appropriate goals and track our progress against them
- engage with investors and other stakeholders on sustainability matters
- analyse the overlap between environmental, social and governance (ESG) reporting requirements and other reporting frameworks and align with the most appropriate reporting frameworks to support our public disclosures, and
- report on progress in our integrated annual report and to our risk, and social, ethics and sustainability committees and the board.

As a leading global consumer internet group we have the potential to make a difference in many ways and across many areas.



Responsible investment

We are committed to investing in entrepreneurs and technologies that improve people's daily lives. We think global but often back local teams. Our capital allocation strategy helps us rigorously manage our assets for growth while balancing the importance of making a positive impact on society. We pursue growth by building leading companies that empower people and enrich communities. Our core focus on investing in companies that use digital technology to improve the daily lives of millions of people, helps us to deliver performance and value for all our stakeholders. Going forward, we will further develop and communicate our methodology for assessing the sustainable impact of our investment decisions.

Going forward, we will also further articulate our investment thesis on social and environmental risk mitigation and include our focus on enabling sustainable impact through our capital allocation strategy. We will be assessing our existing portfolio on sustainable impact and communicate progress on it.



Digital inclusion

As a global consumer internet group, we build leading companies that use digital technology to improve the daily lives of millions of people. Businesses across the group enable digital inclusion in diverse ways by offering users access to online services that enable financial transactions, buying and selling of goods, food delivery and education, among others. Each business sets its own unique KPIs and targets on growth in users that reflect its unique service proposition and business model. Beyond the core business, companies across the group also support targeted inclusion of underserved individuals in the community through their community investment initiatives on pages 92 to 94.

The most material risks to digital inclusion are cybersecurity and data privacy. These have been identified as important to our stakeholders and material to our business. We comprehensively communicate on our approach to mitigating the risks with disclosures on relevant performance targets.



'Aligning our impact to the UN SDGs' is available at www.naspers.com/investors/annual-reports



Supplier sustainability

We are committed to building a more sustainable supply chain through our purchase decisions.

Naspers is implementing an integrated vendor-screening tool for suppliers at a corporate level. We aim to screen the majority of vendors across a range of material issues, to help identify any areas of concern. The tool will be deployed across our current and future portfolio of vendors, upfront and on an ongoing basis.



Human rights

As a global corporate citizen, we are committed to contributing to the advancement of universal human rights. Our commitment is guided by key international standards such as the United Nations Guiding Principles on Business and Human Rights (UNGPs).

In addition to our direct impact on our employees and workforce, we indirectly influence our suppliers, companies we invest in and decision-makers across the communities in which we operate. Our human rights statement describes our approach covering topics that include remuneration, dignity at work, privacy and employee confidentiality, forced labour, and health and safety.

This year, we met our target to develop and publish a comprehensive human rights statement at group level. For FY22 we have set ourselves the target to cascade the adoption of the human rights statement across majority-owned companies. As part the implementation of our corporate vendor-screening tool for our majority vendors we will screen our vendors on human rights among a range of other material issues to help identify any areas of concern.



Data privacy and protection

Data privacy and protection is a key business imperative. It is a critical part of how we work to improve everyday life for people around the world.

Our commitment

We recognise that privacy is an important value and an essential element of public trust.

We strive to be a trusted company and we expect the same from all our businesses. We expect each business to implement our high standards of responsible data privacy practices in a way that is adapted to its own circumstances; considers its business model; the cultures of the countries in which it operates; its compliance obligations and its human and financial resources.

For many years, we have viewed data privacy as essential for the group, not only as good governance and risk management, but also to do the right thing for stakeholders and build their trust. Accordingly, we have a comprehensive data privacy governance policy and a privacy programme designed to ensure that the vast amount of data across the different businesses in the group is protected and managed.

'We emphasise the importance of privacy by design. We are putting privacy at the core of how our businesses develop and manage the solutions and services that improve everyday life for people around the world. For us, privacy by design involves all our people – it is a shared commitment.'

Justin B Weiss
Global head of data privacy

A groupwide policy

Our policy on data privacy governance sets out the responsibilities, principles and programmes for ensuring data privacy across the group.

It is designed to define and document how data privacy is managed; to promote best practice; to accommodate the different business models, resources, culture and legal requirements across the group; and to support trust in our businesses' products and services.

We regularly review our policy and it is available on our website www.naspers.com/about/policies.

Clear accountability

We give clear accountability to individual businesses. Each business is directly responsible for managing data privacy in its organisation.

This responsibility rests ultimately with the CEOs of each business – they lead in implementing the group's policy and are directly accountable for the data protection programmes and privacy standards in their organisations.

This approach to data privacy aligns with our model of decentralised governance and broader belief in encouraging great leaders and businesses to excel. We believe that setting the right shared principles, and giving businesses the direct responsibility to enact them, is the best way to have a greater long-term positive impact. More broadly, we are fostering a culture of data privacy and looking to businesses to ensure privacy by design – where privacy becomes part of the fabric of day-to-day work rather than an add-on.

Seven data privacy principles

Each business is expected to respect and implement seven core data privacy principles:

- 1. Notice:** We offer appropriate notice about our data privacy practices.
- 2. Individual control:** We honour data subjects' choices for their personal data.
- 3. Respect for context:** We recognise that data subjects' expectations about fair and ethical use of their personal data are informed by the context in which their data was first collected.
- 4. Limited sharing:** We limit unnecessary personal data sharing with third parties.
- 5. Retention:** We retain personal data only for as long as we need it.
- 6. Security:** We ensure appropriate security.
- 7. Governments:** We engage with governments responsibly.

Widely recognised internationally as fair information privacy principles, they are ethical guidelines for the responsible use of data. Critically, they are both universal and able to be applied to the different businesses in the group – from established global players to start-ups in jurisdictions that may not yet have a data privacy law.

Data privacy programme

To help businesses put the principles into practice, we have a data privacy programme designed to scale to their needs and circumstances. This programme ensures that our core data privacy commitment and approach is followed in ways that really work for our businesses, which benefits both individual businesses and the group as a whole.

The programme is available to all companies in the group, including minority investees. This reflects our broad commitment to sharing best practice and expertise in key areas such as data privacy, cybersecurity and artificial intelligence across the whole portfolio. This is one of the main ways we add value and help build the companies we invest in.

Our data privacy programme

Our programme has seven key elements:

- 1 Ensuring executive buy-in
- 2 Knowing your data
- 3 Setting policies
- 4 Training employees
- 5 Managing vendors and third parties
- 6 Legal compliance
- 7 Reporting

Supporting and monitoring

The group's data privacy office supports and monitors the businesses. Help ranges from guidance on implementing the data privacy programme, a secondment programme that develops and trains future privacy leaders nominated by companies within the group, and advice on any data privacy implications of mergers and acquisitions.

Businesses provide regular privacy and security reports to group executives in ongoing business reviews. The board's risk committee reviews the data privacy policy and its implementation annually as part of its oversight and governance responsibilities.

Data privacy and protection continued

Our progress this year – setting KPIs

To reflect on the business-critical nature of data privacy and protection, we established three key performance indicators (KPIs) to help us manage and monitor our performance.

Investing in expertise

The first KPI relates to the level of investment in data protection officers, deputies, regional privacy leads, privacy managers and other experts. The more we grow our network of data privacy and protection experts across the group the stronger our capabilities will be. When new data protection laws come into force, we commonly observe increased investment in this area to accommodate the mandatory designation of data protection officers within companies.

In South Africa, our data privacy leaders and support increased 350% year on year, driven by the entry into force of South Africa's POPIA (Protection of Personal Information Act) legislation.

Auditing companies

The second KPI focuses on oversight. We regularly conduct audits that focus on aspects of data governance as part of our overall risk management. Guided by the privacy team, our internal audit team schedules and performs various types of privacy controls, verifications and audits on majority-owned companies. These audits are a valuable way to provide both assurance and guidance. They are welcomed by group companies, as they help identify opportunities to strengthen privacy and data protection.

In the year, we conducted seven audit activities with data governance components, assessing issues specific to privacy, software development life cycle, vendor management, data management and broader risk management.

Focusing on privacy by design

The third KPI relates to our increasing focus on data privacy by design.

We are committed to developing broader and deeper capabilities across the group to execute privacy by design: incorporating privacy at the design phase of product and technology deployment. As a result, privacy is embedded in our solutions and services from the outset, rather than considered later. This is one of the key ways we live up to our purpose of improving everyday life in more effective, efficient and responsible ways.

Driving home its criticality, privacy by design was one of the group's FY21 business goals. So everyone in the group, cascading from the senior leadership team, is accountable for delivering on it.

In September 2020, we launched a dedicated development programme, the Prosus Privacy Technologist Programme, on MyAcademy.

Looking forward

The Covid-19 pandemic has heightened the importance and focus of the world on regulatory issues, including personal data regulation, the regulation of AI tools and regulation of non-personal data sharing. Data protection regulation is set to keep advancing around the world and we will continue to focus on this area.

Against this backdrop and with the drive for privacy maturity in South Africa growing as a response to POPIA, we will continue to support our workforce upskilling in this area, including training on privacy by design and privacy programme implementation.

Our drive for privacy by design in particular, and our overall commitment to enhancing the group's data privacy and protection capabilities, will also continue apace.

Creating an army of excellent privacy technologists

Open to employees from any of our subsidiaries, the Prosus Privacy Technologist Programme is designed to enable group companies to develop their own capabilities to implement privacy by design.

The programme has two key components. First, we have partnered as a group with the International Association of Privacy Professionals (IAPP). This is the largest certification body for privacy in the world. Individuals in the programme become IAPP members, gaining access to a range of membership content, including text and training materials to help prepare for a credentialing examination to become a Certified Information Privacy Technologist (CIPT). As an ANSI/ISO-approved certification, this external credential is widely regarded as a valuable qualification for data privacy professionals working in technical roles.

The second component consists of a rich body of original video content on MyAcademy designed to augment the existing study materials. Created specifically for our group, the videos give unique perspectives on each module of training – for example, encryption, managing identity and anonymity – through interviews with well-recognised privacy professionals in the tech industry and regulatory community.

Our ambition is to have hundreds of qualified privacy technologists in group companies playing key roles in championing privacy by design. Since its launch in September 2020, over 250 employees have signed up for the programme on MyAcademy or with the IAPP. They come from many different group companies around the world and from many different functions – from sales to risk management to engineering to legal.

PROGRAMME STATS:

By March 2021, the Prosus Privacy Technologist Programme achieved the third-highest engagement level of any training on MyAcademy: on average,

862
minutes per learner

Number of group companies participating:

22

Range of countries:

22

Range of functions: engineering, technology and products, risk management, finance, human resources, customer support, project management, sales and legal

Number of IAPP members:

246 in 2021
30 in 2020



Cybersecurity and technology resilience

We are committed to building sustainable platforms that enable our businesses.

Focusing on technology resilience

Cybersecurity and broader technology threats are key risks to the sustainability of our platforms and internal systems. These became even more of an issue during the year as the world moved further and faster online due to Covid-19 restrictions. In response, and in line with our commitment to continuously improve and ensure the sustainability of the group, we broadened our scope during the year to focus not just on cybersecurity but also technology risks and resilience.

We identified four key areas for the wider group that will enable us to build sustainable platforms and systems:

- Availability of the platforms
- Quality and innovation of the platforms
- Security and safety of the platforms
- Security and reliability of the business IT (BIT)

Platforms

Platforms are our consumer products. Without the platforms, none of our businesses can operate. These platforms are often complex, handle millions of transactions and grow rapidly with our businesses. The platforms are also our face to the customer.

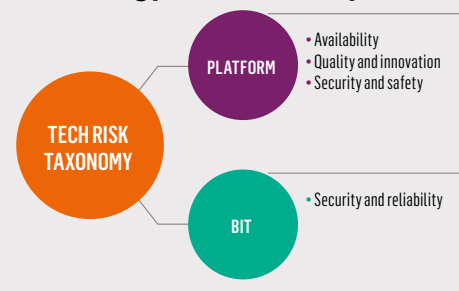
Our businesses operate in fiercely competitive industries and markets, requiring continuous innovation to thrive. Technology sits at the heart of their growth. Thus, we work closely with the businesses to ensure the platforms are available 24/7 for our customers, are innovative, of good quality and, most of all, safe and secure to be used.

Business IT (BIT)

Our businesses also use technology to run their internal processes. This technology is often not customer-facing and the primary users are employees. Output from these BIT systems is used for operational and strategic decision-making, monitoring performance, managing risks and preparing information for external stakeholders (suppliers, shareholders, tax authorities, legal and regulatory authorities, potential investors, customers, etc). We work with the internal departments to ensure these systems are secure and reliable.

We encourage all businesses in the group to assess and report on their risks across these four areas, so we can gain a clear, coherent view and, in turn, analyse, respond and advise effectively. At group level, we now report against these areas as part of our ongoing risk management.

A new information and technology risk taxonomy



Focusing on cybersecurity

Updating our cybersecurity policy

The board sets our groupwide cybersecurity policy, which has four key parts: good governance, good protection, good detection and good response. This is the backbone of our robust approach. In line with the governance framework, we cascade the policy through the segments to the underlying businesses, giving them ultimate responsibility for ensuring they implement strong cybersecurity in line with their own operations and challenges. For example, we expect each business to have the right level of incident management and crisis management to ensure a good response to any security incidents.

During the year, we set a group business goal for security by design. As a result, we updated our cybersecurity policy, incorporating secure code development as part of our focus on protecting the platforms we build. As part of the CEO/CFO certification, CEOs and CFOs in the group need to report how they embed security by design, as part of their business performance evaluations.

Sharing expertise

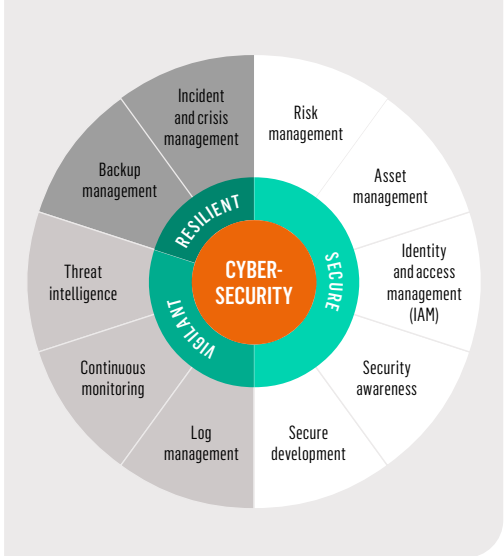
Our central cybersecurity team provides expert help and support to the segments and businesses. As part of our risk and audit function, the team's approach is to help develop a competent, agile community of cyber and risk professionals, based on three guiding principles:

1. Cyber is an enabler, not a blocker.
2. Help manage risk, not spread fear, uncertainty and doubt.
3. Every employee is a cyber-warrior.

'We build sustainable platforms that fuel business growth and preserve the trust of our customers. We support our businesses to manage the risks that hamper these goals.'

Trajce (TJ) Dimkov
Head of cyber
Prosus and Naspers

Cybersecurity policy



Cybersecurity and technology resilience continued

Strengthening the team

We strengthened the cybersecurity team during the year. We also reorganised to enable the team to focus more effectively on two core tasks: providing strategic security and resilience advice to the technology and security heads of the businesses to help them understand and mitigate risks; and delivering the cybersecurity projects.

Delivering projects remotely

The cybersecurity team undertakes about 70 advisory and assurance projects each year to ensure cybersecurity and technology risks are managed around the world by our businesses. Our advisory projects for group companies include hiring hackers to break in (ethical hacks), forensic work to investigate breaches, and cloud assessments to improve cloud set-up and solutions. We also conduct audits – independent assessments of a company's security and resilience for assurance.

In response to government restrictions during the pandemic, the team had to quickly redesign its portfolio of projects to deliver online. Despite the pressures of this challenge, the team successfully delivered its projects remotely throughout the year.

Assessing vulnerabilities

We have a contract with a leading responsible-disclosure programme, BugCrowd, which we make available to all group companies. The contract enables companies to tap into a community of around 200 000 responsible hackers who identify and report any vulnerabilities they find, so the company can address them.

'In Classifieds, we use layered security, designed top to bottom to provide best-in-class solutions for billions of customers we serve.'

Luis Gomes

Global head of information security, OLX Group

'In the payment industry, great security underpins a successful business. Balancing security with innovation assures our customers that we are meeting their needs while protecting their information.'

Sam Butler

CISO, PayU Group

Enhancing our cybercommunity

We cultivate a strong cybercommunity across the group. By connecting everyone, they can quickly and easily exchange updates and know-how. It is also a great way to build a shared sense of belonging to something bigger and play an important part in the success of the group as a whole.

Every six weeks, the security heads from the different businesses meet on a call hosted by the head of cyber. This is an effective way for everyone to discuss hot topics and share updates on key events and risks.

For the wider cybercommunity across the group, an online workspace has proven a very popular and effective way for all security professionals to stay in touch, discuss the latest security trends and risks and coordinate responses to incidents.

During the year, we also set up an online cyber-academy. Every month or so, the community can get together and share the latest insights and best practice.

Hosting a Game of Hacks

To broaden the involvement and understanding of security issues across the group, the cybersecurity team hosts a Game of Hacks event, open to all group engineers and developers. Teams compete to win in a highly engaging story-driven game built around a hackable platform. Now in its second year, the Game of Hacks is an enjoyable but effective way to further embed security by design across the group.

Regular reporting

The cybersecurity team reports to the risk and audit committees four times a year, sharing updates across the five technology risk categories. On two occasions, it presents an extended report on how well the businesses are doing against the policy.

Reports for the risk committee give a comprehensive overview, including key risks, greatest challenges and any major incidents. Formal audit reports are provided for the audit committee.

In addition, every three months, the head of cyber meets with the head of risk and audit and the group CFO to discuss the most important cybersecurity and technology issues, where to focus in the months ahead and any notable incidents.

KPIs

From FY22, we will start monitoring technology risks through a number of KPIs. These are linked to the extent to which we:

- 1 Have dedicated security functions in the businesses
- 2 Have a risk function capable of supporting the management of technology risks in the businesses
- 3 Have a responsible vulnerability disclosure programme across the businesses
- 4 Executed red team exercises (ethical hacks) at the businesses
- 5 Delivered audit or advisory work at the businesses

As the group and its businesses evolve, we will regularly reassess and update the KPIs we are monitoring.

Our services at a glance

Risk-driven process reviews

- IT risk assessment
- Business-resilience assessment
- Software development life cycle assessment
- Application security assessment
- IT general controls assessment

Data-driven deep-dives

- Cloud X-ray
- Data X-ray
- Process X-ray

Security testing

- Ethical hack
- Cloud ethical hack
- Advanced persistent threat simulation

Resilience exercises

- Crisis simulation
- Chaos engineering game days
- War gaming

Managed services

- Crowd-sourced vulnerability programmes

Looking forward

We will continue to invest in our cybercommunity, to further deepen and accelerate understanding and collaboration across the group. This will be facilitated by holding our second cyberconference, among other initiatives.

We will also hold a series of virtual sessions with company chief security officers to simulate and role-play key issues and threats such as ransomware.

We are also looking at chaos engineering, to build a deeper level of automated resilience into our platforms.

Through these and other initiatives, we will continue to look for ways to ensure we stay as secure and resilient as possible, so we can keep improving everyday life for people.



Artificial intelligence and machine learning

We are building ever-greater capability to capitalise on artificial intelligence (AI) and machine learning (ML) across the group.

Developing AI across the group

Over the past two years, we have concentrated on developing AI across the group. This has involved multiple initiatives, including organisational changes to support the adoption of data science at scale; talent and leadership development programmes; actively engaging with the global research and development (R&D) community; adopting ML platforms in engineering; developing deliberate data strategies; and investing in companies that increasingly place AI at their core.

Significant results

We have achieved significant results and tangible outputs from our AI investments. Group companies have measurably improved their AI operations and deployed in production hundreds of ML models that add value for customers, partners and the business. Across the segments, ML models are being used in many ways, including to personalise services, predict prices, validate transactions, optimise logistics and reduce fraud.

Our guiding principles

We develop AI along three guiding principles:

- 1 Deploy AI everywhere
- 2 Develop AI by design for new products and services
- 3 Develop ethical and responsible AI

Embedding ethical and responsible AI

We have developed a framework to proactively include the social and ethical dimensions of AI in the development process. The framework revolves around four key principles:

- 1. Govern:** Anchor AI to core values, ethical guidelines and regulatory constraints, for example, specifying principles for the development of fair and responsible AI.
- 2. Design:** Design for privacy, security, transparency, bias, robustness. For example, engineering training on how to make models more robust and explainable.
- 3. Monitor:** Auditing for accountability, bias and cybersecurity, such as adopting tools for bias check as part of model-development practices.
- 4. Train:** Prepare and equip associates to take full advantage of AI and the new workstyles. This includes upskilling engineering teams on robustness validation as part of the testing process.

Unbiased, robust, transparent

As we increase the number of models in production, and the reliance on automated decision-making based on these models, we need to control model bias to ensure these do not discriminate, for instance, for gender; for robustness, so that models operate within known boundaries of reliability; and for transparency, so that model outputs can be explained.

Operationalising ethical and responsible AI

We take an operational approach to ethical and responsible AI, focused on adopting best practices across the group's data-science community. We develop or adopt tools and practices designed to check the quality and representativeness of data, to detect bias in decisions based on the models, and to trace back the cause of the bias, among others.

We have adopted specific tools for this purpose. We focus on raising awareness through demonstrations and technical education, to ensure these tools are adopted and used effectively.

'We are applying AI and ML everywhere it makes sense across the organisation – not just at the front-end where it benefits customers. We are doing this at scale, for the biggest-possible positive impact, and by design, so that AI is built in from the outset. And we are looking to do all this ethically and responsibly.'

Euro Beinat

Global head for data science and artificial intelligence



Artificial intelligence and machine learning continued

AI training

We have developed highly specialised engineering training on several AI themes, delivered to the group's AI technical community. Themes include model deployment, ML pipelines, MLOps (ML operations) and natural language processing.

We have also developed a specific leadership module that focuses on enhancing awareness of the principles, tools and practices that enable the group to develop a successful and responsible AI practice.

Called AI For Impact, it complements our AI For Growth training. With AI For Impact, we are creating more focused training dedicated to specific themes such as investing in AI, next-generation personalisation and ethical and responsible AI.

Enhancing our capabilities throughout the year

Focusing on AI innovation

During the year, we launched programmes for accelerating AI innovation, organised as joint teams between Prosus AI and group companies. These programmes focus on fast-forwarding non-incremental AI-used cases and concepts, for example:

- AI-driven video-selling at OLX to create a richer, more intuitive and enjoyable customer experience, and
- the food-knowledge graph at iFood to enhance personalisation through rich data structures that fully leverage the wealth of data of iFood on dishes, restaurants and user preferences.

>250

data scientists now part of the Prosus AI community

Making the most of a growing AI community

Together with the segments, we established the Prosus AI community that includes hundreds of data-science and AI engineers. This is a platform for growing data-science knowledge and capabilities across the group.

We organised technical and scientific workshops for the community, connected data scientists working on similar initiatives, shared practices, tools and lessons learned across businesses.

We also organised the first global Prosus AI Marketplace for Knowledge. This three-day event for the AI community enabled us to identify and share areas of excellence and best practice.

Exploring state-of-the-art AI

We started a new stream of AI Frontiers projects, aiming at developing awareness, capabilities and tools on state-of-the-art AI technologies, such as graph deep learning and language models.

For example, we are developing models that exploit information stored as a knowledge graph. Graphs map how things relate to each other. For instance, restaurants to dishes, dishes to ingredients, ingredients to tastes. With graphs, we can learn similarities, navigate complex dependencies, predict preferences and, in general, understand food consumption at a very fine level of precision, with a high degree of personalisation. We use graphs in many other sectors as well, for instance in credit, to understand which connections can be used to estimate credit scores.

Investing in seed-stage AI companies

In mid-2020, we established an initiative to invest in seed-stage AI companies. The goal is to access early-stage AI technologies and the ecosystem of AI entrepreneurs who leverage the current wave of AI-first innovations, for example, in robotics, language and vision. This is a way for us to buy into this early-stage innovation, extend our network of expertise and accelerate our knowledge.

Supporting data science for social good

Over the past two years, we have engaged with a number of data-science-for-social-good initiatives, dedicated to adopting AI in projects with a positive social impact.

We contribute to a network of academic institutions and non-profit organisations for developing data-science-for-social-good summer schools. These schools are designed to train promising young scientists to apply their skills to problems for a positive social impact, for example, reducing unemployment, increasing access to education and improving environmental quality in urban areas.

Looking forward

We will continue to support execution of AI and ML across the group through targeted initiatives and the AI community. In addition, we will accelerate AI-by-design innovation.

Training and leadership development will remain paramount. We aim to increase and deepen the AI and ML skills of engineers, equip leaders with the resources to lead AI transformation and enable everyone to understand the implications for their work and lives. We will also accelerate AI investment through our seed-stage investing.

Ethical and responsible AI across the group will also remain a priority. Increasingly, we are focusing not just on how to ensure AI is unbiased, robust and transparent, but also on how to use it to do something intrinsically good. This is a step forward from focusing purely on leveraging AI For Business outcomes to looking at how it can positively improve people's everyday lives.

Increased number of models in production

>120%
year on year





Our people

Our people are at the heart of our business – they make all the difference to our success. We are dedicated to helping our people be the best they can be by creating a diverse, inclusive and learning organisation.

Attracting, developing and rewarding our great people

We face the challenge of the global shortage of digital talent every day – digital talent is scarce in all our markets. The best people have real choices about how and where they work, and who they work for – and our employee value proposition, therefore, remains critical in enabling the continued growth and success of our business.

To this end, we focus on creating an experience that:

- delivers career-enhancing professional development and ongoing opportunities to network, learn and collaborate internally and externally
- recognises excellent work with fair and competitive rewards and enables us to compete for talent with global and regional/local consumer internet players
- offers meaningful jobs with a sense of purpose in a company committed to deploying technology to address big societal needs and to enrich the communities in which we operate, and
- puts positive, engaging and inclusive culture and leadership at the heart of everything we do, in an environment where many different types of people feel happy and are able to do their best work.



Our employee value proposition

To compete for and win the very best global talent, we need a compelling value proposition for our people. Our people seek meaningful jobs with line of sight to business outcomes and the opportunity to learn and grow professionally, in a purpose-driven environment that they enjoy; where they are recognised for a job well done and are paid fairly in line with personal and company performance.

Cultivating a strong groupwide culture

We are a diverse group of global companies, but some things are consistent for our people regardless of where in the world we operate:

- **We empower:** We back local teams and learn from each other.
- **We perform:** We push for performance in everything we do, and we link achievements and rewards.
- **We matter:** We matter to the communities we serve and, wherever we operate, we hold ourselves to high standards.

We talk more about our culture on page 29.



Covid-19

The global pandemic, which started at the beginning of our 2021 financial year, has had a marked impact on the daily lives of global citizens and the economy at large. From the outset, our aim has been to preserve the health and wellbeing of our people. We have sought to manage the situation as well as we possibly can and, at the same time, act responsibly for our shareholders.

Initially, several of our businesses were severely impacted by the restrictions in place and we preserved the employment of those whose jobs were temporarily impacted without relying on government financial aid in this respect.

Looking ahead, we will continue to look after our people and support the communities we serve through uncertain times and we are focused on emerging well from the pandemic. Our strong performance reflects the resilience and adaptability of the group and of our teams. We have navigated challenging times and continued to build a business that grows strongly, generates high rates of return and provides employment for thousands of employees over the long term.

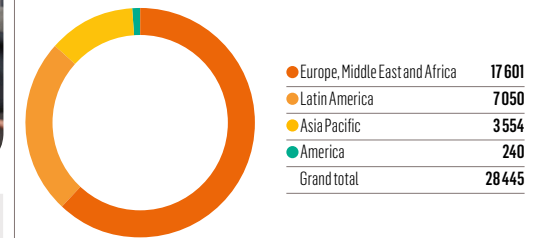
PERMANENT EMPLOYEES¹



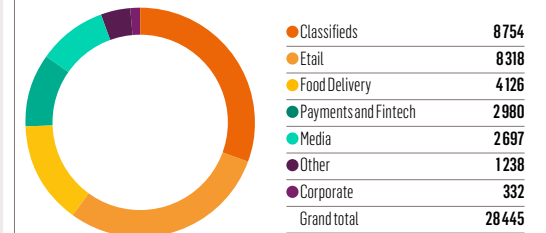
FEMALE VERSUS MALE EMPLOYEE HEADCOUNT (%)¹



HEADCOUNT BY REGION¹



HEADCOUNT BY SEGMENT FOR EMPLOYEES¹



¹ Numbers are reflected as at 31 March 2021 and include employees of controlled entities.

Our people continued

Investing in learning and development

With the pace of change happening in our industry, we need to continuously invest in learning resources so our people can acquire the new skills needed to build strong and scalable technology products and services. Our approach is to prepare our people for upcoming job challenges by giving them access to the best learning resources.

We employ smart people – we find them all around the world. We offer them interesting, relevant and meaningful work to do. We reward and recognise them for that work in a fair and market-competitive way. And we want them to be part of an engaging and positive culture in which the leadership standards, our ethics, and our commitment to doing the right thing is evidenced all around, and in which people know they are valued as the enablers of our business success.

Wherever we operate we employ local people and we create supportive, flexible and pleasant environments to help them perform at their best while developing their skills. We focus on the ongoing development of our managers, as creating an environment where our people feel cared for, heard and supported in their ambitions, is ultimately in their hands. Together we are all responsible for the positive impact we have on our stakeholders.

Making a wide range of learning easily accessible for everyone

Within our group and beyond, through our focus on building leading companies in the edtech sector, we put a big emphasis on learning. We want to make a wide range of high-quality learning experiences easily accessible for everyone.

Learning and development provided by portfolio companies

Developing our talent is a critical enabler of present and future success as well as playing a role in the motivation and retention of our people. Most of our businesses around the world have a

Learning and development at Naspers/Prosus Our investment in human capital



learning and development agenda focused on their own specific needs.

This is influenced by factors such as what the business is aiming to achieve, the maturity level of the business, the opportunities and challenges it is tackling, its competitive landscape and the demographic nuances of the region or countries where it operates.

We base our people-development focus on three key areas:

- 1 Reinforcing the leadership pipeline and accelerating the growth of top talent
- 2 Driving a performance culture
- 3 Supporting the ongoing development and growth of our businesses by equipping our people with core consumer internet and digital media skills. For example, new programming languages, cybersecurity, ML/data science, commercial/sales and business skills

Groupwide learning and development through MyAcademy

Through MyAcademy – our group online learning hub connecting our people, wherever they are located, to learning materials – a variety of learning is available on demand to everyone across the group.

We have curated the very best learning experiences from providers around the world, including our own education partners like Udemy. Any new company joining the group is welcome to implement MyAcademy learning content for the benefit of their employees. The flexibility of the MyAcademy web-based technology allows rapid and efficient deployment across the group.

MYACADEMY

490 000
hours of learning over the past year, compared to 240 000 hours in 2020

50 500
users, compared to 30 000 in 2020

14 900
monthly active users, compared to 12 000 in 2020

Our people continued

Responding quickly to the pandemic

Over the past 12 months, people working remotely due to the Covid-19 pandemic have created a significant opportunity for online learning. Our employees actively accessed online learning resources throughout the year, delivering an annual increase in learning hours of 104%. To adapt quickly to the situation and respond to the learning needs of our people, we digitised the majority of the programmes previously delivered face-to-face and made them available online. This allowed us to maintain our learning efforts and continue to invest in the development of our people despite the challenging circumstances. It also meant we could support the many teaching partners with whom we have long-term relationships, by encouraging and enabling them to transform their face-to-face sessions into online learning.

In addition, we quickly added a dedicated remote working and wellness space accessible from the homepage of MyAcademy. Created in response to listening to what employees said they needed, it provides everyone in the group with ready access to a range of learning and support resources – from how to manage teams remotely to mindfulness and stress management.

Growing rapidly

Every month, we see on average 14 900 employees connecting to MyAcademy to consume online content. Altogether, this activity leads to the delivery of an average of 41 000 monthly hours of learning.

My Academy allows us to reach out quickly to our people all over the world in order to share key topics and trends. This year, MyAcademy has been a critical element in our AI and ML transformation plan. We used MyAcademy to train thousands of our people who are not in engineering roles in AI and ML, through our AI For Everyone course. We also used My Academy to deliver several hundreds of AI nanodegrees, enabling our developers to initiate a new career path in AI and ML.

See pages 79 and 80 for more information on AI and ML.

Training on ML, AI and much more

Technology is in high demand and is a significant proportion of the total hours consumed online, but we also use MyAcademy to accelerate and strengthen our workforce capabilities on other topics critical to our future growth, from leadership and management skills to personal development and cross-cultural training.

Our live education programmes focus on leadership, management, business development, AI and ML. These sessions bring people together from across the group, giving them the opportunity to learn from each other, share best practices and interact with the best trainers and facilitators in their field.

We will continue to introduce our leaders to the latest innovations so they can translate them into practical business initiatives. For example, our AI For Growth programme equips business leaders with the skills and knowledge they need to build AI-centric businesses.



Looking forward

We will continue to focus on adding to the learning and support available through MyAcademy.

Our world of learning has been transformed by the pandemic, not least through moving the majority of our learning online and delivering traditional classroom training through live virtual sessions. This has proven to be a positive move, not only in terms of quality and efficiency of learning, but also in helping to reduce the negative environmental impact of having to travel to and from learning venues. Looking forward, we are exploring how best to continue making excellent learning easily accessible to everyone in the group through a blend of digital-first, complemented by select face-to-face learning where it really works best and delivers value.

We encourage positive engagement

We believe happy and engaged employees create satisfying customer experiences and in a competitive global talent market, it is important that we provide our people with a compelling place to work. Our businesses actively encourage participation, address issues raised and share best practices.

We continue to measure employee engagement across the group and ask our people for feedback on their experience of working at our various group companies. Engagement survey participation rates and engagement scores are in line with external benchmarks and we continue to focus on positive employee engagement across the group.

Our people continued

Building a diverse and inclusive workplace

Building a diverse and inclusive workplace is a key element of our future business growth and success. Throughout the year, we placed a big focus on D&I in our internal and external activities. This year, our Prototyping Inclusion workshop for leaders has been cascaded across the group.

Given the scarcity of talent in the consumer internet industry and our focus on emerging markets, we face the ongoing challenge of attracting and retaining talented and qualified candidates. We are proactively addressing that challenge with talent sourcing and acquisition strategies designed to attract a diverse range of people who in turn represent the full diversity of our customer base.

Reflecting the diversity of our consumers

People who understand the local markets we operate in are a key strength and asset for us in building products that consumers love.

We think about D&I broadly and respect the dignity and human rights of individuals and communities wherever we operate in the world. Building an inclusive workplace where everyone feels welcome and can thrive regardless of their gender, gender identity, gender expression, transgender status, sexual orientation, class, race, religion, creed, colour, marital or family status, age, nationality, political association, or disability is critical for us.

Like many other consumer internet companies, we pay specific attention to gender diversity to address the under-representation of women in the technology sector. There is always more we can do, and the events associated with Black Lives Matter in the past year have reinforced our commitment to act and drive positive change.

All our people are on this journey with us and we have provided access to education and content, so that they understand the important role they play and the positive impact they can have.

Focusing on gender diversity

While our commitment to create an inclusive workplace attractive to many kinds of people is broad, we face the same specific challenge as our consumer internet competitors in attracting and retaining female talent, especially into product and technology roles. Our efforts to address diversity in general and gender diversity specifically, span the whole employee life cycle and across all levels of the organisation. From board to senior management and general employee population, we are encouraged to see an upward trend in the hiring of women, with the last three additions to the board being women. There is also an increase in the number of women being recruited into management roles across the group. At Naspers corporate level we have hired more women than men, from director to vice president levels this financial year.

Involving our employees

We assess our progress in building an inclusive workplace by asking all our employees for their feedback as part of our annual engagement survey. Monitoring the results enables us to understand if we are making the positive impact we want, and the results this year show great progress. We further reinforce the building of an inclusive workplace by including the topic in our

leadership development programmes. We are committed to creating working environments that are free from harassment of any kind and have provided training and education to all our employees on our zero-tolerance approach to harassment, as well as guidance about how to raise any concerns.



Our role: Promoting equality

1. HIRING

Pipeline

Sourcing and identifying candidates for open roles

Matching

Interviewers' matching for finalists

Selection

Hiring decisions

2. PLACEMENT

Job grading

Assigning the right job levels

Pay range

Pay range decision per job grades

Pay increase

Salary offers and merit increases

3. PROGRESSION

Performance assessment

Assessing performance and making reward decisions

Promotion

Management making promotion decisions

Our people continued

Using data and analytics to embed D&I into our talent-attraction process

Use of data and analytics



D&I data tools

- Real-time data tools used to assess success of balanced and diverse talent attraction throughout the talent-attraction process (job descriptions, search and geographical context)



Data-informed processes

- Job descriptions AI-analysed for inclusive language
- Internal candidate slates actively balanced
- Diverse interview panels for all roles standard
- Managers coached to understand and use this data insight



Continuous monitoring and reporting

- Diversity measured and monitored in every step of our talent-attraction process and weekly reports created



Accountability

- Recruitment vendors assessed and prioritised based on diversity success right across the talent pipeline
- Naspers applies the same accountability process for internal talent teams

Hiring teams educated on diversity to raise awareness and better equip them to hire diverse teams and consider inclusion

Underpinned by diversity training and development

Leaders trained on inclusive hiring and unconscious bias – live and e-learning modules



Attracting and recruiting more diverse talent

We are developing different approaches to increase diversity in our recruitment projects and help us hire a more diverse team in terms of gender and ethnicity in specific countries.

We evaluate our preferred vendors, ensuring they share our commitment to D&I and can help us activate a diverse group of candidates.

We track gender representation at every stage in our recruitment process and use data to ensure that our recruitment pipeline is more balanced. We review our job descriptions and our communications with candidates to ensure that the language we use is inclusive, and also ensure that there is a diverse interview panel.

We work to bring the topic of diversity in hiring to all our teams. To this end, we have developed two specific training programmes for leaders, on unconscious bias and inclusive hiring. The goal is to raise awareness and train our people to be better equipped to hire diverse teams and consider inclusion in all they do.

Board diversity

We have a board diversity policy in place, which we cover in the Governance section of this report, on page 105.

Championing diversity

Focusing on South Africa

We aim to make a positive and enduring contribution to the social and economic development of South Africa, and recognise the role we can play by leveraging our resources and the goodwill of our employees. Naspers has maintained a level 4 BBBEE status and remains committed to managing our transformation efforts in South Africa.

Helping learners with disabilities to increase their skills

We want everyone to learn and develop their skills as much as possible. This year, for example, we had 36 learners with disabilities graduating in formal learnership programmes – of the 36 learners, 32 have successfully completed the learnership and obtained their National Diploma in Customer Management.

The majority of these learners are now studying for the next qualification: a National Diploma in Generic Management Learnership. All in all, we have 36 learners studying for this qualification over a period of 12 months. They are due to graduate in April 2021. The total cost for this intake, including programme costs and stipends, is R7m.

NASPERS: BROAD-BASED BLACK ECONOMIC EMPOWERMENT (BBBEE) GENERIC SCORECARD¹

Element	Target score	Bonus points available	Bonus points achieved	Provisional Score Achieved F20
Equity ownership	25			20
Management control	9			2.66
Employment equity	10			4.53
Skills development	20	5	0.16	14.49 (includes the 0.16 bonus points)
Preferential procurement	27	2	1.79	16.38 (includes the 1,79 bonus points)
Enterprise and supplier development	15	2	2	17 (includes the 2 bonus points)
Socio-economic development	5			5
Total score	111	9	3.95	80,06 (includes the total 4,00 bonus points)
Performance (%)				72.12%
B-BBEE rating				Level 4
Priority elements achieved				Yes

¹ BBBEE is a form of economic empowerment legislated in South Africa.

Our people continued



Fair pay

Equality and consistency are embedded in our pay practices across the group as we continue to build our diverse and inclusive workplaces. We operate in high-growth economies where socio-economic disparity can be large and societal fairness is very important to us. We ensure that our pay practices around the world are fair, competitive and above minimum wage standards.

We have fair remuneration systems in place which are:

- Rational – easy to explain
- Equitable – free from discrimination
- Relevant – linked to the country of operation, our competitive markets and personal and company performance

We ensure that fair remuneration is applied across our business operations. Our reward approach and the fairness objective is an integral part of that. To this end, we run several programmes in our company:

- Our reward approach is reiterated with our human resources team and people managers, at the time of making (annual) reward decisions and with new hires.
- We run regular pay-equality analyses, for example, in relation to new hires, so that we can identify any unintended or possibly biased differentiation in pay.
- We perform calibration exercises across the group as a standard process before we make reward decisions so that we can proactively redirect if needed.

We are committed to ensuring that the companies we invest in have fair pay and work conditions for delivery partners, irrespective of the classification of their engagement, which varies across the globe.

- Full-time drivers for iFood, Swiggy and Mr D earn above the prescribed minimum wage, on average, in the country in which they operate.
- Our companies generally provide health insurance/ life insurance benefits, access to driver education, as well as low-cost access to safety equipment (such as helmets and protective clothing).

Ensuring pay equality

We believe in equitable pay for performance – to reward people fairly for performance aligned with shareholder outcomes. To this end, remuneration is designed to incentivise the achievement of strategic, operational and financial objectives, in both the short and long term. And we design our reward system to help us attract and retain the best diverse talent around the world in a fair and responsible way.

To ensure equality, we offer similar pay, bonus and long-term incentives for similar jobs and performance levels; make fair and consistent pay decisions and apply objective and measurable pay differentiation. We do this regardless of race, gender, sexual orientation, religion, colour, nationality or disability. We ensure equality at every step, from hiring to placement to progression. Objectively measured performance is the only marker for pay differentiation, and we are comfortable with bigger rewards for those who make a higher contribution.

Focusing on health, safety and wellbeing

The health, safety and wellness of our people are critical; our growth depends on their skills. Employee wellbeing has been of particular importance throughout the year due to the Covid-19 pandemic. Employee wellness is key to organisational sustainability, and we care for our employees through various initiatives, recognising that a healthy and resilient workforce is essential to support the changes our business is navigating. This year we paid particular attention to employee wellness and regularly sought feedback from our people on how we can best support them during the Covid-19 crisis.

Managing health and safety risks

Health and safety risks are assessed as part of our risk management framework. Our group goal is to ensure the health and safety of our employees. Businesses are required to report on any health and safety-related incidents. Any reported matter gets reviewed by the group's governance committee that meets quarterly. In 2021, no reports of serious injuries sustained by employees while on duty were reported.

Pay equality

WHAT

- Similar pay, bonus and LTI for similar jobs and performance levels
- Fair and consistent pay decisions
- Objective and measurable pay differentiation

WHY

- We offer a diverse and inclusive workplace with equal opportunities

HOW

- Structured approach in job mapping and reward framework as the basis
- Analyses before, during and after peer-to-peer assessment
- Calibration of pay proposals within segment and across the group
- Through us – ongoing focus, at every decision

Ensuring a safe working environment

We regularly perform health and safety risk assessments to ensure that all our offices are safe working environments for all employees. In larger locations we have trained safety officers who know what actions to take to ensure employee safety and wellbeing in an emergency.

Focusing on safety for business travellers

We are committed to ensuring the safety of employees who travel for business purposes. All employees who travel are registered with International SOS, which provides real-time news and updates on global and local travel risks and issues, and guidance on health and safety matters when travelling. All our employees are covered by business travel insurance.

We actively monitor travel risks and issues on an ongoing basis and take precautionary measures where needed. In view of the additional and significant risk to travellers posed by Covid-19, all international travel was severely restricted for the year.

Our people continued

Enabling flexible working

As well as ensuring our offices are modern, pleasant and safe working environments, we also enable flexible working arrangements to help our people find good work-life balance wherever possible.

We actively support our employees if they prefer to work remotely part of the time, and if the specific requirements of the job allow them to do so. This includes providing online collaboration tools and video-conferencing facilities to encourage and increase employee community and collaboration, and promote improved wellness through better work-life balance.

During the Covid-19 pandemic, our focus on supporting our people as we have adopted new working practices, whether working from home effectively or serving our customers directly in a safe way, has been critical. For those working at home, we have provided people with additional equipment wherever needed, helping them to ensure that their working environment at home is safe and healthy. For those serving our customers directly we have provided them with PPE, and enforced social distancing and educated them about safe working practices.

We have also used MyAcademy to offer a full suite of remote working and wellness learning materials to our employees to support them during the year.

Encouraging positive employee relations

We strive to maintain a healthy employee relations environment in which ongoing dialogue is embedded in our work practices. We use various formal and informal channels to engage people and encourage open communication, including leadership and CEO updates, webcasts, town hall meetings, team meetings, face-to-face gatherings and online collaboration and content sharing.

We promote safe reporting of feedback or issues with our people processes and practices. There are various mechanisms through which our employees can report issues or concerns, including a whistleblower helpline managed by an independent third party. Our Dignity at Work programme emphasises our zero-tolerance approach to harassment of any kind.

Taking the lead

We are committed to being a responsible leader in deploying technology that addresses big societal needs, improves people's lives and enriches the communities we live and work in. We care about the key issues facing our sector, including people's health, safety and welfare. We strive to be thoughtful and responsible, always considering how we can have a positive impact. To this end, we are actively supporting our companies and partners in adopting market-leading and forward-thinking positions to address these issues.

Food delivery and the gig economy

We invest in leading local companies that use technology to address big societal issues and our food-delivery companies are a great example of this. We are committed to contributing to constructively and positively shape the future of work, including for our food-delivery partners and gig economy workers in general.

Economic opportunity

Through our food-delivery companies, we provide income-earning opportunities to significant numbers of people globally. Platforms enabling flexible jobs are central to the future of work and economic opportunity, and our food companies provide economic opportunity for over a million delivery partners and over a million restaurants globally. Delivery partners play an essential role in the food delivery ecosystem and the group is committed to fair pay and work conditions for them. As the food-delivery sector continues to evolve, our food companies must maintain the right balance between protecting the flexible economic opportunity for delivery partners while providing them with critical benefits and protection. We are proud of the progress and leadership demonstrated by our food companies.

Fair and safe working conditions

Our companies are committed to ensuring fair and safe working conditions for delivery partners, finding the correct balance between protecting the flexible economic opportunity for delivery partners and the need to provide critical benefits and protections to this growing community of workers. For example, our companies generally provide health insurance and life insurance benefits, as well as low-cost access to safety equipment. Advanced logistical planning allows for regions to be 'switched off' to ensure riders avoid challenging areas or inclement weather. Riders are not required to work exclusively for our companies and may opt in or out at any time.

Fair treatment

All our companies are committed to fair treatment of our delivery partners. Workers are considered important stakeholders and are not impeded in their right to self-organise. Our companies actively incorporate the voice and thinking of the delivery partners through direct engagement and surveys. Drivers at iFood, for example, are invited to share their feedback regularly and results are analysed by the company to find ways to improve.

Looking forward

The continued success of our group and, in turn, the positive impact we have around the world depends above all on the capabilities, commitment and contributions of our people. Going forward, we will keep enhancing the capabilities of our people, for example, through constant learning. We will encourage their commitment and reward their contributions, so that together we can achieve more in improving everyday life for people around the world.





The environment

Visible changes to our planet, growing populations and resource challenges are contributing to the urgency of implementing more effective green solutions, faster. We are determined to play our part.

This is the first year that we are reporting emissions data breakdown at a granular level, both for the Naspers corporate entity and at individual level for all majority-owned businesses. This reflects our intention for a more detailed disclosure of our footprint, as we embark on our decarbonisation journey. Data for previous years consolidated at group level can be found in our 2020 integrated annual report and on our website at www.naspers.com.

From extreme weather events devastating food supplies, businesses and homes to air pollution threatening urban populations – one of the biggest risks we share on the planet is environmental. In addition, in the countries we focus on as a group, the risks and impacts are at their highest. This adds to our sense of urgency and responsibility.

Our environmental footprint management starts with an understanding of the material physical and financial climate risks to our business and operations across all the geographies we operate in. This year, we undertook a comprehensive climate risk analysis to gauge both physical risks presented across the entire group and financial consequences of the risk level. Many of the business lines within Naspers are disruptive and designed to increase provision of online services to consumers, thereby reducing the climate impact of those services, for example, online education.

Accelerating green solutions

We will use our presence – both as investor and operator – across the planet to support the acceleration to greener economies. As an investor, we help the acceleration to greener economies by choosing to invest in businesses that are not inherently polluting and can have a positive environmental impact through their product offering. As the investing entity we have an insignificant

carbon footprint. Our emissions are primarily from our office infrastructure and business travel. Many of our businesses are disruptive and designed to increase provision to online services to consumers, thereby reducing the climate impact of those services, for example, online education. We are also investing in low-carbon businesses in mobility and logistics, such as battery producers, ride-sharing for bikes in Pakistan and last-mile delivery in ElasticRun. Climate transition might be a catalyst for the growth of these services leading to an increased adoption rate. Electrification of transport (eg transport trucks and motorbikes) is also a significant opportunity area for delivery-based businesses.

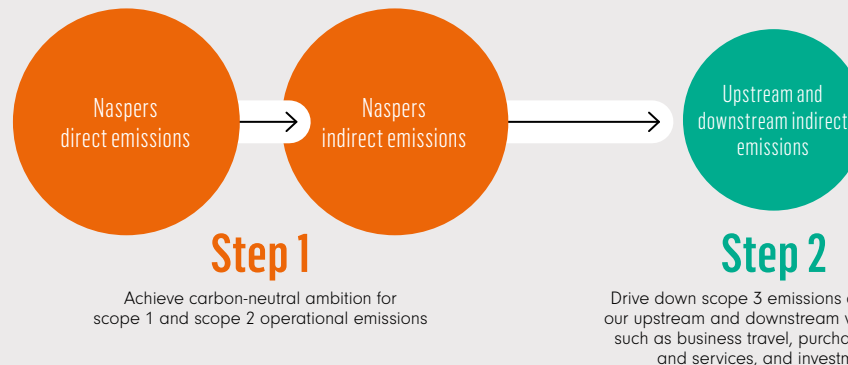
We publicly report on our carbon footprint and annually participate in an audit process to obtain assurance on the information reported.

Being carbon-neutral

This year we have taken a big step forward to being carbon-neutral by offsetting our emissions resulting from the use of solid fuels and fossil fuel-based energy. We do this by investing in carbon-emission reduction projects that enable local communities to transition to a lower carbon economy. All the companies that we have a controlling interest in, have joined us in this initiative and have offset their scope 1 and scope 2 emissions from projects that drive social, economic and environmental progress for the communities where they operate. Our selected projects are located in Brazil, South Africa, India, Indonesia and Romania and are VCS or gold standard certified.

In the coming year, we aim to reduce our carbon footprint by focusing on three strategic priorities to be implemented over time:

Our approach to emissions reduction



- reduction opportunities through efficient use of resources
- increases in renewable-energy procurement, and
- offsetting unavoidable emissions.

Both at group level and across the companies in our core segments, the carbon footprint and scope for reduction vary. To illustrate, carbon-intense activities across the Payments and Fintech segment differ markedly from those in Food Delivery. Across the segments, our companies have implemented initiatives to minimise our carbon footprint. These include reducing carbon emissions by using energy-efficient offices, operations and fleets. As the infographic shows, we take these differences into account. Going forward, each company will set its own roadmap to becoming carbon-neutral.

Our approach to emissions reduction

Step 1

To be carbon-neutral in our own operations (Naspers core) scope 1 and scope 2 emissions by the end of FY22, embedded in the sustainability-linked goals of the chief executive and cascaded through the organisation.

Step 2

Drive down the group's scope 3 emissions by focusing on influencing the reduction of scope 1 and scope 2 emissions for majority-owned businesses.

Next year, we will communicate our decarbonisation roadmap with multiyear targets and will be working with environmental experts from the South Pole group on strengthening our greenhouse gas (GHG) inventory and mapping reduction opportunities.

We offset unavoidable emissions with carbon credits by investing in certified standard projects, discussed on page 89.

Naspers carbon footprint for the 2021 fiscal year

The carbon emissions data was prepared in line with criteria for scope 1 and scope 2 carbon emissions, which can be accessed on our website at: www.naspersreport2021.com/wp-content/uploads/2021/06/naspers2021_definition_scope_1_2_emissions.pdf

Naspers corporate office

	*tCO ₂ e
Scope 1 emissions from direct operations (use of fossil fuels and refrigerants) ¹	0
Scope 2 emissions from purchased electricity	21.40
Scope 3 emissions from indirect sources (corporate business travel)	9.06

* tCO₂e: tonnes of CO₂ equivalent.

¹ Naspers head office has no assets under direct control that produce CO₂ emissions from fossil fuels.

The environment continued

Naspers group

Scope 1 and scope 2 emissions of majority-stake, controlled companies

Company	Scope 1 emissions from fossil fuel (tCO ₂ e)	Scope 1 emissions from refrigerants (tCO ₂ e)	Total scope 1 (tCO ₂ e)	Scope 2 emissions from purchased electricity (tCO ₂ e)
Naspers	0	0	0	21.40
Media24	2 160.71	0	2 160.71	6 605.30
Takealot	2 791.18	0	2 791.18	4 875.00
Prosus N.V. ²	6 180.22	150.37	6 330.59	6 900.20
Total – Naspers group	11 131.11	150.37	11 282.48^{LA}	18 401.90^{LA}

² Prosus N.V. includes the following segment: Prosus head office, Classifieds, Food Delivery, Payments and Fintech, eMAG and Mobile. LA Limited assurance obtained: Please read the full assurance report, which can be accessed on our website at www.naspersreport2021.com/wp-content/uploads/2021/06/naspers2021_sustainability_information_assurance_report.pdf

We offset unavoidable emissions with carbon credits by investing in certified standard projects



Rain forest conservation in Brazil

The project is located in a region of great deforestation pressure from the predatory exploitation of natural resources. The area is home to threatened endemic species of flora, mammals and birds; species of which the residents of the protected area depend upon to live. Focus is on investments in infrastructure, monitoring of the vulnerable biodiversity and forest cover, and improving the people's quality of life.



Wind generation in India

The Indian population is growing fast. With urbanisation, this has resulted in some of the best economic growth figures of the whole of Asia. This also means a growing energy demand. The Indian government has pledged to do more to fight climate change and protect the planet than the Paris Agreement stipulates. One of its priorities is investing in renewable energy.



Wonderbag in South Africa

Wonderbag is a revolutionary, non-electric, heat-retention cooker that allows food, that has been brought to the boil by conventional methods, to continue to cook for up to 12 hours, without using any additional energy source. Wonderbag was presented at the 2013 World Economic Forum in Davos, as a real solution to many of the health, environmental and socio-economic problems that face Africa and many of the developing countries today.



Musi Hydro Power Plant in Indonesia

Located in rural Sumatra, this run-of-river hydroelectricity project harnesses the flow of the Musi River to generate clean energy for the grid. The project supports local jobs and new income streams, and has funded infrastructure improvements, as well as a reforestation programme.

2021 business-specific impacts and initiatives

Throughout the year, the businesses undertook a variety of initiatives to improve their environmental impact. We highlight a few examples here:



Planting more trees

As part of its new warehouse development, eMAG is carrying out an afforestation project on a 10-hectare area. This will improve air quality for employees and the community living close to the new warehouse.



Recycling plastic

iFood increases recycling awareness and behaviour via WhatsApp and QR codes on packages. Users simply scan the code to initiate an automated WhatsApp conversation that explains how to properly discard each type of material. In addition, iFood has a zero-landfill project for its delivery bags – for obsolete bags, it ensures disposal, reuse or remanufacturing.



Saving energy

PayU undertakes various energy-saving initiatives. In India, for example, PayU sustainability champions are leading measures such as switching off artificial lights and using natural light; choosing energy-efficient light bulbs; switching off equipment when not in use; printing only when necessary; and controlling heating and cooling.



Using less water

The Takealot group continues to look for ways to use less water across its business. In addition, Takealot.com helps customers use less water through its water-wise store. The aim is to make it as simple as possible for people to save water by making all the necessary kit available online.



Subsidising e-bikes

iFood has launched its Pedal programme to offer low-cost electric bike rentals to delivery drivers. Since October 2020, over 2 000 couriers have registered, and they are sharing 1 000 e-bikes in São Paulo and Rio de Janeiro. In addition, iFood has ordered 30 electric motorcycles in a pilot programme. If successful, it plans to significantly scale up this mode of transport.



Reducing waste

iFood is encouraging its restaurant partners to reduce waste and single-use plastics. It has also created an in-app option that allows customers to decline plastic cutlery for delivered food. In the iFood shop, a marketplace for packaging and supplies for restaurants, iFood has a dedicated section for sustainable packaging.



Championing the circular economy

OLX Group champions the circular economy by offering customers seamless, convenient and safe ways to buy and sell secondhand goods. Through its Global Impact Report, OLX measures the positive impact of using its classifieds platforms in terms of resource savings, energy-savings equivalent, water- and carbon-emissions-savings equivalent.



Investing in solar power

eMAG's new warehouse will be fully powered by green energy, via its rooftop 1.5MW solar panel grid. eMAG has opted for a 100% green energy contract for all its other warehouses – reducing carbon emissions from purchased electricity.

The environment continued

The Task Force on Climate-related Financial Disclosures (TCFD)

We have been embedding the TCFD guidelines into our business to ensure transparency of our understanding and management of climate-related risks. Our full TCFD disclosure is provided online at www.naspers.com/investors/annual-reports and a summary is provided adjacent.

As we mature on our sustainability journey, we are guided by reporting frameworks like the TCFD and SASB (Sustainability Accounting Standards Board) standards on communicating our position and progress on key ESG indicators. The TCFD framework helps us to communicate on climate-related risks and opportunities in a consistent way to meet the needs of investors and other stakeholders on disclosures on our role in contributing to the creation of a low-carbon and climate-resilient economy. In the coming year, we will continue to further align our ESG reporting to other commonly accepted standards that shareholders know and trust.

Climate change governance structure



	Progress to date	Next steps
Governance	<p>Climate and sustainability issues are considered at board level through the social, ethics and sustainability committee and risk committee. The board is informed about related risks and opportunities at all scheduled board meetings.</p> <p>In FY21 we brought on board a global head of sustainability to provide direction to, and lead, our efforts across the group. She reports directly to a member of the executive management, who reports to the chief executive, and is supported by the environmental programme manager and a sustainability officer at holding company level.</p> <p>Sustainability champions across the businesses are responsible for the implementation of the environment programme while also reporting on carbon data and progress against set targets.</p> <p>Climate change and its impact on and by us, was highlighted by our stakeholders this year as one of the material topics for our business to address and is therefore included in our materiality matrix and stakeholder reporting.</p>	<p>Sensitisation and training of board on climate-related risks and opportunities.</p> <p>Establishment of a climate champions network across the group for exchange of best practice and knowledge-sharing.</p>
Strategy	<p>This year, the company undertook a comprehensive climate risk analysis to gauge both physical risks presented across the entire group and financial consequences of the risk level. The outcomes of this analysis will continue to inform our business and investment strategies and our environmental plan.</p> <p>Our investment strategy guides us to focus on sectors such as Payments and Fintech, and Classifieds that significantly reduce the need for physical infrastructure and transportation for delivery of financial services, education and resale of goods. The core business model of these sectors provides solutions for climate change mitigation and adaptation. Naspers/Prosus continues to invest in low-carbon businesses in mobility and logistics such as battery producers, ride-sharing for bikes in Pakistan and last-mile delivery in ElasticRun.</p> <p>Our environmental programme has a three-pronged approach of reduce, replace and offset unavoidable emissions of our operations; and in the short term, we are committed to being carbon-neutral.</p>	<p>In the long term, even though the organisation has a limited carbon footprint, we are in the process of analysing our potential for alignment to science-based targets and identifying of reduction opportunities.</p> <p>Next steps for us are as follows:</p> <ol style="list-style-type: none"> 1. Analysis of both operational and financed GHG inventory accounting. 2. Deep-dive into emission-reduction potential and associated financial and non-financial resources required for each individual entity within the larger group. 3. Analysis on alignment against Paris Agreement goals.
Risk management	<p>In the 2020 calendar year, we undertook a robust data-driven assessment of climate-related transition and physical risks and opportunities in line with TCFD recommendations. This assessment included:</p> <ul style="list-style-type: none"> - Management interviews with various leaders from across the business to understand the drivers and materiality. - A risk assessment to quantify and qualify exposure to different transition risk categories and physical climate hazards for Naspers/Prosus operating facilities and key ingredients. <p>Risks were explored based on potential future financial impact of climate-related policy action against a high, moderate and low carbon-price scenario from now to 2050.</p> <p>Overall, the group's global exposure to climate-related policy and legal, market, technology and reputation risk is low; and the analysis revealed opportunities for the group to differentiate in local markets by being proactive with a strong position on climate change. Further details on the finding of this analysis can be found in our full TCFD report on www.naspers.com/investors/annual-reports.</p>	<p>GHG inventory accounting with clear boundaries to be defined for risk mapping and containment.</p> <p>Roadmap on risk mitigation to be defined by each individual entity based on their own carbon footprint.</p> <p>Deep-dive analysis on financed emissions to identify carbon hot-spots in the portfolio to embed climate risk mitigation in investment thesis.</p>
Metrics and targets	<p>The outcome of a risk analysis performed by our technical partner Trucost leads us to conclude that our carbon-pricing risk exposure is relatively low. For the year 2050 it ranges from US\$2m to US\$6m, under low to high carbon-price scenarios respectively.</p> <p>Analysis of our exposure to climate hazards, based on the geographic location of facilities under each climate scenario, showed that these risks are unlikely to disrupt the operations of the Naspers/Prosus businesses as a whole, which are largely decentralised and web-based. Certain business segments operate in locations such as India and South Africa that may be impacted by physical climate-related hazards such as floods or drought. However, these are longer-term, localised risk factors. They would not be disruptive to the delivery of web-based services that the entities in these locations offer, but would rather be impacting general life of customers and employees.</p> <p>This year, we measured our scope 1 and scope 2 and, for the first time, scope 3 group GHG emission footprint on www.naspers.com/investors/annual-reports. We are also making a big step forward in going carbon-neutral, strategically focusing on reduction through energy efficiency and changes in processes, renewable-energy procurement and offset unavoidable emissions.</p>	<p>We will continue to disclose our climate-related actions and progress through our annual reports and standards disclosures, including TCFD and Carbon Disclosure Project.</p> <p>Next year we intend to communicate our carbon roadmap with targets that are aligned with the Paris Agreement.</p> <p>Publication of deeper-level data on upstream and downstream emissions.</p>



Society

As the group grows around the world, our footprint increases in countries where we can make a significant contribution to equal access to resources and opportunities. We are determined to keep increasing our positive impact on underserved sections of society, so that people's lives improve and communities prosper in meaningful, sustainable ways.

Investing for long-term social good

At group level, our approach to social investment largely mirrors the way we invest in businesses across our core segments. Just as we look to identify, back and build businesses that deliver real long-term value, so we aim to invest in society for real sustainable impact.

In the following pages, we highlight some key group initiatives we are particularly proud of:

Youth unemployment is a major issue in South Africa. To tackle this, we are nurturing the next generation of South African talent through Naspers Labs.

South Africa's nascent tech start-up ecosystem can benefit from the backing of a dedicated investor. We are finding, investing and growing the next generation of South African tech businesses through Naspers Foundry.

Tech-enabled accessibility can transform the lives of millions of people in India and beyond. Through our Prosus SICA programme (our social impact challenge for accessibility), we are encouraging, mentoring and rewarding start-ups in India to address accessibility through innovative tech.

Far too many women and girls are missing out on opportunities they deserve to make the most of learning and working. Prosus FLIGHT, our new programme partnering with UN Women, is designed to help young women in India gain education and employment.

Encouraging group companies

Alongside our group initiatives, we encourage and support different businesses across our core segments to implement corporate social responsibility initiatives that have the biggest positive impact locally.

We believe local businesses around the world are best placed to identify and back the initiatives that will deliver the most impact.

Supporting communities around the world

We highlight below a few standout examples of the many different social investments and initiatives undertaken across the group:



Bringing people closer together to help each other in the face of Covid-19

In many countries, OLX platforms became a source of reliable information, linking to government and local health bodies, and helping combat disinformation in turbulent times. OLX also set up donation categories to help the most vulnerable. In India, we organised the relief fund OLX Pledge with local NGOs to support the livelihoods of severely affected migrant workers. And in Portugal, the team partnered with an initiative to help find accommodation for healthcare professionals.



Becoming part of people's lives

The pandemic was the catalyst for true transformation at iFood, changing it from a convenience service to an important service for restaurants and consumers. iFood focused on how it could take care of its community - delivery partners, restaurants, employees, customers and wider society, leading to many different initiatives, including donating 108 000 meals to people in need.



Donating face masks to frontline workers

In Romania, eMAG rose to the challenge of quickly sourcing and bringing face masks and other medical products into the country. Working with partners, the eMAG Foundation donated over 4 million masks and other PPE to frontline workers.



Helping students to keep on learning despite the pandemic

Codecademy launched a scholarship programme to give away 10 000 Codecademy Pro scholarships to students affected by the pandemic. To date, Codecademy has awarded over 200 000 Pro scholarships to students at 15 000 institutions in 147 countries around the globe.



Investing in enriching lives in South Africa

Media24 undertakes a range of social investments and initiatives, including providing training to learners at ThisAbility - an NGO that publishes a newspaper with content by people with disabilities. Media24's tradition of enriching lives is well established through its Volunteers24 programme and its #1000ActsofKindness campaign.



Collecting donations and doing good

PayU collected online donations for NGOs supporting Covid-19 relief projects, doing the online processing at no cost. In addition, through its Matching May campaign, PayU matched any employee donation to double the support and the PayU Twenty challenge promoted employee wellness with social investment.



Providing much-needed support across South Africa

During the pandemic, Naspers donated R1bn of PPE and Takealot group participated in the sourcing and local delivery of this PPE to hospitals, government institutions and other frontline workers. Takealot also donated R1m of laptops, USB dongles and other learning equipment to Naspers Labs, to help disadvantaged young South Africans continue with their learning. Through its long-standing relationship with Beautiful Gate, an organisation dedicated to supporting the welfare of underprivileged families in Cape Town, Takealot continued to make it easy for people to donate via the Takealot site, almost doubling donations to R8.5m.

Society continued

Naspers Labs

Investing in South Africa's future

We are proud of our South African roots and dedicated to the long-term growth and success of the country.

Naspers Labs focuses on addressing the skills gap and training needs of historically disadvantaged young people, enabling them to become productive contributors in an increasingly digitally driven economy. The programme is evolving to include new development solutions that will accelerate Naspers Labs in preparing young South Africans for high-value technology careers.

Adapting to succeed

In adapting to the new norm driven by the challenges of the pandemic, we migrated our learning delivery online. While data access and loadshedding were major impediments, we managed a 90% overall completion rate in the intake of 500 learners in the digitals skills programme. Training included data engineering, AWS (Amazon Web Services) technical essentials,

Microsoft Azure fundamentals and CompTia security, all of which afford these young learners access to work experience and an opportunity to further their skills in these learning streams.

In addition to this, all learners completed work readiness and personal mastery courses, attaining what we believe are essential soft skills for plugging into the industry's in-demand jobs.

To date, 2 572 young South Africans have been empowered by the Naspers Labs learning programmes.

This online migration allowed us scalability and flexibility to reach young people in every part of South Africa and neighbouring states.

Readying our labs

In March 2020, we opened two new labs: the first Gauteng lab in Wynberg, serving the broader Alexandra community; and another lab in Cape Town, serving the Khayelitsha community. Throughout the year, the pandemic kept us from opening these labs to learners. However, with the online-delivery model, we realised that to be more impactful, we needed to pivot our focus away from contact training to a blended delivery, as well as expand our peer-to-peer partnerships.

Looking after our learners

As part of tackling the challenges throughout the year, we provided learners with equipment such as laptops, dongles, chairs and desks to ensure that they were able to connect and continue learning online from home in their own comfort and safe environments. With the support of the group, we also provided stipends to learners for their daily essentials as well as tackling connectivity challenges. We wanted to make sure our learners remained energised and focused during these difficult times.

Creating the Naspers Labs classroom in the cloud

As part of business continuity planning, we ensured that our learning partner could provide an online backup facility in the cloud and that they could operate from a secondary site in a different region. It was important that any relocation to a secondary site should have zero impact on our learners. With most potential partners operating remotely, we plan to incorporate scheduled relocation test measures to ensure our online learning platforms are not disrupted.

Increasing learning opportunities

In addition, we broadened the learning paths to offer more in-demand and aligned career-focused digital skill sets. These range from entry-level digital access skills and core skills in digital marketing, technical support and user experience to solutions skills covering systems engineering, data engineering and cloud computing. These additions were implemented in response to listening to what tech companies were looking for. To increase employability and give young people a firmer foundation for a brighter future in the tech sector, we added these necessary in-demand course streams.

Looking forward

Naspers Labs will have two core entry points for young people – one focused on formal employment and the other on entrepreneurship. We want to ensure that learners who complete our programme have a better chance at equal access to economic opportunities. We are therefore changing to a partner-led delivery model to provide an end-to-end service for both our formal employment pillar and our entrepreneurship programme. In Naspers Labs, in line with the



group's purpose, we want to back great entrepreneurs building companies that improve the everyday lives of young people. Successful partners will be strategically aligned to the Naspers Labs vision, have similar values and capacity to deliver quality programmes, scale and meaningful outcomes. Global apprenticeships, workplace-integrated learning (with mentorships), internships, project assignments and entrepreneurship are some of the elements in our programmes.

Recognising that youth unemployment is disproportionately skewed towards young black females, our recruitment will ensure an uptake of more females to address this. Again, this ties in closely with the group's broader aims and ambitions.

'At Naspers Labs, we are grounded in investing in young people – being an enabler for young people as they work towards financial emancipation and better futures. Our skills- development programme continued to make a difference amid the challenges of Covid-19 – changing the lives of many young South Africans.'

Mapule Ncanywa
Head of Naspers Labs



Society continued

Promoting accessibility in India: Prosus SICA

Creating long-term positive change

In India, we launched the Prosus social impact challenge for accessibility (SICA) in partnership with Invest India and Startup India, agencies of the government of India and Social Alpha, an initiative supported by Tata Trusts.

Prosus SICA identifies and awards the most innovative Indian start-ups working on assistive technology solutions. Prosus has committed US\$250 000 over three years to this challenge. Each year, we will award grants to the top three start-ups, provide mentorship and help them become successful companies in India and beyond.

The initiative aims to create long-term positive societal impact by supporting an economic case for investing in assistive technologies for the 20 million Indians living with disabilities. By bringing Digital India to Accessible India, Prosus SICA also attempts to bridge these flagship initiatives of the government.

Focusing on the critical area of accessibility

We wanted to make a positive impact in India in an area of social need and tech innovation that had not received much investor attention. In our experience, we had seen entrepreneurs solve some of society's most complex problems in food, logistics, edtech, digital payments and more. But the gains from India's vibrant start-up ecosystem did not accrue to those living with disabilities.

Due to low literacy levels, social stigma and lack of opportunities, people with disabilities are among the most secluded members of society. Assistive technology solutions can go a long way to help them lead independent lives and participate more fully in the economy and society.

As such, accessibility was a natural and exciting area for us to put at the heart of our initiative, and we did what we do best. We decided to back promising entrepreneurs and help them succeed in their quest to make a lasting impact in the area of accessibility. We took the lead in building an economic case for accessibility and launched the SICA.

Holding SICA online

After conceiving the idea at the start of the year, over the following months, we developed Prosus SICA from scratch. We brought in credible partners, attracted applications from promising start-ups and appointed an independent, expert jury of venture capitalists, start-ups, civil society, the people-with-disabilities community, medical experts and technicians. In the face of Covid-19, we switched to an entirely virtual programme – from the launch event to receiving applications, evaluating them and awarding the winners.

The virtual launch, on 26 August 2020, attracted over 5 000 attendees. In the following months, we received over 200 applications from start-ups across India. These were carefully evaluated before the three winners were announced to mark the International Day of People with Disabilities on 3 December 2020.

The top start-ups

The top three start-ups were:

- Sohum Innovation Labs, for its innovative Sohum device that detects hearing impairment in infants quickly and easily
- Neomotion Assistive Solutions' bespoke wheelchairs with a motor-powered clip-on that converts it into a safe, roadworthy vehicle, and
- Demosthenes Technologies' Stamurai mobile app that addresses speech and language disabilities with a cost-effective personalised, digital coach to help users overcome stammering.

Sohum, Neomotion and Stamurai received grants of US\$35 000, US\$25 000 and US\$17 000 respectively.



The start-ups placed fourth and fifth in the challenge will also be mentored under the Prosus SICA mentorship programme along with our top three start-ups. Fourth and fifth were SM Learning Solutions' CogniABLE autism management tool for early screening and remote guided treatment; and Thinkerbell Labs' Annie Braille literacy device that helps the visually impaired learn to read, write and type in Braille on their own through interactive audio-guided content.

Partnering in the long term

As with all our group investments, we aim to be a long-term partner to the Prosus SICA start-ups, providing much more than funding. Through the SICA mentorship programme, for example, start-ups receive expert advice from Prosus subject-matter experts and the World Health Organization (WHO). All our top start-ups will become part of the Prosus SICA alumni community SICA LENS (learn, engage, network and serve), which will give them an opportunity to exchange experiences and learn from like-minded peers.

Looking forward

The plan is to build the Prosus SICA community, with this year's top start-ups potentially judging next year's awards and helping to mentor the next wave of companies. These start-ups will stay connected with us through the Prosus SICA LENS programme where they will continue to support the accessibility sector.

For SICA 2021, we are honoured to welcome WHO as an additional partner. We look forward to working with WHO to maximise the positive impact of innovating in accessibility by supporting great entrepreneurs and businesses in this segment, in India and beyond. We are also considering expanding partnerships to grow the Prosus SICA family and impact.

'SICA is a great example of how we invest deeply in the communities in which we operate. We look for ways to have an impact that is sustainable and reward the best entrepreneurs by helping them succeed.'

Sehraj Singh

Managing director and head of Corporate Affairs India, Prosus

Society continued

Helping young women in India gain education and employment: Prosus FLIGHT

On 8 March 2021, we launched Prosus FLIGHT (funding and learning initiative for girls in higher education and skills training), a higher-education and employment initiative for marginalised women and girls in India in partnership with UN Women.

A big opportunity

India has one of the largest opportunities in the world to boost GDP by advancing women's equality and participation in the workforce – potentially US\$770bn of additional GDP by 2025¹. While 67% of all working-age men are employed, only 9% of women are². There is data to confirm that due to lack of access to quality education, women are deprived of opportunities to find decent, dignified work, improve their quality of life and participate fully and independently in society. In 2017/18, the total female labour force participation rate for the age group 15+ was 23.3% (24.6% in rural areas and 20.4% in urban areas)³. Even among those with secondary or higher-secondary levels of education, the unemployment rates of women are significantly higher than men⁴.



Barriers to entry

In India, women find it hard to continue education beyond high school. For those who manage to attend college, staying enrolled and graduating is another challenge. While economic constraints and inadequate infrastructure are impediments, social norms like early marriage, burden of household chores and lack of female role models are additional barriers that women face in pursuing education.

Breaking down the barriers

Prosus FLIGHT aims to alleviate some of these barriers by supporting 750 women and girls to earn a formal degree or certification and help them to acquire employable skills that would allow them to participate in India's digital economy. By educating important stakeholders in these women's lives, FLIGHT is making a holistic intervention that alleviates economic constraints for these women and builds a community supportive of their education and that motivates them to finish their courses.

Focusing on young women

The initiative will focus on young women between the ages of 17 and 25 in the Indian state of Maharashtra. By concentrating its initiatives, Prosus FLIGHT aims to create a network of graduated young women who in turn will become role models for other young women following in their footsteps. By creating supportive local communities, FLIGHT will increase societal support and help reduce drop-out rates.

The support includes:

- Providing annual scholarships to pursue higher education in institutions, including government colleges, industrial training institutes (ITIs) and polytechnics. In line with UN Women's guidance, the students will partially contribute to their fees.
- Career guidance and counselling along with access to community support and role models to help build and pursue a career path.
- Access to job fairs, internship opportunities and exposure visits to private companies, along with dedicated sessions by experts and corporate mentors.
- Professional, soft and life-skills training beneficial for all career streams.
- Access to placement opportunities, support for pursuing entrepreneurship or self-employment.

'I am pleased to be able to announce this initiative to help talented Indian women pursue their educational dreams and career paths that will contribute to India's future.'

Aileen O'Toole
Chief people officer, Prosus



1 The power of parity: Advancing women's equality in India, McKinsey and Company, 1 May 2018.
2 Female workforce shrinks in economic shocks, Centre for Monitoring Indian Economy, 14 December 2020.
3 Information accessed from Annual Report 2019/20: Ministry of Labour and Employment, Government of India; page 82; accessed on 3 March 2021; available at: <https://bit.ly/3rg7Oix>.
4 Information accessed from discussion paper – The Indian Labour Market: A Gender Perspective by G Ravendran and UN Women (published February 2016); accessed on 3 March 2021; available at: <https://bit.ly/3kEIHFE>.



Tax

We consider paying taxes as an important economic contribution to the societies in which we operate.

A responsible approach to tax

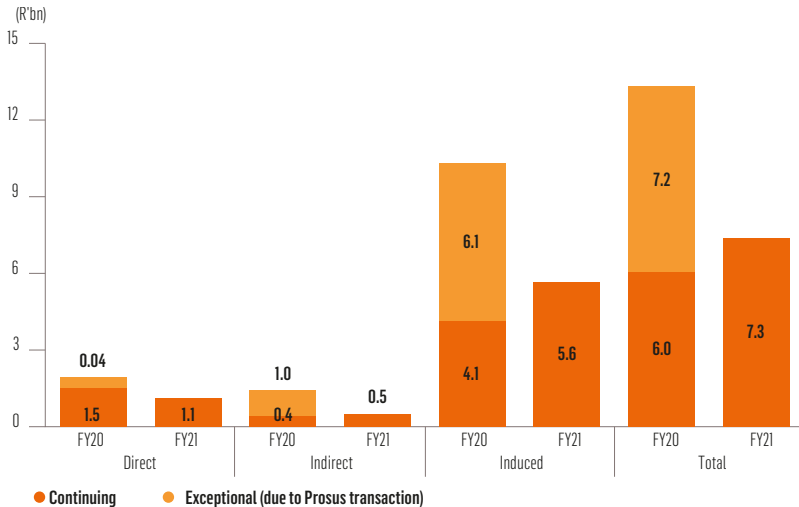
Naspers is a strongly committed member of the communities within which we operate. We take our responsibility to be a good corporate citizen seriously. We consider paying taxes as an important economic contribution to the societies in which we operate. As our businesses are primarily located in growing economies, we are proud of the fact that our diligent tax contributions in the countries where we operate, assist the governments of these countries in providing better infrastructure and resources to their people. Paying taxes locally (ie where our businesses operate and where our consumers and the users of our products and services are based) is particularly important for digital companies whose business models are often questioned by regulators, policymakers, consumers and society at large.

Our tax policy and tax disclosures are publicly available. They form an important part of the dialogue we have with our stakeholders, both internal and external. The Naspers strategy and values also inform our approach to taxes. For more detail of our approach to taxes, tax policy goals, principles and governance, see our group tax policy, available at www.naspers.com/tax.

We are a global group – composed of local businesses

Our businesses are located and operate in many countries around the world. Our businesses are local – they pay taxes where they operate and where our consumers and the users of our products and services are based. As a global group investing in and operating local businesses, we create employment and livelihoods and employ people in the countries where the market opportunities are, and we contribute to supply chains in the local economies. We develop new business models that further stimulate economic growth. We pay taxes in the countries where we operate. These taxes support the communities and the people within them. This ensures we provide a return to those communities and countries for the

NASPERS'S TOTAL TAX CONTRIBUTION



The figures presented in the charts may not sum exactly to the total shown, due to the round on figures to one decimal place.

Illustrative examples of social impacts in South Africa in FY21



5 580 hospital personnel



27 730 primary school children educated



19 940 number of educators



1 190 number of SMEs funded



US\$36m public sector investment supported



115 680 people covered with social protection

benefit and privilege of being able to do business with and in them. The taxes we pay in those countries enable us to contribute to the improvement of people's lives wherever our businesses are located.

Social and economic contribution

The Naspers group measures and reports on the social and economic contribution it generates as part of its mission to create value by improving people's lives.

The benefits that Naspers activities generate in local economies and societies have been estimated in order to assess the impact of Naspers strategy to create value by improving people's lives. Naspers tax contribution assists governments in addressing some of the most pressing needs within their societies. During FY21, Naspers made a substantial contribution to societies and economies in its key geographies.

Contributing to South African public finances

During FY21, Naspers contributed an estimated R7.3bn to the South African public finances.

Our activities in South Africa are split between Prosus and Naspers. The figures above present the combined position of Prosus and Naspers activities in South Africa.

Naspers's total employment contribution in FY21



Source: Naspers

Tax continued

Supporting South Africa towards its key social goals

Through its tax contribution, Naspers supported South Africa in making progress towards its key social goals.

As part of its National Development Plan, the government aims to tackle a number of social challenges such as inequality and unemployment, education and health system quality, infrastructure and public services¹. Naspers's tax contributions support South Africa in directing funds towards its social objectives.

On the previous page are some illustrative examples of social services that can be funded by the government if the National Treasury apportions Naspers's total tax contribution of R7.3bn based on its social spending priorities². Social priorities of the South African government are closely aligned to the Sustainable Development Goals adopted by the United Nations member states.

Supporting jobs in South Africa

Naspers supported more than 21 000 jobs in South Africa, both directly and through its connections to other sectors of the wider South African economy.

In FY21, Naspers and its South African subsidiaries directly employed 4 808 people in South Africa on a permanent basis³. The majority of this employment was based in the Media segment (55.0% of the total), followed by Etail (36.4%), Classifieds (5.4%), Corporate (2.6%), and Payments and Fintech (0.6%).

Naspers also enabled a further 16 200 full-time equivalent jobs in the wider economy through its supply chain ('indirect employment') and via the impact of supported consumer spending ('induced employment'). This takes the total contribution of Naspers in FY21 to 21 008 jobs.

The total tax contribution by Naspers to public finances in South Africa in FY21 stood at R7.3bn. The overall tax impact was 44% lower than in FY20, which was as a consequence of exceptional items resulting from the listing of Prosus N.V. by Naspers that contributed a total of R7.2bn in FY20. The tax contribution made by continuing operations increased by 22%, driven by growing activities and revenue of Naspers and its subsidiaries in South Africa.

Covid-19

This year presented new and unprecedented challenges. The wide-ranging effects of the global Covid-19 pandemic required agility on many levels to enable businesses to continue operating. In this turmoil we positively supported and impacted the societies where we operate as far as possible. We are part of these societies and communities – we fail if they fail.

We are proud of the contributions we were able to make throughout this year. The global Covid-19 pandemic has challenged the corporate world to work closely with governments, communities and citizens to ensure an effective response to Covid-19. Business models have needed to adapt as a consequence of the pandemic. Employment opportunities have changed and decreased in many jurisdictions. Governments responded on the health and funding fronts. But both of these require funds. And this presents an even greater challenge in depressed economies. We at Naspers are well positioned to further our contributions in the countries where we operate. This is what we focused on this year. Our ability to continue contributing to societies where we operate is a great benefit of being **a global group with local businesses**. We could continue creating employment opportunities and we continued or found new ways to do business wherever possible. Through this we could generate revenues and taxes in the countries and communities where we have businesses. These taxes supported governments' funding needs. We could help sustain people's livelihoods. We could provide funds via tax collections to help governments resource health and welfare initiatives. This is how we at Naspers

like to do business: to be part of the communities and societies where we operate and to contribute positively and holistically.

During the Covid-19 pandemic, governments supported businesses to soften the pandemic's effects on the economy and the lives of their citizens. This support was often provided by governments offering various tax incentives. At Naspers we have not and do not access discretionary incentives where they are clearly meant to support small and medium-sized businesses. At Naspers we aim to strike the right balance, to do the right thing. We aim to meaningfully and appropriately contribute to the societies where we do business.

To further this objective, Naspers is a donor and active participant in the Capabuild Project.

The Capabuild Project

The Capabuild Project is a private-public initiative to assist growing economies in building and developing their tax academies and tax programmes. The purpose is to improve the functioning of tax administrations, increase tax revenue and improve the investment climates in the countries that participate. Naspers supports and assists Capabuild with training webinars and workshops and provides important tax compliance insights. These training initiatives provide on-the-ground and online training and facilitate an important dialogue between business and revenue authorities. This dialogue enables tax authorities to understand the real drivers of business.

Effective tax systems are essential to ensuring that taxes are appropriately imposed, efficiently collected and applied for the enhancement of people's lives. We believe that our transparent, positive and constructive engagements with tax authorities and through initiatives like the Capabuild Project contribute to ensuring that the tax net is effectively broadened and aligned with country needs.

TOTAL TAX CONTRIBUTION

R7.3bn
from continuing operations

SUPPORTING JOBS

21 008
Naspers also supported a total of 176 000 jobs across all its markets (excluding South Africa).

Managing risk

To be successful in our mission to build strong, viable and sustainable businesses, improving the lives of people and contributing to society, means we must manage risk effectively. As indicated in the risk section, regulatory risk is one of the key risks for Naspers. Regulatory risk is also a key risk in the tax area. The ability of technology companies to actively engage with users and consumers in local markets without necessarily having a presence in such countries, is an important trigger for regulatory action. Even though Naspers generally does have a local presence, Naspers may also become subject to new rules and new taxes. The digital services tax (DST) is an example. The new tax rules introduced by individual countries do not necessarily distinguish between different business models. These rules therefore do not necessarily take into account taxes paid locally. As Naspers is composed of many local businesses and as its goal is to pay taxes in the jurisdictions where these businesses operate, it is important that taxes already paid locally are taken into account when designing new tax rules and frameworks. This is as important to us at Naspers as it is to individual local businesses that are not part of a global group. We want to ensure a fair and equitable system of taxation for digital companies, be they local or global. We continue to engage actively with regulators, governments, policymakers and various other bodies trying to address the challenges of the digitalisation of the economy on global and local tax systems.

¹ South African National Planning Commission, National Development Plan 2030: Our future – make it work.

² Based on the split of the South African government expenditure by function. Source: IMF, Government Finance Statistics.

³ This excludes temporary and contract employees.

Tax continued

While waiting for a global solution for the tax challenges of the digital economy, DSTs may be introduced locally. In our opinion it is important that these local DSTs are profit-based. If they are revenue-based, our view is that they must allow for a mechanism for companies with a local business model that already paid all local taxes on revenues and profits, to be credited for these tax payments in determining whether any DSTs is payable.

A level playing field is needed in which local, regional and global companies are subject to the same taxes in the countries in which they operate, irrespective of whether they have a local presence or a centralised business model. Such a level playing field is crucial to stimulate local innovation. If this is not achieved, local development and exploitation of technology will become too costly and will be hampered.

As a good corporate citizen we aim to provide constructive and reliable input to tax policymakers and stakeholders. We do this through submissions to public consultations or direct engagement, at national (in all markets where we operate) and international (UN, OECD, etc) levels. We strongly and actively support the international efforts led by the OECD/G20 Inclusive Framework on BEPS to develop a global solution to remove imbalances from, and to modernise, the international tax system – to create a level playing field. In our view, taxes should be fair, balanced and uniform. Taxation of profits and local tax systems should be part of a harmonised, international framework – a level playing field. At Naspers we like to keep it simple: businesses should pay tax locally, ie where their operations are and where their consumers and users are based.

Operating essentially as local businesses, at Naspers we do not subscribe to the engineering of tax advantages by using legal entities in low or no tax jurisdictions where Naspers does not operate. This does not align with our philosophy to meaningfully contribute to the communities

where we do business. Through acquisitions over the years and as a result of legacy structures, we have inherited some companies located in low or zero tax jurisdictions. Such presences are under constant review and have largely been eliminated. Our approach to taxation does not allow for the creation or maintenance of legal entities in countries where we do not have an operational presence.

Tax compliance

At Naspers we make significant investments to deliver tax compliance. In managing our tax affairs we take into account the interests of all our stakeholders, including governments and our shareholders. We have implemented processes to deliver on tax compliance. We encourage open and constant communication among all parties within the group having responsibility for managing tax and the adherence to our robust approach. In addition to our internal controls and processes, our approach to tax management and assessment of filing positions taken is verified by external experts. If there are disputes of significance with any tax authorities, these are presented to and discussed with the audit and risk committee at regular intervals.

Using technology to support our tax processes

As we take tax compliance extremely seriously at Naspers, the use of technology to support our tax processes is paramount. We have spent and continue to spend considerable time assessing where technology can assist in streamlining processes, collating tax-relevant information and limiting human errors that could arise in the tax compliance process. Our country-by-country reporting and controlled foreign company compliance processes alone demand significant man-hours. Technology tools have been developed and implemented for data collection and collation. This improved the tax compliance processes and reduced man-hours spent on these tasks. Our tax specialists in the group can therefore spend their time more effectively.

Our technology journey continues and is aligned with the growing demands for tax data by regulators and other stakeholders including tax authorities. The use of technology in the collation of tax relevant data also allows us to more easily share tax relevant information with tax authorities. The easy sharing of information contributes to our cooperative compliance engagements with tax authorities. As the benefits of the use of technology in the tax arena become evident, our enthusiasm to further implement technology tools grows. We are working on greater enhancements in this area and look forward to sharing our further successes with all our stakeholders.

Our tax transparency journey

Our tax transparency journey is very exciting and extremely rewarding. We continue to explore where and how we can engage even more meaningfully with our stakeholders. We continuously assess what tax relevant information will assist our stakeholders to better understand the contributions we make to the societies in which we operate. Clarity on how we operate and greater insights into our tax model enable stakeholders and revenue authorities to understand how the Naspers model works. And to understand that Naspers is different to many digital companies, that our model is different. We at Naspers understand that we are not an island and a self-serving organisation – we are part of the communities and countries in which we operate. As such we want to make meaningful contributions – this is part of our approach to improving the lives of billions of people who have access to and use our platforms.

Methodology overview

The approach used in this study to estimate Naspers's total tax contribution captures the following types of impacts:

- Direct tax: Taxes imposed on income, capital gains and net worth, including property tax.
- Indirect tax: Taxes imposed on certain transactions, goods or events. Examples include VAT, sales tax, excise duties, stamp duty and transaction tax.
- Induced tax: This captures tax payments by companies in the Naspers supply chain enabled by its activities and tax payments arising from households spending a share of their additional income.

The induced tax contribution is estimated using an Economic Impact Assessment (EIA) model. The EIA model measures how the activities of Naspers support different industry clusters and sectors in the economy of South Africa. Naspers interdependencies with different sectors are identified and quantified as part of this process.

The size of the economic activity generated by Naspers interdependencies is calculated using multiplier effects. The different rounds of multiplier effects, from the initial spending in the sector, through to employees spending their salaries on goods and services (and the resultant effects), indicate the induced tax contributions generated in the wider economy.

Further information can be found in the Tax section of the Prosus annual report 2021 on pages 98 to 102.



Governance

Contents

- 99 Our board
- 101 Naspers group governance framework
- 102 Governance for a sustainable business
 - 102 Overview of governance at Naspers
 - 105 The board and committees
 - 111 Culture, ethics and compliance
 - 115 Relations with shareholders and investors
- 116 Remuneration report

Our board

- A Audit committee
- R Risk committee
- S Naspers social, ethics and sustainability committee
- P Projects committee
- N Nomination committee
- H Human resources and remuneration committee
- Executive
- Non-executive
- Independent non-executive
- * Chair



Koos Bekker
68, South African and Dutch
Non-executive chair

Koos Bekker is the non-executive chair of the board. He led the founding team of the M-Net/MultiChoice pay-television business in 1985 and led its international expansion. He was also a founder of MTN, the multinational mobile telecommunications company. In 1997, he became chief executive of Naspers and headed the transition to the internet until 2014. A year later, he was appointed chair of the Naspers board. He holds a BAHons and an honorary doctorate in commerce from Stellenbosch University, an LLB from the University of the Witwatersrand and an MBA from Columbia University, New York. Koos and his wife Karen also created the estates Babylonstoren in the Cape and The Newt in Somerset in the United Kingdom.



Bob van Dijk
48, Dutch
Chief executive and executive director

Bob van Dijk is our chief executive and an executive director. He was appointed chief executive of Naspers in April 2014. He joined the group as Allegro group chief executive officer in August 2013 and was promoted to chief executive officer of global transactions e-commerce in October 2013. He has over 15 years of general management experience in online growth businesses globally, spanning the online marketplaces, online classifieds and retail segments. Prior to that he was a founder of an online financial derivatives marketplace. In June 2020, Bob was appointed to the board of Booking Holdings Inc. at its annual general meeting. He started his career at McKinsey & Company, focusing on mergers and acquisitions, and media. He holds an MBAHons from Insead and MSc (cum laude) in econometrics from Erasmus University, Rotterdam.



Basil Sgourdos
51, South African and Greek
Financial director and executive director

Basil Sgourdos is our financial director and an executive director. He was appointed financial director of Naspers in July 2014. He worked at PricewaterhouseCoopers Inc. from 1989 to 1994. He then joined Naspers as finance manager of the South African operations division in MultiChoice before being appointed chief financial officer of Naspers's investment in United Broadcasting Corporation plc, listed on the stock exchange of Thailand, where he remained for 10 years. He then spent two years in Amsterdam as general manager of video-entertainment business development globally before becoming financial director of MIH Holdings Proprietary Limited in January 2009. He held this position until his current appointment. He is a qualified South African chartered accountant and holds a BCom from the University of the Witwatersrand and BAccHons from the University of South Africa.



Hendrik du Toit
59, South African and British
Lead independent non-executive director

Hendrik du Toit is an independent non-executive director. Hendrik is founder and chief executive officer of Ninety One. He entered the asset management industry in 1988 and joined Investec Group in 1991, founding Investec Asset Management which rebranded to Ninety One in 2020. He also served as joint chief executive officer of the Investec Group from October 2018 until the demerger and listing of Ninety One in March 2020. Hendrik is a World Benchmarking Alliance ambassador. Previously, he served as a non-executive director of the Industrial Development Corporation of South Africa. He has also served on the advisory boards of the Sustainable Development Solutions Network, the expert board of HM Treasury's Belt and Road Initiative, the UN business and human security initiative, the Impact Investing Institute and commissioner of the Business and Sustainable Development Commission. Hendrik holds an MPhil in economics and politics of development from Cambridge University and an MCom in economics (cum laude) from Stellenbosch University.



Emilie Choi
42, American
Independent non-executive director

Emilie Choi is an independent non-executive director. She serves as chief operating officer at Coinbase Inc., the world's largest regulated cryptocurrency exchange. She oversees operations in seven countries across three continents. Since joining Coinbase in early 2018, she has overseen more than 10 acquisitions and 50 venture investments. Prior to that, she spent over eight years at LinkedIn Corporation as vice president of corporate development and led all M&A deals in the company's history, including its biggest deal to date, Lynda, as well as leading a number of joint ventures in China. She has also worked in corporate development and strategy roles at Warner Bros Entertainment Inc. and Yahoo Inc. She serves on the board of ZipRecruiter Inc., a marketplace for jobseekers and employers. She holds an MBA from the Wharton School of the University of Pennsylvania and a BA in economics from Johns Hopkins University.



Don Eriksson
76, South African
Former independent non-executive director

Don Eriksson served as an independent non-executive director for a number of years. He is chair of Oakleaf Insurance Company Limited and Renosa Insurance Company Limited. On 11 June 2020, he retired from the board of MultiChoice Group and other MultiChoice companies. He served on the council of the Institute of Directors of South Africa (IoDSA) for a number of years and is an honorary life member. He is also a trustee for the Discovery Health Medical Scheme. He was a partner at Coopers & Lybrand (now PricewaterhouseCoopers Inc.) and an executive director of the Commercial Union group (CGU Insurance Company (SA) Limited, Commercial Union Life Insurance Company Limited and Sentrasure Limited). He is a qualified South African chartered accountant and holds a certificate in the theory of accountancy from the University of the Witwatersrand. He retired from the Naspers and Prosus boards and committees effective from 1 April 2021.



Angelien Kemna
63, Dutch
Independent non-executive director

Angelien Kemna is an independent board member and chair of the audit committee of Friesland Campina, senior independent board member of AXA Investment Managers and independent director and member of the audit committee of AXA Group and independent board member and chair of the risk committee of NIBC Holding. She was previously a member of the executive board of APG Group in the Netherlands, first as chief investment officer and then chief finance and risk officer. In addition, she was part-time professor in corporate governance at Erasmus University, Rotterdam. She holds an MSc in operations research and a PhD in finance from Erasmus University. She was a visiting scholar at Sloan School MIT (Boston, USA). Angelien has been nominated for appointment as a non-executive director of Prosus at the annual general meeting to be held on 24 August 2021.



Manisha Girotra
51, Indian
Independent non-executive director

Manisha Girotra is an independent non-executive director. She is the chief executive officer of Moelis India. She has over 25 years of investment banking experience, with cross-border M&A expertise across a range of industries. Prior to Moelis & Company, she was chief executive officer and country head of UBS AG in India, managing its investment bank, commercial bank, markets, equity research and wealth management divisions. Before that, she was head of North India of Barclays Bank plc. She began her investment banking career at ANZ Grindlays in London. She serves on the boards of Ashok Leyland Limited and Jio Payments Bank Limited. She holds a BAHons in economics from St Stephen's College, India and a masters in economics from the Delhi School of Economics.



Craig Enenstein
52, American
Independent non-executive director

Craig Enenstein is an independent non-executive director. He is also the chief executive officer of Corridor Capital LLC, an operationally intensive private equity firm focused on the lower-middle market. Founded by Craig in 2005, Corridor Capital is based in Los Angeles, USA. He is a member of the Wharton School of the University of Pennsylvania executive board. He holds an MBA in finance from the Wharton School of Business of the University of Pennsylvania, MA in international studies from the Lauder Institute, University of Pennsylvania and a BA from the University of California, Berkeley.

Our board continued

A	Audit committee
R	Risk committee
S	Naspers social, ethics and sustainability committee
P	Projects committee
N	Nomination committee
H	Human resources and remuneration committee
●	Executive
●	Non-executive
●	Independent non-executive
*	Chair



Rachel Jafta
60, South African
Independent non-executive director

Rachel Jafta is an independent non-executive director. She is a professor in economics at Stellenbosch University. She joined Naspers as a director in 2003 and was appointed a director of Media24 in 2007. She is a member of the South African Economic Society, chair of the Cape Town Carnival Trust, member of the management committee of the Bureau for Economic Research at Stellenbosch University and member of the international advisory board of Fundação Dom Cabral Business School, Brazil. She was appointed chair of the Media24 board in April 2013 and chairs its nomination committee. She is also a director of Naspers Beleggings (RF) Limited. She holds an MEdon and a PhD from the University of Stellenbosch.



Nolo Letele
71, South African
Non-executive director

Nolo Letele is a non-executive director. He joined M-Net in 1990 and pioneered MultiChoice's expansion outside South Africa. In 1995, he moved to the Republic of Ghana, where he served as MultiChoice's West African regional general manager. In 1999, he was appointed chief executive officer of MultiChoice South Africa Holdings Proprietary Limited and later served as the MultiChoice group chief executive officer until 2010, when he was appointed executive chair of MultiChoice South Africa. He is currently non-executive chair. He has won several awards including Media Man of the Year in 2001 (Saturday Star–Business Report); Media Owner of the Year in 2003 (Financial Mail Adfocus); and the Lifetime Africa Achievement Prize for media development in Africa (Millennium Excellence Foundation). He holds a BScHons in electronic engineering from the University of Southampton.



Ying Xu
57, Chinese
Independent non-executive director

Ying Xu is an independent non-executive director. She is the president of Wumei Technology Group (Wumei or Wumart), a technology-driven retailer in China. Deeply engaged in the retail business for 15 years, she has strong insight and knowledge of consumers in China, especially in online and offline retail. Prior to joining Wumei, she was vice president of LG (a joint venture) at Tianjin International Trust & Investment. She holds a BA in English from Tianjin University, China and an MBA from Meinders School of Business, Oklahoma City University, US.



Roberto Oliveira de Lima
70, Brazilian
Independent non-executive director

Roberto Oliveira de Lima is an independent non-executive director. He developed his career at companies like Accor S.A., Rhone Poulenc S.A. (now part of Sanofi S.A.) and Compagnie de Saint-Gobain S.A. in the information technology and finance areas. He was chair and chief executive officer of Credicard Group (a Citigroup company), chief executive officer of Vivo S.A., the largest mobile telecommunications company in Brazil (a Telefónica SA and Portugal Telecom company), chair of Publicis Brazil and president of Natura S.A. He was previously a board member of Edenred S.A. in France, Pão de Açúcar S.A. (Casino), Natura S.A. and BR Distribuidora (Petrobras company) in Brazil. He is a board member of RNI Negócios Imobiliários S.A. and AES Tietê SA. In April 2019, he left the board of Telefónica Brasil S.A. after 14 years, having served six of those years as president and chief executive officer and eight years as a board member as well as quality and services committee member. He holds a BA and an MA in business management from Fundação Getúlio Vargas in Brazil and an MA from Institut Supérieur des Affaires at Jouy en Josas, France.



Debra Meyer
54, South African
Independent non-executive director

Debra Meyer is an independent non-executive director. She is a professor of biochemistry and executive dean of the faculty of science at the University of Johannesburg. She has completed modules in media strategy and academic leadership at Harvard University and the Gordon Institute of Business Science, University of Pretoria and regularly contributes to several newspapers and magazines. She serves as a trustee or board member for a number of organisations. She is also a director of Naspers Beleggings (RF) Limited. She holds an MSc in biochemistry from the University of Johannesburg and a PhD in biochemistry and molecular biology from the University of California, Davis, which she attended as a Fulbright scholar.



Steve Pacak
66, South African
Non-executive director

Steve Pacak is a non-executive director. He began his career with Naspers at M-Net in 1988 and has held various executive positions in the Naspers group. He was appointed an executive director of Naspers in 1998 and non-executive director in January 2015. He retired as Naspers's financial director in June 2014 and remained on the Naspers board as non-executive director. He is a qualified South African chartered accountant and holds a BAcc from the University of the Witwatersrand.



Mark Sorour
59, South African
Non-executive director

Mark Sorour is a non-executive director. He joined the Naspers group in 1994, leading business development and corporate finance globally. After assignments in Hong Kong and Amsterdam, he was responsible for all global investment activities as the Naspers group chief investment officer. In March 2018, he retired after over 20 years with the Naspers group but remained on the board as a non-executive director. He is a qualified South African chartered accountant.



Ben van der Ross
74, South African
Independent non-executive director

Ben van der Ross is an independent non-executive director. He was chair of Strategic Real Estate Management Proprietary Limited, managers of the Emira Property Fund. He served on the boards of, among others, Distell Limited, FirstRand Limited, Lewis Group Limited, Pick n Pay Holdings Limited and MMI Holdings Limited. He is also a director of Naspers Beleggings (RF) Limited. He is an attorney of the High Court of South Africa and holds a diploma in law from the University of Cape Town.



Cobus Stofberg
70, South African and Dutch
Non-executive director

Cobus Stofberg is a non-executive director. He was a member of the founding team of the M-Net/MultiChoice pay-television business in 1985. He served as chief executive officer of the group from 1997 to 2011 and has been instrumental in the expansion of the Naspers group. Prior to joining M-Net, he was a partner at Coopers & Lybrand (now PricewaterhouseCoopers Inc.). He is a qualified South African chartered accountant and holds a BComLaw and LLB from Stellenbosch University and BCompHons from the University of South Africa.

Naspers group governance framework

Ultimately, we report to stakeholders in the integrated annual report and other releases



Board
Supported by company secretary/governance framework



Board committees
Supported by company secretary/governance framework



Management and group support functions



Group support functions

- Human resources and remuneration
- Legal and compliance
- Data privacy
- Intellectual property
- Tax
- Public relations
- Corporate communications
- Investor relations
- Internal audit and risk support
- Finance
- ML

Underlying framework foundation

Values

Code of business ethics and conduct

Strategy

Various charters and policies

Good governance guidelines

Governance for a sustainable business



Koos Bekker
Chair: Naspers

'We are committed to ensuring high standards of corporate governance are maintained around the group.'

This section is structured as follows:

Overview of governance at Naspers

Provides a high-level view of governance in the group and key focus areas this year.

The board and committees

Details of the composition and roles of the board and its committees together with meeting attendance.

Culture, ethics and compliance

The importance of culture and how it is led from the top. Ethics and compliance are fundamental to strong governance.

Relations with shareholders and investors

Includes the annual general meeting.

Overview of governance at Naspers

The board of directors conducts the group's business with integrity by applying appropriate corporate governance policies and practices. Our aim is to keep abreast of regulatory developments, further enhance our governance standards, monitor and ensure compliance with relevant laws and regulations, and cultivate a thriving ethical organisational culture in the different geographies in which we operate. We also aim to maintain a high standard of reporting and disclosure, keeping in mind the best interests of our stakeholders and disclosing what is relevant and important to the sustainability of the group.

Listing and regulatory environment

Naspers has a primary listing on the JSE Limited (JSE) and a secondary listing on A2X Markets in South Africa. It is therefore subject to the JSE Listings Requirements, guidelines in the King IV Report on Corporate Governance for South Africa, 2016 (King IV™)¹, as well as legislation for publicly listed companies in South Africa. Naspers has a secondary listing of its American Depositary Receipts (ADRs) on the London Stock Exchange (LSE). In addition, Prosus N.V. (Prosus) has bonds that are listed on Euronext Dublin.

Governance structure

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. Executive directors are responsible for the group's day-to-day management, which includes formulating its strategies and policies and setting and achieving its objectives. Non-executive directors supervise and advise executive directors. Each director has a duty to the company to properly perform their assigned duties and to act in its corporate interest.

Improved chief executive and financial director assurance process

We recognise the value of an integrated approach to assurance and compliance. The adopted governance, risk and compliance framework is the basis for how we manage governance.

As part of this framework, this year we embarked on a process to strengthen our CEO/CFO certification in order to ensure that business practices and procedures are aligned to what the group expects of its subsidiaries. This revised process ensures that assurance can be obtained from the businesses and segments in the group regarding the manner and extent to which they comply with the group's governance standards.

The CEO/CFO certification broadly covers areas such as financial, tax, culture of ethics and compliance, sustainability, risk management, health and safety, technology and information governance, assurance, internal audit, internal controls, stakeholders and remuneration – each of these being key areas of focus for the group.

This revised process, together with the other formalised reporting obligations, gives assurance to the group chief executive and financial director to allow them to make the statements required in terms of the revised JSE Listings Requirements.

¹ Institute of Directors in Southern Africa NPC (IoDSA) owns all copyright and trademarks for King IV.

Overview of governance at Naspers continued

The audit and risk committees of the board monitor compliance with the JSE and applicable LSE listings requirements and the Euronext Dublin requirements applicable in relation to the Prosus bonds listed on that exchange.

The board's projects, audit, risk, human resources and remuneration, nomination, and social, ethics and sustainability committees fulfil key roles in ensuring good corporate governance.

The group uses independent external advisers to monitor regulatory developments, locally and internationally, to enable management to make recommendations to the board on matters of corporate governance.

How we integrate governance into our business

We recognise the value of an integrated approach to assurance and compliance. The adopted governance, risk and compliance framework is the basis for how we manage governance.

This framework illustrates how we achieve a sustainable business integrated with governance, assurance, risk management and compliance, in line with legislated requirements and King IV recommendations and reported through the relevant structures.

Our subsidiaries, associates and investees (non-controlled entities) are required to comply with applicable law and regulation. A risk-based legal compliance programme (including anti-bribery and anti-corruption) has been implemented as per this framework in all subsidiaries.

In applying our capital allocation strategy we look very carefully at the risks relating to the countries and the sectors in which we invest. We undertake a review of potential investee companies and their founders and/or major shareholders; it is important for us to know with whom we are doing business. Our traditional due diligence looks at the commercial and financial position of the investee but also covers legal (including intellectual property, privacy and litigation) and tax aspects of their business. This is supplemented by contact between our team and the founder(s) and their management teams that help us to understand the culture of the investee. More recently, for acquisitions of majority ownership stakes in larger businesses, we are formally assessing the investee's ethics and legal compliance framework and HR policies against our own framework and policies to see what actions (if any) will need to be taken for the investee to meet our minimum requirements if we were to be successful in acquiring them. The governance frameworks of investee companies differ depending on their scale and maturity: some are simply too small or at too early a stage to have a fully built and mature governance and compliance framework. In each case, however, we believe that our contact with the founders and management team and our additional due diligence help us to understand the purpose and culture of the company. In the coming year we plan to include a more explicit sustainability assessment in our investment decision-making process (which is implicit in our current process).

Our largest associate companies, many of which are of significant size, have adopted their own appropriate governance standards. Three of these companies have a listing on a leading stock exchange and therefore need to comply with both local law and the requirements of the relevant exchange and this is reflected in the standards that they adopt. If members of our team serve on the boards of investees then they are sometimes able to help shape the investee's governance standards. They do this by sharing the governance standards that we have adopted on relevant topics and offering support to the associate companies through trainings or workshops and generally sharing our knowledge and expertise. Periodically teams of employees of the Company and associates meet to discuss governance standards and share their experiences.

Stakeholder relationships

Representatives of our businesses manage various external and internal stakeholder relationships. Our businesses manage their stakeholder relationships using an inclusive approach that balances the needs, interests and expectations of material stakeholders with the best interests of the businesses.

To support the board in fulfilling its governance role, the social, ethics and sustainability committee receives reports on stakeholder management across the group – refer to the social, ethics and sustainability committee report in the full governance report.

An overview of our stakeholders and stakeholder engagement appears on page 25 of the integrated annual report.

[Read more on page 25](#)

Sustainability

We take our responsibility seriously and are fully committed to identifying and focusing on our goals under our board-approved group sustainability plan. The group's commitment to sustainability, our framework and progress made are dealt with in the Sustainability review on page 72.

[Read more on page 72](#)

To support the board in fulfilling its governance role, the risk committee and the Naspers social, ethics and sustainability committee (which also considered sustainability aspects pertaining to the Prosus group) report on sustainability matters at each scheduled board meeting. Subsequent to the year-end, Prosus established its own sustainability committee.

Overview of governance at Naspers continued

Group governance framework

The board is the focal point for, and custodian of, the group's corporate governance systems. It conducts the group's business with integrity and applies appropriate corporate governance policies and practices in the group.

The board, its committees and the boards and committees of subsidiaries are responsible for ensuring the appropriate principles and practices of King IV are applied and embedded in the governance practices of group companies.

A disciplined reporting structure ensures the board is fully apprised of subsidiary activities, risks and opportunities. All controlled entities in the group are required to subscribe to the principles in terms of King IV. Business and governance structures have clear approval frameworks.

The group has a governance committee comprising the segment chief executive officers (CEOs), chief financial officers (CFOs) of Naspers, Prosus and Media24, as well as the global head of company secretariat and governance, Naspers company secretary, global head of sustainability, group general counsel, global compliance lead and head of risk and audit. The committee was tasked to ensure the group's governance structures and framework are employed across the in-scope entities in the group during the financial year. Governance and progress are monitored by the audit and risk committees, and reported to the board.

The composition of committees of the board is reviewed annually and, where required, amended.

Details of the enterprisewide risk management framework (including principal risks) appear on pages 63 to 71 of the integrated annual report. Furthermore, the board's responsibility statement which relates to risk management appears on page 3.

Our approach to applying King IV and statement by the board

Naspers is required, in terms of the JSE Listings Requirements, to report its application of the principles of King IV. In line with the overriding principle in King IV of 'apply and explain', the board, to the best of its knowledge, believes the group has satisfactorily applied the principles of King IV. For a more detailed review of Naspers's application of King IV, refer to the King IV application report 2021.

All board and board committee charters and policies are aligned with the South African Companies Act, 2008 (Companies Act) requirements and the principles in King IV and the requirements of the JSE Listings Requirements. King IV advocates a qualitative approach to implementing recommended practices to realise the intended governance outcomes.

In line with King IV recommendations, we consider proportionality when we apply corporate governance in the group. This means we apply the practices needed to demonstrate the group's governance in terms of King IV as appropriate across the group.

As the companies in our group are diverse and at different maturity stages, a one-size-fits-all approach cannot be followed in implementing governance practices. All good governance principles apply to all types and sizes of companies, but the practices implemented by different companies to achieve the principles may be different. Practices must be implemented as appropriate for each company, in line with the overarching good governance principles.

Our focus areas this year

In the 2021 financial year, we continued to implement recommended or alternative practices to demonstrate the application of King IV's principles for the group. In addition, subsequent to the listing of Prosus, Prosus's policies were updated to be aligned with the Dutch Corporate Governance Code and are, therefore, also closely aligned to King IV.

Focus areas for the year included additional reporting to our board committees and board on how we implement good corporate governance in the group in light of King IV and the Dutch Corporate Governance Code and improved corporate governance disclosures in the integrated annual report.

Governance of information and technology, particularly data privacy and cybersecurity, remain focus areas. We increased our focus on sustainability this year and will continue to do so.

Focus areas this year

Strategy

Review the group's strategy, three-year plan and budget.

[Read more on page 18](#)

Continue to address the discount and unlock value through the Prosus on-market Naspers N ordinary share purchase programme of up to US\$3.63bn and the on-market Prosus ordinary share N repurchase programme of up to US\$1.37bn from Prosus's free-float shareholders.

Focus on future investment and value creation in the portfolio.

[Read more on page 21](#)

Financial

Review the group's performance and results.

[Read more on page 62](#)

Governance and sustainability

Continued application of King IV practices.

Execution of the board-approved group sustainability plan, reflecting our focus on specific sustainability goals.

Continued focus on our strategy to live up to our sustainability commitments.

[Read more on page 73](#)

People and learning

Recognise the importance of ML and embed learning throughout the group, including board level.

[Read more on page 79, 82 and 83](#)

Covid-19

Continue to review the work done to protect employees and other stakeholders, and manage potential impacts for the business.

[Read more on page 81 and 83](#)

The board and committees

Long-term value creation and strategy

The board ensures that a culture of business ethics and conduct aimed at long-term value creation is promoted to underpin the group’s activities as a responsible corporate citizen. This includes adopting values and a code of business ethics and conduct, leading by example, and monitoring implementation to make the required disclosures on incorporation, compliance and effectiveness. In this regard the board is responsible for group performance by steering and providing strategic direction to the company, taking responsibility for the adoption of a view on long-term value creation and aligned strategy and plans (such strategies and plans to originate in the first instance from management). The board must approve the annual business plan and budget compiled by management, for implementation by management, taking cognisance of sustainability aspects in long-term planning.

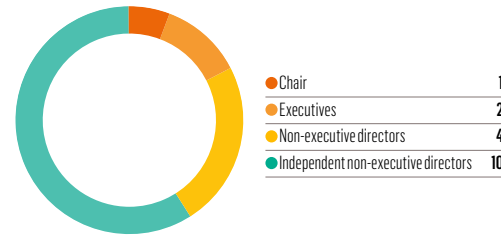
For more information on the group’s strategic approach please refer to page 18.

Composition

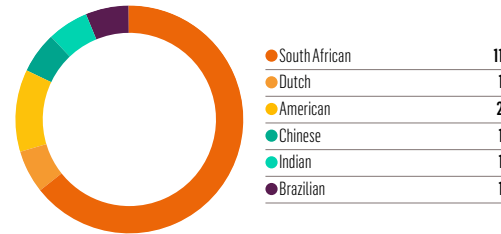
Details of directors at 31 March 2021 are set out on pages 99 and 100.

Naspers has a unitary board, which provides oversight and control. The board charter sets out the division of responsibilities. The majority of board members are non-executive directors and independent of management. To ensure that no one individual has unfettered powers of decision-making and authority, the roles of chair and chief executive are separate.

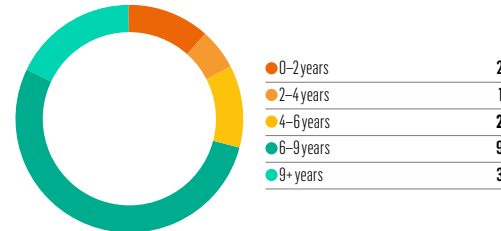
BOARD COMPOSITION (NUMBER OF DIRECTORS)



NATIONALITIES



TENURE AS A DIRECTOR



At 31 March 2021, the board comprised ten independent non-executive directors, four non-executive directors, a chair and two executive directors, as defined under the JSE Listings Requirements and King IV. Four directors (24%) are from previously disadvantaged groups and five directors (29%) are female. These figures are above the average for JSE-listed companies.

The board diversity policy addresses the JSE Listings Requirements for all listed companies to have a policy on how they address gender and race diversity at board level. The board is satisfied that its composition reflects the appropriate mix of knowledge, skills, experience, diversity and independence.

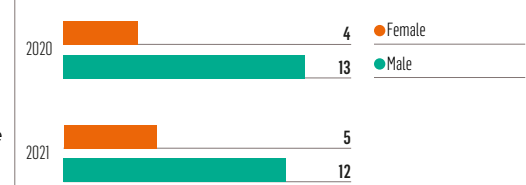
As set out in the board diversity policy, the board recognises the importance of gender diversity and aims to achieve 30% female (and male) representation. Over the past three years all new appointments of directors have been women. Subsequent to year-end, at the time of writing this report, one third of the non-executive directors are women. This demonstrates the board’s ongoing commitment to transformation in line with its board diversity policy.

The group recognises and embraces the benefits of having a diverse board and sees diversity at board level as an essential element in maintaining a competitive advantage. A diverse board will include and make good use of differences in the skills, geographical and industry experience, background, race, gender and other distinctions between members of the board.

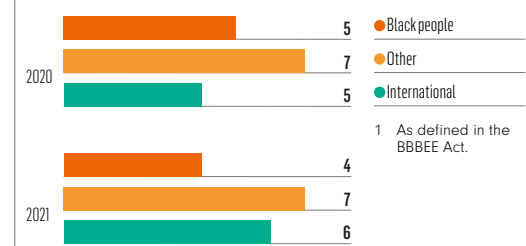
These differences will be considered in determining the optimum composition of the board and when possible will be balanced appropriately. All board appointments are made on merit, in the context of skills, experience, diversity, independence and knowledge, that the board as a whole requires to be effective.

The nominations committee reviews and assesses board composition on behalf of the board and recommends the appointment of new directors. This committee also oversees the conduct of the annual review of board effectiveness.

GENDER DIVERSITY (NUMBER OF DIRECTORS)



RACIAL DIVERSITY (NUMBER OF DIRECTORS)



1 As defined in the BBBEE Act.

Role and function of the board

The board serves as the focal point and custodian of corporate governance and has adopted a charter setting out its responsibilities as follows:

- Determining what business we are building, what we offer users and key objectives.
- Ensuring and monitoring that a culture of business ethics and conduct aimed at long-term value creation is promoted to underpin the group’s activities as a responsible corporate citizen. This includes adopting values and a code of business ethics and conduct, leading by example, and monitoring implementation to make the required disclosures on incorporation, compliance and effectiveness.

The board and committees continued

The board acknowledges that the group's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process. In this regard the board is responsible for the following:

- Group performance by steering and providing strategic direction to the company, taking responsibility for the adoption of a view on long-term value creation and aligned strategy and plans (such strategies and plans to originate in the first instance from management). The board must approve the annual business plan and budget compiled by management, for implementation by management, taking cognisance of sustainability aspects in long-term planning.
- Ongoing oversight of the implementation of the strategy and business plan by management against agreed performance measures and targets. As part of its oversight of performance, the board should:
 - Retain full and effective control over the company and monitor management with regard to the implementation of the approved annual budget and business plan, as amended from time to time.
 - Oversee that assessments of the negative impacts of the group's activities in the total environment in which the group operates are conducted and addressed responsibly. The board must be alert to the general viability of the organisation with regard to its reliance on the resources it uses or affects, its solvency and liquidity, and its status as a going concern.
 - Consider and, if appropriate, declare the payment of dividends to shareholders.
 - Evaluate the viability of the company and the group as a going concern, such evaluation to be properly recorded.
 - Determine the selection and orientation of directors.
 - Appoint the chief executive, who reports to the board, as well as the financial director, and ensure that succession is planned.
- Establish board committees, including appointing its members, as and when appropriate, with clear terms of reference and responsibilities to promote independent judgement and assist with balance of power and effective discharge of its duties.
- Appoint the chairs of the board and its committees.
- Ensure the evaluation of performance and effectiveness of directors, the chair, the board as a whole and its committees to support continued improvement in their performance and effectiveness, including succession planning, and make the required annual disclosures in terms of King IV, as applicable.
- Govern risk in a way that supports the group in setting and achieving its strategic objectives through a structured, appropriate and effective enterprisewide risk management and internal control systems, which allow the board to set tolerance levels from time to time and annually assess the risk management and internal control system.
- Ensure that assurance services and functions enable an effective control environment and that these support the integrity of information for internal decision-making and of the company's external reports.
- Ensure that there is effective risk-based internal audit, which allows it to report on the effectiveness of the company's system of internal controls in its integrated annual report.
- Engage the external auditor based on the recommendation of the audit committee.
- Define levels of delegation in respect of specific matters, with appropriate authority delegated to board committees and management.
- Monitoring the whistleblower process, including appropriate and independent investigations, and adequate follow-up of recommended remedial actions. The board is assisted by the risk, audit and the social, ethics and sustainability committees, with regular feedback provided by the committees to the board. In addition, executive board members should inform the chair of the board without delay of any signs of actual or suspected material misconduct or irregularities in the company or the group.
- Governing compliance with applicable laws and adopted rules, codes and standards in a way that supports the group being ethical and a good corporate citizen.
- Governing technology and information in a way that supports the group setting and achieving its strategic objectives.
- Ensuring that the group remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes.
- Adopting a stakeholder-inclusive approach in the execution of its governance role, that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time. This includes:
 - Identifying material stakeholders and monitoring management's process of engagement with those stakeholders.
 - Determining the company's communication policy.
 - Proactively engaging with shareholders and ensuring shareholders are treated equitably.
 - Ensuring dispute resolution mechanisms and processes are adopted and implemented as part of the overall management of stakeholder relationships.
- Overseeing the preparation of and approving the company's financial statements (for adoption by shareholders), interim, provisional and integrated reports (as reviewed by the audit committee) and ensuring the integrity and fair presentation thereof. The board should ensure integrity and quality of external reports and set the direction for how assurance of these should be approached and addressed where appropriate. External reports should enable stakeholders to make informed assessments of the group's performance and its prospects.
- Reviewing and assessing annually the charters of the group's significant subsidiary companies' boards and reviewing their annual assessment of compliance with their charters to establish if the board can rely on the work of the subsidiary companies' boards.
- Reviewing annually the charters of the committees of the board.
- Annually evaluating performance and effectiveness of the company secretary (delegated to the human resources and remuneration, and nomination committees).
- Delegation of certain responsibilities to board committees assists the board with effective discharge of the board's duties. The board remains ultimately responsible for such delegated responsibilities, other than specific statutory responsibilities, such as those of the audit and social, ethics and sustainability committees as set out in the South African Companies Act. These committees report to shareholders at the annual general meeting regarding how they have discharged their duties in terms of the South African Companies Act.

The board and committees continued

Roles and responsibilities

The chair

The chair, Koos Bekker, is a non-executive director. Hendrik du Toit was appointed to act as lead independent director in all matters where there may be an actual or perceived conflict.

The responsibilities of the chair include:

- Providing overall leadership to the board without limiting the principle of collective responsibility for board decisions, while at the same time being aware of individual duties of board members.
- Ensuring a balanced composition and proper functioning of the board and its committees.
- Ensuring a culture of openness and accountability within the board.
- In conjunction with the chief executive, representing the board in respect of communication with shareholders, other stakeholders and, indirectly, the general public.
- Assisted by the board, its committees and the boards and committees of the company's subsidiary companies, ensuring the integrity and effectiveness of the governance process.
- Maintaining regular dialogue with the group's chief executive on operational matters and consulting on an ongoing basis with other board members on any matter of concern to him/her, including managing conflicts of interests.
- In consultation with the group's chief executive and company secretary, ensuring appropriate content and order of the agendas of board meetings and ensuring that members of the board receive documentation promptly.
- Ensuring that board members are properly informed about issues arising from board meetings and that relevant information is submitted to the board.
- Acting as facilitator at board meetings to ensure a sound flow of opinions. The chair ensures that adequate time is scheduled for discussions and that they lead to logical and acceptable conclusions.

- Monitoring how the board works together and how individual directors perform and interact at meetings. The chair meets with directors annually to evaluate their performance.
- Chairing the general meetings and ensuring general meetings proceed in an orderly and efficient manner and ensuring the proper conduct of business at meetings to promote a meaningful discussion at the meetings.
- Ensuring that the directors discuss the reports provided by the committees to the board.
- With the assistance of the company secretary, ensuring all directors follow their induction and training programmes.
- Pre-clearing all dealings in Naspers shares and/or Prosus shares by directors of the companies and their major subsidiaries.

The chief executive

The chief executive reports to the board and is responsible for the day-to-day business of the group and implementing policies and strategies approved by the board. Chief executives of the various businesses assist him in this task. Board authority conferred on management is delegated through the chief executive, against approved authority levels. The board is satisfied that the delegation of authority framework contributes to role clarity and the effective exercise of authority and responsibilities.

Bob van Dijk is the appointed chief executive. He has no other professional commitments outside the group, except for his appointment to the board of Booking.com.

Succession planning for the chief executive is considered annually.

The functions and responsibilities of the chief executive include:

- Developing the company's strategy for consideration, determination and approval by the board.
- Developing and recommending to the board yearly business plans and budgets that support the company's long-term strategy.
- Monitoring and reporting to the board about the performance of the company.

- Establishing an organisational structure for the company, which is necessary to enable execution of its strategic planning.
- Recommending/appointing the executive team and ensuring proper succession planning and performance appraisals take place.
- Ensuring that the company complies with relevant laws, corporate governance principles, business ethics and appropriate best practice and, if not, that the failure to do so is justifiably explained.

Lead independent director

The responsibilities of the lead independent director are as follows:

- Leading in the absence of the chair.
- Serving as a sounding board for the chair.
- Acting as an intermediary between the chair and other members of the board, if necessary.
- Dealing with shareholders' concerns where contact through the normal channels has failed to resolve concerns, or where such contact is inappropriate.
- Strengthening independence of the board if the chair is not an independent non-executive member of the board.
- Chairing discussions and decision-making by the board on matters where the chair has a conflict of interest.
- Leading the performance appraisal of the chair.

Directors

Directors fulfil their governance duties individually and collectively taking into account:

- the role of the board as set out in the charter
- applicable laws, regulations and good governance guidelines, and
- their duties as directors, including fiduciary duties and duty of care and skill.

Directors have unlimited access to the advice and services of the company secretary.

Independent advice

Individual directors may, after consulting with the chair or chief executive, seek independent professional advice, at the expense of the company, on any matter connected with discharging their responsibilities as directors.

Company secretary

With effect from 25 August 2020, Gillian Kisbey-Green stepped down as company secretary and was appointed global head: company secretariat and governance and remains group company secretary of Prosus. Lynelle Bagwandeen was appointed as company secretary in her stead. Lynelle has held similar positions in several listed JSE companies. In addition, she has been a director of the Chartered Governance Institute of Southern Africa since 2018 and president of this institution since June 2021. With more than 10 years' JSE-listed company experience, Lynelle has strong insight into the regulatory and governance framework in South Africa. She holds a BSc from the University of Witwatersrand, an LLB (summa cum laude) and an LLM from the University of KwaZulu-Natal, is a fellow of the Chartered Governance Institute of Southern Africa and also an admitted attorney of the High Court of South Africa.

The company secretary, Lynelle Bagwandeen, and David Tudor, group general counsel (and legal compliance officer), are responsible for guiding the board in discharging its regulatory responsibilities.

Directors have unlimited access to the advice and services of the persons noted above whose functions and responsibilities include (as appropriate):

- Playing a pivotal role in the company's corporate governance and ensuring that, in line with pertinent laws, the proceedings and affairs of the board, the company and, where appropriate, shareholders are properly administered.
- Acting as the company's compliance officer as defined in the Companies Act and is the delegated information officer.
- Monitoring directors' dealings in securities and ensuring adherence to closed periods.
- Attending all board and committee meetings.

The performance and independence of the company secretary are evaluated annually.

The board and committees continued

As required by JSE Listings Requirement 3.84(h), the board has determined that the company secretary, an admitted attorney with more than 10 years of JSE-listed company experience, has the requisite competence, knowledge and experience to carry out the duties of a secretary of a public company and has an arm's length relationship with the board. The board is satisfied that arrangements for providing corporate governance services are effective.

Board meetings and attendance

The board meets at least four times per year, or more as required. The projects committee attends to matters that cannot wait for the next scheduled meeting. The board held nine meetings in the past financial year. Non-executive directors meet at least once annually without the chief executive, financial director and chair present, to discuss the performance of these individuals.

The company secretary acts as secretary to the board and its committees and attends all meetings.

Each committee acts within agreed, written terms of reference. The chair of each committee reports at each scheduled board meeting.

The chairs of the social, ethics and sustainability, human resources and remuneration, and nomination committees are non-executive directors and are required to attend annual general meetings to answer questions.

The established board committees in operation during the financial year are set out alongside and the names of the members who were in office during the financial year, as well as details of the committee meetings attended by each of the members, are shown in the table on page 109.

● [Read more on page 109](#)

Indemnification

While the whole board remains accountable for the performance and affairs of the company, it delegates certain functions to committees and management to assist in discharging its duties. Appropriate structures for those delegations are in place, accompanied by monitoring and reporting systems. As contemplated in the memorandum of incorporation and our insurance programme, indemnities have been issued by Naspers to its directors.

Board committees

Projects committee

The projects committee acts on behalf of the board in managing urgent issues when the board is not in session, subject to statutory limits and the board's limitations on delegation. It comprises two non-executive directors, one independent non-executive director plus two executive directors. It is chaired by Koos Bekker.

Nomination committee

The nomination committee assists the board to determine, and regularly review, the size, structure, composition and effectiveness of the board and its committees, in the context of the company's strategy.

The committee comprises a minimum of three non-executive directors, the majority of whom are independent. It is chaired by Rachel Jafta.

The report of the nomination committee is in the full governance report.

Audit committee

The audit committee seeks to support the board in assessing the integrity of the group's financial reporting and by providing constructive challenge and oversight of the group's activities and of its audit functions. It comprises a majority independent non-executive directors and was chaired by Don Eriksson until he retired on 1 April 2021. Following his retirement, Steve Pacak, a non-executive director, took over the role of chair. The board considers Steve to be independent of mind and judgement in his conduct as chair of the committee.

The report of the audit committee is in the full governance report.

Human resources and remuneration committee

The main objective of the human resources and remuneration committee is to fulfil the board's responsibility for the strategic human resources issues of the group, particularly focusing on the appointment, remuneration and succession of the most senior executives. The committee comprises a minimum of three non-executive directors. It is chaired by Craig Enenstein.

The report of the human resources and remuneration committee is in the full governance report.

Risk committee

The purpose of the risk committee is to assist the board to discharge its responsibilities regarding the governance of risk through formal processes, including an enterprisewide risk management process and system. The committee comprises a minimum of three independent non-executive directors, as well as the chief executive and financial director. It was chaired by Don Eriksson and, following his retirement, the committee is chaired by Steve Pacak.

The report of the risk committee is in the full governance report.

Social, ethics and sustainability committee

The primary objective of the social, ethics and sustainability committee is to assist the board in ensuring the company meets its statutory obligations in terms of section 72 and regulation 43 of the Companies Act. The committee is responsible for overseeing and reporting on organisational ethics, responsible corporate citizenship, sustainable development and stakeholder relationships in relation to the group, taking into account specific disclosures and best practice as recommended by King IV.

The committee comprises two independent non-executive directors, two non-executive directors, the chief executive and the chief executive of Media24. It was chaired by Don Eriksson. Debra Meyer has taken over the role of chair for this committee following Don Eriksson's retirement.

The report of the social, ethics and sustainability committee is in the full governance report.

The board and committees continued

Directors	Date first appointed to the board	Date last appointed to the board	Board	Projects committee	Audit committee	Human resources and remuneration committee	Nomination committee	Risk committee	Social, ethics and sustainability committee	Category
JP Bekker	17 April 2015	23 August 2019	10*	1*		5	4			Non-executive
B van Dijk	1 April 2014	29 August 2014	10	1				4	3	Executive
V Sgourdos	1 July 2014	29 August 2014	10	1				4	3	Executive
EM Choi	21 April 2017	21 August 2020	7			5		3		Independent non-executive
HJ du Toit ¹	1 April 2016	24 August 2018	10				3			Independent non-executive
CL Enenstein	16 October 2013	24 August 2018	10			5*	4			Independent non-executive
DG Eriksson ²	16 October 2013	21 August 2020	10		5			4	3	Independent non-executive
M Girotra	1 October 2019	21 August 2020	10		5					Independent non-executive
RCC Jafta ³	23 October 2003	21 August 2020	10	1	5		4*	4	3	Independent non-executive
AGZ Kemna ⁴	15 April 2021	15 April 2021	-							Independent non-executive
FLN Letele	22 November 2013	23 August 2019	9						3	Non-executive
D Meyer	25 November 2009	23 August 2019	10						3*	Independent non-executive
R Oliveira de Lima	16 October 2013	24 August 2018	10			5	4			Independent non-executive
SJZ Pacak ⁵	15 January 2015	23 August 2019	10	1	4 *			4*		Non-executive
TMF Phaswana ⁶	23 October 2003	25 August 2017	-							Independent non-executive
MR Sorour ⁷	15 January 2015	21 August 2020	10	1						Non-executive
JDT Stofberg	16 October 2013	23 August 2019	9						3	Non-executive
BJ van der Ross ⁸	12 February 1999	23 August 2019	10		-			-	3	Independent non-executive
Y Xu ⁹	26 June 2020	21 August 2020	7							Independent non-executive
MI Davidson									3	Executive
Total meetings held			10	1	5	5	4	4	3	

1 Appointed as lead independent director on 1 April 2020.

2 Retired as a director with effect from 1 April 2021.

3 Appointed as a projects committee member on 1 April 2020.

4 Appointed to the audit committee with effect from 15 April 2021.

5 Appointed to the audit committee with effect from 21 August 2020.

6 Retired as a director with effect from 1 April 2020.

7 Appointed as a projects committee member on 24 April 2020.

8 Resigned from the audit and risk committees and appointed as a member of the social, ethics and sustainability committee on 24 April 2020.

9 Appointed to the board with effect from 26 June 2020.

The board and committees continued

Evaluation

The nominations committee carries out the evaluation process, which is not externally facilitated, on an annual basis.

As part of the review, the performance of the board and its committees, as well as the performance of the chair of the board, are considered against their respective mandates in terms of the board charter and the charters of its committees. The committees perform self-evaluations against their charters for consideration by the nominations committee and the board.

For the FY21 annual formal inhouse self-assessment, the performance of each director was evaluated by the other board members, using an evaluation questionnaire. The chair of the board discussed the results with each director and agreed on any training needs or areas requiring attention by that director. Where a director's performance is not considered satisfactory, the board will not recommend his/her re-election.

A consolidated summary of the evaluation was reported to and discussed by the board, including any actions required. The lead independent director leads the discussion on the performance of the chair, with reference to the results of the evaluation questionnaire, and provides feedback to the chair.

The board is satisfied that the evaluation process improves its performance and effectiveness.

Furthermore, the independence of each director was evaluated. The board determined that although some directors had served as members for nine years or longer, they all demonstrated they were independent in character and judgement and there were no relationships or circumstances that were likely to affect or could appear to affect their independence.

The formal annual evaluation process showed that the board and its committees had functioned well and discharged their duties as per the mandates in their charters. The board is satisfied that the evaluation process is improving its performance and effectiveness. The results of the board

evaluation indicated that board members, collectively and individually, effectively discharged their governance role. There were no remedial actions identified.

Induction and development

An induction programme is held for new members of the board and key committees, tailored to the needs of individual appointees. This involves industry and company-specific orientation, such as meetings with senior management to facilitate an understanding of operations. Board members are exposed to the main markets in which the group operates as well as relevant evolving trends in technology and business models.

The company secretary assists the chair with the induction and orientation of directors, and arranges specific training if required.

The company will continue with directors' development and training to build on expertise and develop an understanding of the businesses and main markets in which the group operates.

Conflicts of interest

Potential conflicts are appropriately managed to ensure candidate and existing directors have no conflicting interests between their obligations to the company and their personal interests. All directors are required to declare personal interests on an annual basis. Declaration of directors' interests is a standing agenda point on the board's agenda. Directors who believe there may be a conflict of interest on a matter are to advise the company secretary and are recused from the decision-making process, and the Companies Act process is applied accordingly. Directors must also adhere to a policy on trading in securities of the company.

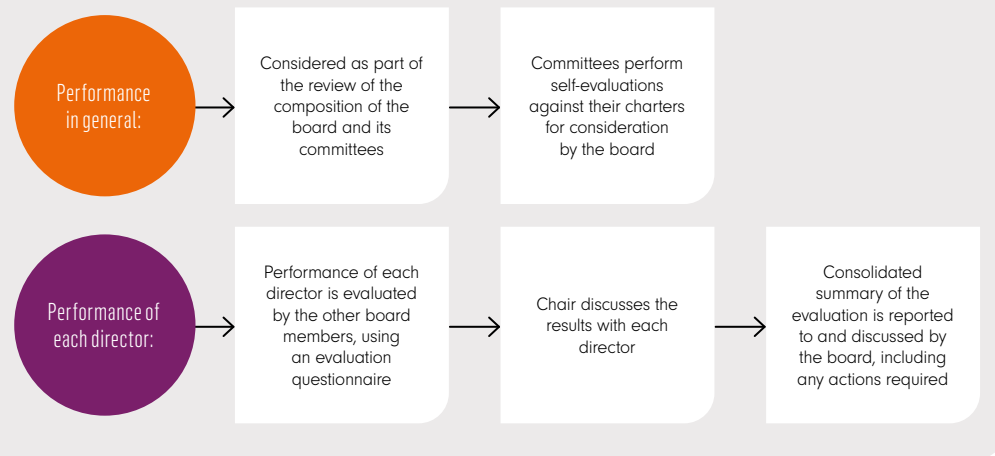
Discharge of responsibilities

The board is satisfied that the committees properly discharged their responsibilities over the past year.

Furthermore, the board complies, to the best of its knowledge, with the Companies Act and its memorandum of incorporation and monitors such compliance on an ongoing basis.

The full governance report can be found on www.naspers.com/investors/annual-reports.

Board evaluation process



Culture, ethics and compliance

Culture

The board recognises that creating value for both shareholders and society in a responsible, efficient and sustainable way requires a healthy business culture. Although we operate a wide range of businesses, we are united behind a common purpose to address big societal needs and help improve the lives of half the world's population over the next few years.

We believe our culture is a key strength of our business and we see the benefits of this in our employees' engagement, retention and productivity. Our corporate values are approved by the board and our subsidiaries adopt values aligned to our expectations, tailored for their business environment.

Our values as an organisation are reflected in our culture. These values, at the core of our strategy, and the code of business ethics and conduct (the Code) are the guiding principles for all of our actions as an organisation.

Our culture reflects

At heart, we are entrepreneurs.

- We push for performance in everything we do – it's good for the group, our stakeholders and our careers.
- We do the right thing.
- We matter to the communities we serve and, wherever we operate, we hold ourselves to high standards.
- We encourage diversity in our teams and our thinking.

Read more about our culture on page 29 and also in our People section on page 81.

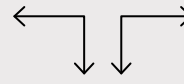
Reinforcing a healthy corporate culture

Measuring our culture through employee engagement

- Through the employee engagement survey

Remuneration and culture

- Assisted by the human resources and remuneration committee
- Approach to pay-equality
- D&I



Risk management

- Assisted by the risk committee
- Risk appetite reviewed annually by the board

Ethics and compliance

- Assisted by the risk and social, ethics and sustainability committees
- Code of business ethics and conduct
- Via designated ethics officers
- Through the whistleblowing policy and via OpenLine
- Through the legal compliance framework

Ethics and compliance

The Code is available on www.Naspers.com/about/policies. This Code applies to all directors and employees in the group. Ensuring that group companies adopt appropriate processes and establish supporting policies and procedures is an ongoing process.

We focus on policies and procedures that address key ethical risks, such as conflicts of interest, accepting inappropriate gifts and unacceptable business conduct.

The social, ethics and sustainability committee is responsible for overseeing and reporting on business ethics in the group, taking into account specific disclosures and best practice as recommended by King IV.

Businesses in our group apply zero tolerance to violations of the Code. Appropriate action is taken, including disciplinary, criminal or civil procedures or improving the control environment. Reports are provided to the social, ethics and sustainability committee to demonstrate this. Unethical behaviour by senior employees is also reported to the human resources and remuneration committee, along with the way the company's disciplinary code was applied.

We are committed to conducting our business on the basis of complying with the law, with integrity and with proper regard for ethical business practices. We expect all directors and employees to comply with these principles and, in particular, to avoid conflicts of interest and not to engage in insider trading, illegal anti-competitive activities, and bribery and corruption.

ETHICS AND COMPLIANCE KPIS:

3
legal compliance officers appointed

100%
of subsidiaries with localised anti-bribery and anti-corruption policies implemented

Our approach

The board sets the 'tone at the top', guiding business values and the culture of ethics and compliance. The board endorses the Code which sets out what we as a group expect from all employees and stakeholders. Management is responsible for creating a culture aimed at long-term value creation for the group and ensuring ethical business standards are integrated into the group's strategies and operations.

Non-compliance with laws and regulations, including anti-bribery and anti-corruption and other similar laws, could expose the group to legal liability and negatively impact the group's reputation, business, financial condition, as well as the communities in which we operate. We are committed to conducting business in compliance with the law, with integrity and with regard for ethical business practices, as described in the Code and group policies (including the anti-bribery and anti-corruption policy). From a governance perspective, it is expected that we execute demonstrable and effective compliance management.

In order to execute effective and demonstrable compliance management, we developed and communicated a compliance framework that sets out minimum standards required throughout the group. Based on this framework, subsidiaries are expected to implement a programme which is 'fit for purpose' and focused on the risks that relate to their business. To ensure implementation of these compliance programmes, three legal compliance officers have been appointed across the Naspers group.

Culture, ethics and compliance continued

If the group conducts business in countries that may present increased corruption risks and where the group's businesses interact with government entities/officials, we expect that subsidiaries should, at a minimum, have processes in place to cover the following risk areas, as part of their anti-bribery and anti-corruption compliance programmes:

- gifts, hospitality, travel and entertainment
- conflicts of interest
- charities/charitable donations, political contributions and sponsoring of activities
- contact with government officials
- third-party vetting and due diligence, and
- accurate books and record keeping.

100% of the subsidiaries have reported implementing a localised anti-bribery and anti-corruption policy.

During the year

In 2020, responsibility for the topic of ethics was transferred to the newly named ethics and compliance function for further enhancement and embedding. To ensure the continued progress in managing ethics and compliance risks:

- We benchmarked various ethics initiatives with input from international guidelines, industry best practices and external advice in order to incorporate ethics into the existing compliance framework (resulting in a combined ethics and compliance framework).
- We developed additional standards and guidance in order to support businesses in furthering their local implementations of ethics and compliance.
- We have provided ongoing communication and training to employees globally to raise awareness around the Code and the related group policies.
- We improved group compliance monitoring and reporting through data and technology.

Through these monitoring activities and numerous touchpoints with subsidiaries, we have noted that businesses have continued to make good progress in implementing and adapting the ethics and compliance framework locally.

In this financial year, group ethics and compliance was notified about five potential ethics and compliance-related incidents or investigations (these allegations related to incidents in scope of the compliance framework):

- two of these incidents were substantiated and remediated in the appropriate subsidiary
- one incident was not substantiated, and
- two allegations are still under investigation.

The Naspers board, risk committee and social, ethics and sustainability committee exercise oversight of ethics and compliance and the management of these risks across the group.

In the future

We continue to develop our ethics and compliance strategy to align with observations from monitoring activities, emerging risks, regulatory changes and best practices. Going forward, group ethics and compliance will continue to raise ethics and compliance awareness across the group. A key area of focus for the upcoming financial year will be strengthening our speak-up programme, as part of the ethics and compliance framework.

Assurance on the effectiveness of compliance management is received through a combined assurance model.

There were no material or repeated regulatory penalties, including General Data Protection Regulation (GDPR), sanctions or fines for contraventions of, or non-compliance with, statutory obligations. There were no inspections by environmental regulators that resulted in findings of non-compliance.

Encouraging whistleblowing through OpenLine

The group whistleblower platform is an important component of the group's ethics and compliance initiatives. Under the global whistleblower policy, employees are encouraged to report suspected unethical behaviour and matters contrary to the Code. Employees enjoy protection when they report such matters in good faith. The whistleblower facility (OpenLine) is a safe platform for employees to report suspected misconduct in the workplace, with the option to have their identity protected or to remain completely anonymous. All stakeholders can report suspected unethical behaviour and wrongdoing anonymously or confidentially.

The line operates globally, around the clock, with live answering. In addition, the facility offers the opportunity to report matters through a dedicated website, telephony services, email or postal service.

COUNT OF REPORTS BY FINANCIAL YEAR



INVESTIGATION OUTCOME



The OpenLine facility is independently managed by Navex Global (a global ethics and fraud hotline service provider).

The risk and audit function oversees the effective operation of OpenLine and, with compliance and human resources functions, ensures employees are sufficiently aware of its existence. The risk and audit function also monitors that reports are dealt with and independently investigated in line with the whistleblower policy. Where appropriate, risk and audit and/or external forensic consultants investigate reported matters.

Significant allegations and validated cases of wrongdoing are reported to the audit and risk committees. The social, ethics and sustainability committee also receives regular reports on whistleblower activity and ethics performance around the group.

This year there were 95 reports, compared to 35 the year before.

79 reports were reviewed, triaged and investigated, where warranted. Once the investigation process is concluded, reports are closed and feedback is provided to reporters. 17 reports are in progress, with relevant management and investigation teams, with oversight by the group risk and audit function. 72% of these reports are human resources-related. These reports are investigated by our in-country human resources specialist, with oversight by the group human resources function. 22% are related to internal controls and were investigated and monitored by our internal audit function.

Culture, ethics and compliance continued

We have also received several reports from customers which indicate OpenLine is available to broader stakeholders across the globe.

To support the board to fulfil its governance role, the Naspers risk committee receives reports on legal compliance – refer to the risk committee report in the full governance report.

Information and technology governance

Information and technology (I&T) governance is integrated into the operations of the Naspers businesses. Management of each subsidiary or business unit is responsible for ensuring effective processes on I&T governance are in place.

The risk committee assists the board in overseeing I&T-related matters. I&T governance is a standing point on its agenda and I&T objectives have been included in its charter. The committee considers the risk register, as well as reports on I&T from risk and audit, and our legal compliance function.

The group’s subsidiaries are required to act in line with the company’s good governance guidelines, which detail I&T governance-related matters.

Subsidiaries of each major entity are required to submit an annual formal written report on the extent to which they have implemented the principles, and chief executives and chief financial officers sign off on this.

Any notable exceptions are summarised and reported to the risk committee.

We continuously look at how we can better integrate people, technologies and processes. During our annual business-planning process, our businesses consider their platform requirements. The platform strategy starts from the business strategy and is translated into technical and process requirements.

Business continuity is included in the group’s risk register, which is reviewed and discussed by the risk committee twice a year and annually by the board. Business resilience is the key objective of our cybersecurity policy. The capability of businesses to respond to disruption is in-scope for risk and audit, bearing in mind the perspective of our customers and end users.

Operational boundaries to dealing with I&T are subject to the group’s code of business ethics and conduct, and legal compliance policy. Our risk management practices ensure that relevant risks

on the ethical and responsible use of I&T are identified and assessed. The social, ethics and sustainability committee oversees this area.

We run a privacy programme to ensure that personal data is stored and processed ethically and in compliance with applicable privacy laws, such as the GDPR in Europe. Risk and audit provides assurance to management, the audit committee and the board on the effectiveness of I&T governance. The detail of controls to manage identified risks and reduce vulnerability forms the basis of risk and audit’s assurance plans.

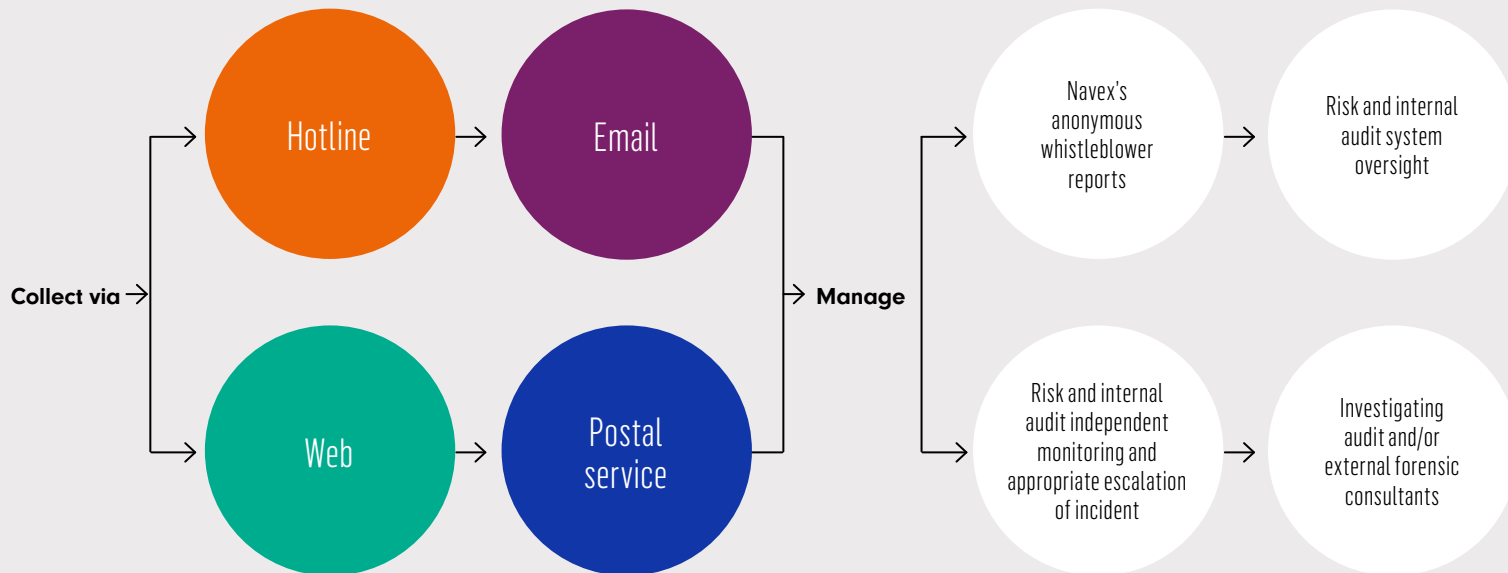
To support the board in fulfilling its governance role, the risk committee receives reports on I&T management – refer to the risk committee report in the full governance report.

In the future

Planned focus areas for I&T governance include developing and deploying data-driven technologies (such as ML), accounting for cybersecurity and data privacy by design.

For data acquisition and data processing undertaken in the context of our central ML team’s services to group companies, we have established internal guidelines and contractual measures to ensure compliance with applicable laws and integrating best practice. Ethical use of ML and AI is a rapidly developing field. We intend to enhance our guidelines in this area over time, based on our learnings and as best practice develops.

OpenLine process flow



Culture, ethics and compliance continued

Cybersecurity and data privacy

The Cybersecurity and technology resilience section on page 77 articulates our commitment to ensuring strong cybersecurity. Refer to the Data privacy and protection section on page 75 for our commitment, approach and progress made.

• [Read more on pages 75 and 77](#)

Internal control systems

Our system of internal controls in all material subsidiaries and joint ventures under Naspers's control aims to prevent or detect risks materialising and to mitigate any adverse consequences. The system provides reasonable assurance on achieving company objectives. This includes the integrity and reliability of the financial statements; safeguarding and maintaining accountability of its assets; and to detect fraud, potential liability, loss and material misstatements while complying with regulations. The directors representing Naspers on boards of entities where the company does not have a controlling interest, seek assurance that significant risks are managed and systems of internal control are effective.

Management, with assistance from risk and audit, regularly reviews risks and the design and operating effectiveness of internal controls seeking opportunities for improvement. The external auditor considers elements of the internal controls system and communicates deficiencies when identified.

The board reviewed the effectiveness of controls on key risks for the year ended 31 March 2021. This assurance was obtained principally through a process of management self-assessment, including formal confirmation via representation letters by executive management. Consideration was also given to other input, including reports from risk and audit, compliance and the risk management process. Where necessary, programmes for corrective actions have been initiated and progress is being monitored.

While we work towards continuous improvement of our processes and procedures regarding internal controls, systems and financial reporting, no major failings have occurred to the knowledge of the directors during the review period.

Risk and audit

A risk and audit function is in place for the group that aims to provide world-class support, including assurance, insights, solutions and ideas to help management protect and enhance value. The head of risk and audit reports to the chair of the audit committee, with administrative reporting to the financial director.

Our core competency lies in our risk-based IT and business process assurance work, the foundation of our department. We provide management with assurance on their risk management efforts, while realising where they are in terms of growth and maturity. In addition to the traditional assurance work, we provide risk support through an evolving portfolio of innovative consulting services and we are steadily moving beyond projects into ad hoc and continuous support for businesses. This includes the development of risk communities, in which risk specialists from all our businesses and associates can share ideas and lessons learned. In FY21, we continued to rapidly grow our inhouse teams based in Dubai, Amsterdam, Cape Town and Hong Kong. With the energetic and highly motivated talent on board, we can serve our global companies with quicker and more relevant results.

Intermittently (at least once every five years), the group's risk and audit submits itself to an external quality review by a qualified independent assessor to assess its conformance with the International Professional Practice Framework (IPPF) of the Institute of Internal Auditors. Such a review was concluded most recently in March 2021, resulting in the assessment rating 'Generally Conforms' to the commonly accepted standards for professional practice as defined in the IPPF. This is the highest rating achievable for such an assessment.

Among other aspects, risk and audit is responsible for providing a statement annually on the effectiveness of the group's governance, risk management and control processes to the board of directors and, to the audit committee specifically, of the results of its review of financial controls. In its periodic reports to the audit committee, risk and audit represents that the function continues to meet the commonly accepted standards for professional practice as defined in the IPPF standards and that it has remained independent from management.

Non-audit services

The group's policy on non-audit services provides guidelines on dealing with audit, audit-related, tax and other non-audit services that may be provided by the independent auditor to group entities. It also sets out services that may not be performed by the independent auditor.

The audit committee preapproves audit and non-audit services to ensure these do not impair the auditor's independence and comply with legislation. Under our guiding principles, the auditor's independence will be deemed impaired if the auditor provides a service where they:

- function in the role of management of the company, or
- audit their own work, or
- serve in an advocacy role for the company.

Relations with shareholders and investors

Investor relations

Naspers's investor relations policy can be found on www.Naspers.com. It describes the principles and practices applied in interacting with shareholders and investors. Naspers is committed to providing timely and transparent information on corporate strategies and financial data to the investing public. In addition, we consider the demand for transparency and accountability on our non-financial (or sustainability) performance. We recognise that this performance is based on the group's risk profile and strategy, which includes non-financial risks and opportunities.

The company manages communications with its key financial audiences, including institutional shareholders and financial (debt and equity) analysts, through a dedicated investor relations unit. Presentations and conference calls take place after publishing interim and full-year results.

A broad range of public communication channels (including stock exchange news services, corporate website, press agencies, news wires and news distribution service providers) are used to disseminate news releases. These channels are supplemented by direct communication via email, conference calls, group presentations and one-on-one meetings. Our policy is not to provide forward-looking information. Naspers also complies with legislation and stock exchange rules on forward-looking statements.

Closed periods

Naspers would typically be in a closed period on the day after the end of a reporting period (30 September or 31 March) until releasing results.

General investor interaction during this time is limited to discussions on strategy and/or historical, publicly available information.

Analyst reports

To enhance the quantity and quality of research, Naspers maintains working relationships with stockbrokers, investment banks and credit-rating agencies – irrespective of their views or recommendations on the group.

Naspers may review an analyst's report or earnings model for factual accuracy of information in the public domain but, in line with regulations and group policy, we do not provide guidance or forecasts.

The board encourages shareholders to attend the annual general meeting, notice of which appears in this integrated annual report, where shareholders have the opportunity to put questions to the board, management and chairs of the various committees.

The company's website provides the latest and historical financial and other information, including financial reports.

Annual general meeting

Naspers held its 106th annual general meeting in August 2020. Shareholders were encouraged to attend the annual general meeting and to ask questions at or in advance of the meeting.

In 2021, Naspers shall hold an annual general meeting. The external auditor is welcomed to the annual general meeting and is entitled to address the meeting. As questions asked at the Naspers annual general meeting tend to focus on business-related matters, governance and the remit of our board committees, the chief executive and the chief financial officer and the chairs of our board committees shall attend the Naspers annual general meeting.

The annual general meeting for Naspers will be held, in accordance with the notice of the annual general meeting contained in the integrated annual report.

Required majorities

Resolutions are usually adopted at Naspers general meetings by an absolute majority of votes cast, unless there are other requirements under the applicable laws or Naspers's memorandum of incorporation.

Right to hold and transfer shares

Naspers's constitutional documents place no limitations on the right to hold or transfer Naspers and/or Prosus ordinary listed shares. There are no limitations on the right to hold or exercise voting rights on the ordinary listed shares of Naspers imposed by South African law.

More information on the Naspers control structure can be found on page 186.

The full governance report can be found on www.naspers.com/investors/annual-reports.

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 Choi
- R Oliveira de Lima

Dear Shareholder

On behalf of the board, I am pleased to present our remuneration report, covering the 2021 financial year (FY21).

Covid-19

The global pandemic, which started at the beginning of FY21, has had a marked impact on the daily lives of global citizens and the economy at large. From the outset, our aim has been to preserve the health and wellbeing of our people. We have sought to manage the situation as well as we possibly could and at the same time, act responsibly for our shareholders. We took this responsibility into account when making executive remuneration decisions last year and for the coming year. Our company did not take any government aid and we did not furlough our people, regardless of the level of productive work available at the start of the financial year.

The executives and senior management did not receive a pay increase for FY21, however, given company performance, we were able to provide a mid-year pay review to our employees. The committee introduced a Covid-19 malus clause, allowing for discretionary downward adjustment of any FY21 STI payout if so deemed appropriate. LTI awards for executives and eligible employees were deferred by three months to September 2020, when clear performance was evidenced. Finally, the board did not apply the increase on non-executive directors' fees that was already approved by shareholders at the 2020 annual general meeting (AGM).

We entered the pandemic with financial strength and good momentum, and, competing in a sector that performed exceptionally well, we have exceeded our business plan and delivered financial performance ahead of the budget as originally set pre-Covid-19. This performance is reflected in our remuneration decisions. Our businesses recovered well from the initial impact of Covid-19 and are now fundamentally stronger than they were, going into the pandemic. The pandemic has accelerated activity in the consumer internet space, benefiting our businesses. We have seen particularly strong growth in Food Delivery, Etail, Edtech and online payments and, throughout the period, we continued to invest for long-term growth.

We refer to the People section on page 81 in the annual report, for further detail on our Covid-19-related community support and wider CSR initiatives.

Business performance¹

The group delivered strong results for the year ended 31 March 2021. Group revenue, measured on an economic-interest basis, grew 34% (32%) to US\$29.6bn, a meaningful acceleration of 17pp (9pp) on the same period last year. This was driven by ecommerce revenues which grew 46% (54%) year on year. Tencent contributed with healthy revenue growth of 32% (28%). Group trading profit grew 49% (45%) to US\$5.6bn. Tencent's contribution to the group's trading profit improved 33% (29%). Core headline earnings were US\$3.5bn - up 21% (15%), driven by improved profitability from our ecommerce units and the growing contribution from Tencent. Consolidated free cash outflow was US\$4m, a significant improvement on the prior

Key focus areas during the year

- Taking Covid-19 impact into account when making remuneration decisions, by withholding FY21 pay increases for CEO and direct reports, adding Covid-19 malus clause to senior management's STI and delaying LTI awards.
- Reflecting the business performance ahead of originally set pre-Covid-19 goals in the FY21 STI and FY22 remuneration decisions.
- Ensuring correct pay-for-performance mix is applied.
- Setting STI targets, including ESG goals, that are measurable, sufficiently stretched and linked to the group's strategy.
- Increasing weighting of PSUs in the LTI mix for executive directors, ensuring an even closer 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 external advice on non-executive directors' fees.

year's free cash outflow of US\$383m. This was driven by growth in our ecommerce unit's profitability, dividends received from Tencent of US\$458m (2020: US\$377m) and improved working capital management.

In recent years, we have progressively grown our portfolio of companies focused on education as part of our Ventures arm. On 1 April 2021, we split these out of Ventures into a formal Edtech segment, reporting separately.

¹ Numbers in brackets represent growth in local currency, excl M&A.

Remuneration report continued

Pay for performance

Paying for performance lies at the heart of the group's remuneration philosophy and is the primary driver for any review of remuneration, to be set at a level that allows the company to attract and retain the best executive talent.

The remuneration philosophy underpins the group's strategy and enables us to achieve our business objectives. Inherent to this philosophy is the desire to pay for performance, support an ownership mentality and entrepreneurial spirit in our teams around the world, and to align management compensation outcomes with the creation of shareholder value over time.

In our remuneration decisions, the committee takes into account business performance, the individual performance of the executive, the alignment with our shareholders' interests and the recognition of the executives' efforts towards maximising shareholder value over the longer term.

Our people – battle for global digital talent

Naspers operates in a fast-growing and ever-evolving industry and we must ensure that we are attracting and retaining the best digital talent in the world, which is in scarce supply. We are a global rather than a South African company, operating in a highly competitive international environment. Our main competitors for talent are not listed in Johannesburg or included in the Johannesburg Stock Exchange (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 United States (US)-listed companies in the consumer internet sector, which forms the basis of our executive remuneration benchmarking. A significant increase in investment activity in technology businesses is creating a high demand for digital talent in general and executive leaders in technology specifically. Competitive pay is an important part of our efforts to attract and retain global digital talent but it is not

the only consideration. We believe our people join us and stay because of the opportunity to do meaningful work where they have the opportunity to make a difference, to learn and grow.

We operate in well over 100 countries, focus on high-growth markets and invest in local, empowered teams with an ownership mentality. Our business moves fast as technology trends and consumer adoption change, and we run businesses that have broad potential, can address big societal needs and can attain market leadership over time.

Our people are at the heart of our success. The driven entrepreneurs with whom we partner, the digital leaders who drive us forward, the skills that our people bring to the group in highly specialised areas (eg technology, product design, machine learning, digital marketing and many other disciplines) all allow us to compete effectively. We operate in a highly competitive global market for this type of talent, and we compete against other world-class companies for the best talent.

Fair pay

Equality and consistency are embedded in our pay practices across the group as we continue to build our diverse and inclusive workplaces. We operate in high-growth economies where socio-economic disparity can be large and societal fairness is very important to us. We ensure that our pay practices around the world are fair, competitive and above minimum-wage standards. For further insights into our people practices, please refer to the People section on pages 81 to 87 of our integrated annual report.

Long-term focus

In our continued commitment to maximising shareholder value by incentivising the value creation at the core of our businesses, longer-term incentive awards (LTIs) were made to our executives. Performance share units (PSUs) continue to represent a significant proportion of the LTI granted to executive directors and in the coming year 60% of the LTI grant will be made in PSUs. PSUs will cliff-vest after three years and only if the key performance metric is met. The PSU threshold level of achievement is deliberately set at the 25th percentile as it is positioned with a very stretched total shareholder return (TSR) target against a

highly competitive set of comparator companies. Detail of our LTI programmes can be found on pages 122 and 123 of this remuneration report.

More than 92% of the executive directors' LTI is linked to long-term value creation in our core consumer internet businesses, excluding Tencent. PSUs and share appreciation rights (SARs) only reward for the increase of that underlying business value, which contributes to reducing the discount to net asset value (NAV), see note 2 in the annual financial statements. On page 124 of this report we provide further detail of our SARs valuations process and the performance of our ecommerce portfolio.

Voluntary share exchange offer

After the close of FY21, on Wednesday, 12 May 2021, Prosus announced its intention to implement a voluntary share exchange offer to Naspers shareholders. The transaction is expected to deliver immediate and longer-term value creation for both Naspers and Prosus shareholders, and right-size Naspers and Prosus on their respective exchanges. Full details of the proposed transaction are available at www.share-exchange-offer.com.

It should be noted that our executive directors continue to be compensated based on Naspers performance and that the majority of unvested PSUs and SOs sits in Naspers shares. Over time, we aim to gradually re-balance PSU and SO awards between Naspers and Prosus shares, aligned with the free float ownership in Naspers and Prosus. The voluntary share exchange offer to Naspers shareholders, which is subject to approval, is expected to double the Prosus free float's economic interest in the group's underlying assets. In this context, shifting the balance of LTI to Prosus is well aligned to shareholder interests.

Our stakeholder engagement

The committee takes into consideration the feedback that we receive via our employee engagement surveys. We engage openly and frequently and take extensive input from our investors and advisers, to demonstrate clearly the link between Naspers's strategy, business performance and our remuneration philosophy. This year alone we have engaged in 25 investor meetings dedicated to remuneration. We strive for a higher level of N

Structure of report

In compliance with the King IV Report on Corporate Governance^{TM2} in South Africa 2016 (King IV), 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 118](#)

2. Implementation of the remuneration policy:

Sets out information on how we implemented our policy for FY21.

[Read more on page 126](#)

We close with an Additional information section on page 142.

It is noted that all remuneration is presented on a full-year basis and at 100%, including the cost that is apportioned to Prosus.

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. Please refer to page 125 for further details of changes we have made in response to shareholder feedback.

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

Craig Enenstein

Chair: Human resources and remuneration committee

19 June 2021

- When referring to financial results, adjustments have been made for the effects of foreign currencies and acquisitions and disposals to reflect underlying trends. These adjustments (pro forma financial information) are quoted in brackets after the equivalent metrics reported under International Financial Reporting Standards (IFRS).

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 and as much as possible, the structure of our pay is consistent, regardless of the seniority of the employee, ensuring equality of pay 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



We believe in **pay for performance**: we are comfortable with bigger rewards for those that make the highest contribution



Remuneration must be **aligned with shareholder outcomes**



Remuneration must incentivise the **achievement** of strategic, operational, sustainability and financial objectives, in both the short and longer term



We are **consistent**: our reward package elements are broadly the same, regardless of seniority*



Our reward systems must help us attract and retain the best talent around the world in a **fair and responsible** way

Fair

- Equitable: Free from discrimination
- Relevant: Linked to personal and company performance
- Rational: Easy to explain

Responsible

- Independent: With oversight, top-down via board
- Managed: All employee pay decisions are properly overseen
- Considered: Judgement is applied; we shy away from formulaic appraisals that could lead to unacceptable outcomes
- Sustainable: Remuneration designed with sustainability in mind

We strive to deliver fair and consistent remuneration across all our business operations and this includes permanent and temporary employees, contractors, consultants and trainees.

We run regular pay-equality analyses and perform calibrations across the group as a standard process before (annual) reward decisions are taken.

* Some employees do not receive LTIs.

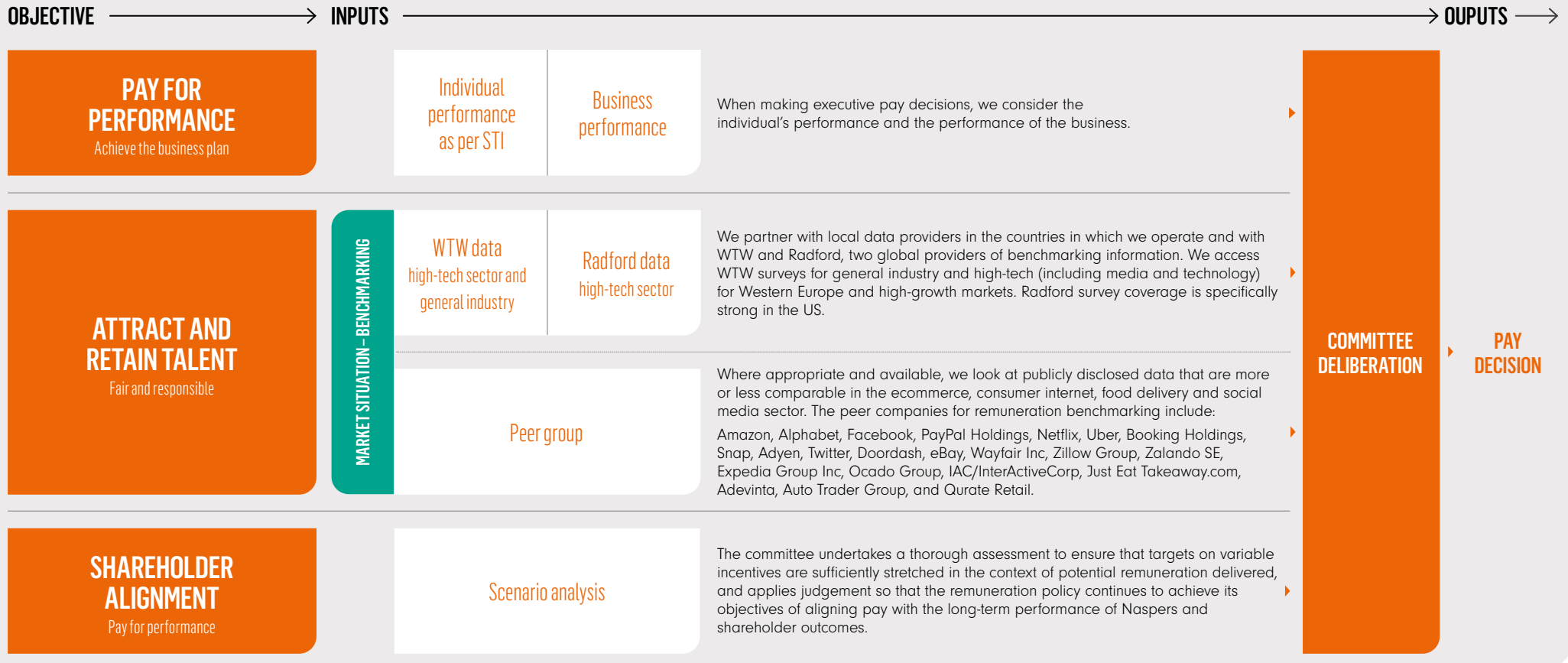
Background and policy continued

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. 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.

Making executive pay decisions



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 CEOs other direct reports.

Pay elements		Our pay design links to our pay principles				
		Pay for performance	Shareholder alignment	Incentivisation	Consistency	Attract and retain talent
Base salary	<ul style="list-style-type: none"> Fixed pay, reflects the contribution of the individual and market value of the role. Paid monthly in cash. Benefits typically include pension, medical insurance and life and disability insurance. Fixed pay may be reviewed annually; any increase is typically effective from 1 April each year. Note: Due to Covid-19, the CEO and his direct reports did not receive any FY21 pay increase. 					
STI Annual performance-related incentive	<ul style="list-style-type: none"> Discretionary annual performance-related incentive. Performance measures tailored to 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, including and excluding Tencent. Strategic and operational goals include additional financial performance metrics for the underlying businesses. Target and maximum bonus opportunity are the same (no payout for over-performance against the target), 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 opportunity. Any STI payout is made in cash. The committee may apply judgement with discretion to make appropriate adjustments to the annual bonus. 					
LTI – PSUs	<ul style="list-style-type: none"> PSUs are designed to incentivise the increase in the value of internet businesses (excluding Tencent and Mail.ru) and deliver superior returns to shareholders. Three-year cliff-vesting, subject to the achievement of the performance condition. Performance condition (for FY20, FY21, FY22 grants): 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 122. 					
LTI – 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 124 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 SOs	<ul style="list-style-type: none"> Share options (SOs): Any gains are based on the growth in share price over a four-year period. Implicit 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 directors' remuneration FY21

The table below shows a single figure of remuneration and implementation of the remuneration policy in FY21 for the executive directors. Further details are outlined in the Implementation section of this report on pages 126 to 141.

Executive director	US\$'000	Fixed remuneration ¹	STI ²	Variable remuneration			Pension	Other benefits ⁵	Total remuneration ⁶	Proportion of fixed and variable remuneration
				LTI ^{3,4}						
				PSUs	SARs	SOs				
Bob van Dijk, CEO		1 448	1 424	8 100	4 535	1 012	95	47	16 661	9%/91%
Basil Sgourdos, CFO		1 143	1 143	4 800	2 687	600	90	19	10 482	11%/89%

Executive director	EUR'000	Fixed remuneration ¹	STI ²	Variable remuneration			Pension	Other benefits ⁵	Total remuneration ⁶	Proportion of fixed and variable remuneration
				LTI ^{3,4}						
				PSUs	SARs	SOs				
Bob van Dijk, CEO		1 235	1 214	6 901	3 863	862	81	40	14 196	9%/91%
Basil Sgourdos, CFO		975	975	4 089	2 289	511	77	16	8 932	11%/89%

1 The CEO and his direct reports did not receive pay increases in FY21.

2 Actual payout over FY21 performance; achievement of STI goals is shown on pages 129 and 130 of this remuneration report.

3 Represents the grant date fair value of awards made during FY21, 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. The figure disclosed in the 2020 remuneration report was estimated and therefore differs slightly from the figure reported in this table.

4 The IFRS 2 expense recognised for unvested and vested but unexercised LTI awards as at 31 March 2021 is US\$155.4m (EUR132.8m) for the CEO and US\$18.9m (EUR16.1m) for the CFO. The total IFRS 2 expense is shown in note 18 – related party transactions and balances (executive directors remuneration) of the financial statements. The value, effective March 31st 2021 reflects strong business performance, ahead of the budget as originally set pre-Covid-19 which resulted in a fair value uplift of the outstanding awards in the Global Ecommerce SAR plan.

5 Medical insurance, life and disability insurance.

6 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.

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, SOs or SARs:

- 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 comprise 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' 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 have 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, 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 this page).

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 FY21, 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 124.

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 on page 123. Based on an interim assessment that the committee conducted against a set of indices, including the Stoxx600 and MSCI Emerging Markets, the selected peer group greatly outperforms the indices. It shows the target-setting against the peer group to be sufficiently stretched.

Blend of LTI (% in the FY21 mix)	PSU (60%)	Global Ecommerce SAR (32.5%)	SOs (7.5%)
Plan characteristics	A performance share award that is transferred to participants after time restrictions have passed, subject to the performance condition being met. Cliff-vesting at the end of three years.	A right to benefit from any increase in value of the business unit over which an award is made. Vests over four years.	A right to buy a company share at a pre-agreed price. Vests over four years.
Performance	Three-year performance condition of the Global Ecommerce SAR scheme CAGR relative to a high-performing industry peer group ¹ . Any potential gains are driven by achieving value growth in the underlying consumer internet assets (excluding Tencent and Mail.ru).	Embedded with an implicit 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 and Mail.ru) between grant and vesting/exercise.	Embedded with an implicit performance hurdle as there is no value to be gained unless there is an increase in share value between grant and vesting/exercise.
Settlement	Depending on the achievement against performance condition, between 0% and 200% of the awarded PSUs may vest and Naspers ² shares are delivered ³ on vesting.	Gains, if any, are settled in cash.	Upon exercise, SOs are settled in Naspers shares ^{2, 5} .
Focus on longer-term value	Value driven by longer-term projections.	Valuation (by third party) driven by longer-term projections ⁴ .	Market cap represents longer-term value.
Alignment with shareholder interests	Performance condition incentivises creating value in the underlying internet business, closing discount to NAV.	Incentivises value creation in underlying internet business (excluding Tencent and Mail.ru).	Aligned with shareholders incentivise management to reduce the discount to NAV.

¹ Please see page 123 for the current PSU peer group.

² Over time, settlement of PSU and SO awards will gradually be rebalanced between Prusus and Naspers shares, aligned with the free float ownership in Prusus and Naspers (subject to obtaining requisite approval to amend the remuneration policy).

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 124 for further detail on the valuation process.

Background and policy

continued

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 FY21 PSU grant, the TSR peer group consists of Amazon, Alphabet, Facebook, PayPal Holdings, Netflix, Square, Booking Holdings, Snap, Adyen, Twitter, eBay, Wayfair Inc, Zillow Group, Zalando SE, Expedia Group Inc, Ocado Group, IAC/InterActiveCorp, Just Eat Takeaway.com¹, Adevinta, Auto Trader Group, and Qurate Retail. For FY22 PSU grants, the peer group will also include Deliveroo and Doordash.

How our LTI schemes incentivise management to reduce the discount to NAV

Our LTI is designed to reward management on disciplined capital allocation decisions, growing and bringing our Global Ecommerce assets to profitability and ensuring that the Global Ecommerce portfolio, excluding Tencent and Mail.ru, delivers returns to shareholders. This addresses an important driver of the discount to NAV at Naspers and Prosus sustainably over the long term.

PSUs made up 60% of the LTI allocation this year. It measures the TSR of the Global Ecommerce portfolio over a three-year period against a highly competitive basket of global technology peers. This incentivises management to grow TSR ahead of globally competitive peers.

SARs made up 32.5% of this year's LTI allocation and reward management for scaling and improving the profitability of the Global Ecommerce portfolio. The group's Global Ecommerce portfolio comprises all internet businesses with the exception of Tencent and Mail.ru. The largest components are Naspers's Classifieds, Food Delivery, Payments and Fintech, Etail and Ventures operations. Increasing and crystallising the value of the Global Ecommerce portfolio is key to reducing the discount to NAV over the long term.

Lastly, the Naspers SOs accounted for 7.5% of the LTI allocation this year. It incentivises disciplined capital allocation decisions for the long-term sustainability of the group and directly exposes executives to the discount to NAV. Unlocking the value that lies between the market capitalisation and net asset value of our portfolio will create significant value to shareholders.

The listing of Prosus in September 2019, is a good example of action taken to unlock value for our shareholders. As well as creating a solid platform for the group's growth, it was also designed to reduce Naspers's weight on the JSE, which had been caused by the group's strong performance compared to its peers. Naspers's overweight size on the JSE has contributed to the widening of the holding company discount to NAV due to forced selling of Naspers stock by funds who have to stay below single stock exposure limits. The listing of Prosus did reduce the weight of Naspers on the JSE, but the group's outperformance since then has again increased Naspers's weight on the JSE. The proposed voluntary share exchange offer to Naspers shareholders that Prosus announced after the close of FY21 is designed to create immediate and long-term value for shareholders. It is also designed to sustainably right-size Naspers and Prosus on their exchanges, sustainably reducing Naspers's weight on the JSE, giving the group the headroom it needs for our continued growth.

We continue to work hard at executing measures that will reduce the consolidated discount to NAV. We remain committed and incentivised to continue on this journey for the long-term value creation of the group.

¹ The peer group for the FY21 PSU grant initially included GrubHub Inc, but was eliminated from the peer group following the acquisition by Just Eat Takeaway.

Background and policy

continued

Valuations

The Global Ecommerce portfolio

The performance of SARs and PSUs are 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 2021 LTI allocation and excludes the performance of Tencent and Mail.ru.

Methodology

The valuation is an amalgamation of a number of individual schemes and assets which are valued annually by an independent 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.

When employing a DCF methodology, the valuer uses assumptions for cash generation, discount rates and long-term growth. These valuations assess progress and value creation and should not be viewed as an approximation of the market value of our portfolio. Instead, they serve as a critical component of a comprehensive compensation vehicle designed to align management performance and compensation, excluding Tencent and Mail.ru, 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.

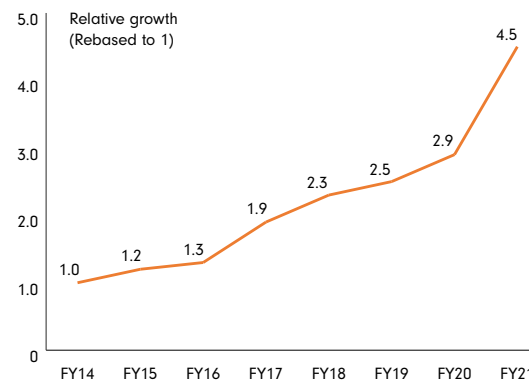
Figure 1 – Governance of our valuation process



Figures 2 and 3
Ecommerce portfolio and SARs performance

	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\$)	35.95	41.47	64.28
Number of shares	13 102 799	13 351 913	15 210 390

Global Ecommerce SAR Plan (US\$)



Background and policy

continued

Governance

Recruitment policy

On the appointment of a new executive director, their package will typically be in line with the policy as outlined above. 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 automatic 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 senior management, 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 senior management member. In the financial year ended on 31 March 2021, no malus and/or clawback was applied to any remuneration of the executive directors and senior management.

Service contracts

Executive directors' contracts comply with terms and conditions in the 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

Bob van Dijk is a non-executive director of Booking Holdings Inc.

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

Adjustment to the shareholding requirement for the CEO

To reflect the balance of the underlying value of the economic interests between Naspers and Prosus, the CEO will be required to maintain a Naspers shareholding of 7.25 times his annual salary and a Prosus shareholding of 2.75 times his annual salary. He will be required to rebalance 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.

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 a benchmarking exercise which considers international comparators in the consumer internet and media sectors, and 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 clear procedures for appointing and orienting directors. The nomination 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 nomination 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

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 voting

During the 2021 financial year, we actively listened to our shareholders' views on remuneration. This year alone we have engaged in 25 investor meetings dedicated to remuneration. We thank them for their input and support.

The shareholders advisory vote on the remuneration report for FY20 has been taken into account by further enhancing the disclosures. We have outlined the committee's decision process on page 122 and added a section on valuations on page 124 in this remuneration report. A remuneration section is included on our investor pages at www.naspers.com, including a video on the questions-and-answers section 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 FY21 and how we intend to operate it during FY22. All decisions in relation to executive remuneration have been made in line with our remuneration policy for this financial year and with the global impact of the Covid-19 pandemic in mind.

Our strategy	<ul style="list-style-type: none"> • Building businesses with big potential to address societal needs. • Achieving leadership positions in high-growth markets. • Partnering with local teams and entrepreneurs.
Our business priorities	<ul style="list-style-type: none"> • Classifieds • Food Delivery • Payments and Fintech • Etail • Ventures
Our financial highlights¹ <small>(all figures from continuing operations)</small>	<ul style="list-style-type: none"> • Revenue: US\$29.6bn, up 34% (32%). • Trading profit: up 49% (45%) to US\$5.6bn. • Core headline earnings, the board's measure of sustainable operating performance: up 21% (15%) on last year at US\$3.5bn.
Our operating highlights¹	<ul style="list-style-type: none"> • Ecommerce Ecommerce revenue grew 46% (55%) to US\$6.8bn, led by 98% (127%) growth in Food Delivery and 63% (57%) growth in Etail (online retail). In addition, our Classifieds, and Payments and Fintech segments reported solid results on the back of a sharp recovery to pre-Covid-19 levels in the second quarter as governments eased lockdown regulations. • Classifieds Our Classifieds segment was most impacted by the global pandemic. We responded quickly by providing digital alternatives and investing in our customer relationships by offering discounts. Despite continued business disruptions from pandemic-related restrictions in many of our markets in the second half, Classifieds maintained strong growth. Classifieds revenue grew 24% (18%) to US\$1.6bn. This reflects the strong recovery in the second half, where revenues in local currency (excluding M&A) grew 36% compared to -4% in the first half of FY21. • Food Delivery Our portfolio companies gained scale during the year and we believe post-pandemic prospects for on-demand food delivery remain positive worldwide. Revenue for the period grew 98% (127%) to US\$1.5bn, driven by higher GMV and increased orders. Trading losses also improved meaningfully, with losses for the year declining by US\$269m. • Payments and Fintech PayU's revenue grew 35% (36%) to US\$577m and trading losses remained flat for the year at US\$68m compared to US\$67m in the prior year. Increased profitability from the payments service provider (PSP) business partially offset continued investment in the credit business. PayU continues to benefit across its markets from the shift in consumer behaviour to transacting online, and small and medium-sized enterprises (SMEs) digitising their business models. Total payment value (TPV) was US\$55bn, up 45% (51%), supported by a 38% increase in number of transactions. • Etail Revenue grew 63% (57%) to US\$2.9bn and trading profit grew to US\$61m from a loss of US\$63m in the prior year.
Remuneration outcome FY21	<p>We have exceeded our business plans and delivered financial performance ahead of the budget as originally set pre-Covid-19. The next page contains information on the annual change of CEO compensation linked to the performance of the company, as well as the FY21 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 129 and 130.</p>

¹ Numbers in brackets represent growth in local currency, excluding M&A.

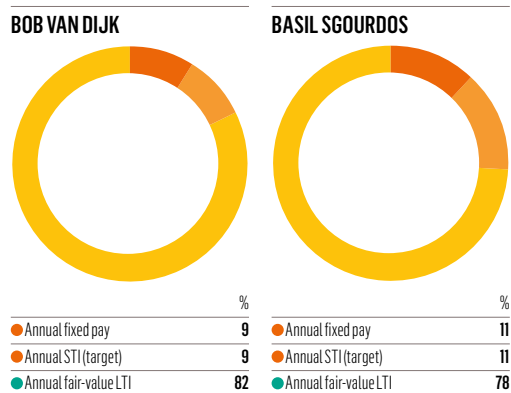
Implementation of remuneration policy continued

Compensation is substantially 'at risk' and longer term

Executive directors' remuneration is designed to drive the long-term success of the company. In FY21, the CEO remuneration comprised of 91% variable pay; for the CFO that was 89%.

Of the executives' FY21 LTI awards, 92.5% was geared towards PSUs and SARs, which incentivise core-business-value growth, excluding Tencent and Mail.ru.

Figure 1
Fixed salary, STI and LTI for each executive as at 31 March 2021



Business performance and remuneration outcomes

Figure 2
CEO remuneration versus company performance

	FY21	FY20	CAGR
CEO remuneration			
Cash ¹ year-on-year change	5%	9%	7%
LTI ² year-on-year change	3%	28%	15%
Company performance			
Organic revenue growth ³	32%	23%	27%
Organic revenue growth ³ (excluding Tencent)	48%	29%	37%
Ecommerce share price growth	55%	15%	34%

1 Base salary + benefits + actual bonus payout, using the currency (EUR) in which the CEO is paid. Note, there was no base pay increase in FY21.
 2 Fair value at grant, using the currency (USD) in which we grant LTIs.
 3 Metric excluding impact of foreign exchange (FX) and mergers and acquisitions (M&A).

Single-figure table FY21 remuneration

Table 1 shows a single figure of remuneration and the implementation of the remuneration policy in FY21 for the executive directors.

Executive director	US\$'000		Variable remuneration			Pension	Other benefits ⁵	Total remuneration ⁶	Proportion of fixed and variable remuneration
	Fixed remuneration ¹	STI ²	LTI ^{3,4}						
			PSUs	SARs	SOs				
Bob van Dijk, CEO	1 448	1 424	8 100	4 535	1 012	95	47	16 661	9%/91%
Basil Sgourdos, CFO	1 143	1 143	4 800	2 687	600	90	19	10 482	11%/89%

Executive director	EUR'000		Variable remuneration			Pension	Other benefits ⁵	Total remuneration ⁶	Proportion of fixed and variable remuneration
	Fixed remuneration ¹	STI ²	LTI ^{3,4}						
			PSUs	SARs	SOs				
Bob van Dijk, CEO	1 235	1 214	6 901	3 863	862	81	40	14 196	9%/91%
Basil Sgourdos, CFO	975	975	4 089	2 289	511	77	16	8 932	11%/89%

1 The CEO and his direct reports did not receive a pay increase in FY21.
 2 Actual payout over FY21 performance, per achievement of STI goals, is shown on pages 129 and 130 of this remuneration report.
 3 Represents the grant date fair value of awards made during FY21 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. The figure disclosed in the 2020 remuneration report was estimated and therefore differs slightly from the figure reported in this table.
 4 The IFRS 2 expense recognised for unvested and vested but unexercised LTI awards as at 31 March 2021 is US\$155.4m (EUR132.8m) for the CEO and US\$18.9m (EUR16.1m) for the CFO. The total IFRS 2 expense is shown in note 18 - related party transactions and balances (executive directors remuneration) of the financial statements. The value, effective March 31st 2021 reflects strong business performance, ahead of the budget as originally set pre-Covid-19 which resulted in a fair value uplift of the outstanding awards in the Global Ecommerce SAR plan.
 5 Medical insurance, life and disability insurance.
 6 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.

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 have the opportunity to make a difference, to 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, Russia, Brazil, Central and Eastern Europe and South Africa. On a global level, the CEO pay ratio versus employees (including LTI) would be 323:1 (FY20: 333:1). However, we do not consider that an appropriate measure of fairness given the widely different pay levels that are observed in the countries where we operate.

Also, as shown on page 127 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 77:1 (FY20: 74:1) globally.

The ratios are obtained by dividing the FY21 total remuneration for the CEO by the FY21 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 29 on page 113 of the consolidated annual 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, trainees and job applicants. 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.

Remuneration – response to Covid-19

We delivered financial performance ahead of the budget originally set pre-Covid-19, but at the onset of Covid-19 in 2020 we took the decision not to increase pay for the executives and senior management.

For employees below that level, pay reviews were postponed until we had more certainty on business performance. Following our half-year results where we reported a strong business performance, having recovered well from an uncertain first quarter, we were able to do a mid-year pay review for our employees.

The committee introduced a Covid-19 malus clause, allowing for discretionary downward adjustment of any FY21 STI payout if so deemed appropriate.

LTI awards for executives and eligible employees were deferred by three months to September 2020.

STI – FY21 goals and achievements

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

It is noted that in FY21 a specific goal on holding company discount to NAV was added to the STI objectives for the CEO, aligned with the goals for the CFO and to shareholder interest.

The minimum STI payout was 0% of base salary. The target and maximum STI opportunity are the same at 100% of base salary, ie 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 original business plan for FY21 and were not adjusted in-year, despite volatility due to Covid-19, particularly in the first quarter. We have delivered financial performance ahead of our business plan as originally set pre-Covid-19.

We disclose the STI goals and achievements for FY21. STI goals are reflective of the annual business plan and many goals are representative of a multi-year effort, eg to win new markets or increase our customer base. We believe that showing our competitors details of the goal targets before the financial year is not in the best interest of our shareholders. However, we have highlighted in the integrated annual report any metrics or developments for FY21 and FY22 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. Operational performance measures include financial objectives on the underlying business' performance.

It is noted that assessment of the financial goal achievement excludes M&A.

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. Once scale is reached, profitability follows. 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.

Further details can be found in the 2021 integrated annual report on page 18.

Implementation of remuneration policy continued

Outcomes of STIs

We entered the pandemic with financial strength and good momentum, and, competing in a sector that performed exceptionally well, we have exceeded our business plan and delivered financial performance ahead of the budget as originally set pre-Covid-19. The outcomes as shown in figure 1 on this page and figure 1 on page 130 resulted in annual bonus payout levels of €1 214 094 or 98.3% of base salary for Bob van Dijk and US\$1 143 182 or 100% of base salary for Basil Sgourdos.

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

Figure 1 – FY21 goals and achievements

BOB VAN DIJK

Maximum STI opportunity: 100% base salary

✓ Achieved ✗ Not achieved

Group financial goals	Weighting %	Description	Further info can be found in the annual report on page	Outcome	Actual payout
● Revenue	10.0	Achieve revenue target (on an economic-interest basis and excluding M&A).	62	✓	€123 467
● Core headline earnings (including Tencent) ¹	15.0	Achieve core headline earnings at target, including Tencent.	62	✓	€185 201
● Core headline earnings (excluding Tencent) ¹	15.0	Achieve core headline earnings at target, excluding Tencent.	62	✓	€185 201
● Free cash flow	10.0	Achieve free cash outflow at target.	62	✓	€123 467
	50.0				€617 336
Strategic, operational and ESG goals	Weighting %	Description	Further info can be found in the annual report on page	Outcome	Actual payout
● Classifieds	12.5	Deliver organic topline growth and organic trading profit growth at target.	32	✓	€154 334
● Food Delivery	15.0	Deliver on targets related to revenue, order volume, organic revenue growth and manage incremental year on year spent on total Food Delivery.	36	✓	€185 201
● Payments and Fintech	5.0	Deliver organic revenue growth target and organic trading loss improvement.	42	✓*	€41 156
● Holding company discount ²	10	Continue to engage with shareholders and taking into account their feedback, develop proposals to address the holding company discount to NAV.	25	✓	€123 467
● Business sustainability: Machine learning (ML) and artificial intelligence (AI)	2.5	Continue to build our AI capabilities by increasing the number of ML modules in production.	79	✓	€30 867
● Business sustainability: Diversity and inclusion	2.5	Increase focus on diversity and inclusion throughout the group, measured through employee engagement survey.	85	✓	€30 867
● Business sustainability: Data privacy and security	2.5	Documented approach across the group to address privacy and security at the design phase for new products and services, consistent with the group's policies on data-privacy governance and cybersecurity.	75	✓	€30 867
	50.0				€596 758

¹ Core headline earnings is an alternative performance measurement. Please refer to 'Other information - non-IFRS financial measures and alternative performance indicators' on page 124 of the integrated annual report.

² In FY21 a specific goal on holding company discount to NAV was added to the STI objectives for the CEO, aligned with the goals for the CFO and to shareholder interest.

* The following target for Payments and Fintech was achieved: Organic revenue growth and organic trading loss improvement

Implementation of remuneration policy continued

Figure 1 – FY21 goals and achievements

BASIL SGOURDOS

Maximum STI opportunity: 100% of base salary

✓ Achieved ✗ Not achieved

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	12.5	Achieve core headline earnings at target, including Tencent.	62	✓	US\$142 898
● Core headline earnings (excluding Tencent) ¹	12.5	Achieve core headline earnings at target, excluding Tencent.	62	✓	US\$142 898
● Free cash flow	25.0	Achieve free cash outflow at target.	62	✓	US\$285 796
	50.0				US\$571 591

Strategic, operational and ESG goals	Weighting %	Description	Further Info can be found in the annual report on page	Outcome	Actual payout
● Holding company discount	15.0	Continue to engage with shareholders and taking into account their feedback, develop proposals to address the holding company discount to NAV.	25	✓	US\$171 477
● Taxation	12.5	Effective taxation strategy and policy to address changes in global tax frameworks.	95	✓	US\$142 898
● Investor relations	5.0	Increase focus on ESG, deliver effective communication and improve shareholder targeting.	72	✓	US\$57 159
● Group finance	10.0	Deliver more effective processes that improve our financial capabilities. Deliver group auditing rotation process.	Full governance report page 22	✓	US\$114 318
● Governance, internal audit and risk management	2.5	Ensure that effective systems of internal control are operated throughout the group's controlled entities.	98	✓	US\$28 580
● Business sustainability: Team and talent	5.0	Progress on diversity and inclusion initiatives and develop a structured finance learning strategy.	85	✓	US\$57 159
	50.0				US\$571 591

¹ Core headline earnings is an alternative performance measurement. Please refer to 'Other information - non-IFRS financial measures and alternative performance indicators' on page 124 of the integrated annual report.

Implementation of remuneration policy continued

LTI over FY21

LTI awards comprise 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'.

In table 1 below and table 1 on page 133, we have set out information on unvested LTI, including awards made during FY21 as well as awards that have vested during FY21. Details of the group's LTI schemes settlement are disclosed in note 44 on page 147 of the annual financial statements at www.naspers.com.

Table 1 – Overview of LTI awards for Bob van Dijk

Bob van Dijk	Main conditions of share plans					Number of unvested awards ¹				Value in US\$	
	Performance metric	Award date	Vesting date(s)	Expiry date	Strike price of option/SAR	Opening balance 1 April 2020 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2021 (unvested)	Potential gain of awards vested during the year at vesting date ²	Fair value of unvested awards 31 March 2021 ³
Naspers Performance Share Units (PSUs)	Three years cliff - TSR	09/09/2019	30/06/2022	n/a	-	24 527	-	-	24 527	-	8 589 147
		21/09/2020	21/09/2023	n/a	-	-	48 302	-	48 302	-	11 544 357
		Subtotal				24 527	48 302	-	72 829	-	20 133 504
Naspers Global Ecommerce Share Appreciation Rights (SARs)	Four-year measurement of value growth of ecommerce business units	15/08/2017	15/08/2020	15/08/2027	27.25	146 789	-	(146 789)	-	2 238 532	-
		15/08/2017	15/08/2021	15/08/2027	27.25	146 789	-	-	146 789	-	5 435 597
		15/08/2017	15/08/2022	15/08/2027	27.25	146 789	-	-	146 789	-	5 435 597
		08/09/2017	08/09/2020	08/09/2027	27.60	35 051	-	(35 051)	-	487 910	-
		08/09/2017	08/09/2021	08/09/2027	27.60	35 051	-	-	35 051	-	1 285 671
		08/09/2017	08/09/2022	08/09/2027	27.60	35 055	-	-	35 055	-	1 285 817
		25/06/2018	25/06/2020	25/06/2028	33.57	104 608	-	(104 608)	-	787 698	-
		25/06/2018	25/06/2021	25/06/2028	33.57	104 608	-	-	104 608	-	3 212 512
		25/06/2018	25/06/2022	25/06/2028	33.57	104 610	-	-	104 610	-	3 212 573
		16/07/2019	16/07/2020	16/07/2029	36.70	109 208	-	(109 208)	-	538 395	-
		16/07/2019	16/07/2021	16/07/2029	36.70	109 208	-	-	109 208	-	3 011 957
		16/07/2019	16/07/2022	16/07/2029	36.70	109 208	-	-	109 208	-	3 011 957
		16/07/2019	16/07/2023	16/07/2029	36.70	109 208	-	-	109 208	-	3 011 957
		21/09/2020	21/09/2021	21/09/2030	41.98	-	62 571	-	62 571	-	1 395 333
		21/09/2020	21/09/2022	21/09/2030	41.98	-	62 571	-	62 571	-	1 395 333
		21/09/2020	21/09/2023	21/09/2030	41.98	-	62 571	-	62 571	-	1 395 333
		21/09/2020	21/09/2024	21/09/2030	41.98	-	62 572	-	62 572	-	1 395 356
Subtotal					1 296 182	250 285	(395 656)	1 150 811	4 052 535	34 484 993	

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 2020 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2021 (unvested)	Potential gain of awards vested during the year at vesting date ²	Fair value of unvested awards 31 March 2021 ³
Naspers N Share Options (SOs)	Four-year share price growth	05/07/2016	05/07/2020	05/07/2026	2 056.88	49 302	-	(49 302)	-	7 980 695	-
		05/07/2016	05/07/2021	05/07/2026	2 056.88	49 302	-	-	49 302	-	10 403 179
		08/09/2017	08/09/2020	08/09/2027	2 755.72	12 932	-	(12 932)	-	1 339 531	-
		08/09/2017	08/09/2021	08/09/2027	2 755.72	12 932	-	-	12 932	-	2 117 178
		25/06/2018	25/06/2020	25/06/2028	3 100.99	15 285	-	(15 285)	-	1 453 512	-
		25/06/2018	25/06/2021	25/06/2028	3 100.99	15 285	-	-	15 285	-	2 145 261
		25/06/2018	25/06/2022	25/06/2028	3 100.99	15 287	-	-	15 287	-	2 145 542
		16/07/2019	16/07/2020	16/07/2029	3 494.00	3 958	-	(3 958)	-	321 354	-
		16/07/2019	16/07/2021	16/07/2029	3 494.00	3 958	-	-	3 958	-	450 240
		16/07/2019	16/07/2022	16/07/2029	3 494.00	3 958	-	-	3 958	-	450 240
		16/07/2019	16/07/2023	16/07/2029	3 494.00	3 961	-	-	3 961	-	450 581
		21/09/2020	21/09/2021	21/09/2030	2 827.88	-	3 552	-	3 552	-	169 184
		21/09/2020	21/09/2022	21/09/2030	2 827.88	-	3 552	-	3 552	-	169 184
		21/09/2020	21/09/2023	21/09/2030	2 827.88	-	3 552	-	3 552	-	169 184
		21/09/2020	21/09/2024	21/09/2030	2 827.88	-	3 552	-	3 552	-	169 184
		Subtotal				186 160	14 208	(81 477)	118 891	11 095 092	18 838 957
		Total				1 506 869	312 795	(477 135)	1 342 531	15 147 627	73 457 454

- The aggregate number of vested but unexercised SARs and SOs for Bob is 5 343 625 (2020: 4 947 969) and 1 003 928 (2020: 922 451) respectively. The aggregated cash-settled liability of vested unexercised SARs is included in the aggregated cash-settled liability in note 44 of the financial statements on page 162. The share-based payment reserve of vested but unexercised SOs is included in the aggregate retained earnings balance shown on page 32.
- The potential gain of awards vested in FY21 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 FY21. 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 1 Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. It is noted that PSUs awarded in September 2020 will not vest until September 2023. SAR and SO offers made prior to 1 April 2018 vests over 5 years and would be measured over 5 years' growth.
- The fair value of unvested awards on 31 March 2021 is calculated by taking the difference between the closing share price on 31 March 2021 and the offer price (if applicable) and multiplying that difference by the number of unvested SOs/SARs/PSUs as at 31 March 2021 and assuming 100% vesting for PSUs. 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 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.

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 2020 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2021 (unvested)	Potential gain of awards vested during the year at vesting date ²	Fair value of unvested awards 31 March 2021 ³
Naspers Performance Share Units (PSUs)	Three years cliff – TSR	09/09/2019	30/06/2022	n/a	-	12 718	-	-	12 718	-	4 453 736
		21/09/2020	21/09/2023	n/a	-	-	28 623	-	28 623	-	6 841 003
		Subtotal				12 718	28 623	-	41 341	-	11 294 739
Naspers Global Ecommerce Share Appreciation Rights (SARs)	Four-year measurement of value growth of ecommerce business units	17/09/2015	17/09/2020	17/09/2025	18.59	9 685	-	(9 685)	-	221 109	-
		29/08/2016	29/08/2020	29/08/2026	20.45	32 599	-	(32 599)	-	687 187	-
		29/08/2016	29/08/2021	29/08/2026	20.45	32 603	-	-	32 603	-	1 428 989
		15/08/2017	15/08/2020	15/08/2027	27.25	25 353	-	(25 353)	-	386 633	-
		15/08/2017	15/08/2021	15/08/2027	27.25	25 353	-	-	25 353	-	938 822
		15/08/2017	15/08/2022	15/08/2027	27.25	25 354	-	-	25 354	-	938 859
		08/09/2017	08/09/2020	08/09/2027	27.60	21 017	-	(21 017)	-	292 557	-
		08/09/2017	08/09/2021	08/09/2027	27.60	21 017	-	-	21 017	-	770 904
		08/09/2017	08/09/2022	08/09/2027	27.60	21 020	-	-	21 020	-	771 014
		25/06/2018	25/06/2020	25/06/2028	33.57	53 689	-	(53 689)	-	404 278	-
		25/06/2018	25/06/2021	25/06/2028	33.57	53 689	-	-	53 689	-	1 648 789
		25/06/2018	25/06/2022	25/06/2028	33.57	53 692	-	-	53 692	-	1 648 881
		16/07/2019	16/07/2020	16/07/2029	36.70	56 626	-	(56 626)	-	279 166	-
		16/07/2019	16/07/2021	16/07/2029	36.70	56 626	-	-	56 626	-	1 561 745
		16/07/2019	16/07/2022	16/07/2029	36.70	56 626	-	-	56 626	-	1 561 745
		16/07/2019	16/07/2023	16/07/2029	36.70	56 627	-	-	56 627	-	1 561 773
		21/09/2020	21/09/2021	21/09/2030	41.98	-	37 079	-	37 079	-	826 862
		21/09/2020	21/09/2022	21/09/2030	41.98	-	37 079	-	37 079	-	826 862
21/09/2020	21/09/2023	21/09/2030	41.98	-	37 079	-	37 079	-	826 862		
21/09/2020	21/09/2024	21/09/2030	41.98	-	37 080	-	37 080	-	826 884		
		Subtotal SARs				601 576	148 317	(198 969)	550 924	2 270 930	16 138 991

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 2020 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2021 (unvested)	Potential gain of awards vested during the year at vesting date ²	Fair value of unvested awards 31 March 2021 ³	
Naspers N Share Options (SOs)	Four-year share price growth	18/09/2015	18/09/2020	18/09/2025	1 634.84	2 247	-	(2 247)	-	390 289	-	
		25/09/2015	25/09/2020	25/09/2025	1 594.52	460	-	(460)	-	81 473	-	
		29/08/2016	29/08/2020	29/08/2026	2 323.52	3 230	-	(3 230)	-	491 567	-	
		29/08/2016	29/08/2021	29/08/2026	2 323.52	3 231	-	-	3 231	-	623 469	
		08/09/2017	08/09/2020	08/09/2027	2 755.72	1 444	-	(1 444)	-	149 573	-	
		08/09/2017	08/09/2021	08/09/2027	2 755.72	1 444	-	-	1 444	-	236 406	
		25/06/2018	25/06/2020	25/06/2028	3 100.99	8 277	-	(8 277)	-	787 093	-	
		25/06/2018	25/06/2021	25/06/2028	3 100.99	8 277	-	-	8 277	-	1 161 683	
		25/06/2018	25/06/2022	25/06/2028	3 100.99	8 277	-	-	8 277	-	1 161 683	
		16/07/2019	16/07/2020	16/07/2029	3 494.00	2 052	-	(2 052)	-	166 604	-	
		16/07/2019	16/07/2021	16/07/2029	3 494.00	2 052	-	-	2 052	-	233 424	
		16/07/2019	16/07/2022	16/07/2029	3 494.00	2 052	-	-	2 052	-	233 424	
		16/07/2019	16/07/2023	16/07/2029	3 494.00	2 055	-	-	2 055	-	233 765	
		21/09/2020	21/09/2021	21/09/2030	2 827.88	-	2 105	-	-	2 105	-	100 263
		21/09/2020	21/09/2022	21/09/2030	2 827.88	-	-	2 105	-	2 105	-	100 263
		21/09/2020	21/09/2023	21/09/2030	2 827.88	-	-	2 105	-	2 105	-	100 263
		21/09/2020	21/09/2024	21/09/2030	2 827.88	-	-	2 105	-	2 105	-	100 263
		Subtotal				45 098	8 420	(17 710)	35 808	2 066 599	4 284 906	
		Total				659 392	185 360	(216 679)	628 073	4 337 529	31 718 634	

- The aggregate number of vested but unexercised SARs and SOs for Basil is 315 956 (2020: 282 954) and 98 410 (2020: 87 367) respectively. The aggregated cash-settled liability of vested unexercised SARs is included in the aggregated cash-settled liability in note 44 of the financial statements on page 162. The share-based payment reserve of vested but unexercised SOs is included in the aggregate retained earnings balance shown on page 32.
- The potential gain of awards vested in FY21 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 FY21. 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 1 Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. It is noted that PSUs awarded in September 2020 will not vest until September 2023. SAR and SO offers made prior to 1 April 2018 vests over 5 years and would be measured over 5 years' growth.
- The fair value of unvested awards on 31 March 2021 is calculated by taking the difference between the closing share price on 31 March 2021 and the offer price (if applicable) and multiplying that difference by the number of unvested SOs/SARs/PSUs as at 31 March 2021 and assuming 100% vesting for PSUs. 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 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.

Implementation of remuneration policy continued

Executive directors' LTI exercised in FY21

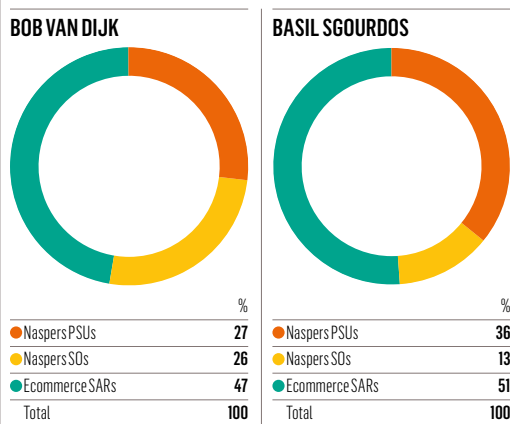
In 2018, the group sold its stake in Flipkart Private Ltd. Following the sale, the vesting of awards in the Flipkart SAR Plan were accelerated and settled. At the time of settlement there was a tax refund pending with the Indian tax authorities as Walmart withheld a portion of the company's gain on the transaction, causing the settlement to participants in the Flipkart SAR Plan to be pro-rated. During 2021 the tax amount was recovered from the Indian tax authorities and as a result, an additional settlement amount was due to participants. Accordingly, US\$3 343 906 (pre-tax) was settled to Bob van Dijk as participant in the Flipkart SAR Plan.

Basil Sgourdos exercised Naspers SOs in the MIH Internet Holdings B.V. Share Trust which were due to expire on 8 September 2020 and he disposed of the Naspers shares that he received. The pre-tax gain amounted to US\$1 795 902 and includes the value of the Prosus shares linked to his Naspers SOs as a result of the Prosus capitalisation issue in 2019. In addition, in March 2021 he exercised SARs in the Naspers Global Ecommerce scheme which were settled in cash (as per group policy). The pre-tax gain amounted to US\$3 439 262. Details of these transactions are summarised in figure 1.

Figure 1 - LTIs exercised in FY21 by Basil Sgourdos

	Date exercised	Number of SOs/SARs	Gross gain (pre-tax)
Naspers N SOs	07/06/2020	6 667	US\$1 166 627
Naspers N SOs - linked Prosus shares	07/06/2020	6 667	US\$629 275
Naspers Global Ecommerce SARs	03/01/2021	165 967	US\$3 439 262

Figure 2 - the balance of the executive directors' invested LTIs (based on potential value) as at 31 March 2021:



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 the JSE/Euronext for the purpose of issuing new Naspers SOs, Naspers PSUs, Naspers RSUs and Prosus RSUs to employees and settling gains made on all share-based incentive schemes (prior to 31 March 2020).

In FY21, the group purchased Naspers N shares to the value of US\$48m (FY20: US\$74m) and Prosus N shares to the value of US\$65m in the market totalling US\$113m. Details of these Naspers and Prosus share purchases are summarised in figure 3 and 4 respectively.

The group's share-based incentive schemes are set out in equity compensation benefits in the notes to the annual financial statements on www.naspers.com.

Dilutive impact of group LTI schemes

At 31 March 2021 the group held 2 866 670 (2020: 2 831 289) Naspers N ordinary shares as treasury shares to settle outstanding awards under certain group share incentive schemes. The expected dilutive effect of these treasury shares on the group's earnings from continuing operations, on a per-share basis, was 3 US cents per N ordinary share (2020: 3 US cents). In accordance with schedule 14 of the JSE Listings Requirements and the South African Companies Act, shareholders authorised the board at the annual general meeting in August 2020 that up to 21 775 553 N ordinary shares (approximately 5% of the then issued N ordinary share capital) may be issued for purposes of the group's various share-based incentive schemes. During the financial year ended 31 March 2021, no new N ordinary shares

had been so issued. In total, 56.1% of the approved 21 775 553 Naspers N ordinary share capital has been used to date.

LTI costs

LTIs across the group account for 42.6% of total staff costs, and 12.1% of overall group costs, for example the cost of providing services and sale of goods, selling, general and administration expenses. Further details can be found in note 29 on page 113 of the annual financial statements at www.naspers.com.

Figure 3 - Naspers shares purchased in the market

	2021			2020		
	Number of shares	Purchase price (US\$) ²	Average purchase price range (R)	Number of shares	Purchase price (US\$) ²	Average market price range (R)
MIH Internet Holdings Share Trust ¹	107 101	19 444 686	2 978.39 to 3 111.41	123 395	28 879 965	2 184.87 to 3 512.68
MIH Holdings Share Trust ¹	68 718	12 285 548	3 042.13	80 320	15 720 222	2 184.87 to 3 403.18
Naspers Restricted Stock Plan Trust	92 918	16 612 074	3 042.13	128 096	29 073 029	2 184.87 to 3 535.75
Total	268 737	48 342 308		331 811	73 673 216	

- 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.
- Purchase price in ZAR converted to USD by using the exchange rate on date of purchase.

Figure 4 - Prosus shares purchased in the market

	Number of shares	Purchase price (US\$) ²	Average purchase price range (EUR)
Prosus N.V. Share Award Plan Trust ¹	670 032	64 703 088	77.40 and 108.81

- The Prosus N.V. Share Award Plan trust is used to grant Prosus RSUs to employees of the group (executive directors are not eligible to receive RSUs). Shares are purchased on Euronext and Johannesburg Stock Exchange for non-South African and South African employees respectively. No purchases were made in the trust in FY20.
- Purchase price in EUR converted to US\$ by using the exchange rate on date of purchase.

Implementation of remuneration policy continued

Looking forward to FY22

As we only entered the pandemic last year, we took prudent executive remuneration decisions. Executive directors did not receive a pay increase for FY21 and LTI awards were deferred to September 2020. We entered the pandemic with financial strength and good momentum and, competing in a sector that performed exceptionally well, we have exceeded our business plan and delivered financial performance ahead of the budget as originally set pre-Covid-19. Our businesses recovered well from the initial impact and are now fundamentally stronger than they were. This performance is reflected in our remuneration decisions for FY22, where the CEO and CFO will receive a 5% increase on base pay and will be granted LTI awards at similar levels as last year.

FY22 remuneration in US\$

Executive director	US\$'000	Fixed remuneration ¹	STI ²	Variable remuneration			Pension	Other benefit ⁵	Total remuneration ⁶	Proportion of fixed and variable remuneration
				LTI ³						
				PSUs ⁴	SARs	SOs				
Bob van Dijk, CEO		1 521	1 521	8 188	4 435	1 024	99	50	16 838	9%/91%
Basil Sgourdos, CFO		1 200	1 200	4 852	2 628	607	94	20	10 601	11%/89%

FY22 remuneration in EUR

Executive director	EUR'000	Fixed remuneration ¹	STI ²	Variable remuneration			Pension	Other benefit ⁵	Total remuneration ⁶	Proportion of fixed and variable remuneration
				LTI ³						
				PSUs ⁴	SARs	SOs				
Bob van Dijk, CEO		1 296	1 296	6 981	3 781	873	84	42	14 354	9%/91%
Basil Sgourdos, CFO		1 023	1 023	4 137	2 241	517	80	17	9 038	11%/89%

1 The executive directors received a 5% increase in base salary effective from 1 April 2021.

2 This is the at-target and also maximum STI as a percentage to base salary. STI goals are shown on pages 129 and 130 of this remuneration report.

3 Represents the grant date fair value of awards to be 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. The figure is based on indicative values and may therefore differ from the final fair value granted.

4 The grant of the FY22 PSU and SO awards will be partly settled in Naspers shares (72.5%) and partly in Prosus shares (27.5%), aligned with the free float ownership in Naspers and Prosus (subject to obtaining requisite approval to amend the remuneration policy).

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.

Implementation of remuneration policy continued

FY22 STI goals

Bob Van Dijk

Target and maximum STI opportunity: 100% base salary

Group financial goals	Weighting %	Description	Maximum payout
● Revenue	10	Achieve revenue target (on an economic-interest basis and excluding M&A).	€129 641
● Core headline earnings (including Tencent)	10	Achieve core headline earnings at target, including Tencent.	€129 641
● Core headline earnings (excluding Tencent)	20	Achieve core headline earnings at target, excluding Tencent.	€259 281
● Free cash flow	10	Achieve free cash outflow at target.	€129 641
	50		€648 203
Strategic, operational and environment, social and governance (ESG) goals	Weighting %	Description	Maximum payout
● Classifieds	10	Deliver organic topline growth and organic trading profit at target	€129 641
● Food Delivery	10	Deliver organic topline growth and managing organic trading loss at target	€129 641
● Payments and Fintech	5	Deliver organic topline growth and managing organic trading loss at target	€64 820
● B2C	5	Deliver organic topline growth and organic trading profit at target	€64 820
● Edtech	5	Deliver organic topline growth and managing organic trading loss at target	€64 820
● Holding company discount	10	Take structural action to address the holding company discount to NAV	€129 641
● Sustainability: Diversity and inclusion	2.5	Promote diversity and inclusion in the company and ensure high employee engagement	€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.	€32 410
	50		€648 203

Basil Sgourdos

Target and maximum STI opportunity: 100% of base salary

Group financial goals	Weighting %	Description	Maximum payout
● Core headline earnings (including Tencent)	8	Achieve core headline earnings at target, including Tencent.	USD\$96 027
● Core headline earnings (excluding Tencent)	17	Achieve core headline earnings at target, excluding Tencent.	USD\$204 058
● Free cash flow	25	Achieve free cash outflow at target.	USD\$300 085
	50		USD\$600 171
Strategic, operational and ESG goals	Weighting %	Description	Maximum payout
● Holding company discount	15	Take structural action to address the holding company discount to NAV	USD\$180 051
● Taxation	12.5	Prudent and optimal tax management structure	USD\$150 043
● Investor relations	10	Ensure the IR programme is effective and impactful	USD\$120 034
● Group finance	5	Develop finance team to drive excellent delivery	USD\$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	USD\$30 009
● Sustainability: Diversity and inclusion	2.5	Promote diversity and inclusion in the function and ensure high employee engagement	USD\$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	USD\$30 009
	50		USD\$600 171

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

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

Implementation of remuneration policy continued

LTI awards to be made in FY22

LTI awards comprise a significant portion of total executive compensation and are designed to incentivise the delivery of sustainable longer-term growth and provide alignment with our shareholders. The entirety of our executives' 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'.

The committee will continue to award PSUs to senior executives in FY22, having introduced the programme in FY20. PSUs constituted approximately 60% of the LTI awards made to the executive directors in FY21 and this will be approximately 60% for FY22.

We have set out on page 136 information on the LTI to be made during FY22. The balance of the CEO's and CFO's FY22 LTI grants is focused towards consumer internet business, excluding Tencent and Mail.ru.

Over time, settlement of PSU and SO awards will gradually be re-balanced between Prosus and Naspers shares, aligned with the free-float ownership in Prosus and Naspers (subject to obtaining requisite approval to amend the remuneration policy). Accordingly, the grant of the FY22 PSU and SO awards will be partly settled in Naspers shares (72.5%) and partly in Prosus shares (27.5%).

Statement of compliance

Termination payments

No termination payments were made to executive and non-executive directors on termination of employment or office in FY21.

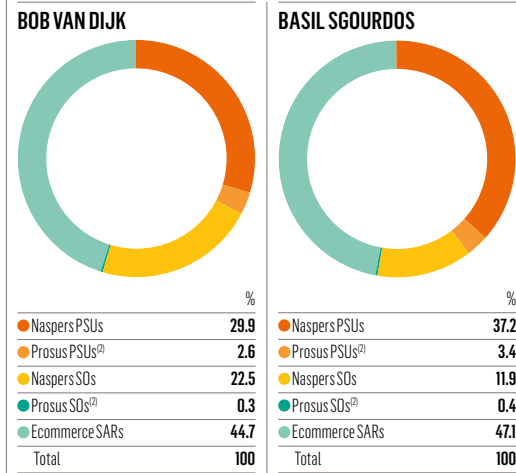
Malus and clawbacks

Malus and clawback provisions apply to the STI and LTI awarded to executive directors and senior management. In FY21, no malus or clawback was applied to any remuneration of the executive directors and senior management.

CEO shareholding requirement

The CEO meets the current requirement to maintain a shareholding in Naspers of ten times his annual salary.

Figure 1 the approximate balance of the unvested LTIs for the CEO and CFO, post the FY22 allocation¹



1 Based on the estimated fair value of unvested awards as at 31 March 2021 and the indicative fair value of offers to be made in FY22.

2 Subject to obtaining requisite approval to amend the remuneration policy.

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 has an interest in, 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 market fee levels for Naspers and Prosus's industry peers internationally, and those fee levels observed in the Top 10 AEX and JSE companies.

At the Naspers AGM on 21 August 2020, shareholders approved an increase of up to 5% YoY for fees for non-executive directors, the chair of the board, committee members and the chairs of committees for the year ended 31 March 2021. However, given the then uncertain impact of Covid-19, the board decided not to implement any increase in fees for the financial year ended 31 March 2021. Based on a recent review of the external market data and inputs from our advisory partners, the committee is confident that a 5% increase of the non-executive directors' fees for FY22 and FY23 is warranted and accordingly will submit the proposal at the August 2021 AGM for shareholder approval.

No additional fees are paid to board 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 longer-term or equity-based compensation.

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 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.

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

US\$'000	FY21 ¹							FY20							
	Directors' fees		Committee and trustee fees		Other fees ²			Total	Directors' fees		Committee and trustee fees		Other fees ²		
Non-executive directors	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	FY21	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	Paid by company	Paid by subsidiary	FY20	
JP Bekker ⁵	533	22	-	7	-	-	562	590	21	-	8	-	-	619	
EM Choi	224	-	64	-	-	-	288	283	-	64	-	-	-	347	
HJ du Toit ⁴	-	-	-	-	-	-	-	-	-	-	-	-	-	0	
CL Eenstein	234	-	105	-	-	50	389	287	-	104	-	-	50	441	
DG Eriksson ⁵	234	-	260	-	-	-	494	252	-	259	-	-	-	511	
M Girotra	234	-	49	-	-	-	283	120	-	24	-	-	-	144	
RCC Jafta	234	65	150	23	-	-	472	259	67	165	9	-	-	500	
FLN Letele	231	-	26	-	-	-	257	242	-	26	-	-	-	268	
D Meyer	234	-	26	-	-	-	260	256	-	26	-	-	-	282	
R Oliveira de Lima	234	-	53	-	-	50	337	286	-	54	-	-	50	390	
SJZ Pacak	234	-	59	-	-	-	293	249	-	29	-	-	-	278	
TMF Phaswana ⁶	-	-	-	-	-	-	-	270	-	54	-	-	-	324	
MR Sorour ⁷	234	150	-	-	-	120	504	259	150	-	-	-	120	529	
JDT Stoffberg	231	-	26	-	-	-	257	263	-	26	-	-	-	289	
BJ van der Ross	234	-	29	-	-	-	263	252	-	78	-	-	-	330	
Y Xu ⁸	177	-	-	-	-	-	177	-	-	-	-	-	-	-	
Total	3 502	237	847	30	-	220	4 836	3 868	238	909	17	-	220	5 252	

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 Koos Bekker elected to donate the rand equivalent of his director's fees, being R3.6m (pre-tax), to education. This year the recipient was the primary school, Volkskool, in Heidelberg, South Africa.

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

5 Retired with effect from 1 April 2021.

6 Retired with effect from 1 April 2020.

7 Mark Sorour received US\$13 078.95 from MIH Holdings Proprietary Limited for the period 1 April 2020 to 31 March 2021. 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. The company will provide an annual allowance to cover the difference in cost for retired scheme members during FY20 and FY21 only. This is not disclosed in the above table.

8 Appointed on 26 June 2020 as a director of Naspers and on 18 August 2020 as a director of Prosus.

Implementation of remuneration policy continued

General notes

Directors' fees include fees for services as directors, where appropriate, of Prosus N.V. 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 Naspers 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.

With effect from 15 April 2021, Angeliem Kemna was appointed as an independent non-executive director. Mrs Kemna holds no Prosus N, A1 or Naspers N, A ordinary shares.

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 has 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 657 609 (2020: 657 609) Prosus A1 shares.

Compliance

There were no deviations from the executive and non-executive directors' remuneration policy in FY21.

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 2021:

Name	31 March 2021			31 March 2020		
	Naspers A ordinary shares			Naspers A ordinary shares		
	Beneficial		Total	Beneficial		Total
Direct	Indirect	Direct		Indirect		
SJZ Pacak	-	105	105	-	105	105
JDT Stofberg	-	175	175	-	175	175
Total	-	280	280	-	280	280

Figure 2

The executive and non-executive directors had the following interests in Naspers N ordinary shares on 31 March 2021:

Name	31 March 2021			31 March 2020		
	Naspers N ordinary shares			Naspers N ordinary shares		
	Beneficial		Total	Beneficial		Total
Direct	Indirect ¹	Direct		Indirect		
JP Bekker	-	4 688 691	4 688 691	-	4 688 691	4 688 691
EM Choi	-	-	-	-	-	-
HJ du Toit ²	3 512	-	3 512	-	-	-
CL Eenstein	-	415	415	-	415	415
DG Eriksson	-	-	-	-	-	-
M Girotra	-	-	-	-	-	-
RCC Jafta	-	-	-	-	-	-
FLN Letele	1 474	-	1 474	1 474	-	1 474
D Meyer	-	-	-	-	-	-
R Oliveira de Lima	-	-	-	-	-	-
SJZ Pacak ³	316 635	134 000	450 635	376 635	111 548	488 183
TMF Phaswana ⁴	-	-	-	-	830	830
V Sgourdos ⁵	32 483	98 410	130 893	32 483	87 367	119 850
MR Sorour ⁶	2 145	159 295	161 440	2 145	165 024	167 169
JDT Stofberg	183 317	291 888	475 205	183 317	291 888	475 205
BJ van der Ross	2 550	820	3 370	2 550	820	3 370
B van Dijk	51 809	1 003 928	1 055 737	51 809	922 451	974 260
Y Xu	-	-	-	-	-	-
Total	593 925	6 377 447	6 971 372	650 413	6 269 034	6 919 447

1 Naspers SOs that have been released (vested), but have not yet been exercised, are included in the indirect column. Bob van Dijk - 1 003 928 (2020: 922 451). Basil Sgourdos - 98 410 (2020: 87 367). Steve Pacak - 54 000 (2020: 54 000).

2 On 4 December 2020, in two separate transactions, Hendrik du Toit acquired in total 2630 shares on market. The first transaction for 600 Naspers N ordinary shares was at an average price of R3 188.83 per share and the second transaction for 2030 Naspers N ordinary shares was at an average price of R3 209.70 per share. On 9 December 2020, Hendrik du Toit acquired 882 Naspers N ordinary shares in his own name at an average price of R3 150 per share.

3 On 23 July 2020, Steve Pacak sold 37 548 Naspers N ordinary shares on market at an average price of R3 221.13 per share. On 23 December 2020, Steve Pacak transferred 60 000 Naspers N ordinary shares held in his own name to his family trust. This transaction was concluded off market.

4 Resigned as a director of Prosus and Naspers on 1 April 2020.

5 On 6 July 2020, Basil Sgourdos exercised 6 667 Naspers N ordinary share options originally offered to him in September 2010. Basil disposed of the Naspers N ordinary shares he received. The full net gain after tax on disposal of these shares was reinvested into the group in the form of Prosus N.V. bonds, which he bought on the open market.

6 On 6 August 2020, Mark Sorour exercised 18 629 Naspers N ordinary share options originally offered to him in July 2012. Mark disposed of the Naspers N ordinary shares he received at an average price of 3230.49122 per share.

Implementation of remuneration policy continued

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
Nomination 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

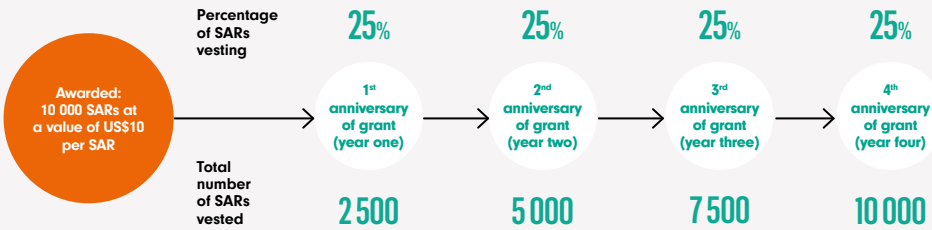
¹ Following the listing of Prosus on Euronext Amsterdam, Naspers non-executive directors serve on the boards of both Naspers and Prosus. As a result of the non-executive directors assuming these dual responsibilities, the proposed fees will be split between Naspers and Prosus, on a 30/70 basis.

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.

Additional information

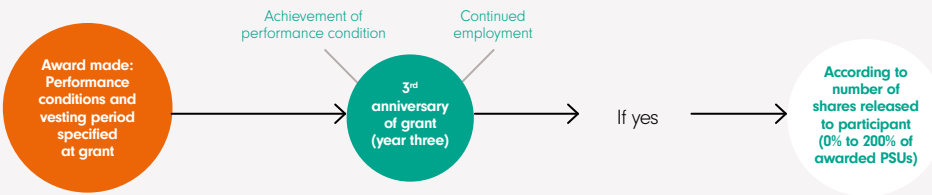
Graphic overview of our LTI plans

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



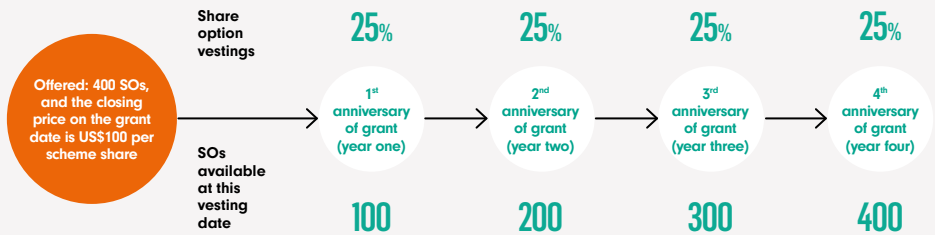
After two years the employee, assuming they didn't exercise their first 2 500 after year one, they may exercise 5 000 of their 10 000 SARs. If the value of an SAR at this point has increased to US\$14, the employee made a gain of US\$4 per SAR, giving the employee a total gain of US\$20 000 (5 000 SARs x US\$4 gain per SAR). So, if exercised, the employee would be awarded a value of US\$20 000.

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



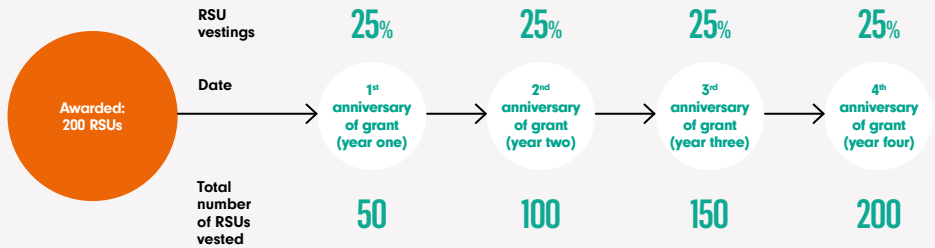
The vesting of a PSU is determined not just by time. In order for an award to vest, certain business performance conditions must also be met.

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.

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 SOs, SARs 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 SOs or SARs 'into the money'. There is no strike price for a PSU or an RSU, these are full-value shares and PSUs vest only on the 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 Naspers group holding unvested SOs, RSUs or PSUs 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 FY21 we have broadened the use of RSUs as an effective LTI for our employees. RSUs are a common and widely spread LTI vehicle across the competitive consumer technology sector. 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.

Note that RSUs are not available to the CEO, CFO, or other senior executives across the group.

Our SAR and 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.

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 Naspers 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 Naspers, the SARs 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 share option or SAR was granted, at which the participant can buy the share at a later date (or in the case of a SAR, use to calculate a gain).

Exercise price

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

Offer date

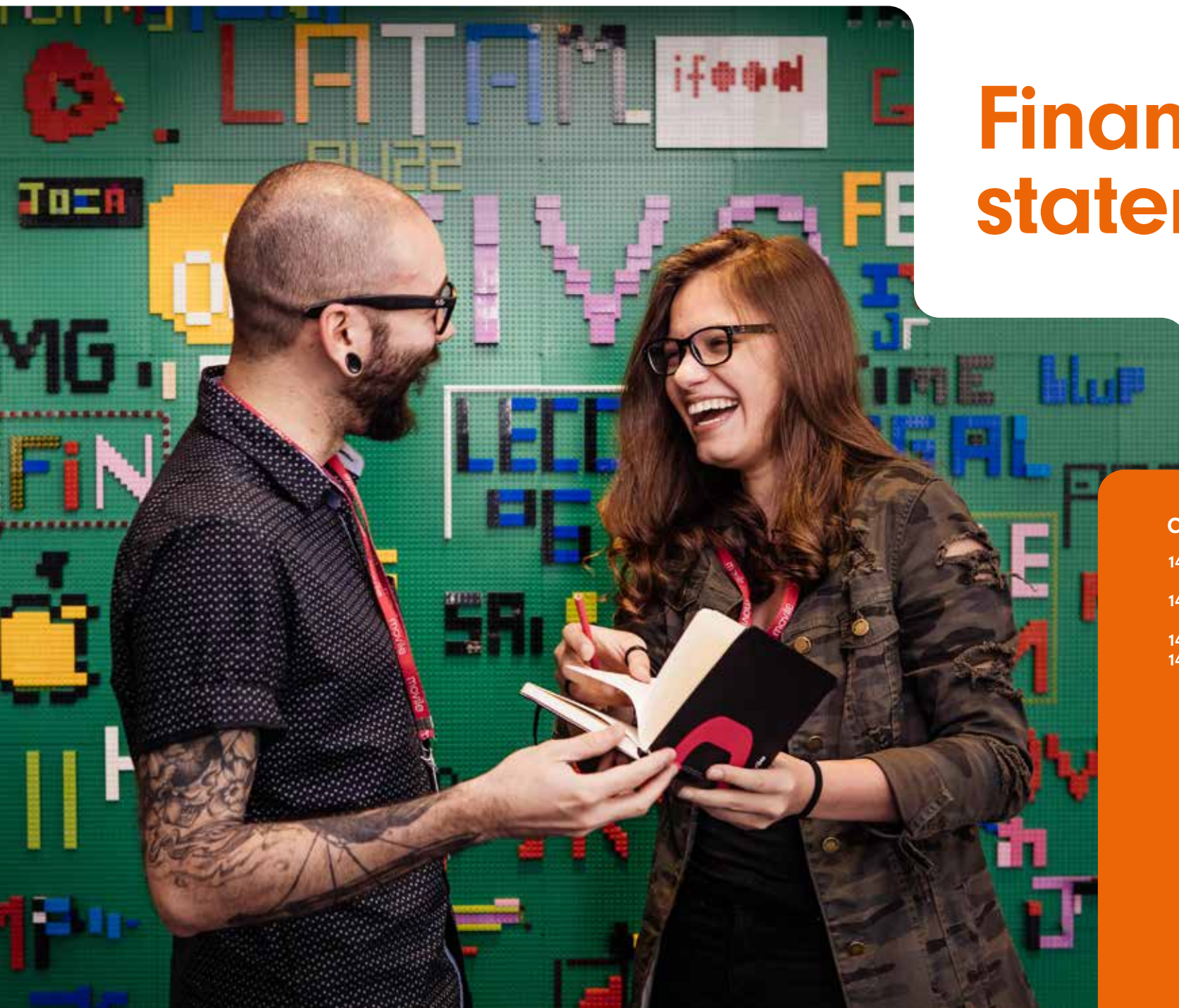
Also called grant date. The date on which an LTI is offered to the participant, giving that participant the right to buy or receive shares at a date in the future.

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 SOs or SARs, PSUs (for executives only) or RSUs (not for executives).

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 people 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.



Financial statements

Contents

- 146 Chief executive and financial director responsibility statement
- 146 Statement of responsibility by the board of directors
- 147 Independent auditor's report
- 148 Summarised consolidated annual financial statements

Summarised consolidated annual financial statements

Contents	Page
Chief executive and financial director responsibility statement	146
Statement of responsibility by the board of directors	146
Independent auditor's report on the summary consolidated financial statements	147
Summarised consolidated income statement	148
Summarised consolidated statement of comprehensive income	148
Summarised consolidated statement of financial position	149
Summarised consolidated statement of changes in equity	150
Summarised consolidated statement of cash flows	152
Notes to the summarised consolidated financial statements	153 to 171
Report on assurance engagement on the pro forma financial information	172 to 173

Chief executive and financial director responsibility statement

The directors, whose names are stated below, hereby confirm that:

- the annual financial statements set out on pages 148 to 171, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;
- no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;
- internal financial controls have been put in place to ensure that material information relating to the issuer and its consolidated subsidiaries have been provided to effectively prepare the financial statements of the issuer; and
- the internal financial controls are adequate and effective and can be relied upon in compiling the annual financial statements, having fulfilled our role and function within the combined assurance model pursuant to principle 15 of the King Code. Where we are not satisfied, we have disclosed to the audit committee and the auditors the deficiencies in design and operational effectiveness of the internal financial controls and any fraud that involves directors, and have taken the necessary remedial action.

Bob van Dijk
Chief executive

19 June 2021

Basil Sgourdos
Financial director

Statement of responsibility by the board of directors

for the year ended 31 March 2021

Naspers Limited. In discharging this responsibility they rely on the management of the group to prepare the consolidated annual financial statements, separately available on www.naspers.com, in accordance with International Financial Reporting Standards (IFRS) and the Companies Act 71 of 2008. The summarised consolidated annual financial statements include amounts based on judgements and estimates made by management. The information given is comprehensive and presented in a responsible manner.

The directors accept responsibility for the preparation, integrity and fair presentation of the summarised consolidated annual financial statements and are satisfied that the systems and internal financial controls implemented by management are effective.

The directors believe that the company and group have adequate resources to continue operations as a going concern in the foreseeable future, based on forecasts and available cash resources. The summarised consolidated annual financial statements support the viability of the company and the group. The preparation of the summarised consolidated annual financial statements was supervised by the financial director, Basil Sgourdos CA(SA).

The independent auditing firm PricewaterhouseCoopers Inc., which was given unrestricted access to all financial records and related data, including minutes of all meetings of shareholders, the board of directors and committees of the board, has audited the consolidated annual financial statements from which the summarised consolidated annual financial statements were derived. The directors believe that representations made to the independent auditor during audit were valid and appropriate. PricewaterhouseCoopers Inc.'s audit report is presented on page 147.

The summarised consolidated annual financial statements were approved by the board of directors on 19 June 2021 and are signed on its behalf by:

Koos Bekker
Chair

19 June 2021

Bob van Dijk
Chief executive

Independent auditor's report on the summarised consolidated financial statements

To the Shareholders of Naspers Limited

Our opinion

The summarised consolidated financial statements of Naspers Limited set out on pages 148 to 166 of the Integrated Annual Report, which comprise the summarised consolidated statement of financial position as at 31 March 2021, the summarised consolidated income statement, and summarised consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes to the summarised consolidated financial statements, are derived from the audited consolidated financial statements of Naspers Limited for the year ended 31 March 2021.

In our opinion, the accompanying summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the JSE Limited's (JSE) requirements for summary financial statements, as set out in note 2 to the summarised consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.

Summarised Consolidated Financial Statements

The summarised consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards and the requirements of the Companies Act of South Africa as applicable to annual financial statements. Reading the summarised consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon.

The Audited Consolidated Financial Statements and Our Report Thereon

We expressed an unmodified audit opinion on the audited consolidated financial statements in our report dated 19 June 2021. That report also includes communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period.

Director's Responsibility for the Summarised Consolidated Financial Statements

The directors are responsible for the preparation of the summarised consolidated financial statements in accordance with the JSE's requirements for summarised financial statements, set out in note 2 to the summary consolidated financial statements, and the requirements of the Companies Act of South Africa as applicable to summary financial statements.



Auditor's Responsibility

Our responsibility is to express an opinion on whether the summarised consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), *Engagements to Report on Summary Financial Statements*.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: Vicki Myburgh

Registered Auditor

Johannesburg

19 June 2021

Summarised consolidated income statement

for the year ended 31 March

	Notes	2021 US\$m	Restated* 2020 US\$m
Revenue from contracts with customers	7	5 934	4 001
Cost of providing services and sale of goods		(4 088)	(2 692)
Selling, general and administration expenses		(2 932)	(1 960)
Other (losses)/gains – net	9	(103)	(69)
Operating loss		(1 189)	(720)
Interest income	8	101	245
Interest expense	8	(268)	(229)
Other finance income – net	8	207	76
Share of equity-accounted results	11	7 095	3 932
Impairment of equity-accounted investments		(32)	(21)
Dilution gains/(losses) on equity-accounted investments		1 000	(52)
Net gains on acquisitions and disposals	9	308	351
Profit before taxation		7 222	3 582
Taxation ¹		46	(231)
Profit for the year		7 268	3 351
Attributable to:			
Equity holders of the group		5 304	3 097
Non-controlling interests		1 964	254
		7 268	3 351
Per share information for the year			
Earnings per ordinary share (US cents)		1 243	709
Diluted earnings per ordinary share (US cents)		1 204	690
Headline earnings for the year (US\$m)	6	4 142	2 166
Headline earnings per ordinary share (US cents)		970	496
Diluted headline earnings per ordinary share (US cents)		933	478
Net number of ordinary shares issued ('000)			
– weighted average for the year		426 823	436 756
– diluted weighted average for the year		427 951	438 481

¹ Refer to note 12 for details on the tax credit.

* Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

Summarised consolidated statement of comprehensive income

for the year ended 31 March

	Notes	2021 US\$m	Restated* 2020 US\$m
Profit for the year		7 268	3 351
Total other comprehensive income/(loss), net of tax, for the year		8 973	(1 372)
Items that may be subsequently reclassified to profit or loss			
Translation of foreign operations		2 023	(1 321)
Share of equity-accounted investments' movement in OCI		(424)	122
Items that may not be subsequently reclassified to profit or loss			
Fair-value gains/(losses) on financial assets through OCI		555	(292)
Share of equity-accounted investments' movement in OCI and net asset value ¹	11	6 819	119
Total comprehensive income for the year		16 241	1 979
Attributable to:			
Equity holders of the group		11 989	1 973
Non-controlling interests		4 252	6
		16 241	1 979

¹ This relates primarily to gains on translation of the group's equity-accounted investment in Tencent as well as increases in share prices of its listed investments.

* Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

Summarised consolidated statement of financial position

as at 31 March

	Notes	2021 US\$m	Restated* 2020 US\$m
Assets			
Non-current assets		46 130	26 807
Property, plant and equipment		545	457
Goodwill	10	2 186	2 237
Other intangible assets		825	898
Investments in associates	11	40 566	22 235
Investments in joint ventures		160	74
Other investments and loans		1 795	826
Other receivables		17	5
Derivative financial instruments		9	55
Deferred taxation		27	20
Current assets		7 687	9 512
Inventory		397	260
Trade receivables		185	139
Other receivables and loans	14	1 882	542
Derivative financial instruments		18	-
Short-term investments		1 439	4 060
Cash and cash equivalents		3 758	4 303
		7 679	9 304
Assets classified as held for sale	13	8	208
Total assets		53 817	36 319

Equity and liabilities

Capital and reserves attributable to the group's equity holders

	Notes	2021 US\$m	Restated* 2020 US\$m
Capital and reserves attributable to the group's equity holders		29 194	21 750
Share capital and premium		932	3 362
Other reserves		(3 753)	(8 846)
Retained earnings		32 015	27 234
Non-controlling interests		11 667	8 178
Total equity		40 861	29 928
Non-current liabilities		8 647	4 184
Capitalised lease liabilities		240	231
Liabilities – interest bearing	16	7 860	3 508
– non-interest bearing		48	20
Other non-current liabilities		216	205
Post-employment medical liability		22	17
Derivative financial instruments		32	2
Deferred taxation		229	201
Current liabilities		4 309	2 207
Current portion of long-term debt		110	67
Trade payables		395	322
Accrued expenses and other current liabilities ¹		3 774	1 711
Dividend payable		2	1
Provisions		17	10
Derivative financial instruments		2	38
Bank overdrafts		9	32
		4 309	2 181
Liabilities classified as held for sale	13	-	26
Total equity and liabilities		53 817	36 319

¹ The increase in the carrying amount relates primarily to the current portion of the written put option liabilities and the cash-settled share-based compensation liability. These liabilities are US\$1.3bn and US\$977.0m respectively.

* Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

Summarised consolidated statement of changes in equity

for the year ended 31 March

	Share capital and premium US\$m	Foreign currency translation reserve US\$m	Valuation reserve US\$m	Existing control business combination reserve US\$m	Share-based compensation reserve US\$m	Retained earnings US\$m	Shareholders' funds US\$m	Non-controlling interests US\$m	Total US\$m
Balance at 1 April 2019	4 945	(2 070)	760	(1 127)	1 698	23 793	27 999	132	28 131
Change in accounting policy [*]	-	-	-	(391)	-	391	-	-	-
Restated balance at the beginning of the year	4 945	(2 070)	760	(1 518)	1 698	24 184	27 999	132	28 131
Total comprehensive income for the year	-	(1 116)	(437)	-	429	3 097	1 973	6	1 979
Profit for the year (restated) [*]	-	-	-	-	-	3 097	3 097	254	3 351
Total other comprehensive income for the year	-	(1 116)	(437)	-	429	-	(1 124)	(248)	(1 372)
Shares repurchased by group companies ¹	(1 547)	208	-	-	-	-	(1 339)	-	(1 339)
Treasury share movements	(36)	-	-	-	-	-	(36)	-	(36)
Share-based compensation movements	-	-	-	-	(99)	36	(63)	(2)	(65)
Share-based compensation expense	-	-	-	-	119	-	119	(2)	117
Transfers to retained earnings	-	-	-	-	(99)	99	-	-	-
Other share-based compensation movements ²	-	-	-	-	(119)	(63)	(182)	-	(182)
Transactions with non-controlling shareholders ³	-	-	-	(166)	1	(9)	(174)	233	59
Recognition of Prosus's non-controlling interest	-	-	-	(6 399)	(53)	37	(6 415)	7 798	1 383
Direct equity movements	-	4	(42)	5	(112)	145	-	-	-
Direct movements from associates	-	-	(31)	-	(68)	99	-	-	-
Realisation of reserves as a result of disposals	-	-	(11)	-	(33)	44	-	-	-
Other direct equity movements	-	4	-	5	(11)	2	-	-	-
Remeasurement of written put option liabilities [*]	-	-	-	40	-	-	40	13	53
Dividends paid	-	-	-	-	-	(218)	(218)	(2)	(220)
Other movements ⁴	-	-	-	9	12	(38)	(17)	0	(17)
Balance at 31 March 2020	3 362	(2 974)	281	(8 029)	1 876	27 234	21 750	8 178	29 928

* Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

1 During the prior year Naspers effected a share repurchase programme.

2 Retained earnings include a decrease of US\$479.5 related to the modification of equity-settled schemes (2020: US\$62.6m related to the settlement of share-based compensation benefits).

3 Relates primarily to transactions with non-controlling interest amounted to US\$1.83bn (2020: US\$31.0m). This related primarily to the minority buyout in Mobile Mobile Commerce Holdings S.L., MIH Internet Sea Pte Ltd, Letgo Global B.V., Frontier Car Group, Silver Indonesia JVCo B.V. and the share repurchase of Prosus N.V.

4 The movement in business combination reserve relates mainly to the cancellation of written put option liabilities in the current year of US\$57.4m. The movement in retained earnings relates to the transfer of reserves, as a result of various disposals and liquidations US\$40.4m. The prior year relates to the transfer of reserves as a result of various disposals and liquidations, to retained earnings of US\$37.4m and existing control business combination reserve of US\$8.6m.

5 Dividend paid consists of US\$149.0m paid to Naspers shareholders and US\$59.2m paid to the non-controlling shareholders of the Naspers group. The dividend was approved on 18 August 2020 and was paid on 17 November 2020.

Summarised consolidated statement of changes in equity continued

for the year ended 31 March

	Share capital and premium US\$m	Foreign currency translation reserve US\$m	Valuation reserve US\$m	Existing control business combination reserve US\$m	Share-based compensation reserve US\$m	Retained earnings US\$m	Shareholders' funds US\$m	Non-controlling interests US\$m	Total US\$m
Balance at 1 April 2020	3 362	(2 974)	281	(8 029)	1 876	27 234	21 750	8 178	29 928
Total comprehensive income for the year	-	1 141	4 996	-	548	5 304	11 989	4 252	16 241
Profit for the year	-	-	-	-	-	5 304	5 304	1 964	7 268
Total other comprehensive income for the year	-	1 141	4 996	-	548	-	6 685	2 288	8 973
Shares repurchased by group companies ¹	(2 430)	-	-	-	-	-	(2 430)	-	(2 430)
Share-based compensation movements	-	-	-	-	42	(432)	(390)	109	(281)
Share-based compensation expense	-	-	-	-	64	-	64	109	173
Transfers to retained earnings	-	-	-	-	(48)	48	-	-	-
Other share-based compensation movements ²	-	-	-	-	26	(480)	(454)	-	(454)
Transactions with non-controlling shareholders ³	-	-	-	(1 104)	(70)	(15)	(1 189)	(677)	(1 866)
Direct equity movements	-	(8)	(233)	134	(6)	113	-	-	-
Direct movements from associates	-	-	(235)	-	-	235	-	-	-
Realisation of reserves as a result of disposals	-	(1)	2	111	(4)	(108)	-	-	-
Other direct equity movements	-	(7)	-	23	(2)	(14)	-	-	-
Remeasurement of written put option liabilities [*]	-	-	-	(398)	-	-	(398)	(136)	(534)
Other movements ⁴	-	-	-	51	-	(40)	11	-	11
Dividends paid ⁵	-	-	-	-	-	(149)	(149)	(59)	(208)
Balance at 31 March 2021	932	(1 841)	5 044	(9 346)	2 390	32 015	29 194	11 667	40 861

* Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

¹ Refer to note 16 for share repurchase programme in the current year. During the prior year Naspers effected a share repurchase programme.

² Retained earnings include a decrease of US\$479.5m related to the modification of equity-settled schemes (2020: US\$62.6m related to the settlement of share-based compensation benefits).

³ Relates primarily to transactions with non-controlling interest amounted to US\$1,83bn (2020: US\$31.0m). This related primarily to the minority buyout in Mobile Mobile Commerce Holdings, MIH Internet Sea Pte Ltd, Letgo Global B.V., Frontier Car Group, Silver Indonesia JVCo B.V. and the share repurchase of Prosus N.V.

⁴ The movement in business combination reserve relates mainly to the cancellation of written put option liabilities in the current year of US\$57.4m. The movement in retained earnings relates to the transfer of reserves, as a result of various disposals and liquidations US\$40.4m. The prior year relates to the transfer of reserves as a result of various disposals and liquidations, to retained earnings of US\$37.4m and existing control business combination reserve of US\$8.6m.

⁵ Dividend paid consists of US\$149.0m paid to Naspers shareholders and US\$59.2m paid to the non-controlling shareholders of the Naspers group. The dividend was approved on 18 August 2020 and was paid on 17 November 2020.

Summarised consolidated statement of cash flows

for the year ended 31 March

	Year ended 31 March		
	Notes	2021 US\$m	Restated* 2020 US\$m
Cash flows from operating activities			
Cash from operations		(144)	(394)
Interest income received		123	261
Dividends received from investments and equity-accounted investments		459	387
Interest costs paid		(253)	(235)
Taxation paid		(112)	(215)
Net cash generated from/(utilised in) operating activities		73	(196)
Cash flows from investing activities			
Acquisitions and disposals of tangible and intangible assets		(135)	(109)
Acquisitions of subsidiaries, associates and joint ventures	14	(1 917)	(867)
Disposals of subsidiaries, businesses, associates and joint ventures	14	241	109
Acquisition of short-term investments ¹		(3 088)	(3 868)
Maturity of short-term investments ¹		5 705	7 022
Loans advanced to related parties		(210)	-
Cash paid for other investments ²	14	(1 322)	(33)
Cash movement in other investments		(5)	62
Net cash (utilised in)/generated from investing activities		(731)	2 316
Cash flows from financing activities			
Proceeds from sale of subsidiary shares ³		-	1 568
Payments for the repurchase of shares	16	(2 340)	(1 426)
Proceeds from long- and short-term loans raised	16	4 593	1 300
Repayments of long- and short-term loans		(155)	(1 047)
Outflow from equity-settled share-based compensation transactions		(117)	(195)
Additional investment in existing subsidiaries ⁴		(1 704)	(68)
Dividends paid by the holding company		(218)	(209)
Repayments of capitalised lease liabilities		(56)	(34)
Additional investment from non-controlling shareholders		53	127
Other movements resulting from financing activities		(3)	(10)
Net cash generated from financing activities		53	6

			Year ended 31 March		
			Notes	2021 US\$m	Restated* 2020 US\$m
Net movement in cash and cash equivalents				(605)	2 126
Foreign exchange translation adjustments on cash and cash equivalents				83	(112)
Cash and cash equivalents at the beginning of the year				4 271	2 276
Cash and cash equivalents classified as held for sale			13	-	(19)
Cash and cash equivalents at the end of the year				3 749	4 271

1 Relates to short-term cash investments with maturities of more than three months from date of acquisition.

2 Relates to payments for the group's fair value through other comprehensive income investments.

3 Proceeds from sale of subsidiary shares net of transaction costs.

4 Relates to transactions with non-controlling interests resulting in changes in effective interest of existing subsidiaries. Includes the repurchase of Prosus shares on the market in the current year.

Notes to the summarised consolidated financial statements

for the year ended 31 March 2021

1. General information

Naspers Limited (Naspers or the group) is a global consumer internet group and one of the largest technology investors in the world. Through Prosus N.V. (Prosus) the group operates and invests in countries and markets with long-term growth potential, building leading consumer internet companies that empower people and enrich communities. Prosus has its primary listing on Euronext Amsterdam and a secondary listing on the JSE Limited's stock exchange and A2X Markets. Naspers is the majority shareholder of Prosus.

The summarised consolidated financial statements for the year ended 31 March 2021 have been authorised for issue by the board of directors on 19 June 2021.

2. Basis of presentation and accounting policies

Information on the summarised consolidated financial statements

The summarised consolidated financial statements for the year ended 31 March 2021 have been prepared in accordance with International Financial Reporting Standard (IFRS), the South African Institute of Chartered Accountants (SAICA) Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Pronouncements as issued by the Financial Reporting Standards Council as well as the requirements of the Companies Act of South Africa and the JSE Listings Requirements.

The summarised consolidated financial statements do not include all the disclosures required for complete annual financial statements prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB). The accounting policies in these summarised consolidated financial statements are consistent with those applied in the previous consolidated annual financial statements for the year ended 31 March 2020, except for the subsequent measurement of written put option liabilities as further described below.

There were no new or amended accounting pronouncements effective from 1 April 2020 that have a significant impact on the group's summarised consolidated financial statements.

The summarised consolidated financial statements presented here report earnings per share, diluted earnings per share, headline earnings per share and diluted headline earnings per share (collectively referred to as earnings per share). These are calculated as the relationship of the number of ordinary shares of Naspers issued (net of treasury shares) as at 31 March 2021, to the earnings and headline earnings attributable to the shareholders of Prosus. The group has in issue 435 511 058 N ordinary shares and 961 193 A ordinary shares to shareholders as at 31 March 2021.

All amounts disclosed are in millions of US dollars (US\$m) unless otherwise stated.

Operating segments

The group's operating segments reflect the components of the group that are regularly reviewed by the chief operating decision-maker (CODM) as defined in note 42 'Segment information' in the consolidated financial statements as included in the annual financial statements for the year ended 31 March 2021. The group proportionately consolidates its share of the results of its associates and joint ventures in its disclosure of segment results in note 5.

Lag periods applied when reporting results of equity-accounted investments

Where the reporting periods of associates and joint ventures (equity-accounted investments) are not coterminous with that of the group and/or it is impracticable for the relevant equity-accounted investee to prepare financial statements as of 31 March (for instance due to the availability of the results of the equity-accounted investee relative to the group's reporting period), the group applies an appropriate lag period of not more than three months in reporting the results of the equity-accounted investees. Significant transactions and events that occur between the non-coterminous reporting periods are adjusted for. The group exercises significant judgement when determining the transactions and events for which adjustments are made.

Going concern

The summarised consolidated financial statements are prepared on the going concern basis. Based on forecasts and available cash resources, the group has adequate resources to continue operations as a going concern in the foreseeable future. As at 31 March 2021, the group recorded US\$5.19bn in net cash, comprising US\$3.76bn of cash and cash equivalents and US\$1.44bn in short-term cash investments. The group had US\$7.89bn of interest-bearing debt (excluding capitalised lease liabilities) and an undrawn US\$2.5bn revolving credit facility.

In assessing going concern, the impact of the Covid-19 pandemic on the group's operations and liquidity was considered in preparing the forecasts and in assessing the group's actual performance against budget. The board is of the opinion that the group has performed well during the current year and has sufficient financial flexibility to negate the effects on the group and company's going concern that could result from the potential negative impact of Covid-19 on the group's businesses in the year subsequent to the date of these financial statements. Refer to note 3 for further information on the impact of the pandemic on the group's financial results.

Voluntary change in accounting policy for the subsequent measurement of written put option liabilities

Effective 1 April 2020, the group made a voluntary change to its accounting policy regarding the subsequent measurement of written put option arrangements with non-controlling shareholders. Subsequent changes in the carrying value of put option liabilities previously recognised in the income statement in 'Other finance income - net' are now being recognised through equity.

The group considers that the change in the accounting policy will provide more relevant information about the effects of underlying transactions with non-controlling shareholders. Written put option arrangements are considered equity transactions because the settlement with non-controlling shareholders does not result in the loss of control over a subsidiary. Furthermore, as part of the business combination accounting, the group simultaneously recognises the non-controlling interest on initial recognition of the written put option liability, because the risks and rewards of ownership are not deemed to have transferred to the group until the written put option liability is settled.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

2. Basis of presentation and accounting policies continued

Voluntary change in accounting policy for the subsequent measurement of written put option liabilities continued

The group has adopted this change in accounting policy retrospectively, however the impact is insignificant to the summarised consolidated statement of financial position as all previous remeasurements recognised through the income statement are already accumulated in equity as at the effective date of the change. The previous remeasurements accumulated in retained earnings have been reclassified to the 'Existing control business combination reserve'. Consequently, comparative figures on the statement of financial position have been restated for the reclassification between retained earnings and other reserves. The carrying value of the written put option liabilities and the total equity of the group in the comparative periods remain unchanged. The summarised consolidated income statement and finance income/costs note have been restated for the remeasurement of written put option liabilities as these are now recognised directly in equity.

Below is a summary of the impact of the change in accounting policy on the summarised consolidated financial statements including the impact on the group's basic, diluted and headline earnings per share.

Summarised consolidated income statement

	Year ended 31 March 2020		
	Previously reported US\$m	Change in accounting policy ¹ US\$m	Restated US\$m
Profit for the year	3 404	(53)	3 351
Attributable to:			
Equity holders of the group	3 137	(40)	3 097
Non-controlling interests	267	(13)	254
	3 404	(53)	3 351
Earnings per share (US cents)			
Basic	718	(9)	709
Diluted	699	(9)	690
Headline earnings (US\$m)	2 206	(40)	2 166
Headline earnings per share (US cents)			
Basic	505	(9)	496
Diluted	487	(9)	478

¹ Represents the impact of the change in accounting policy for the remeasurement of written put option liabilities with non-controlling shareholders previously recognised in 'Other finance income - net'.

Summarised consolidated statement of changes in equity

	Year ended 31 March 2020		
	Previously reported US\$m	Change in accounting policy ¹ US\$m	Restated US\$m
Share capital and premium	3 362	-	3 362
Other reserves	(8 508)	(338)	(8 846)
Retained earnings	26 896	338	27 234
Non-controlling interests	8 178	-	8 178
Total equity	29 928	-	29 928

¹ Represents the impact of the change in accounting policy for the remeasurement of written put option liabilities with non-controlling shareholders previously accumulated in retained earnings that have been reclassified to 'Existing control business combination reserve'.

3. Significant changes in financial position and performance during the reporting period

Covid-19 impact on the summarised consolidated financial statements

The global Covid-19 pandemic began to affect the operations of the group towards the end of March 2020. The pandemic has impacted the group's financial position, financial performance and cash flows presented in these summarised consolidated financial statements for the year ended 31 March 2021. The impact of the pandemic on significant accounting matters is discussed below.

Use of significant judgements and estimates

The group has monitored the significant judgements and estimates used to support the reported assets, liabilities, income and expenses for the year ended 31 March 2021. Areas of judgement and estimates primarily impacted by the pandemic include the fair value of financial instruments, impairment testing and the measurement of written put option liabilities.

Fair value of financial instruments

The fair-value measurement of the group's financial instruments recognised through other comprehensive income or profit or loss took into account the respective listed prices for our listed investments, the performance of the investments and any recent transactions that occurred during the year. No significant fair-value losses have been recognised for these investments during the year.

Impairment testing

The group assessed whether there was an indication of impairment for the assets recognised on the statement of financial position. Impairment testing was primarily focused on the group's goodwill, carrying value of equity-accounted associates and joint ventures, expected credit losses of related party receivables, trade and other receivables and any inventory writedowns.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

3. Significant changes in financial position and performance during the reporting period continued

Covid-19 impact on the summarised consolidated financial statements continued

Goodwill is tested annually as at 31 December or more frequently if a change in circumstance indicates that it might be impaired. The group assessed its goodwill impairment calculations as well as the appropriateness of the recoverable amounts taking into account the impact of the Covid-19 pandemic. The group's 10-year budgets and forecasts consisted of cash flow projections and included the anticipated impact of the pandemic. These budgets and forecasts were used to calculate discounted cash flow valuations and also to identify whether there were any indicators that goodwill allocated to various cash-generating units (CGUs) was impaired. For the year ended 31 March 2021, the discounted cash flow valuations of the various Ecommerce CGUs were used as the recoverable amounts. The group recognised goodwill impairment for the CGU's whose recoverable amount was lower than its respective carrying amount. Goodwill impairments relate to those subsidiaries in the respective CGUs whose actual performance during the current year, budgets and forecasts, taking into account current market indicators, showed declined revenue growth and profitability than what was previously anticipated. The group recognised goodwill impairment of US\$70.7m (31 March 2020: US\$11.8m) during the current year primarily related to Silver Indonesia JVCo B.V. and Aasaanjobs Private Limited in the Classifieds segment and US\$2.9m (2020: US\$2.2m) in the Media segment. The financial results of these subsidiaries showed a decline in performance from the prior year. Refer to note 10.

Impairment assessments of equity-accounted associates and joint ventures considered the financial performance of the investments during the year and determined whether there were any significant indicators, such as material losses, that would result in an impairment. Impairment losses of US\$32.4m (31 March 2020: US\$21.0m) were recognised for the group's equity-accounted associates and joint venture mainly due to the joint venture closing operations in certain regions and the associates' performance during the current year falling below expectations.

Inventories are measured at the lower of cost and net realisable value. In determining the appropriate level of inventory write downs, changes in the ageing of inventory and consumer behaviour due to Covid-19 were taken into account. Due to the shift of consumers to online ecommerce platforms to purchase goods, the adverse effects of the pandemic on inventory writedowns were not significant. The inventory writedown during the year did not have a significant impact on the group's financial results.

The group recognises an allowance for expected credit losses for its trade and other receivables. The expected credit loss assessment took into account all reasonable and supportable information about the likelihood that counterparties would breach their agreed payment terms and any deterioration of their credit ratings. Where relevant, additional expected credit losses were accounted for when deemed necessary. Total impairment losses (net of reversals) recognised for trade and other receivables amounted to US\$9.1m as at 31 March 2021 (31 March 2020: US\$9.6m). The adverse effects of the pandemic on expected credit losses for trade and other receivables in relation to increased revenue were not significant.

Measurement of written put option liabilities

Written put option liabilities are measured at the present value of the expected redemption amount payable. The settlement amount takes into account the equity values of the group's subsidiaries who have these written put option arrangements. The measurement of the written put option liabilities considers the performance of the group's subsidiaries in comparison to their budgets and forecasts. For the 31 March 2021 financial year the group recognised an aggregate decrease in equity for the remeasurement of written put option liabilities of US\$534.2m (31 March 2020 increase of: US\$53.0m) resulting in an increase (31 March 2020: decrease) in the written put option liabilities. The movement in the put option liability in the current year is predominantly due to growth in the group's Ecommerce subsidiaries that resulted in the increase in the equity values used to determine the expected redemption amount payable. The group has voluntarily changed its accounting policy on the subsequent measurement of written put option liabilities previously recognised in the income statement to be recognised in equity. Refer to note 2.

Risk management

The integrated annual report for the year ended 31 March 2021 describes certain risks which could have an adverse effect on the group's financial position and results. Those risks are valid and should be read in conjunction with these summarised consolidated financial statements.

Despite the impact of the Covid-19 pandemic, the group has remained resilient and performed well during the year ended 31 March 2021. Like most companies, the group faced challenges particularly in countries where governments took necessary, but drastic action by implementing lockdown regulations to limit the spread of the disease. However, the continued migration of consumers to online platforms has had a positive impact on the group and is reflected in the financial position, financial performance and cash flows generated during the year ended 31 March 2021.

Changes in the settlement and classification of share appreciation right (SAR) schemes

On 24 April 2020, the Naspers board approved a prospective change in the settlement mechanism for the group's SAR schemes from equity settled to cash settled. Gains earned by participants upon exercise of their SAR awards are now settled in cash, rather than in Naspers N ordinary shares. All other features of the awards including strike price, vesting and expiry periods remain unchanged. The fair value of the SAR awards on the effective date of the change was US\$322m and is recognised as a share-based payment liability. The share-based payment reserve related to these SAR awards was US\$80m. The change in settlement has been accounted for as a modification, with the difference between the existing share-based payment reserve and the share-based payment liability being recognised through retained earnings in equity. The SAR schemes are accounted for in terms of the group's accounting policy in respect of cash-settled share-based payments.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

4. Independent audit

The summarised consolidated financial statements have been audited by the company's auditor, PricewaterhouseCoopers Inc. (PwC). The individual auditor assigned to perform the audit is Vicky Myburgh. PwC's unqualified audit reports on the consolidated annual financial statements and the summarised consolidated financial statements for the year ended 31 March 2021 are available for inspection at the registered office of the company. The auditor's report does not necessarily cover all the information contained in the summarised consolidated financial statements. Shareholders are therefore advised that, in order to obtain a full understanding of the nature of the auditor's work, they should obtain a copy of that report, together with the consolidated annual financial statements from the registered office of the company. These documents will be available from the company's registered office from 21 June 2021.

5. Segmental review

	Revenue			Adjusted EBITDA ¹			Trading (loss)/profit ²		
	Year ended 31 March			Year ended 31 March			Year ended 31 March		
	2021 US\$m	2020 US\$m	% change	2021 US\$m	2020 Restated* US\$m	% change	2021 US\$m	2020 Restated* US\$m	% change
<i>Ecommerce</i>	6 849	4 680	46	(261)	(681)	62	(439)	(823)	47
– Classifieds	1 609	1 299	24	74	92	(20)	15	44	(66)
– Payments and Fintech	577	428	35	(59)	(60)	2	(68)	(67)	(1)
– Food Delivery	1 486	751	98	(313)	(596)	47	(355)	(624)	43
– Etail	2 856	1 756	63	110	(22)	>100	61	(63)	>100
– Travel	–	146	(100)	–	(19)	100	–	(22)	100
– Other	321	300	7	(73)	(76)	4	(92)	(91)	(1)
<i>Social and Internet Platforms</i>	22 526	17 189	31	7 229	5 455	33	6 154	4 699	31
– Tencent	22 155	16 779	32	7 151	5 328	34	6 126	4 601	33
– Mail.ru	371	410	(10)	78	127	(39)	28	98	(71)
Media	211	272	(22)	(2)	15	(113)	(8)	8	>(100)
Corporate segment	–	–	–	(146)	(151)	3	(152)	(159)	4
Intersegmental	–	(5)	100	–	–	–	–	–	–
Total economic interest	29 586	22 136	34	6 820	4 638	47	5 555	3 725	49
<i>Less: Equity-accounted investments</i>	(23 652)	(18 135)	(30)	(6 903)	(4 987)	(38)	(5 779)	(4 200)	(38)
Total consolidated	5 934	4 001	48	(83)	(349)	76	(224)	(475)	53

* During the current year, the way that corporate costs are presented to the CODM has been changed. Corporate costs, previously allocated and disclosed in the 'Other ecommerce' subsegment, are now included in the 'Corporate segment'. This provides more clarity on the total corporate costs incurred by the group. This change had no impact on the overall group trading (loss)/profit.

1 Adjusted EBITDA is a non-IFRS measure that represents operating profit/loss, as adjusted to exclude depreciation; amortisation; retention option expenses linked to business combinations; other losses/gains – net, which includes dividends received from investments, profits and losses on sale of assets, fair-value adjustments of financial instruments, impairment losses, compensation received from third parties for property, plant and equipment impaired, lost or stolen, and gains or losses on settlement of liabilities; cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and subsequent fair-value remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes as well as those deemed to arise on shareholder transactions (but not excluding share-based payment expenses for which we have a cash cost on settlement with participants).

2 Trading profit/(loss) refers to adjusted EBITDA adjusted for depreciation, amortisation of software and interest on capitalised lease liabilities. It is considered a useful measure to analyse operational profitability.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

5. Segmental review continued

Reconciliation of consolidated adjusted EBITDA and trading loss to consolidated operating loss

	Year ended 31 March	
	2021 US\$'m	2020 US\$'m
Consolidated adjusted EBITDA¹	(83)	(349)
Depreciation	(110)	(96)
Amortisation of software	(16)	(16)
Interest on capitalised lease liabilities	(15)	(14)
Consolidated trading loss²	(224)	(475)
Interest on capitalised lease liabilities	15	14
Amortisation of other intangible assets	(138)	(104)
Other (losses)/gains – net	(103)	(69)
Retention option expense	(74)	(61)
Remeasurement of cash-settled share-based incentive expenses	(648)	-
Share-based incentives for share options settled in Naspers Limited shares	(17)	(25)
Consolidated operating loss	(1 189)	(720)

- 1 Adjusted EBITDA is a non-IFRS measure that represents operating profit/loss, as adjusted to exclude depreciation; amortisation; retention option expenses linked to business combinations; other losses/gains – net, which includes dividends received from investments, profits and losses on sale of assets, fair-value adjustments of financial instruments, impairment losses, compensation received from third parties for property, plant and equipment impaired, lost or stolen, and gains or losses on settlement of liabilities; cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and subsequent fair-value remeasurement of cash-settled share-based compensation expenses, equity-settled share-based compensation expenses for group share option schemes as well as those deemed to arise on shareholder transactions (but not excluding share-based payment expenses for which we have a cash cost on settlement with participants).
- 2 Trading profit/(loss) refers to adjusted EBITDA adjusted for depreciation, amortisation of software and interest on capitalised lease liabilities. It is considered a useful measure to analyse operational profitability.

On 24 April 2020, the Naspers Limited board approved a prospective change in the settlement mechanism for the group's SARS plans from settlement in Naspers N ordinary shares to using cash resources for settlement. Accordingly, going forward these plans have been classified as cash-settled share-based payment expenses at both Prosus and Naspers.

In October 2020, the board approved a change to the group's definition to adjusted EBITDA and trading profit/(loss) related to the treatment of SAR share-based compensation benefits. Adjusted EBITDA and trading profit/(loss) now include the impact of the group's SAR share-based compensation expenses based on the grant date fair value for cash-settled share-based compensation benefits. The non-IFRS measures therefore exclude the subsequent remeasurement of the group's cash-settled share-based compensation benefits. These non-IFRS measures are aimed to reflect a stable measure of the group's operations. From April 2020, since the change in the settlement mechanism, the CODM reviews these two non-IFRS measures to include the impact of the grant date fair value of the group's cash-settled share-based compensation benefits. The CODM reviews these measures excluding the subsequent remeasurement because the volatility in the fair value of our ecommerce portfolio may distort the operating performance of the group's segments. While this presentation is different from what was reported for the six months ended 30 September 2020, the CODM simultaneously reviewed segment information for these non-IFRS measures without the subsequent fair value remeasurement during this period. Accordingly, in October 2020, subsequent to the board approval of the change to the definition of these non-IFRS measures, the September 2020 results were restated. This ensured that these non-IFRS measures were presented on a similar basis for the financial year. Including only the grant date fair value of the group's cash-settled share-based compensation benefits is consistent with how the CODM reviewed these measures prior to the modification of the SARs to a cash-settled scheme and as a result the prior period presented does not require restatement. The group has applied this new definition for adjusted EBITDA and trading profit from April 2020 in these summarised financial statements.

On an economic-interest basis, this non-IFRS measure will continue to include the group's proportionate share of its associate cash-settled share-based compensation expenses and excludes the share of its associate equity-settled share-based compensation expenses.

6. Headline earnings

Headline earnings represent net profit for the year attributable to the group's equity holders, excluding certain defined separately identifiable remeasurements relating to, among others, impairments of tangible assets, intangible assets (including goodwill) and equity-accounted investments, gains and losses on acquisitions and disposals of investments as well as assets, dilution gains and losses on equity-accounted investments, remeasurement gains and losses on disposal groups classified as held for sale and remeasurements included in equity-accounted earnings, net of related taxes (both current and deferred) and the related non-controlling interests. These remeasurements are determined in accordance with Circular 1/2019, headline earnings, as issued by the South African Institute of Chartered Accountants, at the request of JSE Limited in relation to the calculation of headline earnings and disclosure of a detailed reconciliation of headline earnings to the earnings numbers used in the calculation of basic earnings per share in accordance with the requirements of IAS 33 – Earnings per Share, under the JSE Listings Requirements.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

6. Headline earnings continued

A reconciliation of net profit attributable to shareholders to headline earnings is outlined below.

Calculation of headline earnings

	Year ended 31 March	
	2021 US\$'m	Restated* 2020 US\$'m
Net profit attributable to shareholders	5 304	3 097
<i>Adjusted for:</i>		
– impairment of property, plant and equipment and other assets	11	-
– impairment of goodwill and other intangible assets	72	13
– gain recognised on loss of control	-	(17)
– gain recognised on loss on of significant influence	-	(13)
– gains recognised on disposals of investments	(360)	(391)
– remeasurement of previously held interest	-	(73)
– dilution (gains)/losses on equity-accounted investments	(1 000)	52
– remeasurements included in equity-accounted earnings ¹	(102)	(622)
– impairment of equity-accounted investments	32	21
	3 957	2 067
Total tax effects of adjustments	(173)	11
Total adjustment for non-controlling interest	358	88
Headline earnings	4 142	2 166

* Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

¹ Remeasurements included in equity-accounted earnings include US\$1.1bn (2020: US\$ 841.9m) relating to gains arising on acquisitions and disposals by associates and US\$932.5m (2020: US\$226.7m) relating to impairment of assets recognised by associates.

7. Revenue from contracts with customers

	Reportable segment(s) where revenue is included	Year ended 31 March	
		2021 US\$'m	2020 US\$'m
Online sale of goods revenue	Classifieds and Etail	3 343	1 868
Classifieds listings revenue	Classifieds	725	790
Payment transaction commissions and fees	Payments and Fintech	513	380
Mobile and other content revenue	Other Ecommerce	147	173
Food Delivery revenue	Food Delivery	733	310
Advertising revenue	Various	142	201
Comparison shopping commissions and fees	Other Ecommerce	-	22
Printing, distribution, circulation, publishing and subscription revenue	Media	117	137
Other revenue	Various	214	120
		5 934	4 001

Revenue is presented on an economic-interest basis (ie including a proportionate consolidation of the revenue of associates and joint ventures) in the group's segmental review and is accordingly not directly comparable to the above consolidated revenue figures.

8. Finance (cost)/income

	Year ended 31 March	
	2021 US\$'m	Restated* 2020 US\$'m
Interest income	101	245
– loans and bank accounts	77	241
– other ¹	24	4
Interest expense	(268)	(229)
– loans and overdrafts	(247)	(209)
– capitalised lease liabilities	(16)	(14)
– other	(5)	(6)
Other finance income – net	207	76
On translation of assets and liabilities	80	47
Fair-value adjustments on derivative financial instruments	127	29

¹ Includes interest received on tax. Refer to note 12.

* Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

9. Profit before taxation

In addition to the items already detailed, profit before taxation has been determined after taking into account, inter alia, the following:

	Year ended 31 March	
	2021 US\$m	2020 US\$m
Depreciation of property, plant and equipment	110	96
Amortisation	154	59
– other intangible assets	138	43
– software	16	16
Impairment losses on financial assets measured at amortised cost	15	17
Net realisable value adjustments on inventory, net of reversals¹	7	5
Other (losses)/gains – net	(103)	(69)
– impairment of goodwill and other intangible assets	(72)	(13)
– impairment of property, plant and equipment and other assets	(11)	-
– dividends received on investments	5	6
– fair-value adjustments on financial instruments	(4)	4
– gains recognised on loss of significant influence	-	13
– Covid-19 donation	(13)	(84)
– other	(8)	5
Net gains on acquisitions and disposals	308	351
– gains recognised on disposal of investments – net	242	390
– gains recognised on sale of business – net	118	-
– gains recognised on loss of control transactions	-	17
– transaction-related costs ²	(56)	(113)
– securities tax paid on internal restructuring	-	(18)
– remeasurement of previously held interest	-	73
– other	4	2

¹ Net realisable value writedowns relate primarily to the Etail segment.

² Includes transaction-related cost regarding acquisition and disposal transactions. The prior year also includes transaction related cost for the listing of Prosus.

10. Goodwill

Movements in the group's goodwill for the year are detailed below:

	Year ended 31 March	
	2021 US\$m	2020 US\$m
Goodwill		
– cost	2 324	2 360
– accumulated impairment	(87)	(240)
Opening balance	2 237	2 120
– foreign currency translation effects	49	(278)
– acquisitions of subsidiaries and businesses	43	566
– disposals of subsidiaries and businesses	(72)	(7)
– transferred to assets classified as held for sale	-	(152)
– impairment	(71)	(12)
Closing balance	2 186	2 237
– cost	2 350	2 324
– accumulated impairment	(164)	(87)

Goodwill is tested annually as at 31 December or more frequently if there is a change in circumstance that indicates that it might be impaired. The group assessed its goodwill impairment calculations as well as the appropriateness of the recoverable amounts taking into account the impact of the Covid-19 pandemic. The group's 10-year budgets and forecasts consisted of cash flow projections and included the anticipated impact of the pandemic. These budgets and forecasts were used to calculate discounted cash flow valuations to identify whether there were any indicators that goodwill allocated to various CGUs was impaired. The value in use amounts used were considered appropriate based on the budgets and forecasts taking into account the impact of the pandemic.

Covid-19 has had a broad impact on the group, with the restrictions impacting some businesses negatively, particularly in the first half of the financial year where they were unable to operate and on the other hand, having a positive impact on the group's other major business operations. The positive impact on the group's major business operations was predominantly from regions where online services and sale of goods were the primary solutions for social distancing measures imposed. The impairment loss recognised as at 31 March 2021, therefore, takes into account the impact of the pandemic on the group and its CGUs which is the group's best estimate amid this current uncertain economic environment. The group recognised goodwill impairment of US\$70.7m (31 March 2020: US\$11.8m) during the current year primarily related to Silver Indonesia JVCo B.V. and Aasaanjobs Private Limited in the Classifieds segment and US\$2.9m (2020: US\$2.2m) in the Media segment. The financial results of these subsidiaries showed a decline in performance from the prior year. The group will continue to monitor the performance of its businesses as circumstances change and/or information becomes available that may indicate that the goodwill may be impaired.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

11. Investments in associates

The movements in the carry value of the group's investments in associates for the year are detailed in the table below:

	Year ended 31 March	
	2021 US\$m	2020 US\$m
Opening balance	22 235	19 746
– Associates acquired – gross consideration	2 352	437
– Associates disposed of	(20)	(575)
– Share of current-year changes in OCI and NAV	6 819	129
– Share of equity-accounted results	7 114	3 953
– Impairment	(11)	(21)
– Dividends received	(458)	(377)
– Foreign currency translation effects	1 546	(999)
– Dilution gains/(losses) ¹	989	(58)
Closing balance	40 566	22 235

¹ The total dilution gains/(losses) presented in the income statement of US\$989.4m (2020: a net dilution loss of US\$57.8m) relates primarily to a 4% dilution in the group's interest in Delivery Hero of US\$834.7m as a result of a share issue as well as the reclassification of a portion of the group's foreign currency translation reserves following shareholding dilutions and the partial disposal of associates.

12. Commitments and contingent liabilities

Commitments relate to amounts for which the group has contracted, but that have not yet been recognised as obligations in the statement of financial position.

	Year ended 31 March	
	2021 US\$m	2020 US\$m
Commitments	155	151
– capital expenditure	60	29
– other service commitments	81	109
– lease commitments ¹	14	13

¹ Lease commitments include the group's short-term lease arrangements as well as other contractual lease agreements whose commencement date is after 31 March 2021. Short-term lease commitments relate to leasing arrangements with lease terms of 12 months or less that are not recognised on the statement of financial position.

The group operates a number of businesses in jurisdictions where taxes are payable on certain transactions or payments. The group continues to seek relevant advice and works with its advisers to identify and quantify such tax exposures. Our current assessment of possible withholding and other tax exposures, including interest and potential penalties, amounts to approximately US\$40.5m (2020: US\$30.3m).

Furthermore, the group had an uncertain tax position of US\$170.8m at 31 March 2020 related to amounts receivable from tax authorities. In the financial year ended 31 March 2019, the group concluded that this uncertain tax position was not probable and reflected the uncertainty in the tax expense recognised during that financial year. In September 2020, the group received this amount and has recognised it in 'Taxation' in the summarised consolidated income statement, where it was originally recognised. The receipt of the amount has evidenced that no taxation was payable on the transaction and therefore this cash flow has been classified consistently with the underlying transaction in the summarised consolidated statement of cash flows.

13. Assets classified as held for sale

In July 2020 the group contributed the assets and liabilities of the US letgo business in exchange for an equity interest in OfferUp Inc., a US online marketplace. The assets and liabilities of the US letgo business were classified as held for sale as at 31 March 2020. The transaction was concluded in July 2020. Refer to note 14.

In March 2020 the assets and liabilities of the group's subsidiary Wavy Global Holdings B.V. (Wavy) were classified as held for sale as the group signed an agreement to sell its investment to Stockholm-based customer engagement platform, Sinch AB. The transaction was concluded in February 2021. Refer to note 14.

Assets and liabilities classified as held for sale are detailed in the table below:

	Year ended 31 March	
	2021 US\$m	2020 US\$m
Assets	8	208
Property, plant and equipment	8	10
Goodwill and other intangible assets	–	152
Trade and other receivables	–	27
Cash and cash equivalents	–	19
Liabilities	–	26
Long-term liabilities	–	3
Provisions	–	1
Trade payables	–	4
Accrued expenses and other current liabilities	–	18

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

14. Business combinations, other acquisitions and disposals

The following relates to the group's significant transactions related to business combinations and equity-accounted investments for the year ended 31 March 2021:

In April 2020, OLX Global B.V. (OLX) contributed its subsidiary, Dubizzle Limited (BVI) (Dubizzle), the leading classifieds platform for users in the UAE, for an interest in Emerging Markets Property Group (EMPG). EMPG owns and operates bespoke classifieds portals in different emerging markets across the world, including Bayut in Dubai, Zameen in Pakistan, and Mubawab in Morocco, North Africa. The total consideration was US\$390.5m, including cash of US\$75.0m. On disposal of Dubizzle, the group recognised a gain of US\$113.5m in 'Net gains on acquisitions and disposals' in the income statement, including the recycling of the foreign exchange translation reserve. This gain on disposal recognised from the contribution of Dubizzle is to the extent of the external parties' interest in EMPG.

Following the transaction, the group holds a 39% effective and fully diluted interest in EMPG. The group accounts for its interest in EMPG as an investment in associate.

In July 2020, OLX merged its US letgo business with OfferUp, two of America's most popular apps to buy and sell in the US. OLX contributed its US letgo business. The total consideration was US\$360.0m, including cash of US\$100.0m. On disposal of the US letgo business, the group recognised a gain of US\$114.8m in 'Net gains on acquisitions and disposals'. This gain on disposal recognised from the contribution of the US letgo business is to the extent of the external parties' interest in OfferUp.

Following the transaction, the group holds a 38% effective (35% fully diluted) interest in OfferUp. The group accounts for its interest in OfferUp as an investment in associate.

In August and October 2020, the group made an additional investment in Remitly Global, Inc. (Remitly) amounting to US\$52.5m and US\$14.3m respectively. Remitly is an international remittances company focused on the consumer segment, primarily in the US, the UK and Canada. Following this investment, the group holds a 24% effective (20% fully diluted) interest in Remitly. The group continues to account for its interest in Remitly as an investment in an associate.

In September 2020, Eruditus Learning Solutions Private Limited (Eruditus), a learning platform that partners with top-tier universities across the US, Europe, Latin America, India and China, announced the successful completion of its Series D funding round totalling US\$113.0m (including secondary sales). The group, through Naspers Ventures B.V. (Prosus Ventures) participated in the funding round with a US\$59.9m cash contribution. Following the transaction, the group holds a 9% effective (8% fully diluted) interest in Eruditus. The group accounts for its interest in Eruditus as an investment in associate as a result of the group's board representation.

In September 2020 the group made an additional investment amounting to US\$25.0m, in Mail.ru, a leading Russian social networks and instant messaging service. Following this investment, the group holds a 27% effective interest in Mail.ru. The group continues to account for its interest in Mail.ru as an investment in an associate.

In October 2020, the group made an additional investment in its joint venture Silver Brazil JVCo B.V. (OLX Brazil) amounting to US\$89.0m. Furthermore, the group provided loan financing to OLX Brazil amounting to US\$171.0m. The capital and loan provided was to finance the joint venture's investment acquisitions. The funding was provided jointly by the group and its partner in the joint venture Adevirta ASA (Adevinta). Accordingly, the group's effective shareholding in this investment subsequent to the additional investment remained unchanged. The additional contribution to OLX Brazil is included in the carrying value of the investment.

In March 2020, MIH Mobile Holding B.V. (Mobile) signed an agreement to sell its subsidiary Wavy Global Holdings B.V. (Wavy) to Stockholm listed customer engagement platform, Sinch AB, in exchange for cash and the issue of 1 534 582 new shares in Sinch AB (which represents at the reporting date a 2% equity investment). The transaction obtained regulatory approval and was closed in February 2021. The total proceeds on disposal of Wavy was US\$310.2m, including cash of US\$63.4m. On disposal of Wavy, the group recognised a total gain of US\$275.8m, comprising of US\$101.3m recognised in 'Net gains on acquisitions and disposals' and a gain of US\$174.5m recognised in 'Other finance income - net' as a result of fair-value gains on the 1 534 582 Sinch AB listed shares from the signing date of the agreement until the closing date. The gain on disposal recognised in 'Net gains on acquisitions and disposals' includes the recycling of the foreign exchange translation reserve. The group recognised its interest in Sinch AB as an investment at fair value through other comprehensive income.

The following transactions were entered into in March 2021:

IF-JE participações S.A. (iFood) contributed its 100% subsidiary Come Ya S.A.S. (Come Ya) for a 51% effective interest in Inversiones CMR S.A.S. (Domicilios.com) for a total consideration of US\$44.0m, including cash of US\$7m. Domicilios.com is an online food-delivery platform in Colombia. On disposal of Come Ya, the group recognised a gain of US\$18.6m in 'Net gains on acquisitions and disposals'. This gain on disposal recognised from the contribution of Come Ya is to the extent of the external parties' interest in Domicilios.com.

Following the transaction, the group holds a 51% effective (51% fully diluted) interest in Domicilios.com. The group accounts for its interest in Domicilios.com as a joint venture as contractually, the decisions over its operations require unanimous consent of both shareholders.

Prosus acquired approximately 20.37 million shares in Delivery Hero for US\$2.6bn by 31 March 2021 to offset current and future dilutions in the investment. The acquisition increased the group's shareholding by 8% to approximately 24.99% which continues to position the group as the largest shareholder of Delivery Hero. At 31 March 2021 while legal ownership had transferred for the 8% additional interest, the access to the returns associated with the ownership had not fully transferred for 4% of this interest. The effective interest in Delivery Hero recognised at 31 March 2021 was 21% with the remaining 4% amounting to US\$1.2bn recognised as a contractual right to receive the shares or cash included in 'Other investments' on the statement of financial position. At 31 March 2021 the 4% was recognised as a financial instrument at fair value through profit or loss. The fair value recognised represents the consideration paid for this interest which was subsequently included in the effective interest of the investment when access to the returns associated with the ownership had transferred. Refer to note 19.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

15. Non-controlling interest in Prosus N.V.

The Prosus group represents a significant portion of Naspers's NAV as it comprises the international ecommerce and internet assets, including the investment in Tencent. On 30 October 2020 the group announced its intention for Prosus to acquire up to US\$5bn of Prosus and Naspers shares. This was implemented by the acquisition of up to US\$1.4bn Prosus N ordinary shares and US\$3.6bn Naspers N ordinary shares on the market. Subsequent to the acquisition of Prosus N ordinary shares the group's interest in Prosus N.V. is 73.19% (2020: 72.63%). Accordingly, the 26.81% (2020 27.37%) interest in Prosus represents a significant non-controlling interest of the group. This non-controlling interest will be entitled to its share of future earnings of the Prosus group.

The Prosus group prepares its own consolidated financial results which are reported to its shareholders in accordance with its listing obligations on Euronext Amsterdam. In its results, Prosus discloses various related party balances and transactions with fellow subsidiaries in the Naspers group. More information on Prosus's results is available at www.prosus.com.

16. Significant financing transactions

Bonds issued during the year ended 31 March 2021

In August 2020, the group issued bonds totalling US\$2.18bn. These bonds consist of 30-year US\$1.00bn notes carrying a semi-annual fixed interest rate of 4.027% due in 2050, eight-year €500m notes carrying a fixed interest rate of 1.539% per annum due in 2028, and 12-year €500m notes carrying a fixed interest rate of 2.031% per annum due in 2032.

In December 2020, the group issued bonds totalling US\$2.23bn. These bonds consist of 30-year US\$1.50bn carrying a semi-annual fixed interest rate of 3.832% due in 2051, a tap of €350m due in 2028, and a tap of €250m of its existing notes due in 2032. The 2028 notes were offered at an issue price yield of 1.211% and will be treated as a single class of the group's existing €500m 1.539% senior notes due in 2028. The 2032 notes were offered at an issue price yield of 1.742% and will be treated as a single class of the group's existing €500m 2.031% senior notes due in 2032.

The current favourable market backdrop enabled the group to further enhance its average debt maturity profile while reducing its average cost of funding. The purpose of this offering was to raise proceeds for general corporate purposes, including potential future M&A activity, and to further augment the group's liquidity position. The bonds are listed on the Irish Stock Exchange (Euronext Dublin).

Share repurchase programme

In October 2020, the group announced its intention to acquire up to US\$5bn of Prosus and Naspers shares. This was implemented by the acquisition of up to US\$1.4bn Prosus N ordinary shares and US\$3.6bn Naspers N ordinary shares on the market by Prosus. The Prosus 11 874 493 N ordinary share repurchase was completed in February 2021 and Prosus had acquired 10 568 947 Naspers N ordinary shares for US\$2.4bn. The group accounts for the Naspers N ordinary shares held by Prosus as treasury shares. Refer to note 19 for additional Naspers N ordinary shares acquired by Prosus subsequent to year-end.

17. Financial instruments

The group's activities expose it to a variety of financial risks such as market risk (including currency risk, fair-value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The summarised consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the group's risk management information disclosed in note 42 of the consolidated financial statements for the year ended 31 March 2021. There have been no material changes in the group's credit, liquidity, market risks or key inputs used in measuring fair value since 31 March 2020.

The fair values of the group's financial instruments that are measured at fair value at each financial year-end presented, are categorised as follows:

	Fair-value measurements at 31 March 2021 using:			
	Carrying value US\$'m	Quoted prices in active markets for identical assets or liabilities (level 1) US\$'m	Significant other observable inputs (level 2) US\$'m	Significant unobservable inputs (level 3) US\$'m
Assets				
Financial assets at fair value through other comprehensive income	1 608	1 465	4	139
Financial assets at fair value through profit or loss	1 258	–	1 242	16
Forward exchange contracts	3	–	3	–
Derivatives contained in lease agreements	9	–	–	9
Derivatives contained in acquisition agreements	15	15	–	–
Cash and cash equivalents ¹	996	–	996	–
Liabilities				
Forward exchange contracts	2	–	2	–
Earn-out obligations	13	–	–	13
Derivatives embedded in leases	2	–	–	2
Cross-currency interest rate swap	30	–	30	–

¹ Relates to short-term bank deposits which are money market investments held with major banking groups and high-quality institutions that have AAA money market fund credit ratings from internationally recognised ratings agencies.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

17. Financial instruments continued

Fair-value measurements at 31 March 2020 using:

	Carrying value US\$m	Quoted prices in active markets for identical assets or liabilities (level 1) US\$m	Significant other observable inputs (level 2) US\$m	Significant unobservable inputs (level 3) US\$m
Assets				
Financial assets at fair value through other comprehensive income	804	711	3	90
Financial assets at fair value through profit or loss	13	-	-	13
Cash and cash equivalents ¹	650	-	650	-
Derivatives contained in lease agreements	6	-	-	6
Cross-currency interest rate swap	49	-	49	-
Liabilities				
Forward exchange contracts	38	-	38	-
Derivatives contained in lease agreements	2	-	-	2
Earn-out obligations	22	-	-	22
Interest rate and cross-currency swaps	-	-	-	-

¹ Relates to short-term bank deposits which are money market investments held with major banking groups and high-quality institutions that have AAA money market fund credit ratings from internationally recognised ratings agencies.

There have been no transfers between levels 1 or 2 during the current year, nor were there any significant changes to the valuation techniques and inputs used in measuring fair value.

Valuation techniques and key inputs used to measure significant level 2 and level 3 fair values

Level 2 fair-value measurement

Forward exchange contracts – in measuring the fair value of forward exchange contracts, the group makes use of market observable quotes of forward foreign exchange rates on instruments that have a maturity similar to the maturity profile of the group's forward exchange contracts. Key inputs used in measuring the fair value of forward exchange contracts include: current spot exchange rates, market forward exchange rates and the term of the group's forward exchange contracts.

Cross-currency interest rate swap – the fair value of the group's interest rate and cross-currency swaps is determined through the use of discounted cash flow techniques using only market observable information. Key inputs used in measuring the fair value of interest rate and cross currency swaps include: spot market interest rates, contractually fixed interest rates, foreign exchange rates, counterparty credit spreads, notional amounts on which interest rate swaps are based, payment intervals, risk-free interest rates as well as the duration of the relevant interest rate and cross currency swap arrangement.

Cash and cash equivalents – relate to short-term bank deposits which are money-market investments held with major banking groups and high-quality institutions that have AAA money market fund credit ratings from internationally recognised ratings agencies. The fair value of these deposits is determined by the amounts deposited and the gains or losses generated by the funds as detailed in the statements provided by these Institutions. The gains/losses are recognised in the income statement.

Financial assets at fair value – relates to a contractual right to receive shares or cash. The fair value is based on a listed share price on the date the transaction was entered into.

Level 3 fair-value measurements

Financial assets at fair value – relate predominantly to unlisted equity investments. The fair value of these investments is based on the most recent funding transactions for these investments.

Derivatives contained in lease agreements – relate to foreign currency forwards embedded in lease contracts. The fair value of the derivatives is based on forward foreign exchange rates that have a maturity similar to the lease contracts and the contractually specified lease payments.

Earn-out obligations – relate to amounts that are payable to the former owners of businesses now controlled by the group provided that contractually stipulated post-combination performance criteria are met. These are remeasured to fair value at the end of each reporting period. Key inputs used in measuring fair value include: current forecasts of the extent to which management believe performance criteria will be met, discount rates reflecting the time value of money and contractually specified earn-out payments.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

17. Financial instruments continued

Valuation techniques and key inputs used to measure significant level 2 and level 3 fair values continued

Level 3 fair-value measurements continued

The following table shows a reconciliation of the group's level 3 financial instruments:

	31 March 2021			
	Financial assets at FVOCI ¹ US\$m	Financial assets at FVPL ² US\$m	Earn-out obligations US\$m	Derivatives embedded in leases US\$m
Balance at 1 April 2020	90	13	(22)	4
Additions	76	3	(1)	3
Total gains recognised in the income statement	-	-	(10)	-
Total gains recognised in other comprehensive income	24	-	-	-
Settlements/disposals	(51)	-	20	-
Balance at 31 March 2021	139	16	(13)	7

	31 March 2020			
	Financial assets at FVOCI ¹ US\$m	Financial assets at FVPL ² US\$m	Earn-out obligations US\$m	Derivatives embedded in leases US\$m
Balance at 1 April 2019	46	-	(7)	1
Additions	79	13	(20)	3
Total losses recognised in other comprehensive income	(14)	-	-	-
Settlements/disposals	(21)	-	5	-
Balance at 31 March 2020	90	13	(22)	4

1 Financial assets at fair value through other comprehensive income.

2 Financial assets at fair value through profit or loss.

The carrying value of financial instruments is a reasonable approximation of their fair values except for the publicly traded bonds detailed below:

Financial liabilities	31 March 2021		31 March 2020	
	Carrying value US\$m	Fair value US\$m	Carrying value US\$m	Fair value US\$m
Publicly traded bonds	7 827	7 935	3 450	3 183

The fair values of the publicly traded bonds have been determined with reference to the listed prices of the instruments as at the end of the reporting period. The fair values of the publicly traded bonds are level 2 financial instruments. The publicly traded bonds are listed on the Irish Stock Exchange (Euronext Dublin).

18. Related party transactions and balances

The group entered into various related party transactions in the ordinary course of business with a number of related parties, including associates and joint ventures. Transactions that are eliminated on consolidation as well as gains or losses eliminated through the application of the equity method are not included.

	Year ended 31 March	
	2021 US\$m	2020 US\$m
Sale of goods and services to related parties¹		
EMPG Holdings Limited	18	-
Born Negocio Atividades de Internet Ltda (OLX Brazil)	3	-
MakeMyTrip Limited ²	-	5
Various other related parties	-	1
	21	6

1 The group receives revenue from a number of its related parties in connection with service agreements. The nature of these related party relationships is that of associates and joint ventures.

2 Revenue earned from MakeMyTrip Limited, relates to payment services provided by PayU, when MakeMyTrip was an associate of the group.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

18. Related party transactions and balances continued

The balances of advances, deposits, receivables and payables between the group and related parties are as follows:

	Year ended 31 March	
	2021 US\$m	2020 US\$m
Loans and receivables¹		
Bom Negocio Atividades de Internet Ltda (OLX Brazil) ²	171	-
Tencent Technology (Shenzhen) Co Ltd	-	90
Honor Technology, Inc	-	8
Zoop Tecnologia e Meios de Pagamento Ltda (Zoop)	-	6
Various other related parties	13	3
<i>Less: allowance for impairment of loans and receivables³</i>	-	-
Total related party receivables	184	107
<i>Less: non-current portion of related party receivables</i>	<i>(174)</i>	<i>(8)</i>
Current portion of related party receivables	10	99

1 The group provides services and loan funding to a number of its related parties. The nature of these related party relationships is that of equity-accounted investments.

2 OLX Brazil acquired an interest in Grupo Zap in the current year. The acquisition was partially funded via a contribution and loan funding from the group. Refer to note 14. The loan is repayable by October 2035 and is interest free until April 2022. Subsequently interest is charged annually at SELIC+2%.

3 Impairment allowance for related parties is based on a 12-month expected credit loss model and was not material.

There were no purchases of goods and services from related parties (2020: US\$nil), amounts payable to related parties amounted to US\$4.1m (March 2020: US\$2.8m). These amounts are not considered significant and relate to various related parties, most of which are equity-accounted investments of the group.

19. Events after the reporting period

The following transactions were entered into by the group subsequent to 31 March 2021 up until the date of signing these summarised consolidated financial statements (19 June 2021):

MIH Ventures B.V. (MIH Ventures), agreed to subscribe for US\$100m of newly issued common shares of Churchill Capital Corp II (Churchill), a special purpose acquisition company listed on the New York Stock Exchange. In connection to this transaction, Churchill granted MIH Ventures a 30-day option (the MIH option) to subscribe for up to an additional US\$400m of newly issued common shares. At the same time, Churchill entered into agreements to acquire: (i) Software Luxembourg Holding S.A. (Skillsoft) in a transaction valued at approximately US\$1.3bn (the Skillsoft Merger); and (ii) Albert DE Holdings Inc. for a consideration valued at approximately US\$233m.

The group announced that it exercised the MIH option to invest an additional US\$400m in Churchill's planned acquisition of Skillsoft. This gives MIH Ventures newly issued common shares, representing up to 35% of the issued and outstanding Churchill common shares after giving effect to the Skillsoft acquisition on a fully diluted and as converted basis. MIH Ventures also entered into a strategic support agreement to provide certain business development and investor relations support services to Churchill. The group expects to account for its interest in Churchill as an investment in an associate. The obligation of MIH Ventures to complete its subscription for shares of Churchill is conditional on receipt of certain regulatory approvals and the completion of the Skillsoft merger by Churchill. Following the closing of this transaction, the group acquired a 37.6% effective interest (approximately 31.1% fully diluted) in Churchill for a total consideration of US\$500m.

The group sold 2% of Tencent Holdings Limited's (Tencent) total issued share capital. The sale reduced its stake in Tencent from approximately 31% to 29%, yielding US\$14.6bn in proceeds and a dilution gain of approximately US\$13bn. The group intends to use the proceeds of the sale to increase its financial flexibility to invest in growth, plus for general corporate purposes.

The group acquired a 14% effective (and fully diluted) interest for US\$120m in Kolonial.no (Kolonial), Norway's largest online grocery business. The group will account for this investment as an equity-accounted associate on account of its significant influence over the board of directors.

The group made an additional investment amounting to US\$273m, in Bundl Technologies Private Limited (Swiggy), the operator of a first-party food-delivery marketplace in India. Following this investment, the group holds a 36% effective interest (33% fully diluted) in Swiggy. The group continues to account for its interest in Swiggy as an investment in an associate.

The group made an additional investment amounting to US\$30m, in NText Transportation Services Private Limited (ElasticRun), a software and technology platform for providing transportation and logistics services in India. Following this investment, the group holds a 24% effective interest (23% fully diluted) in ElasticRun. The group continues to account for its interest in ElasticRun as an investment in an associate.

The group made an additional investment amounting to US\$62m, in Meesho Inc. (Meesho), a leading social commerce online marketplace in India that enables independent resellers to build small businesses by connecting them with suppliers to curate a catalogue of goods and services to sell. Meesho also provides logistics and payment tools on its platform. Following this investment, the group holds a 14% effective interest (12% fully diluted) in Meesho. The group continues to account for its interest in Meesho as an investment in an associate on account of its significant influence over the board of directors.

The group acquired a 16% effective interest (15% fully diluted) for US\$191m in API Holdings Private Limited (PharmEasy). API Holdings Private Limited owns India's largest integrated digital healthcare platforms. The group will account for this investment as an equity-accounted associate on account of its significant influence over the board of directors.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2021

19. Events after the reporting period continued

The group made an additional investment amounting to US\$153m, in Think & Learn Private Limited (BYJU'S), India's largest education company and the creator of India's largest personalised learning app. Following this investment, the group holds a 11% effective interest (10% fully diluted) in BYJU'S. The group continues to account for its interest in BYJU'S as an investment in an associate on account of its significant influence over the board of directors.

The group acquired the share capital held by non-controlling shareholders of its subsidiary Takealot Online (RF) Proprietary Limited (Takealot), for US\$54.8m. Following the acquisition, the group holds a 100% effective interest (96% fully diluted) in Takealot resulting in the cancellation of the written put option liability for this subsidiary which will be derecognised. The group is assessing the impact of this transaction in equity.

The group acquired the share capital held by non-controlling shareholders of its subsidiary Frontier Car Group Inc. (FCG), for US\$43.6m. Following the acquisition, the group holds a 99% effective and fully diluted interest in FCG resulting in the cancellation of the written put option liability for this subsidiary which will be derecognised. The group is assessing the impact of this transaction in equity.

The group acquired a 4% effective (and fully diluted) interest for US\$84m in UrbanClap Technologies India Private Limited (Urban Company). Urban Company is one of the largest home services platform in Asia, with representation in India, UAE, Singapore and Australia. The group will account for this investment at fair value through other comprehensive income.

The group completed bilateral trades that resulted in an additional investment in Delivery Hero. The group acquired an additional investment in Delivery Hero in March 2021, which increased its shareholding by 8% to approximately 24.99%. The additional investment was acquired via the market and bilateral trades. At 31 March 2021, while legal ownership had transferred for this 8% additional interest, the access to the returns associated with the ownership had not fully transferred for 4% of this interest. Accordingly, the effective interest in Delivery Hero recognised at 31 March 2021 was 21% with the remaining 4% amounting to US\$1.2bn recognised as a contractual right to receive the shares or cash. In May 2021, the bilateral trades for the remaining 4% were completed, resulting in an increase in the effective shareholding of Delivery Hero to 24.99% as the access to the returns associated with the ownership for these shares have been transferred. The group paid an additional US\$188.0m for the increase in share price for this interest between March and May 2021. In addition, the financial asset amounting to US\$1.2bn recognised at 31 March 2021 for the right to receive this interest or cash was derecognised against carrying value of the investment.

The group acquired a 62% effective interest (61% fully diluted) for US\$259m in Good Investco B.V. (GoodHabitiz). GoodHabitiz B.V. provides educational information online, offering commercial, management, and technical training services in the Netherlands. The group will account for this investment as a subsidiary.

The group entered into an agreement to acquire a 100% effective interest for US\$1.8bn in Stack Overflow a leading knowledge-sharing platform for the global community of developers and technologists. The group expects to account for this investment as a subsidiary. The transaction is expected to close in the first half of the 2022 financial year.

The group acquired 100% effective interest for US\$1.8bn in Stack Overflow. Stack Overflow is a leading knowledge-sharing platform for the global community of developers and technologist. The group will account for this investment as a subsidiary.

The group acquired a 13% effective interest (12% fully diluted) for US\$84m in Flink SE (Flink). Flink is a German-based instant grocery delivery company. The group will account for this investment as an equity-accounted associate on account of its significant influence on the board of directors.

The group acquired a total of 15 570 029 Naspers N ordinary shares as part of the share purchase programme announced in November 2020. A total of 10 568 947 N ordinary shares for US\$ 2.4bn were acquired as at 31 March 2021 (refer to note 16) and a further 5 001 082 Naspers N ordinary shares for US\$1.1bn were acquired between April and 15 June 2021. The group expects to complete the Naspers share purchase programme by the end of June 2021 for a total purchase consideration of approximately US\$3.6bn.

The group announced its intention to implement a voluntary share exchange offer to Naspers shareholders, where Naspers shareholders will be invited to tender their existing Naspers N ordinary shares for newly issued Prosus N ordinary shares at an exchange ratio of 2.27. Prosus intends to acquire 45.4% of the issued Naspers N ordinary shares in exchange for newly issued Prosus N ordinary shares, which would take its overall interest in Naspers to 49.5%, given the Naspers shares Prosus already owns. In addition, Prosus will issue newly created class B ordinary shares to Naspers which together with the N ordinary shares held will give it more than 70% of the voting rights of Prosus. Due to the resulting cross-holding, the transaction would more than double the Prosus free float's effective economic interest in the group's underlying businesses to around 60%. The proposed transaction will be subject to a minimum acceptance condition of 45.4% of the issued Naspers N Ordinary Shares. The group intends to account for this transaction primarily within equity as a transaction with shareholders.

Other information to the summarised consolidated financial statements

for the year ended 31 March 2021

A. Non-IFRS financial measures and alternative performance measures

A.1 Core headline earnings

Core headline earnings represent headline earnings, excluding certain non-operating items. Specifically, headline earnings are adjusted for the following items to derive core headline earnings: (i) equity-settled share-based payment expenses on transactions where there is no cash cost to us. These include those relating to share-based incentive awards settled by issuing treasury shares as well as certain share-based payment expenses that are deemed to arise on shareholder transactions; (ii) subsequent fair-value remeasurement of cash-settled share-based incentive expenses (iii) cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment (iv) deferred taxation income recognised on the first-time recognition of deferred tax assets as this generally relates to multiple prior periods and distorts current-period performance; (v) fair-value adjustments on financial and unrealized currency translation differences, as these items obscure our underlying operating performance; (vi) one-off gains and losses (including acquisition-related costs) resulting from acquisitions and disposals of businesses as these items relate to changes in our composition and are not reflective of our underlying operating performance; (vii) the amortisation of intangible assets recognized in business combinations and acquisitions; and (viii) the donations due to Covid-19, as these expenses are not considered operational in nature. These adjustments are made to the earnings of businesses controlled by us as well as our share of earnings of associates and joint ventures, to the extent that the information is available.

Impact of voluntary change in accounting policy for the subsequent measurement of written put option liabilities

Effective 1 April 2020, the group made a voluntary change to its accounting policy regarding the subsequent measurement of written put option arrangements with non-controlling shareholders. Subsequent changes in the carrying value of written put option liabilities previously recognised in the income statement in 'Other finance income - net' are now recognised through equity. Remeasurements of written put option liabilities previously recognised in the income statement were adjusted from headline earnings to derive core headline earnings. Consequently, the change in accounting policy has no impact on core headline earnings.

Impact of share-based compensation expenses on core headline earnings

Effective April 2020, the group changed the definition of core headline earnings related to the treatment of the group's SAR share-based compensation benefits. Core headline earnings include the impact of the group's SAR share-based compensation expenses based on the grant date fair value for cash-settled share-based compensation benefits. The CODM reviews core headline earnings to include the impact of share-based compensation expenses based on the grant date fair value for all of the group's SAR share-based compensation benefits. The non-IFRS measure therefore excludes the remeasurement portion of the group's cash-settled share-based compensation benefits. Including only the grant date fair value of the group's cash-settled share-based compensation benefits is consistent with how the CODM reviewed these measures prior to the modification of the SARs to a cash-settled scheme and, as a result, the prior period presented do not require restatement.

On an economic-interest basis this non-IFRS measure will continue to include the group's proportionate share of its associate cash-settled share-based compensation expenses and exclude the share of its associate equity-settled share-based compensation expenses.

Reconciliation of core headline earnings

	Year ended 31 March	
	2021 US\$m	Restated* 2020 US\$m
Headline earnings (refer to note 6)	4 142	2 166
<i>Adjusted for:</i>		
– equity-settled share-based payment expenses	382	494
– remeasurement of cash-settled share-based incentive expenses	648	-
– reversal of deferred tax assets	4	-
– tax paid on cancellation of shares	-	140
– amortisation of other intangible assets	332	316
– fair-value adjustments and currency translation differences	(2 142)	(580)
– retention option expense	57	42
– transaction-related costs	37	118
– Covid-19 donations	9	167
– Other ¹	6	-
Core headline earnings	3 475	2 863
Per share information for the year		
Core headline earnings per ordinary share (US cents)	814	656
Diluted core headline earnings per ordinary share (US cents) ²	777	637
Net number of ordinary shares issued ('000)		
– weighted average for the year	426 823	436 756
– diluted weighted average	427 951	438 481

¹ Other adjustments relate mainly to the increase in provisions related to disposals.

² The diluted core headline earnings per share include a decrease of US\$150.6m (2020: US\$70.6m) relating to the future dilutive impact of potential ordinary shares issued by equity-accounted investees.

* Refer to note 2 for details of the group's voluntary change in accounting policy for the subsequent measurement of written put option liabilities during the current year.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2021

A. Non-IFRS financial measures and alternative performance measures

continued

A.1 Core headline earnings continued

Equity-accounted results

The group's equity-accounted investments contributed to the summarised consolidated report as follows:

	Year ended 31 March	
	2021 US\$'m	2020 US\$'m
Share of equity-accounted results	7 095	3 932
– gains on acquisitions and disposals	(1 132)	(842)
– impairment of investments	933	227
Contribution to headline earnings	6 896	3 317
– amortisation of other intangible assets	355	301
– equity-settled share-based payment expenses	735	556
– fair-value adjustments and currency translation differences	(2 734)	(554)
– Covid-19 donations	–	114
Contribution to core headline earnings	5 252	3 734
Tencent	5 721	4 174
Mail.ru	(34)	70
MakeMyTrip	–	(13)
Delivery Hero	(230)	(167)
Other	(205)	(330)

The group applies an appropriate lag period of not more than three months in reporting the results of equity-accounted investments.

A.2 Growth in local currency, excluding acquisition and disposals

The group applies certain adjustments to segmental revenue and trading profit reported in the summarised consolidated financial statements to present the growth in such metrics in local currency and excluding the effects of changes in the composition of the group. Such underlying adjustments provide a view of the company's underlying financial performance that management believes is more comparable between periods by removing the impact of changes in foreign exchange rates and changes in the composition of the group on its results. Such adjustments are referred to herein as 'growth in local currency, excluding acquisitions and disposals'. The group applies the following methodology in calculating growth in local currency, excluding acquisitions and disposals:

- Foreign exchange/constant currency adjustments have been calculated by adjusting the current period's results to the prior period's average foreign exchange rates, determined as the average of the monthly exchange rates for that period. The local currency financial information quoted is calculated as the constant currency results, arrived at using the methodology outlined above, compared to the prior period's actual IFRS results. The relevant average exchange rates (relative to the US dollar) used for the group's most significant functional currencies, were:

Currency (1FC = US\$)	Year ended 31 March	
	2021	2020
South African rand (ZAR)	0.0614	0.0667
Euro (EUR)	1.1691	1.1103
Chinese yuan renminbi (CNY)	0.1479	0.1433
Brazilian real (BRL)	0.1830	0.2398
Indian rupee (INR)	0.0135	0.0141
Polish zloty (PLN)	0.2593	0.2569
Russian rouble (RUB)	0.0134	0.0152
British pound sterling (GBP)	1.3152	1.2702
Turkish lira (YTL)	0.1344	0.1692
Romanian lei (RON)	0.2405	0.2330
Hungarian forint (HUF)	0.0033	0.0033

- Adjustments made for changes in the composition of the group relate to acquisitions, mergers and disposals of subsidiaries and equity-accounted investments, as well as to changes in the group's shareholding in its equity-accounted investments. For acquisitions, adjustments are made to remove the revenue and trading profit/(loss) of the acquired entity from the current reporting period and, in subsequent reporting periods, to ensure that the current reporting period and the comparative reporting period contain revenue and trading profit/(loss) information relating to the same number of months. For mergers, adjustments are made to include a portion of the prior period's revenue and trading profit/(loss) of the entity acquired as a result of a merger. For disposals, adjustments are made to remove the revenue and trading profit/(loss) of the disposed entity from the previous reporting period to the extent that there is no comparable revenue or trading profit/(loss) information in the current period and, in subsequent reporting periods, to ensure that the previous reporting period does not contain revenue and trading profit/(loss) information relating to the disposed business.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2021

A. Non-IFRS financial measures and alternative performance measures

continued

A.2 Growth in local currency, excluding acquisition and disposals continued

The following significant changes in the composition of the group during the respective reporting periods have been adjusted for in arriving at the pro forma financial information:

Year ended 31 March 2021

Transaction	Basis of accounting	Reportable segment	Acquisition/ Disposal
Acquisition of the group's interest in Shipper	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Eruditus	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Meesho	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in EMicro Transit	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Klar	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in EMPG	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in OfferUp	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in DotPe	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in FinWizard	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Carsmile	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Kiwi Finance	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Honor	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in HCL	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Icon	Subsidiary	Media	Acquisition
Acquisition of the group's interest in Swipe	Subsidiary	Media	Acquisition
Acquisition of the group's interest in Grupo ZAP	Joint Venture	Ecommerce	Acquisition
Acquisition of the group's interest in Brainly	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Encuentra	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Max Poster	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Iyzico	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Wibmo	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Red Dot	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Extreme Digital	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in ElasticRun	Associate	Ecommerce	Acquisition
Increase of the group's interest in Brainly	Associate	Ecommerce	Acquisition
Increase of the group's interest in Udemy	Associate	Ecommerce	Acquisition
Increase in the group's interest in Swiggy	Associate	Ecommerce	Acquisition
Increase of the group's interest in Remitly	Associate	Ecommerce	Acquisition

Transaction	Basis of accounting	Reportable segment	Acquisition/ Disposal
Step up of the group's interest in Zoop	Subsidiary	Ecommerce	Disposal/Acquisition
Step up of the group's interest in Frontier Car Group	Subsidiary	Ecommerce	Disposal/Acquisition
Step up of the group's interest in PaySense	Subsidiary	Ecommerce	Disposal/Acquisition
Disposal of the group's interest in Apontador	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in TruckPad	Associate	Ecommerce	Disposal
Disposal of the group's interest in Dubizzle	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in WeCashAnyCar	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in BuscaPé	Subsidiary	Ecommerce	Disposal
Disposal of the groups interest in Wavy	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in letgo	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in Kreditech	Associate	Ecommerce	Disposal
Disposal of the group's interest in MakeMyTrip	Associate	Ecommerce	Disposal
Disposal of the group's interest in LBS	Subsidiary	Ecommerce	Disposal
Dilution of the group's interest in SimilarWeb	Associate	Ecommerce	Disposal
Dilution of the group's interest in Delivery Hero	Associate	Ecommerce	Disposal
Dilution of the group's interest in Tencent	Associate	Social and Internet Platforms	Disposal
Dilution of the group's interest in Mail.ru	Associate	Social and Internet Platforms	Disposal

The net adjustment made for all acquisitions and disposals on continuing operations that took place during the year ended 31 March 2021 amounted to a positive adjustment of US\$17m on revenue and a negative adjustment of US\$23m on trading profit. These adjustments include a change in estimate related to Mail.ru's deferred revenue in the prior year.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2021

A. Non-IFRS financial measures and alternative performance measures continued

A.2 Growth in local currency, excluding acquisition and disposals continued

The adjustments to the amounts, reported in terms of IFRS, that have been made in arriving at the pro forma financial information are presented in the table below:

	Year ended 31 March							
	2020				2021			
	A	B	C	D	E	F ²	G ³	H ⁴
IFRS ¹ US\$m	Group composition disposal adjustment US\$m	Group composition acquisition adjustment US\$m	Foreign currency adjustment US\$m	Local currency growth US\$m	IFRS ¹ US\$m	Local currency growth % change	IFRS % change	
Revenue								
<i>Ecommerce</i>	4 680	(353)	481	(325)	2 366	6 849	55	46
– Classifieds	1 299	(115)	310	(93)	208	1 609	18	24
– Payments and Fintech	428	(11)	37	(28)	151	577	36	35
– Food Delivery	751	(17)	6	(189)	935	1 486	>100	98
– Etail	1 756	(11)	95	25	991	2 856	57	63
– Travel	146	(146)	-	-	-	-	-	(100)
– Other	300	(53)	33	(40)	81	321	33	7
<i>Social and Internet Platforms</i>	17 189	(115)	-	736	4 716	22 526	28	31
– Tencent	16 779	(54)	-	786	4 644	22 155	28	32
– Mail.ru	410	(61)	-	(50)	72	371	21	(10)
Media	272	-	4	(14)	(51)	211	(19)	(22)
Corporate segment	-	-	-	-	-	-	-	-
Intersegmental	(5)	-	-	1	4	-	80	100
Group economic interest	22 136	(468)	485	398	7 035	29 586	32	34

1 Figures presented on an economic-interest basis as per the segmental review.

2 A + B + C + D + E.

3 E/(A + B) x 100.

4 (F/A) - 1 x 100.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2021

A.2 Growth in local currency excluding acquisition and disposals continued

The adjustments to the amounts, reported in terms of IFRS, that have been made in arriving at the pro forma financial information are presented in the table below:

	Year ended 31 March							
	2020	2021						
	A	B	C	D	E	F ²	G ³	H ⁴
	IFRS ¹ Restated US\$m	Group composition disposal adjustment US\$m	Group composition acquisition adjustment US\$m	Foreign currency adjustment US\$m	Local currency growth US\$m	IFRS ¹ US\$m	Local currency growth % change	IFRS % change
Trading profit								
<i>Ecommerce</i>	(823)	100	(50)	(19)	353	(439)	49	47
– Classifieds	44	45	(38)	(28)	(8)	15	(9)	(66)
– Payments and Fintech	(67)	5	(7)	(3)	4	(68)	6	(1)
– Food Delivery	(624)	17	(3)	(2)	257	(355)	42	43
– Etail	(63)	8	(2)	3	115	61	>100	>100
– Travel	(22)	22	-	-	-	-	-	100
– Other*	(91)	3	-	11	(15)	(92)	(17)	(1)
<i>Social and Internet Platforms</i>	4 699	(72)	-	190	1 337	6 154	29	31
– Tencent	4 601	(15)	-	194	1 346	6 126	29	33
– Mail.ru	98	(57)	-	(4)	(9)	28	(22)	(71)
Media	8	-	-	3	(19)	(8)	<(100)	<(100)
Corporate segment*	(159)	-	(1)	4	4	(152)	3	4
Group economic interest	3 725	28	(51)	178	1 675	5 555	45	49

* During the current year, the way that corporate costs are presented to the CODM has been changed. Corporate costs, previously allocated and disclosed in the 'Other Ecommerce' subsegment, are now included in the 'Corporate segment'. This provides more clarity on the total corporate costs incurred by the group. This change had no impact on the overall group trading (loss)/profit.

¹ Figures presented on an economic-interest basis as per the segmental review.

² A + B + C + D + E.

³ E/(A + B) x 100.

⁴ (F/A) - 1 x 100.

Refer to note 5 for details of the group's change to the definition of trading profit/(loss).

The Board of Directors
Naspers Limited
40 Heerengracht
Cape Town
8001



To the Directors of Naspers Limited

Report on the Assurance Engagement on the Compilation of Pro Forma Financial Information included in the Naspers Summarised Consolidated Financial Statements for the year ended 31 March 2021

We have completed our assurance engagement to report on the compilation of the pro forma financial information of Naspers Limited (the “Company”) by the directors. The pro forma financial information, as set out in note A of the Naspers summarised consolidated financial statements, consists of Pro Forma information for the year ended 31 March 2021 in order to separately present a measure of Core headline earnings, a reconciliation between Headline earnings and Core headline earnings and the contribution of equity accounted investments to Core headline earnings (Core headline earnings measures) as at 31 March 2021 (note A.1) and to present the impact of foreign currency, excluding current period acquisitions and disposals, to reflect the constant currency with the prior period (Organic growth figures) on certain earnings measures as at 31 March 2021 (note A.2). The applicable criteria on the basis of which the directors have compiled the pro forma financial information are specified in the JSE Limited (JSE) Listings Requirements and described in notes A.1 and A.2 of the Naspers summarised consolidated financial statements.

The pro forma financial information has been compiled by the directors in order to separately present a measure of Core headline earnings, a reconciliation between Headline earnings and Core headline earnings and the contribution of equity accounted investments to Core headline earnings (Core headline earnings measures) as at 31 March 2021 (note A.1) and to illustrate the impact of foreign currency, excluding current period acquisitions and disposals, to reflect the constant currency with the prior period (Organic growth figures) on certain earnings measures as at 31 March 2021 (note A.2). As part of this process, information about the Company’s financial performance has been extracted by the directors from the Company’s financial statements for the year ended 31 March 2021, on which an audit report has been published.

Directors’ responsibility

The directors of the Company are responsible for compiling the pro forma financial information on the basis of the applicable criteria specified in the JSE Listings Requirements and described in notes A.1 and A.2 of the Naspers summarised consolidated financial statements.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Professional Conduct for Registered Auditors, issued by the Independent Regulatory Board for Auditors’ (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards).

The firm applies International Standard on Quality Control 1 and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountant’s responsibility

Our responsibility is to express an opinion about whether the pro forma financial information has been compiled, in all material respects, by the directors on the basis of the applicable criteria specified in the JSE Listings Requirements and described in notes A.1 and A.2 of the Naspers summarised consolidated financial statements, based on our procedures performed.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (*ISAE 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our procedures to obtain reasonable assurance about whether the pro forma financial information has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information is solely to separately present a measure of Core headline earnings, a reconciliation between Headline earnings and Core headline earnings and the contribution of equity accounted investments to Core headline earnings (Core headline earnings measures) as at 31 March 2021 (note A.1) and to illustrate the impact of foreign currency, excluding current period acquisitions and disposals, to reflect the constant currency with the prior period (Organic growth figures) on certain earnings measures as at 31 March 2021 (note A.2). Accordingly, we do not provide any assurance that the actual outcome of the event or transaction would have been as presented. A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the financial information on a Pro Forma basis, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on our judgment, having regard to our understanding of the nature of the Company, the illustrative purpose in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the pro forma financial information.



We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria specified by the JSE Listings Requirements and described in notes A.1 and A.2 of the Naspers summarised consolidated financial statements.

PricewaterhouseCoopers Inc.

PricewaterhouseCoopers Inc.

Director: Vicki Myburgh

Registered Auditor

Johannesburg

19 June 2021

PricewaterhouseCoopers Inc., 4 Lisbon Lane, Waterfall City, Jukskei View, 2090

Private Bag X36, Sunninghill, 2157, South Africa

T: +27 (0) 11 797 4000, F: +27 (0) 11 209 5800, www.pwc.co.za

Chief Executive Officer: L S Machaba

The Company's principal place of business is at 4 Lisbon Lane, Waterfall City, Jukskei View, where a list of directors' names is available for inspection.

Reg. no. 1998/012055/21, VAT reg.no. 4950174682.



Further information

Contents

- 175 Notice of virtual annual general meeting
- 181 Form of proxy
- 182 Notes to the form of proxy
- 184 Shareholder and corporate information
- 185 Analysis of shareholders and shareholders' diary
- 186 Naspers voting control structure

Notice of virtual annual general meeting

Notice is hereby given in terms of the Companies Act 71 of 2008, as amended (the Act), that the 107th annual general meeting of Naspers Limited (the company or Naspers) will be held (subject to any adjournment or postponement) on Wednesday, 25 August 2021, at 14:00 (SAST). The annual general meeting will be conducted entirely, and be accessible by shareholders, through electronic communication as envisaged.

Electronic participation by shareholders

Given the various regulations in place as a result of Covid-19 requiring that social distancing be adhered to and the number of persons allowed at gatherings be limited, the annual general meeting will be conducted entirely through electronic communications as envisaged in the Act.

To this end, the company has retained the services of The Meeting Specialist Proprietary Limited (TMS) to remotely host the annual general meeting on an interactive electronic platform, in order to facilitate remote participation and voting by shareholders. Our transfer secretaries, JSE Investor Services Proprietary Limited, will act as scrutineer. Shareholders are strongly encouraged to submit votes by proxy before the annual general meeting.

Should any shareholder (or representative or proxy for a shareholder) wish to participate in the annual general meeting electronically, that shareholder should apply in writing (including details on how the shareholder or representative (including proxy) can be contacted) to TMS, via email at proxy@tmsmeetings.co.za and at the address below, to be received by TMS at least seven (7) business days prior to the annual general meeting (ie Friday, 13 August 2021) for TMS to arrange for the shareholder (or representative or proxy) to provide reasonably satisfactory identification to the transfer secretaries for the purposes of section 63(1) of the Act and for TMS to provide the shareholder (or representative or proxy) with details on how to access the annual general meeting by means of electronic participation. The written

notification, a form of which is enclosed with this notice of virtual annual general meeting, should contain the following:

- A certified copy of the shareholder's identification document or passport if the shareholder is an individual.
- A certified copy of a resolution or letter of representation given by the shareholder if the shareholder is a company or juristic person, and certified copies of identity documents or passports of the persons who passed the resolution.
- A valid email address and/or mobile phone number.
- An indication that you or your proxy not only wishes to attend the meeting by means of electronic communication, but also to participate and vote by means of electronic communication.

Such participants, who have complied with the notice requirement above, will be contacted between Friday, 13 August 2021 and Monday, 23 August 2021, via email/mobile phone and will be provided with the relevant connection details as well as the passcodes through which you or your proxy(ies) can participate via electronic communication and will be advised of the process for participation via a unique link to the email/mobile phone number provided in the notification. Shareholders who are fully verified (as required under the Act and outlined above) and subsequently registered at the commencement of the annual general meeting will be able to participate in and/or vote by electronic communication.

Should you wish to participate by way of electronic communication, you will be required to connect with the details as provided by the company by no later than 15 minutes prior to the commencement of the annual general meeting during which time registration will take place.

If you choose to participate you will be able to view a live webcast of the annual general meeting, and ask directors questions and submit your votes in real time.

For administrative purposes, and in order to participate and vote, completed notices for electronic participation must be received by TMS via email at proxy@tmsmeetings.co.za before 14:00 (SAST) on Monday, 23 August 2021.

Important dates

The board of directors of the company has determined, in accordance with section 59(1)(a) and (b) of the Act, the following important dates:

Event	Date
Record date for receipt of notice purposes	Friday, 11 June 2021
Notice of meeting distributed to shareholders	Monday, 21 June 2021
Last date to trade to be eligible to vote	Tuesday, 10 August 2021
Record date for voting purposes	Friday, 13 August 2021
For administration purposes, forms of proxy to be lodged by 14:00	Monday, 23 August 2021
Meeting to be held at 14:00	Wednesday, 25 August 2021
Results of meeting released on SENS	Wednesday, 25 August 2021

Record date, attendance and voting

The record date for the meeting (being the date used to determine which shareholders are entitled to participate in and vote at the meeting) is Friday, 13 August 2021. Votes at the annual general meeting will be taken by way of a poll and not on a show of hands.

A shareholder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend, participate in and vote at the meeting in their place. A proxy need not be a shareholder of the company.

Before any person may attend or participate in a shareholders' meeting, they must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder or as proxy for a shareholder, has been reasonably verified. Forms of identification include a valid identity document, driver's licence and passport.

A form of proxy, which includes the relevant instructions for its completion, is attached for the use of holders of certificated shares and 'own name' dematerialised shareholders who wish to be represented at the virtual annual general meeting. Completing a form of proxy will not preclude that shareholder from attending and voting (in preference to their proxy) at the annual general meeting.

Holders of dematerialised shares, other than 'own name' dematerialised shareholders, who wish to vote at the virtual annual general meeting, must instruct their central securities depository participant (CSDP) or broker accordingly in the manner and cut-off time stipulated by their CSDP or broker.

Holders of dematerialised shares, other than 'own name' dematerialised shareholders, who wish to attend the virtual annual general meeting in person (through electronic communication), need to arrange the necessary authorisation as soon as possible through their CSDP or broker.

Notice of virtual annual general meeting continued

A shareholder may appoint a proxy at any time. For practical purposes, the form appointing a proxy and the authority (if any) under which it is signed, must reach TMS, via email to proxy@tmsmeetings.co.za, or the transfer secretaries of the company (JSE Investor Services Proprietary Limited, 13th Floor, 19 Ameshoff Street, Braamfontein 2001 or PO Box 10462, Johannesburg 2000) by no later than 14:00 (SAST) on Monday, 23 August 2021, to allow time to process the proxy. Should you hold Naspers A ordinary shares, the signed form of proxy must reach the registered office of the company by 14:00 (SAST) on Monday, 23 August 2021, to allow for processing. A form of proxy is enclosed with this notice. The form of proxy may also be obtained from the registered office of the company or on the company website as a separate PDF download in the 2021 integrated annual report available under the investors section. All other proxies must be provided to the company secretary before the proxy exercises any rights of the shareholder at the meeting.

Purpose of meeting

The purpose of the meeting is to:

- present the directors' report, the audited annual financial statements of the company, the audit committee report and the social, ethics and sustainability committee report, for the preceding financial year
- consider and, if deemed fit, adopt with or without amendment, the resolutions set out below; and
- consider any matters raised by shareholders of the company, with or without advance notice to the company.

Integrated annual report

The integrated annual report of the company for the year ended 31 March 2021 is available on www.naspers.com or on request during business hours at Naspers's registered address, 40 Heerengracht, Cape Town 8001 (contact person Ms Yasmin Abrahams) and at Naspers's business address in Johannesburg at WeWork, The Link, 4th Floor, 173 Oxford Road, Rosebank 2196 (contact person Mrs Toni Lutz) or by email at cosec@naspers.com.

Ordinary resolutions

For the ordinary resolutions below to be adopted, the support of a majority of votes exercised by shareholders present or represented by proxy at this meeting is required. Ordinary resolutions numbers 7, 8 and 10 require the support of at least 75% of the total number of votes exercised by shareholders present or represented by proxy at this meeting.

1. To consider and accept the annual financial statements of the company and the group for the twelve (12) months ended 31 March 2021 and the reports of the directors, auditor, audit committee, and social, ethics and sustainability committee. The summarised form of the financial statements is attached to this notice. A copy of the complete audited annual financial statements of the company for the financial year ended 31 March 2021 (and the reports of the directors, auditor, audit committee, and social, ethics and sustainability committee) can be obtained from www.naspers.com or on request during business hours at Naspers's registered address, 40 Heerengracht, Cape Town 8001 (contact person Ms Yasmin Abrahams) and at Naspers's business address in Johannesburg at WeWork, The Link, 4th Floor, 173 Oxford Road, Rosebank 2196 (contact person Mrs Toni Lutz) or by email at cosec@naspers.com.

2. To approve the payment of a dividend by Naspers in relation to the N ordinary and A ordinary shares in an amount to be determined by the Naspers Board, of up to a maximum aggregate effective amount (having regard to the terms of the cross-holding agreement, to the extent applicable) equal to the amount received, or to be received, by Naspers from Prosus as a dividend as referred to in the Prosus results announcement dated 19 June 2021.

3. To reappoint, on the recommendation of the company's audit committee, the firm PricewaterhouseCoopers Inc. as independent registered auditor of the company (noting that Mrs V Myburgh is the individual registered auditor of that firm who will undertake the audit) for the period until the next annual general meeting of the company.

4. To confirm the appointment of Mrs AGZ Kemna as a non-executive director. Her abridged curriculum vitae appears on page 99. The board and nomination committee unanimously recommend approval and confirmation of the appointment of the director in question in terms of resolution number 4. Each voting right entitled to be exercised may be exercised once.

5. To elect Messrs HJ du Toit, CL Enestein, FLN Letele, R Oliveira de Lima and BJ van der Ross who retire by rotation and, being eligible, offer themselves for re-election as directors of the company. Their abridged curricula vitae appear on pages 99 and 100. The board and nomination committee unanimously recommend that the re-election of each of the directors in terms of resolution number 5 be approved by shareholders of the company. Voting on the re-election of directors in ordinary resolution number 5 will be conducted as a series of separate votes, each being for the candidacy of a single individual to fill a single vacancy, and in each vote to fill a vacancy, each voting right entitled to be exercised may be exercised once.

6. To appoint audit committee members as required in terms of the Act, the JSE Listings Requirements and as recommended by the King Report on Corporate Governance for South Africa 2016 (King IV) (Principle 8). The board and nomination committee are satisfied that the company's audit committee members are suitably skilled and experienced independent non-executive directors. Collectively, they have sufficient qualifications and experience to fulfil their duties, as contemplated in regulation 42 of the Companies Regulations 2011. Collectively, they have a comprehensive understanding of financial reporting, internal financial controls, risk management and governance processes in the company, as well as International Financial Reporting Standards (IFRS) and other regulations and guidelines applicable to the company. They keep up to date with developments affecting their required skill sets. The board and nomination committee therefore unanimously recommend Ms M Girotra, Mrs AGZ Kemna and Mr SJZ Pacak for election to the audit committee. Their abridged curricula vitae appear on pages 99 and 100. The appointment of members of the audit committee will be conducted by way of a separate vote for each individual. Each voting right entitled to be exercised may be exercised once.

7. To endorse the company's remuneration policy, as set out in the 2021 remuneration report on pages 118 to 125, by way of a non-binding advisory vote. Should this resolution not be supported by at least 75% of the voting rights entitled to be exercised on this resolution, the company will take the necessary measures to engage with shareholders.

Notice of virtual annual general meeting continued

8. To endorse the implementation report of the remuneration report by the company as set out on pages 126 to 141 of the 2021 remuneration report, by way of a non-binding advisory vote. Should this resolution not be supported by at least 75% of the voting rights entitled to be exercised on this resolution, the company will take the measures as set out in the remuneration policy to engage with shareholders.

9. To place the authorised but unissued share capital of the company under the control of directors and to grant, until the conclusion of the next annual general meeting of the company, an unconditional authority to directors to allot and issue at their discretion (but subject to the provisions of the Act and the JSE Listings Requirements, and the rules of any other exchange on which the shares of the company may be quoted or listed from time to time, and the memorandum of incorporation of the company), the unissued shares of the company, on such terms and conditions and to such persons, whether they be shareholders or not, as the directors in their discretion deem fit.

10. Subject to a minimum of 75% of the votes of shareholders of the company present in person or by proxy at the annual general meeting and entitled to vote, voting in favour, the directors be and are hereby authorised to allot and issue unissued shares of a class of shares already in issue in the capital of the company (and/or options in respect of shares or securities convertible into shares) for cash as the opportunity arises and as the directors in their discretion deem fit, subject to the JSE Listings Requirements (as amended from time to time, and subject to any rulings or dispensations granted by the JSE Limited), which currently include, among others:

- That this authority will not endure beyond the earlier of the next annual general meeting of the company or beyond fifteen (15) months from the date of the passing of this resolution.
- That a paid press announcement giving full details, including intended use of the funds, will be published at the time of any issue representing, on a cumulative basis within one year, 5% or more of the number of shares of that class in issue prior to the issue.
- That the aggregate issue of any particular class of shares in any financial year will not exceed 5% of the issued number of that class of shares (including securities that are compulsorily convertible into shares of that class on the date of this notice).
- That in determining the price at which an issue of shares will be made in terms of this authority, the discount at which the shares may be issued (if applicable), may not exceed 10% of the weighted average traded price of the shares in question, as determined over the thirty (30) business days prior to the date that the price of the issue is determined.
- That the shares will only be issued to 'public shareholders' as defined in the JSE Listings Requirements, and not to related parties.

			31 March 2023 ¹ (total proposed fee payable by Naspers and Prosus)	31 March 2023 ¹ (proposed amount payable by Naspers)
1.	Chair		2.5 times member	US\$164 821
2.	Member		US\$219 762	US\$65 929
	All members: Daily fees when travelling to and attending meetings outside home country		US\$3 500	US\$1 050
Committees				
3.	Audit committee	Chair	2.5 times member	US\$40 608
4.		Member	US\$54 144	US\$16 243
5.	Risk committee	Chair	2.5 times member	US\$24 120
6.		Member	US\$32 160	US\$9 648
7.	Human resources and remuneration committee	Chair	2.5 times member	US\$28 536
8.		Member	US\$38 048	US\$11 414
9.	Nomination committee	Chair	2.5 times member	US\$15 380
10.		Member	US\$20 507	US\$6 152
11.	Social, ethics and sustainability committee	Chair	2.5 times member	US\$21 109
12.		Member	US\$28 145	US\$8 444
Other				
13.	Trustees of group share schemes/other personnel funds		R59 270	R17 781

1 Following the listing of Prosus N.V. (Prosus) on Euronext Amsterdam, Naspers non-executive directors serve on the boards of both companies. 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 Prosus does not receive additional remuneration for attending meetings or being a member of or chairing any committee of the board.

Notice of virtual annual general meeting continued

Special resolutions

The special resolutions set out below require the support of at least 75% of votes exercised by shareholders present or represented by proxy at the annual general meeting to be adopted.

Special resolutions numbers 1.1 to 1.13

At the virtual annual general meeting on 21 August 2020, shareholders approved an increase of up to 5% year on year for fees for directors, the chair of the board, committee members, the chairs of committees and trustees of group share schemes and other personnel funds for the year ended 31 March 2022. Given the impact of Covid-19, the board decided not to increase fees for the financial year ended 31 March 2021, but sought approval from shareholders to defer their previous decision and apply it to the financial year ending on 31 March 2022.

Accordingly, approval for the increase of the remuneration of non-executive directors for the year ending 31 March 2023 of up to a 5% on the fees earned for the year ending 31 March 2022 is being sought as set out in the table above.

The reason for and effect of special resolution numbers 1.1 to 1.13 is to grant the company the authority to pay remuneration to its directors for their services as directors.

Each of the special resolution numbers 1.1 to 1.13, in respect of the proposed remuneration for the financial year ending 31 March 2023, will be considered by way of a separate vote.

Special resolution number 2

That the board may authorise the company to generally provide any financial assistance in the manner contemplated in and subject to compliance with the requirements of the memorandum of incorporation of the company and the provisions of section 44 of the Act to a director or prescribed officer of the company or of a related or interrelated company or corporation (irrespective of where any such entity may be incorporated), subject to (ii) below, or to a related or interrelated company or corporation, or to a member or shareholder of a related or interrelated company or corporation, pursuant to the authority hereby conferred upon the board for these purposes by the shareholders. This authority shall: (i) include and also apply to the granting of financial assistance to the Naspers share incentive scheme, the other existing group share-based incentive schemes (details of which appear on pages 148 and 149 in the annual financial statements) and such group share-based incentive schemes that are established in future (collectively the Naspers group share-based incentive schemes) and participants thereunder (which may include directors, future directors, prescribed officers and future prescribed officers of the company or of a related or interrelated company) (participants) for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or interrelated company, or for the purchase of any securities of the company or a related or interrelated company, pursuant to the administration and implementation of the Naspers group share-based incentive schemes, in each instance on the terms applicable to the Naspers group share-based incentive scheme in question; and (ii) be limited, in respect of directors and prescribed officers, to financial assistance in relation to the acquisition of securities as contemplated in (i).

The reason for and effect of special resolution number 2 is to authorise the directors generally to approve the provision of financial assistance by the company to the potential participants and/or recipients as set out in the resolution and in particular to facilitate participation under the Naspers share-based incentive schemes and other Naspers group share-based incentive schemes.

Special resolution number 3

That the company, as authorised by the board, may generally provide, in terms of and subject to compliance with the requirements of the memorandum of incorporation of the company and the provisions of section 45 of the Act, any direct or indirect financial assistance to a related or interrelated company or corporation, or to a shareholder of a related or interrelated company or corporation (irrespective of where any such entity may be incorporated), pursuant to the authority hereby conferred upon the board for these purposes.

The reason for and effect of special resolution number 3 is to authorise the directors generally to approve the provision of financial assistance by the company to the potential recipients as set out in the resolution.

Special resolution number 4

That the company or any of its present or future subsidiaries be and are hereby authorised to acquire N ordinary shares issued by the company from any person (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company on such terms and conditions as may be determined by the directors from time to time, subject to compliance with the applicable requirements of the memorandum of incorporation of the company, the provisions of the Act and of the JSE Listings Requirements. It is recorded that the company or a subsidiary may only make a general repurchase of N ordinary shares in the company subject to the following (which reflects the current requirements under the JSE Listings Requirements):

- Any such acquisition of N ordinary shares will be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty.
- This general authority will be valid until the earliest of the company's next annual general meeting, or a period not exceeding fifteen (15) months from the date of the passing of this special resolution.
- An announcement will be published as soon as the company or any of its subsidiaries have acquired N ordinary shares constituting, on a cumulative basis, 3% of the number of N ordinary shares in issue prior to the acquisition, pursuant to which the aforesaid 3% threshold is reached, and for each 3% in aggregate acquired thereafter, containing full details of such acquisitions.
- Acquisitions of N ordinary shares in aggregate in any one financial year may not exceed 20% of the company's N ordinary issued share capital as at the date of the passing of this special resolution.
- In determining the price at which N ordinary shares issued by the company are acquired by it or any of its subsidiaries in terms of this general authority, the maximum premium at which such N ordinary shares may be acquired will not exceed 10% of the weighted average of the market value at which such N ordinary shares are traded on the JSE as determined over the five (5) business days immediately preceding the date of repurchase of such N ordinary shares by the company or any of its subsidiaries.
- At any point, the company may only appoint one agent to effect any repurchase on its behalf.
- The company and/or its subsidiaries may not repurchase any N ordinary shares during a prohibited period as defined by the JSE Listings Requirements, unless a repurchase programme is in place where dates and quantities of shares to be traded during the prohibited period are fixed, and full details of the programme have been submitted to the JSE in writing prior to the start of

Notice of virtual annual general meeting continued

the prohibited period. The company will instruct an independent third party, which makes its investment decisions in relation to the company's securities independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.

- Authorisation for the repurchase is given by the company's memorandum of incorporation.

A resolution, having been passed by the board, authorising the repurchase, and confirming that the company and its subsidiaries passed the solvency and liquidity test and that, from the time that the test was done, there have been no material changes to the financial position of the group. Before the general repurchase is effected, the directors, having considered the effects of the repurchase of the maximum number of N ordinary shares in terms of the foregoing general authority, will ensure that for a period of twelve (12) months after the date of the notice of the annual general meeting:

- The company and the group will be able, in the ordinary course of business, to pay their debts.
- The assets of the company and the group will exceed the liabilities of the company and the group.
- The company and the group's ordinary share capital, reserves and working capital will be adequate for ordinary business purposes.

Additional information on the following appears in the integrated annual report and in the annual financial statements, and is provided in terms of the JSE Listings Requirements for purposes of the general authority:

- Major shareholders
- Share capital of the company

Directors' responsibility statement

The directors, whose names appear in the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution number 4 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that special resolution number 4 contains all information required by the applicable JSE Listings Requirements.

Material changes

Other than the facts and developments disclosed in the integrated annual report and annual financial statements, except for the purposes of the group's share-based incentive schemes, there have been no material changes in the affairs or financial position of the company and its subsidiaries between the date of signature of the audit report to the date of this notice.

The directors have no specific intention, at present, for the company to repurchase any of its N ordinary shares, but believe that such a general authority should be put in place in case an opportunity presents itself during the year, which is in the best interests of the company and its shareholders.

The reason for and effect of special resolution number 4 is for shareholders to grant the company the general authority in terms of the Act and JSE Listings Requirements for the acquisition by the company, or any present or future subsidiary of the company, of the company's issued N ordinary shares.

Special resolution number 5

That the company or any of its present or future subsidiaries be and is hereby specifically authorised, for a period until the earlier of the next annual general meeting or fifteen (15) months from the date of adoption of this resolution, to acquire up to 10% of the number of issued N ordinary shares as at the date hereof (being 43 551 105), through structured repurchase mechanisms implemented by or on behalf of the company or any of its present or future subsidiaries, including through a modified Dutch auction process and/or reverse bookbuild process (as described below), from holders of N ordinary shares at the time of implementing any such repurchase (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company) but not exclusively from a single Naspers shareholder or related party (as envisaged in the JSE Listings Requirements) at a price to be determined through such structured repurchase mechanisms but which price shall not exceed the higher of:

- i. 10% above the weighted average of the market value of the N ordinary shares for the five (5) trading days immediately preceding the date on which the structured repurchase mechanism is implemented, and
- ii. 10% above the spot price of the N ordinary shares on the date on which the structured repurchase mechanism is implemented (Specific Repurchase Authorisation). Any repurchase under the Specific Repurchase Authorisation will be implemented on such terms and conditions as may be determined by the directors from time to time, subject to compliance with the applicable requirements of the memorandum of incorporation of the company, the Act and the JSE Listings Requirements, which currently include the following:
 - Authorisation for the repurchase is given by the company's memorandum of incorporation.

- If the company has announced that it will make a specific repurchase, it must pursue the proposal, unless the JSE permits the company not to do so.
- The company or a subsidiary may not repurchase securities during a prohibited period (as defined in the JSE Listings Requirements) unless they have in place a repurchase programme where the dates and quantities of securities to be traded during the relevant period are fixed (not subject to any variation) and have been submitted to the JSE in writing prior to the commencement of the prohibited period. The company must instruct an independent third party, which makes its investment decisions in relation to the issuer's securities independently of, and uninfluenced by, the company, prior to the commencement of the prohibited period to execute the repurchase programme submitted to the JSE.

The company will comply with the applicable provisions of the Act and the JSE Listings Requirements prior to implementing any repurchase in terms of the Specific Repurchase Authorisation. In particular, the board will comply with the applicable requirements of section 48 of the Act read with section 4 of the Act and the board will, in its approval of any repurchase that is to be implemented under the Specific Repurchase Authorisation, confirm that:

- The company and the Naspers group will be able in the ordinary course of business to pay their debts for a period of twelve (12) months after the date of any such board approval.
- The assets of the company and the Naspers group will be in excess of the liabilities of the company and the Naspers group for a period of twelve (12) months after the date of any such board approval.
- The share capital and reserves of the company and the Naspers group will be adequate for ordinary business purposes for a period of twelve (12) months after the date of any such board approval.

Notice of virtual annual general meeting continued

- The working capital of the company and the Naspers group will be adequate for ordinary business purposes for a period of twelve (12) months after the date of any such board approval.

Additional information in respect of the major shareholders, share capital of the company and directors' interests in the company appear in the integrated annual report and annual financial statements of the company and is provided in terms of the JSE Listings Requirements for purposes of the Specific Repurchase Authorisation. The company has not incurred any preliminary expenses as envisaged in the JSE Listings Requirements in relation to the Specific Repurchase Authorisation as at the date hereof.

Material changes

Other than the facts and developments reported on in the integrated annual report and annual financial statements, except for the purposes of the group's share-based incentive schemes, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

Directors' responsibility statement

The directors, whose names appear in the list of directors contained in the integrated annual report, collectively and individually accept full responsibility for the accuracy of the information pertaining to this special resolution number 5 and certify that, to the best of their knowledge and belief, there are no facts that have been omitted that would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that special resolution number 5 contains all information required by the applicable JSE Listings Requirements.

The reason for and effect of special resolution number 5 is to grant the company the authority, in terms of the JSE Listings Requirements and the Act, as applicable, to acquire N ordinary shares through structured mechanisms on an expedited basis

(despite the Specific Repurchase Authorisation being valid until the earlier of the next annual general meeting or fifteen (15) months from the date of adoption of the resolution) including through a modified Dutch auction process and/or a reverse bookbuild process. The Specific Repurchase Authorisation is intended to provide the company with additional flexibility and thus enable the board to drive shareholder value. Should the board determine to implement any structured repurchase in terms of the Specific Repurchase Authorisation, any structured repurchase implemented will involve the company announcing the ambit of any proposed structured repurchase, including the number of N ordinary shares to be acquired in terms of such structured repurchase within the parameters set in the Specific Repurchase Authorisation. The structured repurchase will then be open for a period of time for all holders of N ordinary shares to tender shares in terms of the structured repurchase proposed, which offer period will be open for sufficient time to allow all holders of N ordinary shares to participate in the structured repurchase. Thereafter, a clearing price will be determined by the company for any such structured repurchase having regard to tenders received that allows the company to acquire the number of N ordinary shares proposed to be repurchased. The Specific Repurchase Authorisation is separate from and in addition to the general authority proposed for approval in special resolution number 4 and any repurchase made under this Specific Repurchase Authorisation (if granted) will not affect any authority granted under special resolution number 4.

Special resolution number 6

That the company or any of its present or future subsidiaries be and are hereby authorised to acquire A ordinary shares issued by the company from any person (including any director or prescribed officer of the company or any person related to any director or prescribed officer of the company), in terms of and subject to compliance with the requirements of the memorandum of incorporation of the company and the provisions of the Act.

The reason for and effect of special resolution number 6 is for shareholders to grant the company the authority in terms of the Act for the acquisition by the company, or any present or future subsidiary of the company, of the company's A ordinary shares.

Material changes

Other than the facts and developments reported on in the integrated annual report and annual financial statements, except for the purposes of the group's share-based incentive schemes, there have been no material changes in the affairs or financial position of the company and its subsidiaries since the date of signature of the audit report and up to the date of this notice.

Ordinary resolution

11. Each of the directors of the company or the company secretary is hereby authorised to do all things, perform all acts and sign all documentation necessary to effect the implementation of the ordinary and special resolutions adopted at the annual general meeting.

Other business

To transact such other business as may be transacted at an annual general meeting.

By order of the board

L Bagwandeem

Company secretary

19 June 2021

Cape Town

Form of proxy

Incorporated in the Republic of South Africa

Registration number: 1925/001431/06

JSE share code: NPN ISIN: ZAE000015889 LSE share code: NPSN ISIN: US 6315122092

(Naspers or the company)

Virtual 107th annual general meeting of shareholders

For use by holders of certificated shares or 'own name' dematerialised shareholders at the virtual 107th annual general meeting of shareholders of the company to be held (subject to any adjournment or postponement) on Wednesday, 25 August 2021, at 14:00 (SAST). The annual general meeting will be held entirely by electronic communication.

I/We (please print)	
of	
being a holder of	certificated shares or
'own name' dematerialised shares of Naspers and entitled to (see note 1)	votes, hereby appoint
1.	or, failing him/her,
2.	or, failing him/her,
3.	the chair of the annual general meeting as my/our proxy to act for me/us at the annual general meeting, which will be held (subject to any adjournment or postponement) on Wednesday, 25 August 2021, at 14:00 (SAST) (entirely through electronic communication) for the purpose of considering and, if deemed fit, passing, with or without amendment, the resolutions to be proposed thereat and at each adjournment or postponement, and to vote for or against the resolutions and/or abstain from voting in respect of the shares in the issued share capital of the company registered in my/our name(s) (see note 2) as follows:

	In favour of	Against	Abstain
Ordinary resolutions			
1. Acceptance of annual financial statements			
2. Confirmation and approval of payment of dividends			
3. Reappointment of PricewaterhouseCoopers Inc. as auditor			
4. To confirm the appointment of AGZ Kemna as a non-executive director			
5. To re-elect the following directors:			
5.1 HJ du Toit			
5.2 CL Enenstein			
5.3 FLN Letele			
5.4 R Oliveira de Lima			

	In favour of	Against	Abstain
5.5 BJ van der Ross			
6. Appointment of the following audit committee members:			
6.1 M Girotra			
6.2 AGZ Kemna			
6.3 SJZ Pacak			
7. To endorse the company's remuneration policy			
8. To endorse the implementation report of the remuneration report			
9. Approval of general authority placing unissued shares under the control of the directors			
10. Approval of general issue of shares for cash			
11. Authorisation to implement all resolutions adopted at the annual general meeting			
Special resolution number 1			
Approval of the remuneration of the non-executive directors for financial year 31 March 2022:			
1.1 Board: Chair			
1.2 Board: Member			
1.3 Audit committee: Chair			
1.4 Audit committee: Member			
1.5 Risk committee: Chair			
1.6 Risk committee: Member			
1.7 Human resources and remuneration committee: Chair			
1.8 Human resources and remuneration committee: Member			
1.9 Nomination committee: Chair			
1.10 Nomination committee: Member			
1.11 Social, ethics and sustainability committee: Chair			
1.12 Social, ethics and sustainability committee: Member			
1.13 Trustees of group share schemes/other personnel funds			
Special resolution number 2			
Approve generally the provision of financial assistance in terms of section 44 of the Act			
Special resolution number 3			
Approve generally the provision of financial assistance in terms of section 45 of the Act			

Form of proxy continued

	In favour of	Against	Abstain
Special resolution number 4			
General authority for the company or its subsidiaries to acquire N ordinary shares in the company			
Special resolution number 5			
Granting the Specific Repurchase Authorisation			
Special resolution number 6			
General authority for the company or its subsidiaries to acquire A ordinary shares in the company			

and generally to act as my/our proxy at the said virtual annual general meeting. (Tick whichever is applicable. If no indication is given, the proxy holder will be entitled to vote or to abstain from voting as the proxy holder deems fit.)

Signed at..... on this..... day of.....2021

Signature Assisted by (where applicable)

Notes to the form of proxy

- The following provisions apply to proxies:
 - A shareholder of the company may appoint any individual (including an individual who is not a shareholder of the company) as a proxy to participate in, speak and vote at the annual general meeting of the company.
 - A shareholder may appoint two or more persons concurrently as proxies and may appoint more than one proxy to exercise voting rights attached to different securities held by the shareholder.
 - A proxy instrument must be in writing, dated and signed by the shareholder.
 - A proxy may delegate the proxy's authority to act on behalf of the shareholder to another person, subject to any restrictions set out in the instrument appointing the proxy.
 - A copy of the instrument appointing a proxy must be delivered to the company, or to any other person on behalf of the company, before the proxy exercises any rights of the shareholder at the annual general meeting.
 - Irrespective of the form of instrument used to appoint the proxy: (i) if the appointment is suspended at any time and to the extent that the shareholder chooses to act directly and in person in exercising any rights as a shareholder; (ii) the appointment is revocable unless the proxy appointment expressly states otherwise; and (iii) if the appointment is revocable, a shareholder may revoke the proxy appointment by cancelling it in writing or making a later inconsistent appointment of a proxy and delivering a copy of the revocation instrument to the proxy and the company.
 - The proxy is entitled to exercise, or abstain from exercising, any voting right of the shareholder without direction, except to the extent that the memorandum of incorporation of the company, or the instrument appointing the proxy, provides otherwise.
- A certificated or 'own name' dematerialised shareholder may insert the names of two alternative proxies of their choice in the space provided, deleting 'the chair of the annual general meeting'. The person whose name appears first on the form of proxy and whose name has not been deleted and who attends the meeting, will be entitled and authorised to act as proxy to the exclusion of those whose names follow.
- A shareholder's instructions to the proxy must be indicated by that shareholder in the appropriate space provided, failing which the proxy will not be entitled to vote at the annual general meeting in respect of the shareholder's votes exercisable at that meeting, provided where the proxy is the chair, failure to so comply will be deemed to authorise the chair to vote in favour of the resolutions.
- A shareholder may appoint a proxy at any time. For practical purposes, forms of proxy in respect of holders of Naspers N ordinary shares must be lodged at or posted to The Meeting Specialist Proprietary Limited, JSE Building, One Exchange Square, Gwen Lane, Sandown 2196 or PO Box 62043, Marshalltown 2107 or proxy@tmsmeetings.co.za or the transfer secretaries of the company, JSE Investor Services Proprietary Limited, 13th Floor, 19 Ameshoff Street, Braamfontein 2001 or PO Box 10462, Johannesburg 2000. Forms of proxy in respect of holders of Naspers A ordinary shares must

Notes to the form of proxy continued

be lodged at or posted to the registered office of the company, 40 Heerengracht, Cape Town 8001 or PO Box 2271, Cape Town 8000 or cosec@naspers.com. Forms of proxy lodged in this manner are to be received by not later than 14:00 (SAST) on Monday, 23 August 2021, or such later date if the annual general meeting is postponed to allow for processing of such proxies. All other proxies must be handed to the company secretary prior to the start of the meeting.

5. The completion and lodging of this form of proxy will not preclude the certificated shareholder or 'own name' dematerialised shareholder from attending the annual general meeting and speaking and voting in person at the meeting to the exclusion of any appointed proxy.
6. An instrument of proxy will be valid for any adjournment or postponement of the annual general meeting, as well as for the meeting to which it relates, unless the contrary is stated therein, but will not be used at the resumption of an adjourned annual general meeting if it could not have been used at the annual general meeting from which it was adjourned for any reason other than that it was not lodged timeously for the meeting from which the adjournment took place.
7. A vote cast or act done in accordance with the terms of a form of proxy will be deemed to be valid despite:
 - the death, insanity, or any other legal disability of the person appointing the proxy, or
 - revocation of the proxy, or
 - transfer of a share for which the proxy was given, unless notice on any of the above-mentioned matters has been received by the company at its registered office or by the chair of the annual general meeting at the place of the annual general meeting, if not held at the registered office, before the commencement or resumption (if adjourned) of the annual general meeting at which the vote was cast or the act was done or before the poll on which the vote was cast.
8. The chair may reject or accept any form of proxy which is completed other than in accordance with these instructions, provided that in the event of acceptance, the chair is satisfied as to the manner in which a shareholder wishes to vote.
9. If the shareholding is not indicated on the form of proxy, the proxy will be deemed to be authorised to vote the total shareholding registered in the shareholder's name.
10. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form of proxy unless previously recorded by the company secretary or waived by the chair.
11. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the company secretary.

TO BE COMPLETED BY SHAREHOLDERS WHO WISH TO PARTICIPATE ELECTRONICALLY IN THE NASPERS VIRTUAL ANNUAL GENERAL MEETING

The virtual annual general meeting

- Shareholders or their proxies who wish to participate in the annual general meeting via electronic communication (participants), must deliver the form below (the application) to The Meeting Specialist Proprietary Limited via email to proxy@tmsmeetings.co.za
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the annual general meeting, must provide The Meeting Specialist Proprietary Limited with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between Friday, 13 August 2021 and Monday, 23 August 2021 via email/mobile phone with a unique link to allow them to participate electronically in the annual general meeting.
- The cost of the participant's phone call or data usage will be at his/her own expense and will be billed separately by his/her own telephone service provider.
- The cut-off time, for administrative purposes, to participate electronically in the annual general meeting will be 14:00 (SAST) on Friday, 13 August 2021.
- The participant's unique link will be forwarded to the email/mobile phone number provided below.
- Personal information of participants is processed solely for the purposes of holding the Naspers annual general meeting and to meet regulatory requirements under the Companies Act. The terms of the Naspers Privacy Policy apply accordingly – please see www.naspers.com/privacy for further information
- Should a participant experience any issue with the electronic communication during the virtual annual general meeting, they should contact Farhana Adam on +27 (0)84 433 4836 or Michael Wenner on +27 (0)61 440 0654 to assist them.

Application form

Name and surname of shareholder:

Name and surname of shareholder representative (if applicable):.....

ID number:

Email address:

Mobile phone number:

Telephone number:

Name of CSDP or broker (if applicable):

(if shares are held in dematerialised format):

SCA number or broker account number:

Number of shares:

Signature:

Date:

Notes to the form of proxy continued

Terms and conditions for participation at the Naspers annual general meeting via electronic communication

- The cost of electronic participation at the annual general meeting, including dialling in using a telecommunication line/webcast/web-streaming to participate in the annual general meeting is for the expense of the participant and will be billed separately by the participant's own telephone service provider.
- The participant acknowledges that the electronic communication and/or services, including telecommunication lines/webcast/web-streaming are provided by a third party and indemnifies Naspers, JSE Limited and The Meeting Specialist Proprietary Limited against any loss, injury, damage, penalty or claim arising in any way from the use or possession of the electronic communication and/or services, including telecommunication lines/webcast/web-streaming, whether or not caused by any act or omission on the part of the participant or anyone else. In particular, but not exclusively, the participant hereby irrevocably and conditionally confirms and acknowledges that he/she will have no claim against Naspers, JSE Limited and The Meeting Specialist Proprietary Limited, whether for damages or otherwise (whether on a direct or indirect basis), arising from, in relation to or in connection with the use of the electronic communication and/or services, including the use of the telecommunication lines/webcast/web-streaming or any defect in it or from total or partial failure of the electronic communication and/or services, including the telecommunication lines/webcast/web-streaming and connections linking the telecommunication lines/webcast/web-streaming to the annual general meeting.
- Participants will be able to vote during the annual general meeting through an electronic participation platform. Such participants, should they wish to have their vote(s) counted at the annual general meeting, must act in accordance with the requirements set out above.
- Once the participant has received the link, the onus to safeguard this information remains with the participant.
- The application will only be deemed successful if this application form has been completed and fully signed by the participant and emailed to The Meeting Specialist Proprietary Limited at proxy@tmsmeetings.co.za.

Shareholder name:

Signature:

Date:

Shareholder and corporate information

Administration and corporate information

Company secretary

Lynelle Bagwandeen
WeWork
The Link
173 Oxford Road
Rosebank 2196, South Africa
cosec@naspers.com

Registered office

40 Heerengracht
Cape Town 8001, South Africa
PO Box 2271
Cape Town 8000, South Africa
Tel: +27 (0)21 406 2121
Fax: +27 (0)21 406 3753

Registration number

1925/001431/06
Incorporated in South Africa

Auditor

PricewaterhouseCoopers Inc.

Transfer secretaries

JSE Investor Services Proprietary Limited
(Registration number: 2000/007239/07)
PO Box 10462
Johannesburg 2000, South Africa
Tel: +27 (0)86 140 0110/+27 (0)11 029 0253

For the purpose of holding a virtual annual general meeting

The Meeting Specialist Proprietary Limited
JSE Building
One Exchange Square, Gwen Lane
Sandown 2196
PO Box 2043
Marshalltown 2107, South Africa
proxy@tmsmeetings.co.za
Tel: +27 (0)11 520 7951/0/2

ADR programme

Bank of New York Mellon maintains a Global BuyDIRECTSM plan for Naspers Limited.

For additional information, visit Bank of New York Mellon's website at www.globalbuydirect.com or call Shareholder Relations at 1-888-BNY-ADRS or 1-800-345-1612 or write to:

Bank of New York Mellon Shareholder Relations
Department – Global BuyDIRECTSM
Church Street Station
PO Box 11258, New York, NY 10286-1258
USA

Sponsor

Investec Bank Limited
(Registration number: 1969/004763/06)
PO Box 785700
Sandton 2146, South Africa
Tel: +27 (0)11 286 7326
Fax: +27 (0)11 286 9986

Attorneys

Webber Wentzel (in alliance with Linklaters)
PO Box 61771
Marshalltown 2107, South Africa
Werksmans Inc.
PO Box 1474
Cape Town 8000, South Africa

Investor relations

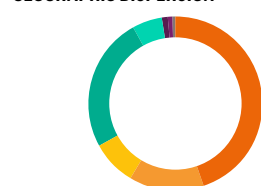
Eoin Ryan
InvestorRelations@naspers.com
Tel: +1 347-210-4305

Analysis of shareholders and shareholders' diary

Analysis of N ordinary shareholders

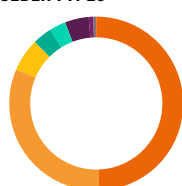
Size of holdings	Number of shareholders	Number of N ordinary shares owned
1 – 100 shares	58 703	1 853 878
101 – 1 000 shares	20 882	6 302 747
1 001 – 5 000 shares	3 119	6 782 919
5 001 – 10 000 shares	666	4 765 266
More than 10 000 shares	1 562	415 806 248
Total	84 932	435 511 058

GEOGRAPHIC DISPERSION



	%
South Africa	44.8
UK	13.83
Europe (excluding UK)	8.49
North America	24.87
Asia	5.52
Rest of the world	1.12
Unknown	1.05
Shareholdings below threshold	0.32

SHAREHOLDER TYPES

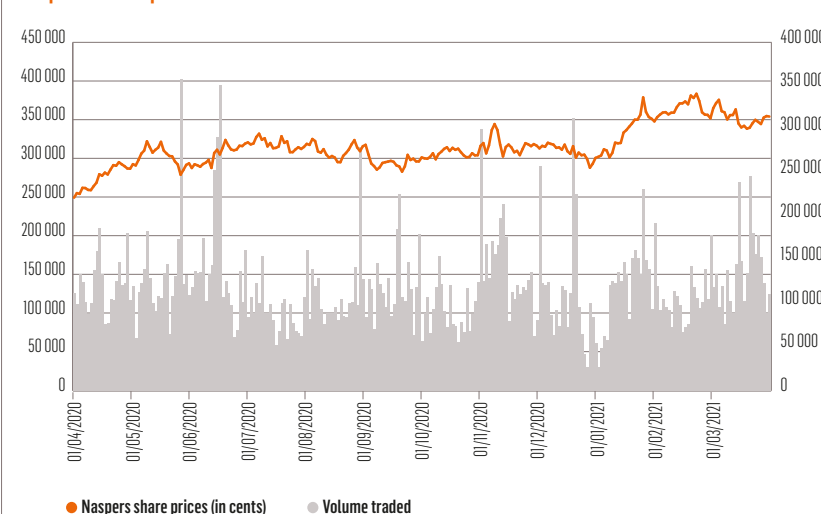


	%
Foreign institutions	49.69
Domestic institutions	31.89
Private stakeholders/investors	6.14
Domestic brokers	3.6
Employees, etc	2.98
Other	4.33
Unknown	1.05
Shareholdings below threshold	0.32

The following shareholders hold 5% and more of the N ordinary issued share capital of the company:

Name	% of N ordinary shares held	Number of N ordinary shares owned
Public Investment Corporation of South Africa	14.30	62 256 494

Naspers share price and trade volume for FY21



Public shareholder spread (N ordinary shares)

To the best knowledge of the directors, the spread of public shareholders under section 4.25 of the JSE Listings Requirements at 31 March 2021 was 94.23%, represented by 84 919 shareholders holding 410 402 263 N ordinary shares in the company. The non-public shareholders of the company comprising 13 shareholders representing 25 108 795 N ordinary shares are analysed as follows:

Category	Number of N ordinary shares	% of N ordinary issued share capital
Naspers share-based incentive schemes	2 866 670	0.66
Directors	6 971 372	1.60
Group companies	15 270 753	3.51

Shareholders' diary

Annual general meeting	August
Reports	
Interim for half-year to September	November
Announcement of annual results	June
Annual financial statements	June
Dividend	
Declaration	August
Payment	December
Financial year-end	March

Naspers voting control structure

The aim of the Naspers voting control structure is to ensure the continued independence of the group. When entering foreign countries in the broad media or communications spheres, and when dealing with regulators, it is critical that we give an assurance of our continuity of identity: in other words, that we will not, after we have entered a territory or secured a licence, be taken over by unknown entities with whom the country or regulator may be uncomfortable. We believe that this assurance of independence and continuity is critical for our entry into, and operation in, many markets.

International

Differentiated voting rights and control structures are commonly used in the media and internet sectors to secure independence and deter raids and efforts to seize control. Many international media and technology companies have differentiated rights or control structures. Some more well-known examples include:

Schibsted and Tele2 in Norway; Altice in the Netherlands; MTG in Sweden; Daily Mail and General Trust in the United Kingdom; JD.Com and Alibaba in China; and Alphabet (Google), Facebook, LinkedIn, 21st Century Fox, News Corporation, Discovery, Liberty Global, Snap Inc, Zillow and Zynga in the United States.

In recent times many internet and tech companies in particular have implemented similar structures.

Structure

The issued share capital of Naspers comprises two classes of shares:

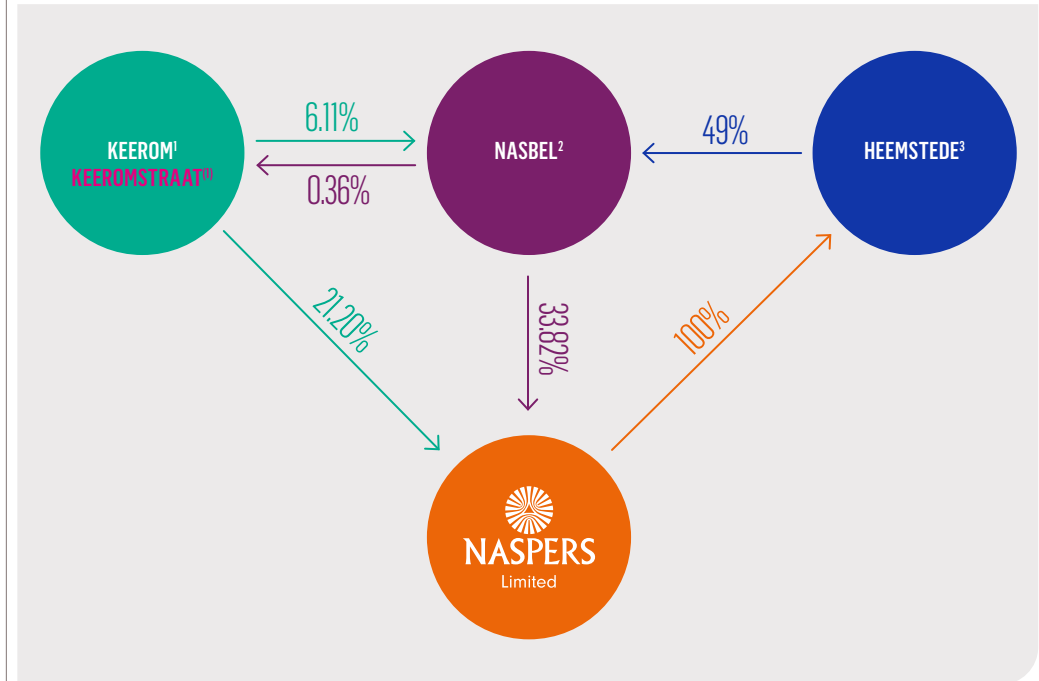
- N class ordinary shares, that have one vote per share and are listed on the JSE Limited's stock exchange (JSE). As at 31 March 2021 there are 435 511 058 N ordinary shares in issue.
- Unlisted A class ordinary shares, that have 1 000 votes per share, but have relatively insignificant economic participation. (The dividends declared to A ordinary shareholders are equal to one fifth of the dividends per share to which N ordinary shareholders are entitled.) As at 31 March 2021 there are 961 193 A shares in issue.

A majority of A class ordinary shares is held by two companies that together comprise the control structure of Naspers.

Keeromstraat 30 Beleggings (RF) Limited (Keerom)¹ and Naspers Beleggings (RF) Limited (Nasbel)² hold such A class ordinary shares that together they control more than 50% (currently 55%) of the voting rights in Naspers. These two companies exercise such rights in consultation with one another. No other entities are part of the control structure.

Keerom has 2 825 shareholders and its constitutional documents provide that no shareholder is entitled to exercise more than 50 votes regardless of shareholding.

The effective voting interests of these two companies are shown in this diagram:



Nasbel has 2 593 shareholders, one of which is Heemstede Beleggings Proprietary Limited (Heemstede)³ (a subsidiary of Naspers) that holds 49% of the shares in Nasbel.

The boards of directors of Keerom and Nasbel operate independently.



Naspers

+27 (0)21 406 2121

40 Heerengracht

Cape Town

8001

South Africa

www.naspers.com