NASPERS

Improving everyday life

for billions of people through technology

Integrated annual report 2022

Contents

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.

Group overview

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

Our purpose

Improving everyday life for billions of people through technology.

What we do

We build leading companies that empower people and enrich communities.

We bring food and more to people's doors...

and more customers to restaurants' kitchens

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

and give them credit options too, often for the first time

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

and boost the circular economy by giving items multiple lives

We open up a world of learning...

helping millions of people learn where, when and how they want

As a group, we build useful products for more than two billion customers and help their communities thrive. We empower our teams to develop their skills and build meaningful careers. We create long-term value for our shareholders and our many other stakeholders.

How we do it

Our values underpin our culture.

We build
At heart, we're entrepreneurs. We build leading companies that empower people and enrich communities, improving the daily lives of billions of people. We back local entrepreneurs and teams and we operate and invest in businesses in many of the most exciting markets in the world. Our focus on long-term value creation means that our group is a great place for people to build their careers. We work hard to connect, learn and grow to be the best we can be.

We deliver
We push for excellence in everything we do. We move fast, adapting quickly to seize opportunities. We agree on clear and ambitious goals and regularly discuss how to beat them. Our reward is hardwired to performance, and depends not just on what we deliver, but also on how we deliver it. Pushing for excellence is good for growth – growth in our business, growth in our skills, experience and career, and growth for our many stakeholders. It keeps us moving forward.

We're responsible
We matter to the customers and communities that we serve. We strive to maximise our positive impact on society and the planet. Wherever we operate, we hold ourselves to the highest standards, which we set out in our code of business ethics and conduct. We're all responsible for the impact we deliver.

We value each other
We believe diversity in our teams and in our thinking delivers better outcomes for all. We work hard to build a culture where everyone's welcome and encouraged to contribute. We create supportive and flexible environments so we can perform at our best. Our views and ideas are considered, and our professional growth is supported. We're empowered to make decisions about our work because we're trusted to do a great job.

Group overview

We are a global consumer internet group operating across a variety of platforms and geographies; and are also one of the larger technology investors in the world.

Our group includes some of the best-loved, local consumer internet companies in around 100 countries around the world, spanning the Americas to Asia, Europe to South Africa.

We pursue growth by building leading companies that empower people and enrich communities, across our four core segments of Classifieds, Food Delivery, Payments and Fintech, and Edtech – plus other online businesses, including Etail and Media. From Food Delivery to Classifieds, we invest in and build online platforms where small and medium-sized businesses can reach their customers online, often for the first time.

In addition, our Ventures team continually searches for new waves of growth for the group, backing entrepreneurs who are finding new ways to improve lives through technology. We are also a long-term investor in Tencent, one of the world's leading social and internet companies.

We think global and act local

We aim to build leading companies that create value by empowering people and enriching communities. We have grown by investing in, acquiring, and building leading companies. We typically focus on emerging large consumer trends that are linked to disruptive innovation where we try to identify changes early, invest in and adapt proven business models for the high-growth markets we focus on, and leverage our skills, local knowledge and position to build businesses that are scalable and benefit from local network effects. We believe that our platforms offer customers fast, intuitive and secure environments in which to communicate and conduct transactions. We focus on several markets that we believe present above-average growth opportunities (when compared to mature markets) due to their economic growth prospects, scalability and fast-growing, mobile internet penetration levels.

Our businesses and investments primarily operate in China, India, Central and Eastern Europe, North America, Latin America, Southeast Asia, Africa and the Middle East. We have developed strong brands in these markets. We believe that those global and local brands are an important way for our businesses to differentiate themselves from their competitors, thereby driving organic growth through consumer word-of-mouth. However, we are impacted by the laws and regulations of the various jurisdictions within these markets, including competition and consumer protection laws, foreign investment restrictions and screening, labour laws, data protection and security regulations, online content and platform regulations, intellectual property (IP) laws and regulations, company and corporate laws, tax laws and regulations, financial services legislation, anti-money-laundering legislation, anti-bribery and anti-corruption laws and sanctions and export controls.

During FY22, we had exposure to Russia through our minority interest in VK and our subsidiary Avito. We announced on 20 May 2022 our decision to exit the Russian businesses.

We are both an operator and an investor

We believe that this combination is complementary and enables enhanced value creation. As an operator, we are able to make smarter investment decisions; as an investor, we support our businesses with the right combination of capital, market knowledge and know-how to succeed. As we operate locally, we benefit from the insights of our local operations and their markets. We gain early views on new emerging models and, as a result, are better positioned to drive organic and inorganic growth and support entrepreneurial and seasoned business leaders.

Concentrating on customers, on thinking about their lives and how best to meet their needs, is a central part of what we do – our purpose to improve everyday lives of billions of people through technology. Across our portfolio, we are building ecosystems with multiple customer touchpoints to improve our customers' experience and retain their loyalty. We align technology and data with key customer needs such as convenience, ease of use, reliability and safety. As with many other key aspects of our business, this is a long-term game. It takes ongoing investment to build the end-to-end capabilities that enable closer, stronger relationships with customers across the ecosystems of our core segments. But in turn, it delivers long-term gain – not least, customer loyalty and more lasting value creation.

The leaders of our businesses are compensated directly on the performance of their divisions, fostering a strong culture of entrepreneurship within our group. We are not tied to a rigid investment philosophy and have the ability to take a long-term view. This means that we are able to support our businesses at every stage of their life cycle and focus on creating value over the long term.

As an investor, we benefit from access to attractive opportunities globally. We have long-standing and successful relationships with prominent internet businesses such as in one of our largest markets, China, through our investment in Tencent.

Currently, the adoption curve for our consumer internet businesses is generally lower in the growth markets (when compared to mature markets). This creates an opportunity for us. Overall, we estimate that approximately one fifth of the world's population uses products and services of businesses that we have built, acquired or invested in. Many of these users use the products and services of more than one of these businesses.

Growth opportunities

We believe that our consumer internet businesses have significant potential for future growth and offer opportunities for an enhanced range of internet transactions and services in the markets in which we operate, as well as possible expansions into new markets. We believe that the increase in demand for our products and services will be driven by several underlying trends, including growth in the following: gross domestic product (GDP); the population growth in the younger demographics and the middle class; and continued growth in mobile and high-speed internet penetration as well as the increasing adoption of new internet-based business models that are disrupting existing traditional business models across a range of different industries.

Segment overview

We focus on high-growth markets and business models that we know well.

Classifieds

Our brand OLX, including 15 other brands, are successful players in more than 20 core markets and make it easy to connect people to buy, sell or exchange used goods and services.

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Revenue[1,2]	Trading profit[1,2]	Employees[2]
US$3.0bn	US$25m	11 375
up 85% (92%)	up 67% (down 32%)	

OLX	41.87%	FCC	41.87%
OfferUp	16.51%	EMPG	16.85%

Food Delivery

Our portfolio of food delivery businesses includes iFood, Delivery Hero and Swiggy, allowing customers to place orders for their favourite food both online and via apps to be conveniently delivered wherever they are.

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Revenue[1]	Trading loss[1]	Employees
US$3.0bn	US$724m	5 468
up 100% (77%)	down >100% (84%)	

iFood	26.45%	Delivery Hero	11.54%
Swiggy	13.84%		

Payments and Fintech

PayU is one of the largest online payment services platforms in the world and a leading payment gateway for merchants in high-growth markets and large international companies. PayU operates in 20 markets and offers more than 400 payment options.

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Revenue[1]	Trading loss[1]	Employees
US$796m	US$60m	3 246
up 38% (45%)	down 12% (13%)	

PayU	42.29%	Iyzico	38.54%
ZOOZ	42.29%	Remitly	9.62%
PaySense	34.93%	rdp	31.33%
wibmo	42.29%		

Edtech

We reach 90% of the Fortune 100 companies across our corporate learning companies, including Stack Overflow, Skillsoft, GoodHabitz, Udemy and Codecademy. In addition, we have built a strong presence in K–12 (kindergarten to grade 12), with brands including Brainly and BYJU'S.

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Revenue[1]	Trading loss[1]	Employees
US$425m	US$117m	663
up >100% (55%)	down >100% (>100%)	

skillsoft	15.88%	BYJU'S	4.15%
stackoverflow	42.29%	Udemy	5.19%
GoodHabitz	26.35%	SimilarWeb	6.31%
Eruditus	5.57%	SOLOLEARN	7.80%
Brainly	17.82%		

Etail

eMAG is an ecommerce leader in Central and Eastern Europe.

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Revenue[1]	Trading loss[1]	Employees
US$2.3bn	US$34m	8 230
up 0% (3%)	down >100% (>100%)	

eMAG	33.65%

Other Ecommerce

Included is our Ventures arm which partners with entrepreneurs to build prominent technology companies, with the ambition to fuel the next wave of growth for the group.

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Revenue[1]	Trading loss[1]	Employees
US$382m	US$202m	1 244
up 85% (>100%)	down <100% (<100%)	

honor	5.80%	movile	39.77%
meesho	5.85%	elasticrun	9.57%

Social and Internet Platforms

Prosus also holds an investment in Tencent, China's largest and most-used internet services platform.

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Revenue[1]	Trading profit[1]
US$25.8bn	US$6.3bn
up 15% (16%)	up 3% (4%)

Tencent 腾讯	12.18%

Etail

Takealot is South Africa's leading etailer, with three major businesses: Takealot.com, Superbalist and Mr D Food.

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Revenue[1]	Trading loss[1]	Employees
US$827m	US$7m	2 399
up 36% (27%)	up 0% (14%)	

takealot.com	100.00%

Media24

Media24 is one of Africa's leading print and digital media groups with interests in digital media and services, newspapers, magazines, ecommerce, book publishing and media logistics.

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Revenue[1]	Trading profit[1]	Employees
US$257m	US$17m	2 344
up 22% (12%)	up >100% (>100%)	

MEDIA24	100%

1 Presented on an economic-interest basis.
2 Includes Avito.

Chair's review

In a world of change and challenge, we want to improve the everyday lives of billions of people through technology. We also hope to create long-term value for our stakeholders.

'We have a history of rapidly adapting to change. Also some resilience. These qualities will be required again.'

Koos Bekker
Chair

Creating value in a world of change

Two years after the start of the Covid-19 pandemic, the world looks different.

Digitisation has advanced further, and a larger part of our lives is lived online. Technological advances are accelerating this transition.

As a consumer internet group and one of the larger technology investors in the world, we are helping to bring the benefits of a digital world to our customers. This happens particularly in our core segments of Classifieds, Food Delivery, Payments and Fintech, and Edtech, where we hope to build useful ecosystems.

At the same time, uncertainty abounds: rising inflation and supply chain disruptions; pressures on natural resources; mounting geopolitical tensions; and conflicts like the war in Ukraine.

Focusing on sustainability

We aspire to be a sustainable business. One that invests in tech-led ventures in many countries, building them into successful enterprises that contribute to local job creation and prosperity. Sometimes these services create more environmentally friendly alternatives to traditional bricks-and-mortar solutions. They can be socially transformative, too.

During FY22, we built on the materiality assessment carried out last year to sharpen our focus. We identified 11 issues as most material: financial performance; business culture, ethics and integrity; responsible investing; data privacy; human capital; cyber-resilience; innovation; community investment; digital inclusion; climate action; and artificial intelligence. We will implement improvement programmes, measure performance and communicate our progress.

Doing the right things in the right way

Our values are reflected in the updated code of business ethics and conduct. Also, see the Group overview section on page 4.

At an extraordinary shareholders' meeting in July 2021, shareholders approved a share exchange offer through which Naspers shareholders could tender their shares for Prosus shares. We appreciate the support received from shareholders.

Our annual general meeting on 25 August 2021 was again held virtually as a result of measures related to the Covid-19 pandemic. The annual general meeting confirmed the appointment of Angelien Kemna, a financially experienced business leader. Her understanding of the investment industry and corporate governance practices strengthens our board.

Sharmistha (Shar) Dubey was appointed as an independent non-executive director with effect from 1 April 2022. Shar brings in-depth knowledge of information technology and digital service businesses. Her competencies will be of great value to our board.

Emilie Choi stepped down from the board with effect from 26 August 2021. Ben van der Ross retired from the board on 1 April 2022, having served the group in varied and valued capacities for more than 23 years. We thank them both for their extensive contributions.

Making a difference in South Africa

We contribute to the development of South Africa's tech ecosystem. Since its launch, Naspers Foundry has invested close to R700m in 12 home-grown tech businesses. They are benefiting society through the people they employ and the products they build. Our youth development programme, Naspers Labs, is building skills among young South Africans. Our aim is to enable thousands to get jobs, and also to help stimulate some start-up tech-enabled businesses.

We are also proud of our more established businesses in South Africa. Takealot has, over the years, grown into one of South Africa's best-loved etailers. It gives back a lot in direct and indirect job creation, provides a platform for many small and medium-sized businesses to prosper, and offers a safe and convenient way for people to buy online. Lastly, as a group, we pay a significant amount of tax to the South African fiscus. This year we are contributing US$191m.

Dividend

As required by the cross-holding agreement, a dividend will be paid in relation to the Naspers N ordinary shares and A ordinary shares from the amount that Naspers receives from Prosus as a terminal economics distribution under the cross-holding agreement between Naspers and Prosus.

Looking ahead

During the year ahead, we will no doubt face challenges. We will try to navigate these as best we can. Hopefully, new opportunities will also open up.

On behalf of the board, I sincerely thank all contributors. We look forward to profitability, but also to improving people's lives and enriching communities around the world.

Koos Bekker
Chair

25 June 2022

Chief executive's review

Naspers is at the heart of exciting change in the world – change that is driven by the power of technology.

Bob van Dijk
Chief executive

Using technology to improve everyday life for billions of people creates sustainable value for the customers and communities we serve, our group, and our many stakeholders. This is something we have dedicated ourselves to in recent years, and we are building companies that today serve more than 2 billion customers. We believe there is much more to come.

Improving everyday life

Our approach is rooted in our multi-generation track record of innovation, adaptation, and reinvention. We understand the opportunity and importance of solving everyday problems for customers, and that local entrepreneurs are often best placed to do this. That's why we continually search for and back innovative and ambitious local entrepreneurs. We believe in nurturing and supporting the companies we invest in, because in our experience this is the best way to build sustainable businesses that stand the test of time. It is this long-term approach, together with access to our operating experience and global scale, that entrepreneurs find attractive – offering more than funding is important in today's fast-moving and competitive world.

We typically progressively grow our capital commitments as we learn and scale, which ensures a disciplined approach to capital allocation, intrinsically linked to future returns.

Progress this year

Despite the turbulence in the past 12 months, we have made good progress on strategy to build valuable businesses across the group.

By aligning technology and data with key customer needs, we are able to increase convenience, frequency of use, reliability and safety. This is a long-term game. It takes ongoing investment to build the end-to-end capabilities that enable closer and stronger relationships with customers across the ecosystems of our core segments. We believe that our patience will pay off, and we are encouraged by the accelerated growth we are delivering through our investments.

To help fuel our growth ambitions, in April 2021, we sold 6.48% of our shareholding in Tencent (being 2% of the issued share capital), improving our financial flexibility and reinforcing our balance sheet. The sale generated proceeds of US$14.6bn and reduced our holding to 28.9%. We have been investors in Tencent for over 20 years, with the only prior disposal being 2% in 2018.

Performance

We detail our performance on pages 51 to 83.

In summary, group revenue grew 24% to US$36.7bn (on an economic-interest basis). Group trading profit reduced by 10% (6%) to US$5bn (on an economic-interest basis), reflecting investment to expand the market opportunity for each segment. We have achieved scale in several markets, and this brings potential to grow further, faster.

Classifieds emerged from the pandemic stronger, with healthy growth at its core. We are amplifying that by playing a larger role in customer transactions. For example, OLX Autos is merging online and offline car-buying and financing with the ambition to build the most trusted one-stop shop for transacting in cars.

Food Delivery's performance remained strong. The scale achieved over the past two years has expanded the opportunity beyond delivering food from restaurants to include convenience and grocery delivery. We participated in further funding rounds in Swiggy and iFood, stepped up our investment in Delivery Hero, and invested in Flink and Oda, two young, growing European e-grocery (online grocery orders) businesses.

In Payments and Fintech, we recently announced our intended acquisition of BillDesk in India. Subject to regulatory approval, the integration of BillDesk and PayU will substantially increase our scale in India, one of the fastest-growing consumer internet markets, and create a top-10 online payments company globally by total payment volume. The combined business would create a platform to expand our digital banking capabilities.

Edtech, our newest segment, grew well. The portfolio expanded with the acquisition of a minority stake in Skillsoft and its simultaneous listing, and the acquisitions of Stack Overflow and GoodHabitz. Our Edtech investments currently reach more than 500 million users and we see great potential ahead. We have established a solid foothold in a sector being transformed by digital.

Etail delivered a robust performance. In Central and Eastern Europe, eMAG is building its presence, developing an ecosystem that includes offering repair services for products and food delivery. In South Africa, Takealot continues to play a leading role in saving customers time and money, enabling third-party businesses and creating opportunities for many.

Our Ventures arm had a strong year, investing more capital than before and cultivating a healthy pipeline of prospects for the coming year. Ventures is our engine for growing into new segments and markets. This year, our Edtech segment graduated from Ventures, and before that, so did our Food Delivery segment.

Chief executive's review continued

We remain committed to creating sustainable value by implementing strategies that improve material efficiency, driving a systemic transition to a circular economy and low-carbon growth.

Though the nature of material environmental impacts, and how to define them, varies between our businesses, we have established a groupwide climate transition plan. As an important first step, our group companies achieved carbon-neutrality this year, and developed a thorough practice of carbon measurement and reporting, which is an important step to defining their net-zero pathway.

We are committed to setting groupwide, multiyear greenhouse gas emissions reduction targets that will drive our climate transition plan.

Responding to the crisis in Ukraine

The appalling war in Ukraine is first and foremost a human tragedy. Ahead of the invasion, our OLX business prepared for a worsening situation, setting up accommodation for our teams and their families in the west of the country, advancing wages, and putting in place regular contact with everyone. When the invasion came, we offered relocation to safer areas in the country and also outside of Ukraine. Some employees and their families were relocated. The war has brought the OLX business in Ukraine to a standstill.

We hold a minority, non-controlling stake in VK, a social and internet platform in Russia. Following international sanctions placed on the CEO and indirect shareholders of VK Group, we asked our own directors on the VK board to resign their positions. VK shares on the London Stock Exchange have ceased trading and we have written down the full carrying value of the VK asset.

Our OLX Group also ceased all involvement in Avito, its Russian operation. Shortly thereafter, work began to decouple Avito from OLX Group, which now operates independently within an overall governance framework that applies to all our subsidiaries and is an independent Russian entity run by a local management team and governed by its own board of directors.

Following completion of this operational separation, Prosus has now decided to exit the Russian business. We have started the search for an appropriate buyer for our shares in Avito.

In addition to the support already in place for our employees and customers, we are contributing US$10m to assist humanitarian aid efforts in Ukraine. Our Ukrainian and Polish employees are involved in the selection of suitable registered and established charities to receive this support. At the onset of the war, we also made a US$350 000 donation to the International Committee of the Red Cross.

'Our businesses delivered solid growth. Our progress is reflected in our Ecommerce portfolio and, to capture the significant opportunity ahead, we stepped up investments in our asset-light, low-carbon segments. We continue to build innovative products that make a difference in people's lives.'

Looking forward

We always remember that we are here to create value. We aim to increase value over the coming years on the back of the fast-growing businesses we are building. We have big ambitions and are clear on what we need to do to achieve them.

The board continues to work hard at executing measures that will reduce the consolidated discount to NAV and to grow the NAV per share of the group through actions like the share exchange in August 2021 and the repurchase of US$10bn in shares over the past two years. With the significant volatility currently affecting the global capital markets, there are many factors that have led to an increase in the discount. Some of these factors are within the control of the group while others are not.

We acknowledge that the discount has risen to an unacceptable level and that taking action to reduce it while still executing the group's strategy, should be a top priority. To that end, we are committed to taking action on controllable uses across three areas of focus. Firstly, we will explore ways to further improve the structure of the group by leveraging the benefits of the Prosus listing and subsequent share exchange. Secondly, we will identify options for value crystallisation in our Ecommerce portfolio to better evidence, in a systematic and repeatable way, the significant value that has been created through our investments and operations over a sustained period of time. Thirdly, we will endeavour to drive increased understanding of our strategy through greater transparency and disclosure. We believe that these three steps are the right approach and will generate tremendous value for our shareholders over a sustained period of time. We remain committed and incentivised to continue on this journey for the long-term value creation of the group.

Given the potential we have identified, we are investing to keep growing and to expand our reach and impact. We will continue to invest in our platforms and ecosystems, particularly in autos transactions, credit and digital banking, as well as food and grocery delivery. At the same time, we are driving profitability and cash generation in more mature businesses. And through our Ventures arm, we continue to focus on the next wave of business models – potential segments of the future.

Bob van Dijk
Chief executive

25 June 2022

The world around us

We believe that technology has the power to transform how people live their lives in every corner of the world, creating significant value for all.

We have identified the key trends relevant to our business across the macro environment, technology and society, and investor landscape. Despite the risks and uncertainties of recent times, we believe these key trends are broadly favourable for our business. Their implications have been distilled into three strategic priorities for the group (covered in 'Our strategy' on the following pages).

Macro environment

We see a world recovering from Covid-19 that must now face new and rising risks, not least from Russia's invasion of Ukraine. The outlook is uncertain, and the implications of the war across the world are likely to be uneven.

China and India look to be particularly strong prospects for the long term and, as the world's two largest internet audiences, are both markets in which we have good exposure.

A fast, but fragile, V-shaped economic recovery, with new risks and uncertainties

The Covid-19 pandemic profoundly disrupted the world and everyone's lives. Its impacts continue to loom large, albeit in a world where innovative life-changing tech in the form of rapid vaccine development has created a way forward. As the vaccines rolled out, economies restarted and the recovery was fast, but uneven.

Inequality in the world has worsened since the pandemic. From 1990 until 2020, there was a consistent and fairly rapid decline in extreme poverty, but with Covid-19, this trend reversed. Increasing poverty combined with rising business prosperity points to greater inequality in the world – undermining social cohesion, happiness and stability.

The key characteristics throughout much of FY22 were a recovery in consumer confidence and spending, the continued availability of low-cost debt capital and strong corporate performance.

However, in the final quarter of FY22, we entered a new phase of uncertainty marked by rapidly increasing inflation, rising interest rates, tightening credit, continued supply-chain problems, tempered growth projections and the shortage of tech talent.

Russia's invasion of Ukraine has caused an additional shock to the global economic system – driving inflation even higher, prompting commercial loss for businesses in the region and disrupting financial flows. The human toll and social impact of mass migration of Ukrainians across Europe are also significant.

Unsurprisingly, we have also seen a significant market correction, with a sharp decline in the prices of public equities around the world. The decline has been particularly pronounced in the technology sector, and our core segments have all been affected.

Our world is changing rapidly and we have a role to play

7+ billion people and increasing
Our footprint is in high-growth markets.

Global developments
Climate change and rising inequalities are shared global challenges that demand action from all sections of society.

Increased pressure on natural resources
High-growth markets have the largest vulnerable populations and resource disparities.

Future of business
Growth and profit are not enough – ever-increasing public scrutiny for corporates to demonstrate value beyond financials.

Rapid digitisation
As a digital technology investor and operator we have both opportunity and a responsibility.

Changes in capital markets
Investors are demanding and integrating environmental and social data into investment decisions. ESG-based investing is no longer an exception but the norm.

The world around us continued

Diverging prospects across countries – China and India remain strong

Post-pandemic prospects differ markedly between countries across the globe. While China continues to grapple with the effects of the pandemic, long-term China is becoming increasingly dominant on the world stage. This is set to continue, with China increasingly dominant on the world stage. While in 2000, the US was the most important trading partner for the vast majority of the world, by 2020 it was replaced by China.

In terms of tech and innovation, the centre of gravity has shifted, too. India and China now have five times the number of smartphone users as the US. In addition, the volume of venture funding in the rest of the world now exceeds the US, with India playing a big part in this switch. India is rapidly becoming the third-largest country in the world for large tech start-ups. In 2021 alone, India saw the birth of more than 20 unicorns (start-up companies rapidly reaching a valuation of US$1bn).

Tech and society

The pandemic has changed people's lives forever – accelerating the use of tech and the growth in tech titans, and in turn leading to a countertrend of anti-tech sentiment and rising regulation. As a responsible tech operator and investor, we are well positioned to navigate our changing world – contributing to it and creating value for our stakeholders.

Pandemic patterns persist: We are changed forever

Covid-19 has had a lasting impact on people. People have redefined how they work, interact, shop and play, moving much of this everyday activity online. Throughout the pandemic, ecommerce sales rose swiftly and digital communication took over. At the same time, with mounting evidence of the climate crisis, sustainability became a bigger concern. As well as moving online, people are also going green and they increasingly expect companies to play their part.

The rise of a tech-enabled world

Technology is at the heart of this transformation and, with it, the tech titans, which surged in value throughout the pandemic. While recent macroeconomic effects have suppressed the rise in tech stock market valuations, the changes that we've seen are foundational and are expected to outlast the pandemic. The way we live our lives, the way companies operate and market their products – people and businesses have become more reliant on technology. Even amid one of the most punishing economic downturns on record, spending surged on computers, video games, online retail, cloud-computing services and digital advertising.

A worldwide crackdown on big-tech

While the technology sector has significant further growth potential, there are challenges. The world's view on the tech sector is increasingly critical, political and, in some cases, hostile. Correspondingly, regulation around this is on the increase. This is not unexpected, as historically all new sectors have typically seen increased oversight as they grow. Sweeping technological advancements pose significant challenges for regulators who strive to maintain a balance between fostering innovation, protecting consumers, and addressing the unintended consequences of digital disruption at scale. Regulators must balance their responsibility to protect citizens with encouraging innovation in new technologies and businesses. Inherent is the risk of overregulation.

Investor landscape

Tech investment activity and valuations hit all-time highs in 2021 and significant global capital was placed extremely quickly on a broad range of investments. While we have seen a drop-off from this level at the end of FY22, we believe that our long-held focus remains true. We are confident that disciplined investment in exceptional entrepreneurs with outstanding tech-led businesses stands us in good stead to create long-term value.

A new high for tech investing

Supported by Covid-19 tailwinds, global venture capital funding hit an all-time high in 2021. According to PitchBook, global venture investment was on track to reach US$580bn by the end of the year – nearly 50% more than was invested in 2020, and about 20 times that in 2002.

Moreover, tech investing has taken a rapid swing towards later-stage funding. Fewer early-stage deals are happening, while the share of growth deals (larger than US$30m) is accelerating. US$100m deals now represent over half of all venture capital investments in the US. The type of tech investor has also changed dramatically, with hybrid private equity/venture capital investors being the most active in FY22.

We intend to remain disciplined technology investors, creating sustainable value in our own distinctive way.

Responding to the trends

In the past two years, powerful macro, geopolitical, technology, regulatory and investor forces have shaped the world and created a broadly positive environment for businesses such as ours that are focused on improving lives through technology. However, towards the end of FY22, the world shifted to a new era of broad-based inflation, rising interest rates, falling asset prices, and the shocks from the war in Ukraine.

Despite the challenges, we remain well positioned to capitalise on opportunities that arise in this time of dislocation. We are thoughtful, focused, and have an 'operator's edge' in assessing and optimising investments. Our global network is strong and our differentiation as patient, company-building capital is distinctive. We have several well-established businesses in our portfolio and also several assets that can deliver meaningful capital as we need it.

Now, as ever, we are determined to create increased sustainable value for our shareholders and stakeholders. To this end, and given the trends outlined here, we have set three key strategic priorities for the group (refer to pages 11 and 12).

Our strategy

Our strategy for building long-term value continues to be relevant and differentiated.

Our core strategy
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 companies with a strong market presence.

Active, focused, long term, disciplined
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. We think long term. 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 – acting like owners and doing the right thing for the long term, for all our stakeholders.

How we add value through our strategy

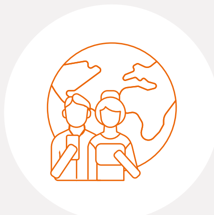
We pursue growth by building leading companies that empower people and enrich communities.

Our focus areas

Build global technology leaders to...

...address big societal needs...

...in high-growth markets...



...where we can build sustainable leading positions.

We do this through a rigorous process: test, invest, scale

Our operating model

Global outlook ⇄ **Local entrepreneurs**

Investor ⇄ **Operator**

Our core and sustainable approach

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

Read more about how we operate responsibly on pages 16 to 18

- We are building four core segments:
  - Classifieds
  - Food Delivery
  - Payments and Fintech, and
  - Edtech
- In FY22, the bulk of our investment has gone into these core segments.
- In Etail, we will continue to build strong local ecommerce ecosystems with eMAG and Takealot.
- We will continue to explore new opportunities through Ventures and potential new segments over time.
- We will strive for returns well above our cost of capital.
- We are both an operator and active investor.

Our strategy continued

Global and local; investor and operator

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 operate and invest as we seek to create the greatest long-term value. As an investor, we take a disciplined and systematic approach to capital allocation and we have a responsible, long-term approach to operating. Our aim is to help, support and encourage entrepreneurs and businesses.

Our three strategic priorities

Building on our core strategy and the implications of key trends in the world around us, we have set three strategic priorities for the group:

1. Drive organic growth in our core businesses.
2. Expand local ecosystems.
3. Be a force for good for our stakeholders.

Priority 1: Drive organic growth in our core businesses

We see tremendous opportunity in technology globally. At the same time, we know that certain markets will thrive more than others.

Backing winning segments

We will continue to focus on our core segments and drive organic growth in these. While tech has done well across the board, we have invested in some of the biggest and best-performing segments and we believe there is plenty of room for more growth in these sectors.

Targeting high-growth markets around the world

We will also continue to focus on high-growth markets.

While regulatory change has recently curbed investor enthusiasm in China, we believe China remains one of the most attractive internet markets in the world, and Tencent is well positioned here. We also believe that regulation is ultimately healthy for any industry or market – in time, businesses will adjust and investor appetite will return.

India is a top priority, and we are strengthening our teams and investments there. Our proposed acquisition of BillDesk would be our biggest deal to date, taking us to the next level in Payments and Fintech. We have also stepped up investment in Meesho, which is focused on social commerce, and in healthtech platform PharmEasy. We will focus on backing local entrepreneurs to make sure we align well with India's domestic priorities.

We want to invest more in Southeast Asia. We see opportunity there – growth is strong and smartphone adoption is rising rapidly. We have made several smaller investments and have a good pipeline ahead.

In Brazil, we see strong opportunity for iFood. Again, we are focused on organic growth, particularly in fintech and convenience retail, which we believe will strengthen iFood's ecosystem and deliver substantial incremental value.

We will continue to monitor Western markets for opportunities and be selective in our approach, prioritising the biggest opportunities.

Priority 2: Expand local ecosystems

Within our segments, our businesses are building ecosystems with a strong local presence.

As an example, in Classifieds, our OLX Autos business now offers a full end-to-end sales process, building beyond what used to be merely facilitating car transactions. In FY22, OLX Autos scaled volumes across key markets, and increased revenue by 158% (173%). Our plan is to grow OLX Autos in size and to build ecosystems, providing our customers with large offline components and significant financing and insurance activities.

Similarly, our Food Delivery businesses are building on their sizeable delivery operations to extend into adjacent delivery verticals, such as convenience and grocery. These moves create more value for customers and more value for our businesses. Expanding into convenience and grocery is key – bringing a major offline component into the businesses, providing a much broader set of products for customers.

We are also expanding our Payments and Fintech platform in India to create a broader ecosystem. We launched a credit-led digital-banking offering in India and aim to scale it.

We are also building valuable local ecosystems around local market heroes, such as Takealot in South Africa and eMAG in Central and Eastern Europe. Takealot has significantly grown its food delivery business in South Africa and is working on launching a grocery service. eMAG is growing food delivery rapidly and challenging incumbents, building Romania's largest last-mile delivery platform and expanding into grocery.

Priority 3: Be a force for good for our stakeholders

Expectations of companies are growing. Shareholders, regulators and many other stakeholders are increasingly interested in how seriously we take our responsibilities as a global technology group: how well we look after our people and our customers; the kind of role we play in society; and of course, the impact of our businesses on the planet.

We have a strong heritage of acting responsibly as a group. But much of this good work has been implicit – a natural, unspoken consequence of fundamentals such as being disciplined about long-term value creation, backing entrepreneurs who share our values, and focusing on improving people's everyday lives through technology. We believe it has now become essential that we do business with the stated goal of being a positive force for the world around us. We will, therefore, ensure we are all clear on our role in the world, and on the expectations we have of each other.

To this end, we are increasing our focus on sustainable investment themes, such as agtech (agriculture technology) and healthtech, which are both on the radar of our Ventures arm.

We have also formalised and articulated our approach to responsible investing. You can find out more on pages 16 to 18.

We are all united by our shared purpose – to improve everyday life for billions of people through technology – and our shared values.

How we create value

We are driven by our purpose

To improve everyday lives for billions of people through technology

We prioritise our approach based on the material matters for our stakeholders

- Financial performance
- Responsible investments
- People
- Digital inclusion
- Innovation
- AI
- Cyber-resilience
- Data privacy
- Business culture, ethics and integrity
- Community investment
- Climate action

The resources we need

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

Human
Skills owned by our employees.

Manufactured
All investments in facilities and technologies across the group.

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

Social
Trust we build in the communities where we operate.

Natural
We use natural resources in every aspect of our business and operations, including both downstream and upstream in our value chain.

How we add value through our strategy

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

Our focus areas

Build global technology leaders to...

...address big societal needs...

...in high-growth markets...

...where we can build sustainable leadership positions.

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Our core and sustainable approach

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

Read more about how we operate responsibly on pages 16 to 18

The value we create

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

Human
We create workplaces with a fair and inclusive culture. Development opportunities.

Manufactured
We provide innovative platforms and services to customers globally.

Intellectual
Through our intellectual property, we drive change and innovation within the industry.

Social
We treat our partners fairly and drive high social value in our operations.

Natural
We seek to protect natural resources through our operations and the low-carbon, asset-light business models.

How we measure the value we create

- Achieve revenue target (on an economic-interest basis and excluding M&A).
- Achieve core headline earnings at target, including Tencent.
- Achieve core headline earnings at target, excluding Tencent.
- Achieve free cash outflow at target.
- Meaningful IRR ahead of cost of capital.

- Increase focus on diversity and inclusion throughout the group, measured through employee engagement survey.
- Extend access to digital products and services, promote digital literacy and support information technology infrastructure.

- Continue to build our AI capabilities by increasing the number of ML (machine learning) modules in production.
- Apply strict discipline to capital allocation, and act with integrity to promote ethical business principles.

- Throughout the investment life cycle, we strive to ensure that the scientific and technical standards informing design and research in AI products and services are sound, robust and of high quality. We assess this on an ongoing basis.

- Number of people impacted within the Naspers Inclusive Development Framework.
- Number of beneficiaries supported through community investment programmes.
- Targets to cascade human rights statement across subsidiaries.

- Increase ESG performance and implement a climate transition plan.

The value we created this year

Investing behind Ecommerce growth

US$6.3bn

- US$6.3bn invested to further accelerate growth: Food Delivery, Edtech, Payments and Fintech, and Classifieds.

Share repurchase programme of Prosus ordinary shares

US$5bn

- Capital structure change, completing the voluntary share exchange offer.

Strong revenue[1] growth with profitability at the core of each business

US$36.7bn

- +50% Ecommerce revenue growth.
- 17% increase in trading profit from profitable businesses.
- Continued focus on growing both NAV and NAV per share over the long term.

Committing to being

carbon-neutral

- We are committed to setting groupwide, multiyear greenhouse gas emissions reduction targets that will drive our climate transition plan.

New Edtech segment gathers momentum with revenue[1] of

US$425m

- Edtech grew revenue by 270% (55%).
- We made several investments and acquisitions leading to trading losses increasing to US$117m from US$14m.

Prosus FLIGHT supports

750

women and girls to acquire skills to participate in India's digital economy

- Prosus FLIGHT aims to create a network of female graduates who can become role models for other young women.
- Human rights statement cascaded to all our group companies.

Significant progress on

sustainability initiatives

- Highest scoring newcomer award, Transparency Benchmark for sustainability reporting 2021
- Continued integration of sustainability initiatives into our strategy.

We achieved a score of

88%

favourable responses to our diversity and inclusion question

- Employee feedback is a great indicator of the impact and progress we are making in the workplace.

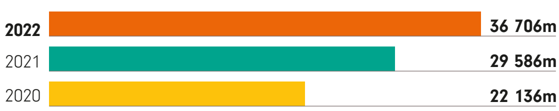
Number of AI models in production year on year:

+124%

- We develop or adopt tools and practices designed to check the quality and representativeness of data and to detect bias in decisions based on the models.

Strong financial performance

Revenue[1]



Trading profit[1]

1 Presented on an economic-interest basis.

Sustainability review

Our approach

We create sustainable value by investing in companies that improve everyday life for billions of people through technology. By creating supportive environments for visionary tech entrepreneurs in some of the world's most exciting markets, we believe our businesses can deliver significant positive impact on society and the planet.

Our portfolio of businesses enables a wider systemic transition to the circular economy, more financial inclusion, and improved access to better livelihoods and education. We are building a portfolio of asset-light, low-carbon business models that enable us to combine our global reach with specialist and local expertise.

We actively engage in the environmental, social and governance (ESG) performance of our portfolio companies. We continue to explore investment opportunities aligned with our core purpose of improving everyday life for billions of people through technology.

Technological advances make it possible to deliver digital products and services that contribute meaningfully to the economic and social development of local communities. Sustainable development is contingent on economic growth, but we recognise that growth and profit are not enough. By integrating ESG criteria into our decision-making, our commitment to creating sustainable value extends across our portfolio, from our own operations to our investees.

Our locally owned and built businesses are not only driving innovation in key areas of life – from finance to education – but are creating jobs and helping to transform social and economic inequalities. We provide financial and non-financial support to our investees, and we help them address their barriers to scale and growth. Software-led business models can better reduce environmental impact and extend access compared to old-school economy sectors. Digital financial services, for example, support a wider reach to people underserved by bricks-and-mortar infrastructure.

We support the United Nations Sustainable Development Goals (UN SDGs) and, like many other businesses, have identified which of the goals closely aligned with our business. We identify this alignment and our activities in support of the SDGs in this report and on our website.

United Nations SDGs

Three pillars of responsible investment

1. Embed ESG in investment due diligence

2. Enhance ESG performance of portfolio companies

3. Increase investments in inclusive and sustainable businesses

Mitigate value impairment → **Drive value creation**

As an investor in pioneering technologies, we seek out and partner with local entrepreneurs to create global leaders. Activity at group level is closely focused on delivery, growth and performance. We embed ethics and responsibility in the application of fast-moving technologies, such as AI and ML.

Three pillars of responsible investment

Our portfolio is focused principally on consumer internet services in sectors that address societal needs: classifieds, food delivery, payments and fintech, education technology (edtech) and etail. We also have significant interests in other listed internet assets. We apply strict discipline to capital allocation, and act with integrity to promote ethical business principles across our group of companies.

This year, we are articulating our approach to responsible investing for our stakeholders. Responsible investment for us is founded on three pillars. Firstly, prior to any investment, we screen for ESG factors and trigger enhanced due diligence during the investment process, if required. Secondly, we manage for performance: our investees share our entrepreneurial instincts and are motivated by a commitment to delivery. Thirdly, we are committed to increasing our exposure to sustainability-driven business models across the portfolio.

Pillar 1: ESG in investment due diligence

ESG integration is embedded in our investment philosophy, as we proactively exclude opportunities in a set of predefined controversial sectors.

Before investing, we screen prospective investees according to their potential to achieve significant scale, high stakeholder impact and sustainable value at an efficient cost of capital. Across our portfolio, we impose limits on direct or indirect exposure to any activities and sectors that we define as controversial and have limited appetite for. We apply a pragmatic approach to defining factors that would trigger enhanced due diligence when necessary. These include the size of the equity stake that would define the level of control we would exert.

Our approach continued

Acquiring a controlling interest in a company implies a higher level of accountability and influence with a consequent cascading of our business values and our ESG principles. In this scenario, our investment team not only looks at financial indicators but also factors in non-financial considerations in our company evaluation, such as their data privacy, security controls and environmental impact.

Pillar 2: Enhance ESG performance of portfolio companies

The social and environmental impact of our businesses is central to our understanding of sustainable value. While the nature of material environmental impacts, and how to define them, may vary between companies, we apply consistent ESG principles across material topics and systemically cascade them to our subsidiaries, to drive performance. These include data privacy and cybersecurity, human rights, business ethics and compliance, and climate action.

As we have a large number of subsidiaries, associates and investees, we monitor our subsidiaries and those in which we have a significant minority. In cases where we have a board seat, we leverage that engagement opportunity. To drive best practice, we also proactively invite subsidiaries and significant minorities to engage on key climate topics through the Sustainability Accelerators Network.

For subsidiaries, environmental impact is managed under the governance framework. Action aligned to our climate goals is a requirement across the portfolio, with performance standards set at a group level. Where we hold a minority stake in a subsidiary, our board members provide corresponding levels of direction and influence. Please see our website at www.naspers.com/sustainability for a discussion of our sustainability framework.

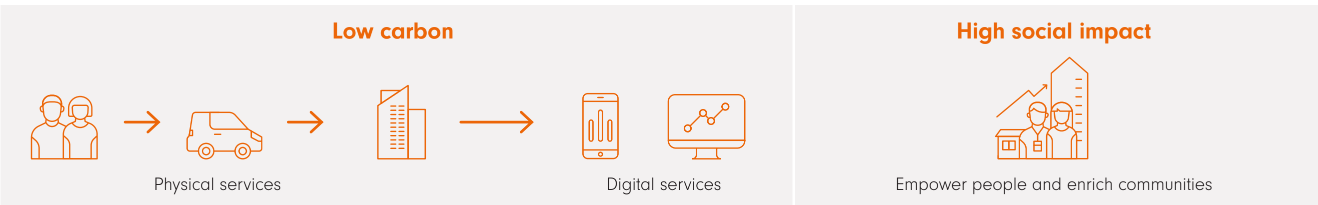
We invest in platforms that lead the evolution of the on-demand platform sector and empower and improve the lives of the millions of people that make this sector possible. We endeavour to empower and protect the rights of workers whose livelihoods depend on our businesses. While each company is solving their own local needs, we share our guiding principles as a basis to implement in their operations.

An example of this is how diligently our food delivery portfolio companies have worked in partnership with Fair Work, the world's leading research project that seeks to improve the conditions and treatment of on-demand workers, as evidenced by the material year-on-year improvements to the scores achieved by our portfolio companies. Additionally, we work in close collaboration with our food portfolio subsidiaries to review their ongoing engagement of on-demand workers (including on topics such as pay, benefits and safety).

Naspers is committed to improving transparency and reporting standards. We provide all subsidiaries with a carbon data management tool and support our businesses with data-driven analysis to define a baseline and set company-specific targets for greenhouse gas (GHG) emissions. We consolidate and disclose the direct and indirect footprint at group level, annually. We received a B score for our first detailed disclosure on the CDP (formerly Carbon Disclosure Project) platform. We also received the highest-scoring newcomer award from the Netherlands' Transparency Benchmark for our sustainability reporting in 2021. We encourage open learning across the group, and support investees by identifying technology and partnerships for low-carbon growth and material efficiency. Our sector-specific forums share expertise and best practices on topics such as carbon emissions, plastics, e-waste and electric vehicles. A growing network of 'sustainability accelerators' enables the transfer innovations across the group.

We maintain standards and set targets at a group level, while encouraging flexibility among investees to tailor their business strategies to local conditions. The diversity of our portfolio makes a one-size-fits-all approach impractical. As investors, our influence among investees varies, but the principles that guide us are consistent.

Value creation: Demonstrative impact on society and planet



Core segments	Impact on the planet	Impact on society
Classifieds	Powering the circular economy	Enabling responsible consumption Number of users
Payments and Fintech	Net positive impact of digital transformation of financial services	Financial inclusion Total number of customers in growth markets (gender breakdown)
Edtech	Net positive impact of digital learning	Learning for all
Food Delivery	Positive impact of deploying best-in-class operating models	New livelihood opportunities

Our approach continued

In our corporate operations, we exercise full control of our sustainability strategy. We work closely with subsidiaries to ensure management embeds our principles for all material issues, adapted for factors such as business model, operations, employees and geography, resources, and the complexity of their activities.

Pillar 3: Increase investments in inclusive and sustainable businesses

We are committed to increasing our exposure to sustainability-driven business models.

We will identify and invest in innovations that drive the systemic transition towards a low-carbon consumption economy, software opportunities where digital services are transforming the environmental footprint and social impact of traditional business sectors, or asset-light digital services that can deliver on our group purpose to improve everyday life for half of the planet's people. For example, this year our Ventures arm invested in several companies such as DeHaat, Aruna and Biome Makers, which apply sustainable digital solutions in agtech (see pages 76 and 77) by using soil biology analytics and AI-based tools to determine the most sustainable solutions for crops, and address specific climate and social inclusion challenges. These priorities are consistent with our support for circular economy innovations to mitigate and reduce the environmental footprint of the service and its users.

We intend to quantify the positive environmental and social (E&S) impact of our businesses in the context of highlighting revenues derived from sustainability-driven models within our wider portfolio. This is to structurally evidence and report the non-financial value that we create in the communities we operate in.

In our Classifieds, Edtech, and Payments and Fintech portfolios, for example, as a pilot, we will measure the net environmental impact of the transition to digital services. For example, our Food Delivery portfolio companies create economic opportunities for over a million on-demand workers as a part of their value chain. A study connected by FIPE (Fundação Instituto de Pesquisas Econômicas) in 2020, researched the socio-economic impact of iFood's operations in Brazil.

An analysis was carried out on the evolution of employment over the period 2014 to 2021 in 12 Brazilian cities, including 790 sub-regions within these cities. FIPE observed that the presence of iFood in the sub-regions is positively related to both the employment volume and its growth rate. About 730 000 jobs (formal and informal), equivalent to 0.72% of the employed population in 2020, were created as part of iFood's value chain. FIPE further concluded that iFood drivers receive an hourly wage compatible with what they would receive if they were employed in the formal sector. This is consistent with our efforts to enhance transparency while increasing our exposure to sustainability-led revenues.

Our approach continued

External benchmarking of our ESG performance

Rating agencies	2020 score	2021 score
Sustainalytics	24.1 Medium risk	17.8 Low risk
S&P Global	31	47
MSCI	A	AA
FTSE Russell	3/5	3.3/5 Included in the FTSE Responsible Investment Index
CDP	F	B
World Benchmarking Alliance	Rank: #48/100	Rank: #39/150

Sustainability governance

As an established investor in high-growth markets, we are committed to good governance. Ultimate oversight of our sustainability policy and the implementation thereof vest in the Naspers board.

The board assesses the overall sustainability of the group, and its financial solvency and liquidity. Assisted by specialist committees, including a risk committee and a sustainability committee, the board oversees our processes to manage sustainability risks and opportunities, compliance with applicable reporting regulations, their disclosures across the portfolio and external reporting. This year, multiple sessions were conducted for the board to deepen its understanding of the implications of climate change and wider social and environmental issues for long-term corporate performance. The key topics included in these ESG sessions ranged from setting science-based targets to ESG in capital markets.

Our sustainability policy is aligned with the six capitals model. The board considers the influence on and effects of our business activities in relation to the six types of capital, namely: financial, manufactured, intellectual, human, social and natural.

Implementation of our group sustainability plan is delegated to the management team, which conducts a biannual review of our progress against published targets. The chief executive and the executive management team develop our strategy that feeds into the business plan, applying the six capitals framework in the context of the most material issues for our stakeholders.

Identifying sustainability risks and opportunities is led by the global head of sustainability, who is responsible for managing implementation of the group sustainability plan. The global head of sustainability reports to the group general counsel, a member of the executive management team, who reports to the chief executive.

Across the portfolio, we have appointed sustainability champions to raise awareness and lead implementation of the sustainability plan.

The Naspers sustainability policy, detailing our sustainability framework and principles, is available on our website at www.naspers.com/sustainability.

Reporting and disclosure

Our performance and progress on sustainability issues are assessed by outside experts, in line with our commitment to raising standards of disclosure and transparency. Internal audits inform the process of benchmarking across our portfolio. We regularly publish updates on our progress on the sustainability sections of our website and in our interim and annual results. Our ESG performance is rated by industry analysts with the results being published and benchmarked against peers.

Naspers is committed to annual disclosures under the framework of the GHG protocol. For the coming year, each of the group companies has set a target to further improve on their GHG inventory disclosures by including material scope 3 categories along with their scope 1 and scope 2 reporting. The effort towards achieving this goal varies significantly across the various companies, due to their very diverse operating sectors and extended value chain that constitutes their scope 3 categories. While each company applies the GHG protocol to define their own operational and organisational boundaries, the nature of their extended upstream and downstream value chain will be unique. For relevant and consistent GHG accounting and reporting, we encourage the companies to develop a best fit methodology reflective of their own commercial and operational realities. For example, for our Etail companies to pivot from enabling the trade of goods to selling goods on their platform can have meaningful impact on their emissions profile.

For all subsidiaries, an internal audit of their controls on the carbon data reporting process was conducted, findings of which were reviewed at board level. Separately, EY performed a readiness review for data disclosures on scope 1 and scope 2 to prepare for an external limited assurance by PwC South Africa. The carbon data disclosures for the Naspers group, covering all subsidiaries, including Prosus and all its subsidiaries, have been reviewed for limited assurance on their scope 1 and scope 2 carbon disclosures. Category 6, business travel within scope 3, was reviewed for Naspers corporate employees and Prosus corporate employees.

In the longer term, this will enable the group to forecast and set meaningful reduction targets towards a net-zero pathway relevant to each of the companies. Significantly, Tencent has joined the Science Based Targets initiative (SBTi) and published its carbon-neutrality target and roadmap in February 2022.

Engaging with our stakeholders

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.

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. To balance the needs, interests and expectations of a diverse group of stakeholders, we take an inclusive approach.

Identifying material issues

In addition to our stakeholder dialogue, over the past two years we have performed a materiality assessment. 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.

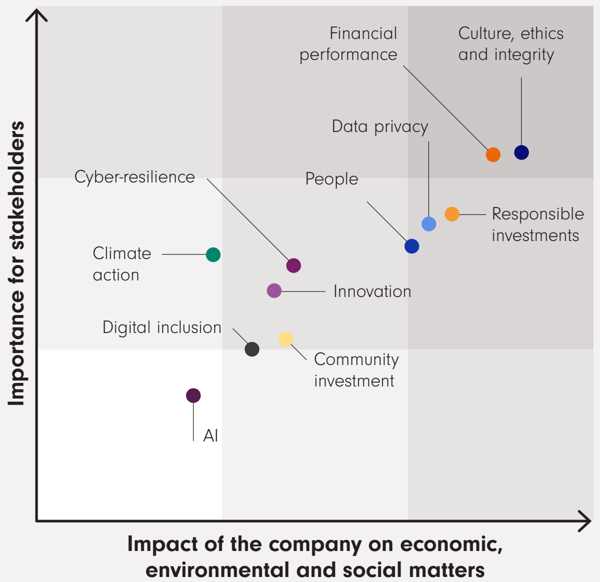
Material issues

We focus on the issues that matter most to our businesses and their stakeholders. In FY22, we improved the depth and relevance of our materiality assessment. On these issues, we aim progressively to mitigate harm, do good by contributing to positive change, and to lead by example in creating sustainable value.

Building on work done in FY21, we have completed an internal review followed by external consultation to sharpen our focus on the most important issues for our stakeholders. From a list of 15 issues, we identified 11 as most material.

Our review introduced one new material issue for FY22: community investment. This may be driven by enhanced geopolitical instability and disruption of communities, both by the pandemic and as a consequence of the war in Ukraine. We also observed a shift in the prioritisation of the material topics, owing to an enhanced understanding and appreciation of our capital allocation activities in driving sustainable transitions. As a result, customer centricity was removed as a material issue.

Materiality results



We have the following key stakeholder groups:

1

Customers and users

We want to help customers and users improve their everyday lives. Customers are indirectly represented through our investee companies.

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.

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 as many of our businesses have a big impact on people's lives.

Engaging with our stakeholders continued

We will continue to define and articulate our approach for each material issue. We will implement improvement programmes to manage and measure our performance, and report transparently to communicate our progress. In future, we aim to apply a double materiality lens, namely to map both the 'outside-in' impact of material issues on our businesses, and 'inside-out' impact on people and the environment.

11 material issues within the six capitals

Each of these material issues is covered in detail on the pages indicated.

Financial capital

Financial performance
We create value by increasing our revenues and market shares, and by increasing our exposure to financial revenue from sustainable business models. Our understanding of sustainable value creation applies strict discipline to capital allocation and performance management. See page 99.

Responsible investing
We are a responsible investor. We apply ESG factors in the selection and assessment of new prospects and apply these criteria in managing the performance of businesses and investments across our portfolio. See pages 16 to 18.

Human capital

People
We help people achieve their potential and be their best. We work to realise this aspiration for our employees and across the value chain of our businesses, including for the many thousands of people who work on our platforms around the world. See pages 24 to 27.

Digital inclusion
Digital inclusion underpins our business strategies. We extend access to digital products and services, promote digital literacy and support information technology infrastructure. See page 27.

Manufactured capital

Innovation
We find, nurture and scale innovative technology to create new ways of doing business. Our investments in sustainable value creation contribute to positive and systemic change by developing solutions to societal needs. See page 28.

Intellectual capital

Artificial intelligence
We invest in pioneering technologies, guided by our group principles for the responsible application of artificial intelligence (AI). In building software-led business models, we aim to create value, and to engage in external advocacy for the ethical development of AI. See pages 29 to 31.

Cyber-resilience
We take cybersecurity seriously. Across our group, we protect the information technology infrastructure of businesses, governments and households against increasingly disruptive, frequent and sophisticated cybercrimes that could result in economic damage, financial loss, geopolitical tensions and social instability. See pages 32 and 33.

Data privacy
We create and adhere to the right policies and frameworks to control and secure our business, customers' and employees' data. See pages 34 to 36.

Social capital

Business culture, ethics and integrity
We embed our group goals, purpose and values in all business activities and operations. While our influence on investees varies across our portfolio and supply chain, we are committed to effective communication and engagement with all our stakeholders. See pages 37 to 39.

Community investment
We invest for real and sustainable impact in the communities where we live and work, applying the principle that local actors know best how to deliver meaningful change in local contexts. See pages 40 to 42.

Natural capital

Climate action
Reducing GHG emissions and energy consumption is a high priority for all our operations and investments. See pages 43 to 49.

Materiality within the six capitals

Eleven material issues

Financial performance Responsible investments	People Digital inclusion	Innovation	AI Cyber-resilience Data privacy	Business culture, ethics and integrity Community investment	Climate action

The resources we need

Financial	Human	Manufactured	Intellectual	Social	Natural
• Financial performance • Responsible investments	• Human capital • Human rights	• Innovation • IT infrastructure breakdown	• AI • Data privacy • IT governance • Cyber-resilience	• Community investment • Geopolitical stability • Business culture, ethics and integrity • Digital inclusion • Customer centricity	• Climate action

Engaging with our stakeholders continued

Customers and users

What matters to them

- Positive experience – safety, fast delivery, return and feedback
- Competitive pricing and range of products
- Content preference
- Trust
- Data privacy

How we engage

- Call centres, showrooms and client relationship managers.
- 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 product ranges and the customer experience, and ensure that we fairly price our offerings.
- We undertake a range of customer-focused initiatives, from investing in and developing AI and ML to improve convenience and safety, to developing new services such as home delivery of groceries.

Employees

What matters to them

- Support with the challenges of Covid-19, particularly ensuring health and safety, working from home and wellbeing
- Providing jobs with meaning and a sense of purpose
- Recruitment, retention and development of talent
- Culture, including diversity and inclusion, employee wellbeing and engagement

How we engage

- Ongoing dialogue with our people is embedded in our work practices.
- Formal and informal channels to engage and encourage open communication, from leadership and CEO updates by email and video to face-to-face gatherings and online collaboration and content-sharing.
- Continuous learning and development through our online learning platform MyAcademy, and through live education programmes.
- Employee forums.

Our response and impact

- We undertake ongoing investment in developing our people, including creating and supporting professional development opportunities.
- We recognise great work through fair and competitive rewards.
- We focus on building an inclusive, empowered and supportive culture.
- We care for our people through various health and wellbeing initiatives.

Society

What matters to them

- Our response to Covid-19 and support for communities
- Social impact investment to support meaningful impact
- Minimising our environmental impact
- Local employment and value creation, including supporting local businesses
- Adherence to local laws and paying taxes due

How we engage

- Community investment 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.
- Our groupwide aim is to develop products and services that meet societal needs.
- We contribute to enabling and encouraging conscious consumerism.
- We focus on hiring local employees and growing local talent, including investing in local businesses.
- Safety of our employees is of paramount importance, for example, our efforts in Ukraine.
- Our group legal compliance programme is tailored to the unique risks and local laws that apply to each business.
- We adopt a responsible approach to tax.

Media

What matters to them

- 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 and our view on key industry segments
- How we work across our group companies

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.
- 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.

Material issues

- Financial performance
- Responsible investments
- People
- Digital inclusion
- Innovation
- AI
- Cyber-resilience
- Data privacy
- Business culture, ethics and integrity
- Community investment
- Climate action

Engaging with our stakeholders continued

Investors and shareholders

What matters to them

- ESG integration in investment decisions
- Holding-company discount and 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
- Path to profitability and cash flow generation
- M&A: Industry consolidation or bigger deals
- Strategy for Food Delivery, and Payments and Fintech segments, and how we are investing for growth
- Competition across core segments
- Response to Covid-19

How we engage

- Investor meetings and teleconferences.
- Conference participation.
- Interim and integrated annual reports.
- Financial results presentations and investor days.
- Business deep-dives.
- 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 for the total portfolio and ecommerce.
- We are implementing measures to reduce the holding-company discount.

Governments and regulators

What matters to them

- Sustainable development
- Innovation and entrepreneurship
- Competition policy
- Taxation
- Investments and international trade
- Data protection and privacy
- AI
- Cyber-resilience
- 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, India, China and South Africa) summits and 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.
- We provide information to policy-makers in the form of expert advice, based on our global experience as well as technology and sector expertise.

Business partners

What matters to them

- Continued supply of products and services
- Awareness of 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 have strong relationship management systems to ensure regular communication between key management and business representatives.
- Our structured grievance processes to 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.

Industry bodies

What matters to them

- 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.

Material issues

Financial performance · Responsible investments · People · Digital inclusion · Innovation · AI · Cyber-resilience · Data privacy · Business culture, ethics and integrity · Community investment · Climate action

Human capital

2Our 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.

People

Our employee value proposition

Our people seek meaningful jobs with line-of-sight to business outcomes and the opportunity to learn and grow professionally. We enjoy working in a purpose-driven environment, where we are recognised for a job well done and are fairly paid in line with personal and company performance. We care for and connect with our people, particularly in times of need.

Interesting work for our people
Our people are at the heart of our business – they create our success.

We are dedicated to helping our people be their best by enabling a culture built on diversity, inclusion, and learning.

We are facing the challenge of the global shortage of digital talent every day. The best people have many choices about how and where they work, and who they work for, so our employee value proposition is critical to attract talent that ensures the continued growth and success of our business.

To this end, we focus on creating the following experience:

- To offer 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 it operates.
- To deliver career-enhancing professional development and ongoing opportunities to network, learn and collaborate internally and externally.
- To recognise excellent work with fair and competitive rewards, enabling us to compete for talent with global and regional/local consumer internet players.
- To put 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.

Opportunity to learn and grow

Groupwide learning and development through MyAcademy
We make learning accessible everywhere, at any time. MyAcademy – our online learning hub connecting our people to learning materials – is available on demand to everyone across the group.

Our people development programmes focus on these three key areas:

- Reinforcing the leadership pipeline and accelerating the growth of top talent.
- Driving a performance culture.
- Supporting the ongoing development and growth of our businesses by equipping our people with core consumer internet and digital media skills.

Over the past 12 months, we invited 29 leaders from all our core segments to the INSEAD International Director programme, a certification that is a global standard in the upskilling of board members. It aligned extremely well with our need to develop a talent pool of skilled board members who can represent Naspers on the boards of our portfolio companies.

We have curated the very best learning experiences from providers around the world, including our own education partners. The flexibility of the MyAcademy web-based technology allows rapid and efficient deployment across the group.

Limitless learning
We care deeply about providing equal learning opportunities to our people, especially in geographies where access to learning is scarce due to the lack of local infrastructure and resources. The split of our learning hours consumption by geographies demonstrates the positive impact we are making in our emerging countries.

Most of our learning programmes are digital, which allowed us to continue investing in the development of our people during the pandemic.

Employee value proposition

Learning hours over the past 12 months

Europe	36 539	11%
India	83 842	26%
Africa	34 246	11%
Latin America	46 865	15%
Southeast Asia and the rest of the world	120 211	37%
Total	**321 703**	**100%**

Human capital continued

For example, we supported the group effort in cybersecurity by launching our school of cybersecurity. Our programmes in that area equip people with an understanding of cybersecurity threats and risks. This year, we also began offering our engineers the opportunity to study cybersecurity nanodegrees to help develop skills that are very scarce in the talent market.

We also explored learning formats that more closely resemble face-to-face training sessions by developing and expanding on our live digital training offering. Our new AI For Impact programme, which brings groups of learners together for two half-days, is a good example of this initiative.

Strengthening our capabilities on topics critical for growth
Technology training is one of the most popular development areas on MyAcademy but we also use the platform to accelerate and strengthen our 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, artificial intelligence (AI) and machine learning (ML). These sessions bring people together from across the group, giving them the opportunity to learn from each other, share best practice 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.

MyAcademy is also a critical element in our AI and ML transformation plan. We use it to train people who are not in engineering roles in AI and ML, through our AI For Everyone course. MyAcademy has enabled 101 technology colleagues to earn AI nanodegrees, and initiate a new career path in AI and ML. In addition, our AI For Growth programme equips business leaders with the skills and knowledge they need to build AI-centric businesses. See page 29 for more information on AI and ML.

Great leadership and culture

Cultivating a strong groupwide culture
We're a diverse group of global companies, but our values, which are described in detail on page 4, are consistent for our people regardless of where we operate.

Building a diverse and inclusive workplace
Building a diverse and inclusive workplace is a key element of our future business growth and success strategy. Throughout the year, we placed a big focus on diversity and inclusion 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 growth markets, we face the ongoing challenge of attracting and retaining talented and qualified candidates. We are proactively addressing this 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.

Our approach is based on these three main pillars, which are closely intertwined and depend on each other to be successful:

- Top leadership support: The commitment from the leadership team is to support and champion these initiatives. Our leadership's commitment to diversity and inclusion started several years ago. This is one of our business strategic priorities, and included as a measurable goal for management teams. For more information, see page 106.
- Employee experience: This refers to all the different experiences an individual can have during their journey with our group.
- Shared responsibility: To ensure we create a truly inclusive workplace, and that we have the right impact on society, we all have a responsibility to encourage diversity and inclusion.

Attracting and recruiting 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 diversity and inclusion and can help us tap into a diverse group of candidates.

Employee experience
Focusing on gender diversity
While our commitment to create an inclusive workplace that is 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 for product and technology roles. Our initiatives to address diversity in general and gender diversity specifically, span the employee journey and all levels of the organisation.

Naspers: Broad-based black economic empowerment (BBBEE) generic scorecard[1]

Element	Target score	Bonus points available	Bonus points achieved	Score achieved FY22
Equity ownership	25			20
Management control	9			2.16
Employment equity	10			4.82
Skills development	20	5	0.16	15.10 (includes the 0.16 bonus points
Preferential procurement	27	2	2	17.61 (includes the 2 bonus points)
Enterprise and supplier development	15	2	2	17 (includes the 2 bonus points)
Socio-economic development	5			5
Total score	**111**	**9**	**4.16**	**81.69 (includes the total 4.16 bonus points)**
Performance (%)				73.59%
BBBEE rating				Level 4
Priority elements achieved				Yes

1 BBBEE is a form of economic empowerment legislated in South Africa.

Human capital continued

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 the language we use is inclusive, and also ensure that there is a diverse interview panel.

From board to senior management and the general employee population, we are encouraged to see an upward trend in hiring women, with the last four additions to the board being women. There is also an increase in the number of women being recruited into management roles across the group. In the Naspers group, we have hired more women than men, from director to vice president levels during this financial year.

We take the gender balance of our board members seriously and are committed to maintaining a minimum of one third of board members who are female. We have a board diversity policy in place, which we cover in the Governance section on page 97.

Involving our employees

We assess our progress in building an inclusive workplace by asking all our people 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 also include the topic of building an inclusive workplace in our leadership development programmes to reinforce its importance.

We are committed to creating working environments that are free from harassment of any kind. We 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.

In our March 2022 employee engagement survey, we reached a global score of 86% favourable responses to our gender diversity question. We achieved a score of 88% favourable responses to our inclusion question, stated as: 'I feel respected at my company'. We see no difference in results between genders for these questions. We strongly believe our employee feedback is a great indicator of the impact and progress we are making towards greater diversity and inclusion in the workplace.

Inclusion awareness training for leaders

We work to bring the topic of diversity in hiring to all our teams. As such, 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.

Competitive pay and benefits

Fair pay

Equality and consistency are embedded in our pay practices across the group as we continue to build 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.

Our commitment to pay for performance and alignment with shareholder value creation drives all our reward 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 have fair remuneration systems in place that are:

- Equitable: Free from discrimination.
- Relevant: Linked to personal and company performance.
- Rational: Easy to explain.

We strive to pay fairly and responsibly. As far as possible, the structure of our pay is consistent, regardless of the seniority of the employee, ensuring equality of pay across all our businesses.

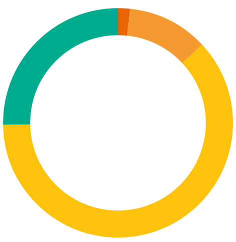
We are committed to ensuring that the companies we invest in have fair pay and working conditions for delivery partners, irrespective of the classification of their engagement, which varies across the globe.

In our food delivery businesses:

- Full-time drivers for iFood, Swiggy and Mr D earn above the prescribed minimum wage, on average, in the country where they operate.
- Our companies generally provide health insurance/life insurance benefits and access to driver education, as well as low-cost access to safety equipment (such as helmets and protective clothing).

FY22 Naspers employee demographics

Headcount by region



America	685
Asia Pacific	3 969
Europe, Middle East and Africa	21 717
Latin America	8 905
Total	**35 276**

35 276 (2021: 28 445) permanent employees

Headcount by segment

Classifieds	11 375
Corporate	307
Edtech	663
Etail	10 629
Food Delivery	5 468
Media	2 344
Other	1 244
Payments and Fintech	3 246
Total	**35 276**

1 Numbers are reflected as at 31 March 2022 and include employees of controlled entities.

Human capital continued

Ensuring pay equality

We believe in equitable pay for performance – to reward people fairly for performance aligned to shareholder outcomes. As such, reward is designed to incentivise achieving strategic, operational and financial objectives, in both the short and long term. In addition, 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.

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

- 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 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.

Employee wellbeing

We encourage positive engagement

We believe happy and engaged employees create satisfying customer experiences. It is important in a competitive global market that we provide our people with a compelling reason to work for Naspers. 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. Our businesses actively encourage participation in our employee engagement survey, address issues raised and share best practices.

In our last engagement survey in March 2022, we had a participation rate of 83% and an engagement score of 76%. These results are in line with external benchmarks and we continue to focus on positive employee engagement across the group.

Supporting our employees in Ukraine

Our OLX Europe business employs 350 people in Ukraine and their safety is of paramount importance. As news of the invasion broke, we took appropriate action to support our colleagues. We arranged accommodation for employees and their families wishing to relocate from the east of Ukraine into the west, and to leave Ukraine where possible. Colleagues in neighbouring countries offered their support to Ukraine-based employees and their families. We also advanced salaries and provided additional financial support to those in need. We have additionally made contributions to humanitarian aid agencies providing support to local communities in Ukraine.

Digital inclusion

The digital divide remains in many of the countries where we operate, and we are committed to investing in and scaling digital services and technologies to address global challenges at a local level.

As a global consumer internet group, we champion the benefits of widespread digital access. Our family of digital services companies is removing physical barriers to ecommerce, food delivery, financial services and education.

We build companies with a strong market presence that use digital technology to improve the daily lives of billions of people. Businesses across the group offer access to online services that enable financial transactions, buying and selling of goods, food delivery and education.

Companies across the group also support targeted inclusion of underserved individuals in the community through community investment initiatives.

Engagement survey had a participation rate of

83%

Engagement score of

76%

Manufactured capital

Promoting innovative technology to create new ways of conducting business and promoting solutions to societal needs.

Innovation

Our core segments – such as Payments and Fintech, and Edtech – include global leaders in the delivery of virtual essential services, with an improved environmental footprint and lower emissions than traditional bricks-and-mortar businesses. We are deepening our understanding and quantifying how digitisation helps the world transition to a low-carbon society. In FY23, we will undertake life cycle analysis projects, to help us quantify the impact of digital services compared to offline, analogue and physical services.

Our strategy for digital services places particular emphasis on software-led innovation. We are rigorous in our capital-allocation process while actively searching for exceptional entrepreneurs to develop scalable, sustainable technologies with breakthrough potential to address serial global challenges.

Product innovation is a critical priority. With the support of a dedicated product and growth operations team, our companies build solutions based on proven agile software development principles, quantitative and qualitative user research, iterative usability design, and extensive A/B testing and experimentation. Within Edtech, BYJU'S has established a state-of-the-art innovation hub, BYJU'S Lab, that leverages cutting-edge technology such as augmented reality, AI, computer vision, and gamification to ensure that tech-enabled education can reach the largest number of people. Our development teams measure the results of their innovation via increased consumer engagement (eg time spent, long-term retention) and improved customer satisfaction (eg net promoter score).

Innovating through artificial intelligence

AI is at the heart of much of our innovation. Across the group, we work constantly to find new ways to innovate our business platforms, processes, products and services. Some key examples are highlighted in the Performance review on page 57.

In our Classifieds segment, OLX Autos has developed a new camera ray feature for sellers to quickly carry out an inspection of their cars. Camera ray takes high-quality photographs and captures relevant information to establish a fair price for each vehicle, taking account of its condition and specifications – good for the seller, good for the buyer.

In our Payments and Fintech segment, AI-enabled innovation can extend digital inclusion. In India, LazyPay has deployed AI-enabled risk assessment to offer more people access to credit and financial services, often for the first time.

Innovation for a circular economy

We recognise the role of innovators in tackling social and environmental issues, both within our group and in partnerships. One of our companies is finding sustainable ways to fight hunger and food insecurity in Brazil. Across the group, we encourage investees to forge partnerships that foster innovation and tackle shared societal challenges.

Packaging innovation is critical to sustainable business. In pursuit of our circular economy ambitions, iFood is pioneering new forms of returnable and reusable packaging for meal deliveries. In partnership with XPRIZE, a non-profit organisation that hosts public competitions to encourage creative technologies that help humanity, iFood supported a challenge in which participants develop biodegradable, bio-based alternatives to food packaging.

Looking ahead

As the pace of innovation continues to accelerate, the group will remain focused on finding, developing and applying new ways to deliver on our purpose.

Building the evidence base to demonstrate how our technology investments can generate net benefits for the planet and its people is a central strategic objective. Accordingly, we will ramp up our initiatives to communicate this impact to all stakeholders, and to seize opportunities to advocate effectively on the basis of our experience.

In tandem with our policy on climate action and the new environmental programme, we will embed processes for supplier selection and screening according to ESG factors. In FY23, our emphasis will shift from the current focus on risk assessment towards embedding ESG criteria in our procurement and spending.

Enhanced environmental disclosure is a key element of our commitment to net zero, and a demonstration of the importance we attach to climate stewardship across the group. The group's commitment to achieve net-zero emissions is embedded in the key performance indicators for our group chief executive and the segment CEOs who report directly to him.

We will continue to make meaningful investments in the local communities where our businesses operate, in ways that improve lives by nurturing systemic and sustainable change.

The group is working continuously to increase exposure to financial revenues from sustainable business models while enhancing disclosure and reporting standards across our portfolio. Understanding the environmental and societal impact of our businesses is fundamental to guide investment and decision-making at all levels.

We anticipate that our data-driven sustainability strategy and transparent approach will bring new opportunities for investment, driving innovation and the discovery of breakthrough technologies in the years ahead.

Intellectual capital

As a data-rich group, we have the fundamental capital to really make the most of technology's strengths and potential.

Artificial intelligence

As a global tech business, AI is essential for us. So, we make sure we develop and deploy it as quickly as possible throughout the group to support business growth, to innovate, and to improve our competitive ability. And we always seek to do this in the right way – by design, ethically and responsibly.

Embedding AI across the group

Led by the Prosus AI team, we are embedding AI across the group. The central team works side by side with AI teams in group companies on multiple initiatives. These include 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.

Applying AI to improve everyday life

Across the group, we apply data science and AI in hundreds of ways to add value for customers, partners and the business and to fulfil our purpose of improving everyday life for billions of people through technology. This includes better product recommendation, fraud prevention, content moderation, logistics optimisation and more. We also use AI to develop new products and concepts across our segments, such as easy and reliable automatic car self-inspections in Classifieds and content search and optimisation in Edtech.

Our guiding principles

The following three principles guide how we develop and deploy AI:

- Deploy AI wherever it makes business sense.
- Develop AI-by-design for innovation in products and services.
- Develop and deploy AI ethically and responsibly.

Deploying AI everywhere

Across the group, AI has become part of the fabric of our operations, how we innovate and keep improving. At the scale we now operate across our core segments, AI is essential. iFood, for example, added over 20 million orders per month while reducing the unit costs of delivery without impacting delivery times. That was only possible through its widespread use of data science, automation and algorithmic decision-making. And iFood is not alone. Across our segments, companies are mature in their use of AI and increasingly apply deep tech at scale for business success.

Developing AI-by-design

We are focusing more and more on AI-by-design – using the technologies and expertise we have, not only to make operational improvements but to create radical changes to the way we do business. It is all about both future-proofing and innovating – building AI into the earliest stages and making it core to the whole process of exploring, designing, developing, deploying and improving platforms, products and services.

Allied to this, we have a systematic way of exploring emerging technologies and accelerating them through the group. This is a four-step process. Firstly, we discover what is out there and understand it completely, from a technical and scientific point of view. Secondly, we experiment inside the group – overlapping the technology with different use cases. For example, in Edtech there is the potential to use AI language models to automatically summarise an entire learning course, making it quicker and easier to search. Thirdly, we demonstrate and educate across the group, to get the necessary buy-in. And fourthly, we adopt and invest with confidence in specific areas for impact.

The aim is to push these technologies forward through the group while de-risking them – to get more value, faster.

Using AI responsibly

Robust, unbiased, transparent

Our models must be robust, so that they operate predictably within known boundaries of reliability. They must be unbiased, so that they do not discriminate, for instance, on gender. And they must be transparent, so that their outputs, for example an AI-based credit decision, can be clearly explained and understood.

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 the following four key principles:

- Govern: Anchor AI to core values, ethical guidelines and regulatory constraints, for example, specifying principles for the development of fair and responsible AI.
- Design: Design for privacy, security, transparency, bias, robustness. For example, engineering training on how to make models more robust and explainable.
- Monitor: Auditing for accountability, bias and cybersecurity, such as adopting tools for bias check as part of model-development practices.
- Train: Prepare and equip human capital to take full advantage of AI and the new workstyles. This includes upskilling engineering teams on robustness validation as part of the testing process.

We are gradually deploying the framework across the group.

Programme stats

Size of data science teams:

>400

scientists now part of the Prosus AI community

Number of AI models in production year on year:

+124% increase

Intellectual capital continued

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.

In the coming year, we will articulate our 'Ethical AI at Prosus' statement, which describes our approach to the use of AI across the businesses we invest in. We will also continue the ongoing training of 'Ethical and Responsible AI for Leaders' and 'Engineering and Product Management Training on Ethical and Responsible AI'.

Educating leadership on ethical and responsible AI

In the second half of 2021, we launched a rolling programme designed to educate leadership across the group on ethical and responsible AI. Called AI For Impact, it looks at what AI means in practice and how it can be used to reflect and embed the values of an organisation in the way AI models are developed and deployed. Throughout the programme, leaders can see the potential of AI to implement their company's ambitions while developing fair, robust and transparent AI. Ethical and responsible AI thereby becomes an opportunity for positive impact, not just an element of managing risks.

Training engineers in AI

We have also introduced highly specialised training on several AI themes for engineers and product managers. Themes include model deployment, ML pipelines, ML operations and natural language processing.

Providing guidelines and sharing best practice

We have established internal privacy guidelines for our AI teams to ensure compliance with the requirements of the EU's General Data Protection Regulation (GDPR). In addition, our AI ethics working group meets monthly to manage workstreams designed to advance ethical and responsible AI across the group and help integrate ethics best practices into projects. In particular, we have brought greater focus on developing tools and processes to prevent bias in our ML models and are piloting methods for better bias detection.

Advancing our AI knowledge and capabilities

Increasing our AI community

Throughout the year, we continued to increase our community of data scientists across the group. The Naspers AI community now includes hundreds of data science and AI engineers. This is a valuable platform for growing and sharing knowledge and capabilities across the group. We organise technical and scientific workshops for this community, connect data scientists working on similar initiatives, share practices, tools and lessons learned across businesses.

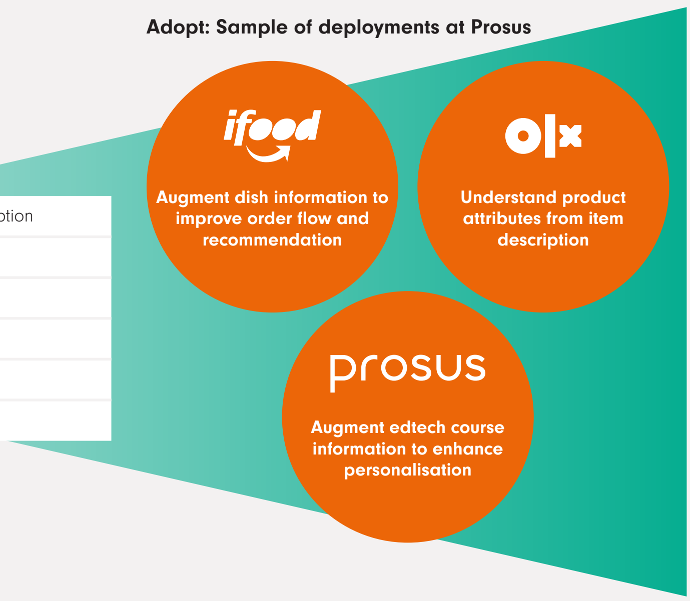
Accelerating the positive impact of new technologies: Example of large language models

Understand and discover → Experiment inside Prosus → Demonstrate and educate → Adopt and invest

Experiment: A sample of use cases at Prosus

Classify	Detect what a start-up does based on its website description
Predict	Predict ingredients given a dish name
Dialogue	Q&A support to automate customer support
Summary	Summarise text from company descriptions
Translate	Translate product documentation
Decode	Identify product attributes from descriptions

Adopt: Sample of deployments at Prosus



2019	2020				2021	
GPT-2 released	GPT-3 released	Evaluate use cases at Prosus	Leadership engagement	Technical tutorials	Applications across the group	Invest

Intellectual capital continued

In 2021, we organised the second 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.

Investing in seed-stage AI companies
We continue to invest in seed-stage AI companies pioneering AI-first innovations in areas such as robotics, language and vision. As such, we are collaborating with the Creative Destruction Lab, a global network of universities that are accelerators for these early-stage companies. We have invested in four AI-native businesses so far. By taking small stakes in the companies exploring these and other advances, we are able to buy into early-stage innovation, extend our network of expertise, advance our knowledge, and see the business potential for our group that much sooner. Getting in early enables us to both accelerate and de-risk our AI innovation.

Partnering for positive impact
We are members of the Netherlands AI Coalition, a public–private partnership set up to substantiate and stimulate AI activities in the Netherlands.

We are also part of Amsterdam Data Science, a network of academic and industrial partners that has established a strong data science and AI ecosystem in Amsterdam. Our contribution includes organising knowledge-sharing events such as workshops and meet-ups.

Supporting data science for social good
We engage 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 education schools, including Imperial College London, Warwick University and Carnegie Mellon University. The education programmes 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 develop and deploy AI to drive improvements throughout the group. The opportunities are endless, not least because of the improvement focus at the heart of AI and ML. As models are deployed ever-more widely, as they progressively learn and evolve, they tend to get better in their understanding and decisions, with the critical proviso that they are designed and developed ethically and responsibly for positive impact.

This remains our focus going forward. AI is core to what we do and how we do it, and we are determined to use it as widely and as well as possible – making better and better use of AI, to improve everyday life for billions of people around the world.

Intellectual capital continued

Cyber-resilience

Ensuring cyber-resilience
We are committed to ensuring that our businesses are sustainable and resilient, so that they can keep operating long term and recover fast if disrupted. This is vital for our customers, shareholders, for the group as a whole and for the businesses themselves.

To this end, we focus on two key areas of cyber-resilience. Firstly, we implement and maintain strong cybersecurity, so attacks are thwarted and any breaches are quickly tackled with the minimum impact. Secondly, we enhance the resilience of our platforms and systems, so they are available 24/7, provide consistent levels of service and give businesses the scope to scale and innovate as they like.

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.

Our businesses operate in fiercely competitive industries and markets, requiring continuous innovation to thrive. Technology sits at the heart of their growth.

Business IT
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 business IT (BIT) systems is used for operational and strategic decision-making, monitoring performance, managing risks and preparing information for external stakeholders. We work with the internal departments to ensure these systems are secure and reliable.

Our four focus areas
We focus on these four key areas to build and maintain sustainable and resilient platforms and systems:

- Availability of the platforms.
- Quality and innovation of the platforms.
- Security and safety of the platforms.
- Security and reliability of BIT.

We encourage all subsidiaries 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.

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.

Supporting from the centre
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 the following three guiding principles:

- Cyber is an enabler, not a blocker.
- Help manage risk, not spread fear, uncertainty and doubt.
- Every employee is a cyber-warrior.

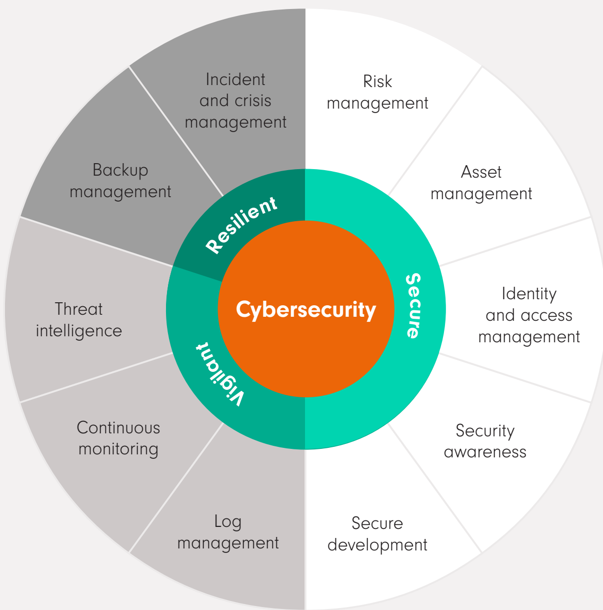
Every month, the head of cyber hosts a round table for the security heads from the different subsidiaries. It is an opportunity to share updates at a group level and for the business leads to discuss key initiatives and issues, such as the nature of the latest cyberthreats or developments on the dark web.

Creating a strong cybercommunity
As a decentralised group, it is important that we cultivate a strong cybercommunity, therefore, we have established an online workspace for people. It is 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. Other initiatives include an online cyber-academy, where every month or so, the community gets together and shares the latest insights and best practice. We also host an annual cyberconference – the focus for FY22 was on the dark web, particularly ransomware. Teams from across the group gathered together, and we invited outside experts to share insights on potential attacks and threats to our businesses.

Assessing cyber-resilience
The cybersecurity team undertakes about 70 advisory and assurance projects each year to ensure cybersecurity and technology risks are managed 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.

Cybersecurity policy



Intellectual capital continued

We also conduct formal internal audits – independent assessments of a company's security and resilience for assurance.

In FY22, we increased our collaboration with BugCrowd, a foremost responsible disclosure programme. We make BugCrowd available to all group companies, so they can tap into a community of around 200 000 responsible hackers who identify and report any vulnerabilities they find, for the company to address.

Governance and reporting

The cybersecurity team reports to the risk and audit committees four times per 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. This is also where any major issues are escalated. Formal audit reports are provided for the audit committee.

In addition, every quarter, 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.

In FY22, we also introduced risk dashboards. They enable the group to monitor how quickly and effectively businesses are addressing and resolving risks identified by the central team. This in turn forms part of the report provided to the risk and audit committees, per segment and per business.

Key cyber-resilience services

Our central cybersecurity team provides a range of services to subsidiaries. These include risk-driven process reviews; data-driven deep dives; security testing; resilience exercises; and managed services.

Focusing on critical issues

Throughout the year, the team helped the business focus on several critical issues.

As people continued to work from home through the ongoing pandemic, making sure they could do so securely was a priority. So, end-point security rose to the top of the cyber-resilience agenda, and we worked with businesses to check and ensure this was in place and robust.

Ransomware prevention and response preparation was a major focus area. This included updating our cybersecurity policy with a ransomware addendum; creating a group playbook setting out how we would respond to a ransomware attack; and undertaking ransomware simulations, so we could further refine our resilience to this growing threat.

As the platforms our businesses use grow in size and complexity, it can be hard to predict how these systems will behave in different situations. To help our businesses, we make use of chaos engineering. Here, we conduct well-controlled experiments that deliberately stress the platforms in production to see whether they will react in the way we expect them to. The central team advises on these projects that are carried out by the different businesses. In FY22, for example, iFood, OLX Autos, OLX EU and PayU India payments undertook chaos engineering projects to test and enhance the resilience of their platforms.

Key performance indicators

At a group level, we focus on two cyber-resilience key performance indicators (KPIs): breaches and awareness.

Breaches

Our procedure requires subsidiaries to notify us about numerous categories of incidents (eg ransomware; user, employee or SDLC error; cyberattack; etc). We report to our risk committee about these when they are material, in particular noting the nature of incidents, the risk of financial losses, and whether notifications to regulators or investigative bodies have been made. We make recommendations for corrective actions where appropriate. In FY22, we had no breaches of subsidiaries that had a material operational or financial impact (ie above US$10m).

Awareness

Every new group function employee now has security awareness as part of the induction, and we do a monthly phishing simulation at corporate. We saw good results from the last rounds of phishing simulations.

Eleven phishing simulations were done over the past year. In this period, the number of employees that ignored the phishing email reduced from 77% to 33%, and the number of employees that reported the phishing email using the right channels increased from 18% to 49%.

Looking forward

We will continue ensuring the availability, quality, security and safety of the platforms and systems our businesses rely on. Ransomware remains a significant threat and we will increase our focus there. We will also continue constructively testing and stressing the resilience of the platforms, to give businesses greater understanding and confidence that they have the tech foundation they need to keep improving people's lives around the world.

Programme stats

11 phishing simulations

Cybersecurity team undertakes

70

advisory and assurance projects each year

Intellectual capital continued

Data privacy

Our commitment

Public trust is a precondition to pursuing our purpose to improve everyday life for billions of people through technology, and good data privacy is essential for gaining and retaining that trust. If privacy is compromised, trust evaporates and along with it, the opportunity to advance technology's benefits. So, the stakes are high, and the threats and pressures are sizeable and getting bigger by the day. Regulation is increasing, as is enforcement. Moreover, cyber-attacks with privacy implications have been rising around the world. This, in turn, means that ensuring strong data privacy is both more urgent and more difficult for us as a group and for our portfolio companies. We do not shy away from this challenge. Indeed, we are rigorous in our response so we can live up to our responsibilities.

A groupwide policy

Our policy on data privacy governance sets out responsibilities, principles and our programmatic approach to ensuring data privacy is implemented in each company of 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 that is available on our website at 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.

These are the key inputs for ensuring robust data privacy across the group:

Data privacy principles

Widely recognised internationally and benchmarked to fair information privacy principles, they are 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.

Seven overarching privacy principles at Prosus

1

Notice
We offer appropriate notice about our data privacy practices.

2

Individual control
We honour data subjects' choices about their personal data within bounds of technical feasibility and reasonability.

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.

Intellectual capital continued

Data privacy programme

To help businesses put the principles into practice, our data privacy programme is designed to scale to their needs and circumstances. This programme ensures that our core data privacy commitment and approach are followed in ways that really work for our businesses, which benefits both individual businesses and the group as a whole. It also assures that businesses fully comply with applicable data protection laws. Personal data is stored and processed ethically and in compliance with applicable privacy laws, such as the GDPR in Europe.

The programme is available to all companies in the group, including investees. This reflects our broad commitment to sharing best practice and expertise in key areas such as data privacy, cybersecurity and AI across the portfolio. This is one of the main ways we add value and help build the companies we invest in.

This is our programmatic approach to ensuring robust data privacy across the group.

Supporting and monitoring

The group's data privacy office supports and monitors the businesses. Help includes guidance on implementing the data privacy programme; a secondment programme that develops and trains future privacy leaders nominated by companies in the group; and advice on any data privacy implications of mergers and acquisitions. In turn, on a quarterly basis, the companies report to the group privacy office on their progress in maturing each aspect of their privacy programme, identifying key risks, and notifying us about incidents and interactions with government authorities, customers and their partners.

One of the structures we have put in place at group level to assist businesses with their data privacy compliance is an intra-group data transfer agreement. It is designed to streamline how our companies navigate the complexities and risks involved in international data transfers among affiliated companies, to ensure they comply with the latest regulations in this area.

Prosus privacy in M&A playbook

Over time, we have built up considerable strength and expertise on the privacy issues surrounding M&A and, as a responsible investor, we want to share this know-how. So, the group privacy team created the Prosus privacy in M&A playbook, jointly published with the International Association of Privacy Professionals – the largest organisation of its kind in the world. This is an example of sharing our thought leadership as widely as possible to help promote data privacy best practices across the transactional ecosystem.

Advocacy of privacy legislation

We closely follow developments in data protection, data strategy, AI ethics and other key issues. We actively advocate for better standards, practices and legislation across the world of data, working to ensure that our companies stay at the forefront of discussions that impact the use of data in their businesses. This includes advocacy and thought leadership work in support of relevant legislation in diverse jurisdictions, including India, Brazil, South Africa and the European Union.

Governance and reporting

The board has direct oversight of data privacy, including subsidiaries. The group encourages associates and investees to participate in the data privacy programme.

It is one of the strategic topics directors review regularly through the risk committee. Twice a year, the group data privacy office submits a detailed report to the risk committee. It aggregates the group risk assessment together with recommendations for focus areas in the segments, and detailed segment-level reporting. The responsibilities for executing this board oversight and strategy sit with the group data privacy office, led by the global head of data privacy. The remaining execution happens in the segments.

Seven key elements of our privacy programme

1 Executive buy-in
Senior management should emphasise the importance of data privacy and its relationship to trust, brand, growth, risk and compliance to their teams. The CEO should designate a data protection lead or team of individuals responsible for data protection.

2 Know your data
The business should know what personal data it holds and for what purposes it processes that data.

3 Policy-setting
Certain policy documents should be adopted to support implementation of privacy principles at a minimum:
- Consumer privacy policy.
- HR privacy policy.
- Security policy.
- Data breach/ incident response plan.

4 Training employees
Privacy training that informs employees about company policies, the principles, and how their roles are impacted by data privacy requirements, should be part of onboarding and/or annual training.

5 Vendor and third-party management
Where personal data sharing is to be permitted, third parties should be appropriately scrutinised. We require confidentiality and/ or data-processing agreements to ensure an adequate level of protection for any data shared. We audit vendors on risk-based criteria.

6 Legal compliance
Legal advisers should support the business by helping to ensure that applicable laws and their specific requirements are met.

7 Reporting
Each business should be able to demonstrate its compliance with the principles, the data privacy programme elements, and with applicable data protection laws.

Intellectual capital continued

Three KPIs

To monitor the data privacy outputs that flow from our companies in line with the inputs we provide as a group, we have set three KPIs.

Investing in expertise

The first KPI reflects our requirement that companies have their own privacy lead and team. We track 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 or similar roles within companies. Looking ahead, we can expect a significant increase in the need for qualified data privacy experts in our companies in India, with the forthcoming adoption of data protection legislation there.

In our subsidiaries, we have a diverse team of 33 data privacy roles in a variety of jurisdictions across the globe.

Auditing companies

As a group, we also require that companies are regularly audited, so this forms our second KPI. We routinely 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 subsidiaries. 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.

During the year, we conducted 35 audit activities with data governance components, assessing issues specific to privacy, software development life cycle, security, data management and broader risk management.

Focusing on privacy by design

The third KPI relates to our increasing focus on data privacy by design, another key group commitment, which has both quantitative and qualitative components.

We are 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 should be embedded in our solutions and services from the outset, rather than considered later.

Our focus on privacy by design has two dimensions: people and automation. To train our people, we have a dedicated development programme, the Prosus Privacy Technologist Programme, on MyAcademy. Open to employees from any of our subsidiaries, it is designed to enable group companies to develop their own capabilities to implement privacy by design. Since its launch in September 2020, over 250 employees have signed up for the programme on MyAcademy or with the International Association of Privacy Professionals (IAPP). Additionally, we conduct a mix of in-person and remote topical privacy trainings throughout the year for all of our employees, including as part of onboarding of new employees. In our MyAcademy learning environment, we host more than 30 modules of diversified privacy training content in different languages, allowing functions such as HR, Marketing, IT, AI, and others to find dedicated privacy learning opportunities relevant for their daily work.

Automation can be another critical element in implementing privacy by design. It is increasingly being used across our segments to extend and improve privacy programmes. Automation services can, for example, streamline the work of privacy offices in companies, through automated questionnaires, aggregation tools and data discovery tools. To support the increasing use of such tools, we maintain a group-level licence for industry-leading privacy management software that allows companies to automate many of the privacy reviews undertaken across the group. As a result of this offering, hundreds of records of processing activities, data protection impact assessments, vendor questionnaires and data discovery activities that were once managed manually are now being automated by the segments.

Looking forward

To further enhance data privacy across the group, we have created the Prosus maturity model for privacy programmes. It is designed to evaluate the respective level of privacy maturity across segments and within them. We are mapping the relevant maturity levels of all our companies, and aim to use this as a springboard for them to set appropriate goals and measure progress for FY23.

This enables us not only to do internal benchmarking and company-specific goal-setting, but to identify broader trends. As a result, we can see where the big privacy issues lie and adapt our support and guidance accordingly, to keep improving as a group.

Data privacy risks continue to increase, notably as a result of greater regulation. International data transfer is undoubtedly a highly sensitive issue – hence our creation of the groupwide intra-group data transfer tool. In addition, the Data Protection Act in India will bring much change in a market where we are deeply invested. There are also novel data privacy issues for our Food Delivery and Edtech segments – notably around children, personalisation, location and AI.

While major challenges remain, we are committed to ensuring strong groupwide data privacy, so our companies can keep improving everyday life for people around the world.

Programme stats

33
data privacy roles in

11
countries globally

Range of functions: Engineering, technology and products, risk management, finance, human resources, customer support, legal and project management

Number of IAPP members:

269 in 2022
(246 in 2021; 30 in 2020)

Holding

65
IAPP certifications (CIPP-E, CIPT, CIPM, CIPP-A)

Social capital

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

Business culture, ethics and integrity

Creating long-term value the right way

It starts at the top. 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 (the code), leading by example, and monitoring implementation.

Sharing a strong culture

Over the years we have built a diverse, dynamic and collaborative culture across the group. This is a culture that keeps us moving forward and changing for the better. Above all, it encourages us to keep learning and adapting, with the objective of continuing to develop, change and grow to find new ways to improve everyday life for people around the world.

Our culture comes to life through the things we do and the way we do them. Our group values guide our culture:

- We build.
- We deliver.
- We're responsible.
- We value each other.

These values, and the code, are the guiding principles for our actions as an organisation.

Ethics and compliance

Honesty and integrity are the foundations of our reputation and for the trust of our stakeholders: it is crucial we guard that reputation and preserve that trust.

We are required to comply with many laws and regulations that apply in the countries in which we operate, including anti-bribery and anti-corruption and other similar laws. Failing to comply with these laws and regulations could expose the group to legal liability and affect our impact, reputation, business, financial condition and the communities in which we operate. We are therefore committed to conducting business in compliance with the law and behaving ethically. This means that we apply laws and rules, codes and standards with integrity and with regard for ethical business practices in a way that supports good corporate citizenship.

The board sets the tone at the top, guiding business values and promoting the culture of ethics and compliance. The board and, more specifically, the risk, audit, human resources and remuneration, and social, ethics and sustainability committees exercise oversight of ethics and compliance and the management of ethics and compliance-related risks across the group. The board has approved all our ethics and compliance policies, including the code and the Speak Up policy. The code sets out what we as a group expect from all employees and stakeholders and the Speak Up policy encourages and provides channels for individuals to report actual, or potential, breaches of the code, other group policies or any other laws or regulations.

Group management is responsible for creating a culture aimed at long-term value creation for the group and for ensuring that ethical business standards are integrated into the group's strategies and operations.

Group ethics and compliance is responsible for executing effective and demonstrable ethics and compliance risk management, specifically relating to the code, anti-bribery and anti-corruption, competition/anti-trust, sanctions and export controls, and anti-money-laundering and counter-terrorism financing. Group ethics and compliance is also responsible for the end-to-end Speak Up process, including the policy, operating the actual service and ensuring reports are followed up, investigated (where necessary) under the direction of the Speak Up investigation committee, and remediated appropriately.

Approach

Group ethics and compliance has developed and communicated an ethics and compliance framework that sets out minimum standards required throughout the group. Based on this framework, subsidiaries are required to implement an ethics and compliance programme that is fit for purpose and takes account of any additional ethics and compliance risks specific to their business.

For example, if a subsidiary operates in a country that may present increased corruption risks (ie one with potentially weak legal institutions or lack of transparency) and interacts with government entities/officials in that country, we would expect it to have implemented a robust anti-bribery and anti-corruption compliance programme covering the following risk areas:

- Interactions with government officials.
- Gifts, hospitality, travel and entertainment.
- Conflicts of interest.
- Charities/charitable donations, political contributions and sponsorship activities.
- Third-party vetting and due diligence.
- Accurate books and records.

To ensure proper design and implementation of ethics and compliance programmes, four[1] ethics and compliance officers have been appointed across the group. Group ethics and compliance monitors the design and implementation of these programmes and reports to the board quarterly.

1 Excludes Prosus and its subsidiaries.

Social capital continued

We understand that, from time to time, employees or other stakeholders may come across a situation or behaviour that concerns them. As part of our ethics and compliance culture, we encourage individuals to speak up if they encounter issues. Various Speak Up channels are available, including local options (eg line managers, human resources, ethics and compliance officers), as well as the Speak Up service, which is operated by an independent third party, and is available 24/7 in at least five different languages. The Speak Up service allows for confidential and, if legally permitted, anonymous reporting. Retaliation against individuals for speaking up is not tolerated and will be treated as a violation of our code.

Progress in FY22

During FY22, we updated and enhanced a number of key group policies, including the code and the Speak Up policy. The code and this policy are pillars of a robust ethics and compliance programme. We updated them to enhance awareness and usability, making it easier for people to understand what we believe is important and what behaviour is (or is not) appropriate.

The code reflects our commitment to doing business in an ethical, legal and socially responsible way: it is designed to help us meet that responsibility and explains how we expect our people to conduct business. The principles that underpin our code support full compliance with applicable laws and reflect the practical ways in which we demonstrate our commitment to the code. We believe that when we apply ethical principles to business decisions, we are positioned for success.

The Speak Up policy that we adopted this year informs employees and third parties of the various Speak Up channels, and encourages them to raise concerns internally, which gives us the opportunity to identify and manage potential risks at an early stage. This policy replaces the whistleblower policy and is consistent with the EU Whistleblower Directive (effective from December 2021). The Speak Up policy also sets the standard for how reports are managed and investigated in the group, and underlying procedures have been implemented to support the policy.

We have rolled out training across the group, to help everyone who will need to play a role in Speak Up to understand their responsibilities, and to set out how we can work together to ensure that the code and the Speak Up policy are successfully implemented.

The code and Speak Up policy are available and posted on our external group website. On the basis of these documents, group ethics and compliance has developed an e-learning module which further explains the documents and how they apply to employees. The e-learning is available in English and will be translated into additional languages for use by subsidiaries in training and creating awareness. This e-learning has been rolled out to the group, and in FY22, 100% of the group functions completed the training.

In FY22, 15[1] Speak Up cases were logged (including whistleblowing cases). Of these cases:

- nine[1] were substantiated (fully or partially) and remediated, as required
- four[1] were not substantiated, and
- two[1] are still under investigation.

In this financial year, group ethics and compliance was separately notified about four[1] potential ethics and compliance-related incidents (allegations relating to competition and other topics in scope of the ethics and compliance framework). Of these incidents four[1] are still under investigation.

Overall, based on our continuous monitoring activities, we note that businesses have continued to make good progress in implementing and adapting the ethics and compliance framework locally. Group ethics and compliance monitors the design and implementation of the programmes in various ways, including quarterly and biannual reporting, ethics and compliance reviews and ongoing touchpoints with subsidiaries. Notably, the quarterly and biannual reporting process provides valuable insights into the progress made by subsidiaries in implementing ethics and compliance policies and related controls. The information obtained is used by subsidiaries and the group to ensure that potential issues are remediated appropriately and programmes are fit-for-purpose and operating effectively.

Looking forward

We continue to develop our ethics and compliance strategy to take account of observations from our monitoring activities, emerging risks, regulatory changes and best practices. We also recognise the importance of ensuring that a strong ethics and compliance base is embedded in our subsidiaries (allowing for growth and change).

Over the coming year, we will continue to drive the implementation of the ethics and compliance framework in the subsidiaries. This will include ensuring that subsidiaries have strong ethics and compliance foundations, and further implementing the code and Speak Up policy. Related e-learning will be rolled out to the remaining subsidiaries in local languages. Group ethics and compliance, in collaboration with the subsidiaries, will monitor the completion of this mandatory training.

Through the revised Speak Up policy and enhanced processes, systems and data, we aim to improve board oversight of ethics and compliance further, and to ensure that, as a group, we address the relevant ethical issues by taking the right actions and developing mitigation and prevention strategies.

Programme stats

4
ethics and compliance officers[1]

100%
of group functions completed code and Speak Up e-learning[1]

15
Speak Up cases were logged[1]

1 Excludes Prosus and its subsidiaries.

Social capital continued

Upholding human rights
Human rights give us the freedom to choose how we live, how we express ourselves, and the freedom of political affiliation and are fundamental to our ability to meet our basic needs, such as food, housing, and education. Conflict, poverty, climate change, inadequate access to education and inequitable access to resources are some of the underlying issues that contribute to a world where human rights continue to be challenged in both mature and emerging economies. The global breadth of the issue has been brought into sharp focus by growing discussion around systemic racism and violence following the rise of the Black Lives Matter movement. In turn, public dialogue has increased around broader topics of diversity, equity and inclusion.

Our commitment
As an employer, investor and operator our actions touch the lives of millions of people around the world. By setting appropriate standards at a group level, we can create far-reaching positive impact. Therefore, our approach to human rights begins with our own operations and extends through our value chain.

As a signatory to the UN Global Compact, we welcome our role in supporting and respecting the protection of internationally proclaimed human rights, and in ensuring our business is not complicit in human rights abuse. We operate in diverse geographies, each with its own historical legacies, social demographic configurations, and populations. Our approach to human rights sets out standards and principles that can be applied to the specific issues and challenges of each field of operation.

Human rights in our operations
Our approach to human rights begins with the area where we have the most influence: our own operations. As an employer, we respect the fundamental dignity of our workforce and are committed to providing a respectful, safe and secure workplace that is free from any form of human rights abuse. This commitment extends to the board and everyone who works in the group.

Our human rights statement is available on our website and is communicated to internal and external stakeholders. It describes our approach to topics, including remuneration, dignity at work, privacy and employee confidentiality, forced labour, and health and safety. It also details the reporting and governance framework in place to uphold these standards. The human rights statement is overseen by the board, with the assistance of the social, ethics and sustainability committee and the human resources and remuneration committee. After publishing our human rights statement, we set a target to cascade it to all our subsidiaries this year: 100% of these entities have now adopted and or published their own human rights statement.

We address human rights further in our human capital and social relationship capital frameworks, which outline our response to specific risks relating to human rights across our business.

Companies we invest in
Since 2021, all subsidiaries have adopted our human rights statement and are required to uphold this standard, along with applicable laws and regulations. We track their performance in this area as part of our third-party ESG performance assessment process, which maps how each company addresses ESG topics, including human rights.

We invest in diverse business segments, each with its own particular nuances and challenges. As a result, each company's approach to human rights is influenced by its operating context and business model, while maintaining the underlying principles. For example, food delivery businesses work with a large pool of drivers who are, in many cases, also external contractors. In this case, we have introduced a groupwide on-demand platform worker statement for subsidiaries, which outlines principles around pay, social protection, fair working conditions and flexibility.

Human rights in our supply chain
We recognise our opportunity to influence our supply-chain partners through our supplier and purchase decisions. As such, we require a commitment to minimum human rights standards that is compatible with our own commitments by companies that seek to qualify as a Naspers supplier.

In 2021, we implemented a third-party supplier assessment tool, which provides a broad view of our supply-chain risk across four risk areas identified by the UN Global Compact, including human rights. This screening system helps identify individual risks and allows us to continuously assess and improve the profile of our vendor ecosystem.

Building supplier sustainability
We are committed to building a more sustainable supply chain through our purchase decisions.

At a corporate level, we have implemented an integrated vendor-screening tool. 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 continuously deployed across our current and future portfolio of vendors.

Looking forward
Looking forward, we will continue to embed and enhance our responsible business culture throughout the group.

Social capital continued

Community investment

In line with our purpose to improve the everyday life of billions of people through technology, community investment is a natural focus for the group to do what we do best – helping promising entrepreneurs to make a lasting impact in the area of accessibility.

Although conditions vary, we believe that local action by local companies is key to addressing societal challenges through scalable innovation.

Across our portfolio, our businesses implement corporate social responsibility initiatives that meet the specific needs of local communities. We encourage the businesses to align the design and delivery of their social impact strategies to their core business activities. This enables them to extend their strengths for positive local impact.

Our community investments are designed to help underserved members of society. In India, the Prosus Social Impact Challenge for Accessibility and Prosus FLIGHT are meaningful examples of support for growing highly impactful sectors that are underfunded by the investment community.

Humanitarian relief

Support for Ukraine

Russia's invasion of Ukraine created the largest humanitarian crisis Europe has seen in decades. According to the UN refugee agency, 10 million people, or about a quarter of the population, were displaced. Nearly 4 million of these people have fled to neighbouring countries, with Poland alone receiving millions of refugees at the border.

To support Ukrainian refugees coming to Poland, World Central Kitchen runs meal-service sites that served up to 400 000 meals per day. This food is provided in disposable packaging, and meant that thousands of pieces of packaging waste are generated daily. This volume of waste warranted an urgent and reliable sustainable alternative to packaging.

We have provided funding support to a pilot run by Ozarka, a reusables-as-a-service company to replace the single-use packaging with reusable containers at one of the World Central Kitchen refugee centres in Poland. Assuming the use of 4 000 units of disposable food packaging waste per day, the pilot project could result in preventing up to 700 000+ units of disposable food-packaging waste over six months. Through the implementation of this pilot over the summer of 2022, we seek to learn if reusables are a feasible solution to reducing single-use plastic waste in humanitarian contexts.

In early March 2022, humanitarian aid has been volunteered on behalf of OLX Ukraine and US$350 000 was donated to the Red Cross. Furthermore, Prosus is contributing US$10m to support humanitarian aid efforts in Ukraine. Donations will be made directly to registered and established charities to ensure the funding reaches those people most in need, and our Ukrainian and Polish employees will be involved in the selection of the charities. We expect to complete the US$10m of donations over the next six months.

Prosus social impact challenge – India

The Prosus Social Impact Challenge for Accessibility (SICA) was launched in 2020, in partnership with Invest India and Startup India (government agencies), Social Alpha (supported by Tata Trusts), and the World Health Organization (WHO).

The challenge identifies the most innovative Indian start-ups working on assistive technology. The challenge aims to foster long-term societal progress in an area of social need and technology innovation while bridging two flagship government initiatives, Digital India and Accessible India.

Assistive technology solutions can help people with disabilities to lead independent lives. Many are among the most excluded members of society, disproportionately affected by low rates of literacy, social stigma and lack of opportunities to participate more fully in the economy and society.

Winners

The top three start-ups (in order) for the second year of the programme, were Trestle Labs (Bangalore), SignAble Communications (Bangalore) and Lifespark Technologies (Mumbai):

- Trestle Labs creates real-time content for the visually impaired community to enable more inclusive education and employment. Its Kibo software translates and digitises printed, audio, handwritten and digital content in 60 global languages, including 12 Indian languages. The Kibo app has been adopted by over 40 000 users in 15 countries, including India, Pakistan, Indonesia, Nigeria and Bangladesh.
- SignAble Communications has developed video remote interpretation software to enable live interpretation in Indian Sign Language (ISL) via a mobile app. The app addresses speech and language disabilities with live, on-demand services by human interpreters – for anyone, anytime, anywhere, affordably, and at the touch of a button.
- Lifespark Technologies is a healthcare technology company building a platform for continuous, optimal therapy in chronic neurodegenerative disorders such as Parkinson's disease (the fastest-growing neurological disease). Its wearable device, linked to a digital platform, provides sensory cue-based therapy to improve walking, reduce falls and enhance quality of life. The app sends emergency alerts to caregivers, and generates data for physicians and therapists.

The winners received grants of INR25 000 000, INR18 000 000 and INR12 000 000 respectively, intended to help scale their businesses to help more people with disabilities to lead more independent, empowered lives.

Advisory and mentorship

The winners joined the Prosus SICA mentorship programme alongside two runners-up: TinkerTech Labs, which works on hearing impairment issues, and Visioapps Technology, a start-up focused on visual impairment.

Social capital continued

Mentees can access a global network of strategic advisers from Prosus, technical advisers from WHO, assistive technology experts from Social Alpha, and the support of knowledge and partnership-building specialists from Startup India and Invest India. They are eligible for opportunities to seek follow-on funding, with an opportunity to join Social Alpha's start-up incubator.

Prosus FLIGHT – India: Access to education and employment for young women

Prosus FLIGHT is an initiative to fund education and skills training for marginalised women and girls in India. Launched in March 2021, in partnership with UN Women, this initiative aspires to support economic growth by advancing women's equality and participation in an economy where many lack opportunities for decent, dignified work.

Breaking barriers

Obstacles to education and skills training in India are numerous. Girls and young women often find it hard to continue their education beyond high school. For those who attend college, many struggle to stay enrolled until graduation.

Prosus FLIGHT supports 750 women and girls in higher education to earn a formal degree or certification, and to acquire employable skills to participate in India's digital economy. The initiative helps young women aged between 17 and 25 in the state of Maharashtra, where Prosus FLIGHT aims to create a network of female graduates who can become role models for other young women.

Focusing on progress and prosperity for all

Vision	**Inclusive development: Number of lives impacted**		
Mission statement	**Catalyse progress and prosperity for all**		
Inclusive development pillars	**Access to livelihoods**	**Gender equity**	**Humanitarian relief**
Target beneficiaries	**Underemployed or unemployed youth from previously disadvantaged communities**	**Girls and women**	**Communities impacted by natural or man-made disasters**
How we create impact	**Naspers Labs** Skills development Job placements Supporting entrepreneurs **Naspers Bursary** Higher education **Naspers Foundry** Investing in entrepreneurs	**Naspers For Good** Preventing gender-based violence **Naspers Bursary** Developing women leadership **Naspers Foundry** Investing in women-led businesses	Donation for emergency relief and thought leadership on resilience development
	Local NGO and enterprise partnerships for innovation and execution		

Social capital continued

Naspers Labs

Unlocking potential

Naspers Labs is our flagship youth development programme. It reflects our pride in our South African roots and our dedication to the long-term growth and success of the country. As a global consumer internet operator and investor, we are committed to helping grow South Africa's technology ecosystem, and Naspers Labs is one of the key ways we are living up to this commitment. We want to create an environment where young people can unlock their potential, and shine.

Creating employment and businesses

Naspers Labs has a big ambition: to improve livelihoods and help grow small and microenterprises, the programme aims to enable 10 000 young people to access decent job opportunities, and to create self-sustained, tech-enabled small businesses by 2026.

The programme focuses on equipping young people with the digital skills required in today's changing world of work, allowing them to be at the forefront of economic opportunities. It offers in-demand skills training for roles such as software development, cybersecurity, cloud engineers and data scientists, among others.

In addition to technical skills, the programme also prepares young people for the world of business in very practical ways. These include work-readiness training in channels such as experiential learning, internships and apprenticeship opportunities, with employment or entrepreneurship as an end goal.

Adding value

Through Naspers Labs, we aim to constantly add value, bringing our own expertise and that of our partners to improve lives. We use the services of implementing partners to deliver both our skills development and entrepreneurship programmes.

We use technology as a catalyst for progress and work with local changemakers and entrepreneurs to find solutions that address local challenges. We are passionate about creating opportunities through consumer technologies that address societal needs, and ultimately help to grow South Africa's tech ecosystem.

We know this involves working closely with young people and their communities. Our support for learners goes beyond just the learning, to include, for example providing laptops, tablets and data to access their online training content and supplementing stipends for decent earnings.

Partnerships are also key and are carefully selected for specific aspects of the programme. Our strategic partners include NMR AEP, Afrika Tikkun Services, CapaCiTi, GirlCode, Maharishi Institute and Esinam for skills development, and for entrepreneurship, Tsatsile Group, SA Harvest, Grow Great Flourish and the Branson Centre for Entrepreneurship.

Increasing impact

In FY22, we trained and developed 2 274 young people in tech roles such as software developers, cloud engineers, cybersecurity technicians, data analysts and desktop technicians, among others.

Through our extensive network of partners, we placed 1 772 young people in entry-level jobs in the tech sector and linked services. Females make up 65% of our cohort, and we have been working with implementing partners who focus on helping females gain skills and find employment.

We have also supported 31 young entrepreneurs to set up their businesses.

Naspers Labs invested R176m in youth skills development, including support towards community development projects.

Extending reach

Looking forward, the cohort of trained and inspired learners and entrepreneurs will continue to grow – more young people across the country will begin meaningful jobs and start promising businesses, thanks to Naspers Labs. The programme has started to extend its reach in new and exciting ways. Tackling youth unemployment in rural areas, for example, is one focus area currently being explored. The plan is to combine agtech with creating sustainable local employment and start-up opportunities so that more young people can stay and prosper in their local communities. This would have the double benefit of improving prosperity in rural areas and relieving pressure in the cities.

This is just one example of how Naspers Labs continues to grow in line with its core ambition – to unlock and realise the potential of as many young South Africans as possible.

Naspers Bursary

Through the Naspers Bursary programme, we are sponsoring deserving tertiary students in science, technology, engineering and maths (STEM) and other fields that are in high demand across sectors. The selected students do not have other means to fund their studies at higher education institutions, so the bursaries make a critical difference.

The programme extends beyond financial sponsorship. It includes mentorship and wrap-around holistic support, through an implementing partner called the Tomorrow Trust, to address high drop-out rates resulting from psychosocial challenges often faced by students.

We launched the programme in September 2021.

By partnering with Xhuma – a proudly South African start-up that assists youth with career guidance, job opportunities and bursary applications – we were able to develop a platform that is low on data use and can reach beyond the urban centres.

We received over 2 000 applications from all nine provinces. By the end of FY22, we had offered 82 bursaries.

Naspers For Good

Naspers For Good rallies employees in two ways: firstly, through a social-good fund administered by a committee of employees and, secondly, through an employee volunteering platform.

The social-good fund launched in April 2021 and, to date, the Naspers For Good committee has approved support for 18 community projects totalling R3 000 000.

The employee volunteering platform (https://forgood.naspers.com/) launched on Mandela Day, 18 July 2021. The platform provides access to more than 400 vetted causes and over 2 000 opportunities, including coaching, mentoring, finance, tech support and marketing.

The programme has built-in reward and incentive elements. Employees earn and collect Naspers For Good badges based on their giving activity on the platform.

By the end of FY22, employees had earned 261 badges (261 giving activities), donated R57 394 of their own money to causes on the platform, and earned R60 924 for their charities.

Natural capital

We seek to minimise our impact on the environment and to play our part in addressing issues, including climate change and the responsible use of natural resources.

Climate action

In FY22, we developed a climate transition plan that provides the foundation for setting multiyear, science-based targets in the coming year. To achieve these targets, we will invest in partnerships and scalable technology for low-carbon growth, improved material efficiency and environmental stewardship.

To implement our climate transition plan, we follow a three-step approach:

Firstly, we understand the environmental impact of our operations and extended value chain. Each company conducts a materiality assessment and an ESG performance assessment, while also undertaking a deep-dive exercise into mapping and defining their organisational boundaries for the purpose of carbon accounting. Data from this analysis informs both group and company-specific environmental programmes to drive systemic change.

Secondly, we apply the highest industry standards and targets, guided by global best practice and science-based frameworks.

Thirdly, we identify scalable technology, partnerships and strategies to reduce environmental impact and improve performance.

Given the diversity of our group companies, not only in terms of business sector and geography, but also the relative maturity of each entity, the nature of a company's material environmental impacts, and how to define them, will vary. Mapping the environmental impact of individual businesses reflects our emphasis on 'solving for local needs'.

In our Classifieds segment, for example, OLX Group has committed extensive resources to establish a methodology for calculating how reusing consumer products reduces consumption of materials, water and other resources, and the corresponding reduction in greenhouse gas (GHG) emissions, thereby contributing to creating a circular economy. Outcome of this is published in the OLX impact report (refer to www.olxgroup.com/impact).

We work closely with our subsidiaries to build a diligent GHG emissions inventory accounting and reporting process. We support all subsidiaries to onboard their GHG inventory (ESG data management tool) to create a repository of all their upstream and downstream environmental data. This enables our businesses to adopt a data-driven analysis and define a baseline that underpins company-specific targets to reduce emissions.

Our GHG accounting and reporting, ultimately, is about creating transparency and appointing responsibility for taking action to reduce emissions and realise GHG targets. Our GHG accounting needs to be in support of our company's climate ambition and at the same time follow the leading standards and guidance on accounting and reporting.

The process of GHG data reporting is very operational, company and market specific. Compared to the financial accounting processes of listed and non-listed companies, we observe that carbon accounting is still in a nascent stage for private companies. This is illustrated through the lack of carbon data management in our new acquisitions, regardless of size, sector or geography. Helping our companies to get started on the climate action journey begins with deep engagement and training. During the first 12 to 24 months after acquisition, we start with building awareness of the need for climate action and helping them with the tools to define their boundaries and start their GHG accounting journey. Continual improvement in the quality of their data collection and analysis is key to the development of their environmental programme. Designated 'environmental champions' are supported with training and knowledge-sharing to develop and implement emissions reduction plans.

Electricity used in buildings, fuel consumption by company cars and generators and IT hardware are some of the assets that need to be reviewed for their generation of GHG emissions. Oversight over these assets and the implementation of solutions for GHG reduction activities is operationalised at individual company level. We want to ensure that our GHG accounting and reporting approach is reflective of this reality and allows us to set targets that can be delivered on by the entities that carry the ability to do so.

Our climate commitments

In early FY22, we committed to becoming carbon-neutral. The scope of this commitment included direct and indirect emissions resulting from our corporate operations, including business travel and extending to the footprint of our subsidiaries that offset their scope 1 and 2 emissions.

In the years to come, we intend to shift our investments in carbon offsets to strategic GHG reduction programmes.

For the Prosus corporate entity, we have fully compensated historical GHG emissions arising from its own operations since its listing in September 2019. Our offsets are procured from certified projects around the world that help drive social, economic, and environmental progress in local communities.

Next steps: Science-based targets towards net zero

We are now working on setting groupwide, multiyear GHG reduction targets that will drive our net-zero pathway, aligned with the 2015 Paris Climate Agreement goal of keeping global warming to 1.5°C.

We have established FY20 as our baseline for our emissions-reduction targets feeding into our climate transition plan. Sphera, our carbon data management tool, enables the evolution and integration of group ESG performance targets into company-specific ESG plans and targets.

Natural capital continued

This process facilitates effective, groupwide collation of consistent, high-quality and comparable data for evaluation and reporting. For the new financial year, our climate targets are embedded into the STI-linked KPIs for our chief executive and include:

1. Absolute reductions in our scope 1 and scope 2 corporate footprint (Naspers corporate).
2. Reductions in material scope 3 categories. (Naspers corporate).
3. Setting a science-based target (Naspers corporate).
4. Reporting of full scope emissions of all portfolio companies where we have a controlling interest.

We intend to publish our science-based targets in the coming year. Our ambitions will focus on two aspects that are in alignment with the level of control we exercise over our group:

- Reduction of our corporate footprint (scope 1, 2 and selected categories of scope 3).
- Engagement of our portfolio companies to ensure they also set their own science-based targets.

Systemic change is contingent on collaboration across sectors and value chains. By working through sectoral, industry and other policy forums, Naspers aspires to create enabling conditions for collective global action by businesses to reduce environmental impact.

We participate in initiatives and programmes most relevant to the operations of our businesses. We have joined the BoardNow coalition of companies committed to sustainable air travel: we invest in sustainable aviation fuel that is the only short-term solution to decarbonise air travel and that is supportive of the development of a low-carbon pathway for air travel. We will continue to invest in electrification of our delivery fleets, renewable energy, and innovative collaborations to enhance environmental performance.

There is tremendous opportunity in the food segment to use electric bikes, scooters, motors and other vehicles to reduce the environmental impact of food delivery. Across the diverse range of food delivery companies in our portfolio, we have learnt that successful implementation comes with many challenges. While there can be both carbon and cost efficiencies in the long term, key barriers to the adoption of electric delivery vehicles range from awareness, infrastructure and financing.

iFood, Swiggy and Delivery Hero are deeply involved in pilots to learn where the bottlenecks are and what solutions can be created. The shared ambition involves removal of fossil fuels from the supply chain, which will reduce GHG emissions, reduce reliance on the supply of these fuels and continue to support livelihoods.

	Total energy consumption (GJ)	% renewable energy	% non-renewable energy
Naspers corporate	194.42	0%	100%
Prosus corporate	895.63	51%	49%
Takealot	18 1145.15	1%	99%
Media24	41 794.09	0%	100%
PayU	10 395.11	0%	100%
Movile	1 710.95	0%	100%
iFood	2 728.85	0%	100%
eMAG	27 3687.16	5%	95%
OLX	38 308.98	4%	96%

Swiggy has learnt from conducting a few pilots that the offering of electric two-wheelers for its delivery partners has to match, if not improve, the existing two-wheelers on critical elements of battery capacity (range), engine capacity and costs to improve adoption. Solutions to these elements require a mix of new infrastructure of charging or battery swapping stations and reliable high-quality two-wheelers that are affordable to operate. Swiggy is now working with several players, like manufacturers, leasing companies, infrastructure providers and more to stimulate adoption of the scooters to realise its target of approximately 0.5 million miles driven electrically by 2025.

But, to disrupt a highly developed system of transportation based on fossil fuels – reliable new and used motors, petrol stations, garages, technical experts – and replace it with an equally reliable system of affordable scooters, charging stations, sufficient battery range, etcetera, requires the collaboration and entrepreneurship of many different parties, including a supportive government. As an investor in several food companies across the globe, Naspers recognises how each market has its challenges to make electric transport a viable investment, and that we can play a role to enable sector innovation and cross-learning to help remove barriers and speed up the transition.

Packaging and waste is a material topic for a significant proportion of our portfolio companies, in particular for our Etail and Food Delivery segments. As in all sustainability topics, we are focused on scalable and systemic responses. Each of the companies will continue to explore opportunities to reduce the environmental impact of plastic packaging by implementing steps to understand and manage this impact. One of the strategies being implemented by iFood, Delivery Hero and Swiggy, is to offer customers an opt-out feature for cutlery when placing their food orders.

Further details of our climate strategy, including risks and opportunities such as decarbonisation of mobility and powering the circular economy, can be found at www.naspers.com/sustainability/overview.

Task Force on Climate-related Financial Disclosures

We have been embedding Task Force on Climate-related Financial Disclosures (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.prosus.com/investors/annual-reports and is summarised on the next page.

As we mature on our sustainability journey, we are guided by reporting frameworks like the TCFD and Sustainability Accounting Standards Board (SASB) standards for communicating our position and progress on key ESG indicators. The TCFD framework helps us to communicate consistently on climate-related risks and opportunities to meet the needs of investors and other stakeholders for disclosures on our role in creating 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 stakeholders know and trust, defining and enhancing broader performance measures and reporting progress against them.

Natural capital continued

	Approach	Progress	Next steps
Governance	At our highest governance level, two board committees (risk committee and social and ethics and sustainability committee) along with the governance committee comprising of executive leadership are charged with overseeing the implementation and execution of the group sustainability strategy and climate transition plan. The committees must meet at least twice every year and retain oversight to provide steer on the sustainability risks and opportunities for the group. Identification of sustainability risks and opportunities at group level is led by the global head of sustainability, who is responsible for managing implementation of the group sustainability plan. The global head of sustainability reports to the group general counsel, a member of the executive management team, who reports to the CEO. Action on climate is a requirement across our portfolio of companies, with performance standards set at the group level. Implementation and results are monitored by the sustainability committee whose members include our CEO, CFO and board directors.	To ensure our board is informed of and aware of all climate-related reporting and standards, the board received multiple trainings this year on specific environmental programme management, including GHG accounting, setting of science-based targets and climate action. Climate action targets have been integrated in the group financial planning, and included in the CEO's and CFO's KPIs and their short-term incentive plans. Targets are aimed at: • Absolute reductions of our corporate footprint. • Developing a science-based net-zero pathway. • Disclosure of audited emissions of all portfolio companies where we have a controlling interest. We have successfully trained and grown a broad network of sustainability champions across all controlled portfolio companies. These champions are responsible for the implementation of the environmental programme, setting boundaries for GHG accounting within their business and collecting and reporting carbon data on our group reporting tool. An internal audit of our controls on the carbon data reporting process and tool, findings of which were reviewed at board level. Our GHG data received a readiness review conducted by E&Y and limited assurance audit by PwC South Africa.	Trainings for a broader group of executive management on climate change and climate-related risks and opportunities. Further support sustainability champions in our portfolio companies to expand and improve GHG inventorisation, and set absolute reduction targets. Explore ISO certification of our GHG data and environmental programme as Environmental Management System.

Natural capital continued

	Approach	Progress	Next steps
Strategy	We play a leading role in digitisation of traditional business sectors enabling the transition to a low-carbon economy. When compared to analogue, offline delivery of services and digital solutions are material efficient and reduce the need for physical infrastructure and mobility. We continue to explore investment opportunities in climate across a wide range of verticals, including but not limited to clean energy, sustainable food and agriculture, next-generation materials and the circular economy. We have assessed the climate-related risks and opportunities for the group, which resulted in an identification of some clear opportunities to enhance the ESG profiles of our portfolio companies and thereby increase our ability to raise capital, enhance the valuations of these companies and reduce their operational risks. Opportunities in green transport, resource efficiency and circular economy, operational efficiency and digitisation with positive impact on our segments are substantive and pursued through the employment of management programmes and investment programmes.	This year, first, we onboarded all subsidiaries on a carbon data management tool. Next, our businesses harnessed this data to define a baseline and set company-specific reduction roadmaps. We have articulated our responsible investment approach to ensure clarity for all stakeholders about integration of ESG in our capital allocation decisions and our engagement with portfolio companies. We made several investments in sustainable businesses this year, such as Fashinza (https://www.prosus.com/news/fashinza-raises-100m-series-b-to-create-sustainable--supply-chain-for-global-fashion-industry/), sustainable fishery platform Aruna (https://www.prosus.com/news/indonesias-fisheries-platform-aruna-secures-series-a-funding-of-us-35-million/) and agtech Biome Makers (https://www.prosus.com/news/biome-makers-raises-15m-in-series-b-funding-to-secure-position-as-a-global-leader-in-biological-soil-analysis/#:~:text=%E2%80%9CProsus%20Ventures%20invests%20in%20industries,to%20the%20fresh%20food%20supply). Acknowledging our corporate footprint includes emissions from air travel, we are committed to contributing to structurally decarbonise the aviation sector. We have joined the BoardNow programme (https://boardnow.org/) and will purchase sustainable aviation fuel (SAF) credits from the first dedicated SAF production facility, operated in the Netherlands by SkyNRG. We participate in initiatives and programmes most relevant to the operations of our businesses, such as: • eMAG investing in ecological carbon offsetting (https://www.carpathia.org/conservation-carpathia-and-emag-join-forces-to-protect-the-fagaras-mountains/). • iFood partnering to identify and innovate towards new packaging solution with Xprize (https://news.ifood.com.br/xprize-competicao-promete-resolver-desafios-mundiais/). • OLX measuring the avoided environmental impact from the trade of used goods on its platforms (https://www.olxgroup.com/impact).	The next steps are to support the companies in their journey to set and achieve net-zero targets by identifying scalable technology and partnerships to enable low-carbon growth and material efficiency. We are deepening our understanding and quantifying how digitalisation helps the world transition to a low-carbon society. In FY23, we will conduct a comparative assessment (LCA) to help us quantify the impact of digital payment services compared to offline, analogue and physical financial services. We are also implementing a project at OLX to further understand and substantiate the opportunity for digital platforms for used-car trade to contribute to reduction of GHG emissions from cars. These projects will contribute to deeper understanding of the environmental benefits of digital platforms, which will feed into the classification of our investment activities as sustainable.

Natural capital continued

	Approach	Progress	Next steps
Risk management	Management and the board are accountable for the choices and decisions we make, how we execute on these, for delivering value in its broadest definition of the six capitals model, and to maintain the risk profile regarded as acceptable. Risk tolerance levels are set top-down, and management is accountable to the board for implementing and monitoring the processes of risk management and for integrating this into day-to-day activities. Particularly focusing on data privacy, cybersecurity, sustainability (including climate risk), tax and intellectual property. An ongoing enterprisewide risk assessment process supports the group. This ensures risks are adequately identified, evaluated and managed at the appropriate level in each business and that their individual and joint impact on the group is considered. Given the diversity of our investment portfolio, in terms of sectors and geography, but also the relative maturity of each company, the nature of a company's material environmental impacts – and how to define them – can vary for every company. All our businesses are required to assess the extent to which natural capital may significantly affect current or future operations. These and other potential risks vary according to each company's business model, sector and geography, among other factors. Applying our principle of 'solving for local needs', we support our portfolio companies to identify and manage risks and pursue opportunities in the context of local operating environments. Further details on the finding of this analysis can be found in our full TCFD report on our website at [www.prosus.com/investors/annual-reports and the Natural Capital risk section in our annual report.	Opportunities arising from the transition to a low-carbon economy are plenty for our businesses, which also de-risk their operations. Companies in our Food Delivery and Etail segments have continued to pilot the use of electric vehicles for delivery and transportation to curb emissions. Investing in pilots for reusable and biodegradable packaging to reduce packaging waste. Our Etail platforms invest in proprietary renewable-energy capacity to power their warehouses and other sites. eMAG has invested in refurbishment capacity for phones to help customers extend the life of their devices, reducing the need for new virgin materials and products (https://www.prosus.com/news/romanian-startup-flip-lands-15m-from-prosus-owned-emag-plans-cee-leadership-in-refurbished-products/). Our Classifieds operations have consolidated the network of car inspection centres under their GHG accounting and are identifying opportunities to reduce energy consumption and to install renewable-energy capacity.	Packaging and waste is a material topic for our food delivery and etail companies. Through a specialised working group, we are focused on identifying scalable and systemic responses. Over the year, this group will pilot solutions and exchange best practice.
Metrics and targets	We require all our portfolio companies, regardless of the sector they operate in, to take climate action as a central pillar of their ESG performance. GHG accounting, reporting and tracking of results against targets is monitored by our CEO and the segment CEOs reporting to him. All subsidiaries have committed to being carbon-neutral since FY22. For us, this is an important driver for our portfolio companies to develop a thorough practice of carbon measurement and accounting that underpins the setting of net-zero targets. For this year, the below targets are set on GHG emissions: • Reduce corporate scope 1 and scope 2 emissions by 100%. • Reduce corporate scope 3, category 1 emissions by 1% year on year. • Reduce corporate scope 3, category 6 emissions by 6% year on year. • Set a science-based GHG reduction target for corporate. • All subsidiaries report their audited full scope emissions.	GHG inventory and footprinting for all scopes for FY20 were performed for corporate and subsidiaries. This is now the benchmark year for further climate action across the group. We have established the baseline and GHG accounting and reporting processes that are the foundations for completing our climate action plan and science-based targets. Carbon-neutrality was achieved for both our corporate and subsidiaries through the purchase of credits from high-quality energy efficiency and renewable-energy projects. Associate Tencent announced its commitment to a net-zero pathway and will publish its science-based targets in the near future.	We are committed to supporting the transition to a net-zero economy in accordance with the 2015 Paris Climate Agreement to keep global warming to 1.5 degrees Celsius. Our science-based targets will be published in FY23, when also implementation commences. Our ambitions will focus on two aspects, in alignment with the level of control we exercise over our group: • Reduction of our corporate footprint (scope 1, 2 and selected categories of scope 3). • Engagement of our portfolio companies to ensure they also set their own science-based targets. From next year onwards, we will disclose progress made against this target. We will fine-tune our GHG accounting and reporting framework to match the reality of a long-term investor with our financial accounting.

Natural capital continued

Naspers and portfolio companies scope 1 and 2 emissions

Naspers corporate office

	*tCO_2e
Scope 1 emissions from direct operations (use of fossil fuels and refrigerants)	5.15
Scope 2 emissions from purchased electricity (market-based)	31.38
Scope 3 (C6) emissions from corporate air travel	117.98

Portfolio companies:

Media24

Scope 1 **(tCO_2e)**	Emissions from use of fossil fuel	1 410.08
	Emissions from use of refrigerants	0
	Total scope 1	1 410.08
Scope 2 **(tCO_2e)**	Emissions from purchased electricity (market-based)	5 788.58

Takealot

Scope 1 **(tCO_2e)**	Emissions from use of fossil fuel	11 161.02
	Emissions from use of refrigerants	0
	Total scope 1	11 161.02
Scope 2 **(tCO_2e)**	Emissions from purchased electricity (market-based)	7 918.02

Prosus corporate offices[1]

	*tCO_2e
Scope 1 emissions from direct operations (use of fossil fuels and refrigerants)	15.46
Scope 2 emissions from purchased electricity (market-based)	35.74
Scope 3 (C6) emissions from corporate air travel	418.30

OLX

Scope 1 **(tCO_2e)**	Emissions from use of fossil fuel	389.08
	Emissions from use of refrigerants	0
	Total scope 1	389.08
Scope 2 **(tCO_2e)**	Emissions from purchased electricity (market-based)	4 077.93

Movile

Scope 1 **(tCO_2e)**	Emissions from use of fossil fuel	0
	Emissions from use of refrigerants	0
	Total scope 1	0
Scope 2 **(tCO_2e)**	Emissions from purchased electricity (market-based)	49.62

iFood

Scope 1 **(tCO_2e)**	Emissions from use of fossil fuel	1.89
	Emissions from use of refrigerants	0
	Total scope 1	1.89
Scope 2 **(tCO_2e)**	Emissions from purchased electricity (market-based)	78.40

Natural capital continued

eMAG

Scope 1 **(tCO_2e)**	Emissions from use of fossil fuel	12 860.71
	Emissions from use of refrigerants	114.78
	Total scope 1	12 975.49
Scope 2 **(tCO_2e)**	Emissions from purchased electricity (market-based)	4 417.12

PayU

Scope 1 **(tCO_2e)**	Emissions from use of fossil fuel	239.07
	Emissions from use of refrigerants	92.38
	Total scope 1	331.45
Scope 2 **(tCO_2e)**	Emissions from purchased electricity (market-based)	1 189.12

Scope 1 emissions

Naspers corporate **(tCO_2e)**	5.15
Prosus corporate **(tCO_2e)**	15.46
Portfolio companies **(tCO_2e)**	26 269.01
Total **(tCO_2e)**	26 289.62[LA]

Scope 2 emissions

Naspers corporate **(tCO_2e)**	31.38
Prosus corporate **(tCO_2e)**	35.74
Portfolio companies **(tCO_2e)**	23 518.79
Total **(tCO_2e)**	23 585.92[LA]

Scope 3 emissions (C6 emissions from corporate air travel)

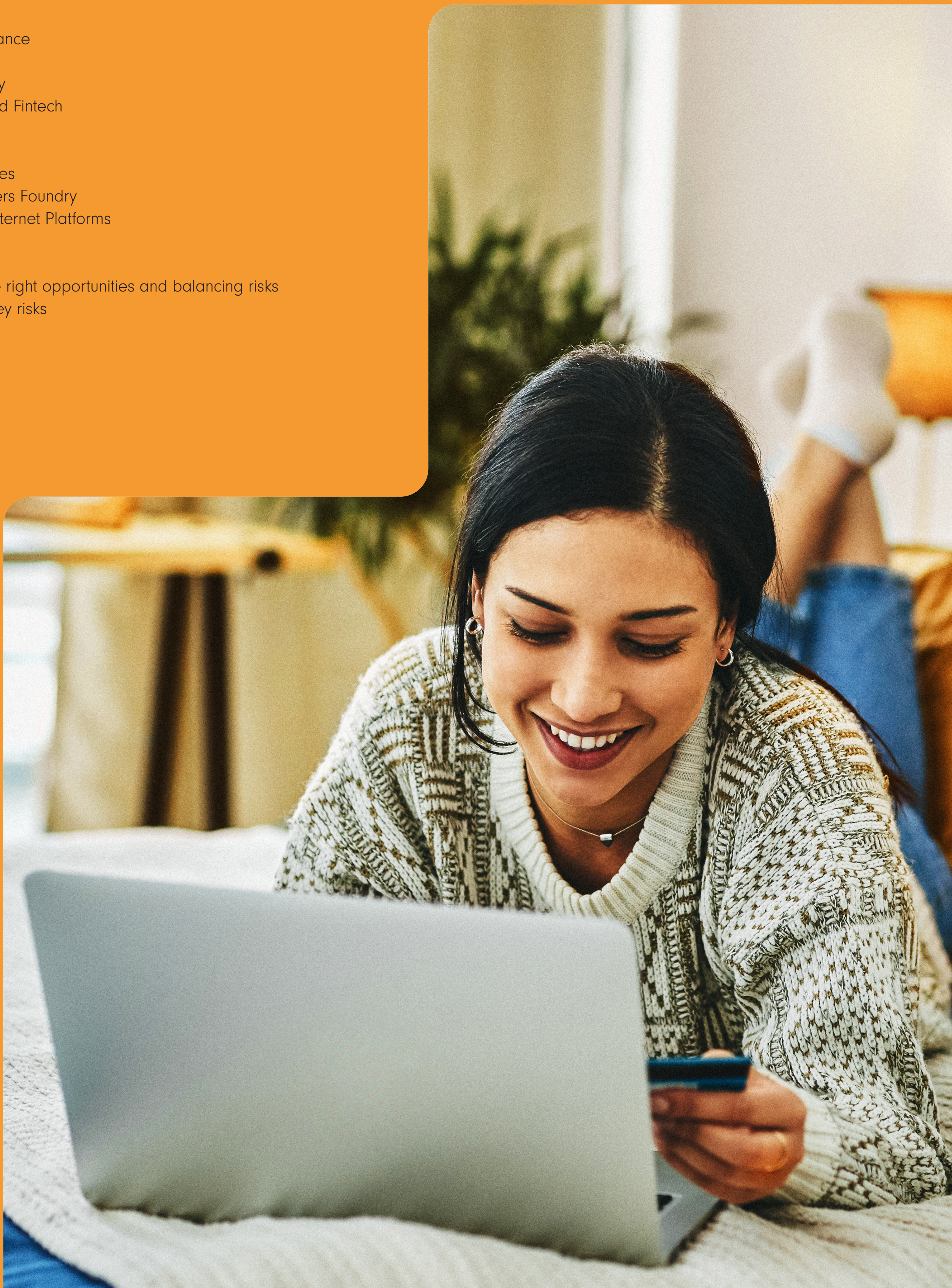
Naspers corporate **(tCO_2e)**	117.98
Prosus corporate **(tCO_2e)**	418.30
Total **(tCO_2e)**	536.28[LA]

* **tCO_2e:** tonnes of CO_2 equivalent.
1 Prosus Corporate offices include the Unites States (Ventures), Belgium, and Hong Kong offices.
LA Limited assurance obtained: Please read the full assurance report which can be accessed on our website at https://www.naspersreport2022.com/images/uploads/2022/05/Naspers2022_Sustainability_Information_Assurance_Report.pdf.

The carbon emissions data was prepared in line with the following criteria for scope 1 and scope 2 emissions can be accessed on our website at: https://www.naspersreport2022.com/images/uploads/2022/05/Naspers2022_Boundaries_And_Scope_Of_OurGreenhouse_Gas_Accounting.pdf.

For Prosus carbon emissions, please refer to the Prosus annual report on page 48.

Performance review



Our performance

Operating and investing in countries and markets across the world with long-term growth potential, building leading companies that empower people and enrich communities.

In presenting and discussing our performance, we use certain alternative performance measures not defined by IFRS, referred to as non-IFRS financial measures, alternative performance measures or APMs. Such measures include economic-interest basis information; trading profit; adjusted EBITDA; headline earnings; core headline earnings; and growth in local currency, excluding acquisitions and disposals. Segmental reviews in this report are prepared showing revenue on an economic-interest basis (which includes consolidated subsidiaries and a proportionate share of associated companies and joint ventures), unless otherwise stated. Numbers included in brackets represent the equivalent measure on the basis of growth in local currency, excluding acquisitions and disposals. For a further explanation of the use of APMs we refer to 'Governance – About this report'.

Operating review

In a year marked with continued global turmoil and uncertainty, which has made for a turbulent operating environment, the 2022 financial year was a year of progress for the group. We remained focused on executing our long-term strategy and delivering strong operational growth across our core segments. At the same time, we made strategic investments and laid the foundation for future growth across the portfolio.

Despite a strong operational performance across the portfolio, the group, like many technology companies, faced significant macroeconomic and geopolitical headwinds, leading to highly volatile capital markets in the latter part of the financial year. The combination of the war in Ukraine, higher inflation and rising interest rates drove up the cost of capital and increased uncertainty. Valuations of global peer group companies in tech and internet sectors declined sharply in recent months as the level of risk appetite reduced significantly. These forces drove, for the first time in many years, a decline in the group's net asset value. The discount to the group's sum of the parts increased to an unacceptable level. Taking substantive action to reduce the discount is a priority. To navigate these turbulent times, we will prioritise capital towards supporting our existing businesses and prudent balance sheet management, sustaining adequate financial liquidity.

We invested US$6.3bn to increase our stakes in existing investments and in new assets where we see substantial opportunity for future value creation. This investment was weighted largely to the first half of the year, in our Food Delivery and Edtech segments. While Delivery Hero's stock has declined in value since the last investment, we remain confident in the company's future and in our continued ability to generate a return from it. In August, we also committed US$4.7bn to acquire BillDesk, the leading bill-payment-processing company in India. The transaction is under review by the Competition Commission of India.

In the second half of the year, we invested heavily through our income statement. We focused on maintaining growth and customer engagement, while leveraging increased scale to develop opportunities in adjacent products and services. We are building ecosystems with multiple customer touchpoints to improve not only their experience but also retention. We aligned technology and data with key customer needs such as convenience and ease of use. We will need to continue to invest organically to build on the strong progress we have made in autos in Classifieds, convenience in Food Delivery and India credit in Payments and Fintech segments. Our plans will recognise the uncertainty and volatility and the need to preserve capital.

Throughout the year, the group continued to crystallise returns and return capital to shareholders. In February 2022, we completed a second US$5bn share purchase programme that followed the US$5bn share buyback programme in 2021. This generated a meaningful enhancement to net asset value per share. Repurchased Prosus shares will be cancelled in the following financial year. In total, Prosus has allocated US$50bn in capital over the past six years, with approximately 57% of that capital being invested into the business and new growth opportunities, approximately 25% returned to shareholders in the form of share repurchases and dividends, and approximately 18% being held in cash.

Against the backdrop of deteriorating geopolitical and economic conditions, our ecommerce businesses were resilient, growing revenues 53% (47%) in the second half of the year and, in many cases, significantly outperforming global peers.

Within our Ecommerce portfolio, all segments made good progress against their financial and strategic objectives. Classifieds demonstrated healthy growth at its core, well ahead of global peers. OLX Autos experienced strong triple-digit growth this year as it creates a differentiated customer experience. Our Classifieds business has been deeply impacted by Russia's invasion of Ukraine. We are appalled by the war in Ukraine and we continue to do all we can for our Ukrainian employees and the people of Ukraine. Consequently, in March 2022, we announced the separation of the Russian classifieds business Avito from our OLX Group. Following completion of this operational separation, in May 2022 we announced our intention to exit the Russian business. We have started the search for an appropriate buyer for our shares in Avito.

Food Delivery's performance remained strong, as it addresses a major consumer need that is being fundamentally transformed by technology. We are leveraging our logistics network and capabilities as well as our strong customer relationships to pursue this opportunity with a real competitive advantage. The online food and convenience industry is still in its early stages of development, and we are excited by its long-term prospects and we believe we will ultimately yield a good return on investment.

In Payments and Fintech, our growth momentum continued globally. We increased our scale in India, one of the fastest-growing consumer internet markets and the closing of the acquisition of BillDesk will create further opportunity to expand into credit and digital banking. Outside of India, the business continued to grow strongly.

Our performance continued

Edtech's performance remained strong and we made substantial progress in expanding the portfolio with acquisitions of market leaders in our areas of focus. During the year, we took a substantial stake in Skillsoft, which is now public, while acquiring Stack Overflow and GoodHabitz. This positions us well within the key enterprise education market. Our Edtech investments currently reach over 500 million users and cover the full span of the sector and beyond, into third- and enterprise-level education.

In April 2021, to improve our financial flexibility and reinforce our balance sheet, we sold 2% of Tencent's issued share capital, generating proceeds of US$14.6bn and reducing our holding to 28.9%. Proceeds were used to fund our strategic ambitions and two share buyback programmes that enhanced net asset value per share. Tencent's has been impacted by regulatory action and the economic impact of Covid-19, which has resulted in slower growth and a tough macroeconomic environment. We are firm believers that the company will recover from this and generate significant value for shareholders and remain committed long-term investors in Tencent.

The group remains focused on building on the strong momentum in our Ecommerce portfolio. We will continue to invest in our platforms and to grow the opportunity set within each segment. We aim to build on the underlying strength of each business through the creation of customer ecosystems, particularly in autos transactions, credit and digital banking, and food, convenience and grocery delivery. At the same time, we are driving profitability and cash generation in more mature core businesses. Our goal is to build an Ecommerce portfolio that will deliver sustainable value creation over the long term for all stakeholders. Furthermore, the group will endeavour to take further steps to crystallise the value we have created over time.

Financial review

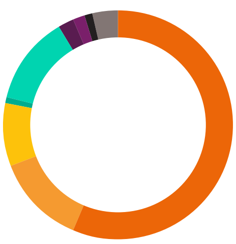
Revenue

On a consolidated basis, total revenue increased by US$2.0bn, or 34% (37%), from US$5.9bn in FY21 to US$7.9bn in FY22, with strong contributions from all the segments.

The group delivered strong results for FY22. Group revenue, measured on an economic-interest basis, grew 24% (24%) to US$36.7bn. This was driven by Ecommerce revenues, which grew 56% (49%). Our economic-interest share in Tencent's revenue grew 14% (16%) off a sizable base.

The weakening of certain currencies against the US dollar in FY22 negatively affected our year-on-year performance by US$107m, or 2%, due to the translation impact, specifically in the Classifieds, and Payments and Fintech businesses.

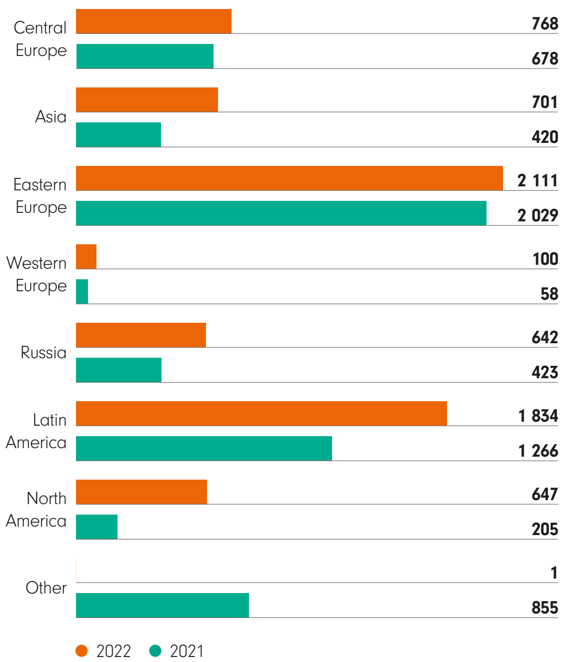
Total revenue for the year ended 31 March 2022 (US$'m)



Online sale of goods revenue	4 492
Classifieds listings revenue	1 008
Payment transaction commissions and fees	703
Mobile and other content revenue	71
Food Delivery revenue	986
Advertising revenue	175
Printing, distribution, circulation, publishing and subscription revenue	138
Edtech	83
Other revenue	284

Online sales of goods revenue represented 57% and 56% of our total revenue in FY22 and FY21 respectively.

Revenue by geographic market (US$'m)



Costs of providing services and sale of goods

The costs of providing services and sale of goods increased by US$1.5bn, or 37%, from US$4.1bn for FY21 to US$5.6bn for FY22.

Platform/website hosting, warehousing costs and costs of goods sold on those platforms increased by US$1.1bn, from US$3.0bn in FY21 to US$4.1bn in FY22. This increase primarily relates to Classifieds, in particular OLX Autos, which is refocusing the autos transaction business towards the direct-to-consumer (B2C) segment and consumer financing, while reshaping the core Classifieds business towards accelerating pay-and-ship services and strengthening our overall tech talent capabilities. iFood in our Food Delivery business invested substantially in the grocery delivery business.

Delivery service costs increased from US$481m in FY21 to US$639m in FY22. This increase primarily related to logistics costs in the Food Delivery and Etail businesses on the back of increased gross merchandise value (GMV) of 41% and 3% respectively.

Payment facilitation transaction costs increased by US$236m from US$391m in FY21 to US$627m in FY22. The increase primarily related to the Payments and Fintech business, particularly in India, due to the increased transaction volumes with merchants. In addition, following the growth in the Food Delivery business, payments facilitation costs increased accordingly.

Selling, general and administrative costs

Selling, general and administrative costs increased by US$129m, or 4%, from US$2.9bn in FY21 to US$3.1bn in FY22.

General business administrative cost increased by US$125m from US$410m in FY21 to US$535m in FY22, primarily due to cost increases across all the segments as they scale.

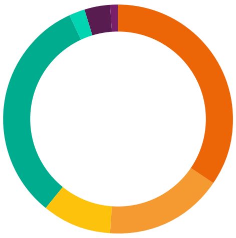
Staff costs decreased by US$217m, or 11%, from US$2bn in FY21 to US$1.8bn in FY22, primarily due to a decrease in share-based compensation costs. This was partially offset by an increase in the

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.

Our performance continued

number of permanent staff to support the rapid pace of business expansion, as well as increased salaries, wages and bonuses resulting from annual increases.

Total number of employees for the year ended 31 March 2022



Classifieds	11 375
Food Delivery	5 468
Payments and Fintech	3 246
Etail	10 629
Edtech	663
Other Ecommerce	1 244
Corporate	307

The number of permanent staff increased from 28 445 at 31 March 2021 to 35 276 at 31 March 2022. Staff increased particularly in the Classifieds segment as OLX Autos scales its operations. In addition, iFood increased its workforce as the business continues to scale. The iFood and Etail segments also increased their headcount as the businesses expanded, particularly in grocery deliveries. Headcount is expected to continue to expand in line with the expansion of our businesses, both organically and through acquisitions. For further information regarding headcount, refer to the People section on page 26.

Retention option expenses for the year decreased US$3m compared with US$74m in the prior period. Share-based compensation costs decreased by US$570m due to changes in valuation assumptions, including share prices and volatility, as well as the impacts of allocations made and vesting of options.

Depreciation and amortisation

Depreciation and amortisation in selling, general and administration expenses increased by US$20m, or 8%, from US$264m in FY21 to US$284m in FY22. The increase in depreciation expenses primarily related to the acquisitions of property, plant and equipment, notably computer and office equipment, following growth in our Classifieds, Food Delivery and Etail businesses. Amortisation increased on the back of acquired intangible assets related to business combinations.

Finance income/(costs)

Net finance costs increased by US$180m from a net finance cost of US$167m in FY21 to a finance cost of US$347m in FY22.

Interest expense increased by US$143m, or 53%, from US$268m in FY21 to US$411m in FY22, as a result of the issuance of new publicly traded bonds during the current period.

Interest income decreased by US$37m, or 37%, from US$101m in FY21 to US$64m in FY22, due to a drop in US dollar interest rates and lower average cash balances.

Interest expense relates primarily to interest on the publicly traded bonds. Interest income includes interest earned on bank accounts and short-term investments.

Other finance losses decreased from a finance income of US$207m for FY21 to a loss of US$84m for FY22. This relates primarily to a US$217m cost incurred on the early settlement of the 2025 and 2027 bonds, as well as foreign exchange differences related to the foreign exchange impacts on the translation of assets and liabilities and the fair value of derivative instruments, which include forward exchange contracts, and derivatives embedded in lease agreements. The cross-currency interest rate swap accounted for the increase in other finance income.

Net gains on acquisitions and disposals

Losses on acquisitions and disposals of US$1 133m were recognised in FY22, compared with US$308m in FY21.

A loss of significant influence of US$1 137m was recognised on VK as a result of the resignation of our non-executive directors from the VK board. This relates primarily to the reclassification of a portion of the group's foreign currency translation reserves related to VK from other comprehensive income to the income statement.

Impairment of goodwill and equity-accounted investments

Impairment losses of US$246m recognised on goodwill related to Stack Overflow primarily as a result of the current market conditions and the increase in risk-free rates which resulted in an increase in the discount rate. Equity-accounted investments were impaired by US$589.1m of which US$474m related to the impairment of VK. The group fully impaired the carrying value of the investment in VK for FY22 due to the significant decline in its share price immediately prior to the loss of significant influence.

Gain on partial disposal of equity-accounted investments

A gain of US$12.3bn was recognised on the partial disposal of 2% of Tencent's total issued share capital.

Taxation

Our tax expense increased by US$152m, or 330%, from a tax credit of US$46m in FY21 to a tax expense of US$106m in FY22. This was as a result of the receipt of a once-off tax receivable amount of US$170m related to a disposal of a business in 2021.

Share of equity-accounted results

Our equity-accounted results in equity-accounted companies increased by US$2.16bn, or 30%, from US$7.1bn in FY21 to US$9.3bn in FY22. This growth was driven by Tencent, which reported improved profitability during the period.

This was partially offset by reduced profitability of VK and Delivery Hero whose results were impacted by the acquisition of investments during the period. In addition, the inclusion of Skillsoft, Flink and PharmEasy for the first time in the current period also negatively affected the equity-accounted results.

Trading loss/profit

On a consolidated basis, trading losses expanded from US$224m to US$589m as we continue to invest in organically building out customer ecosystems across our segments. This is mostly driven by investment in Food Delivery, a decrease in profitability in the Etail segment and acquisitions in Edtech.

Group trading profit on an economic-interest basis reduced 10% (6%) to US$5bn, reflecting investment on the back of core strength to expand the market opportunity for each segment and strengthening the underlying customer ecosystems of our underlying businesses.

Our performance continued

Headline and core headline earnings
Headline earnings decreased by US$2.5bn to US$1.6bn. This is mainly due to the increase in trading losses recognised, the increase in net finance cost (US$143m) and the decrease in contribution to headline earnings from associates of US$2.8bn. This was partially offset by the decrease in the share-based compensation expenses of the group (US$632m).

Core headline earnings were US$2.1bn – down 40% (16%), impacted by our sale of 2% interest in Tencent and Tencent's reduced contribution to core as a result of increased losses from its associates.

Refer to 'Other information – Non-IFRS financial measures and alternative performance indicators' in this report for a reconciliation of non-IFRS financial measures.

Cash and debt position
We ended the year with a strong and liquid balance sheet comprising US$13.6bn in cash and cash equivalents (including short-term cash investments) and interest-bearing debt of US$15.7bn (excluding capitalised lease liabilities). We also hold an undrawn US$2.7bn revolving credit facility. This sound financial position will enable us to deliver on our strategy to scale our businesses and, over time, deliver significant and sustainable profitability and cash flow generation. Overall, we recorded a net interest expense of US$347m for the year, elevated from the prior year given new bond issuances and an additional US$217m related to early settlement of the 2025 and 2027 bonds.

During the year, we issued new US dollar and euro notes in July 2021 and January 2022, raising additional capital of US$9.25bn. Some of the net proceeds were used to settle US$1.6bn 2025 and 2027 notes. Lively investor demand for these offerings resulted in attractive pricing, reduced average funding cost and extension of our maturity curve.

In April 2021, we received US$14.6bn from our sale of 2% of the issued share capital of Tencent. The proceeds from the sale further strengthened the group's financial flexibility and enables us to invest in the significant growth potential we see across the group, as well as in our own stock.

Consolidated free cash outflow was US$701m, a decrease on the prior year's free cash outflow of US$4m. We stepped up operational working capital and capital expenditure investment across our businesses. Working capital requirements have increased as we invest in OLX Autos and the Payments and Fintech segment. In autos, we are taking on more inventory as the business expands and moves towards a consumer-facing business. In Payments and Fintech, we accelerated the pace to scale our Indian credit initiatives, resulting in increased receivables outstanding at year-end. The increased capital expenditure was mainly driven by distribution centre equipment and expansions at eMAG. This was offset by increased dividends from Tencent of US$571m (FY21: US$458m). Tencent dividends remain a meaningful and stable contributor to our cash flow. After year-end in June 2022, we received our annual cash dividend of US$565m from Tencent for FY23.

In addition, Tencent paid a special interim dividend in the form of a distribution in specie of JD.com shares. The group received 131 873 028 JD.com shares in March 2022, representing a 4% effective interest in JD.com valued at US$3.9bn at 31 March 2022. Subsequently, the group disposed of its full stake in JD.com for proceeds of approximately US$3.6bn.

There were no new or amended accounting pronouncements effective 1 April 2021 with a significant impact on the group's consolidated financial statements.

The company's external auditor has not reviewed or reported on forecasts included in this annual report.

The following segmental reviews are prepared on an economic-interest basis (which includes consolidated subsidiaries and a proportionate consolidation of associates and joint ventures), unless otherwise stated.

Segmental review
Ecommerce
Ecommerce revenue of US$10.7bn for the year grew 56% (49%). Strong growth was seen across all our core segments.

Each segment reported strong growth and profitability at the core and during the period we increased our level of investment on the back of that strength to expand the market opportunity for each segment and strengthen the underlying ecosystems of each underlying businesses. This increased investment resulted in aggregated trading losses increasing to US$1 120m, from US$439m in the prior year.

Based on the data-driven unit economics, we are steadfast in our belief that growth expansion from the autos transaction businesses in Classifieds, a broader on-demand delivery ecosystem in Food Delivery, credit and digital banking in Payments and Fintech, and new investments in Edtech will deliver significant value for the group. Classifieds as well as core Payments and Fintech[1] remain profitable, and during the year we saw substantial improvement in the profitability trends at the core of our Food Delivery businesses[2], with iFood's food delivery in Brazil remaining profitable.

1 Core Payments and Fintech is India payments and GPO.
2 Core Food Delivery is iFood's restaurant food delivery business in Brazil.

Classifieds

Building leading marketplace ecosystems enabled by tech, powered by trust, and loved by our customers.

Performance highlights

	2021	2022
Revenue[1]	US$1.6bn	US$3.0bn
Trading profit[1]	US$15m	US$25m

OLX Group continues to perform with strong momentum across all its business units. The segment made further strategic progress during the period, refocusing the autos transaction business towards the direct-to-consumer (B2C) segment and consumer financing, while reshaping the core Classifieds business[2] towards accelerating pay-and-ship services and strengthening overall tech talent capabilities.

Classifieds revenue of US$2.98bn grew 85% (92%) from US$1.6bn in the prior year. This growth was a large acceleration and significantly ahead of peers. The growth was largely driven by OLX Autos, which grew 158% (173%) year on year. Despite continued investment in the autos transaction business, pay-and-ship, and people and technology to build capacity for the next growth phase, trading profit was maintained at last year's level and the segment reported a trading profit of US$25m (FY21: US$15m).

In our core Classifieds business we continue to record growth across our key markets with the monthly app user-base rising 7% to 124 million and active listings growing 11% to 174 million. Additionally, we saw continued momentum from engaged monetised users as the group reported 11% additional monthly paying listers. Revenue grew 38% (38%) to US$1.36bn with an improvement of 80 basis points in margin yielding and a trading profit of US$189m.

Despite a strong performance across the group for most of the year, we are not immune to macroeconomic challenges. At the outset of the Russia–Ukraine conflict in February 2022, we witnessed an immediate drop in key operational metrics, mainly in Ukraine. We continue to operate our platform in the country to serve the local community and we have observed recovery on traffic and listing metrics, while still behind pre-conflict levels. We also observed some decline in other European countries, mainly in Poland and Romania, during the initial days of the crisis, however, metrics have already stabilised and are now tracking ahead of pre-conflict levels. During these challenging times, we have prioritised the safety and wellbeing of our employees, providing immediate support, including safe housing and financial assistance.

Europe, of which OLX Poland represents over 60%, delivered a strong performance and generated revenues of US$432m with a growth rate of 27% (24%). Trading profit reduced to US$95m from US$118m a year ago due to a step-up in investment to scale pay-and-ship services across Poland, Ukraine, and Romania, with over 2 million delivery transactions on average per month during the second half of the year. Our horizontal platforms in Europe grew at 26% (28%), driven by the continued acceleration in pay-and-ship and a surge in the jobs and services categories.

This was partially offset by lower performance in the autos verticals, mainly Otomoto in Poland, impacted by supply constraints in the autos industry market. OLX Poland recorded revenue and trading profits of US$258m (PLN1 020m) and US$65m (PLN252m), representing revenue growth of 28% (26%) and a trading profit margin of 25%, given the pay-and-ship investment and tailwinds noted above. Furthermore, as we continue to support our customers in Ukraine with prolonged listing duration and other discounts, we recorded negligible revenues during March and business is expected to recover slowly.

In Russia, Avito reported revenues of US$631m (RUB48.2bn), and trading profits of US$220m (RUB16.3bn), representing growth of 52% (55%) and 31% (32%) respectively.

In March 2022, OLX Group took the decision to cease all involvement in its Russian operations and, following a separation process, the group decided to exit the Russian business. The search for an appropriate buyer for the group's share in Avito is underway.

OLX Autos reported revenues of US$1.6bn for FY22, up 158% (173%) on the prior period and an 8 percentage point improvement in trading margin despite strategic investments to build the base for the next phase of growth. The US, which represents more than 35% of OLX Autos revenues, performed exceptionally well as it has more than tripled revenue and became profitable. In our other markets, we have made outstanding progress in executing our strategy through a relentless focus on accelerating B2C and consumer financing.

1 Presented on an economic-interest basis.
2 Core Classifieds business is Avito, OLX Europe and OLX corporate.

Classifieds continued

Our autos transaction business scaled its operations, transacting 175 000 cars compared with 98 000 cars in the prior year. The second half was a strong finish to a year of record growth, where monthly volumes exceeded 22 000 cars (twice pre-Covid-19 levels) in March 2022. OLX Autos sold an average of 14 600 cars (FY21: 8 100) per month at an average selling price of US$9 300 (FY21: US$6 900) with a gross profit per unit of US$895 (FY21: US$746). Monthly volumes in the US and India exceeded 7 000 and 5 500 cars respectively at year-end, far ahead of their previous peaks.

Finally, in the markets with B2C presence, we reached a 29% mix of total cars sold versus 13% in the prior year. We continue to make steady progress in consumer financing across Chile, Mexico and Colombia, with 12 000 loans disbursed during the year, exceeding assets under management of US$100m with significantly lower delinquency rates than industry standards. Scaling our autos transaction business requires higher working capital than core classifieds, especially in inventories, where we have invested adequately to support the growth in the business. We will continue to invest to scale this business line, focusing on consolidating leadership in the markets we operate.

OLX Brasil, a 50% joint venture with Adevinta, continued its growth. Our share of revenue increased 73% (27%) given the full-year consolidation of ZAP results in the current period, to US$76m (BRL399m) and trading profit increased to US$4m (BRL24m). The business expanded its autos vertical by digitalising consumer journeys with a focus on business clients and offering transactional services such as in-platform financing and insurance and also rolled out pay-and-ship services across general categories.

Over the past year, in line with our strategy to invest in our core scalable markets, we successfully divested non-strategic assets across the group. This includes Aasaanjobs, Tradus, Properati, the OLX platform in South Africa and autos transaction businesses in Nigeria, Kenya, and Ghana. These markets were not profitable with a lack of product-market fit and capacity to disrupt the industry. As a result, OLX Group is now leaner and focused on growing operations in our key markets, where we have clear plans to deliver strong growth and build leading market positions.

The opportunity

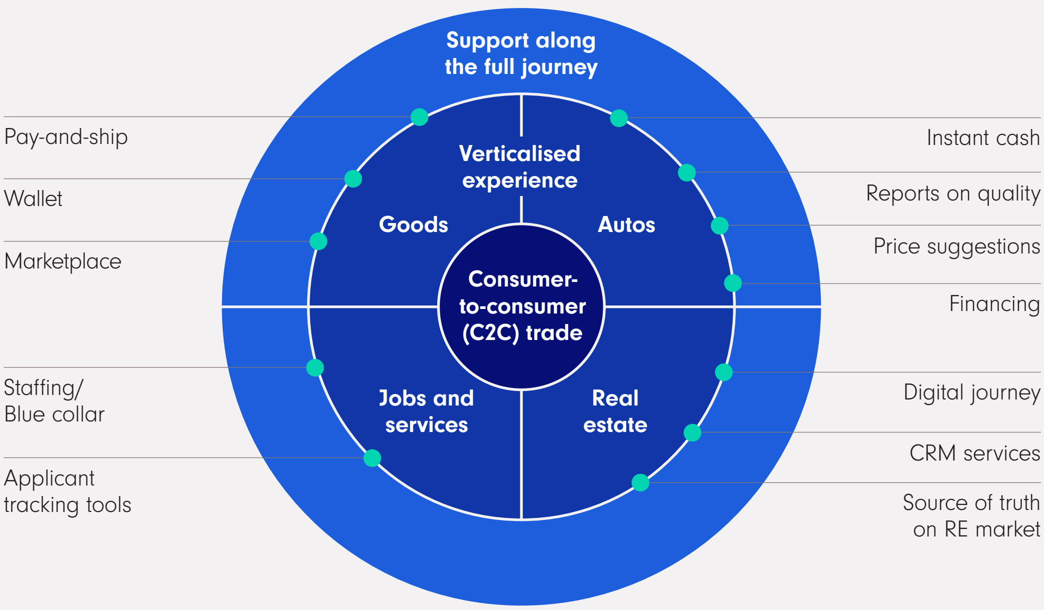
Last year, we highlighted four trends for the Classifieds segment: firstly, consumers demanding a more convenient and trusted experience; secondly, increased competition from global digital players entering our markets; thirdly, the increasingly critical role of AI to deliver new user experiences; and fourthly, stakeholders requiring greater focus on sustainability.

While these trends remain, the pace and extent continue to be affected by the pandemic. In particular, consumer preferences for end-to-end digitally enabled journeys accelerated, along with more calls for action to combat climate change. Data science and AI capabilities created new business models and opportunities as internet usage surged and consumers increasingly turned to online solutions.

Essentially, these trends reinforce our aim to be deeper and more widely involved in transactions at the heart of people's everyday lives. People are looking for more trust, more safety, more convenience, more help. They want seamless online-to-offline experiences, with more support along the transaction chain. And they want ever-more sustainable ways to transact. We want to be at the core of making this possible for people.

We are building an ecosystem of platforms that reinforce each other, especially between our classifieds and autos transaction businesses. In Indonesia, for example, more than a third of the consumers who bought cars from us were already classifieds users. More encouragingly, while it's early days in our transition to B2C, in Turkey, more than a third of the cars we sold were sourced from our classifieds users.

The multiple layers of our ecosystems



Classifieds continued

Delivering on our strategy

In FY22, we successfully delivered on our strategy. We executed two separate but complementary business models – firstly, to build the next generation of online classifieds and, secondly, to consolidate and grow our autos transaction business. It was a breakthrough year on both fronts and, in turn, we accelerated our growth and delivered revenue and trading profit higher than expected.

Advancing next-generation classifieds

We are building the next generation of online classifieds, going deeper into the transaction and providing the full ecosystem of value-added services to our users. We now offer pay-and-ship on many products, alongside services such as financing, car history, pricing estimation, and job application tracking. Our platforms enable person-to-person or business-to-person trade across multiple categories, including real estate, cars, household goods, electronics, fashion, jobs and services.

Our core classifieds businesses outperformed expectations throughout the year, allowing us to reinvest in robust vertical propositions, for example, to broaden coverage of pay-and-ship offerings and increase marketing in jobs and services.

In Europe, in FY21, we strengthened our vertical ecosystems. This included, in jobs, launching a candidate section with roles and recommendations and an applicant tracking system; and in real estate, strengthening content in the primary market through the acquisition of Obido.

We also scaled pay-and-ship across European markets, including Poland, Ukraine and Romania, reaching 20.8 million transactions in December 2021.

Expanding autos transactions

In our autos transaction business, we buy used cars from individuals and the trade, inspect them virtually (on their driveways, or in one of our 528 offline inspection centres) and resell them directly to our consumers at attractive prices, offering financing, extending guarantees, insurance options, free trials, and full transparency on the car history and condition.

In FY22, we organised our global autos transaction business under a unified OLX Autos business unit – to speed up decision-making and innovation and develop a single technology platform.

Our autos transaction businesses continued to develop well as we accelerated our plans in our key markets of India, Indonesia, Turkey and Mexico on the back of a new common online platform, scalable business processes and improving unit economics. OLX Autos scaled volumes across key markets, and increased revenue by 158% (173%).

As planned, a larger share of revenue is coming from transactions, including the trading margin on cars and transaction fees from pay-and-ship in Classifieds.

We rolled out our new global scalable tech platform that enables us to accelerate our development and innovation, and increase our efficiency across our different markets through one flexible shared platform.

Within OLX Autos, we successfully pivoted to B2C trading, building significant supply inventory to fuel demand. We also grew the financing business in Latin America, with lower-than-expected default rates.

In Europe, we strengthened our vertical ecosystems. This included, in autos, launching Otomoto Klik, a fully digital used-car-buying experience.

Making ever-greater use of AI and ML

Throughout FY22, we made strong strides in accelerating and scaling up the application of AI and ML and, in turn, the use of data to drive the business forward. We continued the expansion of our data platform and portfolio of tools, which are used as the foundation for the majority of our products and business.

We also successfully completed our new ML platform, FrejaML, which will enable us to accelerate the development and deployment of ML models and, importantly, to share them across business units.

In addition, across the various business units, we have put into production a number of new models on pricing, search and relevance, trust and safety, and self-inspection of used cars, with significant measurable impact.

Increasing the pace and impact of innovation

We have updated our process for aligning and collecting metrics, and are working across the business units to have a strong understanding of the key business drivers, together with strong automation of measurement, tracking and reporting. This will enable faster experimentation, development and innovation across our product lines. Experimentation has grown over 60% across the group. In FY22, we ran our first OLX Group hackathon, which led to several innovation projects being sponsored in each business unit.

In India, for example, the launch of a pricing engine has offered a better experience for users, resulting in a 36% increase in the rate of conversion from prospect to customer.

In Europe, we are innovating to move more deeply into transactions and offer more for our users. This involves focusing on trust and safety. Technology helps us keep illegal and inappropriate content off our platforms. Deep learning algorithms now review some 8 million images every day, catching and removing around 68 000 bad listings before they reach buyers. We are also innovating to provide increasingly personalised customer experiences, for example, to improve customer recommendations and search functionalities.

OLX Group

124m
monthly active app users

4.1m
paying listers

174m
active listings

Present in
>20
core markets

1.7m
monthly average pay-and-ship transactions in Europe

Wide network of
7 000+
dealers for vehicle transactions

Classifieds continued

Focusing on sustainability

Across OLX Group, our sustainability mission is to amplify conscious consumption and champion the circular economy to our customers and communities – encouraging everyone to reuse, refurbish and recycle. As such, in FY22, following a materiality assessment and under the leadership of a new cross-functional sustainability steering committee, we focused on three core sustainability areas: reducing our climate impact, fuelling the circular economy, and unleashing employee innovation.

Reducing our climate impact

We measure and reduce our direct and indirect contribution to climate change. In FY22, we became carbon-neutral in our direct operations, offsetting scope 1 and scope 2 emissions in our core business.

Fuelling the circular economy

Our secondhand trade platforms make an increasingly positive contribution to the circular economy. The larger our platforms, the more items are reused, in turn lowering the need to recycle discarded items or produce new ones. This helps us attract talent and consumers and, increasingly, to comply with the needs of external investors.

In FY22, as in FY21, we measured the impact of our platforms in eight categories: mobile phones, tablets, laptops, TVs, cars, motorcycles, books and fashion.

Unleashing employee innovation

To harness the passion, innovation, energy and enthusiasm of our people for sustainability, we launched the employee sustainability hackathon – the shackathon. Many great ideas have been shared, from alternative packaging for pay-and-ship to solar paneling for auto inspection centres. This in turn generates employee workstreams with executive sponsors to explore and address scalable strategic sustainability missions in our businesses. In addition, we hired our first dedicated full-time sustainability expert to orchestrate initiatives, coordinate employee teams and execute programmes.

Subsequent to year-end, we also began educating our employees on sustainability topics and our role in the circular economy, with an external global speaker to raise company intelligence and increase employee engagement on the topic. To further enhance employee engagement, we now have local Green Teams to help us with our global sustainability initiatives, but also look for local initiatives. The Green Teams also measure, identify and find ways to reduce energy consumption and carbon emissions in our workplaces.

We will continue to focus on increasing sustainability throughout our business.

Looking forward

Building on the success of our strategy in FY22, we will increase our commitment to grow across our new-generation classifieds ecosystem and our autos transaction business.

Above all, we will look for new and better ways to get closer to our users and their transactions, so they can carry them out more quickly, easily and safely. Rather than simply providing a great place for buyers and sellers to meet, we are actively helping to facilitate great transactions for buyers and sellers. Whether that is by offering smart technology to make self-inspecting and selling a car super easy, or providing attractive financing options to facilitate such transactions. There are many different ways to unlock the hidden value in everything, and we aim to explore them all.

The idea: Green Teams

Each country will have a self-elected lead (and a co-lead) who will arrange a group of **green teammates**.

Activate, energise and charge the way to work on reducing our climate impact in the offices!

Within each office, anything goes! We want **your ideas, knowledge and know-how** to come alive locally.

Create a **movement** where your ideas **inspire and activate** other countries, other colleagues and partners!

Food Delivery

Improving the way people eat.

Performance highlights

	2021	2022
Revenue[1]	US$1.5bn	US$3.0bn
Trading loss[1]	-US$355m	-US$724m

The Food Delivery portfolio companies continued to benefit from economies of scale and delivered strong growth. Total orders and gross merchandise value (GMV) grew 53% and 60% (59%) respectively, translating into US$3.0bn or 101% (77%) growth in revenue.

Given this momentum and the growing importance of convenience in people's daily lives, we believe the food delivery opportunity is broader than originally envisaged. Over the past year, online grocery delivery has experienced a surge in demand from offline to online and new business models have unlocked underserved segments of the market. The segment's quick commerce businesses grew orders by 109% and GMV by 254% (207%). Our Food Delivery portfolio companies have capitalised on these trends by building grocery delivery businesses on their restaurant delivery platforms. While restaurant delivery platforms are either profitable or nearing breakeven, the investment in adjacencies and growth initiatives has contributed to the increase in the Food Delivery segment's trading losses from US$355m in FY21 to US$724m in FY22. As was the case with the segment's investment to expand the market opportunity by investing in 1P delivery in 2018, we believe this investment represents a similar opportunity to grow the market and our position in it.

The opportunity

We identified food delivery early as an attractive long-term investment for the group. Four key factors underpinned our confidence.

Large total addressable market (TAM): Global restaurant service spend is projected to reach US$3.4tn by 2024 (US$11.5tn in 2024[2], including groceries) and food delivery constitutes an opportunity to address tangible human needs, especially in emerging economies where food accounts for a relatively high share of total consumer spending.

Low online penetration with room for growth: We have been on the cusp of a tech-enabled paradigm shift in dining habits, with more and more meals being delivered rather than home cooked or consumed on-site in restaurants. That said, online food delivery still accounts for only 7.7% of global food-service spending.

Compelling user behaviour: Given the high-frequency use patterns and growing importance of convenience in customers' daily lives, on-demand food delivery aggregators have demonstrated strong customer retention and engagement metrics.

Hyperlocal operations: Food delivery is an inherently local business with impact felt locally, which is in line with our philosophy of partnering with local entrepreneurs that deeply understand their geographies. The hyperlocal nature makes the food delivery space slightly less susceptible to the potential fully fledged entry of big-tech players, compared to the other sizable verticals such as social networks or travel.

Building a global leader in food delivery

We are building a global leader in on-demand food delivery. We are present in 57 markets through direct stakes in three core platforms – iFood, Swiggy and Delivery Hero – plus other investments such as Oda, Norway's largest (by GMV) online grocery business, and Flink, the Berlin-based quick commerce pioneer. In addition, we invested in Foodics, a major cloud-based technology and payments platform for restaurants in the MENA region. We also have indirect investments in Meituan, Delivery Club, Takeaway, Rappi and Glovo.

In August 2021, we invested a further BRL1bn (US$200m) in Movile, the owner of iFood, a food delivery business with strong market presence in Brazil, bringing our stake in iFood to c. 26%.

Looking after the wellbeing of drivers

Our Food Delivery segment continues to guide and support the wellbeing of the key stakeholders in our ecosystem. The leadership in the food delivery ecosystem (LIFE) initiative provides quarterly segment updates, and Prosus group leadership updates, on driver wellbeing, compensation and non-financial benefits for our segment companies. Our companies pay significantly above the local legal minimum wages, and provide benefits beyond pay, including insurance, educational opportunities and more.

1 Presented on an economic-interest basis.
2 Growing from US$9.5tn in 2019 (including restaurant service and grocery).

Food Delivery continued

iFood

iFood revenues grew 35% (29%) to BRL5.2bn (US$991m), driven largely by expanded restaurant selection and entry into additional cities in Brazil. Orders increased 37% to over 750 million and GMV grew 47% (41%) to BRL39bn (US$7.4bn). At year-end, iFood Brazil platform hosted 317 000 merchants across 1 780 cities.

During the second half of the year, iFood realised significant gains in the profitability of its core restaurant food delivery business by optimising consumer discounts and introducing new revenue streams. The significant overlap between the customers of restaurant delivery and grocery delivery, and the operational synergies across the two businesses make grocery delivery a natural fit for the iFood ecosystem. iFood's grocery business has quickly become an important player in Brazil's significant grocery industry, which is estimated to have sales of US$55bn in 2022 according to Euromonitor. iFood's grocery and dark store model has already reached 4 million average monthly orders and BRL380m of GMV in just over a year, and its growth is outpacing the rest of the market. The restaurant food delivery business reached breakeven in the second half of the year. For the full year, iFood generated trading losses of US$206m, including substantial investments in the grocery delivery business.

Playing an essential part in Brazilians' everyday lives

iFood wants to play an increasingly essential part in Brazilians' everyday lives. In order to do this, in FY22, iFood focused on increasing sustainability and strengthening the iFood ecosystem.

Increasing sustainability

iFood stepped up its sustainability commitment in FY22. This focused on three key areas – the environment, inclusion, and education.

Environment

iFood wants to use its presence in Brazil to support the acceleration to greener economies. iFood is centring its environmental sustainability strategy on energy and waste management. iFood is committed to becoming carbon-neutral, making 50% of its deliveries non-polluting by 2025, and also ending plastic pollution from its deliveries by 2025.

iFood has been carbon-neutral on its deliveries since July 2021 and has set further goals to reduce, and not just offset, its emissions. To boost emission-free deliveries, for example, it has partnered with Tembici to provide electric rental bikes to couriers. It has also started a pilot for electric motorcycles for longer-distance deliveries, which includes an innovative battery rental scheme, so drivers don't have to invest in the expense of buying batteries themselves. By the end of FY22, iFood had delivered 37 million zero-emissions orders by bike, e-bikes, electric motorcycles and drones.

iFood was the first food-tech company in Brazil to sign the UN Global Compact. The company estimates that Brazil produces 11.1 million tons of disposable plastics annually, including items such as plates, cups, cutlery, plastic bags and non-recyclable disposable straws. There is no national or public sector recycling plan for items such as these, so they end up in a landfill or in the environment. Given its role in the food ecosystem, iFood believes it can play a pivotal role in improving Brazil's waste management.

In FY22, iFood committed to the #DeLivreDePlástico initiative, driven by the United Nations Environment Program (UNEP), to eliminate plastic pollution from deliveries from the iFood platform by 2025. To this end, iFood is enabling the 'no cutlery, straws, or napkins' option in the app, as well as encouraging restaurants not to send these items by default (only when requested). iFood has a restaurant participation target of 90% by December 2023. Moreover, it aims to ship 80% of orders without these disposable items by 2025.

Inclusion

The iFood ecosystem includes a diverse group of millions of people across Brazil – restaurant owners, delivery partners and consumers. iFood is committed to ensuring its employees are representative of the community it serves across Brazil. By 2023, iFood aims to increase the number of women in leadership positions to 50%; increase the number of women in senior leadership positions to 35%; increase the number of management positions held by black people to 30%; and have 40% of employees overall represented by black people.

Education

iFood is actively investing in the local communities it serves beyond providing direct economic opportunities from its food delivery business. Within education, iFood is setting a goal to provide training and employment opportunities for 25 000 low-income individuals. It also wants to use technology to help train more than 5 million additional Brazilians by reskilling, upskilling and fostering entrepreneurship to help them find better employment. And finally, iFood is also utilising technology platforms to help foster science, technology, engineering and maths (STEM) skills among 5 million students across Brazil.

In addition to these initiatives, iFood is committed to helping people and organisations across the country that its consumers are passionate about. Through the iFood app, users can choose to donate to seven partner NGOs. With over 15 million people across Brazil using the iFood app, this is a very powerful, yet simple, way to make a positive difference. By the end of FY22, 800 000 users had donated over US$4m to these seven NGOs.

iFood

Around

1 780

Brazilian cities covered

Around

70m

orders in March 2022, including restaurant and grocery

36%

own-delivery orders

>317 000

merchant partners

iFood order growth:

37%

1P (logistics) business orders in March 2022:

26m

Food Delivery continued

Finally, as a food platform, iFood is committed to fighting hunger across Brazil. iFood has developed the 'all at the table' initiative, partnering with other companies such as Coca-Cola Brazil and Unilever to donate food to individuals directly and through organisations, including Sefras, CUFA and InCor.

Strengthening the iFood ecosystem
iFood continued to expand its ecosystem through FY22 in a number of different ways, including scaling its grocery delivery business to become a leader in Brazil, and launching and scaling the quick commerce business. By year-end, iFood Brazil had delivered 42 million grocery orders from over 29 000 stores across 1 780 cities, representing order growth of 220% year on year. In addition, iFood introduced new products in financial services, including meal vouchers and credit for restaurant partners.

Swiggy

Swiggy has seen a full recovery from the impact of the pandemic by focusing its efforts on reactivating users, increasing monthly frequency, and returning user conversion to pre-Covid-19 levels. This strategy paid off as Swiggy has more than 195 000 active restaurants on its platform (+110% of pre-Covid-19 level); achieved 55% growth in daily orders; and 76% growth in GMV to US$2.3bn. Our share of Swiggy's revenue was US$212m (FY21: US$135m), up 57% (68%) from the prior year[3] driven by higher average order values compared with pre-pandemic periods and higher revenues from delivery fees and advertising sales. Swiggy also focused on expanding its quick commerce Instamart business, which performed well, increasing daily orders 10 times year on year. This resulted in accelerated growth in the groceries vertical coupled with continuous growth in the restaurant food delivery business vertical.

Swiggy currently delivers food, groceries and meat, and runs its concierge service (Genie) using its network of around 300 000 delivery riders.

iFood, Swiggy and Delivery Hero – our core food delivery businesses are leading businesses in their respective regions and have plenty of room to grow further, both in scale and in the breadth and depth of their ecosystems. In addition, we have promising additional investments in Flink, Oda and Foodics.

We will continue to invest organically to both improve the core food delivery offering but also to expand the overall opportunity set by building out scaled capabilities in quick commerce and grocery, and additional adjacencies in the food delivery ecosystem.

Swiggy has also continuously grown its users in the past year, along with subscription programme innovations across categories, such as Swiggy One (formerly 'Super' which catered to food delivery only), with focused investments in infrastructure, product and technology. Swiggy currently delivers food, groceries and meat, and runs its concierge service (Genie) using its network of around 300 000 delivery riders.

We believe Swiggy is well funded to capitalise on recent momentum and well positioned to improve its platform's competitiveness by investing in product and technology, and reinforcing its artificial intelligence capabilities.

Delivery Hero[4]

Delivery Hero continued to deliver strong growth, accelerating both organic investment in quick commerce and by pursuing M&A opportunities. For the year to 31 December 2021, Delivery Hero reported order growth of 57% and GMV growth of 62% to €35.4bn.

Our share of Delivery Hero's revenues and trading losses was US$1.8bn and US$343m respectively.

By the end of March 2022, Delivery Hero operated over 1 122 Dmarts (small Delivery Hero-owned warehouses in strategically relevant locations for quick commerce delivery), catering to evolving customer needs with an increased focus on convenience and speed of delivery.

Looking forward

iFood, Swiggy and Delivery Hero – our core food delivery businesses are leading businesses in their respective regions and have plenty of room to grow further, both in scale and in the breadth and depth of their ecosystems. In addition, we have promising additional investments in Flink, Oda and Foodics.

We will continue to invest organically to not only improve the core food delivery offering but also to expand the overall opportunity set by building out scaled capabilities in quick commerce and grocery, and additional adjacencies in the food delivery ecosystem.

Looking forward, we will play an ever-increasing part in leading the food delivery revolution for consumers, restaurants and delivery partners around the world.

Food Delivery

US$7.5bn
invested in food delivery

Swiggy

Around
550
cities covered

~300 000
own-delivery partners

>195 000
restaurant partners

>97%
own-delivery orders

Delivery Hero

Present in
49
markets

1.3m
restaurant partners and local stores

1 122
Dmarts at 31 March 2022

>49%
own-delivery orders for 2021

3 All metrics aligned to December 2021, reporting basis three-month lag.
4 Delivery Hero numbers included are on a pro forma basis, which consolidated Woowa group and excluded DHK from 1 January 2021. Historical data has been adjusted accordingly.

Payments and Fintech

Building the ecosystem for a world without financial borders where everyone can prosper.

Performance highlights

	2021	2022
Revenue[1]	US$577m	US$796m
Trading loss[1]	-US$68m	-US$60m

The Payments and Fintech segment continued to benefit from the shift to digital payments. Revenue grew 38% (45%) to US$796m driven by strong performance in the India payment business and a strong recovery in the credit business. The segment's overall trading loss margin improved to negative 8% as trading losses reduced from US$68m in the prior year to US$60m, on account of increased profitability of core payment service provider (PSP) business, partially offset by investments in credit and new initiatives such as consumer banking in India. The core PSP business reported revenue of US$643m, up 29% (37%) and a trading profit of US$28m, reflecting a 2 percentage point improvement in margin over last year. Total payments volume (TPV) reached US$78.5bn, up 43% (47%) over the prior period as faster digitisation across markets continue to benefit PayU. This was supported by a 36% increase in the number of transactions.

India, our largest market, grew TPV 65% (66%) to US$43.8bn, representing a compounded annual growth rate (CAGR) of 50% (54%) over the past two years. This translated into revenue growth of 48% (49%) to US$304m driven by diversification of our merchant portfolio into segments such as financial services, ecommerce and bill payments, which compensated for lower volumes from categories impacted by Covid-19. As markets have opened up, travel and hospitality sectors have seen some recovery in India. The contribution of revenue from new segments such as omnichannel, Bharat Bill Payment System, Wibmo, data science and new products such as Affordability, Merchant Cash Advance, and Multi-currency has increased from 20% in the prior period to 29% in this financial year, demonstrating our continued focus on diversification of business.

Our global payments operations (GPO) business has maintained its growth trajectory with TPV growing 22% (30%) to US$34.7bn for the year, supported by a 28% increase in the number of transactions. GPO reported a revenue of US$341m, up 16% (29%) from the prior period. GPO has also witnessed strong growth in payment volumes from ecommerce, financial services and over-the-top (OTT) entertainment platforms to compensate for lower volumes from categories impacted by Covid-19. Travel in most GPO markets is gradually recovering as economies stabilise and borders re-open. Turkey, which constituted 17% of GPO's revenue, continued to see strong momentum and grew revenue 73%.

In our credit business, following deliberate conservative issuances in the first half of the year, India has witnessed a strong recovery as we picked up momentum in personal loan dispersals in the second half of this financial year. With a preapproved base of 62 million users and over 46 000 active merchant base, transactional credit continued to see good traction and, post-Covid-19 loan cohorts are resilient and performing well, while collections have maintained a strong trend across all credit products. Our new initiatives to ramp up personal loans such as Xpress loans (cross-sell to buy-now-pay-later users) have also seen good traction and are expected to further drive loan disbursals and enhance revenue.

In December 2021, we launched the first version of LazyCard (Indian credit card offering) as part of our consumer banking strategy. With over 320 000 users onboarded in just three months, LazyCard is seeing strong traction in the market. Our consumer banking initiative is mainly targeted towards serving the Indian mass market through innovative financial products focusing on saving and spending for young tech-savvy consumers. We continue to leverage our existing base of LazyPay users to further scale the cards business.

Total loan disbursals in India credit and LazyCard for the year totalled US$586m, representing growth of 337% (338%) and reporting a loan book of US$151m at the end of the year. Revenue is recognised over the term of these loans, however, we are required to expense the expected loss rate upfront, resulting in elevated losses at present as we are at the start of the journey to scale the credit business.

The investment portfolio of our Payments and Fintech segment continues to perform well. In September 2021, Remitly raised US$300m from its public listing on Nasdaq Stock Market. Remitly will utilise this fund to accelerate growth through innovation and further expansion into digital banking. Remitly reported a send volume of US$20bn, representing 70% growth for its financial year ended 31 December 2021.

1 Presented on an economic-interest basis.

Payments and Fintech continued

The opportunity
Payments and Fintech is one of the fastest-growing segments worldwide, accelerated by the pandemic-fuelled move online. 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 high-growth markets. In addition, online payments are expected to increase at double the rate of offline payments.

We see five key trends in payments and fintech, which all play to our strengths:

- Scale continues to drive consolidation at a global level.
- Open-banking trend continues to accelerate.
- BNPL is an increasingly key credit category.
- The India fintech landscape continues to grow in scale and breadth of services.
- Cryptocurrencies are going mainstream.

Strategic priorities
To capitalise on these trends, we have set three strategic priorities:

- Continue to grow our core payments business.
- Accelerate our credit business in India.
- Build a financial ecosystem and invest across fintech adjacencies and AI.

Advancing on three fronts
In FY22, in line with our strategy, our Payments and Fintech segment advanced on three fronts: our core payments business, our credit business, and our fintech ecosystem investments.

Continuing to grow our core payments business
Our core payments business, PayU, consolidated its premier position as a payments company for merchants in high-growth markets, including India, Poland, Turkey and Colombia. The move to digital payments as a result of Covid-19 has clearly helped, but PayU's strong growth reflects substantial focused investment in the business in recent years. In FY22, we have processed more than US$75bn in total payments volume, an increase of 47% over last year.

The acquisition, subject to pending regulatory approvals, of BillDesk, one of the leading payment businesses in India, for US$4.7bn, marks a major step forward in this growth story. PayU and BillDesk are complementary businesses, where PayU is a preferred payment service provider (PSP) for ecommerce, while BillDesk is a leader in bill payments. Together, they have the potential to create a fintech ecosystem and provide solutions for the changing payment needs of digital consumers. It reinforces PayU's ambition to be a leading payment solutions brand for merchants in high-growth markets.

India remains a highly attractive strategic market for PayU. The Reserve Bank of India reports 44 billion digital transactions processed in 2020 and forecasts 200 million new users expected to adopt digital payments over the next three years, with average annual transactions per capita rising tenfold.

Outside India, our core payments business maintained its growth. With the acquisition of Iyzico in 2020, Turkey is now the third-largest revenue contributor to the core payments business and one of the fastest-growing markets.

Accelerating our credit business
We have been investing in building our credit business, LazyPay, for the past three years.

We are using our data, AI and ML models, and our relationships with merchants to provide easy, convenient, and responsible credit services to underserved consumers in India. We are there for a new generation of consumers who are open to the tech-enabled credit services we can indeed provide. In many cases, these consumers have not been able to access credit before we made it available to them. This, in turn, supports the government's Digital India agenda to accelerate the adoption of digital products across the country.

Scaling our credit business and building our ecosystem

Restructuring and repositioning payments

(FY17–18)

Laying the groundwork

- Repositioning and scaling in India: Merchant payments focus (no to wallet), Citrus acquisition
- Global payments operator restructuring (South Africa and Poland)

Consolidation of payments and laying credit foundation

(FY19–20)

M&A to accelerate scale and build credit

- Payments: Local consolidation (Iyzico), geographic expansion (Red Dot), and vertical integration (Wibmo)
- Credit: Preparing for the scale-up: Secured India non-banking financial company licence, acquisition of PaySense and consolidated PaySense with LazyPay

Digital bank and ecosystem builder

(FY21–22)

Bringing together all building blocks

- Doubling down and scaling India payments
- Scale up India credit business
- Build digital banking in India
- Build fintech ecosystem

Payments and Fintech continued

Amid the second wave of Covid-19 in India at the start of FY22, we took a conservative approach to disbursing credit to manage risks. But the fundamentals are strong and, looking at FY22 overall, our credit business accelerated. By the end of the year, there were some 850 000 monthly active users, adding an average of some 150 000 users per month. LazyPay is becoming an increasingly popular brand with consumers across India. LazyPay is now active with 45 000 merchants.

During the year, we increased the range of LazyPay products – from the original BNPL service to checkout finance, and express personal loans and others. In December 2021, we also launched a card solution for Indian consumers called LazyCard. Within three months, the business issued over 300 000 cards, taking the first step in forming a digital-banking solution in India. Our consumer-banking initiative is mainly targeted towards serving the Indian mass market through innovative financial products focusing on saving and spending for young tech-savvy consumers. We continue to leverage our existing base of LazyPay users to further scale the cards business.

Investing to strengthen our fintech ecosystem

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

We look for leaders in their spaces that fit well with our strategy. For example, we have invested in Fisdom and Dot, two prominent companies respectively in the wealth management and omnichannel spaces in India. We aim to build a common distribution and data platform to strengthen our access to alternative data sources and develop new products that are not just transactional, for example credit scores. In addition, we will invest in AI-led companies with unique data access and capabilities.

Remittances pioneer Remitly has been one of our key fintech investments. In September 2021, Remitly Inc.'s shares listed on the Nasdaq Stock Market, raising US$300m. Remitly aims to make the most of sharp growth in revenues and funding from its initial public offering (IPO) to accelerate growth through innovation and further expand into digital banking. Remitly reported a send volume of US$20bn, representing 70% growth for its financial year ended 31 December 2021.

Over the years, we were pleased to offer strategic guidance on Remitly's path to growth.

Removing financial borders and enabling broader access

As a leader in payments and fintech in high-growth markets and one of the world's top investors in this space, we contribute to a more inclusive future of finance. We build customer-centric products and services that enable sustainable prosperity in our markets and communities and broaden access to finance. We strive to equip merchants and their customers with the latest payments solutions. In FY22, for example, we invested in CELO, a global payments infrastructure that makes financial tools accessible to anyone with a mobile phone, to integrate stable coin offerings for our clients and partners.

Using data, AI and ML in the right way

We are committed to using data, AI and ML in a responsible and ethical way. As such, PayU has instituted targeted model governance and responsible AI frameworks. The framework was included in the Prosus audit plan for FY22 with encouraging results and opportunities to further enhance existing strengths.

PayU's global personal data governance policy focuses on accountability and the responsible use of personal data. In FY22, PayU carried out global training and awareness-raising, including a global privacy survey. PayU also launched its privacy technologist training for employees across the group.

The privacy team worked with security, product and engineering to create PayU's privacy and security-by-design policy and toolkit. These will be used to embed robust privacy and security requirements throughout the business. The team also developed a benchmarking and privacy control engine and worked closely with the Wibmo team to obtain the ISO 27001 and 27701 (privacy) certifications.

Enhancing resilience and security

We are committed to ensuring the resilience and security of our Payments and Fintech platforms and business applications. This is a top priority – essential for maintaining the trust of all stakeholders.

Throughout FY22, PayU focused on enhancing security awareness among employees, including training and support related to working from home.

Given the fast-evolving threats, PayU continues to strengthen its security capabilities, including increased use of AI, automation and advanced endpoint detection and response.

Having an ever-more positive impact on the environment

Our core business model enables the transition to a lower-carbon financial services infrastructure. We extend this environmental action to our own operations by measuring and managing our carbon emissions and defining a clear emissions reduction pathway for ourselves.

In FY22, we implemented carbon accounting practices, setting the basis for our carbon reduction strategy. Overall, the carbon footprint of our own operations is relatively small, given our fintech business model. The most important categories are data and cloud services as well as business travel (both value chain-related, ie scope 3).

Based on our reduction pathway, we offset the remaining emissions. We are scope 1, 2 and 3 carbon-neutral for FY22. PayU aims to become carbon net positive. As a further step in this direction, we will set science-based net-zero targets to be implemented and achieved over three years and submit this to the SBTi.

PayU

PayU operates in

20

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

>US$78bn

processed payment volume, up 47% year on year (in local currency, excluding M&A), 56% contributed by India

>2bn

transactions (excluding Wibmo)

+40m

loan transactions in FY22

Payments and Fintech continued

Championing diversity and inclusion

Led by its diversity and inclusion council, PayU champions this issue across the company to make it part of the culture. There is diversity and inclusion accountability at all levels in the organisation, and all PayU people managers committed to related goals in FY22. PayU also launched a diversity and inclusion chatbot 'June' to help create awareness and educate all PayUneers on a variety of diversity and inclusion topics.

In recent years, PayU has focused on hiring and developing female talent. Initiatives include launching Return.Reset.Reimagine, a programme to bring women back into the workforce in India; the Women in Tech career fair partnership to attract more female talent; mentoring programmes focused on career growth for female talent in India and EMEA; and launching a female leadership programme with training partner BeNext. In Turkey, PayU launched the Iyzico women entrepreneurship support programme with more than 70 applicants.

In FY22, PayU expanded beyond gender with a focus on LGBTQIA+ and disability inclusion. Key LGBTQIA+ initiatives included global pride month celebrations; LGBTQIA+ sensitisation and allyship training for all employees; and panel discussions and talks by external speakers. PayU also undertook many initiatives focused on disability, for example completing an accessibility audit of our offices and LazyPay app in India.

Focusing on wellness

In 2020, PayU launched the Uthrive wellness programme for its people. The work continued in FY22, with various wellbeing initiatives globally ranging from wellness Wednesdays to sessions on motivation, meditation and more. PayU periodically monitors the effectiveness of the initiatives, and held two surveys in FY22, which have informed targeted improvements.

Making a difference in society

We are committed to the societies we operate in. We leverage our entrepreneurial DNA to partner with start-up initiatives that enable sustainable digital and financial inclusion. In FY22, we further developed our social impact strategy and worked on identifying the best structure for implementation and achieving objectives.

In India, Prosus, PayU and OLX have partnered with GiveIndia to help families and communities through the pandemic. In just days, we implemented a fundraising product and payment links, with domestic and international card acceptance.

PayU India also created the Covid-19 warriors volunteering platform for employees and the broader community. Over 130 volunteers signed up in FY22 to become, for example, logistics warriors, community warriors and wellbeing warriors.

Looking forward

We will continue to scale and extend our payments and fintech ecosystem across core payments, credit and complementary areas of investment. And we will look to build on our success to be an important presence in India and in our other high-growth markets.

Sustainability is a core part of this journey and becomes a key element of our positioning as a leader in fintech in high-growth markets. FY22 was an important year to further strengthen some of our foundations, including building our carbon accounting capabilities as a basis for subsequent strategy development. For FY23 and beyond, we are defining ambitious targets seeking a net positive impact in everything we do or influence on all ESG dimensions. To underpin this ambition, we aim to become a certified B-Corp as one of the first fintech companies in our markets.

The future for Payments and Fintech is to become ever-more empowering, inclusive and sustainable, to build a world without financial borders where everybody can prosper.

Edtech

Transforming the way people learn, through technology.

Performance highlights

	2021	2022
Revenue[1]	US$115m	US$425m
Trading loss[1]	-US$14m	-US$117m

From April 2021, Edtech became our newest core segment, graduating from our Ventures arm.

Edtech grew revenue by 270% (55%) to US$425m. Following M&A, most notably the acquisition of a controlling stake in Stack Overflow and M&A within the BYJU'S group, trading losses increased to US$117m from US$14m in the prior year.

Education remains a significant and high-potential sector with compelling secular tailwinds such as population growth in emerging markets, improving education levels worldwide and workforce reskilling and upskilling on the back of digital economy transformation trends.

Investing early in the edtech opportunity

Through Ventures, we have been investing in edtech businesses since 2016, including Brainly, Codecademy and Udemy. As early investors in the sector, we believed in the potential of edtech to deliver improvements in accessibility, personalisation, impact and enjoyment. Not everybody learns at the same pace 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.

Continuing to grow and transform

From the start, our Edtech investments performed well, growing year after year. Covid-19 accelerated growth exponentially. The massive increase in working and studying from home that came with the pandemic was an accelerator, with people turning to online learning like never before. The pandemic has revealed an even greater societal need for technology innovation and a higher willingness to pay for tech-enabled education. The education sector will be a US$7.3tn global opportunity by 2025 and we see a lot of room for further growth with the transformation of the sector with technology. The global edtech market is now forecast to grow at 16% per year to reach approximately US$404bn by 2025.

Taking a big step forward

FY22 saw us taking a big step forward – investing more in edtech in that year than we had in all previous years put together. This included two major acquisitions: Stack Overflow and GoodHabitz. To date, we have invested over US$3.8bn in 12 businesses to become one of the leading edtech investors globally.

Within edtech, we have built a significant presence in enterprise education, with a focus on the future of workplace learning. We reach 90% of the Fortune 100 companies across our enterprise learning companies, including Stack Overflow, Skillsoft, GoodHabitz, Udemy, Platzi, EduMe and Codecademy. People look for lifelong learning and their job satisfaction depends on the skills, experiences and knowledge they gain. So, workplace learning is growing in importance and value, with revenue opportunities to match. Global corporate e-learning spend is estimated at US$22bn and is forecast to increase to US$28bn by 2025.

In addition, we have built a strong presence in K–12 (kindergarten to grade 12), with Brainly now reaching 300 million+ users a month, GoStudent serving customers in 23 countries, and BYJU'S quickly expanding from India into the West. We want to be part of the foundational edtech of future generations.

Focusing on workplace learning

Stack Overflow

Since acquisition in August 2021 for US$1.7bn, Stack Overflow has grown total bookings by 62% year on year, excluding the legacy talent business which was discontinued ahead of the acquisition. Stack Overflow, one of the 50 most popular websites in the world, has built a global, highly engaged developer and technologist community over the past 13 years and now serves more than 100 million people across the world every month.

Since acquisition, the business has contributed revenue and trading losses of US$54m and US$34m respectively, driven by growth in Stack Overflow for Teams which enables organisations to build their own communities on top of the open platform. By March 2022, Stack Overflow had more than 1 000 paying teams, generating an annual recurring revenue (ARR) of US$42m, and representing growth of 61% compared with the prior period.

Trading losses for the year increased, reflecting increased investment in engineering and product development initiatives, sales headcount and marketing programme expenses and general and administrative costs associated with growing the business.

1 Presented on an economic-interest basis.

Edtech continued

Skillsoft
During the year, we concluded a US$500m investment for 38% of Skillsoft, a global leader in digital workplace learning. Skillsoft is listed on the New York Stock Exchange on 11 June 2021 (SKIL.N) and was a rare Edtech investment opportunity that combined scale and profitability.

For the year to 31 January 2022, Skillsoft grew bookings by 7%, meaningfully above original guidance, returning the company to a revenue positive growth of 1%. Skillsoft's client base is centred on large, blue-chip enterprises, representing over 75% of Fortune 1000 companies and its services are used by almost 90 million learners globally across 160 countries. Prosus started equity-accounting Skillsoft results from 1 October 2021, given a three-month lag period for reporting financial information. Accordingly, six months of equity-accounted results for Skillsoft are included in the current financial year. In April 2022, Skillsoft acquired Codecademy, which was an investment within Prosus's Edtech portfolio, to accelerate growth for both companies and strengthen technology and product development to drive incremental topline growth and value creation.

More information on Skillsoft is available at https://investor.skillsoft.com.

GoodHabitz
In June 2021, we invested US$258m for a 62% interest in GoodHabitz, a fast-growing European provider of online training for corporates and small and medium-sized enterprises. GoodHabitz offers over 1 100 courses in 12 different languages to nearly 2 260 enterprise customers. GoodHabitz continues to expand beyond its home market of the Netherlands, and is now operational in 12 other European countries.

For the year, GoodHabitz contributed revenue of US$29m and a trading loss of US$6m to segment results, reflecting the business's investment to scale. GoodHabitz is focusing on strengthening the European position via existing and new countries. Furthermore, there are investments in new countries outside Europe, focusing on Latin America, India and Indonesia. Finally, GoodHabitz is heavily investing in add-ons in the current course library, in new product market combinations and up- and cross-sell possibilities via the introduction of new and additional online services.

Udemy
We first invested in Udemy in 2016. Udemy is a global education marketplace for lifelong learners that gives over 52 million learners access to more than 196 000 courses in 75 languages. Udemy listed on the Nasdaq Stock Market (UDMY) in October 2021. The platform offers courses that can be accessed through the direct-to-consumer or Udemy Business offering, which has over 11 600 enterprise customers at 31 December 2021.

For its year ended 31 December 2021, Udemy reported strong revenue growth of 20% to US$516m with consumer revenue totalling US$329m, up 1% and Udemy Business revenue reaching US$187m, up 81% compared with the prior year. Our share of Udemy's revenue was US$70m and a trading loss of US$5m.

More information on Udemy is available at https://investors.udemy.com.

Key Edtech investments

skillsoft
90m+
learners across the world

ERUDITUS Executive Education
470+
programmes in partnership with 68 universities

udemy
11 600
enterprise customers in Q1 2022

BRAINLY
300m+
students, parents and teachers from across the world

Codecademy
Codecademy is one of the foremost online interactive platforms for coding education that has taught over 40 million people globally to code. We have invested US$40m in Codecademy since 2016. Codecademy was acquired by Skillsoft in April 2022 and 100% of our Codecademy shares were rolled into Skillsoft.

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 470 programmes in partnership with 68 universities to a global audience covering the US, Latin America, Asia, the MENA region and Europe. We invested US$197m in Eruditus since October 2020. Our current stake is 13%.

Platzi
Platzi is a coding platform in Spanish and Portuguese that offers training in tech skills, interpersonal skills and language training, and hosts a vibrant community where learners network with peers who help them land their next job or build a business with their new skills. Platzi has produced a content library of over 1 000 courses ranging from coding, web design and marketing, to English. We invested US$50m in Platzi in late 2021 and our current stake is 19%.

eduMe
eduMe is a mobile-based training platform for the deskless workforce, used by modern companies in more than 60 countries worldwide. By providing their workforce with seamless access to relevant knowledge, eduMe's customers are enabling their people to achieve Workforce Success. eduMe is headquartered in London, UK, with offices in Palo Alto and Santa Monica, USA. We invested US$12m in eduMe and our current stake is 13%.

SoloLearn
SoloLearn is the world's largest online learning platform where over 50 million coders learn, create and share programming content with their peers. We have invested US$8m since 2018. Our current stake is 19%.

Edtech continued

Focusing on K–12

Brainly

Brainly is one of the world's leading social-learning platforms, serving more than 300 million students, parents and teachers from all across the world. 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. We first invested in Brainly in April 2016 and, to date, we have invested US$77m with a current stake of 42%.

GoStudent

GoStudent is one of the leading online tutoring providers in the world. Founded in 2016, GoStudent is currently serving customers in 23 countries, providing paid, one-on-one, video-based tutoring to primary, secondary and college-aged students in 30+ subjects. In March 2022, we invested US$226m in GoStudent for an 8% stake.

BYJU'S

BYJU'S is a leader in personalised learning programmes for students in India. The country's most valuable start-up continues its rapid growth in building global operations. It targets students in grades K–12 and those taking competitive exams such as GMAT. During the year, BYJU'S expanded its offering beyond K–12 with over US$2.5bn in acquisitions in India and abroad. These include Aakash Network, one of the largest coaching institutes for high school students; US-based Epic, an online reading platform for children; a kids' coding platform called Tynker; Great Learning, one of India's leading edtech companies for professional and higher education; Toppr, an after-school learning app that provides learning courses and entrance-exam tutoring; and online test-preparation platform, BYJU'S Exam Prep (formerly Gradeup).

BYJU'S revenue grew by almost 90%, mainly off the back of these acquisitions and from enhanced offerings such as BYJU'S FutureSchool, which offers one-on-one learning for coding and maths for kids.

We have invested US$536m in BYJU'S since 2018 and hold a 10% stake.

Looking forward

We will continue to play an active role in helping our portfolio businesses to grow and innovate so that more people around the world can enjoy the benefits of tech-enabled learning. We will also look for additional opportunities to expand and strengthen our Edtech segment.

In Edtech, as in all our core segments, we are interested in real improvement for people's everyday lives, long-term impact, and sustainable value creation – fundamentally changing the world of learning for the better.

Etail – eMAG

Building a leading ecommerce ecosystem for customers across Central and Eastern Europe.

Performance highlights

	2021	2022
Revenue[1]	US$2.2bn	US$2.3bn
Trading profit/(loss)[1]	US$80m	-US$34m

In the face of a strong offline recovery and global supply chain disruption, both GMV and revenue for eMAG, our leading ecommerce platform in Central and Eastern Europe, maintained scale and grew 3%, representing revenue of US$2.3bn. Successful initiatives such as eMAG's Genius loyalty subscription programme and Easybox lockers improved the overall customer experience and contributed to the growth. Genius subscriptions topped 335 000 from just 201 000 at September 2021 and now account for nearly one third of eMAG's sales in Romania. The business also deployed around an additional 1 500 Easybox lockers, totalling around 2 500 by March 2022 in Romania.

eMAG's core etail business delivered a trading profit of US$17m for the period. eMAG is taking advantage of its scale and momentum and investing to build the largest and fastest delivery network and to expand into online food and grocery delivery with its new verticals Tazz and Freshful.

Tazz, eMAG's food delivery service, is scaling fast and has quickly become one of the top players in the highly competitive Romanian market, growing orders fourfold compared with a year ago. The business has made significant investments to build its brand and customer base and is now focused on expanding to new cities and integrating into eMAG's Genius programme.

eMAG also launched Freshful to serve the under-penetrated and high-growth online grocery sector as a natural extension of eMAG's core etail business. By leveraging eMAG's brand, purchasing scale and delivery capabilities, Freshful is well positioned to delight customers and become a leader in the grocery space.

Given the additional investment, overall, eMAG reported a trading loss of US$34m for the year.

The opportunity

The etail opportunity across Central and Eastern Europe is substantial. The pandemic boosted previous low levels of etailing, spurring growth across the region. Pre-pandemic ecommerce penetration in Romania was just 7% compared with 15% in the US and 26% in China. Rates in Hungary (5%) and Bulgaria (3%) were even lower. The ecommerce sector is expected to grow by 7% annually in Romania, 16% in Bulgaria and 2% in Hungary.

Succeeding in Central and Eastern Europe

eMAG is dedicated to becoming Central and Eastern Europe's one-stop ecommerce platform. The group operates a structured first-party/third-party (1P/3P) business-to-consumer (B2C) ecommerce platform in Romania, Hungary and Bulgaria under the eMAG brand, as well as the fashion-shopping destination in Romania under the Fashion Days brand. In addition, the company operates Sameday (courier delivery services); Tazz (on-demand food and multi-vertical delivery); Freshful (specialises in fresh food delivery); PC Garage (specialised online retailer focused on gamers); Depanero (repair service); and Conversion Marketing (performance marketing).

Giving customers the best etail experience

To fulfil its mission of giving customers the best etail experience, eMAG focuses on four key pillars: delivering convenience, helping customers make the right decisions, delivering on its promise, and making the difference in society and engaging customers on this journey.

Increasing consumer engagement

In addition, eMAG grew customer engagement. The biggest business, eMAG Romania, increased orders 14% year on year. Therefore, while purchases of some high-priced items were lower than expected, there was a material increase in engagement on the platform overall. This is a key positive long-term trend for eMAG, given its commitment to play an ever-bigger role as a one-stop ecommerce shop for people's everyday needs across Central and Eastern Europe.

In addition, Genius, eMAG's premium subscription service for customers, delivered well, meeting its targets for the year of achieving 335 000 subscriptions from just 201 000 at September 2021. Genius subscribers double their business with eMAG after they join and also buy more broadly. This again fits well with eMAG's long-term ambitions. eMAG aims to build on the strength of Genius with a loyalty system that spans across all their platforms.

Sameday

eMAG continued to build its Sameday courier business, which aims for a 99% on-time delivery rate. During the year, Sameday grew 40%, meeting increased demand for deliveries from eMAG and other businesses in Romania and Hungary. Sameday has grown rapidly to consolidate its important presence in Romania, and aims to improve this further.

1 Presented on an economic-interest basis.

Etail – eMAG continued

Fulfilling orders for third-party partners
The company continues to invest in and grow its Fulfilment by eMAG programme, where it manages delivery logistics for 3P partners. This enables eMAG to ensure delivery quality for customers and deepen relationships with merchants.

Expanding the Easybox network
Sameday's automated Easybox lockers remain popular – 65% of Genius orders are delivered via Easybox, for example. They give customers 24/7 service, pick-up flexibility and over 99% on-time delivery rates. Moreover, they are cost-effective to operate and more environmentally friendly as they reduce the need to deliver to multiple individual addresses.

Sameday continued to expand the Easybox network in Romania, from 1 000 to 2 500 lockers by the end of FY22. The Easybox network in Hungary grew to 450 lockers.

The Easybox service has also been enhanced. Customers can, for example, return items when they like via the lockers. 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.

In addition, the 2 000th locker was given its own solar panels – making the service even more environmentally friendly. The plan is to roll out more lockers powered by the sun.

Going from strength to strength in food delivery
Tazz, eMAG's food delivery service, is scaling fast and has quickly become one of the top players in the highly competitive Romanian market, growing orders four times compared with a year ago. The business has made significant investments to build its brand and customer base and is now focused on expanding to new cities and integrating into eMAG's Genius programme. eMAG has plans to grow and extend this service further in FY23.

Launching Freshful by eMAG
In October 2021, eMAG launched its e-grocery business, Freshful, to serve the under-penetrated and high-growth online grocery sector as a natural extension of eMAG's core etail business. It offers a comprehensive range of 20 000 items, with a focus on local produce for fresh food. Unlike alternatives in the market, it combines a dedicated warehouse with a refrigerated delivery fleet so that customers can be sure of getting exactly what they want, quickly and conveniently. The business scaled fast to 33 000 orders per month by year-end. Reflecting the range and quality of groceries on offer and the reliable ordering and delivery service, customer satisfaction is high for this new eMAG service. Available initially in Bucharest, the plan is to expand Freshful city by city.

By leveraging eMAG's brand, purchasing scale and delivery capabilities, Freshful is well positioned to delight customers and become a leader in the grocery space.

Introducing financial services
eMAG has launched a partnership with PayU to offer customers flexibility by postponing a payment or paying in instalments for all categories of eMAG products or for products sold by sellers active on eMAG Marketplace. Options include the following:

- Buy now pay later (BNPL), where the shopper postpones payment for 30 days without any costs.
- Payment in four equal monthly instalments (Slice it), where the first instalment is paid at transaction date and the balance over three calendar months.

Key strategic initiatives

1 eMAG Genius Loyalty programme	**2 eMAG Easybox** Automated lockers
3 Sameday Inhouse courier service	**4 Fulfilled by eMAG** Fulfilment for 3P merchants
5 Tazz by eMAG Food and multi-vertical delivery	**6 Fintech solutions** Consumer credit solutions
7 Advertising solutions Sponsored merchant listings	**8 Freshful by eMAG** Large basket grocery delivery

These services are currently being piloted in Romania and reflect eMAG's commitment to developing ecommerce infrastructure services to offer customers a high-quality, reliable experience across the ecosystem – one that truly delivers value and improves their everyday lives.

Investing in Flip
In 2021, eMAG invested in Flip, a Romanian start-up focused on refurbishing and reselling secondhand mobile phones. It was a natural move, given eMAG's plans to help build the circular economy in the region. It is early days, but eMAG is exploring how to build this offer to give a second life to other products such as laptops.

Offering circular services
FY22 saw sales of 'second chance' resealed products on eMAG's platform increase by 26%. With this service, eMAG checks and repackages returned products, extending their life cycle and offering them to customers at a reduced price. In addition, eMAG offers a buy-back programme where customers can return used home appliances in exchange for a voucher towards a new appliance, and eMAG takes care of the correct recycling. This service also gives customers the opportunity to replace their old devices with new, energy-efficient appliances. These are two more examples of how eMAG is acting for the benefit of customers and the environment by extending the life cycle of the products offered on its platforms.

Repairing products
Working towards a circular economy is at the heart of eMAG's repair service, Depanero. In FY22, 205 000 products in Romania were repaired by Depanero, 14 000 in Bulgaria and 8 400 in Hungary.

Etail – eMAG continued

Achieving carbon-neutrality

As in FY21, eMAG also achieved carbon-neutrality in FY22 for scope 1 and scope 2 emissions, by reducing carbon emissions and offsetting the remaining emissions that could not have been avoided.

To reduce carbon emissions, eMAG has, for example, increased the use of electric vehicles. Sameday continued to invest in its green delivery fleet, replacing conventional fuel vehicles with electric ones. The growth of the Easybox network also made a key difference. eMAG estimates that delivering a parcel to an Easybox generates on average 14g of CO_2, a 95% reduction on the 300g generated delivering a parcel to a customer's home.

Ensuring sustainability

eMAG has ensured that its new DC2 logistics centre, which opened in October 2021, is not only state of the art in terms of automation and logistics, but also sustainable. It is powered by green energy via its rooftop 1MW photovoltaic panel grid. eMAG has opted for a 100% green energy contract for its other warehouse – reducing carbon emissions from purchased electricity.

The new centre received an 'excellent' rating under the BREEAM[1] design stage certification programme. The DC1 warehouse and the Sameday warehouses have also been certified by BREEAM in FY22.

In line with its long-term commitment to sustainability, eMAG has partnered with Foundation Conservation Carpathia (FCC). FCC is creating a wilderness reserve in the Romanian Carpathians by purchasing land and hunting rights to protect the area from deforestation and promote biodiversity. Its plan is to return the land to the public domain and promote sustainable tourism in the area. Forest conservation projects such as these play a crucial role in combating global warming.

Improving gender diversity

eMAG has prioritised improving gender diversity in the company. In FY22, eMAG's total gender diversity score rose from 43.35% to 43.60% female employees. In the technology team, the score increased from 28.8% to 29.5%, well above the benchmark of 23.2% for the Romanian tech industry.

Respecting human rights

eMAG is committed to respecting human rights and protecting the dignity of its workforce and has adopted the Prosus human rights statement. This commitment can be seen, among other ways, in how eMAG compensates its workers. For example, compensation for eMAG's warehouse workers exceeds the minimum wage.

Investing in the We Care Foundation

eMAG continues to invest in the We Care Foundation (formerly eMAG Foundation) to deliver on its commitment to social responsibility. The foundation focuses on three pillars: community support for teachers and students, the We Care 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 2021/22 school year, We Care established 52 performance centres, and reached over 5 500 students and 377 teachers.

Looking forward

eMAG will continue its growth by extending the Genius loyalty programme, expanding financial services, rolling out more Easybox lockers, repairing more products, increasing the delivery of food and groceries, and doing more to support the circular economy. eMAG's mission remains the same: giving customers across Central and Eastern Europe the best retail experience. Looking forward, the group is set to broaden and deepen this experience and provide it in ever-more sustainable ways.

eMAG

Maintained scale and grew 3%, representing revenue of

US$2.3bn

2 950

eMAG lockers throughout Romania and Hungary

1 BREEAM stands for Building Research Establishment Environmental Assessment Method, a widely used sustainability assessment certification developed by the UK-based Building Research Establishment.

Etail – Takealot group

Saving customers time and money, enabling businesses and creating opportunities across South Africa.

Performance highlights

	2021	2022
Revenue[1]	US$606m	US$827m
Trading loss[1]	-US$7m	-US$7m

Our South African Etail business, the Takealot group, GMV and revenue grew 46% (34%) and 36% (27%) respectively, despite a rebound in offline retail sales. Takealot group remained near breakeven, with a trading loss of US$7m, or 1% trading loss margin, similar to the prior year.

The opportunity

South Africa has been hard hit by the Covid-19 pandemic, causing the country's real GDP to shrink by an estimated 8% in 2020. The unemployment rate exceeds 35.3%, its highest level since 2003; public debt and budget deficits are high; and there are persistent wealth and income disparities.

Bearing in mind these socio-economic challenges, South Africans can play a big part in helping the country achieve sustainable improvements and progress, notably through creating employment and supporting entrepreneurship.

The pandemic has accelerated the longer-term momentum behind ecommerce in South Africa and there is still much room for further growth. According to Euromonitor, the total ecommerce market is projected to reach some R98.6bn by 2024 and ecommerce penetration (including grocery) is forecast to reach 6.4% by 2023. This is well below many other countries – from China to Brazil – and it highlights the vast potential for South Africa and for Takealot.

Playing a leading part in South African retail

A homegrown success story, the Takealot group (Takealot) is a leading ecommerce business in South Africa, with three operations: Takealot.com, Superbalist and Mr D Food (Mr D). Takealot.com is a customer-centric general online retail platform operating via a hybrid first-party/third-party (1P/3P) model. Superbalist is an online apparel, footwear and homeware retailer, focused primarily on young consumers (16–30+ years) via mobile and desktop devices. Mr D is a 1P food delivery business.

Contributing to the country

Over the past 11 years, Takealot has become part of the everyday lives of many people across South Africa as the company they turn to for quick, easy, reliable ways to buy items, order food, and more. Indeed, Takealot stands out for having always made these services as widely available as possible – notably by offering them in township areas from the start. Equitable access and availability have always been a core Takealot principle.

Importantly, Takealot has also contributed to considerable job creation and economic prosperity. The group has 6 517 direct and indirect employees, and over 70% are under the age of 35. This makes Takealot a significant contributor to creating job opportunities for young people in South Africa, where the youth unemployment rate is currently over 35%.

In addition, Takealot.com has always focused on encouraging as many sellers as possible onto its platform and has helped them make the most of utilising the platform. In FY22, there were 5 899 active sellers, up from 310 sellers seven years ago. Many of these are small to medium local businesses, which in turn are creating more jobs and generating more economic activity. If we consider the multiplier effect of these jobs created, for example, if every seller on average has three or four people working for them, the resultant job creation is significant. Through Takealot's ecosystem, more people and more businesses benefit; as Takealot grows, so too does the positive impact on South Africa's economy and society.

Another example is the growth in drivers over the years, from around 400 in 2011 to over 13 428 in FY22. The pool of franchisees has grown, too. It all adds up to a great deal of much-needed growth in employment, business and broader opportunities.

Helping sellers to sell more

Takealot.com provides equitable access to the platform and sellers are offered a range of tools and services at an economic cost, to help them boost their businesses.

Supporting independent restaurants

Mr D is a 1P food delivery business connecting local restaurants to customers across South Africa. Mr D makes a point of enabling and supporting as many local independent restaurants as possible. This again illustrates the group's commitment to helping small and medium-sized South African businesses to succeed. During the worst of the pandemic, Mr D helped restaurants continue to trade while their premises were closed to customers, offering an essential way to keep trading and, in many cases, to grow despite lockdowns.

1 Presented on an economic-interest basis.

Etail – Takealot group continued

Takealot.com, our leading ecommerce platform, successfully navigated the challenges of global supply-chain constraints across multiple categories, especially consumer electronics. Takealot.com's 3P marketplace sales continue to outpace 1P sales and accounted for 52% of total GMV. Takealot.com delivered revenue growth of 29% (20%) for the year.

Despite increased competitive pressure from bricks-and-mortar retailers, Superbalist, one of South Africa's leading online fashion destinations, delivered strong revenue growth of 55% (43%) and improved its trading loss margin by almost 2 percentage points to 7% during the year.

Mr D benefited from increasing awareness of online food delivery, a slower recovery of the restaurant market, and shifting consumer demand online. The business grew orders and GMV 51% and 51% respectively and improved overall profitability.

Reducing carbon emissions

To reduce carbon emissions, Takealot is undertaking a number of steps. These include upgrading its truck fleet to more fuel-efficient vehicles and reducing its reliance on airfreight for media (books) by exploring opportunities to print copies locally.

In addition, Superbalist is reducing its reliance on airfreight by localising the manufacture of its private-label brand, particularly in womenswear. This, in turn, should help boost local businesses and employment.

To reduce electricity consumption, Takealot's distribution centres have been fitted with LED lighting. Takealot has also launched e-bikes into the delivery network. The e-bikes are fully battery operated and therefore have zero emissions. They are energy efficient and reduce noise pollution significantly compared to conventional petrol bikes.

Tracking and assessing carbon emissions

Takealot has implemented Sphera, a tool to track carbon emissions, and conducted a boundary-setting assessment with South Pole to establish a baseline for scope 3 emissions. This assessment is due to be completed in FY23.

Using sustainably sourced 100% renewable packaging

All businesses in the group use 100% recyclable packaging and Forest Stewardship Council (FSC)-certified boxes.

Assessing materiality

In FY22, Takealot carried out an ESG materiality assessment, with input from stakeholders. This will inform the priorities and ESG strategy for the group going forward.

Promoting diversity, equity and inclusion

The appointment of a black female group CEO and a female group CFO significantly transformed the gender and ethnic diversity of the senior management team in FY22.

This important change at the top was part of a continued drive to create more diversity and equity across the group. In FY22, the representation of designated groups at the junior to senior management levels improved from 58% to 68%.

To ensure Takealot creates an inclusive environment, the group analysed its environment in FY22 to identify barriers to equity in its policies, practices and procedures. A two-year plan is now in place to address some of the identified barriers.

Etail – Takealot group continued

Takealot introduced a training programme in FY22 to ensure there is no bias and continued fairness in hiring practices. By the end of the year, 50% of all hiring managers had been through the programme. The training will continue in FY23 for the remaining hiring managers.

Developing people's skills

In FY22, Takealot invested R4.5m in skills development programmes. The group also offered bursaries to students in the software and industrial engineering fields. In addition, 109 unemployed young people benefited from learnership programmes, including 65 young people with disabilities.

Takealot participated in the Youth Employment Service (YES) programme, a public–private partnership. The group employed 56 students as part of the programme. It supplements Takealot's engineering graduate programme, which trains young graduates in the technical and interpersonal skills they need to accelerate their careers in tech.

Focusing on the wellbeing of employees

Takealot's employee wellbeing survey during the year indicated a relatively good level of wellbeing among employees (71%). It highlighted the high level of appreciation employees felt for the support the company offered to employees during the Covid-19 pandemic. However, it also revealed the level of disconnection employees feel as a result of operating remotely for a prolonged time and the stress and struggles of balancing work and personal lives. The group has taken this feedback on board to address the areas in its updated wellbeing programme.

Prioritising health and safety

To protect its drivers, Mr D provides high-visibility vests and manages on-the-job risks by deactivating areas during adverse weather conditions or in case of general safety concerns. In addition, all drivers are protected through personal injury insurance and death or disability insurance, free of charge.

Treating drivers well

Takealot is committed to fair and reasonable compensation. Mr D's average driver earnings, after deducting drivers' costs, significantly exceed the national minimum wage as required by the South African Basic Conditions of Employment Act and National Minimum Wage Act and compare favourably to similar roles.

Mr D also offers other financial benefits to its drivers. For example, through its rent-to-own bike programme, drivers can lease a bike at a subsidised rate for three years, after which they will own it. To date, over 600 drivers have enrolled in the programme.

Drivers also have access to discounted motorbike spares through preferred service provider agreements negotiated by Takealot.

Takealot maintains complete transparency with drivers in the franchise network on the terms of their contracts and delivery-fee payment structures. The rate per delivery in each region is openly communicated to all drivers in that region.

In FY22, Fairwork, which performs an annual independent assessment of platform-work companies, rated Mr D a strong 7/10.

Giving back to the community

To give back to the community, Takealot uses its platform to make it easy for people to donate to worthy local causes. On the Takealot.com site, customers can donate to Beautiful Gate, a non-profit organisation that supports vulnerable families and children with counselling, training and medical treatment. Around R100 000 was donated in the first year of the partnership, rising to R8.5m in FY21. In FY22, this increased to R11.7m.

Supporting local entrepreneurs

Takealot is committed to helping local entrepreneurs to succeed. In FY22, for example, the group provided interest-free loans of R7.4m to franchisees to support their development. Takealot also partners with Naspers Labs and, in FY22, provided R2.5m worth of laptops and other tools to support its programme to develop digital skills and increase employment among South Africa's youth.

Looking forward

Takealot will continue to look for new opportunities and ways to expand the platform and services and increase investment in its logistics and supply chain infrastructure, so everyone involved can gain.

The group has embarked on a major programme to upgrade much of its platform, to ensure the business can easily handle continued growth and expanding services. The objective is to produce a business that is more resilient and more flexible – one that can scale quickly and effectively, and in new ways, to meet the needs of customers and partners.

The group will also continue to look for more ways to support all the participants in its ecosystem. This includes exploring ways to help more new businesses participate and succeed. The aim, as ever, is to enable as many people and businesses as possible to benefit from Takealot across South Africa.

Takealot

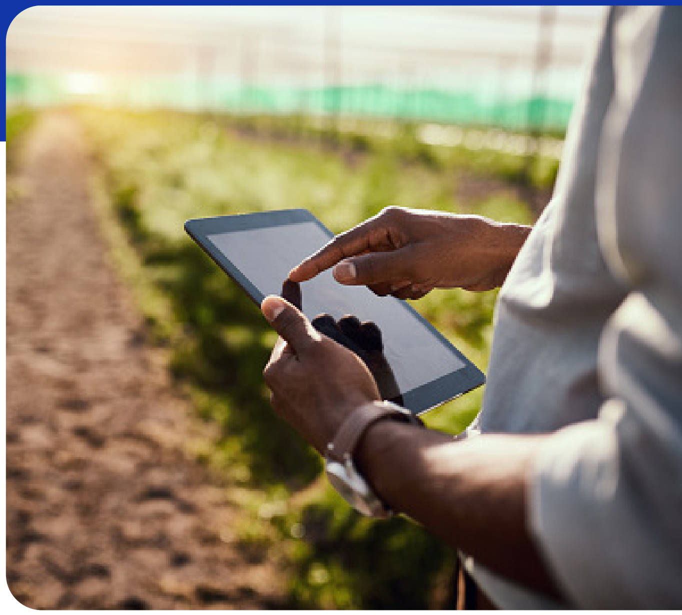
3P GMV accounts for

52%

of total GMV

Other: Ventures

Identifying and investing in the next wave of group growth.



Performance highlights
FY22 was a standout year for Ventures, with a record number of transactions. We invested US$900m in 50 closed transactions across 34 companies, compared with US$163m in FY21.

During the year, we made investments in India in agtech, ecommerce, logistics, health, personal services and more, closing transactions with an aggregate investment of US$600m.

Nurturing the next wave for the group
Ventures partners with innovative entrepreneurs around the world to build leading technology companies in high-growth markets. We act as the group's incubator for new investment areas, which in turn can become new core segments once they reach scale. Our current core Food Delivery segment was born out of Ventures in 2019. In April 2021, Edtech became our newest core segment, after being cultivated in Ventures since 2016.

By 31 March 2022, excluding Edtech and Food Delivery, Ventures had invested over US$1bn in 44 investments in key geographies around the world such as India, and across Southeast Asia, Latin America, Europe and the US, covering exciting sectors, including logistics, agtech and sustainability, healthtech, B2B, SaaS, fintech and blockchain.

Investing in future winners
We believe there are many opportunities for entrepreneurs with bright ideas and disruptive technologies to improve everyday life for people around the world. With nimble teams and the agility to implement fast-changing technology, start-ups have an increasing edge over established industry leaders across sectors. These new ideas are reimagining and remaking markets. We aim to invest in these disruptors, the next generation of tech-enabled industry titans which are being founded and funded now.

What we look for
With Ventures, as with the group as a whole, we invest in a disciplined, focused way. We look for the following three key criteria:

- We back businesses in areas of large total addressable markets (TAMs) that are addressing big societal needs in high-growth regions, and where we can really make an impact as an investor.
- We focus on sectors of the economy where technology can lead to meaningful change in consumer behaviour and economics.
- We invest in world-class entrepreneurs who want to build leading technology companies.

Focusing on greater impact
Across the range of opportunities, Ventures focuses on key areas, including India and other new markets, logistics, fintech and blockchain, agtech and sustainability, and healthtech. We are also focusing on the Software as a Service (SaaS) and B2B sectors, as these are large and attractive segments where Prosus currently has a limited presence.

India
India remains a high-focus area, given the vast opportunity for growth in the market across a number of sectors, and the competitive edge we have built there as an investor over a number of years. Several of our companies, including PharmEasy, Meesho, Urban Company and ElasticRun, have joined the ranks of Indian unicorns recently.

API Holdings/PharmEasy
API Holdings owns India's largest integrated digital healthcare platforms. In total, we have invested US$220m and currently own a 13% stake. API Holdings also owns PharmEasy, a healthtech start-up offering services such as teleconsultation, medicine deliveries, and diagnostic test sample collection. Recently, PharmEasy acquired diagnostics chain Thyrocare and cloud-based hospital supply-chain management start-up Aknamed. PharmEasy is considering an IPO.

Meesho
Meesho operates as an online commerce platform that also enables anyone to start a business without investment. It has so far helped to create over 17 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 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.

Meesho has seen tremendous growth in the past year with its strategy shift to add a B2C business line in addition to its original reseller-based model. Over the past two years, we have invested US$162m in Meesho, including a follow-on round in August 2021 and a secondary transaction in November 2021. We currently hold a 13% stake. As of March 2022, Meesho had average daily orders of approximately 2.8 million, 3.5 times the number in March 2021. Monthly app users in March 2022 reached 123 million, an 811% increase year on year.

Ventures continued

ElasticRun
ElasticRun is a commerce platform that enables businesses to reach kiranas (small local stores) in the deep rural parts of India. The company acts as an extended arm of fast-moving consumer goods (FMCG) companies' direct distribution networks in the rural areas to generate new customers for these companies. ElasticRun also helps ecommerce companies reach their customers in far-flung areas through its network of kirana stores and brings banks and financial institutions closer to a new set of underserviced small and medium-sized enterprise customers from its rural kirana network.

Since October 2019, we have invested US$120m in ElasticRun (latest investment in series E funding in February 2022) and currently hold an effective stake of 23%. The company has performed well in its ecommerce delivery business and has rapidly scaled up its FMCG distribution business.

DeHaat
We have invested US$27m in DeHaat and currently hold an 11% 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.

New markets
Since 2020, we have invested in a number of new markets where we see strong growth opportunities. We've since significantly expanded our presence in areas such as Southeast Asia, Latin America, Europe and the US, with new market investments in Egypt and Bangladesh.

In particular, we've grown investments in Mexico, Europe and Indonesia. In Indonesia, our investments include Shipper, a tech-enabled logistics platform; Aruna, a sustainable fisheries and marine platform; and Ula, a B2B ecommerce marketplace.

Indonesia
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. In total, we have invested US$36m in Shipper and currently own a 16% stake.

Egypt
Thndr is an Egyptian digital investment platform simplifying investment in the MENA region through its digital, multi-language app, educating and empowering investors to make their own investment decisions. Launched in late 2020, Thndr is creating investors out of members of the population who previously had limited equity market exposure. In fact, as of 2021, 87% of Thndr's user base are first-time investors and 40% of users come from rural areas. We have invested a total of US$5m in the company and currently own an 8.4% stake.

Mexico
In Mexico our broad theme this year was 'access'. Our investments include Klar; 99 Minutos, a last-mile ecommerce delivery platform; and Kovi, a start-up that is disrupting car access in Latin America. We also invested in Azos, which is expanding access to life insurance in Brazil.

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 have invested US$20m in Klar and currently own a 21% stake.

Europe
We have been active investors in the region, and our Ventures team in Europe is hyper-focused on what's next. We've invested in several companies including: BUX, Europe's fastest-growing neo-broker (subject to customary regulatory approval); merXu, an online B2B trading platform; and Collective Benefits, a benefits marketplace for independent workers.

Logistics
The logistics industry has experienced significant growth in ecommerce with rapidly changing consumer expectations and trends during the pandemic, including a surge in last-mile and same-day deliveries. We have invested in three companies in this space: Shipper, ElasticRun and, most recently, 99 Minutos.

Ventures

ElasticRun
Covers
>80 000
villages across 26 states in India

>400
brands on the platform receive access to 50 000+ kirana shops

99 Minutos
60
markets across Mexico, Colombia, Chile and Peru

Handles
>15m
packages per year

Shipper
220
large fulfilment centres

12 000
retail points

>20 000
online sellers

DeHaat
Serves
>1m
farmers providing access to over 3 200 agricultural inputs

>6 000
DeHaat centres

>300
commodity bulk buyers, including retail chains, ecommerce players, FMCG giants, and SME food processors

Active
in key agricultural regions of India

Ventures continued

99 Minutos
In total, we have invested US$36m in 99 Minutos and currently own a 23% stake. The company offers last-mile logistics services to ecommerce vendors in major markets in Latin America.

Blockchain
Blockchain is beginning to disrupt and revolutionise a number of key industries. Our investments in the sector include DappRadar and Republic.

DappRadar
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 and currently own a 31% stake.

Republic
Republic is a foremost 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.

Agtech and sustainability
Agtech and sustainability is a growing focus area for us. As climate regulation remains top of the global agenda and consumers become increasingly climate conscious, we expect more growth, innovation and adoption in this area. Our investments in this space include: Aruna, DeHaat and Biome Makers.

Aruna
Aruna is a leading fisheries and marine platform in Indonesia. Its vision is to transform Indonesia's fisheries and marine supply chain and cater to growing global demand for fishery products through technology innovation. As the fisheries vertical is highly fragmented, Aruna's tech-enabled platform serves as a one-stop shop and end-to-end supply chain aggregator, streamlining the process for the country's fishermen. We have invested a total of US$15m in the company and currently own a 11% stake.

Biome Makers
The company has developed a patented technology integrating DNA sequencing and ecological computing technologies using one of the more complex biomarkers: the soil microbiome. Biome Makers has distinguished itself as one of the foremost global agtech leaders, having spent the past few years building proprietary products to promote sustainable farming practices using soil biology standard analytics. We have invested a total of US$8m in the company and currently own a 20% stake.

Healthtech
We have invested US$58.5m in Honor and currently hold a 14% stake. Honor is a senior-care network and technology platform that offers personalised care to improve the in-home care experience. In August 2021, Honor acquired Home Instead, the largest network of independently owned and operated franchise owners for home care, significantly expanding its reach.

Looking forward
We will continue with our disciplined long-term approach, investing with conviction aggressively – but never recklessly – across sectors and markets. This allows us to continue backing the next generation of great entrepreneurs, ideas and technologies, changing everyday lives for the better.

Ventures

Aruna

100
communities of fishermen with over 26 000 registered fisherfolks

5 000
job opportunities in the rural areas of Indonesia

Operates in
27
provinces in Indonesia (70% of the country)

Other: Naspers Foundry

Investing early in South Africa's tech entrepreneurs to boost the digital economy and help address big societal needs.

Performance highlights

Since its launch in 2019, Naspers Foundry has invested in 12 South Africa-focused tech businesses, deploying close to R700m of capital. The majority of these investments were made in FY22 and the team has a healthy pipeline of prospects for the coming year.

Backing the future of tech in South Africa

Naspers Foundry is a R1.4bn investment vehicle that backs talented local entrepreneurs by investing in early-stage tech companies with high-growth potential that solve big societal needs and improve the quality of people's daily lives.

Its mission is to boost the South African early-stage technology and venture capital (VC) ecosystem, creating a lasting impact on the broader South African economy.

Investing in key sectors

Naspers Foundry invests in sectors aligned to the group's core segments, including payments and fintech, edtech and marketplaces. In line with the group's Ventures segment, Naspers Foundry also looks to invest in other sectors that address big societal needs, such as agtech and healthtech.

Capitalising on a much bigger ecosystem

During the review period, the South African tech ecosystem grew significantly, from around US$259m in calendar 2020 to over US$832m in calendar 2021 (source: 2021 Africa Tech Venture Capital Report by Partech Africa). Both the quantity and quality of investable opportunities are increasing and, to ensure that Naspers Foundry is best positioned to participate, we have bolstered the team. We have added capacity and functional expertise, and optimised processes so that we can increase both the volume and speed of our investment while continuing to give the same level of support to our portfolio companies.

The growth in the local tech ecosystem is in line with Naspers Foundry's mission, and the team continues to play a key role as South Africa's largest homegrown early-stage tech investor. As a long-term dedicated tech investor with local presence and global links, Naspers Foundry is valued both by entrepreneurs and investment partners. The investments we make help the businesses grow and encourage more investment into the ecosystem from other global investors. It is a long-term gain where everybody wins – from the entrepreneurs to Naspers Foundry, the group as a whole and the broader South African economy.

Making new investments

In FY22, Naspers Foundry added a number of companies to its portfolio.

WhereIsMyTransport

In June 2021, Naspers Foundry invested R42m (US$3m) in mobility technology company WhereIsMyTransport. The company maps formal and informal public transport networks in emerging markets and uses this data and technology to improve the public transport experience for millions of consumers in high-growth megacities globally.

Ctrl

In July 2021, Naspers Foundry invested R34m (US$2m) in Ctrl – a short-term insurance marketplace connecting consumers, brokers and insurers on a single platform.

Naked Insurance

In August 2021, Naspers Foundry invested US$8m (R120m) primary funding into Naked Insurance at a valuation of US$23.86m (R350m). The company conducts a digital personal-lines short-term insurance business in South Africa. This is a digital insurance platform, offering consumers comprehensive and instant cover for cars, homes, contents and standalone items. Its business model aims to make insurance more accessible and trustworthy.

Planet42

In January 2022, Naspers Foundry invested US$4m (€3m) in Planet42. Planet42 operates a rent-to-buy secondhand car platform in South Africa and has now expanded into Estonia and Mexico. To date, Planet42 has helped more than 7 000 South African families get access to cars.

Floatpays

In January 2022, Naspers Foundry invested in Floatpays – an on-demand wage-access platform that helps employees access, spend, save and manage their money. The investment is still subject to successful regulatory approval.

LifeCheq

In February 2022, Naspers Foundry invested R40m (US$3m) in LifeCheq – a technology platform offering end users access to holistic, personalised financial advice across different product categories.

Nile.ag

In March 2022, Naspers Foundry invested R40m (US$3m) in Nile.ag – a B2B marketplace that enables direct trade between buyers and sellers of fresh produce and supports the flow of goods sold between regions.

Valenture Institute

In March 2022, Naspers Foundry invested R108m (US$7m) in Valenture Institute – a global private online high school – offering a curriculum that is recognised and endorsed by the world's leading universities, broadening access to quality and affordable education to students in emerging markets like South Africa.

Naspers Foundry continued

Helping existing investments to grow

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. In FY22, the team played a key part in helping portfolio companies raise additional funding to support their growth ambitions.

The Student Hub

In November 2020, Naspers Foundry invested R45m (US$3m) in The Student Hub, a fast-growing business that is having a big social impact through the way it is helping to transform student-learning at tertiary level. The Student Hub partners with public technical and vocational education training (TVET) colleges to provide two bespoke solutions – a comprehensive online platform that supports the on-campus learning activities of students and lecturers at physical colleges; and a fully fledged digital learning solution for remote students who would otherwise not have been able to enrol due to physical infrastructure constraints at colleges. The company makes TVET education more cost effective and accessible. It also enhances outcomes, with a marked increase in pass rates at colleges employing its solution. There are more than 30 000 students registered on its platform. In FY22, Naspers Foundry helped The Student Hub raise additional capital and provided follow-on funding to continue its strong growth trajectory.

SweepSouth

In June 2019, Naspers Foundry invested R30m in SweepSouth, Africa's first online home-cleaning-services marketplace, which connects clients to vetted domestic cleaners who benefit from flexibility 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. Having weathered the challenges of the pandemic, SweepSouth continues to grow.

In December 2021, SweepSouth acquired the Egyptian start-up Filkhedma. Filkhedma is Egypt's home services marketplace operating across three cities and serving tens of thousands of customers with cleaning, maintenance, and beauty services, while empowering over 2 000 service providers through technology with consistent incomes and professional development.

Looking forward

The ecosystem is set to continue growing, and Naspers Foundry will maintain its path – investing in exciting new tech-enabled businesses and helping portfolio companies to keep on growing and, in turn, having an ever-bigger impact on the economies and societies.

Naspers Foundry

Naspers Foundry is a

R1.4bn

investment vehicle

Social and Internet Platforms

Connecting people in everyday life through innovative technology.

Performance highlights

	2021	2022
Revenue[1]	US$22.5bn	US$25.8bn
Trading profit[1]	US$6.2bn	US$6.3bn

Tencent

Tencent achieved stable growth in a challenging year of 2021, thanks to the strength of its diversified portfolio of products, businesses and investments. For the year ended 31 December 2021, Tencent's revenue grew 16% to RMB560bn. Non-IFRS profit attributable to shareholders (Tencent's measure of normalised performance) grew 1% to RMB124bn.

The opportunity

China achieved 8.1% annual gross domestic product (GDP) growth in 2021, amid global supply chain disruptions due to the coronavirus pandemic. The World Bank estimates China's GDP will grow at 5% in 2022[2]. China is the world's largest consumer internet market and continues to grow ahead of many other large internet markets. There were 1 032 million internet users in China in December 2021 (989 million in December 2020), 99.7% of whom were mobile users. With a highly mobile-penetrated population, growing middle class and increased investment in the digital transformation of industries – the opportunity in the China internet industry remains vast.

The pandemic established and accelerated certain industry and user trends, including enterprise digitalisation, online healthcare, and social and video commerce. These trends will have a sustained impact in 2022 and beyond, presenting Tencent with ample opportunities in consumer and industrial internet verticals. The China internet industry is also shifting from a short-term growth-focused paradigm to a new paradigm that seeks sustainable growth via user value, technological innovation and balanced benefits for all stakeholders.

Long-term sustainability reinforced amid changes

The regulatory environment of China's internet industry continues to evolve, reflecting the expanding economic and social importance of the industry. Tencent embraced the market challenges and regulatory changes by managing costs, increasing efficiency, sharpening its focus on key strategic areas, and repositioning itself for sustainable long-term growth.

Continuing to lead

Tencent is a leading internet and technology company in China. Weixin, the largest mobile community in China, continues to play a pivotal role in the daily lives of over 1.2 billion users via transformative innovation with a focus on user experience.

Revenues from value-added services increased by 10% to RMB292bn, with domestic games growing 6% to RMB129bn, international games increasing 31% to RMB46bn and social networks rising 8% to RMB117bn. Revenues from fintech and business services increased 34% to RMB172bn, and revenues from the online advertising business rose 8% to RMB89bn.

The combined monthly active users (MAU) of Weixin and WeChat increased 3.5% to 1.27 billion. Weixin's in-app short video services, Video Accounts, doubled its per-user time spent and total video views in the prior year. The Weixin Mini Programs ecosystem continued to grow, with daily active users (DAU) passing 450 million and independent merchants' annual transaction volume of physical goods more than doubling from the prior year.

Tencent sustained its domestic game-industry leadership as it cultivated its key IP franchises more deeply and broadly. In 2021, Tencent Games also achieved notable progress in global markets, developing and operating five of the top 10 mobile titles by DAU outside China. League of Legends World Championship remained the world's most popular eSports tournament, with 74 million peak concurrent viewers on its finals. Level Infinite, a new international game publishing brand, was launched to target international gamers.

Tencent continued to enhance its differentiated advertising solutions, with Weixin's daily active advertisers growing by over 30% year-on-year in the fourth quarter of 2021. Subscriptions for fee-based registered value-added services increased by 8% in 2021 to 236 million. Tencent maintained its leading position in long-form video with 124 million subscriptions.

Tencent's mobile payment platform continued to benefit from expanded use cases and increased transactions. Weixin Pay strengthened its support to small and medium merchants and deepened its cooperation with the Peoples' Bank of China and UnionPay.

For communication and collaboration SaaS, Tencent upgraded the integration among WeCom, Tencent Meeting and Tencent Docs to provide enhanced solutions for enterprises. Tencent has also enabled differentiated CRM functions in WeCom via deepened connection with Weixin.

1 Presented on an economic-interest basis.

2 Based on the latest China Economic Update by the World Bank.

Social and Internet Platforms continued

Tencent will continue to adhere to its strategy of delivering superior experiences to users, assisting enterprises to digitalise their operations and contributing to society at large.

Looking forward

Tencent will continue to adhere to its strategy of delivering superior experiences to users, assisting enterprises to digitalise their operations and contributing to society at large.

Tencent is listed on the Hong Kong Stock Exchange. Further information is available on its website at www.tencent.com.

VK Company Limited

Since the outbreak of the Russia-Ukraine conflict, international sanctions have been imposed on many Russian entities and individuals. These include sanctions on the CEO and controlling shareholders of the online platform VK Group (VK) (previously Mail.ru), in which Prosus holds a minority stake. As a consequence of these sanctions, Prosus asked its directors on the VK board to resign their positions.

We have also written down the full carrying value of the VK asset in the current reporting period.

Weixin, the largest mobile community in China, has over

1.2bn

users

Tencent's online advertising business rose to

RMB89bn

Media24

Delivering an outstanding performance across the business – from digital and print media to ecommerce.

Performance highlights

	2021	2022
Revenue[1]	US$211m	US$257m
Trading profit/loss[1]	-US$8m	US$17m

Leading in media

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 2 million average daily unique browsers, generating 11 million average daily page views, across its digital platforms.

Performing strongly

Media24 performed strongly in FY22 – delivering exceptional full-year results, underpinned by profitability in every part of the business.

This turnaround performance against the prior year was bolstered by 27% growth year on year in digital subscribers and 16% growth in digital advertising, a robust recovery in print media that saw print advertising improve by 17% year on year, excellent school textbook orders and trade sales, a further uptick in external revenues at On the Dot media logistics, and earlier gains in ecommerce fulfilment offsetting a general slowdown in the ecommerce sector.

Total revenue (excluding Fashion United South Africa) was R3.8bn, an increase of 13% year on year. This performance reflects much-improved trading conditions compared with restricted trade in FY21, as well as the positive impact of restructuring the print media business in FY21.

In addition, the much-leaner cost base and stringent cost management delivered a trading profit (excluding Fashion United South Africa) of R267m, compared with a prior-year loss of R168m.

Revenue across the media business (digital news, newspapers, magazines, distribution and television) increased 10% year on year and the books business saw improved revenue of 16% year on year on the back of higher trade and school textbook sales.

The ecommerce portfolio (Contract Logistics and Careers24) grew revenue 6% year on year as ecommerce volumes continued to grow – albeit on a lower level. We have invested in an additional Contract Logistics warehouse in Gauteng.

1 Presented on an economic-interest basis.

Key highlights underpinning these results include the following:

- Strong digital subscription growth: Netwerk24 passed the 86 000 mark and News24 the 50 000 mark.
- Print media, particularly magazines, continued to recover much better than anticipated.
- Excellent school textbook orders in South Africa and Botswana and solid trade sales.
- Slower but sustained growth in ecommerce volumes at Contract Logistics.
- Continued increase in external revenue at On the Dot media logistics.

In the past year, Media24 exchanged its 51% share in Superbalist (through Fashion United South Africa) for a 9% stake in the Takealot group.

Bringing all our digital media together on one platform

Having all our digital media offerings on the same platform is a crucial step in our evolution to a truly digital-first business. During the year, we migrated Netwerk24 to our digital publishing platform, Nova, home to News24. We launched Landbou.com as a standalone bundled offering for the agriculture market, also residing on Nova.

Responding to the pandemic

We continued to respond to the pandemic throughout the year. As ever, the focus was on two main priorities – the health and safety of our people and business continuity. Sadly, we lost four colleagues to Covid-19 during the year, which brings the death toll at Media24 to five since the onset of the pandemic. We honour their lives and contribution to the company.

With more than 90% of our staff fully vaccinated, our Covid-19 risk management committee updated all protocols, measures and regulations in preparing a safe workplace for the official return to office from 1 April 2022.

As the leading media company in South Africa, we take our responsibility and moral obligation during the Covid-19 pandemic very seriously. We are committed to keeping accurate information and updates flowing and, equally importantly, to contributing to a spirit of solidarity, compassion and positivity by telling stories of hope. All pandemic-related digital reporting and statistics are published ahead of the digital news paywalls.

Media24 continued

Ensuring data privacy

We recognise the importance of ensuring data privacy – it is essential to building and maintaining public trust. Media24 subscribes to the South African Press Code of Ethics and Conduct, which has been updated in accordance with the Protection Of Personal Information Act (POPIA). We successfully prepared for the POPIA enactment date of 1 July 2021, with our privacy front-office capability established to engage with public customer and consumer requests related to POPIA and the Promotion of Access to Information Act (PAIA).

Focusing on our people

In FY22, we implemented a dignity-at-work policy, provided training, and measured the results through a staff survey. Employee engagement levels continued to rise throughout the year, increasing 3% to reach a record 82%. Voluntary staff turnover remains low, at 8% for the year. And confidence in leadership is high: 87% per the latest survey.

We continued our significant investment in our people, spending R32m on training in FY22. 67% of skills spend was to the benefit of black employees and learners. We provided R5.6m in bursaries for higher education. We offered 180 learnerships to black South Africans during the year. We also ran several diversity workshops, particularly for our editorial teams.

During the year, 208 managers went through our 'leading at the pace of change' programme. We also continued our FutureSkills leadership programme for the third year, building the skills of mid-level colleagues for a future where AI is mainstream. In addition, we introduced a new six-month strategic leadership programme for 50 mid-level managers, and launched a six-month leadership and finance programme for 25 first-level managers.

To build our digital newsroom capacity, we ran three programmes with the US-based Poynter Institute: setting newsroom priorities, for 48 managers at News24 and Netwerk24; boosting effective reporting and writing to embrace the craft of storytelling, for 60 journalists; and how to deal with trauma, for 50 journalists.

In FY22, we won the South African Graduate Employers Association award for best employer in the media sector for the sixth year in a row. Throughout the year, we created growth and promotion opportunities for staff. We also achieved our employment equity targets – including 22.7% black Africans in management.

Investing in communities

Media24 achieved a level 3 BBBEE rating for FY22.

Covid-19 regulations and the lockdown still had an impact on our well-established range of initiatives, the bulk of which are traditionally closely linked to physical events such as festivals and fundraising drives. However, a large number of structured activities resumed, most notably schools and other education-related initiatives, and our business units could again distribute donated items, including school textbooks and reading material, to schools in underserved communities.

Despite lockdown restrictions, we continued with our Volunteers24 programme, which allows all staff up to three days' paid leave per year to volunteer for charitable causes. During the year, 133 Volunteers24 days were logged. We also continued with our #1000ActsOfKindness initiative, where staff support charities and community projects by giving their time and resources. For the first half of the year, #1000ActsOfKindness focused on feeding schemes. The executive committee launched this campaign by planting 1 000 seedlings at a community garden at a primary school in Factreton, Cape Town.

Media24 is a keen supporter of the arts and a founding sponsor of the Klein Karoo Nasionale Kunstefees (KKNK), Woordfees, Aardklop, Suidoosterfees and the Vrystaat Kunstefees. In addition to funding from Naspers, we continued to offer the festivals operational and marketing support, including office space for the Suidoosterfees and the Cape Town Carnival. This support amounted to R4.8m in the past year.

Our business segments also support non-governmental organisations, registered charities, educational and literacy institutions and public-interest campaigns with media coverage, free advertising space and donations of magazines, newspapers, books and stationery for initiatives and fundraising drives and events. The total value of this support was R10m, a marked increase from the previous year as the gradual lifting of pandemic restrictions allowed these organisations to resume their activities.

Maintaining media ethics and independence

Editorial independence and ethical reporting are cornerstones of our business. This is reflected in our core values – respect, integrity, courage and accountability – which are embedded in our employment contracts and policies. Our publications subscribe to the South African press code, which prescribes news that is fair, accurate, truthful and balanced, as well as the code of the Advertising Standards Association which promotes responsible and truthful advertising devoid of false claims. The internal ombudsman monitors ethical reporting in our publications. Complaints regarding media ethics and independence may also be referred to the Press Council. South African staff are required to complete training on our code of ethics, as well as other related topics, including whistleblowing and privacy.

Quality journalism and publishing

Keeping Media24 the home of quality journalism and publishing, the long list of local and international industry awards includes: News24 being named by the Reuters Institute as the most trusted news brand in the country for the third year in a row; the Taco Kuiper Award for Investigative Journalism (Kyle Cowan and Jeff Wicks of News24); a One World Media global award (News24); 12 IAB Bookmark awards; New Media received six awards and four honourable mentions at the Eddie & Ozzie Awards (New York) and six awards from the international Content Marketing Institute; 23 winners in top three positions in the Forum of Community Journalists excellence awards; WAN-IFRA advertising innovation award and Assegai Leadership award for Ads24; four national and 16 regional winners in the Vodacom Journalist of the Year awards; and, a slew of national literary awards for authors at NB Publishing.

Looking ahead

We aim to remain true to our strategy to continue building a smaller, profitable media business with a significant interest in ecommerce while cementing business sustainability for an engineering-led, digital-driven future.

>136 000

digital subscriptions to Netwerk24 and News24

208 managers

went through our 'leading at the pace of change' programme

Tax

Being a responsible global citizen sits at the core of everything we do. We consider paying taxes as an important economic contribution to the societies in which we operate. This also underpins our approach to managing and paying taxes.

Paying taxes is a normal consequence of doing business. We support the establishment of a harmonised international tax system where there is a level playing field and all players pay their fair share of taxes in the jurisdictions where they operate.

To understand our approach to paying taxes and interpret the taxes-paid information, it is important to understand our operating model. As a global technology investor, our portfolio of businesses is well diversified by sector and geography. We operate on a decentralised basis in numerous countries. The businesses are based in the countries where their operations, their users and consumers are. All our subsidiaries, associates and investees pay taxes locally, in the jurisdictions where our companies operate and our products and services are consumed. We regard paying taxes as an integral part of our business operations. Overall, our aim is to improve the lives of the people who live in the countries where we operate. Paying taxes locally is an extension of our commitment to the improvement of our customers' lives through technology. Our businesses directly improve people's lives. Indirectly, through the taxes paid locally, people's lives are further improved. Locally paid taxes assist governments to fund the needs of the populations in their countries.

The group accounts for its share of the results of its equity-accounted investments net of the taxation recognised by those investments. In order to provide a more comparable effective tax rate, the tax recognised as part of the group's share of the results from equity-accounted investments is included, for purposes of the calculation of the normalised effective tax rate. Furthermore, exceptional items like tax-free capital gains on the sale of subsidiaries are excluded from the profit before tax to arrive at the normalised effective tax rate of 23.6%.

Compliance

As a family of essentially local businesses, the principles we apply across our portfolio are consistent. We take tax compliance seriously. This is embedded in the culture of our group and is an element of the KPIs of finance and tax team members.

Our tax team comprises experienced and effectively equipped tax specialists. Regular training ensures that all tax team members maintain their optimal tax skill sets. Subsidiaries, associates and investees are accountable for managing tax and adhering to our group policy of zero tolerance for non-compliance.

Compliance with laws and regulations in the countries where we do business is essential to the integrity of our businesses and all our actions. Ensuring that we are compliant with tax legislation in the territories where we operate is non-negotiable. We have to be – and we want to be – fully compliant: no exceptions. This is how we do business and why our stakeholders can have confidence in the integrity of our actions.

All tax planning is decided and effected in the context of the business: the tax consequences flow from the business operations. Business structures and operational models dictate our tax strategy, not vice versa.

Of course, we ensure that we manage our tax costs, as we manage any other business costs, as efficiently as possible. This is part of our responsibility to our shareholders and our businesses. But we do not seek to abuse opportunities to unreasonably reduce the tax cost of the business. All tax planning, whether driven due to acquisitions, rationalisations, disposals or disinvestments, operational restructuring or legislation changes, is carried out in line with our tax policy and our approach to tax. Where relevant, we will take into account the intention and objective of the tax legislation or policy in how we apply the legislation. Our appetite for tax risk is low. When this causes a dilemma, the business prevails and it is the business that sets the boundaries for tax planning.

We do not engage with tax authorities to obtain special dispensations. When obtaining advance tax rulings we do this via standard, transparent dispensations available to all taxpayers, to create certainty as to the application and tax consequences of business transactions. In line with our commitment to tax transparency, we support making any ruling contents publicly available.

Operating a decentralised model means that transfer pricing is not the most significant factor in our tax management. To the extent that it does apply, we ensure that there is adherence to the arm's length principle at all times.

Taxes paid in FY22

In FY22 Naspers paid nearly US$1.6bn in direct and indirect taxes globally. Details of taxes paid in our geographies are set out below:

Region/Country	Corporate income and withholding taxes	Payroll taxes and social security contributions	Other direct taxes	Total direct taxes	VAT, service and consumption taxes	Other indirect taxes	Total indirect taxes	Total tax contribution
Europe	264	244	8	**517**	272	3	**274**	**791**
South Africa	22	112	1	**135**	51	5	**56**	**191**
Americas	168	188	61	**417**	105	0	**105**	**523**
Middle East and Asia	17	29	0	**47**	20	0	**20**	**67**
Other	1	0	0	**1**	1	0	**1**	**2**
Total	**472**	**573**	**70**	**1 117**	**449**	**8**	**456**	**1 574**

Tax continued

Naspers has grown organically and by acquisition. In the course of these acquisitions, we inherited a number of legacy structures, including some companies located in low tax jurisdictions. These structures are under constant review and most have been eliminated. In FY22, four companies in low or no tax jurisdictions (two in the British Virgin Islands and two in Mauritius) were liquidated. Some further legacy companies are either in the process of being liquidated or have been identified for liquidation. Presence in such jurisdictions is retained only in exceptional cases where business reasons dictate our presence in that particular location. We do not attempt to engineer tax advantages by creating business entities in low tax or no tax jurisdictions in which Naspers does not operate or have business substance.

Further guidance regarding how we manage taxes is publicly available in our group tax policy.

Governance

We attach the highest priority to fairness, integrity and transparency – in short, doing the right thing. This approach is built on the following elements:

- Board accountability through the group CFO and audit and risk committee for tax.
- A clear tax risk matrix.
- A tax control framework with robust controls.
- Experienced tax professionals with the right skills.
- Training and regular communication and engagement between everyone with responsibility for tax.
- Use of technology to automate tax processes.

Ultimate responsibility for tax is vested in our group CFO who is accountable to the Naspers board with oversight from the audit and risk committees. Our group tax policy is reviewed annually by the audit and risk committees, approved by the board and published on our website.

Maintaining a tax risk matrix assists us to identify and monitor where tax risks may arise. This guides our decision-making, by focusing our activity on actions required to manage and mitigate tax risks efficiently and effectively.

Tax risks, tax challenges, interactions with revenue authorities and other issues are under constant review and reported regularly to our group CFO and the audit and risk committees. We aspire to a 'no surprises' approach in managing taxes: that is, there should be no tax surprises at any level – whether in relation to tax costs to a business, accounting to revenue authorities or supplying relevant information to stakeholders.

Our tax control framework sets out the operational details for managing tax risk in accordance with the criteria established in our tax policy. We implement this framework consistently across our controlled portfolio and operations, to ensure tax compliance in all the jurisdictions where we operate. Our tax control framework is also shared with relevant tax authorities.

All group tax professionals are appropriately skilled for their roles and are provided with ongoing training. These tax team members are assisted by reputable external advisers with specialist tax expertise who provide input for all significant and many other tax matters, advise on the tax consequences of transactions, review tax filings and support the group tax team wherever necessary.

The process for the disclosures of any improper conduct or concerns of wrongdoing is outlined in the group whistleblower policy and available to all regarding any matter, including tax behaviours.

Technology

Efficient tax management is enhanced by the use of technology. As the requirement by tax authorities and other regulators to report substantive data increases, it is essential to harness the power of technology for data extraction, gathering and collation. Technology is paramount to eliminate human errors that can arise in the collation of tax-relevant data and the tax compliance process. Where possible, we have automated tax processes such as the controlled foreign company compliance and country-by-country reporting. Automation contributes to enhanced data integrity and reduces the man-hours involved in these processes. We will continue to expand the reach of automation and technology in our tax management processes, where we are confident of increased efficiency and integrity of information. This focus is included in the KPIs of our tax team members.

At the same time, we recognise there are, and always will be, many areas in tax that require the ongoing attention of and input by skilled tax professionals. Where technology can be implemented to enhance data collection and collation, and to share tax-relevant information with tax authorities, we believe a reduction in man-hours required for these tasks can enable our group tax specialists to spend their time more effectively.

We will continue to invest time in assessing how technology can assist in streamlining processes to effectively manage our taxes and tax compliance.

Transparency

It is one of our KPIs to at all times constructively engage, in a transparent manner, with all our stakeholders, both external and internal. These stakeholders include investors, customers, employees, regulatory authorities, governments and tax authorities.

We regard tax authorities as significant stakeholders. Like with all other stakeholders, it is important for us and our companies to engage proactively and transparently with tax authorities. Our approach, wherever possible, is to follow the principle of cooperative compliance. We engage regularly with tax authorities to explain our business model and we are proactive in sharing information with tax authorities. While recognising that at times our views and those of the tax authorities may differ in relation to the application of specific tax rules and legislation, we aspire to a relationship of mutual trust. This, at times, creates a dilemma. But our aim remains for stakeholders, including revenue authorities, to have confidence in the integrity of our actions, in the way we do business and in the information we provide.

Disclosure of taxes paid is an important step in tax transparency. We are supportive of this initiative to demystify and reduce the stigma that may be attached to tax contributions by companies, particularly multinationals. We believe that the move towards public country-by-country reporting is a positive development. In our view, disclosure demonstrates responsible corporate citizenship and facilitates meaningful engagement with stakeholders in the regions and countries where we operate.

We will continue to take proactive steps to enhance the scope of tax information relevant to our stakeholders. Our intention is for all stakeholders, including revenue authorities, to have confidence in the integrity of our actions and the information we provide.

Tax continued

Regulatory risk

Managing tax efficiently means effectively managing risk. This important focus area is another KPI of tax team members. As we operate in many jurisdictions, tax policy and legislative changes are an ongoing risk. We need to be aware of impending policy or legislative changes and be ready to implement these when they arise. But this also means that we need to constructively engage with policy-makers and legislators to ensure that our messages are heard when policies or legislation is changed. Our reputation as a responsible corporate citizen contributes to us being heard by these bodies. Where we are able to build relationships of trust, we do so. We believe that this gives us credibility and will further enhance our reputation as a taxpayer with integrity.

Naspers continues to provide constructive and reliable feedback to tax policy-makers and other stakeholders through submissions to public consultations or direct engagement at national and international levels.

Level playing field

As a global investor, we subscribe to certain tax policy fundamentals: we believe it is in the interest of every jurisdiction to establish a level playing field in which local, regional and global companies are subject to the same taxes in the countries where they operate.

In our view, taxes should be fair, balanced and uniform. To create a level playing field, we believe that taxation of profits and local tax systems should be governed by a harmonised international framework. We actively support international efforts led by the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting to develop a global policy to modernise and remove imbalances from the international tax system. These align with our approach to where taxes should be paid.

The level playing field will ensure that each business is subject to the same taxes, irrespective of whether it operates globally, regionally or locally. We engage in discussions where we believe we can contribute to ensuring that this harmonised global tax system with a level tax playing field is created.

Certainty, transparency, fairness, integrity and doing the right thing – these are fundamentals in our approach to tax management at Naspers. We want to ensure that we, at all times and in all jurisdictions, pay the correct and appropriate amount of tax commensurate with the business operations in that geography and that we can openly demonstrate this to our stakeholders.

Choosing the right opportunities and balancing risks

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

Our success is driven by our culture in which people – within clearly defined authority levels – are encouraged to take decisions that are right for the business and our stakeholders. We acknowledge that success also depends on how well we understand and manage risks, so that we can accept them responsibly: weighing risk for reward.

We are committed to applying principles and best practices of good governance. Our governance structures, policies and processes are designed to accomplish this.

How we select the right opportunities and optimise for the risks we accept

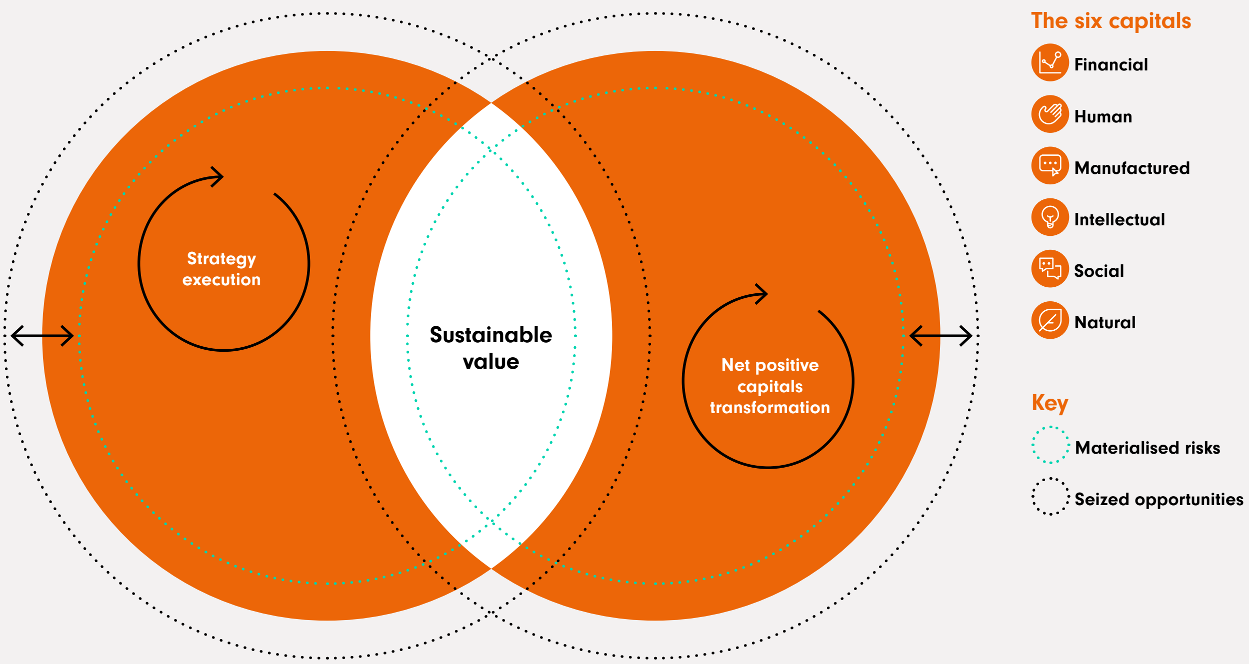
To understand how we create sustainable stakeholder value, we consider the six capitals transformation model useful. Per the model, business processes consummate and produce specific capitals interactively, which capitals are thus transformed through strategy execution. Value is created (and, created value is preserved) in a sustainable manner when processes, in transforming the capitals involved, deliver an overall net positive outcome.

Sustainability elements, being included in the six capitals, are a primary consideration in setting our strategic priorities. We aim to achieve net positive capitals transformation both directly, and indirectly, by strengthening our business to secure our future performance.

Uncertainty being a given, goal-setting in any business introduces the element of risk, while unexpected opportunities to benefit from may also arise. We seek to grow our existing businesses and from time to time we acquire interests in those with potential for future growth, which involves a constant evaluation of risks and opportunities. We expect management to apply a methodical approach to manage these. At the same time, we promote a culture in which risk is also well considered in any ad hoc decision to be made in the day-to-day management of operations. 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.

Applying the six capitals transformation model, risks we identify and assess present themselves as either potential overconsumption or underproduction against plan of any of the capitals in the process of transformation. In contrast, while executing on our strategy we may also discover opportunities for increasing efficiency (ie use less than anticipated) or improving effectiveness (ie produce more than planned) in any of the capitals and, therefore, by responding well to these exceed in our performance against priorities and objectives.

Sustainable value



Choosing the right opportunities and balancing risks continued

How we define roles and responsibilities and monitor risks

Plans and parameters to create value for our stakeholders are approved and monitored by our board of directors and supporting governance committees (refer to the overview of governance on page 99). We acknowledge that our success depends for a large part on our ability to be agile and move fast. Therefore, our structure and processes are designed to drive accountability and to support responsible and sustainable decision-making at the level in the organisation closest to the respective issues. Policies, standards and guidelines govern our risk management and compliance processes.

Significant risks are evaluated at the appropriate level against tolerance levels considered as acceptable and, together with any noteworthy developments in the business, reported to the board. The risk committee assists the board to ensure that risks and opportunities are governed as intended to achieve desired outcomes against key priorities and objectives.

Management and the board are accountable for the choices and decisions we make, how we execute on these, to deliver value in its broadest definition of the six capitals model, and to maintain the risk profile regarded as acceptable. Risk tolerance levels are set top-down, and management is accountable to deliver results while managing risk within these levels.

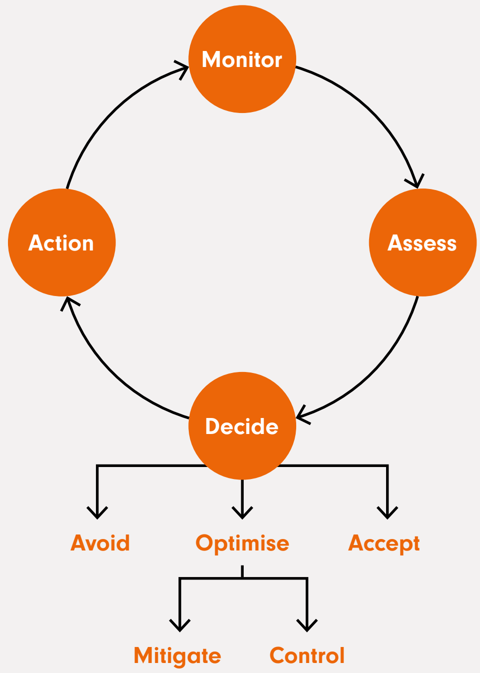
The responsibility for managing risk lies with the owner of risk: in most cases operational management, assisted by the finance function and, where considered useful in our businesses, specialised risk management and support functions. Internal audit is housed centrally to provide management and the board with independent assurance over risk management processes and controls.

Review of key events in relation to risks and opportunities

Over the past year, several key events and developments have demanded our close attention.

1. **Absorbing the Russia–Ukraine conflict shock**
   The invasion of Ukraine by Russian military forces has caused unprecedented local and global turbulence. We were primarily concerned with the safety of our Ukraine OLX staff and their families. We have done everything we can to provide logistical and financial support on the ground and to facilitate evacuations. Shortly thereafter, work began to decouple Avito from OLX Group, which now operates independently within an overall governance framework that applies to all our subsidiaries and is an independent Russian entity run by a local management team and governed by its own board of directors. Following completion of the operational separation, Prosus has now decided to exit the Russian business. We have made public announcements on the measures that we have taken in that respect. These measures, however necessary, are having a meaningful impact on our finances, which is explained elsewhere in this integrated annual report, and we have been working since to absorb the impact and adjust our plans based on the new realities. At the same time, indirect consequences on the global economy such as rising inflation and interest rates are increasing risk levels for our businesses, which we are navigating.

Applying a methodical approach



Our key established success factors and primary objectives steer us in understanding, managing, and monitoring risks.

We assess and evaluate the potential impact of identified risk factors and decide, based on our goals, if we can accept (and tolerate) these, both individually and combined, or, alternatively, if we move to reduce our vulnerability and/or apply risk mitigation strategies. We then monitor the effectiveness of our actions and correct them if necessary. Wherever we find a risk we cannot manage within acceptable levels, we consider ways to avoid the risk altogether, for example, by declining an opportunity or by choosing an exit strategy.

In managing our overall risk profile, we take full advantage of our (global) scale and diversified portfolio: we are thus well positioned to spread uncorrelated risks in many ways and by doing so we achieve effective risk reduction overall.

Depending on the importance and the type of the risks, active management – optimisation – thereof takes various shapes and varies in extent:

Control: We implement and operate (automated) control and monitoring measures that either prevent or detect the materialisation of a risk at the earliest stage. Whenever direct controls are considered insufficient, we seek to operate compensating ones.

Mitigate: Where we can, we seek ways to boost our resilience to potential risk events (eg by reducing supplier-related risks and value-chain dependencies, and by deploying smart cyber-risk mitigating measures). We furthermore consider ways to share or transfer risk (eg through contractual arrangements and by buying insurance cover for insurable risks).

Choosing the right opportunities and balancing risks continued

2. Engineering financial capital
Over the year, we have taken advantage of capital markets tailwinds and, ahead of markets turning, successfully raised over US$9bn of debt to fund our ambitions. We have continued to invest meaningful amounts in our businesses to support growth opportunities and announced several financial investments and acquisitions, the largest ones being our US$4.7bn acquisition of BillDesk in India (subject to regulatory approval) and Stack Overflow (US$1.7bn – in August). We have also completed our consecutive share repurchase programmes to return cash to our shareholders. Hardening economic conditions towards the end of the financial year resulting from the Russia–Ukraine conflict (see above), as well as evolving shareholder expectations, intensified our risk awareness and caution in allocating capital. In this respect, we have also seen that various developments have caused the discount to grow between our market capitalisation and the sum of the parts of the value of our businesses. We consider this a key risk that comes with many complexities, and this has become a primary focus for us.

3. Dealing with regulation
Ever-increasing global regulation presents both risks and opportunities. Some regulation and increased activity by regulators may impact on our operations and growth ambitions in various territories, particularly in the fields of anti-trust and foreign direct investment restrictions. Industry regulation by Chinese authorities has depressed investors' outlook on Tencent's growth prospects. The result of that has been a considerable drop in its share price and, consequently, in ours. Notwithstanding, we remain confident in our investment in Tencent and its outlook.

We have welcomed the recent regulatory developments at the OECD on the taxing of digital services. We expect will level the competitive landscape and which we expect will work to our advantage due to our localised operations and correspondent tax structure.

4. Navigating the Covid-19 pandemic aftermath
While in some territories Covid-19 is still a disruptive problem causing the health and safety of our people to be at risk, on a global scale, the pandemic is becoming increasingly manageable. For many of our businesses, this meant that throughout the year we had to navigate between employees working from home and organising a transitional return to the office, while hybrid ways of working and shifting expectations from employees about remote working have become a trend. Particularly in the field of technological engineering, people have embraced the working-from-anywhere concept during the Covid-19 restrictions, and this has become a factor in recruiting and retaining scarce technical talent. While we continue to practice the view that, in general, productivity, innovation and effective collaboration, employee wellbeing, inclusion and health, and a shared positive culture are best fostered in an office environment, we also acknowledge that some changes compared to pre-Covid-19 will be permanent and are adapting to that reality and its challenges.

Going forward, we have welcomed and used the opportunity to support climate action and uphold important reductions in business travel compared to pre-Covid-19, and, with that, our contribution to CO_2 emissions. Further to this, we have announced our carbon-neutrality ambitions, which have become a primary goal, and risks associated with that are closely managed. Our sustainability efforts are discussed elsewhere in this report.

Monitoring key risks

As entrepreneurs, our effectiveness in identifying and responding to opportunities and risks is key to our success.

Financial capital	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.
We aim to	• Focus on investments in business models and technologies that hold promise for future growth and have the 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.
Key risks	• 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-based 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 internal rate of return and lead to a decline in the valuation of Naspers. • Some of our businesses increasingly engage in the provision of credit services to customers.
Measures to respond to opportunities and manage risk	• 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 be based on the board's assessment of key risks in the overall risk profile, including the risk of fraud-related crimes. • 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, among other aspects, 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. • 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 our external auditors (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, including responsible investment elements, 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. • We closely manage and monitor credit risk within tolerable loss ratio parameters.
Changes to risk to be considered	Global market disruptions and economic downturn with rising inflation and interest rates, mainly as a result of the war in Ukraine and global political tensions, may impact our ability to grow our businesses and deliver returns for our financial capital providers. In addition, we have lost the benefits of our Russia-based businesses and operations and have fully impaired our investment in VK.

Monitoring key risks continued

Human capital	We acknowledge that our employees' competencies, capabilities and experience, as well as their drive and engagement, are key to our success.
We aim to	• 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. • Provide financial and operational support to those employees (and their families) affected by war violence. • 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. • 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.
Key risks	• Human rights violations, 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 the safety of drivers (and the general public) and provide increased benefits. • Societal restrictions related to the Covid-19 pandemic have subdued but have taken their toll on employee wellbeing, which is yet to be fully overcome. In some territories, health and safety in the work environment is still an issue. • Shifting habits and expectations around hybrid working models demand adaptation and need to be settled.
Measures to respond to opportunities and manage risk	• Provide ongoing support to our Ukraine-based staff and their families. • We 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 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. • 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, among other aspects, 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. **Covid-19 (aftermath)** • During the pandemic, our priority has been to maintain the health and safety of our people, and to act responsibly. • We have managed risks and adhered to government requirements by moving knowledge workers to work predominantly from home, closing offices where required and limiting occupancy where offices remain open. Where not possible, we have taken additional measures and maintained social distancing protocols. • Support materials have been provided to people managers and individuals on working effectively from home. • We have put restrictions on business travel. We continue to maximise technology and alternative ways of collaboration to reduce pre-Covid-19 travel intensity meaningfully and sustainably. • 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. • Where possible, we are now carefully managing a return to the office, with consideration of shifted employee habits and preferences.
Changes to risk to be considered	The Ukraine war has caused direct safety threats to our local staff and their families. The effect of the global Covid-19 pandemic outbreak has subdued.

Monitoring key risks continued

Manufactured capital	Manufactured capital is key to our services and operations. Across the group, manufactured capital may include: • 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.
We aim to	• 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.
Key risks	• 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 assets. 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). More broadly, logistics (upstream from suppliers and downstream to customers) of some of our companies might be impacted due to storms and localised risks. • Some of our businesses, especially in the Etail 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.
Measures to respond to opportunities and manage risk	• The group's subsidiaries are required to act in line with the group's good governance guidelines, which, among other aspects, 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 Etail 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.
Changes to risk to be considered	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.

Monitoring key risks continued

Intellectual capital	Intellectual capital (knowledge-based intangibles) includes IP such as patents, copyrights, trademarks, domain names, confidential information, as well as institutional knowledge, systems, procedures and culture.
We aim to	• 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. • 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.
Key risks	• 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.
Measures to respond to opportunities and manage risk	• Consistent with global group policies and in-country legislation, individual businesses directly manage cybersecurity risk and IT operations. 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, in-business CEOs and CFOs sign off on this. • The group, through the central 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. • Insofar as economically justifiable, the group expects the business to procure adequate cyber-insurance, which is in place for our larger businesses and at corporate level. • Legal functions provide legal advice on cybersecurity and data privacy, communicate 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. • We have appointed a group head of data privacy, who has implemented a data protection and 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 IP 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.
Changes to risk to be considered	Increasing investments in online service platforms and data-driven technologies and heightened risk of technology obsolescence or falling short in building AI/ML solutions for our service and product offering.

Monitoring key risks continued

Social capital	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.
We aim to	• Respect human rights. • Safeguard the health, safety and wellness of our people. • 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 think about diversity and inclusion broadly and respect the dignity and human rights of individuals and communities where the group operates in the world. We promote safe reporting of feedback or issues with our people, processes and practices. • Articulate a social impact framework and strategy for Naspers • We encourage our employees to contribute to the sustainability and innovation initiatives in the group.
Key risks	• 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, A2X Markets or Euronext Dublin stock exchanges could result in the suspension of Naspers shares and bonds from trading. • Negative impact as a result of our business operations or products in societies in which we operate. • Regulatory requirements in relation to governance are well established globally and regulation of environmental and social topics is on the rise. • 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 communications technology (ICT) is slow to develop, and uptake as well, due to specific in-country constraints. • Perception of inaction on community investments for social impact can lead to reputational damage.
Measures to respond to opportunities and manage risk	• Our associates and investees 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 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 Speak Up facility available to 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 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. • The company secretary manages compliance with stock exchanges' rules where Naspers securities are traded, including required submissions of reports and updates. • 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 runs crisis-simulation exercises from time to time. • 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 subsidiaries. • 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. • We develop and use AI, among other aspects, to counter fraud and platform abuse. • We operate a legal compliance programme, focusing, among other aspects, on bribery and corruption and anti-money-laundering. We implement specific controls, such as diligent know-your-customer (KYC) processes and fraud detection. • Consistent and robust disclosures on outcomes of social impact programmes.
Changes to risk to be considered	No change.

Monitoring key risks continued

Natural capital	The environmental impact of our businesses is central to our ability to create sustainable value. As a digital technology group, our businesses are software-driven, asset-light and low-carbon, reflecting the carbon profile of this sector. Applying our principle of 'solving for local needs', we support our portfolio companies to identify and manage risks and pursue opportunities in the context of local operating environments. However, 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.
We aim to	• Enhance the environmental performance of our businesses by applying a standardised approach. • Take climate action by reducing our corporate and group GHG footprint and decouple our operations and businesses from fossil fuel use. • Minimise our impact on the environment, and address emission hot spots such as delivery transportation and packaging waste. • Comply with laws and regulations that relate to the environment. • Invest in high-growth markets and credible sustainable products and services that may offer new revenue streams.
Key risks	• We assess the potential risks from factors, including: legal or regulatory processes; fees, such as emission fees; financial impact, such as insurance terms and conditions; reputational damage, company image and relationships with stakeholders; and changing customer and employee preferences. • Many of our businesses operate in high-growth markets and regions that are most vulnerable to the physical risks presented by climate change. These include extreme weather events ranging from drought to flooding, triggering climate disasters on an increasing frequency. These could adversely impact from our employees to our customers in the communities where our businesses operate. • For instance, floods in South Africa impacting communities, to high temperatures disrupting the work of our delivery partners in Brazil and India. • The IT sector is poised to exceed 2% of global GHG emissions, driven by data centre reliance. • Our food delivery and etail businesses are navigating rising concerns about waste and pollution from packaging with a lack of uniform regulatory environment to create a level playing field across boundaries. • Growing body of disclosure regulations and standards. • Increasing scrutiny and changing expectations from investors, lenders, regulators and other market participants on ESG brings additional disclosure obligations and risks of adverse reputational impact that could limit access to capital. • Expansion of the OLX business to include used-car trade on the platform can lead to a perception of a significant increase in the carbon footprint of the business. • Substantial increase in pricing of carbon credits (doubled in 12 months).
Measures to respond to opportunities and manage risk	• Continue to keep asset-light, digital businesses at the heart of our investment thesis, which reduces physical risks to operations and builds climate-resilient companies with a lower carbon footprint compared with traditional business sectors. • All our businesses are required to adhere to our group sustainability policy and assess the extent to which natural capital may significantly affect current or future operations. • Setting a science-based net-zero target that will drive the reduction of our operational footprint and engaging with our portfolio companies to set their own science-based targets. • Implementation of carbon reduction initiatives, through the use of energy-efficient offices, operations and fleets. Continue to maximise technology and alternative ways of collaboration to reduce pre-Covid travel intensity meaningfully and sustainably. • On issues such as waste, water and biodiversity, we review investees' activities on a case-by-case basis for issues and potential remedies relevant to their specific business model and operating context. • Deepen our understanding by quantifying how digitisation can help users transition to low carbon consumption patterns. In FY23, we will conduct a comparative assessment (LCA) to help us quantify the impact of digital payment services compared with offline, analogue and physical financial services. • Our food delivery businesses are committed to addressing packaging waste through reducing single-use plastic and promoting sustainable packaging. • Call for a comprehensive, circular global policy response to ensure scalable solutions for single-use plastic. • Advocate for responsible selection of suppliers for cloud services and discourage ownership of inefficient data centres by group companies. • We are also implementing a project at OLX to further understand and substantiate the opportunity for digital platforms for the used-car trade to contribute to the reduction of GHG emissions from cars. • Continuously monitor for upcoming ESG regulations. • Compliance with environmental laws and regulations. • See our TCFD report and CDP submission for detailed disclosures of risk and opportunities associated with climate-related risks. • Shifting approach from offsetting emissions to absolute reductions will mitigate risk of price increases in the carbon market.
Changes to risk to be considered	• Though climate risk is low for the group, with the rapidly evolving market expectations on climate action and disclosures there may be a movement on either regulation/policy or physical risks to operations. • The nature of material environmental impacts, and how to define them, can vary between companies, leading to changes in the level of risk in their own business and operating models. For example, there is a higher physical risk to the food delivery business in India with extreme temperatures disrupting delivery operations.

Governance

Group structure

Introduction

Established in 1915, Naspers has transformed itself to become a global consumer internet company and one of the larger technology investors in the world. Through Prosus, the group operates and invests globally in 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 (JSE), Johannesburg's stock exchange and A2X Markets in South Africa. Naspers is the majority owner of Prosus.

In South Africa, Naspers is one of the foremost investors in the technology sector and is committed to building its internet and ecommerce companies in the country. These include Takealot.com, Mr D Food, Superbalist, OLX, AutoTrader, Property24 and PayU, in addition to Media24, South Africa's leading print and digital media business.

Listing and regulatory environment

Naspers has its primary listing on the JSE's stock exchange (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 which trades on an over-the-counter (OTC) basis in the 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 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.

Right to hold and transfer shares

Naspers's memorandum of incorporation places no limitations on the right to hold or transfer N ordinary shares (listed). There are no limitations on the right to hold or exercise voting rights on these shares imposed by South African law.

Naspers voting control structure

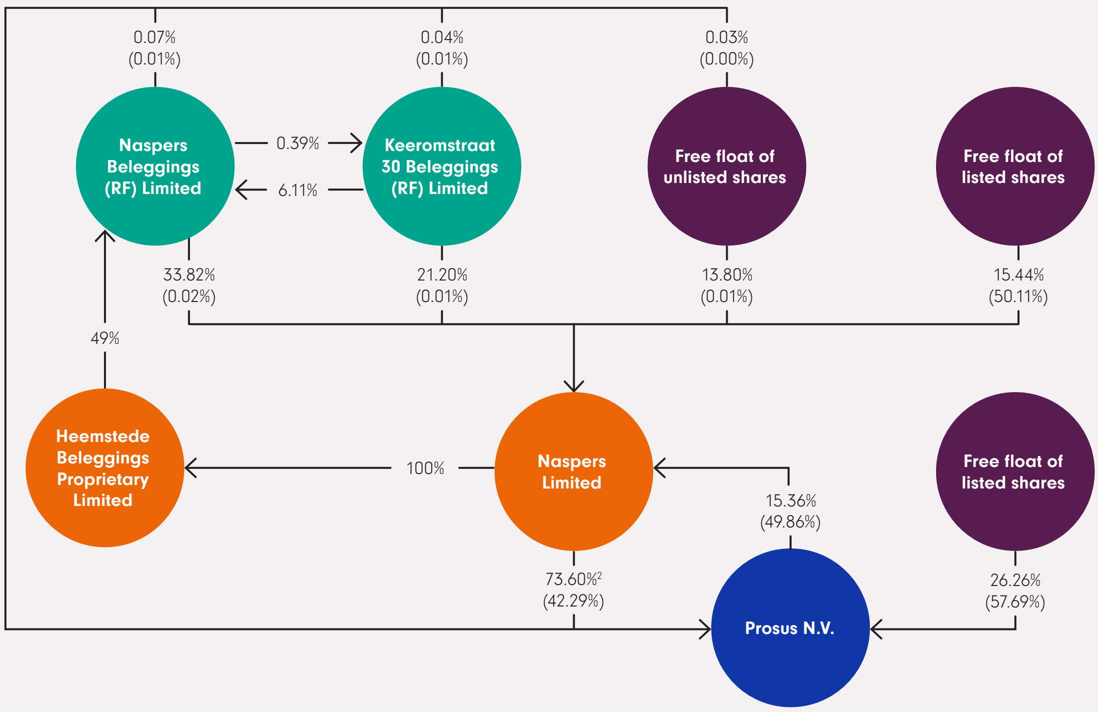
The aim of the Naspers voting control structure is to ensure the continued independence of the group. When entering foreign countries in the broad media or communications spheres, and when dealing with regulators, it is critical that we give an assurance of our continuity of identity: in other words, 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; MTG in Sweden; Daily Mail and General Trust in the UK; JD.Com and Alibaba in China; and Alphabet (Google), Meta, LinkedIn, 21st Century Fox, News Corporation, Discovery, Liberty Global, Snap Inc, Zillow and Zynga in the US.

In recent times, many internet and tech companies in particular have implemented similar structures.

Shareholding structure[1]



1 Economic interest shown in brackets where different from voting interest. Voting interest calculated in accordance with the South African Companies Act, 2008.
2 This includes the ordinary shares B held by Naspers.

Group structure continued

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. As at 31 March 2022, 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 2022, there are 961 193 A shares in issue.

A majority of A class ordinary shares are held by two companies that together comprise the control structure of Naspers.

Keeromstraat 30 Beleggings (RF) Limited (Keerom) and Naspers Beleggings (RF) Limited (Nasbel) 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 2 826 shareholders as at 31 March 2022 and its constitutional documents provide that no shareholder is entitled to exercise more than 50 votes regardless of shareholding which represents 0.39% control.

Nasbel has 2 594 shareholders as at 31 March 2022, one of which is Heemstede Beleggings Proprietary Limited (Heemstede) (a wholly owned subsidiary of Naspers) that holds 49% of the shares in Nasbel.

The boards of directors of Keerom and Nasbel operate independently.

Cross-holding agreement

Naspers and Prosus entered into a cross-holding agreement to regulate their relationship following Prosus's acquisition of around 49.86% economic interest in Naspers's listed shares to give shareholders certainty that the full extent of Prosus free-float shareholders' effective economic interest in the underlying Prosus portfolio in distributions will be paid directly and efficiently at the Prosus level.

In terms of this cross-holding agreement, Prosus free-float shareholders' effective economic interest in the underlying Prosus portfolio (the Prosus free-float's effective economic interest) is 57.69% (larger than the 39.72% Prosus free-float direct holding of Prosus ordinary shares N). The Naspers free-float shareholders' effective economic interest in the underlying Prosus portfolio (the Naspers free-float's effective economic interest) is 42.29%.

To ensure efficient and effective ongoing interaction between Prosus and Naspers, distributions are made on a 'terminal economic value' basis. This provides shareholders with certainty that the full extent of the Prosus free-float's effective economic interest in distributions is paid directly and efficiently at the Prosus level. The term 'terminal economic value', refers to a terminal (ie effective) economic value distribution that requires that both Naspers and Prosus free-float shareholders receive distributions based on their ultimate underlying interests in the group as if a distribution had been made continuously a number of times through the cross-holding.

A terminal (ie effective) economic value distribution requires that both Naspers and Prosus free-float shareholders receive their ultimate underlying interests. This means that Naspers will automatically distribute any distribution it receives from Prosus under the cross-holding agreement to its free-float shareholders and Prosus waives in advance any entitlement to the onward distribution declared by Naspers.

Overview of governance

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 responsibilities and to act in its corporate interest.

The audit and risk committees of the board monitor compliance with the JSE and the Euronext Dublin requirements applicable to the Prosus bonds listed on that exchange.

The board's projects, audit, risk, human resources and remuneration, nominations, 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.

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 (the code), 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.

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 are required to comply with applicable laws and regulations. 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 sectors in which we invest. We undertake a review of potential investees 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 investees, but also covers legal (including IP, 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 investees. More recently, for acquisitions of majority ownership stakes in larger businesses, we formally assess 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 require them to do so. The governance frameworks of investees 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. For a discussion of our approach to responsible investments, please see pages 16 to 18.

Our largest investees, many of which are of significant size, have adopted their own appropriate governance standards. A number of these companies have listings on leading stock exchanges 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, 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 associates through training 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.

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 subsidiaries in the group are required to subscribe to the principles of King IV. Business and governance structures have clear approval frameworks.

Overview of governance continued

The group has a governance committee comprising the segment chief executive officers, chief financial officers of Naspers and Prosus, Takealot.com and Media24, as well as the group company secretary, group general counsel, group head of risk and audit, global head of sustainability, global head of governance and global ethics and compliance lead. The committee was tasked to ensure the group's governance structures and framework are employed across the consolidated entities in the group during the financial year.

Governance and progress are monitored by the audit and risk committees and reported to the board.

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.

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 continued 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.

Details of choosing the right opportunities and balancing risks (including principal risks) appear on pages 87 to 96 of the integrated annual report. Furthermore, the board's responsibility statement on risk management appears on page 115 of the integrated annual report.

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 2022.

All board and board committee charters and policies are aligned with the South African Companies Act, 2008 (Companies Act) requirements, 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.

Overview of governance continued

Focus areas this year

Focus areas for the 2022 financial 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, remained focus areas along with sustainability.

We updated and enhanced multiple key group policies, including the code and the Speak Up policy.

Following approval at a special general meeting in July 2021, the voluntary share exchange offer by Prosus to Naspers shareholders was implemented. More detail regarding the structure of the group following the share exchange offer can be found on page 162 of the integrated annual report.

Following this, Prosus launched a repurchase programme of up to US$5bn to buy back ordinary shares N from its free-float shareholders.

On 14 January 2022, Naspers delisted its American Depository Shares (ADSs) from the London Stock Exchange. Following the delisting, the ADR programme continues with the trading of the ADSs via Naspers's existing level 1 ADR programme operated by Bank of New York Mellon. Naspers monitored the level of trading in ADSs on the LSE for several years: the number of ADSs being traded on the LSE was minimal compared to the level of trading on the US OTC market. Therefore, we believed that the administrative costs and continued obligations in connection with maintaining the listing of ADSs on the LSE were no longer to the benefit of Naspers and its shareholders.

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, 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 adopting 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 11 of the integrated annual report.

Internal controls, risk and audit

Internal control systems

Our system of internal controls aims to prevent or detect material risks and to mitigate material 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 2022. 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 financial reporting, no major failings have occurred to the knowledge of the directors and therefore the directors are of the opinion that these systems provide reasonable assurance that the financial reporting does not contain material inaccuracies.

Overview of governance continued

Risk and audit
A central risk and audit function is in place for the group and provides independent, objective assurance and risk support services in relation to the system of risk management and internal control to help management preserve and create sustainable value. The head of risk and audit reports to the chair of the audit committee, with administrative reporting to the financial director.

The function's core competency lies in risk-based technology and business process assurance work. Through its specialised cybersecurity team, risk and audit also supports our businesses to continuously enhance their technology and cyber-capabilities to ensure resilient and secure platforms in response to evolving cyber-risks.

The risk and audit function operates in conformance with the International Professional Practice Framework of the Institute of Internal Auditors and, in line with these, submits itself regularly to an external quality review.

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.

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
- provide services that are prohibited under applicable independence standards, or
- serve in an advocacy role for the company.

Relations with shareholders and investors

Investor relations
Naspers's investor relations policy (refer to www.naspers.com) 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 in 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 websites, 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 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 107th annual general meeting in August 2021. Shareholders were encouraged to attend the annual general meeting and to ask questions at or in advance of the meeting.

In 2022, Naspers will 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 the board committees, the chief executive, chief financial officer and chairs of our board committees will attend this 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.

Our board

A Audit committee
R Risk committee
S Social, ethics and sustainability committee
P Project committee
N Nominations committee
H Human resources and remuneration committee

● Executive
● Non-executive
● Independent non-executive
* Chair

Koos Bekker
69, male, South African and Dutch
Non-executive chair

Date of first appointment	17 April 2015
Date of last appointment	23 August 2019

Koos Bekker is the non-executive chair of the board. He led the founding team of M-Net/MultiChoice pay-television and later its international expansion. He was a founder of MTN, the African mobile telecoms group. From 1997, as chief executive of Naspers, he headed the group's transition to the internet. In 2015 he was appointed chair of the board. He holds a BAHons and honorary doctorate in commerce from Stellenbosch University, an LLB from the University of the Witwatersrand and an MBA from Columbia University, New York.

Bob van Dijk
49, male, Dutch
Chief executive and executive director

Date of first appointment	1 April 2014
Date of last appointment	29 August 2014

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 ecommerce in October 2013. He has over 15 years of general management experience in online growth businesses globally, spanning the online marketplaces, online classifieds and etail 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. 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
52, male, South African and Greek
Financial director and executive director

Date of first appointment	1 July 2014
Date of last appointment	29 August 2014

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 appointment as financial director of Naspers. 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.

Sharmistha Dubey
51, female, American
Independent non-executive director

Date of first appointment	1 April 2022
Date of last appointment	1 April 2022

Sharmistha Dubey is currently a board member and member of the compensation committee and nominations and governance committee for Fortive Corporation. She is also a board member for Match Group. Sharmistha has recently stepped down as CEO and president for Match Group, where she was responsible for overseeing growth of the portfolio of brands including Tinder, Match, Meetic, OkCupid, Hinge, Pairs, Plenty of Fish, and OurTime. Sharmistha holds an undergraduate degree in engineering from the Indian Institute of Technology and an MSc in engineering from Ohio State University, USA (1996).

Hendrik du Toit
60, male, South African and British
Non-executive director and lead independent director

Date of first appointment	1 April 2016
Date of last appointment	25 August 2021

Hendrik du Toit is a non-executive director and our lead independent director. He 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
43, female, American
Resigned

Date of first appointment	21 April 2017
Resigned with effect from	26 August 2021

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.

Our board continued

Craig Enenstein
53, male, American
Independent non-executive director

Date of first appointment	16 October 2013
Date of last appointment	25 August 2021

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, an MA in international studies from the Lauder Institute, University of Pennsylvania and a BA from the University of California, Berkeley.

Manisha Girotra
52, female, Indian
Independent non-executive director

Date of first appointment	1 October 2019
Date of last appointment	21 August 2020

Manisha Girotra is an independent non-executive director. She is the chief executive officer of Moelis India. She has over 30 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 Mindspace REIT. She holds a BAHons in economics from St Stephen's College, India and a masters in economics from the Delhi School of Economics.

Rachel Jafta
61, female, South African
Independent non-executive director

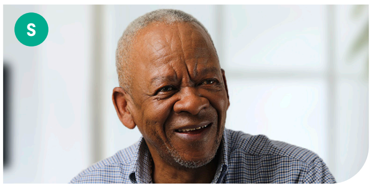
Date of first appointment	23 October 2003
Date of last appointment	21 August 2020

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 Fondação Dom Cabral Business School, Brazil. She was appointed chair of the Media24 board in April 2013 and chairs its nominations committee. She is also a director of Naspers Beleggings (RF) Limited. She holds an MEcon and a PhD from the University of Stellenbosch.

Angelien Kemna
64, female, Dutch
Independent non-executive director

Date of first appointment	15 April 2021
Date of last appointment	15 April 2021

Angelien Kemna is an independent non-executive director. She 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).



Nolo Letele
72, male, South African
Non-executive director

Date of first appointment	22 November 2013
Date of last appointment	25 August 2021

Nolo Letele is a non-executive director. He joined M-Net in 1990 and pioneered MultiChoice's expansion into Africa. In 1999, he led MultiChoice as chief executive officer for 11 years, and then as executive chair for another 10 years. He stepped down as chair with effect from 1 December 2021. He pioneered the highly successful Phuthuma Nathi scheme, which has brought financial empowerment to black people. He has won several awards, the most notable being the Lifetime Africa Achievement Prize for media development in Africa (Millennium Excellence Foundation). He is a chartered engineer and member of the IEE. He holds a BScHons in electronic engineering from the University of Southampton.

Debra Meyer
55, female, South African
Independent non-executive director

Date of first appointment	25 November 2009
Date of last appointment	23 August 2019

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.

Our board continued

Roberto Oliveira de Lima
71, male, Brazilian
Independent non-executive director

Date of first appointment	16 October 2013
Date of last appointment	25 August 2021

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 S.A. In April 2019, he left the board of Telefônica 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 MA in business management from Fundação Getúlio Vargas in Brazil and an MA from Institut Superieur des Affaires at Jouy en Josas, France.

Steve Pacak
67, male, South African
Non-executive director

Date of first appointment	15 January 2015
Date of last appointment	23 August 2019

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
60, male, South African
Non-executive director

Date of first appointment	15 January 2015
Date of last appointment	21 August 2020

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 and holds a BCom and DipAcc from the University of KwaZulu-Natal.

Cobus Stofberg
71, male, South African
Non-executive director

Date of first appointment	16 October 2013
Date of last appointment	23 August 2019

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 BComptHons from the University of South Africa.

Ben van der Ross
75, male, South African
Independent non-executive director

Date of first appointment	12 February 1999
Resigned with effect from	1 April 2022

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.

Ying Xu
58, female, Chinese
Independent non-executive director

Date of first appointment	26 June 2020
Date of last appointment	21 August 2020

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.

The board and its committees

Composition

Details of directors at 31 March 2022 are set out on pages 103 to 105 of the integrated annual report.

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 independent non-executive directors and are 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.

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.

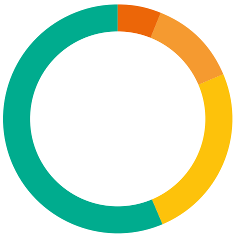
The board diversity policy addresses the JSE Listings Requirements for all listed companies to have a policy on how they address gender and race diversity at board level. The board is satisfied that its composition reflects the appropriate mix of knowledge, skills, experience, diversity and independence.

As set out in the board diversity policy, the board 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.

Directors' classification[1]



Chair	1
Executive director	2
Non-independent non-executive director	4
Independent non-executive director	9

1 Determined in accordance with King IV.

Age of directors[2]

Younger than 50 years	1
Between 50 and 60 years	5
Between 60 and 70 years	6
Older than 70	4

2 There is a standard deviation of 8.3 years between the ages of directors.

Gender diversity

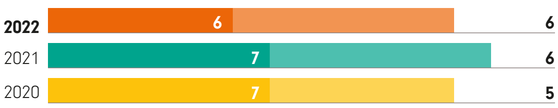
Female

Male

Racial diversity

Black people

Other: Local **Other: International**

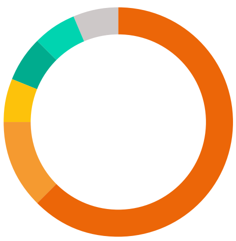


Tenure as a director[3]

0–2 years	3
3–4 years	0
5–6 years	1
7–9 years	9
>9 years	3

3 The average tenure of directors is eight years.

Nationalities[3]



South African	10
Dutch	2
US	1
Brazilian	1
Indian	1
Chinese	1

The board and its committees continued

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 annual review of board effectiveness.

Roles and responsibilities

The board

The board is responsible for the continuity of the company and its affiliated enterprises. The board focuses on long-term value creation of the company and its affiliated enterprises and considers the stakeholder interests that are relevant in this context. The board serves as the focal point and custodian of corporate governance and is responsible for the corporate governance of the company, including: (i) determining what business we are building, what we offer users and key objectives; and (ii) 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, leading by example, and monitoring implementation to make the required disclosures on incorporation, compliance and effectiveness.

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 group performance by steering and providing strategic direction to the company and ongoing oversight of the implementation of the strategy and business plan.

A charter setting out its responsibilities can be found at www.naspers.com/about/policies.

The chair

The chair, Koos Bekker, is a non-executive director.

The responsibilities of the chair are set out in the board charter and include, among others:

- 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 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.
- 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.

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 are set out in the board charter and include, among others:

- 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.

Lead independent 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 lead independent director are set out in the board charter and include, among others:

- Dealing with shareholders' concerns where contact through the normal channels has failed to resolve them, 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.

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

The group 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 as 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.

As required by JSE Listings Requirement 3.84(h), the board has determined that the company secretary, an admitted attorney with over 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.

The board and its committees continued

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. 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.

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 to ensure integrated thinking. As contemplated in the memorandum of incorporation and our insurance programme, indemnities have been issued by Naspers to its directors.

Board committees

The board has constituted six committees from among the directors to assist it to discharge its duties: an audit committee, a risk committee, a social, ethics and sustainability committee, a nominations committee, a human resources and remuneration committee and a projects committee.

Each committee acts within agreed, written terms of reference. The chair of each committee reports at each scheduled board meeting.

The chairs of the audit, risk, social, ethics and sustainability, human resources and remuneration, and nominations 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 below 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 of the integrated annual 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 challenges and oversight of the group's activities and of its audit functions. It comprises a majority of independent non-executive directors and is chaired by Steve Pacak, a non-executive director. The board considers Steve to be independent of mind and judgement in his conduct as chair of the committee.

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 is chaired by Steve Pacak.

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 for the group, taking into account specific disclosures and best practice as recommended by King IV.

The committee comprises a majority of independent non-executive directors, the chief executive, the financial director (alternate member) and the chief executive of Media24. It is chaired by Debra Meyer.

Nominations committee

The nominations 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.

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.

Projects committee

The projects committee is an ad hoc committee acting 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.

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, is 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 FY22 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 their 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.

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 results of the board evaluation indicated that board members, collectively and individually, effectively discharged their governance roles. There were no remedial actions identified.

The board and its committees continued

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 candidates 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 annually. Declaration of directors' interests is a standing item 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 deliberation and 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.

Refer to note 43 'Related party transactions and balances' on page 168 of the consolidated financial statements, which sets out the details of all related party transactions and balances.

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 continually.

Directors	Board	Audit committee	Risk committee	Social, ethics and sustainability committee	Nominations committee	Human resources and remuneration committee	Projects committee
JP Bekker*	10				4	5	–*
B van Dijk	10		5	3			–
V Sgourdos	10		4	3			–
EM Choi[1]	7		1			3	
HJ du Toit	10				4		
CL Enenstein	10				4	5*	
DG Eriksson[2]	–	–	–	–			
M Girotra	7	3					
RCC Jafta[3]	10	1	5	3	4*		–
AGZ Kemna[4]	9	4	4				
FLN Letele	10			2			
D Meyer	9			3*			
R Oliveira de Lima	10				4	5	
SJZ Pacak[5]	10	4*	5*				–
MR Sorour	10						–
JDT Stofberg	10			3			
BJ van der Ross[6]	10			3			
Y Xu	10						
MI Davidson				2			
Total meetings	**10**	**4**	**5**	**3**	**4**	**5**	–

* Chair.
1 Resigned as a director with effect from 26 August 2021.
2 Retired as a director with effect from 1 April 2021.
3 Resigned from the audit committee with effect from 25 August 2021.
4 Appointed as a director and to the audit committee with effect from 15 April 2021 and appointed to the risk committee with effect from 9 September 2021.
5 Appointed as chair of the audit committee with effect from 1 April 2021.
6 Retired as a director with effect from 1 April 2022.

Report of the audit committee

Members of the committee

- SJZ Pacak (chair)[1]
- M Girotra
- RCC Jafta[2]
- AGZ Kemna[3]

I am pleased to present the report of the audit committee for the year ended 31 March 2022.

The committee submits this report, as required by section 94 of the South African Companies Act 71 of 2008 (the Act).

Composition and attendance

This committee comprises independent non-executive directors.

Don Eriksson retired as a board member with effect from 1 April 2021 and Steve Pacak was appointed as chair of this committee. All members are financially literate and have business and financial acumen. The committee held four meetings during the past financial year. The chief executive and financial director attend committee meetings by invitation.

The names of members in office during the financial year and details of meetings attended by each member are shown on page 109 of the integrated annual report.

The committee has unrestricted access to company information falling within its mandate and will liaise with management on the information it requires to carry out its responsibilities. Both internal and external auditors have unrestricted access to the committee. The internal and external auditors also have the opportunity at two meetings per year to report to the committee in the absence of management, or when appropriate to do so.

The chair of the board is not a member of the committee but may attend meetings by invitation. Board members are entitled to attend committee meetings as observers. However, non-committee members are not entitled to participate without the consent of the chair, do not have a vote and are not entitled to fees for attendance.

Responsibilities

The functions and responsibilities of the committee are set out in the audit committee charter and include, among others:

- Review and approve for presentation to and approval by the board, the company's integrated annual report, including non-executive director reports, financial statements, interim reports and consolidated financial statements, and any other company press releases with material financial or internal control impacts.
- Annually review external audit and disclose the committee's views on the quality of the external audit and independence, when required, with reference to audit quality indicators such as those that may be included in inspection reports issued by external audit regulators.
- Based on the information provided by the various assurance providers, evaluate the effectiveness of internal financial controls.

Key focus areas during the year

During the financial year, the committee focused on:

- Discharging its functions in terms of its charter.
- Assessing the impact of the changes to accounting standards.
- Mandatory audit firm rotation.
- Ensuring group reporting meets JSE Listings Requirements and any other requirements which arise due to Naspers's listings.
- Assessing the economic impact of the war in Ukraine on the group.
- Engage with the JSE in terms of the proactive monitoring of financial statements.
- Reviewing and approving the new US dollar and euro notes issued in both July 2021 and January 2022.
- Continued implementation of the King IV recommendations.

Financial statement reporting issues

The committee's main responsibility for the group's financial reporting is to review, with both management and the external auditor, the appropriateness of the group's consolidated financial statements with its primary focus on the following:

- The quality and acceptability of accounting policies and practices.
- Material areas where significant judgements have been made, along with any significant assumptions or estimates, or where significant issues have been discussed with or challenged by the external auditor.
- An assessment of whether the consolidated and company financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the group's position and performance, business model and strategy.

The significant judgements and issues and conclusions reached/actions taken by the committee in relation to the 2022 financial statements are outlined on page 21 of the consolidated and company financial statements. The significant judgements and issues are broadly comparable in nature to prior years. Each of these matters was discussed with the external auditor and, where appropriate, has been addressed as a key audit matter in the report of the audit committee on page 112 of the integrated annual report.

Internal audit

The committee has oversight of the consolidated and company financial statements and reporting process, including the system of internal financial control. It is responsible for ensuring that the group's risk and audit function is independent and has the necessary resources, standing and authority in the organisation to discharge its duties.

The committee oversees cooperation between internal and external auditors, and serves as a link between the board of directors and these functions. The head of risk and audit reports functionally to the chair of the committee and administratively to the financial director. An assessment of the effectiveness of the risk and audit function, as well as the head of risk and audit, is performed annually by the committee. Based on the assessment, the committee is of the opinion that the risk and audit function, as well as the head of risk and audit, is effective.

1 Appointed as the chair of the committee with effect from 1 April 2021.
2 Resigned with effect from 25 August 2021.
3 Appointed with effect from 15 April 2021.

Report of the audit committee continued

Effectiveness of the company's internal financial controls

The committee reports to the board that it is of the opinion that, based on enquiries made and the reports from the internal and external auditors, the internal financial controls of the company and its investments are effective. Although the committee was apprised of certain areas in which control improvements are recommended, have started or have been completed, after consideration it is of the opinion that none of these imply a material weakness in financial control of the company and its subsidiaries for the year under review.

Independence and effectiveness of the external auditor

PricewaterhouseCoopers Inc. (PwC) was reappointed as auditor of the company until the next annual general meeting. PwC has been the auditor of Naspers for 106 years. The committee believes that the auditor has observed the highest level of business and professional ethics. The committee is satisfied that the auditor has at all times acted with unimpaired independence.

Details of fees paid to the external auditor are disclosed in note 15 to the financial statements on page 82.

All non-audit services were approved by the committee during the current financial year in accordance with the board-approved policy on non-audit services performed by the external auditor. The partner responsible for the audit is required to rotate every five years. The committee meets with the auditor independently of senior management.

During the year, the audit committee reviewed the representations by the external auditor and, after conducting its own review, confirmed the independence of the auditor. The quality of the external audit was reviewed, focusing on a range of factors considered relevant to audit quality and feedback from PwC on their performance against their own objectives, and the committee concluded the external audit to be satisfactory.

It was confirmed that no unresolved issues of concern exist between the group and the external auditor.

Auditor rotation

Following an extensive tender process under leadership of the committee, the company announced its proposal to appoint Deloitte as the company's new auditor for a term of four years starting 1 April 2023.

At the start of the tender process, a number of selection criteria were defined, including: the proposed audit team, the organisation of the audit team, the technical consultation process, the audit approach, fee structure, flexibility and ability to respond to a changing environment, the transition plan, reputation and credentials and ability to mobilise relevant expertise and resources. The tender process included site visits to the most important markets and workshops with the group functions and business groups, which provided the opportunity to evaluate who the next auditor should be. These impressions, together with a comparison of the written tender offers, followed by presentations to the executive directors, senior management and members of the committee, led to a decision by the board to propose and recommend the appointment of Deloitte to the shareholders.

The decisive factors to recommend Deloitte were the consistent strong performance of the proposed team, the best perceived integrated audit approach and competitive fee proposal. The company's current auditor will remain in function until the conclusion of the audit for the 2023 financial year.

Confidential meetings

Audit committee agendas provide for confidential meetings between committee members and the internal and external auditors.

Expertise and experience of the financial director and the finance function

As required by JSE Listings Requirement 3.84(h), the committee has satisfied itself that the financial director has appropriate expertise and experience. In addition, the committee satisfied itself that the composition, experience and skill set of the finance function met the group's requirements.

Based on an assessment performed annually, the committee is of the opinion that the finance function, as well as the financial director, is effective.

Report of the audit committee continued

Key audit matter	Conclusions reached/actions taken
Accounting for the voluntary share exchange transaction Following the approval by an extraordinary general meeting of shareholders in July 2021, the group executed a voluntary share exchange transaction, whereby newly issued Prosus N ordinary shares were exchanged for Naspers N ordinary shares, resulting in Prosus holding 45.8% of the Naspers N ordinary shares coupled with the 3.7% previously acquired as part of the share repurchase programme in June 2021 a combined interest of 49.5%. This represented a 49.9% economic interest in Naspers. A cross-holding agreement was concluded between Naspers and Prosus that arranged future distributions by Prosus and Naspers through a waiver by Prosus of its entitlement to distributions that originates from Prosus on the Naspers shares that it holds. On the date of the transaction, Prosus recognised a fair value through other comprehensive income (FVOCI) investment amounting to US$385m representing the sum of the parts of the underlying components of its residual interest in the Naspers group. Under the cross-holding agreement, and embedded in the articles of association, Naspers has waived its entitlement to distributions from Prosus for a calculated number of the N ordinary shares it holds in Prosus. These represent the portion of the Prosus N ordinary shares that Prosus indirectly owns in itself and have been excluded from the weighted average number of shares in the earnings per share calculation, since these shares do not have an economic interest in the earnings of the group. Based on these distribution rights above, Naspers holds an economic interest in Prosus of 42.3% as at 31 March 2022. Management applied significant judgement in determining the accounting for the transaction, the valuation of Prosus's residual interest in Naspers and the earnings per share information considering the cross-holding arrangement. The accounting for the voluntary share exchange transaction was considered as a significant reporting matter due to the complexity of the transaction, the magnitude of the amounts involved, and the significant judgements applied by management in the accounting for the transaction.	The committee acknowledged the complexity related to the share exchange transaction and reviewed the accounting, assumptions, judgements and disclosure of the share exchange transaction in the annual financial statements. The committee concluded that that accounting and disclosure of share exchange transaction in the consolidated annual financial statements is appropriate. The committee was satisfied with the adjustments made and the critical judgements applied by management.
Accounting for the equity-accounted investments in Tencent Holdings Limited (Tencent) Equity-accounted investments (refer to notes 10 and 11) are significant to the consolidated annual financial statements and the group is required to make certain adjustments to the underlying results of investees in respect of any significant transactions that occur between the investees' year-ends and 31 March. These adjustments require the exercise of critical management judgement and are significant in terms of magnitude. Accounting for the group's investment in Tencent was a significant matter due to the significant contribution of the entity to the consolidated results of the group and the fact that Tencent has a year-end that is not coterminous with that of the group. Furthermore, during April 2021, the group sold 2% of Tencent's issued share capital resulting in a gain on partial disposal of US$12.3bn. Also in December 2021, Tencent declared a special interim dividend in the form of shares in JD.com which was distributed on 25 March 2022. For further information refer to note 2 and note 10.	The committee received feedback from the group's representatives on the committees of Tencent and other significant equity-accounted investments. The committee reviewed the reporting of the contribution of equity-accounted investments to the group's results and financial position as part of their review of the consolidated annual financial statements. In addition, the committee received reporting from management on significant transactions related to equity accounted investments (ie dividends and disposals), the significant lag-period adjustments and/or adjustments made to the underlying results of investees to align the investees' accounting policies to those of the group.
Valuation of intangible assets arising as a result of acquisitions The group concluded acquisitions of subsidiaries and associates throughout the year, most notably the acquisition of 100% interest in Stack Overflow for a consideration of US$1.7bn and the acquisition of an additional interest in associate Delivery Hero of 6.3% for US$2.5bn. In accordance with IFRS 3 *Business Combinations* and IAS 28 *Investments in Associates and Joint Ventures*, the accounting for these acquisitions requires management to perform a purchase price allocation which requires significant judgement by management to determine the fair value of the identifiable assets and liabilities and the resulting goodwill. As part of the valuation process, management involved external valuation experts to assist in the determination of the purchase price allocation and valuation of identified assets and liabilities. The valuation of the intangible assets arising as a result of acquisitions was a matter of significance due to the judgement and complexity involved in performing the purchase price allocations, specifically the underlying estimates involved in forecasting cash flows and other significant assumptions used in the valuation. The valuation of intangible assets arising as a result of acquisitions was considered as a significant reporting matter due to the magnitude of the acquisitions during the year, the significant judgement applied by management in identifying acquired intangible assets and in the assumptions underlying the valuation thereof.	The committee acknowledged the complexity related to the judgement and complexity involved in performing the purchase price allocations, specifically the underlying estimates involved in forecasting cash flows and other significant assumptions used in the valuation. The committee concluded that that accounting and disclosure of the purchase price allocation and valuation identified assets and liabilities of in the consolidated annual financial statements is appropriate. Based on this, the committee was satisfied with the adjustments made and the critical judgements applied by management.

Report of the audit committee continued

Key audit matter	Conclusions reached/actions taken
Impairment testing of assets including goodwill, other intangible assets and investments **Goodwill and intangible assets** The increase in risk-free rates and the war in Ukraine at the beginning of the 2022 calendar year resulted in the need to update the goodwill impairment assessment performed at 31 December 2021. The impact of the war in Ukraine did not result in an impairment of goodwill for the businesses in Russia or Ukraine. The group's net asset value includes significant amounts of goodwill and intangible assets (refer to notes 7 and 34). These balances are tested at least annually for impairment at the level of individual cash generating units (CGUs). The recoverable amounts of the CGUs were based on either the fair value estimates by reference to recent funding rounds or market transactions (where applicable) or value in use estimates using discounted cash flow models. This process involves complex calculations and the exercise of critical management judgement regarding assumptions and estimates. **Investment in associates** The recent decline in the share price of Delivery Hero and Skillsoft was identified as an impairment indicator for these associate investments.	The committee received impairment reporting from management, including the results of the group's annual impairment testing of goodwill and those assets where indicators of impairment existed. The committee reviewed this reporting in terms of the consistent application of management's testing methodology, the achievability of business plans and forecasts based on current and past performance, the Naspers board approval thereof and the critical assumptions applied. In addition, as impairment testing remains a key area of focus for the group's external auditor, the committee reviewed the external auditor's reporting on impairment testing and the valuations used for this purpose. The committee also received detailed written feedback from management on how valuation principles, areas of judgement and forecasts have been impacted by current economic conditions. The impairment assessments for equity-accounted associates and joint ventures considered the financial performance of the investments during the period and determined whether there were any significant indicators, such as a decline in the market capitalisation for listed investments, significant market movements or any material financial losses for unlisted investments, that would result in an impairment loss. The group used its budgets and forecasts to perform discounted cash flow valuations in order to determine the recoverable amount (the higher of its value in use and market prices) of its equity accounted associates and joint ventures to identify whether any impairments should be recognised. Of all listed equity-accounted investments, impairment indicators were identified for Delivery Hero and Skillsoft due to the decline in their respective market capitalisations. The carrying value exceeded the recoverable amount for all listed investments with the exception of the investment in Skillsoft. For all unlisted equity accounted investments a net impairment loss of US$3m was recognised mainly due to the equity accounted associates and joint venture performance during the current year falling below expectations. Consequently, the committee was satisfied with the appropriateness of the analysis performed by management and the impairment-related disclosures in the consolidated annual financial statements.
Share-based payments The group has a number of share-based compensation schemes (refer to note 37). The share-based payments arising therefrom involve complex valuations and the use of critical management judgement regarding assumptions, the classification of the schemes and estimates.	The committee acknowledged that the human resources and remuneration committee reviews the valuations, including assumptions and allocations, of the share-based compensation schemes as well as the various scheme rules. The committee noted the report of the human resources and remuneration committee will be tabled at the Naspers board meeting in August and will detail the results of these reviews as per the normal process. The committee noted that these valuations and the underlying assumptions are used for the accounting of share-based payments. The committee also reviewed the accounting and disclosure of share-based payments in the annual financial statements. As a result, the committee concluded that accounting and disclosure of share-based payments in the consolidated annual financial statements is appropriate.

Report of the audit committee continued

Combined assurance

The board does not only rely on the adequacy of the internal control embedment process, but considers reports on the effectiveness of risk management activities from the risk committee. The committee ensures that the assurance functions of management as well as internal and external audit are sufficiently integrated and is satisfied with the effectiveness of the arrangements for combined assurance. The various assurance providers to the board comprise the following:

Senior management and the risk committee consider the company's risk strategy and policy, along with their effectiveness and efficiency. The risk committee also considers the adequacy of risk management strategies, systems of internal control, risk profiles and legal compliance. The committee receives assurance from the risk committee that risk management activities are sufficiently addressed and effective.

The committee considers the systems of internal control, internal and external audit reports and reviews the independence of the auditor, the extent and nature of audit engagements, scope of work and findings. This committee also reviews the level of disclosure in the consolidated financial statements and the appropriateness of accounting policies adopted by management and, jointly with the risk committee, considers material issues of fraud and reporting on fraud. The board reviews the performance of the committee against its charter.

The chair of the committee reports to the board at the board meeting following each committee meeting on matters addressed by the committee at its last meeting.

Discharge of responsibilities

The committee determined that, during the financial year under review, it had discharged its legal and other responsibilities as outlined in terms of its remit, details of which are included in the full corporate governance report at www.naspers.com. The board concurred with this assessment.

Key focus areas going forward

The committee's key focus for the 2023 financial year includes the following:

- Discharging its functions in terms of its charter.
- Assessing the impact of changes to accounting standards.
- Ensuring group reporting meets JSE Listings Requirements and any other requirements which arise due to Naspers's listings.
- Ongoing compliance with King IV.
- Overseeing the mandatory audit firm rotation process.
- Focusing regularly on the group's working capital requirements and ensuring that the group and its subsidiaries continue to operate as going concerns.
- Reviewing and monitoring the accounting for potential mergers, acquisitions and disposal and the conduct of impairment tests.

Steve Pacak
Chair: Audit committee

25 June 2022

Report of the risk committee

Members of the committee

- SJZ Pacak (chair)[1]
- EM Choi[2]
- RCC Jafta
- AGZ Kemna[3]
- V Sgourdos
- B van Dijk

I am pleased to present the risk committee's report for the year ended 31 March 2022.

Composition and attendance

The committee comprises a minimum of three independent non-executive directors, as well as the chief executive and financial director. The chair of the board may be a member of the committee and may serve as chair of this committee. Don Eriksson, previously chair of the committee, retired as a board member with effect from 1 April 2021 and Steve Pacak was appointed as chair of this committee. Board members are entitled to attend committee meetings as observers. However, non-committee members are not entitled to participate without the consent of the chair; do not have a vote; and are not entitled to fees for attendance.

The names of members in office during the financial year and details of meetings attended by each member are shown on page 109 of the integrated annual report.

Unless expressly noted, all members served on the committee for the full financial year. The committee held five meetings during the past financial year.

The committee has unrestricted access to company information falling within its mandate and will liaise with management on the information it requires to carry out its responsibilities.

Members of the committee have risk management skills and experience.

Responsibilities

The functions and responsibilities of the committee are set out in the risk committee charter and include, among others:

- Review and approve a risk management policy and plan developed by management and recommend such policy and plan to the board for approval. The risk policy and plan must be reviewed annually.
- Monitor the implementation of the risk management policy and plan, ensuring that an appropriate enterprisewide risk management system and process is in place with adequate and effective risk management processes that include strategy, ethics, operations, reporting, compliance, IT and sustainability.
- Make recommendations to the board concerning risk indicators, levels of risk tolerance and risk appetite (namely the board's propensity to take appropriate levels of risk) as well as the limit of the potential loss that the group has the capacity to tolerate.

The committee assists the board in recognising material risks to which the group is exposed and ensuring that the culture, policies and systems are implemented and are functioning effectively.

Management is accountable to the board for implementing and monitoring the processes of risk management and for integrating this into day-to-day activities. The Media24 risk committee reports to the Naspers risk committee. The PayU risk advisory committee reports to the risk committee to ensure that PayU management receives external independent advice and acts as an independent guardian to the risk committee on PayU-related matters.

An ongoing enterprisewide risk assessment process supports the group. This ensures risks are adequately identified, evaluated and managed at the appropriate level in each business and that their individual and joint impact on the group is considered.

Risk and audit assists in evaluating the effectiveness of the risk management process and comments on this in its own assessment report.

Key focus areas during the year

Recognising material risks to which the group is exposed and ensuring that the culture, policies and systems are implemented and functioning effectively.

- Implementing and monitoring the processes of risk management and for integrating this into day-to-day activities.
- Assessed the impact of the invasion of Ukraine by Russia on the group and adjusted the heat map and risk register accordingly.
- Ensuring risks are adequately identified, evaluated and managed at the appropriate level in each business, and that their individual and joint impact on the group is considered via the enterprisewide risk management process.
- Particularly focusing on data privacy, cybersecurity, sustainability, tax and IP.

Details of how we manage, govern and monitor information and technology, and compliance appear on pages 29 to 36 of the integrated annual report.

Details of how risk, compliance, and information and technology are managed to result in the objectives recommended by King IV are contained in the King IV application report.

Key focus areas going forward

An ongoing focus on the management of changes in the risk environment, particularly for legal compliance, tax, sustainability and information, and technology-related risks such as cybersecurity, data privacy (specifically the implementation of the EU's General Data Protection Regulation) and the use of data-driven technologies.

Discharge of responsibilities

The committee determined that, during the financial year under review, it had discharged its responsibilities as outlined in terms of its remit.

The board concurred with this assessment.

The committee has presented the risk summary on pages 87 to 95 of the integrated annual report.

Steve Pacak
Chair: Risk committee

25 June 2022

1 Appointed as the chair of the committee with effect from 1 April 2021.
2 Resigned with effect from 26 August 2021.
3 Appointed with effect from 9 September 2021.

Report of the social, ethics and sustainability committee

Members of the committee

- D Meyer (chair)[1]
- RCC Jafta
- FLN Letele
- V Sgourdos
- JDT Stofberg
- B van Dijk
- MI Davidson
- B van der Ross[2]

I am pleased to present the social, ethics and sustainability committee's report for the year ended 31 March 2022, where we outline how the committee has discharged its responsibilities as set out in section 72 of the South African Companies Act 71 of 2008, as amended (the Act), and regulation 43 of the Companies Regulations 2011 (the regulation), issued in terms of the Act and its charter, which was amended in June 2017 to align to the principles of King IV.

This report enabled the committee to discharge its statutory responsibilities relating to Naspers and its South African subsidiaries.

This committee comprises a majority non-executive directors, the chief executive officer and the financial director.

The committee held three meetings during the past financial year. The names of the members who were in office during the financial year and the details of the committee meetings attended by each of the members are shown on page 109 of the integrated annual report.

Responsibilities

The functions and responsibilities of the committee are set out in the social, ethics and sustainability committee charter and include, among others:

- Overseeing and reporting on business ethics and sustainability, taking into account best practice, specific requirements of regulators and environmental, social and governance (ESG) reporting standards and frameworks.
- Assisting the board to develop and supervise the implementation of a long-term value creation strategy, by bringing to the board's attention relevant sustainability matters, matters relating to business ethics and culture and whistleblowing and other relevant stakeholder interests.

Key focus areas during the year:

- Stakeholder interests and relevant sustainability aspects and matters relating to business ethics and culture and the Speak Up policy.
- Training on sustainability.
- Performance against employment equity plans.
- Performance regarding BBBEE as measured against the Department of Trade, Industry and Competition's (dtic's) generic BBBEE scorecard.
- Skills and other development programmes aimed at the educational development of employees.
- Employment philosophy and how it is founded on promoting equality and preventing unfair discrimination.
- Labour practices and policies, and how these compare to the International Labour Organization on decent working conditions.
- Corporate social investment programmes, including details of donations and charitable giving.
- The progress of addressing the principles of the UN Global Compact and OECD guidelines.
- Consumer relationships, including the company's advertising, public relations and compliance with consumer protection laws.

Key focus areas going forward

The committee recognises that the areas within its mandate are evolving and that management's responses will also adapt to changes in the ESG agenda.

Management will continue to improve reporting techniques in how it reports to the committee on responsible corporate citizenship and sustainability, using reporting frameworks such as the six capitals reporting framework and the United Nations Sustainable Development Goals (UN SDGs). Accordingly, the group will continue to enhance the way it reports on corporate citizenship and sustainability to its stakeholders in the integrated annual report.

Conclusion

The committee is of the view that the group takes its ethics, social and governance responsibilities seriously.

Appropriate policies, plans and programmes are in place to contribute to management and governance of an ethical business culture, stakeholder relationships, social and economic development and good corporate citizenship.

No substantive non-compliance with legislation and regulation, or non-adherence with codes of best practice, relevant to the areas within the committee's mandate has been brought to its attention. Based on its monitoring activities to date, the committee has no reason to believe that any such non-compliance or non-adherence has occurred.

The committee determined that, during the financial year under review, it had discharged its legal and other responsibilities as outlined in terms of its remit, details of which are included on page 108 of the integrated annual report. The board concurred with this assessment.

Debra Meyer
Chair: Social, ethics and sustainability committee

25 June 2022

1 Appointed chair with effect from 16 April 2021.
2 Retired with effect from 1 April 2022.

Report of the nominations committee

Members of the committee

- RCC Jafta (chair)
- JP Bekker
- HJ du Toit
- CL Enenstein
- R Oliveira de Lima

I am pleased to present the nominations committee's report for the year ended 31 March 2022. The committee has a charter approved by the board.

Membership and meetings attendance

The committee comprises a minimum of three directors, the majority of whom are independent. All members of the committee must be non-executive directors, the majority of whom are independent.

The committee held four meetings during the past financial year. The chair is an independent non-executive director.

The names of members in office during the financial year and details of meetings attended by each member are on page 109 of the integrated annual report.

Board members are entitled to attend committee meetings as observers.

However, non-committee members are not entitled to participate without the consent of the chair; do not have a vote; and are not entitled to fees for attendance.

This committee has unrestricted access to company information falling within its mandate and will liaise with management on the information it requires to carry out its responsibilities.

Responsibilities

The functions and responsibilities of the committee are set out in the nominations committee charter and include, among others:

- Review annually the structure, size and composition of the board and, where appropriate, make recommendations to the board in respect thereof.
- Make recommendations to the board with regard to the appointment of new directors.
- Identify and nominate candidates to fill board vacancies.

Key focus areas during the year

During the financial year, the committee focused on the following:

- Assessment of the composition of the board to execute its duties effectively, inclusive of the changes made during the year.
- Assessment of the independence of non-executive directors serving for nine years or longer for consideration by the board.
- Assessment of compliance with the committee's charter.
- The review and recommendation of the audit committee members to the annual general meeting for shareholder approval.
- Assessment of the effectiveness of the board, its members and the committees through a board evaluation process.
- Evaluation of the performance and independence of the company secretary.

Assessment of the independence of directors who have served on the board for more than nine years

King IV recommends that the board should annually assess the independence of independent non-executive directors serving for nine years or longer.

An independence assessment of Rachel Jafta who has served on the board for 18 years and Debra Meyer (12 years) was undertaken during the review period.

In assessing the independence of these directors, the board considered the following factors:

- Formal evaluation of directors' performance, based on the outcome of evaluation questionnaire responses from other board members.
- Interactions at board meetings with fellow directors and management.
- Contributions to discussions at board meetings and in the decision-making processes.
- Whether the directors' interests, position, association or relatives were likely to influence unduly or cause bias in decision-making when judged from the perspective of a reasonable and informed third party.
- King IV recommendations on independence.
- Requirements of independence for members of audit committees as set out in section 94(4) of the South African Companies Act.

The board determined that these directors demonstrated that they were independent of mind and judgement and had objectively fulfilled their roles as independent non-executive directors, despite their tenure on the board.

Key areas of focus going forward

Focus areas for the committee going forward will include the following:

- Assessment of the composition of the board to execute its duties effectively.
- The review and recommendation of the audit committee members to the annual general meeting for shareholder approval.
- Evaluation of the board, including structure, size, composition, balance of skills, experience and diversity of the board and its committees.
- Assessing the independence of directors, especially those serving for nine years or longer.
- Ensuring there is a succession plan in place for the position of the chair of the board.

Conclusion

Following the review by the committee for the year ended 31 March 2022, the committee is of the view that, in all material respects, it has fulfilled its remit for the financial year.

The board concurred.

Rachel Jafta
Chair: Nominations committee

25 June 2022

Report of the human resources and remuneration committee

Members of the committee

- CL Enenstein (chair)
- JP Bekker
- EM Choi[1]
- R Oliveira de Lima

I am pleased to present the human resources and remuneration committee's report for the year ended 31 March 2022. The committee's main objective is to fulfil the board's responsibility for strategic human resources and remuneration aspects of the group.

The committee has a charter that encompasses King IV recommendations and is approved by the board.

Composition and attendance

The committee comprises a minimum of three directors. All members must be non-executive directors, the majority of whom are independent.

Board members are entitled to attend committee meetings as observers.

However, non-committee members are not entitled to participate without the consent of the chair; do not have a vote; and are not entitled to fees for attendance.

The chair of the committee is an independent non-executive director. The committee held five meetings during the past financial year.

The names of members in office during the financial year and details of meetings attended by each member are on page 109 of the integrated annual report.

The committee has unrestricted access to company information falling within its mandate and will liaise with management on the information it requires to carry out its responsibilities.

Responsibilities

The functions and responsibilities of the committee are set out in the human resources and remuneration committee charter and include, among others:

- Every four years, submit a clear and understandable proposal to the board of Naspers of a remuneration policy for directors of Naspers.
- Review and approve annually the remuneration packages of the most senior executives, ensuring they are appropriate and in line with the remuneration policy.
- Review annually the company's code of business ethics and conduct.

Key focus areas during the year

Please refer to the remuneration report to see key focus areas of the committee during the financial year.

Key focus areas going forward

Key focus areas for the year ahead include the following:

- 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.
- Achieving an appropriate mix of longer-term incentives, including those to which explicit performance conditions are attached.

Remuneration report

Having achieved its objectives for the financial year, the committee sets out the remuneration disclosure in the remuneration report, comprising our overarching remuneration policy for executive directors and non-executive directors and commentary on how it has been implemented during the year. The remuneration report is prepared in accordance with the requirements of King IV. It is divided into three sections (background statement, remuneration policy and implementation) and is detailed on pages 119 to 147 of the integrated annual report.

Craig Enenstein
Chair: Human resources and remuneration committee

25 June 2022

1 Resigned with effect from 26 August 2021.

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[1]
- R Oliveira de Lima

Key focus areas during the year

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

Dear Shareholder

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

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

Business performance[2]

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

Major transactions

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

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

Global markets

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

Discount to net asset value

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

Remuneration report continued

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

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

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

Vesting of first PSU awards

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

The first PSU awards were due to vest in June 2022 and will be settled in Naspers shares[3], based on the set number of shares at the time of grant. The performance condition as defined for the PSUs, measures the three-year CAGR valuation of the Ecommerce portfolio against a basket of global peers. Given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year, and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the achievement of the PSU performance condition until the sale of that business has been concluded, even though the Avito business represents only a limited percentage of the Ecommerce valuation. We will inform shareholders as soon as practicable of the impact on the FY20 PSUs. The vesting for participants will be delayed until such time.

Disclosures

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

Our stakeholder engagement

We engage openly and frequently and take extensive input from our investors and advisers, including meetings directed specifically to discussing remuneration with shareholders, to clearly demonstrate the link between Naspers's strategy, business performance and our remuneration philosophy. The results of the prior year's advisory vote and the feedback from investor meetings were taken into account and debated by the remuneration committee, leading to a number of changes in remuneration design and disclosure, including adding a discount-linked STI as well as being committed to disclosing retrospective STI targets starting in 2023.

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

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

Craig Enenstein
Chair: Human resources and remuneration committee

25 June 2022

Structure of report

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

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

We conclude with an Additional information section on page 146.

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

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

Background and policy

Our philosophy

Our remuneration philosophy underpins our group's strategy and enables us to achieve our business objectives. Our commitment to pay for performance and alignment with shareholder value creation drives all our remuneration activities and supports the ownership mentality and spirit of entrepreneurship in our teams around the world. We believe in a level playing field for our people. We strive to pay fairly and responsibly. As much as possible, the structure of our pay is consistent, regardless of the seniority of the employee, ensuring equality of pay structures across all employees. In the committee's view, the remuneration policy achieved its stated objectives in the year under review.

Five key principles to guide our remuneration approach

Paying for performance

We believe in pay for performance: we are comfortable with bigger rewards for those that make the highest contribution.

Shareholder alignment

Remuneration must be aligned with shareholder outcomes.

Incentivisation

Remuneration must incentivise the achievement of strategic, operational, sustainability and financial objectives, in both the short and longer term.

Consistency

We are consistent: our reward package elements are broadly the same, regardless of seniority*.

Attracting and retaining talent

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 the board
- Managed: All employee pay decisions are properly overseen
- Considered: Judgement is applied; we shy away from solely formulaic appraisals that could lead to unacceptable outcomes
- Sustainable: Remuneration designed with sustainability in mind

We strive to deliver fair and consistent remuneration across all our business operations and this includes permanent and temporary employees, contractors, consultants and trainees.

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

* LTI is an important part of compensation for most employees, except those in junior roles.

Background and policy continued

Our competitive environment for talent

A global market for talent

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

Making executive pay decisions

OUR PAY PRINCIPLES

Pay for performance
Achieve the business plan

Attract and retain talent
Fair and responsible

Shareholder alignment
Longer term

INPUTS

Market situation – benchmarking

Individual performance as per STI | Business performance

When making executive pay decisions, we consider the individual's performance and the performance of the business.

Willis Towers Watson (WTW) data high-tech sector and general industry | AON Radford data high-tech sector

We partner with local data providers in the countries in which we operate and with these two global providers of benchmarking information. Survey coverage is specifically strong in the US, Western Europe and in high-growth markets. We access its general industry and high-tech surveys (including media and technology).

Peer group

Where appropriate and available, we look at publicly disclosed data that are more or less comparable in the ecommerce, consumer internet, food delivery and social media sector. The peer companies for remuneration benchmarking are referenced below[1].

Scenario analysis

The committee undertakes a thorough assessment to ensure that targets on variable incentives are sufficiently stretched in the context of potential remuneration delivered, and applies judgement so that the remuneration policy continues to achieve its objectives of aligning pay with the long-term performance of Naspers and shareholder outcomes.

Committee deliberation

OUPUTS

Pay decision

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

Background and policy continued

Our remuneration structure: Pay for performance

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

<table>
<tr><th colspan="6">FY22 Pay elements</th></tr>
<tr><td rowspan="2"></td><td colspan="5">Our pay design links to our pay principles</td></tr>
<tr><td>Pay for performance</td><td>Shareholder alignment</td><td>Incentivisation</td><td>Consistency</td><td>Attract and retain talent</td></tr>
<tr><td rowspan="2">Fixed remuneration</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr>
<tr><td colspan="5">• Base salary reflects the contribution of the individual and market value of the role.
• Paid monthly in cash.
• May be reviewed annually; any increase is typically effective from 1 April each year.
• Benefits typically include pension, medical insurance, and life and disability insurance.</td></tr>
<tr><td rowspan="2">STI – annual performance-related incentive</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr>
<tr><td colspan="5">• Discretionary annual performance-related incentive with performance measures that are tailored to the executives' roles and responsibilities.
• At least 50% of the bonus opportunity is based on delivery of financial performance ahead of the board-approved business plan.
• Strategic and operational goals include an objective to address the holding company discount and additional financial performance metrics for the underlying businesses.
• Environmental and sustainability goals are set for the short and longer term. Target and maximum bonus opportunity are the same (no payout for over-performance against the target), and the standard STI is set at 100% of base salary for both the CEO and CFO.
• The committee undertakes a thorough assessment to ensure that targets are rigorous and sufficiently stretched. STI payout is typically below the maximum 100% opportunity.
• Any STI payout is made in cash.
• The committee may apply judgement with discretion to make appropriate adjustments to the annual bonus.</td></tr>
<tr><td rowspan="2">LTI – Performance share units (PSUs)</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr>
<tr><td colspan="5">• PSUs are designed to incentivise the increase in the value of internet businesses (excluding Tencent*), and deliver superior returns to shareholders.
• Three-year cliff-vesting, subject to the achievement of the performance condition.
• Performance condition is the three-year compound annual growth rate (CAGR) of the Global Ecommerce SAR scheme*, relative to a group of industry peers.
• Vested PSUs are settled in shares.
• Further details are available on page 124.

* It is noted that VK never was part of our Global Ecommerce SAR Plan. We announced in March our intention to write down the full carrying value of the VK asset.</td></tr>
<tr><td rowspan="2">LTI – Share appreciation rights (SARs)</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr>
<tr><td colspan="5">• SARs incentivise the growth in value of the business units or an aggregation of underlying assets. See page 126 for details on the valuations process and the valuation performance of the Ecommerce portfolio linked to the SARs plan.
• Any value upside delivered by individual businesses is offset by any value downside delivered by other businesses, thus ensuring that senior executives' remuneration is negatively affected should individual businesses not perform.
• The change in value is measured over a four-year period to ensure focus on the longer-term delivery of shareholder value.
• Any gains are settled in cash.</td></tr>
<tr><td rowspan="2">LTI – Share options (SOs)</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td><td>✓</td></tr>
<tr><td colspan="5">• SOs: Any gains are based on the growth in share price over a four-year period.
• Performance hurdle: Value is only delivered to participants if there is an increase in the share price.
• Any gains are settled in shares.</td></tr>
</table>

Malus and clawback provisions apply to STI and LTI.

Background and policy continued

Executive director participation in LTI plans

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

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

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

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

A blend of LTI

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

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

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

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

PSUs

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

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

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

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

Peer group for PSU performance condition

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

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

Background and policy continued

FY22 Blend of LTI (% in FY22 mix)	PSU (60%)	Global Ecommerce SAR (32.5%)	SOs (7.5%)
Plan characteristics	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).	Embedded with a performance hurdle as there is no value to be gained unless there is an increase in share value in the underlying, unlisted consumer internet businesses (excluding Tencent) between grant and vesting/exercise.	Embedded with a performance hurdle as there is no value to be gained unless there is an increase in share value between grant and vesting/exercise.
Settlement	Depending on the achievement against performance condition, between 0% and 200% of the awarded PSUs may vest and Prosus or Naspers[2] shares are delivered[3] on vesting.	Gains, if any, are settled in cash.	Upon exercise, SOs are settled in Naspers or Prosus shares[2, 3].
Focus on longer-term value creation	Value driven by longer-term outcomes.	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).	Aligned with shareholders incentivising executive management to reduce the discount to NAV.

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

Background and policy continued

Valuations

The Global Ecommerce portfolio

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

Methodology

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

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

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

2022 valuation outcome

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

Figure 1 – **Governance of our valuation process**

Valuation process

Underlying business submits 10-year business plans and annual budget.	**Prosus reviews the 10-year business plans for each underlying business and provides them to the external valuer.**	**Independently from management, the valuer values the underlying assets at 31 March annually and additionally, whenever a significant change occurs.**	**The valuer issues a report detailing the valuation for each of the underlying operations.**

Segment schemes and the ecommerce schemes are a 'basket of assets' representing the valuations of the underlying operations

Governance

1 REPORT ISSUED	2 REVIEW	3 SUBMISSION	4 APPROVAL
The external valuer[1] issues a report with the respective share scheme valuations.	The valuations subcommittee of the human resources and remuneration committee reviews the valuations before recommending the values for approval to the human resources and remuneration committee. The subcommittee consists of members of the board: Craig Enenstein (chair) and Steve Pacak.	Reports from the valuer and the valuations subcommittee are submitted to the human resources and remuneration committee as part of their approval process.	Once the human resources and remuneration committee approves the valuations and resultant share prices, the share prices will be updated and participants can exercise their SARs or SOs at these updated prices in accordance with the trading-in-securities policy.

1 Currently Deloitte. The group has appointed KPMG as the new external valuer, conducting the valuations for the group's unlisted assets from FY23 onwards, as Deloitte has been appointed as the new auditor effective 1 April 2023.

Background and policy continued

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

Figure 1
Ecommerce portfolio and SARs performance 2019 to 2021

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

Governance

Recruitment policy

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

Termination policy

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

Malus and clawback

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

Service contracts

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

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

Other non-executive roles

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

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

Shareholding requirement for the CEO

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

Background and policy continued

Non-executive directors' remuneration policy

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

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

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

Dual responsibilities

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

Non-executive directors' terms of appointment

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

Retirement and re-election of non-executive directors

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

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

Shareholder engagement

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

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

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

Implementation of remuneration policy

Aligning remuneration to our strategy and performance

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

Our strategy	• We partner with local entrepreneurs to build global technology leaders. • We operate at the intersection of high-growth markets and technology to address major societal needs at scale. • Build sustainable leadership positions in high-growth markets. • Build businesses with big potential to address societal needs.
Our business priorities	• Classifieds • Food Delivery • Edtech • Payments and Fintech • Etail • Ventures • Social and Internet Platforms • Media
Our financial highlights[1] (all figures from continuing operations)	• Revenue: US$36.7bn, up 24% (24%). • Trading profit: Down 10% (6%) to US$5.0bn. • Core headline earnings, the board's measure of sustainable operating performance: Down 40% (16%) on last year at US$2.1bn.
Our operating highlights[1]	• Ecommerce revenue of US$10.7bn for the year grew 56% (49%). Strong growth was seen across all our core segments. Each segment reported strong growth and profitability at the core and during the period we increased our level of investment on the back of that strength to expand the market opportunity for each segment and strengthen the underlying ecosystems of underlying businesses. This increased investment resulted in aggregated trading losses increasing to US$1 120m, from just US$439m in the prior year. • Classifieds: OLX Group revenue of US$2.98bn grew 85% (92%) from US$1.6bn in the prior year. This was largely driven by OLX Autos, which grew 158% (173%) year on year. Despite continued aggressive investment in the autos transaction business, pay-and-ship, and people and technology to build capacity for the next growth phase, trading profit was maintained largely at last year's level as the segment reported a trading profit of US$25m (FY21: US$15m). • Food Delivery portfolio companies continued to benefit from economies of scale and delivered strong growth. Total orders and gross merchandise value (GMV) grew 60% and (59%) respectively, translating into 101% (77%) growth in revenue to US$3bn in the current year. While restaurant delivery platforms are nearing breakeven, the investment in adjacencies and growth initiatives has contributed to the increase in the Food Delivery segment's trading losses from US$355m in FY21 to US$724m in FY22. • The Payments and Fintech segment continued to benefit from the shift to digital payments. Revenue grew 38% (45%) to US$796m, driven by strong performance in the India payment business and a strong recovery in the credit business. The segments' overall trading loss margin improved to negative 8% as trading losses reduced from US$68m in the prior year to US$60m. • Edtech grew revenue by 270% (55%) to US$425m. During the financial year, we made several investments and acquisitions, most notably the acquisition of a controlling stake in Stack Overflow and acquisitions within the BYJU'S group, leading to trading losses increasing to US$117m from US$14m in the prior year. Education remains a significant and high-potential sector with compelling secular tailwinds such as population growth in emerging markets. • Etail: eMAG reported a trading loss of US$34m for the year. eMAG group revenues increased by 3%, representing revenue of US$2.3bn. eMAG in Bulgaria performed particularly well. Takealot continued to grow across all three businesses. GMV and revenue grew 46% (34%) and 36% (27%) respectively, despite a rebound in offline retail sales. The Takealot group remained near breakeven, with a trading loss of US$7m, or 1% trading loss margin, similar to the prior year.
Remuneration outcome FY22	• We have largely met the targets set in our business plans, including financial performance, except for achieving core headline earnings, including Tencent. With the significant volatility currently effecting the global capital markets, there are many factors that have led to an increase in the discount. Some of these factors are within the control of the group, while others are not. We acknowledge that the discount has risen to an unacceptable level and that taking action to reduce it, while still executing the group's strategy, should be a top priority. To that end, we are committed to taking action on controllable uses. The next page contains information on the annual change of CEO compensation linked to the performance of the company, as well as the FY22 remuneration for the CEO and CFO as shown in the single-figure table. The outcomes of STI linked to all group financial goals and strategic, operational and ESG goals are disclosed on pages 132 and 133.

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

Implementation of remuneration policy continued

Aligning remuneration to our strategy

Compensation is substantially 'at risk' and longer term

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

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

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

Bob van Dijk

	%
Annual fixed pay	9
Annual STI (target)	9
Annual fair-value LTI	82

Basil Sgourdos

	%
Annual fixed pay	12
Annual STI (target)	12
Annual fair-value LTI	76

Business performance and remuneration outcomes

Figure 2

Executive directors' remuneration versus company performance

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

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

Single-figure table FY22 remuneration

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

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

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

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

Implementation of remuneration policy continued

CEO remuneration in comparison to average employee remuneration

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

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

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

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

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

Competitive pay – knowledge workers

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

Fairness

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

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

Pay equality

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

Remuneration – response to the ongoing Covid-19 pandemic

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

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

STI – FY22 goals and achievements

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

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

All STI awards are paid out in cash.

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

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

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

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

FY20 PSU award vesting – delayed

The first PSU awards were due to vest in June 2022 and will be settled in Naspers shares[1], based on the set number of shares at the time of grant. The performance condition as defined for the PSUs, measures the three-year CAGR valuation of the Ecommerce portfolio against a basket of global peers. Given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the achievement of the PSU performance condition until the valuation of that business has been concluded. We will inform shareholders as soon as practicable of the impact to the FY20 PSUs. The vesting for participants will be delayed until such time.

Implementation of remuneration policy continued

Investing for long-term value creation

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

Bob van Dijk

Maximum STI opportunity: 100% base salary

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

Outcomes of STIs

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

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

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

Figure 1 – **FY22 goals and achievements**

✓ Achieved ✗ Not achieved

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

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

1 Core headline earnings is an alternative performance measurement. Please refer to 'Other information – Non-IFRS financial measures and alternative performance indicators' on page 181 of the integrated annual report.
* The following target for Edtech was achieved: Organic topline revenue growth.

Implementation of remuneration policy continued

Figure 1 – **FY22 goals and achievements**

Basil Sgourdos
Maximum STI opportunity: 100% of base salary

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

Strategic, operational and ESG goals	Weighting %	Description	Further info can be found in the integrated annual report on page	Outcome	Actual payout
Holding company discount	15.0	Take structural action to address the holding company discount to NAV	7	✗	US$0
Taxation	12.5	Prudent and optimal tax management structure	84	✓	US$150 043
Investor relations	10.0	Ensure the investor relations programme is effective and impactful	102	✓*	US60 017
Group finance	5.0	Develop finance team to drive excellent delivery	24	✓	US60 017
Governance, internal audit and risk management	2.5	Ensure that effective systems of internal control are operated throughout the group's controlled entities	101	✓	US$30 009
Sustainability: Diversity and inclusion	2.5	Promote diversity and inclusion in the function and ensure high employee engagement	24	✓	US$30 009
Sustainability: Climate sustainability	2.5	Be carbon-neutral on scope 1 and scope 2 emissions at the group level by year-end FY22	43	✓	US$30 009
	50.0				US$360 102

1 Core headline earnings is an alternative performance measurement. Please refer to 'Other information – Non-IFRS financial measures and alternative performance indicators' on page 181 of the integrated annual report.
* The investor relations target is partly achieved.

Implementation of remuneration policy continued

LTI over FY22

LTI awards represent a significant portion of total compensation and are designed to incentivise the delivery of sustainable longer-term growth and provide alignment with our shareholders. The entirety of our executives' LTIs is determined by the performance of the company and growth in the valuation of the underlying assets and, as such, is deemed 'at risk'. In table 1 below and table 1 on page 136, we have set out information on unvested LTI, including awards made during FY22 as well as awards that have vested[4] during FY22. Details of the group's LTI schemes settlement are disclosed in note 37 on pages 130 and 131 of the consolidated financial statements at www.naspers.com.

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

Table 1 – Overview of LTI awards for Bob van Dijk

	Main conditions of share plans					Number of unvested awards[1]				Value in US$	
Bob van Dijk	**Performance metric**	**Award date**	**Vesting date(s)**	**Expiry date**	**Strike price of option/SAR**	**Opening balance 1 April 2021 (unvested)**	**Awarded during the year**	**Vested during the year**	**Closing balance 31 March 2022 (unvested)**	**Potential gain of awards vested during the year at vesting date[2]**	**Fair value of unvested awards 31 March 2022[3]**
Naspers Performance Share Units (PSUs)	Three years cliff – TSR	09/09/2019	footnote 4	n/a	–	24 527	–	–	24 527	–	4 219 279
		21/09/2020	21/09/2023	n/a	–	48 302	–	–	48 302	–	5 630 946
		21/06/2021	21/06/2024	n/a	–	–	27 796	–	27 796	–	3 240 399
		Subtotal				72 829	27 796	–	100 625	–	13 090 624
Prosus Performance Share Units (PSUs)	Three years cliff – TSR	26/08/2021	26/08/2024	n/a	–	–	26 993	–	26 993	–	1 497 523
		Subtotal				–	26 993	–	26 993	–	1 497 523
Naspers Global Ecommerce Share Appreciation Rights (SARs)	Four-year measurement of value growth of ecommerce business units	15/08/2017	15/08/2021	15/08/2027	27.25	146 789	–	(146 789)	–	5 523 670	–
		15/08/2017	15/08/2022	15/08/2027	27.25	146 789	–	–	146 789	–	4 409 542
		08/09/2017	08/09/2021	08/09/2027	27.60	35 051	–	(35 051)	–	1 370 845	–
		08/09/2017	08/09/2022	08/09/2027	27.60	35 055	–	–	35 055	–	1 040 783
		25/06/2018	25/06/2021	25/06/2028	33.57	104 608	–	(104 608)	–	3 184 268	–
		25/06/2018	25/06/2022	25/06/2028	33.57	104 610	–	–	104 610	–	2 481 349
		16/07/2019	16/07/2021	16/07/2029	36.70	109 208	–	(109 208)	–	3 163 756	–
		16/07/2019	16/07/2022	16/07/2029	36.70	109 208	–	–	109 208	–	2 248 593
		16/07/2019	16/07/2023	16/07/2029	36.70	109 208	–	–	109 208	–	2 248 593
		21/09/2020	21/09/2021	21/09/2030	41.98	62 571	–	(62 571)	–	1 470 419	–
		21/09/2020	21/09/2022	21/09/2030	41.98	62 571	–	–	62 571	–	957 962
		21/09/2020	21/09/2023	21/09/2030	41.98	62 571	–	–	62 571	–	957 962
		21/09/2020	21/09/2024	21/09/2030	41.98	62 572	–	–	62 572	–	957 977
		21/06/2021	21/06/2022	21/06/2031	63.89	–	39 092	–	39 092	–	–
		21/06/2021	21/06/2023	21/06/2031	63.89	–	39 092	–	39 092	–	–
		21/06/2021	21/06/2024	21/06/2031	63.89	–	39 092	–	39 092	–	–
		21/06/2021	21/06/2025	21/06/2031	63.89	–	39 092	–	39 092	–	–
		Subtotal				1 150 811	156 368	(458 227)	848 952	14 712 956	15 302 760

Implementation of remuneration policy continued

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

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

1 The aggregated cash-settled liability of vested unexercised SARs is included in the aggregated cash-settled liability in note 37 of the consolidated financial statements on page 130. The share-based compensation reserve of vested but unexercised SO is included in the aggregated retained earnings balance shown on the consolidated statement of changes in equity of the consolidated financial statements on page 42.

2 The potential gain of awards vested in FY22 is calculated by taking the difference between the closing share price on vesting date and the offer price and multiplying that difference by the number of SOs/SARs that vested in FY22. The value does not necessarily accrue to the individual. It is available to them should they have chosen to exercise (buy and/or sell shares) on or after the date the SOs or SARs vested. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue one Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant.

3 The fair value of unvested awards on 31 March 2022 is calculated by taking the difference between the closing share price on 31 March 2022 and the offer price (if applicable) and multiplying that difference by the number of unvested SOs/SARs/PSUs as at 31 March 2022 and assuming 100% vesting for the PSU awards. The closing share price applied for the Naspers Global Ecommerce SAR Plan reflects the best estimate share price as at 31 March 2022 and is in line with the group's IFRS 2 liability on page 130 of the AFS which does not reflect the impact of the non-adjusting subsequent event regarding the intended sale of Avito. All impacted LTI plans, including the Naspers Global Ecommerce SAR Plan, will remain under a ban on trade until such time as the sale of Avito is successfully concluded, and accordingly, participants will not be able to exercise their vested awards. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue one (1) Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. The actual value accruing to the executive will depend on the real value created over the time of the award.

4 Given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the achievement of the PSU performance condition until the sale of that business has been concluded. The vesting date will be delayed accordingly.

Implementation of remuneration policy continued

Table 1 – Overview of LTI awards for Basil Sgourdos

	Main conditions of share plans					Number of unvested awards[1]				Value in US$	
Basil Sgourdos	Performance metric	Award date	Vesting date(s)	Expiry date	Strike price of option/SAR	Opening balance 1 April 2021 (unvested)	Awarded during the year	Vested during the year	Closing balance 31 March 2022 (unvested)	Potential gain of awards vested during the year at vesting date[2]	Fair value of unvested awards 31 March 2022[3]
Naspers Performance Share Units (PSUs)	Three years cliff – TSR	09/09/2019	footnote 4	n/a	–	12 718	–	–	12 718	–	2 187 825
		21/09/2020	21/09/2023	n/a	–	28 623	–	–	28 623	–	3 336 809
		21/06/2021	21/06/2024	n/a	–	–	16 472	–	16 472	–	1 920 271
		Subtotal				41 341	16 472	–	57 813	–	7 444 906
Prosus Performance Share Units (PSUs)	Three years cliff – TSR	26/08/2021	26/08/2024	n/a	–	–	15 995	–	15 995	–	887 374
		Subtotal				–	15 995	–	15 995	–	887 374
Naspers Global Ecommerce Share Appreciation Rights (SARs)	Four-year measurement of value growth of ecommerce business units	29/08/2016	29/08/2021	29/08/2026	20.45	32 603	–	(32 603)	–	1 464 853	–
		15/08/2017	15/08/2021	15/08/2027	27.25	25 353	–	(25 353)	–	954 033	–
		15/08/2017	15/08/2022	15/08/2027	27.25	25 354	–	–	25 354	–	761 634
		08/09/2017	08/09/2021	08/09/2027	27.60	21 017	–	(21 017)	–	821 975	–
		08/09/2017	08/09/2022	08/09/2027	27.60	21 020	–	–	21 020	–	624 084
		25/06/2018	25/06/2021	25/06/2028	33.57	53 689	–	(53 689)	–	1 634 293	–
		25/06/2018	25/06/2022	25/06/2028	33.57	53 692	–	–	53 692	–	1 273 574
		16/07/2019	16/07/2021	16/07/2029	36.70	56 626	–	(56 626)	–	1 640 455	–
		16/07/2019	16/07/2022	16/07/2029	36.70	56 626	–	–	56 626	–	1 165 929
		16/07/2019	16/07/2023	16/07/2029	36.70	56 627	–	–	56 627	–	1 165 950
		21/09/2020	21/09/2021	21/09/2030	41.98	37 079	–	(37 079)	–	871 357	–
		21/09/2020	21/09/2022	21/09/2030	41.98	37 079	–	–	37 079	–	567 679
		21/09/2020	21/09/2023	21/09/2030	41.98	37 079	–	–	37 079	–	567 679
		21/09/2020	21/09/2024	21/09/2030	41.98	37 080	–	–	37 080	–	567 695
		21/06/2021	21/06/2022	21/06/2031	63.89	–	23 165	–	23 165	–	–
		21/06/2021	21/06/2023	21/06/2031	63.89	–	23 165	–	23 165	–	–
		21/06/2021	21/06/2024	21/06/2031	63.89	–	23 165	–	23 165	–	–
		21/06/2021	21/06/2025	21/06/2031	63.89	–	23 166	–	23 166	–	–
		Subtotal				550 924	92 661	(226 367)	417 218	7 386 966	6 694 225

Implementation of remuneration policy continued

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

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

1 The aggregated cash-settled liability of vested unexercised SARs is included in the aggregated cash-settled liability in note 37 of the consolidated financial statements on page 130. The share-based compensation reserve of vested but unexercised SO is included in the aggregated retained earnings balance shown on the consolidated statement of changes in equity of the consolidated financial statements on page 42.

2 The potential gain of awards vested in FY22 is calculated by taking the difference between the closing share price on vesting date and the offer price and multiplying that difference by the number of SOs/SARs that vested in FY22. The value does not necessarily accrue to the individual. It is available to them should they have chosen to exercise (buy and/or sell shares) on or after the date the SOs or SARs vested. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue one Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant.

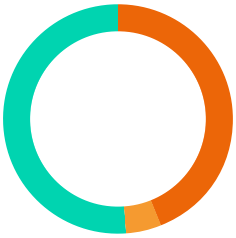
3 The fair value of unvested awards on 31 March 2022 is calculated by taking the difference between the closing share price on 31 March 2022 and the offer price (if applicable) and multiplying that difference by the number of unvested SOs/SARs/PSUs as at 31 March 2022 and assuming 100% vesting for the PSU awards. The closing share price applied for the Naspers Global Ecommerce SAR Plan reflects the best estimate share price as at 31 March 2022 and is in line with the group's IFRS 2 liability on page 130 of the AFS which does not reflect the impact of the non-adjusting subsequent event regarding the intended sale of Avito. All impacted LTI plans, including the Naspers Global Ecommerce SAR Plan, will remain under a ban on trade until such time as the sale of Avito is successfully concluded, and accordingly, participants will not be able to exercise their vested awards. As part of the Prosus listing and capitalisation issue, the MIH Internet Holdings B.V. and Naspers Restricted Stock Plan trusts elected to receive Prosus shares. In line with the capitalisation issue one (1) Prosus share is linked to each SO/PSU. The value of the Prosus share is included where relevant. The actual value accruing to the executive will depend on the real value created over the time of the award.

4 Given the announcement of our intention to decouple Avito operationally from the group prior to the end of the financial year and the subsequent announcement of our intended sale of Avito, the board cannot yet determine the achievement of the PSU performance condition until the sale of that business has been concluded. The vesting date will be delayed accordingly.

Implementation of remuneration policy continued

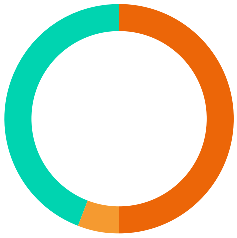
Figure 1 – **the balance of the executive directors' unvested LTIs (based on potential value) as at 31 March 2022:**

Bob van Dijk



	%
Naspers PSUs	44
Prosus PSUs	5
Naspers SOs	0
Prosus SOs	0
Ecommerce SARs	51
Total	**100**

Basil Sgourdos



	%
Naspers PSUs	50
Prosus PSUs	6
Naspers SOs	0
Prosus SOs	0
Ecommerce SARs	44
Total	**100**

Executive directors' LTI exercised in FY22
Basil Sgourdos exercised Naspers SOs in the MIH Internet Holdings B.V. Share Trust which were due to expire on 2 July 2022 and he disposed of the Naspers shares that he received. The full net gain after tax was reinvested back into the group in the form of Prosus N ordinary shares which he bought on the open market. The pre-tax gain amounted to US$2 418 642 and includes the value of the Prosus shares linked to his Naspers SOs as a result of the Prosus capitalisation issue in 2019. Details of the transaction are summarised in the table on the right.

Figure 2 – **LTI exercised in FY22 by Basil Sgourdos**

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

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

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

Figure 3 – **Prosus shares purchased in the market**

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

1 The Prosus N.V. Share Award Plan is used to grant Prosus RSUs to employees of the group (executive directors are not eligible to receive RSUs) and PSUs to executive directors and eligible senior management. The Prosus N.V. Share Option Plan is used to grant Prosus Options to executive directors and eligible senior management. Shares are purchased on Euronext and JSE Limited, Johannesburg's stock exchange, for non-South African and South African employees respectively.
2 Purchase price in euro (€) converted to US dollar (US$) by using the exchange rate on date of purchase.

Implementation of remuneration policy continued

Figure 1 – **Naspers shares purchased in the market**

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

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

Dilutive impact of group LTI schemes

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

LTI costs

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

Statement of compliance

Termination payments

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

Malus and clawbacks

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

CEO shareholding requirement

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

Implementation of remuneration policy continued

Looking forward to FY23

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

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

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

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

FY23 single-figure table

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

FY23 single-figure table

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

1 The executive directors will not receive an increase in base salary for FY23.
2 This is the at-target and also maximum STI as a percentage to base salary. FY23 STI goals are shown on page 141 of this remuneration report.
3 This special cash incentive, if approved by shareholders, will be a discount-linked STI whereby the CEO and CFO will only be paid on successful discount reduction. This target amount is also the maximum amount achievable. Any achievement pay-out on this FY23 discount-linked STI will be held in reserve until 31 March 2024 and remeasured against a claw-back provision.
4 There will be no FY23 LTI award for the executive directors.
5 Medical insurance, life and disability insurance.
6 Executive directors are executive directors of both Naspers and Prosus. Their remuneration as executive directors of these entities is currently split 10/90 between Naspers and Prosus.

Discount-linked STI

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

Implementation of remuneration policy continued

FY23 STI goals

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

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

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

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

Group financial goals	Weighting %	Description	Maximum payout
Core headline earnings (including Tencent)	19.05%	Achieve core headline earnings at target, including Tencent	€246 965
Free cash flow	19.05%	Achieve free cash outflow at target	€246 965

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

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

Group financial goals	Weighting %	Description	Maximum payout
Core headline earnings (including Tencent)	19.05%	Achieve core headline earnings at target, including Tencent	US$228 665
Free cash flow	19.05%	Achieve free cash outflow at target	US$228 665

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

Implementation of remuneration policy continued

Non-executive directors

Non-executive directors' fees

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

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

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

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

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

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

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

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

1 Following the listing of Prosus on Euronext Amsterdam, Naspers non-executive directors serve on the boards of both Naspers and Prosus. As a result of the non-executive directors assuming these dual responsibilities, the proposed fees will be split between Naspers and Prosus, on a 30/70 basis.
2 The chair of Naspers does not receive additional remuneration for attending meetings or being a member of or chairing any committee of the board. He receives no compensation for serving on the board of Tencent

Implementation of remuneration policy continued

Non-executive directors' fees

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

1 Following the listing of Prosus, non-executive directors serve on the boards of both Naspers and Prosus. As a result of the non-executive directors assuming dual responsibilities, the fees were split between Naspers and Prosus on a 30/70 basis.
2 Compensation for assignments.
3 Koos Bekker elected to donate the after-tax rand equivalent of all his director's fees to education. This year the recipient will be the primary school in Heidelberg, Gauteng, South Africa, that he attended.
4 Emilie Choi resigned with effect from 26 August 2021.
5 Hendrik du Toit elected not to receive directors' fees.
6 Retired with effect from 1 April 2021.
7 Appointed with effect from 15 April 2021.
8 Mark Sorour received US$14 227.13 from MIH Holdings Proprietary Limited for the period 1 April 2021 to 31 March 2022. This payment relates to the increased cost of medical aid for retired members of the MMED medical aid scheme as a result of the unbundling of MultiChoice Group. Originally, it was noted that the company will provide an annual allowance to cover the difference in cost for retired scheme members during FY20 and FY21 only. However, this was extended to FY22. This is not disclosed in the above table.
9 Retired with effect from 1 April 2022.

Implementation of remuneration policy continued

General notes

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

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

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

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

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

Compliance

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

Figure 1

Executive and non-executive directors' interest in Naspers shares

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

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

Implementation of remuneration policy continued

Figure 1

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

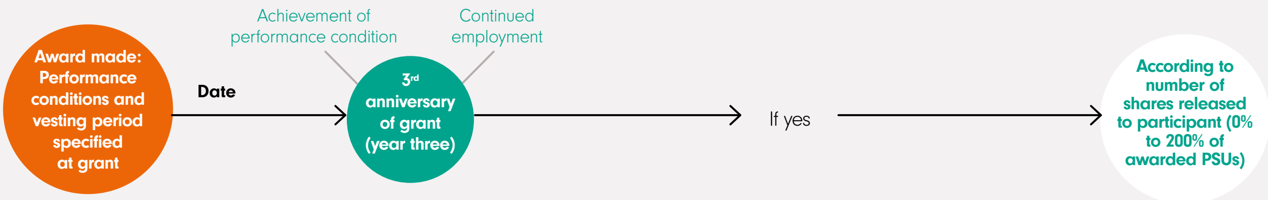
	31 March 2022			31 March 2021		
	Naspers N ordinary shares			Naspers N ordinary shares		
	Beneficial			Beneficial		
Name	**Direct**	**Indirect[1]**	**Total**	**Direct**	**Indirect**	**Total**
JP Bekker[2]	–	1 687 887	**1 687 887**	–	4 688 691	**4 688 691**
EM Choi[3]	–	–	**–**	–	–	**–**
HJ du Toit[2]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

1 Naspers SOs that have been released (vested), but have not yet been exercised, are included in the indirect column: Bob van Dijk: 1 088 957 (2021: 1 003 928). Basil Sgourdos: 104 395 (2021: 98 410). Mark Sorour: 166 194 (2021: 158 853). Steve Pacak: 54 000 (2021: 54 000).
2 Each of these directors participated in the share exchange which was approved by Prosus shareholders on 9 July 2021 and concluded on 16 August 2021. As part of this transaction, the directors traded a portion of their Naspers N ordinary shares in exchange for Prosus ordinary shares N.
3 Resigned as a director of Prosus and Naspers on 26 August 2021.
4 Resigned as a director of Prosus and Naspers on 1 April 2021.
5 Appointed as a director of Naspers on 15 April 2021.
6 On interrogation of the Naspers certificated register, the direct holding has been restated. The comparative has also been restated.
7 On 31 January 2022, Basil Sgourdos had exercised 11 124 Naspers and Prosus options and decided to dispose of the Naspers N ordinary shares he received and to retain the Prosus ordinary shares N. The full net gain after tax on disposal of these shares was reinvested back into the group in the form of Prosus ordinary shares N when, on 1 March 2022, he purchased 20 000 Prosus ordinary shares N at a volume-weighted average value per share of €56.3933.
8 Resigned as a director of Prosus and Naspers on 1 April 2022.

Additional information

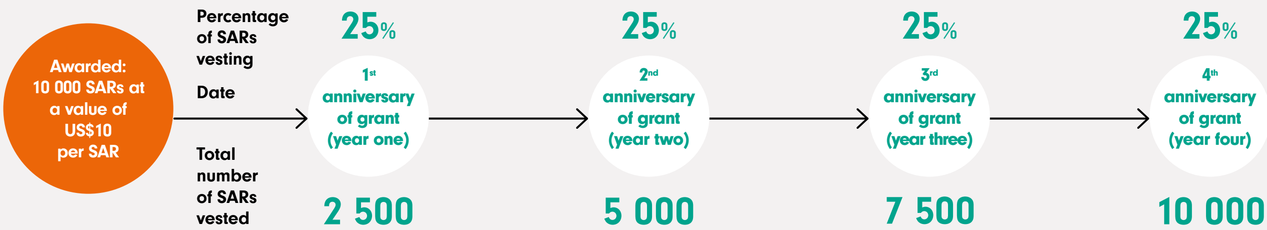
Graphic overview of our LTI plans

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



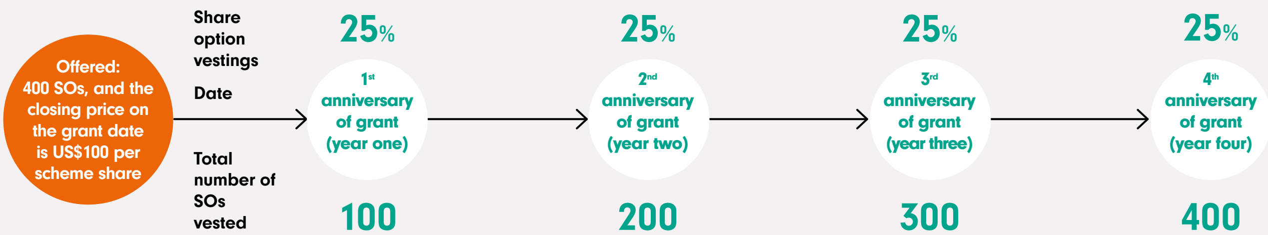
The vesting of a PSU is determined not just by time. In order for an award to vest, certain business performance conditions must also be met. If the threshold level of performance is not achieved, no shares will be awarded to the participant.

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



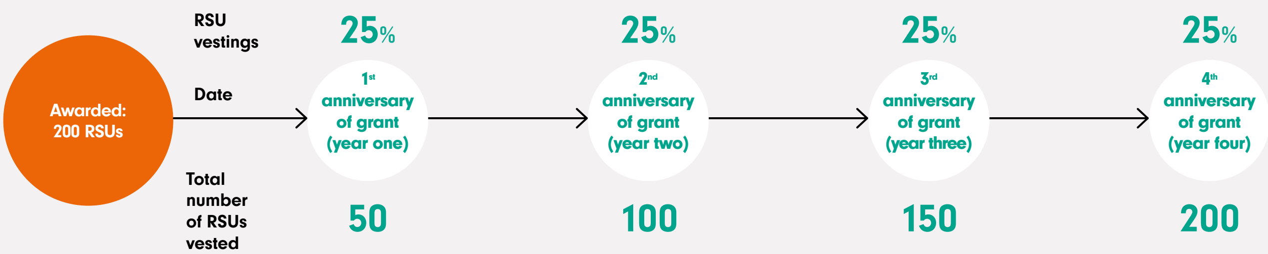
After two years the employee, assuming they didn't exercise their first 2 500 after year one, may exercise 5 000 of their 10 000 SARs. If the value of an SAR at this point has increased to US$14, the employee made a gain of US$4 per SAR, giving the employee a total gain of US$20 000 (5 000 SARs x US$4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

SO How does a stock option (SO) work?



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

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



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

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

Additional information continued

LTI policies

Date and price of SARs, SOs and PSUs/RSUs

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

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

LTI dividend policy

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

Prudent approach

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

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

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

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

LTI scheme limits

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

Offer price

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

Exercise price

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

Offer date

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

Performance management

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

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

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

About this report

This integrated annual report assesses our performance for the financial year ended 31 March 2022. We aim to provide a picture of our progress and impact on society.

Reporting

We measure our performance by evaluating how we create value for our key stakeholders by taking account of the six capitals. 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.

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 are required to comply with applicable law and regulation. The group also encourages its associates and investees 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 data (GHG emissions), is included as an appendix 'Boundaries and scope of our GHG accounting' to this report. Group reporting standards are continually being developed to make disclosure meaningful 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 page 1.

References to appendices and links to the website are not considered part of this integrated annual report but are included for additional information.

Non-IFRS financial measures and alternative performance measures

In presenting and discussing our performance, we use certain alternative performance measures not defined by IFRS referred to as non-IFRS financial measures, Alternative performance measures or APMs. Such measures include economic-interest basis information; trading profit; adjusted EBITDA; headline earnings; core headline earnings; and growth in local currency, excluding acquisitions and disposals.

Segmental reviews in this report are prepared showing revenue on an economic-interest basis (which includes consolidated subsidiaries and a proportionate share of associated companies and joint ventures), unless otherwise stated. Numbers included in brackets represent the equivalent measure on the basis of growth in local currency, excluding acquisitions and disposals.

The group provides APMs because the board believes these provide investors with additional information to measure its operating performance. These APMs should not be viewed in isolation as alternatives to the equivalent IFRS measures and should be used as supplementary information in conjunction with the most directly comparable IFRS measures. APMs do not have a standardised meaning under IFRS and therefore may not be comparable to similar measures presented by other companies. Their usefulness is therefore subject to limitations.

Refer to:

- Note 22 'Segment information' of the consolidated financial statements for a reconciliation to the nearest IFRS measure of the following alternative performance measures used in the segment information: revenue on an economic-interest basis; adjusted EBITDA; and trading profit or loss.
- Note 23 'Earnings per share' of the consolidated financial statements for a reconciliation to the nearest IFRS measure of headline earnings.

Eleven material issues

Financial performance Responsible investments	People Digital inclusion	Innovation	AI Cyber-resilience Data privacy	Business culture, ethics and integrity Community investment	Climate action

The resources we need

Financial	Human	Manufactured	Intellectual	Social	Natural
• Financial performance • Responsible investments	• Human capital • Human rights	• Innovation • IT infrastructure breakdown	• AI • Data privacy • IT governance • Cyber-resilience	• Community investment • Geopolitical stability • Business culture, ethics and integrity • Digital inclusion • Customer centricity	• Climate action

About this report continued

Legislation and frameworks that inform our reporting

We are guided by the following standards in preparing this integrated annual report:

- 2013 Framework of the International Integrated Reporting Council (IIRC) (now part of the Value Reporting Foundation/ SASB): this principles-based approach promotes the concept of the six capitals[1], 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).
- To meet the needs of investors and analysts and provide financially material information for all our stakeholders, we base our disclosures where possible with the Industry Standards of the Sustainability Accounting Standards Board (SASB).
- We support the United Nations Sustainable Development Goals (UN SDGs) and, like many other businesses, have identified which of the goals closely align with our business.
- South African Companies Act 71 of 2008, as amended (Companies Act).
- King IV Report on Corporate Governance for South Africa (King IV™)[2].
- IFRS.

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 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 2022 was audited by PricewaterhouseCoopers Inc. (PwC) (refer to page 153 for its report). In addition, PwC performed limited assurance on our scope 1 and scope 2 carbon footprint (refer to pages 48 and 49). 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.

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 2022 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 2022.

On behalf of the board

Koos Bekker
Chair

Bob van Dijk
Chief executive

Cape Town
25 June 2022

1 As identified in the framework of the International Integrated Reporting Council: financial, human, intellectual, manufactured, social and natural capitals.
2 The Institute of Directors in Southern Africa NPC (IoDSA) owns all copyright and trademarks for King IV™.

Financial statements

Chief executive and financial director responsibility statement

The directors, whose names are stated below, hereby confirm that –

a. the annual financial statements set out on pages 154 to 188, fairly present in all material respects the financial position, financial performance and cash flows of the issuer in terms of IFRS;

b. no facts have been omitted or untrue statements made that would make the annual financial statements false or misleading;

c. 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

d. 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

Basil Sgourdos
Financial director

25 June 2022

Statement of responsibility by the board of directors

for the year ended 31 March 2022

In discharging this responsibility, the board of directors of Naspers Limited rely on the management of the group to prepare the consolidated annual financial statements, separately available at 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 the audit were valid and appropriate. PricewaterhouseCoopers Inc.'s audit report is presented on page 1.

The summarised consolidated annual financial statements were approved by the board of directors on 25 June 2022 and are signed on its behalf by:

Koos Bekker
Chair

Bob van Dijk
Chief executive

25 June 2022

pwc

Independent auditor's report on the summarised consolidated financial statements

To the Shareholders of Naspers Limited

Opinion

The summarised consolidated financial statements of Naspers Limited, set out on pages 154 to 180 of the Integrated Annual Report, which comprise the summarised consolidated statement of financial position as at 31 March 2022, the summarised consolidated income statement, and the summarised consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and related notes, are derived from the audited consolidated financial statements of Naspers Limited for the year ended 31 March 2022.

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 25 June 2022. 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.

Directors' 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 summary financial statements, 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.

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

25 June 2022

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Summarised consolidated income statement

year ended 31 March

	Notes	31 March 2022 US$'m	2021 US$'m
Revenue from contracts with customers	6	**7 940**	5 934
Cost of providing services and sale of goods		**(5 617)**	(4 088)
Selling, general and administration expenses		**(3 061)**	(2 932)
Other gains/(losses) – net	8	**(156)**	(103)
Operating loss		**(894)**	(1 189)
Interest income	7	**64**	101
Interest expense	7	**(411)**	(268)
Other finance (cost)/income – net	7	**(84)**	207
Share of equity-accounted results[1]	10	**9 255**	7 095
Impairment of equity-accounted investments	10	**(587)**	(32)
Dilution gains on equity-accounted investments	10	**95**	981
Gains on partial disposal of equity-accounted investments	10	**12 339**	19
Net (losses)/gains on acquisitions and disposals	8	**(1 133)**	308
Profit before taxation		**18 644**	7 222
Taxation[2]		**(106)**	46
Profit for the year		**18 538**	7 268
Attributable to:			
Equity holders of the group		**12 223**	5 304
Non-controlling interests		**6 315**	1 964
		18 538	7 268
Per share information for the year	5		
Earnings per ordinary share (US cents)		**4 218**	1 243
Diluted earnings per ordinary share (US cents)		**4 127**	1 204
Headline earnings per ordinary share (US cents)		**559**	970
Diluted headline earnings per ordinary share (US cents)		**479**	933

1 Includes equity-accounted results from associates. Refer to note 10.
2 Refer to note 12 for details on the prior-year tax credit.

Summarised consolidated statement of comprehensive income

year ended 31 March

	Note	31 March 2022 US$'m	2021 US$'m
Profit for the year		**18 538**	7 268
Total other comprehensive (loss)/income, net of tax, for the year		**(2 391)**	8 973
Items that may be subsequently reclassified to profit or loss			
Translation of foreign operations[1]		**1 611**	2 023
Recognition of cash flow hedge		**(99)**	–
Derecognition of cash flow hedge		**119**	–
Share of equity-accounted investments' movement in OCI[2]		**(814)**	(424)
Items that may not be subsequently reclassified to profit or loss			
Fair-value (losses)/gains on financial assets through OCI		**(509)**	555
Share of equity-accounted investments' movement in OCI and NAV[3]	10	**(2 699)**	6 819
Total comprehensive income for the year		**16 147**	16 241
Attributable to:			
Equity holders of the group		**11 980**	11 989
Non-controlling interests		**4 167**	4 252
		16 147	16 241

[1] Includes the reclassification to the income statement of US$1.14bn relating to the loss of significant influence of VK. Refer to note 3.
[2] This relates to movements in equity-accounted investments' foreign currency translation reserve.
[3] This relates to (losses)/gains from the increase in share prices of Tencent's listed investments carried at fair value through other comprehensive income and the group's share in the share-based compensation reserve of equity-accounted investments.

Summarised consolidated statement of financial position

as at 31 March 2022

	Notes	31 March 2022 US$'m	31 March Restated* 2021 US$'m	1 April Restated* 2020 US$'m
ASSETS				
Non-current assets		**55 793**	46 130	26 807
Property, plant and equipment		**736**	545	457
Goodwill	9	**3 458**	2 186	2 237
Other intangible assets		**964**	825	898
Investments in associates	10	**44 461**	40 566	22 235
Investments in joint ventures		**146**	160	74
Other investments and loans[1]	11	**5 862**	1 804	881
Other receivables		**135**	17	5
Deferred taxation		**31**	27	20
Current assets		**15 524**	7 687	9 512
Inventory		**571**	397	260
Trade receivables		**318**	185	139
Other receivables and loans		**912**	624	542
Derivative financial instruments		**27**	18	—
Other investments	11	**—**	1 258	—
Short-term investments		**3 924**	1 439	4 060
Cash and cash equivalents		**9 733**	3 758	4 303
		15 485	7 679	9 304
Assets classified as held for sale		**39**	8	208
TOTAL ASSETS		**71 317**	53 817	36 319
EQUITY AND LIABILITIES				
Capital and reserves attributable to the group's equity holders		**20 581**	29 194	21 750
Share capital and premium*		**4 611**	4 611	4 611
Treasury shares*		**(43 753)**	(3 679)	(1 249)
Other reserves		**14 803**	(3 753)	(8 846)
Retained earnings		**44 920**	32 015	27 234
Non-controlling interests		**29 547**	11 667	8 178
TOTAL EQUITY		**50 128**	40 861	29 928
Non-current liabilities		**16 550**	8 647	4 184
Capitalised lease liabilities		**272**	240	231
Liabilities – interest-bearing	16	**15 611**	7 860	3 508
– non-interest-bearing		**50**	48	20
Other non-current liabilities		**168**	98	167
Post-employment medical liability		**21**	22	17
Cash-settled share-based payment liability	13	**184**	150	40
Deferred taxation		**244**	229	201
Current liabilities		**4 639**	4 309	2 207
Current portion of long-term debt		**198**	110	67
Trade payables		**609**	395	322
Accrued expenses[1]		**1 797**	1 567	995
Other current liabilities[1]		**1 032**	1 251	747
Cash-settled share-based payment liability[1]	13	**985**	977	18
Bank overdrafts		**18**	9	32
		4 639	4 309	2 181
Liabilities classified as held for sale		**—**	—	26
TOTAL EQUITY AND LIABILITIES		**71 317**	53 817	36 319

* Refer to note 3 for details of the group's reclassification of treasury shares during the current period.

[1] Accrued expenses, other current liabilities and cash-settled share-based payment liabilities were previously aggregated into 'Accrued expenses and other current liabilities'. These balances are now presented separately due to their significance. Non-current derivative assets have been aggregated with other investments and loans, and non-current derivative liabilities with other non-current liabilities as a result of them being immaterial.

Summarised consolidated statement of changes in equity

for the year ended 31 March 2022

	Share capital and premium US$'m	Treasury shares US$'m	Foreign currency translation reserve US$'m
Balance at 1 April 2020	3 362	–	(2 974)
Reclassification of treasury shares[1]	1 249	(1 249)	–
Restated balance at the beginning of the year	4 611	(1 249)	(2 974)
Total comprehensive income for the year	–	–	1 141
Profit for the year	–	–	–
Total other comprehensive income for the year	–	–	1 141
Share-based compensation movements	–	–	–
Share-based compensation expense	–	–	–
Transfers to retained earnings	–	–	–
Other share-based compensation movements[3]	–	–	–
Direct equity movements	–	–	(8)
Direct movements from associates	–	–	–
Transfers of reserves as a result of disposals	–	–	(1)
Other direct equity movements	–	–	(7)
Remeasurement of written put option liabilities	–	–	–
Other movements	–	–	–
Shares repurchased by group companies[2]	–	(2 430)	–
Dividends paid[4]	–	–	–
Transactions with non-controlling shareholders	–	–	–
Balance at 31 March 2021	4 611	(3 679)	(1 841)
Restated balance at 1 April 2021	**4 611**	**(3 679)**	**(1 841)**
Total comprehensive income for the year	**–**	**–**	**381**
Profit for the year	**–**	**–**	**–**
Total other comprehensive loss for the year	**–**	**–**	**381**
Movement due to share exchange[5]	**–**	**(38 762)**	**–**
Treasury share movements	**–**	**(1 312)**	**–**
Share-based compensation movements	**–**	**–**	**–**
Share-based compensation expense	**–**	**–**	**–**
Transfers to retained earnings	**–**	**–**	**–**
Modification of share-based compensation benefits	**–**	**–**	**–**
Direct equity movements	**–**		**30**
Direct movements from associates	**–**	**–**	**–**
Realisation of reserves as a result of partial disposals of associates	**–**	**–**	**–**
Realisation of reserves as a result of disposals	**–**	**–**	**30**
Cancellation of written put option liabilities			
Remeasurement of written put option liabilities	**–**	**–**	**–**
Other movements	**–**	**–**	**–**
Dividends paid[4]	**–**	**–**	**–**
Transactions with non-controlling shareholders[6]	**–**	**–**	**–**
Balance at 31 March 2022	**4 611**	**(43 753)**	**(1 430)**

1 Refer to note 4 for details of the group's reclassification of treasury shares.
2 Relates to the share repurchase programme. Refer to note 24.
3 In the prior year the decrease in retained earnings includes a decrease of US$479.5m related to the modification of equity-settled schemes.
4 The dividend was approved on 25 August 2021 (2021: 18 August 2020) and was paid on 6 December 2021 (2021: 17 November 2020).
5 Refer to note 4 for details of the share exchange transaction.
6 Includes the Prosus N.V. share repurchase programme. Refer to note 9.

Summarised consolidated statement of changes in equity continued

for the year ended 31 March 2022

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
281	(8 029)	1 876	27 234	21 750	8 178	29 928
—	—	—	—	—	—	—
281	(8 029)	1 876	27 234	21 750	8 178	29 928
4 996	—	548	5 304	11 989	4 252	16 241
—	—	—	5 304	5 304	1 964	7 268
4 996	—	548	—	6 685	2 288	8 973
—	—	42	(432)	(390)	109	(281)
—	—	64	—	64	109	173
—	—	(48)	48	—	—	—
—	—	26	(480)	(454)	—	(454)
(233)	134	(6)	113	—	—	—
(235)	—	—	235	—	—	—
2	111	(4)	(108)	—	—	—
—	23	(2)	(14)	—	—	—
—	(398)	—	—	(398)	(136)	(534)
—	51	—	(40)	11	—	11
—	—	—	—	(2 430)	—	(2 430)
—	—	—	(149)	(149)	(59)	(208)
—	(1 104)	(70)	(15)	(1 189)	(677)	(1 866)
5 044	(9 346)	2 390	32 015	29 194	11 667	40 861
5 044	**(9 346)**	**2 390**	**32 015**	**29 194**	**11 667**	**40 861**
(1 155)	**—**	**531**	**12 223**	**11 980**	**4 167**	**16 147**
—	**—**	**—**	**12 223**	**12 223**	**6 315**	**18 538**
(1 155)	**—**	**531**	**—**	**(243)**	**(2 148)**	**(2 391)**
—	**21 812**	**—**	**—**	**(16 950)**	**16 828**	**(122)**
—	**—**	**—**	**—**	**(1 312)**	**—**	**(1 312)**
—	**—**	**3**	**(125)**	**(122)**	**(108)**	**(230)**
—	**—**	**50**	**—**	**50**	**75**	**125**
—	**—**	**(45)**	**45**	**—**	**—**	**—**
—	**—**	**(2)**	**(170)**	**(172)**	**(183)**	**(355)**
(887)	**7**	**(117)**	**967**	**—**	**—**	**—**
(507)	**—**	**—**	**507**	**—**	**—**	**—**
(332)	**—**	**(117)**	**449**	**—**	**—**	**—**
(48)	**7**	**—**	**11**	**—**	**—**	**—**
—	**94**	**—**	**8**	**102**	**24**	**126**
—	**100**	**—**	**—**	**100**	**137**	**237**
—	**—**	**4**	**8**	**12**	**—**	**12**
—	**—**	**—**	**(176)**	**(176)**	**(62)**	**(238)**
—	**(2 247)**	**—**	**—**	**(2 247)**	**(3 106)**	**(5 353)**
3 002	**10 420**	**2 811**	**44 920**	**20 581**	**29 547**	**50 128**

Summarised consolidated statement of cash flows

for the year ended 31 March 2022

	Notes	31 March 2022 US$'m	31 March 2021 US$'m
Cash flows from operating activities			
Cash from operations		**(734)**	(144)
Interest income received		**46**	123
Dividends received from equity-accounted investments		**572**	459
Interest costs paid		**(389)**	(253)
Taxation paid		**(197)**	(112)
Net cash (utilised in)/generated from operating activities		**(702)**	73
Cash flows from investing activities			
Acquisitions and disposals of tangible and intangible assets		**(258)**	(135)
Acquisitions of subsidiaries, associates and joint ventures	14	**(4 580)**	(1 917)
Disposals of subsidiaries, businesses, associates and joint ventures	14	**14 641**	241
Acquisition of short-term investments[1]		**(3 966)**	(3 088)
Maturity of short-term investments[1]		**1 486**	5 705
Loans advanced to related parties		**–**	(210)
Cash paid for other investments[2]	14	**(1 480)**	(1 322)
Cash received from other investments		**85**	–
Other movement in other investments		**(22)**	(5)
Net cash generated from/(utilised in) investing activities		**5 906**	(731)
Cash flows from financing activities			
Payments for the repurchase of treasury shares	16	**(1 286)**	(2 340)
Proceeds from long- and short-term loans raised	16	**9 564**	4 593
Repayments of long- and short-term loans	16	**(1 619)**	(155)
Acquisition of group shares for equity-settled share-based compensation plans		**(218)**	(117)
Additional investment in existing subsidiaries[3]	15	**(5 269)**	(1 704)
Dividends paid by the holding company		**(238)**	(218)
Repayments of capitalised lease liabilities		**(60)**	(56)
Additional investment from non-controlling shareholders		**140**	53
Other movements in financing activities[4]		**(120)**	(3)
Net cash generated from financing activities		**894**	53
Net movement in cash and cash equivalents		**6 098**	(605)
Foreign exchange translation adjustments on cash and cash equivalents		**(132)**	83
Cash and cash equivalents at the beginning of the year		**3 749**	4 271
Cash and cash equivalents at the end of the year		**9 715**	3 749

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 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 of US$5bn.
4 Includes transaction costs relating to the Prosus share exchange of US$122.4m.

Notes to the summarised consolidated financial statements

for the year ended 31 March 2022

1. General information

Naspers Limited (Naspers or the group) is a global consumer internet group and one of the larger technology investors in the world. Naspers has its primary listing on the Johannesburg Stock Exchange (JSE) in South Africa. 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 and ASX Markets. Naspers is the majority shareholder of Prosus on the voting rights and control structure of the Prosus group.

The summarised consolidated financial statements for the year ended 31 March 2022 have been authorised for issue by the board of directors on 25 June 2022.

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 2022 have been prepared in accordance with International Financial Reporting Standards (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. These summarised consolidated financial statements contain the information required by IAS 34 *Interim Financial Reporting* (IAS 34) with the exception of IAS 34.20(b) and, accordingly, the financial information for the second half of the current year is not presented separately.

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 2021, except for the reclassification of treasury shares from 'Share capital and share premium' to the 'Treasury shares' as described below.

There were no new or amended accounting pronouncements effective from 1 April 2021 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) per class of ordinary shares. These are calculated as the relationship of the number of ordinary shares (or dilutive ordinary shares where relevant) of Naspers issued at 31 March 2022 (net of treasury shares), to the relevant net profit measure attributable to the shareholders of Naspers.

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 22 'Segment information' in the consolidated financial statements as included in the annual financial statements for the year ended 31 March 2022.

From 1 April 2021, the group created a new educational technology (Edtech) segment. The segment includes the results of the group's investments in Edtech which has increased significantly due to the acquisitions in subsidiaries and equity-accounted investments over the years. The equity-accounted investments presented in the 'Other Ecommerce' segment in prior periods have been reclassified and presented as part of the new Edtech segment. The group proportionately consolidates its share of the results of its associates and joint ventures in its disclosure of segment results in note 4.

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 2022, the group recorded US$13.64bn in net cash, comprising US$9.72bn of cash and cash equivalents and US$3.92bn in short-term cash investments. The group had US$15.71bn of interest-bearing debt (excluding capitalised lease liabilities) and an undrawn US$2.77bn revolving credit facility.

In assessing going concern, the impact of internal and external economic factors on the group's operations and liquidity were 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 continue as a going concern in the year subsequent to the date of these financial statements.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

3. Significant changes in financial position and performance during the reporting period

Prosus share exchange with Naspers shareholders

In August 2021, the group completed a share exchange offer to Naspers shareholders. This offered Naspers shareholders the opportunity to tender their existing Naspers N ordinary shares for newly issued Prosus ordinary shares N at an exchange ratio of one (1) Naspers N ordinary share for 2.27443 Prosus ordinary shares N. The share exchange offer resulted in Prosus acquiring a 45.8% fully diluted interest in Naspers in exchange for newly issued Prosus ordinary shares N. This interest, coupled with the 3.7% shareholding Prosus previously acquired in Naspers, as part of the share repurchase programme that was completed in June 2021, resulted in Prosus holding a 49.5%[1] fully diluted interest which represents a 49.9%2 economic interest in Naspers.

Furthermore, newly created 1 128 507 756 B ordinary shares were issued for €56.4m (US$66.3m) to Naspers which entitles Naspers to one vote per share, but only to one millionth of the amount of the distribution that a holder of a Prosus ordinary share N is entitled to. Naspers cannot list or trade these shares. These shares allowed Naspers to maintain its control as it held more than 70% of the shareholder voting rights in Prosus. Naspers therefore continues to hold the majority of the shareholder voting rights of Prosus.

Cross-holding arrangement

A distribution agreement (hereafter referred to as the cross-holding agreement) was entered into between Naspers and Prosus, which became effective at the time of closing of the share exchange. The cross-holding agreement takes into account Prosus's indirect interest in itself from holding Naspers shares and deals with how distributions between the two groups will be managed. It eliminates the need for flows back and forth between the two groups as a result of the cross-shareholding, through a waiver by Prosus of its entitlement to distributions, that originates from Prosus, on the Naspers shares that it holds, and provides clarity to both Prosus and Naspers free-float shareholders of their economic interest in distributions made by Prosus.

The cross-holding agreement relates to Prosus's 49.5% fully diluted interest in Naspers and Naspers's 57% legal ownership of Prosus ordinary shares N. The principles of the cross-holding agreement are also incorporated in Prosus's articles of association, and the cross-holding agreement together with Prosus's articles of association form the cross-holding arrangement. It does not govern and has no bearing on the voting rights attached to the shares held by Naspers or Prosus shareholders.

The conclusion of the share exchange and the cross-holding arrangement increases the Prosus free-float economic interest in the Prosus group to 58.9%. At 31 March 2022, subsequent to the Prosus share repurchase programme, the Prosus free-float economic interest in the group is 57.7%.

The following represents the accounting of the transaction in the group's financial statements:

Control structure of the Prosus group

Prosus is governed by a board of directors. The board of directors is appointed by the shareholders of the group. The group is therefore controlled by the shareholder with the majority voting rights to appoint the board of directors.

Prior to the share exchange transaction, Naspers held a 73% effective interest in Prosus ordinary shares N, with the corresponding shareholder voting rights, and was the majority shareholder giving it control of Prosus and, in particular, appointments to the board of directors of Prosus. Post the completion of the share exchange transaction, and despite the dilution of its effective interest in Prosus ordinary shares N, Naspers continued to maintain control of Prosus through its holding of Prosus ordinary shares N and the newly issued Prosus B ordinary shares, with corresponding voting rights. As Naspers, through its shareholding, holds the majority of the voting rights in Prosus, it controls appointments to the Prosus board of directors.

Before and subsequent to the closing of the share exchange transaction, Naspers Beleggings (RF) Limited (Nasbel) and Keeromstraat 30 Beleggings (RF) Limited (Keerom) collectively hold 55.02% of the shareholder voting rights in Naspers. Nasbel and Keerom exercise their voting rights in consultation with one another in terms of a voting pool agreement and constitute the control structure of Naspers. This control structure therefore provides them with the majority voting rights needed to control appointments to the board of directors of Naspers.

[1] Interest in Naspers based on the cross-holding arrangement formula, which was approved in the shareholder resolution.
[2] Interest based on distribution rights to each class of shareholders.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

3. Significant changes in financial position and performance during the reporting period continued

Prosus share exchange with Naspers shareholders continued

Accounting implications

The conclusion of the share exchange and the cross-holding arrangement resulted in the recognition of treasury shares and an increase in the non-controlling interest of the group.

The Naspers N ordinary shares held by Prosus are shares held by a group entity. These shares constitute treasury shares which were recognised in the treasury share reserve on the summarised consolidated statement of financial position. The treasury shares were recognised at a cost of US$38.64bn, which was the fair value of the Prosus shares issued as consideration for the share exchange on the date of the share exchange.

The change in the non-controlling interest of the group is due to the Prosus free-float shareholders' increased fully diluted interest in the Prosus group as well as their share in the residual interest in the Naspers group (primarily Takealot, Media24 and corporate entities). The indirect interest in the Naspers operations is as a result of Prosus holding a 49.5% fully diluted investment in Naspers. The increase in the non-controlling interest of the group was accounted for as an equity transaction because there is a change in Naspers's effective interest in the Prosus group and its subsidiaries outside of the Prosus group, without a loss of control.

The excess of the treasury shares recognised for the Naspers N ordinary shares held by Prosus and the increase in non-controlling interest of US$21.81bn for the Prosus group was recognised in the 'Existing business combination reserve' in equity.

Reclassification of treasury shares

Effective 1 April 2020, the group made a decision to show the treasury shares separately in the statement of changes in equity as well as on the face of the balance sheet. The group considers that the change in presentation provides more relevant information about the treasury shares held by Prosus subsequent to the share repurchase programme.

The group has historically recognised treasury shares for the Naspers ordinary shares N it holds against share capital and share premium. These treasury shares are held by Naspers group share trusts to settle equity compensation plans and other group companies, including the shares held by Prosus as at 31 March 2021 from the share repurchase programme. These treasury shares have been recognised at cost, which is the cost of the shares acquired on the market by group share trusts or the cost of the shares on the date acquired on the market by group companies.

In August 2021, the group completed a share exchange offer resulting in Prosus holding a 49.5% fully diluted interest in Naspers. The transaction was primarily for a capital restructure of the group. The group accounted for the Naspers shares held by Prosus as treasury shares. The treasury shares were measured at cost on the date of the share exchange. The cost was the fair value of the Prosus shares given in exchange for the Naspers shares at that date.

Based on the magnitude of the treasury shares held by the group as a consequence of the above transaction, the treasury shares previously recognised against share capital and share premium were reclassified to treasury shares within equity. The reclassification has no change to the group's overall equity. However, comparative figures on the summarised consolidated statement of financial position have been restated for the reclassification of treasury shares between 'Share capital and premium' and 'Treasury shares'.

Below is a summary of the impact of the reclassification of the treasury shares between 'Share capital and premium' and 'Treasury shares' on the summarised consolidated statement of financial position and summarised consolidated statement of changes in equity.

Summarised consolidated statement of financial position and summarised consolidated statement of changes in equity

	Year ended 31 March 2021			As at 1 April 2020		
	Previously reported US$'m	Reclassification[1] US$'m	Restated US$'m	Previously reported US$'m	Reclassification[1] US$'m	Restated US$'m
Share capital and share premium	932	3 679	4 611	3 362	1 249	4 611
Treasury shares	–	(3 679)	(3 679)	–	(1 249)	(1 249)
Other reserves	(3 753)	–	(3 753)	(8 846)	–	(8 846)
Retained earnings	32 015	–	32 015	27 234	–	27 234
Capital and reserves attributable to the group's equity holders	29 194	–	29 194	21 750	–	21 750

[1] Represents the impact of the reclassification of the treasury shares between 'Share capital and premium' and 'Treasury shares' on the summarised consolidated statement of financial position and summarised consolidated statement of changes in equity.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

3. Significant changes in financial position and performance during the reporting period continued

The impact of the Russian invasion of Ukraine

The group is appalled by the war in Ukraine. It is in the world's interest to find a solution that brings the conflict to an end and secures long-term peace and stability.

The group operates a classifieds platform in Ukraine which is part of OLX Group. The group has committed a broad range of support for Ukraine, for its Ukrainian employees and, additionally, a commitment of more than US$10m funding for humanitarian efforts.

The group also has interests in Russia, mainly represented by its investments in VKontakte (VK) and Avito.

On 20 May 2022, following the earlier operational separation of Avito from OLX Group, the group confirmed its decision to exit Avito and start the search for an appropriate buyer for its shares in Avito.

Avito

The group first invested in Avito in March 2013 and currently Avito is the leading Russian classifieds platform and one of the top eight most visited websites in Russia. Avito is the second largest online classifieds business in the world, with 35 million unique visitors per month and more than 100 million active listings.

The group's operations in Russia represent 8% (2021: 7%) of the group's total external consolidated revenue for the financial year ended 31 March 2022.

Due to the Ukraine war, the group assessed whether the goodwill recognised from Avito is impaired. The recoverable amount was based on the value-in-use calculation that included the estimated impact of the war on the operations and the discount rate. The impact of the war in Ukraine did not result in an impairment of goodwill for the business.

Based on the group's 99% effective ownership interest in Avito, its financial results are consolidated for the financial year ended 31 March 2022. Following the group's decision in May 2022 to exit Avito, the search for an appropriate buyer for its shares in Avito is underway.

VK

VK is a Russian online social media and social networking service. Up until 3 March 2022, the group accounted for this investment as an associate using the equity method. The group's effective interest in VK is 27.2% (fully diluted 25.7%) with a shareholder voting interest of 12.3%.

VK's shares are listed on the London Stock Exchange (LSE). The LSE suspended trading of VK shares on 3 March 2022 in response to sanctions in order to maintain orderly markets. The significant decline in the share price presented an indicator for impairment on the carrying value of this investment. Accordingly, the group fully impaired the carrying value of the investment in VK of US$473.6m for the year ended 31 March 2022.

On 4 March 2022, the group's three directors on the VK board resigned with immediate effect and no voting rights will be exercised under the current circumstances. The group ceased accounting for this investment as an associate and has reclassified the foreign currency translation reserves related to VK from 'Other comprehensive income' to the income statement, amounting to a loss of US$1.14bn.

Subsequent to the loss of significant influence, the group now accounts for this investment at fair value through other comprehensive income.

OLX Ukraine

The financial results of OLX Ukraine are not material for the group.

The impact of Covid-19

The global Covid-19 pandemic began to affect the operations of the group towards the end of March 2020. Just over two years later, including the rollout of vaccines across the world, the pandemic has had a limited impact on the group's financial position, financial performance and cash flows presented in these summarised consolidated financial statements for the year ended 31 March 2022.

Use of significant judgements and estimates

The group has continuously monitored the significant judgements and estimates used to support the reported assets, liabilities, income and expenses for the year ended 31 March 2022 for any possible impacts of the pandemic.

Risk management

The annual report for the year ended 31 March 2022 describes certain risks that could have an adverse effect on the group's financial position and results. Those risks should be read in conjunction with these summarised consolidated financial statements.

The group has remained resilient and performed well during the year ended 31 March 2022.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

4. Segmental review

	Revenue			Adjusted EBITDA[3]			Trading (loss)/profit[4]		
	31 March			31 March			31 March		
	2022 US$'m	2021 US$'m	% change	**2022 US$'m**	2021 US$'m	% change	**2022 US$'m**	2021 US$'m	% change
Ecommerce	**10 656**	6 849	56	**(877)**	(261)	(236)	**(1 120)**	(439)	(155)
Classifieds	**2 975**	1 609	85	**95**	74	28	**25**	15	67
Food Delivery	**2 992**	1 486	>100	**(651)**	(313)	>(100)	**(724)**	(355)	>(100)
Payments and Fintech	**796**	577	38	**(52)**	(59)	12	**(60)**	(68)	12
Edtech[1]	**425**	115	>100	**(100)**	(11)	>(100)	**(117)**	(14)	>(100)
Etail	**3 086**	2 856	8	**27**	110	75	**(42)**	61	>(100)
Other[1]	**382**	206	85	**(196)**	(62)	>(100)	**(202)**	(78)	>(100)
Social and Internet Platforms	**25 794**	22 526	15	**7 623**	7 229	5	**6 319**	6 154	3
Tencent	**25 261**	22 155	14	**7 502**	7 151	5	**6 273**	6 126	2
VK (previously Mail.ru)[2]	**533**	371	44	**121**	78	55	**46**	28	64
Media	**257**	211	22	**23**	(2)	>100	**17**	(8)	>100
Corporate segment	**—**	—	—	**(209)**	(146)	(43)	**(217)**	(152)	(43)
Intersegmental	**(1)**	—	—	**—**	—	—	**—**	—	—
Total economic interest	**36 706**	29 586	24	**6 560**	6 820	(4)	**4 999**	5 555	(10)
Less: Equity-accounted investments	**(28 766)**	(23 652)	(22)	**(6 984)**	(6 903)	(1)	**(5 588)**	(5 779)	3
Total consolidated	**7 940**	5 934	34	**(424)**	(83)	>(100)	**(589)**	(224)	>(100)

1 From 1 April 2021 the group created a new Edtech segment. The Edtech equity-accounted investments were presented in the 'Other Ecommerce' segment in prior periods and have been reclassified and presented as part of the new segment.
2 During March 2022 the group lost its significant influence in VK. Accordingly, results will no longer be presented subsequent to March 2022.
3 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 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 the group has a cash cost on settlement with participants). It is considered a useful measure to analyse operational profitability.
4 Trading profit/(loss) is a non-IFRS measure that 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.

Reconciliation of consolidated adjusted EBITDA and trading loss to consolidated operating loss

	31 March	
	2022 US$'m	2021 US$'m
Consolidated adjusted EBITDA[1]	**(424)**	(83)
Depreciation	**(138)**	(110)
Amortisation of software	**(12)**	(16)
Interest on capitalised lease liabilities	**(15)**	(15)
Consolidated trading loss[2]	**(589)**	(224)
Interest on capitalised lease liabilities	**15**	15
Amortisation of other intangible assets	**(134)**	(138)
Other (losses)/gains – net	**(156)**	(103)
Retention option expense	**(3)**	(74)
Remeasurement of cash-settled share-based incentive expenses	**1**	(648)
Share-based incentives for share options settled in Naspers Limited shares	**(28)**	(17)
Consolidated operating loss	**(894)**	(1 189)

1 Adjusted EBITDA 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 2022

5. Earnings per share

Calculation of headline earnings

	31 March 2022 US$'m	31 March 2021 US$'m
Earnings		
Basic earnings attributable to shareholders	**12 223**	5 304
Impact of dilutive instruments of subsidiaries, associates and joint ventures	**(230)**	(151)
Diluted earnings attributable to shareholders	**11 993**	5 153
Headline adjustments[1]		
Adjustments for:	**(15 656)**	(1 347)
Impairment of property, plant and equipment and other assets	**–**	11
Impairment of goodwill and other intangible assets	**246**	72
Gain on sale of assets	**(4)**	–
Losses recognised on loss of significant influence	**1 112**	–
Net loss recognised on disposals of investments	**(30)**	(360)
Gain on partial disposal of equity-accounted investments	**(12 339)**	(19)
Dilution gains on equity-accounted investments	**(95)**	(981)
Remeasurements included in equity-accounted earnings[2]	**(5 133)**	(102)
Impairment of equity-accounted investments	**587**	32
	(3 433)	3 957
Total tax effects of adjustments	**–**	(173)
Total adjustment for non-controlling interest	**5 054**	358
Basic headline earnings	**1 621**	4 142
Diluted headline earnings	**1 391**	3 991

1 Headline earnings represents net profit for the year attributable to equity holders of the group, excluding certain defined, separately identifiable remeasurements. The headline earnings measure is pursuant to the JSE Listings Requirements.

2 Remeasurements included in equity-accounted earnings include US$6.2bn (2021: US$1.1bn) relating to gains arising on acquisitions and disposals by associates and US$1.1bn relating to net impairments of assets recognised by associates (2021: impairment of US$932.5m).

	31 March 2022 Number of shares	31 March 2021 Number of shares
Number of ordinary shares in issue at year-end (net of treasury shares)	**215 454 129**	418 334 828
Weighted adjustment for movement in shares held by share trusts and share repurchase programme*	**74 322 479**	8 488 386
Weighted average number of ordinary shares in issue during the year	**289 776 608**	426 823 214
Adjusted for effect of future share-based payment transactions	**805 932**	1 128 213
Diluted weighted average number of ordinary shares in issue during the year	**290 582 540**	427 951 427
Earnings per ordinary share (US cents) for the year*		
Basic	**4 218**	1 243
Diluted	**4 127**	1 204
Headline earnings per ordinary share (US cents) for the year (restated for prior year)*		
Basic	**559**	970
Diluted	**479**	933

* Refer to note 3 for details of the group's share exchange programme and share repurchase.

Earnings per share information

The earnings per share information presented takes into account the impact of the cross-holding agreement with Naspers as a result of the Prosus share exchange (refer to note 3) and the Prosus share repurchase (refer to note 16).

The group has in issue 435 511 058 N ordinary shares and 961 193 A ordinary shares as at 30 March 2022. The group recognised 221 018 122 ordinary shares N as treasury shares which are the N ordinary shares held by Prosus and the Naspers group share trusts.

The A ordinary shareholders are entitled to one voting right per share but carries one fifth of the economic rights of Naspers N ordinary shareholders.

The number of shares in issue used in the earnings per share information is weighted for the period that the shares were in issue and not recognised as treasury shares. As a result, the N ordinary shares held by Prosus are weighted for the period they were in issue and not recognised as treasury shares between April and August 2021.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

6. Revenue from contracts with customers

	Reportable segment(s) where revenue is included	31 March 2022 US$'m	31 March 2021 US$'m
Online sale of goods revenue	Classifieds and Etail	**4 492**	3 343
Classifieds listings revenue	Classifieds	**1 008**	725
Payment transaction commissions and fees	Payments and Fintech	**703**	513
Mobile and other content revenue	Other Ecommerce	**71**	147
Food delivery revenue	Food Delivery	**986**	733
Advertising revenue	Various	**175**	142
Educational technology revenue	Edtech	**83**	–
Printing, distribution, circulation, publishing and subscription revenue	Media	**138**	117
Other revenue	Various	**284**	214
		7 940	5 934

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. Below is the group's revenue by geographical area.

Geographical area	31 March 2022 Revenue US$'m	31 March 2021 Revenue US$'m
Africa	**1 136**	852
South Africa	**1 129**	843
Rest of Africa	**7**	9
Asia	**701**	420
Europe[1]	**3 621**	3 188
Central Europe	**768**	678
Eastern Europe	**2 111**	2 029
Western Europe	**100**	58
Russia	**642**	423
Latin America	**1 834**	1 266
North America	**647**	205
Other	**1**	3
Total	**7 940**	5 934

[1] The European geographical area for the current and prior year has been disaggregated into the different regions.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

7. Finance (costs)/income

	31 March 2022 US$'m	31 March 2021 US$'m
Interest income	**64**	101
Loans and bank accounts	**47**	77
Other	**17**	24
Interest expense	**(411)**	(268)
Loans and overdrafts	**(385)**	(247)
Capitalised lease liabilities	**(15)**	(16)
Other	**(11)**	(5)
Other finance (cost)/income – net	**(84)**	207
Gain on translation of assets and liabilities	**122**	80
(Losses)/gains on derivative and other financial instruments[1]	**(206)**	127

1 The current period includes a cost of US$217m related to the early settlement of portions of the 2025 and 2027 bonds. Refer to note 16.

8. Profit before taxation

In addition to the items already detailed, profit before taxation has been determined after taking into account, inter alia, the following:

	31 March 2022 US$'m	31 March 2021 US$'m
Depreciation of property, plant and equipment	**138**	110
Amortisation	**146**	154
Other intangible assets	**134**	138
Software	**12**	16
Impairment losses on financial assets measured at amortised cost	**16**	15
Net realisable value adjustments on inventory, net of reversals[1]	**13**	7
Other (losses)/gains – net	**(156)**	(103)
Profit on sale of assets	**4**	–
Impairment of goodwill and other intangible assets	**(246)**	(72)
Impairment of property, plant and equipment and other assets	**–**	(11)
Dividends received on investments	**45**	5
Income on business support services	**34**	–
Fair-value adjustments on financial instruments	**6**	(4)
Covid-19 donation	**–**	(13)
Other	**1**	(8)
Net (losses)/gains on acquisitions and disposals	**(1 133)**	308
Gains recognised on disposal of investments – net	**30**	242
(Losses)/gains recognised on sale of business – net	**(1)**	118
(Losses)/gains recognised on loss of significant influence[2]	**(1 112)**	–
Remeasurement of contingent consideration	**(6)**	–
Transaction-related costs	**(43)**	(56)
Other	**(1)**	4

1 Net realisable value writedowns relate primarily to the Etail segment.
2 The group reclassified a portion of the foreign currency translation reserves related to VK from 'Other comprehensive income' to the income statement amounting to a loss of US$1.14bn as a result of the loss of significant influence.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

9. Goodwill

Movements in the group's goodwill for the year are detailed below:

	31 March	
	2022 US$'m	2021 US$'m
Goodwill		
Cost	**2 350**	2 324
Accumulated impairment	**(164)**	(87)
Opening balance	**2 186**	2 237
Foreign currency translation effects	**(167)**	49
Acquisitions of subsidiaries and businesses	**1 692**	43
Disposals of subsidiaries and businesses	**(7)**	(72)
Impairment	**(246)**	(71)
Closing balance	**3 458**	2 186
Cost	**3 818**	2 350
Accumulated impairment	**(360)**	(164)

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 significant market movements, the war in Ukraine and the Covid-19 pandemic. The group's 10-year budgets and forecasts consisted of cash flow projections and included the anticipated impact of the war and the pandemic. These budgets and forecasts were used to calculate discounted cash flow valuations to identify whether goodwill allocated to various cash-generating units (CGUs) was impaired. The value-in-use amounts used were considered appropriate based on these budgets and forecasts.

During the current and prior financial years, the recoverable amounts for CGUs were determined predominantly using value-in-use calculations. The discount rates used reflect specific risks relating to the relevant CGUs and the countries in which they operate, while maximising the use of market observable data. Discount rates take into account country risk premiums and inflation differentials as appropriate.

The increase in the risk-free rates and the war in Ukraine at the beginning of the 2022 calendar year resulted in the need to update the goodwill impairment assessment performed at 31 December 2021. The impact of the war in Ukraine did not result in an impairment of goodwill for the businesses in Russia or Ukraine.

The group recognised impairment losses on goodwill of US$246m (2021: US$70.5m) in the current year which related to Stack Overflow in the Edtech segment. Stack Overflow is a recent acquisition, however, the current market conditions and the increase in risk-free rates resulted in an increase in the discount rate used in the value-in-use calculations, reducing the recoverable amount to below the carrying amount.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

10. Investments in associates

The movements in the carrying value of the group's investments in associates for the year are detailed in the table below:

	31 March 2022 US$'m	31 March 2021 US$'m
Opening balance	**40 566**	22 235
Associates acquired – gross consideration	**4 824**	2 352
Associates disposed of	**(10)**	(20)
Transferred to held for sale	**(38)**	–
Share of current-year changes in OCI and net asset value	**(2 699)**	6 819
Share of equity-accounted results	**9 303**	7 114
Impairment	**(587)**	(11)
Dividends received[1]	**(4 426)**	(458)
Foreign currency translation effects	**(249)**	1 546
Partial disposal of interest in associate[2]	**(2 316)**	–
Dilution gains[3]	**93**	989
Closing balance	**44 461**	40 566

1 At 31 March 2022, the dividend received from Tencent amounted to US$570.7m cash and dividends in specie of US$3.9bn in shares of JD.com.
2 At 31 March 2022, gains on partial disposal recognised in the summarised consolidated income statement relate to the 2% disposal of Tencent Holdings Limited. The group recognised a gain on partial disposal of US$12.34bn.
3 The total dilution gains presented in the summarised income statement relate to the group's diluted effective interest in associates and the reclassification of a portion of the group's foreign currency translation reserves from other comprehensive income to the income statement following the shareholding dilutions. At 31 March 2021 the dilution gains related primarily to the 4% dilution in the group's interest in Delivery Hero of US$834.7m as a result of a share issue.

The group assesses whether there is an indication that its equity-accounted investments are impaired. This assessment was due to the decline in the market capitalisation of the listed equity-accounted investments and the increase in country risk premiums. The group recognised impairment losses of US$589.1m (2021: US$11m) for equity-accounted investments of which US$473.6m of the impairment loss related to VK.

11. Other investments and loans

	31 March 2022 US$'m	31 March 2021 US$'m
Investments at fair value through other comprehensive income (OCI)	**5 540**	1 608
Investments at fair value through profit or loss[1]	**64**	1 258
Investments at amortised cost	**–**	11
Related party loans	**258**	185
Total investments and loans	**5 862**	3 062
Current portion of other investments	**–**	1 258
Investments at fair value through OCI	**–**	5
Investments at fair value through profit or loss[1]	**–**	1 242
Investments at amortised cost	**–**	11
Non-current portion of other investments	**5 862**	1 804

1 The balance as at 31 March 2021 represents the contractual right to receive the Delivery Hero shares or cash. Refer to note 14.

Reconciliation of investments at fair value through other comprehensive income

Significant equity investments at fair value through other comprehensive income include the following:

	31 March 2022 US$'m	31 March 2021 US$'m
Opening balance	**1 608**	804
Fair-value adjustments recognised in OCI	**(509)**	555
Purchases/additional contributions[1]	**4 423**	302
Loss of significant influence of an investment in associate	**26**	–
Disposals	**(51)**	(49)
FCTR adjustment	**43**	(4)
Closing balance	**5 540**	1 608

1 Significant movement in the current year relates to the dividend in specie received from Tencent in the form of JD.com exchange shares. Refer to note 14.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

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.

	31 March	
	2022 US$'m	2021 US$'m
Commitments	**254**	155
Capital expenditure	**96**	60
Other service commitments	**134**	81
Lease commitments[1]	**24**	14

[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 2022. 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$18m (2021: US$40.5m).

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. Equity compensation benefits

Liabilities arising from share-based payment transactions

Reconciliation of the cash-settled share-based payment liability is as follows:

	31 March	
	2022 US$'m	2021 US$'m
Opening carrying amount of cash-settled share-based payment liability	**1 127**	58
SAR scheme charge per the income statement[1]	**148**	718
Employment-linked put option charge per the income statement	**23**	52
Additions	**5**	16
Settlements	**(510)**	(107)
Modification[2]	**355**	389
Foreign currency translation effects	**21**	1
Closing carrying amount of cash-settled share-based payment liability	**1 169**	1 127
Less: Current portion of share-based payment liability	**(985)**	(977)
Non-current portion of share-based payment liability	**184**	150

[1] The decrease in the expense is as a result of the decline in the fair values of the underlying businesses that decreased the estimated cash settlement for the schemes.
[2] Some of the group's equity-settled compensation plans were prospectively modified to cash-settled due to the change in settlement policy of the share option schemes (refer to details below for the modification of the iFood share option scheme).

As at 31 March 2021, the iFood share option scheme (the scheme) was equity-settled as these options were settled in iFood Holdings B.V. shares. In June 2021, the Naspers and iFood Holdings B.V. boards approved a prospective change in the settlement of these options by providing liquidity to employees of the scheme. Subsequent to this approval, the group will settle these share options using cash resources. All other features of the awards, including strike price, vesting and expiry periods remain unchanged.

The fair value of the iFood scheme recognised as a share-based payment liability on the effective date of the amendment was US$302.1m. The share-based payment reserve related to this scheme was US$16.3m. The change in settlement is accounted for as a modification, with the difference between the existing share-based reserve and the share-based liability of US$285.9m being recognised through retained earnings in equity. Following this change, the iFood scheme will be accounted for in terms of the group's accounting policy as cash-settled share-based payments.

In the prior year the group's SAR schemes were modified from equity-settled to cash-settled. 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 2022

14. Business combinations, other acquisitions and disposals

The following sets out the group's significant transactions related to business combinations and equity-accounted investments for the year ended 31 March 2022:

	Company	Classification	Amount invested US$'m			
			Net cash paid/ (received)	**Non-cash consideration**	**Cash in entity acquired**	**Total consideration**
	Acquisition of subsidiaries					
(a)	Good Bidco B.V. (GoodHabitz)	Subsidiary	252	–	6	258
(b)	Stack Overflow	Subsidiary	1 644	–	98	1 742
			1 896	–	104	2 000
	Acquisition of equity-accounted investments					
(c)	Oda	Associate	116	–	–	116
(d)	API Holdings Private Limited (PharmEasy)	Associate	220	–	–	220
(e)	Skillsoft Corp	Associate	500	38	–	538
(f)	Flink SE (Flink)	Associate	84	–	–	84
	Other[1]	Associate	441	–	–	441
			1 361	38	–	1 399
	Additional investment in existing equity investments					
(g)	Bundl Technologies Private Limited (Swiggy)	Associate	299	–	–	299
(h)	NTex Transportation Services Private Limited (ElasticRun)	Associate	90	–	–	90
(i)	Think & Learn Private Limited (BYJU'S)	Associate	153	–	–	153
(j)	Delivery Hero SE (Delivery Hero)	Associate	298	1 242	–	1 540
(k)	Eruditus Learning Solutions Limited (Eruditus)	Associate	127	–	–	127
(l)	Meesho Inc (Meesho)	Associate	134	–	–	134
	Other[1]	Associate/ joint venture	222	–	–	222
			1 323	1 242	–	2 565
	Other investments					
(m)	UrbanClap Technologies India Private Limited (Urban Company)	FVOCI	84	–	–	84
(j)	Delivery Hero[2]	FVPL	936	–	–	936
(n)	JD.com	FVOCI	–	3 855	–	3 855
(o)	GoStudent	FVOCI	226	–	–	226
	Other[1]		234	–	–	234
			1 480	3 855	–	5 335
	Partial disposal of equity-accounted investments					
(p)	Tencent Holdings Limited (Tencent)	Associate	(14 609)	–	–	(14 609)
			(14 609)	–	–	(14 609)

[1] 'Other' includes various acquisitions of subsidiaries, associates and other investments that are not individually material.
[2] Relates to the Delivery Hero shares bought in August 2021 and September 2021 before Competition Commission approval was obtained. Subsequent to the approval, this amount was capitalised to the carrying value of the investment in associate.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

14. Business combinations, other acquisitions and disposals continued

Acquisition of subsidiaries

a. In June 2021, the group acquired a 62% effective interest (61% fully diluted) for US$258m in GoodHabitz. GoodHabitz provides educational information online, offering commercial, management, and technical training services in the Netherlands. The group accounted for this investment as a subsidiary.

The group has a put option arrangement with the non-controlling interest exercisable at specified future dates. The settlement of the put option arrangement is in cash or shares at the group's discretion. At acquisition, the group recognised a put option liability amounting to US$144.1m, representing the expected redemption amount payable to non-controlling shareholders upon settlement of their ownership interest in the entity, included in the 'Other non-current liabilities' line on the statement of financial position.

In addition, the group has a call option arrangement with the non-controlling shareholder that is linked to employment. It is exercisable at specified future dates upon termination of employment of the non-controlling shareholder due to specified circumstances. The group has the right to settle this call option in cash at the fair value of shareholders' interest. The non-controlling shareholder currently has all the economic benefits associated with ownership of the shares, and as a result, the group's obligation to settle this interest is included in the put option liability mentioned above.

The main intangible assets recognised in the business combination were customer relationships, trademarks and technology. The main factor contributing to the goodwill recognised in the acquisition is GoodHabitz's market presence, product development capabilities and engineering capabilities.

b. In August 2021, the group acquired a 100% effective and dilutive interest for US$1.7bn in Stack Overflow. Stack Overflow is a leading knowledge-sharing platform for the global community of developers and technologists. The group accounted for this investment as a subsidiary.

The main intangible assets recognised in the business combination were trade names, technology and customer relationships. The main factor contributing to the goodwill recognised in the acquisition is Stack Overflow's market presence, engineering capabilities to develop future technology and ability to attract future customers.

The purchase price allocations for the above two acquisitions in the Edtech segment were not yet finalised as at 30 September 2021, therefore, preliminary figures were disclosed in the condensed consolidated interim financial statements. The changes between the final and preliminary fair values were not material. The table on below summarises the final fair values of each major class of identifiable assets and liabilities recognised for the above two acquisitions on the acquisition date.

Since the acquisition dates of the above business combinations, revenue of US$83m and net losses of US$102m have been included in the group's income statement. The impact on revenue and net losses from the above transactions, had the acquisitions taken place on 1 April 2021, were US$115m and US$108m respectively.

Acquisition date fair values of each major class of identifiable assets and liabilities recognised

	GoodHabitz June 2021 US$'m	Stack Overflow August 2021 US$'m
Total consideration	**258**	**1 742**
	25	**283**
Intangible assets	62	247
Property, plant and equipment	1	2
Cash and deposits	6	98
Other receivables	8	36
Other liabilities	(22)	(35)
Deferred tax liabilities	(14)	(65)
Non-controlling interest[1]	(16)	—
Goodwill	**233**	**1 459**

[1] Non-controlling interest is measured at its proportionate share of the identifiable net assets of GoodHabitz at the acquisition date.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

14. Business combinations, other acquisitions and disposals continued

Acquisition of equity-accounted investments

c. In April 2021, the group acquired a 13% effective (12% fully diluted) interest for US$116m in Oda, Norway's largest online grocery business. The group accounted for this investment as an equity-accounted associate on account of its significant influence on the board of directors.

d. In May 2021, the group acquired a 16% effective interest (15% fully diluted) for US$191m in PharmEasy. PharmEasy owns India's largest integrated digital healthcare platforms. The group accounted for this investment as an equity-accounted associate on account of its significant influence on the board of directors.

   Subsequent to this initial investment, the group made an additional investment amounting to US$29m. As we did not participate equally in the funding round, our effective interest is 14% (12% fully diluted) in PharmEasy. The group continues to account for its interest in PharmEasy as an investment in an associate on account of its significant influence on the board of directors.

e. In June 2021, the group acquired a 38% effective interest (34% fully diluted) for US$500m in Skillsoft Corp (Churchill). Churchill is a special-purpose acquisition company that provides cloud-based learning, training and talent management solutions through its acquisition of Skillsoft Corp (NYSE: SKIL) (Skillsoft) and Global Knowledge Training LLC (Global Knowledge). Skillsoft, a global leader in corporate digital learning, commenced trading on the New York Stock Exchange (NYSE) under the ticker symbol 'SKIL'. This follows the completion of Software Luxembourg Holding S.A.'s merger with Churchill and combination with Global Knowledge in June 2021, with the combined company now operating as Skillsoft. The group accounted for this investment as an equity-accounted associate. The cost of the investment in associate includes the fair value of a derivative financial asset amounting to US$38m at the date of closing that arose because the purchase price for this investment was fixed in October 2020 on the signing date of this transaction.

   In addition to the associate investment in Skillsoft, the group received 16 666 667 issued public warrants amounting to US$41m in exchange for corporate support services to be provided to the company. The public warrants give the group the right to purchase Skillsoft common stock at an exercise price of US$11.50 per share or are subject to a compulsory cash redemption on specified future dates and are contingent on the Skillsoft share price. The group accounts for these warrants as financial assets at fair value through profit or loss and recognised deferred income for the support services to be provided over a specified period.

f. In July 2021, the group acquired a 12% effective interest (12% fully diluted) for US$84m in 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 agreement includes an arrangement with the founder shareholders in which their shareholding may be repurchased by Flink upon termination of employment at specified values. This share-based payment arrangement will be settled in cash. The founders' legal shareholding at acquisition is therefore accounted for as a compound financial instrument and not as a shareholder ownership interest. This increased the group's economic interest for equity accounting the associate to 20% as a result of this arrangement.

Additional investments in existing equity-accounted investments

g. In April 2021 and February 2022, the group made an additional investment in Swiggy, the operator of a first-party food delivery marketplace in India, amounting to US$274m and US$25m respectively. At 31 March 2021, the group held a 41% effective interest. As we did not participate equally in the funding round, our effective interest is 33% (31% fully diluted) in Swiggy. The group continues to account for its interest in Swiggy as an investment in an associate.

h. In April 2021 and February 2022, the group made an additional investment in ElasticRun, a software and technology platform for providing transportation and logistics services in India, amounting to US$30m and US$60m respectively. At 31 March 2021, the group held a 20% effective interest. Following these investments, the group holds a 23% effective interest (22% fully diluted) in ElasticRun. The group continues to account for its interest in ElasticRun as an investment in an associate.

i. In April 2021, the group made an additional investment amounting to US$153m in BYJU'S, India's largest education company and the creator of India's largest personalised learning app. At 31 March 2021, the group held an 11% effective interest. Following this investment, the group retained its 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 on the board of directors.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

14. Business combinations, other acquisitions and disposals continued

Additional investments in existing equity-accounted investments continued

j. In May 2021, 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 has been transferred. The group paid an additional US$188m for the increase in share price for this interest between March 2021 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 the carrying value of the investment.

   Further, in August 2021 the group announced its intention to acquire an additional 2.5% stake in Delivery Hero, subject to Austrian competition regulatory approval, through its subsidiary, MIH Food Holdings B.V. The competition approval was granted in September and, accordingly, the group acquired an additional investment in Delivery Hero. The group increased its shareholding in Delivery Hero by 2.5% to 27% from 25%.

   The additional investment was acquired initially as a call option to acquire the shares, subject to competition approval. The call option was acquired at the fair value of the shares amounting to US$936m and recognised as a financial instrument measured at fair value through profit or loss. In addition, the group applied cash flow hedge accounting to the highly probable forecast acquisition of this additional investment, hedging the exposure to future share price increases in Delivery Hero shares between the date the call option was acquired, and the date approval was granted to acquire the additional shares. The additional investment in Delivery Hero was based on the fair value of the call option on the date that the approval was granted (US$817m) and the accumulated losses in the cash flow hedge reserve (US$119m). The accumulated losses within the cash flow hedge reserve were included in the cost of the investment and, as based on the group's judgement, the investment in associate is a non-financial asset. The resulting additional investment in Delivery Hero recognised after the basis adjustment was US$936m.

k. In August 2021, the group made an additional investment amounting to US$127m in Eruditus, an online platform using technology and curriculum innovation to offer professional education courses in collaboration with top-ranked universities globally. At 31 March 2021, the group held a 9% effective interest. Following these investments, the group holds a 13% effective interest (11% fully diluted) in Eruditus. The group continues to account for its interest in Eruditus as an investment in an associate on account of its significant influence on the board of directors.

l. In September 2021, the group made an additional investment amounting to US$134m in 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. At 31 March 2021, the group held a 12% effective interest. Following these investments, the group holds a 13% 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 on the board of directors.

Other investments

m. In April 2021, the group acquired a 4% effective interest (4% fully diluted) for US$84m in Urban Company. Urban Company is one of the largest home services platforms in Asia, with representation in India, UAE, Singapore and Australia. The investment is not held for trading, therefore the group accounts for this as an investment at fair value through other comprehensive income.

n. In December 2021, Tencent declared a special interim dividend in the form of a distribution in specie of 457 326 671 class A ordinary shares of JD.com to its shareholders on the basis of one (1) class A ordinary share of JD.com for every 21 shares held. As a result of this distribution, the group obtained a 4% effective (131 873 028 class A ordinary shares) interest in JD.com. JD.com is a platform creator that brings value to partners and customers in sectors such as ecommerce, logistics, internet finance, cloud computing and smart technology. The investment is not held for trading, therefore the group accounts for this as an investment at fair value through other comprehensive income.

   The group recognised a dividend receivable up until the distribution date of 25 March 2022. The dividend in specie distribution of the investment in JD.com has reduced the investment in Tencent by US$3.85bn, representing the fair value of the investment on the distribution date.

o. In March 2022, the group acquired an 8% effective (and 7% fully diluted) interest for US$226m in GoStudent. GoStudent is a provider of online tutoring services in a one-on-one, video-based format to K–12 students via a managed marketplace model in Austria. The investment is not held for trading, therefore the group accounts for this as an investment at fair value through other comprehensive income.

Partial disposal of equity-accounted investments

p. In April 2021, the group sold 2% of Tencent's total issued share capital. The sale reduced its stake in Tencent from approximately 31% to 29%, yielding US$14.6bn in proceeds and a gain on partial disposal of US$12.34bn. The group reclassified a gain of US$41m from the foreign currency translation reserve to the consolidated income statement related to this partial disposal. Proceeds from this disposal are included in short-term investments on the condensed consolidated statement of financial position.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

15. Non-controlling interest in transactions

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. In August 2021, subsequent to the closing of the share exchange, Prosus owns 49.5% fully diluted interest which represents a 49.9% effective economic interest in Naspers, including the 3.7% effective interest obtained via the share repurchase programme (refer to note 16). Accordingly, the cross-holding agreement that is effective from the closing of the share exchange includes the Naspers shares Prosus already owned. Refer to note 3 for the accounting treatment relating to this transaction.

In addition, Prosus commenced an on-market share repurchase programme of Prosus's ordinary shares N in August 2021 for a total consideration of up to US$5bn from its free-float shareholders in support of delivering the overall benefits of the Prosus share exchange offer to Naspers Limited N ordinary shareholders which was completed on 16 August 2021. 69 825 860 Prosus N ordinary shares were repurchased as at 31 March 2022.

Subsequent to the share exchange and the share repurchase, the group's economic interest in Prosus N.V. is 42.29% (31 March 2021: 73.19%). Accordingly, the 57.71% (31 March 2021: 26.81%) interest in Prosus held by free-float shareholders represents a significant non-controlling interest of the group. This increase in non-controlling interest was accounted for as an equity transaction because there is a change in Naspers's effective interest in the group but no change to the control structure. The excess of the Naspers treasury shares recognised and the increase in non-controlling interest of US$21.81bn was recognised in the 'Existing business combination reserve' in equity. Refer to note 3 for detailed accounting treatment of the share exchange.

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 https://www.prosus.com.

In April 2021, 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. This resulted in the cancellation of the US$44.4m written put option liability and the US$11.1m employment-linked cash-settled share-based payment liability related to the non-controlling shareholder which was derecognised. The cancellation of the written put option liability was recorded in equity in the 'Existing business combination reserve'. The settlement of the fully vested cash-settled share-based payment liability had a minimal impact on the condensed consolidated income statement. The group recognised US$54.5m in the 'Existing business combination reserve' in equity representing the gain from the change in ownership interest in the entity.

The group acquired the share capital held by non-controlling shareholders of its subsidiary Frontier Car Group Inc (FCG), for US$59.3m. At 31 March 2021, the group held a 91% effective interest. Following the acquisition, the group holds a 99% effective interest (98% fully diluted interest) in FCG. This resulted in the cancellation of the US$66.4m written put option liability and the US$16.6m employment-linked cash-settled share-based payment liability related to the non-controlling shareholders that was derecognised. The cancellation of the written put option liability was recognised in equity in the 'Existing business combination reserve' and the cancellation of the cash-settled share-based payment liability was recognised in the condensed consolidated income statement. The group recognised US$59.9m in the 'Existing business combination reserve' in equity representing the gain from the change in ownership interest in the entity.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

15. Non-controlling interest in transactions continued

The summarised financial information contained below relates to subsidiaries of the group that are considered to have significant non-controlling interests:

	Prosus N.V.	
	31 March 2022 US$'m	31 March 2021 US$'m
Summarised statement of financial position		
Non-current assets	**56 073**	48 583
Current assets	**15 265**	7 145
Total assets	**71 338**	55 728
Non-current liabilities	**16 402**	8 535
Current liabilities	**4 413**	4 007
Total liabilities	**20 815**	12 542
Accumulated non-controlling interests	**29 516**	11 667
Summarised income statement		
Revenue	**6 866**	5 116
Net profit for the year attributable to equity holders	**18 733**	7 449
Other comprehensive (loss)/income attributable to equity holders	**(3 167)**	9 011
Total comprehensive income attributable to equity holders	**15 566**	16 460
Total comprehensive loss attributable to non-controlling interests	**(83)**	(12)
Dividends paid to non-controlling interests	**(134)**	(57)
Dividends declared by subsidiaries	**238**	215
Summarised statement of cash flows		
Cash flows (utilised in)/generated from operating activities	**(605)**	159
Cash flows generated from/(utilised in) investing activities	**4 392**	(3 218)
Cash flows generated from financing activities	**2 403**	2 450

16. Significant financing transactions

Issuance and redemption of bond notes

In January 2022, the group issued US dollar and euro notes in an aggregate principal amount totalling the equivalent of US$5.25bn under its Global Medium-Term Note Programme. These issuances consist of US$1.25bn 4.987% notes due 2052, US$1bn 4.193% notes due 2032, US$1bn 3.257% notes due 2027, €650m 2.778% notes due 2034, €600m 2.085% notes due 2030 and €500m 1.207% notes due 2026 (the bonds).

In July 2021, the group issued US dollar and euro notes in an aggregate principal amount totalling the equivalent of US$4bn under its Global Medium-Term Note programme. These issuances consist of US$1.85bn 3.061% notes due 2031, €1bn 1.288% notes due 2029 and €850m 1.985% notes due 2033 (the bonds).

The favourable market backdrop enabled Prosus to extend its debt maturity profile as part of a refinancing of its existing debt.

The purpose of the offerings was to raise proceeds for general corporate purposes, including debt refinancing, which took the form of a tender offer made in relation to its bonds maturing in 2025 and 2027.

Part of the proceeds from the bond issuance was used to partly settle these two bonds. The 2025 bond consisted of US$1.2bn 5.5% notes and the 2027 bond consisted of US$1bn 4.85% notes. The early settlement of these bonds consisted of repayments of principal, accrued interest and present value of the related future interest coupon payments at the date of settlement. The group settled US$975m bond notes due in 2025 and US$386m bond notes due in 2027 for a total combined consideration of US$1.6bn. The difference between the market value of the future contractual payments and the carrying value of the note at amortised cost of US$217m (representing the market value premium) was recognised in 'Other finance (costs)/income – net' in the income statement and 'Interest cost paid' in the statement of cash flows.

Part of the notes due in 2025 was linked to a cross-currency interest rate swap. As the investment in Delivery Hero SE is translated at the spot rate, the group has designated only the spot exchange rate element of the cross-currency interest rate swap as forming part of the hedging relationship.

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

16. Significant financing transactions continued

Issuance and redemption of bond notes continued

Due to the part settlement of the 2025 bond notes, the group partly settled the cross-currency interest rate swap (the swap) related to the portion of the bond notes that was settled. The group therefore discontinued the hedge for the portion of the swap that was settled. The group continued the hedge relationship for the remaining portion of the swap as the hedge of the net investment in Delivery Hero. The repayment of the swap amounted to US$20m in July 2021, representing the fair value of the portion settled at that date.

The hedge ratio remained 1:1 and the risk strategy for this hedge relationship remained unchanged from that which was disclosed at 31 March 2021. The accumulated amount recognised for this hedge relationship in the foreign currency translation reserve was not reclassified following this partial settlement. The amount will only be reclassified if the investment in Delivery Hero is disposed. Ineffectiveness may arise from credit risk on the cross-currency interest rate swap. Ineffectiveness remains negligible post this partial settlement as all critical terms on the hedging instrument and hedged item match in relation to the portion of the debt that is outstanding.

Share repurchase programme

Prosus acquired a total of 15 992 042 Naspers N ordinary shares as part of the share purchase programme announced in October 2020. A total of 10 568 947 Naspers N ordinary shares for US$2.4bn were acquired during the year ended 31 March 2021 and a further 5 423 095 Naspers N ordinary shares for US$1.2bn were acquired between April and June 2021. The total purchase consideration for the repurchase programme was US$3.6bn. The shares are held by Prosus and are included in the 49.5% fully diluted investment in Naspers and are recognised as treasury shares.

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 41 of the consolidated financial statements for the year ended 31 March 2022. 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 2021.

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 2022 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	**5 540**	**4 767**	**–**	**773**
Financial assets at fair value through profit or loss	**64**	**19**	**–**	**45**
Forward exchange contracts	**27**	**–**	**27**	**–**
Derivatives contained in lease agreements	**11**	**–**	**–**	**11**
Cash and cash equivalents[1]	**928**	**–**	**928**	**–**
Cross-currency interest rate swap	**2**	**–**	**2**	**–**
Liabilities				
Forward exchange contracts	**18**	**–**	**18**	**–**
Earn-out obligations	**20**	**–**	**–**	**20**
Derivatives embedded in leases	**2**	**1**	**–**	**1**

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 2022

17. Financial instruments continued

	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
Cash and cash equivalents[1]	996	–	996	–
Forward exchange contracts	3	–	3	–
Derivatives contained in lease agreements	9	–	–	9
Derivatives contained in acquisition agreements	15	15	–	–
Liabilities				
Forward exchange contracts	2	–	2	–
Derivatives contained in lease agreements	2	–	–	2
Earn-out obligations	13	–	–	13
Interest rate and cross-currency swaps	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.

There was a transfer of US$4.4m (2021: US$nil) from level 2 to level 1 and another transfer of US$9.9m (2021: US$nil) from level 3 to level 1, during the current year. There were no 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 measurements

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 – relate 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 believes 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 2022

17. Financial instruments continued

Level 3 fair-value measurements continued

The following table shows a reconciliation of the group's level 3 financial instruments:

	31 March 2022			
	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 2021	**139**	**16**	**(13)**	**7**
Additions	**582**	**23**	**–**	**–**
Total gains/(losses) recognised in the income statement	**–**	**6**	**(9)**	**2**
Total gains recognised in other comprehensive income	**107**	**–**	**–**	**–**
Settlements/disposals	**(46)**	**–**	**1**	**–**
Transfers	**(10)**	**–**	**–**	**–**
Foreign currency translation effects	**1**	**–**	**1**	**–**
Balance at 31 March 2022	**773**	**45**	**(20)**	**9**

	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 losses 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

[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:

	31 March 2022		31 March 2021	
	Carrying value US$'m	**Fair value US$'m**	Carrying value US$'m	Fair value US$'m
Financial liabilities				
Publicly traded bonds	**15 368**	**13 056**	7 796	7 935

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).

Notes to the summarised consolidated financial statements continued

for the year ended 31 March 2022

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. The transactions and balances with related parties are summarised below:

	31 March	
	2022 US$'m	2021 US$'m
Sale of goods and services to related parties[1]		
Skillsoft Corp	**34**	—
EMPG Holdings Limited	**12**	18
Bom Negócio Atividades de Internet Ltda (OLX Brasil)	**14**	3
	60	21

[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.

The balances of advances, deposits, receivables and payables between the group and related parties are as follows:

	31 March	
	2022 US$'m	2021 US$'m
Loans and receivables[1]		
Bom Negócio Atividades de Internet Ltda (OLX Brasil)[2]	**219**	171
Inversiones CMR S.A.S.	**21**	—
GoodGuyz Investments B.V.	**6**	—
Silvergate Capital Corporation	**4**	—
Various other related parties	**6**	13
Less: Allowance for impairment of loans and receivables[3]	**—**	—
Total related party receivables	**256**	184
Less: Non-current portion of related party receivables	**(243)**	(174)
Current portion of related party receivables	**13**	10

[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 Brasil 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.

Purchases of goods and services from related parties amounted to US$2.4m (2021: US$nil) and amounts payable to related parties amounted to US$5.5m (2021: US$4.1m). 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

In August 2021, the group entered into an agreement with the shareholders of the Indian digital payments provider IndiaIdeas.com Limited (BillDesk) to acquire 100% of the equity in BillDesk for a consideration of approximately US$4.7bn (INR345bn). The acquisition is structured as an all-cash transaction with the purchase price payable at closing, subject to the approval of the Competition Commission of India. The group will account for the investment in BillDesk as a subsidiary.

In May 2022, the group announced its intention to exit its Russian businesses. The group has started the search for an appropriate buyer for its shares in Avito.

In March 2022, the group received a special interim dividend from Tencent in the form of a distribution in specie of 131 873 028 JD.com shares. The group completed the sale of the 131 873 028 JD.com shares in June 2022, for total proceeds of approximately US$3.6bn. Accumulated fair-value losses related to these shares of approximately US$255m will be reclassified from the valuation reserve to retained earnings within equity as a result of this disposal.

In June 2022, the board of directors approved the beginning of an open-ended, repurchase programme in respect of the ordinary shares N of Prosus N.V. and N ordinary shares of Naspers Limited, from the respective Prosus and Naspers free-float shareholders. With the support of Tencent Holdings Limited, Prosus has removed all restrictions on the sale by Prosus of the ordinary shares in Tencent and will begin selling small amounts of Tencent shares regularly, in an orderly manner, while concurrently purchasing Prosus ordinary shares N and Naspers N ordinary shares as long as the discount to net asset value is at elevated levels.

Other information to the summarised consolidated financial statements

for the year ended 31 March 2022

A. Non-IFRS financial measures and alternative performance measures

A.1 Core headline earnings

Core headline earnings, a non-IFRS performance measure, represent headline earnings for the period, 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 unrealised 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 recognised 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 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. The above change was included in the adjusted EBITDA and trading profit/(loss) results presented for the year ended 31 March 2021.

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

	31 March	
	2022 US$'m	2021 US$'m
Headline earnings (refer to note 5)	**1 621**	4 142
Adjusted for:		
– Equity-settled share-based payment expenses	**777**	382
– Remeasurement of cash-settled share-based incentive expenses	**16**	648
– Reversal of deferred tax assets	**–**	4
– Amortisation of other intangible assets	**391**	332
– Fair-value adjustments and currency translation differences	**(743)**	(2 142)
– Retention option expense	**(6)**	57
– Transaction-related costs	**25**	37
– Covid-19 donations	**–**	9
– Other[1]	**–**	6
Core headline earnings	**2 081**	3 475
Per share information for the year		
Core headline earnings per ordinary share (US cents)	**718**	814
Diluted core headline earnings per ordinary share (US cents)[2]	**637**	777
Net number of ordinary shares issued ('000)		
– Weighted average for the year	**289 777**	426 823
– Diluted weighted average	**290 583**	427 951

[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$230m (2021: US$150.6m) relating to the future dilutive impact of potential ordinary shares issued by equity-accounted investees.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2022

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 financial statements as follows:

	31 March	
	2022 US$'m	2021 US$'m
Share of equity-accounted results	**9 255**	7 095
– Gains on acquisitions and disposals	**(6 227)**	(1 132)
– Impairment of investments	**1 092**	933
Contribution to headline earnings	**4 120**	6 896
– Amortisation of other intangible assets	**680**	355
– Equity-settled share-based payment expenses	**1 512**	735
– Fair-value adjustments and currency translation differences	**(1 760)**	(2 734)
Contribution to core headline earnings	**4 552**	5 252
Tencent	**5 413**	5 721
VK (previously Mail.ru)	**(51)**	(34)
Delivery Hero	**(409)**	(230)
Other	**(401)**	(205)

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:

	31 March	
Currency (1FC = US$)	**2022**	2021
South African rand (ZAR)	**0.0670**	0.0614
Euro (EUR)	**1.1586**	1.1691
Chinese yuan renminbi (RMB)	**0.1562**	0.1479
Brazilian real (BRL)	**0.1891**	0.1830
Indian rupee (INR)	**0.0134**	0.0135
Polish zloty (PLN)	**0.2525**	0.2593
Russian rouble (RUB)	**0.0134**	0.0134
British pound sterling (GBP)	**1.3620**	1.3152
Turkish lira (TRY)	**0.0927**	0.1344
Romanian leu (RON)	**0.2346**	0.2405

- 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 2022

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 2022

Transaction	Basis of accounting	Reportable segment	Acquisition/ disposal
Dilution of the group's interest in Tencent	Associate	Social and Internet Platforms	Disposal
Dilution and lag period catch-up adjustment following the subsequent loss of control of the group's interest in VK (Mail.ru)	Associate	Social and Internet Platforms	Disposal/ acquisition
Acquisition of the group's interest in Encuentra	Associate	Ecommerce	Acquisition/ disposal
Acquisition of the group's interest in Grupo ZAP	Joint venture	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 Obido	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in EMPG	Associate	Ecommerce	Acquisition
Disposal of the group's interest in letgo	Subsidiary	Ecommerce	Disposal
Acquisition of the group's interest in OfferUp	Associate	Ecommerce	Acquisition
Disposal of the group's interest in Aasaanjobs	Subsidiary	Ecommerce	Disposal
Disposal of the group's interest in iFood Colombia	Subsidiary	Ecommerce	Disposal/ acquisition
Disposal of the group's interest in iFood Mexico	Subsidiary	Ecommerce	Disposal
Acquisition of the group's interest in Kolonial	Associate	Ecommerce	Acquisition
Increase in the group's interest in Delivery Hero	Associate	Ecommerce	Acquisition
Disposal of the group's interest in Luno	Associate	Ecommerce	Disposal
Dilution of the group's interest in Zest	Associate	Ecommerce	Disposal
Increase of the group's interest in Remitly	Associate	Ecommerce	Acquisition/ disposal
Acquisition of the group's interest in Shipper	Associate	Ecommerce	Acquisition

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2022

A. Non-IFRS financial measures and alternative performance measures continued

A.2 Growth in local currency, excluding acquisition and disposals continued

Year ended 31 March 2022

Transaction	Basis of accounting	Reportable segment	Acquisition/ disposal
Increase of the group's interest in BYJU'S	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Eruditus	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in GoodHabitz	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Stack Overflow	Subsidiary	Ecommerce	Acquisition
Disposal of the group's interest in Wavy	Subsidiary	Ecommerce	Disposal
Step-up of the group's interest in Zoop	Subsidiary	Ecommerce	Disposal/ acquisition
Acquisition of the group's interest in PharmEasy	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in DeHaat	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Klar	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in 99 Minutos	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Aruna	Associate	Ecommerce	Acquisition
Dilution of the group's interest in SimilarWeb	Associate	Ecommerce	Disposal
Dilution of the group's interest in Swiggy	Associate	Ecommerce	Disposal
Acquisition of the group's interest in Flink	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in DotPe Private Limited	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in FinWizard	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Flat White Capital	Associate	Ecommerce	Acquisition
Dilution of the group's interest in Udemy	Associate	Ecommerce	Disposal
Acquisition of the group's interest in Skillsoft	Associate	Ecommerce	Acquisition
Acquisition of the group's interest in Delivery Solutions KFT	Subsidiary	Ecommerce	Acquisition
Acquisition of the group's interest in Flip	Associate	Ecommerce	Acquisition
Disposal of the group's interest in Interbase Resources	Associate	Ecommerce	Disposal
Acquisition of the group's interest in Meesho	Associate	Ecommerce	Acquisition

The net adjustment made for all acquisitions and disposals on continuing operations that took place during the year ended 31 March 2022, amounted to a negative adjustment of US$755m on revenue and a negative adjustment of US$604m on trading profit.

Other information to the summarised consolidated financial statements continued

for the year ended 31 March 2022

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, which have been made in arriving at the pro forma financial information, are presented in the table below:

	31 March							
	2021 A IFRS 8[1] US$'m	2022 B Group composition disposal adjustment US$'m	2022 C Group composition acquisition adjustment US$'m	2022 D Foreign currency adjustment US$'m	2022 E Local currency growth US$'m	2022 F[2] IFRS 8[1] US$'m	2022 G[3] Local currency growth % change	2022 H[4] IFRS 8 % change
Revenue								
Ecommerce	6 849	(134)	806	(164)	3 299	10 656	**49**	**56**
Classifieds	1 609	(33)	64	(118)	1 453	2 975	**92**	**85**
Food Delivery	1 486	(9)	374	(1)	1 142	2 992	**77**	**>100**
Payments and Fintech	577	(7)	9	(38)	255	796	**45**	**38**
Edtech	115	14	225	–	71	425	**55**	**>100**
Etail	2 856	(2)	10	(4)	226	3 086	**8**	**8**
Other	206	(97)	124	(3)	152	382	**>100**	**85**
Social and Internet Platforms	22 526	(1 497)	70	1 305	3 390	25 794	**16**	**15**
Tencent	22 155	(1 493)	–	1 302	3 297	25 261	**16**	**14**
VK	371	(4)	70	3	93	533	**25**	**44**
Media	211	–	–	20	26	257	**12**	**22**
Corporate segment	–	–	–	–	–	–	**–**	**–**
Intersegmental	–	–	–	–	(1)	(1)	**<(100)**	**<(100)**
Group economic interest	29 586	(1 631)	876	1 161	6 714	36 706	**24**	**24**

[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 2022

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, which have been made in arriving at the pro forma financial information, are presented in the table below:

	31 March							
	2021 A IFRS 8[1] US$'m	**2022 B Group composition disposal adjustment US$'m**	**2022 C Group composition acquisition adjustment US$'m**	**2022 D Foreign currency adjustment US$'m**	**2022 E Local currency growth US$'m**	**2022 F[2] IFRS 8[1] US$'m**	**2022 G[3] Local currency growth % change**	**2022 H[4] IFRS 8 % change**
Trading profit								
Ecommerce	(439)	46	(231)	3	(499)	(1 120)	**<(100)**	**<(100)**
Classifieds	15	13	(3)	9	(9)	25	**(32)**	**67**
Food Delivery	(355)	33	(129)	(2)	(271)	(724)	**(84)**	**<(100)**
Payments and Fintech	(68)	6	(1)	(5)	8	(60)	**13**	**12**
Edtech	(14)	1	(48)	(1)	(55)	(117)	**<(100)**	**<(100)**
Etail	61	–	(3)	3	(103)	(42)	**<(100)**	**<(100)**
Other	(78)	(7)	(47)	(1)	(69)	(202)	**(81)**	**<(100)**
Social and Internet Platforms	6 154	(413)	(5)	342	241	6 319	**4**	**3**
Tencent	6 126	(413)	–	342	218	6 273	**4**	**2**
VK	28	–	(5)	–	23	46	**82**	**64**
Media	(8)	–	–	1	24	17	**>100**	**>100**
Corporate segment	(152)	(1)	–	(1)	(63)	(217)	**(41)**	**(43)**
Group economic interest	5 555	(368)	(236)	345	(297)	4 999	**(6)**	**(10)**

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.

Report on the assurance engagement on the compilation of pro forma financial information

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 2022

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 2022 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 2022 (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 2022 (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 2022 (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 2022 (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 2022, 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.

Report on the assurance engagement on the compilation of pro forma financial information continued

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 2022 (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 2022 (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 judgement, 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
25 June 2022

Other information

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 108th annual general meeting of Naspers Limited (the company or Naspers) will be held (subject to any adjournment or postponement) on Thursday, 25 August 2022, at 14:00 (SAST). The annual general meeting will be conducted entirely, and be accessible by shareholders, through electronic communication as envisaged in the Act.

Electronic participation by shareholders

The annual general meeting will be conducted entirely through electronic communications as envisaged in the Act. Accordingly, references in this notice of virtual annual general meeting to 'in person' or 'represented' when used in connection with the virtual annual general meeting will include a reference to a person who is able, whether on their own behalf or via proxy, to participate in the virtual annual general meeting by electronic communication as envisaged in the Act.

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, 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 Tuesday, 16 August 2022) 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 be accompanied by the following information, as applicable:

- 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 wish 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 Thursday, 18 August 2022 and Tuesday, 23 August 2022, 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 at the virtual annual general meeting 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 virtual 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 using the details provided by TMS on behalf of the company by no later than 15 minutes prior to the commencement of the virtual 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 virtual annual general meeting, and ask directors questions and submit your votes in real time.

For administrative purposes, and 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 Tuesday, 23 August 2022.

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, 17 June 2022
Notice of meeting distributed to shareholders	Monday, 27 June 2022
Last date to trade to be eligible to vote	Tuesday, 16 August 2022
Record date for voting purposes	Friday, 19 August 2022
For administration purposes, forms of proxy to be lodged by 14:00	Tuesday, 23 August 2022
Meeting to be held at 14:00	Thursday, 25 August 2022
Results of meeting released on SENS	Thursday, 25 August 2022

Record date, attendance and voting

The record date for the virtual annual general meeting (being the date used to determine which shareholders are entitled to participate in and vote at the virtual annual general meeting) is Friday, 19 August 2022. 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 virtual annual general meeting is entitled to appoint a proxy to attend, participate in and vote at the virtual annual general 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 virtual annual general 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 and lodgement with TMS, 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.

Notice of virtual annual general meeting continued

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.

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 at 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 Tuesday, 23 August 2022, 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 Tuesday, 23 August 2022, 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 2022 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 virtual annual general meeting.

Purpose of meeting

The purpose of the virtual annual general 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.
- 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 2022 is available at 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 Suite 15, Third Floor, Oxford & Glenhove, 116 Oxford Road, Houghton Estate 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 virtual annual general 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 virtual annual general meeting.

Ordinary resolution 1

To consider and accept the annual financial statements of the company and the group for the twelve (12) months ended 31 March 2022 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 2022 (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 Suite 15, Third Floor, Oxford & Glenhove, 116 Oxford Road, Houghton Estate 2196 (contact person Mrs Toni Lutz) or by email at cosec@naspers.com.

Ordinary resolution 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 entered into between Naspers and Prosus, 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 25 June 2022.

Ordinary resolution 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.

Ordinary resolution 4

To appoint, on the recommendation of the company's audit committee, the firm Deloitte as independent registered auditor of the company (noting that Mr J Welsh is the individual registered auditor of that firm who will undertake the audit) to take over from FY24.

In June 2017, the Independent Regulatory Board for Auditors issued a rule prescribing that auditors of public interest entities in South Africa must comply with mandatory audit firm rotation with effect from 1 April 2023.

Following a lengthy and considered tendering process, on recommendation from the audit committee, it was decided that Naspers would appoint Deloitte as the external auditor to take over from FY24.

Ordinary resolution 5

To confirm the appointment of Mrs S Dubey as an independent non-executive director, her appointment having been made in terms of section 70 of the Act. Her abridged curriculum vitae appears on page 103. The board and nominations committee unanimously recommend approval and confirmation of the appointment of the director in question in terms of resolution number 5.

Notice of virtual annual general meeting continued

Ordinary resolution 6

To elect Prof D Meyer, Ms M Girotra and Messrs JP Bekker, SJZ Pacak and JDT Stofberg, who retire by rotation and, being eligible, offer themselves for re-election, as directors of the company. Their abridged curricula vitae appear on pages 103 to 105. The board and nominations committee unanimously recommend that the re-election of each of the directors in terms of resolution number 6 be approved by shareholders of the company. Voting on the re-election of directors in ordinary resolution number 6 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 single vacancy.

Ordinary resolution 7

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 nominations 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 nominations 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 104 and 105. The appointment of members of the audit committee will be conducted by way of a separate vote for each individual.

Ordinary resolution 8

To endorse the company's remuneration policy, as set out in the 2022 remuneration report on pages 121 to 128, by way of a non-binding advisory vote.

Ordinary resolution 9

To endorse the implementation report of the remuneration report by the company as set out on pages 129 to 145 of the 2022 remuneration report, by way of a non-binding advisory vote.

Ordinary resolution 10

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.

Ordinary resolution 11

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 of this ordinary resolution 11, 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 to such person(s) and on such terms and conditions as the directors may from time to time, in their discretion deem fit, subject to the Act, the memorandum of incorporation of the company and 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 the shares which are the subject of the issue for cash must be of a class already in issue, or where this is not the case, must be limited to such shares or rights that are convertible into a class already in issue.
- 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 an 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% (five percent) 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% (five percent) 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). The number of shares which may be issued under this authority shall be based on the number of shares in issue as at the date of this notice. As at the date of this notice, 5% (five percent) of the number of issued shares, excluding treasury shares, amounts to 43 551 105 Naspers N ordinary shares.
- 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% (ten percent) 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. However, in terms of the JSE Listings requirements related parties may participate in a general issue for cash through a bookbuild process provided –
  - (i) the approval by shareholders contemplated in paragraph 5.52(e) expressly affords the ability to the issuer to allow related parties to participate in a general issue for cash through a bookbuild process;
  - (ii) related parties may only participate with a maximum bid price at which they are prepared to take up shares or at book close price. In the event of a maximum bid price and the book closes at a higher price the relevant related party will be 'out of the book' and not be allocated shares; and
  - (iii) equity securities must be allocated equitably 'in the book' through the bookbuild process and the measures to be applied must be disclosed in the SENS announcement launching the bookbuild.

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 25 August 2021, shareholders approved an increase of up to 5% (five percent) 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 2023.

Notice of virtual annual general meeting continued

The board decided not to increase fees for the 31 March 2023 financial year, but to seek approval from shareholders to defer their previous decision and apply it to the 31 March 2024 financial year.

Accordingly, approval for the increase of the remuneration of non-executive directors for the year ending 31 March 2024 of up to 5% (five percent) on the fees earned for the year ending 31 March 2023 is being sought as set out in the table below:

			31 March 2024[1] (total proposed fee payable by Naspers and Prosus)	31 March 2024[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.	Nominations 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 During the year ended 31 March 2020, following the listing of Prosus on Euronext Amsterdam, Naspers non-executive directors now 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 Naspers does not receive additional remuneration for attending meetings or being a member of or chairing any committee of the board or serving as a board member of Tencent.

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 2024, 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 132 and 133 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.

Notice of virtual annual general meeting continued

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 (as envisaged in the JSE Listings Requirements) 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 in their discretion, 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, and which authorisation shall include that the board may authorise the company to provide direct or indirect financial assistance to a related or interrelated company or corporation to the company (wheresoever incorporated) as 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, for purposes of, in connection with or in relation to an acquisition of N ordinary shares. 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 as envisaged in the JSE Listings Requirements.
- 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.

Notice of virtual annual general meeting continued

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, and authorise the provision of direct or indirect financial assistance by the company to related or interrelated companies or corporations in relation to such acquisitions of 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 as envisaged in the JSE Listings Requirements.

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.
- 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.

Notice of virtual annual general meeting continued

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, allowing 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 12

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 Bagwandeen
Company secretary

Cape Town
25 June 2022

Form of proxy

Naspers Limited
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 108th annual general meeting of shareholders
For use by holders of certificated shares or 'own name' dematerialised shareholders at the 108th annual general meeting of shareholders of the company to be held (subject to any adjournment or postponement) on Thursday, 25 August 2022, 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 Thursday, 25 August 2022, 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. Appointment of Deloitte as auditor			
5. To confirm the appointment of S Dubey as an independent non-executive director			
6. To re-elect the following directors:	N/A	N/A	N/A
6.1 D Meyer			
6.2 M Girotra			
6.3 JP Bekker			
6.4 SJZ Pacak			
6.5 JDT Stofberg			
7. Appointment of the following audit committee members:	N/A	N/A	N/A
7.1 M Girotra			
7.2 AGZ Kemna			
7.3 SJZ Pacak			
8. To endorse the company's remuneration policy			
9. To endorse the implementation report of the remuneration report			
10. Approval of general authority placing unissued shares under the control of the directors			

Form of proxy continued

	In favour of	Against	Abstain
11. Approval of general issue of shares for cash			
12. Authorisation to implement all resolutions adopted at the annual general meeting			
Special resolutions	N/A	N/A	N/A
Special resolution number 1 Approval of the remuneration of the non-executive directors for financial year 31 March 2024:			
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 Nominations committee: Chair			
1.10 Nominations 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			
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 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 2022

Signature .... Assisted by (where applicable)..

Notes to the form of proxy

1. The following provisions apply to proxies:

1.1 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 virtual annual general meeting of the company.

1.2 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.

1.3 A proxy instrument must be in writing, dated and signed by the shareholder.

1.4 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.

1.5 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 virtual annual general meeting.

1.6 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.

1.7 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.

2. 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 virtual annual general meeting, will be entitled and authorised to act as proxy to the exclusion of those whose names follow.

3. 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 virtual 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.

4. 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 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 Wednesday, 24 August 2022, or such later date if the virtual annual general meeting is postponed to allow for processing of such proxies. All other proxies must be provided to the company secretary prior to the start of the virtual annual general meeting. Shareholders are reminded to carefully consider postal delivery times should they wish to make use of postal services as proxies not received by 14:00 (SAST) on Wednesday, 24 August 2022, or immediately prior to the virtual annual general meeting will not be valid.

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 committed 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 their parent or guardian unless the relevant documents establishing their legal capacity are produced or have been registered by the company secretary.

12. Personal information of participants is processed solely for the purposes of holding the Naspers Annual Virtual 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.

TO BE COMPLETED BY SHAREHOLDERS WHO WISH TO PARTICIPATE IN THE NASPERS VIRTUAL ANNUAL GENERAL MEETING

The 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 TMS Proprietary Limited via email to proxy@tmsmeetings.co.za by no later than Tuesday, 16 August 2022.
- 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 TMS Proprietary Limited with the information requested below.
- Each shareholder, who has complied with the requirements below, will be contacted between Thursday, 18 August 2022 and Wednesday, 24 August 2022, 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 meeting will be 14:00 (SAST) on Tuesday, 16 August 2022.
- The participant's unique link will be forwarded to the email/mobile phone number provided below.
- Should a participant experience any issue with the electronic communication during the 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 ....

Terms and conditions for participation at the Naspers virtual annual general meeting via electronic communication

The cost of electronic participation at the virtual annual general meeting, including dialling in using a telecommunication line/webcast/web-streaming to participate in the virtual 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 TMS 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 they will have no claim against Naspers, JSE Limited and TMS 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 virtual 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 TMS Proprietary Limited at proxy@tmsmeetings.co.za.

Shareholder name: ....

Signature: ....

Date: ....

Shareholder and corporate information

Administration and corporate information

Company secretary
Lynelle Bagwandeen
Suite 15, Third Floor
Oxford & Glenhove
116 Oxford Road
Houghton Estate
Johannesburg 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 BuyDIRECT℠ 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 BuyDIRECT℠
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

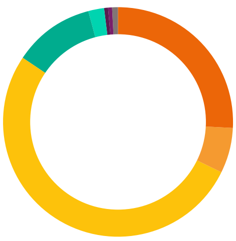
Investor relations
Eoin Ryan
InvestorRelations@naspers.com
Tel: +1 347-210-4305

Analysis of shareholders and shareholders' diary

Analysis of N ordinary shareholders

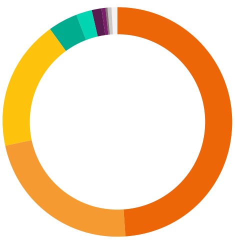
Size of holdings	Number of shareholders	Number of N ordinary shares owned
1 – 100 shares	65 968	1 783 053
101 – 1 000 shares	17 661	5 325 539
1 001 – 5 000 shares	2 776	6 068 579
5 001 – 10 000 shares	547	3 890 652
More than 10 000 shares	1 169	418 443 235
Total	**88 121**	**435 511 058**

Geographic dispersion



	%
South Africa	**26.08**
UK	**6.36**
Europe (excluding UK)	**52.04**
North America	**11.44**
Asia	**2.18**
Rest of the world	**0.62**
Unknown	**0.56**
Shareholdings below threshold	**0.72**

Shareholder types



	%
Corporate stakeholders	**49.11**
Foreign institutions	**22.72**
Domestic institutions	**18.43**
Private stakeholders/investors	**4.06**
Employees, etc	**2.25**
Domestic brokers	**1.27**
Hedge funds	**0.57**
Foreign brokers	**0.31**
Unknown	**0.56**
Shareholdings below threshold	**0.72**

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
Prosus N.V.	49%	213 400 419
Public Investment Corporation	7.45%	32 455 558

Naspers share price and trade volume for FY22

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 2022 was 48.41%, represented by 88 108 shareholders holding 210 838 168 N ordinary shares in the company. The non-public shareholders of the company comprising 13 shareholders representing 224 672 890 N ordinary shares are analysed as follows:

Category	Number of N ordinary shares	% of N ordinary issued share capital
Naspers share-based incentive schemes	2 915 897	0.67%
Directors	3 654 768	0.84%
Group companies	218 102 225	50.08%

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	October
Financial year-end	March

Glossary

Term/Acronym	Description
ADR	American Depository Receipt
AGM	Annual general meeting
Agtech	Agriculture technology
AI	Artificial intelligence
AMEA	Asia, Middle East and Africa
Android	Google-owned operating system for mobile devices such as smartphones and tablets.
app	Software application designed to run on smartphones and tablet computers.
ASA	Advertising Standards Authority
Average monthly paying listers	A measure of the number of monthly users on a platform who yield one or more revenue generating transactions, such as listing fees or advertising.
B2C	Business-to-consumer (direct-to-consumer)
BBBEE	Broad-based Black Economic Empowerment
BEE	Black economic empowerment
BIT	Business information technology
bn	Billion
BNPL	Buy now pay later
bot	A software application that runs automated tasks (scripts) over the internet.
BRICS	Brazil, Russia, India, China and South Africa
BRL	Brazilian real
24.com	Internet publisher in South Africa
c	South African cent
C2C	Consumer-to-consumer
CAGR	Compound annual growth rate
Capex	Capital expenditure
CEE	Central and Eastern Europe
CEO	Chief executive officer
CFO	Chief financial officer
CODM	Chief operating decision-maker
COHE	Core headline earnings
COO	Chief operating officer

Glossary continued

Term/Acronym	Description
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 the group. 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 re-measurement 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 instruments and unrealised currency translation differences, as these items obscure the group's 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 the group's composition and are not reflective of the group's underlying operating performance; (vii) the amortisation of intangible assets recognised 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 the group as well as the group's share of earnings of associates and joint ventures, to the extent that the information is available.
Covid-19	Coronavirus disease
CSAT	Customer satisfaction score
CSDP	Central securities depository participant
CSI	Corporate social investment
CSR	Corporate social responsibility
DAU	Daily active users
Dmart	Small Delivery Hero-owned warehouse
dtic	Department of Trade, Industry and Competition (South Africa)
EBIT	Earnings before interest and tax
Adjusted EBITDA	Adjusted EBITDA represents operating profit/loss, as adjusted to exclude: (i) depreciation; (ii) amortisation; (iii) retention option expenses linked to business combinations; (iv) 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; (v) cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and (vi) subsequent fair value re-measurement 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 the group has a cash cost on settlement with participants).
Ecommerce	Electronic commerce
Economic interest	Investments in associated companies and joint ventures have been accounted for under the equity method for all periods, unless otherwise indicated. Associated companies are those companies over which we exercise significant influence, but which we do not control or jointly control. Joint ventures are arrangements in which we contractually share control over an activity with others and in which the parties have rights to the net assets of the arrangement. This approach is consistent with the application of the equity method of accounting required by IFRS-EU in the financial statements. References to 'revenue from the group' or 'trading profit from the group', as applicable, therefore exclude our share of revenue or trading profit from investments in associated companies and joint ventures. We have, however, also included certain information based on the proportionate consolidation of associated companies and joint ventures in that section, as indicated therein and as further explained below. IFRS 8 *Operating Segments*, aligns the reporting of operating segments with internal management reporting. As the CODM analyses segment results in accordance with the investments in associated companies and joint ventures on a proportionately consolidated basis for segmental reporting purposes, this method is also applied for segment reporting in the financial statements. Proportionate consolidation is a method of accounting whereby our share of each of the income and expenses of associated companies and joint ventures is combined line by line with similar items in our operating segments. We refer to revenue and trading profit measures that include its share of revenue or trading profit from investments in associated companies and joint ventures as 'proportionately consolidated' or on an 'economic interest' basis.
Edtech	Marrying learning with technology, enabling new and exciting ways for more people to add to their skills and knowledge.
EMEA	Europe, Middle East and Africa
EMS	Environmental Management System

Glossary continued

Term/Acronym	Description
ERM	Enterprisewide risk management
ERP	Enterprise resource plan
E&S	Environmental and social
ESG	Environmental, social and governance
EU	European Union
FCTR	Foreign currency translation reserve
FEC	Forward exchange contract
Fintech	Financial technology is an economic industry that introduces new solutions demonstrating an incremental or radical/disruptive innovation development of applications, processes, products or business models in the financial services industry.
FLIGHT	Funding and Learning Initiative for Girls in Higher Education and Skills Training (Prosus initiative)
FMCG	Fast-moving consumer goods
Free cash flow	Free cash flow represents cash generated from operations, plus dividends received, minus: (i) net capital expenditure; (ii) capital leases repaid (gross); and (iii) cash taxation paid. Free cash flow reflects an additional way of viewing our liquidity that the board believes is useful to investors because it represents cash flows that could be used for distribution of dividends, repayment of debt (including interest thereon) or to fund our strategic initiatives, including acquisitions, if any.
FSC	Forest Stewardship Council
FSCA	Financial Sector Conduct Authority (former Financial Services Board)
FTSE	Financial Times Stock Exchange 100 Index
FY	Financial year
GAAP	Generally accepted accounting policies
GDP	Gross domestic product
GDPR	EU's General Data Protection Regulation
GHG	Greenhouse gas
Gig economy	Labour market characterised by the prevalence of short-term contracts or freelance work as opposed to permanent jobs.
GMV	Gross merchandise value
GPO	Global payments operations
GRI	Formerly Global Reporting Initiative
Gross merchandise value (GMV)	A measure of the growth of a business determined by the total value of merchandise sold over a given time period through a consumer to consumer (C2C) or B2C platform.

Glossary continued

Term/Acronym	Description
Growth in local currency, excluding acquisitions and disposals	We apply certain adjustments to the segmental revenue and trading profit reported in the financial statements to present the growth in such metrics in local currency and excluding the effects of changes in our composition. Such underlying adjustments provide a view of our underlying financial performance that management believes is more comparable between periods by removing the impact of changes in foreign exchange rates and changes in our composition on our results. Such adjustments are referred to herein as 'growth in local currency, excluding acquisitions and disposals'. We apply 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-EU results. • Adjustments made for changes in our composition relate to acquisitions, mergers and disposals of subsidiaries and equity accounted investments, as well as to changes in our shareholding in our 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.
HD	High-definition
Headline earnings	Headline earnings represents net profit for the year attributable to the group's equity holders, excluding certain defined separately identifiable remeasurements relating to, amongst 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 1/2021, headline earnings, as issued by the South African Institute of Chartered Accountants, at the request of the 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.
Healthtech	Health technology involves the design, development, creation, use and maintenance of information systems and the internet for the healthcare industry. Automated and interoperable healthcare information systems are expected to lower costs, improve efficiency and reduce error while providing better consumer care and service.
HEPS	Headline earnings per share
HR	Human resources
I&T	Information and technology
IAPP	International Association of Privacy Professionals
IAS	International Accounting Standards
IASB	International Accounting Standards Board
ICT	Information and communications technology
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
ILO	International Labour Organization
IM	Instant messaging
IMF	International Monetary Fund

Glossary continued

Term/Acronym	Description
Internal rate of return (IRR)	IRR is presented in this report for illustrative purposes only and is calculated based on the estimated valuations of our internet investments. The estimated valuations are calculated as of 31 March 2022 using a combination of: (i) prevailing share prices for stakes in listed assets; (ii) valuation estimates derived from the average of sell-side analysts currently covering Naspers for stakes in unlisted assets; and (iii) post-money valuations on transactions of these assets or from similar recent transactions for stakes in unlisted assets where analyst consensus is not available. In respect of (ii) above, we do not endorse, and did not participate in, or provide any information for purposes of the preparation of the market valuations calculated by third-party analysts. These valuation estimates have not been confirmed by an independent third-party expert, such as an accounting firm or an investment bank. Accordingly, these valuation estimates may not reflect past, present or future fair values, or any potentially achievable fair value in the future and no reliance can be placed on these valuation estimates.
iOS	iPhone operating system
IoT	Internet of things
IP	Intellectual property
IPO	Initial public offering
IR	Investor relations
IRR	Internal rate of return
ISA	International Standard on Auditing
ISE	Irish Stock Exchange
ISL	Indian Sign Language
ISP	Internet service provider
IVAS	Internet value-added services
JSE	JSE Limited (Johannesburg stock exchange)
JV	Joint venture
K–12	Kindergarten to grade 12
King IV™	King IV Report on Corporate Governance for South Africa, 2016
KPI	Key performance indicator
KYC	Know your customer
LatAm	Latin America
LGBTQIA+	Lesbian, gay, bisexual, transgender, queer/questioning, intersex, asexual and many other gender and sexual identities
LIFE	Leadership in the food delivery ecosystem
LSE	London Stock Exchange
LTI	Long-term incentive
m	Million
M&A	Mergers and acquisitions
MAU	Monthly active users
MCSI index	Morgan Stanley Capital International index
MENA	Middle East and North Africa region
MIH B.V.	Myriad International Holdings B.V.
ML	Machine learning
MMYT	MakeMyTrip
Mr D	Mr D Food
N	Naira – Nigerian currency
NASDAQ	American stock market

Glossary continued

Term/Acronym	Description
Naspers	Naspers Limited
NGO	Non-governmental organisation
NPS	Net promoter score
O2D	Online-to-delivery
O2O	Online-to-offline
OCS	Online comparison shopping
OECD	Organisation for Economic Cooperation and Development (Brazil)
Omnichannel	A cross-channel content strategy that organisations use to improve their user experience.
OTA	Online travel agency
OTT	Over-the-top
1P	First party – in the context of food delivery, a capital-intensive own-delivery model.
3P	Third party – in the context of food delivery, a capital-light marketplace model where meals are delivered by restaurants.
P2P	Peer-to-peer
PLN	Polish zloty
POPIA	Protection of Personal Information Act
Prosus	Prosus N.V.
Prosus FLIGHT	Funding and Learning Initiative for Girls in Higher Education and Skills Training
PSP	Payment service provider
PvE	Player versus environment
PwC N.V.	PricewaterhouseCoopers Accountants N.V. (Netherlands)
PwC	PricewaterhouseCoopers Inc. (South Africa)
R&D	Research and development
RCF	Revolving credit facility
RMB	Chinese renminbi
ROI	Return on investment
RSU	Restricted stock unit
RUB	Russian rouble
R (or ZAR)	South African rand
SA	South Africa
SaaS	Software as a Service
SADC	Southern African Development Community
SAR(s)	Share appreciation right(s)
SARS	South African Revenue Service
SASB	Sustainability Accounting Standards Board
SAST	South African standard time
SBTi	Science Based Targets initiative
SDG	United Nation's Sustainable Development Goals
SICA	Prosus Social Impact Challenge for Accessibility
SME	Small and medium-sized enterprise

Term/Acronym	Description
SO(s)	Share option(s)
SSA	Sub-Saharan Africa
STEM	Science, technology, engineering and maths
STI	Short-term incentive
TAM	Total addressable market
TBO	Travel Boutique Online
TCFD	Task Force on Climate-related Financial Disclosures
tCO_2e	Tonnes of CO_2 equivalent
TCTC	Total cost to company
TMS	The Meeting Specialist Proprietary Limited
Total payments in value	A measure of payments, net of payment reversals, successfully completed through a payments platform (PayU), excluding transactions processed through gateway products (ie those that link a merchant's website to its processing network and enable merchants to accept credit or debit card online payments).
TPV	Total payment value
Trading profit/ loss	Trading profit/loss represents operating profit/loss, as adjusted to exclude: (i) amortisation of intangible assets recognised in business combinations and acquisitions, as these expenses are not considered operational in nature; (ii) retention option expenses linked to business combinations; (iii) 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; (iv) cash-settled share-based compensation expenses deemed to arise from shareholder transactions by virtue of employment; and (v) subsequent fair value re-measurement 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 the group has a cash cost on settlement with participants).
TVET	Technical and vocational education training
Twitter	Social networking service
UAE	United Arab Emirates
UCT	University of Cape Town
UK	United Kingdom
UN	United Nations
UNEP	United Nations Environment Program
Unicorns	Start-up companies rapidly reaching a valuation of US$1bn.
Unisa	University of South Africa
UPS	Uninterrupted power supply
US	United States of America
US$	US dollar
US$c	US dollar cent
VAS	Value-added services
VC	Venture capital
WHO	World Health Organization
wi-fi	Local area wireless technology
YES	Youth Employment Service
YoY	Year on year
ZAR (or R)	South African rand

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