

Governance and sustainability



GOVERNANCE AND SUSTAINABILITY



■ GOVERNANCE AND SUSTAINABILITY

INTRODUCTION

As corporate governance and sustainability are essential for stakeholders of the Naspers group, the board of directors aspires to conduct the group's business with integrity. The board of directors is committed to applying appropriate corporate governance policies and practices in each company in the group.

Naspers is a multinational media entity with operations in Africa, South America, Asia, Europe and the USA. Its primary listing is on the JSE Limited (JSE). The company is therefore subject to the Listings Requirements of the JSE, the guidelines contained in the King Report on Corporate Governance for South Africa 2002 (King II), as well as legislation applicable to publicly listed companies in South Africa.

Independent boards of directors, all of which have established their own governance practices and subcommittees that comply, as appropriate to the companies, with the necessary governance and regulatory requirements, govern several of Naspers's subsidiaries.

During 2007, the company decided to delist its American Depositary Shares (ADSs) from NASDAQ and terminate registration of the ADSs with the Securities and Exchange Commission (SEC) in the USA. Naspers converted its American Depositary Receipt (ADR) programme into a Level I ADR programme. Its application to list its ADSs on the London Stock Exchange (LSE) was also successful. Level I ADRs are traded in the USA on an over-the-counter (OTC) basis. International investors are therefore able to buy and sell Naspers securities either through the Level I ADR OTC market, the LSE or the JSE.

Naspers was listed on the LSE in the third quarter of 2007. As this is a secondary listing, Naspers is not required to adhere to the corporate governance requirements set out under the UK's Combined Code. Certain LSE Listings Requirements must, however, be complied with.

Compliance with both the JSE and applicable LSE Listings Requirements is monitored by the audit and risk management committee of the board. During the previous financial year, Naspers also complied with the requirements

of the US Sarbanes-Oxley Act of 2002. Although there is currently no formal obligation to comply with this act, internal control policies and procedures implemented to become compliant will be retained where appropriate.

The board's audit and risk management, human resources and nomination committees fulfil key roles in ensuring good corporate governance. The group uses independent external advisors to monitor regulatory developments, locally and internationally, to enable management to make recommendations to the Naspers board and the boards of major group companies on matters of corporate governance.

IMPROVEMENTS MADE DURING THE PAST YEAR AND PLANS FOR THE YEAR AHEAD

The board has a process to annually review the effectiveness and role of the board and its chair, as well as the effectiveness of the respective board committees. Self-assessment of the audit and risk management committee includes a focus on the key competencies of the committee. Those subsidiaries with their own audit committees follow the same practice. The nomination committee was established as a separate entity (previously combined with the human resources committee) during the year.

Subsidiaries took further steps to entrench their respective codes of business ethics in their operations through appropriate training initiatives.

Whistle-blowing facilities are in place at most of the major subsidiaries locally and abroad where allowed. They make provision for employees to anonymously report unethical conduct in the workplace.

Planning and reporting on the group's corporate social investments has been reviewed.

For the ensuing financial year, Naspers will continue to evaluate areas where governance at a corporate and subsidiary level can be strengthened. The implications of the new proposed Companies Bill in South Africa, as well as the King III Code on Corporate Governance (currently under review) will also be analysed and appropriate steps taken.

STATEMENT OF COMPLIANCE

The Listings Requirements of the JSE require that JSE companies report on the extent to which they comply with the principles set out in King II. The board, to the best of its knowledge, believes that throughout the period under review the company has applied the principles of King II.

While the board believes that the company complies with the appropriate governance requirements, it recognises that practices and procedures can always be improved, and therefore reviews progress annually.

THE BOARD

Composition

The details of directors at 31 March 2008 are set out on pages 52 and 53 of this annual report.

Naspers has a unitary board structure, which fulfils an oversight and controlling function. The board has a charter evidencing a clear division of responsibilities. The majority of board members are non-executive directors, who are independent of management, to ensure that no one individual has unfettered powers of decision-making and authority. This ensures that shareholder interests are protected. In addition, to ensure a clearly defined division of responsibilities, the roles of chair and managing director are separate. During the financial year, an acting chief executive was in office. Subsequent to the year-end, Mr Koos Bekker was reappointed to the board as chief executive and managing director. Mr Boetie van Zyl fulfils the role of lead director in all matters not dealt with by the independent non-executive chair.

At 31 March 2008, the board comprised 10 independent non-executive directors and one executive director, as defined under the Listings Requirements of the JSE. Five directors (45%) are from previously disadvantaged groups and two directors (18%) are female. These figures are above the average for JSE-listed companies.

The chair

The chair is an independent, non-executive director. He provides guidance to the board as a whole and ensures that the board is efficient, focused and operates as a unit. He acts as facilitator at board meetings to ensure a flow of opinions and attempts to lead discussions to optimal outcomes in the interests of good governance. He represents the board in external communications in consultation with the managing director and financial director.

The managing director

The managing director reports to the board and is responsible for the day-to-day business of the group and the implementation of 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 managing director, in accordance with approved authority levels.

Appointments to the board

The board has adopted a policy on procedures for the appointment and orientation of directors. The nomination committee periodically assesses the skills represented on the board by non-executive directors and determines whether those skills meet the company's needs. Annual self-evaluations conducted by the board and its subcommittees assist in this regard. Directors are invited to give their input in identifying potential candidates. The members of the nomination committee, who are all independent, propose suitable candidates for consideration by the board. A "fit and proper" evaluation is performed for each candidate identified.

Retirement and re-election of directors

All non-executive directors are subject to retirement and re-election by shareholders every three years. In addition, all non-executive directors are subject to election by shareholders at the first suitable opportunity in the case of an interim appointment. The names of non-executive directors submitted for election or re-election are accompanied by brief

■ GOVERNANCE AND SUSTAINABILITY *(continued)*

biographical details (refer to pages 52 and 53 of this annual report) to enable shareholders to make an informed decision on their election. The reappointment of non-executive directors is not automatic.

Orientation and development

There is an induction programme for new members of the board and of key committees, specifically tailored to the needs of the individual appointees. The programme involves industry and company-specific orientation, including meetings with senior management as appropriate, to facilitate an understanding of operations. Board members are also exposed to the main markets in which the group operates. The company secretary assists the chair with the induction and orientation of directors, including arranging specific training if required.

The company is also committed to continuing director development to assist directors to build on their expertise and develop an understanding of the businesses and main markets in which the group operates.

Conflicts of interest

Naspers has adopted an official code that deals with the management of potential conflicts of interest. This ensures that candidate directors, as well as existing directors, are free of conflicts of interest between the obligations they have to the company and their private businesses. Any interest in contracts with the company must be formally disclosed and documented. Directors must also adhere to an official policy on the trading of securities of the company and its listed subsidiaries.

Independent advice

Individual directors may, after consulting with the chair or the managing director, seek independent professional advice, at the expense of the company, on any matter connected with the discharge of their responsibilities as directors.

Role and function of the board

The board has adopted a charter setting out its responsibilities. Among other obligations, it:

- determines the company's mission, provides strategic direction to the company and is responsible for the adoption of strategic plans and the implementation of values that support this
- evaluates and approves the annual business plan and budget drafted by management
- retains full and effective control over the company and monitors management on the implementation of the approved annual budget and business plan
- appoints the managing director or chief executive officer, who reports to the board, and ensures that succession is planned
- approves the company's financial statements, interim and provisional reports, and is responsible for their integrity and presentation
- evaluates the viability of the company and the group on a going-concern basis
- determines the company's communication policy
- determines director selection, orientation and evaluation
- ensures that the company has appropriate risk management, internal control and regulatory compliance procedures in place and that it communicates adequately with shareholders and other stakeholders
- establishes board subcommittees with clear terms of reference and responsibilities as appropriate
- defines levels of authority for specific matters, and delegates required authority to board subcommittees and management
- monitors non-financial aspects pertaining to the business of the company
- considers and, if appropriate, declares the payment of dividends to shareholders, and
- regularly evaluates the performance and effectiveness of the board and its subcommittees.

Board meetings and attendance

The board meets regularly, at least every quarter, and when specific circumstances require. The executive committee will attend to urgent matters that cannot await the next scheduled meeting, as delegated by the board. The board held five meetings during the past financial year. The independent non-executive directors meet at least once annually without the managing director, financial director and chair present, to discuss the performance of these individuals.

The company secretary acts as secretary to the board and its subcommittees and attends all meetings. Details of attendance at meetings are provided on page 54 of this annual report.

BOARD COMMITTEES

While the board remains accountable and responsible for the performance and affairs of the company, it delegates to board subcommittees and management certain functions to assist it to properly discharge its duties. Appropriate structures for those delegations are in place, accompanied by monitoring and reporting systems.

Each subcommittee acts within agreed, written terms of reference. The chair of each subcommittee reports at each regular meeting of the board and minutes of subcommittee meetings are provided to the board.

The chair of each subcommittee is a non-executive director and is required to attend annual general meetings to answer questions raised by shareholders. The established board subcommittees are detailed below.

Executive committee

This committee comprises a majority of non-executive directors, one being the chair of the board, who also serves as the chair of the executive committee, and the executive directors. The executive committee acts on behalf of the board with regard to the management of urgent issues when the board is not in session, subject to statutory limits and the board's limitations on delegation. This committee was not required to meet formally during the past financial year.

All matters put to the committee were dealt with on a round-robin basis.

Audit and risk management committee

The members of this committee are all independent.

Mr Boetie van Zyl was the chair of the committee during the past financial year and has financial leadership skills.

All members are financially literate and have substantial business and financial expertise.

The committee held three meetings during the past financial year. Details of attendance of the members of this subcommittee are provided on page 54 of this annual report. The managing director and the financial director attend the audit and risk management committee meetings by invitation.

Both the internal and the external auditors have unrestricted access to the committee. The external auditors may also report their findings to the committee with members of executive management not in attendance.

The scope of this committee includes risk management, as well as compliance with the Listings Requirements of the JSE and the LSE. Among others, the main responsibilities of the audit and risk management committee are to:

- address all matters required to be dealt with by an audit committee in terms of the South African Corporate Laws Amendment Act, 2006 (which was promulgated on 14 December 2007)
- review and recommend to the board for approval the company's annual reports, interim and provisional reports
- receive the external auditor's reports
- review and make recommendations to the board on the viability of the companies concerned and the group itself on a going-concern basis
- review material litigation cases
- evaluate and approve the external auditor's plans, findings and reports
- evaluate the effectiveness of the internal auditing function, including its activities, scope, adequacy and costs, and approve the annual internal audit plan and any material changes to this plan

■ GOVERNANCE AND SUSTAINABILITY *(continued)*

- evaluate procedures and systems introduced by management (including, without limitation, internal controls, disclosure controls and procedures and information systems)
- review and approve the activities, scope, adequacy and effectiveness of the company's risk management and regulatory associated procedures
- evaluate legal matters that may affect the financial statements
- establish procedures for the treatment of complaints received by the company regarding accounting, internal control or auditing matters
- review alleged incidents reported through the whistle-blower facility
- determine the principles for using the external auditor for non-audit services, and
- evaluate the effectiveness of the committee.

Human resources committee

This committee, chaired by Mr Ton Vosloo, comprises only independent non-executive directors. Executive directors and certain members of management attend meetings by invitation as appropriate. This committee met four times during the financial year. Details of attendance of the members of this subcommittee are provided on page 54 of this annual report.

Among others, the main responsibilities of the human resources committee are to:

- determine the company's general policy on remuneration
- annually review and approve remuneration packages of executive directors, including incentive schemes and increases
- annually appraise the performance of the managing director/chief executive officer
- regularly review the company's code of business ethics and the effectiveness of the business ethics management programme
- annually review the general level of remuneration for directors of the board, as well as its committees, and

recommend proposals to the board for final approval by shareholders in the annual general meeting

- fulfil delegated responsibilities in respect of the group's share-based incentive schemes
- approve appointments and promotions of top executives
- evaluate cases of unethical business behaviour, if any, by senior managers and executives of the company, and
- review employment equity and skills development plans.

Nomination committee

This committee is now a stand-alone committee. It is also chaired by Mr Ton Vosloo and comprises only independent non-executive directors. Executive directors and certain members of management attend meetings by invitation. This committee met four times during the financial year. Details of attendance of the members of this subcommittee are provided on page 54 of this annual report. The main responsibilities of the nomination committee are to:

- annually review the effectiveness of corporate governance guidelines and charter of the board
- make recommendations to the board on the structure, size and composition of the board
- evaluate the performance of the board, its subcommittees, directors and the chair
- make recommendations to the board on the appointment of new directors, and
- determine directors' criteria such as the limitation on the number of boards on which a director may serve and terms of office.

Discharge of responsibilities

The board has determined that all subcommittees discharged their responsibilities for the year under review in compliance with their terms of reference.

THE COMPANY SECRETARY

The company secretary is responsible for providing the board with guidance on the discharge of its responsibilities in terms

of the legislation and regulatory requirements of the relevant jurisdictions.

The directors have unlimited access to the advice and services of the company secretary. The company secretary plays an active role in the company's corporate governance and business ethics management process, and ensures that in accordance with the pertinent laws, the proceedings and affairs of the board, the company itself and, where appropriate, shareholders are properly administered. He is also the company's public officer, compliance officer and delegated information officer. The company secretary monitors directors' dealings in securities and ensures adherence to closed periods for share trading.

RISK MANAGEMENT

As an international multimedia group with business activities in various countries, the group is exposed to a wide range of risks, which may have serious consequences.

However, the diversified nature of the group helps spread the risk. The identification of risks and their management form part of each business unit's business plan. These are assessed by the board annually.

Several group companies have specific risk management functions. The audit and risk management committee also reviews the risk management process.

An internal control overview committee was established subsequent to Naspers deregistering from the SEC. As the group remains committed to high standards of corporate governance and particularly to strong systems of internal control and risk management, the need for such a forum to oversee these issues was recognised.

At present the following major risks are evident, among a wide range of related exposures:

Global political and market developments

The Naspers group operates in the media and entertainment industry worldwide and has its primary listing on the JSE. The company successfully applied for the listing of its ADSs on

the LSE. It is consequently sensitive to any global political and other events that may influence the global economy or share prices.

Competition and technical innovations

The group operates in fiercely competitive and sometimes maturing markets. Technology forms an integral part of its operations. Several print products may be diminished by internet rivals. The group devotes significant resources to analyse emerging trends in technology and consumer demand, and to the development of new products and services, but it may be mistaken in its analyses or its projects may misfire.

Currency fluctuations

The group reports in South African rand, the exchange rate of which may vary relative to other currencies. In addition, in several markets the group has substantial input costs in foreign currencies. The movements of these currencies could have a negative or positive impact on our income or expenses. Unrealised and realised currency translation gains or losses may distort the group's financial accounts. The group has a policy to hedge only some of its foreign currency positions.

Legislation and regulations

The media industry is, in general, subject to government regulation in most countries. Failure or delays in obtaining or renewing regulatory approvals could influence the availability of our services to our customers. The Naspers group aims to comply with applicable laws and regulations. To achieve this, the group cooperates with the various regulators in the countries in which it operates. Furthermore, the group participates in the regulatory processes in the various territories, sometimes in conjunction with partners that are local experts.

Political and economic instability

Political instability in any of the countries in which the group operates, could cause us damage. The group undertakes an

■ GOVERNANCE AND SUSTAINABILITY *(continued)*

initial risk assessment before entering new territories and monitors current risks in countries in which it operates.

Technology failures

Satellite failure: most of the group's pay-television services are delivered to subscribers via satellite. Satellites are subject to damage or destruction, which may disrupt the transmission of services. Some procedures are implemented to secure the availability of our services, ranging from back-up capacity in some cases to built-in redundancy. The cost of these measures is considered against the impact and likelihood of the risk occurring and consequently, in some cases, satellites remain unprotected or only partially protected.

Electricity supply: The production and distribution of the group's products depend on constant and high-quality electricity supply. South Africa's economic growth in the short term places pressure on the sources of electricity. The group has taken measures to lessen the impact of power failures (eg by installing generators), but the effect of protracted power failures will have a negative impact on revenues.

Printing facilities: Damage or malfunction in the printing environment would disrupt circulation of print media and decrease revenue. This risk is only partially mitigated by insurance cover and back-up.

INTERNAL CONTROL SYSTEMS

The company has a system of internal control, based on the group's policies and guidelines, in all material subsidiaries, associates and joint ventures under its control. For those entities in which Naspers does not have a controlling interest, the directors who represent Naspers on these boards seek assurance that significant risks are managed and systems of internal control are effective. Risk managers and the internal auditors monitor the functioning of internal control systems and make recommendations to management and to the audit and risk management committee. External auditors consider elements of the internal control systems as part of their audit and communicate deficiencies when identified.

All internal control systems do, however, have shortcomings, including the possibility of human error and the evasion or flouting of control measures. Even the best internal control system may provide only partial assurance to us. The group's internal controls and systems are designed to provide reasonable, and not absolute, assurance on the integrity and reliability of the financial statements; to safeguard, verify and maintain accountability of its assets; and to detect fraud, potential liability, loss and material misstatement, while complying with applicable laws and regulations. The work that was performed in compliance with Sarbanes-Oxley Section 404 for the year ended 31 March 2007 further strengthened the internal control environment.

The group evaluated its internal control systems as at 31 March 2008 with regard to financial reporting and safeguarding of assets against unauthorised purchases, use or sales. During the period under review, the internal control system revealed no significant breakdown in internal control.

INTERNAL AUDIT

An internal audit function is in place throughout the group and is an independent appraisal mechanism that evaluates the group's procedures and systems (including internal controls, disclosure procedures and information systems), ensuring that these are functioning effectively. The head of internal audit reports to the chairman of the Naspers audit and risk management committee, with administrative reporting to the finance director. The annual internal audit plan for 31 March 2008, approved by the audit and risk management committee, focused on providing assurance on the effectiveness of internal control over financial reporting. The internal audit fieldwork is outsourced to one of the major auditing firms.

RELATIONS WITH SHAREHOLDERS

The company maintains a dialogue with its key financial audiences, especially institutional shareholders and analysts. The investor relations unit manages interaction with these

audiences and presentations take place after publishing interim and final results.

The company's website (www.naspers.com) provides the latest and historical financial and other information, including financial reports. The board encourages shareholders to attend its annual general meeting, notice of which is contained in this annual report, where shareholders will have the opportunity to put questions to the board, management and the chairs of the various board subcommittees.

BUSINESS ETHICS

In support of the requirements of King II, the company has formalised its business ethics management process within the group. The group code of business ethics is compliant with appropriate regulatory requirements.

This code applies to all directors and employees in the group. Ensuring that group companies adopt appropriate processes and establish supporting policies and procedures is an ongoing process. Specific policies and procedures that address key ethical risks, such as managing conflicts of interests, the acceptance of inappropriate gifts and the like, are key focuses. Effective communication of and training on the code of business ethics is a priority.

The human resources committee acts as the overall custodian of the business ethics management process and monitors compliance with the group's code. The disciplinary codes and procedures of the various companies are used to ensure compliance with the policies and practices that underpin the overall code of business ethics. Unethical behaviour by senior staff members is reported to the human resources committee, as well as the manner in which the company's disciplinary code was applied in this respect.

Naspers is committed to conducting its business with integrity. This commitment is captured in our *integrity chain*, which expresses the guiding principles. The group expects all directors and employees to share its commitment to business ethics and legal standards.

REMUNERATION PHILOSOPHY

The remuneration policy and its execution is the responsibility of the human resources committee.

Non-executive directors receive annual remuneration as opposed to a fee per meeting. This recognises the ongoing responsibility of directors for the efficient control of the company. This remuneration is augmented by compensation for services on the subcommittees of the board and boards of subsidiaries. A premium is payable to the chair of the board, as well as to the chairs of the subcommittees.

The remuneration in question is reviewed annually, with reference to competitors and companies that have a dual listing on the JSE and an overseas securities exchange. Independent advice is acquired to review directors' remuneration. This remuneration is not linked to the company's share price or performance. Non-executive directors do not qualify for participation in the group's share-based incentive schemes. The board annually recommends the remuneration of non-executive directors for approval by shareholders.

In remunerating executives, the group aims to attract, motivate and retain competent and committed leaders in its drive to create sustainable shareholder value. We aim to recognise top performance and attract entrepreneurs to further grow the value of the group. The remuneration philosophy for executives strives to meet this objective. Accordingly, the focus of the policy is not primarily on the guaranteed annual remuneration package, but on individual incentive plans linked to the creation of shareholder value.

Remuneration packages are monitored and compared with reported annual figures for comparable positions to ensure they are fair and compatible. Executives have an annual bonus scheme, provided that strategic and operational objectives are met or surpassed. As long-term incentives, executives typically participate in share-based incentive schemes in respect of Naspers N shares and, in appropriate instances, shares or stock appreciation rights in their respective subsidiaries. These awards normally vest over a period of four or five years.

GOVERNANCE AND SUSTAINABILITY *(continued)*

The fees for non-executive directors for the past year, as well as the remuneration packages of executive directors, are published on pages 104 and 105 of this annual report.

SUSTAINABLE DEVELOPMENT

Naspers prepared a sustainability report for the first time according to the Global Reporting Initiative (GRI) application level C. The document is available on our website (www.naspers.com).

Naspers is a diverse group with international operations across the globe, some of which fall under the management control of the group, and are described in the review of operations section of this annual report.

All businesses under the operational control of Naspers or its major subsidiaries in South Africa are included in the GRI report. The majority of these activities and their impact are relevant to South Africa for the year ended 31 March 2008.

Naspers's operations are clearly defined into electronic (internet, pay television, technology) and print media platforms, and have distinctly separate risk profiles. Therefore management's approach is different in these businesses. MultiChoice South Africa and Media24 prepared separate GRI reports, which are available on their websites, www.multichoice.co.za and www.media24.com respectively.

Sustainability reports in accordance with GRI principles by some of our businesses outside South Africa will be considered in the ensuing financial year.

The workplace

The implementation of a healthy, safe workplace at administrative and production facilities is a priority for the group. Where required and in keeping with local requirements, health and safety committees – with responsible individuals who receive training to improve their skills – have been formed to ensure compliance with applicable regulations. Medical emergency and disaster recovery plans have been devised as appropriate in operating businesses.

Regular organisational, health and safety risk control audits are conducted by operational entities and improvements are implemented as required.

Wellness

Several wellness programmes are operated by some of the group's subsidiaries to provide a preventative approach to employee health. These include programmes to assist employees to stop smoking. Free eye-testing is also offered. Professional and independent psychosocial support is provided for staff in many of the group's businesses.

HIV/Aids

Naspers is acutely aware of the HIV/Aids pandemic in Africa and the social and economic implications of the disease.

Comprehensive programmes comprise:

- information and awareness campaigns
- voluntary free testing
- free counselling, and
- comprehensive medical treatment programmes.

Environment

In recognition of our impact on the environment, especially through direct greenhouse gas emissions, the group performed a high-level risk analysis as detailed in the table. These impacts are rated in relation to the Naspers businesses.

Media24 conducted an electricity efficiency audit during 2007 at its head office in Cape Town to identify possible improvements. South African operations will investigate further improvements in the use of electricity during the next year.

The South African businesses recently conducted a review of the potential impact that the current electricity crisis could have on our operations. The group invested R85 million in generators and UPS (uninterrupted power supply) units over recent years.

Greenhouse gas risk and impact per platform under management control	Corporate	Pay TV	Internet	Technology	Print media
Electricity use	Low	Medium	Medium	Low	High
Water use	Low	Low	Low	Low	Medium
Effluents use	Low	Low	Low	Low	Medium
Transportation	Low (air transport)	Low	Low	Low	Medium (motor vehicles)
Waste	Low (office paper and computer equipment)	Low (office paper and computer equipment)	Low (office paper and computer equipment)	Low (office paper and computer equipment)	Medium (paper)
Direct emissions	Low	Low	Low	Low	High (printing facilities)

Commitment to empowerment

Naspers supports the aim to incorporate previously disadvantaged communities into South Africa's mainstream economy.

The Welkom Share Scheme, which was launched in 1999, matured in the 2007 financial year with every R1 000 invested yielding a return of R31 000. The total paid out to BEE (black economic empowerment) participants was R235 million.

Media24 successfully concluded a broad-based BEE share offer, Welkom Yizani, resulting in approximately 100 000 black people and groups owning an indirect interest in Media24 Limited.

MultiChoice South Africa completed two successful empowerment transactions, Phuthuma Nathi and Phuthuma Nathi 2. These transactions were structured to be truly broad based. Approximately 120 000 black people and groups now own an indirect interest in MultiChoice South Africa Holdings (Proprietary) Limited.

Staff participation and development

We recognise that diversity is essential for the sustainability of our business.

Our subsidiaries employ a variety of participating structures on issues that affect employees directly and materially, which are designed to achieve good employer/employee relations. This is facilitated through effective sharing of relevant information, consultation and conflict resolution. These structures embrace goals relating to productivity, career security, identification with the group and, where applicable, local legislative requirements.

The group focuses on employment equity targets in its South African operations, including setting specific employment targets, mentorships for previously disadvantaged employees, integration of people with physical disabilities, promotion of an environment free from discrimination against women and preference in procurement. Employment equity targets are integrated into the South African operations' business plans and performance is measured. Specific training needs for identified black successors are also actioned.

Succession plans for senior management positions are regularly reviewed.

Serving our communities

The group plays an active role in the communities it serves. We focus mainly on literacy and educational programmes in Africa.

■ DIRECTORATE



TON VOSLOO

Ton Vosloo became managing director of Naspers Limited in 1984, serving as non-executive chairman since 1997. He served as a journalist from 1956 to 1983 and as editor of *Beeld* from 1977 to 1983. He is a director of Media24, MultiChoice South Africa Holdings and chairman of MIH B.V., MIH Mauritius and MIH Holdings and independent non-executive chairman of the board of Naspers. He is a former chairman of Sanlam, M-Net and the WWF (SA).

RACHEL JAFTA

Rachel Jafta is an associate professor in economics at Stellenbosch University and a director of Econex. Prof Jafta is the chairperson of the Helen Suzman Foundation and a board member of the South African Institute of Race Relations. She is a member of the audit and risk management committee of Naspers, chairperson of the Media24 audit and risk management committee and serves on the Media24 board. She is chairperson of the Rachel's Angels empowerment project.



KOOS BEKKER

Koos Bekker led the founding team of M-Net in 1985, serving as chief executive of the MIH group until 1997. He was also a founding director of MTN. He is a director of Media24, MIH B.V., MIH Mauritius, MIH Holdings, MultiChoice South Africa Holdings and other companies in the wider group. He also serves on the local organising committee for the Fifa Soccer World Cup 2010 and the council of the University of Stellenbosch. He has been chief executive of Naspers since 1997. Koos rejoined the board on 1 April 2008 after a one-year sabbatical.

STEVE PACAK

Steve Pacak joined the group in 1988 and is a director of MIH B.V., MIH Mauritius, MIH Holdings, MultiChoice South Africa Holdings, Media24 and other companies in the wider group. He has been an executive director of Naspers since 1998.



FRED PHASWANA

Fred Phaswana is chairman of Transnet, Ethos, Anglo American South Africa, Anglo Platinum Limited and a director of Anglo American plc. He is also chairman of the SA Institute of International Affairs.

BEN VAN DER ROSS

Ben van der Ross is chairman of RMB Asset Management (Pty) Limited. He also serves on the company boards of Momentum Life, FirstRand, Pick 'n Pay Stores Limited and Lewis Stores Limited.





JAKES GERWEL

Jakes Gerwel joined the Naspers group as a director in 1999. He is a former director-general in the office of past president Nelson Mandela, secretary to the cabinet and rector of the University of the Western Cape. Prof Gerwel is chancellor of Rhodes University and the chairman of Brimstone Investment Corporation, South African Airways, Media24 and Welkom Yizani. He is a member of the executive and the human resources and nomination committees of Media24 and Naspers.

FRANCINE-ANN DU PLESSIS

Francine-Ann du Plessis is a director of Loubser du Plessis Inc, chartered accountants, the Industrial Development Corporation (IDC) of South Africa, the KVV group, Sanlam and South African Airways. Adv du Plessis is a member of the audit and risk management committee of Naspers.



BOETIE VAN ZYL

Boetie van Zyl is a member of the boards of MIH Holdings, MIH Mauritius, MIH B.V., Media24 and Murray Et Roberts and a trustee and director of Peace Parks in South Africa. He is chairman of the Naspers audit and risk management committee, a member of the audit and risk management committee of MIH and Media24, as well as a member of the human resources and nomination committees of Media24 and Naspers.

NEIL VAN HEERDEN

Neil van Heerden is a trustee of the University of the Western Cape, former executive director of the South Africa Foundation (now Business Leadership) and a director of Via Afrika and other companies.



HEIN WILLEMSE

Hein Willemse is a member of the boards or a trustee of various organisations and community bodies. Prof Willemse is head of the department of Afrikaans at the University of Pretoria.

LOURENS JONKER

Lourens Jonker is the owner of Weltevrede Wine Estate near Bonnievale in South Africa. He is a director of Absa and a former chairman of the KVV group.



DIRECTORS

	Date first appointed in current position	Date last appointed	Five board meetings were held during the year. Attendance:	Category
T Vosloo	6 October 1997	24 August 2007	5	Independent, non-executive
F-A du Plessis	23 October 2003	25 August 2006	5	Independent, non-executive
G J Gerwel	12 July 1999	3 September 2004	5	Independent, non-executive
R C C Jafta	23 October 2003	25 August 2006	5	Independent, non-executive
L N Jonker	7 June 1996	24 August 2007	4	Independent, non-executive
S J Z Pacak	24 April 1998	24 April 1998	5	Executive
T M F Phaswana	23 October 2003	25 August 2006	5	Independent, non-executive
B J van der Ross	12 February 1999	26 August 2005	4	Independent, non-executive
N P van Heerden	7 June 1996	24 August 2007	5	Independent, non-executive
J J M van Zyl	1 January 1988	26 August 2005	5	Independent, non-executive
H S S Willemse	30 August 2002	24 November 2006	5	Independent, non-executive

J P Bekker was reappointed as director on 1 April 2008 after a one-year sabbatical.

COMMITTEES

	Executive committee	Audit and risk management committee		Human resources committee ¹		Nomination committee ¹		Category
	No meetings held during the year	Three meetings were held during the year. Attendance:		Four meetings were held during the year. Attendance:		Four meetings were held during the year. Attendance:		
T Vosloo		√	3	√	4	√	4	Independent, non-executive
F-A du Plessis		√	3					Independent, non-executive
G J Gerwel				√	4	√	4	Independent, non-executive
R C C Jafta		√	3					Independent, non-executive
L N Jonker								Independent, non-executive
S J Z Pacak ²								Executive
B J van der Ross								Independent, non-executive
N P van Heerden								Independent, non-executive
J J M van Zyl		√	3	√	4	√	4	Independent, non-executive

Notes

1. The responsibilities of the human resources and nomination committee were separated and the nomination committee is now a stand-alone committee.

2. Executive directors attend meetings by invitation.

J P Bekker was reappointed as director on 1 April 2008 after a one-year sabbatical.

GROUP SECRETARY

G M Coetzee
40 Heerengracht
Cape Town 8001
South Africa

REGISTERED OFFICE

40 Heerengracht
Cape Town 8001
South Africa
P O 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

Link Market Services South Africa (Pty) Limited
(Registration number: 2000/007239/07)
P O Box 4844, Johannesburg 2000
South Africa
Tel: +27 (0)11 630 0800
Fax: +27 (0)11 834 4398

ADR PROGRAMME

The Bank of New York Mellon maintains a Global BuyDIRECT™ plan for Naspers Limited. For additional information, please visit The Bank of New York's website at www.globalbuydirect.com or call Shareholder Relations at 1-888-BNY-ADRS or 1-800-345-1612 or write to: The Bank of New York Mellon Shareholder Relations Department – Global BuyDIRECT™ Church Street Station P O Box 11258, New York, NY 10286-1258, USA

SPONSOR

Investec Bank Limited
(Registration number: 1969/004763/06)
P O Box 785700, Sandton 2146
South Africa
Tel: +27 (0)11 286 7326
Fax: +27 (0)11 286 9986

ATTORNEYS

Jan S. de Villiers
P O Box 1474, Cape Town 8000
South Africa

INVESTOR RELATIONS

M Horn
meloy.horn@naspers.com
Tel: +27 (0)11 289 3320
Fax: +27 (0)11 289 3026

www.naspers.com

■ ANALYSIS OF SHAREHOLDERS AND SHAREHOLDERS' DIARY

ANALYSIS OF SHAREHOLDERS

Size of holdings	Number of shareholders	Number of shares owned
1 – 100 shares	22 163	534 043
101 – 1 000 shares	20 499	5 836 131
1 001 – 5 000 shares	4 639	7 574 332
5 001 – 10 000 shares	581	3 914 748
More than 10 000 shares	1 434	385 450 157

Geographical distribution of shares held by institutional shareholders	%
South Africa	54,84
United States	31,41
United Arab Emirates	1,79
United Kingdom	5,81
Rest of Europe	2,22
Singapore	1,12
Rest of Asia Pacific	0,30
Other	2,51

The following shareholders hold 5% and more of the issued share capital of the company:

Name	Number of shares owned
Coronation Fund Managers (Proprietary) Limited	37 045 206
Dodge & Cox Incorporated	36 061 893
Old Mutual Asset Managers (OMAM)	31 648 434
Public Investment Commissioner	25 393 595

Public shareholder spread

To the best knowledge of the directors, the spread of public shareholders in terms of paragraph 4.25 of the JSE Limited's Listings Requirements at 31 March 2008 was 91,62%, represented by 49 302 shareholders holding 369 538 454 N ordinary shares in the company. The non-public shareholders of the company comprising 14 shareholders representing 33 770 956 N ordinary shares are analysed as follows:

Category	Number of shares	% of issued share capital
Directors	1 166 675	0,29
Share trusts	27 809 602	6,90
Associates	4 794 679	1,19

SHAREHOLDERS' DIARY

Annual general meeting	August
Reports	
Interim for half-year to September	November
Announcement of annual results	June
Annual financial statements	July
Dividend	
Declaration	August
Payment	September
Financial year-end	March