



# VUKILE

PROPERTY FUND

---

**NOTICE OF GENERAL  
MEETING JANUARY 2022**

**REAL ESTATE. REAL GROWTH.**



## NOTICE of general meeting

### VUKILE PROPERTY FUND LIMITED

Notice of general meeting  
(Incorporated in the Republic of South Africa)  
(Registration number 2002/027194/06)  
ISIN: ZAE000180865 • JSE code: VKE • NSX code: VKN  
Granted REIT status with the JSE  
(Vukile or the company)

Notice is hereby given that a general meeting (GM) of the shareholders of Vukile will be held in the main boardroom, 4th Floor, 11 Ninth Street, Houghton Estate, 2196 at 09:00 on Monday, 31 January 2022 for the purposes of: considering and, if deemed fit, adopting, the shareholder's ordinary resolutions set out below.

### IMPORTANT DATES TO NOTE

Record date to receive this notice:	Friday, 3 December 2021.
Last day to trade in order to be eligible to participate in and vote at the GM:	Tuesday, 18 January 2022.
Record date to participate in and vote at the GM (voting record date):	Friday, 21 January 2022.

### SECTION 63(1) OF THE COMPANIES ACT: IDENTIFICATION OF MEETING PARTICIPANTS

Kindly note that meeting participants (including proxies) are required to provide reasonably satisfactory identification before being entitled to attend or participate in a meeting. In this regard, all Vukile's shareholders recorded in the register of the company on the record date for participating in and voting at the GM will be required to provide identification satisfactory to the Chairman of the GM. Forms of identification include valid identity documents, driver's licences and passports.

### SECTION 62(3)(E) OF THE COMPANIES ACT

In terms of section 62(3)(e) of the Companies Act:

- A shareholder who is entitled to attend and vote at the GM is entitled to appoint a proxy or two or more proxies to attend, participate in and vote at the meeting in the place of the shareholder; and
- a proxy need not be a shareholder of the company.

### OVERVIEW AND RATIONALE FOR THE RESOLUTIONS

#### 1. THE CONDITIONAL SHARE PLAN 2022

##### 1.1 Introduction

- 1.1.1 As communicated to shareholders in the previous integrated annual report (IAR) of the company (for the financial year ended 31 March 2021) and further highlighted on the recent ESG roadshows, the company embarked on a process of reviewing the company's Conditional Share Plan (Existing CSP) during the 2021 calendar year due to the expiry of the existing CSP in April 2022 and under which no further allocations may be made.
- 1.1.2 The outcome of the process described above has been that the existing CSP, as approved by shareholders in 2013, has been amended as detailed in this notice of GM. The amended scheme known as the Conditional Share Plan 2022 (CSP 2022 or the plan) has since been recommended by the company's social ethics and human resources committee (the committee) and approved by the board of directors.
- 1.1.3 The CSP 2022 is designed in compliance with the requirements of section 97 of the Companies Act, 71 of 2008.
- 1.1.4 The CSP 2022 is identical to the scheme mechanics of the existing CSP except for the following amendments:
  - Minor amendments to the individual and annual scheme limits;
  - Minor amendments to the allocation ranges per managerial group; and
  - The introduction of more relevant performance conditions, following consultation with shareholders.
- 1.1.5 While the approval of shareholders for the adoption and implementation of the CSP 2022 is not required under Schedule 14 of the JSE Listings Requirements, Vukile wishes, in line with its commitment to good corporate governance to seek the endorsement of its shareholders by way of an ordinary resolution.

##### 1.2 Reasons for change

The reasons for the revised plan are to:

- 1.2.1 Replace the Existing CSP, that has come to the end of its nine-year scheme life; and
- 1.2.2 Address the requirements of shareholders in respect of the more relevant performance conditions, especially non-financial measures such as ESG and balance sheet metrics.

## NOTICE of general meeting continued

### 1.3 Overview of the Conditional Share Plan 2022

In line with the existing CSP, the CSP 2022 operates in the following manner:

- 1.3.1 Participants will be granted awards consisting of forfeitable shares that will vest at some point in the future (conditional shares);
- 1.3.2 The awards will be made on an annual basis, with conditional shares allocated as a percentage of the participant's guaranteed package, as informed by their job level, market benchmarks, performance and as determined by the committee;
- 1.3.3 In order to facilitate the exposure in terms of the CSP 2022, the company (or relevant subsidiaries) will make a cash contribution to the CSP Transaction Facilitator (a financial institution), who will assume the settlement obligations which may arise in terms of the CSP 2022;
- 1.3.4 On the terms as set out in an Assumption Agreement, the CSP Transaction Facilitator will utilise the cash contribution from the company (or relevant subsidiaries) to acquire an amount of shares in the open market on, or about, the award date to be used in settlement to participants on the eventual vesting of awards. The shares to be acquired by the CSP Transaction Facilitator in terms of the Assumption Agreement will be held for the duration of the vesting period, and will be delivered to participants subsequent to the vesting date and in accordance with the number of conditional shares to vest given that the required performance conditions have been met;
- 1.3.5 Participants will not be required to pay for the conditional shares, or the eventual acquisition of shares in terms thereof, and they will be awarded free of charge. Participants will, however, become liable for income tax on the market value of the shares that eventually vest;
- 1.3.6 In order for the conditional shares to vest and the shares to be delivered, participants must remain employed by the company or within the group. This is normally referred to as the "vesting condition". In addition, vesting of certain awards will be made conditional upon the satisfaction of company and personal performance conditions;
- 1.3.7 To the extent that the performance conditions are not satisfied over a performance period, to the extent applicable, or the participant's employment with the company is terminated before the end of the vesting period, other than for certain "good leaver" or deemed "good leaver" reasons, the conditional shares will lapse and the participant will lose all rights in respect of the underlying shares held by the CSP Transaction Facilitator. Following the lapse of such conditional shares, the shares will be sold in the open market and the cash proceeds thereof returned to the company;
- 1.3.8 As and when dividends are declared by the company on shares, such dividends will be paid to the company by the CSP Transaction Facilitator. The company will in turn pay the equivalent amounts (dividend equivalents) over to the participants who will be entitled to such dividend equivalents after income tax has been deducted. The dividend equivalents attributable to conditional shares that lapse will become repayable by the participants (either in cash or by way of share adjustment); and
- 1.3.9 In line with the existing CSP, the CSP 2022 is subject to malus and clawback provisions as set-out in **Annexure 1**.

### 1.4 Terms of the Conditional Share Plan

- 1.4.1 The salient features of the CSP 2022 are set out in **Annexure 1**.
- 1.4.2 The CSP 2022 detailed rules will be available for inspection at the company's offices prior to the GM.

## 2. THE TSR HURDLED INCENTIVE PLAN 2022

### 2.1 Introduction

- 2.1.1 The TSR Hurdled Incentive Plan 2022 (the TIP 2022 or the plan) is a new incentive scheme designed specifically to provide an incentive to selected key staff including executive management identified by the committee as being critical to operations over the next five years. The TIP 2022 ensures complete alignment between management and shareholders given that the plan is based on a total shareholder return (TSR) as determined by growth in share price and dividends received over the period.
- 2.1.2 The TIP 2022 is designed in compliance with the requirements of section 97 of the Companies Act, 71 of 2008.
- 2.1.3 While the approval of shareholders for the adoption and implementation of the TIP 2022 is not required under Schedule 14 of the JSE Listings Requirements, Vukile wishes, in line with its commitment to good corporate governance to seek the endorsement of its shareholders by way of an ordinary resolution.

## NOTICE of general meeting continued

### 2.2 Overview of the TIP 2022

The TIP 2022 operates by way of a tiered option mechanism where pre-determined TSR levels are matched to certain threshold (tiered) pay-out profiles. The TIP 2022's general features are as follows:

- 2.2.1 Predetermined TSR performance hurdles are required to be achieved before management can benefit from the pay-out of the plan;
- 2.2.2 The plan has a fixed upfront cost, being the option premium, spread over the life of the plan, giving clear certainty and transparency for shareholders in respect of the total cost of the plan;
- 2.2.3 The plan is designed to achieve complete alignment between management and shareholders, since the plan is driven by dividends paid and share price appreciation, thereby leading to a significant alignment of interests;
- 2.2.4 There are no loan obligations and the plan is non-dilutive given that it is cash-settled and no new shares are issued by the company. Once the option premium has been paid there will be no further cost to the company and to the extent that the TSR hurdles are achieved the pay-out to management will be cash-settled by the TIP Transaction Facilitator (an investment bank) and therefore comes at no further cost to shareholders;
- 2.2.5 The key pay-out metric driving the plan is TSR, which is defined as the compound annual growth rate (CAGR), over a defined period ensuring alignment with shareholder interests. The defined period of the TIP 2022 is five years;
- 2.2.6 Pay-out levels are set in accordance with predetermined TSR target returns meaning that the plan pay-out criteria are easily aligned with various performance levels determined by the committee;
- 2.2.7 Non-performance due to poor results or non-payment of dividends will be reflected in the TSR and the underlying reference share price, resulting in the specified trigger levels not being met which would ultimately result in no pay-out or a reduced pay-out at maturity for the participant; and
- 2.2.8 The TIP 2022 is subject to malus and clawback provisions as set-out in **Annexure 2**.

### 2.3 Implementation of the TIP 2022

- 2.3.1 The setting of the various TSR threshold targets for the TIP 2022 is highly dependent on the share price level on the effective date of the plan.
- 2.3.2 As a result of the above, the final TSR threshold target levels can only be determined shortly before the tiered option is executed.
- 2.3.3 In order to inform shareholder's decision making, an illustrative example has been included under the salient features of the TIP 2022 on page 10 of this notice.
- 2.3.4 Following the execution of the tiered option, full details of the TSR threshold targets will be disclosed in the IAR.
- 2.3.5 It is expected that the tiered option will be executed shortly after the endorsement vote by shareholders on 31 January 2022.

### 2.4 Terms of the TIP 2022

- 2.4.1 The salient features of the TIP 2022 are set out in **Annexure 2**.
- 2.4.2 The TIP 2022 detailed rules will be available for inspection at the company's offices prior to the GM.

## 3. COMPLIANCE WITH SECTION 97 OF THE COMPANIES ACT, 71 OF 2008

Section 97 of the Companies Act provides as follows:

**"97. Standards for qualifying employee share schemes** — (1) An employee share scheme qualifies for exemptions contemplated in sections 41(2)(d), 44(3)(a)(i) or 45(3)(a)(i) or otherwise contemplated in this chapter, if:

- (a) The company has:
  - (i) Appointed a compliance officer for the scheme to be accountable to the directors of the company; and
  - (ii) States in its annual financial statements the number of specified shares that it has allotted during that financial year in terms of its employee share scheme.

## NOTICE of general meeting continued

(b) The compliance officer has complied with the requirements of subsection (2).

In order to ensure compliance with section 97, the board has made the necessary appointment as set-out below:

Name of the compliance officer	Mr Johann Neethling
Qualifications of the compliance officer	FCIS, MCom, JSE Sponsor Development Programme
Effective date of appointment	10 December 2021

The company will comply with all other provisions contained in section 97 of the Companies Act from the effective date of the plan.

### 1. ORDINARY RESOLUTION NUMBER 1

#### Endorsement of the Conditional Share Plan 2022

“Resolved that the CSP 2022 as set out in **Annexure 1**, be and is hereby approved.”

The motivation for ordinary resolution 1 is as follows:

- To seek endorsement for a new share incentive scheme, the CSP 2022, given the impending expiry of the existing CSP, that has been in place since 2013;
- The CSP 2022, designed with feedback from shareholders in mind, aims to incentivise participants to better align the interests of participants with the shareholders of the company, and to attract and retain highly skilled participants by, among others, deferring a portion of incentive remuneration;
- The salient features of the CSP 2022 appears in **Annexure 1** (set-out on pages 5 to 8 of this notice of GM);
- The CSP 2022 is designed in compliance with section 97 of the Companies Act, 71 of 2008; and
- While the approval of shareholders for the adoption and implementation of the CSP 2022 is not required under Schedule 14 of the JSE Listings Requirements, Vukile wishes, in line with its commitment to good corporate governance to seek the endorsement of its shareholders by way of an ordinary resolution.

In order for ordinary resolution number 1 to be adopted, the support of a majority of votes (50% +1) cast by shareholders present or represented by proxy at this meeting is required.

### 2. ORDINARY RESOLUTION NUMBER 2

#### Endorsement of TSR Hurdled Incentive Plan 2022

“Resolved that the TIP 2022 as set out in **Annexure 2**, be and is hereby approved.”

The motivation for ordinary resolution 2 is as follows:

- To seek endorsement for a new share incentive scheme, the TIP 2022;
- The TIP 2022, aims to incentivise executive management and selected key staff. The TIP 2022 ensures complete alignment between management and shareholders given that the plan is based on TSR as determined by growth in share price and dividends received over the period;
- The salient features of the TIP 2022 appears in **Annexure 2** (set-out on pages 9 and 10 of this notice of GM);
- The TIP 2022 is designed in compliance with section 97 of the Companies Act, 71 of 2008; and
- While the approval of shareholders for the adoption and implementation of the TIP 2022 is not required under Schedule 14 of the JSE Listings Requirements, Vukile wishes, in line with its commitment to good corporate governance to seek the endorsement of its shareholders by way of an ordinary resolution.

In order for ordinary resolution number 2 to be adopted, the support of a majority of votes (50% +1) cast by shareholders present or represented by proxy at this meeting is required.

### 3. ORDINARY RESOLUTION NUMBER 3

#### Implementation of resolutions

“Resolved that any director of the company, the plan compliance officer and where applicable the Secretary of the company, be and is hereby authorised to do all such things, sign all such documents and take all actions as may be necessary to implement the above ordinary resolutions.”

In order for ordinary resolution number 3 to be adopted, the support of a majority of votes (50% +1) cast by shareholders present or represented by proxy at this meeting is required.

## **NOTICE** of general meeting continued

### **GENERAL INSTRUCTIONS FOR SHAREHOLDERS**

Shareholders are encouraged to attend, speak and vote at the GM.

### **ELECTRONIC PARTICIPATION**

The company has made provision for Vukile's shareholders or their proxies to participate electronically in the GM by way of telephone conferencing. Should you wish to participate in the GM by telephone conference call as aforesaid, you, or your proxy, will be required to advise the company thereof by no later than 09:00 on Monday, 24 January 2022 by submitting by email to the Company Secretary at [johann.neethling@vukile.co.za](mailto:johann.neethling@vukile.co.za), for the attention of Johann Neethling, relevant contact details, including an email address, cell and landline as well as full details of the Vukile shareholder's title to securities issued by the company and proof of identity, in the form of copies of identity documents and share certificates (in the case of materialised Vukile's shares) and (in the case of dematerialised Vukile's shares) written confirmation from the Vukile shareholder's CSDP confirming the Vukile's shareholder's title to the dematerialised Vukile's shares. Upon receipt of the required information, the Vukile's shareholder concerned will be provided with a secure code and instructions to access the electronic communication during the GM. Vukile's shareholders must note that access to the electronic communication will be at the expense of the Vukile's shareholders who wish to utilise the facility. Vukile's shareholders and their appointed proxies attending by conference call will not be able to cast their votes at the GM through this medium.

### **PROXIES AND AUTHORITY FOR REPRESENTATIVES TO ACT**

A form of proxy is attached for the convenience of any Vukile's shareholder holding certificated shares, who cannot attend the GM but wishes to be represented thereat.

The attached form of proxy is only to be completed by those shareholders who are:

- Holding shares in certificated form; or
- Recorded on the company's sub-register in dematerialised electronic form with "own name" registration.

All other beneficial owners who have dematerialised their shares through a Central Securities Depository Participant (CSDP) or broker and wish to attend the GM, must instruct their CSDP or broker to provide them with the necessary letter of representation, or they must provide the CSDP or broker with their voting instructions in terms of the relevant custody agreement entered into between them and the CSDP or broker. These shareholders must not use a form of proxy. The company requests that forms of proxy be deposited at the transfer secretaries, JSE Investor Services (Pty) Ltd at 13th Floor, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000) to be received by 09:00 on Thursday, 27 January 2022. Alternatively, the form of proxy may be handed to the transfer secretaries or to the Chairman of the GM at the general meeting, prior to the commencement of the GM. Any shareholder who completes and lodges a form of proxy will nevertheless be entitled to attend, speak and vote in person at the GM should the shareholder decide to do so.

A company that is a shareholder, wishing to attend and participate at the GM should ensure that a resolution authorising a representative to so attend and participate at the GM on its behalf is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company's transfer secretaries prior to the GM.

By order of the board

### **VUKILE PROPERTY FUND LIMITED**

#### **Johann Neethling**

Group Company Secretary

#### **Registered office**

One-on-Ninth

Cnr Glenhove Road and Ninth Street

Melrose Estate, 2196

#### **Transfer secretaries**

JSE Investor Services (Pty) Ltd

13th Floor

19 Ameshoff Street

Braamfontein, 2001

10 December 2021

## NOTICE of general meeting continued

### ANNEXURE 1 – SALIENT FEATURES OF THE CSP 2022

#### 1. PLAN MECHANICS

The CSP 2022 is a conditional share plan. The plan is a performance-aligned plan given that the benefits under the plan only materialises if the individual and company's performance conditions are met. The plan is non-dilutive, due to the fact that shares under the plan are bought in the open market and not issued.

#### 2. PLAN LIMITS

The following limits, which have been amended in some cases from the existing scheme, will apply to the aggregate number of shares which may be allocated under the CSP 2022, based on unvested awards:

- Overall limit – 2.5% of the issued share capital of the company from time to time (previously 2.5%);
- Individual limit – 1.0% of the issued share capital of the company from time to time (previously 0.5%); and
- Annual limit – no more than 1.0% of the issued shares of the company can be allocated in any financial year (previously 0.5%).

#### 3. ELIGIBILITY

Eligibility will be at the discretion of the committee, but generally the participants are executive management, senior and middle management. New participants joining the company during the financial year will also be eligible to participate.

#### 4. ALLOCATION POLICY

The CSP 2022 operates on the principle of regular annual awards based on allocation percentage ranges relative to the participant's total guaranteed package (TGP).

The committee will review these percentage ranges periodically in the light of relevant market benchmarks. Given that the ranges have not been amended since 2013, the committee deems it appropriate to increase the various ranges. The allocation ranges with inception of the 2022 allocation cycle, are as follows:

CEO	100% – 150% of TGP	Existing Scheme: 100% – 120% of TGP
Executive management	70% – 120% of TGP	Existing Scheme: 70% – 90% of TGP
Senior management	40% – 70% of TGP	Existing Scheme: 40% – 60% of TGP
Middle management	20% – 50% of TGP	Existing Scheme: 20% – 40% of TGP

In special circumstances, as determined by the committee, awards will be made for the following purposes:

- For sign-on awards;
- For deferral of portions of any short-term incentive payments in excess of the cash cap limits as per the short-term incentive scheme. The vesting of such deferred shares will only be subject to continued employment, and otherwise can only be forfeited in the case of a manifest error in the financials on which the short-term incentive was based;
- For awards made to recognise the achievement of significant strategic goals, where related benefits will only be realised in future periods; and
- For ad hoc awards in special circumstances when deemed necessary by the committee, and where the award and vesting conditions are determined by the committee.

In the case of impending retirement of participant:

- One year from retirement: only 1/3 of a standard award;
- Two years from retirement: only 2/3 of a standard award; and
- The committee has the discretion to deviate from this policy for specific reasons and/or individuals.

In the case of sign-on, promotion or similar awards, the committee has the discretion to make awards above annual guidelines, and the discretion to spread the vesting period appropriately for larger awards to allow for staggered vesting, subject to the average vesting period not being less than three years.

## NOTICE of general meeting continued

### 5. TYPICAL AWARD DATE

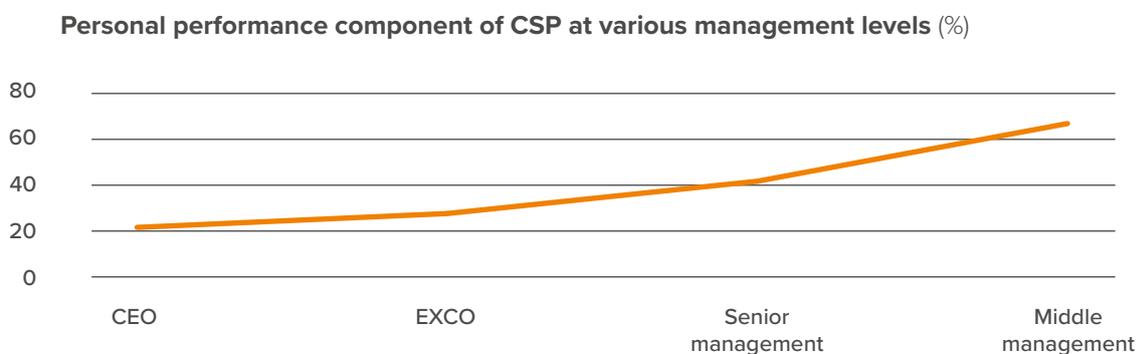
The typical award date would be after the announcement of the annual financial results of the company, generally on 1 June of each year, unless there are compelling reasons, such as closed periods, to defer to a later date. The performance measurement period of such awards will be aligned with the financial year-end of the company. To cater for flexibility, the rules of the CSP 2022 provide for awards to be made at other times during the financial year of the company.

### 6. DIVIDENDS

Dividend equivalents will be paid to participants as and when dividends to shareholders are declared by the company. Dividend equivalents attributable to conditional shares that lapse or are forfeited will be repayable by the participants (either in cash or by way of share adjustment).

### 7. COMPANY AND INDIVIDUAL PERFORMANCE CONDITIONS

The first portion of an award, up to 33.3% of the participant's TGP, will be subject to Personal Performance Conditions (in the form of critical performance areas (CPA)) and the balance of the award will be subject to the company's performance conditions. This will have the effect of ensuring that more senior participants with commensurately larger awards have a greater portion of their award subject to the company's performance conditions, as indicated in the illustrative graph below.



The committee may apply its discretion to the mix of conditions in the case of special awards (as set out in paragraph 4 above).

### 8. PERFORMANCE CONDITIONS

For regular annual awards, the company will use the company's performance conditions and the individual's performance conditions which will govern the vesting of the awards.

Various governance codes encourage the use of a sliding scale to determine vesting. In this regard, the company will have a threshold, on-target and stretch performance target. Vesting of 30% will take place at threshold performance and 100% at stretch performance. Linear vesting is applied between the above levels.

#### Individual performance component (measured by individual CPA score):

- Threshold = 70%
- Stretch = 90%

The CPA rating will be determined as the arithmetic average of the annual CPA rating in each year of the performance period. Once determined by the committee annually, CPA targets for executive directors will be disclosed in the IAR, with the performance thereon disclosed in the following years' IAR.

## NOTICE of general meeting continued

### Company performance component

Company's performance conditions will comprise of various measures based on a balanced scorecard approach. The balanced scorecard will comprise of the following elements and weightings.

Performance condition	Absolute/relative	Calculation methodology	Weighting
Total shareholder return	Relative	Growth in DIPS (70%) and share price (30%) versus a market-weighted peer group * index over three years.	25%
Total return	Absolute	Return on book value (Total FFO + NAV growth over starting NAV) relative to a board-determined target (per share basis).	25%
ESG	Absolute	Absolute targets on an ESG scorecard. The scorecard will measure performance in respect of, inter alia, responsible energy, water and waste management, transformation objectives, responsible employment practices and board transformation and diversity.	25%
Balance sheet management	Absolute	Absolute targets based on a balance sheet scorecard relative to a board-determined targets. The scorecard will measure performance in respect of, inter alia, LTV, ICR, credit rating, available liquidity and debt expiry profile.	25%
			100%

\* Peer group: Growthpoint, Redefine, Hyprop, L2D, SA Corporate, Resilient, Attacq, Fortress and NEPI.

Company performance targets for all company performance elements will be disclosed in the IAR, with the performance thereon disclosed in the following year's IAR.

The committee will retain the discretion to change the nature of the performance conditions to be imposed with reference to the prevailing business environment.

### 9. VESTING DATE

The vesting date of awards will be three years from the award date, typically on the 31 May of each year.

On the vesting date, and subject to the achievement of the applicable performance conditions, the vested share awards will be delivered to the participants who will, from this date forward, be free to sell the shares.

Participants will need to elect whether to sell all the shares, or a sufficient number to pay the resulting income tax, or arrange to pay the income tax from their own resources. The net cash or shares will then be released by the CSP Transaction Facilitator to the participant.

### 10. TERMINATION OF EMPLOYMENT

Where a participant's employment is terminated by reason of death, retrenchment, ill-health, injury, disability or sale an employer company or business, he/she will be classed as a "good leaver". In addition, the committee will retain the discretion to classify participants whose employment is terminated for other reasons as "good leavers" in appropriate special circumstances.

In the case of good leavers:

- By way of retirement, company's performance-linked shares will remain subject to the natural duration of the CSP 2022 and company's performance targets. CPA-linked shares will be tested on the day of retirement and vest accordingly on that date;
- For all other good leaver categories, CPA-linked shares will be pro-rated to time and applying the average of performance appraisals up to the termination date. For company's performance shares, normal performance testing will apply on a pro-rata basis; and
- In the case of death, the executor of the deceased estate may elect to bring the vesting date forward in order to finalise the estate. In such cases the company will agree a vesting date with the executors and test performance on such date, which will then be subject to a time-based pro-rating.

For all other leavers (such as outright resignation or dismissal) complete forfeiture will apply.

## NOTICE of general meeting continued

### 11. CHANGE OF CONTROL

Where there is a change of control of the company, resulting in material management and structural changes such as retrenchments, change in job status or delisting during the relevant financial year, the awards will vest as follows:

- A portion of the unvested awards will vest early and be released to the participants, based on the time served as a portion of the full vesting period, and on the performance to date against the applicable personal and company's performance conditions;
- The vesting date will coincide with the change of control date; and
- The portion of the awards which does not vest at this time due to time pro-rating will either remain subject to the terms of the CSP 2022 or will be converted into appropriate new awards with a similar economic value on the conversion date. These awards may be made under the rules of the acquiring company's plans, or be cash-settled, or otherwise, depending on the nature of the transaction.

### 12. VARIATION IN SHARE CAPITAL

In the event of a variation in the share capital of the company eg payment of a dividend in specie or a share split, the committee may make adjustments to awards so as to ensure that participants are in no worse position than they were prior to the occurrence of the relevant event.

### 13. PLAN LIFE

No allocations may be made after the 6th anniversary of the date of approval of the CSP 2022.

### 14. OUTPERFORMANCE

In the case of company outperformance, as pre-determined by the committee and disclosed in the IAR, of a specific grant over the three-year performance period, double the number of shares (ie 200% of the allocated number of shares) will be delivered to participants who formed part of executive management during that specific performance period.

### 15. MALUS AND CLAWBACK

The plan is subject to malus and clawback provisions. Malus provisions allow the company to reduce or cancel any award made under the plan before it vests (or the shares are transferred, or cash paid out). Clawback provisions allow the company to recover any vested award (including dividends paid) after it has vested or has been paid out. Grounds for malus and clawback are as follows:

- There has been misbehaviour or material error by a participant or where the actions of a participant have resulted in material reputational damage to the company;
- Awards or vesting have been based on material misstatements of the company's financial results or information arises which would have caused benefits to lapse or would have resulted in the committee exercising their discretion differently had the information been known at the time; and
- The company has suffered a material financial loss as a result of actions or circumstances attributable directly to a participant/s or which could have been avoided by the reasonable actions of a participant.

## NOTICE of general meeting continued

### ANNEXURE 2 – SALIENT FEATURES OF THE TIP 2022

#### 1. PLAN MECHANICS

The TIP 2022 operates by way of a tiered option mechanism where pre-determined TSR levels are matched to certain threshold (tiered) pay-out profiles. The plan is non-dilutive, since no new shares are issued under the plan.

Under the plan, the TIP Transaction Facilitator (an investment bank) will assume and deliver, after five years, any in-the-money value to participants (via the company) based on the achievement of the various TSR performance thresholds. The only cost to the company will be the upfront payment to the TIP Transaction Facilitator of an option premium (which will not exceed R45 million). This option premium will be paid at the inception of the plan and be amortised over the five-year plan life, thus resulting in an annual income statement cost of no more than of R9 million.

The TIP 2022 design is intrinsic to ensure an element of retention and sustainable performance.

#### 2. PLAN LIMITS

The TIP 2022 envisages only one allocation with a vesting period of five years. The limit of the TIP 2022 is as follows:

- Premium limit – the income statement expense in respect of the option premium shall not exceed R9 million per annum (ie a maximum amount of R45 million may be incurred over the five-year vesting period);
- The number of options (notional shares) that the plan will be based on will be determined at the time of execution based on prevailing market conditions at the time, however, Vukile will not be acquiring or issuing any shares and its sole financial obligation under the plan will be the option premium; and
- An illustration of the plan payoff profile based on an option premium of between R40 million to R45 million, is contained in paragraph 7 hereunder.

#### 3. ELIGIBILITY

Eligibility will be at the discretion of the committee, but generally selected key staff and executive management identified by the committee as being critical to operations over the next five years.

#### 4. ALLOCATION POLICY

The TIP 2022 operates on the principle of a once-off allocation of an option grant award based on an overall incentive pool created in exchange for the option premium. Allocation of the individual awards relative to the available incentive pool will be based on the participant's retention value, seniority and in reference to his or her TGP. The company envisages that approximately 10 employees will be included as participants in the plan.

Allocations are made to key positions and individuals within the company with the requirement of the participant being in the employ of the company on the date of vesting (excluding "good leaver" circumstances). No pro-rata allocation for retirement (or similar circumstances) will be made.

#### 5. AWARD DATE

The TIP 2022 envisages a single award date following the endorsement of the plan by shareholders. The award is expected to be prior to 31 March 2022.

#### 6. DIVIDENDS

Participant will not be eligible for any dividend equivalents under the TIP 2022.

#### 7. PERFORMANCE CONDITIONS

##### Individual performance component (measured by individual CPA score):

Vesting of the overall grant are dependent on a participant meeting his individual performance requirements over the vesting period. Vesting of 30% will take place at threshold performance and 100% at stretch performance. Linear vesting is applied between the above levels.

- Threshold = 70%
- Stretch = 90%

The CPA rating will be determined as the arithmetic average of the annual CPA rating in each year of the performance period.

##### Company performance component

The following table sets-out an illustrative example of the required TSR hurdle rates and the commensurate payoff profile. The *illustration* is based on Vukile's internal estimated dividend stream, a strike price of R14.00 and an option premium value of between R40 million to R45 million. It is important to note that the payoff amount indicated below (as well as any other payoff under the plan) will be delivered by the TIP Transaction Facilitator and will not have an income statement impact for the company. The company's only financial commitment in respect of the plan is the payment of the option premium.

## NOTICE of general meeting continued

TSR hurdle rates (IRR over five years)	Strike price	Target share price	Potential management payoff	Collective value created for shareholders over the five years*	Management payoff as % of shareholder value created
10.00%	R14.00	R16.22	R5.3 million	R2 122.8 billion	0.25%
12.50%	R14.00	R18.79	R23.0 million	R4 580.3 billion	0.50%
15.00%	R14.00	R21.61	R73.0 million	R7 276.9 billion	1.00%
17.50%	R14.00	R24.68	R128.1 million	R10 212.5 billion	1.25%

\* Collective value created for shareholders only represents share price appreciation and excludes any dividends received over the period.

### 8. VESTING DATE

The vesting date of awards will be five years from the award date. On the vesting date, and subject to the achievement of the applicable performance conditions, the cash realised from the vested options will be delivered to the participants net of income tax.

### 9. TERMINATION OF EMPLOYMENT

Where a participant's employment is terminated by reason of death, retrenchment, ill-health, injury, disability or sale an employer company or business, he/she will be classed as a "good leaver". In addition, the committee will retain the discretion to classify participants whose employment is terminated for other reasons as "good leavers" in appropriate special circumstances.

In the case of good leavers, the committee will exercise its discretion in order to liquidate any "in-money" value based on the relevant circumstances.

For all other leavers (such as outright resignation or dismissal) complete forfeiture will apply.

### 10. CHANGE OF CONTROL

Where there is a change of control of the company, resulting in material management and structural changes such as retrenchments, change in job status or delisting during the relevant financial year, the awards will vest as follows:

- Any "in-the-money" portion of the unvested awards will vest early and the cash be released to the participants, based on the time served as a portion of the full vesting period;
- The vesting date will coincide with the change of control date; and
- The portion of the awards which does not vest at this time due to time pro-rating will either remain subject to the terms of the TIP 2022 or will be converted into appropriate new awards with a similar economic value on the conversion date. These awards may be made under the rules of the acquiring company's plans, or be cash-settled, or otherwise, depending on the nature of the transaction.

### 11. VARIATION IN SHARE CAPITAL

In the event of a variation in the share capital of the company eg payment of a dividend in specie or a share split, the committee may make adjustments to awards so as to ensure that participants are in no worse position than they were prior to the occurrence of the relevant event.

### 12. PLAN LIFE

One allocation may be made with a plan life of five years.

### 13. MALUS AND CLAWBACK

The plan is subject to malus and clawback provisions. Malus provisions allow the company to reduce or cancel any award made under the plan before it vests (or the shares are transferred, or cash paid out). Clawback provisions allow the company to recover any vested award (including dividends paid) after it has vested or has been paid out. Grounds for malus and clawback are as follows:

- There has been misbehaviour or material error by a participant or where the actions of a participant have resulted in material reputational damage to the company;
- Awards or vesting have been based on material misstatements of the company's financial results or information arises which would have caused benefits to lapse or would have resulted in the committee exercising their discretion differently had the information been known at the time; and
- The company has suffered a material financial loss as a result of actions or circumstances attributable directly to a participant/s or which could have been avoided by the reasonable actions of a participant.

## FORM of proxy

### VUKILE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)  
 (Registration number 2002/027194/06)  
 ISIN: ZAE000180865 • JSE code: VKE • NSX code: VKN  
 Granted REIT status with the JSE  
 (Vukile or the company)

This form of proxy is for use by:

- Registered shareholders who have not yet dematerialised their Vukile's shares; and
- Registered shareholders who have already dematerialised their Vukile's shares and which shares are registered in their own names in the company's sub-register.

For completion by the aforesaid registered shareholders of Vukile who are unable to attend the GM of the company to be held in the main boardroom, main boardroom, 4th Floor, 11 Ninth Street, Houghton Estate, 2196 at 09:00 on Monday, 31 January 2022.

I/we

(BLOCK LETTERS PLEASE)

of \_\_\_\_\_ (address)

being the registered holder of \_\_\_\_\_ Vukile shares hereby appoint:

1 \_\_\_\_\_ of \_\_\_\_\_ or failing him/her

2 \_\_\_\_\_ of \_\_\_\_\_ or failing him/her

The Chairman of the GM as my/our proxy to vote for me/us on my/our behalf at the GM of the company and at any adjournment or postponement thereof, for the purpose of considering, and if deemed fit, passing, with or without modification, the resolutions to be proposed at the GM, and to vote on the resolutions in respect of the ordinary shares registered in my/our name(s), in the following manner:

Please indicate with an "X" in the appropriate spaces below how you wish your votes to be cast. Unless this is done the proxy will vote as he/she thinks fit.

		For*	Against*	Abstain*
Ordinary resolution 1	Endorsement of Conditional Share Plan 2022			
Ordinary resolution 2	Endorsement of TSR Hurdled Incentive Plan 2022			
Ordinary resolution 3	Implementation of resolutions			

\* One vote per share held by Vukile's shareholders recorded in the register on the voting record date; mark "for", "against" or "abstain" as required. If no options are marked the proxy will be entitled to vote as he/she thinks fit.

Unless otherwise instructed, my/our proxy may vote or abstain from voting as he/she thinks fit.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2022.

Signature \_\_\_\_\_ assisted by (if applicable)

A shareholder entitled to attend and vote at the GM is entitled to appoint a proxy to attend, vote and speak in his/her stead. A proxy need not be a shareholder of the company. Each shareholder is entitled to appoint one or more proxies to attend, speak and on a poll, vote in place of that shareholder at the GM. Shareholders are requested to deposit the form of proxy at JSE Investor Services (Pty) Ltd (PO Box 4844, Johannesburg, 2000) by 09:00 on Thursday, 27 January 2022. Alternatively, the form of proxy may be handed to the transfer secretary or the Chairman of the GM at the meeting prior to the commencement of the GM.

## NOTES to form of proxy

### VUKILE PROPERTY FUND LIMITED

(Incorporated in the Republic of South Africa)  
(Registration number 2002/027194/06)  
ISIN: ZAE000180865 • JSE code: VKE • NSX code: VKN  
Granted REIT status with the JSE  
(Vukile or the company)

- 1 Only shareholders who are registered in the register of the company under their own name on the date on which shareholders must be recorded as such in the register maintained by the transfer secretaries, JSE Investor Services (Pty) Ltd, being 21 January 2022 (voting record date) may complete a form of proxy or attend the GM. This includes shareholders who have not dematerialised their shares or who have dematerialised their shares with "own-name" registration. The person whose name stands first on the form of proxy and who is present at the GM will be entitled to act as proxy to the exclusion of those whose names follow. A proxy need not be a shareholder of the company.
- 2 Certificated shareholders wishing to attend the GM must ensure beforehand with the transfer secretaries of the company (being JSE Investor Services (Pty) Ltd that their shares are registered in their own name.
- 3 Beneficial shareholders whose shares are not registered in their "own name", but in the name of another, for example, a nominee, may not complete a proxy form, unless a form of proxy is issued to them by a registered shareholder and they should contact the registered shareholder for assistance in issuing instruction on voting their shares, or obtaining a proxy to attend, speak and, on a poll, vote at the GM.
- 4 Dematerialised shareholders who have not elected "own name" registration in the register of the company through a CSDP and who wish to attend the GM, must instruct the CSDP or broker to provide them with the necessary authority to attend.
- 5 Dematerialised shareholders who have not elected "own name" registration in the register of the company through a CSDP and who are unable to attend, but wish to vote at the GM, must timeously provide their CSDP or broker with their voting instructions in terms of the custody agreement entered into between that shareholder and the CSDP or broker.
- 6 A shareholder may insert the name of a proxy or the names of two or more alternative proxies of the shareholder's choice in the space, with or without deleting "the Chairman of the GM". The person whose name stands first on the form of proxy and who is present at the GM will be entitled to act as proxy to the exclusion of those whose names follow.
- 7 The completion and lodging of this form will not preclude the relevant shareholder from attending the GM and speaking and voting in person thereat to the exclusion of any proxy appointed, should such shareholder wish to do so. In addition to the foregoing, a shareholder may revoke the proxy appointment by (i) cancelling it in writing or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy, and to the company.
- 8 The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's authority to act on behalf of the relevant shareholder as of the later of the date:
  - 8.1 Stated in the revocation instrument, if any; or
  - 8.2 Upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Companies Act, 71 of 2008, as amended (the Companies Act).
- 9 Should the instrument appointing a proxy or proxies have been delivered to the company, as long as that appointment remains in effect, any notice that is required by the Companies Act or the company's Memorandum of Incorporation (MOI) to be delivered by the company to the shareholder must be delivered by the company to:
  - 9.1 The shareholder; or
  - 9.2 The proxy or proxies if the shareholder has in writing directed the relevant company to do so and has paid any reasonable fee charged by the company for doing so.
- 10 A proxy is entitled to exercise, or abstain from exercising, any voting right of the relevant shareholder without direction, except to the extent that the MOI of the company or the instrument appointing the proxy provide otherwise.
- 11 If the company issues an invitation to shareholders to appoint one or more persons named by the company as a proxy, or supplies a form of instrument for appointing a proxy:
  - 11.1 Such invitation must be sent to every shareholder who is entitled to receive notice of the meeting at which the proxy is intended to be exercised;
  - 11.2 The company must not require that the proxy appointment be made irrevocable; and
  - 11.3 The proxy appointment remains valid only until the end of the relevant meeting at which it was intended to be used, unless revoked as contemplated in section 58(5) of the Companies Act.
- 12 Any alteration or correction made to this form of proxy must be initialled by the signatory/ies. A deletion of any printed matter and the completion of any blank space(s) need not be signed or initialled.
- 13 Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form unless previously recorded by the transfer secretaries of the company or waived by the chairman of the GM.
- 14 A minor must be assisted by his/her parent/guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the transfer secretaries.
- 15 A company holding shares in the company that wishes to attend and participate at the GM should ensure that a resolution authorising a representative to act is passed by its directors. Resolutions authorising representatives in terms of section 57(5) of the Companies Act must be lodged with the company's transfer secretaries prior to the GM.
- 16 Where there are joint holders of shares any one of such persons may vote at any meeting in respect of such shares as if he were solely entitled thereto; but if more than one of such joint holders be present or represented at the meeting, that one of the said persons whose name appears first in the register of shareholders of such shares or his proxy, as the case may be shall alone be, shall be entitled to vote in respect thereof.
- 17 On a show of hands, every shareholder of the company presents in person or represented by proxy shall have one vote only. On a poll a shareholder who is present in person or represented by a proxy shall be entitled to that proportion of the total votes in the company which the aggregate amount of the nominal value of the shares held by him bears to the aggregate amount of the nominal value of all the shares of the relevant class issued by the company.
- 18 The Chairman of the GM may reject or accept any proxy which is completed and/or received other than in accordance with the instructions, provided that he shall not accept a proxy unless he is satisfied as to the matter in which a shareholder wishes to vote.
- 19 A proxy may not delegate his/her authority to act on behalf of the shareholder to another person.
- 20 A shareholder's instruction to the proxy must be indicated by the insertion of the relevant number of shares to be voted on behalf of that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the Chairperson of the GM, if the Chairperson is the authorised proxy, to vote in favour of the resolutions at the GM or other proxy to vote or to abstain from voting at the GM as he/she deems fit, in respect of the shares concerned. A shareholder or the proxy is not obliged to use all the votes exercisable by the shareholder or the proxy, but the total of votes cast in respect whereof abstention is recorded may not exceed the total of the votes exercisable by the shareholder or the proxy.
- 21 It is requested that this form of proxy be lodged or posted or faxed to the transfer secretaries, JSE Investor Services (Pty) Ltd at 13th Floor, 19 Ameshoff Street, Braamfontein, 2001 (PO Box 4844, Johannesburg, 2000) to be received by the company by 09:00 on 27 January 2022. Alternatively, the form of proxy may be handed to the transfer secretaries or to the Chairman of the GM at the general meeting, prior to the commencement of the GM.
- 22 A quorum for the purposes of considering the ordinary and special resolutions shall comprise 25% of all the voting rights that are entitled to be exercised by shareholders in respect of each matter to be decided at the GM. In addition, a quorum shall consist of three shareholders of the company personally present or represented by proxy (and if the shareholder is a body corporate, it must be represented) and entitled to vote at the GM.
- 23 This form of proxy may be used at any adjournment or postponement of the GM, including any postponement due to a lack of quorum, unless withdrawn by the shareholder.
- 24 The foregoing notes contain a summary of the relevant provisions of section 58 of the Companies Act, as required in terms of that section.

## CORPORATE information

### DIRECTORS

Nigel Payne <sup>(e, i)</sup>	(chairman, independent non-executive director)
Laurence Rapp <sup>(a, g)</sup>	(chief executive)
Laurence Cohen <sup>(a)</sup>	(chief financial officer)
Itumeleng Mothibeli <sup>(a, g)</sup>	MD SA
Sedise Moseneke <sup>(g)</sup>	non-executive director
Steve Booysen <sup>(d, f, i)</sup>	independent non-executive director
Renosi Mokate <sup>(c, e, i)</sup>	independent non-executive director (lead)
Tshidi Mokgabudi <sup>(c)</sup>	independent non-executive director
Hatla Ntene <sup>(g)</sup>	independent non-executive director
Babalwa Ngonyama <sup>(b)</sup>	independent non-executive director

<sup>(a)</sup> Executive.

<sup>(b)</sup> Chairman of audit and risk committee.

<sup>(c)</sup> Member of audit and risk committee.

<sup>(d)</sup> Chairman of social, ethics and human resources committee.

<sup>(e)</sup> Member of social, ethics and human resources committee.

<sup>(f)</sup> Chairman of property and investment committee.

<sup>(g)</sup> Member of property and investment committee.

<sup>(h)</sup> Chairman of nominations committee.

<sup>(i)</sup> Member of nominations committee.

### GROUP SECRETARY AND REGISTERED OFFICE

Johann Neethling  
4th floor, 11 Ninth Street PO Box 522779  
Houghton Estate Saxonwold  
2198 2132

### SPONSORS

#### SOUTH AFRICA

Java Capital  
6th Floor, 1 Park Lane  
Wierda Valley PO Box 522606  
Sandton Saxonwold  
2196 2132

#### NAMIBIA

IJG Group  
First Floor  
Heritage Square  
100 Robert Mugabe  
Avenue PO Box 186  
Windhoek Windhoek

### LISTING INFORMATION

Vukile was listed on the JSE Limited on 24 June 2004 and on the Namibian Stock Exchange on 11 July 2007.

JSE code: VKE

NSX code: VKN

ISIN: ZAE000056370

Sector: Financial – retail REITs

### TRANSFER SECRETARY

JSE Investor Services (Pty) Ltd  
13th Floor  
19 Ameshoff Street  
Braamfontein  
2001

PO Box 4844  
Johannesburg  
2000

### AUDITOR

#### PWC

Waterfall City  
4 Lisbon Lane  
Jukskei View  
Midrand  
2090  
Telephone +27 11 797 4000

### PRINCIPAL BANKER

#### ABSA BANK LIMITED

3rd Floor  
Absa Towers East  
160 Main Street  
Johannesburg  
2001  
PO Box 7335  
Johannesburg  
2000

### INVESTOR RELATIONS

#### INSTINCTIF PARTNERS

The Firs, 3rd Floor  
Corner Cradock and Biermann Avenue  
Rosebank  
Johannesburg  
South Africa  
Telephone +27 11 447 3030

### MEDIA RELATIONS

#### MARKETING CONCEPTS

10th Floor  
Fredman Towers, 13 Fredman Drive  
Sandton  
Johannesburg  
South Africa  
Telephone +27 11 783 0700

