

## NOTICE OF ANNUAL GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you have disposed of all your Stor-Age securities, this document should be handed to the purchaser of such securities or to the Broker, CSDP, banker or other agent through whom the disposal was affected.

If you are in any doubt as to what action you should take, please consult your Broker, banker, attorney, CSDP or other professional adviser immediately.

This document is available in English only. A copy of the document may be obtained from the registered office of the Company at the address provided on the inside back cover during normal business hours from date hereof until Thursday, 23 August 2018.

Notice is hereby given to shareholders registered in Stor-Age's securities register as at the record date of Friday, 17 August 2018 that the annual general meeting of Stor-Age (the "AGM") will be held at the Terrace Room, Second Floor Conference Centre, Vineyard Hotel, Colinton Road, Newlands on Thursday, 23 August 2018 at 14h00 to:

- (i) deal with such business as may lawfully be dealt with at the AGM; and
- (ii) consider and, if deemed fit, pass, with or without modification, the ordinary and special resolutions of shareholders set out hereunder in the manner required by the Companies Act, 71 of 2008, as amended ("the Act"), as read with the Listings Requirements of the JSE Limited ("the JSE Listings Requirements") on which exchange the Company's shares are listed, which meeting is to be participated in and voted at by shareholders registered in Stor-Age's securities register as shareholders as at the record date of Friday, 17 August 2018.

The last day to trade to be registered in Stor-Age's securities register by the record date of Friday, 17 August 2018, is Tuesday, 14 August 2018.

Kindly note that AGM participants (including proxies) will be required to provide reasonably satisfactory identification before being entitled to attend, participate and vote at the AGM. Forms of identification include valid identity documents, driver's licences and passports.

When reading the resolutions below, please refer to the explanatory notes for the resolutions set out in this notice of AGM.

### 1. *Presentation of financial statements*

The consolidated financial statements of the Company, as approved by the board of directors of the Company (the "Board"), for the year ended 31 March 2018 have been distributed and accompany this notice as required and will be presented to shareholders at the AGM together with the reports of the directors and the audit and risk committee.

The complete financial statements are set out on pages 69 to 158 of the 2018 Stor-Age Integrated Annual Report ("the 2018 Integrated Report").

The 2018 Integrated Report is available on the Company's website, <http://investor-relations.stor-age.co.za/Annual-Reports/2018/>.

### 2. *Report from the social and ethics committee*

In accordance with Companies Regulation 43(5)(c), a report from the chairman or a member of the social and ethics committee will be presented to shareholders at this AGM.

#### **Voting requirement:**

Unless otherwise indicated, in order for each of the ordinary resolutions to be adopted, the support of more than 50% of the voting rights exercised on the resolutions by shareholders, present or represented by proxy at the AGM and entitled to exercise voting rights on the resolution, is required.

## NOTICE OF ANNUAL GENERAL MEETING (continued)

3. *Ordinary resolution number 1: Re-election of Mr GA Blackshaw as a director*

"Resolved that Mr GA Blackshaw, who retires by rotation in terms of clause 26.3 of the Company's memorandum of incorporation and who, being eligible, has offered himself for re-election, be re-elected as a non-executive director of the Company."

An abridged curriculum vitae of Mr Blackshaw appears in Annexure 1 of this notice of AGM.

4. *Ordinary resolution number 2: Re-election of Mr PA Theodosiou as a director*

"Resolved that Mr PA Theodosiou, who retires by rotation in terms of clause 26.3 of the Company's memorandum of incorporation and who, being eligible, has offered himself for re-election, be re-elected as an independent non-executive director and Chairman of the Company."

An abridged curriculum vitae of Mr Theodosiou appears in Annexure 1 of this notice of AGM.

5. *Ordinary resolution number 3: Appointment of Ms KM de Kock as a director*

"Resolved that Ms KM de Kock be appointed as an independent non-executive director of the Company."

An abridged curriculum vitae of Ms de Kock appears in Annexure 1 of this notice of AGM.

6. *Ordinary resolution number 4: Appointment of Ms P Mbikwana as a director*

"Resolved that Ms P Mbikwana be appointed as an independent non-executive director of the Company."

An abridged curriculum vitae of Ms Mbikwana appears in Annexure 1 of this notice of AGM.

7. *Ordinary resolution number 5: Re-appointment of auditor*

"Resolved that KPMG Inc. be re-appointed as auditor of the Company (for the financial year ending 31 March 2019), with the designated partner being Mr P Conradie, until the conclusion of the next annual general meeting of the Company."

8. *Ordinary resolution number 6: Election of Mr GBH Fox as a member of the audit and risk committee*

"Resolved that Mr GBH Fox, being an independent non-executive director of the Company, be elected as a member and the Chairman of the audit and risk committee of the Company with effect from the end of this meeting."

An abridged curriculum vitae of Mr Fox appears in Annexure 1 of this notice of AGM.

9. *Ordinary resolution number 7: Election of Mr MS Moloko as a member of the audit and risk committee*

"Resolved that Mr MS Moloko, being an independent, non-executive director of the Company, be elected as a member of the audit and risk committee of the Company, with effect from the end of this meeting."

An abridged curriculum vitae of Mr Moloko appears in Annexure 1 of this notice of AGM.

10. *Ordinary resolution number 8: Election of Mr PA Theodosiou as a member of the audit and risk committee*

"Resolved that, subject to the passing of ordinary resolution number 2, Mr PA Theodosiou, being an independent non-executive director of the Company and Chairman of the Board, be elected as a member of the audit and risk committee of the Company, with effect from the end of this meeting."

An abridged curriculum vitae of Mr Theodosiou appears in Annexure 1 of this notice of AGM.

**11. Ordinary resolution number 9: Election of Ms KM de Kock as a member of the audit and risk committee**

"Resolved that, subject to the passing of ordinary resolution number 3, Ms KM de Kock, being an independent non-executive director of the Company, be elected as a member of the audit and risk committee of the Company, with effect from the end of this meeting."

An abridged curriculum vitae of Ms de Kock appears in Annexure 1 of this notice of AGM.

**12. Ordinary resolution number 10: General authority to directors to issue shares for cash**

"Resolved that, subject to the restrictions set out below and subject to the provisions of the Act and the JSE Listings Requirements, the Board be authorised by way of a general authority to allot and issue any portion of the ordinary shares of the Company for cash, on the following basis:

- the equity securities which are the subject of the issue for cash must be of a class already in issue or where this is not the case, must be limited to such securities or rights that are convertible into a class already in issue;
- any such issue will only be made to "public shareholders" and not to "related parties", all as defined by the JSE Listings Requirements;
- this authority will only be valid until the Company's next annual general meeting (whereupon this authority shall lapse, unless it is renewed at the aforementioned annual general meeting, provided that it shall not extend beyond 15 months of the date of this AGM);
- issues of ordinary shares in any one financial year may not exceed 30 602 410 ordinary shares in the aggregate, which represents 10% of the number of ordinary shares in the Company's issued share capital at the date of this notice of AGM, being 306 024 102 ordinary shares, provided that
  - in the event of a sub-division or consolidation of issued equity securities during the period contemplated above, the existing authority must be adjusted accordingly to represent the same allocation ratio;
  - any such general issues are subject to exchange control regulations and approval at that point in time;
- after the Company has in terms of this authority issued ordinary shares for cash equivalent to 10% of the number of shares of that class in issue prior to that issue, the Company shall publish an announcement containing full details of such issue/s (including the number of shares issued, the average discount to the weighted average traded price of the shares over the 30 business days prior to the date that the price of the issue is agreed in writing between the issuer and the party/ies subscribing for the shares, the effects of the issue on the statement of financial position, net asset value per share, net tangible asset value per share, and in respect of the statement of comprehensive income, earnings per share, headline earnings per share and, if applicable, diluted earnings and headline earnings per share) and the intended use of the funds;
- in determining the price at which an issue of shares may be made in terms of this authority, the maximum discount permitted will be 5% of the weighted average traded price on the JSE of those shares over the 30 business days prior to the date that the price of the issue is agreed between the Company and the party/ies subscribing for the shares."

In terms of the JSE Listings Requirements, a 75% majority of the votes cast by the shareholders present or represented by proxy at the AGM is required to approve the ordinary resolution number 10 regarding the general authority to issue shares for cash.

## NOTICE OF ANNUAL GENERAL MEETING (continued)

### 13. *Ordinary resolution number 11: Amendment of the Rules of The Stor-Age Share Purchase and Option Scheme ("the Scheme")*

"Resolved, with effect from 1 September 2018, that

- the aggregate maximum number of Shares in respect whereof any one Purchase Offeree shall be entitled to accept a Purchase Offer pursuant to the Purchase Scheme in terms of Rule 5.1.2 of the Scheme be increased from 4 500 000 to 5 500 000 as the lesser number is no longer sufficient for the purposes of the Scheme, given the prior share issuances of the Company; and
- Rule 1.2.50 be deleted and replaced with the following "'Scheme Allocation" means the aggregate number of shares which can be offered for subscription or purchase under this Scheme, being 20 000 000 (twenty million) Shares (which Shares shall not exceed 7% of the Issued Share Capital as at 31 March 2018)'."

In terms of the JSE Listings Requirements, a 75% majority of the votes cast by the shareholders present or represented by proxy at the AGM is required to approve ordinary resolution number 11, with votes attaching to shares owned or controlled by persons who are existing participants in the Scheme excluded from voting.

### 14. *Advisory endorsement: Endorsement of Remuneration Policy*

To consider the non-binding advisory votes set out below thereby providing the Company with the views of the shareholders regarding the

- Remuneration Policy contained in the remuneration committee's report; and
- Implementation Report in regard to the Remuneration Policy.

General approval of the Company's Remuneration Policy and Implementation Report (non-binding advisory votes 1 and 2)

#### **Non-binding advisory vote 1 – approval of Company's Remuneration Policy**

"RESOLVED THAT the Company's Remuneration Policy, as set out in the Remuneration Committee Report contained in the 2018 Integrated Report, be and is hereby endorsed by way of a non-binding advisory vote."

#### **Non-binding advisory vote 2 – approval of Company's Implementation Report**

"RESOLVED THAT the Company's Implementation Report in regard to its Remuneration Policy, as contained in the 2018 Integrated Report, be and is hereby endorsed by way of a non-binding advisory vote."

### 15. *Special resolution number 1: Remuneration of non-executive directors for their service as directors for the 2020 financial year*

"Resolved that, in terms of clause 28 of the Company's memorandum of incorporation and section 66(9) of the Act, the following remuneration, which constitutes an annual retainer and is proposed to be paid to the non-executive directors for their service as directors on an all-inclusive basis, and which is proposed to be paid for the financial year ending 31 March 2020, monthly in arrears, with effect from 1 April 2019, is approved:"

	Proposed annual remuneration (Rand)
Board member	211 000
Chairperson – board	20 000
Audit and risk committee member	50 000
Chairperson – audit and risk committee	10 000
Investment committee member	30 000
Social and ethics committee member	25 000
Remuneration committee member	25 000

**16. *Special resolution number 2: General authority to provide financial assistance to related or inter-related companies and entities***

"Resolved that, as a general authority and to the extent required by section 44 of the Act, the Board may, subject to compliance with the requirements of the Act, the Company's memorandum of incorporation and the JSE Listings Requirements, authorise the Company to provide direct or indirect financial assistance, by way of loan, guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any other company or entity that is or becomes related or inter-related to the Company, for any purpose or in connection with any matter including, but not limited to, the subscription of any option, or any securities, issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company, such authority to endure for a period of two years following the date of the passing of this special resolution number 2."

**17. *Special resolution number 3: Authority to provide financial assistance to directors, prescribed officers, other employee incentive scheme beneficiaries and entities related or inter-related to them***

"Resolved that, to the extent required by section 44 of the Act, the Board may, subject to compliance with the requirements of the Act, the Company's memorandum of incorporation and the JSE Listings Requirements, authorise the Company to provide direct or indirect financial assistance, by way of loan, guarantee, the provision of security or otherwise, to any present or future director or prescribed officer of the Company or of a related or inter-related company or entity, or to any other beneficiary participating in any Stor-Age or Stor-Age group employee incentive scheme, or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer, beneficiary or member for the purpose of, or in connection with, the subscription of any option, or any securities issued or to be issued by the Company or a related or inter-related company, or for the purchase of any securities of the Company or a related or inter-related company where such financial assistance is provided in terms of any such scheme that does not constitute an employee share scheme (as contemplated by the Act) that satisfies the requirements of section 97 of the Act, such authority to endure for a period of two years following the date of the passing of this special resolution number 3."

**18. *Special resolution number 4: Authority to provide financial assistance to directors, prescribed officers, and entities related or inter-related to them***

"Resolved that, as a general authority, the Board be and are hereby authorised at any time and from time to time during the period of two years commencing on the date of this special resolution, subject to compliance with the requirements of the Act, the Company's memorandum of incorporation and the JSE Listings Requirements, to provide direct or indirect financial assistance (as defined in section 45 (1) of the Act), to any director or prescribed officer of the Company or of a related or inter-related company or corporation, or to a related or inter-related company or corporation or to a member of a related or inter-related corporation, or to a person related to any such company, corporation, director, prescribed officer or member, on the terms and conditions and for the amounts that the directors may determine, by way of loan, guarantee, the provision of security or otherwise."

**Voting requirement:**

A 75% majority of the votes cast by the shareholders present or represented by proxy at the annual general meeting of the Company is required to approve special resolutions 1 to 4.

**VOTING AND PROXIES**

**A shareholder entitled to attend, speak and vote at the AGM is entitled to appoint one or more proxies (who need not be a shareholder of the Company) to attend, speak and vote in his/her stead.**

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

- hold their ordinary shares in certificated form; or
- are recorded on a sub-register in dematerialised electronic form with "own name" registration.

## NOTICE OF ANNUAL GENERAL MEETING (continued)

All other beneficial owners who have dematerialised their ordinary shares through a Central Securities Depository Participant ("CSDP") or broker and wish to attend the AGM, 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.

It is requested that forms of proxy are lodged at or mailed to Computershare Investor Services (Pty) Limited to be received by not later than 12h00 on Tuesday, 21 August 2018. Any shareholder who does not lodge a completed form of proxy by the relevant time will nevertheless be entitled to lodge a form of proxy in respect of the AGM immediately prior to the commencement thereof, with the chairperson of the AGM.

### GENERAL

#### *Electronic participation*

Please note that the Company intends to make provision for shareholders of the Company, or their proxies, who are entitled to attend thereat, to participate in the AGM by way of electronic communication. In this regard, the Company intends making teleconferencing facilities available at the following locations –

- at the Terrace Room, Second floor Conference Centre, Vineyard Hotel, Colinton Road, Newlands (which is the location for the AGM); and
- at the offices of Stor-Age, 4 Kikuyu Road, Sunninghill, Johannesburg.

Should you wish to participate in the AGM by way of electronic communication as aforesaid, you, or your proxy, will be required to attend at either of the above-mentioned locations on the date of the AGM. The above-mentioned locations will be linked to each other by means of a real-time telephonic conference call facility on the date of, and from the time of commencement of, the AGM. The real-time telephonic conference call facility will enable all persons to participate electronically in the AGM in this manner and to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the AGM. The cost of the telephonic conference call facility described will be for the account of the Company.

By order of the board

HHO Steyn  
Company Secretary  
25 July 2018

#### **Address of registered office**

216 Main Road  
Claremont  
7708  
(PO Box 53154, Kenilworth, 7745)

#### **Address of transfer secretaries**

2nd Floor, Rosebank Towers  
15 Biermann Avenue  
Rosebank, Johannesburg, 2196  
(PO Box 61051, Marshalltown, 2107)

*Explanatory notes to resolutions proposed at the annual general meeting of the Company*

**Re-election of directors retiring at the AGM – ordinary resolutions numbers 1 to 4**

In accordance with clause 26.3 of the Company's memorandum of incorporation, one-third of the directors are required to retire at each annual general meeting and may offer themselves for re-election and, in accordance with clause 26.4 of the Company's memorandum of incorporation, any appointments made by the board during an interim period must be confirmed at the immediately following annual general meeting. In accordance with these relevant provisions, it has been determined that Messrs GA Blackshaw and PA Theodosiou, and Mesdames KM de Kock and P Mbikwana are due to retire from the board.

The directors of the Company have reviewed the composition of the Board against corporate governance and transformation requirements and has recommended the re-election of the directors listed above. It is the view of the Board that the re-election of the candidates referred to above would enable the Company to:

- responsibly maintain a mixture of business skills and experience relevant to the Company and contribute to the requirements of transformation, continuity and succession planning; and
- enhance corporate governance requirements in respect of matters such as the balance of executive, non-executive and independent directors on the Board.

In addition, the directors of the Company have conducted an assessment of the performance of each of the retiring directors and have reviewed the skills, knowledge, experience, diversity and demographics represented on the Board. Having received the results of that assessment and review, the Board is satisfied that the performance of the existing directors continues to be effective and to demonstrate commitment to their roles, and have satisfied themselves as to the performance expectations from the new appointees. Accordingly, the Board recommends to shareholders the re-election of each of the retiring directors referred to in ordinary resolutions numbers 1 to 4, by way of a series of votes, each of which is on the candidacy of a single individual to fill a single vacancy, as required under section 68(2) of the Act.

Abridged *curricula vitae* of the retiring directors appear in Annexure 1 on page 178.

**Re-appointment of auditor – ordinary resolution number 5**

KPMG Inc. has indicated its willingness to continue in office and ordinary resolution number 5 proposes the re-appointment of that firm as the Company's auditor until the conclusion of the next annual general meeting.

At a Stor-Age audit and risk committee meeting held on 7 June 2018, the committee considered the independence of the auditor KPMG Inc., in accordance with section 94(8) of the Act. In assessing the independence of the auditor, the audit and risk committee satisfied itself that KPMG Inc.:

- does not hold a financial interest (either directly or indirectly) in Stor-Age;
- does not hold a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of Stor-Age;
- is not economically dependent on Stor-Age, having specific regard to the quantum of the audit fees paid by Stor-Age and its subsidiaries to KPMG Inc. during the period under review in relation to its total fee base;
- does not provide consulting or non-audit-related services to Stor-Age or its subsidiaries which fall outside of the permitted or qualified non-audit-related services as specified in the policy for the use of auditors for non-audit-related services and which could compromise or impair the auditor's independence; and
- including the individual registered auditor who undertakes the audit, does not have personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with Stor-Age or its subsidiaries.

## NOTICE OF ANNUAL GENERAL MEETING (continued)

Accordingly, the Stor-Age audit and risk committee was satisfied that KPMG Inc. is independent as contemplated by the South African independence laws and the applicable rules of the International Federation of Accountants and nominated the re-appointment of KPMG Inc. as registered auditor for the financial year ending 31 March 2019. On 11 June 2018 the Board confirmed its support, subject to shareholders' approval as required in terms of section 90(1) of the Act, for the re-appointment of KPMG Inc. and Mr P Conradie respectively as the independent registered audit firm and individual registered auditor of Stor-Age.

Furthermore the Stor-Age audit and risk committee has, in terms of paragraph 3.86 of the JSE Listings Requirements, considered and satisfied itself that KPMG Inc., the reporting accountant and individual auditor are accredited to appear on the JSE List of Accredited Auditors, in compliance with section 22 of the JSE Listings Requirements.

### ***Election of audit and risk committee members – ordinary resolutions numbers 6 to 9***

In terms of section 94(2) of the Act, the audit and risk committee is no longer a committee of the Board, but a committee elected by the shareholders at each annual general meeting. The Act requires the shareholders of a public company to elect the members of an audit and risk committee at each annual general meeting. In accordance therewith the directors should present shareholders with suitable candidates for election as audit and risk committee members.

In terms of the Companies Regulations, at least one-third of the members of the Company's audit and risk committee at any particular time must have academic qualifications, or experience, in economics, law, corporate governance, finance, accounting, commerce, industry, public affairs or human resource management. As can be seen from the *curricula vitae* of the proposed members, they have experience in, among others, audit, accounting, economics, commerce and general industry.

At a meeting of the Board held on 11 June 2018 the Board satisfied itself that, among others, the independent, non-executive directors offering themselves for election as members of the Stor-Age audit and risk committee:

- are independent, non-executive directors as contemplated in the Act and in King IV™;
- are suitably qualified and experienced for audit and risk committee membership;
- have an understanding of integrated annual reporting (including financial reporting), internal financial controls, external and internal audit processes, risk management, sustainability issues and the governance processes (including information technology governance) within the Company;
- collectively possess skills which are appropriate to the Company's size and circumstances, as well as its industry;
- have an understanding of International Financial Reporting Standards, South African Statements of Generally Accepted Accounting Practice and other financial and sustainability reporting standards, regulations and guidelines applicable to the Company; and
- adequately keep up to date with key developments affecting their required skills set.

### ***General authority to directors to issue shares for cash – ordinary resolution number 10***

In terms of the JSE Listings Requirements, when equity securities are issued for cash (or the extinction of a liability, obligation or commitment, restraint, or settlement of expenses), amongst others, the shareholders are required to authorise the issue.

The existing general authority granted by the shareholders at the previous annual general meeting, held on 24 August 2017, will expire at the AGM to be held on 23 August 2018, unless renewed. The authority may only be acted upon subject to the Act and the JSE Listings Requirements. The aggregate number of securities capable of being allotted and issued in terms of this authority is limited to 10% (previously 5%) of the issued share capital as set out in the resolution.

The directors consider it advantageous to increase this authority to enable the Company to take advantage of certain particular business opportunities that are expected in the near future.



### ***Amendment of the Rules of The Stor-Age Share Purchase and Option Scheme – ordinary resolution number 11***

The Rules governing The Stor-Age Share Purchase and Option Scheme currently provide that the maximum scheme allocation to any single Offeree will be limited to 4 500 000 Shares, which maximum was set at the time of listing in November 2015. As a result of subsequent share issues by the Company and the dramatic increase in scale of business, it is recommended that this individual maximum be increased to 5 500 000 Shares. The total scheme allocation is limited to a maximum number of 20 000 000 shares, being 6.63% of the issued share capital at 31 March 2018. Both these changes are to be approved by shareholders at the AGM.

The Rules governing The Stor-Age Share Purchase and Option Scheme, together with the Addenda thereto, will be available for inspection during normal business hours at the registered office of the Company set out on the inside back cover from the date of issue of this notice of AGM, up to and including the date of the AGM.

### ***Endorsement of Remuneration Policy – advisory endorsement number 1***

King IV™ recommends that the Company's Remuneration Policy be disclosed in three parts every year, namely:

- a Background Statement,
- an overview of the Remuneration Policy,
- an Implementation Report,

and that shareholders be requested to pass separate non-binding advisory votes on the policy and the Implementation Report at the AGM.

Voting on the two resolutions enables shareholders to express their views on the Remuneration Policy adopted and on its implementation.

The Remuneration Committee prepared, and the Board considered and accepted, the Remuneration Policy and Implementation Report thereon, as set out in the 2018 Integrated Report.

The Remuneration Policy also records the measures the Board will adopt in the event that either the Remuneration Policy or the Implementation Report, or both, are voted against by 25% or more of the voting rights exercised by shareholders. In such event, the Company will, in its announcement of the results of the AGM, provide dissenting shareholders with information as to how to engage with the Company in regard to this matter and the timing of such engagement.

Accordingly, the shareholders are requested to endorse the Company's Remuneration Policy as set out in paragraph 14 of the AGM notice.

### ***Remuneration of non-executive directors for their service as directors for the year ending 31 March 2020 – special resolution number 1***

In terms of section 66(8) and (9) of the Act, remuneration may only be paid to directors for their service as directors in accordance with a special resolution approved by the shareholders within the previous two years and if not prohibited in a company's memorandum of incorporation. In terms of clause 28 of the Company's memorandum of incorporation, the remuneration of the directors shall from time to time be determined by the Company in general meeting and, as such, the payment of such remuneration is not prohibited in terms of the Company's memorandum of incorporation. The remuneration hereby sought to be approved, in respect of the financial year ending 31 March 2020, is to be paid to the non-executive directors as they are not remunerated as employees of the Company, as in the case of the executive directors.

This resolution is recommended by the Company's directors. Full particulars of all remuneration paid to non-executive directors for their service as directors during the past year, and proposed to be paid for the 2020 financial year, are respectively set out on pages 156 and 157 of the annual financial statements, and on page 170.

Stor-Age's Remuneration Committee is satisfied that this remuneration is fair relative to the remuneration paid to non-executive directors of other similar sized public listed companies in South Africa for their service as directors.

## NOTICE OF ANNUAL GENERAL MEETING (continued)

### *Authority to provide financial assistance to related or inter-related companies and entities and to directors, prescribed officers and other employee share scheme beneficiaries – special resolutions number 2, 3 and 4*

Notwithstanding the title of section 45 of the Act, being “Loans or other financial assistance to directors”, on a proper interpretation, the body of the section may also apply to financial assistance for any purpose, provided by a company to related or inter-related companies or corporations, including, amongst others, its subsidiaries.

Furthermore, section 44 of the Act may also apply to the financial assistance so provided by a company to related or inter-related companies, in the event that the financial assistance is provided for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by the company or a related or inter-related company, or for the purchase of any securities of the company or a related or inter-related company.

Both sections 44 and 45 of the Act provide, amongst others, that the particular financial assistance must be provided only pursuant to a special resolution of the shareholders, adopted within the previous two years, which approved such assistance either for the specific recipient, or generally for a category of potential recipients, and the specific recipient falls within that category and the board of directors must be satisfied that –

- (a) immediately after providing the financial assistance, the company would satisfy the solvency and liquidity test; and
- (b) the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

The Company would like the ability to provide financial assistance, if necessary, also in other circumstances, in accordance with section 45 of the Act. Furthermore, it may be necessary or desirous for the Company to provide financial assistance to related or inter-related companies and entities to subscribe for options or securities or purchase securities of the Company or another company related or inter-related to it. Under the Act, the Company will however require the special resolution number 2 to be adopted. In the circumstances and in order to, amongst others, ensure that the Company's subsidiaries and other related and inter-related companies and entities have access to financing and/or financial backing from the Company (as opposed to banks), it is necessary to obtain the approval of shareholders, as set out in special resolution number 2.

Sections 44 and 45 contain exemptions in respect of employee share schemes that satisfy the requirements of section 97 of the Act. To the extent that any Stor-Age or Stor-Age group incentive scheme does not qualify for such exemptions, financial assistance (as contemplated in sections 44 and 45) to be provided under any such scheme will, amongst others, also require approval by special resolution. Accordingly, special resolution number 3 effectively authorises financial assistance to any of the directors or prescribed officers of the Company or of a related or inter-related company or entity (or any person related to any of them or to any company or corporation related or inter-related to them), or to any other person who is a beneficiary of the Stor-Age group incentive scheme, in order to facilitate their participation in any such scheme that does not qualify for the aforesaid exemptions.

The existing authorities granted by the shareholders at the previous annual general meeting, held on 24 August 2017, will expire on 23 August 2019, unless renewed, and special resolutions 2 and 3 will therefore be appropriately renewed.

In addition, an existing authority granted by a shareholders' special resolution passed on 24 August 2017, will expire on 23 August 2019 unless renewed. This authority allows the Company to provide financial assistance for any purpose, to related or inter-related companies or corporations. In accordance with the business model of the Company, as openly stated elsewhere in the 2018 Integrated Report, development opportunities are undertaken by related entities and held in those entities up to the stage that their occupancy levels are acceptable to the Company, whereupon the Company will exercise its pre-emptive rights to acquire the completed project. In order to ensure that the development entity (being a related party) has adequate development funding, it may be necessary for the Company to provide financial assistance and, for this reason, special resolution number 4 will allow for such assistance to be provided by the Company.

## SUMMARY OF APPLICABLE RIGHTS ESTABLISHED IN SECTION 58 OF THE ACT

For purposes of this summary, the term “shareholder” shall have the meaning ascribed thereto in section 57(1) of the Act.

1. At any time, a shareholder of a company is entitled to appoint any individual, including an individual who is not a shareholder of that company, as a proxy to participate in, speak and vote at a shareholders meeting on behalf of the shareholder.
2. A proxy appointment must be in writing, dated and signed by the relevant shareholder.
3. Except to the extent that the memorandum of incorporation of a company provides otherwise –
  - 3.1 a shareholder of the relevant company may appoint two or more persons concurrently as proxies, and may appoint more than one proxy to exercise voting rights attached to different securities held by such shareholder; and
  - 3.2 a copy of the instrument appointing a proxy must be delivered to the relevant company, or to any other person on behalf of the relevant company, before the proxy exercises any rights of the shareholder at a shareholders meeting.
4. Irrespective of the form of instrument used to appoint a proxy –
  - 4.1 the appointment of the proxy is suspended at any time and to the extent that the shareholder who appointed that proxy chooses to act directly and in person in the exercise of any rights as a shareholder of the relevant company; and
  - 4.2 should the instrument used to appoint a proxy be revocable, a shareholder may revoke the proxy appointment by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy and the relevant company.
5. 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 –
  - 5.1 stated in the revocation instrument, if any; or
  - 5.2 upon which the revocation instrument is delivered to the proxy and the relevant company as required in section 58(4)(c)(ii) of the Act.
6. Should the instrument appointing a proxy or proxies have been delivered to the relevant company, as long as that appointment remains in effect, any notice that is required by the Act or the relevant company’s memorandum of incorporation to be delivered by such company to the shareholder must be delivered by such company to –
  - 6.1 the shareholder, or
  - 6.2 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.
7. 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 memorandum of incorporation of the relevant company or the instrument appointing the proxy provide otherwise.
8. If a company issues an invitation to shareholders to appoint one or more persons named by such company as a proxy, or supplies a form of instrument for appointing a proxy –
  - 8.1 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;
  - 8.2 the company must not require that the proxy appointment be made irrevocable; and
  - 8.3 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 Act.

# ANNEXURE 1

## CVs OF DIRECTORS FOR ELECTION TO THE BOARD AND AUDIT COMMITTEE

### NON-EXECUTIVE DIRECTORS

#### Mr GA BLACKSHAW

BA LLB

A former lead development partner in the Faircape group of companies, Graham played an integral role in driving the formation of the Stor-Age Joint Venture between Acucap, Faircape and Stor-Age Property Holdings in 2010.

A qualified attorney, Graham practiced law at Herold Gie and Broadhead before joining the Cape of Good Hope Bank, where he went on to head up the Property Lending division.

#### Mr PA THEODOSIOU

Chairman – CA(SA), MBA (UCT)

After partnering with NIB in the promotion and subsequent listing of Acucap Properties Limited on the JSE, Paul successfully led Acucap as CEO for close on 15 years prior to its merger with Growthpoint in 2015.

#### Ms KM de KOCK

CA(SA), CFA, MBA

Kelly is a Chartered Accountant, a Chartered Financial Analyst, and holds an MBA from the University of Cape Town. She is an executive committee member of the Association of Black Securities and Investment Professionals, Western Cape.

She currently holds the position of Chief Operating Officer at Old Mutual Wealth Trust Company, having previously held the positions of Head of Institutional Business Development at Kagiso Asset Management, and Investor Relations Manager: South Africa at Old Mutual PLC.

#### Ms P MBIKWANA

BCom

Phakama graduated from Rhodes University in 2002, after which she completed a Bridging Certificate in the Theory of Accounting at Rand Afrikaans University. She also holds an International Executive Development Programme Certificate from US based Duke Corporate, an affiliate of Duke University.

She is the founder and current sole member of Dandelion Capital, a company seeking to invest in diverse sectors in order to drive growth and influence strategy. Until recently, she held the position of Head of Construction and Related Sectors at Barclays Africa, and prior to that she held roles at Standard Bank Group, Investment Solutions, Alexander Forbes Multi Asset Management and Nedbank Corporate.

#### Mr GBH FOX

CA(SA)

Gareth is Chief Operating Officer of Western National Insurance Company Limited. He originally completed his articles in financial services at PwC and thereafter headed up the regulatory reporting and tax teams at Santam. He has sat on the South African Insurance Association taxation subcommittee and the Financial Services Board's SAM discussion group.

#### Mr MS MOLOKO

BSc Hons, PGCE (Leicester), AMP (Wharton)

Sello is the co-founder and executive chairman of Thesele Group. He has over 25 years' experience in financial services with actuarial consulting and asset management expertise. He is the non-executive chairman of Sibanye Gold, and is the former chief executive officer of Old Mutual Asset Managers.