

# **DELTA PROPERTY FUND LIMITED**

("the Company")

## **DIRECTOR TRADING, EXTERNAL COMMUNICATION & CONFIDENTIALITY POLICY**

### 1. PREAMBLE

This document has been prepared in the interests of formalising a policy regarding confidentiality and the dissemination of price sensitive information pertaining to the Company.

This document recognises the requirements of the:-

- "Insider Trading and Other Market Abuses (including the effective management of price sensitive information)" issued by the JSE Limited ("JSE").
- JSE Listings Requirements, in particular Section 3 relating to Continuing Obligations/ Directors/ Dealings/ Dealings in Securities by Directors of Listed Companies.

### 2. INFORMATION

*Relevant information* in terms of the JSE Listings Requirements includes:

- company announcements, being:
  - continuing obligation announcements, such as interim and annual results, distribution notices, etc. which must be approved by the Sponsor prior to publishing on SENS; and
  - corporate action announcements, dealing with rights issues, scrip dividends, property acquisitions etc. which must be approved by the Sponsor prior to publishing on SENS;
- price sensitive information
  - information which is likely to have a material effect on the listed price;
- directors' trades, being:
  - all transactions in securities of the Company by or on behalf of a director (held directly, indirectly, beneficially, non-beneficially or by an immediate family member of such director) of the Company or any associate of such director as set out in Section 13.35 of the JSE Listings Requirements (see attached definition of "transaction" and "associate").

### 3. OBJECTIVES

This document sets out to achieve the following objectives:

- to establish a clear and consistent policy regarding confidentiality and release of *relevant information*;
- to prevent the untimely release of *relevant information*; and
- to ensure compliance with JSE Listings Requirements.

#### 4. DIRECTORS

##### Confidentiality of information

Directors and company employees will come into contact (directly and indirectly) with information that may be vital to the Company and includes price sensitive information, that may have a bearing on the value or price of the company's shares. That means it is information which could possibly have some bearing on the best interests or price of the Company's shares were it to be released into the market place, and that means anyone outside the company, including friends and family. There are very strict rules about what can and should be done with this information. The misuse of such information can constitute a criminal offence. If you have any doubt whatsoever please consult the Company Secretary or any director and get advice. Do not take chances with this information since a breach of these rules will have very serious consequences.

In the event that any such information comes into the Company's possession through, for example, a breach of confidentiality (and confidentiality cannot be maintained) it is required to put out a cautionary announcement to the JSE and it must publish same.

The confidentiality of all *relevant information* is to be respected. It is understood that confidentiality is addressed with all employees as a basic condition of employment. In addition those employees involved in the preparation of the Company's financial papers ("effected employees") are required to sign confidentiality agreements. These agreements specifically place restrictions on insider trading and trading in units during a closed period.

The directors are required to annually furnish the Company Secretary with a written statement acknowledging that they have received a copy of the "*Insider Trading and Other Market Abuses (including the effective management of price sensitive information)*" and are aware of the contents thereof. This confirmation is to include a prohibition on trading during a closed period.

##### Director duties

Under Common Law and in accordance with the Companies Act No. 71 of 2008 (the Act) (specifically S76), Directors are reminded of their Fiduciary duty of good faith which requires Directors to act in good faith and for a proper purpose and in the best interests of, and for the benefit of the company. This includes: without limitation avoiding conflicts of interest, not exceeding the company's powers and accounting for secret profits.

In addition, Directors have *a duty of care and skill* towards the Company which requires them to act with care, skill and diligence that may reasonably expected from someone (a) Fulfilling his/her functions and (b) Having his/her knowledge, skill and experience.

## 5. PRICE SENSITIVE INFORMATION

### 5.1 Trading in the Company's shares

Directors and the Company's employees may in their own name or through investment vehicles have ownership of the Company's shares.

Directors and Executive Management are required to disclose their interest, direct and indirect in the Company. This disclosure should be updated immediately following any transaction. In terms of the Section 3 requirements (see attached for information) directors are required to obtain clearance to deal from the Chairman or if the Chairman is unavailable then the Lead Independent Director or failing him/her the Chairman of the Audit, Risk & Compliance Committee prior to the transaction taking place. Directors have to inform the Company Secretary within 24 hours of a transaction as the Company Secretary is required via the Sponsors to inform the JSE within 24 hours of receiving such notice. This information is then released on SENS.

All trades (including off market trades) involving directors or the Company Secretary must be announced giving details. A trade (or transaction) includes sale, purchase, agreement to sell or purchase, and the grant etc of options to purchase, conditional or otherwise.

Clearance will be refused during prohibited periods. A record must be kept of these requests and clearances given.

Where Directors / Executive Management transact in the Company's shares through the investment decisions made by independent investment advisors with full discretionary powers, the following disclosure requirements exist:

- No disclosure is required where the investment is in a unit trust that holds the Company's shares;
- The normal disclosure requirements (detailed above) exist for any investment other than that in a unit trust holding the Company's shares. In this instance the Director / Executive Management is deemed to be aware of the trade when he receives his statement from the investment advisor and must comply with the time frames from that point. In addition, the disclosure (and subsequent SENS release) should refer to the fact that the trade has been made in terms of an investment manager managing a discretionary portfolio on the director's / management's behalf.

### 5.2 Closed periods

A closed period is defined as:

- a) The date from the financial year end up to the date of the earliest publication of the preliminary report, abridged report or provisional report;
- b) The date from the expiration of the first six-month period of a financial year up to the date of publication of the interim results;

- c) The date from the expiration of the second six-month period of the financial year up to the date of publication of the second interim results, in cases where the financial period covers more than 12 months;
- d) In the case of reporting on a quarterly basis, the date from the end of the quarter up to the date of the publication of the quarterly results; and
- e) Any period when an issuer, or any listed major subsidiary thereof, or any of their listed securities are trading under a cautionary announcement.

A Director, Executive Management and/or effected employees must prohibit any dealing in securities relating to the Company's shares during a closed period:

- a) By or on behalf of any associate of his/her; and/or
- b) By any investment management dealing on his/her behalf or on behalf of any person associated with him/her where either he/she or any person associated with him/her has funds under management with that investment manager, whether or not on a discretionary basis.

A director must advise all of his associates in writing:

- a) That he/she is a director of the Company;
- b) Of the closed periods during which they cannot deal in the specific issuer's securities; and
- c) That they must advise him/her immediately after they have dealt in securities relating to the Company in order for him/her to comply with the disclosure of dealings.

A director must advise his investment managers in writing:

- a) That he/she is a director of the Company; and
- b) That they may not deal in any securities relating to the Company unless they obtain his/her express consent in writing.

In circumstances where it is necessary to divulge price sensitive information to third parties, such as advisors and persons with whom negotiations are taking place, the relevant parties are to be advised in writing of the confidentiality of the information and that they will not be able to trade in the units prior to the information being made public.

If you have any doubts or concerns about this please contact any one of the Company's Executive Directors and/or the Company Secretary.

## 6. COMMUNICATION FRAMEWORK

In order to keep the market adequately informed and to limit the risk of unauthorised access to the relevant information its release should be prompt and widespread.

### 6.1 Financial results and distributions

In compliance with JSE regulations, announcements are to be released through SENS as soon as practical, which would be after approval at the board meeting (verification of SENS release to be made by any one of the Company's Executive Directors. Both the half-year announcement and year end announcement to be advertised in the press as soon as possible notwithstanding the year end announcement not being compulsory in terms of JSE regulations (in view of early release of the annual report, being three months after the year end).

### 6.2 JSE related announcements

Announcements need to be submitted to the Sponsor for release on SENS. Such announcements are to be approved by the Board and the Sponsor. Advice from the Sponsor on the release of such announcements should be obtained.

### 6.3 Press releases

Press releases to be prepared, with assistance of an external communications consultant where considered appropriate, for release on SENS to accompany financial results and distribution announcements. These are voluntary announcements.

Where considered appropriate, press releases which would not be voluntary announcements should also be prepared to disseminate price sensitive information timeously. Such press releases should be released to SENS prior to distribution to the media.

In the interests of an improved understanding of the industry the Company operates in and the promotion of the Company and the industry as a whole, press releases of information not regarded as price sensitive information should also be considered for distribution.

All press releases to be approved by the Chairman, or any one of the Company's Executive Directors and the Sponsor, prior to release.

### 6.4 Annual reports

The financial statements included in the annual report are to be approved by the board in the broader context. The approval of the detailed content of the integrated annual report is delegated to the Audit, Risk and Compliance Committee.

### 6.5 Dealings with analysts

Any one of the Company's Executive Directors or the Chairman are authorised to communicate with analysts. No communication is to take place in the period five weeks prior to the JSE announcement. Analyst distribution forecasts should not be corrected unless the market is being misled because such forecasts are materially different.

6.3 Social media

Social media postings and/or releases and/or communication are to be prepared, with assistance of an external communications consultant where considered appropriate.

In the interests of an improved understanding of the industry the Company operates in and the promotion of the Company and the industry as a whole, postings and/or releases and/or communication of information not regarded as price sensitive information should also be considered for distribution.

All social media postings and/or releases and/or communication are to be approved by the Chairman, or any one of the Company's Executive Directors prior to release.

6.7 Dealings with shareholders

As for 6.5 above.

Definition of associate in terms of the JSE Listings Requirements:

**“Associate”** means in relation to an individual:

- 1 that individual’s immediate family; and/or
- 2 the trustees (acting as such) of any trust of which the individual or any of the individual’s immediate family is a beneficiary or discretionary subject, including trustees of a trust without nominated beneficiaries, but who have been provided with a letter of wishes or similar document or other instruction, including a verbal instruction, naming desired beneficiaries (other than a trust that is either an occupational pension scheme, or an employees’ share scheme that does not, in either case, have the effect of conferring benefits on the individual or the individual’s family); and/or
- 3 any company in whose equity securities the individual or any person or trust contemplated in 1 or 2 above (taken together) are directly or indirectly beneficially interested (or have a conditional, contingent or future entitlement to become beneficially interested) and that the individual or any person or trust contemplated in 1 or 2 above are (or would on the fulfilment of the condition or the occurrence of the contingency be) able:
  - (a) to exercise or control the exercise of 35% or more of the votes able to be cast at general meetings on all, or substantially all, matters; or
  - (b) to appoint or remove directors holding 35% or more of the voting rights at board meetings on all, or substantially all, matters; and/or
- 4 any close corporation in which the individual and/or any member(s) (taken together) of the individual’s family are beneficially interested in 35% or more of the members’ interest and/or are able to exercise or control the exercise of 35% or more of the votes able to be cast at members meetings on all, or substantially all, matters.

**“Associate”** means in relation to a company:

- 1 any other company that is its subsidiary, holding company or subsidiary of its holding company;
- 2 any company whose directors are accustomed to act in accordance with the company’s directions or instructions; and
- 3 any company in the capital of which the company, and any other company under 1 or 2 taken together, is (or would on the fulfilment of a condition or the occurrence of a contingency be) interested in the manner described in 3 above.

For the purpose of 3(a) above, where more than one director of the same listed company is directly or indirectly beneficially interested in the equity securities of another company, then the interests of those directors and their associates will be aggregated when determining whether such a company is an associate of any one director of such listed company.

### **Section 3 Continuing Obligations/Directors/Dealings in Securities by Directors of Listed Companies**

For the purposes of paragraphs 3.63 to 3.74, reference to a director includes the company secretary.

3.63 An issuer, via its sponsor, must announce the following information:

- a) details of all transactions (including off market transactions) in securities relating to the issuer by or on behalf of:
  - i) a director and company secretary (held directly, indirectly, beneficially or non-beneficially) of the issuer;
  - ii) a director and company secretary (held directly, indirectly, beneficially or non-beneficially) of a major subsidiary company of the issuer;
  - iii) any associate of 3.63(a)(i) or (ii) above (collectively referred to for purposes of this section as “directors”); or
  - iv) any independent entity, and, in terms of which, any party in paragraph 3.63(a)(i)-(iii) may derive any beneficial or non-beneficial interest now or in the future; and
- b) such announcement shall contain the following information:
  - i) the name of the director;
  - ii) the name of the company of which he is a director;
  - iii) the date on which the transaction was effected;
  - iv) the price, number, total value and class of securities concerned;



- v) in the case of options or any other similar right or obligation, the option strike price, strike dates and periods of exercise and/or vesting;
- vi) the nature of the transaction;
- vii) the nature and the extent of the director's interest in the transaction; and
- viii) confirmation and clearance has been given in terms of paragraph 3.66.

3.64 "Transaction" includes any sale/purchase for, agreement to sell/purchase/subscribe for or donations of, any securities relating to the issuer (including but not limited to warrants, single stock futures and other derivatives issued in respect of the issuer's securities) and the acceptance, acquisition, disposal, and exercise of any option (including but not limited to options in terms of a share incentive/option scheme) or other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities, or any interest in securities relating to the issuer and "deal" shall be construed accordingly.

3.65 The directors are required to disclose to the issuer all information that the issuer needs to comply with paragraph 3.63. The issuer shall also advise each of its directors of their obligations to disclose to it all information that the issuer needs in order to comply with paragraph 3.63. Any director who deals in securities relating to the issuer is required to disclose the information required by paragraph 3.63 to the issuer without delay, and in any event by no later than 24 hours after dealing. The issuer must in turn announce such information without delay and in any event by no later than 24 hours after receipt of such information from the director concerned.

#### Clearance to deal

3.66 A director may not deal in any securities relating to the issuer without first advising the chairman (or one or more other appropriate directors designated for this purpose) in advance and after receiving clearance from same. In his own case, the chairman, or other designated director, must advise the board in advance, or advise another designated director, and receive clearance from the board or designated director, as appropriate.

#### Circumstances for refusal

3.67 A director must not be given clearance (as required by paragraph 3.66) to deal in any securities relating to the issuer during a prohibited period. A "prohibited period" means:

- a) a closed period;
- b) any period when there exists any matter, which constitutes unpublished price sensitive information in relation to the issuer's securities (whether or not the director has knowledge of such matter).

3.68 A written record must be maintained by the issuer of the receipt of any advice received from a director pursuant to paragraph 3.66 and of any clearance given.

Written confirmation from the issuer that such advice and clearance, if any, have been recorded must be given to the director concerned.

#### Dealing in prohibited periods

- 3.69 A director may not deal in any securities relating to the issuer during a closed period as defined.
- 3.70 Notwithstanding 3.69, a director may not deal in any securities relating to the issuer at any time when he/she is in possession of unpublished price sensitive information in relation to those securities, or otherwise where clearance to deal is not given in terms of paragraph 3.66.

#### Dealings by associates of directors and investment managers

- 3.71 A director must prohibit (by taking the steps set out in paragraphs 3.72 and 3.73) any dealing in securities relating to the issuer during a closed period:

- a) by or on behalf of any associate of his/hers; and/or
- b) by any investment manager dealing on his behalf of on behalf of any person associated with him/her where either he/she or any person associated with him/her has funds under management with that investment manager, whether or not on a discretionary basis.

- 3.72 For the purposes of paragraph 3.71, a director must advise all of his associates in writing:

- a) of the name(s) of the issuer(s) of which he is a director;
- b) of the closed periods during which they cannot deal in the specific issuer's securities; and

that they must advise him immediately after they have dealt in securities relating to the issuer(s) in order for him to comply with paragraph 3.65.

- 3.73 For the purpose of 3.71, a director must advise his investment managers in writing:

- a) of the name(s) of the issuer(s) of which he is a director; and
- b) that they may not deal in any securities relating to the issuer(s) of which he is a director unless they obtain his express consent in writing.

- 3.74 Paragraphs 3.63 to 3.73 do not override the provisions of the Security Services Act 36 of 2004 as amended ("SSA") and should not be construed as additional defences or exclusions from having to comply with the SSA. Issuers may impose more rigorous restrictions upon dealings by directors if they so wish, or if it is appropriate in certain circumstances.