

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent adviser authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if you reside elsewhere, another appropriately authorised financial adviser.**

If you have recently sold or transferred all of your Ordinary Shares in Supermarket Income REIT plc, please forward this document, together with the accompanying documents, as soon as possible either to the purchaser or transferee or to the person who arranged the sale or transfer so they can pass these documents to the person who now holds the shares.

This document, which comprises a circular, has been prepared in compliance with the UKLRs for the purposes of the General Meeting convened pursuant to the Notice of General Meeting contained in this document. This document has not been approved by the FCA and is being sent to you solely for your information in connection with the Proposals. This document is not a prospectus and does not constitute or form part of any offer or invitation to any person to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for any Ordinary Shares in Supermarket Income REIT plc or in any other company in the Group.



## **SUPERMARKET INCOME REIT PLC**

*(incorporated in England & Wales with registered number 10799126)*

*LSE Share Code: SUPR*

*JSE Share Code: SRI*

*ISIN Code: GB00BF345X11*

*LEI: 2138007FOINJKAM7L537*

### **Proposed Internalisation of the Group's management and associated arrangements**

**and**

### **Notice of General Meeting**

---

Your attention is drawn to the letter from the Chair of Supermarket Income REIT plc set out in part 1 of this document, which includes recommendations from the Board that you vote in favour of the Resolutions to be proposed at the General Meeting. You are recommended to read the whole of this document. In particular, recipients of this document should review the Risk Factors set out on pages 1 to 2 of this document. **Notice of a General Meeting of the Company, which has been convened for 2.00 p.m. on Thursday 20 March 2025 at the offices of Macfarlanes LLP, 20 Cursitor Street, London EC4A 1LT is set out on page 37 of this document. The date of this document is 4 March 2025.**

## TABLE OF CONTENTS

	<b>Page</b>
RISK FACTORS.....	1
IMPORTANT INFORMATION.....	3
EXPECTED TIMETABLE OF PRINCIPAL EVENTS <sup>(1)</sup> .....	5
PART 1.....	
LETTER FROM THE CHAIR OF SUPERMARKET INCOME REIT PLC.....	6
PART 2.....	
PRINCIPAL TERMS OF THE PROPOSED INTERNALISATION.....	15
PART 3.....	
NEW DIRECTORS' REMUNERATION POLICY.....	17
PART 4.....	
SUMMARY OF THE PRINCIPAL TERMS OF THE SUPERMARKET INCOME REIT LONG TERM INCENTIVE PLAN (THE "LTIP").....	27
PART 5.....	
DEFINITIONS.....	33
PART 6.....	
NOTICE OF GENERAL MEETING.....	37

## **RISK FACTORS**

Shareholders should carefully consider all of the information set out in this document, including, in particular, the risks described below, prior to making any decision as to whether or not to vote in favour of the Resolutions. Additional risks and uncertainties not currently known to the Board, or which the Board currently considers to be immaterial, may also have an adverse effect on the Group and/or the Proposals.

### **1 Risks relating to the Proposed Internalisation**

#### **1.1 The Proposed Internalisation is subject to the Condition, which may not be satisfied**

Completion of the Proposed Internalisation is subject to approval by the Long Stop Date of the Transaction Resolutions by Shareholders at the General Meeting.

If the Condition is not satisfied in the necessary time-frame, the Proposed Internalisation will not complete. The Transaction Resolutions are interconditional and so if any Transaction Resolution does not pass then none of the Transaction Resolutions will pass and the Proposed Internalisation will not complete.

If the Condition is not satisfied, this would mean that the Group would continue to operate as it currently does, including the continuation of the current external Management Agreements at greater cost to the Company, compared to the cost of an internal management structure through the Proposed Internalisation, which would be in place after Completion.

#### **1.2 The Group may not have identified all risks and liabilities in respect of the Proposed Internalisation in relation to the transition from the Management Agreements to internal management**

There can be no assurance that the Group or its advisers have identified and adequately addressed all of the risks and/or liabilities associated with the transition from the Management Agreements to internal management or the full extent of any such risks and/or liabilities, in particular as to whether the Group will have all of the assets and services it needs to carry on its business post Completion.

The consequences of not identifying all, or underestimating, such risks and liabilities may have a material adverse effect on the business, results of operations and financial condition of the Group and the market price of the Ordinary Shares.

#### **1.3 The Atrato Parties have given minimal contractual protections to the Group in connection with the Proposed Internalisation and the Group may be unable to recover losses even where contractual breaches have occurred**

While the Atrato Parties have given certain contractual protections in the Transaction Documents in favour of the Group in respect of certain matters, those protections are minimal. For further information on these provisions, see paragraph 4 of part 2 of this document.

Accordingly, the Group may not have recourse against the Atrato Parties in relation to certain risks or liabilities in connection with the Proposed Internalisation. In particular, the Atrato Parties have only given non-compete covenants to the Group in respect of certain pipeline opportunities and, subject to this restriction, may compete with the Group. In those circumstances, the Atrato Group may also have conflicts of interest due to the provision of the Business Services and company secretarial services by the Atrato Group.

In any event, the Group may not be able to recover losses even where contractual breaches have occurred. Such a failure may result, for example, from the impact of the limitations set out in the Transaction Documents, from the inability of the Atrato Parties to make any payments and/or from other currently unforeseen circumstances. Such a failure could have a

material adverse effect on the business, results of operations and financial condition of the Group and the market price of the Ordinary Shares.

## **2 Risks relating to the Group following the Proposed Internalisation**

### **2.1 Transition**

The Group's success following the Proposed Internalisation may, in part, be dependent upon the Group's ability to transition from external management to internal management.

Achieving the anticipated benefits of the Proposed Internalisation will depend in part upon the Group's ability to maintain strong relationships with its tenants, lenders and third party service providers. Any failure to do so could have a material adverse effect on the business, results of operations and financial condition of the Group and the market price of the Ordinary Shares.

### **2.2 Financial benefits and strategic benefits achieved from the Proposed Internalisation may differ from those anticipated**

The Company believes that the Proposed Internalisation is justified by cost savings and other strategic benefits it expects to achieve. However, these cost savings and other strategic benefits may not develop as anticipated and other assumptions upon which the Company determined to pursue the Proposed Internalisation may prove to be incorrect. The statements concerning strategic benefits contained in this document relate to future actions and circumstances which, by their nature, involve uncertainties and contingencies. As a result, the strategic benefits may not be achieved, or those achieved could be materially different from those estimated.

To the extent that the Company incurs higher transitional costs or achieves fewer cost savings than expected, it could have a material adverse effect on the Group's results of operations, financial condition or prospects and the market price of the Ordinary Shares.

### **2.3 Retention of personnel**

The Company currently depends on the external advisory services of the Atrato Parties pursuant to the terms of the Management Agreements. Following the Proposed Internalisation, these functions will be carried out by the management team directly employed and incentivised by the Group. While the Company believes that it will retain such personnel following the Proposed Internalisation, particularly because Rob Abraham and Mike Perkins will have a twelve month notice provision in their service agreements respectively and are subject to customary restrictive covenants, the Company cannot ultimately prevent any personnel from terminating their respective contracts. The loss of these individuals or any other key personnel could have a material adverse effect on the Group's results of operations, financial condition or prospects and the market price of the Ordinary Shares.

### **2.4 The Company may not be able to change its listing category**

Although the Company intends to explore a transfer of its listing from the "closed-ended investment funds" category of the Official List to the "equity shares (commercial companies)" category there is no guarantee that such change of listing will become effective or its full benefits achieved, including if the Company fails to meet the eligibility criteria or if the regulatory consequences of changing listing category are not as the Company anticipates.

## IMPORTANT INFORMATION

### Notice to Shareholders

Shareholders should only rely on the information contained in this document. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company, the Directors or any other person involved in the Proposals. No representation or warranty, express or implied, is made by the Company, the Directors, or any other person involved in the Proposals as to the accuracy or completeness of such information, and nothing contained in this document is, or shall be relied upon as, a promise or representation by the Company, the Directors or any other person involved in the Proposals as to the past, present or future. Except to the extent imposed by FSMA and/or the UKLRs and/or UK MAR, the delivery of this document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this document or that the information in this document is correct as at any time subsequent to its date.

### Definitions

Capitalised terms have the meanings ascribed to them in part 5 of this document.

### Shareholder queries

#### ***UK Register Shareholders***

UK Register Shareholders who have questions relating to this document should contact MUFG Corporate Markets, by email at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com), or you may call MUFG on 0371 664 0300 Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.

*Please note that, for legal reasons, the helpline will only be able to provide information contained in this document and information relating the Company's register of members and will be unable to give advice on the merits of the Proposals or to provide financial, legal tax or investment advice.*

#### ***South Africa Register Shareholders***

SA Register Shareholders who have questions relating to this document should contact the Company's SA Transfer Secretaries, Computershare Investor Services Proprietary Limited by e-mail at [proxy@computershare.co.za](mailto:proxy@computershare.co.za) or by calling +27 11 370 5000 during South African business hours.

### Forward-looking statements

This document includes statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "anticipates", "believes", "estimates", "expects", "intends", "may", "plans", "projects", "should" or "will", or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Company's and/or the Directors' intentions, beliefs or current expectations concerning, amongst other things, the Group's results of operations, financial position, prospects, growth, strategies and market expectations.

Any forward-looking statements in this document reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations and

growth strategy. In addition, even if the Group's results of operations, financial position and growth, and the development of the markets and the industry in which the Group operates, are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. Subject to the requirements of the rules of the FCA, the London Stock Exchange or by law, none of the Company, the Directors or any other person involved in the Proposals undertake any obligation publicly to release the result of any revisions to any forward-looking statements in this document that may occur due to any change in the Company's expectations or to reflect events or circumstances after the date of this document.

A number of factors could cause results and developments of the Group to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, changes in regulation, currency fluctuations, changes in its business strategy, political and economic uncertainty and other factors discussed in the sections headed "Risk Factors" and part 1 of this document. Past performance of the Group is not necessarily indicative of future performance.

#### **No forecasts or estimates**

No statement in this document (including any statement of estimated cost savings or strategic benefits) is intended as a profit forecast or estimate for any period.

#### **No offer or solicitation**

This document is not a prospectus and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security.

#### **Presentation of financial information**

References to "£", "pounds Sterling", "Sterling", "p" and "pence" are to the lawful currency of the United Kingdom.

#### **Rounding**

Certain data in this document, including financial, statistical and operating information have been rounded, and, as a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. In certain instances, the sum of the numbers in a column or row in tables contained in this document may not conform exactly to the total figure given for that row or column. Percentages in tables may have been rounded and accordingly may not add up to 100% or to the precise sum of the totals expressed in such tables.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS<sup>(1)</sup>

Date on which Shareholders must be registered in the Company's register of members to receive this document	close of business on 27 February 2025
Announcement of the Proposed Internalisation	4 March 2025
Publication of this document	4 March 2025
Last day for SA Register Shareholders to trade Ordinary Shares on the JSE in order to be recorded in the Company's SA register of members to be entitled to vote at the General Meeting	13 March 2025
Date on which Shareholders must be registered in the Company's register of members to be entitled to vote at the General Meeting:	close of business on 18 March 2025
Latest time and date for receipt of proxy appointments from UK Register Shareholders	2.00 p.m. on 18 March 2025
Latest time and date for receipt of proxy appointments from SA Register Shareholders	4.00 p.m. (South African Standard Time) on 18 March 2025
General Meeting	2.00 p.m. on 20 March 2025
Expected completion date of the Proposed Internalisation	25 March 2025 <sup>(2)</sup>

### Notes:

(1) The times set out in the expected timetable of principal events above and mentioned throughout this document are times in London unless otherwise stated, and may be subject to change, in which event details of the new times and dates will be notified to Shareholders.

(2) These times and dates are indicative only and will depend on, amongst other things, the date upon which the Condition is satisfied.

## PART 1

### Letter from the Chair of Supermarket Income REIT plc (incorporated in England & Wales with registered number 10799126)

#### Directors:

Nick Hewson\*  
Sapna Shah\*  
Jon Austen\*  
Roger Blundell\*  
Frances Davies\*  
Vince Prior\*  
Cathryn Vanderspar\*

#### Registered Office:

3<sup>rd</sup> Floor  
10 Bishop's Square  
London  
England  
E1 6EG

*\*Independent non-executive*

4 March 2025

Dear Shareholder,

### Proposed Internalisation

#### 1 Introduction

On 4 March 2025, the Board announced that, after careful consideration, it had reached an agreement with the Atrato Group to internalise its management function (the “**Proposed Internalisation**”) for an aggregate consideration of £19.7 million. This will be funded from the proceeds recently received by the Company from the sale of its large format omnichannel Tesco store in Newmarket to its operator, Tesco plc, for £63.5 million, which was completed at a 7.4% premium to the 30 June 2024 valuation.

The Board believes that the Company has reached a scale and maturity for which an internalised management structure is appropriate and that the Proposed Internalisation delivers a number of compelling financial and strategic benefits, including:

- significant cost savings of at least £4 million per annum, equivalent to a yield on cost of c19%;
- delivering the highest return on capital of any capital redeployment option, whilst share buybacks and asset acquisitions remain under consideration for future capital recycling;
- opportunity to achieve a material enhancement in EPRA earnings and long-term dividend cover, with the potential for higher future dividend growth;
- a new EPRA cost ratio target of below 9%, one of the lowest in the sector;
- enhancing the alignment between the Company, its management and Shareholders;
- simplified management structure, securing the specialist supermarket fund management team and platform through the transfer of the systems, know-how and proprietary market knowledge that Atrato has developed since 2017;
- creating a structure more appropriate for a UK REIT of the scale of SUPR, providing greater strategic flexibility, improving Shareholder returns and broadening SUPR's potential investor universe;

- enabling the Company to pursue a transfer of its UK listing to the “equity shares (commercial company)” category;
- improved access to capital and balance sheet flexibility; and
- potential future fee generation opportunities for the Company, leveraging the team’s expertise through joint ventures.

These benefits, alongside recently announced progress against other key strategic initiatives, are designed to reduce cost, deliver sustainable and growing earnings and ultimately help reduce the current share price discount to NTA.

The Company will continue to invest in supermarket property forming a key part of the future model of grocery. The supermarkets the Company owns will continue to be let to leading supermarket operators in the UK and Europe, diversified by both tenant and geography. The focus will remain on grocery stores which are omnichannel, fulfilling online and in-person sales and the Company will remain a leading landlord of omnichannel supermarkets in the UK.

The Proposed Internalisation is expected to take effect on or about 25 March 2025, subject to Shareholder approval.

Ben Green and Steve Windsor, Principals at Atrato Capital, have agreed to a lock-up (subject to customary exemptions) in respect of an aggregate of 4,819,294 Ordinary Shares held by them and their respective connected persons until the end of 31 March 2026.

Following the Proposed Internalisation, Rob Abraham, the current Fund Manager and Managing Director, Supermarkets, at Atrato Group, will be appointed as Chief Executive Officer and Mike Perkins, the current Finance Director, Supermarkets, at Atrato Group, will be appointed as Chief Financial Officer of the Company. Both will join the Board upon completion.

Rob has been Fund Manager for the last three years and with the Atrato Group for six years, having played a key role in the growth of the Company from seven supermarkets to 82 during that time, and has significant experience in investor engagement, capital raising, acquisitions and disposals. Mike has been Finance Director of Supermarkets at Atrato Group for the last year and was in a finance director role at another listed REIT for the preceding five years. Rob and Mike’s biographies are included in paragraph 5 below.

On completion of the Proposed Internalisation, Rob Abraham and Mike Perkins will join the Board as Executive Directors. In order to provide a legal framework for the remuneration arrangements of the Executive Directors following Completion, the Board is proposing the adoption of the New Directors’ Remuneration Policy. The Board is also seeking Shareholder approval in connection with a long-term incentive plan for employees. In addition, the Board is proposing to increase the limit on Director remuneration set out in the Company’s articles of association in light of the Proposed Internalisation.

Shareholders will have an opportunity to hear from Rob Abraham and Mike Perkins about the plans for the Company as an internally managed REIT at the General Meeting that has been convened for 2.00 p.m. on 20 March 2025 in connection with these proposals.

If the Proposed Internalisation becomes effective, the Company will seek a transfer of its UK listing from the “closed-ended investment funds” category to the “equity shares (commercial companies)” category. The Board expects that such a transfer of listing will reduce the administrative burden, provide greater operational flexibility, and potentially attract a wider range of investors and research analysts.

The following principal transaction documents have been entered into (or have been agreed to be entered into at Completion) in connection with the Proposed Internalisation:

- a conditional internalisation agreement (the “**Internalisation Agreement**”) dated 4 March 2025 between the Company, SUPR ServiceCo and the Atrato Parties;
- a deed of termination (the “**Current IAA Termination Deed**”) dated 4 March between the Company, JTC and Atrato Capital; and
- a business services agreement (the “**Business Services Agreement**”) between the Company and ASL to be entered into on Completion,

(together, the “**Transaction Documents**”).

Atrato Capital is a related party of the Company and the other Atrato Parties are associates of Atrato Capital. The Transaction Documents therefore each constitute a relevant related party transaction under UKLR 11.5.4R. While the Company is not required to obtain Shareholder approval in relation to the entry into the Transaction Documents, it is giving Shareholders the opportunity to approve the terms of the Transaction Documents as a matter of good corporate governance.

The purpose of this document is to:

- explain the background to and reasons for the Proposals;
- provide further details regarding the Proposals;
- explain the Resolutions to be put to the Shareholders at the General Meeting and why the Board considers the Resolutions to be in the best interests of the Company and its Shareholders as a whole;
- recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting to be held on 20 March 2025; and
- convene the General Meeting to obtain Shareholder approval for the Proposals.

The Board would like to take this opportunity to thank Steve Windsor, Ben Green and the wider Atrato Group team for their invaluable contribution to the performance and growth of the Company over the last eight years and wishes them well for the future.

## 2 **Background to the Proposed Internalisation**

Supermarket Income REIT is a public limited company incorporated in England and Wales on 1 June 2017. On 21 July 2017, all of the then issued ordinary shares were admitted to trading on the Specialist Fund Segment (the “**SFS**”) of the LSE by way of an initial public offering, raising gross proceeds of £100 million through the issue of 100,000,000 ordinary shares at a price of 100 pence per ordinary share (the “**IPO**”). Since IPO, the Company has, through equity fundraisings, raised aggregate gross proceeds of approximately £1.2 billion to invest in supermarket assets.

In 2022, the Company’s shares were admitted to the Official List of the FCA and to trading on the Premium Segment of the LSE’s Main Market, having migrated from the SFS. In December 2024, the Company obtained a secondary listing on the Main Board of the JSE in South Africa.

The Company has been externally advised by Atrato Capital since IPO and the Directors consider that, historically, this advisory arrangement has worked effectively for the Company with a clear cost structure and a reduced administrative burden on the Company with no employees, infrastructure or head office requirements.

The Company does not currently have any employees and Atrato Capital is the adviser to the Board with regard to property advisory, administrative and finance services. The relationship between the Company and Atrato Capital is governed by the Current IAA. An affiliate of Atrato Capital has also recently been appointed as company secretary to the Company.

As announced by the Company on 5 November 2024, the Company aims to have one of the lowest EPRA cost ratios in the UK REIT sector and accordingly, the Directors have worked closely with Atrato Capital to identify ways to deliver both material cost savings and even closer alignment with the interests of the Company and its Shareholders. At various stages since IPO, the Company has renegotiated the terms of its investment advisory agreement, most recently in December 2024, to change the basis of the investment advisory fee from net asset value to market capitalisation in an initial step towards achieving its EPRA cost ratio target.

The Atrato Group platform has grown over the years and the team that currently dedicates its time to running the Company has reached a maturity that allows them to operate self-sufficiently. Rob Abraham and Mike Perkins, respectively the proposed Chief Executive Officer and Chief Financial Officer of the Company following the Proposed Internalisation, are already in leadership positions and running day-to-day operations.

The Board is very pleased with Rob and Mike's performance in their respective roles to date and is highly confident in their ability to deliver on the Company's strategy. Reflecting their current day to day responsibilities, they will oversee the Proposed Internalisation to ensure continuity in the management of the Company, its assets and the transfer of key investment, asset management, finance, operations and investor relations employees from the Atrato Group to SUPR.

The decision to internalise is a natural next step and the result of a collaborative process between the Board and the Investment Adviser. Based on an analysis of the Company's capital allocation options, the returns from internalisation are materially higher than alternative uses of the Company's capital, for example share buybacks or property acquisitions. The consideration has been funded through the proceeds of the recently announced disposal of Tesco Newmarket, with a payback period of c.5 years.

Atrato Group will receive an additional £0.3 million for the termination of its AIFM agreement and, to ensure continuity of operations, Atrato Group will receive £0.8 million for the provision of transitional services for up to 9 months post completion (in each case exclusive of VAT).

The Company is in a strong position for the next phase of its growth, as the UK's only listed grocery real estate specialist with a high-quality handpicked portfolio of 82 strongly performing supermarkets in the UK and France.

### **3 Financial effects of the Proposed Internalisation**

The Directors consider that the Proposed Internalisation will be immediately earnings enhancing. It is anticipated that the Company will achieve annual cost savings of at least £4 million<sup>1</sup> following Completion. In respect of the year ended 30 June 2025, the dilution from the Proposed Internalisation to EPRA NTA per Ordinary Share is expected to be approximately 1.72p.

### **4 Principal Terms of the Proposed Internalisation**

The key terms of each of the Transaction Documents are set out in part 2 of this document. JTC will continue to be the Company's AIFM following Completion.

---

<sup>1</sup>Saving based on annual budgeted expenditure under internalised structure compared with current external management structure and using a 12 month average share price as at 28 February 2025 of 72.6p to calculate the advisory fee payable on a market capitalisation basis, which is due to take effect from 1 July 2025.

## 5 **Board and Management**

### ***Board***

Rob Abraham and Mike Perkins have agreed to join the Board following Completion as Chief Executive Officer and Chief Financial Officer respectively. They will be appointed to the Board by the Directors but will, in accordance with the Articles, retire and stand for election at the Company's next annual general meeting. Rob and Mike's biographies are set out below.

#### *Rob Abraham*

Rob joined the Atrato Group in May 2019 and is responsible for advising the Company on behalf of Atrato Capital in his role as Fund Manager. He has fourteen years of experience across real estate, finance, capital markets and investment, and has been integral to the growth of the Company from seven supermarkets in 2019 to 82 today. Rob has transacted over £1.5 billion of supermarket property including sale & leasebacks, joint ventures and corporate acquisitions. He has also played a key role in the raising of over £1 billion of equity and over £1 billion of debt financing for the Company. His prior experience was with Lloyds Bank, most recently working in the Loan Markets business originating, structuring and syndicating debt facilities across corporate, funds and real estate sectors. Rob holds the Chartered Financial Analyst designation.

#### *Mike Perkins*

Mike joined the Atrato Group in November 2023 as Finance Director of Supermarkets and provides financial, strategic, treasury and tax support to the Company on behalf of Atrato Capital. Mike joined from Logistics Asset Management LLP, the investment advisor to Urban Logistics REIT plc, where he was Chief Financial Officer. Mike has fifteen years' experience within the real estate and financial services sector and has worked in listed real estate for over eight years. During his career he has played a key role in raising over £500 million of equity capital and has originated over £300 million of debt financings. He is a Fellow of the Association of Chartered Certified Accountants.

Other than as set out above, there are no changes proposed to the Board as a result of the Proposed Internalisation. The following changes are expected to occur to the Board committees:

#### *Remuneration Committee*

At Completion, the Remuneration Committee will adopt new terms of reference to cover its extended remit for setting executive remuneration arrangements and ensuring that these are linked to delivery of the Company's long-term strategy.

The membership of the Board committees will continue unaltered following Completion except that Roger Blundell shall join the Audit Committee and the Remuneration Committee.

### ***Management***

A total of 14 employees in the Atrato Group are expected to become employees of SUPR ServiceCo.

## 6 **New Directors' Remuneration Policy**

A revised Directors' remuneration policy in the form set out in part 3 of this document is proposed for Shareholder approval at the General Meeting. The New Directors' Remuneration Policy will be adopted on and subject to Completion in substitution for the existing Directors' remuneration policy approved by Shareholders at the annual general meeting of the Company in 2024, which reflected that the Company was then externally managed pursuant to the Management Agreements then in force. The New Directors' Remuneration Policy includes the Company's policy on remuneration for its executive directors, which reflects the Proposed Internalisation. If the New Directors' Remuneration Policy is approved, it will take effect from

Completion and all payments by the Company to Directors and any former directors (in their capacity as directors) will be made in accordance with the New Directors' Remuneration Policy. Unless the New Directors' Remuneration Policy is to be further revised, it will be valid for up to three years without new Shareholder approval being required.

Subject to Completion occurring, the Committee intends to implement the New Directors' Remuneration Policy as follows:

#### ***Executive Directors***

- The CEO and CFO will receive base salaries of £375,000 and £275,000 respectively. The next salary review date is expected to be in 2026.
- Pensions will be set at 8% of salary. This aligns to the wider workforce provision.
- Annual bonuses will be capped at 150% of salary. Performance against targets will be measured and a minimum of 50% of the bonus will normally be awarded in shares (until certain targets are hit) and deferred for 2 years.
- The 2025 LTIP awards will be capped at 200% of salary with the 2025 awards expected to be granted shortly following Completion based on the Company's share price at Completion. Performance metrics for the initial awards are expected to be based on a combination of Total Shareholder Return and financial performance metrics.
- Shareholding guidelines will operate for the Executive Directors at a minimum of 200% of salary and will extend for a period of time post cessation of employment.

#### ***Non-Executive Directors***

- The Chair will receive a fee of £150,000 per annum.
- The Non-Executive Director base fee will be set at £60,000 per annum, with an additional £10,000 payable for the role of Senior Independent Director and an additional £10,000 payable for chairing a board committee.

### **7 Proposed increase in the Directors' remuneration limit**

Article 53.1 of the Articles sets a limit on the aggregate amount the Directors collectively shall be entitled to receive by way of fees for their services as directors at £500,000 per annum (which excludes remuneration paid to Executive Directors in connection with their executive office), or such higher figure as the Company may by ordinary resolution determine. It is proposed to increase that amount to £700,000 in light of the New Directors' Remuneration Policy.

### **8 New LTIP**

It is proposed to seek authority from Shareholders to adopt and operate the LTIP for a period of 10 years from the date of the General Meeting. The LTIP is being introduced as part of the New Directors' Remuneration Policy, as outlined in paragraph 6 above.

A summary of the principal terms of the LTIP are set out in part 4 of this document.

### **9 General Meeting**

This document constitutes a circular prepared in compliance with the UKLRs for the purposes of the General Meeting convened pursuant to the Notice of General Meeting set out in part 6 of this document.

You will find set out at the end of this document a Notice of General Meeting convening the General Meeting to be held at 2.00 p.m. on Thursday, 20 March 2025 at the offices of Macfarlanes LLP, 20 Cursitor Street, London EC4A 1LT. The full text of the Notice of General Meeting is set out in part 6 of this document.

At the General Meeting, the Resolutions summarised below will be proposed. Voting will be conducted on a poll, which means that every Shareholder who is present in person or by proxy has one vote for every Ordinary Share held.

#### **Resolution 1**

**THAT**, subject to the passing of Resolutions 2 and 3, the terms of the Transaction Documents be and are hereby approved.

#### **Resolution 2**

**THAT**, subject to the passing of Resolutions 1 and 3, the New Directors' Remuneration Policy be and is hereby approved and will take effect from and subject to Completion.

#### **Resolution 3**

**THAT**, subject to the passing of Resolutions 1 and 2, the limit on the aggregate amount the directors shall be entitled to receive by way of fees for their services as directors, as set out in Article 53.1 of the Articles shall be increased from £500,000 to £700,000 in any financial year.

#### **Resolution 4**

**THAT**, subject to the passing of Resolutions 1, 2, and 3, the rules of the Supermarket Income REIT Long Term Incentive Plan (the "**LTIP**") produced in draft to the General Meeting (the terms of which are summarised in part 4 of the Circular) and, for the purposes of identification only, initially by the Chair, be and are hereby approved and that the Directors be authorised to:

- (a) do all acts and things which they may consider necessary or expedient for the purposes of implementing and giving effect to the LTIP; and
- (b) establish further plans based on the LTIP but modified to take account of local tax, exchange control exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the LTIP.

The Proposed Internalisation is conditional on, *inter alia*, the passing of all of the Transaction Resolutions. Each Transaction Resolution is conditional upon each of the other Transaction Resolutions (but not the LTIP Resolution) being passed. The LTIP Resolution is conditional upon all of the Transaction Resolutions being passed.

Atrato Capital has voluntarily agreed not to vote on the Transaction Documents Resolution and has undertaken to take all reasonable steps to ensure that its associates who are Shareholders do not vote on the Transaction Documents Resolution. Atrato Capital can vote on the other Resolutions.

All of the Resolutions are proposed as ordinary resolutions. For an ordinary resolution to be passed, a simple majority of Shareholders entitled to vote and present in person or by proxy must cast their votes in favour.

The Company is calling the General Meeting on less than 21 clear days' notice as permitted by the enabling resolution passed at the Company's annual general meeting held on 16 December 2024. The Company considers doing so to be merited by the business of the meeting and considers proceeding to completion of the Proposed Internalisation as soon as possible to be to the advantage of Shareholders as a whole.

## Action to be taken in respect of the General Meeting

### UK Register Shareholders

If you would like to vote on the Resolutions in advance, you can appoint a proxy by logging on to [www.signalshares.com](http://www.signalshares.com) and selecting the “proxy voting” link. You can also appoint a proxy by lodging a proxy appointment through the CREST proxy voting service or by requesting a hard copy proxy form by contacting our Registrar, MUFG Corporate Markets, on 0371 664 0300. (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales). Submission of a proxy vote shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof and returning it to the address shown on the form.

As your participation is important to us, we would encourage you to vote ahead of the General Meeting by appointing your proxy in the manner described above.

Please remember to return your proxy electronically so that it is received by the Company's Registrar, MUFG, by no later than 2.00 p.m. on 18 March 2025. If you hold your Ordinary Shares through a nominee service, please contact the nominee service provider regarding the process for appointing a proxy.

The results of the votes cast on the Resolutions at the General Meeting will be announced as soon as possible once known through a Regulatory Information Service and on the Company website at [www.supermarketincomereit.com](http://www.supermarketincomereit.com).

### SA Register Shareholders

You can appoint a proxy by completing the form of proxy enclosed herewith. Forms of proxy must be lodged with or posted to the SA Transfer Secretaries, Computershare Investors Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold 2132, South Africa), faxed to +27 11 688 5238 or emailed to [proxy@computershare.co.za](mailto:proxy@computershare.co.za) to be received by no later than 4.00 p.m. (South African Standard Time) on Tuesday, 18 March 2025.

The completion and lodging of a form of proxy will not preclude the Shareholder from attending the General Meeting and speaking and voting in person to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.

As your participation is important to us, we would encourage you to vote ahead of the General Meeting by appointing your proxy in the manner described above.

The results of the votes cast on the Resolutions at the General Meeting will be announced as soon as possible once known through a Regulatory Information Service, the JSE Stock Exchange News Service and on the Company website at [www.supermarketincomereit.com](http://www.supermarketincomereit.com).

## Documents available for Inspection

Copies of the following are available for inspection at the Company's registered office during normal business hours, from the Company on request by email to [cosec@atratopartners.com](mailto:cosec@atratopartners.com) and will be available at the General Meeting for at least 15 minutes prior to and during the General Meeting:

- (a) this document;
- (b) the New Directors' Remuneration Policy; and
- (c) the LTIP Rules.

12 **Board recommendation**

The Directors consider the Proposals to be in the best interests of the Company and the Shareholders as a whole.

Accordingly, the Directors therefore unanimously recommend that you vote in favour of all the Resolutions, as the Directors who hold Ordinary Shares intend to do in respect of their own beneficial holdings (and the beneficial holdings which are under their control and those of their close relatives), which amount to 2,092,386 Ordinary Shares, representing approximately 0.17% of the Ordinary Shares.

Yours sincerely,

**Nick Hewson**  
**Chair**  
**Supermarket Income REIT plc**

## PART 2

### Principal terms of the Proposed Internalisation

#### 1 Internalisation Agreement

(i) *Conditionality*

Completion of the Proposed Internalisation is subject to the approval of the Transaction Resolutions by the Shareholders at the General Meeting (or any adjournment thereof) (the “**Condition**”) by the Long Stop Date. If the Condition is not satisfied in the necessary time-frame, the Proposed Internalisation will not complete. Completion shall take place on the third Business Day following the satisfaction of the Condition or the Long Stop Date, whichever is earliest.

(ii) *Termination of Management Agreements*

The parties agree that, with effect from Completion, the New AIFM Agreement and the New IAA Agreement are terminated and have no further effect from that time. The relevant parties also agree to enter into the Current IAA Termination Deed.

(iii) *Consideration*

In consideration for the Atrato Parties agreeing to the internalisation of the management function, the Company agrees to pay the Atrato Parties on Completion £19.7 million (exclusive of VAT). Atrato Group will receive a further £0.3 million (exclusive of VAT) for the termination of its AIFM agreement and £0.8 million (exclusive of VAT) for the provision of transitional services for up to 9 months post Completion.

*Employees*

The employment of an agreed list of employees will transfer to SUPR ServiceCo with effect from Completion. There are customary mutual TUPE indemnities in relation to such transfer. The parties have also agreed mutual adjustments in relation to holiday pay.

(iv) *Separation*

A process is set out for transferring relevant contracts and migrating data to the Company.

(v) *Restrictive covenants*

The Atrato Parties give limited non-compete covenants to the Group for a limited period that they will not pursue certain pipeline opportunities. The parties give each other customary non-solicit restrictions in relation to employees for a limited period.

(vi) *Business Services Agreement*

The Company and ASL have agreed to enter into the Business Services Agreement (summarised below) on Completion.

#### 2 Current IAA Termination Deed

Pursuant to an existing deed of termination (the “**Existing IAA Termination Deed**”) dated 17 January 2025, the Company, JTC and Atrato Capital agreed to terminate the investment advisory and accounting and administration services agreement (the “**Current IAA**”) dated 21 March 2024 between the Company, JTC and Atrato Capital with effect from 23.59 on 30 June 2025.

The Current IAA Termination Deed amends and restates the Existing IAA Termination Deed to provide that the Current IAA terminates on the earlier of: (i) Completion; and (ii) 23.59 on 30 June 2025.

### 3 **Business Services Agreement**

(i) *Business Services*

ASL has agreed to provide the services of three individuals to provide the Group with:

- IT support for nine months from Completion;
- sustainability support for nine months from Completion; and
- transaction execution resource for three months from completion,

(together, the “**Business Services**”).

(ii) *Replacement suppliers*

ASL has agreed to provide the Group with reasonable assistance in identifying and engaging appropriate suppliers for replacement of the Business Services for three months from Completion.

(iii) *Fees*

The fees for the services are subject to an aggregate cap of £200,000 (exclusive of VAT).

(iv) *Warranties, indemnities and limitations on liability*

The Business Services Agreement contains customary warranties and indemnities and limitations on liability.

## PART 3

### New Directors' Remuneration Policy

This policy sets out the Company's Directors' Remuneration Policy ("**Policy**") which has been prepared in accordance with Schedule 8 of the amended Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The Policy has been developed in compliance with the principles of the 2018 UK Corporate Governance Code and the Financial Conduct Authority's UK listing rules ("**Listing Rules**") and with regard to current UK institutional investor guidance.

This Policy will be subject to a binding Shareholder vote at the 2025 General Meeting to be held on 20 March 2025 and at least every three years thereafter. In the event that amendments are required to be made to the Policy, the amended version will be subject to a binding Shareholder vote.

#### 1 Summary of Policy changes

1.1 Previously there was no provision for remunerating Executive Directors at the Company. As such, the main differences between the current remuneration policy approved by Shareholders at the 2024 Annual General Meeting and the revised Policy are:

1.1.1 The Policy provides Executive Directors with a base salary, typically set after considering the salary levels in companies of a similar size and complexity in the UK real estate sector and the FTSE All Share. The base salary is intended to normally increase in line with the general employee increases in salary.

1.1.2 A workforce-aligned pension provision has been introduced.

1.1.3 The Policy provides for certain taxable benefits to be made available.

1.1.4 The provision for an annual bonus plan has been introduced. Performance against targets will be measured and a minimum of 50% of any bonus will normally be awarded in shares and deferred for two years.

1.1.5 The provision to grant Long Term Incentive Plan ("LTIP") awards has been introduced. Nil or nominal cost options or conditional share awards may be granted under the LTIP to Executive Directors. LTIP awards will normally have a three-year performance period followed by a two year post vesting holding period.

1.1.6 The terms of the annual bonus, deferred bonus and LTIP will include provisions in respect of malus and clawback which may be applied in a range of circumstances, including corporate failure and reputational damage.

1.1.7 Shareholding guidelines have been introduced for the Executive Directors and set at a minimum of 200% of salary. The shareholding requirements will apply for a period of time post cessation of employment.

#### 2 Policy scope

The Policy applies to the Chair, Executive Directors and Non-Executive Directors.

#### 3 Overview of Policy

3.1 The Policy, which has been developed following a comprehensive remuneration review, has the following objectives:

3.1.1 to offer suitable packages to attract, retain and motivate people with the skills and attributes needed to deliver the Company's business goals, while

- recognising the unique nature of the organisation and ensuring alignment with Shareholders;
- 3.1.2 to drive behaviours that support the Company's strategy and business objectives; and
- 3.1.3 to link incentive plans to Company and individual performance to encourage high performance from staff both at an individual and team level.
- 3.2 These Policy objectives will be achieved by ensuring that any remuneration provided is reflective of applicable market conditions, statutory obligations and the level of accountability (responsibility, objectives, goals) assigned to the recipient in order to deliver outstanding performance while providing organisational flexibility and operational efficiency.
- 3.3 In addition, in setting the Policy, the Remuneration Committee has considered the following six factors listed in the 2018 UK Corporate Governance Code:
- 3.3.1 clarity: the Policy is well understood by the management team and will be clearly articulated to Shareholders;
- 3.3.2 simplicity: the Remuneration Committee is mindful of the need to avoid overly complex remuneration structures which can be misunderstood and deliver unintended outcomes. Therefore, one of the Remuneration Committee's objectives is to ensure that the executive remuneration policies and practices are as simple to communicate and operate as possible, while also supporting strategy;
- 3.3.3 risk: the Policy has been designed to ensure that inappropriate risk-taking is not encouraged and will not be rewarded via:
- 3.3.3.1 the balanced use of both short- and long-term incentive plans which employ a blend of financial, non-financial and Shareholder return targets;
- 3.3.3.2 the significant role played by equity in the incentive plans (together with shareholding guidelines);
- 3.3.3.3 malus/clawback provisions;
- 3.3.4 predictability: the incentive plans are subject to individual caps, with the share plans also subject to a market standard dilution limit;
- 3.3.5 proportionality: there is a clear link between individual awards, delivery of strategy and long-term performance. In addition, the significant role played by incentive/'at-risk' pay, together with the structure of the Executive Directors' service contracts, ensures that poor performance is not rewarded; and
- 3.3.6 alignment to culture: the executive pay policies are fully aligned to the Company's culture.

#### 4 Policy table

The main components of the Policy, and how they are linked to and support the Company's strategy, are summarised below:

Element of remuneration	Purpose and link to strategy	Operation	Maximum	Performance conditions and assessment
<b>Base salary</b>	To provide competitive fixed remuneration that will attract and retain key employees and reflect their experience and position in the Company.	<p>Base salary is normally reviewed annually.</p> <p>When considering any increases to base salaries in the normal course (as opposed to a change in role or responsibility), the Remuneration Committee will take into consideration:</p> <ul style="list-style-type: none"> <li>- level of skill, experience, scope of responsibilities and performance;</li> <li>- business performance, economic climate, and market conditions;</li> <li>- pay and employment conditions of employees throughout the Group, including increases provided to staff;</li> <li>- inflation; and</li> <li>- increases provided to Executive Directors in comparable companies (although such data would be used with caution).</li> </ul>	<p>Salaries are typically set after considering the salary levels in companies of a similar size and complexity in the UK real estate sector and FTSE All Share.</p> <p>Base salary increases will normally be no higher than the average level of increases awarded (in percentage terms) to the wider workforce.</p> <p>Higher increases may apply if there is a change in role, level of responsibility or experience or if the individual is new to the role.</p> <p>There is no maximum salary cap in place.</p>	None
<b>Pension</b>	To provide competitive levels of retirement benefit.	Contribution made into Executive Director's personal pension plan and/or a cash supplement of equivalent value paid in lieu of pension contribution.	8% of annual salary plus adjustments in line with any increases provided to the wider workforce.	None
<b>Other benefits</b>	To provide competitive levels of employment benefits.	<p>Executive Directors may receive a benefit package which includes:</p> <ul style="list-style-type: none"> <li>- health insurance;</li> <li>- death in service benefits;</li> <li>- company car allowance; and</li> <li>- other benefits as provided from time to time.</li> </ul> <p>Benefits are reviewed periodically to ensure that they remain market competitive.</p>	<p>Maximum opportunity is the total cost of providing the benefits.</p> <p>There is no monetary cap on benefits.</p>	None
<b>Annual bonus</b>	The annual bonus aligns reward to key Group strategic objectives and drives short-term performance.	<p>Executive Directors participate in an annual performance-related bonus scheme.</p> <p>A minimum of 50% of any annual bonus will normally be deferred into shares for two years where shareholding guidelines have not been met. Where shareholding guidelines are met, no deferral will normally operate.</p> <p>Dividend equivalents may be payable on deferred bonus awards. The payment may assume dividend reinvestment.</p> <p>The annual bonus plan rules contain clawback and malus provisions.</p>	150% of annual salary.	<p>Normally assessed annually and determined by the Remuneration Committee based on financial, strategic and/or personal performance against the Group's business plan for each financial year.</p> <p>Amounts ranging from nil to up to 25% of any annual bonus</p>

				may be available at threshold performance.
<b>Long Term Incentive Plan (LTIP)</b>	The LTIP aligns Executive Director interests with those of Shareholders and rewards long-term value creation.	<p>Awards are normally made annually to the Executive Directors in the form of conditional awards, nil or nominal cost options.</p> <p>The awards granted under the LTIP are subject to performance conditions normally measured over a performance period of three years.</p> <p>Dividend equivalents may be payable on LTIP awards in respect of the vesting period (and if unexercised during the holding period) to the extent awards vest. The payment may assume dividend reinvestment.</p> <p>The LTIP contains malus and clawback provisions.</p> <p>A two year post vesting holding period applies to LTIP awards granted to Executive Directors.</p>	200% of annual salary.	<p>Vesting under the LTIP will be based on financial, share-price, strategic and/or ESG related performance measures.</p> <p>A maximum of 25% vesting for any performance element achieving threshold performance.</p>
<b>Shareholding policy – in employment</b>	To ensure that Executive Directors' interests are aligned with those of Shareholders over a longer time horizon.	Requirement to build and maintain a holding of shares in the Company, through retaining at least 100% of any net of tax shares vesting in respect of discretionary share-based incentive plans if this guideline has not been met.	A minimum of 200% of annual salary.	N/A
<b>Shareholding policy – post employment</b>		<p>Requirement to retain shares equal to 100% of the shareholding guideline (or the actual number of shares held against the guideline if the guideline is not met at cessation) up until the second anniversary of cessation.</p> <p>Own shares purchased are excluded from the post-cessation guideline.</p>		
<b>All Employee Schemes</b>	To encourage share ownership by all employees.	Executive Directors may participate in any HMRC tax advantaged all employee arrangements implemented by the Company.	In line with the prevailing HMRC limits.	None
<b>Non-Executive Director Fees</b>	To attract and retain Non-Executive Directors with the requisite skills and experience.	<p>Fee levels are normally reviewed annually.</p> <p>The Non-Executive Chair fee structure is a matter for the Remuneration Committee.</p> <p>The Non-Executive Director fee structure is a matter for the full Board excluding the Non-Executive Directors.</p> <p>Non-Executive Directors may be entitled to benefits relating to travel and office support and such other benefits as may be considered appropriate including any tax liabilities thereon.</p> <p>The fees may be paid in the form of shares.</p>	<p>Fee levels are normally set at broadly median levels for comparable roles at companies of a similar size and complexity within the UK real estate sector and FTSE All Share.</p> <p>Increases will be informed by taking into account internal benchmarks, such as the salary increase for the wider workforce.</p> <p>Non-Executive Directors' fees may comprise of a base fee, with an additional fee for Committee Chairs, the Senior Independent</p>	N/A

			Non-Executive Director and any other responsibilities/additional time commitments as appropriate.	
--	--	--	---	--

## 5 Notes to the Policy

### 5.1 *Performance measures and targets*

5.1.1 The annual bonus plan measures are selected to provide direct alignment with the short-term operational targets of the Company. Care is taken to ensure that the short-term performance measures are supportive of the long-term objectives. This is especially important in a business which has a long-term investment horizon. Short-term targets are stretching and geared to encourage outstanding performance which, if delivered, can earn the Executive Director up to the maximum under the plan.

5.1.2 The LTIP targets are selected to ensure that the Executives are encouraged to, and appropriately rewarded for, delivering against the Company's key long-term strategic goals so as to ensure a clear and transparent alignment of interests between Executives and Shareholders and the generation of sustainable long-term returns.

### 5.2 *Malus and clawback*

5.2.1 Malus and clawback provisions operate in respect of cash annual bonus awards, deferred bonus awards and/or LTIP awards.

5.2.2 Malus is the adjustment of any outstanding deferred bonus and LTIP awards as a result of the occurrence of one or more of the circumstances listed below. The adjustment may result in the bonus or award being reduced to zero. Malus may be applied during the two and three year period from grant to vesting for the deferred bonus and LTIP awards, respectively.

5.2.3 Clawback is the recovery of payments of cash or shares in respect of cash bonus awards, deferred bonus and/or LTIP awards as a result of the occurrence of one or more circumstances listed below. Clawback may be applied for three years after the payment of a cash bonus or grant of deferred share awards and for three years after the vesting of an LTIP award.

5.2.4 The Remuneration Committee has chosen the relevant provisions in which malus and clawback may be applied on the basis that it believed these to be aligned with Shareholder expectation as well as FTSE All Share and relevant sector practice.

5.2.5 The circumstances in which malus and clawback may be applied are as follows:

5.2.5.1 the discovery of a material misstatement resulting in an adjustment to the audited consolidated accounts of the Company;

5.2.5.2 the discovery that an assessment of any performance target or condition in respect of an award was based on error, or inaccurate or misleading information;

5.2.5.3 the discovery that any information used to determine the amount of an award was based on error, or inaccurate or misleading information;

- 5.2.5.4 the occurrence of corporate failure or an insolvency event;
- 5.2.5.5 the determination that an action or conduct of an award holder which, in the reasonable opinion of the Remuneration Committee, amounts to fraud or gross misconduct; and
- 5.2.5.6 the occurrence of the censure of the Company by a regulatory authority or have had a significant detrimental impact on the reputation of any Group Company.

### 5.3 **Discretion**

5.3.1 The Remuneration Committee has discretion in several aspects of the operation of the Policy.

5.3.2 The Remuneration Committee may also exercise operational and administrative discretions under relevant plan rules approved by Shareholders. The Remuneration Committee operates share-based arrangements for the Executive Directors in accordance with their respective plan rules, the Listing Rules and any relevant tax rules as applicable. The Remuneration Committee, consistent with market practice and the relevant plan rules, retains discretion over a number of areas relating to the operation and administration of the plans. These include (but are not limited to) the following:

- 5.3.2.1 eligibility;
- 5.3.2.2 the form in which the award is granted and settled (e.g. shares, nil cost options, cash);
- 5.3.2.3 the timing of the grant of award and/or payment;
- 5.3.2.4 the size of an award (up to any individual and plan limits) and/or a payment;
- 5.3.2.5 discretion relating to the measurement of any performance target/underpin (see below);
- 5.3.2.6 determining vesting and performance and pro-rating of awards in the event of a 'good leaver' scenario or on a change of control or restructuring of the Company;
- 5.3.2.7 determination of whether or not a person is characterised as a good leaver (in addition to any specified categories) under the relevant plan;
- 5.3.2.8 adjustments required in certain circumstances (e.g. share capital variation, rights issues, demerger, corporate restructuring, special dividends); and
- 5.3.2.9 the ability to vary or substitute any performance condition(s)/underpins if circumstances occur which cause it to determine that the original condition(s) have ceased to be appropriate, provided that any such variation or waiver is fair, reasonable and not materially less difficult to satisfy than the original condition (in its opinion). In the event that the Remuneration Committee were to make an adjustment of this sort, a full explanation would be provided in the next remuneration report.

5.3.3 In all cases, the Remuneration Committee retains absolute discretion to override formulaic outcomes in the bonus, LTIP and any other incentive plan (e.g. to

ensure that any payouts reflect underlying Company performance and the broader stakeholder experience).

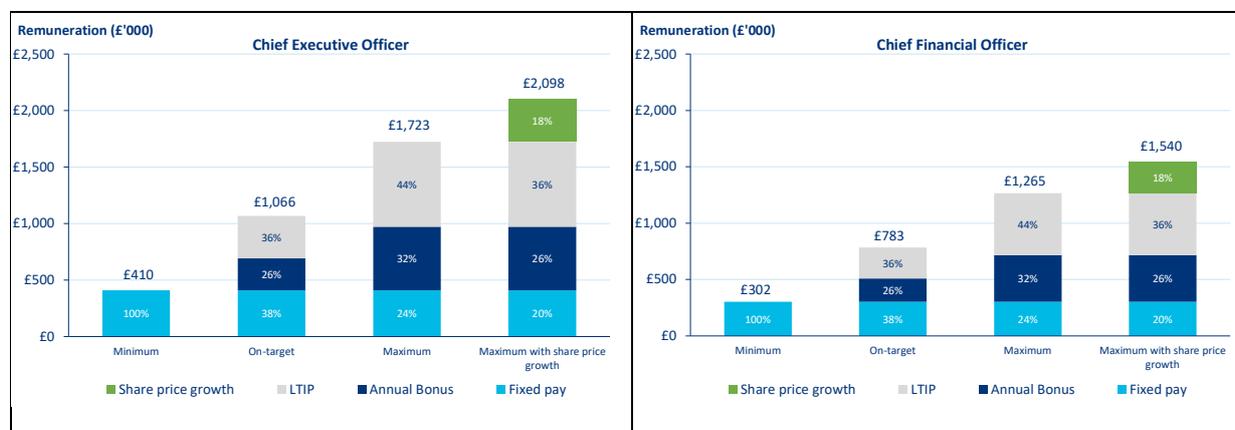
5.3.4 In addition, the Remuneration Committee has the discretion to amend the Policy with regard to minor or administrative matters where it would be, in the opinion of the Remuneration Committee, disproportionate to seek or await Shareholder approval.

5.3.5 In addition, for the avoidance of doubt, in approving this Policy, authority is given to the Company to honour any existing commitments entered into with current or former Directors prior to the adoption of this Policy.

#### 5.4 Illustrations of application of Policy

The graphs below seek to demonstrate how pay varies with performance for the Executive Directors based on the proposed Policy. The assumptions used in determining the level of pay out under given scenarios are as follows:

Scenario	Description		
<b>Minimum (Fixed Pay)</b>			
	<b>Chief Executive Officer</b>		
	Base salary	£375,000	£275,000
	Estimated Benefits	£5,000	£5,000
	Pension (% of salary)	8%	8%
<b>On-target</b>	50% of annual bonus award being paid and 50% vesting of the LTIP.		
<b>Maximum</b>	100% of annual bonus award being paid (i.e., 150% of salary) and 100% vesting of the expected annual LTIP award (i.e., 200% of salary).		
<b>Maximum Plus 50% share price growth</b>	As per the Maximum scenario but assuming 50% share price growth on LTIP awards.		



#### 5.5 Approach to recruitment remuneration

The table below summarises the Policy in respect of recruitment remuneration:

Element	Approach
<b>Salary and benefits</b>	<ul style="list-style-type: none"> <li>Set by reference to market and taking account of individual experience and expertise in the context of the role.</li> <li>Salary would also be set with reference to the salary of any departing Executive Director and the remaining Executive Director(s).</li> <li>The Executive Director would be eligible to receive benefits in line with the Company's benefits policy as set out in the Policy table – this includes either a</li> </ul>

	contribution to a personal pension scheme or cash allowance in lieu of pension benefits in line with the policies set out in the Policy table.
<b>Maximum variable incentive</b>	<ul style="list-style-type: none"> <li>• Annual bonus as per the Policy maximum.</li> <li>• LTIP award as per the Policy maximum.</li> </ul>
<b>Sign-on payments</b>	<ul style="list-style-type: none"> <li>• The Company does not provide sign-on payments to Executive Directors.</li> </ul>
<b>Buy-out awards</b>	<ul style="list-style-type: none"> <li>• Any previous outstanding long-term cash and/or share awards which the Executive Director holds which would be forfeited on cessation of their previous employment may be compensated.</li> <li>• Where this is the case, the general principle is that the outstanding award will be valued by reference to the following factors: <ul style="list-style-type: none"> <li>○ the proportion of the performance period completed on the date of the Executive Director's cessation of employment with their former employer;</li> <li>○ the performance conditions attached to the vesting of the incentives and the likelihood of them being satisfied; and</li> <li>○ any other terms and conditions that may have a material impact on value.</li> </ul> </li> <li>• The valuation will be conducted using a recognised valuation methodology by an independent party and the equivalent 'fair value' may be awarded as a one-off LTIP on date of joining under the LTIP. To the extent that this is not possible, a bespoke arrangement will be used.</li> <li>• To ensure effective retention of the Executive Director upon recruitment, any new award will be granted subject to performance conditions and vesting may be over the same period as the forfeited award from the previous employer or over a new three year period.</li> <li>• The exact terms will be determined by the Remuneration Committee on a case-by-case basis taking into account all relevant factors.</li> </ul>
<b>Relocation policies</b>	<ul style="list-style-type: none"> <li>• In instances where the new Executive Director is relocating from one work location to another, the Company may provide, as a one-off or otherwise, a relocation allowance as part of the Director's relocation benefits, which shall be time-limited.</li> <li>• The level of the relocation package will be assessed on a case-by-case basis.</li> </ul>

## 5.6 **Service contracts**

- 5.6.1 The Policy on Executive Directors' service contracts is that they should be entered into on a rolling basis without a specific end-date providing for no more than one year's notice.
- 5.6.2 The Non-Executive Directors do not have service contracts with the Company. Their appointments are governed by letters of appointment which are available for inspection on request at the Company's registered office and which will be available for inspection at the General Meeting. Each appointment is for a period of up to three years, although the continued appointment of all Directors is put to Shareholders at the AGM on an annual basis. In addition, the appointment of a Non-Executive Director is terminable by either party giving notice of three months.

## 5.7 **Payments for loss of office**

The table below summarises the Policy in respect of payments for loss of office:

<b>Element</b>	<b>Approach</b>
<b>Salary and benefits</b>	<ul style="list-style-type: none"> <li>• Salary and benefits may be paid in lieu of notice. In cases where a contract is terminated other than on the terms of the service contract, the Company will seek to mitigate any damages payable.</li> <li>• There will be no compensation for normal resignation or in the event of termination by the Company due to misconduct or for poor performance.</li> </ul>
<b>Annual bonus</b>	<ul style="list-style-type: none"> <li>• Normally, no annual bonus will be paid to an Executive Director who has either left the business or is under notice at the time of any bonus payment.</li> <li>• If the individual is a good leaver, any bonus will be awarded on a pro-rata basis as applicable. Any deferred share awards would normally vest at the normal vesting date (although may vest at the date of cessation, at the Remuneration Committee's discretion).</li> <li>• A 'good leaver' is defined as an individual ceasing employment due to death, ill-health, injury, disability, redundancy, retirement, the sale out of the Group of their employing business or in any other reason which the Remuneration Committee in its absolute discretion permits.</li> </ul>
<b>Long term incentives (LTIP)</b>	<ul style="list-style-type: none"> <li>• Where an Executive Director ceases to be an officer or employee of the Company before the end of the relevant vesting period, the treatment of outstanding awards is determined in accordance with the LTIP rules.</li> <li>• A proportion of the LTIP awards held by good leavers may vest at the Remuneration Committee's discretion determined by taking into account whether, and to what extent, any performance conditions have been satisfied and the length of time the LTIP award has been held at the date of cessation of employment.</li> <li>• The LTIP awards will not normally vest until the end of the performance period with performance tested at that time, although exceptionally awards may, at the discretion of the Remuneration Committee, vest on cessation of employment.</li> <li>• A 'good leaver' is defined as an individual ceasing employment as a result of death, ill-health, injury, disability, redundancy, retirement, the sale out of the Group of their employing business or any other reason which the Remuneration Committee in its absolute discretion permits.</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>• The Company may meet relocation and other incidental expenses on termination of employment, the fees of legal or other professional advisers, outplacement, compensation in respect of statutory rights under relevant employment protection legislation and accrued but untaken holiday. It may also elect to continue to provide certain benefits rather than making payment in lieu of the benefit in question.</li> </ul>

## 5.8 **Consideration of employment conditions in the Company when developing the Policy**

In setting the Policy, the pay and conditions of employees of the Company other than Directors are taken into account. The Remuneration Committee is provided with data on the remuneration structure for all staff and uses this information to ensure consistency of approach throughout the Company. The Company has a small number of employees and applies the same broad policy in relation to incentive compensation throughout the organisation. Although the Remuneration Committee takes into account the pay and conditions of other employees, the Company did not consult with employees when drawing up the Policy.

5.9 ***Consideration of Shareholders' views***

5.9.1 The Company is committed to engagement with Shareholders and will seek major Shareholders' views in advance of making significant changes to the Policy and how it is implemented. The Chair of the Remuneration Committee will attend the AGM to hear the views of Shareholders on the Policy and answer any questions in relation to remuneration.

5.9.2 The Remuneration Committee also actively monitors developments in the expectations of institutional investors and considers good practice guidelines from institutional shareholders and shareholder bodies.

5.10 ***External appointments***

The Policy permits an Executive Director to serve as a Non-Executive Director elsewhere when this does not conflict with the individual's duties to the Company, and where an Executive Director takes such a role they may be entitled to retain any fees which they earn from that appointment.

## PART 4

### Summary of the Principal Terms of the Supermarket Income REIT Long Term Incentive Plan (the "LTIP")

#### 1 Operation

The remuneration committee of the Board of Directors of the Company (the "**Committee**") will supervise the operation of the LTIP.

#### 2 Eligibility

2.1 Any employee (including an Executive Director) of the Company and its subsidiaries (the "**Group**") will be eligible to participate in the LTIP at the discretion of the Committee.

2.2 In addition, a former employee (including an Executive Director) of the Company and any of its subsidiaries will be eligible to receive a deferred share bonus award, at the discretion of the Committee. The Committee may only grant deferred share bonus awards to individuals who may be entitled to receive an annual bonus payment for the preceding financial year of the Company.

#### 3 Form of awards

3.1 The LTIP permits awards to be granted as either:

3.1.1 performance share awards, that may vest subject to continued service and the satisfaction of performance conditions set by the Committee;

3.1.2 restricted share awards, that may vest subject to continued service and the satisfaction of any underpin conditions; or

3.1.3 deferred share bonus awards, that may vest subject to continued service.

3.2 The form of awards that may be granted to an Executive Director will be consistent with the prevailing Directors' Remuneration Policy ("**Policy**").

3.3 Each of the above awards may be granted as either:

3.3.1 nil (or nominal) cost options, where a participant can decide when to exercise their award over ordinary shares in the Company ("**Shares**") during a limited period of time after it has vested; or

3.3.2 a conditional award, where a participant will receive free Shares on the vesting of their award.

3.4 The Committee may allow awards to be settled in cash, although in practice, this is only expected to be the case (if at all) in exceptional circumstances.

#### 4 Grant of awards

4.1 The Committee may normally grant awards to acquire Shares within 42 days following:

4.1.1 the Company's announcement of its interim or final results for any period; or

4.1.2 the date of a general meeting of the Company; or

4.1.3 the lifting of restrictions on dealing in Shares that prevented grant of awards under 4.1.1 or 4.1.2 above.

4.2 The Committee may also grant awards at other times when there are exceptional circumstances which the Committee considers justifies the granting of awards.

4.3 An award may not be granted more than ten years after Shareholder approval of the LTIP.

4.4 No payment is required for the grant of an award. Awards are not transferable, except on death. Awards are not pensionable.

## 5 **Individual limit**

Any award granted to an Executive Director will not exceed any limit set out in the applicable approved Policy from time to time. The Company has put a revised Policy to Shareholders at the General Meeting which includes limits for awards to an Executive Director under the LTIP. Further details are set out in Notice of the General Meeting in part 6 of this document.

## 6 **Overall LTIP limit**

6.1 The LTIP may operate over new issue Shares, treasury Shares or Shares purchased in the market.

6.2 In any ten-year period, the Company may not issue (or have the possibility to issue) more than 10% of the issued ordinary share capital of the Company in respect of awards made in that period under the LTIP and any other employees' share scheme adopted by the Company.

6.3 Treasury Shares will count as new issue Shares for the purposes of this limit but they will also cease to count towards this limit if institutional investor bodies decide that they need not count.

6.4 This limit does not include any rights to Shares which have been released or lapsed.

## 7 **Performance share awards - performance conditions**

7.1 The vesting of performance share awards will be subject to performance conditions set by the Committee. In determining the extent to which any performance conditions have been satisfied, the Committee may adjust any formulaic outcome (including to zero) if it considers it necessary to take account of its broader assessment of the performance of the Company, any individual, or business.

7.2 The Committee may also vary any performance condition applying to existing awards if an event has occurred which causes the Committee to consider (acting fairly and reasonably) that it would be appropriate to amend the performance condition, provided the Committee considers that the varied condition is not, in its opinion, materially less challenging than the original condition would have been but for the relevant event.

## 8 **Restricted share awards - underpin conditions**

8.1 The Committee may make vesting of restricted share awards subject to its assessment of one or more underpin conditions set at the time of grant. The Committee retains the discretion to reduce the potential vesting of an award in whole or in part based on its assessment of an underpin condition.

8.2 The Committee may also vary an underpin condition applying to existing awards if an event has occurred which causes the Committee to consider (acting fairly and reasonably) that it would be appropriate to amend the underpin condition, provided the Committee considers the varied condition is not, in its opinion, materially less challenging than the original condition would have been but for the relevant event.

## 9 **Vesting of awards**

- 9.1 Performance share awards normally vest three years after grant to the extent that the applicable performance conditions (see above) have been satisfied and provided the participant is still employed by the Group.
- 9.2 Restricted share awards normally vest after a period set by Committee at grant to the extent that any applicable underpin condition (see above) has been satisfied and provided the participant is still employed by the Group.
- 9.3 Deferred bonus awards normally vest two years after grant, provided the participant is still employed by the Group.
- 9.4 Awards with a shorter vesting period may also be granted to an Executive Director under the LTIP in special circumstances, e.g. on recruitment in order to compensate for any awards forfeited with a former employer. Any recruitment awards for Executive Directors will be granted in accordance with the terms of the applicable approved Policy from time to time.
- 9.5 Awards granted as nil (or nominal) cost options are normally exercisable from vesting until the tenth anniversary of grant (or such shorter period specified by the Committee at the time of grant), unless they lapse earlier. Shorter exercise periods apply in the case of “good leavers” (as explained below) and/or vesting of awards in connection with corporate events.

## 10 **Holding period**

- 10.1 The terms of the LTIP allow for the application of a post-vesting holding period during which a participant will be required to retain their net of tax number of vested shares (if any) delivered under the LTIP or the full number of the vested shares subject to an unexercised option, as applicable, for a specified period from the date an award vests.
- 10.2 Any performance share award granted to an Executive Director (and any other participant as the Committee determines) will be subject to a holding period ending on the fifth anniversary of grant of the award, or as otherwise required under the applicable approved Policy from time to time.
- 10.3 No post-vesting holding period will apply to deferred share bonus awards.

## 11 **Leaving employment**

- 11.1 Unvested awards will generally lapse upon the termination of participant’s employment or service with the Group (or, at the discretion of the Committee, the earlier date of giving or receiving notice of termination).
- 11.2 However, if a participant’s employment or service is terminated by reason of their death, ill-health, injury, disability, retirement, their employing company or the business for which they work being sold out of the Group or in other circumstances at the discretion of the Committee (each a “good leaver”), then their award will generally vest on the normal vesting date, subject to:
- 11.2.1 the extent to which any performance or underpin condition has been satisfied at that time; and
- 11.2.2 a pro-rated reduction of the award to reflect the period of time between its grant and the date of termination of employment or office (unless determined otherwise by the Committee).
- 11.3 Deferred share bonus awards will not be subject to time pro-rating.
- 11.4 The Committee may, in exceptional circumstances, allow awards held by “good leavers” to vest on the date of termination (or a later date specified by the Committee), in which case

awards will normally be subject to time pro-rating in the normal course and any performance or underpin conditions will be assessed over the shorter period to the date of termination.

11.5 Any vested awards in the form of options may normally be exercised within 12 months of termination, except in the case of participant misconduct in which case the award will lapse.

11.6 Any holding period will continue to apply to an award and/or vested Shares held by a leaver (except where the Committee determines otherwise, in exceptional circumstances).

## 12 **Corporate events**

12.1 In the event of a takeover or voluntary winding up of the Company (not being an internal corporate reorganisation), the Committee may, at its discretion, allow awards to vest early to the extent that any performance or underpin conditions have, in the opinion of the Committee, been satisfied at that time. Any applicable post-vesting holding period would cease to apply.

12.2 The awards will normally be reduced pro-rata to reflect the period of time between grant and the accelerated vesting. The Committee can decide not to pro-rate awards if it regards it as inappropriate to do so in the circumstances. Deferred share bonus awards will not be subject to time pro-rating.

12.3 Awards may also vest on an accelerated basis (subject to any performance or underpin conditions and time pro-rating as determined) if a demerger, special dividend or other similar corporate event is proposed which, in the opinion of the Committee, would affect the market price of the Shares to a material extent.

12.4 In the event of an internal corporate reorganisation, awards may be replaced by equivalent new awards over shares in a new holding company, unless the Committee decides that awards should vest on the basis set out above.

12.5 In the event of a corporate event leading to a change of control of the Company (not being an internal corporate reorganisation), the Committee may agree with the acquiring company that subsisting awards are surrendered in consideration for the grant of an equivalent award over shares in the acquiring company (or another company agreed by the Committee and the acquiring company).

## 13 **Malus and clawback**

13.1 The Committee retains a power to reduce the potential vesting of unvested awards (including to zero) (often referred to as 'malus') or to recoup the value of previously vested awards from an individual (often referred to as 'clawback').

13.2 Malus may be applied during the period from grant to vesting of an award. Clawback may be applied for three years after the grant of a deferred share award and for three years after the vesting of a performance share award and/or restricted share award. Each of these periods may be extended in the case of an ongoing investigation.

13.3 The Committee may choose to exercise this power in the following circumstances:

13.3.1 the discovery of a material misstatement resulting in adjustment to the audited consolidated accounts of the Company;

13.3.2 the discovery that an assessment of any performance or underpin condition in respect of an award (or underlying bonus) was based on error, or inaccurate or misleading information;

13.3.3 the discovery that any information used to determine the amount of an award was based on error, or inaccurate or misleading information;

13.3.4 the occurrence of corporate failure or an insolvency event;

- 13.3.5 the discovery of fraud or gross misconduct by an award holder; or
  - 13.3.6 the occurrence of the censure of the Company by a regulatory authority or events or behaviours leading to a significant detrimental impact on the reputation of any Group Company.
- 13.4 The Committee may require the satisfaction of clawback in a number of ways, including by way of a reduction in the vesting, or size of, any other award or bonus (including future awards or bonus) and/or a requirement to make a cash payment.
- 14 Payment on account of dividends**
- The Committee may decide on the grant of an award that a participant will be entitled to receive a payment in Shares (or, in exceptional cases, cash), on or shortly following vesting of their conditional share award or exercise of their option, of an amount equivalent to the dividends that would have been paid on the Shares vested under the award between the grant date and the date of vesting (or where the award is granted as an option, including any part of the holding period before exercise of the option). Any such amount may assume reinvestment in Shares on the relevant ex-dividend dates.
- 15 Participants' rights**
- Awards settled in Shares will not confer any shareholder rights until the awards have vested or the options have been exercised, as applicable, and the participants have received the relevant Shares.
- 16 Rights attaching to Shares**
- Any Shares allotted when an award vests or is exercised will rank equally with Shares then in issue (except for rights arising by reference to a record date prior to their allotment).
- 17 Variation of capital**
- In the event of any variation of the Company's share capital or in the event of a demerger, payment of a special dividend or similar event which materially affects the market price of the Shares, the Committee may make such adjustment as it considers appropriate to the number and/or type of Shares subject to an award and/or the exercise price payable (if any).
- 18 Alterations to the LTIP**
- 18.1 The Committee may, at any time, alter the LTIP in any respect, provided that the prior approval of Shareholders is obtained for any alterations that are to the advantage of participants in respect of the rules governing eligibility, limits on participation, the overall limit on the issue of Shares or the transfer of treasury Shares, the basis for determining a participant's entitlement to, and the terms of, the Shares or cash to be acquired and the adjustment of awards.
- 18.2 If the proposed alterations are to the material disadvantage of participants, the Committee must invite any affected participants to indicate if they approve the proposed alterations which will apply to all affected participants provided that a majority of the participants that respond consent to the alteration.
- 18.3 The requirement to obtain the prior approval of Shareholders will not, however, apply to any minor alteration made to benefit the administration of the LTIP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants or for any company in the Group. Shareholder approval will also not be required for any amendments to any performance condition applying to an award.

**Overseas plans**

The Shareholder resolution to approve the LTIP will allow the Committee to establish further plans for overseas territories, any such plan to be similar to the LTIP, but modified to take account of local tax, exchange control or securities laws, provided that any shares made available under such further plans are treated as counting against the limits on individual and overall participation in the LTIP.

## PART 5

### Definitions

In this document (including the Notice of General Meeting) the following expressions have the meaning ascribed to them unless the context otherwise requires:

<b>AIFM</b>	the Company's alternative investment fund manger
<b>Articles of Association or Articles</b>	the current articles of association of the Company
<b>AGL</b>	Atrato Group Limited, a private limited company incorporated under the laws of England and Wales with registration number 12333067
<b>ASL</b>	Atrato Services Limited, a private limited company incorporated under the laws of England and Wales with registration number 11181676
<b>Atrato Capital or the Investment Adviser</b>	Atrato Capital Limited, a private limited company incorporated under the laws of England and Wales with registration number 10532978
<b>Atrato Group</b>	AGL and its subsidiary undertakings
<b>Atrato Parties</b>	Atrato Capital, AGL, Atrato Partners and ASL
<b>Atrato Partners</b>	Atrato Partners Limited, a private limited company incorporated under the laws of England and Wales with registration number 10533101
<b>Business Day</b>	a day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in the City of London for the transaction of normal banking business
<b>Business Services</b>	has the meaning given in paragraph 3 of part 2 of this document
<b>Business Agreement</b>	<b>Services</b> has the meaning given in paragraph 1 of part 1 this document
<b>Company</b>	Supermarket Income REIT Plc, a public limited company incorporated under the laws of England and Wales with registration number 10799126
<b>Completion</b>	completion of the Proposed Internalisation in accordance with the terms of the Internalisation Agreement
<b>Conditions</b>	the conditions precedent to the completion of the Proposed Internalisation, as summarised in paragraph 1 of part 2 of this document
<b>CREST</b>	the relevant system, as defined in the CREST Regulations (in respect of which Euroclear is the operator as defined in the CREST Regulations)
<b>CREST member</b>	a person who has been admitted to Euroclear as a system-member (as defined in the CREST Regulations)
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 01/378), as amended
<b>Current IAA</b>	has the meaning given in paragraph 2 of part 2 of this document

<b>Current IAA Termination Deed</b>	has the meaning given in paragraph 1 of part 1 this document
<b>Directors or Board</b>	the directors of the Company from time to time
<b>EPRA</b>	European Public Real Estate Association
<b>EPRA cost ratio</b>	administrative and operating costs divided by gross rental income.
<b>Euroclear</b>	Euroclear UK & International Limited, the operator of CREST
<b>Executive Directors</b>	those Directors from time to time who fulfil an executive function
<b>FCA</b>	the Financial Conduct Authority of the United Kingdom
<b>FTSE All-Share</b>	the aggregation of the FTSE 100, FTSE 250 and FTSE Small Cap indices
<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended
<b>General Meeting</b>	the general meeting of the Company to be held at the offices of Macfarlanes LLP of 20 Cursitor Street, London EC4A 1LT at 2.00 p.m. on 20 March 2025, notice of which is set out in part 6 of this document
<b>Group</b>	the Company and each of its subsidiary undertakings from time to time
<b>JSE</b>	the JSE Limited (Registration number 2005/022939/06), a public company duly incorporated in South Africa, and licensed as a securities exchange under the South African Financial Markets Act, No. 19 of 2012, as amended
<b>JTC</b>	JTC Global AIFM Solutions Limited, a private limited company incorporated in Guernsey under registered number 62964
<b>Internalisation Agreement</b>	has the meaning given in paragraph 1 of part 1 to this document
<b>IPO</b>	has the meaning given in paragraph 2 of part 1 to this document
<b>London Stock Exchange or LSE</b>	London Stock Exchange plc
<b>Long Stop Date</b>	25 March 2025 or such other time and date as the Company and AGL shall agree
<b>LTIP</b>	has the meaning given in paragraph 8 of part 1 of this document
<b>LTIP Resolution</b>	the fourth resolution to be proposed at the General Meeting as set out in the Notice of General Meeting
<b>Main Board</b>	the main board of the list of securities admitted to listing on the JSE
<b>Main Market</b>	the LSE's Main Market for listed securities
<b>Management Agreements</b>	the Current IAA, the New IAA and the AIFM Agreement
<b>MAR</b>	the Market Abuse Regulation of the European Parliament and of the Council of 16 April 2014 No 596/2014

<b>New AIFM Agreement</b>	the AIFM Agreement dated 16 December 2024 between the Company and Atrato Partners that is due to become effective on 1 July 2025
<b>New Directors' Remuneration Policy or Policy</b>	the new directors' remuneration policy, more details of which can be found in part 3 of this document
<b>New IAA</b>	the investment advisory and accounting and administration services agreement dated 16 December 2024 between Atrato Capital, the Company and Atrato Partners that is due to become effective on 1 July 2025
<b>Non-Executive Directors</b>	those Directors who are not Executive Directors
<b>NTA</b>	the aggregate value of the assets of the Company after the deduction of all liabilities, determined in accordance with the accounting policies adopted by the Company from time to time
<b>NTA per Ordinary Share</b>	the NTA attributable to the Ordinary Shares divided by the number of Ordinary Shares in issue (other than Ordinary Shares held in treasury) at the date of calculation
<b>Notice of General Meeting</b>	the notice of General Meeting contained in part 6 of this document
<b>Official List</b>	the Official List of the Financial Conduct Authority
<b>Ordinary Shares</b>	ordinary shares of £0.01 each in the share capital of the company
<b>Pounds Sterling, Sterling or £</b>	the lawful currency of the United Kingdom
<b>Proposals</b>	the Proposed Internalisation, the proposed adoption of the New Directors' Remuneration Policy, the increase in the limit on Director remuneration in the Articles and the proposed adoption of the LTIP
<b>Proposed Internalisation</b>	as defined in paragraph 1 of part 1 of this document
<b>Registrars or MUFG</b>	MUFG Corporate Markets
<b>REIT</b>	real estate investment trust
<b>Remuneration Committee or Committee</b>	as defined in paragraph 1 of part 4 of this document
<b>Resolutions</b>	the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting
<b>SA Transfer Secretaries or Computershare</b>	Computershare Investor Services Proprietary Limited
<b>South Africa Register Shareholders or SA Register Shareholders</b>	Shareholders registered in the Company's SA register of members
<b>SFS</b>	has the meaning given in paragraph 2 of part 1 of this document
<b>Shareholder</b>	a holder of Ordinary Shares from time to time
<b>South Africa or SA</b>	the Republic of South Africa

<b>SUPR ServiceCo</b>	SUPR Management Limited, a private limited company incorporated under the laws of England and Wales with registration number 16266516 and a wholly-owned subsidiary of the Company
<b>Total Shareholder Return</b>	(i) growth in NTA per Ordinary Share, plus (ii) dividends paid per Ordinary Share, in the relevant period
<b>Transaction Documents</b>	has the meaning given in paragraph 1 of part 1 of this document
<b>Transaction Documents Resolution</b>	the first resolution to be proposed at the General Meeting as set out in the Notice of General Meeting, approving the terms of the Transaction Documents
<b>Transaction Resolutions</b>	the first three resolutions to be proposed at the General Meeting as set out in the Notice of General Meeting
<b>TUPE</b>	the Transfer of Undertakings (Protection of Employment) Regulations 2006, as amended
<b>UKLRs</b>	the UK Listing Rules sourcebook made by the FCA under Part VI of FSMA
<b>UK MAR</b>	MAR, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time, including by the Market Abuse (Amendment) (EU Exit) Regulations 2019
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland
<b>UK Register Shareholders</b>	Shareholders registered in the Company's UK register of members

## PART 6

### Notice of General Meeting

#### SUPERMARKET INCOME REIT PLC

*(incorporated in England & Wales with registered number 10799126)*

*LSE Share Code: SUPR*

*JSE Share Code: SRI*

*ISIN Code: GB00BF345X11*

*LEI: 2138007FOINJKAM7L537*

**NOTICE IS HEREBY GIVEN** that a general meeting of Supermarket Income REIT plc (the “**Company**”) will be held at 2.00 p.m. on 20 March 2025 at the offices of Macfarlanes LLP, 20 Cursitor Street, London, EC4A 1LT for the purpose of considering, and if thought fit, passing the following resolutions which are each to be proposed as ordinary resolutions.

Unless otherwise stated, capitalised terms set out in this Notice of General Meeting are as defined in the circular dated 4 March 2025, within which is included in this Notice of General Meeting (the “**Circular**”).

#### ORDINARY RESOLUTIONS

- 1 **THAT**, subject to the passing of Resolutions 2 and 3, the terms of the Transaction Documents be and are hereby approved.
- 2 **THAT**, subject to the passing of Resolutions 1 and 3, the New Directors’ Remuneration Policy be and is hereby approved and will take effect from and subject to Completion.
- 3 **THAT**, subject to the passing of Resolutions 1 and 2, the limit on the aggregate amount the directors shall be entitled to receive by way of fees for their services as directors, as set out in Article 53.1 of the Articles shall be increased from £500,000 to £700,000 in any financial year.
- 4 **THAT**, subject to the passing of Resolutions 1, 2 and 3, the rules of the Supermarket Income REIT Long Term Incentive Plan (the “**LTIP**”), produced in draft to the General Meeting (the terms of which are summarised in part 4 of the Circular) and, for the purposes of identification only, initialled by the Chair, be and are hereby approved and that the Directors be authorised to:
  - (a) do all acts and things which they may consider necessary or expedient for the purposes of implementing and giving effect to the LTIP; and
  - (b) establish further plans based on the LTIP but modified to take account of local tax, exchange control exchange control or securities laws in overseas territories, provided that any shares made available under such further plans are treated as counting against the limits on individual or overall participation in the LTIP.

**Dated: 4 March 2025**

By order of the Board of Directors

**Atrato Partners Limited**

Company Secretary

Supermarket Income REIT plc

**Registered Office:** 3<sup>rd</sup> Floor, 10 Bishops Square, London E1 6EG

## NOTES TO THE NOTICE OF GENERAL MEETING

### INFORMATION FOR UK REGISTER SHAREHOLDERS

#### Entitlement to attend and vote

Only those Shareholders registered in the Company's register of members at:

- close of business on 18 March 2025; or,
- if this meeting is adjourned, the time which is 48 hours before the time fixed for the adjourned meeting,

shall be entitled to vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person, subject to the below restrictions on attendance at the General Meeting, to speak and vote at the meeting.

UK Register Shareholders should submit their votes by proxy by 2.00 p.m. on 18 March 2025.

Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, entitlement to attend and vote at the meeting and the number of votes which may be cast thereat will be determined by reference to the Register of Members of the Company at close of business on the day which is two days before the day of the meeting. Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend and vote at the meeting.

#### Website giving information regarding the meeting

Information regarding the meeting, including the information required by section 311A of the Companies Act 2006, can be found at [www.supermarketincomereit.com](http://www.supermarketincomereit.com).

#### Attending in person

Please ensure to bring your attendance card with you to the General Meeting. We recommend that you arrive by 1.45 p.m. to enable us to carry out all registration formalities to ensure a prompt start at 2.00 p.m. If you have any special needs or require wheelchair access to the venue, please contact the Company Secretary by telephone on +44 (0) 203 890 2500 in advance of the meeting. Mobile phones may not be used in the meeting and cameras and recording equipment are not allowed in the meeting.

#### Attendance via proxy or corporate representative

If you wish to appoint a proxy and for them to attend the meeting on your behalf, please submit your proxy appointment in the usual way. Details of which are set out below. It is suggested that you do this as soon as possible and, in any case, at least 48 hours (excluding non-working days) before the meeting.

#### Appointment of proxies

A member entitled to attend and vote at the meeting convened by the above Notice is entitled to appoint one or more proxies to exercise all or any of the rights of the member to attend and speak and vote in his/her place, subject to the above restrictions on attendance at the General Meeting. If a UK Register Shareholder wishes to appoint more than one proxy and so requires additional proxy forms, the UK Register Shareholder should contact the Company's Registrar MUFG Corporate Markets at 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. A proxy need not be a member of the Company.

You can vote either:

- by logging on to <https://www.signalshares.com/> and following the instructions;
- if you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 2.00 p.m. on 18 March 2025 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by these terms and they will govern the electronic appointment of your proxy,
- in the case of CREST members, by utilising the CREST electronic proxy appointment service; and
- you may request a hard copy form of proxy directly from the registrars, MUFG Corporate Markets, by email at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com), or you may call MUFG on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales. Submission of a proxy vote shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof.
- In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by MUFG Corporate Markets at 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL by 2.00 p.m. on 18 March 2025

### **Changing or revoking proxy instructions**

To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Any amended proxy appointment must be received no later than 2.00 p.m. on 18 March 2025 and any amended proxy appointment received after the relevant cut-off time will be disregarded.

If you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard copy proxy form, please contact MUFG on 0371 664 0300 (or +44 371 664 0300 if you are outside the United Kingdom) and ask for another proxy form.

If you submit more than one valid proxy appointment in respect of the same share for the purposes of the same meeting, the appointment last delivered or received shall prevail in conferring authority on the person named in it to attend the meeting and speak and vote. If the Company is unable to determine which appointment was last validly received, none of them shall be treated as valid in respect of the relevant share(s).

In order to revoke a proxy instruction you will need to inform the Company by sending notice in writing clearly stating your intention to revoke your proxy appointment to MUFG Corporate Markets at 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL (accompanied by the power of attorney or other authority (if any) under which the revocation notice is signed or a notarially certified copy of such power or authority). The revocation notice must be received no later than 2.00 p.m. on 18 March 2025.

In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.

If you attempt to revoke your proxy appointment but the revocation is received after the time specified above then your proxy appointment will remain valid (unless you attend the meeting and vote in person).

### **Appointment of proxy by joint members**

In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

### **Corporate representatives**

A corporation which is a Shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a Shareholder provided that no more than one corporate representative exercises powers over the same share.

### **Nominated persons**

Any person to whom this notice is sent who is a person nominated under s.146 Companies Act 2006 to enjoy information rights (a "**Nominated Person**") may, under an agreement between him or her and the member by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he or she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

The statement of the rights of members in relation to the appointment of proxies does not apply to Nominated Persons. The rights described in those notes can only be exercised by members of the Company.

The main point of contact for a Nominated Person in terms of their investment in the Company remains the member by whom he or she was nominated (or perhaps a custodian or broker who administers the investment) and a Nominated Person should continue to contact them (and not the Company) regarding changes or queries relating to their personal details and their interest in the Company (including any administrative matters). The only exception to this is where the Company expressly requests a response from a Nominated Person.

### **Withheld votes**

A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If you either select the "Discretionary" option or if no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

### **Issued shares and total voting rights**

As at 5.30 p.m. on 3 March 2025, which is the latest practicable date before publication of this notice, the Company's issued share capital comprised 1,246,239,185 ordinary shares of £0.01 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights on that date is 1,246,239,185. No shares are held in treasury.

The Company's website will include information on the number of shares and voting rights.

### **Questions during the meeting**

Any Shareholder or proxy can ask questions. If you would like to ask a question, please raise your hand at any time during the Q&A session up until the Chair closes the session.

### **Voting**

Voting on all resolutions will be conducted by way of a poll rather than a show of hands. This is a more transparent method of voting as member votes are to be counted according to the number of Ordinary Shares held. As soon as practicable following the meeting, the results of the voting and the number of proxy votes cast for and against and the number of votes actively withheld in respect of each of the resolutions will be announced via a regulatory information service, the JSE Stock Exchange News Service and also placed on the Company's website.

### **Documents on display**

Copies of this document, the New Directors' Remuneration Policy and the LTIP Rules are available for inspection at the Company's registered office during normal business hours, from the Company on request by email to [cosec@atratopartners.com](mailto:cosec@atratopartners.com) and will be available at the General Meeting for at least 15 minutes prior to and during the General Meeting.

### **Communication**

Except as provided above, Shareholders who have general queries about the meeting should contact MUFG Corporate Markets, by email at [shareholderenquiries@cm.mpms.mufg.com](mailto:shareholderenquiries@cm.mpms.mufg.com), or you may call Link on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales. You may not use any electronic address provided in this notice of General Meeting, or in any related documents for communicating with the Company for the purposes other than those expressly stated.

## **INFORMATION FOR SA REGISTER SHAREHOLDERS**

### **Entitlement to attend and vote**

Only those SA Register Shareholders registered in the Company's South African register of members at:

- close of business on Tuesday, 18 March 2025; or,
- if this meeting is adjourned, the time which is 48 hours before the time fixed for the adjourned meeting,

shall be entitled to vote at the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to vote at the meeting, subject to the below restrictions on attendance at the General Meeting, speak and vote at the meeting.

### **Certificated Shareholders and own-name registered dematerialised Shareholders**

Each Shareholder is entitled to appoint one or more proxies (none of whom need to be a Shareholders) to attend, speak, vote or abstain from voting in place of that Shareholder by completing the form of proxy enclosed herewith, which will also be available on the Company's website at [www.supermarketincomereit.com](http://www.supermarketincomereit.com).

A Shareholder may insert the name of a proxy or the name of two alternative proxies of the Shareholder's choice in the space/s provided, with or without deleting 'the Chair of the Meeting,' but any such deletion must be initialled by the Shareholder. The person whose name stands first on the form of proxy and who is present at the General Meeting will be entitled to act as proxy to the exclusion of those whose names follow.

Forms of proxy from SA Register Shareholders must be lodged with or posted to the Company's SA Transfer Secretaries, Computershare Investors Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank, 2196 (Private Bag X9000, Saxonwold 2132, South Africa), faxed to +27 11 688 5238 or emailed to [proxy@computershare.co.za](mailto:proxy@computershare.co.za) to be received by no later than 4.00 p.m. (South African Standard Time) on Tuesday, 18 March 2025.

The completion and lodging of a form of proxy will not preclude the Shareholder from attending the General Meeting and speaking and voting in person to the exclusion of any proxy appointed in terms hereof, should such Shareholder wish to do so.

If the signatory does not indicate in the appropriate place on the face of the form of proxy how he/she wishes to vote in respect of any Resolutions, his/her proxy shall be entitled to vote as he/she deems fits in respect of that Resolution. The Chair intends to vote all unavailable undirected proxies in favour of all Resolutions.

The Chair of the General Meeting shall be entitled to decline to accept the authority of a person signing the form of proxy:

- under a power of attorney; or
- on behalf of a company,

unless the power of attorney or authority is deposited at the office of the Company's SA Transfer Secretaries, not less than 48 hours before the time appointed for the holding of the General Meeting.

The Chair of the General Meeting may reject or accept any form of proxy, which is completed and/or received other than in accordance with these notes, provided that the Chair is satisfied as to the manner in which the Shareholder concerned wishes to vote.

Except as otherwise set out in these notes, a deletion of any printed matter and the completion of any blank spaces on the form of proxy need not be signed or initialled. Any alterations must be signed, not initialled.

If the shareholding is not indicated on the form of proxy, the proxy will be deemed authorised to vote the total shareholding registered in the Shareholder's name.

A vote given in terms of an instrument of proxy shall be valid in relation to the General Meeting, notwithstanding the death of the person granting it, or the revocation of the proxy, or the transfer of the Ordinary Shares in respect of which the vote is given, unless an intimation in writing of such death, revocation or transfer is received by the Company's SA Transfer Secretaries no less than 48 hours before the commencement of the General Meeting.

Documentary evidence establishing the authority of a person signing the form of proxy in a representative capacity (e.g. for a company, close corporation, trust, pension fund, deceased estate, etc.) must be attached to the form of proxy unless previously recorded by the Company or its SA Transfer Secretaries or waived by the Chair of the General Meeting.

Where a form of proxy is signed under power of attorney, such power of attorney must accompany the form of proxy, unless it has previously been registered with the Company or the SA Transfer Secretaries.

Where there are joint holders of Ordinary Shares and if more than one such joint holder is present or represented thereat, then the person whose name appears first in the register of such Ordinary Shares or his/her proxy, as the case may be, shall alone be entitled to vote in respect thereof.

Where Ordinary Shares are held jointly, all joint holders are required to sign.

A minor must be assisted by his/her parent or guardian, unless relevant documents establishing his/her legal capacity are produced or have been registered by the SA Transfer Secretaries of the Company.

**Dematerialised Shareholders who have not selected 'own-name' registrations**

Dematerialised SA Register Shareholders who have not selected 'own-name' registration and who wish to attend the General Meeting or to vote by way of proxy, must advise their central securities depository ("CSD") Participant or broker who will issue the necessary letter of representation in writing, for a dematerialised SA Register Shareholder or proxy to do so.

Dematerialised SA Register Shareholders who have not selected 'own-name' registration, who are unable to attend the General Meeting and who wish to be represented and vote thereat must provide their CSD Participant or broker with their voting instructions in terms of the custody agreement entered into between such SA Register Shareholder and their CSD Participant or broker in the manner and time stipulated therein.