

NATIONAL STORAGE REIT CORPORATE GOVERNANCE STATEMENT

	Compliance ✓ / NA	Section
Principle 1: Lay solid foundations for management and oversight		
1.1 Formalise and disclose the functions reserved to the board and those delegated to management	Comply	3.1, 3.2
1.2 Disclose the process for evaluating the performance of senior executives	Comply	3.4, 3.12
1.3 Provide the information indicated in the Guide to reporting on Principle 1	Comply	2.1, 3.1 – 3.12
Principle 2: Structure the board to add value		
2.1 A majority of the board are independent directors	Comply	3.3, 3.5
2.2 The Chair is an independent director	Comply	3.3, 3.5
2.3 The roles of Chair and chief executive officer are not exercised by the same individual	Comply	3.3
2.4 The board has established a nomination committee	Comply	3.4, 3.9, 3.12
2.5 Disclose the process for evaluating the performance of the board, its committees and individual directors	Comply	3.4, 3.10, 3.12
2.6 Provide the information indicated in the Guide to reporting on Principle 2	Comply	2.1, 3.1-3.6, 3.8, 3.10, 3.12
Principle 3: Promote ethical and responsible decision making		
3.1 Establish a code of conduct and disclose the code or a summary of the code.	Comply	5.1
3.2 Establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity for the board to assess annually both the objectives and progress in achieving them.	Comply	5.2
3.3 Disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress towards achieving them	Comply	5.2
3.4 Disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board	Comply	5.2
3.5 Provide the information indicated in the Guide to reporting on Principle 3	Comply	2.1, 5.2
Principle 4: Safeguard integrity in financial reporting		
4.1 The Board should establish an audit committee	Comply	3.9, 3.10, 3.11
4.2 Structure the audit committee so that it consists of: <ul style="list-style-type: none"> only non-executive directors 	Comply (the committee size complies in	3.9, 3.11

	Compliance ✓/NA	Section
<ul style="list-style-type: none"> a majority of independent directors an independent chair, who is not chair of the board; and at least three members 	that all non-executive directors are members but there are only 2 appointed at this time. This will be increase as the board size increases)	
4.3 The audit committee has a formal charter	Comply	3.11
4.4 Provide the information indicated in the Guide to reporting on Principle 4	Comply	2.1, 3.9, 3.11
Principle 5: Make timely and balanced disclosure		
5.1 Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance and disclose those policies or a summary of those policies	Comply	5.4
5.2 Provide the information indicated in the Guide to reporting on Principle 5	Comply	2.1, 5.4
Principle 6: Respect the rights of shareholders		
6.1 Design a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings and disclose the policy or a summary of that policy	Comply	5.4
6.2 Provide the information indicated in the Guide to reporting on Principle 6	Comply	2.1, 5.4
Principle 7: Recognise and manage risk		
7.1 Establish policies for the oversight and management of material business risks and disclose a summary of those policies	Comply	3.11, 4.1
<p>7.2 The board requires management to design and implement the risk management and internal control system to manage the entity's material business risks and to report to the board on whether these risks are being managed effectively.</p> <p>The board has disclosed that management has reported as to the effectiveness of the company's management of its material business risks</p>	Comply	4.1
7.3 Disclose whether the board has received assurance from the chief executive officer (or equivalent) and chief financial officer (or equivalent) that the declaration provided under section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks	Not applicable at this time	
7.4 Provide the information indicated in the Guide to reporting on Principle 7	Comply	2.1, 3.11, 4.1
Principle 8: Remunerate fairly and responsibly		
8.1 The board has established a remuneration committee.	Comply	3.9, 3.10, 3.12

	Compliance ✓/NA	Section
8.2 The remuneration committee is structured so that it consists of: <ul style="list-style-type: none">• a majority of independent directors• an independent chair; and• has at least three members	Comply	3.9, 3.12
8.3 Clearly distinguish the structure of non-executive directors' remuneration from that of executive directors and senior executives	Comply	3.12
8.4 Provide the information indicated in the Guide to reporting on Principle 8	Comply	2.1, 3.12