



National Storage REIT

Continuous Disclosure and Communication Policy

National Storage Holdings Limited

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Continuous Disclosure and Communication Policy

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1 Definitions

Board means the board of directors of NSHL.

Company Secretary means the Company Secretary of NSHL.

Constitutions means the NSHL constitution dated on or around 1 November 2013 (as amended or replaced from time to time), the NSFSL constitution (as amended or replaced from time to time) and the Trust Constitution (if applicable).

Corporations Act means the Corporations Act 2001 (Cwth).

NSFSL means National Storage Financial Services Limited ACN 600 787 246 AFSL 475 228.

NSHL means National Storage Holdings Limited ACN 166 572 845.

National Storage Group means the stapled group comprising NSHL and its Subsidiaries and NSFSL as responsible entity of the Trust, the Trust and the entities which the Trust controls.

NS Stapled Entity means the stapled group listed on the ASX comprising the shares in NSHL and the units in the Trust.

Security Holders means a holder of a stapled security in the NS Stapled Entity.

Subsidiaries has the meaning given in the Corporations Act.

Trust means National Storage Property Trust.

Trust Constitution means the constitution of the Trust dated 23 September 2003, as amended or replaced from time to time.

2 Introduction

2.1 NS Stapled Entity's commitment to disclosure and communication

The NS Stapled Group is committed to the objective of promoting investor confidence and the rights of Security Holders by:

- (a) complying with the continuous disclosure obligations imposed by law;
- (b) ensuring that company announcements are presented in a factual, clear and balanced way;
- (c) ensuring that all Security Holders have equal and timely access to material information concerning the NS Stapled Entity; and
- (d) communicating effectively with Security Holders and making it easy for them to participate in general meetings.

2.2 Purpose of this policy

This policy outlines corporate governance measures adopted by the National Storage Group to further its commitments. It seeks to incorporate:

- (a) Principle 5 (Make timely and balanced disclosure) and Principle 6 (Respect the rights of Security Holders) of the ASX Corporate Governance Council's: Corporate Governance Principles and Recommendations;
- (b) the principles in Guidance Note 8 - Continuous Disclosure: Listing Rule 3.1 issued by ASX; and
- (c) disclosure obligations in the ASX Listing Rules ("**ASX Listing Rules**").

2.3 Application of this policy

This policy applies to all directors on the Board, as well as officers, employees and consultants of the National Storage Group.

Disclosure and materiality guidelines for officers and employees are available to assist officers and employees to understand their obligations under this policy.

This policy is a general guide to complex legal provisions and should not be taken as legal advice.

3 Continuous disclosure obligations

3.1 Disclosure obligations

The NS Stapled Entity is listed on ASX as a stapled group and must comply with the continuous disclosure obligations in the ASX Listing Rules. These obligations have the force of law under the Corporations Act 2001.

3.2 Immediate notification of information which may have a material effect on price or value

The National Storage Group must immediately disclose to the market any information concerning the National Storage Entity that a reasonable person would expect to have a material effect on the price or value of the NS Stapled Entity's securities. Disclosure is made by making an announcement to ASX.

Information will be taken to have a material effect on the price or value of the NS Stapled Entity's securities if it would be likely to influence investors in deciding whether to buy, hold or sell the NS Stapled Entity's securities if the information became public. This type of information is referred to as "price sensitive" information.

Materiality is assessed using measures appropriate to the National Storage Entity and having regard to the examples given by ASX in ASX Listing Rule 3.1. Guidance Note 8 states that the following questions may be helpful in deciding whether information is likely to be price sensitive:

- (a) Would this information influence my decision to buy or sell securities in the entity at their current market price?
- (b) Would I feel exposed to an action for insider trading if I were to buy or sell securities in the entity at their current market price, knowing this information had not been disclosed to the market?

Further guidance on materiality is provided in the disclosure and materiality guidelines for officers and employees.

If any material information disclosed to the market becomes incorrect, the NS Stapled Entity must release an announcement correcting or updating the information.

3.3 Exceptions to disclosure of information

Disclosure of price sensitive information is not required while the following paragraphs (a), (b) and (c) are satisfied:

- (a) a reasonable person would not expect the information to be disclosed; and
- (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- (c) one or more of the following applies:
 - (i) it would be a breach of a law to disclose the information;
 - (ii) the information concerns an incomplete proposal or negotiation;
 - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
 - (iv) the information is generated for the internal management purposes of the NS Stapled Entity; or
 - (v) the information is a trade secret.

The NS Stapled Entity must disclose the information to ASX as soon as one of paragraphs (a), (b) or (c) is no longer satisfied.

3.4 Reporting information

To ensure the proper application of the materiality test and observance of the continuous disclosure obligations, all directors and employees must inform the Company Secretary of any potential material price sensitive information or proposal as soon as they become aware of it. The Company Secretary must disseminate this information to the Disclosure Committee as soon as reasonably practicable for its consideration.

4 Disclosure roles, responsibilities and internal procedures

4.1 Disclosure Committee

The National Storage Entity has established a Disclosure Committee. At the date of adoption of this policy, the members are:

- The Company Secretary;
- The Managing Director of NSHL; and
- the Chief Financial Officer (“CFO”) of NSHL.

The members of the Disclosure Committee may vary from time to time, but will consist of at least two members of senior management of NSHL and the Company Secretary.

4.2 Role and responsibilities of the Disclosure Committee

The role of the Disclosure Committee is to manage the NS Stapled Entity’s compliance with its disclosure obligations and this policy.

Subject to any directions given by the Board (either generally or in a particular instance), its responsibilities include:

- (a) seeking to ensure that the NS Stapled Entity complies with its disclosure obligations;
- (b) assessing the possible materiality of information which is potentially price sensitive;
- (c) making decisions on information to be disclosed to the market;
- (d) co-ordinating the actual form of disclosure with the relevant members of management where necessary;
- (e) liaising with the appropriate departments to distribute continuous disclosure notices to the ASX, publish notices on the website of and, where appropriate, disseminate notices directly to unitholder of the Trust;
- (f) seeking to ensure that announcements are made in a timely manner, are not misleading, do not omit material information and are presented in a clear, balanced and objective way;
- (g) referring any announcement which the Disclosure Committee considers to be a matter of key significance to the Board for consideration;
- (h) reviewing the NS Stapled Entity's periodic disclosure documents and media announcements before release to the market; and
- (i) periodically monitoring disclosure processes and reporting and periodically reviewing the effectiveness of the disclosure and materiality guidelines.

4.3 Role and responsibilities of the Company Secretary

The NS Stapled Entity has appointed the Company Secretary as the person responsible for communication with ASX in relation to listing rule matters and also for the general administration of this policy.

The Company Secretary's responsibilities include:

- (a) seeking to ensure that ASX is immediately notified of any information which needs to be disclosed;
- (b) reviewing board papers and other information referred to the Company Secretary for events that the Company Secretary considers may give rise to disclosure obligations;
- (c) convening meetings of the Disclosure Committee; and
- (d) maintaining a record of discussions and decisions made about disclosure issues by the Disclosure Committee and a register of announcements made to ASX.

4.4 Other employees - disclosure and materiality guidelines

This policy and the disclosure and materiality guidelines are provided to all officers and relevant employees on appointment. They must read this policy and the guidelines so as to gain an appreciation of what type of information may potentially be price sensitive and when to immediately refer any matter or event which may need to be disclosed to the Company Secretary.

The Disclosure Committee will periodically review the disclosure and materiality guidelines and organise training for the NS Stapled Group's officers and relevant employees to:

- (a) assist with their understanding of the NS Stapled Entity's and their own legal obligations relating to disclosure of price sensitive information, materiality and confidentiality;

- (b) raise awareness of the internal processes and controls; and
- (c) promote compliance with this policy and the guidelines.

Significant amendments made by the Disclosure Committee to this policy or the disclosure and materiality guidelines will be communicated to officers and relevant employees by the Company Secretary.

5 Disclosure matters generally

5.1 Inform ASX first

The NS Stapled Entity will not release any information publicly that is required to be disclosed through ASX until the NS Stapled Entity has received formal confirmation of its release to the market by ASX.

Information must not be given to the media before it is given to ASX, even on an embargo basis.

5.2 Speculation and rumours

Generally, the NS Stapled Entity will not respond to market speculation or rumours unless a response is required by law or ASX.

5.3 False market

If ASX considers that there is, or is likely to be, a false market in the NS Stapled Entity's securities and asks the NS Stapled Entity to give it information to correct or prevent a false market, the NS Stapled Entity must give ASX the information needed to correct or prevent the false market.

5.4 Trading halts

If necessary, the Disclosure Committee may consider requesting a trading halt from ASX to ensure orderly trading in the NS Stapled Entity's securities and to manage disclosure issues.

5.5 Breaches

Failure to comply with the disclosure obligations in this policy may lead to a breach of the Corporations Act or ASX Listing Rules and to personal penalties for directors and officers. Breaches of this policy may lead to disciplinary action being taken.

6 Market communication

6.1 Communication of information

The NS Stapled Entity will post on its website relevant announcements made to the market and related information after they have been released to ASX following receipt of confirmation from ASX.

Material price sensitive information will be posted as soon as reasonably practicable after its release to ASX.

Information may also be provided from time to time to the media on behalf of the NS Stapled Entity but not before disclosure to ASX, even on an embargo basis.

6.2 Analysts and institutional investors

The NS Stapled Entity may conduct briefings for analysts and institutional investors from time to time to discuss matters concerning the NS Stapled Entity. Only the Managing Director and CFO of NSHL or approved representatives of the NS Stapled Entity are authorised to speak with analysts and institutional investors.

Before each reporting period, the Managing Director and CFO will formulate guidelines for briefings for that period. The NS Stapled Entity's policy at these briefings is that:

- (a) the NS Stapled Entity will not comment on price sensitive issues not already disclosed to the market; and
- (b) any questions raised in relation to price sensitive issues not already disclosed to the market will not be answered or will be taken on notice.

If a question is taken on notice and the answer would involve the release of price sensitive information, the information must be released through ASX before responding.

At or after briefings, a member of the Disclosure Committee must consider the matters discussed at the briefings to ascertain whether any price sensitive information was inadvertently disclosed. If so, paragraph 5.4 applies.

6.3 Analyst reports

If requested, the NS Stapled Entity may review analyst reports. The NS Stapled Entity's policy is that it will only review these reports to clarify historical information and correct factual inaccuracies if this can be achieved using information that has been disclosed to the market generally.

No comment or feedback will be provided on financial forecasts, including profit forecasts prepared by the analyst, or on conclusions or recommendations set out in the report. The NS Stapled Entity will communicate this policy whenever asked to review an analyst report.

6.4 Inadvertent disclosure or mistaken non-disclosure

If price sensitive information is inadvertently disclosed or a director or employee becomes aware of information which should be disclosed, a member of the Disclosure Committee must immediately be contacted so that appropriate action can be taken including, if required, announcing the information through ASX and then posting it on the NS Stapled Entity's web site.

6.5 Media relations and public statements

Media relations and communications are the responsibility of the Managing Director or such person that the Managing Director appoints from time to time. On major matters, the Managing Director is generally the spokesperson, and on financial matters, the CFO of NSHL may generally speak.

Other officers or senior employees may be authorised by the Board or the Managing Director to speak to the media on particular issues or matters.

Any inquiry that refers to market share, financials or any matter which the recipient considers may be price sensitive must be referred to the Company Secretary.

No information is to be given to the media on matters which are of general public interest or which may be price sensitive without the approval of the Managing Director.

The guidelines outlined above are subject to any directions given by the Board, either generally or in a particular instance.

7 Shareholder communication

7.1 Reports to Security Holders

The NS Stapled Entity produces half yearly and yearly financial reports and an annual report in accordance with the Corporations Act, the ASX Listing Rules and applicable accounting standards. It seeks to give balanced and understandable information about the NS Stapled Entity and its proposals in its reports to Security Holders.

7.2 The National Storage Group's website

The National Storage Group's website contains information about the NS Stapled Entity including shareholder communications, announcements made to the market and related information. Investor information will be posted in a separate section on the website from other material about the NS Stapled Entity.

Relevant press releases, NS Stapled Entity financial announcements and financial data and the National Storage Group's charters and policies will also be available on the National Storage Group's website.

The website also provides information for Security Holders to direct inquiries to the National Storage Group.

7.3 Use of electronic communication and other technology

Security Holders may elect to receive information electronically as it is posted on the National Storage Group's website. The share registry can provide information about how to make this election. The NS Stapled Entity will communicate by post with Security Holders who have not elected to receive information electronically.

The NS Stapled Entity may consider the use of other reliable technologies as they become widely available.

7.4 General meetings

General meetings are used to communicate with Security Holders and allow an opportunity for informed shareholder participation. Security Holders are encouraged to attend or, if unable to attend, to vote on the motions proposed by appointing a proxy or using any other means included in the notice of meeting. The NS Stapled Entity conducts its general meetings in accordance with the Constitutions, the Corporations Act and the ASX Listing Rules.

7.5 Notices of meetings

The NS Stapled Entity seeks to ensure that the form, content and delivery of notices of general meetings will comply with the Constitutions, the Corporations Act and ASX Listing Rules. Notices of meeting and accompanying explanatory notes aim to clearly, concisely and accurately set out the nature of the business to be considered at the meeting. The NS Stapled Entity will place notices of general meetings and accompanying explanatory material on the National Storage Group's website.

7.6 Auditor to attend AGM

The external auditor will attend the annual general meeting and be available to answer questions about the conduct of the audit and the preparation and content of the auditor's report.

7.7 Shareholder privacy

The National Storage Group recognises that privacy is important and will not disclose registered shareholder details unless required by law. Security Holder details will only be used in accordance with applicable privacy laws.

8 Review and publication of this policy

The Disclosure Committee may review this policy from time to time and report to the Board any changes it considers should be made. This policy may be amended by resolution of the Board.

This policy is available on the National Storage Group's website.

Approved by the Board on 18 November 2013

Reviewed by the Board on 16 June 2016