



National Storage REIT Equity Incentive Plan Rules

National Storage Holdings Limited

ACN 166 572 845

National Storage Property Trust

ARSN 101 227 712

Adopted by the Board on 26 October 2021



C O R P O R A T E

Level 14, HWT Tower
40 City Road
Southbank VIC 3006

T: +61 3 7000 3200
E: contact@swcorporate.com.au

www.swcorporate.com.au

Table of Contents

1.....	Invitations of Awards	2
2.....	Performance Rights and Options	3
3.....	Restricted Securities	4
4.....	Prohibited Dealings	6
5.....	Cessation of employment	6
6.....	Malus and clawback	7
7.....	Change of Control	8
8.....	Corporate action	9
9.....	Dividends and voting rights	10
10.....	Withholding	11
11.....	Amendments	11
12.....	Participants based overseas	12
13.....	Miscellaneous	12
14.....	Definitions and interpretation	14

National Storage REIT

Equity Incentive Plan Rules

1. Invitations of Awards

1.1 Board to make invitations

- (a) The Board may invite Eligible Employees to apply to participate in a grant of Performance Rights, Options, and/or Restricted Securities by issuing them an Invitation at any time.
- (b) Grants under this plan will be made on the terms set out in these Rules and the terms of an Invitation.
- (c) To the extent of any inconsistency, the terms and conditions in an Invitation will prevail over these Rules.

1.2 Information to be provided

The Invitation will be in a form approved by the Board and will advise each Eligible Employee of the following information (if relevant) regarding the Award:

- (a) the type or types of Awards being granted or allocated;
- (b) the number or maximum value of Awards being offered or the method for determining the number or maximum value of the Awards;
- (c) details of any applicable Vesting Conditions, the applicable Vesting Period and any other applicable restrictions;
- (d) if the Awards are exercisable following Vesting, the exercise period and the manner of exercise of the Awards and, if any amount is payable upon exercise of an Award (for example the exercise price on an option) the manner in which payment is to be made;
- (e) the circumstances in which the Awards will lapse or are forfeited;
- (f) the process required to be followed and any documents required to be signed in order for the Eligible Employee to apply to participate; and
- (g) any other relevant terms and conditions to be attached to the Awards.

1.3 Application to participate

- (a) An Eligible Employee who wishes to apply to participate in a grant of Awards must comply with the process (if any) set out in the Invitation.
- (b) An application to participate is not binding on the company and no obligation arises until the date the Awards detailed in an Invitation are granted in accordance with these Rules.
- (c) The Board may in its discretion determine not to proceed with a grant of Awards, either generally for a particular individual at any time prior to the date Awards are granted.

2. Performance Rights and Options

2.1 Grant

Where the Board determines to grant Performance Rights or Options to an Eligible Employee:

- (a) the Performance Rights or Options will be registered in the name of the Eligible Employee, their nominated Related Person or Controlled Entity (if acceptable to the Board in its discretion) or the ES Trustee; and
- (b) subdivision 83A-C of the Tax Act (or any replacement legislation and/or provisions of equivalent effect) applies to the Performance Rights and Options (subject to the requirements of the Tax Act or applicable replacement legislation).

2.2 Vesting

- (a) Subject to Board discretion and unless otherwise specified, a Performance Right or an Option will only Vest (and if applicable, become exercisable) if each Vesting Condition and all other conditions specified in the Invitation have been satisfied.
- (b) The Board may delay allocation of a Security and/or Vesting of a Performance Right if it would occur in a period where Dealings by a Participant are prohibited.
- (c) Subject to rule 2.2(d), the Vesting of a Performance Right and the exercise of an Option will be satisfied by NSR allocating Securities to the Participant under rule 2.3.
- (d) The Board may determine that some or all of a Participant's Performance Rights on Vesting or Options on exercise will be settled by NSR making a cash payment under rule 2.4.
- (e) The Participant has no entitlement to receive a Security (or a cash payment) until the Performance Rights or Options have Vested (and if applicable, been exercised).
- (f) Vesting occurs when NSR notifies the Participant that a Performance Right or an Option has Vested.

2.3 Allocation

- (a) As soon as practicable following Vesting of a Performance Right or exercise of an Option the Board must issue to or procure the transfer to the Participant the number of Securities in respect of which Performance Rights have Vested or Options have been exercised.
- (b) The Board may determine in its discretion how the obligation set out in rule 2.4(a) will be satisfied including (without limitation) by:
 - (i) allocating and issuing new Securities;
 - (ii) acquiring Securities on market; or
 - (iii) transferring Securities held by the ES Trustee.

2.4 Method of exercise

- (a) In the case of an Option, following the notification of Vesting to the Participant, the Vested Option is exercisable within the exercise period specified by the Board in the Invitation subject to the Participant delivering to the relevant person as noted in the Invitation electronically or otherwise a signed notice of exercise and payment (if required).
- (b) In the case of Performance Rights, following the notification of Vesting to the Participant, Vested Performance Rights will automatically be satisfied by the allocation of Securities (ie there is no exercise period).

2.5 Payment of cash equivalent

- (a) Where the Board decides in its sole discretion to make a cash payment to a Participant in lieu of an allocation of Securities on the Vesting of a Performance Right or exercise of an Option, NSR must pay to the Participant an amount equivalent to the value of the Option exercised (less any applicable Exercise Price) or Performance Right vested that the Board determines will be settled by a cash payment (net of any Tax withheld).
- (b) Subject to the Board's discretion, the Board will notify the amount of the cash payment and how this has been determined when the Participant is notified under rule 2.5(a).

2.6 Lapse

Subject to Board discretion, a Performance Right or Option will lapse on the Expiry Date.

3. Restricted Securities

3.1 Allocation

- (a) Where the Board allocates Restricted Securities to an Eligible Employee, the Board will either:
 - (i) issue Restricted Securities to;
 - (ii) procure the transfer of Restricted Securities to; or
 - (iii) procure the setting aside of Restricted Securities for, the Eligible Employee.
- (b) The Board may delay the allocation of a Restricted Security if it would occur in a period where Dealings by a Participant are prohibited.
- (c) Unless the Board determines otherwise:
 - (i) no payment is required for the grant; and
 - (ii) the Restricted Securities will be registered to the ES Trustee on behalf of the Eligible Employee; or
 - (iii) if no ES Trustee is currently nominated by NSR, the Restricted Securities will be registered in the name of the Eligible Employee or their nominated Related Person or Controlled Entity (if acceptable to the Board in its discretion).

- (d) The Board may direct NSR to implement any procedure it considers appropriate to restrict a Participant from Dealing for so long as the Participant's Securities are Restricted Securities (including through the imposition of an ASX holding lock).
- (e) Where section 83A-105(6) of the Tax Act is capable of applying to the Restricted Securities, Subdivision 83A-C of the Tax Act applies to the Restricted Securities, subject to the requirements of that Act.

3.2 Vesting and cessation of restrictions

- (a) Subject to any express rule to the contrary or determination otherwise by the Board, a Restricted Security that is allocated to a Participant following the satisfaction of any conditions to allocation advised to the Participant by the Board:
 - (i) **(with Vesting Conditions)** with Vesting Conditions will only Vest where each Vesting Condition, and all other relevant conditions advised to the Participant, have been satisfied or otherwise waived by the Board; and
 - (ii) **(without Vesting Conditions)** without Vesting Conditions automatically Vests on allocation.

For the avoidance of doubt, the Vesting of a Restricted Security does not cause all other conditions or restrictions applicable to that Restricted Security to automatically be satisfied or cease, unless otherwise stated in the Participant's Invitation Document or determined by the Board.

- (b) Subject to any express rule to the contrary, a Vesting Condition, other condition or restriction applicable to a Restricted Security will only cease to apply where either:
 - (i) the terms of that Vesting Condition, other condition or restriction have been satisfied or otherwise waived by the Board, unless it automatically ceases under rule 3.2(b)(ii);
 - (ii) in the case of a Vesting Condition, other condition or restriction on Dealing stated in the Participant's Invitation as becoming satisfied upon a period expiring, automatically upon the applicable period expiring, unless otherwise determined by the Board; or
 - (iii) the Company notifies the Participant that that Vesting Condition, other condition or restriction has ceased or no longer applies to that Restricted Security.
- (c) Where the Board is required to make a determination as to whether a Vesting Condition or other condition has been satisfied or a restriction has ceased under rule 3.2(b), the Board may notify the Participant of their determination at such time as the Board considers appropriate.
- (d) A Security will cease to be a Restricted Security upon all applicable Vesting Conditions, other conditions and restrictions ceasing to apply to that Restricted Security in accordance with these Rules.
- (e) Unless provided otherwise in the terms of an Invitation, when a Security that is held by the ES Trustee on behalf of a Participant ceases to be a Restricted Security, the ES Trustee will continue to hold the Share on trust

on behalf of the Participant until such time as the Participant, or the Company on behalf of the Participant, directs the ES Trustee to:

- (i) transfer the Security into the Participant's name or another account to be held on the Participant's behalf (including that of a Controlled Entity or Related Person); or
- (ii) sell the Security and pay the proceeds of sale (net of any applicable brokerage, commission, stamp duty or other transaction costs) to the Participant.

3.3 Forfeiture of Restricted Securities

A Restricted Security will be forfeited on the Expiry Date.

4. Prohibited Dealings

- (a) Subject to NSR's Securities Trading Policy, any Dealing in respect of an Award prior to Vesting or the ceasing of any applicable restrictions is prohibited unless:
 - (i) the Board determines otherwise;
 - (ii) the Dealing is limited to a transfer of an Award of a Participant to a Related Person of Controlled Entity nominated by that Participant that is acceptable to the Board in its discretion; or
 - (iii) the Dealing is required by law and the Participant has provided satisfactory evidence to NSR of that fact.
- (b) If, in the opinion of the Board, a Participant (or the ES Trustee at the Participant's direction) Deals with a Performance Right or an Option in contravention of rule 4(a), the Performance Right or Option will immediately lapse.
- (c) If, in the opinion of the Board, the Participant (or the ES Trustee at the Participant's direction) Deals with a Restricted Security in contravention of rule 4(a), the Restricted Security is deemed to immediately be forfeited.

5. Cessation of employment

5.1 Board discretion

If a Participant ceases to be an Employee during the Vesting Period of an Award or during the period in which any restrictions still apply to Restricted Securities, the Board has ultimate discretion in determining how to treat any Award held by the relevant Participant (or a nominated Related Person or Controlled Entity), subject to compliance with the Listing Rules and the Corporations Act (which may require securityholder approval), including but not limited to:

- (a) allowing all or some only of the Awards to continue to be held by the Participant, and be subject to the existing Vesting Conditions and other conditions; or
- (b) requiring that any Award be automatically lapsed or forfeited by the Participant.

5.2 Good leaver

Where a Participant who holds an Award is a Good Leaver, unless the Board in its sole and absolute discretion determines otherwise, all of that Participant's Awards (Unvested and Vested) will continue in force and (where applicable) remain exercisable, subject to their existing Vesting Conditions and other conditions (except any service conditions) which may also include a condition stipulated by the Board that the Participant not breach any contractual non-solicitation or non-compete obligations following cessation of employment.

5.3 Bad leaver

Where a Participant who holds an Award is a Bad Leaver, unless the Board in its sole and absolute discretion determines otherwise:

- (a) all Vested Awards which have not been exercised will continue in force and remain exercisable until the earliest of the Award's ordinary exercise period, the Expiry Date or a period of determined by the Board in its discretion that is no less than 14 days after the Cessation Date; and
- (b) any Unvested Award will be automatically lapsed or forfeited (as applicable) on the Cessation Date.

6. Malus and clawback

6.1 Malus and clawback

Where, in the opinion of the Board a Participant (whether directly or indirectly, by act, omission or attempted act or omission):

- (a) has engaged or participated in conduct (excluding reasonable implementation of a Board approved strategy or plan) which adversely affects, or is likely to adversely affect, the financial position or reputation of the Group, or has engaged in conduct beyond the scope of a Board approved strategy or plan;
- (b) has acted fraudulently or dishonestly or made a material misstatement on behalf of the Group;
- (c) is in material breach of any of his or her duties or obligations to the Group, including any obligation under any common or statutory law, any contract with a Group entity or Group policy;
- (d) has engaged in serious misconduct or gross negligence (including recklessness or wilful indifference); or
- (e) is convicted of an offence or has a judgment entered against them in connection with the affairs of the Group;
- (f) was determined to be a Good Leaver at any time before or after their Cessation Date, following which it is determined the Participant should have been determined to be a Bad Leaver;
- (g) has engaged in any other conduct which would entitle a Group entity to summarily dismiss that Participant from their employment or any office they hold; or
- (h) is the beneficiary of any other person's engagement in any of the conduct described in this rule 6.1, regardless of whether or not the Participant has knowledge of that conduct or participated in it,

and in the opinion of the Board, the Participant's Awards would not otherwise be granted, Vested or exercised having regard to those circumstances, the Board may make a determination in accordance with Rule 6.2.

6.2 Board's powers

In the circumstances set out in rules 6.1, the Board may, in its discretion, determine any treatment in relation to a Participant's Awards (or temporary treatment while investigations of a suspected circumstance are ongoing), including, without limitation, to:

- (a) adjust the Vesting Conditions or any trade restrictions applicable to any Award (whether Vested or Unvested);
- (b) reduce or extinguish a Participant's entitlements to receive, retain, Vest or exercise any Award;
- (c) deem all or some Awards (whether Vested or Unvested) held by the Participant to have lapsed or been forfeited (as applicable) or else remain on foot subject to the same or different Vesting Conditions and/or restrictions;
- (d) require that the Participant repay to NSR as a debt:
 - (i) the cash value of all or some of a grant of Awards received under these Rules;
 - (ii) all or part of the net proceeds of sale where Restricted Securities and/or Performance Rights and/or Options acquired under these Rules have been sold or otherwise Dealt with; and/or
 - (iii) any dividends (or dividend equivalent payments) received in respect of a grant of Restricted Securities and/or Performance Rights and/or Options; and/or
- (e) adjust the Participant's incentive entitlements, fixed remuneration entitlements or participation in Invitations in the current year or any future year.

7. Change of Control

7.1 Change of control

- (a) Subject to the remainder of this rule 7, where there is a Change of Control Event, the Board will determine the treatment which will apply to all of a Participant's Awards (Unvested or Vested) in its discretion having regard to any matters the Board considers relevant, which may include without limitation:
 - (i) to automatically exercise any Vested but unexercised Awards, so long as doing so allows for a cashless exercise
 - (ii) for all or only some Unvested Awards becoming Vested (whether subject to further Vesting Conditions or not), which may or may not be pro-rated to take into account either the proportion of the Vesting Period that has elapsed or the extent to which Vesting Conditions have been satisfied;
 - (iii) to lapse or forfeit all Awards;

- (iv) for Unvested Awards remaining subject to the applicable Vesting Conditions and/or Vesting Period;
 - (v) for any Awards to be subject to substitute or varied Vesting Conditions and/or Vesting Period; or
 - (vi) that Awards be settled in cash (net of applicable taxes and other withholdings), or with securities other than Securities,
- (b) Without limiting rule 7.1(a), if the Board does not make any determination as to whether or not any discretion is to be applied under rule 7.1(a) to any Awards prior to the intended completion date of the Change of Control Event, then immediately prior to completion of the Change of Control Event:
- (i) all Unvested Awards will immediately Vest and/or cease to be subject to any restrictions on Dealing (as applicable) prior to on a pro rata basis having regard to the portion of the Vesting Period that has elapsed;
 - (ii) all Vested but unexercised Awards as at that time will automatically exercise, so long as doing so allows for a cashless exercise, and if not will lapse; and
 - (iii) any other Awards not captured by either rule 7.1(b)(i) or 7.1(b)(ii) will automatically lapse or be forfeited.

7.2 Notification of Vesting of Awards

If a Change of Control Event occurs, or the Board exercises its discretion pursuant to rule 7.1, NSR must as soon as practicable notify all affected Participants.

7.3 Acquisition of securities by another entity

If an entity (**Acquiring Entity**) obtains control of NSR and the Acquiring Entity, NSR and the Participant agree, a Participant may be provided with awards or securities in the Acquiring Entity (or its parent or its subsidiary) in substitution for the Awards, on substantially the same terms and subject to substantially the same conditions as the Awards, but with appropriate adjustments as to the number and kind of awards or securities.

8. Corporate action

8.1 General corporate actions

- (a) Options and Performance Rights carry no entitlement to participate in new issues of Securities by NSR prior to the Vesting and exercise (if applicable) of the Performance Right or Option.
- (b) Restricted Securities carry an entitlement to participate in new issues of Securities by NSR following allocation and prior to any restrictions being removed.
- (c) Prior to the allocation of Securities and upon Vesting of Performance Rights or exercise of Options, the Board may grant additional Performance Rights or Options or make any adjustments it considers appropriate to the terms of a Performance Right and/or Option granted to that Participant in order to minimise or eliminate any material advantage or disadvantage to

a Participant resulting from a corporate action by, or capital reconstruction in relation to, NSR, including but not limited to any return of capital. Adjustments that may be made include adjustments to:

- (i) the number of Performance Rights or Options to which the Participant is entitled;
 - (ii) the number of Securities to which the Participant is entitled upon Vesting (and, if applicable, exercise) of Performance Rights or exercise of Options;
 - (iii) any amount payable on Vesting of Performance Rights (and if applicable exercise) or exercise of Options (including the Exercise Price); or
 - (iv) a combination of paragraphs (i), (ii) and/or (iii) above.
- (d) Where NSR is listed on ASX and as applicable, NSR will make the adjustments referred to in rule 8.1 (c) in the manner allowed or required by the ASX Listing Rules.
- (e) If additional Performance Rights or Options are granted to the Participant under this rule 8, these Performance Rights or Options will be subject to the same terms and conditions as the original Performance Rights or Options granted to the Participant (including any Vesting Conditions), unless the Board decides otherwise.

8.2 Acquisitions and divestments

- (a) Notwithstanding any other rule, where NSR or any Group entity acquires or divests (in any manner) a business or significant asset determined by the Board to apply for the purpose of this rule 8.2(a), the Board may make special rules that apply to Participants in relation to the Awards or Securities provided under these Rules.

9. Dividends and voting rights

9.1 Dividends and voting rights associated with Awards

- (a) Subject to the terms of any Invitation and unless the Board determines otherwise, a Participant who holds Options and/or Performance Rights is not entitled to:
- (i) dividends and other distributions paid in respect of the Options and/or Performance Rights.
 - (ii) vote in respect of Options and/or Performance Rights.
- (b) Subject to the terms of any Invitation and unless the Board determines otherwise, following the allocation date of the Restricted Securities, a Participant is entitled to:
- (i) dividends and other distributions paid in respect of the Restricted Securities from the date of allocation.
 - (ii) vote in respect of Restricted Securities from the date of allocation.

9.2 Dividend equivalent payments

- (a) The Board may determine at the time an Invitation is made that a dividend equivalent payment will be paid to a Participant who becomes entitled to an allocation of Securities (or equivalent cash amount) following the Vesting of Performance Rights or exercise of Options under that Invitation.
- (b) A dividend equivalent payment may be satisfied through the allocation of Securities, the issue of additional Performance Rights or payments of cash as determined by the Board.

10. Withholding

- (a) Notwithstanding any other provisions of these Rules, if a Group entity, the ES Trustee or a plan administrator is obliged, or reasonably believes it may have an obligation to account for any Tax, social security contribution or levy or charge in relation to a Participant, then the relevant Group entity, ES Trustee or plan administrator is entitled to withhold or be reimbursed by the Participant for the amount paid or payable.
- (b) If rule 10(a) applies, the relevant Group entity may take any actions as it sees fit to recover the amounts referred to in rule 10(a) including making arrangements with the Participant for payment or reimbursement of the amounts. Actions to be taken may include:
 - (i) the provision by the Participant of sufficient funds to reimburse the Group for the amount (by salary deduction or otherwise); or
 - (ii) the sale on behalf of the Participant of Securities allocated under these Rules for payment or reimbursement of these amounts, as well as the costs of any such sale.

11. Amendments

11.1 Power to make amendments

Subject to rule 11.2, the Board may at any time by resolution:

- (a) amend or add to (**amend**) all or any of the terms of these Rules; or
- (b) suspend or terminate the operation of any incentive plan.

11.2 Restrictions on amendments

The Board must not exercise its powers under rule 11.1 in a manner which reduces the rights of the Participant in respect of any Award already granted under these Rules unless the Participant consents or the amendment is introduced primarily:

- (a) for the purpose of complying with or addressing laws or regulatory developments that apply to:
 - (i) the remuneration and benefits of Participants (collectively or individually); or
 - (ii) Awards, or incentive plans generally;
- (b) to correct any manifest error or mistake; or

- (c) to take into consideration possible adverse Tax implications arising from, amongst others, adverse rulings, changes to Tax legislation and/or changes in the interpretation of Tax legislation by a court of competent jurisdiction.

12. Participants based overseas

12.1 Overseas transfers

If a Participant is transferred to work in another country and the Participant continues to hold an office or employment with the Group, the Board may decide the appropriate treatment to apply to that Participant's Awards.

12.2 Non-Australian residents

The Board may adopt additional rules that will apply to a grant of Awards made to an Eligible Employee who is a resident in a jurisdiction other than Australia. The remaining provisions of these Rules will apply subject to the alterations or additions specified by the Board. To the extent of any inconsistency, any additional rules adopted by the Board under this rule will prevail over any other terms of these Rules in respect of the international incentive arrangements.

13. Miscellaneous

13.1 Securities issued under these Rules

- (a) Any Securities issued under these Rules will rank equally in all respects with other Securities on issue, except:
 - (i) in relation to any rights attaching to such Securities by reference to a record date prior to the date of their issue; or
 - (ii) as provided for under rule 9.1.
- (b) NSR must apply for quotation of Awards issued under these Rules within the period required by the Listing Rules.

13.2 Rights and obligations of Participants

- (a) Unless the subject of an express provision in an employment contract, the rights and obligations of any Participant under the terms of their office, employment or contract with the Group are not affected by their participation in an Invitation.
- (b) These Rules will not form part of and are not incorporated into any contract of any Participant (whether or not they are an employee of the Group).
- (c) A grant of an Award does not create any right or expectation of future grants of an Award.
- (d) No Participant has any right to compensation for any loss in relation to an Invitation.
- (e) The Participant irrevocably appoints each company secretary of the Group (or any other employee or officer of the Group authorised by the Board for this purpose) as his or her attorney to do anything necessary to allocate, forfeit or transfer Securities under these Rules.

13.3 Power of the Board to administer these Rules

The Board may:

- (a) administer these Rules as it sees fit;
- (b) decide procedures for administration of these Rules; and
- (c) delegate to any person the exercise of any of its powers or discretions under these Rules.

13.4 Waiver of terms and conditions

Despite any other provision of these Rules, the Board may at any time waive in whole or in part any terms or conditions (including any Vesting Condition) in relation to any Awards or Securities granted to a Participant.

13.5 Application of constitutions, Corporations Act, and Listing Rules

- (a) Notwithstanding any other provision of these Rules, Awards and Securities will not be allocated, issued, acquired, transferred or otherwise dealt with under these Rules, and no other benefit will be deliverable under these Rules, if to do so would:
 - (i) contravene the constitution of NSH, the trust constitution of NSPT, the Corporations Act, the Listing Rules (while NSR is listed), or any other applicable laws (including any applicable foreign law); or
 - (ii) require NSR or any Group entity to pay, provide, or procure the payment or provision of, any money or benefits to the Participant which would require securityholder approval under Part 2D.2, Division 2 of the Corporations Act.
- (b) NSR has no obligation to seek securityholder approval to deliver any benefit under these Rules that cannot be delivered without securityholder approval.

13.6 Dispute or disagreement

The Board may, in its absolute discretion, resolve all questions of fact or interpretation in connection with these Rules, an Invitation or any Awards or Securities granted. The decision of the Board is final and binding.

13.7 Communication

Any notice or other communication provided to a Participant under or in connection with these Rules may be given by personal delivery, by post or email, or by posting it on NSR's intranet.

13.8 Data protection

Subject to any applicable laws, by participating in an Invitation, the Participant consents to the holding and processing of personal data provided by the Participant to the Group, a plan administrator or the ES Trustee, for all purposes with regard to the operation of these Rules.

13.9 Tax

Unless otherwise required by law, the Participant is responsible for all Tax which may become payable by a Participant as a consequence of or in connection

with the grant of any Awards, the allocation of any Securities or any Dealing with any Awards or any Securities.

13.10 Laws governing these Rules

These Rules, and any Awards granted and Securities allocated under them, are governed by the laws of Queensland and the Commonwealth of Australia.

14. Definitions and interpretation

14.1 Definitions

In these Rules, the following words and expressions have the meanings indicated unless the contrary intention appears:

Term	Meaning
ASX	ASX Limited ACN 008 624 691 or the Australian Securities Exchange, as the context requires
Award	a Restricted Security, Performance Right and/or Option (as the case may be)
Bad leaver	<p>unless otherwise determined by the Board in its sole and absolute discretion, a Participant who ceases employment with the Group in any of the following circumstances:</p> <ul style="list-style-type: none"> (a) the Participant resigns from their employment (other than as a result of ill health or a genuine retirement) at a time or in a manner that has an adverse impact on NSR, including to join a Competitor; (b) the employment of the Participant is terminated due to poor performance; or (c) the Participant's employment is terminated, or the Participant is dismissed from their office, for any of the following reasons: <ul style="list-style-type: none"> (i) the Participant has committed any serious or persistent breach of the provisions of any employment or director contract entered into by the Participant with NSR or a Group entity, including any post-employment restraints or restrictions; (ii) the Participant has become disqualified from managing corporations or has committed any act that may result in the Participant being banned from managing a corporation under any applicable securities law; or (iii) the Participant has committed serious or gross misconduct, wilful disobedience or any other conduct justifying termination of employment without notice. <p>For the avoidance of doubt, a Participant may be declared a Bad Leaver if the Board determines after their Cessation Date that the Participant should not have been determined to be a Good Leaver.</p>
Board	the board of directors of NSH, any committee of the board or a duly authorised person or body to which the board has delegated its powers under these Rules
Cessation	the date that the Participant ceases to be employed by a Group

Date	entity
Change of Control Event	where there is a: (a) Takeover Bid for Securities; or (b) any other transaction, event, circumstance or state of affairs, that, in the Board's opinion, is reasonably likely to result in, or should otherwise be treated as, a change in the Control of NSR
Competitor	any business that competes with the Group or a Group entity
Control	has the meaning given in section 50AA of the Corporations Act
Controlled Entity	any of the following entities with Australian residency that the Board is satisfied (in its discretion) as being Controlled by a nominating Participant: (a) a corporation; (b) a unit, discretionary or hybrid trust, the trustee of which is either the Participant or their Related Person; (c) a unit, discretionary or hybrid trust, the trustee of which is a corporation Controlled by either the Participant or their Related Person; (d) a self-managed superannuation fund to which either the Participant or their Related Person is a beneficiary; or (e) such other entity or arrangement approved by the Board in its discretion
Corporations Act	<i>Corporations Act 2001 (Cth)</i>
Deal or Dealing	means any dealing with any Award or Security, including: a sale, transfer, assignment, encumbrance, option, swap, or any other alienation of all or any part of the rights attaching to an Award or Security, or any other action prohibited by the Group's Securities Trading Policy; (f) any attempt to do any of the actions set out in paragraph (a) above; and (g) any hedging (including any dealing with a derivative instrument) intended to 'lock in' a profit relating to an Award or Security, and any other transactions in financial products that operate to limit the economic risk associated with holding an Award or Security
Director	a director of NSR
Eligible Employee	a contractor, officer or employee of the Group, a Director or any other person determined by the Board from time to time. For clarity, a non-executive director is not an Eligible Employee
employment	references to an Eligible Employee's 'employment' includes a reference to any other non-employment arrangement they may hold with a Group company, whether as a contractor, officer or otherwise
ES Trust Deed	in relation to an Invitation, any trust deed nominated by NSR as the Trust Deed for the purposes of the Invitation, as amended from time to time
ES Trustee	the trustee under the ES Trust Deed

Exercise Price	the amount payable to exercise an Option or Performance Right (if any) following Vesting as set out in an Invitation (as adjusted or amended in accordance with these Rules). Unless set out otherwise in an Invitation, there will be no Exercise Price applicable to a Performance Right.
Expiry Date	the earliest to occur of: <ul style="list-style-type: none"> (a) 15 years after the date on which the Performance Rights or Options were allocated to the Participant, or any other expiry date in the Invitation; (b) the Performance Right or Option lapsing under a term of these Rules or an Invitation; (c) failure to meet a Vesting Condition or any other condition applicable to the Performance Right or Option within the Vesting Period; or (d) NSR receiving a written notice from a Participant surrendering the Performance Right or Option
Good leaver	a Participant who ceases employment with NSR or a Group entity and is not a Bad Leaver
Group	NSR and each Related Body Corporate of NSR
Group entity	a member of the Group
Invitation	an invitation to an Eligible Employee made by the Board under rule 1.1 to apply for, participate in, or receive (as applicable), a grant of Awards
Listing Rules	the official Listing Rules of the ASX and any other exchange on which NSR is listed, as they apply to NSR from time to time
NSH	National Storage Holdings Limited (ACN 166 572 845)
NSPT	National Storage Property Trust (ARSN 101 227 712) created under trust constitution dated 23 September 2003, as amended or replaced from time to time
NSR	both of: <ul style="list-style-type: none"> NSH; and RE acting as responsible entity of NSPT, or either one of them where the context requires
Option	an entitlement to receive a Security or, in certain circumstances, to a cash payment, subject to satisfaction of applicable conditions (including any Vesting Condition) and compliance with the applicable exercise procedure (including payment of any applicable Exercise Price or compliance with any procedures set by the Board for cashless exercise)
Participant	a person who has been allocated an Award or Security under these Rules from time to time, including any Related Person or Controlled Entity of an Eligible Employee
Performance Right	an entitlement to acquire a Security or, in certain circumstances, to a cash payment, subject to satisfaction of applicable conditions (including any Vesting Condition) and, where the Board determines the Performance Right to be exercisable, compliance with the applicable exercise procedure

RE	the responsible entity of NSPT registered with the Australian Securities & Investments Commission from time to time
Related Body Corporate	has the meaning given in section 50 of the Corporations Act
Related Person	a spouse, de facto partner, parent, child that is at least 18 years old or other familial relative nominated by a Participant and approved by the Board in its discretion
Restricted Securities	a Security allocated in accordance with rule 3.1 that is subject to restrictions on Dealing, Vesting Conditions and/or other restrictions or conditions
Rules	the terms and conditions set out in this document as amended from time to time
Securities Trading Policy	the Group's Securities Trading Policy from time to time
Security	a fully paid ordinary share in NSH and a fully paid unit in NSPT, stapled together. A reference to a Security includes a reference to a Restricted Security (unless the context requires otherwise).
Takeover Bid	has the meaning given in section 9 of the Corporations Act
Tax	includes any tax, levy, impost, goods and services tax, deduction, charge, rate, contribution, duty or withholding which is assessed (or deemed to be assessed), levied, imposed or made by any government or any governmental, semi-governmental or judicial entity or authority together with any interest, penalty, fine, charge, fee or other amount assessed (or deemed to be assessed), levied, imposed or made on or in respect of any or all of the foregoing
Tax Act	<i>Income Tax Assessment Act 1997 (Cth)</i>
Vest or Vesting	<p>the process by which the holder of an Award becomes entitled to:</p> <p>(a) in the case of a Performance Right, exercise the Performance Right (if applicable) or be allocated a Security (or equivalent cash payment) in accordance with rules 2.2 and 2.3;</p> <p>(b) in the case of an Option, exercise the Option in accordance with rule 2.2 and 2.3;</p> <p>(c) in the case of a Restricted Security, have all restrictions on disposing of or otherwise Dealing with the Restricted Security cease in accordance with rule Error! Reference source not found. (other than any additional restrictions imposed by the Board under rule 4),</p> <p>following the satisfaction of all Vesting Conditions that apply to that Award, and Unvested has a corresponding meaning</p>
Vesting Condition	performance, service or other conditions that must be satisfied or circumstances which must exist before an Award Vests under these Rules
Vesting Period	the prescribed period for satisfaction of a Vesting Condition, advised to a Participant by the Board under rule 1.2.

14.2 Interpretation

The following rules apply unless a contrary intention appears:

- (a) headings are for convenience only and do not affect the interpretation of these Rules [unless the context requires otherwise];
- (b) any reference in these Rules to any statute or statutory instrument includes a reference to that statute or statutory instrument as amended, consolidated, re- enacted or replaced from time to time;
- (c) a reference to any agreement or document includes a reference to that agreement or document as amended, novated, supplemented or amended from time to time;
- (d) any words denoting the singular include the plural and words denoting the plural include the singular;
- (e) where any word or phrase is given a definite meaning in these Rules, any part of speech or other grammatical form of that word or phrase has a corresponding meaning;
- (f) the word "includes" in any form is not a word of limitation; and
- (g) any determination, decision or exercise of power, by the Board or NSR (as applicable) will be at its absolute discretion.