

**MODERN
SLAVERY**
STATEMENT

FY 2021

**NATIONAL
STORAGE**

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FY2021

IMPORTANT INFORMATION

REPORTING ENTITIES

National Storage is Australasia's largest self-storage owner-operator, tailoring self-storage solutions to over 85,000 residential and commercial customers at more than 210 storage centres across Australia and New Zealand.

National Storage offers self-storage, business storage, climate-controlled wine storage and trading, vehicle storage, vehicle and trailer hire, packaging supplies and other value-added services.

National Storage Holdings Limited (ACN 166 572 845) ('**NSH**') is an Australian public company limited by shares. National Storage Financial Services Limited (ACN 600 787 246, Australian Financial Services Licence ('**AFSL**') number 475 228) ('**NSFSL**') is the responsible entity for National Storage Property Trust (ARSN 101 227 712) ('**NSPT**'). Each of these entities shares its registered office at Level 16, 1 Eagle Street, Brisbane QLD 4000, Australia.

Together, NSH and NSPT form the stapled entity National Storage REIT ('**NSR**' or the '**Group**'), the securities of which are publicly quoted on the Australian Securities Exchange (Australian Securities Exchange: NSR) and comprise one unit in NSPT and its controlled entities ('**NSPT Group**') and one ordinary share in NSH and its controlled entities ('**NSH Group**') ('**Stapled Securities**'). For further details regarding National Storage's controlled entities see page 101 of the Annual Report 2021.

This is the Modern Slavery Statement ('**Statement**') made by NSH and NSPT (together, '**Reporting Entities**') as joint reporting entities for the financial year ended 30 June 2021 ('**FY2021**'). This Statement is made pursuant to the Australian Modern Slavery Act 2018 (Cth) ('**MSA**' or '**Act**') and identifies the steps taken to assess and address modern slavery risks in our operations and supply chains in FY2021.

In this Statement, references to 'National Storage', 'the National Storage Group', 'the Group', 'we', 'our' and 'us' are to NSH, NSPT, and the Group's respective controlled entities, as outlined in the Annual Report 2021.

DISCLAIMER

This report contains forward looking statements and forecasts which are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors, many of which are beyond the control of NSH and/or NSFSL. No representation is made that any of these statements or forecasts will come to pass or that any forecast result will be achieved. Statements regarding past performance are not necessarily indicative of future performance.



INTRODUCTION

Modern slavery refers to those situations at the extreme end of a spectrum that ranges from 'decent work' to 'serious criminal exploitation'.¹ National Storage adopts the definition of modern slavery under Australia's MSA.²

National Storage considers our participation in the ongoing fight against human rights risks in the global community to be of crucial importance to our ability to provide ongoing sustainable value for our stakeholders. We also recognise that to contribute to meaningful and lasting change in relation to human rights risks, we must adopt a proactive, ongoing mindset which aligns with the guidance, knowledge, and practices of internal and external leaders.

PURPOSE AND VALUE OF STATEMENT

The purpose of this Statement is to explain the actions we have taken to assess and address risks of modern slavery in our operations and supply chains.

We recognise our responsibility to work collaboratively with our suppliers, contractors, employees, and stakeholders to continually assess and address risks of modern slavery in our supply chains and operational footprint. This aligns with National Storage's core values and commitments.

COMMITMENT TO IMPROVEMENT

National Storage is committed to ongoing work to ensure that modern slavery practices are not present in our operations or supply chains, and we recognise the importance of developing and implementing a model of continual improvement by assessing and addressing risks stemming from our business. This is particularly vital as the world adapts and responds to constant change as recently seen in the COVID-19 pandemic.


This is our second Statement pursuant to the MSA. As such, we have focused in this reporting period on expanding upon our initial actions to assess and address our risks of modern slavery to foster enhanced transparency and accountability for human rights risks within our operations and supply chains.

We acknowledge that our approach requires continuous improvement, necessitating further development on an annual basis to effectively mitigate against risks of modern slavery in line with recommendations under guiding principles such as the United Nations Guiding Principles on Business and Human Rights ('**UNGPR**').³

¹ Commonwealth Modern Slavery Act 2018 - Guidance for reporting entities. (2018) <https://www.homeaffairs.gov.au/criminal-justice/files/modern-slavery-reporting-entities.pdf>

² Section 4 of the MSA defines modern slavery to include trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and the worst forms of child labour.

³ Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework, UN Doc HR/PUB/11/04.



FY2021

PROGRESSION AGAINST MODERN SLAVERY PROGRAM

In FY2020, we developed our flagship 'Modern Slavery Program' ('**Program**') to outline our planned actions to manage risks of modern slavery into the future. Our focus in that reporting period was upon identifying and assessing our most prominent risks of the potential for modern slavery and developing frameworks within which to implement management actions in line with our focus areas in the years to come.

We have considered appropriate future actions armed with the knowledge that addressing risks of modern slavery can be a complex evolving process, and so a malleable framework is preferable to allow our approach to adapt as required.

In FY2021, we have progressed our actions to assess and address risks of modern slavery in our business operations against our Modern Slavery Program. We understand that human rights due diligence is most effective when it occurs on an ongoing basis and is embedded in our formal processes.

OVERVIEW OF PROGRAM PROGRESSION

TOPIC	TARGETS ACHIEVED TO DATE	FUTURE PRIORITIES
<p>General</p>	<ul style="list-style-type: none"> ■ Establishment of 'Modern Slavery Program' in line with inaugural Statement ■ Refinement of Modern Slavery Program to reflect industry best-practice 	<ul style="list-style-type: none"> ■ Continuous improvement and refinement of Modern Slavery Program
<p>Systems, Management and Controls</p>	<ul style="list-style-type: none"> ■ Application of Risk Management Framework to assess risks of modern slavery across Group operations and supply chains ■ Baseline review of governance systems and mechanisms ■ Uplift of systems, mechanisms, and controls ■ Partnership with industry leaders 	<ul style="list-style-type: none"> ■ Optimise systems, management, mechanisms, and controls to best address modern slavery ■ Implementation of Supplier Code of Conduct and Procurement Policy
<p>Supplier Engagement</p>	<ul style="list-style-type: none"> ■ Assessment and identification of suppliers for deeper due diligence activities ■ Development of supplier due diligence mechanism to assess supply chain risks ■ Completion of annual supplier assessment across suppliers falling under identified 'high risk' sectors 	<ul style="list-style-type: none"> ■ Ongoing engagement with key suppliers and stakeholders
<p>Training and Risk-Management Capability Expansion</p>	<ul style="list-style-type: none"> ■ Initial training provided to key areas of the business ■ Ongoing commitment and awareness have been communicated ■ Development of e-learning materials for existing employees ■ Development of bespoke modern slavery training pack for new employees. 	<ul style="list-style-type: none"> ■ Company-wide training around modern slavery and human rights



OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

ORGANISATIONAL STRUCTURE

In December 2013, National Storage listed on the ASX forming NSR, the first publicly listed, independent, internally managed, and fully integrated owner and operator of self-storage centres in Australia.

NSR is a stapled entity comprising units in NSH and its controlled entities and NSPT and its controlled trusts. The ultimate holding company of the Group is NSH.

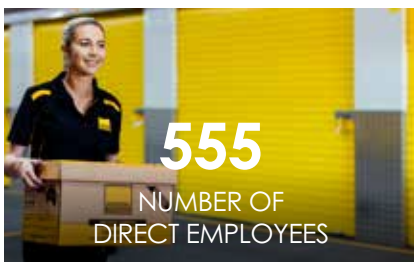
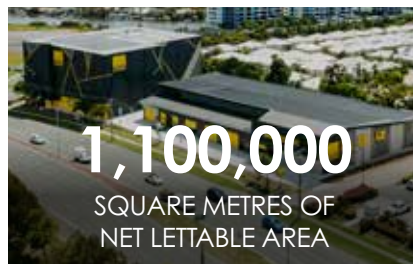
Both NSH and NSFSL (as the responsible entity for NSPT Group) have identical boards of directors, and they each have their own Constitutions which set out the rights and obligations of each respective entity, and the unitholders (in the case of NSPT) and shareholders (in the case of NSH).

NSH and NSFSL have entered into a cooperation deed and management agreement. These facilitate common processes and governance systems for NSH and NSFSL relating to NSR and govern the relationship between the entities in relation to NSR Securities. Pursuant to these agreements, the Board of NSH is responsible for the overall governance function of NSR, however, each board discharges their respective governance obligations as required.

For further detail on National Storage's controlled entities, please see Page 101 of the [Annual Report 2021](#).

OUR OPERATIONS

FY2021 AT A GLANCE



*Figures at 30 June 2021.

HOW WE OPERATE

National Storage is Australasia's largest self-storage provider, tailoring self-storage solutions to over 85,000 residential and commercial customers at more than 210 storage centres across Australia and New Zealand.

NSR is the only publicly listed, pure play, fully integrated, owner and operator of self-storage centres in Australasia. The National Storage offering spans self-storage, business storage, climate-controlled wine storage and trading, vehicle storage, vehicle and trailer hire, packaging supplies and insurance. In addition to the traditional self-storage offering, National Storage provides value-add services for businesses including receipt and dispatch, corporate account management, forklifts and pallet jacks, and versatile, adaptable spaces to suit customers' needs.

Our principal operations are based around providing secure, self-managed storage facilities to our customers across our locations in Australia and New Zealand, comprising:

■ Commercial operation of self-storage facilities

We own and operate storage facilities, providing self-storage solutions and value-adding services to our customers.

■ Acquisition of self-storage assets

We execute high-quality acquisitions of self-storage assets as a key part of our growth strategy.

■ Development, innovation, and expansion

We identify, negotiate, and deliver strategic development and expansion projects with new technology and innovation.

Our development strategy includes some joint venture investment arrangements. In each joint venture, the structure of each arrangement is such that each party has equal representation on the advisory board responsible for the overall direction and supervision of each trust.

For further detail on National Storage's joint venture arrangements, please see our [Annual Report 2021](#).

■ Retail Operations

We sell packaging and moving supplies on-site at our Storage Centres and online via our website.

■ Financial Services License

In accordance with NSFSL's AFSL, we issue securities which are promoted through financial planning, accounting, and stockbroking firms. We do not ourselves provide financial planning services or personal financial product advice to retail investors.



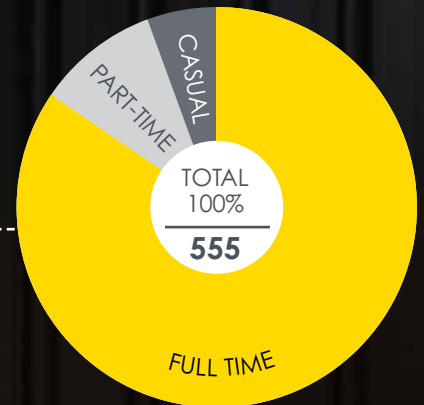
FY2021

OUR WORKFORCE

Our workforce consists of over 550 direct employees, the majority of which are employed to operate and manage our self-storage facilities in Australia and New Zealand. The remainder of our staff make up our Corporate Support and Contact Centre in the Brisbane CBD.

- Full-Time: 439 - 70.10%
- Part-Time: 92 - 16.58%
- Casual: 24 - 4.32%

STAFF BREAKDOWN - by employment type

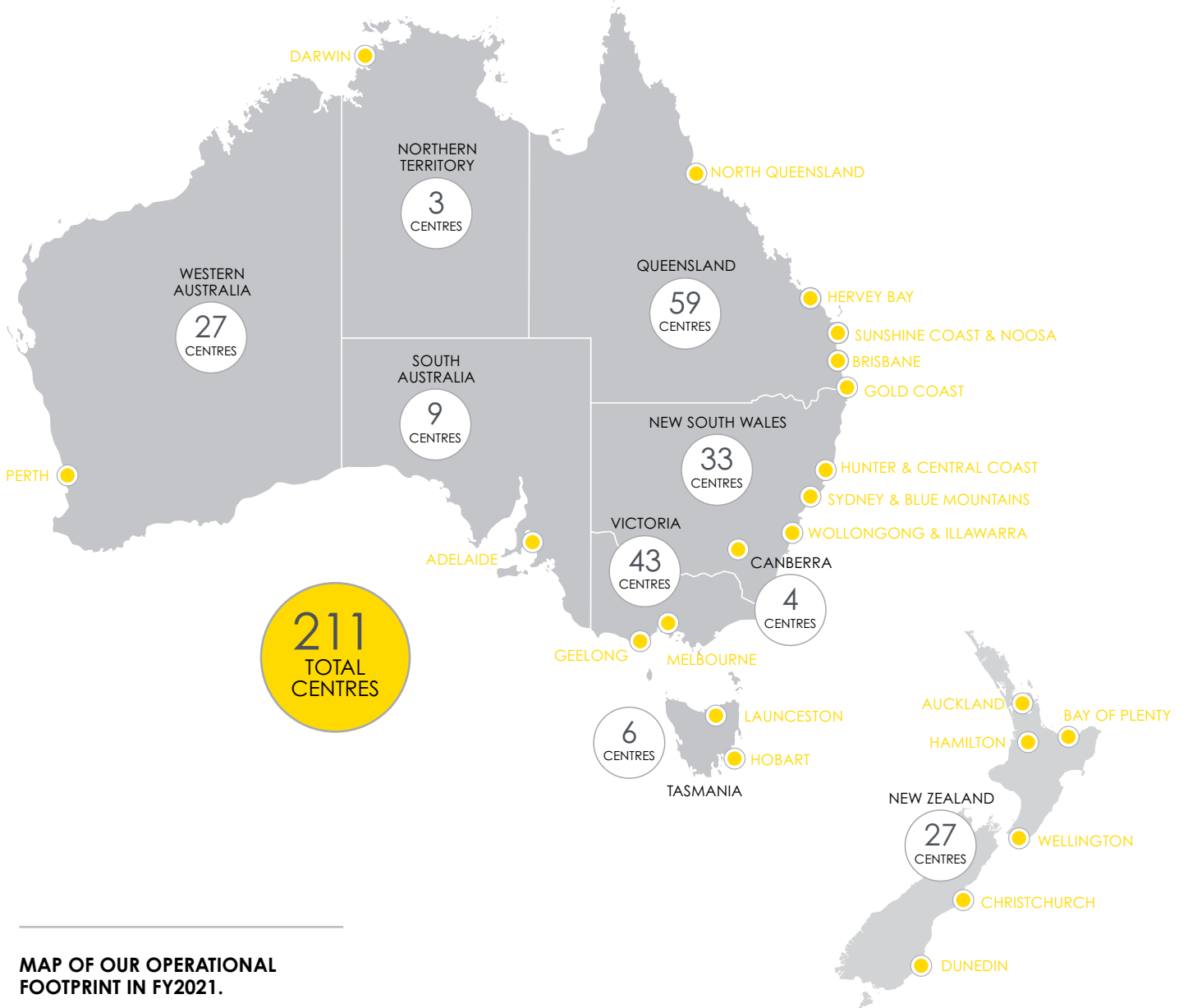


STAFF BREAKDOWN - by location employed

COUNTRY	STATE	NUMBER OF EMPLOYEES
AUSTRALIA	Head Office Brisbane	68
	Contact Centre Brisbane	28
	QLD	124
	NSW	77
	VIC	97
	SA	22
	WA	51
	TAS	12
	NT	5
	ACT / Wollongong	16
NEW ZEALAND		55
TOTAL:		555

WHERE WE OPERATE

Across our business operations we own and manage 211 high-quality storage assets across Australia and New Zealand.



MAP OF OUR OPERATIONAL FOOTPRINT IN FY2021.

The National Storage portfolio continues to grow across Australia and New Zealand with storage centres conveniently located in capital cities and regional areas that exhibit drivers of storage demand.

As at 30 June 2021.

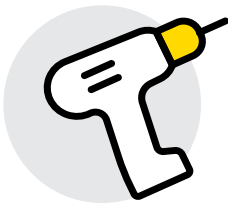
*Map not to scale.

OUR SUPPLY CHAIN

In FY2021, National Storage's supply chain comprised over 1,100 suppliers with a total spend of approximately \$131 million.⁴ Our global supply network spans 7 countries, but an overwhelming majority of these suppliers and contractors are based in Australia and New Zealand, comprising approximately 99% of our total spend.

MAJOR SUPPLY SECTORS

Aligning with our operations, our supply chains primarily comprise of goods and services (including, but not limited to) from within the following sectors:



CONSTRUCTION & DEVELOPMENT



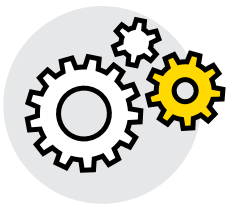
FACILITIES MANAGEMENT



IT AND TECHNOLOGY



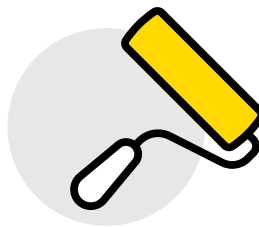
LOGISTICS, TRANSPORTATION & WAREHOUSING



MANUFACTURING & NON-RETAIL CONSUMABLES



PROFESSIONAL SERVICES



PROPERTY MAINTENANCE



RETAIL OPERATIONS & STOCK

⁴ Total supplier spend is total annual third party spend excluding intracompany transactions, taxes and government charges.

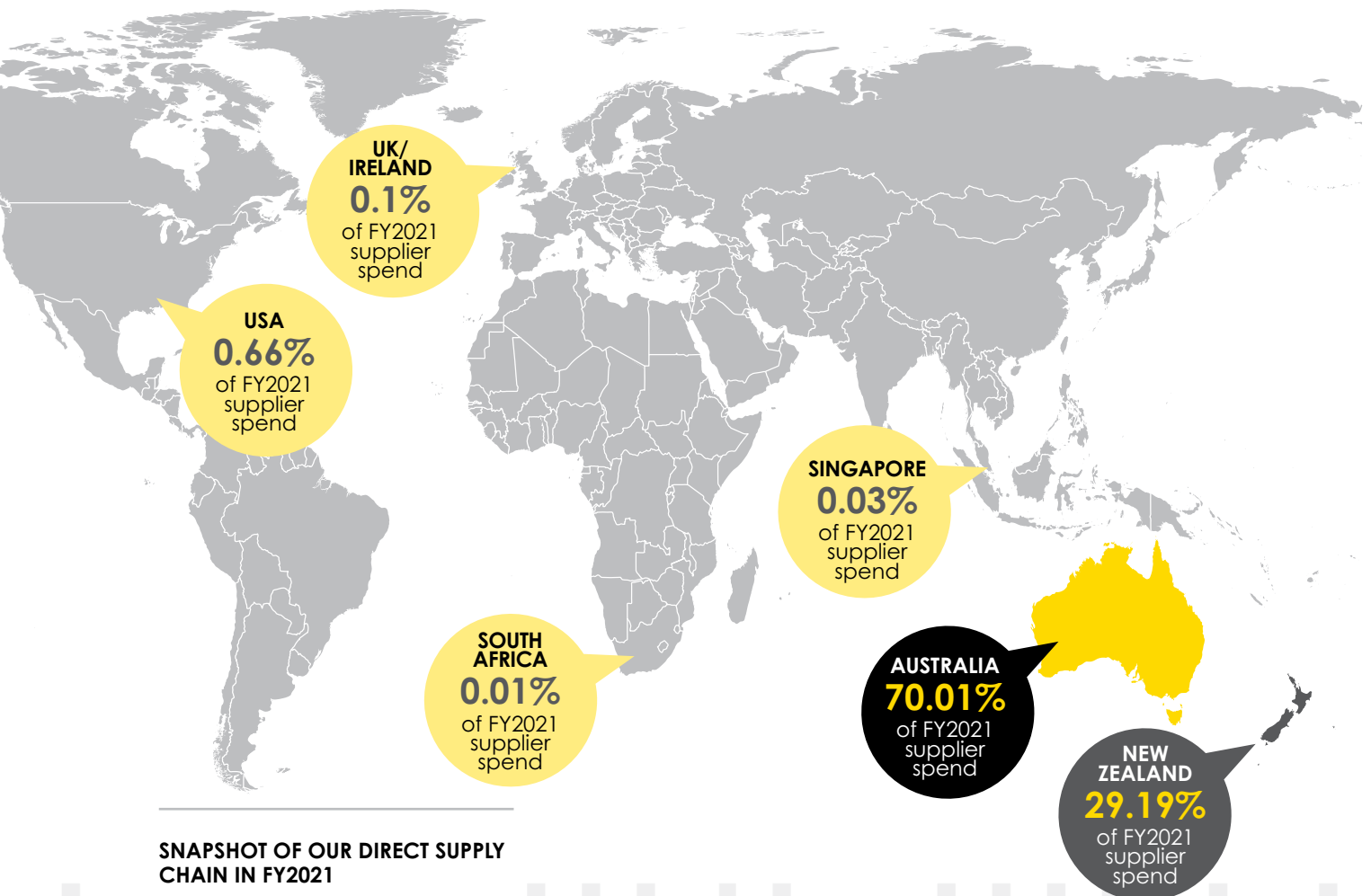
DIRECT SUPPLIERS BY COUNTRY OF INCORPORATION

The map below describes the proportions of our total FY2021 direct supplier spend by supplier location.

Over 99% of our total spend was within Australia and New Zealand, consistent with our operational activities being completely contained within these regions. According to the Global Slavery Index 2018,⁵ the three suppliers based outside of these countries operated in countries with a low-moderate prevalence of modern slavery. These suppliers were identified to be businesses in digital

marketing and professional services including but not limited to recruiting.

As such, we consider that our material risk exposure in our supply chains relates to our indirect suppliers.⁶ We recognise that modern slavery is a global issue that pervades supply chains in all countries around the world. National Storage has accordingly developed a modern slavery risk assessment framework which allows us to look further into our local supply chains and implement due diligence and remediation processes, as required. Details of this framework are set out below.



SNAPSHOT OF OUR DIRECT SUPPLY CHAIN IN FY2021

⁵ Walk Free Foundation, Global Slavery Index 2018, available from: <https://www.globalslaveryindex.org>.

⁶ Suppliers other than direct suppliers including, but not limited to second, third, and fourth tier suppliers.



OUR MODERN SLAVERY RISK ASSESSMENT

During FY2021, we have built upon our initial modern slavery risk assessment undertaken in FY2020 to improve our understanding of National Storage's modern slavery risk profile.

We have developed and applied several complementary risk assessment tools tailored to assessing risks of modern slavery within our business. Increasing our risk management capabilities is a key focus identified for improvement into future reporting periods, and we intend to evolve our ability to evaluate modern slavery risk on an annual basis.

WE HAVE COMPLETED TO DATE:

- Development of Risk Assessment tool
- Annual Risk Assessments
- Supplier Prioritisation based on inherent risk factors
- Case Study: Assessing Our Suppliers from Focus Risk Areas Identified in FY2020
- Development of Supplier Risk Matrix

WE AIM TO COMPLETE IN FUTURE REPORTING PERIODS:

- Detailed Risk Heatmapping
- Traceability Study (into identified high risk sector)
- Further our partnership with Industry Leaders to leverage sector-specific risk assessment protocols

RISK ASSESSMENT

We have developed in-house a Modern Slavery Risk Assessment tool to evaluate potential modern slavery risks that we may either cause, contribute to, or to which our business operations may be directly linked, in accordance with the United Nations Guiding Principles on Business and Human Rights.⁷

Developed as part of our flagship Program and applied in line with our Group Enterprise Risk Management Framework ('**Group Risk Management Framework**'), this risk analysis is centred on evaluating the risk to human life and people's welfare and allows us to prioritise

management actions in relation to the most 'severe' areas of risk.⁸

The results of this risk assessment provided us with insight into our greatest levels of potential risk exposure in relation to our business activities,⁹ based on the following four key risk factors:

1. Geographical location
2. Economic sector
3. Resources used in production of goods
4. Workforce type

Modern slavery risk is heightened in circumstances where multiple risk factors combine, thus informing our understanding of the areas of highest risk in relation to our business.

⁷ UNGP (n 2) Principle 17.

⁸ Ibid, Principle 24.

⁹ According to independent modern slavery country vulnerability and risk indices, including the Global Slavery Index 2018 and the Verité Forced Labour Commodity Atlas 2017.

MODERN SLAVERY RISKS

Operations

One hundred percent of National Storage's direct employees are employed in Australia and New Zealand, both of which have a low potential for modern slavery risks according to the Global Slavery Index 2018. We therefore consider the risk of modern slavery existing within in our direct operational environment to be low.

Across our operations, we consider the most salient human rights risk to be health and safety risk. We respond to this risk across our

Group operations through our comprehensive Workplace Health and Safety Management System, our Workplace Health and Safety Policy, and an extensive suite of safety controls and training materials available to all National Storage employees at all times via our central Intranet site.

Supply Chain

We consider that material risk of the potential for modern slavery is more likely to apply to our supply chains, with the following areas being those identified as those where there is a greater potential risk of harm to people:

RISK AREA	DESCRIPTION
<p>Offshore Suppliers</p>	<p>National Storage understands that its suppliers that operate in offshore locations may be at greater risk of susceptibility to modern slavery on account of their geography and local conditions.</p>
<p>Extended Onshore Supply Chain</p>	<p>Risk may arise in extended onshore supply chains which can be found in local suppliers' own operations in low risk countries. Further investigation into local suppliers' supply networks can be undertaken to increase due diligence activities in this space.</p>
<p>Higher Risk Sectors with High Materiality to National Storage Business Activities</p>	<p>Procurement of onshore goods and services includes suppliers that rely on or provide a good or service in economic sectors known to have a higher risk of modern slavery practices. Increasing due diligence and risk management activities with respect to suppliers in high risk sectors will assist in mitigating risks of modern slavery.</p>

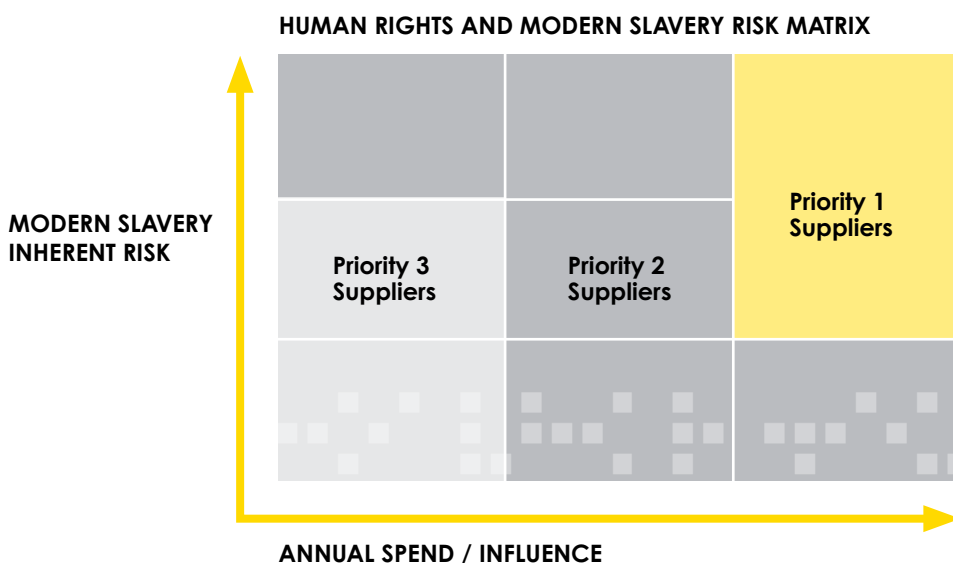
These focus areas have been flagged and have informed our prioritisation of sectoral risk areas in FY2021, in line with our Program.

We have accordingly defined the following two 'Priority 1' sectors, based on inherent risk:

CONSTRUCTION & DEVELOPMENT	INFORMATION TECHNOLOGY AND COMMUNICATIONS
RISK FACTORS	<p>GEOGRAPHICAL LOCATION:</p> <ul style="list-style-type: none"> jurisdictions with a high prevalence of, or low protections against, instances of modern slavery. <p>RESOURCES AND SECTOR:</p> <ul style="list-style-type: none"> extensive and complex supply chains and high prevalence of sub-contracting and competitive business environment. <p>WORKFORCE:</p> <ul style="list-style-type: none"> low-skilled occupations or migrant workforces may be prevalent in these sectors.

We have prioritised further risk assessment activities in line with our Supplier Risk Matrix. This tool allows us to scope our risk assessment and corresponding

risk management activities based on the inherent risk factors identified above, as well as considering our annual spend and potential influence.



We will continue to assess our modern slavery risks arising in our supply chains on at least an annual basis. We aim to undertake deep dives with key

Priority 1 Suppliers in the next reporting period, and to assess our Priority 2 Suppliers in greater detail.



CASE STUDY:

ASSESSING OUR SUPPLIERS FROM FOCUS RISK AREAS IDENTIFIED IN FY2020

In FY2021, we conducted internal modern slavery screening processes on all suppliers falling into the risk categories we identified in FY2020, being suppliers operating in higher-risk sectors with offshore suppliers.

Coverage:

We elected to focus on these sectors identified as posing the greatest potential risk of harm to people.¹⁰

The suppliers we assessed supplied us with:

- professional services from an offshore location of incorporation, and
- construction, development, and information technology materials, manufacturing, and services, both from within Australia and New Zealand and from overseas.

Content:

To gain a more detailed understanding of risk in these identified supply sectors, we invited 100% of these suppliers to complete our Supplier Modern Slavery Questionnaire. The Supplier Modern Slavery Questionnaire is designed to provide National Storage with a detailed insight into a supplier's management and response to a range of modern slavery risk factors, with particular focus upon:

- modern slavery reporting
- policies and other controls on human rights
- organisational structure
- training and awareness
- supply chain management
- response processes and remediation mechanisms.

¹⁰ UNGP (n 2) Principle 24.



Results:

Approximately one-third of Priority 1 Suppliers have completely fulfilled the Supplier Modern Slavery Questionnaire process in FY2021. We aim to survey the remainder of our Priority 1 Suppliers in the next reporting period, with a view to further expanding our due diligence activities to our Priority 2 and Priority 3 suppliers in the reporting periods thereafter.

This inaugural round of supplier screening provided us with the following key indicators in relation to our Priority 1 Suppliers who completed the Questionnaire:

- 89% of Questionnaires were signed by a director, general manager, or executive of the supplier company, indicating that each of these entities understand the importance of properly responding to modern slavery risk.
- 53% enshrine a formal commitment to upholding human rights or preventing modern slavery practices in a company policy or policies.
- 21% are required to report under Australia's Modern Slavery Act 2018 or under modern slavery legislation in an alternative jurisdiction, such as the United Kingdom.

The results of our Questionnaires garnered in FY2021 have provided us with greater insight into the risk profile of our Priority 1 Suppliers. The results of these Questionnaires inform our FY2022 supplier engagement activities.

Additionally, we take this opportunity to acknowledge that our Supplier Modern Slavery Questionnaire process is subject to ongoing review to ensure that we can expand its scope in the forthcoming reporting periods.



OUR ACTIONS TO ASSESS AND ADDRESS OUR MODERN SLAVERY RISKS

OUR MODERN SLAVERY PROGRAM

The Modern Slavery Program outlines our Group-wide phased approach to assess and address potential risk for National Storage to cause, contribute to, or be directly linked to modern slavery in our operations and supply chains.¹¹

The Program measures our progression in relation to modern slavery due diligence and remediation activities against three core focus areas:

- Systems, Management, and Controls
- Supplier Engagement
- Training and Risk-Management Capability Expansion

SYSTEMS, MANAGEMENT, AND CONTROLS

Governance

National Storage is governed by a framework that includes several policies which inform our approach to addressing and managing the risk of modern slavery in our operations and supply chains by ensuring we act ethically and with integrity in all our business dealings. Our policy suite, including our Code of Conduct, Group Risk Management Framework, Whistleblower Policy and anonymous disclosure function, and Anti-Money Laundering & Counter Terrorism Financing Program, contributes to our ability to prevent human rights violations in our business activities. For further details of our policies and procedures, please refer to our [Investor Website](#).

The Group is committed to upholding principles of ethical governance and maintaining standards of compliance and safety throughout our business, in alignment with our corporate values and commitments. We expect that all our directors of the Board, officers, employees, and other persons that act on behalf of the Group will act at all times consistently with these values, commitments, and ethical standards, and with all applicable laws, regulations, and external standards.

By ensuring that our expectations are transparent and that appropriate mechanisms are in place to address grievances where others' expectations are not met, our policy framework informs our approach to addressing and remediating material risks across the Group, including those related to modern slavery.

¹¹ UNGP (n 2) Principle 17.

Application of Risk Management Framework

Applying our Group Risk Management Framework allows us to identify, assess and manage risks that we are exposed to across our operational, financial, strategic and compliance levels. With oversight from the NSH Board's Risk and Audit Committees, this Framework provides a common baseline from which to assess the risk of modern slavery within National Storage's operations and supply chain.

We apply our modern slavery risk assessment within the overarching Framework to assess our suppliers and identify risk areas for further due diligence activities in the next reporting period. The results of this risk assessment have informed the actions taken to date and those set to be implemented in FY2022.

For further information on our management of risks, please see our [Annual Report 2021](#).

Roles and Responsibilities

We have allocated responsibility for the management of modern slavery risks across all levels of our business, in alignment with the responsibilities associated with various risk-management roles across the Group.

As outlined below, in FY2021 we have convened a cross-functional Risk Working Group, comprising members of our Senior Management Team, to manage the implementation of our modern slavery program in conjunction with other risk-management programs across our business.



OUR GENERAL RISK MANAGEMENT PROCESS



IDENTIFY



ASSESS



RESPOND



REPORT



MONITOR



As a result of our inaugural FY2020 review and assessment of our existing policy suite, in FY2021 we have developed and phased the embedding of additional policies and procedures. This improved our ability to assess and respond to risks of modern slavery in our operations and supply chains.

Development of Procurement Policy

We identified that a Group-wide procurement policy is prudent to consolidate and communicate explicitly our expectations around procurement standards to our business arms that are involved in procurement activities.

We have accordingly commenced the development of our Group Procurement Policy in FY2021. Due to the broad application of this policy across the business, we have taken a staged approach to implementing the Procurement Policy, focussing first on stakeholder liaison and raising awareness.

We are in the process of liaising with our internal teams to ensure that the policy caters to the operations needs of each of our business mechanisms, and to facilitate understanding of and compliance with the requirements of the forthcoming policy.

We have taken a staged approach to embedding this policy within our existing governance suite, and we plan to implement this policy in the next reporting period.

Development of Supplier Code of Conduct

In FY2021, we developed a Supplier Code of Conduct outlining our expectations on numerous environmental, social, and governance standards of conduct that the Group expects of its suppliers of goods and services.

The expectations under this Code include standards relating to health and safety, modern slavery, environmental and human sustainability, corporate governance, anti-bribery and anti-corruption, data privacy and information security, and conflicts of interest.

We are taking a phased approach to the rollout of this Code, in conjunction with our newly developed Procurement Policy and reflective of supplier risk levels identified under our risk assessment. In FY2022, we aim to implement this Code into all existing Priority 1 supplier contracts identified under our risk assessment as well as new supplier contracts entered in 2022.

NSH BOARD

- Ultimate responsibility for oversight of Group risk.
- Responsible for approving Group Modern Slavery Statement.

NSH RISK COMMITTEE

- Responsible for approving Group Modern Slavery Statement and recommending approval to the NSH Board.
- Delegated ultimate responsibility for oversight of Group modern slavery risk.

MANAGING DIRECTOR

- Overall operational responsibility for Group risk management.

RISK OFFICER

- Responsible for administering Group risk management function, including in relation to management of modern slavery risks.
- Ultimate responsibility for overseeing implementation of the National Storage Modern Slavery Program.

RISK WORKING GROUP

- Responsible for managing the implementation of the National Storage Modern Slavery Program and compliance with Australia's Modern Slavery Act 2018.

ALL OPERATIONAL MANAGERS AND EMPLOYEES

- Responsible for upholding Group policies, standards, and commitments in relation to modern slavery risk management.

SUPPLIER ENGAGEMENT

Supplier Qualification Screening

In this reporting period, we have implemented our standardised Supplier Modern Slavery Questionnaire to engage with our suppliers to better understand and combat risks of modern slavery arising in our mutual supply chains.

Our initial supplier risk assessment identified 71 suppliers designated as Priority 1 Suppliers.¹² We invited each of these suppliers to participate in our Supplier Modern Slavery Questionnaire modern slavery screening process, with more than one quarter of Priority 1 suppliers completely fulfilling the process requirements.

For a breakdown of the key results garnered from our initial round of Supplier Modern Slavery Questionnaire screening, please see Page 16 of this Statement.

We aim to screen the remainder of our Priority 1 suppliers in the next reporting period, with a view to further expanding our supplier due diligence in the forthcoming reporting periods.

TRAINING AND RISK-MANAGEMENT CAPABILITY EXPANSION

Supplier Education

In conjunction with our supplier screening process enacted under our Supplier Modern Slavery Questionnaire, we have engaged with our Priority 1 suppliers identified under our modern slavery risk assessment to provide targeted modern slavery training.

We quickly identified that a proportion of our Tier 1 suppliers operating in the priority risk areas identified under our modern slavery risk assessment were not required to report under the Australian

MSA or similar legislation. From this assessment, we acknowledge that it is likely that a greater proportion of our indirect suppliers are not required to report against modern slavery legislation or are unaware of or unfamiliar with modern slavery itself.

We have created our Supplier Modern Slavery Questionnaire to include a guidance component and glossary of key terms, designed to educate our suppliers' and improve their understanding and ability to manage modern slavery, its related risks, and the reporting scheme under the Australian Act.

Internal Training and Communications

Within National Storage, we have provided provisional training to personnel in key areas of the business relating to potential modern slavery risks, including members of our Senior Management Team and Legal and Governance Team. Additionally, we have broadcast internal communications across our central Head Office regarding modern slavery risks and mitigatory actions to raise awareness in key positions within the Group.

Development of Modern Slavery e-Learning Module

We have developed a bespoke modern slavery e-learning module to raise awareness and provide more detailed modern slavery training to our employees.

This module is designed to educate National Storage staff about modern slavery generally, the potential relevance to our operations and supply chains, and how we assess and address risks of modern slavery. The training component of the module is accompanied by a Q&A assessment piece to gauge understanding of the training information.

This e-learning module and related materials are made available to all National Storage employees via our internal Intranet site in FY2022.

¹² Priority 1 Suppliers were identified based on risk categories including geographical location and industry sector.

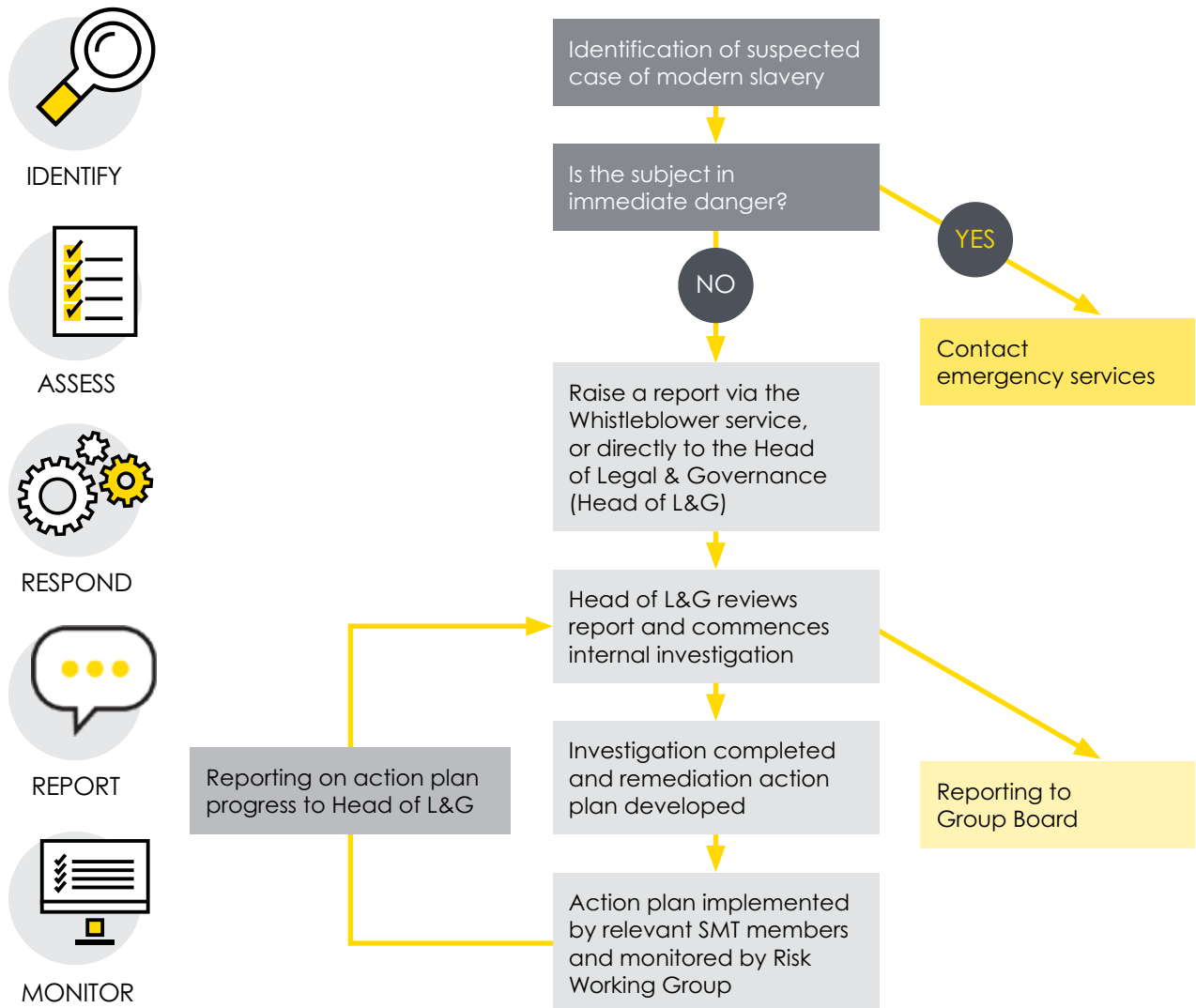
REMEDIATION

Development of Remediation Framework

In FY2021, National Storage consolidated our remediation processes to ensure that instances of modern slavery may be raised if identified within our business operations or supply chains.

National Storage is committed to cooperating in remediation where it identifies it has caused or contributed to modern slavery-related impacts.

We have developed, and are in the process of embedding, a Group-wide modern slavery remediation framework. We will incorporate this procedure into our existing incident management and whistleblowing procedures, in alignment with our Group Risk Management Framework. This process is outlined in high-level terms below:



This process will function in conjunction with our forthcoming Supplier Code of Conduct to require our suppliers to immediately report any concerns

regarding ethics or compliance directly to National Storage, including those related to modern slavery issues.

Whistleblower Services Review

National Storage has a Whistleblower Policy in place, which covers:

- Conduct which qualifies as 'reportable' under this Policy, which includes but is not limited to conduct that is corrupt, illegal, unethical, or unsafe.
- Who is eligible to make disclosures under this Policy, including suppliers of goods or services and their employees.
- How National Storage will manage and investigate eligible disclosures.

This Policy is publicly available via our [Investor Website](#) and facilitates the disclosure of modern slavery related grievances in a private and secure manner.

Following our initial investigations in FY2020 into the potential and necessity for an update to our Whistleblower service, we have in FY2021 scoped and mapped out our next steps to update this service to include specific reference to human-rights-related grievances, to further empower complainants to report suspected, or actual wrongdoing in these areas.

Through this exercise, we identified that our Whistleblower service will be best disseminated throughout our supply chains by incorporating it into our Supplier Code of Conduct, which was developed in this reporting period. We also identified the potential benefits of including specific reference to modern-slavery-related grievances within our Whistleblower service offering.

We have implemented these changes in the next reporting period.



REVIEW OF EFFECTIVENESS

We undertook the following measures to assess the effectiveness of our actions in response to modern slavery risks.

Within Our Business

We track the effectiveness of our actions through:

- Our Modern Slavery Program: we utilise this internally developed tracking mechanism to assess our progress on an annual basis in four key areas in line with the mandatory criteria contained in the Australia Modern Slavery Act. Improvement is to be tracked and measured through a combination of qualitative and quantitative data.¹³
- Quarterly risk working group meetings, which include review of the implementation of activities under the Modern Slavery Program.
- Updates to the Risk Committee including the Board.
- Regular review of our internal governance mechanisms.
- Tracking of grievances and complaints: in FY2021, no reports were logged regarding modern slavery or labour rights concerns through our anonymous Whistleblower service or directly to our business.

With Our Partners

We have engaged externally in FY2021 to critically assess the appropriateness of our actions.

- Third party expert assessment: we have engaged with external partners to critically evaluate our initial approach. We have taken this feedback on board and implemented recommendations put forward to us.

We will continue to engage externally where possible to ensure our actions remain effective in line with developments in best practice and international understanding of modern slavery issues.

¹³ UNGP (n 2) Principle 20.

FY2021

MOVING FORWARD

WE RECOGNISE THE NECESSITY TO ENSURE CONTINUOUS IMPROVEMENT IS A CORE FOCUS OF OUR MODERN SLAVERY RISK MANAGEMENT APPROACH.

We recognise the necessity to ensure continuous improvement is a core focus of our modern slavery risk management approach.

In line with our Program, we plan to focus upon progressing the following actions in FY2022:

Systems, Management and Controls

- Implementation of Procurement Policy and Supplier Code of Conduct within our Group Policy framework.
- Implementation of Whistleblower improvement activities identified in FY2021.
- Incorporation of modern slavery remediation framework into Group's overarching systems.

Supplier Engagement

- Screening of the remainder of our Priority 1 Suppliers utilising our Questionnaire.
- Deep dives with key Priority 1 Suppliers.
- Detailed assessment of our Priority 2 Suppliers.

Training and Risk-Management Capability Expansion

- e-learning module delivered to 100% of direct employees.
- Supplier training materials delivered to greater proportion of suppliers.
- Internal audit of cross-section of supplier contracts prioritised by risk level.



CONSULTATION PROCESS AND BOARD APPROVALS

This Statement was prepared by our Legal and Governance Team, with input from our other Head Office teams and engagement with members of our Senior Management Team from across our business.

To prepare this joint Statement, we actively engaged with each of the Reporting Entities covered by this statement and consulted the entities we own or control as outlined in our Annual Report 2021.

The Reporting Entities prepared this joint Statement collaboratively in accordance with the cooperation deed and management agreement between NSH and NSFSL (as the responsible entity for NSPT).

The NSH Board Risk Committee will retain oversight of the risk profile of NSH and NSR as provided for under our Risk Management Framework and Risk Committee Charter.

NSH (as the ultimate holding entity of NSH Group) and NSFSL (as the responsible entity for NSPT Group) have identical boards of directors. The boards of NSH and each of its related entities share common directors.

This Statement was approved by the boards of each of the two reporting entities covered by this Statement. The board of National Storage Holdings Limited approved this Statement on 14 December 2021. The board of National Storage Financial Services Limited (as the responsible entity for National Storage Property Trust) approved this Statement on 14 December 2021.

This Statement is signed by a responsible member of both Reporting Entities as defined by the Act.

A handwritten signature in blue ink, appearing to read 'C. Fidler', written over a horizontal line.

Claire Fidler

**EXECUTIVE DIRECTOR
NATIONAL STORAGE HOLDINGS LIMITED**

**DIRECTOR
NATIONAL STORAGE FINANCIAL SERVICES LIMITED**

14 December 2021

APPENDIX 1 – GUIDE TO THIS STATEMENT

This Statement addresses each of the mandatory criteria for modern slavery statements under the MSA.

The following table outlines where within this Statement each criterion is addressed with regard to each of the Reporting Entities.

MANDATORY CRITERIA	PAGE
a. Identify the reporting entity.	3
b. Describe the structure, operations, and supply chains of the reporting entity.	7 - 12
c. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls.	13 - 15
d. Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes.	16 - 22
e. Describe how the reporting entity assesses the effectiveness of such actions.	23
f. Describe the process of consultation with any entities that the reporting entity owns or controls.	25
g. Include any other information that the reporting entity considers relevant.	4 - 6, 24



CORPORATE DIRECTORY

National Storage Holdings Limited
ACN 166 572 845 ("NSH" or the "Company")
National Storage Property Trust
ARSN 101 227 712 ("NSPT") together form
the stapled entity National Storage REIT
("NSR" or the "Consolidated Group")

Responsible Entity of NSPT

National Storage Financial Services Limited (NSFL)
ACN 600 787 246 AFSL 475 228
Level 16, 1 Eagle Street, Brisbane QLD 4000

Directors

Laurence Brindle
Anthony Keane
Howard Brenchley
Steven Leigh
Andrew Catsoulis
Claire Fidler

Company Secretary

Claire Fidler

Registered Office

Level 16, 1 Eagle Street,
Brisbane QLD 4000

Principal Place of Business

Level 16, 1 Eagle Street,
Brisbane QLD 4000

Share Registry

Computershare Investor Services Pty Limited
452 Johnston Street
Abbotsford VIC 3067

Stapled Securities are quoted on the
Australian Securities Exchange (ASX)

