

**MODERN
SLAVERY
STATEMENT**

FY 2022

**NATIONAL
STORAGE**

**NATIONAL
STORAGE**

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IMPORTANT INFORMATION

REPORTING ENTITIES

National Storage is Australasia's largest self-storage owner-operator, tailoring self-storage solutions to over 90,000 residential and commercial customers at more than 225 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 FY2022](#).

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 2022 ('**FY2022**'). This Statement is made pursuant to the Australian Modern Slavery Act 2018 (Cth) ('**MSA**') and identifies the steps taken to assess and address modern slavery risks in our operations and supply chains in FY2022.

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 FY2022](#).

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 our third Statement pursuant to the MSA. As such, we have focused in this reporting period on reviewing and refining our actions to assess and address our risks of modern slavery, and 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 ('**UNGP**').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.



FY2022

PROGRESSION AGAINST MODERN SLAVERY PROGRAM

Our 'Modern Slavery Program' ('**Program**'), initially developed in FY2020, outlines our planned actions to manage risks of modern slavery into the future. Our focus in that reporting period was 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 FY2022, we progressed our actions to address modern slavery risks in our business operations against our 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

As detailed on pages 21 to 23 of our FY2022 Sustainability Report, please see below our targets achieved and our future priorities:

TOPIC	TARGETS ACHIEVED TO DATE	FUTURE PRIORITIES
General	<ul style="list-style-type: none"> ■ Establishment of our Program ■ Program refined to reflect industry best-practice 	<ul style="list-style-type: none"> ■ Continually improve and refine our Program
Systems, Management and Controls	<ul style="list-style-type: none"> ■ Applied Risk Management Framework to assess risks of modern slavery across Group operations and supply chains ■ Baseline review of governance systems and mechanisms ■ Uplifted systems, mechanisms, and controls ■ Alignment with industry leaders initiatives ■ Developed our Supplier Code of Conduct and Procurement Policy ■ Alignment of modern slavery remediation framework with the Group's overarching systems ■ Internal audit completed of our FY2020 and FY2021 Program results 	<ul style="list-style-type: none"> ■ Implementation of Internal Audit's recommendations to optimise systems, management, mechanisms, and controls to best address modern slavery ■ Partnership with industry leaders
Supplier Engagement	<ul style="list-style-type: none"> ■ Assessed and identified suppliers for deeper due diligence activities ■ Developed supplier due diligence mechanism to assess supply chain risks ■ Completed annual supplier assessment across suppliers falling under identified 'high risk' sectors ■ Screened the remainder of our Priority 1 suppliers 	<ul style="list-style-type: none"> ■ Ongoing engagement with key suppliers and stakeholders ■ Further deep dives with key Priority 1 suppliers ■ Detailed assessment of our Priority 2 suppliers
Training and Risk-Management Capability Expansion	<ul style="list-style-type: none"> ■ Provided initial training to key areas of the business ■ Communicated ongoing commitment and awareness of modern slavery risks ■ Developed and delivered e-learning module to 100% of our employees ■ Developed bespoke modern slavery training pack for new employees 	<ul style="list-style-type: none"> ■ Deliver supplier training materials to a greater proportion of our suppliers ■ Review and maintain staff engagement rates

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

ORGANISATIONAL STRUCTURE

National Storage listed on the ASX in December 2013, 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).

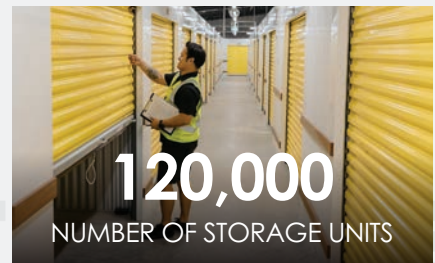
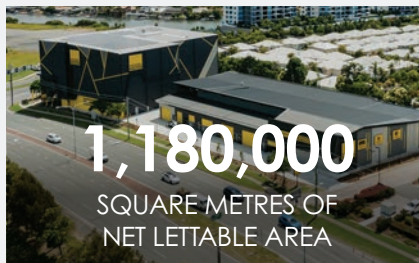
NSH and NSFSL have entered into a cooperation deed and management agreement. These facilitate common processes and governance systems for NSH and NSFSL relating to NSR and govern the relationship between the entities in relation to NSR Securities. Pursuant to these agreements, the Board of NSH is responsible 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 FY2022](#).

OUR OPERATIONS

FY2022 AT A GLANCE

*Figures at 19 December 2022.



HOW WE OPERATE

National Storage is Australasia's largest self-storage provider, tailoring self-storage solutions to over 90,000 residential and commercial customers at more than 225 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.

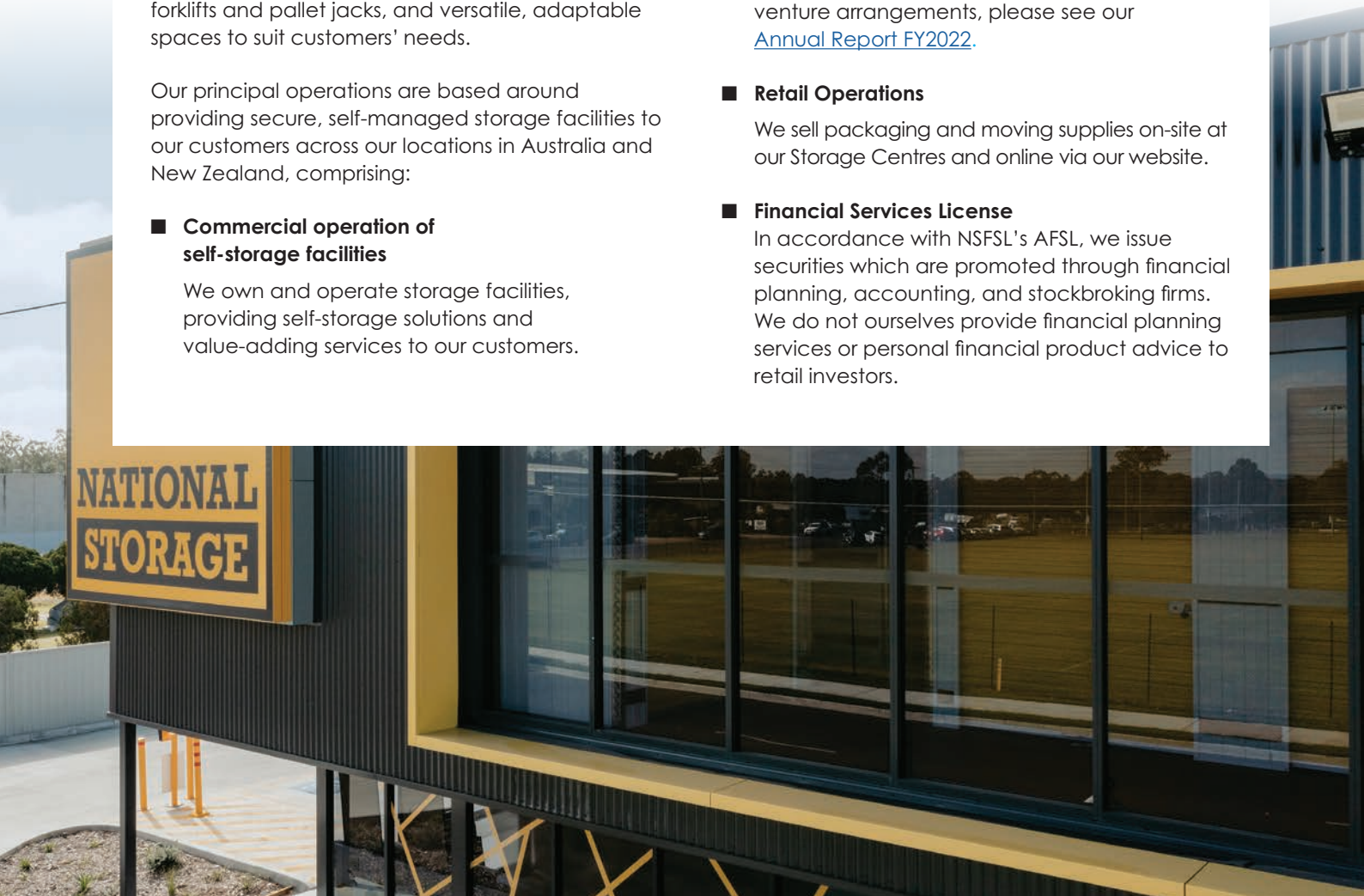
For further detail on National Storage's joint venture arrangements, please see our [Annual Report FY2022](#).

■ 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.



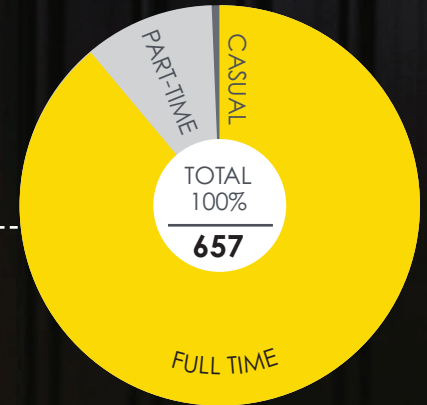
FY2022

OUR WORKFORCE

Our workforce consists of over 650 employees at the date of this report, 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 Central Business District.

- Full-Time: 573 = 87%
- Part-Time: 71 = 11%
- Casual: 13 = 2%

STAFF BREAKDOWN - by employment type

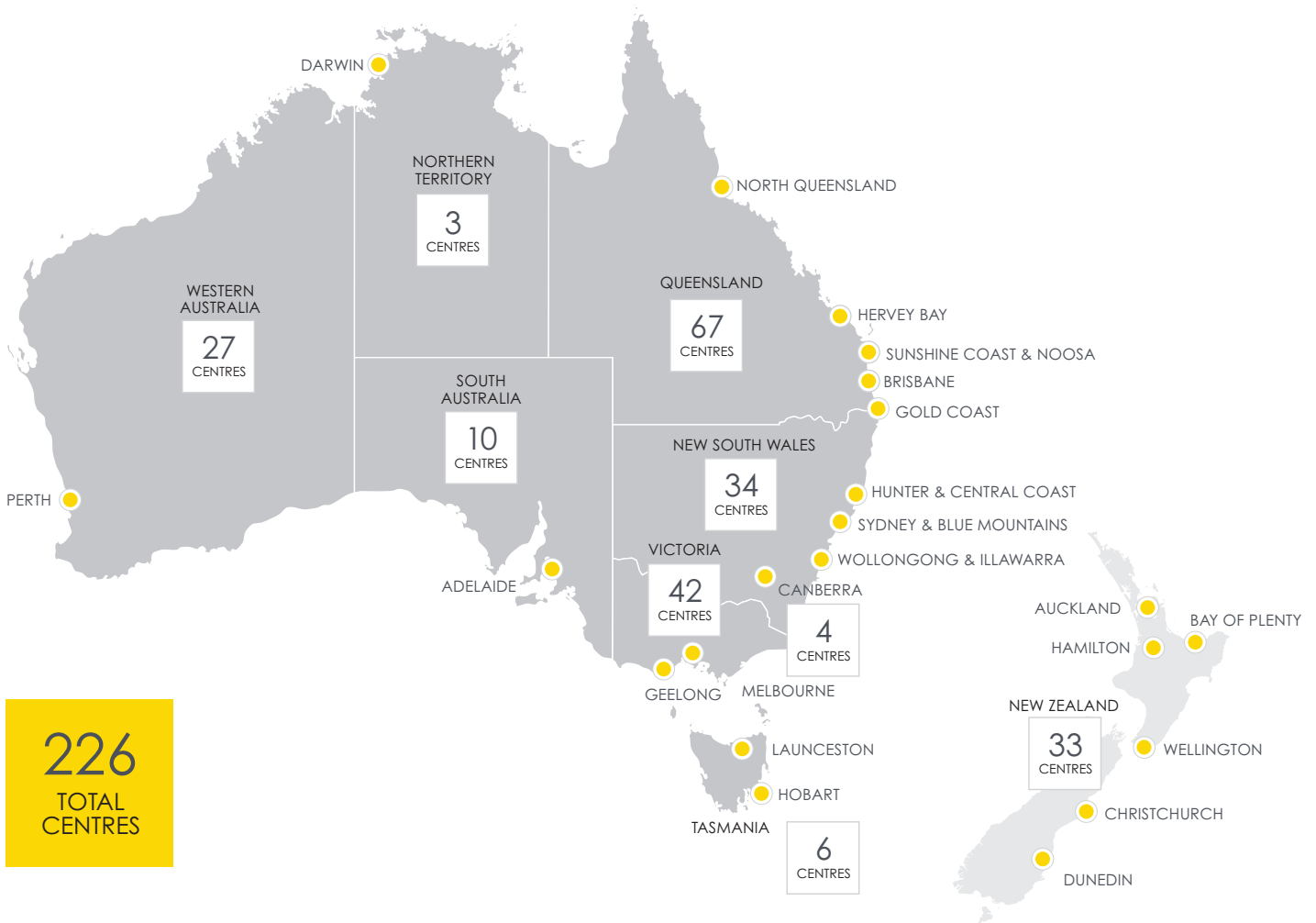


STAFF BREAKDOWN - by location employed

COUNTRY	LOCATION	NUMBER OF EMPLOYEES AS OF 19 DEC 2022
AUSTRALIA	Head Office Brisbane	90
	Contact Centre Brisbane	32
	QLD	152
	NSW	92
	VIC	90
	SA	22
	WA	63
	TAS	13
	NT	5
	ACT / Wollongong	11
NEW ZEALAND		87
TOTAL:		657

WHERE WE OPERATE

Across our business operations, we own and manage more than 225 high-quality storage assets across Australia and New Zealand.



MAP OF OUR OPERATIONAL FOOTPRINT IN FY2022.

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 2022.

*Map not to scale.

OUR SUPPLY CHAIN

In FY2022, National Storage's supply chain comprised of approximately 1,100 suppliers with a total spend of approximately \$95.8 million.⁴ Our global supply network spans six 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



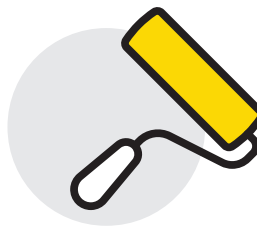
LOGISTICS, TRANSPORTATION & WAREHOUSING



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.

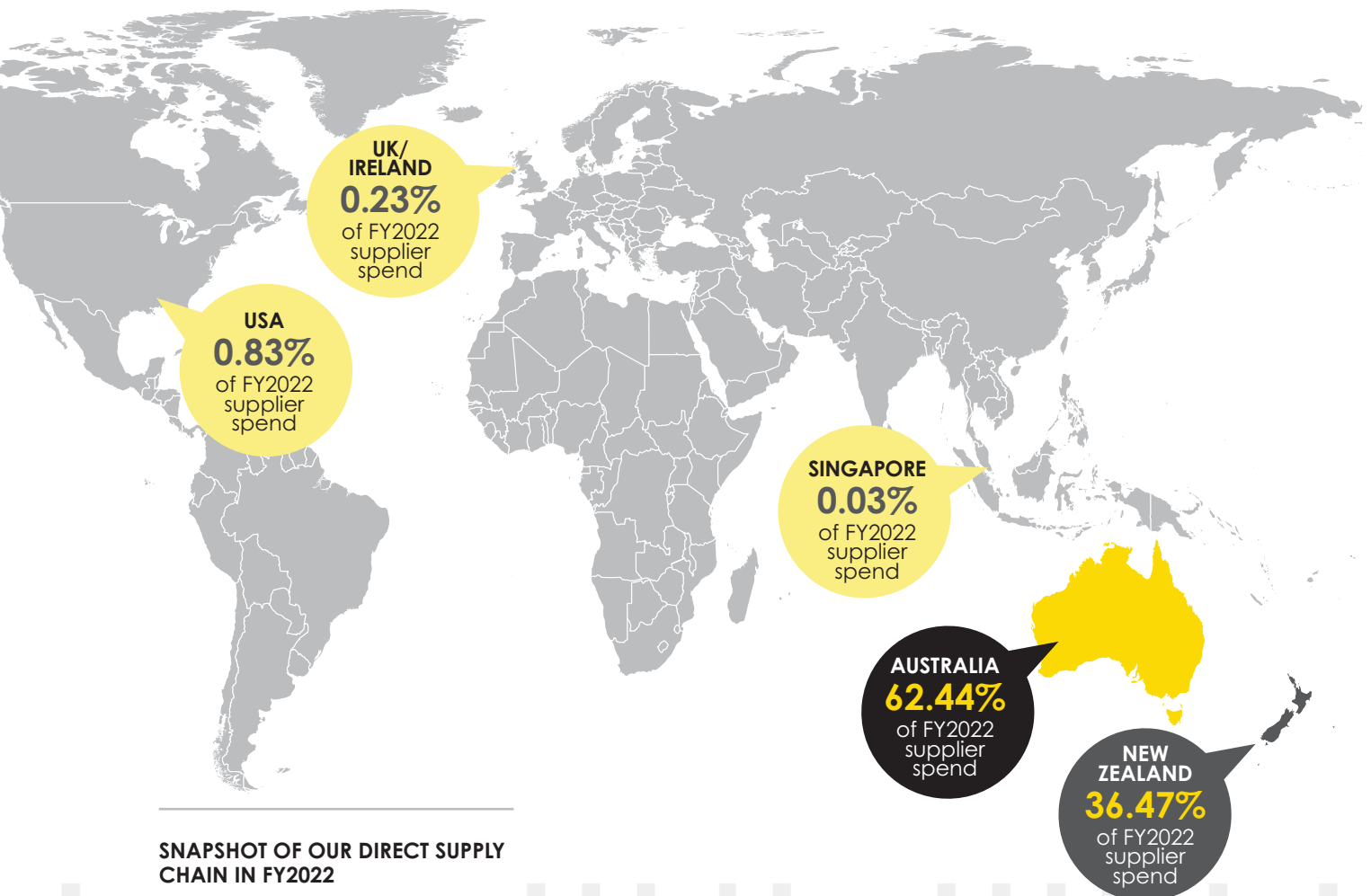
DIRECT SUPPLIERS BY COUNTRY OF INCORPORATION

The map below describes the proportions of our total FY2022 direct supplier spend by supplier location.

Approximately 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 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.



SNAPSHOT OF OUR DIRECT SUPPLY CHAIN IN FY2022

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 the reporting period, we built upon our previous modern slavery risk assessments 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
- Risk heat mapping
- Supplier Prioritisation based on inherent risk factors
- Case Study: Assessing Our Suppliers from Focus Risk Areas
- Development of Supplier Risk Matrix
- Risk assessment training issued to 100% of staff

WE AIM TO COMPLETE IN FUTURE REPORTING PERIODS:

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

RISK ASSESSMENT

Our Modern Slavery Risk Assessment tool assists us in evaluating 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 year's 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 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 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 identified as those where there is a greater potential risk of harm to people:

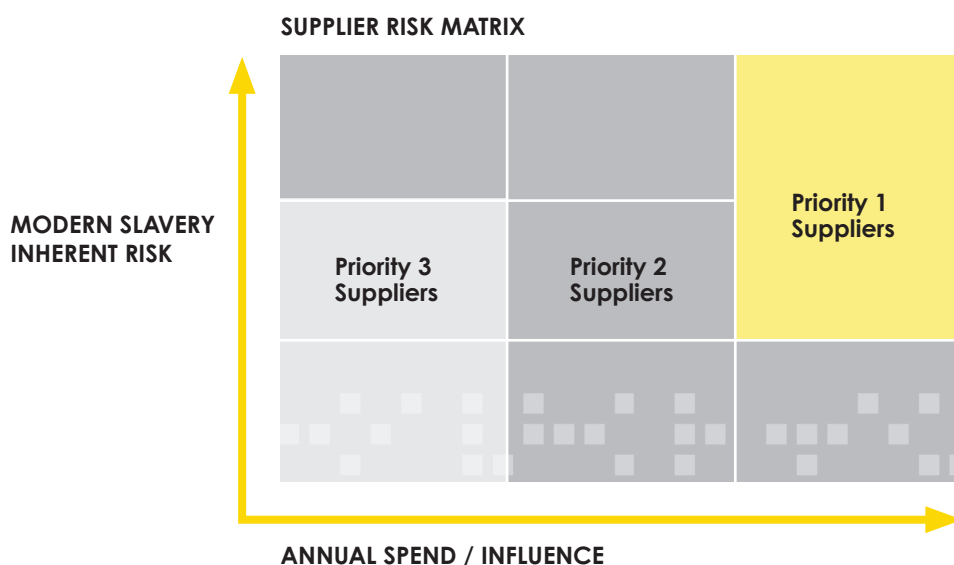
RISK AREA	DESCRIPTION
<p>Offshore Suppliers</p>	<p>National Storage understands that its suppliers that operate in offshore locations may be at greater risk of susceptibility to modern slavery on account of their geography and local conditions.</p>
<p>Extended Onshore Supply Chain</p>	<p>Risk may arise 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 continued to inform our prioritisation of sectoral risk areas in FY2022, 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.



With our refined procurement process, existing and new Priority 1 suppliers were our key focus. We will continue to assess our modern slavery risks arising in our supply chains on at least an annual basis. We aim to assess our Priority 2 suppliers in greater detail in the next reporting period.

CASE STUDY:**ASSESSING OUR SUPPLIERS FROM FOCUS RISK AREAS**

We conducted our internal modern slavery screening processes on all suppliers falling into the Priority 1 risk category, being suppliers operating in higher-risk sectors with new 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
- materials for construction, developments, manufacturing, information technology and services, both from within Australia, New Zealand and overseas.

Content:

To gain a more detailed understanding of risk in these identified supply sectors, we invited suppliers who had not previously responded in FY2021 and those newly identified in FY2022 to complete our Supplier Modern Slavery Questionnaire ('**Questionnaire**'). The 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 Questionnaire process. We aim to expand our due diligence activities to our Priority 2 and Priority 3 suppliers in the future.

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

- 77% 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.
- 50% enshrine a formal commitment to upholding human rights or preventing modern slavery practices in a company policy or policies.
- 23% are required to report under the MSA or under modern slavery legislation in an alternative jurisdiction, such as the United Kingdom.

The results of our Questionnaires garnered in FY2022 have provided us with greater insight into the risk profile of our Priority 1 suppliers. The results of these Questionnaires have informed our FY2023 supplier engagement activities.

Additionally, we take this opportunity to acknowledge that our 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 PROGRAM

The 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, Enterprise Risk Management Framework Guide, 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, 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 FY2023.

For further information on our management of risks, please see our [Annual Report FY2022](#).

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.

The Risk Committee assisted the Board with carrying out its risk management responsibilities and the Risk Working Group assisted the Managing Director and Risk Officer in implementing our Program.



OUR GENERAL RISK MANAGEMENT PROCESS



IDENTIFY



ASSESS



RESPOND



REPORT



MONITOR

We continually review roles, responsibilities, and our overall governance structure to ensure they reflect the developing nature of our business. Environmental, social, and governance ('ESG') factors have been a significant consideration during the period as we aligned with the recommendations from the Task Force on Climate-Related Financial Disclosures ('TCFD') and the Global Reporting Initiative. A TCFD Working Group was convened to conduct gap analysis and oversee the implementation of the recommendations. For further information on this alignment, please refer to our [FY2022 Sustainability Report](#).

The Risk Management Policy is reviewed by the Board annually and amended to reflect the current best practice and changes in regulatory requirements. This ensures the policy's effectiveness and its continued application and relevance to the business of the Group. Our aim for FY2023 is to strengthen our risk management framework further by convening an ESG Committee, which will include members of the Board and the Senior Executive Team. This Committee will replace the TCFD Working Group and will ensure that the social considerations of ESG, including modern slavery risks, are continually and substantially addressed.



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.

WORKING GROUPS

- Risk: Responsible for managing the implementation of the National Storage Modern Slavery Program and compliance with Australia's MSA.
- TCFD: Responsible for assessing climate-related risks, opportunities, and financial impacts, including potential social consequences.

ALL OPERATIONAL MANAGERS AND EMPLOYEES

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

Implementation of Procurement Policy

Following in-depth stakeholder engagement with our internal teams, the Procurement Policy ('Policy') was developed and implemented during the period. The Policy and associated process aims to:

- enable National Storage to engage with the market to meet identified business needs, allowing the appropriate arrangements to exist around contracting with suppliers, and transacting and managing supplier performance and relationships; and
- ensure that all goods, services, and works are purchased ethically and with integrity, represent value for money, and are procured under appropriate financial and legal controls to minimise business risk.

The Policy's framework has been built to ensure goods, services and works are procured taking into consideration the following key principles:

- fulfilling a genuine business need;
- achieving a reasonable amount and quality of goods or services for the money spent;
- implementing responsible financial management;
- using appropriate risk management; and
- acting ethically and with integrity.

This Policy, in conjunction with our Code of Conduct and Business Ethics and Conflicts of Interests Policy, assists in guiding all business activities National Storage engages in towards ethical practice. Further, that they are completed with integrity and in an environmentally and socially responsible manner.

Training on the Policy has been issued to all staff, and all business functions are subject to internal and external audit.

Implementation of Supplier Code of Conduct

National Storage is committed to and strives to act honestly and with integrity in all its dealings. During the period, our Supplier Code of Conduct ('Code') was implemented, setting out the environmental, social, and governance standards of conduct that the National Storage Group expects of its suppliers, considering National Storage's legal and other obligations to its stakeholders.

This Code includes 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.

In the context of Modern Slavery, National Storage's suppliers are expected to:

- comply with the MSA (to the extent applicable to the supplier) and any other relevant modern slavery laws and regulations;
- identify, assess, mitigate, and where required by legislation, report on the risks of modern slavery in their operations and supply chains;
- make all reasonable efforts to ensure that businesses within their operations and supply chains are not engaged in, or complicit with, human rights abuses, including modern slavery; and
- immediately inform National Storage if they become aware of instances or allegations or actual or potential risks of slavery or human rights abuses in their operations and supply chains and work to provide remediation.

We have commenced issuing the Code to existing Priority 1 suppliers. All new suppliers engaged during FY2023 will be issued with the Code and required to agree to comply with the Code as part of the supplier application process.

SUPPLIER ENGAGEMENT

Supplier Qualification Screening

In this reporting period, we engaged with suppliers using our standardised Questionnaire in order to better understand and combat risks of modern slavery arising in our mutual supply chains.

Our supplier risk assessment identified a further 25 suppliers designated as Priority 1 suppliers.¹² We invited each of the suppliers that had previously not responded to our Questionnaire in FY2021, and those that were newly assessed as a Priority 1 supplier, to participate in our Questionnaire; 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 Questionnaire screening, please see Page 16 of this Statement.

We aim to screen any new 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 Questionnaire, we have engaged with our Priority 1 suppliers identified under our modern slavery risk assessment to provide targeted modern slavery training.

A proportion of our Priority 1 suppliers operating in the priority risk areas identified under our modern slavery risk assessment were not required to report under MSA. 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.

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

As a result, our Questionnaire includes 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 MSA.

Internal Training

We have issued a bespoke modern slavery e-learning module to 100% of staff to raise awareness and provide more detailed modern slavery training to our employees.

This module advises 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.

The training also provides staff with a 3-step reporting process to refer to when faced with a potential instance of modern slavery, being:

1. Consider risk;
2. If immediate danger is present, contact emergency services;
3. Raise a report via the Whistleblower website or raise a report directly with the Head of Legal and Governance.

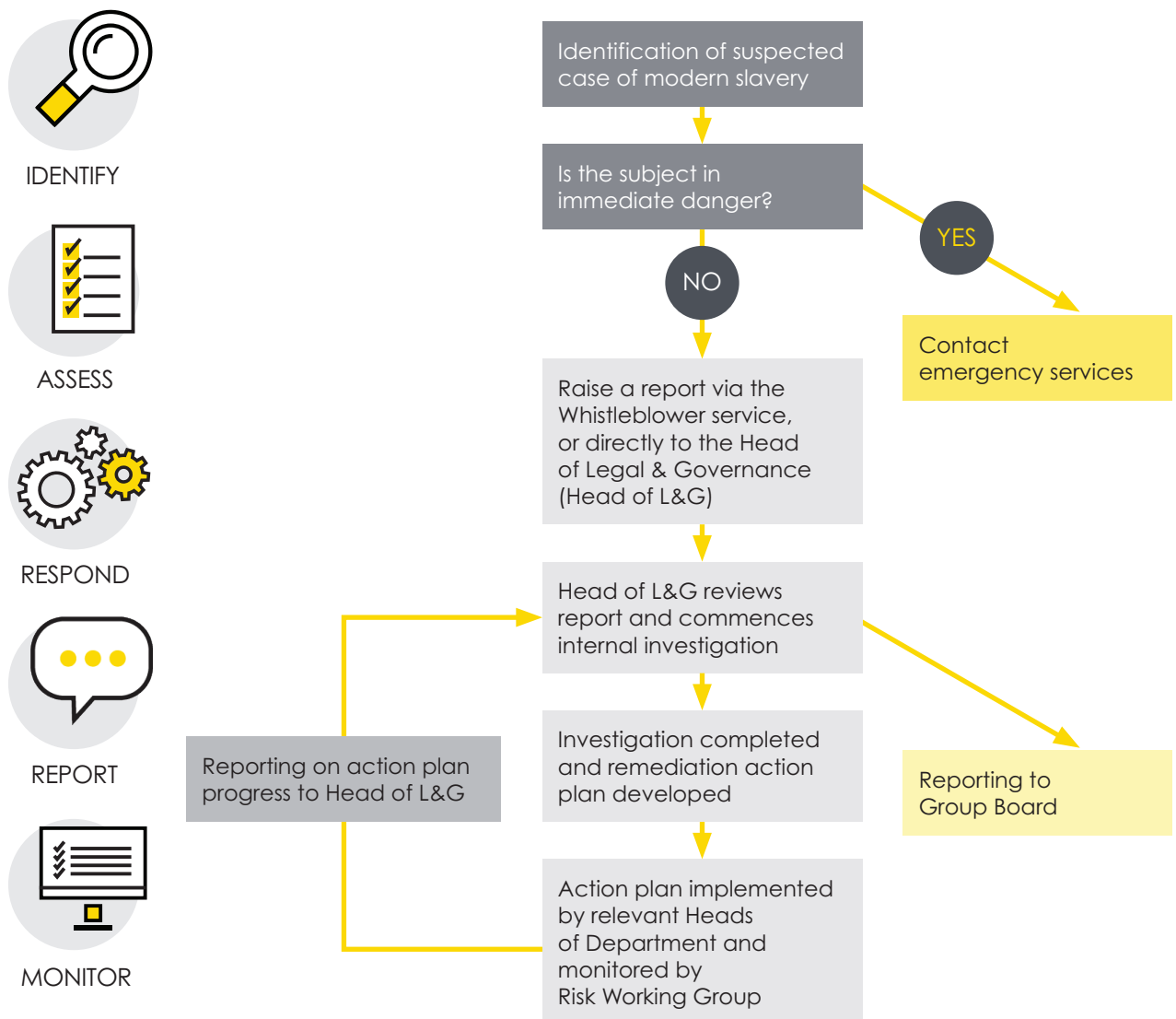
Training will be issued to all staff annually.



EMBEDDING OF REMEDIATION FRAMEWORK

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

By extension of the 3-step reporting process issued to all staff, our Group-wide modern slavery remediation framework has been aligned with our existing procedures, and our Group Risk Management Framework. The remediation process is outlined in high-level terms below:



IDENTIFY



ASSESS



RESPOND



REPORT



MONITOR

This process functions in conjunction with our Code requiring our suppliers to immediately report any concerns regarding ethics or compliance directly to National Storage, including those related to modern slavery issues.

We consider advancing our suppliers' capability

to assess and securely report suspected instances of modern slavery to be particularly important, because we have identified that our higher material risk may lie within our indirect supplier tiers. We have accordingly prioritised this activity for the next reporting period as detailed below.

Whistleblower Services Review

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

- Conduct which qualifies as 'reportable' under the 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.

To update our whistleblowing service, the policy has been reviewed and updated by the Board to include specific reference to modern slavery risk.

During the previous reporting period, we identified that our Whistleblower service would be best disseminated throughout our supply chains by incorporating it into our Code.

Through the issue of the Code to suppliers during the reporting period, the Group has been able to encourage its suppliers and their employees to immediately report any concerns regarding ethics or compliance issues related to the Group's Legal and Governance Team. Such reports can be made as follows:

- by contacting the supplier's primary Group contact;
- via e-mail directly to the Legal and Governance Team; or
- anonymously via our Whistleblower service.



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 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 Australian MSA. Improvement is to be tracked and measured through a combination of qualitative and quantitative data.¹³
- Risk working group meetings, which include review of the implementation of activities under the Program.
- Updates to the Risk Committee including the Board.
- Regular review of our internal governance mechanisms.
- Tracking of grievances and complaints: in FY2022, no reports were logged regarding modern slavery or labour rights concerns through our anonymous Whistleblower service or directly to our business.
- Internal audit review.

With Our Partners

With any material change to the Act, we will engage externally where possible to ensure our actions remain in line with developments in best practice and international understanding of modern slavery issues.

¹³ UNGP (n 2) Principle 20.

FY2022

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 future reporting periods:

Systems, Management and Controls

- Implementation of Internal Audit's recommendations.
- Partnership with industry leaders.

Supplier Engagement

- Conducting an annual risk assessment of Priority 1 suppliers and screening any new Priority 1 suppliers utilising our Questionnaire.
- Further deep dives with key Priority 1 suppliers.
- Assessment of our Priority 2 suppliers.

Training and Risk-Management Capability Expansion

- Review of annual staff training engagement rates.
- Supplier training materials delivered to a greater proportion of suppliers.

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 our Heads of Departments 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 FY2022](#).

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 Board of NSH in its capacity as principal governing body of NSH on 23 December 2022, on behalf of it and its controlled entities.

This Statement is signed by a responsible member of NSH as defined by the MSA.

Claire Fidler

**EXECUTIVE DIRECTOR
NATIONAL STORAGE HOLDINGS LIMITED**

23 December 2022

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 regarding 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.	24
f. Describe the process of consultation with any entities that the reporting entity owns or controls.	26
g. Include any other information that the reporting entity considers relevant.	4 - 6, 23



CORPORATE DIRECTORY

National Storage Holdings Limited ACN 166 572 845
and National Storage Property Trust ARSN 101 227 712
together form the stapled entity National Storage REIT.

RESPONSIBLE ENTITY OF NSPT

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DIRECTORS

Anthony Keane
Andrew Catsoulis
Claire Fidler
Howard Brenchley
Inma Beaumont
Scott Smith

COMPANY SECRETARY

Claire Fidler

REGISTERED OFFICE

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PRINCIPAL PLACE OF BUSINESS

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SHARE REGISTRY

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

