

ABACUS STORAGE KING INITIAL CORPORATE GOVERNANCE STATEMENT

Introduction

Abacus Storage King recognises the importance of strong corporate governance and is committed to a high standard of both corporate governance and compliance. This initial¹ corporate governance statement sets out Abacus Storage King's corporate governance framework, policies and practices as at the date of admission to the official list with reference to the ASX Corporate Governance Principles and Recommendations, 4th Edition (**Recommendations**).

The Board has the overall responsibility for the governance and operation of Abacus Storage King and has implemented a governance framework to ensure that Abacus Storage King is properly managed to protect and enhance securityholders' interests. The governance framework seeks to ensure that Abacus Storage King Board, its Directors, officers and employees operate in an appropriate environment of corporate governance. The framework for managing Abacus Storage King includes adopting relevant internal controls, risk management processes and corporate governance policies and practices that it believes are appropriate for the operation of Abacus Storage King and that are designed to promote the responsible management and conduct of Abacus Storage King.

Background

Abacus Storage King (ASX: ASK) is a stapled entity comprising of Abacus Storage Property Trust (ASPT), a registered managed investment scheme and Abacus Storage Operations Limited (ASOL), a public limited company and their respective controlled entities.

Abacus Storage Funds Management Limited (ASFML) is the responsible entity (RE) of ASPT and also the manager of ASOL. The management services that ASFML provides to ASOL are provided under a management services agreement. In undertaking its management services, ASFML may delegate the provision of management services to related entities and personnel of related entities, such as the Abacus Group Managing Director. The directors of ASFML are the same directors as ASOL (the **Board**).

¹ Subsequent Corporate Governance Statements will be prepared and published in accordance with Listing Rule 4.10.3 as part of Abacus Storage King's annual reporting process and supported by the Appendix 4G indicating the extent of conformance with the Recommendations.

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Abacus Storage King has adopted a number of corporate governance policies and charters (including the Board Charter, Remuneration Committee Charter, Nomination Committee Charter and Audit and Risk Committee Charter) referred to in this Corporate Governance Statement. These are published on the website at <https://abacusgroup.com.au/about-abacus/governance/>

Further detail of ASK's corporate governance framework, policies and practices is set out in section 8.6 of the Transaction Booklet.

This statement has been approved by the Board and is current as at 3 August 2023.

PRINCIPLE 1: LAY SOLID FOUNDATIONS FOR MANAGEMENT AND OVERSIGHT

A listed entity should clearly delineate the respective roles and responsibilities of its board and management and regularly review their performance.

Board Charter

The Board charter sets out the functions and responsibilities reserved to the Board, whose conduct is also governed by the Constitutions of ASFML, ASPT and ASOL. The Board charter also sets out those responsibilities delegated to ASFML as Manager and the separation of responsibilities between the Chair of the Board and the Abacus Group Managing Director.

The Board consists of a majority independent directors, including the Chair of the Board.

Selection of Non-Executive Director Policy

Abacus Storage King has adopted an Appointment and Selection of Non-executive Director policy to ensure the Board consists of members with a range of skills and qualities to meet its primary responsibility for promoting the success of Abacus Storage King and ensuring Abacus Storage King securityholders' interests are also promoted and protected.

The policy describes the assessment process carried out in considering a candidate, taking into account the individual's experience and qualifications, complementary to the current Board. Appropriate background checks are also carried out.

When a candidate's nomination is put forward for approval by securityholders at an annual general meeting, the Board will provide to securityholders, in the notice of meeting, all material information in their possession that the Board considers relevant to the candidate's election as a director.

Terms of Appointment

The non-executive directors each have a letter setting out the terms of their appointment with ASOL and ASFML. In particular, the letter will set out:

- Disclosures relating to and/or that may affect their role as a Director
- Compliance with corporate policies and procedures
- Details of indemnity and insurance arrangements
- Disclosure to the Chair of any other Board appointments

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- Their ability to seek independent advice, with approval from the Chair
- Matters concerning rights to access information and confidentiality requirements

Additionally, Steven Sewell has entered into a written agreement setting out the terms of his appointment as Executive Director of ASOL and ASFML, the key terms of which are:

- Disclosures relating to and/or that may affect their role as a Director
- Compliance with corporate policies and procedures
- Details of indemnity and insurance arrangements
- Disclosure to the Chair of any other Board appointments
- Waived any remuneration as a director and officer of Abacus Storage King.

Company Secretary

The Board charter and constitution set out the role and responsibilities of the Company Secretary, who is directly accountable to the Board. The appointment of the Company Secretary is approved by the Board.

Diversity and Inclusion

The Board has adopted a Diversity and Inclusion policy which sets out its commitment to the principles of workplace diversity and inclusion through a range of strategies.

In respect of the manager, Abacus Group's FY22 Sustainability Report also provides workplace metrics including gender composition.

The Abacus Group's FY22 Sustainability Report can be found at www.abacus.com.au

Under the Board Charter, the Board has set a target of a Board composition consisting of a minimum of 30% of each gender. As at listing the board has two females on the Board, representing 40% of the Board and three males on the Board, representing 60% of the Board.

Performance and Evaluation

The Performance Evaluation Policy outlines the process for evaluating the performance of the Board, its committees and individual directors as well as board performance reviews.

As a newly listed entity, the Board evaluation will be carried out for the first time next year and disclosed in the FY24 Corporate Governance Statement.

The performance evaluation of senior management is carried out by the manager under its Performance Evaluation Policy. This includes senior management of the manager who provide services to ASK.

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Additionally, the manager may provide recommendations to ASK in relation to the appointment of senior staff (executive and key management on the senior management team) and their remuneration (noting that the remuneration of non-senior staff employed within the Storage King business will be determined by Storage King).

PRINCIPLE 2: STRUCTURE THE BOARD TO BE EFFECTIVE AND ADD VALUE

The board of a listed entity should be of an appropriate size and collectively have the skills, commitment and knowledge of the entity and the industry in which it operates, to enable it to discharge its duties effectively and to add value.

Nomination Committee

The Nomination committee has five members, the majority of which are independent including the Chair. As at the date of listing, the Nomination Committee will be chaired by John O'Sullivan and also comprise Stephanie Lai, Mark Bloom, Karen Robbins and Steven Sewell.

As a newly listed entity, the number of meetings held and attendance at those meetings by members will be disclosed in our FY24 Annual Report.

Board Skills

The Board has a diverse range of backgrounds, skills and experience, details of which can be found in section 8.2.1 of the Transaction Booklet. Assessment of the mix of skills and experience will be included as part of the annual evaluation process, taking into account the strategy and objectives of ASK and reported in the FY24 Corporate Governance Statement.

As at the date of listing the collective skills and experience of the Board includes:

AREA OF EXPERTISE	BOARD (5 MEMBERS)
Real estate, property and storage markets	5
Financial acumen	5
Listed and international markets	4
Data digital and technology	4
Risk, compliance and governance	5
Environment and sustainability	4

Consideration of independence

The Board, having regard to the factors relevant to assessing the independence of a Director that is set out in section 2.3 of the Recommendations, considers an Abacus Storage King Director to be independent where he or she is free of any interest, position, association or relationship that might

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influence, or might reasonably be perceived to influence, in a material respect, his or her capacity to bring independent judgement to bear on issues before the Board and to act in the best interests of Abacus Storage King and its securityholders generally. The Board reviews the independence of each Abacus Storage King Director in light of information disclosed to it. Any change in the independence of a non-executive director would be disclosed and explained to the market in a timely manner.

The majority (being three of the five of Directors) of the Board are considered independent for the purposes of the Recommendations. John O'Sullivan who is Chair of the Board (and does not hold the position of CEO in ASK), Stephanie Lai and Karen Robbins are considered independent Abacus Storage King Directors.

Steven Sewell is not currently considered by the Board to be an independent Director, given he is Managing Director of Abacus Group.

Mark Bloom is not currently considered by the Board to be an independent Director given his association with Abacus Property Group's and Abacus Storage King's majority securityholder, Calculator Australia.

Details of the Board of directors, experience, qualification and length of service can be found on our website at www.abacusgroup.com.au

Induction Program for Non-Executive Directors

The appointment and Selection of Non-Executive Director Policy provides for the induction and training of new directors.

As part of the annual review process individual training needs will also be identified.

PRINCIPLE 3: INSTIL A CULTURE OF ACTING LAWFULLY, ETHICALLY AND RESPONSIBLY

A listed entity should instil and continually reinforce a culture across the organisation of acting lawfully, ethically and responsibly.

The Abacus Storage King statement of values are set out below:

We are entrepreneurial and deliver innovative and informed market insights and solutions

We are responsible and aim to do the right thing and make a positive difference

We are accountable and answerable for our actions and decisions

We are ambitious We strive to achieve and be the best

We are helpful We have a service spirit – welcoming and friendly

We celebrate success We have a fun loving culture

Code of Conduct

The Board is committed to upholding a reputation for honesty, integrity and trust. Accordingly, the Board has adopted a formal Code of Conduct which will be followed by all Directors, employees, consultants and contractors of Abacus Storage King. All team members are trained annually on policies and required to sign an annual Code of Conduct Declaration which includes (among other

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things) confirmation of any conflicts of interest, compliance obligations with the Trading Policy and ongoing confidentiality obligations.

Under the Code of Conduct, team members are required to:

- act with honesty and integrity in all work and business dealings, including dealings and interactions with each other, and with Abacus Storage King's stakeholders, suppliers, competitors, and all other persons with whom Abacus Storage King has work or business interactions;
- act in accordance with all applicable laws in performing work for Abacus Storage King;
- act in the best interests of Abacus Storage King in everything they do that may impact Abacus Storage King, including taking all reasonable steps to avoid any conflict of interest and not improperly using their positions to generate any personal benefit for themselves or any other person

Material breaches of the Code will be reported to the Remuneration Committee.

Whistleblower Policy

The Board have adopted a Whistleblower Policy which details how Abacus Storage King deals with disclosure of misconduct including internal and external reporting options.

Material incidents reported under this policy will be reported to the Audit & Risk Committee.

Gifts, Fraud, Anti-Bribery and Corruption Policy

The Abacus Storage King Board has adopted a Gift, Fraud, Anti-Bribery and Corruption Policy to demonstrate Abacus Storage King's commitment to honesty, integrity and trust and its values of being responsible and accountable in the way it conducts itself.

Material breaches of this policy will be reported to the Audit and Risk Committee.

PRINCIPLE 4: SAFEGUARD THE INTEGRITY OF CORPORATE REPORTS

A listed entity should have appropriate processes to verify the integrity of its corporate reports.

Audit & Risk Committee

The role of the Audit & Risk Committee (ARC) is to assist the Board to carry out its accounting, auditing and financial reporting and risk and compliance responsibilities. The Board has developed a charter which sets out the ARC's role, responsibilities, composition, structure and membership requirements.

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The ARC will consist of a minimum of three non-executive directors and will comprise of an independent Chair (who is not the Chair of the Board) and a majority independent directors. Executive directors are not eligible to be a member of the ARC. The ARC will meet at least four times a year. The external auditor will be invited to attend the ARC meetings and the ARC has direct access to the external auditor.

The Board has determined that the members of the Audit & Risk Committee collectively have the appropriate level of financial, risk and property related expertise to discharge their responsibilities. As at the date of listing, the ARC will comprise Stephanie Lai as Chair and John O'Sullivan, Mark Bloom and Karen Robbins as members. Details of the qualifications and experience of the relevant members of the Audit & Risk Committee are set out in section 8.2.1 of the Transaction Booklet.

As a newly listed entity, disclosure of the Committee meetings held, and attendance will be provided in the FY24 Abacus Storage King Annual Report.

A copy of the Audit & Risk Committee charter can be found at www.abaucsgroup.com.au

Abacus Group Managing Director and Chief Financial Officer Declarations

Before approving the financial statements for a financial period, the Board receives from the Abacus Group Managing Director and Chief Financial Officer a declaration that, in their opinion, the financial records of Abacus Storage King have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of Abacus Storage King. The declaration also includes a statement that their opinion has been formed on the basis of a sound system of risk management and internal control that is operating effectively.

Corporate Reporting

The external auditor will review Abacus Storage King's full and half-year financial reports in accordance with the Corporations Act 2001 (Cth) and Australian Accounting Standards. The external auditor will provide an annual independence declaration in the Abacus Storage King Annual Report. The external auditor will also attend the Annual General Meeting and will be available at the meeting to answer questions from securityholders relevant to the audit.

Other periodic corporate reports will be verified internally by management (together with the Company Secretary, who is responsible for all communications with the ASX and approving routine announcements and preparing or overseeing the preparation of all announcements to be released on the ASX). Further details of these arrangements are set out in the Continuous Disclosure and Securityholder Communications Policy.

PRINCIPLE 5: MAKE TIMELY AND BALANCED DISCLOSURE

A listed entity should make timely and balanced disclosure of all matters concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

Continuous Disclosure and Securityholder Communications

The Abacus Storage King board has adopted a Continuous Disclosure and Securityholder Communication Policy directed to ensuring that it complies with ASX Listing Rules and obligations under the Corporations Act 2001 (Cth) regarding disclosure requirements. The policy also establishes procedures that are aimed at ensuring that all directors, officers, employees, contractors, consultants, and other personnel of Abacus Storage King and relevant Abacus Group personnel providing services to Abacus Storage King are aware of and fulfil their obligations in relation to providing Securityholders with equal and timely access to material information concerning ASK.

The Abacus Group Managing Director is primarily responsible for ensuring that Abacus Storage King complies with its disclosure obligations.

Following a market announcement, an automatic email is sent to all directors and includes a copy of the market announcement.

All ASX Market Announcements will be lodged via ASX online and are posted to our website immediately after release to the ASX. When ASK provides briefings to analysts or media, the material on which the briefing is based (such as slides or presentations) will be released to the market prior to the briefing.

Abacus Storage King will keep a summary record for internal use of the issues discussed at group and one-on-one briefings with investors and analysts, including a record of those present where appropriate.

A copy of the Continuous Disclosure and Securityholder Communication Policy and other securityholder information can be found on our website at www.abacusgroup.com.au

PRINCIPLE 6: RESPECT THE RIGHTS OF SECURITY HOLDERS

A listed entity should provide its security holders with appropriate information and facilities to allow them to exercise their rights as security holders effectively.

Information about Abacus Storage King and its Governance

Abacus Storage King aims to keep securityholders informed of significant developments and activities of the business. Our website will be updated regularly and will include annual and half-yearly reports, distribution history and all other announcements lodged with the ASX, webcasts of results briefing. It also includes a corporate governance landing page, from which all relevant corporate governance information can be accessed and includes biographical information for each director and senior executive.

The corporate governance landing page can be access at: <https://abacusgroup.com.au/about-abacus/governance/>

Investor Relations program

The Continuous Disclosure and Securityholder Communication Policy, which is available on our website, sets out Abacus Storage King's communication strategy with securityholders.

Routine queries received by the ASK's registry are responded to by the registry. Non-routine queries are directed to the manager's General Manager – Investor Relations & Corporate Communications for response. Securityholders, other financial market participants and the financial media also communicate directly with the manager's General Manager – Investor Relations & Corporate Communications to seek information and provide feedback. Relevant feedback is communicated by the manager's General Manager – Investor Relations & Corporate Communications to the Abacus Group Managing Director and the Board as required.

Securityholders have the optionality to receive communications electronically which can be arranged by our registry, Boardroom. Information on how to change communication preferences can be found on our website at www.abacusgroup.com.au

Participation at Securityholder Meetings

Securityholders are encouraged to attend the annual general meeting (AGM). The AGM provides securityholder the opportunity to receive updates on the business and to ask question of the Board and management. The external auditor will also attend the AGM to answer questions on the audited accounts.

All substantive resolutions at a meeting of securityholders are decided by a poll.

Securityholder Communication

A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.

Securityholders will have the option to receive communications from, and send communications to, ASK and its security registry electronically. See www.abacusgroup.com.au for contact details.

PRINCIPLE 7: RECOGNISE AND MANAGE RISK

A listed entity should establish a sound risk management framework and periodically review the effectiveness of that framework

Risk Management and Assurance

The Board has established an Audit & Risk Committee to oversee risk, the details of which are set out under Principle 4 above.

The Board has also adopted a Risk Management Framework to provide a structured approach to the management of risks in its business and sets out its commitment to establishing a sound system of risk oversight and management and internal control to identify, assess, monitor and manage material risks related to the conduct of activities across Abacus Storage King at every level. This Risk Management Framework is applied across the business, to identify material risks, and to apply effective controls that

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are designed to prevent such risks from materialising. These controls will be evaluated and tested on a periodic basis to assess their effectiveness in mitigating the risk.

Internal Audit Function

Abacus Storage King does not have an internal audit function. The Audit and Risk Committee has overall responsibility for ensuring that Abacus Storage King has effective governance, risk management and internal control processes. The Manager of Abacus Storage King is responsible for implementing the risk management policy and framework. The Manager, in conjunction with the Audit and Risk Committee, will recommend a programme of assurance reviews that will be conducted by the in house risk and compliance team and internal audit reviews that will be conducted by external specialist consultants.

Environmental and Social Risks

Abacus Storage King may be exposed to unforeseen material environmental risks or the impact of climate change over time. Environmental and climate change related events have the potential to damage our assets, disrupt operations and impact the health and wellbeing of our people and communities. Abacus Storage King continues to develop the appropriate strategies to protect its properties and mitigate these environmental risks. Environmental and climate change considerations are incorporated into our decision-making process when acquiring properties and as part of the ongoing management of each property. We manage this risk through the due diligence process undertaken with each acquisition. Key concerns are reported to the Abacus Group Investment Committee and the Board as part of the governance framework.

Environmental risks associated with each property are monitored as part of the asset management processes.

As a newly listed entity, further disclosures on the impact that Abacus Storage King business activities have on environmental, social and governance risks will be provided in the FY24 Sustainability Report.

PRINCIPLE 8: REMUNERATE FAIRLY AND RESPONSIBLY

A listed entity should pay director remuneration sufficient to attract and retain high quality directors and design its executive remuneration to attract, retain and motivate high quality senior executives and to align their interests with the creation of value for security holders and with the entity's values and risk appetite.

Remuneration Committee

The role of the Remuneration Committee is to assist the Abacus Storage King Board in relation to remuneration strategy, framework and design for the Abacus Storage King business. The Board has developed a charter which sets out the Remuneration Committee's role, responsibilities, composition, structure and membership requirements.

The Remuneration Committee comprises of an independent Chair and at least three non-executive directors, a majority of which are independent directors. Executive directors are not eligible to be

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members of the Remuneration Committee. The Remuneration Committee will meet at least four times a year.

As at the date of listing, the Remuneration Committee will be chaired by Karen Robbins and also comprise John O'Sullivan, Stephanie Lai and Mark Bloom as members. As a newly listed entity, disclosure of the meetings held and attendance will be provided in the FY24 Abacus Storage King Annual Report.

A fee pool cap for the non-executive directors has been set. Any proposed increase of that fee pool will be put to the vote by Abacus Storage King Securityholders at its annual general meeting. Further detail of the remuneration and related arrangements for Abacus Storage King's Directors is set out in section 8.4.2 of the Transaction Booklet.

No fees or salaries are paid by Abacus Storage King to external management or directors, officers or employees of ASFML as the manager of ASOL, except for the fees agreed to be paid by Abacus Storage King to the non-executive directors as set out in section 8.4.2.1 of the Transaction Booklet.

Trading Policy

The Abacus Storage King Board has adopted a Trading Policy to regulate dealings in Abacus Storage King Securities. The Trading Policy explains the type of conduct that is prohibited under the Corporations Act and other laws applicable to Abacus Storage King. The Trading Policy also establishes a best practice procedure in relation to dealings in Abacus Storage King Securities by directors and employees of ASFML, Abacus Group and ASOL and their controlled entities. This includes setting restrictions on the use of hedging transactions in relation to Abacus Storage King Securities.

Additionally, the Trading Policy sets out the restrictions that apply to, among other things, such dealings outside the trading windows, during which certain persons are generally not permitted to deal in Abacus Storage King Securities along with a procedure under which certain persons are required to submit prior notification and obtain confirmation prior to dealings during the trading windows.

This Trading Policy aligns with the current trading policy of Abacus Property Group.

The corporate governance arrangements established by Abacus Storage King Board will be continually monitored in order to ensure that they remain effective and appropriate for Abacus Storage King.