



National Storage Group Securities Trading Policy

National Storage Holdings Limited

Adopted by the Board of National Storage Holdings Limited on 26 August 2015.

Trading Policy

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Trading Policy

1 Definitions

Board means the board of directors of NSHL.

Company Secretary means the Company Secretary of NSHL.

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

Corporations Act means the Corporations Act 2001 (Cwth).

NSHL means National Storage Holdings Limited (CAN 166 572 845)

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

NSG Securities means the shares in NSHL and the units in the Trust stapled together and quoted on the Australian Securities Exchange ("**ASX**"), and any other shares, units, options, derivatives, debentures, rights to subscribe for an interest in NSHL or the Trust, managed investment products, superannuation products or other financial products of NSHL or the Trust that are able to be traded on a financial market.

NS Stapled Entity means NSHL and the Trust.

RE means the responsible entity registered with the Australian Securities and Investments Commission from time to time.

Subsidiaries has the meaning given in the Corporations Act.

Trust means National Storage Property Trust.

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

2 Purpose

2.1 Scope

This policy summarises the law relating to insider trading and sets out the National Storage Group's trading policy on buying and selling NSG Securities.

2.2 Who does this policy apply to?

This policy applies as follows:

- (a) part 3 (insider trading laws) and part 9 (confidentiality) apply to everyone (including all employees, contractors, family and associates);
- (b) parts 4 to 8 (trading policy) apply to all directors, officers and other senior management personnel of the National Storage Group and any other person designated by the Company Secretary (each a "**Designated Person**"); and
- (c) paragraph 5.5 (associates) applies our trading policy to the family and associates of Designated Persons as specified in that paragraph.

2.3 Internal compliance procedures

National Storage Holdings has implemented internal measures to ensure its employees are aware of the Trading Policy, and its implications on their ability to deal in NSG Securities. Some of these internal measures include:

- (a) diarised reminders of upcoming Prohibited Periods for Designated Persons;
- (b) an explanation of the Trading Policy during each employees' orientation; and
- (c) periodic memos outlining the Trading Policy and upcoming Prohibited Persons.

2.4 Further advice

If you do not understand any aspect of this trading policy, or are uncertain whether it applies to you or your family or associates, please contact the Company Secretary on 07 3218 8100. You may wish to obtain your own legal or financial advice before dealing in the NSG Securities.

3 Insider trading prohibitions in the Corporations Act

3.1 What are the insider trading prohibitions?

Under the Corporations Act 2001 (Cwlth) ("**Corporations Act**"), if you have Inside Information (as defined in paragraph 3.2 below) relating to the National Storage Group it is illegal for you to:

- (a) deal in (that is, apply for, acquire or dispose of) the NSG Securities or enter into an agreement to do so; or
- (b) procure another person to apply for, acquire or dispose of the NSG Securities or enter into an agreement to do so; or
- (c) directly or indirectly communicate, or cause to be communicated, that information to any other person if you know, or ought reasonably to know, that the person would or would be likely to use the information to engage in the activities specified in paragraphs (a) or (b) above.

These prohibitions also apply to the application for, grant, exercise or transfer of an option over the NSG Securities and to the securities of other entities if you possess Inside Information about those entities.

It does not matter how or in what capacity you become aware of the Inside Information. It does not have to be obtained from the National Storage Group to constitute Inside Information.

You cannot avoid the insider trading prohibition by arranging for a member of your family or a friend to deal in the NSG Securities nor may you give "tips" concerning Inside Information relating to the National Storage Group to others, including customers.

These prohibitions apply to everyone (not just Designated Persons) at all times – whether the proposed trade is in a closed period or not.

3.2 What is Inside Information?

"**Inside Information**" is information relating to the National Storage Group which is not generally available but, if the information was generally available, would be likely to have a material effect on the price or value of the NSG Securities. Inside Information can include

matters of speculation or supposition and matters relating to intentions or likely intentions of a person.

Inside Information may also be information relating to other companies, for instance, suppliers and customers of National Storage Group.

Information is regarded as being likely to have a material effect if it would, or would be likely to, influence persons who commonly invest in securities or other traded financial products in deciding whether or not to deal in the NSG Securities.

Examples of Inside Information could be:

- (a) the financial performance of the National Storage Group against its budget;
- (b) changes in the National Storage Group's actual or anticipated financial condition or business performance;
- (c) changes in the capital structure of the National Storage Group, including proposals to raise additional equity or borrowings;
- (d) proposed changes in the nature of the business of the National Storage Group;
- (e) changes to the Board of Directors or significant changes in key management personnel;
- (f) an undisclosed significant change in the National Storage Group's market share;
- (g) likely or actual entry into, or loss of, a material contract;
- (h) material acquisitions or sales of assets by the National Storage Group;
- (i) a proposed dividend or other distribution or a change in dividend policy; or
- (j) a material claim against the National Storage Group or other unexpected liability.

3.3 When is information generally available?

Information is generally available if:

- (a) it consists of readily observable matter or deductions;
- (b) it has been brought to the attention of investors through an announcement to the ASX or otherwise similarly brought to the attention of investors who commonly invest in securities, and a reasonable period has elapsed since it was announced or brought to investors' attention; or
- (c) it consists of deductions, conclusions or inferences made or drawn from information referred to in paragraphs (a) or (b) above.

Examples of possible readily observable matters are:

- (a) a change in legislation which will affect the National Storage Group's ability to make certain types of investments; or
- (b) a severe downturn in global securities markets.

3.4 Penalties

Breach of the insider trading laws may subject you to:

- (a) criminal liability - penalties include heavy fines and imprisonment;
- (b) civil liability - you can be sued by another party or the National Storage Group for any loss suffered as a result of illegal trading activities;
- (c) civil penalty provisions - the Australian Securities and Investments Commission (“ASIC”) may seek civil penalties against you and may even seek a court order that you be disqualified from managing a corporation.

Breach of the law, this policy, or both, will also be regarded by the National Storage Group as serious misconduct which may lead to disciplinary action or dismissal.

4 No dealing in Prohibited Periods

4.1 Closed and Prohibited Periods

Designated Persons must not deal in the NSG Securities during the following prohibited periods (except in accordance with this policy and subject to the insider trading prohibitions):

- (a) the following closed periods:
 - (i) from *the day after the National Storage Group's half year end* to the close of trading on the business day after the National Storage Group's half yearly results are announced to the ASX;
 - (ii) from *the day after the National Storage Group's financial year end* to the close of trading on the business day after the National Storage Group's annual results are announced to the ASX;
 - (iii) from 28 days before, to the close of trading on the business day after, the National Storage Group's annual general meeting; and
 - (iv) from 28 days before a prospectus or similar disclosure document is lodged by the National Storage Group with ASX; and
- (b) any extension to a closed period, and any additional period, as specified by the Board of Directors,

(“Prohibited Periods”).

Designated Persons may deal in the NSG Securities at other times (that is any period that is not a Prohibited Period) subject to complying with insider trading prohibitions (see part 3 above) and the requirements of this policy.

5 Clearance procedures

5.1 Prior notification

If a Designated Person proposes to deal in the NSG Securities (including entering into an agreement to deal) at any time, they must provide;

- (a) written confirmation that they are not in possession of Inside Information; and
- (b) written notice of their intention to trade in NSG Securities to:
 - (i) in the case of a Director or member of the senior executive team, the Chairman;

- (ii) in the case of the Chairman, the Chair of the Audit Committee; and
- (iii) in the case of all other Designated Persons, the Company Secretary,
(Notification Officer)

The written notices referred to in (a) and (b) above in this section 5.1 must be provided to the relevant Notification Officer no later than 5 business days prior to any proposed trade.

The Chairman and the Chair of the Audit Committee must promptly notify the Company Secretary of any request by a Director, senior executive or the Chairman (as applicable) to trade NSG Securities including details of whether approval to trade has been given.

The Designated Person must not issue any instructions or orders to facilitate the trade in NSG Securities prior to receiving a confirmation pursuant to section 5.2.

Any clearance may be given or refused by the Notification Officer in their absolute discretion, without the need for reasons. The decision is final and binding on the Designated Person seeking the clearance. If a request for clearance is refused, the Designated Person seeking the clearance must keep the refusal confidential

5.2 Confirmation

Before dealing in the NSG Securities, the Designated Person must receive a confirmation signed by the Notification Officer (**Clearance Notice**). To avoid doubt, a Designated Person may not undertake a trade in NSG Securities (or any other security covered by this policy) without receiving a Clearance Notice.

A Clearance Notice expires five days from its date, unless it specifies a different expiry date.

A Clearance Notice confirms that the proposed dealing by the Designated Person is within the terms of the trading policy but does not otherwise constitute approval or endorsement by the National Storage Group or the Notification Officer for the proposed dealing.

A Clearance Notice or a rejection of trade advice must be issued to the Designated Person within 3 business days of the date the written notice is provided under clause 5.1.

A Clearance Notice maybe withdrawn if new information comes to light or there is a change in circumstances

5.3 Notification of dealing

In addition to providing advance notice under paragraph 5.1, Designated Persons must confirm in writing to the relevant Notification Officer, within **three** business days from when the dealing in the NSG Securities has occurred, the number of the NSG Securities affected and the relevant parties to the dealing.

5.4 Securities of other entities

The Company Secretary may extend this policy by specifying that Designated Persons are also restricted from dealing in the securities of other specified entities with which the National Storage Group may have a close relationship.

5.5 Associates

This policy also applies to associates of Designated Persons, except for paragraphs 5.1 to 5.3 regarding prior notification, confirmation and notification of dealing. A Designated Person must communicate on behalf of their associate with the Notification Officer for the purposes of this policy.

“Associates” of a Designated Person includes their family members, trusts, companies, nominees and other persons over whom a Designated Person has, or may be expected to have, investment or other control or influence. If you are in doubt as to whether a person is an associate, you should contact the Company Secretary who will make a determination on the issue.

6 Exceptional circumstances

A Designated Person may request, and the Notification Officer may give, prior confirmation for the Designated Person to:

- (a) sell NSG Securities during a Prohibited Period; or
- (b) dispose of the NSG Securities even if otherwise prohibited under part 8,

if there are exceptional circumstances (except if this would breach the insider trading prohibitions - see part 3 above).

Exceptional circumstances may include:

- (a) severe financial hardship, for example, a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant NSG Securities;
- (b) requirements under a court order or court enforceable undertakings or other legal or regulatory requirements;
- (c) other exceptional circumstances as determined by the Chairman (or Chair of the Audit Committee where the Chairman is involved).

The request must be in writing and contain sufficient details and particulars for the Notification Officer to make an informed decision. The Notification Officer may request additional information as they see fit.

The Notification Officer is under no obligation to grant permission under this section and in exercising their discretion as to whether exceptional circumstances apply, the Notification Officer must consult as follows:

- (a) if the Notification Officer is the Chairman or the Chair of the Audit Committee – with the Company Secretary; or
- (b) if the Notification Officer is the Company Secretary – with the Chairman.

If the Notification Officer has any doubt in making a determination of exceptional circumstances, they should exercise the discretion with caution.

The requirements of paragraphs 5.1 to 5.3 must be complied with regarding prior notification, confirmation and notification of dealing.

7 Permitted dealings

The following types of dealing are excluded from the operation of part 4 of this policy and may be undertaken at any time without requiring prior notification, approval or confirmation of dealing, subject to the insider trading prohibitions:

- (a) acquiring the NSG Securities under the terms of the National Storage Group's dividend reinvestment plan or a security purchase plan;

- (b) acquiring the NSG Securities under a bonus issue made to all holders of the NSG Securities of the same class;
- (c) receiving the NSG Securities under any National Storage Group security plan or through the exercise of options under the National Storage Group option plan. However, any dealing in those NSG Securities remains subject to this policy and the Corporations Act;
- (d) trading the NSG Securities where the trading results in no change in beneficial interest in the NSG Securities. However, the requirements of paragraphs 5.1 to 5.3 must be complied with;
- (e) transferring the NSG Securities already held into a self-managed superannuation fund in which the Designated Person is a beneficiary. However, the requirements of paragraphs 5.1 to 5.3 must be complied with;
- (f) subscribing for the NSG Securities under a disclosure document: and
- (g) Acquiring securities under a pro-rata issue.

Under the insider trading laws, a person who possesses inside information may be prohibited from trading even where the trading falls within an exception specified in this part 7.

8 Further restrictions

8.1 Margin lending

A Designated Person is not permitted to enter into margin loans to fund trading in NSG Securities.

8.2 No short term or speculative trading

The National Storage Group encourages Designated Persons to be long term investors in the National Storage Group.

Designated Persons must not engage in short term or speculative trading in NSG Securities or in financial products associated with the NSG Securities. Short term means in less than a 12 months period.

Designated Persons are not permitted to engage in short selling of NSG Securities.

8.3 No hedging

Subject to the law, Designated Persons must not:

- (a) enter into transactions or arrangements with anyone which could have the effect of limiting their exposure to risk relating to an element of their remuneration that:
 - (i) has not vested; or
 - (ii) has vested but remains subject to a holding lock; or
- (b) deal in financial products associated with NSG Securities, except for the type of dealing permitted by law or under part 7.

8.4 Meaning of financial products

For the purposes of this part, financial products includes derivatives, debentures, options, warrants, futures, forward contracts, swaps and contracts for difference issued or created over or associated with the NSG Securities by third parties.

9 Confidential Information

You must treat all sensitive, non-public information (“**Confidential Information**”) about the National Storage Group as confidential and belonging to the National Storage Group. You must not disclose Confidential Information to others (including family members, relatives, business or social acquaintances) except as authorised or legally required. You must avoid inadvertent or indirect disclosure of Confidential Information. Even within the National Storage Group, Confidential Information should be distributed to or discussed with others only on a need-to-know basis, and those people must be told that the information is confidential. Be careful that your conversations are not overheard in elevators, aeroplanes or other public places. Do not leave Confidential Information on conference tables, desks or otherwise unguarded. Take whatever steps are reasonably necessary to keep Confidential Information from being disclosed, except as authorised or legally required.

10 Review and publication of this policy

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

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

Approved by the Board on 26 August 2015

Trading Policy

Notification to deal in Entity's Securities

Instructions: This form is to be used in conjunction with National Storage Group's trading policy ("**Trading policy**") which is available on the website. Terms defined in the policy have the same meaning in this form. If you have any questions, please contact the Company Secretary. Your Notification Officer is the Company Secretary (unless you are notified otherwise). If under the Trading Policy you are required to notify us of a proposed transaction, please complete Part A and send it to the Notification Officer. If you require confirmation to trade, you must receive Part B completed by the Notification Officer before you trade. If required, you must send a notification of dealing and details of your trade to the Notification Officer in the time required.

Part A - Notification by a Designated Person

Name of Designated Person	("Designated Person")
Description of NSG Securities (ie number and class of NSG Securities)	
Nature of agreement/dealing (sale/purchase/subscription)	
Proposed date of transaction (ie completion date)	

I confirm that:

- (a) I am not in possession of any unpublished information which, if generally available, might materially affect the price or value of NSG Securities; and
- (b) the transaction in NSG Securities described above does not contravene the Trading policy.

Signed:.....

Dated:

Part B - Confirmation by the Notification Officer

This confirmation confirms that the proposed dealing by the Designated Person is within the terms of the Trading Policy but does not otherwise constitute an approval or endorsement of the proposed dealing.

Name:

Title:.....

Signature:.....

Dated: