2019
ENVIRONMENTAL SOCIAL GOVERNANCE REPORT
OUR COMMITMENT TO ESG
LETTER FROM CEO
COMPANY AT A GLANCE
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SOCIAL
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Information in this report is as of December 31, 2019, except as otherwise noted.

For any questions or inquiries regarding this report, please contact George Hoglund, Vice President of Investor Relations at ghoglund@nsareit.net.

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NSA'S PARTICIPATING REGIONAL OPERATORS AND BRANDS
OUR COMMITMENT TO ESG

WE ARE COMMITTED TO CONDUCTING BUSINESS ACCORDING TO OUR CORE VALUES OF INTEGRITY, ACCOUNTABILITY, HUMILITY AND COMPASSION THAT BENEFIT ALL OF OUR STAKEHOLDERS AND THAT ARE INTENDED TO MITIGATE OUR OVERALL IMPACT ON THE ENVIRONMENT. WE HAVE CONDUCTED OUR BUSINESS IN THIS MANNER SINCE FORMATION, AND WE RECOGNIZE THAT AN INCREASED LEVEL OF DISCLOSURE SURROUNDING ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) INITIATIVES ARE BECOMING INCREASINGLY IMPORTANT. THIS INAUGURAL ESG REPORT IS INTENDED TO MARK THE BEGINNING OF OUR FORMAL EFFORTS TO COMMUNICATE OUR ACHIEVEMENTS WITH ALL OF OUR STAKEHOLDERS.
LETTER FROM TAMARA FISCHER, CEO:

As a company with strong values, we at NSA are committed to operating in a manner that is environmentally friendly, socially responsible and with a high degree of integrity as it relates to corporate governance. We are thoughtful about how we interact with our customers, employees and the broader communities where we operate. Our shared core values are present in every aspect of our interactions with all stakeholders. Although these core values have been key to NSA’s growth and success since inception, we have only recently begun to formalize, track and communicate our efforts.

In 2019 we formed our Environmental, Social and Governance ("ESG") Steering Committee. Our ESG Steering Committee was formed to support the Company’s ongoing commitment to environmental, health and safety, social responsibility, corporate governance, sustainability and other public policy matters. The ESG Committee includes representatives from key functional areas across the company. The Committee meets periodically and reports to the Compensation, Nominating and Corporate Governance Committee (the "CNCG Committee") of the Board of Trustees (the "Board"). And moving forward, you can expect us to continue to make enhancements to our ESG strategy, including how we go about tracking and sharing our efforts. We welcome dialogue from all of our stakeholders regarding our ESG initiatives.

One point I would like to emphasize is that our ESG initiatives are not only good for the environment, our employees and our communities, but also good for business. We evaluate all of our sustainability investments within a framework of what benefits all stakeholders. While we are proud of what we have accomplished to date, we look forward to our future successes on this front and communicating these achievements with everyone.

“OUR ESG INITIATIVES ARE NOT ONLY GOOD FOR THE ENVIRONMENT, OUR EMPLOYEES AND OUR COMMUNITIES, BUT ALSO GOOD FOR BUSINESS.”
National Storage Affiliates Trust (“NSA”) is a Maryland real estate investment trust focused on the ownership, operation and acquisition of self storage properties located within the top 100 metropolitan statistical areas throughout the United States. As of December 31, 2019, the Company held ownership interests in and operated 742 self storage properties located in 35 states and Puerto Rico with approximately 47 million rentable square feet. NSA is included in the MSCI US REIT Index (RMS/RMZ), the Russell 2000 Index of Companies and the S&P SmallCap 600 Index.

NSA's unique PRO structure facilitates robust portfolio growth, while mitigating downside risk for common shareholders. Although the self storage sector is commonly recognized by investors as being recession-resilient, NSA's unique structure further enhances the stability of funds from operations and dividends to common shareholders.

FAST FACTS

- Formed in 2013
- IPO on April 23, 2015
- Headquartered in Greenwood Village, CO
- Owns and manages 742 properties totaling approximately 47 million square feet
- Well diversified in 35 states plus Puerto Rico
- The 6th largest U.S. operator of self storage properties
- 459 employees
- 218% total shareholder return since IPO
- Unique Participating Regional Operator (“PRO”) structure facilitates sector leading growth and aligns interests of PROs with common shareholders

% of NSA properties

- >10%
- 5-10%
- 2-5%
- <2%

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(1) Includes 175 properties NSA manages through its joint ventures, in which NSA has a 25% ownership interest. Property information as of December 31, 2019.
(2) Source: 2020 Self Storage Almanac
ESG INTRODUCTION

“AS A COMPANY WITH STRONG VALUES, WE ARE COMMITTED TO OPERATING IN A MANNER THAT IS ENVIRONMENTALLY FRIENDLY, SOCIALLY RESPONSIBLE AND WITH A HIGH DEGREE OF INTEGRITY AS IT RELATES TO CORPORATE GOVERNANCE.”
Caring for the environment is an integral part of how we operate as a company. We actively seek out ways to conserve energy and water, reduce waste and greenhouse gas emissions, and operate across the board in an environmentally sustainable manner.

LED Lighting Initiative
implemented in October 2018 and continues through fiscal year 2020:

300+ LED Retrofit Projects Completed

6M+ kWh
(Estimated Annual Energy Savings)

Target 12%+ IRRs on Retrofit Projects

This initiative was put in place to retrofit our existing lighting fixtures across our portfolio to more energy efficient lighting. To date, we have made significant progress having retrofitted over 300 facilities representing over 40% of our portfolio. Not only is this an efficient way to reduce energy consumption and greenhouse gas emissions, the new LED lighting also saves us money over the long term, which represents a tangible benefit for all stakeholders.
Motion Sensor Lighting

In addition to our LED lighting initiative, we have also installed motion sensors at a majority of our facilities which also drives reduced energy consumption, reduced greenhouse gas emissions and reduced energy bills.

Right Sizing Waste Containers

In an effort to optimize our waste management needs, we have recently begun an initiative to right size our waste containers and reduce the frequency of pick-up in an effort to reduce greenhouse gas emissions and generate cost savings.

Water Conservation Efforts

Despite self storage facilities already being very low consumers of water, we continue to look for ways to conserve this valuable resource. We utilize water-saving plumbing devices and focus on incorporating landscaping features which require minimal water usage.
We serve our communities by offering a needed service, but we also strive to be a part of our communities. To NSA, this means caring about the well-being of our customers and employees as well as the communities in which we operate. Promoting diversity is also a key part of how we operate our business.

**Diversity & Inclusion**

Our team of 459 employees is our most important asset. We seek to foster a diverse and inclusive work environment that values each individual’s talents and contributions, while channeling those efforts toward our common goals. We respect and celebrate our cultural and gender diversity, and are proud to highlight the following:

- CEO Tamara Fischer is one of just 10 female CEOs out of over 200 public U.S. REITs (per FPL Associates)
- 20% of our trustees are women

**Approximately:**

- 35% of our senior management team (Director level and above) are women
- 56% of our employees are women
- 16% of our employees are African American

**Employee Training & Development**

The Learning and Development department supports the development of a high-performing workforce to drive operational results, improve retention rates and increase employee engagement. We provide effective, efficient, and engaging learning solutions that help our employees train for today, learn for tomorrow, and develop for the future.

**Exceptional Benefits Package for Employees**

NSA is committed to treating its team members as family. Our team members enjoy a robust benefit package that includes medical, dental, vision, life insurance, 401K with matching employer contribution and a performance-based bonus incentive plan. Our team members also enjoy employee discount programs, a Wellness Reimbursement benefit and an Employee Assistance Program.

**Newsweek Best Customer Service Award**

NSA was recognized by Newsweek Media as one of America’s Best Customer Service Brands for 2020. The distinction was based on an independent survey of more than 20,000 U.S. customers conducted by global research firm Statista, which ranked retailers and service providers in 160 categories overall. The complete list distinguishes NSA as the #1 customer service provider in the Storage Centers category and places NSA in the Top 10 amongst all companies for customer service overall.
We regularly donate storage units for charitable use. In 2019, we donated storage units to a number of charities, including the following: American Red Cross, Bikes for Tykes, St. Louis Blues Blind Hockey Club, Mission in Citrus, Vietnam Veterans Association, Boy Scouts of America, American Cancer Society, and YMCA.

Members of NSA’s senior management team volunteered their time in 2019 to Junior Achievement-Rocky Mountain, Inc. (JA), which is dedicated to inspiring and preparing young people to succeed in a global economy. Through a dedicated volunteer network, JA provides programs for students which focus on three key content areas: entrepreneurship, financial literacy and work readiness.

A tradition here at NSA, every holiday season we participate in an adopt a family program. In 2019, we participated in the adopt a family program through Denver Human Services (DHS). DHS case workers nominate families with open child protection cases, foster families, recently closed adoptions and kinship families. This past year we sponsored a family of six, fulfilling the family’s wish list, while also matching donations made by our employees.
GOVERNANCE

NSA is committed to conducting its business with integrity, and in compliance with all applicable laws, rules, regulations and policies. We are also committed to promoting diversity among our management, board and employees. Our commitment to these ethical principals extends to those we do business with as well.

Our corporate governance framework includes the following highlights:

<table>
<thead>
<tr>
<th>Independence and Compliance</th>
<th>Stock Guidelines</th>
<th>Other Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td>8 of 10 trustee nominees are independent</td>
<td>Robust minimum equity ownership guidelines</td>
<td>Clawback policy for previously paid executive compensation</td>
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<tr>
<td>Separate chairman and chief executive officer roles</td>
<td>Prohibition against hedging the value of Company securities</td>
<td>No excise tax gross-ups on payments made in connection with a change of control</td>
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<td>All trustees are elected annually</td>
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<td>Active shareholder outreach program</td>
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<tr>
<td>Majority voting in uncontested elections</td>
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<td>Equityholders may amend bylaws</td>
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<tr>
<td>Experienced and dedicated lead independent trustee</td>
<td></td>
<td>ESG Committee reports to Board of Trustees</td>
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Composition

- 20% female trustees
- Three Audit Committee financial experts
- Mix of director tenure, skills, and background that provides a balance of experience and institutional knowledge
- Opted out of Maryland’s unsolicited takeover act (which we may not opt into without shareholder approval) and control share acquisition statute
- No shareholder rights “poison pill” plan

Vendor Attestation Form

NSA is committed to conducting business in an ethical manner that benefits our stakeholders and which is intended to mitigate our overall impact on the environment. In this regard, it is important to us that our vendors operate in a similar manner. As such, NSA has implemented a Vendor Attestation program asking our vendors to confirm their commitment to operate in a similar manner.
Our Code of Business Conduct and Ethics dictates how we operate. NSA conducts its business activities and transactions with the highest level of integrity and ethical standards and in accordance with all applicable laws, rules and regulations. Obeying the law both in letter and in spirit is the foundation on which the Company’s ethical standards are built. In carrying out this policy, the Company has adopted a Code of Business Conduct and Ethics that is intended to cover the Company’s trustees, officers and employees.

Enterprise Risk Management

NSA has a robust Enterprise Risk Management framework that includes oversight from several groups, including:

Risk Management Committee:
- Comprised of a cross section of management, including Legal, Finance, Accounting, Operations, Internal Audit and IT
- Identifies, evaluates, monitors, and develops plans to mitigate tactical risks
- Periodically reports to Audit Committee

ESG Committee:
- Assists our board of trustees and executive management in connection with identifying, developing, implementing and monitoring corporate responsibility initiatives

Board of Trustees:
- Discusses and evaluates strategic risks with management

A unique attribute of NSA’s governance framework is the PRO Advisory Committee, comprised of seven members including an officer of the Company appointed by the Board of Trustees (currently CEO Tamara Fischer), a representative from each of the four founding PROs, and two representatives from the Company’s non-founding PROs.

This Committee reviews and recommends to the Board and/or the Investment Committee, annual operating and capital budgets and potential acquisitions and dispositions, and performs other duties that the Board may delegate to the committee. In addition, the committee is responsible for monitoring and reporting to management and the Board on matters pertaining to the performance of each PRO.
BOARD COMMITMENT TO ESG

“THE CNCG COMMITTEE IS DEDICATED TO OVERSEEING AND ENCOURAGING NSA’S EFFORTS ON THE ESG FRONT. DEDICATION TO OUR EVOLVING ESG PROGRAM IS GOOD FOR BUSINESS OVERALL—CUSTOMERS, EMPLOYEES, VENDORS, FINANCIAL STAKEHOLDERS AND THE COMMUNITIES IN WHICH WE OPERATE. REST ASSURED, THE BOARD OF TRUSTEES VIEWS THESE INITIATIVES AS A KEY PRIORITY.”

GEORGE CHAPMAN
TRUSTEE AND CNCG COMMITTEE CHAIR
NSA’s Participating Regional Operators and Brands

- Guardian Storage
- California & Arizona Storage Centers
- Hide-Away
- Storage Made Easy
- StorAmerica
- Moove In Self Storage
- Move It Storage
- Northwest Self Storage
- Optivest Properties
- Right Space Storage
- Personal Mini Storage
- SecurCare Self Storage
- Southern Self Storage
- Storage Solutions
- iStorage

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