



NATIONAL STORAGE  
AFFILIATES

# 2022

## ENVIRONMENTAL, SOCIAL, AND GOVERNANCE REPORT

DATA FOR THE CALENDAR YEAR 2021



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Information in this report is as of December 31, 2021, 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](mailto:ghoglund@nsareit.net).

## NSA'S PARTICIPATING REGIONAL OPERATORS AND BRANDS



# OUR COMMITMENT TO ESG

Our dedication to our core values of Integrity, Accountability, Humility and Compassion informs how we operate as a company.

We strive to operate in a manner that is environmentally friendly, socially responsible and with a high degree of integrity. We benefit by operating in the self storage industry, which has one of the lowest carbon emissions, energy use, water use and waste intensities, of all property types.

## ESG Highlights

### Environmental:



Approximately 900 properties benefitting from LED lighting



Over 19 million annual kilowatt hour energy savings (estimated)



Water saving plumbing and landscaping



170% increase in number of stores with solar arrays



Digital lease initiative saves over 1.2 million sheets of paper annually

### Social:



Over 30% of senior management are women



Donated the equivalent of over 750,000 meals in Partnership with Feeding America



Provided drop-off locations for Toys for Tots



NSA brand SecurCare ranked as one of America's Best Customer Service Companies for 2022



Participated in local Colorado Adopt-a-Family program

### Governance:



Cybersecurity Subcommittee formed in 2021



Committed to participate in the GRESB Assessment for 2022



Separate Chairman & CEO roles



Vendor Code of Conduct



Enhanced board diversity

# LETTER FROM TAMARA FISCHER, CEO:

2021 was a record year of growth for NSA, and the storage sector in general. Although we delivered record results for shareholders, we stayed true to our values in operating our business for the benefit of our customers, communities and team members. We achieved this by enhancing our training initiatives, elevating our charitable giving efforts—both in terms of time and financial support, all meant to further demonstrate our commitment to our core values of Integrity, Accountability, Humility and Compassion.

I'd like to emphasize that we're focused not only on growing our business to enhance shareholder value, but also further enhancing our ESG initiatives, which we believe go hand-in-hand. Living and operating according to our core values is not just good for the broader community, it's good for business.

In last year's ESG report, we said we would expand our ESG efforts and enhance our disclosure related to our achievements, and this year we're pleased to report on our progress on those items. We increased the number of our properties with solar arrays by 170%, we've committed to doubling our contributions to Feeding America in support of ending food insecurity in America, and we formed a cybersecurity subcommittee to enhance our governance initiatives. We've also demonstrated



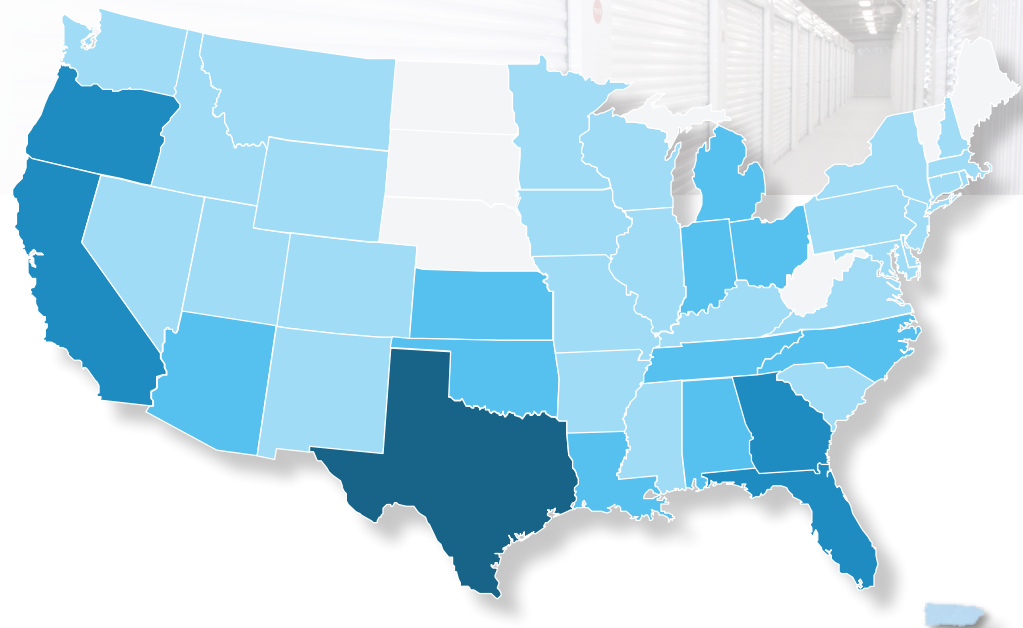
*Tamara Fischer*  
**Tamara Fischer**  
Chief Executive Officer

our commitment to enhancing disclosure and transparency by participating in the Global Real Estate Sustainability Benchmark (GRESB) assessment for the first time in 2022. In addition, we recently engaged with Measurabl, the world's leading ESG and sustainability data management platform to assist in tracking and reporting our efforts. Going forward, you can expect us to continue growing our solar program, further developing our employee hiring and retention initiatives, along with increasing transparency regarding our achievements. We look forward to reporting on our efforts in 2023.

*“Going forward, you can expect us to continue growing our solar program, further developing our employee hiring and retention initiatives, along with increasing transparency regarding our achievements.”*

# COMPANY AT-A-GLANCE

National Storage Affiliates Trust is a real estate investment trust headquartered in Greenwood Village, Colorado, focused on the ownership, operation and acquisition of self storage properties predominantly located within the top 100 metropolitan statistical areas throughout the United States. As of December 31, 2021, the Company held ownership interests in and operated 1,050 self storage properties located in 42 states and Puerto Rico with approximately 67.8 million rentable square feet. NSA is one of the largest owners and operators of self storage properties among public and private companies in the United States.



% of NSA Properties

Color	Percentage Range
Dark Blue	>10%
Medium Blue	5-10%
Light Blue	2-5%
Very Light Blue	< 2%

## Fast Facts

(as of December 31, 2021 )



Formed  
in 2013



IPO on  
April 23, 2015



Headquartered in  
Greenwood Village, CO



Well diversified  
in 42 states plus  
Puerto Rico



Owns and manages  
1,050 properties  
totaling ~68 million  
square feet<sup>(1)</sup>



1,175  
employees



604% total  
shareholder return  
since IPO



Differentiated Participating Regional  
Operator ("PRO") structure enhances  
growth and aligns interests of PROs with  
common shareholders

(1) Includes 177 properties NSA manages through its joint ventures, in which NSA has a 25% ownership interest. Property information as of December 31, 2021.

# ENVIRONMENTAL

We strive to operate in an environmentally sustainable manner. Self storage is based on creating low environmental impact space for customers to store their valuables. This storage space replaces the need for a larger residence, which has a greater carbon emissions intensity than self storage space. Although self storage has a low carbon footprint, we look to further reduce our impact on the environment.

## LED Lighting Initiative

Implemented in October 2018

This initiative was put in place to retrofit our existing lighting fixtures across our portfolio to more energy efficient lighting. Not only is this an efficient way to reduce energy consumption, the new LED lighting also saves us money over the long term— a true tangible benefit for all stakeholders.

**Solar** - As of December 31, 2021, we had 19 properties equipped with solar installations, which were generating renewable energy that was used in the operation of our facilities or delivered into the power grid. This represents an annual increase of 170% in the number of facilities with solar.



**Approximately 900 Stores Benefit from LED Lighting**



**19 Million+ kWh** (Estimated Annual Energy Savings)



**Target 12%+ IRRs on LED Retrofit Projects**

# ENVIRONMENTAL

Continued

## Motion Sensor Lighting

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



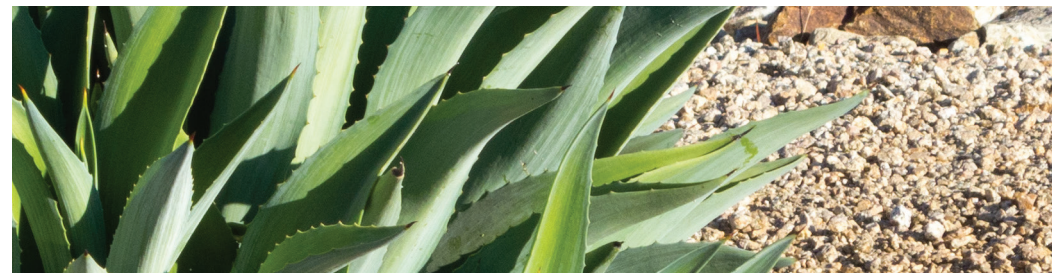
## Right Sizing Waste Containers

We evaluate our waste management needs to right size our waste containers and reduce the frequency of pick-ups in an effort to optimize our operations, reduce greenhouse gas emissions and generate cost savings.



## Water Conservation Efforts

We utilize water-saving plumbing devices and focus on incorporating landscaping features which require minimal water usage.



## Energy Efficient HVAC Systems

We assess the HVAC systems on all new acquisitions and all needed replacements are completed with energy efficient models.



# SOCIAL

We know that good business and social responsibility go hand in hand. We believe in working together and giving back to our local communities to make a difference. We also view our team members as family and foster an environment of diversity, inclusion and engagement supported by our core values.

## Diversity & Inclusion

Our team of over 1,100 employees is our most important asset. We seek to foster a diverse and inclusive work environment that recognizes each employee's unique talents and promotes utilizing those talents toward common goals. We respect and value our cultural and gender diversity, and are proud to highlight the following:

- According to Ferguson Partners Consulting, L.P. (formerly known as FPL Associates, L.P.) ("FPC"), our chief executive officer, Tamara D. Fischer, is one of just eleven female CEOs out of 210 REITs.
- In addition, 27% of our trustees are diverse based on gender or race.

### As of December 31, 2021:

- Approximately 59% of our employees are women;
- Approximately 33% self identify as racially or ethnically diverse; and
- Approximately 32% of our senior management team (director level and above) are women.

## Employee Training & Development

NSA 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 solutions that help our employees train for today, learn for tomorrow, and develop for the future. Initiatives include:

- Learning Management System
- Employee Recognition Program
- Employee Newsletter
- Cybersecurity Training Platform
- Employee Engagement Surveys
- Anti-Harassment and Unconscious Bias Training

## Newsweek Best Customer Service Award

Our SecurCare brand was recognized by Newsweek Media as one of America's Best Customer Service Brands for 2022. The distinction was based on an independent survey of more than 25,000 U.S. customers conducted by global research firm Statista, which ranked retailers and service providers in 161 categories overall. The complete list distinguishes SecurCare as the #1 customer service provider in the Storage Centers category.

## Exceptional Benefits Package for Employees

NSA is committed to treating its team members as family. Our team members enjoy an exceptional benefits package including a fully funded healthcare option and a 401K with matching employer contribution. Our corporate team members also enjoy a performance-based incentive plan and a flexible work schedule.

# SOCIAL

Continued



## Giving Back to the Community

*NSA and each of its brands place high value on contributing to local communities. Whether through company-wide initiatives or store-level community service, our employees aspire to inspire.*

## Feeding America

We seek to give back to the communities in which we operate and help those in need of assistance. In 2021, we donated the equivalent of over 750,000 meals to assist in ending food insecurity in America. We've doubled our commitment in 2022.



## Donated Storage Units

We regularly donate storage units for charitable use. In 2021, we donated storage units to a number of charities, including the American Red Cross, Bikes for Tykes, St. Louis Blues Blind Hockey Club, Mission in Citrus, Vietnam Veterans Association, and Boy Scouts of America.

## ACE Scholarships

In 2021, we donated to ACE Scholarships, which provides children of low-income families with scholarships to private schools in grades K-12 and advocates for expanded school choice.

## SSA Scholarship Donations

Together with Arlen D. Nordhagen, our executive chairman, we are funding \$500,000 toward a college scholarship endowment for self storage sector employees through the Self Storage Association Foundation.

## Adopt a Family

Our corporate office sponsored nearly a dozen families for the 2021 holiday season through a Colorado-based, Adopt-a-Family program. As part of the program, over 50 of our corporate employees donated and we made matching donations, resulting in total donations of nearly \$10,000.

# 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 further enhancing the communication and transparency of our ESG initiatives. Our commitment to these ethical principles extends to those we do business with as well.

**The Board of Trustees is charged with ensuring management fulfills its obligations to all stakeholders.** Our corporate governance framework includes the following highlights:

- ➔ 9 of 11 trustee nominees are independent
- ➔ Separate chairman and chief executive officer roles
- ➔ Experienced and dedicated lead independent trustee
- ➔ No staggered board of trustees; annual election of all trustees
- ➔ Diversity of age, race, gender, tenure, skills and experience among trustees
- ➔ Clawback policy for previously paid executive compensation
- ➔ Two Audit Committee financial experts
- ➔ No excise tax gross-ups on payments made in connection with a change of control
- ➔ Equityholders may amend bylaws
- ➔ Majority voting in uncontested elections
- ➔ No poison pill
- ➔ Prohibition against hedging the value of Company securities
- ➔ Opted out of Maryland's unsolicited takeover act (which we may not opt into without shareholder approval) and control share acquisition statute

## Vendor Code of Conduct:

We strive to conduct our business in an ethical manner that benefits our stakeholders and which is intended to mitigate our overall impact on the environment. We expect our vendors to operate in a similar manner and we make them aware of these standards through a Vendor Code of Conduct.

## Cybersecurity Subcommittee Formed in 2021:

Our Risk Management Committee, which is comprised of members of the Company's management team, formed a Cybersecurity subcommittee focused on cybersecurity initiatives.



# GOVERNANCE

Continued

## Our Code of Business Conduct and Ethics dictates

**how we operate.** NSA seeks to conduct 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	ESG Committee
<ul style="list-style-type: none"><li>➔ Comprised of a cross section of management, including Legal, Finance, Accounting, Operations, Internal Audit and IT</li><li>➔ Identifies, evaluates, monitors, and develops plans to mitigate tactical risks</li><li>➔ Periodically reports to Audit Committee</li></ul>	<ul style="list-style-type: none"><li>➔ Assists our board of trustees and executive management in connection with identifying, developing, implementing and monitoring corporate responsibility initiatives</li></ul>
Board of Trustees	Audit Committee
<ul style="list-style-type: none"><li>➔ Discusses and evaluates strategic risks with management</li></ul>	<ul style="list-style-type: none"><li>➔ Reviews our risk assessment and risk management policies and processes</li><li>➔ Discusses and evaluates key tactical risks identified by management</li></ul>

## PROADVISORY COMMITTEE

A unique attribute of NSA's governance framework is the PRO Advisory Committee, which is comprised of seven members: (i) three officers of the Company appointed by the Board, (ii) one representative from each of the Company's two founding participating regional operators, and (iii) two representatives from the Company's non-Founding PROs.

The PRO Advisory Committee reviews and recommends to the Board and/or the Finance Committee, as applicable, potential acquisitions and dispositions (subject to certain exceptions), and performs such other duties that the Board may delegate to the committee from time to time. In addition, the committee is responsible for the monitoring and reporting to management and the Board of matters pertaining to the performance of each PRO. Recommendations, reports, and approvals of acquisitions and dispositions by the PRO Advisory Committee are adopted or decided by a majority vote of the committee members.

# WHAT'S NEW IN 2022



# CORPORATE INFORMATION

## Corporate Headquarters

National Storage Affiliates Trust  
8400 East Prentice Avenue, 9th Floor  
Greenwood Village, Colorado 80111  
720.630.2600

## Executive Management Team

### **Tamara Fischer**

Chief Executive Officer

### **David Cramer**

President and Chief Operating Officer

### **Brandon Togashi**

Executive Vice President and Chief Financial Officer

## ESG Committee Chairpersons

### **Tiffany Kenyon**

Executive Vice President and General Counsel

### **George Hoglund, CFA**

Vice President, Investor Relations

## Board of Trustees

### **Arlen Nordhagen**

Executive Chairman of the Board of Trustees

### **Tamara Fischer**

Chief Executive Officer, NSA

### **George Chapman**

Chief Executive Officer of ReNew REIT LLC

### **Paul Hylbert, Jr.**

Chairman of Kodiak Building Partners, LLC

### **Chad Meisinger**

Chief Executive Officer, Over The Top (OTT) Marketing

### **Steven Osgood**

Chief Executive Officer, Square Foot Companies, LLC

### **Dominic Palazzo**

Retired Audit Partner of PricewaterhouseCoopers LLC

### **Rebecca L. Steinfort**

Chief Executive Officer, Eating Recovery Center/Pathlight Behavioral Health

### **Mark Van Mourick**

Co-owner, Optivest Properties, LLC  
and Founder, Optivest Wealth Management

### **J. Timothy Warren**

Retired President of Three Oaks Development Co.

### **Charles Wu**

Executive Fellow, Harvard Business School



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## NSA'S PARTICIPATING REGIONAL OPERATORS AND BRANDS



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8400 EAST PRENTICE AVENUE • 9TH FLOOR • GREENWOOD VILLAGE, COLORADO 80111 ☎ (720) 630-2600