

## **EXTRA SPACE STORAGE INC.**

### **COMPENSATION, NOMINATING AND GOVERNANCE COMMITTEE CHARTER**

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#### **Purpose**

The Compensation, Nominating and Governance Committee (the “Committee”) is appointed by the Board of Directors (the “Board”) of Extra Space Storage Inc. (the “Company”). Its primary functions are to:

- Identify individuals qualified to fill vacancies or newly created positions on the Board, and to recommend to the Board a slate of nominees for election as directors at the annual meeting of the Company’s shareholders and to recommend directors to serve on all committees of the Board;
- Develop and recommend to the Board corporate governance guidelines (“Corporate Governance Guidelines”) applicable to the Company;
- Determine the compensation of the Company’s chief executive officer (“CEO”) and each other executive officer;
- Oversee the administration of the Company’s 2004 long-term stock incentive plan (the “Stock Incentive Plan”) or any successor plan; and
- Review and approve the report of the Committee to be included as part of the Company’s annual proxy statement or Form 10-K, as applicable.

#### **Organization**

- The Committee will consist of no fewer than three members. All members of the Committee will be (1) independent under the independence requirements set forth, from time to time, in the listing standards of the New York Stock Exchange (“NYSE”) and (2) “outside directors” under the regulations promulgated under Section 162(m) of the Internal Revenue Code (the “Code”) any other applicable laws, rules or regulations, including rules promulgated by the Securities and Exchange Commission (the “SEC”). The members will be appointed annually for a term of one year.
- The members of the Committee will be appointed, removed and replaced by, and in the sole discretion of, the Board.
- The Board will designate a member of the Committee to serve as chairman of the Committee.
- The Committee will establish its own rules of procedure, including rules regarding notice of meetings, quorum and voting. Such rules will be consistent with the Articles of Incorporation, as amended (the “Charter”), and Bylaws (the “Bylaws”) of the Company and with this charter.
- The Committee may establish subcommittees to perform particular functions, either generally or in specific instances, and such subcommittees shall be comprised of members who meet the independence requirements set forth above and shall have published charters.

- Minutes will be kept with regard to each meeting of the Committee, which will record all actions taken by the Committee. The minutes will be maintained with the books and records of the Company.
- The Committee will report to the Board at regular meetings of the Board or at such other times as the Committee deems necessary or appropriate.
- The Committee shall meet in person or telephonically at least twice a year at a time and place determined by the Committee chairman, with further meetings to occur when deemed necessary or desirable by the Committee or its chairman.
- The Committee may request members of management or others to attend meetings and provide pertinent information as necessary.

### **Responsibilities and Powers**

To fulfill its purposes, the Committee will:

#### *Compensation Related*

- Set the CEO's compensation based on an evaluation of the CEO's performance in light of clearly established goals and objectives.
- In consultation with the CEO, establish the Company's general compensation philosophy, and oversee the development and implementation of employee compensation programs.
- Oversee the development and implementation of compensation programs for the Board, including members of Board committees.
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- Make recommendations to the Board with respect to the Company's Stock Incentive Plan, as well as other incentive-compensation plans and equity-based plans that will apply to senior executives and other key employees of the Company, oversee the activities of the individuals and committees responsible for administering these plans, and discharge any responsibilities imposed on the Committee by any of these plans.
- To the extent the Committee deems advisable, retain compensation consultants to advise the Committee about levels and types of compensation being given by companies similar to the Company to their chief executive officers and other senior executives and any other matters the Committee deems appropriate. The Committee has the sole authority in determining any consultants to retain or terminate and in determining their fees.
- To the extent the Committee deems advisable, consult with legal counsel (which may be counsel to the Company) about any matters, including tax deductibility to the Company and tax effects upon employees, that the Committee deems relevant with regard to particular compensation related decisions.
- Recommend to the Board the employment and appointment of executives of the Company and their grade levels as well as promotion and changes in grade level of incumbent executives upon review of their performance.

- Review and approve the compensation of each non-CEO executive officer as defined by Rule 3b-7 of the Securities Exchange Act of 1934, as amended, and such other officers as the Committee may determine from time to time.
- Review, establish and approve all bonus, equity incentive awards or other compensation to the extent any such bonus, awards or other compensation is intended to be qualified performance base compensation under Section 162(m) of the Code.
- Review and discuss with management of the Company the Compensation Discussion and Analysis (“CD&A”), and based on such discussions, determine whether to recommend to the Board that the CD&A be included in the Company’s annual proxy statement or Form 10-K, as applicable.

*Nominating Related*

- Make recommendations to the Board from time to time as to changes that the Committee believes to be desirable to the size of the Board.
- Identify individuals qualified to become Board members, consistent with criteria approved by the Board, and to recommend the Board a slate of nominees to stand for election as directors at the annual meeting of stockholders or, if applicable, at a special meeting of stockholders. In the case of a vacancy in the office of a director (including a vacancy created by an increase in the size of the Board), the Committee shall recommend to the Board an individual to fill such vacancy either through appointment by the Board or through election by stockholders. In nominating candidates, the Committee shall take into consideration such factors as it deems appropriate. These factors may include judgment, skill, diversity, experience with businesses and other organizations of comparable size, the interplay of the candidate’s experience with the experience of other Board members, the candidate’s industry knowledge and experience, requirements of the NYSE to maintain a minimum number of independent directors, requirements of the SEC to have persons with financial expertise available to serve on the Company’s audit committee, the ability of a nominee to devote sufficient time to the affairs of the Company, any actual or potential conflicts of interest, and the extent to which the candidate generally would be a desirable addition to the Board and any committees of the Board. The Committee may consider candidates proposed by management or shareholders, but it is not required to do so. In the event the Company is legally required, by contract or otherwise, to provide a third party with the ability to nominate a director, the selection and nomination of such director need not be subject to the Committee’s review.
- In the case of a director nominee to fill a Board vacancy created by an increase in the size of the Board, make a recommendation to the Board as to the class of directors in which the individual should serve.
- Identify and recommend Board members to serve on committees of the Board. In nominating a candidate for committee membership, the Committee shall take into consideration the factors set forth in the charter of the committee, if any, as well as any other factors it deems appropriate.
- To the extent the Committee deems appropriate, retain search firms to assist in searches by the Committee for persons to be added to the Board.
- Annually review the performance of the CEO and communicate the results of the review to the CEO and the Board.

- Review succession plans with the CEO for executive officers on an annual basis.

#### *Corporate Governance Related*

- Assist the Board in fulfilling its responsibilities to assure that the Company is governed in a manner consistent with the interests of the shareholders of the Company.
- Recommend Corporate Governance Guidelines, and any proposed changes to those Guidelines, to the Board.
- Review the Company's Corporate Governance Guidelines and review with the Company's general counsel the extent to which the Company and its Directors are complying with the Corporate Governance Guidelines, and, if necessary, recommend to the Board steps to improve compliance with the Corporate Governance Guidelines.
- Report to the Board the actions taken at each Committee meeting.
- Develop with management and monitor the process of orienting new directors and continuing education for existing directors.
- Conduct and provide to the Board an annual evaluation of its own performance.
- Conduct and provide to the Board an annual review of this charter and recommend to the Board any changes the Committee deems appropriate.
- Oversee the evaluation of the Board and of management.
- Fulfill any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the nomination of Board and committee members.

Any report to the Board may take the form of an oral report (with the exception of the report regarding executive compensation to be included in the Company's proxy statement). The Committee may, in its discretion, delegate all or a portion of its duties and responsibilities to a subcommittee of the Committee.

#### **Resources and Authority of the Committee**

- The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to retain counsel and other experts or consultants at the expense of the Company. The Committee shall have the sole authority to select and retain a consultant or search firm, to terminate any consultant or search firm retained by it, and to approve the consultant or search firm's fees and other retention terms. The Committee has the power, in its discretion, to conduct any investigation it deems necessary or appropriate to enable it to carry out its duties.

#### **Reliance Permitted**

In carrying out its duties, the Committee will act in reliance on management, the independent public accountants, internal auditors, and outside advisors and experts, as it deems necessary or appropriate.

As Revised and Adopted November 7, 2007