

CUBESMART

Charter of the Audit Committee

I. Purpose

The principal purposes of the Audit Committee (the “Committee”) of the Board of Trustees (the “Board”) of CubeSmart (the “Company”) are to (A) assist the Board in the oversight of (i) the integrity of the financial statements of the Company, (ii) compliance by the Company with legal and regulatory requirements, (iii) the qualifications and independence of the Company’s independent auditors, (iv) performance of the Company’s internal audit function and independent auditors and (v) oversight of the Company’s risk management policies that relate to the financial control environment, financial reporting and disclosure controls, and cybersecurity, and (B) prepare an audit committee report as required by the Securities and Exchange Commission (the “Commission”) to be included in the Company’s annual proxy statement.

II. Composition and Qualification

The Committee shall be comprised of at least three (3) members of the Board, one of whom shall serve as Chairman of the Committee. The Chairman and all other members of the Committee shall meet the independence, experience, financial literacy and expertise requirements of the New York Stock Exchange, the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”), the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and applicable rules and regulations of the Commission, all as in effect from time to time. At least one member of the Committee shall be an “audit committee financial expert” as defined by the Commission. Because of the Committee’s demanding role and responsibilities, and the time commitment of each attendant to Committee membership, each prospective audit committee member should evaluate carefully the existing demands on his or her time before accepting an assignment to the Committee, and no member of the Committee, including the Chairman, shall serve on the audit committee of more than three (3) public companies at any one time, including the Committee. In addition, no Audit Committee member may have participated in the preparation of the financial statements of the Company at any time during the past two years.

To ensure independence and to otherwise avoid any potential conflicts of interest, members of the Committee may not (other than in such member’s capacity as a member of the Committee, the Board or any other committee thereof) accept or receive, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or any of its subsidiaries or be an affiliated person of the Company or any of its subsidiaries. Because of the significantly greater time commitment of Committee members and in consideration thereof, the Board recognizes that it may be appropriate for members of the Committee to receive reasonable compensation greater than that paid to other members of the Board.

The Chairman and other members of the Committee shall be appointed by the Board, subject to satisfying the standards set forth above. Committee members may be removed by the Board at any time, with or without cause. Any member of the Committee may resign at any time by giving written notice of his or her resignation to the Board.

III. Meetings

The Committee shall meet at least quarterly, or more frequently as the Committee or the Board deems necessary or appropriate. The Chairman of the Committee may call special meetings of the Committee as necessary. All Committee members are expected to attend each meeting, in person or via tele- or video-conference. The Committee will invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary. Members of the Board who are not members of the Committee may attend each Committee meeting, in person or via tele- or video-conference, without invitation of the Committee. It will hold private meetings with auditors and executive sessions. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared and distributed for review in a timely manner.

IV. Goals, Authority, Responsibilities and Duties

General

The Committee shall be directly responsible for the appointment, compensation, retention and oversight of the work of any accounting firm employed by the Company (including the resolution of disputes between management and the accounting firm regarding financial reporting) for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the Company, and such firm shall report directly to the Committee. In the performance of its duties, the Committee shall meet separately and periodically with management, the internal auditors (or other personnel responsible for the internal audit function) and the independent auditors.

In addition, the Committee shall:

Financial Statement and Disclosure Matters; Risk Management

1. Meet to review and discuss the quarterly unaudited and/or annual audited financial statements with management and the Company's independent auditors, including the results of the independent auditor's review of the financial statements, prior to the Company's issuing its quarterly or year-end earnings release and filing its Quarterly Report on Form 10-Q or Annual Report on Form 10-K, as applicable.

Matters that will be reviewed and discussed include:

- The Company's specific disclosures in "Management's Discussion and Analysis of Financial Condition and Results of Operations";

- Major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and any major issues as to the adequacy of the Company's internal controls and any special audit steps adopted in light of material control deficiencies;
- Analyses prepared by management and/or the independent auditor setting forth significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including analyses of the effects of alternative GAAP methods on the financial statements;
- The effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on the Company's financial statements; and
- In general, the type and presentation of information to be included in earnings press releases, including the use of pro forma or adjusted non-GAAP information, as well as the type and presentation of financial information and earnings guidance provided to analysts and rating agencies.

2. Determine whether to recommend to the Board the inclusion of the annual audited financial statements in the Company's Annual Report on Form 10-K for the applicable fiscal year.

3. Discuss with management the Company's major risk exposures relating to the financial control environment, financial reporting and disclosure controls, and cybersecurity, and the steps management has taken to monitor and control such exposures. The Committee shall also review and evaluate the Company's processes and policies for identifying and assessing key risks relating to these areas and for formulating and implementing steps to address and manage such risks. As part of this process, the Committee should discuss guidelines and policies to govern the process by which this is handled. With respect to cybersecurity risks, the Committee should receive regular updates from Company management on cybersecurity, data privacy and other risks relevant to the Company's computerized information system controls and security. Such updates should include without limitation:

- a. The Company's processes related to business continuity and disaster recovery, incident response planning, use of third-party service providers, and the information and data security systems and controls designed to prevent, detect, and respond to cybersecurity vulnerabilities, cybersecurity incidents and information systems or data breaches;
- b. Cybersecurity threats pertinent to the Company and any previous cybersecurity incidents experienced by the Company, including any material impact or reasonably likely material impact on the Company's business strategy, results of operations or financial conditions;

c. Any cybersecurity program assessments and audits, any planned improvements, and the status of any information security (including cybersecurity) initiatives; and

d. The Company's cybersecurity program budget and staffing.

4. Review with the independent auditor any audit problems or difficulties the auditor may have encountered in the course of the audit work, including any restrictions on the scope of activities or access to requested information and any significant disagreements with management, and management's response. Such review should include:

a. any accounting adjustments that were noted or proposed by the independent auditor but were passed upon (as immaterial or otherwise);

b. any communications between the independent auditor and its national office respecting auditing or accounting issues presented by the engagement; and

c. any "management" or "internal control" letters issued, or proposed to be issued, by the independent auditor to the Company.

5. Review the following matters with the independent auditor (such matters shall be timely reported to the Committee by the independent auditor):

a. All critical accounting policies and practices to be used;

b. All alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor;

c. Other material written communications between the auditor and management, including any management letter or schedule of unadjusted differences; and

d. Review periodically the scope, responsibilities, budget and staffing of the internal audit function.

6. Meet with the officers certifying the Company's periodic reports pursuant to Section 302 of the Sarbanes-Oxley Act, and any other officers that the Committee deems necessary or appropriate, to:

- discuss whether there are any significant deficiencies or material weaknesses in the design or operation of the Company's internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information;
- discuss whether there has been any fraud involving management or other employees who have a significant role in the Company's internal control over financial reporting;

- discuss whether any changes in the Company's internal control over financial reporting occurred during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting, and whether any corrective actions were taken with regard to significant deficiencies or material weaknesses in the Company's internal control over financial reporting; and
- obtain assurance that the disclosure controls and procedures have been adhered to for the relevant quarter.

7. Review and assess on at least an annual basis the Company's disclosure controls, policies and procedures.

8. Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses and corrective action plans.

Oversight of the Company's Relationship With the Independent Auditor

9. Be directly responsible and have the sole authority to appoint, compensate, retain, oversee, evaluate and terminate the independent auditors to be retained by the Company and to pre-approve all audit services, including the compensation of the independent auditors and all audit engagement fees and terms. The Committee may consult with management but shall not delegate these responsibilities to management. The Committee should meet with the independent auditor prior to the audit to discuss the planning and staffing of the audit.

10. Have the sole authority to, and shall, review and pre-approve, either pursuant to the Committee's Audit and Non-Audit Services Pre-Approval Policy or through a separate pre-approval by the Committee, any engagement of the Company's independent auditor to provide any permitted non-audit service to the Company that is not prohibited by law. The Committee shall have the ability to delegate the authority to pre-approve non-audit services to one (1) or more designated members of the Committee. If such authority is delegated, the delegated member(s) of the Committee shall report to the full Committee, at the next Committee meeting, all items pre-approved by the designated member(s).

11. On a regular basis, meet separately with the external auditors to discuss any matters that the Committee or auditors believe should be discussed privately.

12. Receive and review periodic reports, at least annually, prepared by the independent auditors regarding:

- a. the auditors' internal quality-control procedures;
- b. any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five (5) years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues; and

c. in order to assess the auditor's independence, all relationships, between the independent auditor and the Company.

13. Request that the Company's independent auditor annually submit to the Committee a formal written statement of the fees billed in each of the last two fiscal years for each of the following categories of services rendered by the independent auditor: (i) the audit of the Company's annual financial statements and the reviews of the financial statements included in the Company's Quarterly Reports on Form 10-Q or services that are normally provided by the independent auditors in connection with statutory and regulatory filings or engagements; (ii) assurance and related services not included in clause (i) that are reasonably related to the performance of the audit or review of the Company's financial statements, in the aggregate and by each service; (iii) tax compliance, tax advice and tax planning services, in the aggregate and by each service; and (iv) all other products and services rendered by the independent auditors, in the aggregate and by each service.

14. Discuss the reports described in paragraph 12 above with the auditor, and take appropriate action on any disclosed relationship to satisfy itself of the auditor's independence. As part of this process, the Committee should evaluate (taking into account the opinions of management and the Company's internal auditors) the qualifications, performance and independence of the independent auditor, including considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence. The Committee also should receive, annually, a letter of independence from the independent auditor. The Committee shall present its conclusions to the Board.

15. Review and evaluate (taking into account the opinions of management and the Company's internal auditors) the experience and qualifications of the senior members (including the lead partner) of the independent auditor team and the performance of the independent auditor (which firm ultimately is accountable to the Committee and the Board).

16. Discuss with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 114, as amended, relating to the conduct of the audit.

17. Request a representation letter from the Company's independent auditor prior to the commencement of the audit engagement confirming that all partner rotation requirements as promulgated under applicable laws and regulations have been met.

18. Assure the regular rotation of the lead audit partner as required by law and consider whether, in order to assure continuing auditor independence, the Company should have a policy of rotating the independent auditing firm itself on a regular basis. That Committee shall present its conclusions to the Board.

19. Request evidence from the independent auditors confirming that such firm is registered with the Public Company Accounting Oversight Board.

Oversight of the Company's Internal Controls Over Financial Reporting

20. Review and approve the audit plan and scope of work to be performed by the internal auditor.

21. Review and assess the adequacy and effectiveness of the Company's internal control over financial reporting with management, the internal auditor and the independent auditor.

22. Review management's annual report on internal control over financial reporting prior to the Company's inclusion of such annual report in the Company's Annual Report on Form 10-K.

23. Review the independent auditor's attestation report regarding management's assessment of the Company's internal control over financial reporting prior to the inclusion of such attestation report in the Company's Annual Report on Form 10-K.

24. Review the effectiveness of any reports to management prepared by the internal auditor and management's response thereto, if any.

25. Review with management any changes in the Company's internal control over financial reporting that occurred during the most recently completed fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

26. Review any significant deficiencies or material weaknesses identified in the Company's internal control over financial reporting, and any special steps taken as a result thereof.

Compliance Oversight Responsibilities

27. Review with the Company's General Counsel (or, in the absence of such officer, other legal counsel of the Company) legal matters that have been brought to the Committee's attention, or matters that have been brought to the General Counsel's attention, that may have a material impact on the Company's financial statements or the Company's compliance policies and internal controls, as well as any material reports or inquiries received from regulatory bodies.

28. Discuss with management and the independent auditor any correspondence with regulators or governmental agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements, accounting policies, or cybersecurity.

29. Establish and periodically review procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters.

30. Review the effectiveness of the system for monitoring compliance with laws and regulations and the result of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.

31. Review the process for communicating the Company's code of conduct to Company personnel, and for monitoring compliance therewith.

32. Establish and periodically review procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

33. Set, and then review and assess on at least an annual basis, the Company's hiring policies with regard to employees or former employees of the independent auditor.

34. Obtain from the independent auditor assurance that Section 10A(b) of the Exchange Act has not been implicated.

Other Responsibilities

35. Perform other activities related to this charter as requested by the Board.

36. Institute and oversee special investigations, as needed.

37. Review and assess the adequacy of the Committee charter annually, requesting Board approval of proposed changes, and ensure appropriate disclosure as may be required by law or regulation.

38. Confirm annually that all responsibilities outlined in this charter have been carried out.

The responsibilities and duties set forth herein are the sole responsibility of the Committee and may not be allocated to a different committee.

V. Additional Powers

The Committee shall have the power to conduct or authorize investigations into any matters within the Committee's scope of responsibilities.

The Committee shall have the authority to form, and delegate to, one or more subcommittees as it deems necessary or appropriate.

The Committee shall have the sole authority, to the extent it deems necessary or appropriate, to retain and terminate advisers for advice and assistance, including any independent accounting or legal counsel, and shall have the sole authority to approve the advisers' fees and other retention terms.

The Committee shall advise the Company of the funding requirements necessary to pay (i) the auditors for the purpose of preparing or issuing the audit report or performing other audit review or attest services, (ii) any other advisers employed by the audit committee, and (iii) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

The Committee shall have such other authority and responsibilities as may be assigned to it from time to time by the Board.

VI. Reports to Shareholders and Board

The Committee shall prepare the report of the Committee for inclusion in the Company's annual proxy statement in accordance with applicable rules and regulations of the Commission.

The Committee shall regularly report to the Board regarding the status and disposition of the above matters.

VII. Annual Committee Review

The Committee shall conduct an annual review and self-evaluation to determine whether it is functioning effectively and report on such review and evaluation to the Board. The Committee shall annually review and reassess the adequacy of (i) its Audit and Non-Audit Services Pre-Approval Policy, (ii) the Company's Policy regarding Employment Relationships with Independent Auditor and (iii) this Charter, and recommend any proposed changes to this Charter to the Board for approval.

VIII. Miscellaneous

Nothing contained in this Charter is intended to expand applicable standards of liability under statutory or regulatory requirements for the Company's trustees or members of the Committee. The purposes and responsibilities outlined in this Charter are meant to serve as guidelines for the Committee, and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities. This Charter shall be posted on the Company's website.

IX. Relationship with Auditors and Board

The Company's independent auditors are ultimately accountable to the Board and to the Committee, as representatives of the shareholders of the Company.

While the Committee has the responsibilities and powers set forth in this Charter, its function is one of oversight, and it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles or other applicable rules and regulations. The planning and conduct of the audit is the responsibility of the independent auditor and the financial statements are the responsibility of management.

Effective Date: October 24, 2023