

CEO introduction

This has been an extraordinarily difficult year for many throughout the country. If I think back to the second half of March 2020, this was a period of extreme uncertainty as we were having to consider a pandemic risk in the context of so many unknowns. We immediately set up our own Cobra operating committee, which made operational decisions on a daily and weekly basis, with regular communication, both internally and externally, through our digital platforms and social media.

As we are in storage and form part of distribution and logistics, we were able to continue trading throughout the last year. All of our colleagues have had to overcome formidable and unprecedented challenges and I am very proud of their efforts. Their response in March, following the lockdown, was exemplary and it allowed us to continue trading – to serve our customers many of whom were carrying out important work on behalf of the NHS and other charities and critical organisations. We continued providing services to our essential online and offline retailers, and also to our domestic customers many of whom needed storage at short notice, by way of example, students or hotel and hospitality workers who decided to return home when the first lockdown was introduced.

The safety of our employees, in particular those who were continuing to work in our stores, and in some cases the head office, and of our customers and contractors, was of paramount importance. We immediately invested in store protocols, with Perspex screens, signage, masks, and hand sanitiser, and then ensured that when the government protocols came out in mid-May we were in compliance. During the first lockdown we also took the decision to pay for private taxis for our employees who could not drive or cycle to work.

Despite all the turmoil we have continued to innovate and make Big Yellow not only a better business but also better for our communities and more environmentally sustainable; there is of course much more we can and will do.

For existing customers our stores allow automated access and we have a check-in process online that allows for minimal face-to-face contact in store. During the early Summer we implemented paperless move-ins throughout the business with the introduction of digital signature pads.

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In March of this year, we launched a new improved check-in online process which allows customers to complete the majority of their move-in process remotely, this is saving a significant amount of time at the store, with very positive customer feedback.

We have formed a Sustainability Committee of the Board and are today announcing our plan on how we will go about achieving our goal of Net Renewable Energy positive (“NREP”) in the coming years and eliminating our Scope 1 and 2 emissions. Full details of this plan can be found in our 2021 Annual Report due to be published in June.

The Big Yellow Foundation goes from strength to strength and helps to make the lives of some of the most vulnerable in our society a little better. We have also continued to support our network of over 200 local charities to whom we provide free storage and have also provided free space to the British Red Cross in a number of our stores to support their work with the NHS during the pandemic.

The work of the property team over the last few years is paying off – with new stores opening in Camberwell, Bracknell, and Battersea to be followed by more, driving external growth. All of this with a financially robust capital structure strengthened by the £80 million of equity we raised from shareholders earlier in the year.

We successfully moved all our key training modules online and this, alongside our digital appraisal system, customer feedback and employee engagement platforms, improve information, productivity, and efficiency. Two to three years ago we moved to reduce our reliance on recruitment consultants and recruit directly through digital channels, and this now covers over 90% of our recruitment, with significant savings. We were not able to conduct our annual employee engagement survey during the last 12 months but will be doing so this Autumn. Feedback from our wellbeing experts and operating teams would suggest levels of employee engagement remain high and we have seen a significant reduction in staff turnover over the year.

All of this investment is only possible if the business continues to succeed and it has therefore been pleasing to deliver a resilient performance over the year. We remain confident in our business model and are looking forward to our seasonally stronger summer trading period which will this year coincide with the gradual reopening of the economy. We remain focussed on our core objective of 90% occupancy across the portfolio, and as we further reduce vacant capacity, our pricing model will continue to deliver improved rental growth.

When we conceived of this business we wanted it to be a place where people would be happy working, would feel they had opportunity to progress, and they would be treated fairly, and so I am very pleased to see the work that is being done on diversity, equality and inclusion. For society as a whole, and for all businesses, this is, with climate change, the big challenge and will be a core focus going forward.

Jim Gibson
Chief Executive Officer

24 May 2021