

# Governance

## Executive Chairman's introduction

### Dear Shareholder,

I am pleased to present the Corporate Governance Report for 2021. This report should be read in conjunction with the report on pages 79 to 84, which set out how we have complied with the UK Corporate Governance Code in 2021.

As outlined in my report on pages 14 to 17, 2021 has been a year of growth for the Company, with revenue, cash flow and dividends all up on the prior year, and an increase in our development pipeline to help drive the future growth of the Company.

### Governance

The Board believes that the effective delivery of the Company's strategy requires the underpinning of strong corporate governance. The governance of the Group is supported by a robust structure which allows for constructive debate and challenge by its members. This allows the Directors to make effective decisions.

### Engagement with our stakeholders

The Board is conscious that there are a number of stakeholders in our business and considers the interests of each of our stakeholder groups in its discussions.

We have a comprehensive investor relations programme in place, with the Executive team carrying out a significant number of meetings with our shareholders during the year. The Non-Executive Directors engage with our shareholders as appropriate. Independent feedback on presentations by the Executive Board Directors to major shareholders is provided to the Non-Executive Directors on a regular basis.

The culture of the business is a key part of our success. In the year to 31 March 2021, the Executive Board Directors have continued to visit each of the Group's stores, where restrictions have allowed, and maintain a flat, apolitical, non-hierarchical culture within the business.

We continue to monitor the Net Promoter Score that we receive from our customers, which remains at a very high level of 82.9 (2020: 81.9).

### Looking ahead

Following our performance this year, our attention for the coming year is focused on managing the business through this period of uncertainty induced by the Covid-19 pandemic. We have placed a significant emphasis during this year on ensuring the safety of our employees and customers through additional investment in Covid-19 compliance, communication, training, and employee welfare programmes. We will continue to invest in our Big Yellow Foundation and its partner charities and also work with local charities throughout our network assisting with space which they need to deliver their programmes. We have been reviewing many aspects of our business stimulated by this crisis, such as working from home, flexible working and enhanced online operations.

We will continue to focus on delivering attractive long-term shareholder returns, behaving responsibly to our stakeholders including employees, customers, suppliers, and the community, and appropriately managing risk.



**Nicholas Vetch**  
Executive Chairman

24 May 2021

## How we are structured

The Board has overall responsibility for the manner in which the Company runs its affairs.

### The Board

**Nicholas Vetch**  
Executive Chairman

#### The Board is responsible for:

- setting the strategic direction of the business
- setting the culture and the values of the Big Yellow
- overseeing the internal control system of the Group and its risk management
- approving the annual business plan for the Group
- approving site and store acquisitions and major items of capital expenditure
- approving the Group's financing structure
- ensuring a positive dialogue with our stakeholders is maintained

### Executive Directors

#### The Executive Directors are responsible for:


- implementing the Group's business plan and strategy
- managing the risk of the business
- focussing on financial performance

 Turn to page 79 for more information

### Nomination Committee

#### The Nominations Committee is responsible for:

- reviewing the structure, size and composition of the Board
- succession planning for Directors and other senior Executives
- promoting diversity

 Turn to pages 85 to 87 for more information

### Audit Committee

#### The Audit Committee is responsible for:

- overseeing the Group's financial reporting
- overseeing the Group's internal control framework and risk management process
- overseeing the relationship with the external auditor and monitoring their independence

 Turn to pages 112 to 116 for more information

### Remuneration Committee

#### The Remuneration Committee is responsible for:


- setting, reviewing and recommending the policy on the remuneration of the Executive Directors
- overseeing the senior management team and general workforce remuneration approach
- monitoring the implementation of the Remuneration policy
- overseeing the alignment of reward, incentives and culture

 Turn to pages 90 to 111 for more information

### Sustainability Committee

#### The Sustainability Committee is responsible for:

- overseeing the Group's sustainability framework and strategy
- monitoring sustainability performance
- providing guidance on emerging environmental issues, including environmental risks, and their impact on the Group's business
- overseeing the Group's CSR reporting, including external audit/assurance mechanisms

 Turn to pages 88 to 89 for more information