

# Report of the Nominations Committee

## Committee members and attendance

Member	Number of meetings attended
<b>Richard Cotton – Chairman and Senior Independent Director</b>	●●●●
Julia Hailes – Member	●○○○
Georgina Harvey – Member	●○○○
Steve Johnson – Member	●○○○
Anna Keay – Member	●●●●
Vince Niblett – Member	●●●●
Laela Pakpour Tabrizi – Member	○●●●
Heather Savory – Member	○●●●

● attended  
● absent  
 not applicable

## Introduction

The Committee is responsible for reviewing the Composition of the Board. It also makes recommendations for membership of the Board and considers succession planning for Directors. The Committee is also responsible for evaluating Board and Committee performance.

The Nominations Committee is responsible for reviewing the structure, size and composition of the Board and giving consideration to succession planning for Directors and other senior Executives. Where changes are required, it is also responsible for the identification, selection and proposal to the Board for approval of persons suitable for appointment or reappointment to the Board, whether as Executive or Non-Executive Directors and to seek approval from the Remuneration Committee of the remuneration and terms and conditions of service of any proposed Executive Director appointment. The Chairman of the Committee reports to the Board as appropriate to enable the Board as a whole to agree the appointments of new Directors. The Committee meets at least once a year and otherwise as required and as determined by its members.

The terms and conditions of appointment for the Non-Executive Directors are available for inspection at the Company's Head Office during normal working hours. They are also available for inspection at the Company's AGM.

## Board performance evaluation

During the prior year, the effectiveness of the Board and its Committees was evaluated by Simon Robertson Associates LLP ("SRA"). Simon Robertson Associates have no other business relationship with the Group or any of the Company's Directors. SRA met individually each Director, the Company Secretary, many of the senior management team and certain external advisers to the Company. They also attended Board and Committee meetings, with the results of the evaluation presented to the full Board.

## Outcome

Overall, SRA's evaluation was complimentary of the high standards of performance and governance set by the Board. SRA commented on the culture and strategic coherence of the Board and the strong balance between process and governance on the one hand and long-term strategic planning on the other. SRA gained comfort that the Board provides an environment where robust debate is encouraged, and a good level of challenge and diversity of thought exists. The Board is appropriately structured to provide the right balance of internal scrutiny, taking account of its own particular construct.

SRA made a number of recommendations including:

- continuing to develop the Board's existing succession plans to cover the Board as a whole, executive and non-executive;
- maximising the opportunity and education around Board debate on long-term strategic and financial planning; and
- increasing the interaction of the entire Board with the wider executive team.

## Governance

### Report of the Nominations Committee (continued)

During the current year, the Senior Independent Director led an internal evaluation of the Board's performance. This consisted of a review with each Director of their assessment of the effectiveness of the Board and its discussions. The Senior Independent Director provided a summary of these discussions to the Board. It was considered that the Board was operating effectively, with some minor areas identified for improvement.

#### Director evaluation

During the current year, the Executive Chairman evaluated the performance of the other Executive Board Directors, and the performance of the Chairman was evaluated by the Senior Independent Non-Executive Director. It was considered that the individuals were operating effectively, with appropriate procedures put in place for minor areas identified for improvement.

#### Succession planning

It is a key responsibility of the Committee to advise the Board on succession planning. The Committee ensures that any future changes in the Board's composition are foreseen and effectively managed.

The Board comprises a team of four Executive Board Directors, two of whom were co-founders of the Company, complemented by Non-Executive Directors who have wide business experience and skills as well as a detailed understanding of the Group's philosophy and strategy. The Executive Board Directors have worked together for a significant length of time, with no change in composition since John Trotman joined in 2007. Continuity of experience and knowledge, particularly of self storage, within the executive team is important in a long-term focussed business such as Big Yellow.

The team have confirmed individually and collectively that they all remain committed to the business for the foreseeable future. Each Executive has a significant personal financial interest in the Company. The risk of unforced succession within the business is therefore low.

Given the financial interest of each member of the team in the Company, any planned change in the team in the medium-term (e.g. upon retirement) will be staggered to ensure there is not significant disruption to the overall team. This will be in a similar way to how the Company has managed the replacement of the Non-Executive Directors over recent years.

The Directors work closely together across the various departments that each manages, and so each carries knowledge of the way the whole business operates and would be able to take over the running of that department in the short-term should a vacancy arise. Equally important is the strength of the Senior Management team within the business. The majority of the department heads have worked for the business for a substantial period of time and are highly capable individuals. We have confidence that they would be able to step up if there is a gap in the Executive Director team at any point.

In the event of unforeseen changes, the Committee ensures that management and oversight of the Group's business and long-term strategy will not be affected.

The Committee also addresses the development and continuity of the Senior Management team below Board level and has considered succession planning for this team during the year.

### Board and Company gender diversity

#### Board

Total 9

**6**

Male

**3**

Female

**67:33**

Male / female ratio

#### Key Executives

Total 8

**3**

Male

**5**

Female

**38:62**

Male / female ratio

#### Board and Key Executives

Total 17

**9**

Male

**8**

Female

**53:47**

Male / female ratio

#### All employees

Total 412

**227**

Male

**185**

Female

**55:45**

Male / female ratio

### Big Yellow Executive team

Big Yellow operates with a leadership team of twelve, comprising of four Executive Board Directors, supported by eight key executives within the business. The Group does not have a formal Executive Committee or formal Operating Board, as we use a more flexible approach to the day-to-day management of the business within a relatively flat management structure.

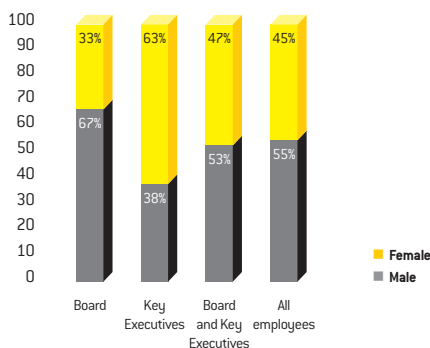
In addition to the four Executive Board Directors, the other members of the Executive team cover finance, sales and marketing, operations, construction, human resources, information technology and digital security, and CSR.

We run the business through small sub-groups of decision-making committees, which meet regularly throughout the year around particular key delivery areas which contribute to our growth and success. These committees are attended by members across the leadership team and other employees as required. All of these meetings are also attended by at least one of the Executive Board Directors, and in many cases more than one Executive Director. All strategic and acquisition decisions are made at the PLC Board level and then the Committees implement and take the detailed decisions to drive operational performance and deliver growth. There are also specific thematic executive committees, such as an Environmental Committee and a Health and Safety Committee.

### Policy on diversity

All aspects of diversity, including gender are considered at every level of recruitment. All appointments to the Board are made on merit. The Board's policy states that the Board seeks a composition with the right balance of skills and diversity to meet the demands of the business. The Company meets the 30% recommended minimum proportion of women on the Board.

Gender diversity of the Board, Key Executives and Company is set out below:



### External appointments

On making new appointments, the Board takes into account the other demands on a Director's time. Prior to any appointment, significant commitments are disclosed with an indication of the time involved. Any additional external appointments are only undertaken with prior approval of the Board. The Group's Executive Board Directors may not take on more than one non-executive Directorship within a FTSE 350 company or other significant and time-consuming appointment.

### Directors standing for re-election

All of the Directors will retire in accordance with the UK Corporate Governance Code and will offer themselves for re-election at the Annual General Meeting.

Following a performance appraisal process, the Board has concluded that the Directors retiring are effective, committed to their roles and operate as effective members of the Board.

The Board, on the advice of the Committee, therefore recommends the re-election of each Director standing for re-election. Full biographical details of each Director are available on pages 76 to 78.

### Richard Cotton

Nominations Committee Chairman

24 May 2021