

Governance Report

Executive Chairman's introduction

Dear Shareholder,

I am pleased to present the Corporate Governance Report for 2022. This report should be read in conjunction with the report on pages 83 to 88, which set out how we have complied with the UK Corporate Governance Code in 2022.

As outlined in my report on pages 14 to 17, 2022 has been a year of growth for the Company, with revenue, cash flow and dividends all up on the prior year, an increase in our development pipeline to help drive the future growth of the Company, and the acquisition of the remaining 80% of Armadillo that we did not previously own.

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 2022, the Executive Board Directors have continued to visit each of the Group's stores 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 78.9 (2021: 82.9).

Looking ahead

Following our performance this year, our attention for the coming year is focussed on continuing to drive the operating performance of the business to deliver shareholder value. 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 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

23 May 2022

➔ 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 83 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 89 to 91 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 118 to 121 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 94 to 117 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 92 to 93 for more information