

Environmental, Social and Governance Report

Big Yellow Group PLC (“Big Yellow”) is committed to responsible and sustainable business practices.

1. Introduction

The Big Yellow Board recognises that corporate social responsibility (“CSR”) – when linked to clear commercial objectives will create a more sustainable business and increase shareholder and customer value, in both the medium and long term. People, Planet and Profit need to be aligned to make a sustainable business.

Big Yellow seeks to meet the demand for self storage from businesses and private individuals by providing the storage space for their commercial and/or domestic needs, whilst aiding local employment and contributing to the local community.

Our CSR Policy covers all of Big Yellow’s operation, which now includes 24 Armadillo stores and 84 Big Yellow stores, as both an operator of self storage facilities and a developer of new self storage facilities. We recognise that our operations can have significant economic, environmental, and social impacts.

We are therefore committed to assessing our ESG risks and opportunities, and taking appropriate steps to mitigate negative impacts and, where possible, enhance positive impacts for the benefit of our business, our stakeholders, and our local environment.

The governance of our sustainability activities is delivered by the Sustainability Committee, chaired by Heather Savory. For an update on the activities of the Committee please see the Sustainability Committee Report on page 91. Heather, along with the Board, oversee the sustainability agenda of the Environmental Committee and the Head of Sustainability.

The outcome of operating responsibly is the social value that we create and the long-term resilience of our business when faced with external pressures and changes, such as changing climate and a changing political and legislative environment.



Our full ESG Report and the relevant sections within our Annual Reports and Accounts (the Directors' Report and the ESG section) have been prepared in accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 implementing the Streamlined Energy and Carbon Reporting ("SECR") requirements. The Greenhouse Gas ("GHG") section of the ESG report has been reported in accordance with the WRI/WBCSD GHG Protocol – a Corporate Accounting and Reporting Standard.

Our health and safety reporting is stated in accordance with the UK Health and Safety Executive guidance. You can read more about our business model on page 20 of the Annual Report.

2. ESG executive summary

This has been a year of continuity for Big Yellow, building on our strategy commitments and our journey towards net zero. After the challenges we faced last year with our supply chain, we have secured a new solar panel provider which we are completely satisfied sources their components in a way we are comfortable with; and have then continued on to complete 23 of the initial 36 solar retrofit of our stores to date.

The evaluation of our solar panel journey has in turn prompted us to consider our wider supply chain. We have engaged with the top 80% of our value chain this year as part of our first steps into ensuring we have a safe, like-minded supply chain to work with. We have set out a programme of work to continue this journey over the coming years.

At board level, our Sustainability Committee, chaired by Heather Savory, made the decision to push forward with the solar retrofit programme and to extend it from the 36 originally identified stores to the whole estate so that, where possible, every store can benefit from renewable onsite power in the future. This further drives our pursuit to be Net Renewable Energy Positive by 2030 and together with our ongoing battery pilot, should put us in good stead to achieve our goal.

We have completed a rigorous process this year with the Science Based Targets initiative and our targets have now been certified. Our focus will now be working towards meeting these targets over the coming seven years.

The Foundation has had a busy year with £193,000 donated to our charity partners all of whom are focused on the cause of helping vulnerable people back into work. We have added a new charity partner, Working Chance, the UK's only employment charity focused entirely on helping women with criminal convictions back into paid employment. We hope that there will be opportunities for our team members to volunteer with our Charity Partners and also for work placements from our Charity Partners hopefully leading to employment. This should build on the success we have already had this year with our work placements. We have had five successful placements into the business with individuals who have come to us through our partners Breaking Barriers, Street League and the Downs Syndrome Association.

Focusing on both the Environmental and Social aspects of our ESG is of paramount importance to us. We believe that the progress towards our Net Zero targets, the work of The Big Yellow Foundation and our donations of space to local charities go hand-in-hand in doing our bit for the environment and for the communities local to our stores.

Jim Gibson
Chief Executive Officer

2.1 Highlights

- we have had our Science Based Targets externally verified. Big Yellow commits to:
 - reduce absolute scope 1 and 2 GHG emissions 70% by FY2032 from a FY2019 base year; and
 - reduce scope 3 GHG emissions from purchased goods and services, capital goods, and fuel and energy related activities 61.1% per square foot within the same time frame.
- we have invested £4.7 million in our solar programme over the year and now have 53 stores with solar and have expanded the programme to all stores. Our current peak capacity has increased over the past two years from 0.9 Megawatts to 4.5 Megawatts;
- we have donated £271,000 in Community Investment. This consists of a combination of free and discounted space to worthy local charitable organisations and not-for-profits and we house different organisations, from foodbanks to small community groups to NHS partners and also BoxShop products donated;
- £204,000 has been raised for the Foundation from customer donations and employee fundraising including the matched contributions from the Company. These funds allowed us to make grants of £193,000 to our partner charities in the year;
- we have maintained our GRESB Green Star rating, achieved a B award from CDP and maintained our ISS indices rating; and we obtained our second EPRA sBPR Gold Award.

2.2 Climate change and our business – our strategy

We are aligned with the Intergovernmental Panel on Climate Change ("IPCC") position that the world needs to limit any environmental temperature rise to no more than 1.5 degrees Celsius above pre-industrial levels.

Aligning our strategy to achieve this goal meets the needs and views of our stakeholders and this report sets out how we intend to achieve that. Although the IPCC Net Zero Emissions target due date is 2050, our new strategy plans to deliver significant aspects of our reduction in emissions by 2032. We will focus on our most material emissions – carbon – and look forward to updating you on the progress we are making in each future ESG Report.

We have set science-based targets for our Scope 1, Scope 2 and Scope 3 emissions. These have now been fully verified by the Science Based Target Initiative.

Further information on them can be found here https://corporate.bigyellow.co.uk/download_file/view/1140/234.

Environmental, Social and Governance Report continued




2.3 Sustainability performance overview

The tables below are of all our commitments, the progress we have made against them during the financial year ended 31 March 2023 and our (amended) plans going forwards. They are aligned to our three corporate strategic themes:

- Provide the place and space to make lives easier
- Treat everyone fairly and respectfully, as a partner
- Plan and act for a Sustainable Future

The tables below show the Group's performance against Sustainable Development Goals ("SDG").

● Exceeded
 ● Achieved
 ● On track
 Behind target
 ● Not achieved
 New or modified target

SDG where applicable	Target / Commitment	By financial year	Progress during the year	Status	Other information
	'Net zero' Store Scope 1 and 2 Carbon Emissions by 2030	2029/30	Location-based: 100% net zero	●	Progress against targets to be KPI from 23/24
	Retro-fit 36 stores with solar installations	2024/25	23 stores retrofitted with solar	●	
	Set science-based targets	2022/23	Targets externally verified by SBTi	●	
	Deliver a battery pilot	2023/24	Battery installed, management process under development.	●	
	Replace gas boilers	2024/25	8 stores fully removed, with 2 stores partially removed	●	
	Sustainable construction commitments: all new stores will be equipped with the optimal capacity in the range of 50kWp-200kWp subject to suitability of store roofs.	Annual	Harrow fitted with 50kWp constructed before Kingston North, Kingston North fitted with 85kWp.	●	UPDATED: capacities updated to reflect the drive for solar across the estate.
	Sustainable construction commitments: BREEAM Standard of Very good	Annual	Both Kingston North and Harrow built to BREEAM Excellent standards	●	

● Exceeded
 ● Achieved
 ● On track
 Behind target
 ● Not achieved
 New or modified target

SDG where applicable	Target / Commitment	By financial year	Progress during the year	Status	Other information
	Sustainable construction commitments: EV charging pods at all newly-built stores (where space allows)	Annual	Both Kingston North and Harrow have been installed with semi-rapid 7kWh charges. Head office also had two chargers installed	●	
	Generate renewable energy to meet at least 100% of our energy needs	2029/30	This year we generated enough solar to displace 15% of our grid bought power	●	
	Achieve 0 tCO ₂ e per m ² occupied Intensity metric	2029/30	5.0 kgCO ₂ e /m ² Occupied Space – a 31% reduction from the baseline year	●	
	Energy Intensity target: 20% decrease from our 2019/20 baseline	2029/30	This year we have made a 7% reduction from our baseline year	●	
	100% CLA (Current Lettable Area) covered by EPCs	Annual	100% of stores now have EPC of which 98% are A-C	●	
	Review in-store water consumption against self storage benchmark	Annual	Continue to remain at above benchmark	●	
	Contractors signing up to CCS scheme with a target score of 35 points for both fit-out and shell	Annual	Harrow – 41 Kingston North – 39	●	
	Educate and engage store teams to improve recycling performance – send zero waste to landfill	2024/25	8% to landfill – this is a 33% improvement on last year	●	
	To raise £150,000 Foundation donations from our customers, Employee fundraising contributions and Big Yellow matched amounts	Annual	£204,000 Raised	●	
	Grants allocated to Big Yellow Foundation Charity partners: 75% of income allocated to charity partners	Annual	94%	●	
	100% of stores with volunteering opportunities	Annual	100%	●	
	10% of volunteering days taken up by our teams	2023/24	4% ⁽¹⁾		IMPROVEMENT PLAN: Formalised volunteering events to be organised with new reporting structure in place to capture volunteer day information.

⁽¹⁾ 17 days taken out of 445 full time employees.

Environmental, Social and Governance Report continued

● Exceeded
 ● Achieved
 ● On track
 ● Behind target
 ● Not achieved
 ● New or modified target

SDG where applicable	Target / Commitment	By financial year	Progress during the year	Status	Other information
	Four individuals on paid 12 week work placements supported by a Big Yellow Foundation charity partner	Annual	5	●	UPDATED: on review including a timeframe for initial placement was deemed sensible. 4 initial placements through Big Yellow Foundation connections and a 5 th with a college local to a store.
	Number of individuals offered an extension to placement from the above cohort – 50% of yearly cohort	Annual	3 ^(2,3)	●	REVIEWED ⁽⁴⁾ : time frame and details reviewed. Extensions are defined as contract placements extended beyond 12 weeks either part-time or full-time.
	Maintain store engagement with the Big Yellow Foundation: Monitor move-in move-out donations – aim for a conversion rate of greater than 30%	Annual	36.9% conversion achieved with average donation of £1.78	●	Foundation KPIs are monitored throughout the year by area managers and included annually in Director store tour discussions.
	Report on 'prompt payment' statistics	Annual	Maintain current reporting standards	●	
	>80% of invoices received & paid within 30 days	Annual	89%	●	UPDATED: target set. Previously reporting.
n/a	Supply Chain Risks: We intend to conduct further supplier assessments beyond human rights and anti-slavery, in relation to ESG	2025/26	<p>We have worked with SGS to produce a method of collecting ESG performance information from our suppliers.</p> <p>This has then been analysed and a long-term delivery plan created.</p>	●	NEW: Continue to make progress on long-term supplier plan
	It is our aim to keep everyone safe when visiting or working at our stores.	Annual	No fatalities and two reportable, none staff, incidences – accident statistics are published in the Health and Safety section of this report.	●	
n/a	We will continue to reference and meet our most relevant standard: EPRA	Annual	Gold	●	
n/a	We continue to submit to all relevant Benchmarks, namely GRESB, CDP and FTSE ESG	Annual	<p>Most recent scores: CDP: B</p> <p>FTSE4Good: included in index (3.1)</p> <p>GRESB: 84%</p>	●	

⁽²⁾ 3 work placements had contracts extended by between 3 and 12 months from the initial 12 week placement.

⁽³⁾ Please note, the placements at Cardiff and the existing placement at Maidenhead were extended by a combined total of 56 weeks; the equivalent of an extra 4.6 work placements.

⁽⁴⁾ When reviewed it was decided these placements are about job experience and building confidence rather than long-term employment so extension to the initial placement and a lower conversion are both more appropriate.



3. Our environment

Environmental responsibilities

Our CSR Policy sets out the aspects of what we manage. Our CSR Policy Standard and our web content provide further information on how we manage the impact of our business on society and the local environment, to control our risks and manage our opportunities in a sustainable manner.

Environmental compliance

Our full ESG Report and the relevant sections within our Annual Reports and Accounts (Directors' Report and ESG section) have been prepared in accordance with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 implementing the Streamlined Energy and Carbon Reporting ("SECR") requirements. The GHG section of the ESG report has been reported in accordance with the WRI/WBCSD GHG Protocol – A Corporate Accounting and Reporting Standard.

Approach

We have provided a specific section on energy, emissions, water and waste, reporting against all environmental European Public Real Estate Association ("EPRA") indicators (and GRI where relevant). Having achieved 'Gold' status in terms of transparency and quality of our reporting during 2021/22 we continue to present our data in this format.

Where we feel further KPIs may be insightful, we have provided these in each subsection too, including a brief narrative to explain variances where applicable.

Any changes we make to our reporting are tabled in our Basis of Reporting document https://corporate.bigyellow.co.uk/application/files/2716/8605/1568/Basis_of_Reporting_2022-23.pdf.

Benchmarking and standards

We use the detail in this ESG Report to participate in external/industry benchmarks, such as the annual Carbon Disclosure Project ("CDP"), the Global Real Estate Sustainability Benchmark ("GRESB") and FTSE4Good to engage with our other Ethical Investors.

The GRESB and CDP benchmarks inform our investor community of our general ESG performance, our governance approach, risk management protocols and a range of other indicators that give reassurance that our business is 'sustainable'.

We consider GRESB and FTSE4Good to be particularly relevant to the nature of our business and our continued inclusion forms part of select Big Yellow's senior managers' performance conversations.

We are aware of the limitations we face with taking part in benchmarks designed for traditional Real Estate organisations rather than self storage but value the opportunity to be transparent and are committed to continued participation.

Assurance of data

We have commissioned SGS United Kingdom Ltd to carry out independent assurance of our Greenhouse Gas emissions disclosures and other select voluntary disclosures, at a limited level of assurance according to the International Organization for Standardization's (2006) ISO 14064-3. The full assurance statement is published in our ESG Report 2022-23.

Environmental, Social and Governance Report continued

3.1 Highlights

- We have had our science-based targets verified. Big Yellow commits to:
 - reduce absolute scope 1 and 2 GHG emissions 70% by FY2032 from a FY2019 base year; and
 - reduce scope 3 GHG emissions from purchased goods and services, capital goods, and fuel and energy related activities 61.1% per square foot within the same time frame.
- We have opened two new stores; Harrow with 50kWp of solar and Kingston North with 85kWp. With the new stores and the retrofit programme in full swing we now have an estate with 53 Solar PV installations – this has increased our renewable electricity generation by 94% from the prior year.
- Our stores with Solar PV Installations of 50kWp or larger generated 3% more of their electricity need compared to last year.
- Despite the opening and acquisition of three new stores and electrification of store heat in eight stores, our absolute electricity (grid bought electricity plus solar energy used) has remained almost static; our like-for-like store portfolio electricity use has had a slight increase of 5%.
- As of October 2019, we purchase REGO-backed 100% renewable electricity from Opus Energy, which allows us to report our market-based electricity as 'zero carbon'. That contract covers both Big Yellow and Armadillo stores.

3.2 Big Yellow Net Renewable Energy Positive (NREP) Strategy and Net Zero Emissions Strategy

The company's NREP Strategy and Net Zero Emissions strategy, which was republished during the year ended 31 March 2022 as it underwent two material reviews:

- the acquisition of Armadillo prompted a recalculation of the company's energy consumption and resulting emissions; and
- the commitment to setting science-based targets prompted an adjustment of our emission targets.

As part of the NREP Strategy and Net Zero Emissions Strategy, the Sustainability Committee approved budgets to deliver a number of key programmes.

The company is tracking six initiatives to ensure the delivery of the strategy is on track; they are:

- a. Progress on solar generation: deliver retrofitting of overall 36 Big Yellow stores that currently do not have solar. This commitment has been further extended to cover all suitable roofs on the estate. *On track*
- b. Progress on developing and setting science-based targets: our Science Based Targets have been set and externally verified by the SBTi. *Complete*
- c. Progress on battery pilot: battery installed. We continue to work with our battery operator partner and to manage the battery. *On track*
- d. Progress on decarbonisation – first and second steps gas boiler replacement programme: nine gas boilers replaced with electric boilers; a further eight scheduled for FY2023/24. *On track*
- e. Sustainability investment during construction phase: the Sustainability Committee was particularly keen to review the upfront investment the Company made to ensure newly constructed stores were aligned with the retrofitted stores. From our Kingston North development onwards, all new stores will be equipped with the optimal capacity in the range 50kWp-200kWp subject to suitability of store roofs. *On track*
- f. The embodied carbon of our construction projects is now being considered and assessed on a project by project basis. *In progress*

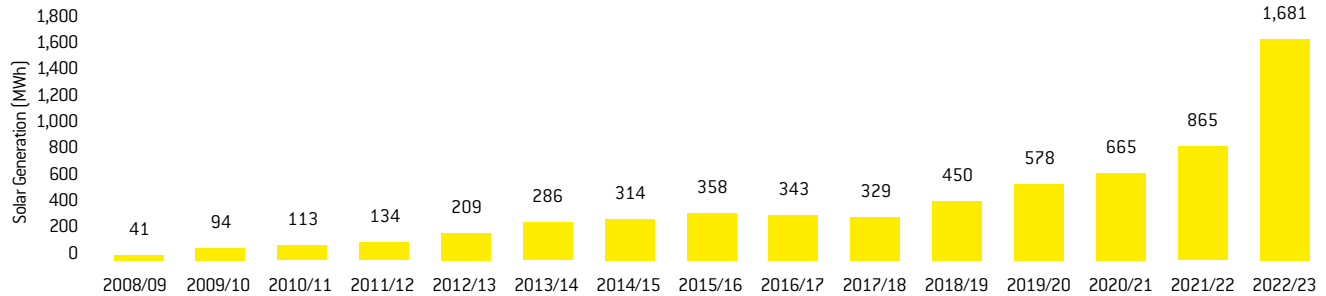
These specific deliverables have been included in our Performance Overview section and will be reported on annually.

There are a number of variables we are faced with in delivering the NREP Strategy and Net Zero Emissions Strategy through to 2030; we intend to report on progress on an annual basis as part of our ESG Report. We may also update the strategy document from time-to-time, as the progression of the work will indicate new options becoming available to us to also consider and as we understand the impact the Armadillo stores have on our strategy.

3.3 Energy

Our portfolio of stores with roof-mounted solar PV installations generates low carbon electricity that is monitored for performance and receives financial payments from energy companies we export to. We now have 53 stores that generate renewable solar electricity.

Store portfolio long term solar electricity generation (2009 to 2023)



Having generated over 1.5million kWh of power on our stores this year means that we have saved over £200,000 in grid electricity bills. Once an export connection is established, which takes some time after the panel installation is complete we are also able to sell any unused power back to the grid. Below is a summary of this year's financial benefits from our solar generation.

Financial benefits of solar generation*

Year ended 31 March	2021	2022	2023
Solar Generation (MWh)	681	865	1,681*
Store solar use (MWh)	391	557	1,521
Displaced grid energy savings (£)	£93,116	£121,065	£235,385
FIT & PPA payments (£)	£108,951	£115,735	£134,841
Total savings (£)	£202,068	£236,800	£370,226

* Indicates data reviewed by SGS. See page 73 for their independent assurance report.

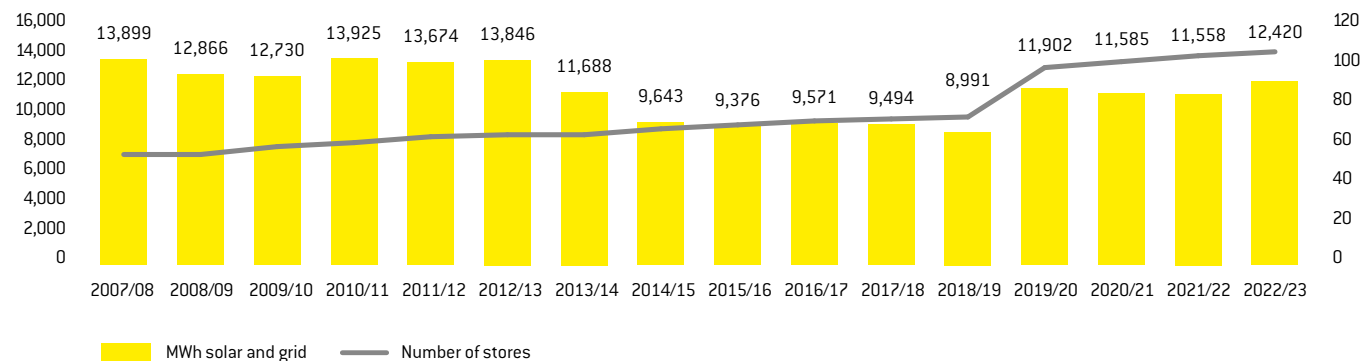
Notes:

- Total Grid Savings: Solar Payments from Energy Companies = Feed in Tariff + PPA payments. March 23 FIT payments have been estimated using March 22 data as current year not available until Q2.
- Supplied UK Network displaced electricity savings = solar generated kWh x 14p Grid kWh charges.

Store portfolio long-term electricity use

The chart below shows how grid bought electricity plus solar energy used in our stores between 2008 and 2023 has changed over time. Please note, as we move to meeting our electricity needs increasingly from solar, the following chart shows the used solar energy from the year ended 31 March 2020 included in the total MWh number.

Long-term store electricity



Note: chart shows the used solar energy from the year ended 31 March 2020 included in the total MWh number.

With increasing stores, our long-term electricity use is remaining pleasingly stable. This is because new stores coming on board are built even more efficiently, using best technology available and come ready equipped with solar installations.

Some of our stores rent out roof space to a company that installs and operates telecoms masts. The telecom masts are powered via our stores'

electricity supply, increasing the total store energy consumption. This additional energy became a material percentage of our emissions during 2018/19 and, as the masts are not within our control, their electricity consumption has been removed from our total Scope 2 and reported as part of Scope 3.

Environmental, Social and Governance Report continued

3.4 Emissions

Highlights

- Absolute Scope 1 and Scope 2 Store and non-Store portfolio saw a decrease of 11%. There are two main causes for this decrease: a favourable UK fuel mix; and our investment in on-site renewables with 23 new solar PV installations during the year.
- We have set and had validated our Science-Based Targets.
- Our market-based emissions (from electricity) are still zero tCO₂e thanks to our REGO-backed 100% renewable electricity contract.

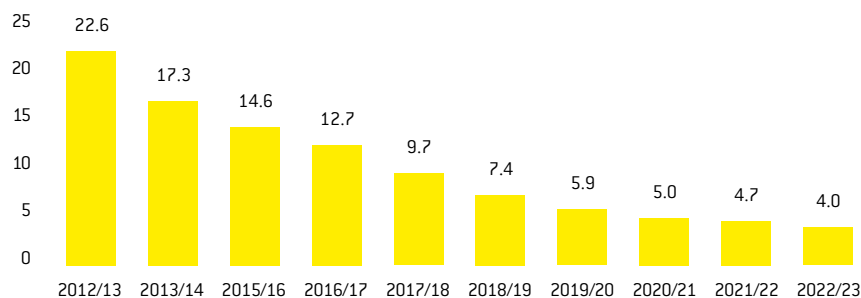


Scope 1 and 2 GHG Emission Intensity / Occupancy, Revenue & CLA (GHG-Int.)

Year ended 31 March	2020	2021	2022 Restated	2023
Total GHG Scope 1 & 2 Emissions location based (t CO ₂ e)	3,159	2,805	2,610	2,366*
Total GHG Scope 2 Emissions market based (t CO ₂ e)	1,410	253	352	242*
Electricity transmission (t CO ₂)	251	224	204	193
Telecoms emissions on our sites (t CO ₂)	144	174	174	177
Employee business travel (t CO ₂ e)	72	76	93	141
Total (t CO ₂ e) Scope 3	467	474	471	511
kgCO ₂ e / revenue (£000s) – location-based store and non store portfolio	17.9	18.3	15.0	12.5*
kgCO ₂ e / revenue (£000s) – market based store and non store portfolio	9.7	1.7	2.0	1.3*
kgCO ₂ e / occupied space	7.2	6.2	5.4	5.0*
kgCO ₂ e / CLA (m ²)	5.9	5.0	4.7	4.0*

* Indicates data reviewed by SGS.

Carbon intensity of stores and non stores against CLA m²



Note: Armadillo included from 2019/20.

3.5 Water

We benchmark our water consumption against the Better Building Partnership's ("BBP") Real Estate Environmental Benchmarks (Water). We have selected: 'Water Benchmarks – Enclosed Shopping Centres' – 'Water Intensity' – Water Intensity by space (litres/m² CPA / year).

At '57' (26,896m³ of water / 472,692m² occupied space), we are very pleased to share that our water consumption remains significantly lower than BBP 'Good Practice'.

We have instructed our utilities consultants to undertake a comprehensive review of our water suppliers/meters and billing processes. Once this is complete we hope this will give us an actionable plan to improve our water data.

3.6 Waste

Our main source of waste is from the operational activities of our stores. Our store staff apply best practice waste segregation for general and mixed dry recyclable materials. Please note, our waste contractor provides further waste segregation and recycling services post collection. We report waste for our Big Yellow store portfolio; our occupied office space at our head office site is excluded as waste collection data falls to our landlord.

During the year, we have changed waste contractors. We hope this change will bring a better level of reporting information about the waste collected from our stores and we will have a better understanding of how the waste is processed once it leaves site. This in turn should improve our data and recycling performance.

3.7 Resources use

As we are looking towards other potential opportunities, we are likely to focus our efforts on other areas of our business, such as paper use and will report on individual initiatives over time.

Packaging: The eight product lines we had identified for modification by 2022 have all now had their single use plastic packaging removed.

We have swapped out our previous bubble wrap with a product that has 30% recycled content. This product still delivers the protective qualities needed by our customers whilst using a lower content of virgin materials which is better for the environment.

Paper-free customer move-ins went live in our stores in 2021, saving approximately 800,000 pieces of paper each year.

We have continued to move more paper-based processes to online processes, including putting in place an automated delivery system; creating generic posters for Bank Holidays and seasonal trading instead of new posters annually; and, removing the requirement for our stores to print the store equipment handbook by making it available online.

Avoidance of unnecessary waste helps to reduce carbon emissions, minimise waste going to landfill and demonstrates a commitment to sustainability. We have identified 20 processes that involve the printing of paper, totalling around 1.5 million pieces of paper. We have graded each process into difficulty in terms of finding an alternative solution and intend to work our way through these over the next few years to reduce as much as possible.

3.8 Green store portfolio

There are a number of measures we can use to demonstrate that at Big Yellow environmental considerations are part of how we operate. The overwhelming majority of our stores are in the green banding for energy efficiency and several of our stores have other features, such as solar PV and green roofs or wall.

After the acquisition of Armadillo, the overall EPC coverage dropped a little, however, this past year we have worked hard on improvements to increase this and can now say we have 98% of stores are rated A, B or C. The final 2 Armadillo stores with an EPC rating of D are due for renovation in the next two year; we hope to be able to say the whole estate is C or above after they are complete.

- 100% of our stores are covered by an Energy Performance Certificate.
- 100% CLA (Current Lettable Area) covered by Green aspects.
- We have significantly added to our solar PV estate by equipping our two newest stores – Harrow and Kingston North, acquiring Aberdeen, which has solar and retrofitting solar across 23 other stores. Totalling 3,464 kWp of capacity.
- Electric Vehicle Charging pods now as standard for all new stores and have been retrofitted in 16 existing stores.



Environmental, Social and Governance Report continued

4. Our people

We have a strong culture of inclusivity and diversity within the Company and recruit based on personality over CV. We invest significantly in the training of our team members to ensure that they deliver our high customer service standards and have the opportunity to progress their career.

We continue to encourage a culture of partnership within the business and believe in staff participating in corporate performance through benefits such as customer feedback rewards, bonus schemes and share incentives. We recognise and reward the exceptional performance, achievements, and ideas of our people through a Recognition Points Scheme and allocated points with a value of just over £67,300 for the year ended 31 March 2023.

Over the past year, we have continued to act on the feedback that we obtained from our 2021 bi-annual employee engagement survey. The resulting changes have included Area Managers, Operations Managers and Head Office Customer Support team members working regularly in our stores. They have also included reviewing our Bright Ideas Suggestion Scheme, improving recognition across the business and launching a new Intranet and an Electric Vehicles Salary Sacrifice Scheme. Our next engagement survey will take place in May 2023 and further improvements will be introduced, based upon the feedback that we receive.

In order to improve retention within the Company, we held a number of Retention Forums with over 100 Sales Advisors, Assistant Managers and Customer Support team members. The results of the feedback that we received have been formulated into improvement plans to facilitate the appropriate changes.

We have been very aware of the effect of the current economic climate on our team members, as a result of which we paid our Sales Assistants, Assistant Managers and Customer Support team members a cost of living bonus in November 2022 and February 2023 totalling £500. In addition, we have taken a more flexible approach where team members have applied for loans or advances, to provide them with additional financial support during this time.

4.1 Highlights

- Published our first combined Inclusivity and Diversity Report, to include our Gender and Ethnicity Pay Gaps.
- Launched a new on-line ShareSave Scheme with Global Shares.
- Introduced an on-boarding platform for new team members which professionalises the on-boarding process and offers time efficiencies for both the individual and the People and Talent Team.
- Launched a Transgender Policy to support transgender team members and prevent discrimination within the workplace.
- Two cost-of-living bonuses were paid to our Sales Advisors, Assistant Managers and Customer Support team members to assist them financially in the current economic climate.
- Held Retention Forums with over 100 Sales Advisors, Assistant Managers and Customer Support team members to identify opportunities to improve retention.
- Introduced a Domestic Abuse Support Policy, to support team members who are experiencing, or have experienced domestic abuse and promote their health, safety and wellbeing at work.
- Arranged a Mindfulness Mental Health Development Day for our Wellbeing Experts which focused on techniques that they can use for both themselves and those they are supporting.
- Conducted an extensive salary benchmarking exercise for Sales Advisor and Assistant Manager positions across our stores.
- Continued to include a selection of 'People' KPIs to be assured by SGS.



5. Our communities

Our communities are made up of all the people who work and store in our facilities and everyone who lives around us.

This is the first full year our daily lives have returned to pre-lockdown levels. Our customers are visiting our stores and meetings and interactions are often back to an in-person setting. We believe we have been conducting our business with integrity and compassion and hope we have been able to make lives easier through our operations. Our aim is to positively contribute to the local communities of our stores through community investments and engagement as well as with our Big Yellow Foundation. We do this in a number of ways, through discounted and free space provided at each store to local charities to fundraising by our employees, matching the funds raised by their endeavours and partnering with the foundations charity partners.

5.1 Highlights

- Big Yellow's community investment for the year, delivered via discounted space, was £267,083.
- We have continued our partnership with Open Orchard at West Norwood to plant and maintain native shrubs.
- Our employees raised £1,779, £1,710 of which qualified for matching by Big Yellow.
- Delivered 5 successful and all-round enriching work placements with Breaking Barriers, Street League and the Down Syndrome Association.
- Continued our financial support of The Big Yellow Inner City Schools Rugby Programme in South London. This initiative, which started in 2017, in partnership with Southwark Rugby Club aims to get local children, many from disadvantaged backgrounds, playing rugby from local urban schools who do not offer the sport as part of their P.E curriculum. The programme now consists of players from 11 local secondary schools and offers the benefits of team building, fitness and healthy competition.

5.2 Community investments

Free space donated for community or charity use (£)	£255,435*
Discounted space of up to 90%	£11,648*
Total employee Big Yellow Foundation fundraising & Big Yellow matched funds (£)	£3,488*
One-off donations	£799*
Total community investment	£271,370*

* Indicates data reviewed by SGS.

5.3 Big Yellow Foundation

We are excited to announce that we have a new charity partner, Working Chance, the UK's only employment charity solely for women with convictions and are currently working to take on a new charity partner supporting ex-military personnel. Our aim when setting up the Big Yellow Foundation was both to develop a strong level of engagement with our charity partners and to review our partnerships after five years. As we bring new charity partners on board, we have taken the difficult decision to end our partnership with two of our inaugural partners: Bounce Back and Hire a Hero. Since the Foundation's launch in 2017, we are proud to have donated £190,000 to these two charities.

During 2022-23 we continued to work with our seven permanent charity partners: Bounce Back, Hire a Hero, Street League, Breaking Barriers, the Back Up Trust, the Down's Syndrome Association, and St Giles Trust.

The Foundation has posted its annual report and accounts, which can be found on the charity commission website.

You can find out more about all of our partners and the Big Yellow Foundation on our website <https://www.bigyellow.co.uk/foundation/>.

Big Yellow and our customers and employees provide the income to the Big Yellow Foundation. Our Big Yellow Foundation Steering Committee, who meet on a quarterly basis, determines how best to raise funds, and promote the Foundation to our employees, customers, and suppliers.

The Foundation is Big Yellow's main vehicle to deliver a consistent customer and employee facing community programme.

Big Yellow and the Big Yellow Steering Committee has an annual fundraising target of £150,000. The income for the year ended 31 March 2022 was £203,778.

The Foundation paid out £192,500 to its seven charity partners in the year ended 31 March 2023. Most of the grants made are unrestricted funds, helping our charity partners to pay for every day necessities to keep the organisation going.

In addition to the Trustees' time and the Steering Committee's time, Big Yellow furthermore supports the Big Yellow Foundation with donations in kind, by providing financial and accountancy services plus the secretariat to the Big Yellow Foundation Board of Trustees.

£204,000

Income raised for the Foundation

£192,500

Paid out to Foundation Charity partners

Environmental, Social and Governance Report continued

6. Our customers

Our most material commitment to all of our customers is a safe, secure, welcoming and friendly environment.

We provide self storage facilities at all our stores, and office space at 29 stores. The vast majority of our lettable area (98.6%) are self storage units, with 1.4% of our current lettable area used as office space. In terms of numbers, out of our 73,000 customers, less than 0.5% rent offices.

Our reporting therefore focusses on our self storage customers and any reference to 'customer' should be taken to mean 'self storage customer'.

Furthermore, we provide our customers with easy access to relevant environmental and broader ESG information and actively engage with them through our Big Yellow Foundation. We have increased our solar installations significantly this year. Each store with a Solar PV (Photo Voltaic) energy supply has a display in either the reception or loading bay areas indicating how much energy has been generated; all our stores have EPCs [Energy Performance Certificates] with most of the estate achieving a C rating or above.

7. Our suppliers

Big Yellow recognises that it can have a significant impact on its suppliers and that its suppliers can represent an important aspect to help Big Yellow to deliver its own environmental and social responsibilities.

How we manage our suppliers

We manage our suppliers on a decentralised basis, with each Department Head overseeing the onboarding, contracting and in-life management of their suppliers. Many of our suppliers have become trusted partners, having worked with us for many years.

In addition, our construction partners source a broad variety of materials from companies all over the world on our behalf. Whilst these goods are not sourced directly by us, some may be specified by us. We place great value on using recycled materials in our construction process and these are procured in accordance with our guidelines.

7.2 Supplier payment performance

We measure our payment performance to our suppliers on a quarterly basis. Prompt payment is especially important to our smaller suppliers, who may not have the cash flow to do well with very long payment terms.

Year ended 31 March	2021	2022	2023
Within 30 days	58%	88%	89%
Between 30 and 60 days	39%	11%	10%
Over 60 days	3%	1%	1%
Average time to pay an invoice	32 days	25 days	24 days

6.1 Highlights

- Our NPS (Net Promoter Score) for combined move-in and move-out responses was 78.9 over the last 12 months.
- During the year we have strengthened our Customer Engagement activities with:
 - strong social media content 'Big Yellow and Green' www.bigyellow.co.uk/green/.
 - engaging customer web journey ESG related content and the continued use of our customer facing animation telling our environmental story.
 - visibility of our commitment to using renewable energy through in-store displays, as well as a centralised solar generation display on our corporate site.
- Delivered continued engagement with our Big Yellow Foundation: 36.9% of customers donated at move-in stage, 38.4% at move-out stage.

7.1 Highlights

- We are happy to report that we have been able to retain our Prompt Payment Code ("PPC") performance certificate due to our continued strong payment performance.
- We continue to deliver strong payment performance:
 - We paid 89% of invoices within 30 days and a further 10% between 30 and 60 days, a continued improvement from the prior year (88% within 30 days and 11% between 30 and 60 days).
 - Our average time to pay an invoice was 24 days (2022: 25 days).
- We measure our payment performance to our suppliers on a quarterly basis. Prompt payment is especially important to our smaller suppliers, who may not have the cash flow to do well with very long payment terms.

7.3 Supply chain risk

No issues were raised to us via our confidential Whistleblowing Helpline in the last financial year.

Following the successful solution found for last year's serious and credible concerns raised about the potential of human rights breaches within our solar panel supply chain. We have engaged SGS to work with us on a Supply Chain Risk framework and assess a number of our key suppliers. We have focused on the top 80% of our value chain. Engaging with them on topics including their approach to ESG, environmental management, health and safety and general governance and succession planning. We have set out a plan to work with our suppliers in more detail across some of these areas going forward.

We are delighted to share that no further large issues have come to light. We have a plan in place to work with those suppliers that have not yet formalised some of their internal processes to a standard we would like to see. We also plan to standardise our supplier onboarding process for new suppliers in the future.

Our approach differentiates between suppliers who provide services here in the UK and others who may provide products or materials from further afield. For suppliers and their employees working in the UK, especially the ones who provide us with Construction or Facilities/Maintenance services, we provide an anonymous whistleblowing helpline, and no issues were reported during the year. Our construction partners have been displaying the poster in our construction site offices; our Facilities contractors in our store communal areas.

The poster is kept unbranded on purpose to re-enforce the message that any calls are treated in confidence.

Scope 3 Footprint

Understanding our Scope 3 Footprint is a necessary first step to understand material aspects of our extended value chain and with it lead to better preparedness to meet future opportunities and challenges. We conducted and published our Big Yellow footprint last year including that of the newly acquired Armadillo stores, this can be read at https://corporate.bigyellow.co.uk/download_file/1007/237.

The work highlighted several main areas that our scope 3 footprint falls into, these include embodied carbon of our newly built stores and carbon associated with our suppliers or goods and services. We have started looking at these areas this year and plan to work with our suppliers moving forward to reduce these areas of emissions.

We have had our Science Based Targets fully verified by the Science Based Target initiative. The targets are as follows:

- Big Yellow commits to reduce absolute scope 1 and 2 GHG emissions by 70% by FY2032 from a FY2019 base year.
- Big Yellow also commits to reduce scope 3 GHG emissions from purchased goods and services, capital goods, and fuel and energy related activities by 61.1% per square foot within the same time frame.

This work will now be repeated annually as part of our monitoring process to track our progress against our Science Based Targets. Please see our Benchmark and Standards section in our ESG report for further information.

CDP Supplier Engagement Rating ("SER")

Background to the SER: Following CDP's 2021 global score release, companies responding to the full version of the CDP climate change questionnaire also receive a Supplier Engagement Rating (SER) in addition to their climate change score.

The SER provides a rating for how effectively companies are engaging their suppliers on climate change.

CDP assesses performance on supplier engagement using a company's response to selected questions on governance, targets, scope 3 emissions, and value chain engagement in the CDP climate change questionnaire. The SER Introduction and SER methodology 2021 is available on CDP's guidance page for more information. An organisation's average upstream emissions are around 11.4 times greater than their direct operations – which shows how vital supplier engagement is to achieve ambitious climate goals, such as science-based targets.

We are pleased to confirm we have achieved a B rating in the Supplier Engagement Rating.



Environmental, Social and Governance Report continued

8. Our health and safety

Big Yellow Self Storage recognises the importance of maintaining high standards of health and safety for our customers, staff, contractors, and any visitors to our stores.

Our Health and Safety Committee reviews Policies, Risk Assessments, performance, and records on a quarterly basis. The Policies cover two distinct areas – our routine store operations and our fit-out construction activities.

The Health and Safety Committee discuss and review any issues reported from our regular meetings held at Bagshot (our head office), Maidenhead (our distribution warehouse), the stores and our construction sites. Our Health and Safety Policy states that all employees have a responsibility for health and safety, but that managers have special responsibilities. The responsibilities of our Operations Director are to keep the Board advised on health and safety issues and to ensure compliance with the Policy in respect of Construction (via the Construction Director) and store operations (via the Head of Facilities and Store Operations Managers). Externally, other interested stakeholders include the Health and Safety Executive (HSE) and Local Government Authorities.

8.1 Highlights

Our health and safety highlights this year as follows:

- There were no “Fatal Injuries, Notices or Prosecutions” in any part of our operations during the year ended 31 March 2023.
- Out of the 34 minor injuries to our customers, contractors and visitors, 16 were the result of minor cuts. All of these could have been avoided by wearing protective gloves.
- Our staff suffered 7 minor injuries, for a variety of reasons, including cuts and trips.
- There were 10,615 ‘Person Days’ worked on new store construction ‘Fit-out’ projects in 2022/23. This work was on our new store developments in Hove, Harrow, Kingston North and Kings Cross. There were 0 reportable accidents from these projects for our Construction Fit-Out activities.
- During the year, we opened our new stores in Harrow and Kingston North. The Considerate Constructor Scheme (“CCS”) scores for the two newly opened stores were as follows: Harrow 41; Kingston North 39.

8.2 KPIs

Please note, on 1 July 2021 Big Yellow Group acquired the 80% of Armadillo Self Storage it did not already own. From the year ended 31 March 2022 we report on the combined store portfolio – reported data for the prior year and earlier is exclusively for Big Yellow stores.

Despite the fact that the scope of our construction work has increased, absolute numbers of injuries have reduced.

Store customer, contractor and visitor health and safety

Year Ended 31 March	2020	2021	2022	2023
Number of customer move-ins ⁽⁵⁾	70,661	66,366	88,094	88,799
Number of minor injuries	56	37	27	34*
Number of reportable injuries (RIDDOR)	0	2	1	2*
RIDDOR per 100,000 customer move-ins	0.0	3.0	1.1	2.3*

* Indicates data reviewed by SGS as part of their assurance work.

Notes:

- RIDDOR = Reporting of Injuries, Diseases and Dangerous Occurrences.
- Annual Injury Incident Rate = the number of staff reportable injuries / average number of staff (x100,000).

Big Yellow staff health and safety (Stores and Head Office)

Year Ended 31 March	2020	2021	2022	2023
Average number of staff ⁽⁶⁾	361	370	427	465
Number of minor injuries	10	6	16	7*
Number of reportable injuries (“RIDDOR”)	0	0	0	0*
AIRR per 100,000 staff	0	0	0	0*

* Indicates data reviewed by SGS as part of their assurance work.

⁽⁵⁾ Please note this number is provided by the central finance team and audited as part of our third-party financial audit. Any normalising data is not assured by SGS.

⁽⁶⁾ Average FTE at 31 March 2023 has been used.

Big Yellow construction 'fit-out' health and safety

Year Ended 31 March	2020	2021	2022	2023
Number of total person days worked	2,667	7,111	6,626	10,615*
Number of minor injuries	1	7	3	1*
Number of reportable injuries (RIDDOR)	0	0	0	0*

* Indicates data reviewed by SGS as part of their assurance work.

9. Benchmarks and standards

9.1 Highlights

- For the third year, we achieved a “Gold” standard for EPRA SBPR (sustainable best practice reporting).
- We achieved a GRESB score of 86% (4 stars) – despite the inclusion of our Armadillo stores.
- We achieved a ‘B’ (Management) rating from CDP 2021.
- We have maintained:
 - Our ISS score of C – Prime status.
 - Our FTSE4Good scores of 3.1 and inclusion in the index.
- We have updated our risk and opportunities assessment as part of our commitment to implement the TCFD recommendations – for more information, please see the ‘Managing Risks and Opportunities’ section.
- For Construction activities, we also sign up to BREAAAM standards and the Considerate Constructor Scheme (‘CCS’); Harrow and Kingston achieving a score of 41 and 39.

9.2 Science-based targets

Science-based targets have increased in popularity as a way of businesses showing genuine commitment to reducing their emissions and impact on the wider world. The process of target verification is a rigorous one, completed by qualified individuals at the Science Based Targets initiative. The process has multiple stages of scrutiny with each calculation and target pathway considered. We have now had our targets externally verified. Our public commitment is as follows.

Our commitment

Big Yellow Group PLC commits to:

- reduce absolute scope 1 and 2 GHG emissions 70% by FY2032 from a FY2019 base year.
- reduce scope 3 GHG emissions from purchased goods and services, capital goods, and fuel and energy related activities 61.1% per square foot within the same time frame.

Scope of emission	coverage	Type of target	2020 baseline	2032 target %	2032 target
Scope 1 & 2	100%	absolute	3,160 tCO ₂ e	-70%	948 tCO ₂ e
Scope 3	61.10%	intensity	3.3 kgCO ₂ e /sq ft	-61.1%	1.3 kgCO ₂ e /sq ft



Environmental, Social and Governance Report continued

10. Legislation

Big Yellow has obligations under several regimes and regulations, namely:

- The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('SECR');
- EU Energy Efficiency Directive, The UK Energy Savings Opportunities Scheme ('ESOS'); and
- Energy Performance Certificate ('EPCs') – please see 'asset list & green store portfolio' section in the full ESG report for more information.



11. Our stakeholders

This year, the Board of Directors has set out in the Governance section of our Annual Report and Accounts an overview of engagement activities with our key stakeholder groups. These are identified as (1) our employees, (2) our shareholders, (3) our customers, (4) our suppliers and (5) our communities. Please note that in our ESG Stakeholder assessment we also name 'the Environment' as well as local and national Government as further stakeholder groups, and their needs and our engagement activities are set out here.

Our key stakeholders are closely aligned to our material impacts – it is important to us to make sure we understand what matters to them so we can meet their needs. We also set out how we engage with them, how we obtain their thoughts and opinions and how we report on progress where appropriate.

Investors

The GRESB and CDP benchmarks inform our investor community of our general ESG performance, our governance approach, risk management protocols and a range of other indicators that give reassurance that our business is 'sustainable'.

	2019/20	2020/21	2021/22
CDP	A-	B	B
GRESB	80 – 4 Green Stars	84 – 4 Green Stars	86 – 4 Green Stars
FTSE4Good	Included – 3.1	Included – 3.1	Included – 3.1

For more information on these benchmarks, please see the 'Benchmarks, Legislation and Standards' section of the full ESG report.

Our Directors run a programme of face-to-face investor engagement activities by holding roadshows following annual and interim reporting cycles and attend investor conferences and other ad-hoc meetings with investors, both in the UK and internationally.

We also provide specific information on request to other investor benchmarks, where available.