

Executive Chairman's Introduction

Dear Shareholder,

I am pleased to present the Corporate Governance Report for 2023. This report should be read in conjunction with the report on pages 81 to 87, which set out how we have complied with the UK Corporate Governance Code in 2023.

As outlined in my report on pages 14 to 15, 2023 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 2023, 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 [2022: 78.9].

Looking ahead

Following our performance this year, our attention for the coming year is focused 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 CBE
Executive Chairman

22 May 2023

How We Are Structured

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

Position:	Responsible for:	More information:
<p>The Board</p> <p>Nicholas Vetch Executive Chairman</p>	<ul style="list-style-type: none"> – 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	<ul style="list-style-type: none"> – implementing the Group's business plan and strategy – managing the risk of the business – focussing on financial performance 	→ See page 82 for more info.
Nomination Committee	<ul style="list-style-type: none"> – reviewing the structure, size and composition of the Board – succession planning for Directors and other senior Executives – promoting diversity 	→ See pages 88 to 90 for more info.
Audit Committee	<ul style="list-style-type: none"> – 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 	→ See pages 116 to 119 for more info.
Remuneration Committee	<ul style="list-style-type: none"> – 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 	→ See pages 92 to 115 for more info.
Sustainability Committee	<ul style="list-style-type: none"> – 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 ESG reporting, including external audit/assurance mechanisms 	→ See page 91 for more info.

Directors, Officers and Advisers

Executive Directors

Nicholas Vetch CBE

Executive Chairman

Appointment to the Board

Nicholas was a co-founder of Big Yellow in September 1998 and held the position of CEO until July 2003, when he became Executive Chairman.

Background and relevant experience

Prior to Big Yellow, Nicholas was joint Chief Executive of Edge Properties plc, which he co-founded in 1989, was subsequently listed on the Official List of the London Stock Exchange in 1996 and then sold to Grantchester Properties plc in 1998. Nicholas was appointed a Commander of the British Empire ("CBE") in the 2023 New Year's Honours List.

Other appointments

Nicholas is a Trustee of Global Human Rights, Global Human Rights UK, the Royal Drawing School, and the Ukrainian Sponsorship Pathway UK, and a Non-Executive Director of Conduit Holdco Limited.

Committee Membership

None.

Skills and contribution

The Company under Nicholas Vetch's leadership has an outstanding track record for delivering consistently strong returns and share price outperformance. Nicholas, along with his co-founder Jim Gibson, developed the strategy of the business and this continues to this day. He is also responsible for leading the property team and has over 35 years' experience working within the UK property sector. Further details on Nicholas' contribution to the business is included in the annual report on page 81.

Jim Gibson

Chief Executive Officer

Appointment to the Board

Jim was a co-founder of Big Yellow in September 1998, initially as Finance Director and he was subsequently appointed Chief Executive in July 2003.

Background and relevant experience

Jim is a Chartered Accountant by background having trained with Arthur Andersen & Co. where he specialised in the property and construction sectors, before leaving in 1989. He was Finance Director of Heron Property Corporation Limited and then Edge Properties plc which he joined in 1994. Edge Properties was listed on the Official List of the London Stock Exchange in 1996 and then sold to Grantchester Properties plc in 1998.

Other appointments

Jim is a Non-Executive Director and shareholder of AnyJunk Limited, a Non-Executive Director and shareholder of CityStasher Limited, an investor in Moby Self Storage, a Brazilian Self Storage business, and is the Chairman of Trustees of the London Children's Ballet, and a Trustee of the Bede's Development Foundation.

Committee Membership

None.

Skills and contribution

Jim has been with Big Yellow since its formation, and along with his co-founder Nicholas Vetch, has been instrumental in developing the strategy of the business. He leads the day-to-day running of the business and brings substantial knowledge of self storage to the Board, which is invaluable to Big Yellow as it continues to grow. As CEO, the Board believes Jim has demonstrated outstanding leadership and drive, notably in managing the business through the recent uncertainties caused by Covid-19 and the Russian invasion of Ukraine. He will continue to be instrumental in maintaining Big Yellow's market-leading position.

John Trotman

Chief Financial Officer

Appointment to the Board

John joined Big Yellow in June 2007 and was appointed to the Board in September 2007.

Background and relevant experience

John is a Chartered Accountant having trained with Deloitte LLP, where he specialised in the real estate sector and self storage. On leaving Deloitte in 2005, John worked for a subsidiary of the Kajima Corporation until he joined Big Yellow.

Other appointments

None.

Committee Membership

None.

Skills and contribution

John brings strong financial experience to the Group from his 16 years with Big Yellow and prior to that in his previous roles. As CFO, in addition to dealing with the traditional aspects of the role, John is involved in strategy, and in particular all aspects of the day-to-day operations of the business, working alongside Adrian Lee. He has extensive knowledge of the self storage sector.

Committee key

N Nominations Committee A Audit Committee R Remuneration Committee S Sustainability Committee ● Committee Chair

Non-Executive Directors

Dr Anna Keay OBE

Non-Executive Director

N A R S

Appointment to the Board

Anna joined the Board in March 2018.

Background and relevant experience

Anna has been CEO of the Landmark Trust since 2012, operating a portfolio of 200 historic buildings let for holidays. She has a PhD from London University, starting her career at Historic Royal Palaces and from 2002 to 2012 she was Curatorial Director of English Heritage. She was a trustee of Leeds Castle Foundation from 2009 to 2016 and was a Governor and Chair of the Buildings and Projects Committee at Bedales School until November 2021.

She writes and broadcasts widely, presenting on history and buildings for Channel 4.

Other appointments

Anna is a Trustee of the Royal Collection Trust, a Director of Architrave Historical Services and of the Lundy Company.

Committee Membership

Member of Audit, Nominations, Remuneration and Sustainability Committees. Anna is the designated Non-Executive Director for workforce engagement.

Skills and contribution

Anna, as a historian, and with significant experience in the third sector, adds another dimension to the Board alongside her operational experience from her current role as CEO of the Landmark Trust. In her role as the designated Non-Executive Director for workforce engagement, she has worked closely with the HR team in all aspects of employee engagement reporting back to the Board on a regular basis.

Vince Niblett

Senior Independent Non-Executive Director

N A R S

Appointment to the Board

Vince was appointed to the Board in June 2017.

Background and relevant experience

Vince was the Global Managing Partner Audit for Deloitte. He previously held a number of senior leadership roles within Deloitte including as a member of the UK Board of Partners and of the Global Executive Group and the UK Executive Group before his retirement from Deloitte in May 2015.

Other appointments

Vince is also a Non-Executive Director and Chair of the Audit Committee of Forterra plc, a Non-Executive Director of Target Healthcare REIT plc, and a Trustee of the Ruth Strauss Foundation.

Committee Membership

Senior Independent Non-Executive Director, Chair of the Nominations Committee and Member of the Audit, Remuneration and Sustainability Committees.

Skills and contribution

Vince has many years of financial and commercial experience gained from his leadership roles at Deloitte. He worked closely with Richard Cotton on the Remuneration consultation in the prior year.

Laela Pakpour Tabrizi

Non-Executive Director

N A R S

Appointment to the Board

Laela was appointed to the Board in July 2020.

Background and relevant experience

Laela has 16 years' experience in corporate finance and is currently the Finance Director of Consumer Converged at Virgin Media O2. She was previously the Chief Financial Officer of OpenClassrooms, an online educational platform, the Group Chief Financial Officer of MotorK, a venture-backed software as a service tech scale-up, the Group CFO of VistaJet, the global private jet operator, and before that worked in Structured Finance for BNP Paribas. She is a graduate of the Institut d'Etudes Politiques de Paris (Sciences-Po) and the London School of Economics.

Other appointments

Laela also currently serves as a Non-Executive Director of an award-winning East London women's refuge charity called Ashiana Network and as a Trustee of the British Library, where she sits on the audit Committee and Remuneration Committee.

Committee Membership

Chair of Audit Committee and Member of Nominations, Remuneration and Sustainability Committees.

Skills and contribution

Laela has significant corporate and financial experience in high growth businesses. She is the Chair of the audit committee, which involved monitoring KPMG LLP as auditors to the Company, and meeting with the external valuers of the Company. She has maintained close dialogue with the external auditors and the senior finance team throughout the year.

Directors, Officers and Advisers continued

Michael O'Donnell

Non-Executive Director

N A R S

Appointment to the Board

Michael joined the board of the Big Yellow in September 2021.

Background and relevant experience

Michael is a former Managing Director of LGV Capital, a private equity firm. He has a particular focus on the healthcare and business services sectors. Past roles include as a Non-Executive Director, and chair of the Remuneration Committee, of Helical plc.

Other appointments

Through his company, Ebbtide Partners, which he started in 2009, Michael acts as a consultant/director to, and investor in, private companies.

Committee Membership

Chair of the Remuneration Committee (from July 2022) and Member of Audit, Nominations, and Sustainability Committees.

Skills and contribution

Michael has a wealth of experience in the private equity sector, with a focus on high growth businesses. His previous Non-Executive role with Helical plc also provides relevant experience.

Heather Savory

Non-Executive Director

N A R S

Appointment to the Board

Heather joined the board of the Big Yellow in March 2021.

Background and relevant experience

Heather was Vice President of Engineering and Operations for 3Dlabs, a high-tech start-up delivering the world's first semiconductor 3D-graphics accelerators for consumer devices and moved on into leadership and advisory roles for high-tech UK SMEs. Heather then worked in various senior government roles including as Director General for Data Capability at the Office for National Statistics which she modernised through a cross-organisation digital, data and workforce transformation. She was also co-Chair of the United Nations Global Working Group on Big Data, developing innovative global data solutions to assist with the measurement and delivery of the United Nations 2030 Agenda for Sustainable Development.

Other appointments

Heather serves as a Non-Executive Director of the UK House of Lords Information Authority, as a Non-Executive Director and Chair of the Audit and Risk Assurance Committee for Her Majesty's Prison and Probation Service (HMPPS), as a Non-Executive Director on the Ministry of Justice Audit and Risk Assurance Committee, as a Trustee of the Ukrainian Sponsorship Pathway Charity (USPUK) and on several Not-for-Profit Advisory Boards.

Committee Membership

Chair of the Sustainability Committee, Member of Audit, Nominations and Remuneration Committees.

Skills and contribution

Heather brings a track record on sustainability to Big Yellow, following her work with the UN. She has a wealth of experience in the private and public sectors.

Company Secretary and Registered office

Shauna Beavis
2 The Deans
Bridge Road
Bagshot
Surrey
GU19 5AT

Company Registration No.
03625199

Bankers

Aviva Commercial Finance Limited
Bank of Ireland
HSBC Bank plc
Lloyds Bank plc
M&G Investments Limited
Pricoa Private Capital

Solicitors

CMS Cameron McKenna Nabarro Olswang LLP
Lester Aldridge LLP
Slaughter and May

Financial advisers and stockbrokers

Barclays Bank plc
J P Morgan Cazenove

Statutory Auditor

KPMG LLP
Chartered Accountant and Statutory Auditors

Valuers

Jones Lang LaSalle

Corporate Governance Report

The Company is committed to the principles of corporate governance contained in the UK Corporate Governance Code issued by the Financial Reporting Council in 2018.

Introduction

The Board takes account of the Corporate Governance guidelines of institutional shareholders and their representative bodies.

At Big Yellow, we aim to create a culture in which integrity, openness and fairness are rewarded.

We continue to review the composition of the Board to ensure that it has the appropriate skills, knowledge, and balance for the effective stewardship of the Company. The Board has overall responsibility for the manner in which the Company runs its affairs.

Statement of compliance with the Code

Throughout the year ended 31 March 2023, the Company has been in compliance with the Code provisions set out in section 1 of the 2018 UK Corporate Governance Code, with the exception of Provision 19 in that the Executive Chairman of the Company has served in position for longer than the recommended period of nine years.

Chairman's position

During the year ended 31 March 2020, which was the Company's first operating under the principals of the new UK Corporate Governance Code, Richard Cotton (then Senior Independent Non-Executive Director) and Vince Niblett consulted with a number of the Company's largest shareholders about the length of Nicholas Vetch's tenure as Executive Chairman (20 years), which is in contravention of the UK Corporate Governance Code. It is advised as governance best practice that the Chairman should serve for a maximum of 9 years. It is the view of the Board that it is in the Company's best interest for Nicholas Vetch to continue as Executive Chairman for the foreseeable future.

In arriving at this conclusion, the Non-Executive Directors have carefully considered the leadership position that Nicholas Vetch fulfils in the Company and also his leadership of the property team. Moreover, they looked at the governance checks and balances, which are, in their opinion, strong and effective. It is recognised that having a founder Director in post as Chairman for considerably longer than advised, needs justification and the reasons detailed below should inform shareholders that this has been given very thorough scrutiny.

1. The Company under Nicholas Vetch's leadership has an outstanding track record for delivering consistently strong returns and share price outperformance. In the twenty three years since flotation in May 2000, Big Yellow has delivered a Total Shareholder Return ("TSR"), including dividends reinvested, of 13.9% per annum, in aggregate 1,871.5% at the closing price of £11.69 on 31 March 2023. This compares to 4.4% per annum for the FTSE Real Estate Index and 5.0% per annum for the FTSE All Share index over the same period. He has been an integral part of the business since inception.
2. Big Yellow has a strong culture, which has benefited from stable and consistent leadership of the business.
3. The Board has five independent NEDs, three of whom have been appointed within the past three years, providing fresh perspective and challenge. The NEDs have a wide range of corporate experience and provide effective challenge to the Chairman and the other Executive Directors, which was endorsed by the external appraisal undertaken by Simon Robertson Associates in the year.
4. The Board has separate committees for Audit, Nomination, Remuneration and Sustainability, each of which are chaired by a Non-Executive Director, and we have a Senior Independent Director who is considered important in sharing the role of Chairman's duties. Specific examples of the board discussion include examination and engagement in the acquisition of new sites, funding decisions, and the Group's net zero carbon plan.
5. As a Board, we have contingency plans in place in the event one of the Executive Directors cannot fulfil their responsibilities, with a matrix of who would step in to cover their roles. Considerable thought has been given by the Board to succession, which has been approached in the context of a very successful senior team of whom the majority have been in post since the Company was listed in 2000. More detail is provided in the Nominations Committee Report.

The Board has been encouraged by the support of its major independent shareholders as it chooses to explain rather than comply with the Code on this issue.

Statement about applying the principles of the Code

The Company has applied the principles set out in the Code, including both the main principles and the supporting principles, by complying with the Code as reported above. Further explanation of how the principles and supporting principles have been applied is set out below and in the Nominations Committee Report, the Remuneration Report, and the Audit Committee Report.

Corporate Governance Report continued

Leadership

The Board's role is to provide entrepreneurial leadership of the Company within a framework of prudent and effective controls which enables risk to be assessed and managed.

Chairman and Chief Executive

The division of responsibilities between the Chairman and the Chief Executive has been agreed by the Board and encompasses the following parameters:

- the Chairman's role is to provide continuity, experience, governance, and strategic advice, while the Chief Executive provides leadership, drives the day-to-day operations of the business, and works with the Chairman on overall strategy;
- the Chairman, working with the Senior Independent Non-Executive Director, is viewed by investors as the ultimate steward of the business and the guardian of the interests of all the shareholders;
- the Board believes that the Chairman and the Chief Executive work together to provide effective and complementary stewardship;
- the Chairman:
 - takes overall responsibility for the composition and capability of the Board;
 - takes overall executive responsibility for the property development team; and
 - consults regularly with the Chief Executive and is available on a flexible basis for providing advice, counsel, and support to the Chief Executive.
- the Chief Executive:
 - manages the CFO and Operations Director and the Group's day-to-day activities;
 - prepares and presents to the Board strategic options for growth in shareholder value;
 - sets the operating plans and budgets required to deliver agreed strategy; and
 - ensures that the Group has in place appropriate risk management and control mechanisms.

The Directors believe it is essential for the Group to be led and controlled by an effective Board that provides entrepreneurial leadership within a framework of sound controls which enables risk to be assessed and managed. The Board is responsible for setting the Group's strategic aims, its values and standards and ensuring the necessary financial and human resources are in place to achieve its goals. The Board ensures that its obligations to shareholders and other stakeholders are understood and met. The Board also regularly reviews the performance of management.

Effectiveness

Composition of the Board

The Nominations Committee is responsible for reviewing the Board Composition and makes recommendations to the Board on the appointment of Directors. There are presently five independent Non-Executive Directors on the Board, with Vince Niblett being the Senior Independent Director. The Company complies with the UK Corporate Governance Code in that at least half of the Board, excluding the Chair, is comprised of independent Non-Executive Directors.

All of the Non-Executive Directors bring considerable knowledge, judgement, and experience to Board deliberations. Non-Executive Directors do not participate in any of the Company's share option or bonus schemes and their service is non-pensionable. The Non-Executive Directors are encouraged to communicate directly with Executive Board Directors between formal Board meetings. The Non-Executive Directors meet at least once a year without the Executive Board Directors being present.

The Non-Executive Directors scrutinise the performance of management in meeting agreed goals and objectives and monitor the reporting of performance. They are required to satisfy themselves on the integrity of the financial information and that financial controls and systems of risk management are robust and defensible. They are responsible for determining appropriate levels of remuneration for Executive Board Directors and have a prime role in appointing and, where necessary, removing Executive Board Directors, and in succession planning.

The tenure of the independent Non-Executive Directors at 31 March 2023 is set out below:



Changes to the Board and its Committees

At the 2022 Annual General Meeting, Richard Cotton retired from the Board. Richard was considered an independent Non-Executive, even though he had served on the Board for ten years, exceeding the Code recommended limit. This was concluded after considering his integrity and the effectiveness with which he carries out his responsibilities to the Company. Michael O'Donnell succeeded Richard Cotton as the Chair of the Remuneration Committee with effect from the 2022 Annual General Meeting. Adrian Lee stepped down from the Board at the 2022 Annual General Meeting but continues in his role as Operations Director.

The board and its committees

Standing committees of the Board

The Board has Audit, Remuneration, Nominations and Sustainability Committees, each of which has written terms of reference. They deal clearly with the authorities and duties of each Committee and are formally reviewed annually. Copies of these terms of reference are available on the Company's website. Each of these Committees is comprised of Independent Non-Executive Directors of the Company who are appointed by the Board on the recommendation of the Nominations Committee.

All the Committees are authorised to obtain legal or other professional advice as necessary; to secure, where appropriate, the attendance of external advisers at its meetings and to seek information required from any employee of the Company in order to perform its duties.

The Chair of each Committee reports the outcome of the meetings to the Board. The Company Secretary is secretary to each Committee.

Attendance at meetings of the individual Directors at the Board Meetings that they were eligible to attend is shown in the table below:

Director	Position	Number of meetings attended
Richard Cotton	Non-Executive Director	●●●●●●
Jim Gibson	Chief Executive Officer	●●●●●●
Anna Keay	Non-Executive Director	●●●●●●
Adrian Lee	Operations Director	●●●●●●
Vince Niblett	Non-Executive Director	●●●●●●
Michael O'Donnell	Non-Executive Director	●●●●●●
Laela Pakpour Tabrizi	Non-Executive Director	●●●●●●
Heather Savory	Non-Executive Director	●●●●●●
John Trotman	Chief Financial Officer	●●●●●●
Nicholas Vetch	Executive Chairman	●●●●●●

● attended ● absent ● not applicable

Other members of the senior leadership team attend Board meetings on invitation.

The Board meets approximately once every two months to discuss a whole range of significant matters including strategic decisions, major asset acquisitions and performance. A procedure to enable Directors to take independent professional advice if required has been agreed by the Board and formally confirmed by all Directors.

There is a formal schedule of matters reserved for the Board's attention including the approval of Group strategy and policies; major acquisitions and disposals, major capital projects and financing, Group budgets and material contracts other than in the normal course of business. The Board also considers matters such as cyber security, reputational risks, and other non-financial risks as part of its review of the Group's risk register.

At each Board meeting, the latest available financial information is produced which consists of detailed management accounts with the relevant comparisons to budget. A current trading appraisal is given by the Executive Board Directors.

Information and professional development

All Directors are provided with detailed financial information throughout the year. On a weekly basis they receive a detailed occupancy report showing the performance of each of the Group's open stores. Management accounts are circulated to the Executive monthly and a detailed Board pack is distributed a week prior to each Board meeting.

All Directors are kept informed of changes in relevant legislation and changing commercial risks with the assistance of the Company's legal advisers and auditor where appropriate. All Directors have access to the advice of the Company Secretary on governance matters.

The professional development requirements of Executive Board Directors are identified and progressed as part of each individual's annual appraisal. All new Directors are provided with a full induction programme on joining the Board.

Non-Executive Directors are encouraged to attend seminars and undertake external training at the Company's expense in areas they consider to be appropriate for their own professional development. Each year, the programme of senior management meetings is tailored to enable meetings to be held at the Company's stores. During the year, the Executive Board Directors made visits to all of the Group's stores.

Corporate Governance Report continued

Accountability

Risk management and internal control

The Group operates a rigorous system of risk management and internal control, which is designed to ensure that the possibility of misstatement or loss is kept to a minimum. There is a comprehensive system in place for financial reporting and the Board receives a number of reports to enable it to carry out these functions in the most efficient manner. These procedures include the preparation of management accounts, forecast variance analysis and other ad hoc reports. There are clearly defined authority limits throughout the Group, including those matters which are reserved specifically for the Board.

The Board has established a continuous process for identifying, evaluating, and managing the significant risks the Group faces and for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. The Board regularly reviews the process, which has been in place from the start of the year to the date of approval of this report and which is in accordance with the FRC's guidance on risk management, internal control and related reporting that was issued in September 2014. The Board is also responsible for the Group's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board regularly reviews the effectiveness of the Group's risk management and internal control systems. The Board's monitoring covers all controls, including financial, operational and compliance controls and risk management. It is based principally on reviewing reports from management to consider whether significant risks are identified, evaluated, managed, and controlled and whether any significant weaknesses are promptly remedied and indicate a need for more extensive monitoring. The Board has also performed a specific assessment for the purpose of this annual report. This assessment considers all significant aspects of risk management and internal control arising during the period covered by the report, including the work carried out by the Group's Store Compliance team. The Audit Committee assists the Board in discharging its review responsibilities.

A formal risk identification and assessment exercise has been carried out resulting in a risk framework document summarising the key risks, potential impact and the mitigating factors or controls in place. The key risks the Group faces are detailed on pages 44 to 48 in the Operating and Financial Review. The Board has a stated policy of reviewing this risk framework at least once a year or in the event of a material change. The risk identification process also considered significant non-financial risks.

During the reviews in the year, the Directors:

- challenged the framework to ensure that the list of significant risks to business objectives is still valid and complete;
- considered new and emerging risks to business objectives and included them in the framework if significant;

- ensured that any changes in the impact or likelihood of the risks are reflected in the risk framework; and
- ensured that there are appropriate action plans in place to address unacceptable risks.

The results of this exercise have been communicated to the Board and the Audit Committee. This was in the form of a summary report which included:

- a prioritised summary of the key risks and their significance;
- any changes in the list of significant risks or their impact and likelihood since the last assessment;
- new or emerging risks that may become significant to business objectives in the future;
- progress on action plans to address significant risks; and
- any actual or potential control failures or weaknesses during the period (including "near misses").

During the course of its review of the risk management and internal control systems, the Board has not identified, nor been advised of any failings or weaknesses which it has determined to be significant, consistent with the prior year. Therefore, a confirmation in respect of necessary actions has not been considered appropriate.

All management are encouraged to stay abreast of all technical and other competitive advances that could impact the business.

Going concern

The Group's activities, and a fair review of the business, are included in the Strategic Report on pages 16 to 31. The financial position of the Group, including its cash flow, liquidity, and committed debt facilities are discussed in the Financial Review on pages 38 to 43.

The Directors have a reasonable expectation that the Group and Company have adequate resources to continue operations for the foreseeable future. They have therefore continued to adopt the going concern basis in preparing the financial statements.

Engagement with stakeholders

The long-term success of our business is dependent on the way we work with our various stakeholders. The table below shows our key stakeholder groups, how we engage with them, and how the results of this engagement are reported up to the Board and influence the decision making with the business. Not all the information is reported directly to the Board, however it informs business-level decisions with an overview of developments being reported on a regular basis to the Board.

The Board has identified a number of key stakeholders which it seeks to engage with on a regular basis. The key stakeholders are our employees, our shareholders, our customers, our suppliers, and our communities.

Stakeholder Group	Form of engagement	How this influenced the Board during the year
Our employees	<p>Over the past year, we have continued to act on the feedback that we obtained from our 2021 bi-annual employee engagement survey.</p> <p>Our next engagement survey will take place in May 2023 and further improvements will be introduced, based upon the feedback that we receive.</p> <p>The Directors have continued to visit every store in the portfolio over the course of the year.</p> <p>Further detail is provided below on how Anna Keay, the designated Workforce Engagement Director has carried out her role during the year.</p>	<p>The changes implemented in the year 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.</p> <p>There is further detail on how the Board engage with our people on pages 86 to 87.</p>
Our shareholders	<p>The Company has an active dialogue with its shareholders through a programme of investor meetings which include formal presentation of the full and half year results. The Executive Board Directors have participated in a number of investor conferences and meetings during the year. During the year ended 31 March 2023, the Chief Executive and other Executive Board Directors carried out 209 meetings with UK and overseas institutional shareholders and potential investors. These meetings comprised group and individual presentations.</p> <p>The Board also welcomes the interest of private investors and believes that, in addition to the Annual Report and the Company's website, the Annual General Meeting is an ideal forum at which to communicate with investors and the Board encourages their participation.</p>	<p>The Board receives regular feedback on investor perceptions about the Company. After each set of results, key investors are interviewed on their perceptions of the performance of the business and management. The findings are reviewed by the Board. At each Board Meeting, the Board is updated on any shareholder meetings that have taken place, and any views expressed, or issues raised by the shareholders in these meetings.</p>
Our customers	<p>The Group sends surveys to all customers who have moved in and moved out of the business. A high response rate is received to these surveys, which show a net promoter score of 78.9.</p>	<p>The net promoter scores are reported to the Board at each Board meeting and any recurring themes highlighted to allow discussion around the approach to our customers.</p> <p>The Directors discuss net promoter scores and customer feedback with store teams on their regular visits to the Group's stores.</p> <p>The net promoter scores achieved from our customers are used as one of the metrics in the bonus plan of the Executive Board Directors.</p>
Our suppliers	<p>Regular meetings are held between suppliers and their Big Yellow contact. Appropriate external tendering is carried out for any new suppliers.</p> <p>On anti-corruption and anti-bribery matters, we expect all our suppliers to be compliant with the Modern Slavery Act and we work closely with our suppliers to promote best practice. During the year this included engaging with suppliers we had identified as being within potentially high-risk categories and carrying out audits of their compliance with these regulations and providing support to them.</p>	<p>The Board annually approves the Group's Modern Slavery statement.</p> <p>The Group is a member of the Prompt Payment Code, supporting our smaller suppliers with on time payments.</p> <p>During the prior year the Group appointed a specialist consultancy to carry out a review of our supply chain ethics. During the current year we worked with 27 of our suppliers, representing 80% of our supply chain value, on this. No material issues were noted, albeit we will be working with them to improve standards further.</p>

Corporate Governance Report continued

Stakeholder Group	Form of engagement	How this influenced the Board during the year
Our communities	<p>We demonstrate Big Yellow's culture and commitment to our communities through the work of the Big Yellow Foundation which aims to help vulnerable people lead better lives, working in partnership with several charities.</p> <p>Big Yellow matches any donations from our customers at move-in and move-out. We also match any funds raised by our employees and allow each member of our team one paid day per year for volunteering.</p> <p>We also support approximately 200 local charities with free or discounted space throughout our network.</p>	<p>The Board receives regular updates regarding the Foundation's activities. The Board endorses the culture of giving back time to support these charities and the financial commitment made by Big Yellow.</p> <p>Jim Gibson, CEO, is the Chair of the Trustees of the Big Yellow Foundation.</p>
Our Environment	<p>We engage relevant subject matter experts to assess the impact our business has in the first instance as part of the planning and construction process. Our partners perform detailed assessment on likely impacts on land, water, biodiversity, air quality and other key aspects. It is our aim to not just minimize any negative aspects, but also 'listen' carefully and enhance where possible, through the installation of green roofs or bird or bat nesting boxes for example. We extensively report on our Operational impacts, such as energy consumption, carbon emissions, waste we create and water we use as part of our Full ESG Report and have systems and processes in place to manage material aspects, such as energy.</p>	<p>The Board receives regular updates on our environmental performance and activities.</p> <p>The Board endorses the Group's commitment to investing at all stages of our stores' lifespan to ensure our impact on the Environment is minimised. It signs off on the budgets to deliver solar installations and electric vehicle charging pods for example.</p> <p>The Board established a formal Sustainability Committee in 2020 chaired by Non-Executive Director Heather Savory.</p>

Employee relations and company culture

Our teams are a key resource of the business. From the start we have always aimed to create a culture which is accessible, apolitical, inclusive, non-hierarchical, socially responsible, and very importantly, an enjoyable place to work. We believe in the employees benefiting from the success of the business. All staff are eligible for an annual bonus; a Sharesave scheme is open to all employees; and the Company's Long Term Incentive Plan is provided to a significant number of employees.

The Executive Board Directors spend a considerable amount of time meeting with the Group's employees and visit every store at least once a year. We recognise the value of the culture of the business and these visits create an opportunity for it to be cascaded from the boardroom. The Group's Non-Executive Directors also participate in some of these visits, allowing them to develop and maintain a greater insight into the business, producing an informed and higher quality Board discussion on employee matters.

The Group carries out regular engagement surveys of its staff, and is carrying out the next survey in May 2023. These surveys tell us what our staff value about the business and the importance of continued personal development. Detailed action plans are created following these engagement surveys and a number of changes to the way we operate have been made as a result of these surveys. The level of employee engagement evidenced by these surveys remained very high.

Regular training is provided to the Group's employees, and detailed courses are provided to allow employees to further their careers and seek promotion opportunities within the business.

The Board has, in conjunction with the work of the Audit Committee, reviewed the whistleblowing policies that are in place for the Group's employees. There have been no significant issues raised under the Group's whistleblowing arrangements during the course of the financial year.

Workforce Engagement Director

The Code requires that the Board should understand the views of its key stakeholders, with a particular reference to engagement with the workforce. Specifically, it states that for engagement with the workforce, one or a combination of the following methods should be used:

- A Director to the main Board should be appointed from the workforce;
- A formal workforce advisory panel should report to the Board; and / or
- A designated Non-Executive Director should sit on the workforce advisory panel.

A designated Non-Executive Director, Anna Keay, has been chosen as the primary method of workforce engagement for Big Yellow.

She oversees and is responsible for the following:

- Involvement in the Workforce Engagement Group discussions and occasional attendance at Workforce Engagement Group meetings;
- Involvement in key employee project groups where for example employee views are sought on the business or policy and procedural changes;
- Maintaining an awareness of the suggestions made under the Company's Bright Ideas Scheme to include key trends and awards made;
- Along with all the Company's Non-Executive Directors, participation on store tours (pre-planned visits to individual stores);
- Along with all the Company's Non-Executive Directors attending the Annual Sales Conference;
- Provision of feedback to the Board on the bi-annual employee engagement survey, with assistance from the Human Resources team and our survey partner;
- Receiving detailed feedback from the Executive Board Directors on their interaction with employees;
- Regular meetings with the Head of HR to discuss employee relations and issues;
- Annual face-to-face sessions with groups of employees in different areas of the business to hear views and concerns;
- Acting as an alternative contact to whom employees can report confidential matters and raise concerns under the Company's Whistleblowing Policy; and
- Reporting back to the Board and Non-Executive Directors on the above.

Nominations Committee Report

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.

Committee members and attendance

Member	Number of meetings attended
Vince Niblett – Chair and Senior Independent Director	●
Richard Cotton – Member (until 21 July 2022)	●
Anna Keay – Member	●
Michael O'Donnell – Member	●
Laela Pakpour Tabrizi – Member	●
Heather Savory – Member	●

● attended
● absent
● not applicable

Introduction

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 Chair 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

In keeping with the three-yearly evaluation cycle, the effectiveness of the Board and its Committees was externally reviewed by Simon Robertson Associates LLP ("SRA") this year. Simon Robertson Associates have no other business relationship with the Group or any of the Company's Directors. An overview of the process is outlined below:

January 2023 SRA appointed to undertake evaluation. Scope, process and timetable agreed with Chairman and Senior Independent Director ("SID")

February to March 2023 SRA provided with requested information (including board papers, investor feedback and broker research) and spoke individually with each Director, the Company Secretary and a number of other non-Board members who attend or support the Board and its Committees

March 2023 Preliminary findings discussed with both the Chairman and the SID. SRA attended and observed the scheduled Board meeting where it presented its findings

April 2023 SRA finalised its report and produced a summary document for inclusion in the Company's 2023 Annual Report

Context of evaluation

This is the second consecutive external Board evaluation that SRA has undertaken for the Company. The decision to use SRA again was to provide continuity and context for their observations given material changes to the Board in recent years. There have been three new NED appointments and a new SID. Consequently, the dynamics of the Board have altered but SRA noted that it operates just as effectively, with the new NEDs strengthening skills and experience, particularly around the ESG agenda. SRA was positive about the implementation of recommendations made following the last review.

Findings

The overall conclusion was that the Board operates with a high degree of efficiency, with a good level of leadership and in a way that promotes honest discussion and healthy debate. High-priority business is unanimously recognised and given the appropriate allocation of time for detailed discussion. This does not detract from other tabled business which is well covered; conversations are straightforward and substantive. SRA was complimentary of the comprehensive approach to governance, noting that the Board is appropriately structured and balanced, with its Committees both well-defined and purpose-driven. SRA noted that a distinct entrepreneurial culture and set of values are evident at Board level, a sentiment echoed by others who were part of the review process.

SRA's main recommendations were:

- consider internal deep-dive exercises on risk management systems and financial controls to test the robustness of current processes;
- continue open dialogue around Board evolution to help with succession planning;
- nurture board dynamics through opportunities for the Board to meet independently of main meetings; and
- restructure the NEDs induction process to allow for a more extensive introduction to senior management and continue the NEDs education and visibility around the business.

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 three 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. Continuity of experience and knowledge, particularly of self storage, within the executive team is important in a long-term focused business such as Big Yellow.

The team has 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 department heads have worked for the business for a substantial period of time and are highly capable individuals. The Committee has 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.

Big Yellow Executive team

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

In addition to the three Executive Board Directors, the other members of the Executive team cover finance, sales and marketing, operations, facilities, construction, property acquisitions, human resources, information technology and digital security, and ESG.

Nominations Committee Report continued

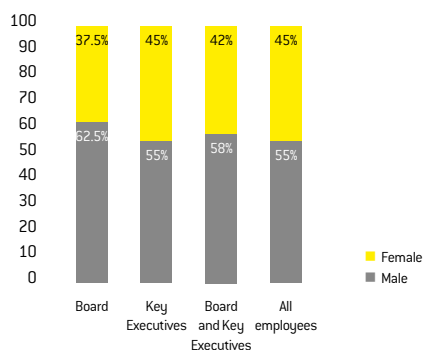
The business is run through small sub-groups of decision-making committees, which meet regularly throughout the year around particular key delivery areas which contribute to our growth and success. These committees are attended by members across the leadership team and other employees as required. All 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 listing rules set out a target of 40% representation of the Board as women. The Company at 31 March 2023 had 38% of the Board as women. The listing rules also target Boards to have at least one woman in the roles of Chair, Senior Independent Director ("SID") and/or as CEO or CFO. It is our intention to have at least one woman in one of the defined roles above by 2025. Two members of the Board are from a minority ethnic background.

Gender diversity of the Board, Key Executives and Company at 31 March 2023 is set out below:

	Male	Female	Total	Male/female ratio
Board	5	3	8	62:38
Key Executives	6	5	11	55:45
Board and Key Executives	11	8	19	58:42
All employees	283	232	515	55:45



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 78 to 80.

Vince Niblett

Nominations Committee Chair

22 May 2023

Sustainability Committee Report

Committee members and attendance

Member	Number of meetings attended
Heather Savory – Chair	●●
Richard Cotton – Member (until 21 July 2022)	●●
Anna Keay – Member	●●
Vince Niblett – Member	●●
Michael O'Donnell – Member	●●
Laela Pakpour Tabrizi – Member	●●

● attended
● absent
● not applicable

Introduction

The Sustainability Committee is responsible for:

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

The Sustainability Committee has determined its scope as:

- material, covering all environmental aspects of Big Yellow's business, i.e. the 'E' in ESG; and
- comprehensive, from energy to waste, considered in order of their impact on the business.

The scope of the Sustainability Committee excludes:

- social and personnel aspects of ESG, which the Big Yellow Board considers elsewhere, under the guidance of Non-Executive Director Anna Keay; and
- governance aspects of ESG which are considered directly by the Big Yellow Board.

Overview

The Sustainability Committee meets twice a year: in September and in March, attended by all Big Yellow Board Members and the Head of Sustainability.

The Head of Sustainability and the delivery of Big Yellow's Sustainability Strategy are supported through an executive-level, cross-disciplinary Environmental Committee of Big Yellow staff, with external experts called in to assist as and when required.

Big Yellow's Sustainability Strategy, setting out pathways to become Net Renewable Energy Positive by 2030 and Net Zero Emissions by 2032, remains unchanged since it was updated in 2022 to include full Science-Based Targets.

The Sustainability Committee commends the excellent progress made against the Sustainability Strategy during 2022-23.

In light of external developments in the rapidly evolving sustainability arena, the business has worked to refine its Science-Based Targets this year, and we are pleased to be able to confirm that Big Yellow's emissions reduction targets are now formally verified by the Science-Based Target initiative (SBTi).

In addition to the work to gain formal approval for the Science-Based Targets we have also seen:

- The full integration of Armadillo-acquired properties into the core Sustainability Programme
- Strong progress on the Solar Retrofit programme – now standing at 23 installations, with a total generating capacity of over 4 Megawatts
- Successful completion of the Battery Pilot – delivering important learning to be taken forward to the next phase of this project
- The recent achievement of reaching the standard of BREEAM "excellent" for both new stores

To achieve its Net Zero ambition Big Yellow will need to find ways to offset some carbon emissions. Early work has started in this area, which we expect to be developed further throughout 2023-24.

The team is also looking in detail at embodied carbon across the Big Yellow property portfolio, with a focus on options to reduce the carbon footprint of new construction. This theme will also develop further in the year ahead.

I am pleased to confirm that Big Yellow is continuing to deliver well against its Sustainability Strategy, whilst maintaining a flexible approach in light of new developments in the sustainability space. The business is continually seeking to innovate and make the best of new opportunities as they arise, in its work to meet the long-term targets of the strategy.

Heather Savory
Sustainability Committee Chair

22 May 2023







Remuneration Committee Report




This report has been prepared by the Remuneration Committee and approved by the Board. It has been prepared in accordance with Schedule 8 of the Large and Medium-size Companies and Groups (Accounts and Report) (Amendment) Regulations 2013 (the "Regulations").

Attendance at Remuneration Committee meetings

Attendance at meetings of the individual Directors at the Remuneration Committee Meetings that they were eligible to attend is shown in the table below:

Committee members and attendance

Member	Number of meetings attended
Michael O'Donnell – Chair (from 21 July 2022), Member (until 21 July 2022)	
Richard Cotton – Chair (until retirement from the Board on 21 July 2022)	
Anna Keay – Member	
Vince Niblett – Member	
Laela Pakpour Tabrizi – Member	
Heather Savory – Member	

 attended
 absent
 not applicable

Introduction

The report is divided into three main sections:

- **The Annual Statement** – which summarises the remuneration outcomes in the year ended 31 March 2023 and how the Remuneration Policy will be operated in the year ending 31 March 2024;
- **The Remuneration Policy Report** – which sets out a summary of the current Remuneration Policy which was approved by shareholders at the 2022 AGM; and
- **The Annual Report on Remuneration** – which sets out how the Committee intends to operate the Remuneration Policy for the year ending 31 March 2024, the link between Company performance and remuneration and payments and awards made to the Directors in respect of the year just ended.

The Companies Act 2006 requires the auditor to report to the shareholders on certain parts of the Remuneration Report and to state whether, in their opinion, those parts of the report have been properly prepared in accordance with the Regulations. The parts of the Annual Report on Remuneration that are subject to audit are indicated in the report.

The Committee and its work during the year

Committee Chair: Michael O'Donnell

Current Committee members: Vince Niblett, Anna Keay, Laela Pakpour Tabrizi and Heather Savory

Terms of Reference: <https://corporate.bigyellow.co.uk/investors/corporate-governance>

The Committee met three times during the year under review. The Committee's main activities during the year ended 31 March 2023 (full details are set out in the relevant sections of this report) included:

- Agreeing Executive Director base salary increases from 1 April 2023;
- Agreeing the cash annual bonus awards for the year ended 31 March 2022 and setting the targets for the year ended 31 March 2023;
- Agreeing the deferred annual bonus plan awards for the year ended 31 March 2022 and setting the targets for the year ended 31 March 2023;
- Reviewing the EPS and Total Shareholder Return (“TSR”) performance targets and determining the percentage vesting for the 2019 LTIP awards which vested in 2022;
- Reviewing the CEO Pay Ratio calculations and disclosures;
- Reviewing the Company's Gender Pay calculations and disclosures;
- Reviewing the Company's Ethnicity Pay calculations and disclosures; and
- Reviewing the 2022 AGM voting results and considering shareholder feedback received following consultation with major shareholders on the revised Remuneration Policy (“Policy”) put to vote at the 2022 AGM.

In addition, during the year ended 31 March 2023, the Committee has considered how the Policy and practices are consistent with the six factors set out in Provision 40 of the UK Corporate Governance Code:

Clarity – Our Policy is understood by our senior executive team and is clearly articulated to our shareholders and representative bodies (both on an ongoing basis and when changes are proposed).

Simplicity – The Committee is mindful of the need to avoid overly complex remuneration structures which can be misunderstood and deliver unintended outcomes. Therefore, a key objective of the Committee is to ensure that our executive remuneration policies and practices continue to be straightforward to communicate and operate.

Risk – Our Policy has been designed to ensure that inappropriate risk-taking is discouraged and will not be rewarded via: (i) the balanced use of annual and long-term pay which employ a blend of financial, non-financial and shareholder return targets; (ii) the significant role played by equity in our incentive plans; and (iii) malus/clawback provisions.

Predictability – Our incentive plans are subject to individual caps, our share plans are also subject to market standard dilution limits.

Proportionality – There is a clear link between individual awards, delivery of strategy and our long-term performance. In addition, the significant role played by incentive/'at-risk' pay, together with the structure of the Executive Board Directors' service contracts, ensures that poor performance is not rewarded.

Alignment to culture – Our executive pay policies are fully aligned to Big Yellow's culture through the use of metrics in both the annual bonus, deferred bonus and LTIP that measure how we perform against our KPIs.

Remuneration Committee Report continued

Annual statement

Dear Shareholder

I am pleased to present the Directors' Remuneration Report for the year ended 31 March 2023, which is my first as Chair of the Remuneration Committee.

Performance, Decisions and Reward Outcomes for the year ended 31 March 2023

The business conditions and performance of the Group in the year ended 31 March 2023 are described more fully in the Chairman's Statement and the Operating and Financial Review of this Annual Report. In summary:

- The business of the Group performed strongly despite the current economic headwinds;
- Big Yellow remains the clear UK brand leader in self storage and delivered growth in revenue, cash flow and earnings for the fourteenth year in a row;
- Revenue, operating cash flow and adjusted profit before tax increased 10%, 5% and 10% respectively; and
- Dividends are being increased by 8%.

Payments made to the Executive Board Directors under the cash annual bonus plan for the year ended 31 March 2023 amounted to 9.9% of salary (out of a maximum of 25% of salary), based on performance against pre-set targets for occupancy, store profitability, store audits and customer satisfaction. The targets set, and the out-turn, were identical to the average bonus awarded across the stores and head office.

Awards made to the Executive Board Directors under the deferred annual bonus plan for the year ended 31 March 2023 amounted to 110.6% of salary (out of a maximum of 125% of salary), based on performance against financial and non-financial performance targets linked to the business plan.

In respect of the Long Term Incentive Plan ("LTIP") awards granted in 2019, which vested in July 2022, three-year EPS and TSR performance resulted in 90% of awards vesting.

Further details of the targets, and performance against the targets, for cash and deferred annual bonus plans and share award vesting levels are set out in the Annual Report on Remuneration.

Operation of the Policy and use of discretion

The Remuneration Policy operated as intended for the year ended 31 March 2023, and no discretion was applied.

Implementing the Policy for the Year Ending 31 March 2024

Base salary

The Committee continues to operate a policy of targeting base salaries "close to (but generally just below) median" although current base salary levels are well below the market level for a FTSE 250 company of Big Yellow's size and complexity.

From 1 April 2023, Executive Director salary levels were increased by 5% which was in line with the increase across the wider workforce (albeit a proportion of lower paid team members received a 6% increase).

	Chief Executive (Jim Gibson)	Executive Chairman (Nicholas Vetch)	Chief Financial Officer (John Trotman)
From 1 April 2022	£466,750	£397,800	£344,750
From 1 April 2023	£490,100	£417,700	£362,000
% increase	5%	5%	5%

Pension & benefits

Pension provision for the Executive Directors will continue at 6% of salary, which is in line with the pension offered to the general workforce. Benefit provision will remain unchanged (private fuel, private medical insurance, permanent health insurance, life assurance and relocation allowances, where relevant).

Annual bonus

Annual bonus potential will continue to be capped at 150% of salary for the year ending 31 March 2024.

Up to 25% of salary will continue to be aligned to the workforce annual bonus (measured against store performance, through occupancy growth, store profitability, store audits and customer satisfaction scores). Any bonus earned under this part will be payable in cash, following the year ending 31 March 2024.

The remaining 125% of salary will continue to be measured against financial, operational, real estate and strategic targets measured over the financial year ending 31 March 2024. Any award under this part will be deferred into Big Yellow shares for three years (with vesting subject to continued employment).

LTIP

The LTIP will continue to operate in its current form with the award potential at up to 200% of salary (albeit award levels will remain below market in value terms given the below market salary levels). As per the 2022 LTIP awards, 80% of awards will be measured against Earnings Per Share (“EPS”) and relative Total Shareholder Return (“TSR”) and 20% will be based on ESG related performance metrics. Details of the proposed targets for the 2023 LTIP awards are set out in the Annual Report on Remuneration.

Shareholding guidelines – in employment

The guideline to build and maintain a holding of at least 200% of salary in shares of the Company will continue to apply and has been met by all of the current Executive Board Directors. Where a newly appointed Executive Director does not meet the 200% of salary ‘in employment’ shareholding guideline in the future, 100% of the net of tax shares which vest under any discretionary share award are to be retained.

Shareholding guidelines – post employment

The post-cessation shareholding guideline whereby Executive Directors will need to retain shares equal to 100% of the shareholding guideline (or the actual number of shares held against the guideline if the guideline is not met at cessation) up until the second anniversary of cessation will continue to apply.

Conclusion

I hope that, at the AGM on 20 July 2023, you will support the resolution on the remuneration paid to the Directors in the last financial year, and the implementation of the new Remuneration Policy for the forthcoming year.

I would like to extend my thanks to my fellow colleagues on the Committee for their support and work in 2022/23.

Michael O'Donnell

Chair of the Remuneration Committee

22 May 2023

Directors' Remuneration Policy

This section of the Remuneration Report contains a summary of the Company's Directors' Remuneration Policy (the “Policy”) which governs the Company's approach to remuneration. The full Policy as approved by shareholders is set out in the Annual Report and Accounts 2022.

It is the policy of the Company to ensure that the executive remuneration packages are designed to attract, motivate, and retain Directors of a high calibre and reward the executives for enhancing value to shareholders.

As a result, a substantial element of the remuneration of the Executive Board Directors is structured to be dependent on the performance of the Company. The policy aims to support a performance culture where there is appropriate reward for the achievement of strong Company performance without creating incentives which will encourage excessive risk-taking or unsustainable Company performance.

Policy Scope

The Policy applies to the Executive Board Directors and Non-Executive Directors.

Policy Duration

The current Directors' Remuneration Policy Report was approved by a binding shareholder vote at the AGM on 21 July 2022.

Remuneration Committee Report continued

Summary policy table (Executive Board Directors)

The main components of the Directors' Remuneration Policy, and how they are linked to and support the Company's business strategy are summarised below:

Executive Board Directors

	Purpose and link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Base salary	To provide competitive fixed remuneration that will attract and retain key employees and reflect their experience and position in the Company.	<p>Base salary is normally set annually on 1 April.</p> <p>When considering any increases to base salaries in the normal course (as opposed to a change in role or responsibility), the Committee will take into consideration:</p> <ul style="list-style-type: none"> – level of skill, experience, scope of responsibilities and performance; – business performance, economic climate, and market conditions; – pay and employment conditions of employees throughout the Group, including increases provided to staff; – inflation; and – increases provided to Executive Board Directors in comparable companies (although such data would be used with caution). 	<p>Salaries are typically set after considering the salary levels in companies of a similar size and complexity in the FTSE 250.</p> <p>Our overall policy is normally to target salaries at close to (but generally just below) median levels.</p> <p>Base salaries are intended to increase in line with inflation and general employee increases in salary.</p> <p>Higher increases may apply if there is a change in role, level of responsibility or experience or if the individual is new to the role.</p> <p>There is no maximum salary cap in place.</p>	None
Annual bonus	The annual bonus aligns reward to key Group strategic objectives and drives short-term performance.	<p>Executive Board Directors participate in an annual performance-related bonus scheme.</p> <p>Up to 25% of salary will be paid in cash. Up to 125% of salary will be deferred into shares for three years.</p> <p>Dividend equivalents may be payable on deferred share awards.</p> <p>The annual bonus plan rules contain clawback and malus provisions.</p>	150% of salary.	Assessed annually and determined by the Committee based on financial, strategic and/or personal performance against the Group's business plan for each financial year.
Long Term Incentive Plan	The Long Term Incentive Plan aligns Executive Director interests with those of shareholders and rewards value creation.	<p>Awards are made annually to the Executive Board Directors (and certain senior managers who are in a position to significantly influence the performance of the Group) in the form of nil-paid options.</p> <p>The awards granted under the Long Term Incentive Plan are subject to performance conditions to be met over a performance period of three years.</p> <p>Dividend equivalents may be payable on LTIP awards during the vesting period, to the extent awards vest.</p> <p>The LTIP contains malus and clawback provisions.</p> <p>A two year post vesting holding period applies to LTIP awards granted to Executive Directors following the 2018 AGM.</p>	200% of salary, albeit actual award levels may be lower.	Vesting under the LTIP will be based on financial, share-price, strategic and/or ESG related performance measures.

	Purpose and link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Pension	To provide competitive levels of retirement benefit.	Contribution made into Executive Director's personal pension plan, or a cash supplement of equivalent value paid in lieu of pension contribution.	Workforce aligned (currently 6% of salary).	None
Other benefits	To provide competitive levels of employment benefits.	<p>Benefits include:</p> <ul style="list-style-type: none"> – Private fuel; – Private medical insurance; – Permanent health insurance; – Life assurance of four times base salary; and – Relocation allowances (where relevant). <p>Other benefits may be provided where appropriate.</p> <p>The type and level of benefits provided is reviewed annually to ensure they remain market competitive.</p>	Maximum opportunity is the total cost of providing the benefits. There is no monetary cap on benefits.	None
Shareholding policy – in employment	To ensure that Executive Board Directors' interests are aligned with those of shareholders over a longer time horizon.	Requirement to build and maintain a holding of shares in the Company, through retaining at least 100% of shares vesting in discretionary share-based incentive plans if this guideline has not been met.	200% of salary.	N/A
Shareholding policy – post employment		<p>Requirement to retain shares equal to 100% of the shareholding guideline (or the actual number of shares held against the guideline if the guideline is not met at cessation) up until the second anniversary of cessation.</p> <p>Own shares purchased and share awards granted prior to the 2021 AGM are excluded from the post-cessation guideline.</p>		
All Employee Scheme	To encourage share ownership by all employees. This allows them to align their interests with those of investors and to share in the long-term success of the Company.	Executive Board Directors may participate in any HMRC tax favoured all employee arrangements.	In line with the prevailing HMRC limits.	None

Remuneration Committee Report continued

Notes to the policy table

The key principle for the short and long-term incentives is to provide a strong link between reward and individual and Group performance to align the interests of Executive Board Directors with those of shareholders.

1. Annual bonus performance measures and targets

Annual bonuses for the Executive Board Directors are based on:

- 25% of salary cash bonus: the average of the stores' performance against their quarterly targets providing direct alignment of the Directors' bonuses to performance (and the bonus levels) of the staff. The four Key Performance Indicators used to assess store performance are occupancy growth, store profitability, store audits and customer satisfaction. Store targets are set every quarter and an average of the four quarters is taken.
- 125% of salary deferred share bonus: measured against pre-set financial, operational, real estate, strategic and ESG-related targets.

2. Long Term Incentive Plan performance measures and targets

Performance metrics and targets for LTIP awards will provide a direct link between the incentive for the Executive Board Directors and the long-term value created for shareholders. The main two performance metrics, which may be supplemented by strategic and/or ESG-related metrics are:

- Relative TSR against the constituents of the FTSE Real Estate Index, given that Big Yellow's historic performance has been closely aligned to the performance of this Index.
- Adjusted EPS figure as reported in the audited results of the Group for the last complete financial year ending before the start of the performance period and the last complete financial year ending before the end of the performance period.

3. Malus and clawback

The cash annual bonus, deferred annual bonus plan and LTIP include malus and clawback provisions.

Malus is the adjustment of outstanding deferred bonus and LTIP awards as a result of the occurrence of one or more of the circumstances listed below. The adjustment may result in the value being reduced to zero. Malus will apply for the three year period from grant to vesting for the deferred bonus and LTIP awards.

Clawback is the recovery of payments/vestings under the cash bonus and LTIP as a result of the occurrence of one or more circumstances listed below. Clawback will apply for three years post payment of a cash bonus/grant of deferred share awards and three years post vesting for LTIP awards.

The circumstances in which malus and clawback could apply are as follows:

- discovery of a material misstatement resulting in an adjustment in the audited consolidated accounts of the Company;
- the assessment of any performance target or condition in respect of an award was based on error, or inaccurate or misleading information;
- the discovery that any information used to determine the amount of an award was based on error, or inaccurate or misleading information;
- corporate failure or the occurrence of an insolvency event;
- action or conduct of an award holder which, in the reasonable opinion of the Board, amounts to fraud or gross misconduct; and
- events or behaviour which have led to the censure of the Company by a regulatory authority or have had a significant detrimental impact on the reputation of any Group Company.

4. Discretion

The Committee has discretion in several areas of policy as set out in this report. The Committee may also exercise operational and administrative discretion under relevant plan rules approved by shareholders as set out in those rules. In addition, the Committee has the discretion to amend policy with regard to minor or administrative matters where it would be, in the opinion of the Committee, disproportionate to seek or await shareholder approval.

In certain circumstances, the Committee will be required to exercise its discretion, taking into consideration the particular circumstances of an Executive Director's departure and/or the recent performance of the Company in determining the specific level of payments to be made.

In addition to the discretion under the terms of the annual bonus plan (both cash and deferred shares) and LTIP, the Committee has discretion to determine whether an individual is classified as a "good leaver".

It should be noted that it is the Committee's policy to only apply its discretion if the circumstances at the time are, in its opinion, sufficiently exceptional, and to provide a full explanation to shareholders where discretion is exercised. The Committee does not currently intend to amend or waive any performance conditions.

5. Differences in remuneration policy for all employees

All employees are currently entitled to base salary, benefits, pensions, and the Sharesave Scheme. Additionally, all employees are eligible for annual bonuses with the maximum opportunity available based on the seniority and responsibility of the role held.

The Company’s LTIPs are granted to a number of key team members within Head Office, the area manager team and also to store managers.

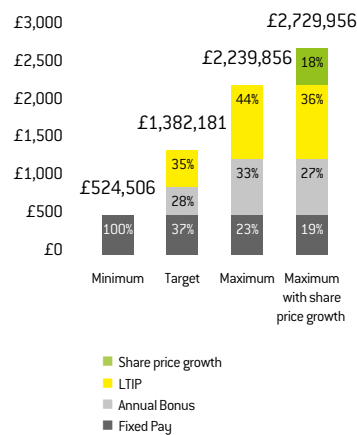
Illustrations of application of Remuneration Policy

The graphs below seek to demonstrate how pay varies with performance for the Executive Board Directors based on the current Remuneration Policy.

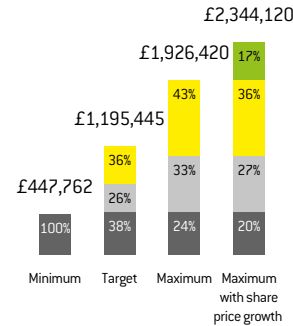
The assumptions used in determining the level of pay out under given scenarios are as follows:

Scenario	Description	Chief Executive	Executive Chairman	Chief Financial Officer
Fixed Pay				
	Base salary (from 1 April 2023)	£490,100	£417,700	£362,000
	Estimated Benefits	£5,000	£5,000	£2,000
	Pension (% of salary)	6%	6%	6%
On-target	50% of annual bonus award being paid and 50% vesting of the LTIP.			
Maximum	100% of annual bonus award being paid (i.e. 150% of salary) and 100% vesting of the LTIP (i.e. 200% of salary, albeit actual awards levels may be lower).			
Maximum Plus 50% share price growth	As per the Maximum scenario but assuming 50% share price growth on LTIP awards.			

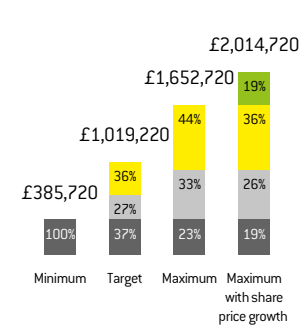
Chief Executive



Executive Chairman



Chief Financial Officer



Remuneration Committee Report continued

Summary policy table (Non-Executive Directors)

	Objective and link to the strategy	Operation	Maximum potential value	Performance conditions and assessment
Fees	To attract Non-Executive Directors with the requisite skills and experience.	<p>Fee levels are normally reviewed annually in March.</p> <p>The Non-Executive Director fee structure is a matter for the full Board.</p> <p>Non-Executive Directors may be entitled to benefits relating to travel and office support and such other benefits as may be considered appropriate.</p> <p>The fees may be paid in the form of shares.</p>	<p>Fee levels are normally set at broadly median levels for comparable roles at companies of a similar size and complexity within the FTSE 250.</p> <p>Fees are normally intended to increase in line with inflation.</p>	N/A

Non-Executive Directors' fees comprise of a base fee, with an additional fee for Committee Chairs, the Senior Independent Non-Executive Director and the Employee Representative Director.

Approach to recruitment remuneration

The table below summarises our key policies with respect to recruitment remuneration:

Salary and benefits	<ul style="list-style-type: none"> Set by reference to market and taking account of individual experience and expertise in the context of the role. Salary would also be set with reference to the salary of any departing Executive Director and the remaining Executive Board Directors. The Executive Director would be eligible to receive benefits in line with Big Yellow Group's benefits policy as set out in the remuneration policy table – this includes either a contribution to a personal pension scheme or cash allowance in lieu of pension benefits in line with the policies set out in the policy table.
Maximum variable incentive	<ul style="list-style-type: none"> Annual bonus of up to 150% of base salary. Long term incentive plan award of equivalent to 200% of base salary.
Sign-on payments	<ul style="list-style-type: none"> The Company does not provide sign-on payments to Executive Board Directors.
Share buy-outs	<ul style="list-style-type: none"> Any previous outstanding share awards which the Executive Director holds which would be forfeited on cessation of his or her previous employment may be compensated. Where this is the case, the general principle is that the outstanding award will be valued based on the consideration of the following factors: <ul style="list-style-type: none"> The proportion of the performance period completed on the date of the Director's cessation of employment; The performance conditions attached to the vesting of the incentives and the likelihood of them being satisfied; and Any other terms and conditions having a material impact on their value. The valuation will be conducted using a recognised valuation methodology by an independent party and the equivalent 'fair value' may be awarded as a one-off LTIP on date of joining under the Company's existing long-term incentive plan. To the extent that this is not possible, a bespoke arrangement will be used. To ensure effective retention of the Executive Director upon recruitment, any new award will be granted subject to performance conditions and vesting may be over the same period as those forfeited from the previous employer or a new three year period. The exact terms will be determined by the Remuneration Committee on a case-by-case basis taking into account all relevant factors.
Relocation policies	<ul style="list-style-type: none"> In instances where the new Executive Director is relocating from one work location to another, the Company may provide, as a one-off or otherwise, a relocation allowance as part of the Director's relocation benefits. The level of the relocation package will be assessed on a case-by-case basis but will take into consideration any cost of living differences, housing allowance and schooling.

Service contracts

The Company's policy on Directors' service contracts is that they should be on a rolling basis without a specific end-date providing for one year's notice. All Executive Board Directors have contracts which reflect this policy.

The Non-Executive Directors do not have service contracts with the Company. Their appointments are governed by letters of appointment which are available for inspection on request at the Company's registered office and which will be available for inspection at the Company's AGM. Each appointment is for a period of up to three years, although the continued appointment of all Directors is put to shareholders at the AGM on an annual basis. In addition, the appointment is terminable by either party giving notice of three months.

Payments for loss of office

Element	Approach
Salary and benefits	<p>Salary and benefits may be paid in lieu of notice. In cases where a contract is terminated other than on the terms of the service contract, the Company will seek to mitigate any damages payable.</p> <p>There will be no compensation for normal resignation or in the event of termination by the Company due to misconduct.</p>
Annual bonus	<p>If the individual is a good leaver, any bonus will be paid/awarded on a pro-rata basis in respect of the period from the start of the financial year.</p> <p>Deferred share awards would normally vest at the normal vesting date (although may vest at the date of cessation).</p> <p>A good leaver is defined as an individual ceasing employment due to ill-health, disability, redundancy, or retirement or in any other circumstances which the Committee permits.</p> <p>A bad leaver is an Executive Director who does not fall within the category of "good leaver" and bad leavers will forfeit any entitlement to a bonus payment in respect of the current financial year or any completed financial year in respect of which the bonus has not been paid at the cessation date.</p>
Long term incentives (LTIP)	<p>A proportion of the LTIP awards held by good leavers will vest at the Committee's discretion determined by taking into account whether, and to what extent, any performance conditions have been satisfied and the length of time the LTIP award has been held at the date of cessation of employment.</p> <p>The LTIP awards will not normally vest until the end of the performance period with performance tested at that time, although exceptionally such awards may, at the discretion of the Committee, vest at cessation of employment.</p> <p>A good leaver is defined as an individual ceasing employment as a result of ill-health, injury, disability, redundancy, retirement, or the sale out of the Group of his employing business or any other reason which the Committee in its absolute discretion permits.</p> <p>A bad leaver is an Executive Director who does not fall within the category of good leaver, and bad leavers will forfeit any unvested awards.</p>
Other	<p>The Group may meet relocation and other incidental expenses on termination of employment, the fees of legal or other professional advisers, outplacement, compensation in respect of statutory rights under relevant employment protection legislation and accrued but untaken holiday. It may also elect to continue to provide certain benefits rather than making payment in lieu of the benefit in question.</p>

Statement of consideration of shareholders' views

The views of our shareholders are very important to the Committee and we actively consulted with our major shareholders and the main representative bodies to help formulate the proposed new Remuneration Policy.

Any consultations on remuneration with shareholders and representative bodies will usually be led by the Chair of the Remuneration Committee.

The Remuneration Committee also considers shareholder feedback received in relation to the AGM each year at its first meeting following the relevant AGM. This feedback, as well as any additional feedback received during any other meetings with shareholders throughout the year, is then considered as part of the Company's annual review of remuneration policy.

The Remuneration Committee notes that shareholders do not speak with a single voice, but we engage with our largest shareholders to ensure we understand the range of views which exist on remuneration issues. When any material changes are proposed to the Remuneration Policy, the Remuneration Committee Chair will consult major shareholders in advance and will offer a meeting to discuss these.

Remuneration Committee Report continued

Shareholder voting

The Group is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to Directors' remuneration, the reasons for that voting will be sought and any actions in response will be detailed here. There have been no significant issues raised by shareholders in respect of remuneration in the year.

The table below shows the advisory vote on the 2022 Remuneration Report and the binding vote on the Remuneration Policy at the AGM held on 21 July 2022.

	Votes for	%	Votes Against	%	Votes withheld
2022 Remuneration Report	143,869,369	95.3%	7,090,817	4.7%	1,448,655
2022 Remuneration Policy	146,535,231	97.9%	3,210,946	2.1%	2,662,664

Annual Report on Remuneration

This section of the Remuneration Report contains details of how the Directors' Remuneration Policy will be implemented for the year ending 31 March 2024 and how it was implemented during the year ended 31 March 2023.

Implementing the policy for the year ending 31 March 2024

Base salary

The Committee continues to operate a policy of targeting base salaries "close to (but generally just below) median" although current base salary levels are well below the market level for a FTSE 250 company of Big Yellow's size and complexity.

From 1 April 2023, Executive Director salary levels were increased by 5% which was in line with the increase across the wider workforce (albeit a proportion of lower paid team members received a 6% increase).

	Chief Executive (Jim Gibson)	Executive Chairman (Nicholas Vetch)	Chief Financial Officer (John Trotman)
From 1 April 2022	£466,750	£397,800	£344,750
From 1 April 2023	£490,100	£417,700	£362,000
% increase	5%	5%	5%

Pension and benefits

Pension provision for the Executive Directors will continue at 6% of salary, which is in line with the pension offered to the general workforce. Benefit provision will remain unchanged (private fuel, private medical insurance, permanent health insurance, life assurance and relocation allowances, where relevant).

Annual bonus

Annual bonus potential will continue to be capped at 150% of salary for the year ending 31 March 2024.

Up to 25% of salary will continue to be aligned to the workforce annual bonus (measured against store performance, through occupancy growth, store profitability, store audits and customer satisfaction scores). Any bonus earned under this part will be payable in cash, following the year ending 31 March 2024.

The remaining 125% of salary will be measured against financial, operational, real estate and strategic targets measured over the financial year ending 31 March 2024. Any award under this part will be deferred into Big Yellow shares for three years (with vesting subject to continued employment).

LTIP

The LTIP will continue to operate in its current form and the targets for the 2023 LTIP awards are as follows:

	Weighting	Threshold [25% of this part of an award vests]	Maximum [100% of this part of an award vests]
Adjusted EPS	50%	4% p.a.	9% p.a.
Relative TSR	30%	Median	Upper Quintile
Retrofitting of solar panels on the Group's estate	10%	Retrofitting of solar panels on 30 of the Group's stores	Retrofitting of solar panels on 40 of the Group's stores
Proportion of Group's external debt facilities that are green loans	10%	30% of the Group's total debt facilities being green loans	50% of the Group's total debt facilities being green loans

Shareholding guidelines – in employment

The guideline to build and maintain a holding of at least 200% of salary in shares of the Company will continue to apply and has been met by all of the current Executive Board Directors. Where an Executive Director has not met the 200% of salary 'in employment' shareholding guideline, the Committee requires 100% of the net of tax discretionary share awards which vest to be retained until the shareholding guideline is met.

Shareholding guidelines – post employment

Executive Directors are required to retain shares equal to 100% of the shareholding guideline (or the actual number of shares held against the guideline if the guideline is not met at cessation) up until the second anniversary of cessation.

Non-Executive Directors

Non-Executive Director base fees for the year ending 31 March 2024 have been increased by 5% (in line with the general workforce increase) to £46,275. The increment for Committee Chairs and additional responsibilities has also been increased by 5% to £11,475 for the year ending 31 March 2024. These increases took effect from 1 April 2023.

Governance Report

Remuneration Committee Report continued

Single total figure of remuneration (Audited)

The table below sets out the single total figure of remuneration and breakdown for each Executive Director paid in the year ended 31 March 2023.

Year ended 31 March 2023		Fixed pay							
	Salary £		Taxable benefits ⁽²⁾ £		Pensions ⁽³⁾ £		Total fixed pay £		
	2023	2022	2023	2022	2023	2022	2023	2022	
Nicholas Vetch	397,800	382,500	4,693	5,094	23,868	22,950	426,361	410,544	
Jim Gibson	466,750	448,800	7,643	6,526	28,005	26,928	502,398	482,254	
Adrian Lee ⁽¹⁾	92,768	290,700	2,054	5,739	5,566	17,442	100,388	313,881	
John Trotman	344,750	331,500	2,111	1,913	20,685	19,890	367,546	353,303	
Total	1,302,068	1,453,500	16,501	19,272	78,124	87,210	1,396,693	1,559,982	

		Variable pay						Total pay		
	Annual bonus – cash £		Annual bonus – deferred £		Long term incentives ⁽⁴⁾ £		Total variable pay £			
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Nicholas Vetch	39,382	39,398	440,066	456,131	419,119	295,550	898,567	791,079	1,324,928	1,201,623
Jim Gibson	46,208	46,226	516,342	535,194	478,993	316,858	1,041,543	898,278	1,543,941	1,380,532
Adrian Lee ⁽¹⁾	9,184	29,942	102,625	346,660	323,326	238,445	435,135	615,047	535,523	928,928
John Trotman	34,130	34,145	381,380	395,314	359,244	228,376	774,754	657,835	1,142,300	1,011,138
Total	128,904	149,711	1,440,413	1,733,299	1,580,682	1,079,229	3,149,999	2,962,239	4,546,692	4,522,221

⁽¹⁾ Adrian Lee stepped down from the Board on 21 July 2022. His remuneration is shown up to that date.

⁽²⁾ Taxable benefits comprise medical cover, permanent health insurance, life insurance and private fuel usage.

⁽³⁾ Nicholas Vetch, Jim Gibson and Adrian Lee receive a cash supplement in lieu of their full pension contributions. John Trotman receives a cash supplement in lieu of pension contributions to the extent that they exceed the prevailing individual allowance.

⁽⁴⁾ The values shown in long-term incentives in the current year are the LTIP award granted in 2019 which vested on 19 July 2022 to 90.1% of its maximum value and is valued using the share price on that date of £13.72.

The average salary increase across the Group in the year was 5.3%.

Cash Annual Bonus Plan awards – cash (25% of salary maximum)

The policy of the Company is that the cash bonus paid to the Executive Board Directors is the same as the average of the bonus awards (as a % of salary) paid to all the Group's stores on achieving their targets during the course of the year. It is an important part of the Group's culture that the Executive team are rewarded with the same level of annual bonus as the average for all staff.

In respect of the year under review, and in line with the average bonus as a percentage of salary paid across the stores the Executive Board Directors received a cash bonus of 9.9% of salary (out of a maximum of 25% of salary).

Overview of the staff (and Executive Director) cash bonus scheme

The staff bonus scheme is designed, on a quarterly basis, to reward each store with a bonus of up to 25% of their quarterly salary, made up of the following four key elements set out below.

Following feedback received from our shareholders on previous remuneration reports to increase the disclosure around the annual bonus, we have shown the average annual distribution of performance against target for each of the bonus measures across our stores and the corresponding average pay-out as a percentage of salary which directly corresponds to the bonus percentage pay-out for the Executive Board Directors. The individual store targets have not been disclosed as it would be impractical and commercially sensitive to disclose the targets for every one of our stores in this report.

The average performance against the four key targets and the associated bonus reward for the stores totalling 9.9% were as follows:

1. Occupancy

Stores that have recently opened receive occupancy targets on a quarterly basis, and their performance against this occupancy target contributes to their bonus. The bonus awarded to each store increases as the store moves further ahead of target. No bonus is awarded if the store fails to meet its target. The significant majority of the Group's stores are bonused solely on profitability. The weighted average bonus paid to the newly opened stores for performance against occupancy targets was 0.2% of salary for the year.

2. Profitability

Each store is set a quarterly target for profitability. The weighting of the contribution of these metrics to the bonus varies based on store occupancy, with higher occupied stores having a higher weighting towards their performance against their profitability target.

The bonus awarded to each store increases as the store moves further ahead of target. No bonus is awarded if the store fails to meet its target. The performance distribution of the stores' performance against their individual targets are provided below.

Performance against target	Below target	0 to 1% ahead of target	1 to 2% ahead of target	2 to 3% ahead of target	>3% ahead of target	Total
No of stores	55	20	15	8	10	108
Average bonus paid	0.5%	6.2%	13.9%	18.1%	18.9%	6.4%

The weighted average bonus paid to stores for performance against profitability targets is therefore 6.4% of salary for the year.

3. Store audits

Stores receive a bonus if they receive a certain audit score based on visits carried out by the Group's store compliance team. There were 85 instances of stores receiving an audit bonus score across the year, leading to a weighted average bonus paid to the stores of 1.6% of salary.

4. Customer satisfaction

Stores are rewarded based on two elements of customer satisfaction, net promoter scores and individual customer service awards. The awards based on net promoter scores are summarised in the table below.

NPS score	<75	>75	Total
No of stores	33	75	108
Average bonus paid	0%	2.5%	1.7%

The weighted average bonus paid to stores for performance against net promoter scores is therefore 1.7% of salary for the year.

Summary

The bonus received by the stores against their targets in the year is summarised as follows.

Category	Actual % weighting for category	Average % of salary bonus paid across stores
1. Occupancy	0.2%	20%
2. Profitability	6.4%	65%
3. Store audits	1.6%	16%
4. Customer satisfaction	1.7%	17%
Total	9.9%	100%

In line with the Remuneration Policy an award of 9.9% of salary has therefore also been paid to the Executive Board Directors for the year, which equated to the following payments:

Nicholas Vetch	£39,382
Jim Gibson	£46,208
Adrian Lee*	£9,184
John Trotman	£34,130

* Pro-rated to 21 July 2022 (the full year equivalent award was £29,930).

Remuneration Committee Report continued

Deferred Annual Bonus Plan awards – deferred shares (125% of salary maximum)

The Group operates a deferred annual bonus plan. The Remuneration Committee sets targets at the start of the financial year across a broad range of financial and non-financial targets. Targets are either on a sliding scale or binary. The targets and the performance against them in the year is shown in the table below:

Sliding scale targets (55% weighting):

Pay-out	0%	100%	Performance	Pay-out
1. Revenue				
Weight: 22.5%	<£182.0m	>£188.0m	The Group's revenue for the year was £188.8 million.	100%
2. Adjusted Earnings per share				
Weight: 22.5%	<53.5p	>56.5p	The Group's adjusted earnings per share for the year was 56.5p.	100%
3. Staff Turnover				
Weight: 5%	>35	<28	The Group's staff turnover for the year was 29.6%.	77%
4. Net promoter score				
Weight: 5%	>72.5	<77.5	The Group's net promoter score for the year was 78.9.	100%

Binary targets (45% weighting):

Pay-out	Fail	Pass	Actual performance	Pay-out
	0%	100%		
5. Property Acquisitions				
Weight: 10%	Acquire at least two new sites for the Group during the year, either through new site acquisitions, or through the purchase of existing self storage centres, which complement the existing portfolio and which are consistent with the Group's strategy and long-term plans		The Group acquired development sites at Staples Corner, London, Farnham Road, Slough, Old Kent Road, London during the year. The Group also acquired an existing self storage centre in Aberdeen.	100%
6. Planning				
Weight: 10%	Obtain planning consent on at least two of the Group's development sites during the year, consistent with the strategy to continue to add high quality capacity to the Group's existing open store portfolio		The Group obtained planning consent during the year for its development sites at Slough Farnham Road and Staines, London.	100%
7. Disposal of Harrow				
Weight: 10%	Complete the construction of, and sell the industrial warehouse scheme at Harrow during the year		As explained in the Chairman's Statement, this target has not been met.	0%

Pay-out	Fail	Pass	Actual performance	Pay-out
	0%	100%		
8. Armadillo Sustainability				
Weight: 5%	Ensure all Armadillo have stores have obtained an EPC, remove a further six gas boilers in the Armadillo stores and approve a plan for upgrading the Armadillo stores to improve energy performance		All Armadillo stores have an EPC rating. 99% of the estate now has a green zone EPC rating of C or above with two stores still rated D. These will be recertified once they have undergone their major reception renovations including energy efficiency upgrades. Eight Armadillo stores have had gas boilers removed this year, with a further five planned for 23/24. There is a plan in place for the energy efficiency improvements across the Armadillo stores, predominately in the form of upgrading lighting and installing solar PV. Lighting upgrades have been completed as part of the reception makeovers in seven Armadillo stores this year.	100%
9. Foundation				
Weight: 5%	Raise sufficient funds through our store network and matched contributions from the Group sufficient to provide grants of a minimum of £140,000 to our seven charities		The income raised through fundraising, matching donations, customer donations, move in donations and gift aid equals £204,000 this year. This has enabled us to provide grants of £192,500 to our seven charity partners over the course of the year.	100%
10. Health and Safety				
Weight: 5%	For the Group's three measures of RIDDOR (Store customer, contractor and visitor health and safety, Big Yellow staff health and safety, and Big Yellow construction fit out health and safety), ensure none are above 2.5x		All three RIDDOR measures were below 2.5x in the year, with customer, contractor and visitor at 2.3x, staff at 0x and construction at 0x.	100%

Summary table

The performance against each target, and its contribution to the deferred bonus payable is summarised in the table below:

Target	% achieved	Weighting	Contribution to plan vesting (%)
Revenue	100%	22.5%	22.5%
Earnings per share	100%	22.5%	22.5%
Staff turnover	77%	5%	3.85%
Net promoter score	100%	5%	5%
Property acquisitions	100%	10%	10%
Planning	100%	10%	10%
Disposal of Harrow	0%	10%	0%
Armadillo Sustainability	100%	5%	5%
Foundation	100%	5%	5%
Health and safety	100%	5%	5%
Total		100%	88.85%

The above performance assessment of 88.85% translates into a 110.6% award, of the 125% maximum potential. In addition to performance against the targets detailed above, the Committee has also reviewed the stakeholder experience in respect of the year ended 31 March 2023. Based on this review, the Committee considers the 110.6% of maximum award level to be appropriate.

Governance Report

Remuneration Committee Report continued

The value of award for each of the Executive Board Directors is shown below:

Director	Value of award
Nicholas Vetch	£440,066
Jim Gibson	£516,342
Adrian Lee*	£102,625
John Trotman	£381,380

* Pro-rated to 21 July 2022 (the full year equivalent award was £334,447).

The number of shares will be calculated by reference to the closing share price on the date of grant, which will be after the Company's Preliminary Announcement in May 2023. The awards will vest three years after the date of grant of each award.

Long Term Incentive Plan ("LTIP") awards (Audited)

The awards granted under the LTIP are subject to performance conditions to be met over a performance period of three years. There is no retesting of performance conditions and, if they are not satisfied, the awards will lapse.

The performance conditions applicable to the LTIP which vested in the year, which relate to EPS and TSR, are set out below. The Committee assessed the extent to which the EPS and TSR performance condition has been satisfied for the 2019 award which vested in 2022, with the following results:

Condition	Weighting	Threshold Performance required	Maximum Performance Required	LTIP value for meeting threshold and maximum performance (% salary)	Performance achieved	Vesting %
Adjusted eps growth	70%	Adjusted EPS growth of RPI + 3% per annum	Adjusted EPS growth of RPI + 8% per annum	25% to 100%	10.9% adjusted EPS growth, compared to 6.9% (RPI + 3%), and 11.9% (RPI plus 8%). Adjusted EPS has been normalised for the impact of the placing in April 2020.	85.8%
Relative TSR	30%	Median of comparator group of real estate companies	Upper quartile of the comparator group	25% to 100%	5 out of 47 in comparator group of companies in the FTSE Real Estate Index.	100%
Total	100%					90.1%

The vesting of the 2019 LTIP award in 2022, equated to the following value for the Executive Board Directors based on the share price at the date of vesting:

Director	Shares Awarded	Shares Vested (based on 90.1% vesting)	Value at Vesting
Nicholas Vetch	33,905	30,548	£419,119
Jim Gibson	38,748	34,912	£478,993
Adrian Lee	26,155	23,566	£323,326
John Trotman	29,061	26,184	£359,244

LTIP awards granted in year ended 31 March 2023 (Audited)

The table below sets out the details of the long-term incentive awards granted in the year ended 31 March 2023 where vesting will be determined according to the achievement of performance conditions that will be tested in future reporting periods.

Director	Award Type	Awards as a % of salary	Face value of award ⁽¹⁾	Percentage of award vesting at threshold performance	Maximum percentage of face value that could vest	Performance Period end date	Performance conditions
Nicholas Vetch	Annual cycle of awards over nil cost options	200% of salary	£795,600	25%	100%	21 July 2025	Adjusted EPS growth, relative TSR, ESG performance
Jim Gibson		200% of salary	£933,500				
John Trotman		150% of salary	£517,125				

⁽¹⁾ The face value of the award is calculated using the average share price three days prior to the grant date of 21 July 2022 (average share price of £13.69).

The performance conditions applicable to the awards granted in July 2022 are set out below:

Condition	Weighting	Threshold Performance required	Maximum Performance Required	LTIP value for meeting threshold and max performance (% salary)	Basis for measurement
Relative TSR	40%	Median of comparator group of real estate companies	Upper quintile of the comparator group	25% to 100%	The average of the Group's closing mid-market share price over the three months preceding the start of the performance period and preceding the end of the performance period will be used, including dividends re-invested.
Adjusted EPS	50%	Adjusted average annual compound EPS growth of 4%	Adjusted average annual compound EPS growth of 9%	25% to 100%	The adjusted EPS figure reported in the audited results of the Group for the last complete financial year ending before the start of the performance period and the last complete financial year ending before the end of the performance period will be used.
Retrofitting of solar panels on the Group's estate	10%	Retrofitting of solar panels on 30 of the Group's stores	Retrofitting of solar panels on 40 of the Group's stores	25% to 100%	Based on the number of completed retrofits over the award period.
Proportion of Group's external debt facilities that are green loans	10%	30% of the Group's total debt facilities being green loans	50% of the Group's total debt facilities being green loans	25% to 100%	Based on the Group's external debt facilities at 31 March 2025.

Sharesave Scheme

The Group's Sharesave Scheme is open to all UK employees (including Executive Board Directors) with a minimum of six months' service and meets UK HMRC requirements, thus giving all eligible employees the opportunity to acquire shares in the Company in a tax efficient manner. All of the Executive Board Directors participated in the scheme during the financial year. The details of the Sharesave scheme options are shown on page 167.

Pension entitlements

The Company pays pension contributions into the Executive Board Directors' personal pension plans or makes a cash contribution in lieu of pension contributions. They do not participate in any defined benefit scheme. For the year ended 31 March 2023, the Company contribution was 6% of salary for the Executive Board Directors, in line with the contribution for the Company's employees.

Board changes (Audited)

As detailed in the Annual Report and Accounts 2022, at the 2022 AGM on 21 July 2022:

- Adrian Lee stepped down from the PLC board but continues to be employed in his role as Operations Director on the Board of the trading business. His remuneration arrangements remain largely unchanged.
- Richard Cotton stepped down as Non-Executive Director after serving his full term.

No payments:

- of money or any other assets were made to any former Director of the Company in the financial year ended 31 March 2023 (2022: no payments); and
- were made to any Director in respect of loss of office during the financial year ended 31 March 2023 (2022: no payments).

Governance Report

Remuneration Committee Report continued

Non-Executive Directors (Audited)

The table below sets out the single total figure of remuneration and breakdown for each Non-Executive Director paid in the year ended 31 March 2023.

	2023 £	2022 £
Richard Cotton ⁽¹⁾	20,232	64,210
Anna Keay	55,000	53,705
Vince Niblett	65,935	53,705
Michael O'Donnell ⁽²⁾	55,000	25,200
Laela Pakpour Tabrizi	55,000	50,486
Heather Savory	55,000	53,705
Total	306,167	301,011

⁽¹⁾ Until retirement from the Board on 21 July 2022.

⁽²⁾ From appointment on 1 September 2021.

Non-Executive Directors received no taxable benefits for the year ended 31 March 2023.

Statement of Directors' shareholding (Audited)

The Executive Board Directors are required to build and maintain a holding of two times base salary. These requirements have been met by all Executive Board Directors throughout the year. Non-Executive Directors are not subject to a shareholding requirement. Details of the Directors' interests in shares are set out below (all interests are beneficial interests).

The table below shows, in relation to each Director, the total number of shares and share options in which they have an interest at 31 March 2023:

Executive Director	Share ownership requirement (multiple of salary)	Share ownership requirements met	Holding as multiple of March 2023 salary	Beneficially owned shares	LTIP awards subject to performance conditions	Deferred bonus plan awards	Unexercised LTIP options	Unexercised Sharesave options	Options exercised in the financial year
Nicholas Vetch	2x	Yes	184x	6,253,404	122,666	117,268	50,583	1,697	2,400
Jim Gibson	2x	Yes	45x	1,815,320	143,928	134,837	57,173	1,844	1,200
John Trotman	2x	Yes	8x	238,788	93,721	100,104	42,721	1,992	–

Non-Executive Directors' shareholdings (Audited)

Non-Executive	Beneficially owned shares
Michael O'Donnell	6,000
Vince Niblett	3,000
Anna Keay	–
Laela Pakpour Tabrizi	–
Heather Savory	–

Directors' share awards (Audited)

To provide further context on the shareholding of the Executive Board Directors, options in respect of ordinary shares for Directors who served in the year are as below:

Name	Date option granted	Scheme	No. of shares under option at 31 March 2022	Granted during the year	Exercised during the year ⁽¹⁾	Lapsed during the year	No. of shares under option at 31 March 2023	Exercise price	Market price at date of exercise	Date from which first exercisable	Expiry Date
Nicholas Vetch	19 July 2018	LTIP	20,035	–	–	–	20,035	nil p	–	19 July 2021	18 July 2028
	11 March 2019	SAYE	2,400	–	(2,400)	–	–	749.9p	1402p	1 April 2022	1 October 2022
	23 May 2019	DBP	30,519	–	–	–	30,519	nil p	–	23 May 2022	22 May 2029
	19 July 2019	LTIP	33,905	–	–	(3,357)	30,548	nil p	–	19 July 2022	18 July 2029
	15 June 2020	DBP	20,691	–	–	–	20,691	nil p	–	15 June 2023	14 June 2030
	5 August 2020	LTIP	36,946	–	–	–	36,946	nil p	–	5 August 2023	4 August 2030
	22 July 2021	DBP	31,616	–	–	–	31,616	nil p	–	22 July 2024	21 July 2031
	22 July 2021	LTIP	27,617	–	–	–	27,617	nil p	–	22 July 2024	21 July 2031
	8 June 2022	DBP	–	34,442	–	–	34,442	nil p	–	8 June 2025	7 June 2032
	21 July 2022	LTIP	–	58,103	–	–	58,103	nil p	–	21 July 2025	20 July 2032
8 August 2022	SAYE	–	1,697	–	–	1,697	1060.0p	–	8 August 2025	8 February 2026	
Jim Gibson	19 July 2018	LTIP	22,261	–	–	–	22,261	nil p	–	19 July 2021	18 July 2028
	11 March 2019	SAYE	1,200	–	(1,200)	–	–	749.9p	1402p	1 April 2022	1 October 2022
	23 May 2019	DBP	33,910	–	–	–	33,910	nil p	–	23 May 2022	22 May 2029
	19 July 2019	LTIP	38,748	–	–	(3,836)	34,912	nil p	–	19 July 2022	18 July 2029
	15 June 2020	DBP	23,647	–	–	–	23,647	nil p	–	15 June 2023	14 June 2030
	5 August 2020	LTIP	43,350	–	–	–	43,350	nil p	–	5 August 2023	4 August 2030
	1 March 2021	SAYE	996	–	–	–	996	903.2p	–	1 April 2024	1 October 2024
	22 July 2021	DBP	36,868	–	–	–	36,868	nil p	–	22 July 2024	21 July 2031
	22 July 2021	LTIP	32,404	–	–	–	32,404	nil p	–	22 July 2024	21 July 2031
	8 June 2022	DBP	–	40,412	–	–	40,412	nil p	–	8 June 2025	7 June 2032
21 July 2022	LTIP	–	68,174	–	–	68,174	nil p	–	21 July 2025	20 July 2032	
8 August 2022	SAYE	–	848	–	–	848	1060.0p	–	8 August 2025	8 February 2026	
John Trotman	19 July 2018	LTIP	16,537	–	–	–	16,537	nil p	–	19 July 2021	18 July 2028
	23 May 2019	DBP	25,190	–	–	–	25,190	nil p	–	23 May 2022	22 May 2029
	19 July 2019	LTIP	29,061	–	–	(2,877)	26,184	nil p	–	19 July 2022	18 July 2029
	15 June 2020	DBP	17,735	–	–	–	17,735	nil p	–	15 June 2023	14 June 2030
	5 August 2020	LTIP	32,020	–	–	–	32,020	nil p	–	5 August 2023	4 August 2030
	1 March 2021	SAYE	1,992	–	–	–	1,992	903.2p	–	1 April 2024	1 October 2024
	22 July 2021	DBP	27,329	–	–	–	27,329	nil p	–	22 July 2024	21 July 2031
	22 July 2021	LTIP	23,935	–	–	–	23,935	nil p	–	22 July 2024	21 July 2031
	8 June 2022	DBP	–	29,850	–	–	29,850	nil p	–	8 June 2025	7 June 2032
21 July 2022	LTIP	–	37,766	–	–	37,766	nil p	–	21 July 2025	20 July 2032	
Adrian Lee*	19 July 2018	LTIP	15,900	–	–	–	15,900	nil p	–	19 July 2021	18 July 2028
	11 March 2019	SAYE	2,400	–	(2,400)	–	–	749.9p	1402p	1 April 2022	1 October 2022
	23 May 2019	DBP	24,221	–	–	–	24,221	nil p	–	23 May 2022	22 May 2029
	19 July 2019	LTIP	26,155	–	–	(2,589)	23,566	nil p	–	19 July 2022	18 July 2029
	15 June 2020	DBP	15,962	–	–	–	15,962	nil p	–	15 June 2023	14 June 2030
	5 August 2020	LTIP	28,079	–	–	–	28,079	nil p	–	5 August 2023	4 August 2030
	22 July 2021	DBP	24,114	–	–	–	24,114	nil p	–	22 July 2024	21 July 2031
	22 July 2021	LTIP	20,989	–	–	–	20,989	nil p	–	22 July 2024	21 July 2031
8 June 2022	DBP	–	26,176	–	–	26,176	nil p	–	8 June 2025	7 June 2032	

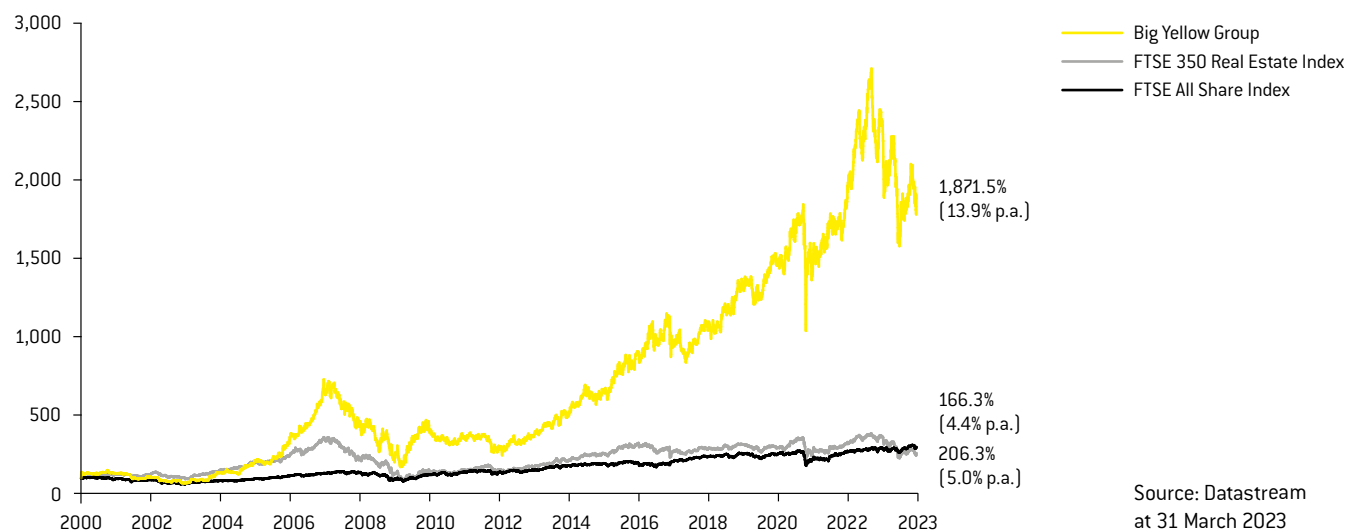
* For Adrian Lee, the information is shown to 21 July 2022, the date he stepped down from the PLC Board.

⁽¹⁾ The aggregate gains made by Directors for the year ended 31 March 2023 on share options totals £39,126 (2022: £469,398).

Remuneration Committee Report continued

Performance and pay

The graph below shows the Group's performance, measured by TSR, compared with the performance of the FTSE All Share Real Estate Index and the FTSE All Share Index for the period since flotation. The FTSE All Share Real Estate Index is used for the assessment of the Company's LTIP.



CEO Remuneration

The table below sets out the details of remuneration of the CEO over the past ten financial years.

Year	CEO single figure of total remuneration (£)	Annual bonus (cash) pay-out % against maximum of 25% of salary	Annual bonus (deferred) pay-out % against maximum of 125% of salary	Long term incentive weighted average vesting rates against maximum opportunity %
2023	1,543,941	39.6% (9.9% of salary)	88.85% (110.6% of salary)	90.1%
2022	1,380,532	41.2% (10.3% of salary)	95.4% (119.25% of salary)	61.6%
2021	1,393,490	62.8% (15.7% of salary)	95% (118.75% of salary)	83.6%
2020	1,136,633	37.2% (9.3% of salary)	47.5% (59.4% of salary)	100%
2019	1,182,482	40.8% (10.2% of salary)	81.875% (102.3% of salary)	100%
2018	2,178,066	51.6% (12.9% of salary)	n/a	95%
2017	850,619	40% (10% of salary)	n/a	100%
2016	988,811	48% (12% of salary)	n/a	100%
2015	1,756,290	50% (12.5% of salary)	n/a	98%
2014	536,262	40% (10% of salary)	n/a	53%

The single figure of remuneration for 2015 and 2018 are higher than in other years due to the vesting of the three year Long Term Bonus Performance Plan in those years delivering a reward of £945,750 (97% vesting) and £1,343,995 (93.33% vesting) respectively for the three year period ended in that year.

Percentage change in the Director remuneration

The table below compares the percentage change in each Director's annual remuneration (i.e. salary/fees, benefits, and annual bonus) with the remuneration of Big Yellow Group employees.

	% Change from 2019/2020 to 2020/2021			% Change from 2020/2021 to 2021/2022			% Change from 2021/2022 to 2022/2023		
	Salary/Fee	Benefits	Bonus	Salary/Fee	Benefits	Bonus	Salary/Fee	Benefits	Bonus
Nicholas Vetch	5%	(13%)	78%	4%	3%	(30%)	4%	(6%)	0%
Jim Gibson	8%	9%	81%	4%	6%	(30%)	4%	17%	0%
John Trotman	6%	(26%)	79%	4%	18%	(30%)	4%	10%	0%
Anna Keay	2%	n/a	n/a	3%	n/a	n/a	4%	n/a	n/a
Vince Niblett	2%	n/a	n/a	3%	n/a	n/a	23%	n/a	n/a
Michael O'Donnell	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Laela Pakpour Tabrizi	n/a	n/a	n/a	3%	n/a	n/a	9%	n/a	n/a
Heather Savory	n/a	n/a	n/a	3%	n/a	n/a	4%	n/a	n/a
Average employees	3%	2%	74%	2%	2%	(29%)	5%	5%	1%

Where a Director has not served on the Board for the full financial year, "n/a" is shown in the salary/fee column of the above table.

CEO pay ratio

The data shows how the CEO's single figure remuneration for the year ended 31 March 2023 (as taken from the single figure remuneration table) compares to equivalent single figure remuneration for full-time equivalent UK employees, on a Group basis, ranked at the 25th, 50th and 75th percentile.

Year	Method	25 th percentile pay ratio	Median pay ratio	75 th percentile pay ratio
2023	Option A	55 to 1	49 to 1	31 to 1
2022	Option A	58 to 1	50 to 1	36 to 1
2021	Option A	58 to 1	47 to 1	30 to 1

No components of pay and benefits have been omitted for the purpose of the above calculations. Option A was selected given that this method of calculation was considered to be the robust approach in respect of gathering the required data. The underlying quartiles for salary and total remuneration numbers for full-time equivalent UK employees are set out below.

Year	Salary			Total pay and benefits		
	25 th %tile	Median	75 th %tile	25 th %tile	Median	75 th %tile
2023	£23,005	£26,790	£37,440	£28,148	£31,398	£48,746
2022	£21,278	£24,669	£34,445	£23,535	£27,286	£38,098
2021	£20,862	£24,190	£34,008	£24,109	£29,406	£46,162

Statement of consideration of employment conditions elsewhere in the Group

The Committee reviews the reward and retention of the whole employee population periodically throughout the year to ensure that it can attract and retain top talent. Consideration is given to the general basic salary increase, remuneration arrangements and employment conditions. Furthermore, the annual cash bonus awarded to Executive Board Directors is directly linked to the bonuses awarded to all staff.

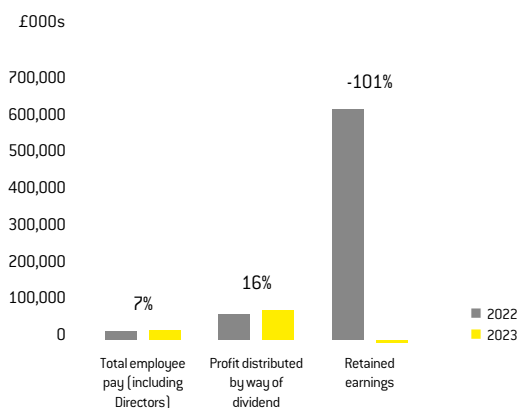
The Directors are invited to be present at this review of the proposals for salary increase for the employee population generally and on any other changes to remuneration policy within the Company. The information presented at this review is taken into consideration when setting the pay levels of the executive population. Additionally, the Committee has guidelines for the grant of all LTIP awards across the Company and responsibility for approving the total annual bonus cost of the Company.

The Company, through the Workforce Engagement Non-Executive Director, invited employees to comment on the remuneration of Directors during the year, and has engaged with the workforce to explain how executive remuneration aligns with the wider company pay policy. When considering remuneration levels to apply, the Committee takes into account base pay increases, bonus payments and share awards made to the Company's employees generally.

Remuneration Committee Report continued

Relative importance of spend on pay

The graph below sets out the relative importance of spend on pay in the year ended 31 March 2023 and 31 March 2022 compared with other disbursements from profit, being the distributions to shareholders and retained earnings (comprehensive gain for the year less dividends).



Gender and ethnicity pay

The Group has reported on its gender pay gap for April 2022. The full report can be found on our investor relations website <http://corporate.bigyellow.co.uk/investors.aspx>. The Group's mean gender pay gap was 24% (2021: 25%), with a median gap of 6% (2021: 7%). Excluding Executive Board Directors, the mean gender pay gap falls to 13% (2021: 9%) with a median gap of 6% (2021: 5%). This increase resulted from buying the remaining 80% share of Armadillo Self Storage in July 2021, which added 72 relevant employees to our Company headcount, 37 of whom were female. Of these female employees, 30 were at a more junior level and therefore included in the lower two pay quartiles. We continue to work to address this imbalance. All staff are paid equally according to job role.

It is pleasing to see that our Mean Gender Pay Gap has decreased to 24% from 25% in April 2021. This reduction from 25% was due to increase in female representation in the Upper Quartile from 27% in April 2021 to 29% in April 2022.

The Group has also analysed its ethnicity pay for April 2021. The Group's mean ethnicity pay gap was 0% (2021: 1%), with a median gap of 5% (2021: 4%). All staff are paid equally according to job role.

We believe that diversity and inclusion are key to a successful and sustainable business, and we are committed to creating a culture where all team members can be themselves, feel empowered to succeed and deliver a customer experience that is second to none. We encourage and enable all employees, regardless of their gender, race, background, or any other characteristics, to reach their full potential as we believe that having a diverse workforce with fair representation is strategically important and generates value to our stakeholders.

In the year we have continued to collect ethnicity data to better understand the ethnic mix of our workforce. To date, 98% of our team have volunteered their ethnicity data. This data indicates that 20% of Big Yellow's team members belong to a Black, Asian, Mixed or other ethnic group, compared with 18.3% of people who make up this group in the UK (2021 census data).

Over the last 12 months we have continued the work of our Inclusivity and Diversity Committee, actively listening to feedback from our colleagues across the business to drive change and improve awareness. Here are just some of our key achievements during this time:

Policy and strategy

- Recognising that women may need additional consideration and support during the menopause, we introduced a Menopause Policy, as well as training Menopause Champions to provide advice and support.
- We introduced a Transgender Equality Policy to support transgender and transitioning employees, raising knowledge and levels of awareness across the business.
- We have improved our communication of the work of the Inclusivity and Diversity Committee and inclusivity and diversity matters generally, through updates in our ESG newsletter and our blog and Intranet.
- We have utilised our Company blog to recognise key dates that matter to our employees such as religious festivals, national community and health / wellbeing events.
- We have held regular meetings between line managers and the People, Talent and Development Team to review Inclusion and Diversity and identify ongoing opportunities for improvement across the different areas of the business.

Recruitment and talent

- Our Big Yellow Foundation supports seven charities who work with vulnerable adults to help find them sustainable employment. During the year we offered work placements to four people within our Distribution Centre and stores.
- We have been working with a specialist consultancy to identify opportunities to improve our brand awareness and recognition as an employer of different diverse groups.
- We reviewed our job advertisements, benefits and working practices so that they have a greater appeal to female applicants, based upon feedback received from new employees. We also reviewed and amended job advertisements to remove any gender bias.
- We focused on attracting more female candidates through developing the careers pages on our Company website, including adding additional career reviews to help promote diversity and inclusion.
- The proportion of our female Store Managers remains unchanged at 32% in March 2023 compared to March 2022.
- 36% of new starters in our stores in the year ended 31 March 2023 were of an ethnic minority group (2022: 34%).
- 14% of our team members in stores are over 50, an increase from 10% in 2022.

Learning and development

- We organised British Sign Language training for 95 employees, with the aim of improving diversity within our workforce, as well as offering an improved service to any deaf or hard of hearing customers.
- We arranged for one of our Learning and Development team to train as a Dyslexia / Dyscalculia Assessor so that they are able to assess and support employees who have / may have dyslexia.
- Our investments in e-learning have resulted in females completing 15% more hours per individual of eLearning.

Whilst our Gender Pay Gap is reducing on a gradual basis and we will continue to work to reduce it further, we recognise that it would be unrealistic to close this gap quickly, given that all three of the Executive Directors are male and two of them were founders of the business nearly 25 years ago.

We have however, made significant progress in relation to inclusion and diversity initiatives over the last 12 months and will continue to challenge our thinking around how we recruit new skills and manage and develop existing talent going forward.

We will continue to drive change via our Inclusivity and Diversity Committee and through listening to feedback from our people.

Our future initiatives include continuing to develop our family friendly policies, seeking feedback on inclusivity and diversity through our annual employee engagement survey and further developing our brand recognition as a truly diverse and inclusive employer.

We will continue to provide opportunities for people of all abilities, expanding our Work Placement Programme to help people to find sustainable employment.

Advisers to the Remuneration Committee

In undertaking its responsibilities, the Committee seeks independent external advice as necessary. FIT Remuneration Consultants LLP have been advisers to the Committee since 2017. The Committee is comfortable that the FIT team provides independent remuneration advice to the Committee and does not have any other connections with Big Yellow that may impair their independence. FIT is a founding member and signatory of the Code of Conduct for Remuneration Consultants, details of which can be found at www.remunerationconsultantsgroup.com.

During the year, FIT provided independent advice on a wide range of remuneration matters including the proposed new Remuneration Policy. FIT provides no other services to the Company. The fees paid to FIT in respect of work carried out for the year under review were £11,000 (ex VAT).

Approval

This policy report was approved by the Board of Directors on 22 May 2023 and signed on its behalf by

Michael O'Donnell
Remuneration Committee Chair

Audit Committee Report

The Audit Committee is appointed by the Board from the Non-Executive Directors of the Company. The Audit Committee's terms of reference include all matters indicated by Disclosure Guidance and Transparency Rule 7.1, the UK Corporate Governance Code, and the new FRC ethical standard.

Committee members and attendance

Member	Number of meetings attended
Laela Pakpour Tabrizi – Chair	●●●
Richard Cotton – Member (until 21 July 2022)	●●●
Anna Keay – Member	●●●
Vince Niblett – Member	●●●
Michael O'Donnell – Member	●●●
Heather Savory – Member	●●●

● attended
● absent
● not applicable

Introduction

The terms of reference are considered annually by the Audit Committee and are then referred to the Board for approval. The terms of reference are available on the Company's website. <https://corporate.bigyellow.co.uk/investors/corporate-governance>

The Audit Committee is responsible for:

- monitoring the integrity of the financial statements of the Group and any formal announcements relating to the Group's financial performance and reviewing significant financial reporting judgements contained therein;
- reviewing the Group's internal financial controls and the Group's internal control and risk management systems, including consideration of the need for an internal audit function;
- making recommendations to the Board, for a resolution to be put to the shareholders for their approval in general meetings, on the appointment of the external auditor, and the approval of the remuneration and terms of engagement of the external auditor;
- assessing and challenging estimates and judgements included within the financial statements;
- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements; and
- ensuring the external auditor only provides those services permitted by the Ethical Standard of the FRC.

The Audit Committee is required to report its findings to the Board, identifying any matters on which it considers that action or improvement is needed, and make recommendations on the steps to be taken.

This year the Committee has continued to focus on the narrative reporting and corporate governance disclosures in the Annual Report. The Committee was asked by the Board to review the statement by the Directors that the Annual Report presents a fair, balanced, and understandable view of the Group's position and performance, strategy, and business model. The Committee also reviewed the Group's going concern and viability statements.

All Audit Committee members are expected to be financially literate. Furthermore, the Audit Committee structure requires the inclusion of one financially qualified member (as recognised by the Consultative Committee of Accountancy Bodies). Vince Niblett, as a Fellow of the Institute of Chartered Accountants of England and Wales and Laela Pakpour Tabrizi as an experienced Finance Director, currently carrying out that role at Consumer Converged at Virgin Media O2, fulfil that requirement.

The Group provides an induction programme for new Audit Committee members and ongoing training to enable all of the Committee members to carry out their duties. The induction programme covers the role of the Audit Committee, its terms of reference and expected time commitment by members and an overview of the Group's business, including the main business and financial dynamics and risks. New Committee members also meet some of the Group's staff. Ongoing training includes attendance at formal conferences, internal company seminars and briefings by external advisers.

Meetings

The Audit Committee is required to meet three times per year and has an agenda linked to events in the Group's financial calendar. The agenda is predominantly cyclical and is therefore approved by the Audit Committee Chair on behalf of her fellow members. Each Audit Committee member has the right to require reports on matters of interest in addition to the cyclical items.

The Audit Committee invites the Chief Executive, Chief Financial Officer, Financial Controller, and senior representatives of the external auditor to attend its meetings in full, although it reserves the right to request any of these individuals to withdraw. The Committee meets as required with the external auditor without the Executive Board Directors or senior management present. Other senior management are invited to present such reports as are required for the Committee to discharge its duties.

Overview of the actions taken by the Audit Committee to discharge its duties

Since the beginning of the financial year the Audit Committee has:

- reviewed published financial information including the year-end results, Annual Report, half year results and the Quarterly Trading Statements, including review of Alternative Performance Measures used by the Group;
- considered whether the Annual Report provides a fair, balanced, and understandable view of the Group's position and performance, strategy, and business model;
- assessed and concluded on the Group's viability statement and the going concern assessment for the annual and half yearly financial statements;
- considered the output from the Group-wide process used to identify, evaluate, and mitigate risks;
- reviewed the effectiveness of the Group's internal controls and disclosures made in the annual report and financial statements on this matter, and considered the impact of the BEIS review on the Group;

- reviewed and agreed the scope of the audit work to be undertaken by the external auditor;
- agreed the fees to be paid to the external auditor for their audit of the financial statements and review of the half-yearly report;
- considered and agreed the approach of performing Directors' valuations of investment properties for the half-year report;
- undertaken an assessment of the qualification, expertise and resources, and independence of the external auditor and the effectiveness of the audit process;
- considered the audit partner and audit firm rotation;
- undertaken an evaluation of the performance of the external auditor and assessed their effectiveness;
- held discussions with the auditors on key judgements;
- considered the need for an internal audit function;
- considered the FRC ethical standard governing non-audit services and audit committees;
- reviewed the arrangements for "whistleblowing" by employees to ensure that there is a consistent policy in the Group to enable employees to voice concerns particularly in respect of possible financial reporting improprieties. A whistleblowing policy is included in the employee handbook and there is an external whistleblowing monitoring service;
- met the Group's external valuers and considered their competence and independence;
- met the Group's Store Compliance Manager;
- reviewed the Audit Committee's Report; and
- reviewed its own effectiveness.

Financial Reporting Council Correspondence

During 2022, correspondence was received from the Financial Reporting Council ("FRC") which confirmed that the FRC had conducted a review of the Group's Annual Report and Financial Statements for the year ended 31 March 2022. The FRC did not raise any formal comments which required a response from the Company. Instead, the FRC noted certain matters which the Company should consider in the preparation of its Annual Report and Financial Statements for the year ended 31 March 2023. The Company has considered the matters noted by the FRC and has included certain additional information and disclosures, where material and relevant, in the 2023 Annual Report and Financial Statements. The Committee reviewed management's response to the matters noted by the FRC, and considers the additional information and disclosure included in the 2023 Annual Report and Accounts to be appropriate. It should be noted the correspondence from the FRC provides no assurance that the annual report and accounts are correct in all material respects; the FRC's role is not to verify the information provided but to consider compliance with reporting requirements. The FRC accepts no liability for reliance on this letter by the company or any third party, including but not limited to investors and shareholders.

Audit Committee Report continued

Financial reporting and significant financial judgements

The Committee reviews all financial information published by the Group in year-end and half-year financial statements, including the presentation and disclosure of the financial information. It also considers the appropriateness of the accounting policies adopted by the Group and the accounting judgements made by management in the preparation of the financial information.

The Committee has considered whether the Annual Report for the year ended 31 March 2023 provides a fair, balanced, and understandable view of the Group's position and performance, strategy, and business model and whether it provides the necessary information to enable shareholders and prospective shareholders to assess the Group's position and performance, strategy, and business model. The Committee is satisfied that the Annual Report for the year ended 31 March 2023 provides a fair, balanced, and understandable view and includes the necessary information as set out above. The Committee has confirmed this to the Board, whose statement is included in the Statement of Directors' Responsibilities on page 125.

The Committee focuses on matters it considers important in their impact on the reported results of the Group, and on matters where there is a high degree of complexity and/or judgement.

The critical accounting estimate that the Committee focuses on at the reporting date is the valuation of the investment property portfolio. This is carried out by independent external valuers, but by its nature it is subjective, with significant judgement applied to the valuation, particularly given the lack of transactional evidence for prime self storage assets. The Chair of the Committee met the external valuers to discuss the valuations, review the key judgements, and discussed whether there were any disagreements with management. This year the Committee reviewed and challenged the valuers on the cap rates, rental growth assumptions and stabilised occupancy levels, to agree on the appropriateness of the assumptions adopted. The Committee also met with the external valuers and satisfied itself on their independence, their quality control processes (including peer partner review) and qualifications to carry out the valuations. Management also have processes in place to review the external valuations. In addition, the external auditors use valuation specialists to review the valuations and report their findings and conclusions to the Audit Committee.

The Committee has also considered a number of other judgements made by management in the preparation of the financial statements. The Committee has concluded that there are not significant levels of judgements involved, other than the valuation described above.

There has been no change to the other key judgement included in the financial statements, which is that the Group's stores should be accounted for as Investment Property.

Management has reported to the Audit Committee that they are satisfied that they are not aware of any material misstatements in the financial statements. The external auditors confirmed in their report to the Audit Committee that they had not found any material misstatements during their audit work.

Based on the above, the Committee concluded that the financial statements appropriately apply the key estimates and critical judgements, in respect of the disclosures and the amounts reported. The Committee also concluded that the annual report and financial statements, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Group's position and performance, strategy, and business model.

External auditor

The Audit Committee is responsible for the development, implementation, and monitoring of the Group's policy on external audit. The policy assigns oversight responsibility for monitoring the independence, objectivity, and compliance with ethical and regulatory requirements to the Audit Committee, and day-to-day responsibility to the Chief Financial Officer. The policy states that the external auditor is jointly responsible to the Board and the Audit Committee and that the Audit Committee is the primary contact.

To fulfil its responsibility regarding the independence of the external auditor, the Audit Committee reviewed:

- the external auditor's plan for the current year, noting the role of the senior statutory audit partner, who signs the audit report and who, in accordance with professional rules, has not held office for more than five years, and any changes in the key audit staff;
- the arrangements for day-to-day management of the audit relationship;
- a report from the external auditor describing their arrangements to identify, report and manage any conflicts of interest; and
- the overall extent of non-audit services provided by the external auditor, in addition to its case-by-case approval of the position of non-audit services by the external auditor.

Audit rotation

During 2016 following a robust tender process, the Committee appointed KPMG LLP as auditors. As part of the tender process, the Committee reviewed KPMG's proposals for the audit and determined that they had an appropriate plan in place to carry out an effective audit. KPMG confirmed to the Committee that it maintained appropriate internal safeguards to ensure its independence and objectivity. Anna Jones is the current audit partner, and this is the second year that she has been the signatory to the Group's financial statements.

The Company is in compliance with the requirements of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 and the Code. The Order became effective for financial years beginning on or after 1 January 2015 and applies to the Company with effect from the financial year ended 31 March 2016. To comply with the Order the Company intends to conduct a formal tender process for audit services during the financial year ending 31 March 2027. The Committee considers this timing to be in the best interests of the Company, as it allows for a new lead audit partner to be appointed (in accordance with the Order) and conduct a full year audit ahead of the formal audit tender process.

Annual auditor assessment

The Audit Committee has adopted a formal framework in its review of the effectiveness of the external audit process and audit quality which include the following areas:

- the arrangements for ensuring the external auditor's independence and objectivity;
- the senior statutory auditor and the audit team;
- the external auditor's fulfilment of the agreed audit plan and variations from the plan;
- the quality of the formal audit report to shareholders;
- the effectiveness of the external audit process, taking into consideration relevant UK professional and regulatory requirements;
- the robustness and perceptiveness of the auditor in his handling of the key accounting and audit judgements; and
- the content of the external auditor's comments on control improvement recommendations.

Regard is paid to the nature of, and remuneration received, for other services provided by KPMG LLP to the Group and, inter alia, confirmation is sought from them that the fee payable for the annual audit is adequate to enable them to perform their obligations in accordance with the scope of the audit. The only non-audit service provided is the auditors' review of the half year report.

Non-audit work

The Group's policy on external audit sets out the categories of non-audit services which the external auditor will and will not be allowed to provide to the Group, including those that are pre-approved by the Audit Committee and those which require specific approval before they are contracted for, subject to de minimis levels. The Group's non-audit policy reflects the Ethical Standard on Non-Audit Services which came into effect on 15 March 2020. The Committee's policy is that the auditors will not be asked to carry out non-audit work with the exception of the half year review and regulatory and bank required reporting.

More generally, the auditors may not provide a service which places them in a position where they may be required to audit their own work. Specifically, they are precluded from providing services relating to bookkeeping, financial information system design and implementation, appraisal or evaluation services, actuarial services, any management functions, taxation advisory services, investment banking services, legal services unrelated to the audit or advocacy services.

In respect of the year ended 31 March 2023, the auditor's remuneration comprised £537,000 for audit work and £60,000 for other work, solely relating to the interim review. Over a three year rolling period, the level of non-audit fees is below the audit fee, with non-audit fees representing 14% of audit fees in 2022 and 10% in 2021.

Risk management and internal control

The Committee and the Board reviewed the internal control processes of the business and the Group's risk register during the year. The risks and uncertainties facing the Group, and its internal control processes are considered in the Strategic Report on pages 44 to 49.

Internal audit

The Committee has considered the Board's view that, given the relatively straightforward nature of the Group's business and the control environment in place, no formal internal audit function is required. The Group has a store compliance team, which effectively carries out an internal audit role for the Group's stores, visiting each store twice a year. This provides the Committee comfort over the store related aspects of the Group's business. The Committee meets with the Store Compliance Manager as required, and at least once a year.

Additionally, on a regular cycle, the Board appoints external consultants to assess specific business areas of risk and provide a report to the Board and the Committee on this area. The cycles covered by this activity include construction expenditure, treasury, taxation, and facilities management. This gives the Committee comfort over the controls over key business cycles within the Company.

With the combination of the store internal audit and the external assessment of the key business cycles, the Committee considers that this provides a robust internal audit assessment for the Group.

Overview

As a result of its work during the year, the Audit Committee has concluded that it has acted in accordance with its terms of reference and has ensured the independence and objectivity of the external auditor.

The Chair of the Audit Committee will be available at the Annual General Meeting to answer any questions about the work of the Committee.

Approved by the Audit Committee and signed on its behalf by:

Laela Pakpour Tabrizi
Audit Committee Chair

22 May 2023

Directors' Report

The Directors present their annual report on the affairs of the Group, together with the audited financial statements and auditor's report for the year ended 31 March 2023. The Report on Corporate Governance on pages 81 to 87 forms part of this report.

Details of significant events since the balance sheet date are included in note 25 to the financial statements. An indication of likely future developments in the business of the Company is included in the strategic report.

Included in note 18 are the Group's financial risk management objectives and policies and an indication of the Group's exposure to certain risks. Those elements of that note form part of this report and are incorporated by reference.

Dividends

The Directors are recommending the payment of a final dividend of 22.9 pence per share for the year (2022: 21.4 pence per ordinary share). An interim dividend of 22.3 pence per share was paid in the year (2022: 20.6 pence per share).

All of the 45.2 pence per share payable for the year is a Property Income Distribution.

Subject to approval by shareholders at the Annual General Meeting to be held on 20 July 2023, the final dividend will be paid on 28 July 2023. The Ex-div date is 6 July 2023 and the Record date is 7 July 2023.

From April 2018 dividend tax credits have been replaced by an annual £2,000 tax-free allowance on dividend income across an individual's entire share portfolio. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company will continue to provide registered shareholders with a confirmation of the dividends paid by Big Yellow Group PLC, and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

SECR and mandatory GHG reporting

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ('SECR') came into force on 1 April 2019 and applies to companies with financial years starting on or after 1 April 2019.

The 2018 Regulations define what must be included in the Directors' Report, namely:

- Annual Greenhouse Gas (GHG) emissions from activities for which the Company is responsible including combustion of fuel and operation of any facility, such as such as our flexi-office gas heating, reception area air conditioner coolant replacement, one Company van diesel fuel use emissions and fit-out 'diesel' use emissions (assuming qualifying fit-out activities have taken place during the year);
- Annual emissions from the purchase of electricity, heat, steam or cooling by the Company for its own use, such as the electricity for our stores and construction fit-out activities;
- Underlying global energy use;
- Previous year's figures for energy use and GHG;
- At least one intensity ratio metric;
- Energy efficiency action taken; and
- Methodology used.

We will also continue to report on our Scope 3 emissions: Electricity supplier 'transmission and distribution' emissions and 'employee business travel (from car mileage claims only)'. This year for the first time we have included grid bought electricity used and measured by third party telecoms masts. Consumption is reported bi-annually and deducted from Big Yellow's Scope 2 data. The standard grid bought electricity conversion factors are applied. Voluntary GHG emissions, from our waste and water supply chains, are assessed as 'not material'. We will also retain the practice of reporting our previous few years of performance to show longer term trends.

The 'Market based emission' reported here reflect the emissions associated with the electricity tariff we have purchased; whereas 'Location-based emissions' are emissions associated with the UK grid and applies the required DEFRA conversion factors. Where we have not indicated market-based or location-based figures, location-based can be assumed.

Please note, our operations are solely based in the UK, and we therefore will be reporting a single geographical scope – UK and offshore area only.

a) Data

Year ended 31 March		2021 Total Restated to include Armadillo	2022 Total	2023 Total
GHG Scope 1 total tCO ₂ e	Total Scope 1 Emissions (location-based)	279.8	294.9	232.8
GHG Scope 2 total tCO ₂ e	Total Scope 2 Emissions (location-based)	2,563.8	2,368.3	2,130.1
GHG Scope 2 total tCO ₂ e	Total Scope 2 Emissions market-based	0.0	0.0	0.0
Total GHG Scope 1 & 2 Total tCO ₂ e	Total Scope 1&2 Emissions (location-based)	2,843.6	2,663.2	2,362.9
Total GHG Scope 1 & 2 Total tCO ₂ e	Total Scope 1&2 Emissions (market-based)	279.8	294.9	232.8
Scope 3 total tCO ₂ e	Electricity transmission losses	224.0	208.6	192.8
	Telecoms emissions on our sites	174.0	178.1	177.0
	Employee business travel	76.1	92.8	140.9
Total Scope 3 total tCO ₂ e	Electricity transmission losses, telecoms emissions, employee business travel	474.1	479.5	510.7
kgCO ₂ e / revenue (£000s) – location-based	Greenhouse Gas (GHG) emissions intensity from building energy consumption	18.6	15.1	12.5
kgCO ₂ e / revenue (£000s) – market-based	Greenhouse Gas (GHG) emissions intensity from building energy consumption	1.8	1.7	1.2
kgCO ₂ e / Occupied space	Greenhouse Gas (GHG) emissions intensity from building energy consumption (Scope 1 and 2 location-based)	6.3	5.4	5.0
kgCO ₂ e / CLA	Greenhouse Gas (GHG) emissions intensity from building energy consumption (Scope 1 and 2 location-based)	5.1	4.7	4.0
Energy data 4	Underpinning Scope 1 and 2 emissions data (kWh)	12,777,915.1	12,750,155.2	12,271,496

Notes to the data table: Regarding restating each year, the last 3 months of our emissions data is reported using prior year's conversion factors, due to an emission factor publication lag – we operate on a 'best available data' principle and will therefore restate each year.

Regarding Market based emissions, as of 1 October 2019 we purchase Rego backed 100% renewable energy from Opus Energy, so are able to provide both location-based and market-based CO₂e emissions.

The three location-based intensity metrics are calculated from the location-based Scope 1&2 totals. The one market-based intensity metric is calculated from the market-based Scope 1 & 2 totals.

b) Methodology for calculating emissions

Scope 1, Gas

Data collection: Big Yellow gas data – and some of our Armadillo gas data – is metered and automatically transmitted into our energy and emission reporting platform, Envizi. Gas use for the remaining stores with gas is obtained from supplier invoices and manually uploaded onto Envizi. This process is part of the assurance work undertaken by SGS each year. Any gaps are accrued.

Calculations: Our software platform, Envizi, contains our consumption data as well as the current BEIS emission factors. These are used to calculate emissions automatically when our reports are produced. Our annual data straddles two emission factor years; as soon as the latest factors are released, our partners ensure Envizi contains the most up to date set and this is applied against the relevant data set.

Scope 1, Van

Data collection: our maintenance manager records any miles driven to service our stores. The data is collected quarterly and sent to our partners for uploading into Envizi. Envizi commutes the mileage data into emissions.

Calculations: km travelled x emission conversion factor for a diesel average van (up to 3.5 tonnes) in km/kgCO₂e / 1000 to convert to tCO₂e.

Scope 1, Fit-out diesel

Data collection: diesel consumption used on our fit-out construction projects is collected manually by the construction team and reported weekly in the Construction Fit-Out report. The final report for the financial year is used to assess the overall diesel consumption during the year.

Calculation: the total diesel consumption in litres converted to kWh using the gross CV kWh/litre for Diesel (average biofuel blend) x emission conversion factor in kWh (Gross CV)/kgCO₂e for a Diesel (average biofuel blend) / 1000 to convert to tCO₂e.

Scope 2, Location-based, electricity

Data collection: Big Yellow electricity data – and most of our Armadillo electricity data – is metered and automatically transmitted into our energy and emission reporting platform, Envizi. Electricity used for the remaining stores is obtained from supplier invoices and manually uploaded onto Envizi. This process is part of the assurance work undertaken by SGS each year. Any gaps are accrued.

Calculations: Our software platform, Envizi, contains our consumption data as well as the current DEFRA emission factors. These are used to calculate emissions automatically when reports are produced. Our annual data straddles two emission factor years; as soon as the latest factors are released, our partners ensure Envizi contains the most up to date set and this is applied against the relevant data set.

Scope 2, Market-based, electricity

Data collection: the same as for location-based electricity.

Calculations: instead of applying the location-based emission factors, we manually set electricity emissions at 0 as we have been purchasing 100% Rego backed electricity since 1st October 2019. For total Scope 1 & 2 emissions, market-based, we set Scope 2 at 0 and Scope 1 the same as per above.

Directors' Report continued

Scope 3, Electricity transmission and distribution losses

Data collection: we use data collected for the location-based grid bought electricity data.

Calculation: the total grid supplied electrical consumption in kWh x T&D emission conversion factor in kWh/kgCO₂e / 1000 to convert to tCO₂e.

Scope 3, Telecoms masts

Data collection: we use the data collected by the company who installs and operates 3rd party telecoms masts at 17 of our store locations. The consumption for these masts is reported bi-annually via spreadsheet and manually uploaded into our software platform, Envizi.

Calculations: The standard grid-bought electricity conversion factors are applied.

Please note, when the consumption data is uploaded into Envizi it is posted as a negative amount to ensure it is deducted from our own, grid-bought electricity consumption.

Scope 3, Employee business travel

Data collection: we use our employee expenses reimbursement data held in our Finance system to calculate business miles travelled.

Calculation: using 'cars (by size) Average car' conversion factors, we multiply the miles travelled reimbursed with the BEIS/DEFRA factor to arrive at the emissions, for business travel.

Please note that we produce a yearly Basis of Reporting document which sets out the methodology we use for all of our KPIs, including GHG emissions.

We have included a special section for the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

c) Energy efficiency measures

Background

We have a long-standing strategy of pro-actively managing our energy consumption and seeking to become an ever more efficient business. We have reported progress over the years both in our Annual Reports as well as in our standalone annual ESG Reports; all these are available online in our Investor and Sustainability sections respectively.

Between 2012 and 2017 we undertook a company-wide upgrade of our lighting to LED and to install motion sensor controls to ensure lights are only used when customers need them; plus a small amount of the permanent emergency lighting was improved to LED.

Although most of that work has been completed, a small number of 'mop-up' LED activities continue to take place, especially where we have not been able to gain access to customers' units to execute the changeover.

With the acquisition of the remaining 80% of Armadillo in 2021, we have identified several Armadillo stores with the potential for upgrading to half hour ("HH") automatic meter reading. This work was commissioned last year and is ongoing.

All other stores' electricity meters and gas meters are fitted with HH automatic meter readers; the data is available to us via an externally hosted platform and used by the internal Environmental Committee to review our performance on a quarterly basis.

During last year, we commenced on a programme to remove the gas central heating & hot water boilers at a number of our stores with the aim of decarbonising our business by 2030. This programme is ongoing.

We have completed the preliminary phases of a solar retrofitting programme. We have also committed to expanding this programme to cover all stores that are able to hold solar. This year we have added a further 3,464kWp of capacity to 23 stores.

The two new stores that were opened during the year (Harrow and Kingston North) were fitted with 50 & 85kWp solar installations. We also acquired a Store in Aberdeen during the year which had an existing 50kWp installed.

Most recent ESOS assessment findings and resulting actions

Our ESOS Phase 2 assessment has emphasised the fact that due to the non-complex nature of our stores, we are limited by the amount of potential energy saving measures we are able to undertake.

Our independent ESOS assessor's recommendations therefore focused on increasing our existing Solar PV estate. This recommendation is in alignment with our broader Sustainability Strategy.

During the year, we have installed solar systems at 25 stores:

- Three newly build/acquired stores, with a total installed capacity of 185kWp amongst them
- 23 stores were retrofitted with solar totalling a capacity of 3,464kWp

During the year, we have generated 1,681,230kWh of solar energy (an increase of 94% from the previous year), thereby (a) reducing our energy demand from the grid by the kWh we are using on site and (b) increasing the grid's renewable mix by exporting part of our energy as the size of our solar installations exceed our demand.

During the year, we have had our science-based targets verified by the SBTi.

Capital structure

Details of the authorised and issued share capital, together with details of the movements in the Company's issued share capital during the year are shown in note 22. The Company has one class of ordinary shares which carry no right to fixed income. Each share carries the right to one vote at general meetings of the Company.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

Details of employee share schemes are set out in note 23, and details of shares held by the Company's Employee Benefit Trust are set out in note 22.

No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Corporate Governance Code, the Companies Acts and related legislation. The Articles themselves may be amended by special resolution of the shareholders. The powers of Directors are described in the Report on Corporate Governance on page 82.

There are a number of agreements that take effect, alter, or terminate upon a change of control of the Company such as commercial contracts, bank loan agreements, property lease arrangements and employee share plans. The Directors are not aware of any agreements between the Company and its Directors or employees that provide for compensation for loss of office or employment that occurs because of a takeover bid.

During the year the Company issued 298,595 shares to satisfy the exercise of share options (2022: 334,970).

Directors

The Directors of the Company who served throughout the year and to the date of approval of the financial statements, except as noted below, were as follows:

Richard Cotton	Non-Executive Director (retired from the Board on 21 July 2022)
Jim Gibson	Chief Executive Officer
Anna Keay	Non-Executive Director
Adrian Lee	Operations Director (retired from the Board on 21 July 2022)
Vince Niblett	Senior Independent Director
Michael O'Donnell	Non-Executive Director
Heather Savory	Non-Executive Director
Laela Pakpour Tabrizi	Non-Executive Director
John Trotman	Chief Financial Officer
Nicholas Vetch	Executive Chairman

Biographical details of the Executive and Non-Executive Directors standing for re-election are set out on pages 78 to 80.

Directors' indemnities

The Company purchases liability insurance covering the Directors and officers of the Company and its subsidiaries.

Political contributions

No political donations were made by the Company in either the current or preceding financial year.

Substantial shareholdings

The Company had been notified, in accordance with Chapter 5 of the Disclosure Guidance and Transparency rules, of the following voting rights as a shareholder of the Company at 31 March 2023 and 22 May 2023.

	No. of ordinary shares 31 March 2023	Percentage of voting rights and issued share capital 31 March 2023	No. of ordinary shares 22 May 2023	Percentage of voting rights and issued share capital 22 May 2023
Blackrock Inc	19,362,947	10.5%	19,511,737	10.6%
The Vanguard Group Inc	8,733,881	4.7%	8,776,322	4.8%
MFS Investment Management	7,893,045	4.3%	7,862,492	4.3%
FMR LLC	6,744,811	3.6%	7,091,693	3.8%
State Street Global Advisors	5,857,131	3.2%	5,938,215	3.2%

n/d – interest not disclosable at the applicable date.

The interest of the Directors in the share capital of the Company is shown on page 110 of the Remuneration Report.

Directors' Report continued

Purchase of own shares

The Company was granted authority at the AGM in 2022 to purchase its own shares up to a total aggregate value of 10% of the issued nominal capital. That authority expires at this year's AGM and a resolution will be proposed for its renewal. During the year the Company made no purchases of its own shares.

Employee consultation

The Group seeks to ensure employee commitment to its objectives in a number of ways. Strategic changes are communicated directly to all staff who are encouraged to address queries to the Executive Directors. The Directors' executive meetings are frequently held in stores and in addition Directors and senior management visit the stores on a regular basis. Furthermore, there are regular team briefings at store level to provide employees with information about the performance of and initiatives in their store. A wide range of information is also communicated across the Group's Intranet, including the e-publication of the Group's financial results and all press releases, and regular updates from each Department.

As discussed in the Corporate Governance Report, the Board has appointed a designated Non-Executive Director, Anna Keay, to act as the primary method of workforce engagement for Big Yellow in accordance with the Corporate Governance Code.

Employees are encouraged to participate in the Group's performance through Employee Share Schemes and performance related bonuses. 53% of eligible employees participate in the Group's Sharesave Scheme.

The Group's recruitment policy is committed to promote equality, judging neither by race, nationality, religion, age, gender, disability, sexual orientation, nor political opinion and to treat all stakeholders fairly.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Human Rights

Big Yellow respects Human Rights and aims to provide assurance to internal and external stakeholders that we are committed to human rights and the principles of the Universal Declaration of Human Rights.

We are committed to creating and maintaining a positive and professional work environment that reflects and respects the basic rights of freedom to lead a dignified life, free from fear or want, and where stakeholders are free to express their independent beliefs. Our employment policies and practices reflect a culture where decisions are made solely on the basis of individual capability and potential in relation to the needs of the business.

Modern Slavery Act

The Group is committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Anti-slavery Policy reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains. Our policy is published in full on our website.

Auditor

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he/ she ought to have taken as a Director to make himself/ herself aware of any relevant audit information and to establish that the Company's auditors is aware of that information.

This confirmation is given and should be interpreted in accordance with s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board

Shauna Beavis

Company Secretary

22 May 2023

Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements

The Directors are responsible for preparing the Annual Report and the Group and parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the parent Company financial statements in accordance with UK accounting standards and applicable law, including FRS 101 Reduced Disclosure Framework.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant, reliable, and in respect of the parent Company financial statements only, prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- for the parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the parent Company financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that complies with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Disclosure Guidance and Transparency Rule 4.1.14R, the financial statements will form part of the annual financial report prepared using the single electronic reporting format under the TD ESEF Regulation. The auditor's report on these financial statements provides no assurance over the ESEF format.

Responsibility statement of the Directors in respect of the annual financial report

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the strategic report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

We consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

This responsibility statement was approved by the Board of Directors on 22 May 2023 and is signed on its behalf by:

Jim Gibson
Chief Executive Officer

John Trotman
Chief Financial Officer