







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.

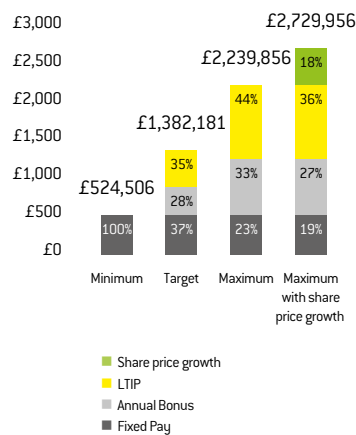
Illustrations of application of Remuneration Policy

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

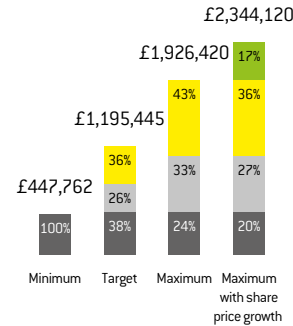
The assumptions used in determining the level of pay out under given scenarios are as follows:

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.			

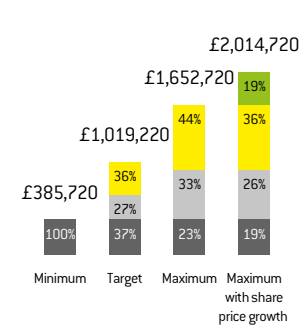
Chief Executive



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.

Governance Report

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.

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		
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	

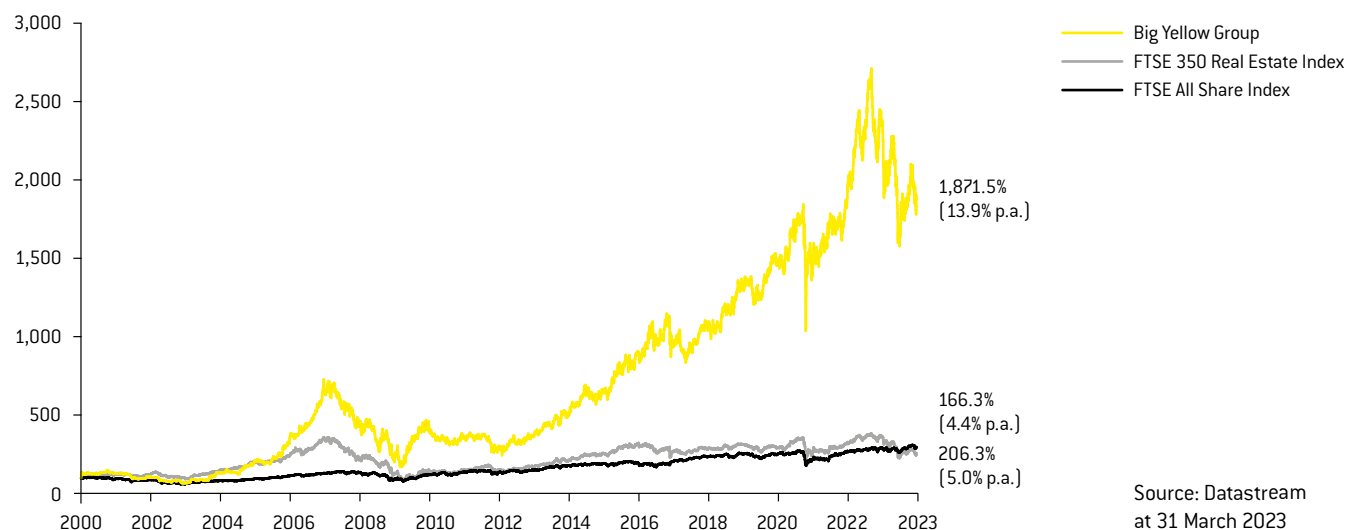
* For Adrian Lee, the information is shown to 21 July 2022, the date he stepped down from the PLC Board.

⁽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.

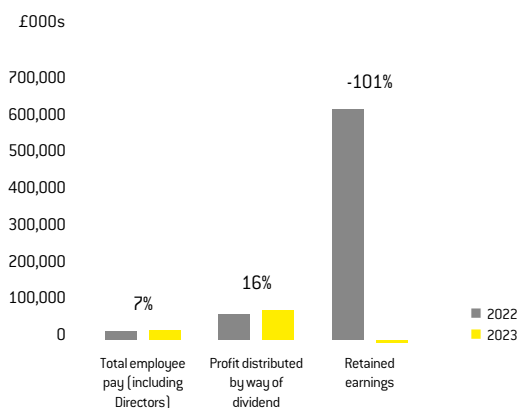
The Directors are invited to be present at this review of the proposals for salary increase for the employee population generally and on any other changes to remuneration policy within the Company. The information presented at this review is taken into consideration when setting the pay levels of the 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