

Environmental, Social and Governance Report

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



Introduction

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

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

Our CSR Policy covers all Big Yellow’s activities, which now includes 85 Big Yellow stores, 24 Armadillo stores, and 14 proposed stores in the development pipeline, as both an operator of self storage facilities and a developer of new self storage facilities. We recognise that our operations can have significant economic, environmental, and social impacts. We are therefore committed to assessing our ESG risks and opportunities, and taking appropriate steps to mitigate negative impacts and, where possible, enhance positive impacts for the benefit of our business, our stakeholders, and our local environment.

The governance of our sustainability activities is delivered by the Board level Sustainability Committee, chaired by Heather Savory. For an update on the activities of the Committee please see the Sustainability Committee Report on **page 94**. Heather, along with the Board, oversees the sustainability agenda delivered by the Environmental Committee and the Head of Sustainability.

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

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

Our health and safety reporting is stated in accordance with the UK Health and Safety Executive guidance. You can read more about our business model on **page 22** of the Annual Report.

1. ESG executive summary

1.1 CEO introduction

Following the external verification of our Science Based Targets last year, this year we have focussed on reporting and improving our understanding of the carbon within our buildings. Following the introduction of the Corporate Sustainability Reporting Directive (“CSRD”) in the EU many of our peers will be overhauling the fundamentals of their reporting and auditing process within the ESG space. Although we are not mandated to do this, we have decided to align our reporting with CSRD. We believe this standard will be viewed as best practice also for UK listed companies and we wish our reporting to be directly comparable to our EU peers.

We have partnered with an ESG consultancy and embarked on a Double Materiality Assessment of the business to get an understanding from our stakeholders, both internal and external, of the material environmental issues related to Big Yellow’s activities. This set of topics will inform our revised KPIs and reporting structure.

We have also started a detailed review of the design and build of our new construction projects with a clear focus on the embodied carbon. This builds on the reporting needed for BREEAM and includes Whole Lifecycle Assessments on our construction projects during design and post construction. We intend to use the findings to inform our design process in the future with the aim of reducing embodied carbon and improving the sustainability of our buildings.

Given the size of our development programme and our buildings being an important part of our business we have decided to bring all the relevant information about our buildings into its own chapter within this ESG report.

At Board level, our Sustainability Committee, chaired by Heather Savory, are pleased with the progress made with the solar retrofit programme. We have installed solar on new stores since 2008 and started phase 1 of our solar retrofit programme in 2021. In 2023 it was decided to extend the program from the 36 originally identified stores to the whole estate so that, where possible, every store can benefit from renewable onsite power in the future. Phase 3 of this process is almost complete taking the total to 35 stores at a cost of £13.6 million.

Following the pilot installation of a battery project at Guildford we have considered new options and decided to use a different supplier and a larger battery. This will be tested at our Slough Farnham Road centre which is currently under construction and due to open this summer.

The Big Yellow Foundation has had a successful year this year with £255,700 donated to our seven charity partners all of whom are focussed on the rehabilitation of vulnerable young people and adults into meaningful work. The Foundation was set up in 2018 and over the last six years we have donated over £1 million to this cause.

We continue to provide free space to small local charities and community organisations across our network. In the year under review this amounts at current rents to a total of £0.8 million in value of donated space.

At Big Yellow we embrace both the Environmental and Social pillars of our ESG initiatives. We firmly believe that our journey towards achieving Net Zero targets, the impactful efforts of The Foundation, and our donations of space to local charities are all interconnected. Each action we take is not just about making a difference in the environment; it’s about fostering stronger, more vibrant communities in the local neighbourhoods of our stores. We are not only doing what is the right thing to do but making a real, tangible impact, both for the local environment and all our stakeholders. I would like to thank all those involved throughout the business.

Jim Gibson
Chief Executive Officer

May 2024

Environmental, Social and Governance Report continued

1.2 Climate Change and our Business – looking forward

We have a well-established strategy which we have been working towards since 2021. Building on this by setting Science-Based Targets (“SBTs”) last year, this year we have gone a step further. The announcement of the Corporate Social Reporting Directive (“CSRD”) for EU businesses has given us the opportunity to consider our own reporting structure. Although we are not obligated to report under the CSRD, we want our stakeholders to be able to compare us with our REIT and Self Storage peers with ease. We can also see the benefit of the transparent approach the directive has taken, and with these factors in mind, we have aligned ourselves to the directive.






The biggest activity in this area has been to undertake a Double Materiality Assessment to understand how the material topics for the business have changed since the last materiality assessment. This time we have looked both at the impact of the environment on the business as well as the impact the business has on our local environment.

1.3 Sustainability performance overview

This year, after the completion of our Double Materiality Assessment (please see the Materiality section of our full ESG report for more details), we have also reviewed our ongoing Key Performance Indicators (“KPIs”). We have rationalised these to distil them down to the most important areas of focus for us. In the table below are the 14 KPIs and the progress we have made against them during the financial year ended 31 March 2024. The KPIs are derived from the whole range of topics discussed in this report and then related to both the CSRD topic where appropriate and the UN Sustainable Development Goals (“UNSDGs”).






Although we are aligning ourselves to the CSRD there is no requirement for us to comply with the directive as we do not have any assets in the EU. We have identified appropriate KPIs for seven of our nine material topics. The remaining two are covered in our ESG Report or Annual Report. Risk Management is handled in our TCFD section and Management, Site Acquisition and Growth Strategy in the Our Buildings section of this document.

The tables below show the Group’s performance against Sustainable Development Goals (“SDG”).

UN SDG	Topic	CSRD	KPI	Progress
Our Environment				
	Scope 1&2 Emissions	Energy Management	70% reduction to 948 tCO ₂ e by 2032	2,237 tCO ₂ e* A 29% reduction to date
	Total installed solar	Renewable Energy	Total installed capacity increase to 11,479 kWp by March 2028	6,627 kWp* 58% progress towards target
	Scope 3 / Embodied carbon	Carbon Management	This is in early stages of development with the plan to have a KPI in the future	
Our People				
	Turnover of full-time staff		Maintain turn over below average UK Retail levels of 33% ¹⁴	14.0%*, turnover including part-timers is 18.1%
	A staff training KPI		Increase year on year of total hours trained, both male and female	28,088 hours* a 20% increase
Our Communities				
	Free space donation to local charities	Access & Affordability	Trajectory in line with targets in revolving credit facility	£796,123* exceeding this year’s target
	Customer donations & matched funds		Raise a minimum of £220k a year	£220,282*

⁽¹⁴⁾ ONS Employee turnover levels and rates by industry section, UK.



UN SDG	Topic	CSRD	KPI	Progress
Our Buildings				
	Estate EPCs	Sustainable Self Storage Design	Have all stores achieve a B or above by 2028	70 stores (64%) with B or above rating
	Biodiversity		Average Biodiversity Net Gain ["BNG"] per new store of over 10%	Kings Cross 2,583% net gain ¹⁵
Our Suppliers				
	Prompt payment		Pay 95% of invoices within 60 days	100%
Our Health, Safety & Information Security				
	Staff annual incident rate		AllR to stay lower than industry category average of 1,169 ¹⁶	647*
	Information security breaches	Cyber & Data Security	Maintain a minimal level of breaches	No reportable information security breaches in the past 3 years
Our Governance				
	ESG related LTIP vesting criteria – solar retrofit	Board Ownership & responsibility	Retrofitting solar panels on 30-40 stores between 2022 and 2025	35 stores retrofitted to date
	ESG related LTIP vesting criteria – green loan debt facility	Board Ownership & responsibility	30-50% of the group's total debt facilities being green loans by 2025	67% of the Group's total debt facilities at 31 March 2024 are green loans

For our climate-related risk and opportunity metrics, please see the TCFD section on **page 49**.

⁽¹⁵⁾ 500m² sedum green roof and 10 ornamental trees at street level detailed in BREEAM report – further info in our the Our Buildings Section.

⁽¹⁶⁾ Industry – Warehousing and support activities for transportation. SIC 52 – HSE Work-related non-fatal injuries to employees in Great Britain by detailed industry.

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2. Our Governance

Environmental responsibilities

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

Reporting compliance

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

Fines, notifications, penalties or settlements

There were no fines, notifications, penalties, or settlements received by the Company that are relevant to sustainability during the financial year ended 31 March 2024.

Approach

We have provided a specific section on energy, emissions, water, and waste, reporting against all environmental European Public Real Estate Association ("EPRA") indicators (and GRI where relevant). Having achieved 'Gold' status in terms of transparency and quality of our reporting during 2022/23 we continue to present our data in this format.

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

All the changes we make to our reporting are tabled in our Basis of Reporting document.

Benchmarking and standards

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

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

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

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

Assurance of data

We have commissioned SGS United Kingdom Ltd to carry out independent assurance of our Greenhouse Gas emissions disclosures and other select voluntary disclosures, predominantly at a limited level of assurance according to the International Organization for Standardization's (2006) ISO 14064-3. The full assurance statement is published in our ESG Report 2023-24. We have made the decision to have one KPI assured to a reasonable level this year. The reason for this is to start to prepare us for the transition of all KPIs so that we can align with the CSRD.



3. Our Environment

3.1 Highlights

- We now have 6.6MWp of solar generating capacity across 68 of our stores.
- Despite the opening of a new store and electrification of store heat in seven stores, our absolute scope 1&2 emissions have reduced.
- We have had REGO accreditation for 41 of our solar installations to enable us to sell the REGO certificates with our solar export.
- We have commissioned the next battery to extend our battery pilot at our new Slough Farnham Road store in July 2024.
- We completed an estate wide water review saving £45,000 per annum.

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

Our Net Renewable Energy Positive (“NREP”) and Net Zero Emissions strategy are in the 2nd year of delivery since being re-published in 2022.

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

The Company is tracking six initiatives to ensure the delivery of the strategy is on track, the headlines are below with further detail later in the report. The six initiatives are:

- a. Solar Generation: deliver retrofitting of 36 Big Yellow stores that currently do not have solar. This commitment has been further extended to cover all suitable roofs on the estate. *On track*
- b. Science-Based Targets: our Science-Based Targets have been set and externally verified by the SBTi. *Complete*
- c. Storage Batteries: first battery installed. We are working with a new battery provider for a second phase of the pilot, to be installed at our new Slough Farnham Road store. *On track*
- d. Estate Decarbonisation: first and second steps of our gas boiler replacement programme completed: seven gas boilers replaced with electric boilers in the year; a final four scheduled for the year ending 31 March 2025. *On track*
- e. Sustainable Construction: the Sustainability Committee reviewed the upfront investment the Company made to ensure all newly constructed stores were aligned with the retrofitted stores. From our Kingston North development onwards, all new stores are being equipped with the optimal capacity in the range 50kWp-200kWp subject to suitability of store roofs. *On track*
- f. Embodied Carbon of our construction projects: this is now being considered and assessed at RIBA 4 and 6 on a project by project basis. *In progress*



In a constantly developing landscape, we are faced with a number of variables in delivering the NREP Strategy and Net Zero Emissions Strategy through to 2032; we intend to report on progress on an annual basis as part of our ESG Report. We may also update the strategy document from time-to-time, as we continue to develop the strategy for the Armadillo stores and as the progression of our work is likely to uncover new options becoming available to us.

We have created a number of environmental communications to help our customers understand what we are doing and why. These include our Big Yellow Green campaign with a short video of the various sustainability features on our estate. During our customers’ online journey, we have several ESG facts on holding screens to share the detail. In all our solar stores there are displays showing how much energy has been created in the store that day rather than bought from the grid. We also use social media to share our sustainability messaging. We understand this is important to our customers and so we share our journey with them.

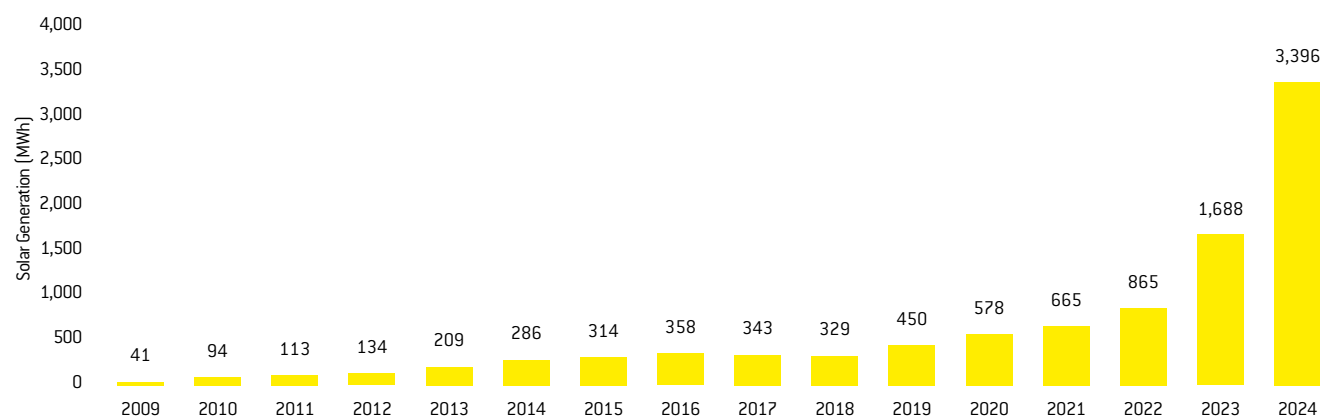
3.3 Energy

Our portfolio of stores with roof-mounted solar PV installations generates low carbon electricity that is monitored for performance and receives financial payments from the energy companies that we export to. We now have 68 stores that generate renewable solar electricity, with 17 new systems commissioned this year.

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Long Term Solar Electricity Generation



Having generated over 3 million kWh of power on our stores this year, we have saved over £400,000 in grid electricity bills. Once an export connection is established, which takes some time after the panel installation is complete, we are also able to sell any unused power back to the grid. Below is a summary of this year's financial benefits from our solar generation. This year we have also started to apply for Renewable Energy Guarantees of Origin ("REGO") accreditation for our stores. This means that we can receive certificates for every megawatt of electricity generated on our sites, adding another revenue stream to the business. This year we have managed to secure accreditation for 41 sites. This has generated additional revenue of £5,764. As the majority of these accreditations were granted midyear this number is set to grow further next year.

Financial benefits of solar generation

Year ended 31 March	2021	2022	2023 restated	2024
Solar Generation (MWh)	681	865	1,688	3,396
Store solar use (MWh)	391	557	1,514	2,600
Displaced grid energy savings (£)	£93,116	£121,065	£236,375	£438,447
FIT & PPA payments (£)	£108,951	£115,735	£135,352	£204,182
REGO payments (£)	New 2024	New 2024	New 2024	£5,764
Total savings (£)	£202,068	£236,800	£371,727	£648,392

Notes:

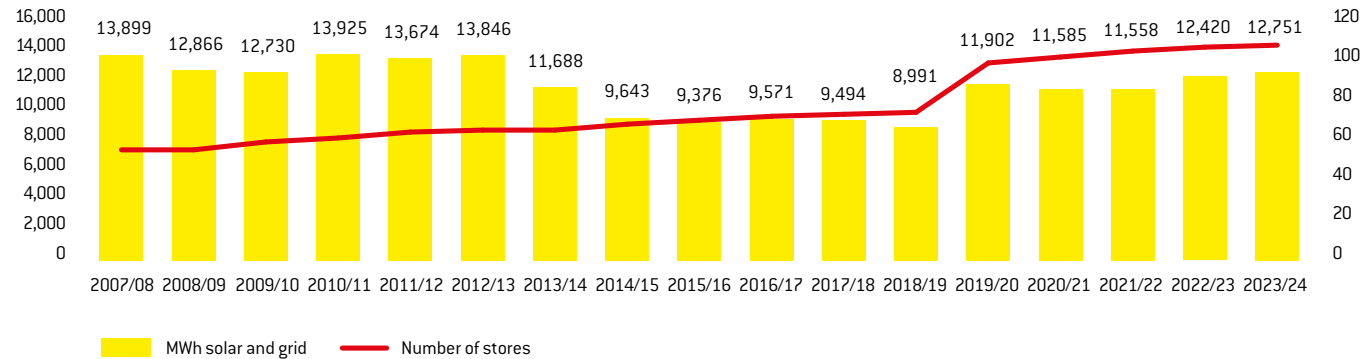
- March 2024 FIT payments have been estimated using March 2023 data as current year not available until Q2.
- The process of setting up PPAs once a solar installation is complete can take some time, so the split of used compared to exported does change over time.
- Supplied UK Network displaced electricity savings = solar generated kWh x 14p Grid kWh charges for any power generated up to 30 September 2023 and the price of 23.8p/kWh from our new energy contract which started on 1 October 2023.

Long-term Electricity Use

The chart below shows how grid bought electricity plus solar energy used in our stores between 2008 and 2024 has changed over time.

Despite increasing store numbers, our long-term electricity use remains relatively stable. This is because new stores coming on board are more energy efficient and built to our updated sustainable construction standards, using the best technology available and come ready equipped with solar PV installations. This has been furthered by our investment in retrofitted solar across the estate.

Long-term store electricity



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

Note: some of our stores rent out roof space to a company that installs and operates telecom masts. The telecom masts are powered via our stores' electricity supply, increasing the total store energy consumption. This additional energy became a material percentage of our emissions during 2018/19 and, as the masts are not within our control, their electricity consumption has been removed from our total Scope 2 and reported as part of Scope 3.

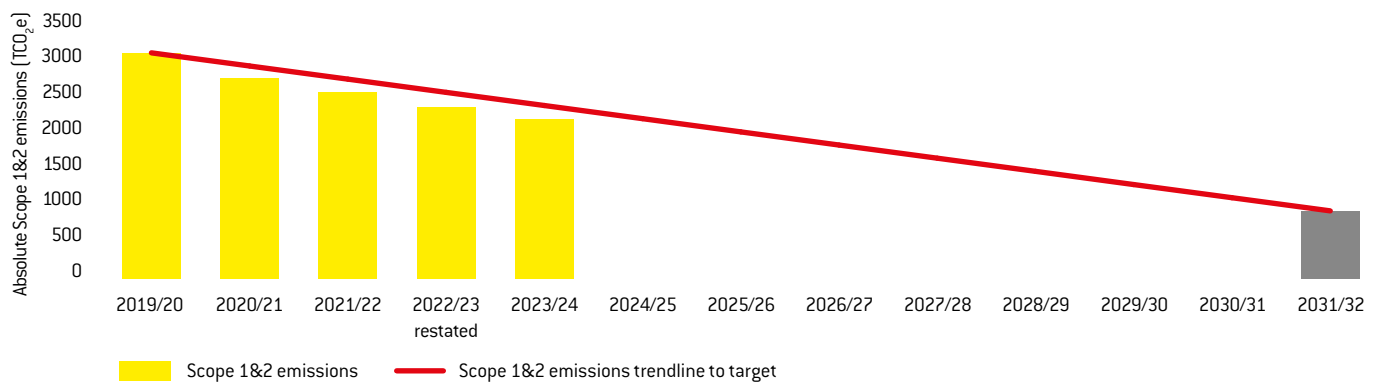
3.4 Emissions

In addressing the environmental impacts of our operations, we recognise the significance of emissions management as a key component of our sustainability strategy. We are committed to minimising our carbon footprint and mitigating the effects of climate change.

Absolute Scope 1 & 2 Greenhouse Gas Emissions

The UK government has made several commitments on the behalf of UK companies to reduce emissions, primarily aimed at addressing climate change and achieving net-zero greenhouse gas emissions by 2050. In addition to the government commitment, we have made a further Science Based Target commitment to reduce our Scope 1 & 2 emissions by 70% of our FYE 2020 baseline by 2032. The following graph shows our absolute Scope 1 & 2 emissions reduction since our baseline year in yellow. The red line shows a projection of what is needed to hit our Science Based Target by 2032. The orange bars show the emission levels of the past five years under the straight trajectory from our baseline year to our target to show that to date we have done more than the minimum needed year-on-year to meet our target.

Absolute Scope 1 & 2 GHG emissions progress to target



For further information about our emissions and for all mandatory SECR and GHG reporting, please refer to the Directors' Report on **page 124**.

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3.5 Water

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

At '77' (35,940m³ of water / 467,209m² occupied space), we are very pleased to share that our water consumption remains significantly lower than BBP 'Good Practice'.

This year our utilities bureau consultants undertook a comprehensive review of our water suppliers/meters and billing processes. They audited our water charges and tendered the supply to make sure we obtained the most competitive contract possible. We have also set up an ongoing bill validation process with them to ensure we are only paying for what is used. The procurement exercise realised a £3,000 annual saving, alongside the audit work uncovering approximately £45,000 of annual savings.

A number of ongoing leaks have been identified and repaired during this process, saving a further circa £28,000 per year.

3.6 Waste

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

We have now had a full year of service with our new waste contractor. Since their instruction we have far better oversight of our waste data with a much better handle on the quantities of waste generated as well as their processing route. Our contractor now gives us clear monthly collection data with associated emission information. This improves our emissions reporting and enables us to focus our efforts on waste reduction where possible.

3.7 Resources use

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

Avoidance of unnecessary material helps to reduce carbon emissions; minimise waste going to landfill and demonstrates a commitment to sustainability. We have around 13 key processes left that involve the printing of paper, which we are trying to address by finding acceptable and compliant online solutions. We have graded each process by difficulty in terms of finding an alternative solution and intend to work our way through these over the next few years to reduce our paper consumption as much as possible.

Most of our products are perfect for re-use or recycling – we have amended our online Box Shop to make the composition of individual products clearer, under the heading 'Environmental Attributes' and we have introduced a 'Your bit' section to inform customers if products can be recycled.

Our longstanding relationship with TreePoints allows us to give back a little, for every box bought on our online Box Shop TreePoints plant a tree for us. Although there will be a positive carbon impact for this event, accounting for it can be difficult and not all that accurate, so we do not count the carbon for this process. We do this because it is the right thing to do and goes some way to replacing some of the trees used in our box making process.

Our customer move-ins are paper-free which saves approximately 800,000 pieces of paper each year.

4. Our people

We remain committed to our strategy of delivering excellent customer service through a great working culture and highly motivated team members. We aim to achieve this by recruiting, retaining and motivating individuals with talent and integrity and ensuring that we understand and maximise the skills and performance of our people.

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

We continue to encourage a culture of partnership within the business and believe in staff participating in corporate performance through benefits such as bonus schemes, share incentives, sales and service awards and our Bright Ideas Suggestion Scheme. We recognise and reward the exceptional performance, achievements, and ideas from our people through a Recognition Points Scheme and allocated points with a value of just under £66,300 for the year ended 31 March 2024.

In May 2023, we ran our fifth externally managed Employee Engagement Survey and are delighted to have achieved a 92% response rate, which is our highest score ever, as well as an engagement score of 88%, up from 85% in our last survey in 2021. 89% of our team members said that they were proud to work for the Company with our highest scoring areas being Our Values 92% (2021: 90%), Management Style 92% (2021: 89%), Inclusion and Diversity 91% (2021: 90%) and Working Environment 91% (2021: 89%).

The results of the survey have provided us with the opportunity to review our lower scoring areas such as Communication, Wellbeing and Employee Voice, albeit that these still scored very well, with results falling between 77% and 81%. Our actions resulting from the survey were incorporated into Implementation Plans which have been communicated across the business, with progress reviews and updates being issued on an on-going basis throughout the year.

4.1 Highlights

- Implemented a number of Resourcing and Talent Policies to include Internal and External Resourcing, Recruiting People with Convictions and Work Placements for People with Convictions.
- Launched a new On-Boarding Policy to ensure that all team members receive a planned, well organised and structured on-boarding experience when they join the Company.
- Integrated our recruitment and people management databases to fully automate our on-boarding process for new team members.
- Introduced a Fertility Treatment Policy, to support team members who are receiving treatment.
- Introduced a Sabbatical Leave Policy, allowing employees the time to pursue personal interests to enhance their overall wellbeing and engagement at work.
- Re-trained our Wellbeing Experts with Mental Health First Aid England, to ensure that they maintain their knowledge and skills, to provide support to team members as required.
- Introduced a new Employee Assistance Programme which provides counselling services, as well as advice and support on a range of issues such as health, relationships, caring responsibilities, financial guidance and work-related matters.
- 20 of our managers attended a Personal Safety and Lone Trading Course with the Suzy Lamplugh Trust and we subsequently wrote our own Personal Safety and Lone Trading module which was uploaded to our training platform for all team members.
- 53% of eligible team members were participating in our Sharesave Scheme as at 31 March 2024 (March 2023: 53%).



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Some of the changes resulting from the survey have included reviewing and relaunching our Bright Ideas Suggestion Scheme, reviewing our salary bands for store employees, and a review of personal safety and call outs, with personal safety training having been provided for all team members within our stores. We also introduced a new Employee Assistance Programme, re-trained our Wellbeing Experts and set up a specific Wellbeing sub-site on our Intranet.

In order to improve communication and the sharing of ideas, we have introduced a weekly "Anchor Day" within our Head Office, where all team members are present on a regular day each week, with the aim of promoting communication, collaboration and involvement. In addition, we have also introduced a new Intranet to facilitate improved communication both within Head Office and across our stores.

5. Our communities

Our communities are made up of all the people who work and store in our facilities and everyone who lives around us. Our aim is to positively contribute to the local communities of our stores through community investments and engagement as well as with our Big Yellow Foundation. We do this in a number of ways, through free space provided at each store to local charities, fundraising by our employees with Big Yellow matching the funds raised by their endeavours and partnering with the Foundation's charity partners.

5.1 Highlights

- Big Yellow's community investment for the year, delivered via free space, was £796,123.
- Our employees raised £4,366, which was matched by Big Yellow totalling £8,732 being donated to the Foundation.
- Big Yellow enabled the Foundation to deliver 12 successful and all-round enriching work placements with Breaking Barriers, Street League, Back Up Trust and the Down's Syndrome Association, by welcoming each of the placement candidates into our stores.
- We provided a permanent role in our Cardiff store to a young man with Down's Syndrome who had successfully completed an extended work placement there.
- We continued our financial support of The Big Yellow Inner City Schools Rugby Programme in South London. This initiative, in partnership with Southwark Rugby Club aims to get local children, many from disadvantaged backgrounds, from local urban schools who do not offer the sport, playing rugby as part of their P.E curriculum. The programme now consists of players from 12 local secondary schools and offers the benefits of team building, fitness, and healthy competition.

5.2 Community investments

Free Space donated for community or charity use	£796,123*
Total employee Big Yellow Foundation fundraising & Big Yellow matched funds	£8,732*
Customer Donations & Foundation matched funds	£220,282*
Total Community Investment	£1,025,137*

Notes to the table:

- Any KPI marked with an * has been independently verified by SGS.
- Definition of free space: space given to the charitable organization completely for free for the whole of their stay during the reporting period.

Big Yellow commits to donate a minimum of £1 for every customer move-in, and our store teams invite our customers to join us and in turn donate to our Foundation. We have made the commitment this year that through this mechanism there will be a total minimum donation of £220,000 to the Foundation. If this is not achieved through donations Big Yellow will top up the difference so that the Foundation receives the full £220,000.

5.3 Work placements at Big Yellow

Our work placement programme in conjunction with the Foundation was launched in July 2021 to help individuals with disabilities, or who are excluded from mainstream work for other reasons, with the opportunity to gain work experience. These individuals are often highly motivated and want to work, but face barriers that most of us do not.

These work experience placements allow an individual to work in a supported, structured environment that allows them to develop their work-base skills and hopefully leads to the kind of future employment that meets their needs. Big Yellow are working with our Foundation and a selection of our Big Yellow Foundation charity partners to actively make work placements happen. We have currently been able to secure work placements from the Foundation for individuals through the Down's Syndrome Association, Street League, Back Up Trust and Breaking Barriers to offer their clients work placements.

We are really pleased to be able to share that having completed a successful extended work placement in our Cardiff store, a young man from the Down's Syndrome Association has progressed to a permanent role with Big Yellow.



5.4 Big Yellow Foundation

In June we were pleased to announce a new Big Yellow Foundation charity partner, Supporting Wounded Veterans, who provide six comprehensive pathways including sporting events, mentoring, pain management and employment to enable former UK servicemen and women, who have been physically or mentally wounded, to move forward from rehabilitation to employment.

During 2023-24 we worked with our seven charity partners: Back Up Trust, Breaking Barriers, Down's Syndrome Association, St Giles Trust, Street League, Supporting Wounded Veterans and Working Chance.

The Foundation has filed its annual report and accounts for March 2023, which can be found on the charity commission website.

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

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

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

The Foundation paid out £255,700 to its seven charity partners in the year ended 31 March 2024. Most of the grants made are unrestricted funds, helping our charity partners to pay for everyday necessities to keep the organisation going.

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

6. Our buildings

Our buildings are one of the core parts of our business structure. Without our storage facilities we would have no business. We take pride in the buildings we design; significant environmental consideration goes into each of our new stores from the acquisition of land through to the opening and operation of a new store. Although we have been sharing our progress on this for several years, we now feel that this has become material enough to be discussed as a topic in its own right.

6.1 Highlights

- There are currently 14 sites in our property pipeline
- We have achieved planning permission on eight of our pipeline developments so far.
- This year's new store – Kings Cross achieved:
 - BREEAM Excellent
 - 39 on Considerate Constructor Scheme
 - An A rated EPC
- All stores, bar one, across the estate now have an EPC of C or above.

6.2 Acquisitions

There are 14 sites in our current development pipeline. Prior to the acquisition of these sites several environmental considerations are made. Once a potential new site has been identified, satisfying a number of initial business criteria, including development yield, the Group will undertake a number of inspections. These inspections include, but are not limited to, Flood Risk Assessment, conservation and canal assessments, Contamination surveys, daylight analysis of future self storage developments to assess the potential impact on adjoining properties, the current use and heritage of the site and the surrounding residence and businesses that may become neighbours.

We have developed a number of thresholds that need to be met in order for us to proceed with a purchase. We prioritise brownfield redevelopment and infill sites whenever feasible, never developing on greenfield sites to preserve valuable ecosystems. Our design process incorporates principles of sustainable urban planning, such as compact development, green infrastructure, and biodiversity enhancement, to create vibrant and resilient stores.

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6.3 Planning

Once the procurement of the site has been completed the process of preparing for the planning application begins. The planning process varies across the country but common threads run through all applications. These include highways assessments drainage surveys, habitat surveys to inform our biodiversity net gain plan, Air Quality assessments and travel plans, to name just a few.

Urban regeneration is a key focus of our planning efforts. We seek to revitalise urban areas, enhancing community connectivity and liveability. Our stores aim to create an inclusive space that contributes to the social, economic, and environmental well-being of the surrounding area. As part of the planning process, we must demonstrate to the planning department the local economic benefits of the self storage facility in terms of job creation, business opportunities, and local economic development.

Biodiversity Net Gain ("BNG")

We are committed to achieving biodiversity net gain in all our developments. This is reinforced by the mandatory planning requirement that all developers must deliver a minimum BNG of 10%. This means a development will result in more or better-quality natural habitat than there was before development. Enhancing green spaces through green walls and roofs, creating additional wildlife habitats, and planting hedgerows and trees, we strive to increase biodiversity value beyond the pre-development baseline. Our aim is to leave a positive legacy by conserving and enhancing natural ecosystems for future generations. As part of the Ecology Report conducted at pre-planning for the Kings Cross site 132 units were recorded. This was then used post completion of the store to calculate the biodiversity net gain. With an additional 3,410.58 units deemed to be created an overall post-development score of 2,583% of the pre-development score was awarded. We were awarded an exemplary credit to be awarded for this as part of the BREEAM certification.

6.4 Design

We design our stores to prioritise energy efficiency and sustainability by incorporating green building standards and best practices into our designs. Big Yellow has set an external minimum commitment of BREEAM Very Good, as standard for all new builds, even where local planning does not demand a specific standard. A number of our stores have been built to BREEAM Excellent standard.

As part of this commitment, we consider optimising building orientation, including high-performance insulation, implementing energy-efficient lighting systems, and integrating renewable energy technologies where feasible. Our goal is to minimise energy consumption, reduce greenhouse gas emissions, and enhance the long-term sustainability of our properties.

6.5 Construction

During the construction of our stores, where possible, we select sustainable materials with low environmental impact where possible, such as concrete with increased aggregate and recycled content, recycled steel, and non-toxic materials. Additionally, we implement construction practices that minimise waste generation, optimise material use, and prioritise responsible sourcing and disposal.

We have been required to complete Whole Life Carbon Assessments ("WLCA") at RIBA Stages 2 and 4. This year we have decided to take this analysis a step further, by engaging our lifecycle consultants to complete full WLCAs at both RIBA stage 4 (detailed design) and RIBA stage 6 (post practical completion). We are making a commitment to reduce our embodied carbon in future construction and will be able to use the findings in these reports to find real world opportunities for carbon saving measures on future buildings designs.

6.6 Store Sustainability and Green Store Portfolio

Along with the environmental consideration of our new stores we also take pride in the ongoing sustainability of our whole estate. We share the details of this in our full ESG report in the appendix, which details all of the environmental credentials of each of our stores. We are continuously upgrading our older buildings through the removal of gas and upgrading of lighting as examples. We have been retrofitting solar to our stores for a number of years and hope that, at the end of a successful second phase of our battery pilot on our Slough Bath Road store next year, we will be able to start to deliver wider spreading battery storage alongside our solar installations.



7. Our suppliers

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

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

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

7.1 Highlights

- No issues were raised to us via our confidential Whistleblowing Helpline in the last financial year.
- We have been scored an A- in the Supplier Engagement Ratings by the Carbon Disclosure project.
- We have updated our spend-based Scope 3 Footprint assessment.
- We continue to deliver strong payment performance:
 - We paid 92% of invoices within 30 days and the remaining 8% between 30 and 60 days
 - Our average time to pay an invoice was 23 days.

7.2 Supplier payment performance

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

Year ended 31 March	2022	2023	2024
Within 30 days	88%	89%	92%
Between 30 and 60 days	11%	10%	8%
Over 60 days	1%	1%	0%
Average time to pay an invoice	25 days	24 days	23 days

7.3 Supply chain risk

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

Supply Chain Engagement

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

We have identified approximately 27 key Construction, Facilities, IT and Stock suppliers who are part of this ongoing structured Supply Chain Risk review.

We will continue to provide updates as part of our UK Modern Slavery Act Statement.

CDP Supplier Engagement Rating ("SER")

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

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

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

We are pleased to confirm we have achieved an A- rating in the Supplier Engagement Rating.

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8. Our health & safety and information security

Big Yellow recognises the importance of maintaining high standards of Health & Safety for our customers, staff, contractors, and any visitors to our stores.

Health & Safety

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

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

8.1 Highlights

- There were no “Fatal Injuries, Notices or Prosecutions” in any part of our operations during the year ended 31 March 2024.
- There were no reportable Information Security breaches this year.

Data Protection and Information Governance

Big Yellow is committed to upholding information security and protecting personal data. Our Data Compliance Officer and the Head of IT ensure that staff are adequately trained in UK GDPR, Data Protection and Information Security.

We are certified to IASME Cyber Assurance Level 1 due to the Cyber Assurance accreditation cycle. Level 2 can only be achieved on the three yearly basis, and we are currently positioned to pass Level 2 in 2024.

Our library of policies on UK GDPR and Information Security are reviewed and updated on an annual basis to ensure they remain relevant, fit for purpose and, in the ever-changing world of Data Protection legislation and technological advances, legally accurate.

The Group has not experienced a reportable information breach in the past three years and has cyber insurance in place in the event a breach should occur in the future.

9. Benchmarks and standards

We have a number of Benchmarks and standard that we submit each year. Below is a summary of this year's rankings:

Report	2020/21 score	2021/22 score	2022/23 score
GRESB	84% 4/5 gold stars	86% 4/5 gold stars	89% 5/5 gold stars
EPRA	Gold	Gold	Gold
CDP	B	B	A-
FTSE4Good	3.1	3.1	3
ISS	C with Prime status	C with Prime status	C with Prime status
MSCI	AA	A	BBB

There are a number of factors that have impacted our MSCI score, including the way we disclose some of our metrics. We have completed a full review of our ESG content to ensure that we use the language MSCI are looking for in their review.

We have updated our risk and opportunities assessment as part of our commitment to implement the TCFD recommendations – for more information, please see the 'Managing Risks and Opportunities' section.

For Construction activities, we also sign up to BREAAAM standards and the Considerate Constructor Scheme ('CCS'); Kings Cross achieved an Excellent rating.

9.1 Science-based targets

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

Our commitment

Big Yellow Group PLC commits to:

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

Scope of emission	Coverage of baseline	Type of target	2020 baseline	2032 target %	2032 target
Scope 1 & 2	100%	absolute	3,160 tCO ₂ e	-70%	948 tCO ₂ e
Scope 3	78%	intensity	3.3 kgCO ₂ e /sq ft	-61.1%	1.3 kgCO ₂ e /sq ft

Our Progress

To date we have been mainly focusing on our Scope 1&2 reductions with a big drive for gas removal and an increase in onsite solar generation. This is shown in our results last year, with our Scope 1&2 absolute figures reducing, however, our Scope 3 figure is increasing in the short term. We are making steady progress towards our Scope 1&2 SBT and looking towards what we should focus on next year. Once we have removed gas from the estate we will need to re-focus our efforts in new areas for improvement across the estate.

Our Scope 3 figures are an intensity target. This means that any emissions that are generated through the construction of new storage space are somewhat abated by the increased square footage created. However, when a large amount of money is spent on the bettering of existing building stock this has a negative impact on our scope 3 emissions. This has been the case with our solar retrofit programme. This year we have spent £6 million on the solar retrofit programme. This equates to 1.7 tCO₂e additional emissions, now sitting in our scope 3. We understand that this is exactly where these emissions should sit, and consider these as a necessary backwards step in our Scope 3 for the overall long-term benefit of our buildings' environmental operation and performance.

We have started the process of calculating our Scope 3 emissions for this year. We intend to report our Scope 3 results at the half year when we have a full understanding of the calculations and emissions conversion factors.

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10. Legislation

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

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

11. Our stakeholders

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

As mentioned earlier we have undertaken a double materiality assessment this year which has included engagement with all of our stakeholder groups. Through tailored questionnaires followed by interviews with a number of the stakeholders. These have been used to get into the detail of the questions answered in the questionnaire stage. We have been able to get a detailed understanding of what our stakeholders feel to be material both from the point of view of how the environment impacts Big Yellow but also how Big Yellow impacts its immediate environment and communities. Ten material topics were identified through the process. These are detailed at the beginning of this report and in detail in the full ESG report.

Investors

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

For more information on these benchmarks, please see the 'Benchmarks, Legislation and Standards' section above.

We have seen a shift in the level of environmental detail our investors are interested in over the past 12 months. This is one of the reasons we have decided to align ourselves with the CSRD. We have also decided to conduct CRREM pathway analysis from the year ending 31 March 2025 to give ourselves and our investors as much transparency about the impact our sustainability and environmental efforts are having on our estate.

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

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