

REMUNERATION REPORT

Member	Number of meetings attended
Tim Clark* – Member	○
Richard Cotton – Member	○ ○ ○ ○ ○
Georgina Harvey – Chair	○ ○ ○ ○ ○
Steve Johnson – Member	○ ○ ○ ○ ○
Anna Keay – Member	○ ○ ○ ○ ○
Vince Niblett – Member	○ ○ ○ ○ ○

* Tim Clark retired from the Board on 19 July 2018.
○ attended

INTRODUCTION

This report details the activities of the Remuneration Committee for the period from 1 April 2018 to 31 March 2019.

The report has been prepared by the Remuneration Committee and approved by the Board.

It sets out the current Remuneration Policy which was approved by shareholders at the 2018 AGM and remuneration details for the Executive and Non-Executive Directors of the Company. 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").

The report is divided into three main sections:

- **The Annual Statement** – which summarises the remuneration outcomes in the year ended 31 March 2019 and how the Remuneration Policy will be operated in the year ending 31 March 2020;
- **The Remuneration Policy Report** – which sets out the current Remuneration Policy as approved by shareholders at the 2018 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 2020, the link between Company performance and remuneration for the year ended 31 March 2019 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 Annual Statement by the Remuneration Committee Chair and the Remuneration Policy Report are not subject to audit.

The Committee and its Work During the Year

Committee Chair: Georgina Harvey

Committee members: Tim Clark (until 19 July 2018), Richard Cotton, Steve Johnson, Vince Niblett and Anna Keay

Terms of Reference:

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

The Committee met four times during the year under review.

The Committee's main activities during the year ended 31 March 2019 (full details are set out in the relevant sections of this report) included:

- Finalising the Remuneration Policy and wrapping up the consultation with the Company's major shareholders.
- Agreeing Executive Director base salary increases from 1 April 2019 in line with the new Remuneration Policy;
- Agreeing the annual bonus pay-out for the year ended 31 March 2018 and setting the targets for the annual bonus for the year ended 31 March 2019;
- Reviewing the final performance targets in respect of the Long Term Bonus Performance Plan ("LTBPP") awards which had a three-year performance period ended 31 March 2018;
- Reviewing the EPS and Total Shareholder Return ("TSR") performance targets and determining the percentage vesting for the 2015 LTIP awards which vested in 2018;
- Reviewing the new UK Corporate Governance Code and amendments to the disclosure requirements (including the requirement to disclose a CEO pay ratio); and
- Reviewing the Company's Gender Pay calculations and draft disclosures.

ANNUAL STATEMENT

Dear Shareholder

I am pleased to present the Directors' Remuneration Report for the year ended 31 March 2019.

At the 2018 AGM we tabled a binding resolution to seek shareholder approval to update our existing Directors' Remuneration Policy, for which shareholder approval had originally been obtained in 2015. We were pleased to receive strong support from our shareholders for the new policy.

Performance, Decisions and Reward Outcomes for the year ended 31 March 2019

The business conditions and performance of the Group in the year ended 31 March 2019 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;
- Big Yellow remains the clear UK brand leader in self storage and delivered growth in occupancy, cash flow and earnings for the tenth year in a row;
- Revenue, operating cash flow and adjusted profit before tax increased by 7%, 14% and 10% respectively;
- Like-for-like occupancy increased by 2.2 ppts; and
- Dividends are being increased by 8%.

Payments made to the Executive Directors under the cash annual bonus plan for the year ended 31 March 2019 amounted to 10.2% 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 Directors under the deferred annual bonus plan for the year ended 31 March 2019 amounted to 102.3% of salary (out of a maximum of 125% of salary), based on strong 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 2015, which vested in July 2018, three-year EPS and TSR performance resulted in 100% 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.

Implementing the Policy for the Year Ending 31 March 2020

Base salary

While the Committee has operated a policy of targeting base salaries "close to (but generally just below) median" for some time, actual salaries have been set significantly below median levels.

Following the consideration of Executive Director base salary levels in the prior year as part of the Remuneration Policy review, the Remuneration Committee consulted with major shareholders and the main representative bodies in 2018 in respect of ensuring that base salary levels reflect each individual's role and responsibilities in a FTSE 250 company of Big Yellow's size and complexity given the increase in (i) the numbers of stores; (ii) the geographical spread; (iii) the employee base; (iv) customers; (v) revenue; and (vi) profits. As such, and in connection with the simplification and de-gearing of incentive potential as part of the 2018 Remuneration Policy review, the following base salary increases over three years were agreed, and received a strong level of shareholder support following the consultation.

For any increase to be awarded, the Committee must be satisfied with Group performance and the individual contribution of each Director for the year ended prior to the relevant salary review.

	Chief Executive (James Gibson)	Executive Chairman (Nicholas Vetch)	Chief Financial Officer (John Trotman)	Operations Director (Adrian Lee)
At 1 April 2017	£302,000	£275,200	£223,700	£223,700
From 1 April 2018	£350,000	£315,000	£260,000	£250,000
From 1 April 2019	£400,000	£350,000	£300,000	£270,000
From 1 April 2020	£440,000	£375,000	£325,000	£285,000

In considering whether the 1 April 2019 increases should be awarded in full, the Committee considered Group performance and the individual contribution of each Director. In assessing Group performance, the Committee considered the Group performance in the year ended 31 March 2019, including the financial results highlighted earlier in my statement, coupled with the acquisition of seven development sites, a successful placing of 7.2 million shares in September 2018, key planning consents being granted, and the acquisition of the freehold of the Group's New Malden store. In assessing individual performance, the Committee considered the contribution of each Director to the above success.

As noted above, the increases from 1 April 2020 are not guaranteed but will be subject to satisfactory Group and individual performance during the year ending 31 March 2020. Disclosure in respect of the Committee's assessment will be provided in next year's Remuneration Report. Other than for a material role change, subsequent salary increases are expected to be in line with the general workforce increases.

Governance (continued)

Remuneration Report (continued)**Pension & Benefits**

Executive Director pension provision will continue to be capped at 10% of salary (being the pension provided for the Company's Department Heads). 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 2020.

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 2020.

The remaining 125% of salary will be measured against financial, operational, real estate and strategic targets measured over the financial year ending 31 March 2020. Any award under this part will be deferred into Big Yellow shares for three years (with vesting subject to continued employment).

LTIP

LTIP awards will continue to be granted to Executive Directors annually, over shares equal to 100% of salary. The performance conditions for awards intended to be granted to Executive Directors in 2019 are as follows:

- 70% adjusted EPS – adjusted EPS growth of RPI+3% p.a. for 25% of this element of the award to vest with full vesting occurring for adjusted EPS growth of RPI+8% p.a.;
- 30% – relative TSR performance vs. FTSE Real Estate Index with 25% of this element of the award vesting for median TSR comparative performance and full vesting at upper quartile.

A two year post-vesting holding period will apply.

Shareholding Guidelines

The requirement 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 Executive Directors. If this guideline has not been met, then there is a requirement to retain at least 50% of shares vesting in discretionary share-based incentive plans.

I hope that, at the AGM on 19 July 2019, you will support the advisory resolution on the remuneration paid to the Directors in the last financial year, and implementation of the Remuneration Policy for the forthcoming year as set out in the Annual Remuneration Report section of this Remuneration Report.

Finally, I would like to extend my thanks to my fellow colleagues on the Committee for their support and work in 2018/19.

Georgina Harvey

Chair of the Remuneration Committee

20 May 2019

DIRECTORS' REMUNERATION POLICY

This section of the Remuneration Report contains details of the Company's Directors' Remuneration Policy (the "Policy") which governs the Company's approach to remuneration.

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 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 Directors and Non-Executive Directors.

Policy Duration

The current Directors' Remuneration Policy Report was approved by a binding shareholder vote at the AGM on 19 July 2018 and applies from the date of approval and is intended to remain in place for a maximum of three years. That said, the Remuneration Committee will keep the Policy under review to ensure that it continues to remain appropriate.

Summary Policy table (Executive Directors)

The main components of the Directors' Remuneration Policy, and how they are linked to and support the Company's business strategy, which took effect from the AGM on 19 July 2018, are summarised below:

Executive 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.	Base salary is normally set annually on 1 April. 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: <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; and inflation; and • increases provided to Executive Directors in comparable companies (although such data would be used with caution). 	Salaries are typically set after considering the salary levels in companies of a similar size and complexity in the FTSE 250. Our overall policy is normally to target salaries at close to median levels. Base salaries are intended to increase in line with inflation and general employee increases in salary. 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. There is no maximum salary cap in place.	None
Annual bonus	The annual bonus aligns reward to key Group strategic objectives and drives short-term performance.	Executive Directors participate in an annual performance-related bonus scheme. Up to 25% of salary will be paid in cash. Up to 125% of salary will be deferred into shares for three years. Dividend equivalents may be payable on deferred share awards. The annual bonus plan rules contain clawback and malus provisions.	Bonus potential: 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.	Awards are made annually to the Executive Directors (and certain senior managers who are in a position to influence significantly the performance of the Group) in the form of nil-paid options. The awards granted under the Long Term Incentive Plan are subject to performance conditions to be met over a performance period of three years. Dividend equivalents may be payable on LTIP awards during the vesting period, to the extent awards vest. The LTIP contains clawback and malus provisions. A two year post vesting holding period is applied to LTIP awards granted to Executive Directors following the 2018 AGM.	Maximum annual grant is 100% of base salary, with normal awards of 100% of annual salary for the Executive Directors. Minimum vesting is 25% of salary assuming achievement of threshold performance, and the maximum vesting is 100% of salary.	Vesting under the LTIP is based on financial and share-price related performance measures.

Remuneration Report (continued)

Summary Policy table (Executive Directors) (continued)

	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.	Maximum contribution of 10% of salary.	None
Other benefits	To provide competitive levels of employment benefits.	Benefits include: <ul style="list-style-type: none"> Private fuel Private medical insurance Permanent health insurance Life assurance of four times base salary Relocation allowances (where relevant) Other benefits may be provided where appropriate. The type and level of benefits provided is reviewed annually to ensure they remain market competitive.	Maximum opportunity is the total cost of providing the benefits. There is no monetary cap on benefits.	None
Shareholding policy	To ensure that Executive 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 50% of shares vesting in discretionary share-based incentive plans if this guideline has not been met.	200% of salary.	N/A
All Employee Scheme	To encourage share ownership by all employees. This allows them to align their interests with those of investors and also to share in the long-term success of the Company.	Executive Directors may participate in any HMRC tax favoured all employee arrangements.	In line with the prevailing HMRC limits.	None

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 Directors with those of shareholders.

1. Annual bonus performance measures and targets

Annual bonuses for the Executive 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 and strategic targets.

2. Long Term Incentive Plan performance measures and targets

The Committee selected the performance conditions on the LTIP as they provide a direct link between the incentive for the Executive Directors and the value created for shareholders. The two metrics for the outstanding and proposed 2019 awards 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.
- The adjusted EPS figure is 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;
- 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.

Governance (continued)

Remuneration Report (continued)

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 senior managers within Head Office, the area manager team and also to store managers.

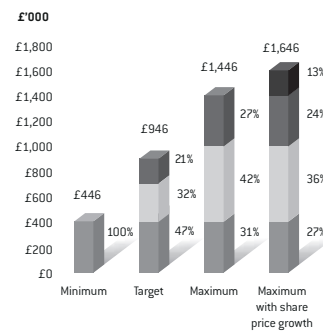
Illustrations of application of Remuneration Policy

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

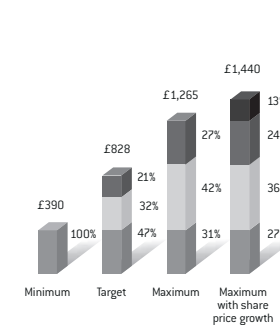
The assumptions used in determining the level of pay out under given scenarios are as follows:

Scenario	Description	Chief Executive	Executive Chairman	Chief Financial Officer	Operations Director
Fixed Pay					
	Base salary (1 April 2019)	£400,000	£350,000	£300,000	£270,000
	Estimated Benefits	£6,000	£5,000	£2,000	£5,000
	Pension (% of salary)	10%	10%	10%	10%
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.				
Maximum Plus 50% share price growth	As per the Maximum scenario but assuming 50% share price growth on LTIP awards.				

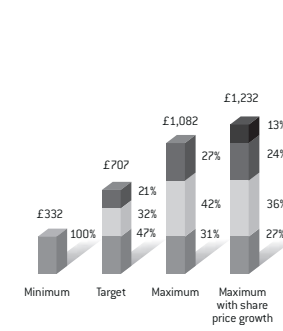
Chief Executive Officer



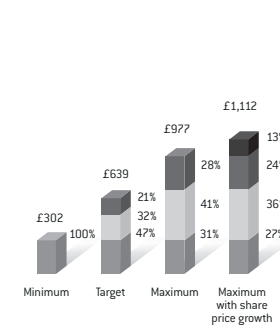
Executive Chairman



Chief Financial Officer



Operational Director



■ Share price growth
■ LTIP
■ Annual Bonus
■ Fixed pay

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	Fee levels are normally reviewed annually in March. The Non-Executive Director fee structure is a matter for the full Board. Non-Executive Directors may be entitled to benefits relating to travel and office support and such other benefits as may be considered appropriate. The fees may be paid in the form of shares.	Fee levels are normally set at broadly median levels for comparable roles at companies of a similar size and complexity within the FTSE 250. Fees are normally intended to increase in line with inflation.	N/A

Non-Executive Directors' fees comprises of a base fee, with an additional fee for Committee Chairman, 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 into account 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 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 100% of base salary.
Sign-on payments	<ul style="list-style-type: none"> The Company does not provide sign-on payments to Executive 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.

Governance (continued)

Remuneration Report (continued)**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 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	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. There will be no compensation for normal resignation or in the event of termination by the Company due to misconduct.
Annual bonus	If the individual is a good leaver, bonus will be paid on a pro-rata basis in respect of the period from the start of the financial year. Any pro-rated bonus would normally be payable in cash (i.e. no award of deferred shares would be made). Deferred share awards would normally vest at the normal vesting date (although may vest at the date of cessation). Good leaver is defined as an individual ceasing employment as a result of ill-health, disability, redundancy or retirement or in any other circumstances which the Committee permits. 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.
Long term incentives (LTIP)	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. 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. 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. 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.
Other	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.

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 our Remuneration Policy which was approved at last year's AGM.

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

The Remuneration Committee considers shareholder feedback received in relation to the AGM each year at its first meeting following the 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.

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 2018 Remuneration Report and the binding vote on the Remuneration Policy at the AGM held on 19 July 2018.

	Votes for	%	Votes Against	%	Votes withheld
2018 Remuneration Report	118,737,845	92.6%	9,452,624	7.4%	172,867
2018 Remuneration Policy	123,499,408	96.4%	4,603,796	3.6%	260,131

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 2020 and how it was implemented during the year ended 31 March 2019.

Implementing the Policy for the Year Ending 31 March 2020**Base salary**

While the Committee has operated a policy of targeting base salaries "close to (but generally just below) median" for some time, actual salaries have been set significantly below median levels.

Following the review of Executive Director base salary levels in the prior year as part of the Remuneration Policy review, the Remuneration Committee consulted with major shareholders and the main representative bodies in 2018 in respect of ensuring that base salary levels reflect each individual's role and responsibilities in a FTSE 250 company of Big Yellow's size and complexity given the increase in (i) the numbers of stores; (ii) the geographical spread; (iii) the employee base; (iv) customers; (v) revenue; and (vi) profits. As such, and in connection with the simplification and de-gearing of incentive potential as part of the 2018 Remuneration Policy review, the following base salary increases over three years were agreed, and received a strong level of shareholder support following the consultation. For any increase to be awarded, the Committee must be satisfied with Group performance and the individual contribution of each Director for the year ended prior to the relevant salary review:

	Chief Executive (James Gibson)	Executive Chairman (Nicholas Vetch)	Chief Financial Officer (John Trotman)	Operations Director (Adrian Lee)
At 1 April 2017	£302,000	£275,200	£223,700	£223,700
From 1 April 2018	£350,000	£315,000	£260,000	£250,000
From 1 April 2019	£400,000	£350,000	£300,000	£270,000
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In considering whether the 1 April 2019 increases should be awarded in full, the Committee considered Group performance and the individual contribution of each Director. In assessing Group performance, the Committee considered the Group performance in the year ended 31 March 2019, including the financial results highlighted in the statement from the Remuneration Committee Chair, coupled with the acquisition of seven development sites, a successful placing of 7.2 million shares in September 2018, key planning consents being granted, and the acquisition of the freehold of the Group's New Malden store. In assessing individual performance, the Committee considered the contribution of each Director to the above success. As such the base salaries have been awarded to each Director in accordance with the table above from 1 April 2019.

As noted above, the increases from 1 April 2020 are not guaranteed but will be subject to satisfactory Group and individual performance during the year ending 31 March 2020. Disclosure in respect of the Committee's assessment will be provided in next year's Remuneration Report. Other than for a material role change, subsequent salary increases are expected to be in line with the general workforce increases.

Benefits

No changes will be made to benefit provision (private fuel, private medical insurance, permanent health insurance, life assurance and relocation allowances, where relevant).

Annual bonus

Annual bonus potential will be capped at 150% of salary for the year ending 31 March 2020.

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 2020.

The remaining 125% of salary will be measured against financial, operational, real estate and strategic targets measured over the financial year ending 31 March 2020. Any award under this part will be deferred into Big Yellow shares for three years (with vesting subject to continued employment).

Governance (continued)

Remuneration Report (continued)**Pension**

Executive Director pension provision will continue to be capped at 10% of salary (being the pension provided for the Company's Department Heads).

LTIP

LTIP awards will continue to be granted to Executive Directors annually, over shares equal to 100% of salary. The performance conditions for awards intended to be granted to Executive Directors in 2019 are as follows:

- 70% adjusted EPS – adjusted EPS growth of RPI+3% p.a. for 25% of this element of the award to vest with full vesting occurring for adjusted EPS growth of RPI+8% p.a.; and
- 30% – relative TSR performance vs. FTSE Real Estate Index with 25% of this element of the award vesting for median TSR comparative performance and full vesting at upper quartile.

A two year post vesting holding period will apply.

Shareholding Guidelines

The requirement to build and maintain a holding of at least 200% of salary in shares of the Company, through retaining at least 50% of shares vesting in discretionary share-based incentive plans if this guideline has not been met, will continue to apply.

Non-Executive Directors

Non-Executive Director base fees for the year ending 31 March 2020 have been increased by 2.75% (in line with the general workforce increase) to £41,100. The increment for Committee Chairs and additional responsibilities has been increased to £10,000 for the year ending 31 March 2020, to reflect current time commitments.

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 2019.

Year ended 31 March 2019

	Salary £		Taxable benefits ¹ £		Annual bonus – cash £		Annual bonus – deferred £		Long term incentives ³ £		Pensions ² £		Total £	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Nicholas Vetch	315,000	275,200	4,974	5,120	32,130	35,501	322,383	–	358,253	1,328,117	31,500	41,280	1,064,240	1,685,218
James Gibson	350,000	302,000	4,974	5,120	35,700	38,958	358,203	–	398,605	1,786,688	35,000	45,300	1,182,482	2,178,066
Adrian Lee	250,000	223,700	4,184	4,313	25,500	28,857	255,859	–	302,564	1,253,430	25,000	33,555	863,107	1,543,855
John Trotman	260,000	223,700	1,884	1,806	26,520	28,857	266,094	–	291,212	1,250,216	26,000	33,555	871,710	1,538,134
Total	1,175,000	1,024,600	16,016	16,359	119,850	132,173	1,202,539	–	1,350,634	5,618,451	117,500	153,690	3,981,539	6,945,273

¹ Taxable benefits comprise medical cover, permanent health insurance, life insurance and private fuel usage.

² Nicholas Vetch and James Gibson receive a cash supplement in lieu of their full pension contributions. Adrian Lee and John Trotman receive cash supplements in lieu of pension contributions to the extent that they exceed £10,000.

³ The values shown in long term incentives in the current year are as follows:

- the LTIP award granted in 2015 which vested on 21 July 2018 to 100% of its maximum value and is valued using the share price on that date of 940p. The award granted for 2019 is 100% of salary for each Executive Director; and
- for James Gibson and Adrian Lee, Sharesave awards which matured in the financial year.

The average salary increase across the Group in the year was 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 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 Directors' received a cash bonus of 10.2% 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:

Occupancy performance against target

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

However 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 Directors.

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

1. Occupancy

Performance against target	Below target	0 to 10% ahead of target	10 to 20% ahead of target	20 to 30% ahead of target	30 to 40% ahead of target	> 40% ahead of target	Total
No of stores	49	3	3	2	1	17	75
Average bonus paid	0%	0.9%	2.4%	5.5%	4.6%	12.1%	3.2%

Additionally, 14 stores were awarded bonuses for averaging 85% occupancy and above earning a total weighted average bonus of 0.7%. The weighted average bonus paid to stores for performance against occupancy targets is therefore 3.9% 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 store's 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	Total
No of stores	40	12	11	5	7	75	75
Average bonus paid	0%	1.8%	2.8%	5.0%	8.0%	1.9%	3.2%

The weighted average bonus paid to stores for performance against profitability targets is therefore 1.9% of salary for the year.

3. Store audits

Stores receive a bonus if they receive an audit score of in excess of 85% based on visits carried out by the Group's store compliance team. There were 54 instances of stores receiving an audit score of 85% and above across the year, leading to a weighted average bonus paid to the stores of 1.4% of salary.

Governance (continued)

Remuneration Report (continued)**Cash Annual Bonus Plan awards – cash (25% of salary maximum)** (continued)

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	23	52	75
Average bonus paid	0%	1.5%	1.0%

The weighted average bonus paid to stores for performance against net promoter scores is therefore 1.0% of salary for the year.

The bonus paid to stores for individual customer service awards amounted to a further 2.0% of salary, which, combined with the net promoter score, amounted to a weighted average bonus paid to the stores for customer satisfaction of 3.0% of salary.

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	38%	3.9%
2. Profitability	19%	1.9%
3. Store audits	14%	1.4%
4. Customer satisfaction	29%	3.0%
Total	100%	10.2%

In line with the Remuneration Policy an award of 10.2% of salary has therefore also been paid to the Executive Directors for the year, which equated to the following payments:

- Nicholas Vetch – £32,130
- James Gibson – £35,700
- Adrian Lee – £25,500
- John Trotman – £26,520

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

This is the first year of operation of the Group's deferred annual bonus plan. The Remuneration Committee set targets at the start of the financial year across a broad range 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.

Pay-out*	Below Target 0%	Target 50%	Above Target 75%	Maximum 100%	Actual performance	Pay-out
1. Like-for-like occupancy growth (ppts)						
Weight: 12.5%	<2	2-2.5	2.5-3	>3	2.2 ppts	50%
2. Average net rent per sq ft growth (%)						
Weight: 12.5%	<1.75	1.75-2.25	2.25-2.75	>2.75	2.9%	100%
3. Revenue (£m)						
Weight: 17.5%	<123	123-124	124-125.0	>125.0	£125.4m	100%
4. Operating Profit (£m)						
Weight: 15%	<75	75-75.75	75.75-76.5	>76.5	£76.7m	100%
5. EPS (pence)						
Weight: 17.5%	<40.4	40.4-41.2	41.2-41.9	>41.9	41.4p	75%
6. NPS						
Weight: 5%	<72	72-76	76-80	>80	79.1	75%
7. Staff Turnover (%)						
Weight: 5%	>33	33-32	32-31	<31	31.6%	75%

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

Pay-out	Fail 0%	Pass 100%	Actual performance	Pay-out
8. Online Market Share				
Weight: 5%			Maintain the Group's online market share measured against the top 59 self storage operators by Experian Hitwise, at on average greater than 30%	The Group's average market share online during the year was 28%. 0%
9. Property Acquisitions				
Weight: 5%			Seek to acquire at least two sites for new stores in the year (excluding Uxbridge and Hove), which complement the existing portfolio and which are consistent with the Group's strategy and long-term plans	New sites acquired in the year in North Kingston, Hayes, Wembley and Queensbury 100%
10. Planning				
Weight: 5%			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	Planning obtained at Bracknell and Battersea 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 (%)
Occupancy growth	50%	12.5%	6.25%
Average net rent growth	100%	12.5%	12.5%
Revenue	100%	17.5%	17.5%
Operating profit	100%	15%	15%
EPS	75%	17.5%	13.125%
NPS	75%	5%	3.75%
Staff turnover	75%	5%	3.75%
Online market share	0%	5%	0%
Property acquisitions	100%	5%	5%
Planning consents	100%	5%	5%
Total		100%	81.875%

The above performance assessment of 81.875% translates into the following awards for each of the Executive Directors:

Director	Value of award
Nicholas Vetch	£322,383
James Gibson	£358,203
Adrian Lee	£255,859
John Trotman	£266,094

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 2019. The awards will vest three years after the date of grant of each award.

Governance (continued)

Remuneration Report (continued)**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 2015 award which vested in 2018, 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%	14.0% adjusted EPS growth, compared to 10.7% (RPI +8%).	100%
Relative TSR	30%	Median of comparator group of real estate companies	Upper quartile of the comparator group	25% to 100%	7 out of 34 in comparator group of companies in the FTSE Real Estate Index	100%
Total	100%					100%

The full vesting of the 2015 LTIP award in 2018, equated to the following value for the Executive Directors based on the share price at the date of vesting:

- Nicholas Vetch – £358,253 (38,112 shares)
- James Gibson – £392,929 (41,801 shares)
- Adrian Lee – £291,212 (30,980 shares)
- John Trotman – £291,212 (30,980 shares)

LTIP awards granted in year ended 31 March 2019 (Audited)

The table below sets out the details of the long term incentive awards granted in the year ended 31 March 2019 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			£315,000				
James Gibson	Annual cycle of awards over nil cost options	100% of salary	£350,000	25%	100%	19 July 2021	Adjusted EPS growth and relative TSR
Adrian Lee			£250,000				
John Trotman			£260,000				

¹ The face value of the award is calculated using the average share price three days prior to the grant date of 19 July 2018 (average share price of 968.5 pence).

LTIP awards granted in year ended 31 March 2019 (Audited) (continued)

The performance conditions applicable to the awards granted in July 2018 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	30%	Median of comparator group of real estate companies	Upper quartile 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	70%	Adjusted EPS growth of RPI+3% per annum	Adjusted EPS growth of RPI+8% per annum	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.

Between threshold and maximum performance, vesting will take place on a straight-line basis.

Sharesave Scheme

The Group's Sharesave Scheme is open to all UK employees (including Executive 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. Three of the Executive Directors participated in the scheme during the financial year. The details of the Sharesave scheme options are shown on page 91.

Pension entitlements

The Company pays pension contributions into the Executive 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 2019, the Company contribution was 10% of salary for the Executive Directors.

Payments to past Directors (Audited)

No payments of money or any other assets were made to any former Director of the Company in the financial year ended 31 March 2019 (2018: no payments).

Payments on loss of office (Audited)

No payments were made to any Directors in respect of loss of office during the financial year ended 31 March 2019 (2018: no payments).

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 2019.

	2019	2018
Tim Clark	13,704 ⁴	44,200
Richard Cotton	45,100	44,200
Georgina Harvey	45,100	44,200
Steve Johnson	40,000	39,200
Anna Keay	40,000	3,267 ¹
Vince Niblett	45,100	36,833 ²
Mark Richardson	–	13,442 ³
Total	229,004	225,342

¹ from appointment on 1 March 2018

² from appointment on 1 June 2017

³ until retirement on 20 July 2017

⁴ until retirement on 19 July 2018

Non-Executive Directors received no taxable benefits for the year ended 31 March 2019.

Governance (continued)

Remuneration Report (continued)**Fees retained for external non-executive directorships**

The Executive Directors' contracts do not allow them to engage in any other business outside the Group except where prior written consent from the Board is received. The Company recognises that Executive Directors may be invited to become Non-Executive Directors of other companies and that this can help broaden the skills and experience of a Director. Executive Directors are normally permitted to accept external appointments with the approval of the Board and may retain the fees for the appointment.

Nicholas Vetch is a Non-Executive Director of The Local Shopping REIT plc for which he receives a fee of £30,000 per annum. James Gibson is a Non-Executive Director of AnyJunk Limited and of Moby Self Storage in Brazil; he does not receive any fees for his services.

Statement of Directors' shareholding (Audited)

The Executive Directors are required to build and maintain a holding of two times base salary. These requirements have been met by all Executive 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).

No changes took place in the interests of the Directors in the shares of the Company between 31 March 2019 and the date of this report.

The table below shows, in relation to each Director, the total number of shares and share options in which they have an interest.

Executive Director	Share ownership requirement (multiple of salary)	Share ownership requirements met	Holding as multiple of March 2019 salary	Beneficially owned shares	LTIP awards subject to performance conditions	Unexercised Sharesave options	Options exercised in the financial year
Nicholas Vetch	2x	Yes	225x	7,154,944	105,533	2,400	38,112
James Gibson	2x	Yes	71x	2,507,213	116,245	4,012	41,801
Adrian Lee	2x	Yes	34x	869,232	85,157	5,360	30,980
John Trotman	2x	Yes	9x	231,037	86,190	2,665	30,980

Post-Employment Shareholding Policy

Following the publication of the new UK Corporate Governance Code, the Remuneration Committee has formalised its post cessation shareholding policy for Executive Directors as follows:

- Unvested deferred annual bonus and LTIP awards will be treated in line with the good leaver/bad leaver provisions explained in the Remuneration Policy;
- Any LTIP awards which vested pre-cessation but which are still subject to the two-year holding period will need to be retained by the individual (either on a post-tax basis or as unexercised awards), post cessation, until the relevant two-year holding period has expired; and
- No restrictions will apply in respect of own shares held, irrespective of whether those shares are held as part of the shareholding guideline or not.

The Committee will keep the above policy under review and revisit this in detail at the next Policy review.

Non-Executive Directors' shareholdings (Audited)

Non-Executive	Beneficially owned shares
Richard Cotton	92,284
Georgina Harvey	18,518
Steve Johnson	10,000
Vince Niblett	3,000
Anna Keay	–

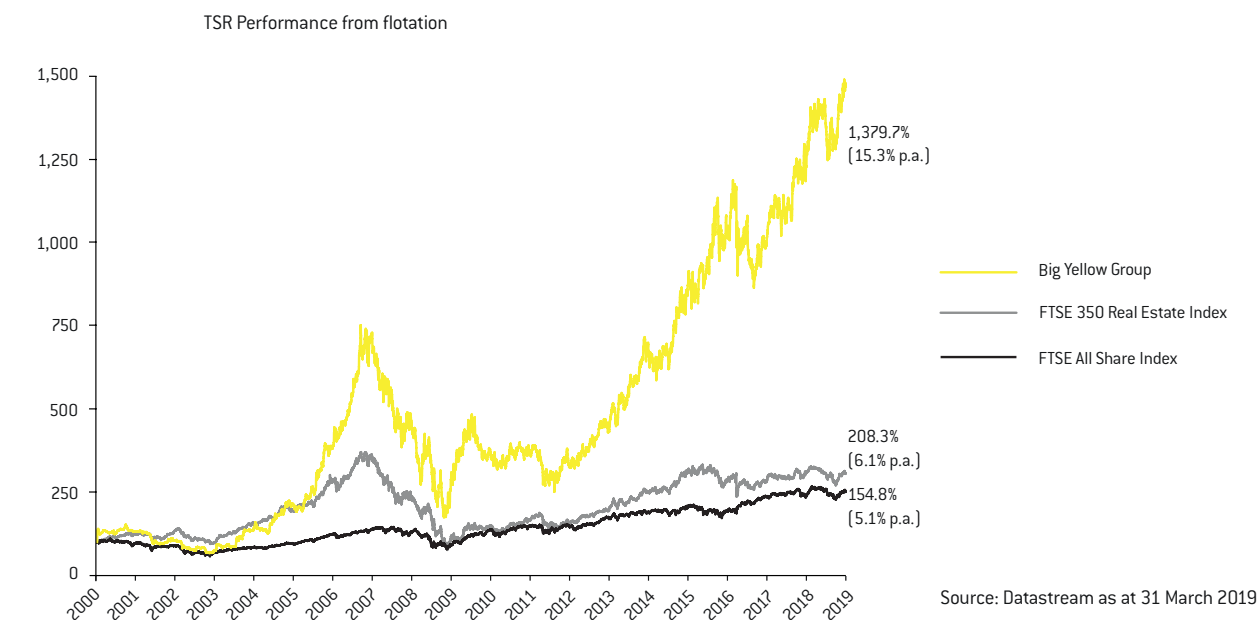
Directors' share awards (Audited)

To provide further context on the shareholding of the Executive 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 2018	Granted during the year	Exercised during the year	Lapsed during the year	No. of shares under option at 31 March 2019	Exercise price	Market price at date of exercise	Date from which first exercisable	Expiry Date
Nicholas Vetch	21 July 2015	LTIP	38,112	–	(38,112)	–	–	nil p	951.69p	21 July 2018	20 July 2025
	22 July 2016	LTIP	37,420	–	–	–	37,420	nil p	–	22 July 2019	21 July 2026
	3 August 2017	LTIP	35,588	–	–	–	35,588	nil p	–	3 August 2020	2 August 2027
	19 July 2018	LTIP	–	32,525	–	–	32,525	nil p	–	19 July 2021	18 July 2028
	11 March 2019	SAYE	–	2,400	–	–	2,400	749.9p	–	1 April 2022	1 October 2022
James Gibson	21 July 2015	LTIP	41,801	–	(41,801)	–	–	nil p	951.69p	21 July 2018	20 July 2025
	14 March 2016	SAYE	1,480	–	–	–	1,480	608.0p	–	1 April 2019	1 October 2019
	22 July 2016	LTIP	41,054	–	–	–	41,054	nil p	–	22 July 2019	21 July 2026
	3 August 2017	LTIP	39,053	–	–	–	39,053	nil p	–	3 August 2020	2 August 2027
	12 March 2018	SAYE	1,332	–	–	–	1,332	675.4p	–	31 March 2021	1 October 2021
	19 July 2018	LTIP	–	36,138	–	–	36,138	nil p	–	19 July 2021	18 July 2028
Adrian Lee	21 July 2015	LTIP	30,980	–	(30,980)	–	–	nil p	951.69p	21 July 2018	20 July 2025
	14 March 2016	SAYE	2,960	–	–	–	2,960	608.0p	–	1 April 2019	1 October 2019
	22 July 2016	LTIP	30,416	–	–	–	30,416	nil p	–	22 July 2019	21 July 2026
	3 August 2017	LTIP	28,928	–	–	–	28,928	nil p	–	3 August 2020	2 August 2027
	19 July 2018	LTIP	–	25,813	–	–	25,813	nil p	–	19 July 2021	18 July 2028
John Trotman	11 March 2019	SAYE	–	2,400	–	–	2,400	749.9p	–	1 April 2022	1 October 2022
	21 July 2015	LTIP	30,980	–	(30,980)	–	–	nil p	951.69p	21 July 2018	20 July 2025
	22 July 2016	LTIP	30,416	–	–	–	30,416	nil p	–	22 July 2019	21 July 2026
	3 August 2017	LTIP	28,928	–	–	–	28,928	nil p	–	3 August 2020	2 August 2027
	12 March 2018	SAYE	2,665	–	–	–	2,665	675.4p	–	1 April 2021	1 October 2021
19 July 2018	LTIP	–	26,846	–	–	26,846	nil p	–	19 July 2021	18 July 2028	

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.



Governance (continued)

Remuneration Report (continued)**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 %
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%
2013	335,891	40% (10% of salary)	n/a	0%
2012	1,400,570	40% (10% of salary)	n/a	89%
2011	325,968	40% (10% of salary)	n/a	0%
2010	875,593	40% (10% of salary)	n/a	100%

The single figure of remuneration for 2018, 2015 and 2012 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 £1,343,995 (93.33% vesting), £945,750 (97% vesting) and £900,000 (90% vesting) respectively for the three year period ended in that year.

Percentage increase in the CEO's remuneration

The table below compares the percentage increase in the CEO's remuneration (including salary, fees, benefits and annual bonus) with the remuneration of Big Yellow Group employees.

	% increase in remuneration in 2019 compared with 2018	
	CEO	Employees
Salary and fees	16%	3%
All taxable benefits	(3%)	0%
Annual bonuses	(9%)	(20%)

The Group will publish its CEO pay ratio next year in accordance with the new UK Corporate Governance Code.

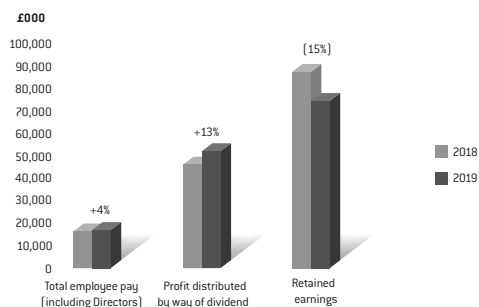
Statement of consideration of employment conditions elsewhere in the Group

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. Particular consideration is given to the general basic salary increase, remuneration arrangements and employment conditions. Furthermore, the annual cash bonus awarded to Executive 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 does not invite employees to comment on the remuneration of Directors.

Relative importance of spend on pay

The graph below sets out the relative importance of spend on pay in the year ended 31 March 2019 and 31 March 2018 compared with other disbursements from profit, being the distributions to shareholders and retained earnings (comprehensive gain for the year less dividends).

**Gender pay**

The Group has reported on its gender pay gap for 2019. The full report can be found on the investor relations website <http://corporate.bigyellow.co.uk/investors.aspx>. The Group's mean gender pay gap was 26% (2018: 26%), with a median gap of 7% (2018: 10%). Excluding Executive Directors (three of whom were founders of the business), the mean gender pay gap falls to 12% (2018: 12%) with a median gap of 6% (2018: 9%). All staff are paid equally according to job role.

The Group recognises that its success stems from attracting the right people and creating a diverse and gender balanced workforce, which not only reflects the communities in which the Group operates but also ensures a fully motivated and engaged team. The Group will ensure that every policy and practice encourages inclusive ways of working, in line with the Big Yellow culture.

Flexible working is promoted across the organisation, with a number of Head Office employees being home-based, others working flexibly from home and all employees being able to work from any location within the business.

The family friendly policies include enhanced maternity, paternity and adoption pay and the Group's parental leave policy encourages both men and women to share childcare commitments. The Group has also introduced a specific return to work programme for employees returning from maternity leave.

The Group will continue to recruit based on merit and ensure that recruitment processes are bias free. The Group has recently recruited a female at senior management level to replace a position previously held by a male employee and will continue to endeavour to increase the number of women in all senior positions.

Since we published our first Gender Pay Gap Report last year, gender has continued to be a focus of our diversity and inclusion efforts. During the year we ran a series of Diversity and Inclusion workshops for our Directors and Management which identified some key action areas across the business. We introduced improvements to our family friendly policies, ensuring that they are more easily accessible and we provided our line managers with additional tools and resources to support their employees. We have also continued to focus on the hiring and progression of women across the business, continuing to review our recruitment practices and encouraging more women to take part in our management development programmes. In 2018 35% of participants were women compared to 30% in 2017. We are pleased to see this positive trend continue into 2019 when we have seen a significant increase to 69%. In addition, over half of the Store Managers appointed in 2018 were women compared to fewer than 25% in 2017.

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 impact of the new Combined Code on the operation of the Committee. 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 £21,000.

Approval

This policy report was approved by the Board of Directors on 20 May 2019 and signed on its behalf by

Georgina Harvey

Remuneration Committee Chair