

ETHNICITY

PAY GAP REPORT 2021



A message from James Gibson, CEO

Big Yellow Self Storage is the most recognised self-storage brand in the UK. We provide a secure and modern self-storage environment for homes and businesses through our network of 79 stores across the UK.

We believe that diversity and inclusion are key to a successful and sustainable business and we are committed to creating a culture where all team members can be themselves, feel empowered to succeed and deliver a customer experience that is second to none.

We encourage and enable all employees, regardless of their gender, race, background, or any other characteristics, to reach their full potential as we believe that having a diverse workforce with fair representation is better for employee engagement, strategically important and ultimately generates value to our stakeholders.

The Company has reported its first data on ethnic diversity for the year ending March 2021, during which time our focus on diversity and inclusion encompassed the following key areas:

- The formation of an Inclusivity and Diversity Committee which has initially focussed on gender and ethnicity
- Signing up to the Business in the Community's (BITC) Race at Work Charter
- Updating our Equal Opportunities Policy with a new Diversity and Inclusivity Policy and communicating this throughout the business
- Appointing a dedicated recruitment consultancy who specifically represent female applicants and

other diverse minority groups, to support the recruitment of a senior management position

- Identifying and training four Inclusivity and Diversity Experts to support the Company in developing an inclusive culture and providing training for them via an external consultancy so that they have the skills and knowledge to provide employees with advice and support
- Providing Diversity and Inclusivity Training for all management employees virtually and recording this training for non-management and new employees to view via our learning and development platform
- Updating our People database and Applicant Tracking System to enable better data capture and reporting, which we are reviewing with key stakeholders on a regular basis
- Developing the careers pages on our Company website by adding additional career reviews to help to promote diversity and inclusion
- Updating the questions that we ask within our regular Employee Engagement Survey to ensure we obtain internal feedback on inclusivity and diversity within the Company
- Analysing our ethnicity breakdown across the business and identifying areas to target for improvement in our employee diversity, such as the North West and our Head Office at Bagshot
- Conducting a blind CV exercise which concluded that recruitment decisions within the business are based on skills and experience and not negatively influenced by protected characteristics. Whilst our reasons for regretting were therefore valid, they could be based on assumptions relating to skills and experience, as a result of which we are

now focussing more time on speaking to individuals to better assess their suitability for a role

- Conducting an analysis of career progression within the business which concluded that there was room to improve the progression of ethnic minorities and this will therefore be focused upon over the next 12 months
- Offering future work placements on a broader basis, to try to reach disadvantaged or other minority groups

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

We will therefore continue to challenge our own preconceptions of how we work and established ways of thinking. We consider this as essential in enabling us to understand what our team members and customers want and expect from us, thereby being able to better represent the communities that we serve.

A handwritten signature in black ink, appearing to read 'James Gibson', with a long horizontal flourish extending to the right.

James Gibson
Chief Executive

Ethnicity Pay Data

In order to understand our Ethnicity Pay Gap, it is important to clarify that it is distinct from our Equal Pay Gap reporting, which is about ensuring that all employees irrespective of their gender or ethnicity are paid the same for carrying out work of equal value. Ethnicity Pay measures the balance within an organisation and the difference between the average earnings of employees of all ethnicities.

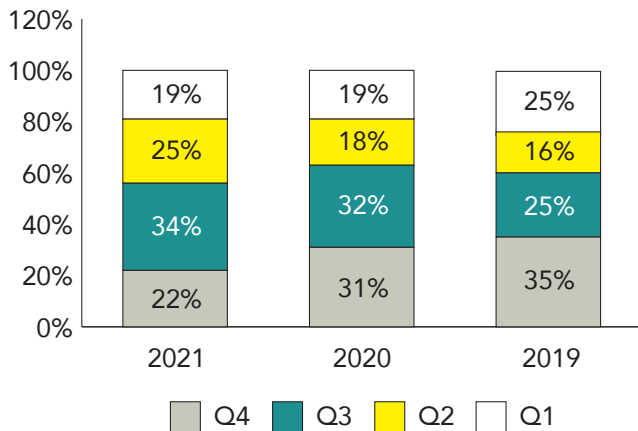
The table below shows our overall Median and Mean Ethnicity Pay Gap, based on hourly rates of pay as at the snapshot date of 5th April 2021.

Difference between hourly earnings for Ethnic Minority and White Employees All Team members		
Snapshot Date	Mean	Median
05-Apr-21	1%	4%
05-Apr-20	6%	9%
05-Apr-19	5%	10%

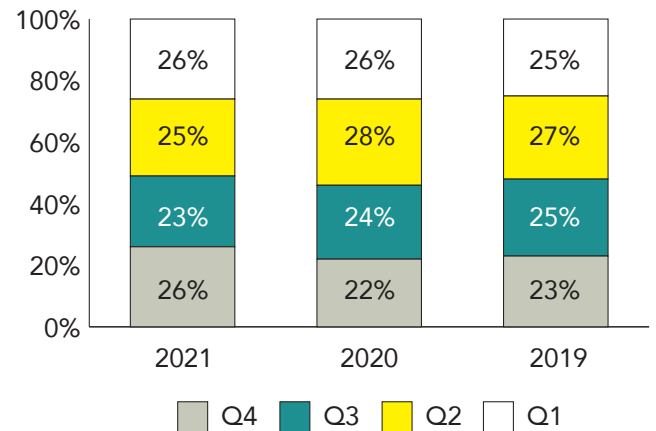
It is pleasing to see that our Mean Ethnicity Pay Gap for all employees has decreased to just 1% in April 2021, from 6% in April 2020.

This has been influenced by the number of minority ethnic employees occupying positions within the middle two quartiles, which has increased from 50% to 59% as shown in the distribution chart below.

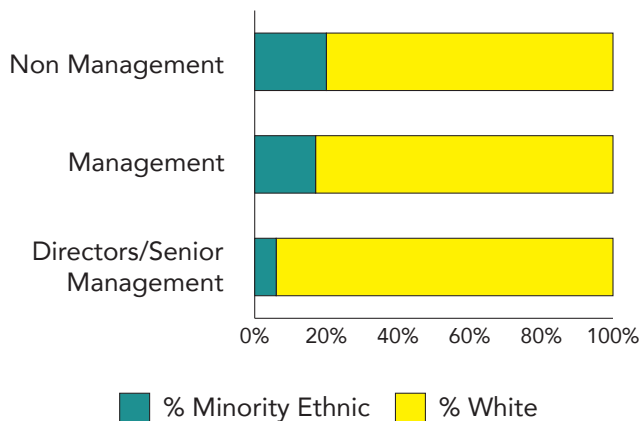
Distribution of minority ethnic employees in each quartile



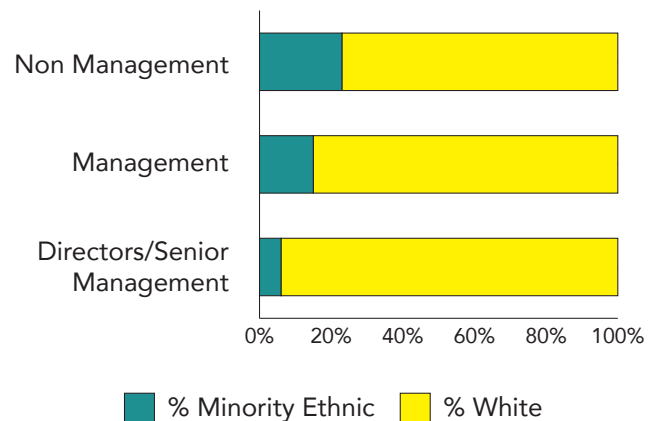
Distribution of white employees in each quartile



Analysis by position April 2021

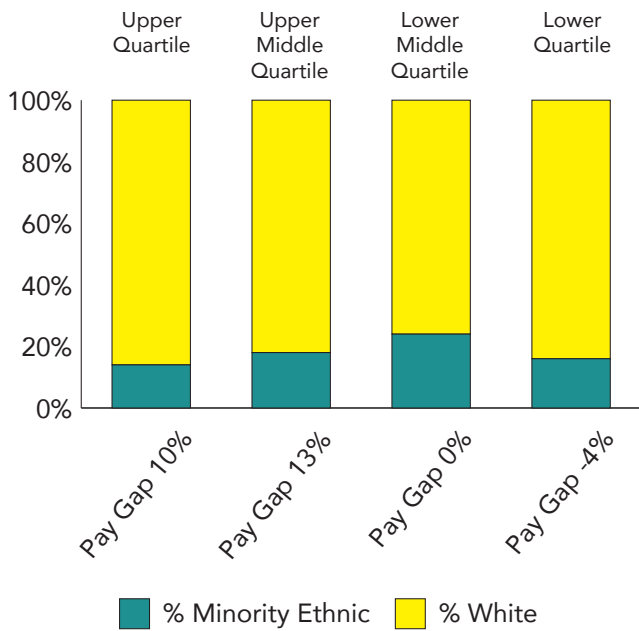


Analysis by position April 2020

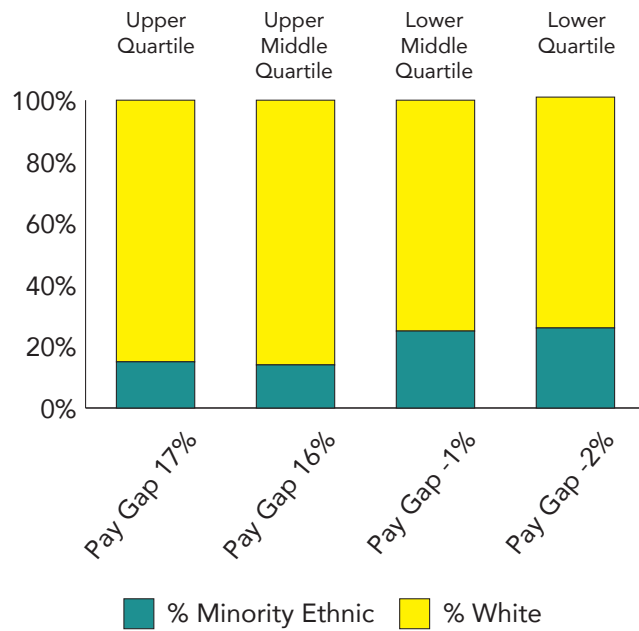


The number of management positions occupied by minority ethnic employees has increased from 15% in April 2020 to 17% in April 2021.

Median Ethnicity Pay and Pay Gap by Quartile April 2021



Median Ethnicity Pay and Pay Gap by Quartile April 2020



It is pleasing to see that our Ethnicity Pay by Quartile shows a lower representation of ethnic team members in the Lower and Lower Middle Quartiles for 2021, with a 10 percentage point decrease in ethnic minority representation in the Lower Quartile and a 1 percentage point decrease in the Lower Middle Quartile, compared to 2020.

In addition, there is a slightly higher representation of ethnic team members in the Upper Middle Quartile, with a 4 percentage point increase in this quartile compared to 2020. The Upper Quartile excluding Directors remains largely unchanged (14% in 2021 compared to 15% in 2020).

GENDER **PAY GAP REPORT 2021**



A message from James Gibson, CEO

Introduction

Big Yellow Self Storage is the most recognised self-storage brand in the UK. We provide secure and modern self-storage for homes and businesses through our network of 78 stores, all of which operate with state-of-the-art technology in the latest generation of self-storage facilities.

We believe that diversity and inclusion are key to a successful and sustainable business and we are committed to creating a culture where all team members can be themselves, feel empowered to succeed and deliver a customer experience that is second to none.

Over the past 12 months we have continued our focus on diversity and inclusion across the business and our key achievements during this period are outlined below:

Policy and Strategy

- We have continued the work of our Inclusivity and Diversity Committee, changing the scope and constitution of the committee to ensure that all protected characteristics are fully represented
- The work of the Inclusivity and Diversity Committee has been better communicated across the business via our Intranet and through our quarterly CSR newsletter
- Our Equal Opportunities Policy was updated with a new Inclusivity, Diversity and Equality Policy which reflects our current Inclusivity and Diversity practices, the work of the Inclusivity and Diversity Committee and manager and team member responsibilities
- The introduction of a Working from Home Policy within our head office has enabled all team members to achieve a better work life balance

- A Menopause Policy was introduced to increase awareness of the menopause across the business, including clarification of individual responsibilities and the support that is offered by the Company
- We have held regular meetings between line managers and the People, Talent and Development Team to review Inclusion and Diversity and identify on going opportunities for improvement across the different areas of the business
- The questions that we used on our Employee Engagement Survey were updated to ensure that we received feedback on inclusivity and diversity within the business. The overall result from our survey for 2021 was a very high score of 90% of team members scoring positively in this area.

Recruitment and Talent

- We appointed two dedicated recruitment consultancies who specifically represent female applicants and diverse minority groups and successfully recruited two females into senior management / management positions, replacing male leavers
- Our job advertisements, benefits and working practices were reviewed so that they have a greater appeal to female applicants, based upon feedback from new team members
- We focussed on attracting more female candidates through developing the careers pages on our Company website, including adding additional career reviews to help promote diversity and inclusion
- Alongside our marketing agency, we reviewed and amended all of our external job advertisements to remove any gender bias

- The proportion of our female Store Managers continues to increase steadily from 33% in March 2021 to 34% in March 2022
- Female representation within our senior leadership team has increased from 38% in March 2021 to 46% in March 2022

Learning and Development

- Inclusivity and Diversity Training was provided for all management employees virtually, with the training being recorded and made available via our learning and development platform for non-management and new team members
- e-learning opportunities were further increased to include video e-learning relating to wellbeing for parents and women in leadership
- Our investments in e-learning have resulted in 25% more females in stores taking up this training than males (20% more in 2020) and 47% more females in head office taking up this training than males (15% more in 2020)
- We have continued to encourage more women to take part in our management development programmes with 25% of Store Manager delegates currently female (12.5% for the 2019 graduation) and 50% of Assistant Manager delegates currently female (31% for the 2021 graduation)
- Our Inclusivity and Diversity Survey reported that 86% of team members felt that they are encouraged to participate in learning and development opportunities to assist their progression (84% in 2019) of which 91% of females (91% in 2019) and 92% of males (87% in 2019) gave a positive score
- The number of females promoted internally has increased to 49% in 2022 (39% in 2021)

Whilst our Gender Pay Gap is reducing on a gradual basis and we will continue to work to reduce it further, we recognise that it would be unrealistic to close this gap quickly, given that all four of the Executive Directors are male and three of them were founders of the business more than 20 years ago.

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

In addition to the initiatives that we already have in place, we will also be considering the following:

- Working with a newly formed diversity recruitment team via one of our preferred suppliers to see how they may be able to assist us in developing our brand to better recognise us as an employer of different diverse groups, as well as advising on how we can further the work of our Inclusivity and Diversity Committee
- Continuing to appeal to all diverse groups including female applicants, thorough targeted advertisements, social media posts and producing a new recruitment video
- Increasing lines of communication through a new on boarding process, via live chat, with the aim of encouraging applicants from less represented groups to make more informal contact with us. We hope that this will then provide us with the opportunity to increase applications from these groups
- Two members of the People team will be training as Menopause Champions to further support team members within the business who are experiencing the menopause

In conclusion, whilst we would like to have seen a greater reduction in our Gender Pay Gap, we are making progress in improving the diversity of our leadership and operational management team and we can therefore expect the further changes we have put in place to result in a reduction of the pay gap over time.

We will therefore continue to challenge our own preconceptions of how we work and established ways of thinking. We consider this as essential in enabling us to understand what our team members and customers want and expect from us, thereby being able to better represent the communities that we serve.

I confirm that the data contained within this report is accurate and in accordance with the Equality Act 2010 (Gender Pay Gap) Information Regulations 2017.



James Gibson
Chief Executive

Gender Pay Data

The tables below show our overall Median and Mean Gender Pay and Bonus Gap, based on hourly rates of pay as at the snapshot date of 5th April 2021 and bonuses paid in the year to 5th April 2021.

Difference between hourly earnings for men and women All team members		
Year	Mean	Median
05-Apr-21	25%	7%
05-Apr-20	26%	10%
05-Apr-19	28%	10%
05-Apr-18	26%	7%
05-Apr-17	26%	10%

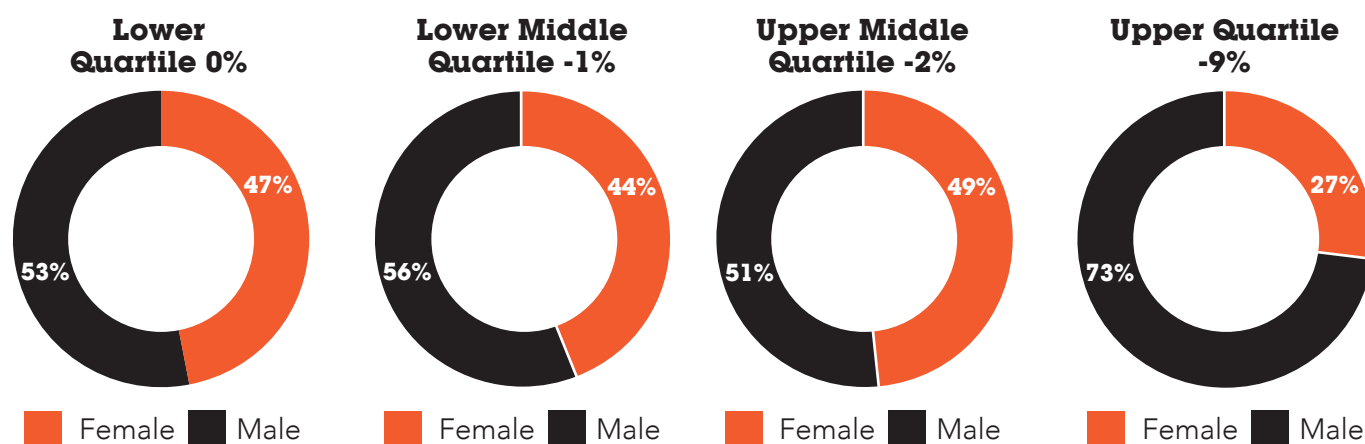
Difference between hourly earnings for men and women Excluding Directors		
Year	Mean	Median
05-Apr-21	9%	5%
05-Apr-20	10%	8%
05-Apr-19	13%	9%
05-Apr-18	12%	6%
05-Apr-17	12%	9%

It is pleasing to see our Mean Gender Pay Gap has decreased to 25% from 26% in April 2020, with the median reducing to 7% from 10% over the same period. This is due to an increase in female representation in the Upper Quartile from 25% in April 2020 to 27% in April 2021.

Our Gender Pay Gap as at April 2021 is still impacted by women holding fewer senior positions within the organisation than men - whilst women made up 42% of our total workforce in April 2021 (April 2020: 42%), all of our Executive Directors are male. Our Mean pay gap excluding the Executive Directors is 9% (April 2020: 10%).

In addition to the above, our Gender Pay Gap is significantly affected by the fact that three of our four Executive Directors have held their positions since the Company was founded in September 1998, with no other Executive recruitment having taken place other than for a Chief Financial Officer in 2007. Three of our five Non-Executive Directors are female. Further analysis of our data shows that it would take only two changes at Board level to reduce the gap to 5%.

Median Gender Pay by Quartile



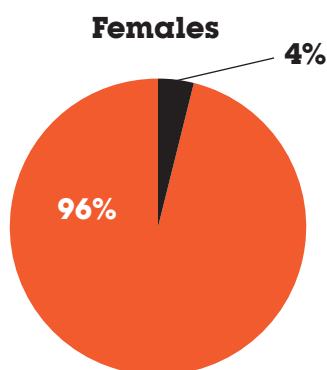
Our Gender pay by Quartile shows a higher representation of female team members in the Upper Quartile for 2021, with a 2 percentage point increase in female representation within this quartile compared to 2020. In the Lower Middle Quartile there is a lower representation of female team members for 2021, with a 2 percentage point decrease within the quartile compared to 2020.

The salaries of our Store and Customer Support team members are paid in accordance with set pay bands meaning that the salaries for female team members within the Lower and Lower Middle Quartiles are 100% of their male equivalents.

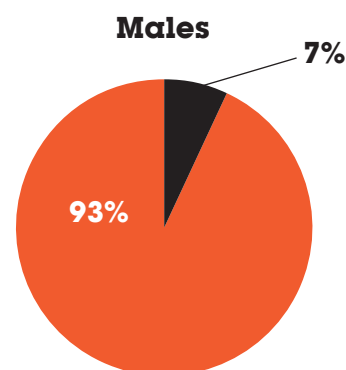
Bonus Pay Data

Difference between bonus paid to men and women All team members		
Year	Mean	Median
05-Apr-21	52%	26%
05-Apr-20	66%	30%
05-Apr-19	85%	43%
05-Apr-18	73%	35%
05-Apr-17	65%	35%

Difference between bonus paid to men and women Excluding Directors & part time team members		
Year	Mean	Median
05-Apr-21	17%	21%
05-Apr-20	29%	20%
05-Apr-19	11%	34%
05-Apr-18	47%	31%
05-Apr-17	4%	16%



■ No Bonus ■ Received Bonus



■ No Bonus ■ Received Bonus

All of our employees are in a performance related bonus scheme, which is paid as a percentage of salary. It is pleasing to see that our Bonus Pay Gap for 2021 has decreased to 52% from 66% in April 2020.

Our bonus pay gap is currently affected by the fact that only 42% of our full-time team members are female (2020: 41%). If we exclude Executive Directors and part-time team members from our calculations, our Mean bonus pay gap falls to 17% (2020: 29% and 2019: 11%).

The decrease in our Mean Bonus Pay Gap to 17% (excluding Executive Directors and part-time team members) in 2021 is as a result of the timing of share options exercised during the year, with four of the eight highest earning team members exercising their options, compared to three team members in 2020.

In relation to those team members who did not receive a bonus payment, if we were to adjust for team members who were not employed during the period to which the bonus related, 99% of females and 98% of males who were eligible to receive a bonus did in fact receive one.