

BIG YELLOW GROUP PLC

SLAVERY AND HUMAN TRAFFICKING STATEMENT

This statement is made pursuant to section 54 (1) of the Modern Slavery Act 2015 and constitutes our “Anti-slavery and Human Trafficking Statement” for the financial year ended 31 March 2018.

INTRODUCTION FROM THE CEO

Slavery and human trafficking remains a hidden blight on our global society. We all have a responsibility to be alert to the risks, however small, in our business and in the wider supply chain. Our staff are expected to report concerns and our management are expected to act upon them.

We have zero tolerance to slavery and human trafficking. We expect all those in our supply chain and contractors comply with our values.

ABOUT OUR BUSINESS

We are one of the largest and most recognised self storage brands in the UK. We provide secure and modern self storage for homes and businesses. Founded in 1998 with our first store opening in Richmond upon Thames, we now operate from a platform of 96 stores, including 22 stores branded as Armadillo Self Storage in which the Group has a 20% interest. We own the freehold of the majority of these stores and have a further eleven Big Yellow development sites (including one extension of an existing store), of which three have planning consent.

Big Yellow employs over 450 people and is listed on the FTSE 250 London Stock Exchange with a market capitalisation of approximately £1.5 billion.

OUR SUPPLY CHAIN

We manage our suppliers on a de-centralised 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 these are procured in accordance with our guidelines.

We have c. 600 direct suppliers, but 80 of whom represent c. 85% of our spend. These suppliers deliver creative and marketing services, legal and financial services as well as the full range of real estate products and services, such as planning advice, architectural services, project management for construction, cleaning and maintenance.

A large number of these suppliers provide professional, highly skilled advice and services and are therefore less likely to harbor Modern Slavery issues. We focus our efforts on our more manual labour intensive industries, such as construction and cleaning.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. We have a range of policies¹ that reflect our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

We intend to review our policies on a regular basis and ensure they fully reflect our commitments and ethos.

DUE DILIGENCE

Our Construction and Facilities departments contacted all their key partners during 2016 to obtain assurances that due diligence in their own operations had been conducted.

Over 80% of our partners confirmed due diligence had been conducted and were therefore happy to agree to make that commitment by accepting an additional contract clause in our service agreements with regards to the UK Modern Slavery Act.

As we enter a phase of increased construction activities, it seems right and prudent to conduct a further review of our processes, policies and procedures and that of our partners.

ASSESSING AND MANAGING RISK

We believe there is value in looking at our supply chain and associated risks holistically and have asked our Head of CSR to conduct an initial desktop review to provide the CSR Forum (and ultimately the Board) with a clearer understanding of the overall risk to business.

We consider our most significant risks to be in our supply chain, rather than in our own operations: our customer services team (who as a 'call center operation' may fall into a higher risk industry category) are all employed by us directly and operate from our head office in Bagshot.

Our three inherent industry risk areas we have identified are: (i) the procurement of specific materials, (ii) workers on construction sites and (iii) labour services in relation to our stores, such as cleaning.

We want to pay particular attention ensuring our supply chains are free of child labour, illegal, forced or bonded labour and that the workers in our supply chain have their human rights protected and have safe and healthy working conditions.

We work directly with our partners to establish these themes as joint standards and have a whistleblowing helpline in place for anyone who wants to raise concerns.

Specifically with regards to workers on construction sites here in the UK: we sign up to the Considerate Constructor Scheme (CCS) and all of our new builds have obligations under BREEAM. Although neither guarantee risk or issue-free practices, they nevertheless provide a framework that allows Big Yellow to investigate further, if required. We use proxy aspects, such as Health and Safety incidents or lack of protective clothing to alert us to broader potential issues.

¹ Supply Chain, Contractor Labour and Environmental Standards Guide; Equal Opportunities / Human Rights

We employ a UK cleaning company who provide cleaners to our stores.

PERFORMANCE AND MONITORING

During 2017/18 we have not identified any areas of particular concern.

On our construction sites we have managed to achieve the standard for the CCS we are aiming for (minimum of 35 out of 40 points).

We have dedicated more time and resources to structure risk based desktop assessments of our supply chain and intend to report on progress and any significant findings on an annual basis.

We identify small, local suppliers and have committed to the Prompt Payment Code (2017) scheme with them – we expect that paying promptly will ensure smaller businesses are not forced to ‘cut corners’ and therefore ultimately encourages healthy employment practices.

TRAINING

Training has focused on approximately 10 individuals within Big Yellow who have the authority to enter into a contract with a supplier (an online course undertaken early 2018). The rest of the company receives communication on the broader topic from these key individuals.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we will (i) regularly brief relevant members of staff (all Directors have been briefed on the subject) and (ii) involve all relevant individuals and departments in the risk assessment process.

ONGOING DISCLOSURE AND THE YEAR AHEAD

- Implement & promote our Whistleblowing Helpline to partner organisations (Whistleblowing Helpline managed by an independent 3rd party was implemented in April 2018); and
- Continue to engage current partners around their own due diligence processes, especially on Transparency and Disclosure.

During 2018/19 we intend to focus on the following areas:

Transparency:

- Carry out further due diligence – moving from sector specific risks to supplier specific risk;
- Close any knowledge gaps we have identified through the desk top work conducted within our supply chain.

Setting & monitoring standards:

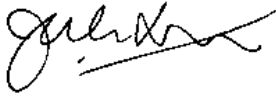
- Decide on a course of engagement with suppliers in the more labour intensive industries; this may include checking up on supplier processes for hiring labour, examining their health & safety records and paying close attention to the suitability of protective equipment provided by our suppliers.

Promoting good practice:

- Promote our Whistleblowing Helpline to partner organisations

Through our activities described above, we are confident that our approach to tackling modern slavery is targeted at high risk areas and is appropriate to the nature of our business activities.

We will continue to promote positive, collaborative and transparent business relationships with our partners.

A handwritten signature in black ink, appearing to read 'James Gibson', with a horizontal line underneath.

James Gibson
Chief Executive Officer
Big Yellow Group PLC

Jan 2019

About this Statement:

This statement provides an overview of our business, our supply chain and the activities we have undertaken in response to the Modern Slavery Act, focusing on actions taken since our previous statement made in 2016.

For more detail on our policies, processes, risk assessments and other activities taken in previous years, please download our CSR Reports.