

Big Yellow Reporting: Meeting the needs and expectations of all of our stakeholders

1. Background to reporting at Big Yellow

When making decisions what to report on, we're mindful of

a) our stakeholder audience and their needs and b) the material topics (as set out in our Materiality Assessment document) we're reporting on – it is our aim to ensure our reports provide enough information without obscuring key messages through unnecessary detail.

Broadly, our Annual Reports and Accounts as well as our Full CSR Report are aimed at meeting the needs of financial markets, investors/ shareholders and information users, such as indices and investor benchmarks.

For environmental and Health & Safety reporting, we also produce a supplementary [Basis of Reporting](#) document, which provides clarity on scope, inclusion / exclusion on data, data completeness, etc.

It is our aim to report our financial, environmental and social performance transparently and fairly and in a way that allows our stakeholders to obtain meaningful and comparable information.

Performance targets are set against a number of strategic goals – for our strategy, please see our [corporate website](#).

Using industry best practice standards, we present our material facts and figures within the European Public Real Estate Association Sustainable Best Practice Reporting (EPRA sBPR) format. For 2018/19 we received a silver award for the quality and completeness of our reporting. [EPRA sBPR Guidelines](#) provide a consistent way of measuring sustainability performance. First published in 2011, the third version of the guidelines released in September 2017, is largely based on the latest Global Reporting Initiative guidelines (GRI Standard) and covers environmental, social and corporate governance impact categories.

Our full CSR Report and the relevant sections within our Annual Reports and Accounts (Director's Report and CSR Section) have been prepared in accordance with the GHG Protocol – A Corporate Accounting and Reporting Standard and the Companies and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The board of directors set out their engagement with the relevant stakeholder groups as part of the Big Yellow Governance section in our Annual Reports and Accounts. The Board identified customers, employees, shareholders, communities and suppliers as our main stakeholder groups – as part of our broader Sustainability context this document includes 'Environment' as a key stakeholder. However as the engagement model is significantly different to the other stakeholder groups, the Board has determined to manage that through the functional leadership of the CSR department, who is tasked with seeking input from a variety of sources to ensure we understand and respond to the needs of our Environment as a key stakeholder.

2. Stakeholder Inclusiveness

Big Yellow has identified six core stakeholder groups who are relevant to the successful day to day operation of our business or are directly affected by our business activities. ; each with their own set of expectations and interests.

They are:

Employees

Affected by Big Yellow activities	<ul style="list-style-type: none"> + Pay and Benefits + Personal development & learning + Workforce Engagement + Wellbeing Programmes + Diversity & Inclusion Programmes
Have an effect on Big Yellow's ability to achieve our objectives	<ul style="list-style-type: none"> + Deliver our front-line services + Maintain our reputation

We have ca 480 full and part time employees; 98.5% are employed permanently, 1.5% temporarily.

Employees are critical to the success of our business. Most of our employees are at the forefront of the business, providing the excellent service we need to ensure we retain our income and our reputation as the best in the market.

We report on our engagement and interaction with our employees throughout the relevant sections of our Annual Report and Accounts, for example as part of Business Risk or Governance. We also dedicate a section in our Full CSR Report to employees. This is where we bring to life how we met the needs of this particular stakeholder group, how we have adjusted internal processes to meet their needs and what activities have taken place to assess their needs.

We consider employees critical to our business and have assigned the responsibility for Employee Engagement to one of our Non-exec Directors, who works closely with the Head of HR to understand and meet the needs of employees.

We report separately on gender and pay aspects as part of our Gender Pay Gap reporting.

We invest heavily in training and development; we reward employee suggestions that are adopted and we publish an internal newsletter to ensure everyone is fully involved and engaged with what we do. We have internal blogs – called Yello – which are a much loved and fun way for both the company and employees to post thank you's, celebrate a birthday, showcase a particular rewarding customer interaction or get support for fundraising activities.

What our employees tell us is that they want to be treated fairly and rewarded for their work. They want to be supported and – when the opportunities arise – they want to get promoted. At the time of writing, about 55% of individuals have been promoted into their existing position.

Suppliers

Affected by Big Yellow activities	<ul style="list-style-type: none"> + Promptly & fairly paid for their services + Commitment to long-term relationships
Have an effect on Big Yellow's ability to achieve our objectives	<ul style="list-style-type: none"> + Significant contributor to our overall profitability + Deliver service and products + Contribute with innovation

Very few companies could successfully operate without the support of their supply base. This is the case for us too and this is the reason we recognise them as a core stakeholder to our business. As our business has grown organically over the last 20 years, many our suppliers have accompanied us on that journey. We consider many of these businesses to be partners and rely on their expertise and professionalism and in turn commit to paying promptly and treat them fairly.

We have signed up to the Prompt Payment Code and pride ourselves to working with our suppliers in mutually beneficial relationships. We report on our performance as part of the Supplier section in our Full CSR report, alongside any initiatives we may have been running during the year.

Maintaining the relationships with suppliers falls to each Department Head of the goods or services purchased. Our Finance Department oversee the payment aspect and work pro-actively with the rest of the business to ensure invoices are paid promptly.

On a yearly basis, we publish a [UK Modern Slavery Act Statement](#), that provides insight into the size and complexity of our supply chain and how we manage risks, specifically the risk that Modern Slavery poses.

Customers

Affected by Big Yellow activities	<ul style="list-style-type: none"> + Fair selling & marketing practices + High quality, safe & secure facilities + Outstanding Customer Service + Commitment to Face to Face Service, as well as online support + Environmentally and Socially responsible suppliers
Have an effect on Big Yellow's ability to achieve our objectives	<ul style="list-style-type: none"> + Revenue + NPS and brand value + Social media profile

Unusually maybe for a real estate company, we do not have tenants, but have customers who have a range of differing needs. Our stores house everyone from declutterers to house movers, from small businesses to large companies using our stores as additional distribution hubs, to charities and NHS Trusts. We report on customer segmentation in our Annual Reports and Accounts and we also dedicate a section of our Full CSR Report to customers with regards to how we engage with them on CSR topics specifically.

Given that positive customer experience is economically critical for our business, customer feedback mechanisms are deeply embedded into our business. We report on any material changes that we have made – for example to our online check in processes - as part of our Marketing section within our Annual Reports and Accounts.

We periodically conduct more in-depth (market) research to help us understand our customer needs better. Where appropriate, we share this research so that existing and potential customers - as well as financial institutions - may understand our approach. The Big Yellow Employment Survey is such research. We publish it as a case study [here](#).

We also attempt to anticipate customer needs, based on broader societal changes, as part of the transition to a low carbon economy. We anticipate a greater uptake of electric vehicles; with most customers visiting our stores by car or van, our new stores will be fitted with two Electric Vehicle charging pods in our customer car parks.

Communities¹

Affected by Big Yellow activities	<ul style="list-style-type: none"> + Possible disruption during construction phases + Supported with (discounted) space where possible (not-for-profits and charities) + Enhancement of the local area + Local solution for local businesses, startups and distribution hubs for larger businesses
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¹ Including local government

Have an effect on Big Yellow's ability to achieve our objectives	+ Can help or hinder planning applications
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We define 'Local Community' as all the people who work and store in our stores and everyone who lives around us. We want to be a good neighbour, from the construction phase to the day to day running of our stores. It is our aim to positively contributing to the local economy.

Similarly to our customer base, our local communities are a diverse group and we have a range of mechanisms in place to allow us to assess their needs and expectations starting with the initial consultation process on proposed new sites. Each of our stores accommodates several local charitable organisations at discounted rates and in addition our Big Yellow Foundation invites customers to donate in each store.

As a hub for business users – approximately a third of our space is rented out to businesses - our stores add value to the local economy above and beyond the immediate employment of our own staff and so contributes to a thriving, local community. Please read our case study [here](#).

Increasingly, in high density urban areas, we look to add value beyond purely economic or purely philanthropic considerations. At our new store in Battersea², which is in the borough of Wandsworth, London, we have worked closely with the local council to incorporate a space which can be used by the local community. It is planned that Battersea will house a pottery studio, run by an expert pottery company, and will offer subsidised classes for local residents.

Investors/ shareholders

Affected by Big Yellow activities	+ Money invested could be at risk + Regular Business information and updates
Have an effect on Big Yellow's ability to achieve our objectives	+ Make funds available to deliver (growth) plans + Direct requests of the Group Directors

Our investors are shareholders in our business. They consist of investment companies, who invest on behalf of institutional and retail investors. Over 25% of shares in our business are owned by four such investment companies. A proportion of these investments are there to provide returns on pension funds for example, so we know a large part of our investors/ shareholders are interested in a long-term stable and sustainable business. Some of the CEOs of these business have recently taken a more active approach to encourage our business to give due regard to Sustainability, specifically climate-related risks and opportunities.

They require our reporting to set out our current and anticipated risks and relevant responses clearly and transparently.

The recent guidelines produced by the Taskforce on Climate-related Financial Disclosure (TCFD) aim to help financial markets to assess resilience and risks. Our reporting incorporates the work we have done as part of our own climate change risk assessments, which include both physical risks to our assets as well as transition risks to our business. This work is part of our larger, Business Risk process, so our ability to adapt and mitigate where necessary is managed and governed at the right level.

² To be opened during 2020

We report key environmental performance data as part of our Director’s report in the Annual Report and Accounts as part of GHG reporting obligations and the Streamlined Energy and Carbon Reporting (SECR) obligation.³

Environment

Affected by Big Yellow activities	+ Physical impacts during construction + Physical impacts during operation and running of our stores
Have an effect on Big Yellow’s ability to achieve our objectives	+ Might limit BY’s ability to trade (stores affected by flooding for example) + Climate change related impacts may increase our construction and operational maintenance costs + Managing impacts on us successfully will have a positive impact on our other stakeholder groups, such as employees and our communities

We engage relevant subject matter experts to assess the impact our business has in the first instance as part of the planning / construction process. Our partners perform detailed assessment on likely impacts on land, water, biodiversity, air quality and other key aspects. It is our aim to not just minimize any negative aspects, but also ‘listen’ carefully and enhance where possible, through the installation of green roofs or bird of bat nesting boxes for example.

We extensively report on our Operational impacts, such as energy consumption, carbon emissions, waste we create and water we use as part of our Full CSR Report and have systems and processes in place to manage material aspects, such as energy.

We also report a high-level overview within the Director’s report section of the Annual Reports and Accounts. We have ongoing programmes and commitments to reduce our overall footprint, which is what we assess the primary need of Environment to be.

There are a number of Civic Society Organisations that take an interest in specific aspects of our overall corporate behaviours, but environment in particular. We respond to queries and attempt to invite positive, constructive engagement via our transparent reporting. We may also engage with some of them specifically to address issues collaboratively and hope to be able to report more on that in the future.

National and International Public Bodies

Affected by Big Yellow activities	+ Unlikely
Have an effect on Big Yellow’s ability to achieve our objectives	+ Make policy that may affect BY + Set taxes that may affect BY + Introduce standards such as BREEAM

Lastly, from a CSR point of view, we also recognize national and international public bodies as a stakeholder- as they are not directly impacted by our activities, they are not formally listed in our Governance document, however, they are mentioned here as the macro-climate of regulations, quasi-regulations and generally adopted industry standards frame our business operations specifically and increasingly on Sustainability and Climate Change topics.

³ SECR coming into effect 2020

Where invited, we take part in policy consultations and we are committed to informing ourselves to ensure we are prepared for new laws and regulations and meet the requirements of existing laws and regulations.

We will engage with standard bodies to insure we adopt industry best practice where possible; as an alternative REIT, some standards are more relevant to our business than others and we carefully explore how we can adapt standards to suit the nature of our business. Where appropriate, we engage with external experts to help us do that.

3. Stakeholder Engagement

Big Yellow seeks to understand its stakeholders’ expectations and interests through a variety of means, such as surveys,⁴ consultations, and through proxy measures in the case of the Environment. For an overview of how Big Yellow assesses expectations and interests, please see the below table. Our general business strategy, CSR and Sustainability programs, our purpose, vision and values set out how we intend to meet these expectations.

Our Annual Reports and Accounts and our CSR Report gives information on progress, challenges we encounter and adjustments/ changes we are making to ensure we remain relevant and continue to meet expectations in a rapidly changing environment.

Although all external publications and communications are also accessible to our employees, we understand that this is not necessarily their preferred mode to access company specific information relevant to them and therefore we use a range of more interactive, fun and timely ways to communicate where necessary.

Stakeholder Group	How do we assess their expectations, needs and interests?	How do we report back to that particular group?
Employees	Internal, anonymous surveys (regular & ongoing)	Through specific & targeted working groups, addressing employee feedback
	External, anonymous surveys (periodic), such as Best Company to Work For	Through specific & targeted working groups, addressing employee feedback At regional or UK wide company meetings, such as the Spring Conference Through internal blogs and publications, namely Yello or The Bigger Space

⁴ Stakeholder engagement based on systematic or generally accepted approaches, methodologies, or principles can also be implemented specifically to inform the preparation of the report. Other means that can be used to satisfy this principle include monitoring the media, engaging with the scientific community, or collaborative activities with peers and stakeholders. The overall approach is to be sufficiently effective so that stakeholders’ information needs are properly understood. It is important that the means used are capable of identifying direct input from stakeholders as well as legitimately established societal expectations.

	Engagement through Non-exec Director with responsibility for 'Employee Relations'	Through standard internal communications mechanisms
	Internal suggestion programme 'Bright Ideas'	From Department Head / HR back to employee(s)
	Performance and development conversations with line management	Through individual line manager – employee meetings Big Yellow employee training and development programmes, such as LEAD

Stakeholder Group	How do we assess their expectations, needs and interests?	How do we report back to that particular group?
Suppliers	Individually via our internal Department leads.	Individually via our internal Department leads.
	Through Department specific supplier days	Through Department specific supplier days.
	Signing up to the Prompt Payment Code (PPC).	Publicising our commitment to the PPC and reporting our payment performance as part of our annual CSR reporting

Stakeholder Group	How do we assess their expectations, needs and interests?	How do we report back to that particular group?
Customers & Potential Customers	Extensive and ongoing market research into customer needs and preferences	Dynamic adaptation of customer journey based on real insight. Evolving product and service offering. (Pro-)active communication on Sustainability topics in line with customers' expectations. Display of our Environmental and Social values through displays showing how much solar energy a store has generated and messaging on our Big Yellow Foundation at each store and online.
	Google reviews & Trust Pilot	We do not directly respond but encourage our customers to leave reviews of their experience – this is managed in each store directly

	<p>A range of customer surveys:</p> <ul style="list-style-type: none"> • Customer Satisfaction programme – potential and actual customers are emailed surveys to complete about their experience • Direct customer emails • Mystery Shop programme – all stores mystery shopped 8 times a year and CSC have 15 shops per month to measure customer service standards and selling standards 	<p>Corporate and Customer website setting out our offering and explaining how we meet our customers’ needs.</p> <p>Published Values and mission.</p> <p>Economic / financial performance data.</p> <p>Customer case studies and narratives within various corporate reports.</p>
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Stakeholder Group	How do we assess their expectations, needs and interests?	How do we report back to that particular group?
Local Communities	Local planning applications process at store construction phase.	Via the planning application process – townhall meetings with local residents where necessary. In-depth needs assessments are discussed together with the local council.
	Signing up to Considerate Constructors Scheme (CCS)	Publicising our commitment to the CCS visibly at construction sites and reporting our CCS score as part of our annual CSR reporting.
	Local charities and not for profit organisations (such as foodbanks) – assessed in each store individually	Via the local store teams
	Local businesses: either locally in each store and/ or via our National Accounts team	Via the local store teams Via the National Accounts team

Stakeholder Group	How do we assess their expectations, needs and interests?	How do we report back to that particular group?
Environment	Expert input, commissioned reports	Not applicable – however, we report extensively on our general progress, which is available to all interest groups.
	Government & global bodies publications	
	In-house expertise.	
	Non-Executive Director with expertise on Environment & Sustainability Board Committee	

Stakeholder Group	How do we assess their expectations, needs and interests?	How do we report back to that particular group?
Investors/ Shareholders	<p>Face-to-face at investor engagement programmes</p> <p>Investor roadshows following annual and interim reporting cycles</p> <p>Investor conferences UK & Internationally</p> <p>Invited to contact our IR partners directly or via our csr@bigyellow.co.uk emails</p>	<p>Annual Reports and Accounts</p> <p>Interim statements and accounts</p> <p>Face to face investor engagement programmes and roadshows.</p> <p>Direct contact with individual investors/ shareholders</p> <p>Rating Agencies.</p> <p>Investor benchmarks, such as CDP.</p>

Stakeholder Group	How do we assess their expectations, needs and interests?	How do we report back to that particular group?
National and Int (Public) Bodies	National / international laws and regulations	<p>By meeting or exceeding requirements set by laws and regulations.</p> <p>By reporting publicly on strategy and progress.</p>
	National / international agreements, specifically on climate change and social / human rights issues	<p>By developing and funding strategies to meet national / international agreements on climate change and social / human rights issues</p> <p>By reporting publicly on strategy and progress.</p>

4. Responsibilities with regards to Stakeholder reporting needs

Stakeholder	Accountability	Responsibility	Non-exec Director in place	Internal committee in place
Employees	Operations Director	Head of People and Development	Yes – NED for Employee Engagement	Yes, Topic specific ⁵
Suppliers	CFO	Relevant Department Heads	No – standing board topic	no

⁵ E.g company diversity

Customers	CEO	Head of eCommerce and Marketing	No – standing board topic	no
	Operations Director	Head of Store Operations	No – standing board topic	Yes, topic specific ⁶
Sustainability (Local Communities)	CEO / Operations Director	Head of Development Construction Director	No – standing board topic	no
	CEO / Operations Director	Head of eCommerce and Marketing / Head of CSR	Yes – NED for Sustainability (Climate, Waste and Human Rights)	no
Sustainability (Environment)	Operations Director	Head of CSR	Yes – NED for Sustainability (Climate, Waste and Human Rights)	Yes – quarterly CSR Forum
Investors/ shareholders	Board	CFO	No – standing board topic	no
National and Int (public) bodies	Board	Relevant Department Heads	no	Yes, topic specific

END.

6 E.g. health and safety committee