

Chief Executive's Statement

We are pleased to have delivered another year of revenue and earnings growth, which is a testament to the resilience of our business and the hard work of our employees.

Trading

The first half of the year saw subdued activity levels as we navigated the global economic uncertainty created by changes in US tariff policy. However, we saw stronger trading in the second half, which resulted in a recovery in like-for-like occupancy, although some of that progress was reversed in March following the start of the Iran war, with occupancy growth stalling. In the period after the year end we have seen an improvement in relative performance with the like-for-like occupancy gap closing to 0.6 ppts at the time of reporting.

We continued to deliver rental growth through our yield management to new and existing customers. This offset the reduction in like-for-like occupancy experienced during the year and translated into 2% growth in store revenue. Following a period of elevated inflationary pressures on our cost base in recent years, it was pleasing to see strong cost control deliver much lower increases in our operating costs over the past 12 months. In the first half we saw lower like-for-like operating costs versus the same six months in the prior year, which was the result of several operational efficiencies being delivered. In the second half we reinvested some of these savings into additional marketing expenditure to drive occupancy. We nevertheless mitigated this with savings elsewhere, resulting in an overall 0.3% increase in like-for-like operating costs for the full year. For the year ahead we expect underlying store operating cost inflation of approximately 2-3%, after absorbing a 9% increase in our like-for-like property rates.

Whilst we continue to see demand spread across a diverse range of drivers, the largest driver of demand remains from domestic customers renting storage space when moving home (40% of move-ins during the year, 23% owners and 17% renters). We saw subdued levels of activity in our first quarter, as many customers completed their house purchase prior to the changes in Stamp Duty thresholds from 1 April last year. However, we saw an improvement in demand from home movers in the second half, following four base rate cuts through calendar year 2025, which helped narrow the gap in year-on-year occupancy reported at the half year. We experienced stronger demand from business customers in the second half of the year, with business occupancy increasing by 16,000 sq ft for the six months to the end of March, the first growth since early 2022 following the Covid period. We continue to see good demand from online retailers and B2B traders looking for flexible mini-warehousing for e-fulfilment. National business customers continued to occupy 5% of our space and delivered revenue growth of 6% year-on-year. Businesses now occupy 36% of our occupied space, generating 32% of storage revenue and we believe there is further growth to come from serving this important customer segment.

Investment in our operating platform and systems

Our core purpose as a Company is to provide customers with a safe and secure space for their possessions. Our store teams provide a reassuring presence during normal opening hours, and we continue to invest in the technology and the physical security of our stores to deliver an accessible and secure environment for our customers.

We have rolled out a mobile-based access system to most of our Big Yellow stores over the past 12 months and intend to complete the roll out to the entire store estate before the end of 2026. This system enables customers to unlock gates and other entry points to the store via their Bluetooth enabled smartphone. This has the combined benefit of removing the need for customers to remember their PIN code, whilst reducing the risk of PIN codes being misappropriated. We increased our investment in Doncaster Security Operations Centre Limited ("DSOC") during the financial year and now own 74% of the ordinary share capital of the Company. DSOC increasingly uses data and AI to help detect unusual behavioural patterns generating alerts to our store teams or its overnight monitoring operators.

We also launched a digital identity verification process, Yoti, during the year to complement our online check-in process, which allows us to validate customers' identity prior to the move-in stage. This removes the need for customers to bring their proof of identity into store, whilst using technology to ensure they are indeed who they say they are.

These technology investments work alongside physical security features, such as perimeter fencing, lighting enabled by motion detectors, individually alarmed rooms and 24-hour CCTV. We continue to restrict access outside of normal trading hours to 15-20% of our customers, the majority of whom are business customers. Most of our customers are happy to access the store during normal opening hours when our store teams are present. Our store teams play an important role as the final check on who we accept into our buildings as customers, and importantly allow access to out of store opening hours. We believe this is critical to maintaining the security of our stores, as it cannot be replicated online.

Spotlight on

Investing in security

We increased our investment in Doncaster Security Operations Centre Limited ("DSOC") during the year, taking our ownership to 74%. DSOC provides 24/7 remote monitoring and alarm receiving services, including for our store network, strengthening our approach to out-of-hours security.

DSOC increasingly uses data and AI to identify unusual behavioural patterns, generating alerts for monitoring teams and enabling faster, more targeted responses. AI is also used to filter and prioritise alerts from security systems, improving efficiency and reducing unnecessary interventions.

This investment enhances the resilience, effectiveness and scalability of our security operations as our store portfolio continues to grow.



Over 90% of customers come through our digital channels, and our website saw continual development over the past year to improve conversion of customers seeking self storage. We continually work to identify and remove points of friction in our online journeys and thereby drive-up conversion levels. There is a continuing trend of customers engaging digitally in the self storage sector, in common with most retail and consumer services businesses.

We continue to automate operational tasks performed by our store teams. We have developed our performance dashboard reporting to allow our store managers to identify issues more easily and speed up decision making. We have made improvements to several back-office processes; for example, we have centralised our packing material stock ordering to remove this task from our store teams and generate more accurate stock orders. Our new customer service platform aggregates customer feedback, whether from our internal surveys or from external sources (for example, Google and Trustpilot reviews). This allows us to easily see trends in customer feedback and address any service delivery issues even more promptly. Our use of an external data supplier to automatically track competitor pricing has allowed us to become more efficient and reactive to pricing adjustments. We intend to launch a chatbot this year to help answer simple queries from customers online and reduce the volume of calls into our customer support centre. Last year we automated our debt collection, which remains well managed with very low levels of debts going beyond 10 days due, with bad debt write offs of 0.2% over the year, in line with the prior year.

All of this has allowed us to operate more efficiently, whilst focusing our store teams on value-adding activities. This ensures they are focused on dealing with any customer service issues and helping to drive revenue from ancillary services in the store. For example, optimising contents cover, accepting deliveries for business customers, and packing material sales are revenue generating activities that rely on our store teams to complete.

We continue to review and invest in our cyber security platform. We maintain our digital security standards by training our teams, implementing best-of-breed products and technologies and enhancing our policies and procedures. Our proactive approach helps us to stay ahead of potential threats and vulnerabilities as we look to maintain the integrity and availability of our digital assets.

Chief Executive's Statement continued

People

As ever, our continued progress as a business reflects the steadfast commitment of our people, whether in head office or in our stores, who have worked extremely hard this year.

The level of staff turnover and vacancies in the business continues to be at relatively low levels over the past 12 months. This is encouraging and reflects the strong culture of the business and the high level of engagement and loyalty this engenders. It also supports our ability to attract and retain the talent we need to grow as a business going forward.

Our customer feedback comments frequently refer to the excellent service delivered by specific team members. We track our customer satisfaction levels through our net promoter score, and our average over the year for move-ins and move-outs was 85.0 (2025: 82.8), which demonstrates an improvement on already very high levels of customer service. We also see excellent customer service ratings via our Google and Trustpilot review pages. The customer service and experience delivered by our store teams is a differentiating success factor, particularly with those customers who increasingly use online reviews, either via traditional search or using AI, to decide on their self storage provider.

The continual improvement in our digital journeys, along with automation and improvement of in-store processes, has allowed us to safely review our store staffing structure. We have not been replacing certain positions when we see staff attrition and we achieved annualised savings of £0.3 million in the year. We will continue to seek further reductions in store staff headcount levels where these can be safely achieved. However, whilst we continue to identify opportunities to reduce headcount, our store team members will always be required during our normal opening hours to deliver great customer service, income from ancillary services and maintain the standards and security of our stores.

We continue to make improvements to our culture and practices in respect of diversity, and these are set out in our latest Inclusivity and Diversity Report, which is available on our corporate website. Our Inclusivity and Diversity Committee continues to meet regularly, and we believe diversity has a positive impact on our performance. We want to ensure we have an inclusive culture that attracts, retains and provides equal opportunity to all our team members to drive forward our business.

ESG

The Big Yellow Foundation helps support the rehabilitation of vulnerable people into work. Our store teams raise funds by asking our customers if they wish to donate to the Foundation at move-in and move-out. We also generate donations from fundraising activities carried out by our employees across the business. The Company matches all money raised in this way. Through the generosity of our customers and the efforts of our employees, we raised a record £533,000 (2025: £444,000) in the year for the Foundation and provided £414,000 (2025: £345,000) of funding to our charity partners. The total funding since the inception of the Foundation in 2018 now stands at £1.8 million.

We also continue to provide 12-week work placements in our stores to candidates from some of our Foundation partner charities. These placements help improve confidence and work chances for the candidates. Our store teams also enjoy working alongside the candidates and find it rewarding to do so. We continue to provide free space to small local charities and community organisations across our store estate. At present we support approximately 300 charities this way. Our volunteering programme allows our staff to give back to the community, with every member of staff given one day a year to volunteer with one of our charity partners or a charity of their choice.

Our solar programme continues to expand across both new developments and existing stores. During the year, seven installations were completed, including four new developments and three retrofit installations on existing assets. We have invested £18.2 million in the retrofit programme over the last four years, which has taken the total number of stores with solar to 85. Alongside new installations, we have begun upgrading some of our earliest solar arrays to improve performance and ensure they continue to deliver efficiently over the long term. Our total solar capacity across the estate is now 9.6 Megawatts (2025: 8.5 Megawatts).

As part of our solar strategy, our battery programme has progressed from pilot to early-stage deployment. We installed and commissioned four battery systems at our new stores opened in the year, alongside a programme of retrofit installations across existing stores. Once all our current installations are commissioned, we will have approximately 700kW of battery storage capacity across 15 stores. We intend to install batteries across a further eight stores in the year ahead and so further expand our battery capacity across the store estate, benefiting over time from improvements in performance and cost. Battery storage enables us to store and deploy energy when it is needed, increase the efficiency of our solar generation, reduce peak grid demand and improve the resilience of our operations.



Following a successful trial, our energy efficiency programme has moved from pilot to scaled roll out. Taking the lessons from the initial pilot, we have refined the solutions deployed, with a focus on lighting controls and lighting system optimisation. During the year, 24 stores were upgraded with new lighting controls, delivering energy savings of approximately 25% at those locations, with a three to four year payback. We intend to implement these lighting controls across the entire store estate in the financial year ahead. This initiative will help further protect the business against energy cost instability.

We maintain an updated assessment of the performance of our estate by recertifying our EPCs, even when certificates are in date following improvements. We are projected to have all stores (bar one short leasehold) at A+, A or B by the end of 2026, well ahead of the 2028 requirement. We continue to make significant progress on our journey to self-generation of our energy needs.

Further detail, including progress on our Science Based Targets, is included in the ESG Report.

Conclusion

Our business model, combined with continued investment in our market-leading brand, store portfolio and operating platform, has once again delivered a resilient performance over the last 12 months.

Finally, I have been very proud to have played my part in the Big Yellow story from the beginning working with a great team in a great culture. I intend to remain invested, confident that the business will continue to deliver secure, compounding returns in the coming years under the leadership of my replacement John Hunter alongside my co-founder and Chairman Nick Vetch and CFO John Trotman.

Jim Gibson

Chief Executive Officer | 18 May 2026

