

Directors' Report

The Directors present their annual report on the affairs of the Group, together with the audited financial statements and auditor's report for the year ended 31 March 2026. The Report on Corporate Governance on pages 83 to 89 forms part of this report.

Details of significant events since the balance sheet date are included in note 25 to the financial statements. An indication of likely future developments in the business of the Company is included in the strategic report.

Included in note 18 are the Group's financial risk management objectives and policies and an indication of the Group's exposure to certain risks. Those elements of that note form part of this report and are incorporated by reference.

Dividends

The Directors are recommending the payment of a final dividend of 23.4 pence per share for the year (2025: 23.8 pence per ordinary share). An interim dividend of 23.8 pence per share was paid in the year (2025: 22.6 pence per share).

All of the 47.2 pence per share payable for the year is a Property Income Distribution.

Subject to approval by shareholders at the Annual General Meeting to be held on 20 July 2026, the final dividend will be paid on 24 July 2026. The Ex-div date is 2 July 2026 and the Record date is 3 July 2026.

From April 2018 dividend tax credits have been replaced by an annual £2,000 tax-free allowance on dividend income across an individual's entire share portfolio. Above this amount, individuals will pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company will continue to provide registered shareholders with a confirmation of the dividends paid by Big Yellow Group PLC, and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

SECR and mandatory GHG reporting

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("SECR") came into force on 1 April 2019 and apply to companies with financial years starting on or after 1 April 2019.

The 2018 Regulations define what must be included in the Directors' Report, namely:

- Annual Greenhouse Gas ("GHG") emissions from activities for which the Company is responsible including combustion of fuel and operation of any facility, such as our flexi-office gas heating, reception area air conditioner coolant replacement, one Company van diesel fuel use emissions and fit-out 'diesel' use emissions (assuming qualifying fit-out activities have taken place during the year);
- Annual emissions from the purchase of electricity, heat, steam or cooling by the Company for its own use, such as the electricity for our stores and construction fit-out activities;
- Underlying global energy use;
- Previous year's figures for energy use and GHG;
- At least one intensity ratio metric;
- Energy efficiency action taken; and
- Methodology used.

Voluntary GHG emissions from our waste and water supply chains have been assessed as not material to the Group's overall emissions profile. We will also retain the practice of reporting our previous few years of performance to show longer term trends.

The 'Market based emission' reported here reflect the emissions associated with the electricity tariff we have purchased; whereas 'Location-based emissions' are emissions associated with the UK grid and applies the required DEFRA conversion factors. Where we have not indicated market-based or location-based figures, location-based can be assumed.

Please note, our operations are solely based in the UK, and we therefore will be reporting a single geographical scope – UK and offshore area only. This disclosure covers all operations under the Group's operational control within the UK.

Throughout this report [*] denotes values externally assured by SGS.

A) Data

Scope 1 emissions arise from gas combustion, company vehicles and construction-related fuel use. Scope 2 emissions arise from purchased electricity used across our estate.

Measurement unit	Indicator	2024/25 restated*	2025/26
tonnes CO ₂ e	Total Scope 1 Emissions (location-based) store and non-store	53.5	22.6*
tonnes CO ₂ e	Total Scope 2 Emissions (location-based) store and non-store	1,874.6	1,443.1*
tonnes CO ₂ e	Total Scope 2 Emissions (market-based) store and non-store	0.0 ^Δ	0.0*
tonnes CO ₂ e	Total Scope 1& 2 Emissions (location-based) store and non-store	1,928.1	1,465.7*
tonnes CO ₂ e	Total Scope 1& 2 Emissions (market-based) store and non-store	53.5	22.6*
kgCO ₂ e/ revenue (000's£)	Greenhouse Gas (GHG) emissions intensity from building energy consumption (location-based)	9.4	7.0
kgCO ₂ e/ revenue (000's£)	Greenhouse Gas (GHG) emissions intensity from building energy consumption (market-based)	0.3	0.1
kgCO ₂ e/ Occupied space (1,000m ²)	Greenhouse Gas (GHG) emissions intensity from building energy consumption (scope 1 and 2 location-based)	4.1	3.2
kgCO ₂ e/ CLA (1,000m ²)	Greenhouse Gas (GHG) emissions intensity from building energy consumption (scope 1 and 2 location-based)	3.2	2.4
kWh	Total UK energy consumption (kWh) underpinning Scope 1 and Scope 2 emissions	9,627,691	8,241,567*
tonnes CO ₂ e	Cat 1 – Purchased goods & services	5,717	4,676*
tonnes CO ₂ e	Cat 1 – Water	3	4*
tonnes CO ₂ e	Cat 2 – Capital expenditure	16,273	19,772*
tonnes CO ₂ e	Cat 3 – Fuel- and energy-related activities ^[2]	651	562*
tonnes CO ₂ e	Cat 5 – Waste generated in operations	70	62
tonnes CO ₂ e	Cat 6 – Business travel	210	212
tonnes CO ₂ e	Cat 7 – Employee commuting	386	398
tonnes CO ₂ e	Cat 9 – Downstream transport and distribution	7,368	9,333
tonnes CO ₂ e	Cat 12 – End of life treatment	76	69

Δ 0 due to REGO-backed electricity

* regarding restating each year, the last 3 months of our emissions data is reported using the prior year's conversion factors, due to an emission factor publication lag – we operate on a 'best available data' principle and will therefore restate each year.

B) Methodology for calculating emissions

Scope 1, Gas

Data collection: Gas data – is metered and automatically transmitted into our energy and emission reporting platform, UL360. Gas use for the remaining stores with gas is obtained from supplier invoices and manually uploaded onto UL360. This process is part of the assurance work undertaken by SGS each year. Any gaps are accrued.

Calculations: Our software platform, UL360, contains our consumption data as well as the current DESNZ emission factors. These are used to calculate emissions automatically when our reports are produced. Our annual data straddles two emission factor years; as soon as the latest factors are released, our partners ensure UL360 contains the most up to date set and this is applied against the relevant data set.

Scope 1, Van

Data collection: our maintenance manager records any miles driven to service our stores. The data is collected quarterly and sent to our partners for uploading into UL360. UL360 commutes the mileage data into emissions.

Calculations: km travelled x emission conversion factor for a diesel average van (up to 3.5 tonnes) in km/kgCO₂e / 1000 to convert to tCO₂e.

In the reporting period we switched to a hybrid vehicle and thus the calculation was updated.

Calculations: km travelled x emission conversion factor for a PHEV average van (up to 3.5 tonnes) in km/kgCO₂e / 1000 to convert to tCO₂e.

Scope 1, Fit-out diesel

Data collection: diesel consumption used on our fit-out construction projects is collected manually by the construction team and reported weekly in the Construction Fit-Out report. The final report for the financial year is used to assess the overall diesel consumption during the year.

Calculations: the total diesel consumption in litres converted to kWh using the gross CV kWh/litre for Diesel (average biofuel blend) x emission conversion factor in kWh (Gross CV)/kgCO₂e for a Diesel (average biofuel blend) / 1000 to convert to tCO₂e.

As Big Yellow is not the principal contractor for certain developments during the year, associated fit-out emissions are reported as 0 tCO₂e for the Fit-out at our new stores Queensbury, Staines, Slough Bath Road and Wembley.

Scope 2, Location-based, electricity

Data collection: Big Yellow electricity data – and most of our Armadillo electricity data – is metered and automatically transmitted into our energy and emission reporting platform, UL360. Electricity used for the remaining stores is obtained from supplier invoices and manually uploaded onto UL360. This process is part of the assurance work undertaken by SGS each year. Any gaps are accrued.

Calculations: Our software platform, UL360, contains our consumption data as well as the current DESNZ emission factors. These are used to calculate emissions automatically when reports are produced. Our annual data straddles two emission factor years; as soon as the latest factors are released, our partners ensure UL360 contains the most up to date set and this is applied against the relevant data set.

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Scope 2, Market-based, electricity

Data collection: the same as for location-based electricity.

Calculations: instead of applying the location-based emission factors, we manually set electricity emissions at 0 as we have been purchasing 100% Rego backed electricity since 1st October 2019. For total Scope 1 & 2 emissions, market-based, we set Scope 2 at 0 and Scope 1 the same as per above. Market-based emissions have been calculated in accordance with the GHG Protocol Scope 2 Guidance using REGO-backed electricity tariffs.

Scope 3, Category 1: Purchased goods and service

Data collection: Supplier Spend, Supplier mapping UL260, CEDA library.

Calculations: Purchase ledger mapped to the descriptions of emission factors from the Comprehensive Environmental Data Archive (CEDA). CEDA purchaser price emission factors were used to calculate the emissions from each line of spend.

Scope 3, Category 2: Capital expenditure

Data collection: RIBA Stage 4 or 6 WLCA, Supplier Spend, Supplier mapping UL260 and CEDA library.

Calculations: Full whole lifecycle carbon assessment conducted by external consultants. Purchase ledger mapped to the descriptions of emission factors from the Comprehensive Environmental Data Archive (CEDA). CEDA purchaser price emission factors were used to calculate the emissions from each line of spend.

Scope 3, Category 3: Fuel and energy related activities

Data collection: we use data collected for the location-based grid bought electricity data stored in our system UL360. The conversion factors used are those on the .gov website.

Calculations: Emissions were calculated by combining the activity data with the appropriate emission factors. T&D and T&D WTT emissions were included for electricity, natural gas and company owned van emissions. There are no upstream emissions generated upstream emissions associated with Solar. Therefore, Solar data is excluded from this calculation.

Scope 3, Category 5: Waste

Data collection: BIFFA provides waste weights per store and waste stream. For Macclesfield waste data is provided by the contractor serving this store. All data is uploaded into our UL360 platform, and we use DEFRA emissions factors to convert.

Calculations: Data details weights sent to each waste stream "Landfill", "Recycled" and "Non-Landfill". Relevant weight-based DEFRA 2025 emission factors were applied to the weights for each waste stream to calculate the emissions. Macclesfield data also split "landfill", "recycled" and "non-landfill" using portions from the rest of our sites.

Scope 3, Category 6: Business travel

Data collection: we use our employee expenses reimbursement data held in our Finance system to calculate business miles travelled.

Calculations: using 'cars (by size) Average car' conversion factors, we multiply the miles travelled reimbursed with the BEIS/DEFRA factor to arrive at the emissions, for business travel.

Scope 3, Category 7: Employee Commuting

Data collection: monthly average full time equivalent employees for Big Yellow stores and the head office. Emission factors were from DEFRA for the corresponding reporting year.

Calculations: As per Big Yellow policy, the work from home percentage for head office employees was assumed to be 40% (2 days per week), while store employees are assumed to work from the store 5 days per week. FTE data was input into a scope 3 cat 7 proprietary Home Working and Commuting emissions calculation Tool. Input data for the tool is taken from 2017 DALIA Research, which compiled an extensive transportation survey worldwide, covering 52 countries, in 2017. Data for the average speed of modes of transport was taken from a published paper, which has taken data from the Mobility in Cities Database.

Scope 3, Category 9: Downstream Transportation and Distribution

Data collection: customers data for each store, including the distance from the store (in miles), customer type, and the number of days upon each customer entered the store. Emission factors were from DEFRA for the corresponding reporting year.

Calculations: emission factors mapped to the vehicle types present in the raw data. The categories 'private car/van' and 'Taxi – non-uber' were mapped to average car emission factors, whilst 'Rental car/van' and 'Removal company' were mapped to van emission factors. All stores where the vehicle type was unknown domestic customers had an average of the car and business customers had a van emission factor applied.

Where the vehicle Type was known, the total distance per customer was calculated by multiplying the number of visit days by the customer distance, and doubling this to account for two-way travel. These distances were aggregated by store and customer type. For stores where the number of customer trips and/or distance is not recorded, the average number of trips to the store, and the average trip distance from the stores was applied. The total distance was calculated by multiplying the trip distance by the number of trips, and a vehicle-specific or average DEFRA emissions factor (Inc. WTT) was applied to calculate the emissions. Business customers with journeys with a distance >100 miles are assumed to be businesses using head office addresses rather than local addresses, hence the actual journey would be shorter. To account for this, any journeys over 100 miles have had an average distance applied.

Scope 3, Category 12: End of Life Treatment of Sold Products

Data collection: Sales volumes and product weights of stock sold in store and online. Waste disposal emission factors from DEFRA and Ecolnvent for the relevant reporting year.

Calculations: Products were mapped to their product categories. The total sales number and the product weight were multiplied to calculate the total sales weight per product. Relevant waste disposal emission factors based on the material components of each product were then applied to calculate the emissions associated with the end-of-life treatment of each sold product.

C) Energy projects

Big Yellow has continued to make progress across its core energy optimisation programmes, which collectively support a more integrated and efficient approach to energy and emissions management. During the year, solar generation capacity increased to 9.6MW*, with installations completed across both new developments and existing stores. Alongside this expansion, the initial upgrade of earlier systems has begun, ensuring that installed capacity continues to operate efficiently over the long term.

The battery storage programme has also advanced beyond its pilot phase, with systems deployed at new stores and selected retrofit locations. This reflects a more mature and scalable delivery model, developed through several years of testing and refinement. The integration of battery storage with on-site generation is improving the utilisation of renewable energy and providing greater flexibility in managing demand.

Energy efficiency measures have been further scaled, with upgrades implemented across 24 stores* during the year. These interventions, primarily focused on lighting controls and system optimisation, have delivered energy savings of approximately 25% at upgraded sites. The programme has demonstrated strong financial returns and will support continued rollout across the estate. Together, these initiatives are reducing reliance on grid electricity, strengthening operational resilience and delivering measurable cost and carbon benefits.

The four new stores that were opened during the year (Queensbury, Staines, Slough Bath Road and Wembley) were fitted with a total of 481kWp solar installation and a total of 200kW battery storage.

Most recent ESOS assessment findings & resulting actions

We have completed our ESOS Phase 3 assessment and submitted a progress report to our Action Plan. The assessment reaffirmed that the most material energy reduction opportunities remain aligned with our ongoing investment in solar generation and energy efficiency programmes. Our independent ESOS assessor recommendations have remained similar to that of our Phase 2 assessor; we have continued to focus on increasing our Solar PV estate in line with our sustainability strategy.

During the year, we have installed solar systems at:

- Four newly build/acquired stores, with a total installed capacity of 481kWp
- Three stores were retrofitted with solar totalling a capacity of 978kWp

During the year, we have generated 6,506 MWh of solar energy (an increase of 34% from the previous year), thereby (a) reducing our energy demand from the grid by the kWh we are using on-site and (b) increasing the grid's renewable mix by exporting part of our energy as the size of our solar installations exceed our demand.

Capital structure

Details of the authorised and issued share capital, together with details of the movements in the Company's issued share capital during the year are shown in note 22. The Company has one class of ordinary shares which carry no right to fixed income. Each share carries the right to one vote at general meetings of the Company.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

Details of employee share schemes are set out in note 23, and details of shares held by the Company's Employee Benefit Trust are set out in note 22.

No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

With regard to the appointment and replacement of Directors, the Company is governed by its Articles of Association, the Corporate Governance Code, the Companies Acts and related legislation. The Articles themselves may be amended by special resolution of the shareholders. The powers of Directors are described in the Report on Corporate Governance on **page 84**.

There are a number of agreements that take effect, alter, or terminate upon a change of control of the Company such as commercial contracts, bank loan agreements, property lease arrangements and employee share plans. The Directors are not aware of any agreements between the Company and its Directors or employees that provide for compensation for loss of office or employment that occurs because of a takeover bid.

During the year the Company issued 103,875 shares to satisfy the exercise of share options (2025: 519,409).

Directors

The Directors of the Company who served throughout the year and to the date of approval of the financial statements (except as noted below) were as follows:

Jim Gibson	Chief Executive Officer
John Hunter	Chief Operating Officer (appointed to the Board on 17 July 2025)
Anna Keay	Non-Executive Director
Vince Niblett	Senior Independent Director
Michael O'Donnell	Non-Executive Director
Heather Savory	Non-Executive Director
Laela Pakpour Tabrizi	Non-Executive Director
John Trotman	Chief Financial Officer
Nicholas Vetch	Executive Chairman

The Company's policy is that all Directors who are seeking re-election will be put forward to a shareholder vote at each Annual General Meeting.

Biographical details of the Executive and Non-Executive Directors standing for re-election are set out on **pages 80 to 82**.

Directors' indemnities

The Company purchases liability insurance covering the Directors and officers of the Company and its subsidiaries, which remains in force at the date of these accounts.

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Political contributions

No political donations were made by the Company in either the current or preceding financial year.

Substantial shareholdings

The Company had been notified, in accordance with Chapter 5 of the Disclosure Guidance and Transparency rules, of the following voting rights as a shareholder of the Company at 31 March 2026 and 14 May 2026.

	No. of ordinary shares 31 March 2026	Percentage of voting rights and issued share capital 31 March 2026	No. of ordinary shares 14 May 2026	Percentage of voting rights and issued share capital 14 May 2026
Blackrock Inc	18,527,548	9.4%	18,556,282	9.4%
Resolution Capital	12,883,794	6.6%	12,006,831	6.1%
The Vanguard Group Inc	10,975,273	5.6%	10,914,618	5.6%
CPP Investment Board	7,370,532	3.7%	7,370,532	3.7%
First Eagle Investment Management LLC	6,109,406	3.1%	6,113,584	3.1%

The interest of the Directors in the share capital of the Company is shown on **page 112** of the Remuneration Report.

Purchase of own shares

The Company was granted authority at the AGM in 2025 to purchase its own shares up to a total aggregate value of 10% of the issued nominal capital. That authority expires at this year's AGM and a resolution will be proposed for its renewal. During the year the Company made no purchases of its own shares.

Suppliers and customers

Details on how the Group engages with Suppliers, Customers, and others in business relationships with the Company can be found on **pages 87 to 88**.

Employee consultation

The Group seeks to ensure employee commitment to its objectives in a number of ways. Strategic changes are communicated directly to all staff who are encouraged to address queries to the Executive Directors. The Directors' executive meetings are frequently held in stores and in addition Directors and senior management visit the stores on a regular basis. Furthermore, there are regular team briefings at store level to provide employees with information about the performance of and initiatives in their store. A wide range of information is also communicated across the Group's Intranet, including the e-publication of the Group's financial results and all press releases, and regular updates from each Department.

As discussed in the Corporate Governance Report, the Board has appointed a designated Non-Executive Director, Anna Keay, to act as the primary method of workforce engagement for Big Yellow in accordance with the Corporate Governance Code.

Employees are encouraged to participate in the Group's performance through Employee Share Schemes and performance related bonuses. 46% of eligible employees participate in the Group's Sharesave Scheme.

The Group's recruitment policy is committed to promote equality, judging neither by race, nationality, religion, age, gender, disability, sexual orientation, nor political opinion and to treat all stakeholders fairly.

Disabled employees

Applications for employment by disabled persons are always fully considered. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Human Rights

Big Yellow respects Human Rights and aims to provide assurance to internal and external stakeholders that we are committed to human rights and the principles of the Universal Declaration of Human Rights.

We are committed to creating and maintaining a positive and professional work environment that reflects and respects the basic rights of freedom to lead a dignified life, free from fear or want, and where stakeholders are free to express their independent beliefs. Our employment policies and practices reflect a culture where decisions are made solely on the basis of individual capability and potential in relation to the needs of the business.

Modern Slavery Act

The Group is committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Anti-slavery Policy reflects 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. Our policy is published in full on our website.

Auditor

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he/ she ought to have taken as a Director to make himself/ herself aware of any relevant audit information and to establish that the Company's auditors is aware of that information.

This confirmation is given and should be interpreted in accordance with s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board.

Shauna Beavis

Company Secretary | 18 May 2026