

Big Yellow Group PLC

Corporate Social Responsibility Report 2012



THE
**BIG
YELLOW
SELF
STORAGE**
COMPANY™

Get some space in your life.™



Solarcentury©

Big Yellow Self Storage Chiswick solar energy generation

An estimated annual generation of 40,000 kWh per year will provide about 20% of the stores energy use, and a reduction in carbon emissions by a similar amount

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Running a Sustainable BUSINESS

Our lasting commitment to CSR has been established through 'green' building design and investment.
Our future is in sustainably managed operations.

Our Commitment to CSR

Our CSR policy

Big Yellow leads the way in sustainable real estate. Big Yellow's CSR policy aims to strike the balance between its social, economic and environmental responsibilities as an owner, operator and developer of self storage buildings. In order to maintain a sustainable business for its customers, staff and investors, the Board has committed significant resources to the social and environmental aspects of its operations.

Climate

Climate change is a global impact that we are all responsible for and must act upon locally. From the early Earth Summits to more recent UK environmental legislation, international control measures have been set in place to change behaviour. The aim of this legislation is to reduce the impact of man's activities on the planet's life support

systems. These delicate and complex systems include the finite resources of our land, atmosphere, oceans, soils and biodiversity. One of the most significant impacts is the exploitation of fossil fuels and their emissions into the atmosphere. Consensus of opinion is that our global climate is changing due to the accumulation of carbon dioxide and other 'greenhouse' gas emissions in the earth's atmosphere. This is also known as 'global warming' and is one of the main environmental and social drivers for Corporate Social Responsibility and Sustainable Development as addressed in our CSR Policy.

Stakeholders

Big Yellow, as a developer and operator of self storage, sees CSR as a belief that we should take a precautionary principal on the social and environmental impacts of our operations on our customers,



Green Investment

Our commitment to CSR has been established through green building design, specification and operational management.

Packaging

Our packaging is manufactured with a high recycled content

Corporate Social Responsibility Policy

Our policy on Corporate Social Responsibility is established across the whole of the Big Yellow Group.

“The Board has committed significant resources to the social and environmental aspects of its operations.”

employees and local communities. Other like-minded stakeholders who have similar policies include our supply chain, investors and local planning authorities. Therefore our stakeholders are also drivers for change to establish and improve CSR policies and sustainable development. Historically, most companies have been changing from a ‘single minded’ financial strategy to a more integrated business model which accounts for risks and opportunities in such aspects as safety, reputation and the growing ‘green’ consumer markets. As such, we report annually on how we improve our social and environmental key performance indicators.

Carbon reduction

From an environmental perspective, our store operations and construction energy emissions, also known as our ‘carbon footprint’ has been identified as our most significant impact. Carbon reduction has benefited from our building portfolio progressively changing from refurbished to purpose built, well insulated stores. These buildings do not require heating and cooling in over 97% of their area. Energy efficient design and specifications and onsite renewable energy generation through solar photovoltaic panels and ground source heat pumps reduced energy grid supply and carbon emissions.

Environmental supply chain management

During construction, some of the greatest building material costs are for steel, timber particle board, breeze blocks and rock wool insulation. These components have a high recycled content and a low environmental life cycle impact. Our merchandise suppliers are reviewed for eco-labelled packaging materials. Cardboard boxes and wrapping paper have high levels of recycled content. Our plastic storage boxes can also be recycled.

Adding value

Brownfield sites, also known as ‘previously developed land’ are developed by Big Yellow and the risk of historical contamination, if present, is always reduced to a minimum.

5.5%

reduction in our
carbon emissions footprint

18.6%

reduction in carbon emissions
for occupied space

£90,000

solar electricity saving since 2008

15%

increase in solar
electricity generation



Corporate Social Responsibility Report

1. INTRODUCTION

Our Corporate Social Responsibility (“CSR”) policy documents how we can best manage the impact of our business on society and the environment and control risks and opportunities in our business in a sustainable way. To continue to deliver our CSR policy for our main Stakeholders, the Board has continued to commit significant resources to environmental and social aspects of its operations and new developments. These are consistently measured by key performance indicators (“KPIs”), the most significant of which are highlighted in this report and identified below.

A limited level of assurance of selected CSR data is undertaken by Deloitte in accordance with ISAE 3000. This standard provides evaluation of both quantitative and qualitative aspects of CSR management and reporting

2. EXECUTIVE SUMMARY

Highlights

Our CSR programme for the year ended 31 March 2012 committed us to focus on our most significant environmental challenge of energy efficiency and carbon reduction. In order to achieve these twin objectives we:

1. Continued our lighting efficiency programmes to gain an absolute carbon (CO_2) emission reduction of 5.5%;
2. Reduced carbon intensity emissions by 10.1% per store gross internal area and by 18.6% per customer occupied space, with three new stores opening and an increase of 16.1% in occupied space;
3. Increased our annual solar electricity generation by 15.3% to 123,489 kWh and saved carbon emissions equivalent to 64.4 t CO_2 in the year ended 31 March 2012;
4. Generated cumulative solar PV electricity of 374 MWh since the first installation in March 2008, an increase of 49.4% on last year’s solar cumulative total; and
5. Generated total Feed in Tariff income, displaced electricity costs and carbon tax reductions of £90,000 since 1 April 2010.

Our carbon footprint is the carbon dioxide emissions resulting from store electricity use (97.5%); flexi-office gas use (1.4%) and Construction Fit-out diesel and electricity use (1.1%). This can be summarised as follows:

Total carbon footprint emissions

Year	2011	2012	Change
Store electricity emissions (t CO_2)	7,542	7,127	(5.5%)
Construction ‘fit-out’ gas oil & electricity emissions (t CO_2)	74	82	10.8%
Flexi-office gas emissions (t CO_2)	121	102	(15.7%)
Absolute carbon dioxide emissions (t CO_2)	7,737	7,311	(5.5%)

Store electricity use and CO₂ emissions

Year	2011	2012	Change
Electricity use (kWh)	13,925,217	13,674,944	(1.8%)
Absolute carbon emissions (t CO_2)	7,542	7,127	(5.5%)
Carbon intensity (kg CO_2 /m ² gross internal area)	13.8	12.4	(10.1%)
Carbon intensity (kg CO ₂ /m ² occupied space)	38.1	31.0	(18.6%)

Solar electricity generation and carbon savings

Year	2011	2012	Change
Cumulative solar PV generation kWh (since 2008)	249,991	373,479	49.4%
Annual solar PV generation (kWh)	107,071	123,489	15.3%
Carbon dioxide saved by solar electricity (t CO_2)	58.0	64.4	11.0%
Solar electricity (%) of stores with solar PV	4.8	5.4	12.5%
Solar electricity (%) of whole portfolio electricity use	0.8	0.9	12.5%

Store non-hazardous bulk waste tonnage

Year	2011	2012	Change
Tonnage of store waste (t)	266	263	(1.1%)
Percentage further sorting and landfill (%)	28%	28%	–
Percentage for direct recycling (%)	72%	72%	–
Number of stores	62	65	4.8%
Tonnage of waste per store	4.3	4.1	(4.7%)

Corporate Social Responsibility Report (continued)

3. STAKEHOLDERS

Big Yellow engages with its main stakeholders to provide information and gain useful feedback from a variety of groups, as described below.

3.1 The media, staff and customers

Industry awards:

The Sunday Times Best Green Companies Survey

We achieved a 65% response rate from our staff for this survey. The aim was to gather staff opinions on our green policies and to help us recognise where we need to improve. Big Yellow was listed in the Top 60 Best Green Companies, on our first attempt at the benchmark. In the staff survey we scored highest in the areas of our staff awareness of our CSR policy, our carbon reduction achievements and our waste recycling policies.

Built Environment Best Practice Award

Big Yellow was selected for this Award by a South East Counties Business Network Enterprise. Companies are judged in a unique way for this award, as no company can put themselves forward or be nominated. The sponsors track some 5,000 companies in the south of England and liaise with twelve representative organisations and academics to identify pro-active, environmental leaders. They researched Big Yellow's background and talked to people who know us, to get personal as well as business validation. The environmental attributes of Big Yellow were featured in a report in Decision Magazine.

Government awards & standards:

The Queen's Award for Enterprise in 'Sustainable Development'

This award was presented to Big Yellow for recognising our outstanding achievement in Innovation and Sustainable Development. The Award is only presented to a limited number of companies each year, and in 2012 we were very proud to have been one of them. To achieve this recognition, we described our approach to how we managed customer relationships over a five year period. We explained how we contributed to the environmental dimension of sustainable development through operational energy efficiency, increased waste recycling and enhanced biodiversity.

The Government's Carbon Reduction Commitment ("CRC")

Big Yellow achieved a position in the top 3.7% of over 2,000 UK companies that participated in the Government's CRC and Energy Efficiency Scheme League table. The league table details the relative performance of all participants against their absolute carbon emissions, their early action on the Carbon Trust Standard (see below) and their use of smart meters.

The Carbon Trust Standard ("CTS")

During the year Big Yellow was able to extend its participating in the CTS to 31 March 2013 and to strengthen our position in the CRC League table. The aim is to reduce CO₂ emissions over the longer term. Big Yellow is now able to consistently demonstrate carbon reductions over a five year period (2007 to 2011). For the financial years 2007 to 2009, we achieved an absolute carbon emission reduction of 4.8% and a turnover reduction of 7.8%. From 2009 to 2011, we can report a relative benchmark, 'improvement of 7.5% per square metre of occupied space in carbon efficiency' as follows:

Carbon reduction efficiency increases (customer occupied space)

Year	2009	2010	2011
tCO ₂ / Customer Occupied Space (m ²)	0.043	0.040	0.039

The Investment Community Recognition:

Global Real Estate Sustainability Benchmark ("GRESB")

During the past year Big Yellow entered the second GRESB survey, managed by Maastricht University, on behalf of pension fund investors. Over 340 real estate funds and companies participated, representing a total property value of \$928 billion and 21,000 assets globally. The results are published on the GRESB website and they announced that we demonstrated "leadership in sustainability performance" and were ranked within the top 10% globally, and within the top 5% in Europe.

During the next year we will continue to participate in Government programmes and industry awards to measure our CSR performance against our peer group and to provide our Stakeholders with an "independent measurement" of our activities.

4. KEY PERFORMANCE INDICATORS

Big Yellow's most significant environmental impact is its carbon emissions from electric lighting use in operational stores. Approximately 97% of the store area does not require either heating or cooling due to adequate insulation, air tightness and top floor ventilation. Only the public reception area requires heating and cooling for staff and customer comfort levels. We have calculated carbon dioxide (CO₂) emissions using the latest Department of Energy and Climate Change ("DECC") conversion factors: 2011 DEFRA / DECC's GHG Conversion Factors for Company Reporting Version 1.2, 19/08/2011. We have also included total electricity cost including VAT and the Climate Change Levy ("CCL"), where appropriate, to assess the reduction of kWh consumption in terms of total savings from energy use.

Corporate Social Responsibility Report (continued)

4. KEY PERFORMANCE INDICATORS (continued)

4.1 Store energy use – carbon dioxide emissions

Independent energy statements estimate that about 60% of our store electricity is consumed by lighting. Approximately 30% of our total electricity use is by lifts. Approximately 3% of our store electricity is used in external signage, security and parking. The remainder is used for reception area heating and cooling. Carbon emissions from these power station sources are known as 'Scope 2, indirect offsite emissions.' The table below summarises the Group's store electricity usage, costs and emissions over the last three years:

Store electricity use & CO ₂ emissions	Year	2010	2011	2012	Change	2013 target
Electricity use (kWh)		12,730,855	13,925,217	13,674,944	(1.8%)	(1.5%)
Total electricity cost (£)		1,567,270	1,476,755	1,277,131	(13.5%)	–
Pence per kWh		13.57	10.28	10.16	(1.2%)	–
Carbon emissions (kgCO ₂)		6,913,236	7,541,898	7,126,560	(5.5%)	–
Store occupied space (m ²)		177,904	198,063	229,869	16.1%	–
KgCO ₂ /m ² occupied space		38.9	38.1	31.0	(18.6%)	(10.0%)
GIA (m ²)		528,604	545,884	573,857	5.1%	–
Kg CO ₂ /m ² GIA		13.1	13.8	12.42	(10.1%)	–

We are reporting an absolute electricity reduction (1.8%), carbon emission reduction (5.5%) and a carbon intensity reduction for self storage customer occupied space (18.6%). Electricity consumption reduced by 250,273 kWh, due to the continued effects of our investment in more energy efficient management, lighting systems and increased generation of 'carbon free' solar electricity. Electricity cost savings at an average cost of 10.16p per kWh amounted to £25,000, against rising customer occupied space and three new store openings in the year.

CRC tax savings of £1,000 (£12/tCO₂) will be achieved from this electricity reduction. The reporting of electricity use estimates has now been reduced to a minimum by the use of automatic meter reading ("AMR") devices. 'DEFRA Conversion Factors for Company Reporting 2011' states that 'the increased import of overseas electricity included more renewable and nuclear energy'. This has contributed to our lower carbon emissions, through the use of the lower electricity to carbon conversion factor compared to last financial year.

Carbon intensity emissions for self storage occupied space reduced significantly (18.6%), against increasing customer numbers. The carbon intensity measure for gross internal area ("GIA") takes into account our new store portfolio growth (we opened three new stores at Eltham, Stockport and New Cross). In the new financial year our targets will be to continue absolute carbon reduction and carbon intensity reduction through our continued energy efficient re-lamping programmes and our increasing investments in solar electricity generation.

4.2 Store lighting – energy efficiency programmes

Our three new stores at Eltham, Stockport and New Cross have energy saving motion sensor lighting, T5 energy efficient lamps and external LED lighting, installed by Big Yellow Construction. Facilities Management installed zoning of the existing motion-sensor lighting ("MSL") at eight stores: Cheltenham, Croydon; Leeds; New Malden; Portsmouth; Slough; Staples Corner; and Twickenham, to increase the efficient use of electricity and reduce carbon emissions. We now have nine stores upgraded to MSL, including Bow. A further four stores were re-lamped by Facilities Management with 'Power Saver' lamps at Beckenham, Byfleet, Milton Keynes and Staples Corner. This brings the total number of stores with energy efficient T5 or Power Saver Lamps, in the whole portfolio to 30 stores. Our strategy for the store portfolio has been progressed by Facilities Management who are currently trialling LED lighting for internal storage and reception use at our Slough store. Initial performance monitoring shows energy savings of around 60% efficiency compared to conventional T8 switched-start fittings. With the possible installation of LEDs during 2012, the Power Saver re-lamping programme will potentially be replaced with the more efficient LED investment.

4.3 Stores gas use – carbon dioxide emissions

Flexi-office services are provided alongside self storage in twelve of our sixty five stores. Gas heating, which involves direct 'on-site' combustion and on-site carbon emissions, are known as 'Scope 1' type emissions.

Stores flexi-offices gas use & CO ₂ emissions	Year	2010	2011	2012	Change
Total gas use (kWh/year)		482,229	656,017	553,922	(15.6%)
Total gas cost (£ incl VAT & CCL)		17,228	20,134	18,014	(10.5%)
Carbon dioxide emissions (tCO ₂)		88.5	121.3	101.5	(16.3%)
Flexi-office occupied space (m ²)		2,264	2,310	2,407	4.2%
Carbon intensity (kg CO ₂ /m ² occupied space)		31.2	41.6	42.6	2.4%
Final office area (m ²)		2,811	2,811	2,806	(0.2%)
Carbon intensity (Kg CO ₂ /m ² final area)		41.3	53.2	42.6	(19.9%)

Corporate Social Responsibility Report (continued)

4. KEY PERFORMANCE INDICATORS (continued)

4.3 Stores gas use – carbon dioxide emissions (continued)

Flexi-offices using electricity (four) and ground source heat pumps (two at Kennington and Bromley) have been excluded from the data above. The table includes flexi-offices using gas heating only. Gas use decreased by 15.6% due to a milder winter and more frequent meter readings from stores, which in turn has reduced over-estimations resulting in more accurate data, and cost savings against a 4.2% increase in flexi-office customer occupancy. Gas costs including VAT and the Climate Change levy ("CCL") reduced by 10.5%. Automatic meter reading (AMR) installations are planned for July 2012 to reduce further over estimations in gas use and payments.

4.4 Construction 'fit-out' carbon dioxide emissions

Store 'fit-out' is the final stage of the development of a store that Big Yellow Construction manages. This stage uses gas oil for on-site electricity generation before grid electricity is supplied. Stockport, New Cross and Chiswick account for these energy uses and carbon emissions in the year ended 31 March 2012. Gas oil use reduced due to a reduced new store development programme and an early availability of on-site electricity supply at Chiswick.

Construction 'fit-out' energy use & CO₂ emissions

Year	2010	2011	2012	Change
Total gas oil use (litres)	50,571	13,481	8,033	(40.4%)
Gas oil generator (tCO ₂)	133.5	35.6	22.2	(37.6%)
Total electricity supplied (kWh)	127,643	69,933	114,395	63.6%
Electricity emissions (tCO ₂)	69.3	37.9	59.6	57.3%
Number of stores fit-outs	6	3	3	–
Total metric tons (tCO ₂)	203	74	82	10.8%

As Chiswick is a larger than average store, electricity use was higher than average, and so total carbon emissions increased by 10.8%. However, construction gas oil and grid electricity use amounted to a residual 1.1% of our total carbon emissions.

4.5 Big Yellow's carbon footprint

In summary, Big Yellow's carbon footprint is set out in the table below:

Big Yellow – absolute carbon footprint

Year	2010	2011	2012	Change	2013 target
Store electricity (tCO ₂) emissions	6,913	7,542	7,127	(5.5%)	(2.0%)
'Fit-out' diesel & electricity (tCO ₂) emissions	203	74	82	10.8%	(5.5%)
Flexi-office (tCO ₂) emissions	89	121	102	(15.7%)	(2.0%)
Total (tCO ₂) emissions (metric tonnes)	7,205	7,737	7,311	(5.5%)	(6.0%)

The total carbon dioxide footprint for operational stores, flexi-offices and new store construction fit-out emissions has been reduced in absolute terms by 5.5%, exceeding our 5% target and was delivered against increased customer occupancy. This achievement continues the longer term trend, only reversed in 2011, from 2008, for year on year absolute carbon reductions. Operational store energy use accounts for 97.5% of our carbon emission footprint with flexi-office gas accounting for 1.4% and fit-out construction 1.1%. In the year ending 31 March 2013, Big Yellow will continue its energy efficiency and carbon reduction commitment programmes for store lighting and increased capacity for solar PV installations on new stores. We also aim to reduce absolute carbon emissions and carbon intensity emissions per square metre of occupied space.

4.6 Renewable energy generation

In the year ended 31 March 2012, Big Yellow added one large (50 kWp) solar photo-voltaic installation at our new store in New Cross. Our renewable energy assets now consist of twelve solar installations, five ground source heat pumps and two wind turbines. Renewable energy generation data has been restated this year to focus on the higher performance of solar generation based on more accurate quarterly meter readings, for claiming solar Feed in Tariff ("FIT") payments and off Grid savings. Micro-wind turbine generation in the urban environment has not proved to be viable and ground source heat pumps have under-performed and proved difficult to monitor.

Solar PV electricity generation

Year	2010	2011	2012	Change	2013 target
Annual cumulative solar electricity (kWh)	142,917	249,991	373,479	49.4%	40.0%
Annual solar electricity generation (kWh)	95,517	107,071	123,489	15.3%	15.0%
Big Yellow average electricity cost (p/kWh)	13.57	10.28	10.16	(1.2%)	–
National Grid displaced kWh savings (£)	12,962	11,007	12,547	14.0%	–
Carbon emission reduction (tCO ₂)	51.9	58.0	64.4	11.0%	10.0%
CRC carbon tax savings (£12 / tonne)	622.8	696.0	772.8	11.0%	–
Solar kWh FIT & ROC payments (£)	1,683	33,751	15,837	–	–
Total solar electricity income and savings (£)	15,268	45,454	29,157	–	–
Solar electricity % of solar store use	5%	4.8%	5.4%	12.5%	6.0%
Solar electricity % of whole portfolio use	0.7%	0.8%	0.9%	12.5%	1.0%

Corporate Social Responsibility Report (continued)

4. KEY PERFORMANCE INDICATORS (continued)

4.6 Renewable energy generation (continued)

The cumulative solar PV electricity generated since our first installation at Balham in March 2008 is now 374 MWh, increasing by 49.4% from the prior year. Annual solar electricity generation increased by 15.3% to 123,489 kWh and a carbon reduction of 11.0% will help reduce carbon tax emissions in the year ended 31 March 2013. The first Feed in Tariff revenues for solar electricity generation were backdated to the start of the scheme on 1 April 2010 and up to 30 June 2011 (15 months) and amounted to £34,000. Payments in the year ended 31 March 2012 were £16,000 for 9 months, as the first three months were included in the first payment for FY 2011. Total solar store income and savings over the last three years amount to £90,000 for displaced grid electricity, carbon tax savings and Feed in Tariff revenues. Currently our 12 solar stores are generating 5.4% of their electricity use and nearly 1% of the total store portfolio electricity use.

4.7 Store waste management

In May 2011 we changed our waste contractor to one that recycles and manufactures cardboard in addition to providing standard waste collection services. In the year ended 31 March 2010, the waste volume was estimated from the number of bin lifts and volume of bins. The volume in 2010 was 4,380 m³.

Store non-hazardous bulk waste tonnage

Year	2010	2011	2012	Change
Tonnage of store waste (t)	–	266	263	(1.1%)
Percentage further sorting and landfill (%)	–	28%	28%	–
Percentage for direct recycling (%)	–	72%	72%	–
Number of stores	60	62	65	4.8%
Tonnage of waste per store	–	4.3	4.1	(4.7%)

From May 2010, store waste sorting on site was introduced with mixed dry recyclables, 'mixed papers' and 'general waste'. During the last 12 months the total tonnage of waste has reduced by 1.1% and by 4.7% per store, against an increase of 3 store openings. 72% of the total tonnage was sent directly for recycling including mixed papers. A further 28% was sent for further sorting and / or landfill. The change in store waste policy and procedure has resulted in a raised awareness of waste recycling and performance improvement.

4.8 Store water use

In preparation for future commercial building Water Performance Certificates we aim to improve our metering and monitoring of water use. New stores have low flow aerated taps and duel flush WCs. Six stores have rainwater harvesting systems (Sutton, Barking, Merton, Liverpool, Sheffield and Chiswick) and these supply rainwater for WC flushing and irrigation for enhanced landscape or green walls.

Corporate Social Responsibility Report (continued)

5. STORE DESIGN AND CONSTRUCTION

Our Eltham store opened at the start of the financial year and has a Green Travel Plan for our store staff, to encourage more active modes of transport other than the car. It also has an enhanced landscape, including trees, shrubs and a 'Green' wall to encourage wildlife habitat and local biodiversity. Our Stockport store also has an enhanced landscape with hundreds of new plant species. Our New Cross store has our largest solar PV roof panel capable of generating about 17% of the store's annual energy use. All new stores since December 2009 have about 60% more energy efficient external signage LED lighting. The tables below summarise the eco-efficient specifications, installations and environmental improvement features of our most recent store developments:

Improvements in sustainable development & eco-efficient store designs 2007 – 2012

Store	Motion sensor lighting	Energy efficient lighting	LED external signage	Solar GHSP energy	Green travel plans	Rain water harvest	Green roofs/walls	Improved ecology
1. Sutton ⁽¹⁾	✓	–	–	–	–	✓	✓	✓
2. Barking ⁽²⁾	✓	–	–	✓	–	✓	✓	✓
3. Ealing	✓	–	–	–	–	–	–	✓
4. Balham ⁽³⁾	✓	–	–	✓	✓	–	–	✓
5. Fulham ⁽³⁾	✓	–	–	✓	✓	–	✓	✓
6. Merton ⁽⁴⁾	✓	–	–	✓	–	✓	–	✓
7. Kennington ⁽³⁾	✓	✓	–	✓	–	–	–	✓
8. Sheffield (H)	✓	✓	–	–	–	–	✓	✓
9. Sheen ⁽⁵⁾	✓	✓	–	✓	✓	–	–	✓
10. Bromley ⁽³⁾	✓	✓	–	✓	–	–	–	✓
11. Birmingham	✓	✓	–	–	✓	–	–	✓
12. Liverpool	✓	✓	–	–	–	–	–	✓
13. Twickenham ^(6,7)	✓	✓	–	✓	–	–	–	✓
14. Edinburgh ⁽⁶⁾	✓	✓	–	✓	–	–	–	✓
15. Nottingham ⁽⁶⁾	✓	✓	–	✓	–	–	–	✓
16. Poole	✓	✓	–	–	–	–	–	✓
17. Sheffield (BL)	✓	✓	–	–	–	–	–	✓
18. Reading ^(5,6)	✓	✓	✓	✓	–	–	–	✓
19. High Wycombe	✓	✓	✓	–	–	–	✓	✓
20. Camberley ⁽⁶⁾	✓	✓	✓	✓	✓	–	–	✓
21. Eltham ⁽¹⁾	✓	✓	✓	–	✓	–	✓	✓
22. Stockport	✓	✓	✓	–	✓	–	–	✓
23. New Cross	✓	✓	✓	✓	✓	–	–	✓

(1) Green wall

(5)'Excellent' Building Research Establishment Environmental Assessment Methodology (BREEAM) Rating

(2) Wind turbine

(6) Solar panels only

(3) Solar panels and Ground Source Heat Pumps

(7) Net zero carbon Energy Performance Certificate

(4) Solar panels and wind turbine

5.1 Energy Performance Certificates ("EPCs")

Since October 2008, EPCs are required for all commercial buildings in England and Scotland, whether newly built, rented or sold. They are an asset rating of seven levels of how energy efficient the property design is in terms of reducing kgCO₂/m² emissions from levels A to G. This rating allows investors, property buyers and customers to assess their predicted portfolio carbon emissions [kg CO₂/m²] so they can consider future energy bills and recommended energy efficiency improvements. All of our new stores from October 2008 have been certified at or above the energy efficiency benchmarks for new buildings, and all exceed the expected 'D' rating for Government renewable energy Feed in Tariff or future Green Deal cash back.

New store – EPC ratings

EPC rating	31 March 2009 openings	KgCO ₂ /m ²	31 March 2010 openings	kgCO ₂ /m ²	31 March 2011 openings	kgCO ₂ /m ²	31 March 2012 openings	kgCO ₂ /m ²
A+	–	–	Twickenham	-5	–	–	–	–
A	–	–	Reading	17	Camberley	20	–	–
B	Sheen	47	Edinburgh	49	H. Wycombe	50	New Cross	40
B	Sheffield H	48	Sheffield BL	49	–	–	Stockport	45
C	Birmingham	61	Nottingham	66	–	–	Eltham	52
C	Liverpool	75	Poole	71	–	–	–	–
D	–	–	–	–	–	–	–	–
E	–	–	–	–	–	–	–	–
F	–	–	–	–	–	–	–	–
G	–	–	–	–	–	–	–	–

Corporate Social Responsibility Report (continued)

5. STORE DESIGN AND CONSTRUCTION (continued)

5.1 Energy Performance Certificates ("EPCs") (continued)

In the case of our Twickenham store it achieved a net zero carbon emission rating. This means that the predicted electricity use, carbon emissions, bills and carbon tax would be low due to the energy saved by increased building energy efficiency in design and the supply of on-site solar energy in the building specification.

5.2 The Considerate Constructors Scheme ("CCS")

Our CCS performance continued to improve in the areas of construction site environmental protection, workforce safety and our responsibility to local communities, beyond regulatory requirements. We improved in areas such as: being considerate; site appearance; and accountability. CCS auditors visited our construction sites and assessed performances out of a maximum score of 40 points. Site reports were sent to the Construction Director and CSR Manager for review and actions, if required.

Considerate Constructors Scheme performance

Year	2010	2011	2012	2013 target
Number of construction projects on site	7	6	3	–
Percentage of registered sites > UK average	81.8%	88.8 %	100%	100%
Average points score for all sites / phases	32.1	31.3	33.9	32.0

All of our sites under construction (Stockport, New Cross and Chiswick) exceeded compliance with the schemes code by achieving over 24 points on each monitoring visit. Our average score of 33.9 exceeded the CCS UK average score of 31 and so all sites were awarded at least one Certificates of Performance 'Beyond Compliance' and ranked within the top 10% of the schemes sites to be reviewed for CCS National Awards. Our target set for 2011 (31.5 points) was exceeded by 7.6%.

5.3 Construction waste management

This financial year Big Yellow Construction continued to use the Building Research Establishment's Environmental Assessment Methodology ("BREEAM") for assessing its fit-out waste tonnage (excluding demolition and shell), recycling percentages and SMART Waste Benchmarks for resource efficiency.

Big Yellow Construction 'fit-out' waste management performance

Year	2010	2011	2012	2013 Target
Total tonnage (t)	175.4	147.5	152.3	–
Percentage of waste recycled (%)	82	93.2	96%	95%
BRE resource efficiency (t/100 m ² GIA)	3.0	2.9	3.3	<9.2
BREEAM SMART waste benchmark	3	3	3	3
Plaster board 100% recycled volume (m ³)	216	104	34	100%

Big Yellow Construction achieved high percentages of waste recycling for new store construction with minimal waste taken to landfill. Timber, top soil, cardboard, plasterboard, plastics and smaller amounts of metals (<1%) are in demand for recycling or supplier 'take back'. Big Yellow Construction has also sourced a specialised recycling contractor with a large scale recycling plant for earlier demolition stages of construction which was introduced at our Chiswick site.

6.0 HEALTH AND SAFETY

Our Health and Safety Policy covers all of our stores, our head office, distribution warehouse and all our construction sites. Incidents are recorded on staff, customers, contractors and visitors. A Health and Safety Committee meets on a quarterly basis and consists of Directors and Managers from Operations, Facilities Management and Construction. The Board receives bi-monthly reports which monitor health and safety performance. Annual store health & safety meetings take place for all stores and Maidenhead, our distribution warehouse. Agendas are provided for these meetings via the Intranet from Facilities Management files and the minutes are reviewed by Area Managers to raise any issues with Facilities Management or Human Resources where necessary. Health and safety performance and incidents are reported as recorded in the table below.

6.1 Big Yellow Self Storage customers, contractors and visitors

Store customer, contractor and visitor health and safety

Year	2010	2011	2012
Total number of customers (move-ins during the year)	41,781	51,049	57,604
Minor injuries	53	41	43
Reportable injuries	1	–	–
RIDDOR* per 100,000 customers	2.39	–	–

* RIDDOR = Reporting of Injuries, Diseases and Dangerous Occurrences Regulation 1995

Corporate Social Responsibility Report (continued)

6.0 HEALTH AND SAFETY (continued)

6.1 Big Yellow Self Storage customers, contractors and visitors (continued)

There were no 'fatal injuries', 'notices' or 'prosecutions' and no 'reportable injuries'. Minor injuries increased by two, following a reduction of 12 in the previous financial year. Minor injuries were set against a 12.8% increase in the total number of customer by move-ins. Minor injuries were predominantly related to the handling of personal or business possessions by customers. An improved induction manual raised awareness for our staff of safely handling packaging materials, room clearances and in assisting customers.

6.2 Big Yellow Self Storage staff

Store and head office staff health and safety

Year	2010	2011	2012
Average number of staff	252	273	279
Minor injuries	16	19	12
Reportable injuries ("RIDDOR")	1	1	-
Annual injury incidence rate ("AIIR") per 100,000 staff	397	366	-

There were no 'fatal injuries', 'notices' or 'prosecutions' and no 'reportable injuries' for Big Yellow staff. Minor injuries reduced by 7 against an increase in staff numbers of 2.2%. Our staff were given additional 'Manual Handling' training in the year.

6.3 Big Yellow Construction Company Limited

Construction fit-out contractors and visitor health and safety

Year	2010	2011	2012
Total man days	12,071	6,431	6,511
Minor injuries	2	1	1
Reportable injuries ("RIDDOR")	-	1	-

No 'fatal injuries', 'notices', 'reportable injuries' or 'prosecutions' occurred indicating a well controlled environment for staff, contractors and visitors on site. Only one 'minor injury' occurred to a contractor. Health and safety performance continues to be raised by induction training, weekly reporting and the Considerate Constructors Scheme where near maximum points (4 or 4.5 out of 5) were scored on all sites for safety.

CSR PROGRAMME FOR 2012/13

The CSR programme will continue to focus on energy efficiency, carbon reduction, renewable energy generation and waste reduction. Last year we completed registration to the Carbon Reduction Commitment, installed 22 Smart Meters to monitor real time energy use on non half hourly meters and started the process of renewing our Carbon Trust Standard certification. This year our strategy, programmes, objectives and targets are highlighted in the table below:

Strategy	Programmes	Objectives / targets
The Carbon Reduction Commitment ("CRC")	Submit the CRC Annual report to the Environment Agency by July 2012.	To achieve a position in the upper 5% of the UK CRC league table.
The Carbon Trust Standard ("CTS")	Maintain CTS certification to measure and improve energy efficiency initiatives and performance over the longer term.	Absolute carbon and carbon intensity reduction targets of 5% and 10% respectively and certification by September 2013.
Energy efficiency	To continue store energy efficient motion sensor improvements and internal LED re-lamping.	Progress to more energy efficient LED internal lighting increasing efficiency by 60%.
Increase solar energy generation and revenues	Increase solar PV electricity generation percentages of the whole store portfolio.	Increase solar PV percentage to >1% for the portfolio and > 6% for the solar stores. Increase Feed in Tariff revenues by 10%.
Store waste recycling	Improve on waste tonnage reduction and maintain recycling rates.	A reduction in waste tonnage and increases in recycling of 1.5 %.
Store water use	Acquire more accurate water volume monitoring and measurement from our suppliers.	Establish the significance of our water use on the environment.

More details of CSR policies, previous reports and awards can be found on our investor relations web site at <http://bigyellow.hemscottir.com/csr>.

Independent assurance statement by Deloitte LLP ('Deloitte') to Big Yellow Group PLC ('Big Yellow') on their Corporate Social Responsibility Report 2012 ("Report")

What we looked at: scope of our work

Big Yellow engaged us to perform limited assurance procedures for the year ended 31 March 2012 on the following subject matters:

Carbon footprint indicators:

- > Absolute carbon dioxide emissions (tCO₂)
- > Store electricity emissions (tCO₂)
- > 'Fit out' diesel and electricity emissions (tCO₂)
- > Store flexi-office gas emissions (tCO₂)
- > Carbon intensity (Kg CO₂/m² gross internal area)
- > Carbon intensity (Kg CO₂/m² occupied space)
- > Carbon dioxide saved by renewable energy (tCO₂)

Electricity use and renewable energy generation

- > Electricity use (kWh)
- > Total renewable energy (kWh)
- > Renewable energy percentage of total energy use

Considerate Constructors Scheme:

- > Number of construction projects
- > Percentage of registered sites > UK average
- > Average points score for all sites

Staff health and safety:

- > Average number of staff
- > Minor Injuries
- > Reportable injuries (RIDDOR)
- > Annual Injury Incidence rate (AIIR) per 100,000 staff
- > Notices

What we found: our assurance opinion

Based on the assurance work we performed, nothing has come to our attention that causes us to believe that the selected corporate social responsibility (CSR) performance indicators are materially misstated.

What standards we used: basis of our work and level of assurance

We carried out limited assurance in accordance with the International Standards on Assurance Engagements 3000 (ISAE 3000). To achieve limited assurance ISAE 3000 requires that we review the processes and systems used to compile the areas on which we provide assurance. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls. This is designed to give a similar level of assurance to that obtained in the review of interim financial information.

The evaluation criteria used for our assurance are the Big Yellow Group definitions and basis of reporting as described at: bigyellow.hemscottir.com/csr

What we did: our key assurance procedures

Considering the risk of material error, our multi-disciplinary team of CSR assurance specialists planned and performed our work to obtain all the information and explanations we considered necessary to provide sufficient evidence to support our assurance conclusion. Our work was planned to mirror Big Yellow's own group level compilation processes, tracing how data for each indicator within our assurance scope was collected, collated and validated by corporate head office and included in the Report.

Key procedures we carried out included:

- > Gaining an understanding of Big Yellow's systems through interview with management responsible for CSR management and reporting systems at corporate head office
- > Reviewing the systems and procedures to capture, collate, aggregate, validate and process source data for the assured performance data included in the Report

Independent assurance statement by Deloitte LLP ('Deloitte') to Big Yellow Group PLC ('Big Yellow') on their Corporate Social Responsibility Report 2012 ("Report") (continued)

Big Yellow's responsibilities

The Directors are responsible for the preparation of the Report and for the information and statements contained within it. They are responsible for determining the CSR goals, performance and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Deloitte's responsibilities, independence and team competencies

Our responsibility is to independently express a conclusion on the performance data for the year ended 31 March 2012. We performed the engagement in accordance with Deloitte's independence policies, which cover all of the requirements of the International Federation of Accountants Code of Ethics and in some cases are more restrictive. We confirm to Big Yellow that we have maintained our independence and objectivity throughout the year, including the fact that there were no events or prohibited services provided which could impair that independence and objectivity in the provision of this engagement.

This report is made solely to Big Yellow in accordance with our engagement letter. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Big Yellow for our work, for this report, or for the conclusions we have formed.

Deloitte LLP

London, United Kingdom

16 May 2012



Big Yellow Construction and contractors getting involved in the local community

West Thames College bricklayers team visit to our new Chiswick store

**"As a student studying bricklaying, this trip has inspired me to follow the bricklaying industry.
Thank you very much for giving me this opportunity at the site"**

FAHIM



You can access more information about us on our website

<http://bigyellow.hemscottir.com/CSR>

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