INTRODUCTION

This report is on the activities of the Remuneration Committee for the period from 1 April 2013 to 31 March 2014. It sets out the remuneration policy and remuneration details for the Executive and Non-Executive Directors of the Company. It has been prepared in accordance with Schedule 8 of the Large and Medium-size Companies and Groups (Accounts and Report) Regulations 2008 (the "Regulations") as amended in August 2013. This is the first time the Group has prepared the report in accordance with the amended Regulations.

The report is split into three main areas:

> the annual statement by the Remuneration Committee Chairman;
> the report on Directors' remuneration policy; and
> the annual report on Directors' remuneration.

The Companies Act 2006 requires the auditor to report to the shareholders on certain parts of the Remuneration Report and to state whether, in their opinion, those parts of the report have been properly prepared in accordance with the Regulations. The parts of the annual report on Directors' remuneration that are subject to audit are indicated in the report. The annual statement by the Remuneration Committee Chairman and the Directors' remuneration policy report are not subject to audit.

ANNUAL STATEMENT BY THE REMUNERATION COMMITTEE CHAIRMAN

Dear Shareholder,

I am very pleased to present the Directors' Remuneration Report for the year ended 31 March 2014. This report – the first one in the form required by the remuneration reporting regulations introduced last year – has been prepared by the Remuneration Committee and approved by the Board.

Structure of the report

In accordance with these regulations, the report is divided into three sections:

> this letter;
> the Remuneration Policy Report – which sets out the Committee's policy and framework for the remuneration of the Executive Directors. This section will be proposed for approval by a binding vote of shareholders at the AGM in July 2014; and
> the Annual Remuneration Report – which sets out how the Group has remunerated the Directors during the year. This section will be proposed for an advisory vote by shareholders at the 2014 AGM.

Business conditions and Group performance in the year ended 31 March 2014

The business conditions and performance of the Group in the year ended 31 March 2014 are described more fully in the Chairman's Statement on page 12 of this Annual Report. In summary:

> the business of the Group performed strongly;
> in an improving economic environment, Big Yellow remained the clear UK brand leader in self storage and delivered occupancy, cash flow and earnings growth for the fifth year in a row;
> revenue, cash flow and adjusted profit before tax increased by 4%, 9% and 15% respectively;
> net rent per sq ft increased by 6%;
> gearing was reduced to 36% of adjusted net assets; and
> dividends are being increased by 49%.

Policy on executive remuneration

As in the previous financial year, the policy of the Company is to ensure that the executive remuneration packages are designed to attract, motivate and retain Directors of high calibre and reward the Executive Directors for protecting and enhancing value for shareholders.

As a result, a substantial element of the remuneration of the Executive Directors – up to 80% of their potential total remuneration for the next financial year – is structured to be dependent on the performance of the Company.

The Company aims to provide remuneration to the Directors which is fair to the Directors both generally and in the context of the remuneration of other staff of the Company and the returns to shareholders. Remuneration consists of a balance of short and long term incentives which provide a strong link between reward and individual and Group performance to align the interests of the Executive Directors with the interests of shareholders.

The Remuneration Committee is also concerned to ensure that the Executive Directors have significant interests in the shares of the Company. Each Executive Director has an interest in shares with a value in excess of his base salary and, together, and including share incentives, the Executive Directors are interested in shares comprising approximately 10.5% of the share capital of the Company.

ANNUAL STATEMENT BY THE REMUNERATION COMMITTEE CHAIRMAN (continued)

In the view of the Remuneration Committee, the success of the remuneration policy has been reflected in the length of service and stability of the Executive Director team and the progress of the Company over a number of years, including the recent years of significant economic slowdown. Two of the Executive Directors were founders of the Company while the other two have been Executive Directors for 15 years and seven years respectively.

Looking ahead, the Remuneration Committee is concerned that the total remuneration of the Executive Directors remains within range of, but slightly below the median for comparable companies and FTSE 250 companies. In the light of this, and the expiry of the Long Term Bonus Performance Plan in 2015, the Remuneration Committee plans to review executive remuneration during the year ending 31 March 2015. While this may lead to changes in the component elements of executive remuneration, it is unlikely to result in any significant changes in policy. Having said that, any changes in policy which are proposed, will only take effect if they are approved by shareholders at the AGM in July 2015.

Finally, we will seek approval from our shareholders at the 2014 AGM approval for the renewal of the Long Term Incentive Plan ("LTIP") and the Sharesave Scheme which both expire in 2014.

The LTIP and the Sharesave Scheme have been operated by the Company since they were approved by shareholders at the 2004 AGM. The Sharesave Scheme is an all-employee share plan under HMRC provisions, the terms of the 2014 Sharesave Scheme are unchanged from the 2004 Plan other than minor drafting updates, and shareholders are being asked to approve a further ten year period for the operation of the Sharesave Scheme.

The LTIP is used to make awards to senior management. The full terms of the proposed 2014 LTIP are included in the Notice of Annual General Meeting. Although the main terms are unchanged other than drafting updates, we have taken the opportunity to bring some features more in line with current best practice. In particular, the 2014 LTIP includes clawback provisions which may require award holders to forfeit unvested options if it should transpire that, for example, the Company's results had been misstated for earlier years. It is also proposed that the individual limit within the 2014 LTIP rules with respect to the maximum value of shares over which awards may be made in any financial year will be amended to 200% of the individual's base salary (the previous limit was 100% of base salary, other than in exceptional circumstances) to increase the Company's flexibility to incentivise senior management.

This change to the individual limit under the plan also provides the Committee with a framework to facilitate any changes to the executive remuneration policy post the review of executive remuneration arrangements during the year ending 31 March 2015, as the current 100% limit is now falling below common practice in listed companies. However, the Committee wishes to stress that any changes in Executive Directors' remuneration policy, such as increasing the individual's award limit under LTIP, will only take effect if they are approved by shareholders following the proposed remuneration review.

The views of the Company's shareholders are very important to the Remuneration Committee and the Board. The Committee is happy to receive constructive feedback on the remuneration policy or structure of the Company and takes this feedback into account in considering the remuneration arrangements of the Company.

Full details of the remuneration policy for the Directors of the Company are set out in the Directors Remuneration Policy section of the Directors' Remuneration Report.

Remuneration changes during the year

During the year ended 31 March 2014, the aggregate remuneration of the Executive Directors (calculated on the basis of the remuneration regulations introduced in 2013) increased from £1,091,000 to £1,751,000 – an increase of 60%. The increase is due to the partial vesting of the 2010 LTIP during the year which produced a gain to the Executive Directors of £623,000. The 2009 LTIP, tested in the prior year, lapsed. This increase compares with significant increases in the year in adjusted profit before tax (15%), EPS (6%) and declared dividends (49%).

In the same period, the aggregate remuneration of the Non-Executive Directors increased from £182,000 to £190,000 – an increase of 4%. The increase resulted from a review by the Board during the year which concluded that the previous fee structure required revision. The new structure provides for a base fee of £36,000 for each non-Executive Director with an additional £2,500 for a Committee Chairman, the Senior Independent Director and a Non-Executive Director who provides significant specialist advice.

ANNUAL STATEMENT BY THE REMUNERATION COMMITTEE CHAIRMAN (continued)

Within the overall figure for Executive Director remuneration, the detailed changes were:

- **Base salary:** increased by £30,000 (3.3%) – of which the main change was an increase to the salary of one Director to reflect his progress in the role
- **Taxable benefits:** reduced by £9,000 (37%) – the prior year figure included benefit-in-kind interest from the previous LTBP scheme.
- **Annual bonus:** remained at 10% of base salary (the average for all staff of the Company) and increased, as a result of the increase in base salaries, by £3,000 (3.3%).
- **Pension contributions:** remained at 10% of base salary and increased, as a result of the increase in base salaries, by £3,000 (3.3%).
- **Sharesave Scheme:** one Director's Sharesave scheme vested in the year, producing a gain of £10,000 (2013: nil)
- **Long term incentives:** following the application of the performance conditions (EPS growth compared to RPI and relative TSR), the 2010 award of shares granted under the Long Term Incentive Plan vested as to 53% (representing a total gain of £623,000). As in the previous year, each of the Executive Directors was granted an award equal to 100% of his base salary (or average salary) subject to performance conditions. The value of these awards was £919,400 – an increase of £29,600 (3.3%) No awards under the Long Term Bonus Performance Plan were made in the year (2013: £3,000,000). The Remuneration Committee reviewed the performance targets for the year and concluded that the awards under the Plan granted in 2012 have provisionally vested as to 100% in respect of the year ended 31 March 2014. The final determination of the vesting for the whole three year period of the 2012/13 awards will be determined against performance conditions in the period 2012 to 2015.

In considering the relative importance of the spend on pay (see page 73):

- **Total employee pay:** increased by 1% (and amounted to £11.1 million)
- **Profit distributed by way of dividend:** increased by 45% (and amounted to £19.6 million)
- **Retained profit for the year:** increased by 118% (and amounted to £40.0 million)

More details of the changes in the remuneration of the Directors in the year ended 31 March 2014 are set out in the Annual Report on Remuneration section of the Remuneration Report.

Recommendation

The Remuneration Committee has carefully considered the policy on executive remuneration and the implementation of the approach underlying that policy during the year ended 31 March 2014 and recommends this Remuneration Report to you.

I hope that, at the Annual General meeting in July, you will support both:

- the binding resolution on the remuneration policy set out in the Remuneration Policy Report section of this Remuneration Report; and
- the advisory resolution on the remuneration paid to the Directors in the last financial year set out in the Annual Remuneration Report section of this Remuneration Report.

Tim Clark
Chairman of the Remuneration Committee

REPORT ON DIRECTORS' REMUNERATION POLICY

This section of the Remuneration Report contains details of the Company's Directors' Remuneration Policy which will govern the Company's approach to remuneration.

The policy described is subject to approval by shareholders at the Company's AGM on 16 July 2014, and if approved, will be applicable from that date for a period of three years, unless shareholder approval is sought within that period to amend the policy.

It is the policy of the Company to ensure that the executive remuneration packages are designed to attract, motivate and retain Directors of a high calibre and reward the executives for enhancing value to shareholders.

As a result, a substantial element of the remuneration of the Executive Directors is structured to be dependent on the performance of the Company. The policy aims to support a performance culture where there is appropriate reward for the achievement of strong Company performance without creating incentives which will encourage excessive risk-taking or unsustainable Company performance.

The Committee's aim is to design a total package that rewards the Executive Directors to a median level that is appropriate for the size and nature of the business, and its business strategy.

Policy table

The main components of the Directors' Remuneration Policy, and how they are linked to and support the Company's business strategy, are summarised below:

Executive Directors

	Purpose and link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Base salary	To provide competitive fixed remuneration that will attract and retain key employees and reflect their experience and position in the Company.	Base salary is normally set annually on 1 April. When considering any increases to base salaries in the normal course (as opposed to a change in role or responsibility), the Committee will take into consideration: > level of skill, experience, scope of responsibilities of individual and individual performance; > business performance, economic climate and market conditions; > reference to the increases provided to Executive Directors in comparable companies; and > Pay and employment conditions of employees throughout the Group, including increases provided to staff; and inflation. Salaries for the Executive Directors for the year ending 31 March 2015 are as follows: > Nicholas Vetch – £259,300 > James Gibson – £284,400 > Adrian Lee – £210,600 > John Trotman – £200,000 The salaries for Nicholas Vetch, James Gibson and Adrian Lee have been increased by 2% from the prior year. John Trotman's salary has been increased by 11% from the prior year. The Committee's policy for John Trotman is to bring his salary in line with that of Adrian Lee over the short to medium term.	Salaries are typically set after considering the salary levels in companies of a similar size and complexity in the FTSE 250. Our overall policy is normally to target salaries at close to (but generally just below) median levels. Base salaries are intended to increase in line with inflation and general employee increases in salary. Higher increases may apply if there is a change in role, level of responsibility or experience or if the individual is new to the role. There is no maximum salary cap in place.	None

Executive Directors (continued)

	Purpose and link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Annual bonus	The annual bonus aligns reward to key Group strategic objectives and drives short term performance.	Cash payments. Executive Directors participate in an annual performance-related bonus scheme.	Bonus potential: Maximum: 25% of base salary. Target: 10% of base salary Threshold performance: 0% of base salary.	Assessed annually and determined by the Committee based on corporate performance against the Group's business plan for each financial year. The bonuses are directly linked to the Group's profit and operating cash flow performance in the stores (see note 1).
Long Term Incentive Plan	The Long Term Incentive Plan aligns Executive Director interests with those of shareholders and rewards value creation.	Awards are made annually to the Executive Directors (and certain senior managers who are in a position to influence significantly the performance of the Group) in the form of nil-paid options. The awards granted under the Long Term Incentive Plan are subject to performance conditions to be met over a performance period of three years. The performance conditions have been chosen to align the LTIP with the performance of the business. Awards granted prior to the 2014 AGM will vest in accordance with the provisions of the LTIP rules, as approved by shareholders. Awards made under the 2014 LTIP (subject to its approval by shareholders at the 2014 AGM), will be subject to clawback provisions as set out in the Notice of the Annual General Meeting.	Maximum annual grant is 100% of base salary. Minimum vesting is 25% of salary assuming achievement of threshold TSR performance, and the maximum vesting is 100% of salary.	Vesting under the LTIP is based on earnings per share ("EPS") growth compared to inflation and Relative Total Shareholder Return ('TSR') against the FTSE Real Estate Index. The EPS hurdle growth must be satisfied before any part of the LTIP award can vest. Vesting will be as follows if the EPS hurdle is met: 25% vesting for median TSR performance and 100% vesting for upper quartile performance. Straight-line vesting between these points. (Note 2)

Executive Directors (continued)

	Purpose and link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Long Term Bonus Performance Plan	To ensure that the total remuneration package is more competitive and supports the Company's strategy and its ability to react to changing economic and business circumstances. To retain key individuals in the medium term and align rewards with shareholder returns.	Participants are awarded a restricted interest in ordinary shares. They are entitled to benefit from the growth in value of these shares, subject to a cap of £2 per share. The awards to the Executive Directors under the plan are made every three years, although the Committee has discretion to make awards to new Directors outside of this period. Vesting depends on an annual assessment of performance (over three years but reviewed annually) against a series of financial and non-financial targets aligned with the annual business plan. The value accrued to participants may be subject to clawback if subsequent performance reflects adversely on achievement of the targets. 50% of the payout will be released at the end of the three year performance period, a further 25% will be released one year after the end of the performance period, and the remaining 25% will be released two years after the end of the performance period.	The maximum payment in shares and cash to Executive Directors at the end of the current three year period is 330% of salary (110% of base salary for each performance year).	Please see page 74 for the review of the performance conditions in the financial year. (Note 3)
Pension	To provide competitive levels of retirement benefit.	Contribution of 10% of salary made into Executive Directors personal pension plan, or a cash supplement of equivalent value paid in lieu of pension contribution.	10% of salary	None
Other benefits	To provide competitive levels of employment benefits.	Benefits include: > Private fuel > Private medical insurance > Permanent health insurance > Life assurance of four times base salary > Relocation allowances The level of benefits provided is reviewed annually to ensure they remain market competitive.	Maximum opportunity is the total cost of providing the benefits. There is no monetary cap on benefits.	None
Shareholding policy	To ensure that Executive Directors' interests are aligned with those of shareholders over a longer time horizon.	Vested shares cannot be sold until the shareholding requirement has been met. There is no time requirement in relation to this policy.	Requirement to build and maintain a holding of at least 100% of salary in shares of the Company, through retaining at least 50% of shares vesting in Executive incentive plans if this guideline has not been met.	N/A

Executive Directors (continued)

	Purpose and link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Sharesave Scheme	To encourage share ownership by all employees. This allows them to align their interests with those of investors and also to share in the long term success of the Company.	Executive Directors may participate in the Big Yellow Group Sharesave Scheme, which is an all-employee HMRC approved share plan open to employees based in the UK. Sharesave Scheme saving periods are in line with HMRC guidance as three year contracts.	Executive Directors are able to participate in an all-employee share plan on the same terms as other employees in line with the HMRC approved monthly contribution limits. The figures shown in the remuneration table relate to the gains on exercise of the SAYE options against the option price.	None

Notes to the policy table

1. Annual bonus performance measures and targets

   Annual bonuses for the Executive Directors are based on the average of the store performances against their quarterly targets providing direct alignment of the Directors' bonuses to performance (and the bonus levels of the staff). The four Key Performance Indicators used to assess store performance are occupancy growth, net contribution, customer satisfaction and store standards. Store targets are set every quarter and an average of the four quarters is taken.

2. Long Term Incentive Plan performance measures and targets

   The Committee selected the performance conditions on the LTIP as they provide a direct link between the incentive for the Executive Directors and the value created for shareholders. Relative TSR against the FTSE Real Estate Index has been chosen, as Big Yellow Group's historic performance has been closely aligned to the performance of this Index. The adjusted EPS figure is as reported in the audited results of the Group for the last complete financial year ending before the start of the performance period and the last complete financial year ending before the end of the performance period.

3. Long Term Bonus Performance Plan performance measures and targets

   The Long Term Bonus Performance Plan was first introduced in 2009 to bring overall levels of remuneration towards mid-market levels but maintaining the desire to ensure there was a strong performance based culture within the organisation. Since the inception of the plan, the scheme has helped to align the Executive Directors to the performance of the stores and value created to shareholders as participants are entitled to the benefit from any growth in the value of the shares from the date of award to vesting (capped at £2 per share). Assuming performance conditions are met, shares are transferred to the Executive Director equal to the growth in value of the shares under award, subject to the £2 cap. If there is insufficient value in these share interests to deliver the required payout, the Director will be entitled to exercise an option to acquire further shares to make up the shortfall, and if this is still insufficient to deliver the required payout, a top-up cash payment will be made. Any cash payment cannot exceed 50% of the overall payment due.

   The plan was re-adopted by shareholders in 2012 and the Committee believes that the plan remains effective in aligning the Executive Directors to the long term performance of the business.

   In the year ended 31 March 2012, the Committee received external benchmarking advice from PricewaterhouseCoopers, which indicated total Executive Directors' remuneration was still significantly below market levels. The Committee gave careful consideration to the operation of the LTBPP and its support for the Company's strategy through its focus on achieving a range of KPIs. The Committee remained of the view that the most appropriate way to ensure that Executive Directors' remuneration remained competitive, provided incentive and lock-in and minimised cost to the Company was to make a further round of awards under the LTBPP. The Committee therefore proposed that new awards covering the three year period to 2015 were made to the Executive Directors in 2012. Unlike for the 2009 awards, no loans were made to the Executive Directors for the new awards; the option value was paid in full up front by each Executive Director. The new awards were approved at the Company's AGM held in July 2012.

   The Committee sets the performance targets annually, on the basis of business objectives and priorities which it has identified. The performance conditions are not disclosed for the year ahead, given the commercially sensitive nature of a number of the targets. A report on performance targets for the year under review (other than those which remain commercially sensitive) is provided in the Annual Report relating to that year.

4. Adoption of the 2014 Long Term Incentive Plan

   We will seek approval from our shareholders at the 2014 AGM approval for the adoption of the 2014 Long Term Incentive Plan (2014 LTIP) to replace the existing LTIP which expires on 24 June 2014, on broadly similar terms. The main changes relevant to Executive Directors are the inclusion of clawback provisions in respect of unvested awards, in line with emerging best practice.

   Shareholders will note that the proposed individual limit under the plan will increase from 100% to 200% of base salary. The Committee has determined that this increased limit will not form part of the Directors' remuneration policy to be adopted at the 2014 AGM.

   For further details and the main provisions of the 2014 Long Term Incentive Plan, please see the Notice of Annual General Meeting.

5. Renewal of the Sharesave Scheme

The Committee will seek approval from our shareholders at the 2014 AGM approval for the renewal of Sharesave Scheme which expires on 24 June 2014. The Sharesave Scheme is substantially similar to the existing Sharesave Scheme.

For further details and the main provisions of the Sharesave Scheme, please see the Notice of Annual General Meeting.

6. Discretion

The Committee has discretion in several areas of policy as set out in this report. The Committee may also exercise operational and administrative discretions under relevant plan rules approved by shareholders as set out in those rules. In addition, the Committee has the discretion to amend policy with regard to minor or administrative matters where it would be, in the opinion of the Committee, disproportionate to seek or await shareholder approval.

7. Differences in remuneration policy for all employees

All employees are entitled to base salary, benefits, pensions and the Sharesave Scheme. Additionally, all employees are eligible for annual bonuses with the maximum opportunity available based on the seniority and responsibility of the role held.

8. Changes made to the remuneration policy from previous policy

Other than the addition of clawback provisions in respect of awards under the proposed 2014 LTIP, there have been no substantive changes to the operation, maximum or performance measures in relation to the salary, annual bonus, Long Term Incentive Plan, Long Term Bonus Performance Plan, pension or other benefits. Increases in salary levels of Executive Directors are provided on page 59.

Non-Executive Directors

	Objective and link to the strategy	Operation	Maximum potential value	Performance conditions and assessment
Fees	To attract Non-Executive Directors with the requisite skills and experience	Fee levels are normally reviewed annually in March. The Non-Executive Director fee structure is a matter for the full Board. The fees may be paid in the form of shares. The fees have been increased by 2% from the prior year and for the year ending 31 March 2015 are as follows: Richard Cotton – £39,300 Tim Clark – £41,900 Georgina Harvey – £36,800 Mark Richardson – £39,300 Steve Johnson – £36,800 For year ending 31 March 2015, fees include an additional £2,500 for a Committee Chairman, and an additional £2,500 for the Senior Independent Non-Executive Director. Where a Non-Executive Director provides significant specialist advice to the Group, an additional fee of £2,500 is paid.	Fee levels are set at broadly median levels for comparable roles at companies of a similar size and complexity within the FTSE 250. Fees are intended to increase in line with inflation.	N/A

Approach to recruitment remuneration

Our principle is to attract, motivate and retain Executive Directors of the high calibre required and to reward them for enhancing value to shareholders.

The table below summarises our key policies with respect to recruitment remuneration:

Salary and benefits	> Set by reference to market and taking into account individual experience and expertise in the context of the role. > Salary would also be set with reference to the salary of the departing Executive Director and the remaining Executive Directors. > The Executive Director would be eligible to receive benefits in line with Big Yellow Group's benefits policy as set out in the remuneration policy table – this includes either a contribution to a personal pension scheme or cash allowance in lieu of pension benefits in line with the policies set out in the policy table.
Maximum variable incentive	> Annual bonus of up to 25% of base salary in line with our current policy for Executive Directors. > Long term incentive plan award of equivalent to 100% of base salary in line with our current policy for Executive Directors. > An award under the Long Term Bonus Performance Plan (which equates to an annual maximum opportunity of 110% of salary over the life of the plan) may also be made on appointment, recognising that the Company's basic remuneration is below median.
Sign-on payments	> The Company does not provide sign-on payments to Executive Directors.

Share buy-outs	> Any previous outstanding share awards which the Executive Director holds which would be forfeited on cessation of his or her previous employment may be compensated.
	> Where this is the case, the general principle is that the outstanding award will be valued based on the consideration of the following factors:
	  > The proportion of the performance period completed on the date of the Director's cessation of employment;
	  > The performance conditions attached to the vesting of the incentives and the likelihood of them being satisfied; and
	  > Any other terms and conditions having a material impact on their value.
	> The valuation will be conducted using a recognised valuation methodology by an independent party and the equivalent 'fair value' may be awarded as a one-off LTIP on date of joining under the Company's existing long term incentive plan. To the extent that this is not possible, a bespoke arrangement will be used.
	> To ensure effective retention of the Executive Director upon recruitment, any new award will be granted subject to performance conditions and vesting may be over the same period as those forfeited from the previous employer or a new three year period.
	> The exact terms will be determined by the Remuneration Committee on a case-by-case basis taking into account all relevant factors.

Relocation policies	> In instances where the new Executive Director is relocating from one work location to another, the Company may provide, as a one-off or otherwise, a relocation allowance as part of the Director's relocation benefits. > The level of the relocation package will be assessed on a case-by-case basis but will take into consideration any cost of living differences, housing allowance and schooling.

Service contracts

The Company's policy on Directors' service contracts is that they should be on a rolling basis without a specific end date providing for one year's notice. All Executive Directors have contracts which reflect this policy.

The Non-Executive Directors do not have service contracts with the Company. Their appointments are governed by letters of appointment which are available for inspection on request at the Company's registered office and which will be available for inspection at the Company's AGM. Each appointment is for a period of up to three years, although the continued appointment of all Directors is put to shareholders at the AGM on an annual basis. In addition, the appointment is terminable by either party giving notice of three months.

Payments for loss of office

Element	Approach
Salary and benefits	Salary and benefits may be paid in lieu of notice. In cases where a contract is terminated other than on the terms of the service contract, the Company will seek to mitigate any damages payable. There will be no compensation for normal resignation or in the event of termination by the Company due to misconduct.
Annual bonus	If the individual is a good leaver, bonus will be paid on a pro-rata basis in respect of the period from the start of the financial year. Good leaver is defined as an individual ceasing employment as a result of ill-health, disability, redundancy or retirement or in any other circumstances which the Committee permits. A bad leaver is an Executive Director who does not fall within the category of "good leaver" and bad leavers will forfeit any entitlement to a bonus payment in respect of the current financial year or any completed financial year in respect of which the bonus has not been paid at the cessation date.
Long term incentives (LTIP and LTBPP)	A proportion of the LTIP or LTBPP awards held by good leavers shall vest at the Committee's discretion determined by taking into account whether and to what extent any performance conditions have been satisfied and the length of time the LTIP or the LTBPP Award has been held at the date of cessation of employment. The 2014 LTIP awards will not normally vest until the end of the performance period with performance tested at that time, although exceptionally such awards may, at the discretion of the Committee, vest at cessation of employment. Under the 2004 LTIP and LTBPP, awards vest at cessation of employment. Good leaver is defined as an individual ceasing employment as a result of ill-health, injury, disability, redundancy, retirement, the sale out of the Group of his employing business for any other reason which the Committee in its absolute discretion permits. A bad leaver is an Executive Director who does not fall within the category of good leaver and bad leavers will forfeit any unvested awards.
Other contractual obligations	None.

Payments for Change of Control

Element	Approach
Annual bonus plan	On a change of control, the Executive Director may receive a bonus payment based on performance level achieved during the performance period and up to the date of change of control. The Committee will take into account such factors as it consider relevant in relation to the bonus plan payment for the year in which the event occurs, including the proportion of the bonus plan year elapsed at the date of the event.
Long term incentives (LTIP and LTBPP)	On a change of control, a proportion of LTIP or LTBPP Awards will vest at the time of the relevant event. The proportion of LTIP or LTBPP Awards which vest on a change of control event shall be determined by the Committee taking into account any relevant factors, including whether and to what extent any performance conditions have been satisfied. For the 2014 LTIP, the amount of time the LTIP Awards have been held on the date of the relevant change of control event will also be considered to determine the final vesting of the Awards.
Other contractual obligations	None.

Other Committee discretion

In certain circumstances, the Committee will be required to exercise its discretion, taking into consideration the particular circumstances of the Executive Director's departure and/or the recent performance of the Company in determining the specific level of payments to be made.

Further to the discretions set out in the tables above, under the terms of the annual bonus plan, Long Term Incentive Plan and the Long Term Bonus Performance Plan, the Committee has discretion to determine whether an individual is classified as a "good leaver".

It should be noted that it is the Committee's policy to only apply its discretion if the circumstances at the time are, in its opinion, sufficiently exceptional, and to provide a full explanation to shareholders where discretion is exercised. The Committee does not currently intend to amend or waive any performance conditions.

Illustrations of application of Remuneration Policy

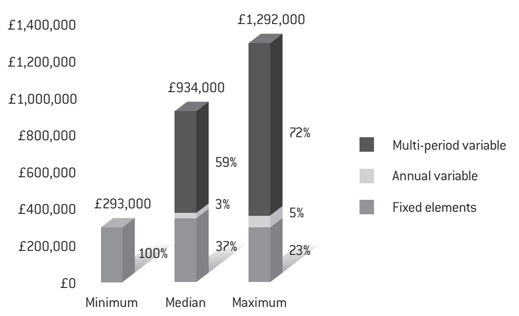
The graph below seeks to demonstrate how pay varies with performance for the Executive Directors based on our stated Remuneration Policy.

Element	Description
Fixed	Total amount of salary, pension and benefits.
Annual variable	Money or other assets received or receivable for the reporting period as a result of the achievement of performance conditions that relate to that period (i.e. annual bonus payments). Maximum annual bonus opportunity is 25% of base salary for Executive Directors.
Multiple period variable	Money or other assets received or receivable for multiple reporting periods as a result of the achievement of performance conditions over a given period which for the year ending 31 March 2015 includes the LTIP and the vesting of the three year LTBPP, based on performance to 31 March 2015. Maximum LTIP opportunity is 100% of base salary for Executive Directors.

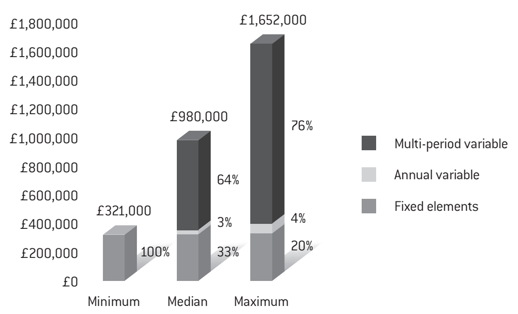
Assumptions used in determining the level of pay out under given scenarios are as follows:

Scenario	Description
Minimum	Fixed pay only (no variable payments under annual bonus and Company's LTIP or LTBPP).
On-target	This has been based on 40% of annual bonus award being paid (ie 10% of basic salary), 50% vesting of the LTIP and 50% vesting of the three year LTBPP.
Maximum	This has been based on 100% of annual bonus award being paid (ie 25% of basic salary) and 100% vesting of the LTIP and 100% vesting of the three year LTBPP.

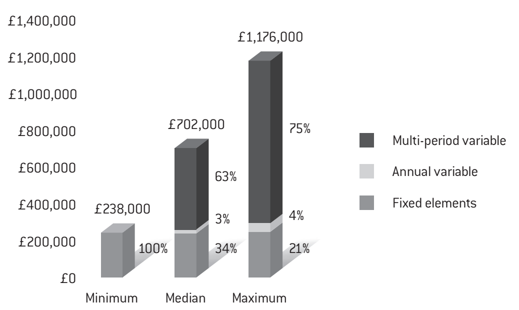
Executive Chairman



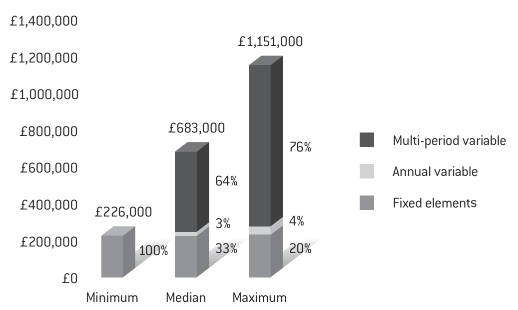
CEO



Operations Director



CFO



Statement of consideration of employment conditions elsewhere in the Group

The Committee reviews the reward and retention of the whole employee population periodically throughout the year to ensure that it can attract and retain top talent. Particular consideration is given to the general basic salary increase, remuneration arrangements and employment conditions. Furthermore, the Annual Bonus Plan award for Executive Directors is directly linked to the bonuses award to all staff.

The Directors are invited to be present at this meeting on the proposals for salary increase for the employee population generally and on any other changes to remuneration policy within the Company. The information presented at this meeting is taken into consideration when setting the pay levels of the executive population. Additionally the Committee has guidelines for the grant of all LTIP awards across the Company and responsibility for approving the total annual bonus cost of the Company. The Company does not invite employees to comment on the Directors' remuneration policy.

Statement of shareholders' views

The views of our shareholders are very important to us and the Committee is happy to receive constructive feedback with respect to our remuneration policies or structure which we take on board to formulate our arrangements.

Any consultations on remuneration with shareholders and institutional investors will usually be led by the Chair of the Remuneration Committee.

The Remuneration Committee considers shareholder feedback received in relation to the AGM each year at its first meeting following the AGM. This feedback, as well as any additional feedback received during any other meetings with shareholders throughout the year, is then considered as part of the Company's annual review of remuneration policy.

The Remuneration Committee notes that shareholders do not speak with a single voice, but we engage with our largest shareholders to ensure we understand the range of views which exist on remuneration issues. When any material changes are proposed to the Remuneration Policy, the Remuneration Committee chairman will inform major shareholders in advance, and will offer a meeting to discuss these.

Approval

This policy report was approved by the Board of Directors on 19 May 2014 and signed on its behalf by

Tim Clark
Remuneration Committee Chairman

ANNUAL REPORT ON REMUNERATION

This section of the Remuneration Report contains details of how the Remuneration Policy for Directors was implemented during the financial year ended 31 March 2014. This section is subject to an external audit.

Single total figure of remuneration

Executive Directors

The table below sets out the single total figure of remuneration and breakdown for each Executive Director paid in the year ended 31 March 2014. Comparative figures for 2013 have also been provided. Figures shown below have been calculated in accordance with the new remuneration disclosure regulations (The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013).

	Salary £		Taxable benefits £		Annual bonus £		Long term incentives £		Pensions £		Sharesave Scheme £		Total £	
Year ended 31 March 2014	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013	**2014**	2013
Nicholas Vetch	**254,200**	249,200	**3,853**	6,296	**25,420**	24,920	**179,509**	–	**25,420**	24,920	**9,821**	–	**498,223**	305,336
James Gibson	**278,800**	273,300	**4,840**	7,931	**27,880**	27,330	**196,862**	–	**27,880**	27,330	**–**	–	**536,262**	335,891
Adrian Lee	**206,400**	202,300	**3,859**	5,463	**20,640**	20,230	**145,736**	–	**20,640**	20,230	**–**	–	**397,275**	248,223
John Trotman	**180,000**	165,000	**2,066**	3,495	**18,000**	16,500	**101,205**	–	**18,000**	16,500	**–**	–	**319,271**	201,495
Total	**919,400**	889,800	**14,618**	23,185	**91,940**	88,980	**623,312**	–	**91,940**	88,980	**9,821**	–	**1,751,031**	1,090,945

Taxable benefits comprise medical cover, permanent health insurance, life insurance and private fuel usage. The prior year figure included benefit-in-kind interest from the previous LTBP scheme.

The value shown in long term incentives is the LTIP award granted in 2010 which vested on 12 July 2013 to 53.1% of its maximum value and is valued using the share price on that date of 428.8p. The award granted for 2014 is 100% of salary for each Executive Director.

The average salary increase across the Group in the year was 2%. The salary increase for John Trotman reflects his progress in his role, although it should be noted that his salary is still, in the view of the Committee, below market levels.

Additional details on variable pay in single figure table

In order to execute its business strategy, the Company needs high-quality Executive Directors and the remuneration packages need to be able to attract, retain and motivate such individuals. The annual bonus, the LTIP and the LTBPP are used to ensure that, when merited by performance, an opportunity is offered to earn competitive total remuneration.

The Committee considers that performance conditions for all incentives are suitably demanding, having regard to the business strategy, shareholder expectations and external advice regarding the market benchmarks. To the extent that any performance condition is not met, the relevant part of the award will lapse. There is no retesting of performance.

The main components of the Remuneration Policy, and how they are linked to and support the Company's business strategy, are summarised in each of the following sections.

Annual Bonus Plan awards

In respect of the year under review, the Executive Directors' performance was carefully reviewed by the Committee, in consultation with the Executive Chairman in respect of the other Executive Directors. The bonus paid to the Executive Directors of 10% of salary in the year is directly linked to the awards paid to the stores on achieving their targets during the course of the year. The weighting of each target to the bonus paid in the year is: occupancy and net contribution (68%), customer satisfaction (24%) and store standards (8%).

Long Term Incentive Plan ("LTIP") awards

The awards granted under the LTIP are subject to performance conditions to be met over a performance period of three years.

At the end of the performance period, the awards will vest to the extent the performance conditions have been satisfied. There is no retesting of performance conditions and if they are not satisfied, the awards will lapse.

The performance conditions applicable to the LTIP which vested in the year are set out below. Vesting is conditional on the achievement of an underpin EPS growth of an average of 3% above RPI per annum. This hurdle was met for the 2010 awards.

The Committee assessed the extent to which the performance conditions have been satisfied for the 2010 award which vested in 2013, with the following results:

Condition	Weighting	Threshold performance required	Maximum performance required	LTIP value for meeting threshold and maximum performance (% salary)	Performance achieved	Vesting %
Relative TSR	100%	Median of comparator group of real estate companies	Upper quartile of the comparator group	25% – 100%	13th out of 31 in comparator group	53%
Total	**100%**					53%

Between threshold and maximum, vesting will take place on a straight-line basis.

Sharesave Scheme

The Group's Sharesave Scheme is open to all UK employees (including Executive Directors) with a minimum of six months' service and meets UK HMRC approval requirements, thus enabling all eligible employees the opportunity to acquire shares in the Company in a tax efficient manner. The four Executive Directors all participated in the scheme during the financial year.

Pension entitlements

The Company pays pension contributions into the Executive Directors' personal pension plans or makes a cash contribution in lieu of pension contributions. They do not participate in any defined benefit scheme. For the year ended 31 March 2014, the Company contribution was 10% of salary for the Executive Directors.

Non-Executive Directors

The table below sets out the single total figure of remuneration and breakdown for each Non-Executive Director paid in the year ended 31 March 2014. Comparative figures for 2013 have also been provided.

	Fees £		Taxable benefits £		Total £	
Year ended 31 March 2014	**2014**	2013	**2014**	2013	**2014**	2013
Philip Burks (to 19 July 2013)	**9,000**	34,500	**–**	–	**9,000**	34,500
Tim Clark	**41,000**	39,800	**–**	–	**41,000**	39,800
Richard Cotton (from 1 June 2012)	**38,500**	28,750	**–**	–	**38,500**	28,750
Georgina Harvey (from 1 July 2013)	**27,000**	–	**–**	–	**27,000**	–
Steve Johnson	**36,000**	34,500	**–**	–	**36,000**	34,500
Mark Richardson	**38,500**	34,500	**–**	–	**38,500**	34,500
Jonathan Short (to 19 July 2012)	**–**	9,554	**–**	–	**–**	9,554
Total	**190,000**	181,604	**–**	–	**190,000**	181,604

The structure of the Non-Executive Directors' fees was reviewed in 2013. The Board concluded that the fee structure in place was outdated and required revision, with the current fees now broadly in line with median for comparable companies and FTSE 250. It has implemented a new structure of Non-Executive Directors' fees for the year ended 31 March 2014, comprising of a base fee of £36,000 per annum, with an additional £2,500 for a Committee Chairman, and an additional £2,500 for the Senior Independent Non-Executive Director. Where a Non-Executive Director provides significant specialist advice to the Group, and hence additional time commitment to the Group, an additional fee of £2,500 may be paid.

Long term incentives awarded in year ended 31 March 2014

The table below sets out the details of the long term incentive awards granted in the year ended 31 March 2014 where vesting will be determined according to the achievement of performance conditions that will be tested in future reporting periods.

Director	Award type	LTIP awarded	Face value of award[1]	Percentage of award vesting at threshold performance	Maximum percentage of face value that could vest	Performance period end date	Performance conditions
Nicholas Vetch	LTIP – annual cycle of awards	100% of salary	£254,200	25%	100%	22 July 2016	EPS growth and relative TSR (see below for further details of the 2014 conditions)
James Gibson			£278,800				
Adrian Lee		100% of average 2013/14 base salary	£193,200				
John Trotman			£193,200				

Note:
1. The face value of the award is calculated using the average share price three days prior to the 2014 AGM (grant date).

The performance conditions applicable to awards granted in the year ended 31 March 2014 are set out below:

Condition	Weighting	Threshold performance required	Maximum performance required	LTIP value for meeting threshold and maximum performance (% salary)	Basis for measurement
Relative TSR	100%	Median of comparator group of real estate companies	Upper quartile of the comparator group	25% - 100%	Average of the Group's closing mid-market share price over the three months preceding the start of the performance period and preceding the end of the performance period will be used.
Total	**100%**				

Between threshold and maximum performance, vesting will take place on a straight-line basis.

In respect of the EPS underpin, the adjusted EPS figure reported in the audited results of the Group for the last complete financial year ending before the start of the performance period and the last complete financial year ending before the end of the performance period will be used.

Payments to past Directors

No payments of money or any other assets were made to any former Director of Big Yellow Group in the financial year ended 31 March 2014.

Payments on loss of office

No payments were made to any Directors in respect of loss of office during the financial year ended 31 March 2014 (2013: no payments).

Consideration by the Directors of matters relating to Directors' remuneration

This Committee deals with all aspects of remuneration of the Executive Directors including:

- setting salaries;
- agreeing conditions and coverage of annual incentive schemes and long term incentives;
- policy and scope for pension arrangements;
- determining targets for performance related schemes;
- scope and content of service contracts; and
- deciding extent of compensation (if any) on termination of service contracts.

The Committee's members are currently Tim Clark (Committee Chairman), Richard Cotton, Georgina Harvey (from 1 July 2013), Steve Johnson and Mark Richardson.

The Remuneration Committee's Terms of Reference are available on the Company website. The Committee met four times during the year.

Advisers to the Remuneration Committee

The Committee consults with the Executive Chairman, Nicholas Vetch, about proposals on a range of matters relating to the remuneration of the Executive Directors including the levels of overall remuneration, salary and bonus, and awards and distributions under the share incentive and bonus plans.

The Committee relies upon remuneration data provided by a number of third party providers, including PwC. In addition, PwC has provided advice to the Committee on the preparation of this report as well as on market practice and trends. PwC is a member of the Remuneration Consultants' Group and, as such, voluntarily operates under the Code of Conduct in relation to executive remuneration consulting in the UK.

PwC also provided advisory work during the year around pensions auto-enrolment and VAT advice. The Committee is satisfied that advice received from PwC during the year was objective and independent.

Adviser	Appointed by	Services provided to the Committee in 2013/14	Fees in relation to remuneration advice
PwC	Remuneration Committee in 2008	Advice on executive remuneration market practice and trends. Advice on new reporting requirements. Support with regards to the preparation of the 2014 Remuneration Report. Drafting of scheme rules for the renewal of the Sharesave scheme.	£10,500

Statement of Directors' shareholding

The Executive Directors are required to build and maintain a holding of 100% of base salary. These requirements have been met by all Executive Directors during the year. Non-Executive Directors are not subject to a shareholding requirement. Details of the Directors' interests in shares are set out below (all interests are beneficial interests, except where noted specifically below).

No changes took place in the interests of the Directors in the shares of the Company between 31 March 2014 and the date of this report.

The table below shows, in relation to each Director, the total number of shares and share options in which they are interested:

Director	Share ownership requirement (% of salary)	Share ownership requirements met	Beneficially owned shares	LTIP awards subject to performance conditions	LTBPP awards subject to performance conditions	Unexercised sharesave options	Sharesave options exercised in the financial year
Nicholas Vetch	100%	Yes	9,165,020	224,556	337,500	–	3,428
James Gibson	100%	Yes	2,529,226	246,267	487,500	2,965	–
Adrian Lee	100%	Yes	776,323	164,949	337,500	3,745	–
John Trotman	100%	Yes	76,489	164,949	337,500	3,745	–
Richard Cotton	N/a	N/a	58,919	–	–	–	–
Mark Richardson	N/a	N/a	24,668	–	–	–	–
Tim Clark	N/a	N/a	15,000	–	–	–	–
Steve Johnson	N/a	N/a	10,000	–	–	–	–
Georgina Harvey	N/a	N/a	10,000	–	–	–	–

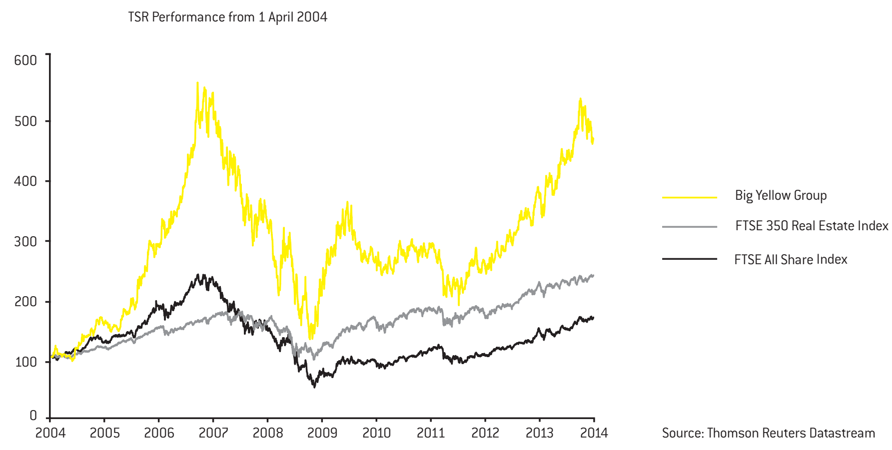
Directors' share options

To provide further context on the shareholding of Directors, Options in respect of ordinary shares for Directors who served in the year are as below:

Name	Date option granted	No. of shares under option at 31 March 2013	Granted during the year	Exercised during the year	Lapsed during the year	**No. of shares under option at 31 March 2014**	Exercise price	Market price at date of exercise	Date from which first exercisable	Expiry date
Nicholas Vetch	12 July 2010	78,801	–	(41,863)	(36,938)	**–**	nil p	405.1p	12 July 2013	12 July 2020
	19 July 2011	80,072	–	–	–	**80,072**	nil p	–	19 July 2014	18 July 2021
	11 July 2012	84,218	–	–	–	**84,218**	nil p	–	11 July 2015	10 July 2022
	22 July 2013	–	60,266	–	–	**60,266**	nil p	–	22 July 2016	21 July 2023
James Gibson	12 July 2010	86,419	–	(45,910)	(40,509)	**–**	nil p	500.0p	12 July 2013	12 July 2020
	19 July 2011	87,807	–	–	–	**87,807**	nil p	–	19 July 2014	18 July 2021
	11 July 2012	92,362	–	–	–	**92,362**	nil p	–	11 July 2015	10 July 2022
	22 July 2013	–	66,098	–	–	**66,098**	nil p	–	22 July 2016	21 July 2023
Adrian Lee	12 July 2010	63,975	–	(33,987)	(29,988)	**–**	nil p	406.0p	12 July 2013	12 July 2020
	19 July 2011	57,080	–	–	–	**57,080**	nil p	–	19 July 2014	18 July 2021
	11 July 2012	62,065	–	–	–	**62,065**	nil p	–	11 July 2015	10 July 2022
	22 July 2013	–	45,804	–	–	**45,804**	nil p	–	22 July 2016	21 July 2023
John Trotman	12 July 2010	44,427	–	(23,602)	(20,825)	**–**	nil p	407.8p	12 July 2013	12 July 2020
	19 July 2011	57,080	–	–	–	**57,080**	nil p	–	19 July 2014	18 July 2021
	11 July 2012	62,065	–	–	–	**62,065**	nil p	–	11 July 2015	10 July 2022
	22 July 2013	–	45,804	–	–	**45,804**	nil p	–	22 July 2016	21 July 2023

Performance and pay

The graph below shows the Group's performance, measured by TSR, compared with the performance of the FTSE 350 Real Estate Index and the FTSE All Share Index over the last ten years. The Group is a member of the FTSE 350 Real Estate Index.



CEO Remuneration

The table below sets out the details of remuneration of the CEO over the past five financial years.

Year	CEO single figure of total remuneration (£)	Annual bonus pay out % against maximum of 25% of salary	Long term incentive vesting rates against maximum opportunity %
2014	536,262	40% (10% of salary)	53%
2013	335,891	40% (10% of salary)	0%
2012	1,400,570	40% (10% of salary)	89%
2011	325,968	40% (10% of salary)	0%
2010	875,593	40% (10% of salary)	100%

The single figure of remuneration for 2012 is higher than in previous years due to the vesting of the three year Long Term Bonus Performance Plan in this year delivering a reward of £900,000.

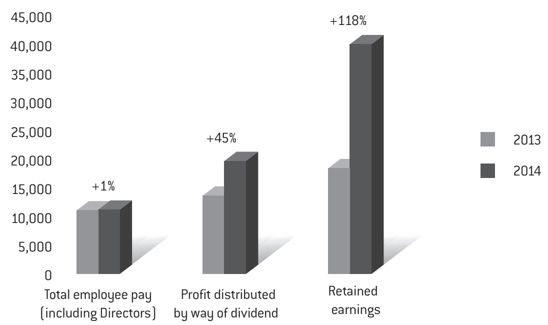
Percentage increase in the CEO's remuneration

The table below compares the percentage increase in the CEO's remuneration (including salary, fees, benefits and annual bonus) with the remuneration of Big Yellow Group employees.

	% increase in remuneration in 2014 compared with 2013	
	CEO	Employees
Salary and fees	2%	2%
All taxable benefits	(39%)	2%
Annual bonuses	2%	2%
Total	1%	2%

Relative importance of spend on pay

The graph below sets out the relative importance of spend on pay in the year ended 31 March 2014 and 31 March 2013 compared with other disbursements from profit, being the distributions to shareholders and retained earnings (comprehensive gain for the year less dividends).



Implementation of policy in coming year

The Directors' Remuneration Policy and its implementation for the forthcoming financial year is summarised below:

Package structure	The main elements of Executive Director remuneration effective from 16 July 2014 (being the date of the AGM at which shareholder approval for this report will be sought) are: > Base salary. > Annual bonus plan with maximum opportunity of 25% of base salary based on the stores' average performance against targets over the four quarters of the year which is then taken and applied to calculate the head office bonus percentage. Performance in the stores is assessed on four Key Performance Indicators of occupancy, growth, net contribution, and store standards. For the 2014 financial year, occupancy and net contribution together represent 68% of bonus with the weighting between the two dependent on stores' occupancy levels, and therefore their sales focus. Customer satisfaction makes up 24% of bonus and store standards the balance of 8%. The Committee is of the opinion that further disclosure of the performance targets for the bonus plan are commercially sensitive and that it would be detrimental to the interests of the Company to disclose them before the start of the financial year. Actual targets, performance achieved and awards made will be disclosed at the end of the performance period. > Long Term Incentive Plan with maximum opportunity of 100% of base salary delivered in shares based on relative Total Shareholder Return against the FTSE Real Estate Index. An EPS underpin target of growth ahead of RPI must be satisfied before any part of the LTIP award can vest. > Long Term Bonus Performance Plan to ensure that the total remuneration package is more competitive and supports the Company's strategy and its ability to react to changing economic and business circumstances. Under the Plan, Executive Directors have been awarded restricted interests in ordinary shares in the Company which entitles a participant to benefit from the growth in the value of a number of ordinary shares over which the interest is acquired. The Committee sets the performance targets annually, but is of the opinion that the disclosure of the performance targets for the year ahead is commercially sensitive and will not be made but the performance targets for the year under review (except for those which remain commercially sensitive) are provided in the table below:
Pay for performance	The key principle for the short and long term incentives is to provide a strong link between reward and individual and Group performance to align the interests of Executive Directors with those of shareholders. When merited by performance, an opportunity is offered to earn total remuneration approaching the median level against companies of a similar market capitalisation and with similar revenues to the Company.

Long Term Bonus Performance Plan review

The performance targets for the LTBPP are not disclosed for the year ahead, given the commercially sensitive nature of a number of the targets (which are derived from the Group's business plan). Shortly after the end of each year, the Committee assesses the key targets and the extent to which management has been able to meet these targets for that year and reports on this assessment (excluding any that are still commercially sensitive). The targets are only adjusted during the year if material events occur that necessitate a change to the business plan. The report on the targets for the year ended 31 March 2013 was included in the annual report for that year. The report on the targets for the year ended 31 March 2014 is summarised in the table below:

Objective	Committee comment
Maintain the Group's annual free cash flow for the year to 31 March 2014 at £30.2 million which was achieved in the year to 31 March 2013.	The Group's free cash flow for the year to 31 March 2014 was £32.8 million, an increase of 9% from the prior year.
Maintain the Group's net debt below £235 million.	At 31 March 2014 the Group's net debt was £226.1 million.
Comply with all banking covenants and maintain a net worth in excess of £550 million.	All banking covenants were complied with during the year. Net worth has grown by £41.4 million to £594.1 million.
Grow established store occupancy over the summer to 78% and 75% at March 2014 following the normal winter slowdown.	Established store occupancy peaked at 78.3%. At 31 March 2014 established store occupancy was 75.2% compared to 72.8% occupied at 31 March 2013.
Grow the occupancy of the wholly owned stores from 64.8% at 31 March 2013 to 68% by 31 March 2014.	The occupancy of the wholly owned stores was 69.8% at 31 March 2014, representing growth of 165,000 sq ft over the year (2013: growth of 90,000 sq ft).
Grow the occupancy of the Partnership stores to 64% at 31 March 2014 from 54.6% occupied at the start of the year.	The Partnership stores peaked at 62.4% occupancy during the summer; however, following seasonal occupancy losses these stores were 59.3% occupied at 31 March 2014. The net achieved rent per sq ft within the Partnership stores grew by 7.7% during the year.
Grow the average net rent per square foot across the wholly owned stores from £24.65 per square foot by 3% to £25.40 by 31 March 2014.	The net rent per sq ft of the wholly owned stores was £26.15 at 31 March 2014, an increase of 6.1% from the prior year.

Long Term Bonus Performance Plan review (continued)

Objective	Committee comment
Meet budgeted revenue (£70.3 million) and adjusted profit (£27.7 million) targets.	Revenue for the year was £72.2 million, 2.7% ahead of budget. Adjusted profit for the year was £29.2 million, 5.4% ahead of budget.
Maintain the Group's online market share measured against the top 35 self storage operators by Experian Hitwise, at 35% to 38%.	The Group's average market share over the course of the financial year was 37%. Our nearest competitor had a market share of 14% for the year.
Construct Gypsy Corner on time and on budget, with the store due to open in April 2014	The store was constructed on budget, and opened as planned on 1 April 2014.
Obtain planning consent for the change of use of the surplus site at Guildford Central to a restricted retail usage.	The planning application was submitted in July 2013 for this scheme and consent was granted in November 2013. Contracts to sell the site have been exchanged, with completion due in summer 2014.
Reduce the carbon intensity for the year to 31 March 2014 ($KgCO_2/m^2$ of occupied space) by 5% from the year to 31 March 2013.	Carbon intensity was reduced by 17% for the year to 31 March 2014.

The other targets, covering areas such as real estate, staffing and certain financial targets, were met in all material respects.

Following careful consideration of the performance targets and actual performance of the Group and the Executive Directors, the Committee has considered that the award in respect of the financial year ended 31 March 2014 has provisionally vested as to 100% of its potential amount for the year. The Committee assessed 85% vesting in the year to 31 March 2013. The provisional vesting percentage will be reviewed by the Committee at the end of the three year plan in March 2015, and the final vesting level covering the three year period determined then.

Fees retained for external non-executive directorships

The Executive Directors' contracts do not allow them to engage in any other business outside the Group except where prior written consent from the Board is received. The Company recognises that Executive Directors may be invited to become Non-Executive Directors of other companies and that this can help broaden the skills and experience of a Director. Executive Directors are normally permitted to accept external appointments with the approval of the Board and may retain the fees for the appointment.

Nicholas Vetch is a Non-Executive Director of Blue Self Storage S.L, a Spanish self storage business, and The Local Shopping REIT plc. He receives a Non-Executive fee of €38,000 per annum from Blue Self Storage S.L and £30,000 per annum from The Local Shopping REIT plc. James Gibson is a Non-Executive Director of AnyJunk Limited; he does not receive any fees for his services.

Shareholder voting

The Group is committed to ongoing shareholder dialogue and takes an active interest in voting outcomes. Where there are substantial votes against resolutions in relation to Directors' remuneration, the reasons for any such vote will be sought and any actions in response will be detailed here. There have been no significant issues raised by shareholders in respect of remuneration in the year.

The table below shows the advisory vote on the 2013 Remuneration Report at the AGM held on 19 July 2013.

	Votes for	%	Votes against	%	Votes withheld
2013 Remuneration Report	105,815,530	97.3%	2,924,155	2.7%	29,378