safestore™

Annual Report 2024

Safestore Holdings plc

Continued improvement in UK trading and strong growth in Expansion Markets

We have delivered resilient operating performance in challenging market conditions and have made good progress on our strategic priorities.

Over the year, the Group's revenue stabilised with improving performance in the UK supported by solid results in Paris and strong growth in our Expansion Markets.

In the UK, we are encouraged by the continued improvements in domestic customer occupancy with increasingly positive levels of occupied space vs prior year through the second half of the year.

We have presented our other countries combined together as 'Expansion Markets' to reflect their importance in driving growth for the Group. These markets have once again delivered strong performance in the year both in like-for-like growth and in total revenue terms through the additional revenue from new stores.

In the financial year, we added 386,000 sq ft of MLA (equivalent to 5% of the MLA at the start of the year) through ten new stores and extensions with a further five stores with 263,400 sq ft of MLA opened following year end. In addition our development pipeline includes 26 stores with a projected total MLA of 1,338,200 sq ft, reflecting 16% of year-end MLA, providing a clear pathway for further future revenue growth.

The borrowings for the expansion of our asset base have led to higher interest costs, with a £5.5 million increase year on year. Adjusted EPRA earnings of £92.7 million reflect an 11.8% decrease year on year.

We have further strengthened our balance sheet by extending our RCF by £100 million to £500 million as well as its term by one year to provide additional liquidity. Following the year end, we successfully issued a new €70 million eight-year USPP.

Our business performance remains robust with strong levels of cash generation and our development programme is adding the potential for meaningful EBITDA growth, so we remain confident to recommend a full year dividend of 30.4 pence per share, representing a 1% increase on prior year.

Finally, I would like to thank all of our colleagues across our stores and Head Office whose commitment, hard work and customer centric approach have been instrumental in driving our performance and sustained growth.

Frederic Vecchioli
Chief Executive Officer

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Sustainability accreditations

AA
MSCI
ESG Rating

95 (A)
GRESB Public
Disclosure Level

Gold
EPRA sBPR

IIP
Platinum – Investors in
People Accreditation

Resilient financial performance

- Group revenue at CER grew 1.1% year on year excluding £2.2 million of insurance premium tax ("IPT") relating to the sale of customer goods insurance in FY 2023 not repeated this year
- Group revenue flat year on year: down 0.3% at actual FX rates and up 0.2% at CER
- Group like-for-like revenue in CER flat year on year
- Underlying EBITDA down 4.2% in CER reflecting market inflationary pressures on key cost lines and the impact of new developments
- Adjusted Diluted EPRA EPS down 11.7% at 42.3 pence (FY 2023: 47.9 pence)
- 1% increase in the dividend for the year to 30.4 pence per share (FY 2023: 30.1 pence per share) in line with our progressive policy

Strategic progress

- Opening of ten new stores and extensions in the year with a further five opened following year end, adding a total of 386,000 sq ft of MLA
- Development pipeline of an additional 26 stores with a total of 1.3 million sq ft MLA, equivalent to 16% of the portfolio at year end with potential to add, together with other open non like-for-like stores, £35–£40 million of future EBITDA at stabilisation
- Acquisition of 19,800 sq ft trading store in Chelsea Embankment, London
- Purchase of the freehold interests of two stores in Le Marais (Paris) and Manchester
- Continued growth of German joint venture portfolio with three development opportunities secured in the year
- Following year end, entered into a joint venture with Nuveen to acquire the EasyBox self-storage business in Italy with ten operating stores and two under development totalling 780,000 sq ft of MLA. This follows the Group strategy of entering high potential markets with low levels of supply alongside partners. Safestore will operate the business, leveraging Group capabilities

Strong and flexible balance sheet

- 13.6% increase in property valuation (including investment properties under construction) to £3,284.1 million (FY 2023: £2,890.9 million)
- 14.6% increase in EPRA Basic NTA per share to £10.91 (FY 2023: £9.52)
- Exercise of RCF accordion option to increase facility size by £100.0 million to £500.0 million
- Exercise of RCF extension option to increase maturity date by one year to November 2028
- Net Debt £899.5 million (FY 2023: £810.3 million). Group loan-to-value ratio ("LTV"[14]) at 25.1% (FY 2023: 25.4%) and interest cover ratio ("ICR"[15]) at 4.3x (FY 2023: 6.7x)
- Ample liquidity with unutilised bank facilities of £144.3 million at 31 October 2024 (FY 2023: £197.0 million)
- €51.0 million USPP matured and repaid in FY 2024, and in December 2024, following year end, new €70.0 million USPP issued with an eight-year term

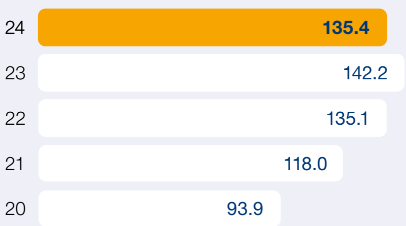
Key performance indicators

Revenue (£'m)

£223.4m
(0.3)%

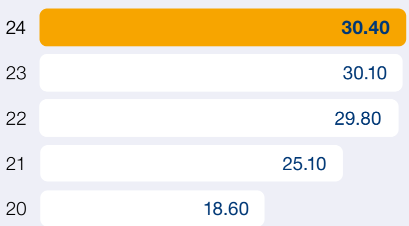
Underlying EBITDA[4] (£'m)

£135.4m
(4.8)%



Dividend (pence per share)

30.4p
+1.0%



Financial highlights

Key measures

	Year ended 31 October 2024	Year ended 31 October 2023	Change[1]	Change – CER[2]
Underlying and operating metrics – total				
Revenue (£'m)[3]	**223.4**	224.2	(0.3%)	0.2%
Underlying EBITDA (£'m)[4]	**135.4**	142.2	(4.8%)	(4.2%)
Closing Occupancy (let sq ft – million)[5]	**6.41**	6.23	2.9%	n/a
Closing Occupancy (% of MLA)[6]	**74.6%**	77.0%	(2.4ppt)	n/a
Maximum Lettable Area (MLA)	**8.59**	8.09	6.2%	n/a
Average Storage Rate (£ / sq ft)[7]	**29.85**	30.26	(1.4%)	(0.8%)
REVPAF (£ / sq ft)	**26.69**	27.70	(3.7%)	(3.1%)
Adjusted Diluted EPRA Earnings per Share (pence)[9]	**42.3**	47.9	(11.7%)	n/a
Free Cash Flow (£'m)[10]	**86.2**	89.2	(3.4%)	n/a
EPRA Basic NTA per Share (pence)[11]	**1,091**	952	14.6%	n/a
Underlying and operating metrics – like-for-like[12]				
Revenue (£'m)	**217.9**	218.9	(0.5%)	0.0%
Storage Revenue (£'m)	**183.6**	186.4	(1.5%)	(0.9%)
Ancillary Revenue (£'m)	**34.3**	32.6	5.2%	5.5%
Underlying EBITDA (£'m)	**134.7**	142.4	(5.4%)	(4.9%)
Closing Occupancy (let sq ft – million)	**6.11**	6.12	(0.2%)	n/a
Closing Occupancy (% of MLA)	**78.8%**	79.3%	(0.5ppt)	n/a
Average Occupancy (let sq ft- million)	**6.05**	6.12	(1.1%)	n/a
Average Storage Rate (£ / sq ft)	**30.33**	30.46	(0.4%)	0.2%
REVPAF (£ / sq ft)	**28.18**	28.39	(0.7%)	(0.2%)
Statutory metrics				
Operating Profit (£'m)	**425.8**	230.4	84.8%	n/a
Profit before Tax (£'m)	**398.6**	207.8	91.8%	n/a
Diluted Earnings per Share (pence)	**170.1**	91.8	85.3%	n/a
Dividend per Share (pence)	**30.4**	30.1	1.0%	n/a
Net Cash Flow from Operating Activities (£'m)	**95.9**	98.0	(2.0%)	n/a
Basic net assets per share (pence)	**1,020**	888	14.8%	n/a

Notes to Highlights, Financial highlights, Chairman's statement and Chief Executive's statement

We prepare our financial statements using IFRS. However, we also use a number of adjusted measures in assessing and managing the performance of the business. These measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted measures and are not intended to be a substitute for, or superior to, any IFRS measures of performance. These include like-for-like figures, to aid in the comparability of the underlying business as they exclude the impact on results of purchased, sold, opened or closed stores, and constant exchange rate ("CER") figures are provided in order to present results on a more comparable basis, removing FX movements. These metrics have been disclosed because management reviews and monitors performance of the business on this basis. We have also included a number of measures defined by EPRA, which are designed to enhance transparency and comparability across the European real estate sector; see notes 9 and 11 below and Non-GAAP financial information/Alternative Performance Measures in the notes to the financial statements.

1 Where reported amounts are presented either to the nearest £0.1 million or to the nearest 10,000 sq ft, the effect of rounding may impact the reported percentage change.

2 CER is Constant Exchange Rate. Euro denominated results for the current period have been retranslated at the exchange rate effective for the comparative period. Euro denominated results for the comparative period are translated at the exchange rates effective in that period. This is performed in order to present the reported results for the current period on a more comparable basis.

3 Store Protect replaced our customer goods insurance programme in the UK from 1 November 2023, attracting VAT rather than Insurance Premium Tax ("IPT"). FY 2023 revenue includes £2.2 million representing 12% IPT on insurance sales for that financial year. The IPT in FY 2023 has been excluded from like-for-like figures to aid comparability.

4 Underlying EBITDA is defined as Operating profit before exceptional items, share-based payments, corporate transaction costs, change in fair value of derivatives, gain/loss on investment properties, variable lease payments, depreciation and the share of associate's depreciation, interest and tax. Underlying EBITDA therefore excludes all leasehold rent charges. Underlying profit before tax is defined as Underlying EBITDA less leasehold rent, depreciation charged on property, plant and equipment and net finance charges relating to bank loans and cash.

5 Occupancy excludes offices but includes bulk tenancy.

6 MLA is Maximum Lettable Area. Measured in square feet (sq ft).

7 Average Storage Rate is calculated as the revenue generated from self-storage revenues divided by the average square footage occupied during the period in question.

8 Revenue per Available Square Foot ("REVPAF") is an Alternative Performance measure used by the business and is considered by management as the best KPI of economic performance of a mature self-storage asset as it is the net outcome of the occupancy/rate mix plus ancillary sales. It is calculated by dividing revenue for the period by weighted average available square feet for the same period.

9 Adjusted Diluted EPRA EPS is based on the European Public Real Estate Association's definition of earnings and is defined as profit or loss for the period after tax but excluding corporate transaction costs, change in fair value of derivatives, gain/loss on investment properties and the associated tax impacts. The Company then makes further adjustments for the impact of exceptional items, IFRS 2 share-based payment charges, exceptional tax items, and deferred tax charges. This adjusted earnings is divided by the diluted number of shares. The IFRS 2 cost is excluded as it is written back to distributable reserves and is a non-cash item (with the exception of the associated National Insurance element). Therefore, neither the Company's ability to distribute nor pay dividends are impacted (with the exception of the associated National Insurance element). The financial statements will disclose earnings on a statutory, EPRA and Adjusted Diluted EPRA basis and will provide a full reconciliation of the differences in the financial year in which any LTIP awards may vest.

10 Free cash flow is defined as cash flow before investing and financing activities but after leasehold rent payments.

11 EPRA's Best Practices Recommendations guidelines for Net Asset Value ("NAV") metrics are EPRA Net Tangible Assets ("NTA"), EPRA Net Reinstatement Value ("NRV") and EPRA Net Disposal Value ("NDV"). EPRA NTA is considered to be the most relevant measure for the Group's business which provides sustainable long term progressive returns and is now the primary measure of net assets. The basis of calculation, including a reconciliation to reported net assets, is set out in note 14.

12 Like-for-like information includes only those stores which have been open throughout both the current and prior financial years, with adjustments made to remove the impact of new and closed stores, as well as corporate transactions.

13 Expansion Markets comprise Spain, the Netherlands and Belgium plus income earned in relation to the joint venture in Germany (previously shown in the UK segment).

14 LTV ratio is loan-to-value ratio, which is defined as net debt (excluding lease liabilities) as a proportion of the valuation of investment properties and investment properties under construction (excluding lease liabilities).

15 ICR is interest cover ratio and is calculated as the ratio of Underlying EBITDA after leasehold rent to underlying finance charges.

Who we are, what we do

6
countries

810
colleagues

199
stores

8.6m
sq ft Maximum Lettable Area

● Wholly owned business ● Managed on behalf of joint venture

Our purpose

To add stakeholder value by developing profitable and sustainable spaces that allow individuals, businesses and local communities to thrive

→ Read more on page 82

Our business model

We acquire, develop and operate sustainable self-storage assets in attractive European markets

→ Read more on page 16

Our strategy

- **Optimising trading performance of existing portfolio**
- **Maintaining a strong and flexible capital structure**
- **Selective portfolio management and expansion opportunities**

→ Read more on page 9

How we ensure sustainability

Our people
Provide a great place to work

Our customers
Deliver a great customer experience and help customers live and grow sustainably

Our community
Benefit local communities

Our environment
Protect the planet from our activities and manage risks to our business from climate change

→ Read more on page 42

Our values

Our values, created by our store teams, are the foundation of everything we do

- **We love customers**
- **We lead the way**
- **We have great people**
- **We dare to be different**
- **We get it**

→ See page 52 for more details

Having strong relationships with our key stakeholders

We have a wide range of stakeholders. What matters to each, how we engage and how decision-making considers their expectations are set out in our Section 172 statement

→ Read more on pages 31 to 33

Investment case

How we create value

Safestore has a proven track record in long term value creation. The business model remained resilient during the global financial crisis and the Covid-19 pandemic, with a leading presence in London, Paris, and key markets within the self-storage sector. This is underpinned by developing profitable and sustainable spaces that allow individuals, businesses, and local communities to thrive.

Attractive market

- Under-supplied and growing industry
- Significant barriers to entry – constrained supply of attractive locations

Unique portfolio

- European leading platform
- Leading positions in key ‘space-constrained’ European cities
- Unlet invested space equivalent to around 90 stores including pipeline with further development
- Growth potential in UK/France and further expansion in the Netherlands, Belgium, German, and Spanish markets

People

- A diverse community of well-trained, motivated and engaged colleagues
- Investors in People Platinum accreditation awarded

Strategic benefits of scale

- In-house expertise and scalable marketing technology
- Systems and pricing analytical capacities
- UK Leading National Accounts offering

Strong cash generation

- Scalable platform able to finance development and acquisition opportunities
- Intelligent use of working capital, positive operating cash flow, strong and flexible capital structure, and quality income-generating assets
- Strong dividend growth

Quality of earnings

- Diversified income stream from 90,000 customers
- Existing customers from prior years driving 70% to 80% of revenue
- High margins – low break-even
- Low maintenance CAPEX

Chairman's statement

Our purpose remains simple – to add stakeholder value by developing profitable and sustainable spaces that allow individuals, businesses and local communities to thrive."

David Hearn
Chairman

The last year has demonstrated Safestore's continued resilience and has seen significant strategic and operational progress. After five years in the role, I continue to be impressed by the dedication and resilience of the store, property development and Head Office teams which have been instrumental in delivering this progress.

Our purpose remains simple, to continue to add stakeholder value by developing profitable and sustainable spaces that allow individuals, businesses and local communities to thrive. Our strategy is underpinned by our values, our behaviours and our governance structure which shape our culture and remain central to the way we conduct our business.

I would like to take this opportunity to congratulate all my colleagues throughout the Group for their exceptional contributions this year.

Strategic progress

Management's first priority remains to maximise the economic return on our existing store portfolio and its 2.2 million sq ft of fully invested unlet space, building on the significant operational improvements made over the current management team's tenure.

In addition, the Group has continued to make significant strategic progress in expanding its presence across Europe through a combination of new store openings and acquisitions. The Group has now acquired 48 and opened 39 stores over the last eight years creating value for all stakeholders of the Group.

This includes our investments in Expansion Markets (Spain, the Netherlands and Belgium) where we see a significant opportunity for growth both in terms of new stores and from like-for-like improvements. Expansion Markets totalled 32 stores with 1.29 million sq ft of MLA and contributed €20.6 million of revenue in the 2024 financial year.

Our joint venture with Carlyle in Germany provides us with an exciting platform to gain exposure to that market. In addition, following year end, we entered into a new joint venture with Nuveen acquiring together EasyBox in Italy, which provides the best possible entry point to a great new market with the lowest self-storage supply of major western European economies. I believe that Safestore's highly scalable platform and international experience will allow us to capitalise on these opportunities.

We have further strengthened our balance sheet in the year with the exercise of an additional £100 million option on our Revolving Credit Facility which takes total funds available under the committed RCF to £500 million. In addition, the term of the RCF was extended by one year in FY 2024 to a new maturity of November 2028. Following the year end, a new USPP of €70.0 million was issued in December 2024 with a maturity in December 2032 and a fixed rate of interest of 4.03%.

Financial results

Revenue for the year was £223.4 million, 0.3% behind last year (FY 2023: £224.2 million), or 0.2% ahead on a constant currency basis. Like-for-like revenue was flat year on year on a CER basis.

On a total basis, Underlying EBITDA decreased by 4.8% to £135.4 million (FY 2023: £142.2 million) and on a constant currency basis by 4.2%.

Statutory operating profit increased by £195.4 million to £425.8 (FY 2023: £230.4 million), reflecting a higher investment property valuation gain in FY 2024.

Adjusted Diluted EPRA Earnings per Share reduced by 11.7% to 42.3 pence (FY 2023: 47.9 pence). Adjusted Diluted EPRA Earnings per Share has grown by 31.6 pence or 295% over the last eleven years. Statutory diluted Earnings per Share increased to 170.1 pence (FY 2023: 91.8 pence) as a result of the valuation gain on investment properties.

The Group's balance sheet remains robust with a Group LTV ratio of 25.1% (FY 2023: 25.4%) and an ICR of 4.3x (FY 2023: 6.7x) leaving considerable headroom against our banking covenants and internal thresholds. This represents a level of gearing we consider appropriate for the business to enable the Group to increase returns on equity, maintain financial flexibility and achieve our medium term strategic objectives.

Finally, this year's results consolidated a sustained period of excellent performance by the Group. Over the last eleven years, the management and store teams have delivered a Total shareholder return of 748.0%, ranking at number one in the UK property sector. Since flotation in 2007, Safestore has also delivered the highest Total shareholder return of any UK-listed self-storage operator.

Our values

Our values, created by our store teams, are the foundation of everything we do

We love customers	We lead the way	We have great people	We dare to be different	We get it

ESG (Environmental, Social and Governance)

Away from the financial results, I am pleased with the progress the Group has made with its ESG strategy.

Even though Safestore already has one of the lowest environmental impact profiles of any company within the overall property sector, we have continued to focus on our environmental agenda, with year-on-year reductions in greenhouse gas emissions and enhanced disclosures in recognition of the recommendations of the TCFD. I am pleased to report that we have been given our first ever Gold rating in the 2024 EPRA Sustainability BPR awards. The Global ESG Benchmark for Real Assets ("GRESB") has once again awarded us an 'A' rating in its 2024 Public Disclosures assessment. MSCI has also awarded us our second-highest rating of 'AA' for ESG.

We continue to demonstrate our commitment to our ESG agenda by linking the margin on our £500 million bank facility to ESG related KPIs agreed with our lending group. Details of these achievements are covered more fully in the Chief Executive's report and the sustainability section of our Annual Report.

Board changes

Following Ian Krieger stepping down from the Board in the year Jane Bentall took over as Senior Independent Director and Chair of the Audit Committee in 2024. Jane has extensive experience and understanding of operating multi-site, consumer-led businesses and has been on the Board of Safestore since May 2022.

Simon Clinton replaced Andy Jones as CFO in April 2024, following Andy's retirement. Simon was previously Chief Financial Officer of Logicor, one of Europe's largest logistics real estate companies. He joined Logicor as Director of Group Finance in February 2017, before being promoted to Chief Financial Officer in May 2018. Prior to this, Simon held a number of senior finance roles at Tesco and Diageo. Simon is a qualified chartered accountant.

Dividend

Reflecting the Group's progressive dividend policy, the Board is pleased to recommend a final dividend of 20.4 pence per share (FY 2023: 20.2 pence) resulting in a full year dividend up 1% to 30.4 pence per share (FY 2023: 30.1 pence).

Over the last eleven years, the Group has grown the dividend by 24.6 pence per share during which period the Group has returned to shareholders a total of 216.5 pence per share. The total dividend for the year is covered 1.39 times by Adjusted EPRA Diluted Earnings (FY 2023: 1.59 times). Shareholders will be asked to approve the dividend at the Company's Annual General Meeting on 19 March 2025 and, if approved, the final dividend will be payable on 15 April 2025 to shareholders on the register at close of business on 13 March 2025.

Summary

The Board remains confident in the future growth prospects for the Group and will continue its progressive dividend policy in 2025 and beyond. In the medium term it is anticipated that the Group's dividend will grow at least in line with Adjusted Diluted EPRA Earnings per Share.

David Hearn
Chairman
15 January 2025

"The Group has delivered a resilient performance in the year in challenging market conditions, whilst continuing to make good progress with our strategic priorities including our ongoing development programme."

Frederic Vecchioli
Chief Executive Officer

The Group has delivered a resilient performance in FY 2024 in challenging market conditions, particularly in the UK and Paris, whilst continuing to make good progress with our strategic priorities including our ongoing development programme.

The Group's reported revenue decreased by 0.3% or £0.8 million during the year at actual exchange rates, growing 0.2% at CER. Revenue grew 1.1% year on year at constant exchange rates, excluding the insurance premium tax relating to the sale of customer goods insurance in the UK in FY 2023 not repeated this year due to changes in the nature of the protection afforded to customers.

Group like-for-like ("LFL") revenue at CER was flat year-on-year reflecting gradually improving performance over the course of FY 2024 in the UK led by increases in occupancy by domestic customers. Both closing occupancy of 78.8% and an average rate of £30.51 (at CER) for the Group were broadly stable year on year on a LFL basis.

In the UK, we have seen steadily improving domestic demand and we are accelerating the conversion of larger units (over 250 sq ft) into smaller ones more suitable for domestic customers, reducing the historical over-weight towards business customers in the UK.

In Paris, LFL revenue increased by 1.4% driven by growth in average storage rate of 1.3% to €42.33 reflecting continued progress in a challenging market. Revenue in Paris grew for the 26th consecutive year.

Expansion Markets revenue grew 29% to €20.6 million in the year driven by strong LFL growth supported by the income from new stores. Expansion Markets comprise Spain, the Netherlands and Belgium together with our joint venture in Germany. Revenue increases were seen in all markets on a LFL basis with a 12.9% increase overall. Non-LFL stores contributed £3.4 million to revenue in the year for the segment.

Group Underlying EBITDA decreased by £6.8 million (4.8%) year on year driven by a 7.4% increase in underlying costs principally due to increased employee remuneration, higher bad debt provisions and increased business rates. Interest expense increased year on year as result of additional borrowings to fund our development programme and higher rates on floating rate debt. Coupled with the decrease in Underlying EBITDA, the increase in finance costs of £5.5 million led to an 11.7% year-on-year decrease in Adjusted Diluted EPRA earnings to 42.3 pence.

Statutory operating profit increased by 84.8% to £425.8 million (FY 2023: £230.4 million) as a result of a larger gain from investment properties revaluation reflecting the healthy asset transactional market in the year.

The Group delivered eight new stores through developments, two extensions plus one acquisition in the year. At the end of October 2024, we had a pipeline of 31 new stores to open in 2025 and beyond. The pipeline, together with non-LFL stores, is projected to add £35–£40 million of EBITDA in FY 2029 but will be dilutive to EPS in FY 2025 due to additional interest costs and expected customer move-in trajectories.

Investment property value increased by £393.2 million with a 53bps reduction in exit yields, taking the value of the portfolio to £3,284.1 million. The increase included £122.6 million of capital expenditure on new stores and extensions in the year.

The business remains in a strong position with robust cash generation, and therefore the Board is pleased to recommend a 1% increase in the dividend for the full year to 30.4 pence per share (FY 2023: 30.1 pence per share) in line with our progressive policy.

Outlook

We remain focused on further optimising the Group's operational performance and continuing to grow in all of our geographies. Our development pipeline represents 19% of our existing MLA and our balance sheet strength and flexibility provide us with the opportunity to consider further selective development and acquisition opportunities across all of our markets, either self-funded or within joint ventures.

We expect our development programme together with its associated financing to be dilutive to earnings in FY 2025 and FY 2026 before becoming highly accretive to the Group in future years as the stores stabilise. We believe that, on stabilisation, an incremental £35–£40 million of EBITDA will be added by the pipeline together with the stores opened in the last two years.

Our business model has proven to be highly resilient as we navigate the current economic backdrop. We believe the Group is strongly positioned with low leverage at 25.1% LTV, 57% fixed-rate debt, continued strong operating margins and the potential for material earnings growth through the opening of our pipeline space together with our existing stores. This is all underpinned by our 25-year track record of delivering market-leading operational performance.

In the first two months of FY 2025 financial year, we have seen continued improvements in LFL revenue growth with Group LFL increasing 2.4% year on year at CER. This included the UK delivering a 0.9% increase and Paris 1.0% with Expansion Markets delivering further strong growth of 21.4%.

Looking ahead for FY 2025, we anticipate that there will be further market inflationary pressure on operating costs with an expected 7% to 8% increase on a LFL basis. This includes the impact from store staff costs in the UK rising through a combination of further increases in the National Living Wage and additional employers' National Insurance costs, business rates increases as a result of inflation uplifts and the unwinding of transitional relief on rateable value increase, and higher energy costs as we come to the end of long term purchasing contracts. In addition, interest expense is also expected to further rise by £6-7 million in FY 2025 predominantly as a result of additional borrowing to finance our development programme.

Our strategy

The Group intends to continue to deliver on its proven strategy of leveraging its well-located asset base, management expertise, infrastructure, scale and balance sheet strength and further increase its Earnings per Share by:

- optimising the trading performance of the existing portfolio;
- maintaining a strong and flexible capital structure; and
- taking advantage of selective portfolio management and expansion opportunities in our existing markets and, if appropriate, in attractive new geographies either through a joint venture or in our own right.

In addition, the Group's strategy is pursued whilst maintaining a strong focus on Environmental, Social and Governance ("ESG") matters and a summary of our ESG strategy is provided further on page 44.

Optimisation of portfolio

With the opening of 41 new stores since 2016, in addition to the acquisitions of 48 existing trading stores, we have established and strengthened our market-leading portfolio in the UK and Paris and have entered the Spain, Netherlands and Belgium markets. We have a high quality, fully invested estate in all geographies and, of our 199 stores as at 31 October 2024, 107 are in London and the South East of England or in Paris, with 60 in the other major UK cities and 32 in the Expansion Markets region. In the UK, we now operate 51 stores within the M25, which represents a higher number of stores than any other competitor.

Our MLA has increased to 8.6 million sq ft as at 31 October 2024 (FY 2023: 8.1 million sq ft). At the current occupancy level of 74.6%, we have 2.2 million sq ft of fully invested unoccupied space (3.8 million sq ft including the development pipeline and post-period end openings), of which 1.6 million sq ft is in our UK stores, 0.3 million sq ft is in Paris and 0.3 million sq ft is in Expansion Markets. In total, unlet space including pipeline is the equivalent of c. 88 additional stores located across the estate and provides the Group with significant opportunity to grow further. We have a proven track record of filling our vacant space at efficiently managed rates, so we view this availability of space with considerable optimism. We will also benefit from the operational leverage from the fact that this available space is fully invested, and the related operating costs are essentially fixed and already included in the Group cost base. Our continued focus will be on ensuring that we drive occupancy to utilise this capacity at carefully managed rates.

There are three elements that are critical to the optimisation of our existing portfolio:

- enquiry generation through an efficient marketing operation;
- strong conversion of enquiries into new lets; and
- disciplined central revenue management and cost control.

As we develop new assets, we normally build out internal fittings in phases spread over a number of years after the initial store opening, enabling efficient capital deployment and optimisation of unit mix based on actual local demand. If we exclude this unavailable space, we have a Current Leasable Area ("CLA") of 8.2 million sq ft as at 31 October 2024. As a result, Occupancy as a percentage of CLA at the year end was 78.3%.

m sq ft	MLA	To be Built Out	Operationally unavailable	CLA	% Occupancy of CLA
UK	5.9	(0.1)	(0.1)	5.7	79.6%
Paris	1.4	(0.1)	(0.0)	1.3	82.8%
Expansion Markets	1.3	(0.1)	(0.0)	1.2	66.6%
Total	**8.6**	**(0.3)**	**(0.1)**	**8.2**	78.3%

Digital marketing expertise

Awareness of self-storage remains relatively low with half of the UK population either knowing very little or nothing about self-storage (source: SSA Annual Report 2024). In the UK, many of our new customers are using self-storage for the first time and it is largely a brand-blind purchase. Typically, customers requiring storage start their journey by conducting online research using generic keywords in their locality (e.g. 'storage in Borehamwood', 'self-storage near me') which means that geographic coverage and search engine prominence remain key competitive advantages.

Optimisation of portfolio continued

Digital marketing expertise continued

We believe there is a clear benefit of scale in the generation of customer enquiries. The Group has continued to invest in technology and in-house expertise which has resulted in the development of a leading digital marketing platform that has generated 34% enquiry growth for the Group over the last five years, an annual growth of 6%. Our in-house expertise and significant annual budget have enabled us to deliver strong results.

The Group's online strength has meant that it continues to be the predominant channel for customer acquisition. Online enquiries this year made up 89% of all our enquiries in the UK (FY 2023: 89%), with 86% in France (FY 2023: 84%). The majority of our online enquiries now originate from a mobile device (71% share in UK for FY 2024, FY 2023: 65%), highlighting the need for continual investment in our responsive web platform for a 'mobile-first' world. We continue to invest in activities that promote a strong search engine presence to grow enquiry volume whilst managing efficiency in terms of overall cost per enquiry and cost per new let. Group marketing costs for the year as a percentage of revenue were in line with the previous year at 4.1% (FY 2023: 3.8%).

During the period and post-period end, the Group demonstrated its ability to integrate newly developed and acquired stores into its marketing platform with successful new openings. We have clearly demonstrated that our marketing platform is transferable into multiple overseas geographies.

Central revenue management and cost control

We continue to pursue a balanced approach to revenue management. We aim to optimise revenue per available space ("REVPAF") by improving the utilisation of the available space in our portfolio at carefully managed rates. Our central pricing team is responsible for the management of our dynamic pricing policy, which is set weekly at the granular level of store/unit size, together with the implementation of promotional offers and the identification of additional ancillary revenue opportunities. Whilst prices are managed centrally, where it is appropriate the store sales teams have the ability to offer discretionary discounts or a Lowest Price Guarantee in the event that a local competitor is offering a lower price in order to optimise REVPAF.

Average rates are predominantly influenced by:

- the store location and catchment area;
- the volume of enquiries generated online and available space;
- the store team's skills at converting these enquiries into new lets at the expected price; and
- the very granular pricing policy and the confidence provided by analytical capabilities and systems that smaller players might lack.

We believe that Safestore has a very strong proposition in each of these areas.

Costs are managed centrally with a lean structure maintained at Head Office. Enhancements to cost control are continually considered and, particularly in the context of the current inflationary environment, the cost base is challenged on an ongoing basis.

Motivated and effective store teams benefiting from investment in training and development

Training, people and performance management

In what is still a relatively immature and poorly understood market, customer service and selling skills at the point of sale remain essential in earning the trust of the customer and in driving the appropriate balance of volumes and unit price in order to optimise revenue growth in each store.

Our enthusiastic, well-trained, and customer-centric sales team remains a key differentiator and a strength of our business. Understanding the needs of our customers and using this knowledge to develop trusted in-store advisers is a fundamental part of driving revenue growth and market share.

We have been an Investors in People ("IIP") accredited organisation since 2003 and we passionately believe that our continued success is dependent on our highly motivated and well-trained colleagues. Following the award of a Bronze accreditation in 2015, a Gold accreditation in 2018, and a Platinum accreditation in 2021, we were delighted to be awarded the 'we invest in people' Platinum accreditation again in March 2024. Platinum is the highest accolade on the Investors in People scale and achieving Platinum twice is a fantastic achievement, placing us as an employer of choice.

IIP is the international standard for people management, defining what it takes to lead, support, and engage people effectively to achieve sustainable results. Underpinning the standard is the IIP framework, reflecting the latest workplace trends, essential skills and effective structures required to outperform in any industry. Investors in People enables organisations to benchmark against the best in the business on an international scale. We are proud to have our colleagues recognised to such a high standard.

We are committed to growing and rewarding our people and we tailor our development, reward and recognition programmes to reflect this. Our IIP-recognised coaching programme, launched in 2018 and upgraded every year since, continues to be a driving force behind the continuous performance improvement demonstrated by our store colleagues.

Our online learning portal, combined with the energy and flexibility of our store colleagues, allows us to deliver our award-winning development programmes.

All new recruits to the business benefit from enhanced induction and training tools that have been developed in-house and enable us to quickly identify high potential individuals and increase their speed to competency. They receive individual performance targets within four weeks of joining the business and are placed on the 'pay-for-skills' programme that allows accelerated basic pay increases dependent on success in demonstrating specific and defined skills. The key target of our programme remains that we grow our talent through our internal Store Manager Development ("SMD") programme, and we are pleased with our progress to date.

Our SMD programme has been in place since 2016 and is a key part of succession planning for future Store Managers. All eleven participants of our 2023 SMD programme successfully completed their Level 3 Management and Leadership apprenticeship, and we're delighted that ten of those participants were awarded distinctions.

In January 2024, we commenced our seventh SMD programme. Funded by the Apprenticeship Levy, this programme provides the opportunity to complete a Level 3 Management and Leadership apprenticeship, with the additional opportunity to complete an Institute of Leadership and Management ("ILM") qualification.

Our Senior Leadership Development programme ("LEAD Academy") focuses on developing our high performing Store Managers, aimed at preparing them for more senior roles within the business. We are proud that all eight participants of our LEAD Academy successfully completed their Level 5 Management and Leadership apprenticeship; seven of those participants were awarded Distinctions.

Our performance dashboard allows our store and field teams to focus on the key operating metrics of the business, providing an appropriate level of management information to enable swift decision making. Reporting performance down to individual colleague level enhances our competitive approach to team and individual performance. We continue to reward our store colleagues for their performance with bonuses of up to 50% of basic salary based on their achievements against individual targets for new lets, occupancy, and ancillary sales. In addition, our Values and Behaviours framework is overlaid on individuals' performance in order to assess performance and development needs on a quarterly basis.

Our 'Make the Difference' people forum, launched in 2018, enables frequent opportunities for us to hear and respond to our colleagues. Our network of 15 'People Champions' collects questions and feedback from their peers across the business and put them to members of the Executive Committee. We drive change and continuous improvement in responding to the feedback we receive for 'Our Business, Our Customers and Our Colleagues'.

People Champions:

- consult and collect the views and suggestions of all colleagues that they represent;
- engage in the bi-annual 'Make the Difference' people forum, raising and representing the views of their colleagues; and
- consult with and discuss feedback with management and the leadership team at Safestore.

Our values are authentic, having been created by our people. They are core to the employment life cycle and bring consistency to our culture. Our leaders have high values alignment enabling us to make the right decisions for our colleagues and our customers.

Our customers continue to be at the heart of everything we do, whether it be in store, online or in their communities. Our commitment to our customers mirrors our commitment to our colleagues.

Technological developments

After delivering the appropriate technology the Group opened in FY 2024 a further two fully automated, unmanned, satellite self-storage centres in Eastleigh and London Paddington Park West, having opened its first in Christchurch in FY 2023. Utilising industry-leading automated technology, along with in-house created communication and control technologies, customers can securely enter the building and their storage unit from a simple app on their mobile phone. Following the success, additional unmanned satellite stores are currently under various stages of assessment and development in the UK.

Our customers also have the option to complete a booking and contract for a self-storage unit online for any UK store location. Our belief is that our multi-channel sales strategy utilising fully automated channels, colleague interaction through our store sales teams or our specialist call centre and National Accounts teams, provide each type of customer with the most tailored and easy way to buy self-storage at Safestore.

Customer satisfaction

In February 2024, Safestore UK won the Feefo Platinum Trusted Service award for the fifth time. The award is given to businesses which have achieved Gold standard for three consecutive years. It is an independent mark of excellence that recognises businesses for delivering exceptional experiences, as rated by real customers. In addition to using Feefo, Safestore invites customers to leave a review on a number of review platforms, including Google and Trustpilot. Our ratings for each of these three providers in the UK are between 4.7 and 4.9 out of 5. In France, Une Pièce en Plus uses Google and Trustpilot to obtain independent customer reviews and in 2024, achieved a 4.7 out of 5 and a 'TrustScore' of 4.6 out of 5 respectively. In Spain, or business collects customer feedback via Google reviews and has attained a score of 4.9 out of 5. Belgium also collects feedback via Google and has a score of 4.7 in 2024.

Strong and flexible capital structure

We believe that our capital structure is appropriate for our business, with a strong balance sheet which provides us with the flexibility to take advantage of carefully evaluated development and acquisition opportunities.

The Group finances its operations through a combination of equity and debt. As at 31 October 2024, the loan-to-value ("LTV") ratio for the Group was 25.1% (FY 2023: 25.4%), which is well below the 40% maximum policy rate which the Board considers appropriate.

Both this LTV and the interest cover ratio ("ICR") of 4.3x for FY 2024 (FY 2023: 6.7x) provide us with significant headroom compared to our banking covenants (LTV of 60% and ICR of 2.4x). The reduction in ICR in the year reflects higher interest costs from increased borrowings to finance our development programme together with higher interest rates during the year.

At year end, the Group's weighted average cost of debt on drawn debt was 3.96% and 57% of our drawn debt attracts fixed rates of interest (FY 2023: 3.58% and 67% respectively). The weighted average maturity of the Group's drawn debt was 4.2 years (FY 2023: 4.7 years) following the repayment of the 2024 USPP in May 2024.

We have ample liquidity with £144.3 million of undrawn bank facilities at 31 October 2024 following the exercise of an additional £100.0 million accordion option on our Revolving Credit Facility ("RCF") which takes total funds available under our committed RCF to £500 million. In addition, the term of the RCF was extended by one year in FY 2024 to a new maturity of November 2028.

Together with the available financing, the Group's operations are strongly cash generative and produce sufficient free cash flow to fund our progressive dividend policy together with our development programme.

Recent refinancing

Following the year end, a new USPP of €70.0 million was issued in December 2024 with a maturity in December 2032 and a fixed rate of interest of 4.03%. With the inclusion of this note, the weighted average term to maturity of the Group's debt is 4.5 years and average cost of debt is 3.97% on a pro-forma basis.

ESG strategy

ESG: sustainable self-storage

Our purpose – to add stakeholder value by developing profitable and sustainable spaces that allow individuals, businesses and local communities to thrive – is supported by the 'pillars' of our sustainability strategy: our people, our customers, our community and our environment. In addition, the Group and its stakeholders recognise that its efforts are part of a broader movement and we have, therefore, aligned our objectives with the UN Sustainable Development Goals ("SDGs"). We reviewed the significance of each goal to our business, their importance to our stakeholders and assessed our ability to contribute to each of them. Following this materiality exercise, we have chosen to focus our efforts in the areas where we can have a meaningful impact. These are 'Decent work and economic growth' (goal 8), 'Sustainable cities and communities' (goal 11), 'Responsible consumption and production' (goal 12) and 'Climate action' (goal 13).

Sustainability is embedded into day-to-day responsibilities at Safestore and, accordingly, we have opted for a governance structure which reflects this. Two members of the Executive Management Team co-chair a cross-functional Sustainability Group consisting of the functional leads responsible for each area of the business.

In 2018, the Group established medium term targets in each of the 'pillars' towards which the Group continued to progress in FY 2024.

Our people: Safestore was awarded the prestigious Investors in People ("IIP") Platinum accreditation in both 2021 and 2024. Platinum is the highest level of accreditation possible to achieve on its 'We invest in people' accreditation.

It means policies and practices around supporting people are embedded in every corner of Safestore, and in a Platinum company, everyone knows they have a part to play in the company doing well and are always looking for ways to improve.

ESG strategy continued

ESG: sustainable self-storage continued

Our customers: the Group’s brands continue to deliver a high-quality experience, from online enquiry to move-in. This is reflected in customer satisfaction scores on independent review platforms (Trustpilot, Feefo and Google) of over 90% in each market. The introduction of digital contracts offers both customer convenience and a reduction in printing, saving an estimated 959,055 printed pages this year.

Our community: we remain committed to being a responsible business by making a positive contribution within the local communities wherever our stores are based. We continue to do this by developing brownfield sites and actively engaging with local communities when we establish a new store, identifying and implementing greener approaches in the way we build and operate our stores, helping charities and communities to make better use of limited space, and creating and sustaining local employment opportunities directly and indirectly through the many small and medium-sized enterprises which use our space. During FY 2024, the space occupied by local charities across 118 stores was 23,862 sq ft, worth £1.0 million.

Our environment: we are committed to ensuring our buildings are constructed responsibly and their ongoing operation has a minimal impact on local communities and the environment. It should be noted that the self-storage sector is not a significant consumer of energy when compared with other segments of the real estate landscape. According to a 2024 report by KPMG and EPRA, self-storage generates the lowest greenhouse gas emissions intensity of all European real estate sub-sectors. Reflecting the considerable progress made on efficiency measures and waste reduction to date, Safestore’s emissions intensity is lower than the self-storage sector average.

In FY 2024, the Group continued progress towards achieving operational carbon neutrality (target 2035) by implementing key elements of the transition plan, specifically removal of gas-burning appliances from a further six stores in the UK estate and ensuring all new openings meet or exceed the minimum energy performance standard of a ‘B’ rating and include energy solar PV installations where viable. In May 2024 we signed a green electricity contract in Belgium which means stores in all Group markets are now powered by zero carbon electricity.

In addition to the IIP award and the customer satisfaction ratings, the Group has received recognition for its sustainability progress and disclosures in the last twelve months. Safestore has been given its first ever Gold rating in the 2024 EPRA Sustainability BPR awards. The Global ESG Benchmark for Real Assets (“GRESB”) has once again awarded Safestore an ‘A’ rating in its 2024 Public Disclosures assessment. MSCI has also awarded Safestore its second-highest rating of ‘AA’ for ESG.

Portfolio management

Our approach to store development and acquisitions in the UK, Paris, Expansion Markets and our joint ventures, with Carlyle in Germany and Nuveen in Italy, continues to be pragmatic, flexible and focused on the return on capital with a proven track record of double-digit cash-on-cash store returns at maturity.

Our experienced and skilled property teams in all geographies continue to seek investment opportunities in new sites to add to the store pipeline. However, investments will only be made if they comply with our disciplined and strict investment criteria. Our preference is to acquire sites that are capable of being fully operational within 18–24 months from completion.

Since 2016, the Group has opened 41 new stores in the UK (20), Paris (8), Spain (8) and the Netherlands (5) adding 1,816,700 sq ft of MLA.

In addition, the Group has acquired 48 existing stores through the acquisitions of Space Maker, Alligator, Fort Box, Salus and Your Room in the UK, OhMyBox! in Barcelona, the Lokabox and M3 group from our Benelux JV acquisition, Apeldoorn in the Netherlands and Chelsea Self-Storage. These acquisitions added a further 1,909,800 sq ft of MLA and revenue performance has been enhanced in all cases under the Group’s ownership.

In the same period, we have also completed the revenue-enhancing extensions and refurbishments of 14 stores, adding a net 156,900 sq ft of fully invested space to the estate. All of these stores are performing in line with or ahead of their business plans.

The Group’s pipeline of new developments and store extensions (see below) at year end is projected to add 1,607,100 sq ft of future MLA, the equivalent to c. 19% of the existing portfolio as at the end of October 2024. The outstanding capital expenditure of £150.0 million for the pipeline is expected to be funded from the Group’s existing resources.

Property pipeline

Openings of new stores and extensions

Opening FY 2024	FH/LH	MLA	Development Type
New Developments			
St Albans	FH	56.0	Conversion
Eastleigh	LH	14.5	Conversion, Satellite
London – Paddington Park West	FH	13.0	Conversion, Satellite
Paris – South Paris	FH	55.0	New build
Madrid – South 2	FH	67.9	Conversion
Randstad – Aalsmeer	FH	48.4	New build
Randstad – Almere	FH	43.3	Conversion
Randstad – Rotterdam	FH	71.0	New build
Redevelopments and Extensions			
London – Holloway	FH	9.5	Extension
Paris – Poissy	FH	7.4	Extension
Total opened FY 2024		**386.0**	

In the year we opened four stores and extensions in the UK, two in Paris, one in Spain, and three in the Netherlands adding in total 386,000 sq ft of MLA to our portfolio, contributing significantly to our operational scale in our growing EU markets. The new stores include two new satellite stores, adding capacity in high-demand locations whilst leveraging our existing cost base and customer relationships.

We have a total pipeline of 31 developments and extensions opening in FY 2025 and beyond which is expected to add a total of 1.6 million sq ft, representing 19% of the portfolio MLA as at October 2024. This includes the five new stores and extensions below which had already opened in the first two months of the financial year.

Opened since year end	FH/LH	MLA	Development type
New developments			
London – Lea Bridge	FH	80.9	New build
Madrid – North East (Barajas)	FH	57.2	Conversion
Madrid – South West (Carabanchel)	FH	45.4	Conversion
Pamplona	FH	64.5	Conversion
Total new developments		**248.0**	
Redevelopments and extensions			
Paris – Pyrénées	LH	15.4	Extension
Total opened in November 2024		**263.4**	

In addition to the 263,400 sq ft of MLA added in November, there is a pipeline of nine stores with 419,500 sq ft of MLA projected to be opening during the remainder of FY 2025. This brings a total additional MLA projected to be delivered in FY 2025 to 682,900 sq ft.

Remaining FY 2025 openings	FH/LH	MLA	Type	Status*
London – Walton	FH	20.7	Conversion	C, UC
Paris – East 1 (Noisy le-Grand)	FH	60.0	Conversion	C, PG
Paris – West 3 (Mantes-Buchelay)	FH	58.0	New build	C, UC
Paris – North West 1 (Taverny)	FH	54.0	Conversion	C, UC
Paris – La Défense	FH	44.0	Mixed-use facility	C, UC
Barcelona – Central 2 (Manso)	LH	20.0	Conversion	C, UC
Randstad – Amsterdam	LH	65.4	New build	C, UC
Randstad – Utrecht	FH	50.0	Conversion	C, UC
Brussels – Zaventem	FH	47.4	New build	C, UC
Total remaining to open in 2025		**419.5**		

FY 2026 openings	FH/LH	MLA	Type	Status*
London – Woodford	FH	68.7	New build	C, PG
London – Watford	FH	57.5	New build	CE, PG
London – Wembley	FH	55.3	New build	C, PG
London – Kingston	FH	55.0	New build	CE, STP
London – Romford	FH	41.0	New build	C, PG
Norwich	FH	52.7	New build	CE, STP
Hemel Hempstead	FH	51.3	New build	CE, PG
Shoreham	FH	47.1	New build	CE, PG
Paris – West 4 (Orgeval)	FH	53.0	New build	CE, PG
Paris – West 1 (Conflans)	FH	56.0	New build	C, UC
Paris – Colombes	FH	65.5	Conversion	CE, PG
Madrid – Perseo	FH	18.5	Conversion	CE, STP
Total opening in 2026		**621.6**		

Beyond FY 2026 openings	FH/LH	MLA	Type	Status*
London – Old Kent Road	FH	75.6	New build	C, STP
London – Belvedere	FH	56.3	New build	C, STP
London – Bermondsey	FH	50.0	New build	C, STP
Welwyn Garden City	FH	51.0	New build	CE, STP
Barcelona – Hospitalet	FH	64.3	New build	CE, STP
Total opening beyond 2026		**297.2**		

* C = completed, CE = contracts exchanged, STP = subject to planning, PG = planning granted, UC = under construction

Following the openings in November 2024, our ongoing pipeline of new store developments comprises 26 projects identified which will deliver an additional 1,338,300 sq ft of new space. The developments are located in all of our markets and are focused in the key cities of London (nine stores, 480,100 sq ft), Paris (seven stores, 390,500 sq ft), Madrid and Barcelona (three stores, 102,800 sq ft), the Randstad in the Netherlands (two stores, 115,400 sq ft), Brussels (one store, 47,400 sq ft) and other regional cities (four stores, 202,100 sq ft).

This pipeline, together with the stores delivered in the first two months of FY 2025, is expected to deliver 682,900 sq ft of new space opening in FY 2025 and 969,000 sq ft in later years. All property projects require planning permission. 62% are projects with planning granted and 38% are still subject to planning. Typically, we aim to structure our development opportunities to minimise planning risk and working capital by making completion on contracts for sites to also be subject to planning.

Of the pipeline development projects, two (8%) are leasehold sites where the city centre locations have limited freehold development opportunities but are located where we believe there is strong customer demand.

Following the year end, the Group entered into a joint venture with Nuveen, jointly acquiring the EasyBox business in Italy. The business has ten open stores in the key cities across the country with a further two under development. Safestore will manage the business on behalf of the joint venture, leveraging Group expertise. EasyBox is a leading platform in the emerging Italian storage market with a strong trading track record. In Italy, the supply of self-storage at 0.02 sq ft per inhabitant is equivalent to 2% of that of the UK. The investment will provide the initial critical size of operations as well as 20 years of marketing and trading data points that will be key to inform potential further investment decisions over time.

Property pipeline continued

Portfolio summary

The self-storage market has been growing consistently for over 20 years across many European countries, but few regions offer the unique characteristics of London and Paris, both of which consist of large, wealthy and densely populated markets. In the London region, the population is 13 million inhabitants with a density of 5,200 inhabitants per square mile in the region, 11,000 per square mile in central London and up to 32,000 per square mile in the densest boroughs.

The population of the Paris urban area is 10.7 million inhabitants with a density of 9,300 inhabitants per square mile in the urban area and 54,000 per square mile in the City of Paris and first belt, where 69% of our French stores are located and which has one of the highest population densities in the western world. 85% of the Paris region population live in central parts of the city versus the rest of the urban area, which compares with 60% in the London region. There are currently c. 250 storage centres within the M25 as compared to only c. 125 in the Paris urban area. The density of self-storage supply is estimated to be 0.89 sq ft per inhabitant in the UK and 0.40 sq ft in Paris.

In addition, barriers to entry in these two important city markets are high, due to land values and limited availability of sites as well as planning regulation. This is the case for Paris and its first belt in particular, which inhibits new development possibilities.

Over the last four years the Group has expanded into further attractive, under-penetrated markets in Spain, the Netherlands and Belgium with a focus on the conurbations of Barcelona, Madrid, the Randstad area and Brussels. All these new markets, particularly Madrid and Barcelona, are wealthy, high density conurbations with very high barriers to entry. The density of self-storage supply is estimated at 0.50 sq ft per inhabitant in the Netherlands, 0.20 sq ft in Belgium, 0.54 sq ft in Madrid and 0.65 sq ft in Barcelona.

Store portfolio by region	London & South East	Rest of UK	UK Total	Paris	Expansion Markets	**Group Total**
Number of Stores	76	61	137	30	32	**199**
Let Square Feet (million sq ft)	2.375	2.164	4.539	1.094	0.777	**6.410**
Maximum Lettable Area (million sq ft)	3.056	2.822	5.878	1.424	1.290	**8.592**
Average Let Square Feet per store (k sq ft)	31	35	33	36	24	**32**
Average Store MLA (k sq ft)	40	46	43	47	40	**42**
Closing Occupancy (%)	77.7%	76.7%	77.2%	76.8%	60.3%	**74.6%**
Average Rate (£ per sq ft)	36.39	23.04	29.94	36.04	19.84	**29.85**
Revenue (£'m)	101.4	60.8	162.2	43.7	17.5	**223.4**
Average Revenue per store (£'m)	1.33	1.00	1.18	1.46	0.55	**1.12**

We have a strong position in both the UK and Paris markets operating 137 stores in the UK, 76 of which are in London and the South East, and 30 stores in Paris.

In the UK, 62% of our revenue is generated by our stores in London and the South East. On average, our stores in London and the South East are smaller than in the rest of the UK but the rental rates achieved are materially higher, enabling these stores to typically achieve similar or better margins than the larger stores. In London we operate 51 stores within the M25, more than any other competitor.

In addition, we have the benefit of a leading national presence in the UK outside of London where the stores are predominantly located in the centre of key metropolitan areas such as Birmingham, Manchester, Liverpool, Bristol, Newcastle, Glasgow and Edinburgh.

In France, we have a leading position in the heart of the affluent City of Paris market with nine stores branded as Une Pièce en Plus ("UPP") ('A spare room'). Over 57% of the UPP stores are located in a cluster within a five-mile radius of the city centre, which facilitates strong operational and marketing synergies as well as options to differentiate and channel customers to the right store subject to their preference for convenience or price affordability. The Parisian market has attractive socio-demographic characteristics for self-storage and we believe that UPP enjoys unique strategic strength in such an attractive market.

In Spain, including three post-period end openings, the Group has fourteen stores open in Barcelona and Madrid and one open in Pamplona in the Basque Country/Navarra region which has clusters of population benefiting from above average economic dynamic.

The Group has fourteen stores open in the Netherlands and six in Belgium. The pipeline contains a further two stores in the Netherlands and one in Belgium.

Overall Expansion Markets now comprises 35 stores, a 25% increase from the 2023 year-end position.

Market

The self-storage market in the UK, France, Spain, the Netherlands and Belgium remains relatively immature compared to geographies such as the USA and Australia. The SSA Annual Survey (May 2024) confirmed that self-storage capacity stands at 0.89 sq ft per head of population in the UK. The most recent report relating to Europe (FEDESSA's 2023 report) showed that capacity in France is 0.41 sq ft per capita. This compares with closer to 7 sq ft per inhabitant in the USA and 2 sq ft in Australia. In the UK, in order to reach the US density of supply, it would require the addition of around another 18,500 stores as compared to c. 2,700 currently.

In Spain, the Netherlands and Belgium, penetration is similarly low. In Spain, capacity is around 0.43 sq ft per head of population and the consumer is serviced by 1,300 stores. In the Netherlands, penetration is 0.73 sq ft per head of population (750 stores) and in Belgium 0.23 sq ft per head of population (153 stores).

The Group has a joint venture in Germany. The German market is one of Europe's more under-penetrated markets with just 0.27 sq ft of storage space per capita and, according to the 2024 FEDESSA report, there are 1,028 facilities in the country and 24.7 million sq ft of lettable space.

Post year end, the Group entered into a joint venture in Italy. This market has the lowest penetration of major economies in Western Europe with 0.03 sq feet per head of population (130 stores).

Our interpretation of the most recent 2024 SSA report is that operators remain optimistic about their trading and the future growth of the industry. In the past few years, the self-storage industry has undergone an unprecedented period of change largely due to developments in technology. The level of development estimated for the next three years is similar to that witnessed in recent years and we do not consider this level of new supply growth to be of concern, especially as we believe new supply helps to create increased awareness of what is a relatively immature product in Europe. We estimate new supply to represent around 5% to 6% of the traditional self-storage industry in the UK. These figures represent gross openings and do not consider storage facilities closing or being converted for alternative uses. We estimate that a small proportion of these sites compete with existing Safestore stores as many new developments happen in areas with lower barriers to entry in which we tend not to operate.

New supply in London and Paris is likely to continue to be limited in the short and medium term as a result of planning restrictions, competition from a variety of other uses and the availability of suitable land.

The supply in the UK market, according to the SSA Survey, remains relatively fragmented despite a number of acquisitions in the sector in recent years. The SSA's estimates of the scale of the UK industry are finessed each year and changes from one year to the next represent improved data in addition to new supply. In the 2024 report the SSA estimates that 2,706 self-storage facilities exist in the UK market including around 1,012 container-based operations. At the point in time that the 2024 survey was written, Safestore was the industry leader by number of stores with 133 wholly owned sites. In aggregate, the top seven leading operators account for around 20% of the UK store portfolio. The remaining c. 2,182 self-storage outlets (including container- based operations) are independently owned in small chains or single units.

Our French business, UPP, is mainly present in the core wealthier and more densely populated inner Paris and first belt areas, whereas our two main competitors, have a greater presence in the outskirts and second belt of Paris.

Our Spanish business currently operates in Barcelona and Madrid with one store in Pamplona. The metropolitan areas of Barcelona and Madrid have combined growing high density populations of twelve million inhabitants and significant barriers to entry.

Our focus in the Netherlands market is on the densely populated Amsterdam and Randstad conurbations. The Netherlands is the second most developed self-storage market in Europe (after the UK).

Belgium is one of the more under-penetrated markets in Europe with just 153 stores and 0.23 sq ft per capita of self-storage space. In Belgium our presence is focused on Brussels and the significant urban conurbations of Liege, Charleroi and Nivelles.

Consumer awareness of self-storage appears to be increasing but at a relatively slow rate, providing an opportunity for future industry growth. The SSA survey indicates that approximately half of consumers have low awareness about the service offered by self-storage operators or had not heard of self-storage at all. Since 2014, this statistic has only fallen 14ppts from 61%. Therefore, the opportunity to grow awareness, combined with limited new industry supply, makes for an attractive industry backdrop.

Self-storage is a brand-blind product. 52% of respondents in the 2024 SSA Survey were unable to name a self-storage business in their local area. The lack of relevance of brand in the process of purchasing a self-storage product emphasises the need for operators to have a strong online presence. This requirement for a strong online presence was also reiterated by the SSA Survey where 76% of those surveyed (FY 2023: 76%) confirmed that an internet search would be their chosen means of finding a self-storage unit to contact, whilst knowledge of a physical location of a store as reason for enquiry was only c. 30% of respondents (FY 2023: c. 30%).

There are numerous drivers of self-storage growth. Most domestic and business customers need storage either temporarily or permanently for different reasons at any point in the economic cycle, resulting in a market depth that is, in our view, the reason for its exceptional resilience. The growth of the market is driven both by the fluctuation of economic conditions, which has an impact on the mix of demand, and by growing awareness of the product.

Our domestic customers' need for storage is often driven by life events such as births, marriages, bereavements, divorces or by the housing market including house moves and developments and moves between rental properties. We have estimated that UK owner-occupied housing transactions drive around 8–13% of the Group's new lets.

At 41% of square feet occupied, our customer base in the UK is more heavily weighted to business customers than the rest of the Group due to historic property configurations. As such we are accelerating the conversion of larger units (over 250 sq ft) into smaller ones to serve a wider range of customers. Through this partitioning programme, we anticipate significantly reducing the current c. 1.0 million sq ft of larger units so that the UK ratio of domestic to business customers comes closer to the 70/30 split seen in the rest of the Group.

Our customer base is resilient and diverse and consists of around 94,000 domestic, business and National Accounts customers across the Group.

Business and personal customers	UK	Paris	Expansion Markets
Personal customers			
Numbers (% of total)	77%	81%	88%
Square feet occupied (% of total)	59%	63%	80%
Average length of stay (months)	17.8	25.4	24.0
Business customers			
Numbers (% of total)	23%	19%	12%
Square feet occupied (% of total)	41%	37%	20%
Average length of stay (months)	26.1	27.1	26.1

Business model

The Group operates in a market with relatively low consumer awareness. It is anticipated that this will increase over time as the industry matures. To date, despite the financial crisis in 2007/08, the implementation of VAT in the UK on self-storage in 2012, Brexit and the Covid-19 pandemic and inflation and the conflict in the Ukraine, the industry has been exceptionally resilient. In the context of continued uncertain economic conditions, the industry remains well positioned with limited new supply coming into the self-storage market.

With more stores inside London's M25 than any other operator and a strong position in central Paris, we have leading positions in the two most important and demographically favourable markets in Europe. In addition, our regional presence in the UK is unsurpassed and contributes to the success of our industry-leading National Accounts business. In the UK, Safestore is the leading operator by number of wholly owned stores. With 53% of customers travelling for less than 15 minutes to their storage facility (2024 SSA Survey). Our national store footprint represents a competitive advantage. Based on the revenue reported by Cushman & Wakefield in the various SSA reports, our market share in the UK based on revenue is 21%.

The Group's capital-efficient portfolio of 203 stores in the UK, Paris and Expansion Markets consists of a mix of freehold and leasehold stores. In order to grow the business and secure the best locations for our facilities we have maintained a flexible approach to leasehold and freehold developments as well as being comfortable with a range of building types, from new builds to conversions of warehouses and underground car parks.

Currently, around a quarter of our stores in the UK are leaseholds with an average remaining lease length at 31 October 2024 of 13.2 years (FY 2023: 12.4 years). Although our property valuation for leaseholds is based on future cash flows until the next contractual lease renewal date, Safestore has a demonstrable track record of successfully re-gearing leases several years before renewal whilst at the same time achieving concessions from landlords. From time to time, we will purchase the freehold on leasehold properties, when these become available at appropriate prices.

In England, we benefit from the Landlord and Tenant Act that protects our rights for renewal except in case of redevelopment. The vast majority of our leasehold stores have building characteristics or locations in retail parks that make current usage either the optimal and best use of the property or the only one authorised by planning. We observe that our landlords, who are property investors, value the quality of Safestore as a tenant and typically prefer to extend the length of the leases that they have in their portfolio, enabling Safestore to maintain favourable terms.

In Paris, where 35% of stores (including the pipeline) are leaseholds, our leases typically benefit from the well-enshrined Commercial Lease statute that provides that tenants own the commercial property of the premises and that they are entitled to renew their lease. Taking this context into account, the valuer values the French leaseholds based on an indefinite property tenure, similar to freeholds but at a significantly higher exit cap rate.

The Group believes there is an opportunity to leverage its highly scalable marketing and operational expertise in geographies outside the UK and Paris to make a significant contribution to Group expansion.

The Group has 12 stores in Spain, including four opened in the year, 14 stores in the Netherlands and six in Belgium. There are a further nine stores in the development pipeline (six in Spain, two in the Netherlands and one in Belgium) at the end of October 2024.

These stores in Expansion Markets are principally located in the key metropolitan areas of the Randstad, Barcelona, Madrid and Brussels. The growth opportunity from these markets is in both the availability of high quality sites for new stores and LFL income growth as the markets mature.

In 2022, Safestore entered the German self-storage market via a joint venture with Carlyle, which has acquired the myStorage business. After acquiring the freehold to one of their sites, myStorage now has five medium to long term leasehold in addition to a further leasehold expiring in 2026. The 326,000 sq ft of MLA is spread across Berlin, Heidelburg, Mannheim, Fürth, Nuremburg, Neu-Ulm and Reutlingen.

Following year end, Safestore entered in a new joint venture in Italy. The EasyBox business comprises ten open stores and two under development in the key economic centres of Italy. The total MLA for the business is 780,000 sq ft.

Our experience is that being flexible in our approach has enabled us to operate from properties and in markets that would have been otherwise unavailable and to generate strong cash-on-cash returns.

We excel in the generation of customer enquiries which are received through a variety of channels including the internet, telephone and 'walk-ins'. In the early days of the industry, local directories and store visibility were key drivers of enquiries. However, the internet is now by far the dominant channel, accounting for 89% (FY 2023: 89%) of our enquiries in the UK and 86% (FY 2023: 84%) in France. This dynamic is a clear benefit to the leading national operators that possess the budget and the management skills necessary to generate a commanding presence in the major search engines. We have developed and continue to invest in a leading digital marketing platform that has generated 39% enquiry growth over the last five years.

Although mostly generated online, our enquiries are predominantly handled directly by the stores and, in the UK, we have a Customer Support Centre ("CSC") which handles customer service issues in addition to enquiries, in particular when the store colleagues are busy handling calls or outside of normal store opening hours.

Our pricing platform provides the store and CSC colleagues with system-generated real-time prices managed by our centrally based yield-management team. Local colleagues have certain levels of discretion to flex the system-generated prices, but this is continually monitored.

Customer service standards are high and customer satisfaction feedback is consistently very positive. The key drivers of sales success are the capacity to generate enquiries in a digital world, the capacity to provide storage locations that are conveniently located close to the customers' requirements and the ability to maintain a consistently high quality, motivated retail team that is able to secure customer sales at an appropriate storage rate, all of which can be better provided by larger, more efficient organisations.

We remain focused on business as well as domestic customers. Our national network means that we are uniquely placed to further grow the business customer market and in particular National Accounts. Within our business customer category, our National Accounts business represents around 493,000 sq ft of occupied space (around 11% of the UK's occupancy). Approximately 71% of the space occupied by National Accounts customers is outside London, demonstrating the importance and quality of our well-invested national estate.

At the year end, business customers constitute 41% of our total space let in the UK. We are accelerating the conversion of larger units (over 250 sq ft) into smaller ones more suitable for domestic customers, reducing the historic over-weight towards business customers in the UK. Through this partitioning programme we expect to significantly reduce the current 1.0 million sq ft of larger units, which are predominantly located in London (36%) and South East England (24%), so that the UK ratio of domestic to business customers comes closer to the 70/30 split by occupied space seen in the rest of the Group.

The business now has in excess of 94,000 business and domestic customers with an average length of stay of 27 months and 21 months respectively.

The cost base of the business is relatively fixed with regard to changes in occupancy. Each store typically employs three staff. Our Group Head Office comprises business support functions such as Yield Management, Property, Marketing, HR, IT and Finance.

Trading performance

Trading data – total

Revenue (millions)	Q4 2024	Q4 2023	Change[9]	FY 2024	FY 2023	Change
Group (GBP)	£57.9	£57.6	0.5%	**£223.4**	£224.2	(0.3%)
UK (GBP)	£41.8	£42.6	(1.9%)	**£162.2**	£166.2	(2.4%)
Paris (EUR)	€13.2	€13.0	1.6%	**€51.3**	€50.5	1.5%
Expansion Markets (EUR)	€6.0	€4.4	35.2%	**€20.6**	€16.0	29.0%
Average rate (per sq ft)	Q4 2024	Q4 2023	Change	**FY 2024**	FY 2023	Change
Group (GBP)	£29.64	£30.22	(1.9%)	**£29.85**	£30.26	(1.4%)
UK (GBP)	£29.64	£30.26	(2.0%)	**£29.94**	£30.25	(1.0%)
Paris (EUR)	€43.17	€42.28	2.1%	**€42.28**	€42.05	0.5%
Expansion Markets (EUR)	€23.87	€22.42	6.5%	**€23.28**	€22.02	5.7%
REVPAF (per sq ft)	Q4 2024	Q4 2023	Change	**FY 2024**	FY 2023	Change
Group (GBP)	£26.81	£28.24	(5.1%)	**£26.69**	£27.70	(3.6%)
UK (GBP)	£28.53	£29.58	(3.5%)	**£28.00**	£29.07	(3.7%)
Paris (EUR)	€36.93	€37.84	(2.4%)	**€37.12**	€37.10	0.1%
Expansion Markets (EUR)	€18.42	€17.52	5.2%	**€17.63**	€17.89	(1.4%)

Closing occupancy (million sq ft)	FY 2024	FY 2023	Change
Group	**6.41**	6.23	2.9%
UK	**4.54**	4.47	1.6%
Paris	**1.09**	1.11	(1.8%)
Expansion Markets	**0.78**	0.65	20.0%
Closing occupancy (% of MLA)	**FY 2024**	FY 2023	Change
Group	**74.6%**	77.0%	(2.4ppt)
UK	**77.2%**	78.1%	(0.9ppt)
Paris	**76.8%**	81.3%	(4.5ppt)
Expansion Markets	**60.3%**	65.1%	(4.9ppt)
MLA (million sq ft)	**FY 2024**	FY 2023	Change
Group	**8.59**	8.09	6.2%
UK	**5.88**	5.73	2.6%
Paris	**1.42**	1.36	4.4%
Expansion Markets	**1.29**	1.00	29.0%

Trading performance continued

Trading data – like-for-like

Revenue (millions)	Q4 2024	Q4 2023	Change[9]	FY 2024	FY 2023	Change
Group (GBP at CER[1])	£56.3	£55.9	0.7%	**£219.0**	£218.9	0.0%
UK (GBP)	£41.2	£41.3	(0.2%)	**£160.1**	£162.0	(1.2%)
Paris (EUR)	€13.2	€13.0	1.4%	**€51.2**	€50.5	1.4%
Expansion Markets (EUR)	€4.3	€3.9	10.3%	**€16.6**	€14.7	12.9%
Average rate (per sq ft)	Q4 2024	Q4 2023	Change	**FY 2024**	FY 2023	Change
Group (GBP at CER)	£30.48	£30.50	(0.1%)	**£30.51**	£30.46	0.2%
UK (GBP)	£29.88	£30.30	(1.4%)	**£30.10**	£30.27	(0.6%)
Paris (EUR)	€43.34	€42.28	2.5%	**€42.33**	€42.05	0.7%
Expansion Markets (EUR)	€25.60	€23.60	8.5%	**€24.75**	€22.98	7.7%
REVPAF (per sq ft)	Q4 2024	Q4 2023	Change	**FY 2024**	FY 2023	Change
Group (GBP at CER)	£28.94	£28.74	0.7%	**£28.34**	£28.39	(0.2%)
UK (GBP)	£28.99	£29.11	(0.4%)	**£28.36**	£28.80	(1.5%)
Paris (EUR)	€38.32	€37.84	1.3%	**€37.59**	€37.10	1.3%
Expansion Markets (EUR)	€24.01	€21.39	12.2%	**€22.92**	€20.55	11.5%

Closing occupancy (million sq ft)	FY 2024	FY 2023	Change
Group	**6.11**	6.12	(0.2%)
UK	**4.45**	4.45	—
Paris	**1.09**	1.11	(1.8%)
Expansion Markets	**0.57**	0.56	1.8%
Closing occupancy (% of MLA)	**FY 2024**	FY 2023	Change
Group	**78.8%**	79.3%	(0.5ppt)
UK	**78.6%**	79.0%	(0.4ppt)
Paris	**79.3%**	81.3%	(2.0ppt)
Expansion Markets	**80.1%**	78.1%	1.9ppt
MLA (million sq ft)	**FY 2024**	FY 2023	Change
Group	**7.75**	7.72	0.4%
UK	**5.66**	5.64	0.4%
Paris	**1.37**	1.36	0.7%
Expansion Markets	**0.72**	0.72	0.0%

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UK

Our operational performance across the UK has been resilient in the current economic environment with revenue down 2.4% year on year, 1.2% on a like-for-like ("LFL") basis.

This resulted from a broadly stable like-for-like average rental rate of £30.10 (0.6% down on FY 2023 at £30.27) together with flat LFL occupancy.

This like-for-like occupancy position reflects strengthening domestic demand, which had a steadily improving trajectory through the second half of FY 2024 to be 4.3% ahead of prior year at 31 October 2024, offset by continued soft demand from business customers which was 6.0% behind at the year end.

Overall revenue in the UK was impacted by £2.2 million due to changes in the nature of customer goods protection with cover in FY 2024 not attracting insurance premium tax ("IPT"). This difference has been excluded from like-for-like measures to better reflect performance.

In addition, new stores and developments contributed £2.1 million of revenue in the year.

The LFL cost base in the UK increased by £2.3 million year on year due to market inflationary increases in store employment costs, business rates and administrative costs which was offset by a £2.2 million reduction in IPT in costs of sales due to the changes in the nature of customer goods protection.

As a result, Underlying EBITDA for the UK business was £99.3 million (FY 2023: £105.9 million), a decrease of £6.6 million or 6.2%.

Paris

In Paris, LFL revenue grew 1.4% on prior year reflecting a robust performance in challenging market conditions with total revenue growth of 1.5% year on year.

The growth on prior year was driven by improving rental rates which increased to €42.33 for the year, an increase of 0.7% on FY 2023 (€42.05) offset by flat average occupancy for the year, both on a LFL basis.

REVPAF, which we believe is materially ahead of the local competition, grew by 1.3% against prior year.

Underlying EBITDA at €33.8 million, was down by 3.4% against FY 2023 with cost of sales and administrative costs increasing by €2.0 million.

Expansion Markets

The performance of Spain, the Netherlands and Belgium has been presented together, reflecting both their combined scale and their common strategic focus on providing expansion opportunities for the Group.

Overall, they delivered 12.9% LFL revenue growth in FY 2024 with positive momentum in all three markets. Total revenue, including the benefit of new stores, increased 29.0% year on year to €20.6 million.

In Spain, LFL revenue grew 3.6% year on year, driven by improvement in occupancy (closing at 78.0% (FY 2023: 74.8%)) and flat rental rates. In the Netherlands, LFL revenue growth was 12.2% driven by increased rental rates with occupancy broadly in line with prior year. LFL revenue in Belgium grew 17.8% year on year through a combination of both increased rental rates and improved occupancy.

In addition, new stores and expansions contributed an additional €3.4 million in revenue in the year, largely through openings in Spain, taking total revenue to €20.6 million, a 29.0% increase year on year for the combined markets.

Underlying EBITDA increased by €3.0 million to €8.7 million as the increase in revenue was partially offset by an increase in the underlying cost of sales and administrative expenses of €2.0 million, resulting from additional costs to support the new stores as well as their dilutive impact whilst they achieve stabilisation.

Frederic Vecchioli
Chief Executive Officer
15 January 2025

> The group continues to deliver robust cash generation with a strong balance sheet, despite the impact to earnings of the current inflationary environment”

Simon Clinton
Chief Financial Officer

Underlying income statement

The table below sets out the Group’s underlying results of operations for the twelve months ended 31 October 2024 (“FY 2024”) and the twelve months ended 31 October 2023 (“FY 2023”). To calculate the underlying performance metrics, adjustments are made for the impact of exceptional items, share-based payments, corporate transaction costs, change in fair value of derivatives, gain or loss on investment properties and the associated tax impacts, as well as exceptional tax items and deferred tax. Although not superseding IFRS, management considers this presentation of earnings to be representative of the underlying performance of the business, as it removes the income statement impact of items not fully controllable by management, such as the revaluation of derivatives and investment properties, and the impact of exceptional credits, costs and finance charges.

	2024 £’m	2023 £’m	Movement %
Revenue	**223.4**	224.2	(0.3%)
Underlying costs	**(88.0)**	(82.0)	7.4%
Underlying EBITDA	**135.4**	142.2	(4.8%)
Leasehold rent	**(15.5)**	(14.9)	4.0%
Underlying EBITDA after leasehold rent	**119.9**	127.3	(5.8%)
Depreciation	**(1.5)**	(1.3)	15.4%
Net underlying finance charges	**(21.4)**	(15.9)	34.6%
Underlying profit before tax	**97.0**	110.1	(12.0%)
Current tax	**(4.3)**	(5.1)	15.7%
Adjusted EPRA earnings	**92.7**	105.0	(11.8%)
Share-based payments charge	**(0.3)**	(3.5)	(91.4%)
EPRA basic earnings	**92.4**	101.5	(9.0%)
Average shares in issue (m)	**218.3**	217.2	
Diluted shares (for ADE EPS) (m)	**219.2**	219.1	
Adjusted Diluted EPRA EPS (p)	**42.3**	47.9	(11.7%)

Note:

1 Adjusted Diluted EPRA EPS is defined in note 2 to the financial statements.

2 Adjusted EPRA earnings excludes share-based payment charges and, accordingly, the Underlying EBITDA, Underlying EBITDA after leasehold costs and underlying profit before tax measures have been presented excluding share-based payment charges for consistency.

The table below reconciles statutory profit before tax in the income statement to underlying profit before tax in the table above.

	2024 £'m	2023 £'m
Statutory profit before tax	**398.6**	207.8
Adjusted for:		
– gain on investment properties and investment properties under construction	**(301.9)**	(102.6)
– change in fair value of derivatives	**—**	1.7
– net exchange loss	**—**	(0.3)
– share-based payments	**0.3**	3.5
Underlying profit before tax	**97.0**	110.1

Management considers the above presentation of earnings to be representative of the underlying performance of the business.

Underlying EBITDA decreased by 4.8% to £135.4 million (FY 2023: £142.2 million) reflecting a 0.3% decrease in revenue and a 7.4% increase in underlying costs.

Net underlying finance charges increased from £15.9 million for FY 2023 to £21.4 million for FY 2024. This principally reflects the increased borrowing to finance our development programme and higher interest rates.

As a result, underlying profit before tax decreased 12.0% to £97.0 million (FY 2023: £110.1 million). The increase in statutory profit before tax of £190.8 million to £398.6 million (FY 2023: £207.8 million) results from the increased gain on the fair value of investment properties of £199.3 million to £301.9 million (FY 2023: £102.6 million). This increase reflects the increased value of the Group's store portfolio primarily as a result of a healthy transactional market with 53bps reduction in exit yields.

Given the Group's REIT status in the UK, tax is not normally payable on rental income in the UK but is payable on non-UK earnings. The current underlying tax charge for the year was £4.3 million (FY 2023: £5.1 million).

As explained in note 2 to the financial statements, management considers that the most representative Earnings per Share ("EPS") measure is Adjusted Diluted EPRA EPS which has decreased by 5.6 pence or 11.7% to 42.3 pence (FY 2023: 47.9 pence).

Reconciliation of Underlying EBITDA

The table below reconciles the operating profit included in the consolidated income statement to Underlying EBITDA.

	2024 £'m	2023 £'m
Statutory operating profit	**425.8**	230.4
Adjusted for		
gain on investment properties and investment properties under construction	**(301.9)**	(102.6)
– fair value re-measurement of lease liabilities	**9.7**	8.8
– variable lease payments	**—**	0.8
– depreciation	**1.5**	1.3
– share-based payments	**0.3**	3.5
Underlying EBITDA	**135.4**	142.2

The main reconciling items between statutory operating profit and Underlying EBITDA are the gain on investment properties of £292.2 million at 31 October 2024 (FY 2023: £93.8 million), represented by a gain on investment properties and investment properties under construction of £301.9 million less fair value re-measurement of lease liabilities of £9.7 million.

Underlying profit by geographical region

The Group is organised and managed in three operating segments based on geographical region, with Expansion Markets including our operations in Spain, the Netherlands and Belgium together with our German joint venture. The table below details the underlying profitability of each region.

	FY 2024				FY 2023			
	UK £'m	**Paris €'m**	**Expansion Markets €'m**	**Total (CER) £'m**	UK £'m	Paris €'m	Expansion Markets €'m	Total (CER) £'m
Revenue	**162.2**	**51.3**	**20.6**	**224.7**	166.2	50.5	16.0	224.2
Underlying cost of sales	**(52.6)**	**(13.7)**	**(9.1)**	**(72.2)**	(51.1)	(12.1)	(7.0)	(67.8)
Store EBITDA	**109.6**	**37.6**	**11.5**	**152.5**	115.1	38.4	9.0	156.4
Store EBITDA margin	***67.6%***	***73.3%***	***55.7%***	***67.9%***	*69.3%*	*76.0%*	*56.3%*	*69.8%*
LFL store EBITDA margin	***68.0%***	***73.4%***	***60.1%***	***68.8%***	*70.3%*	*76.0%*	*65.8%*	*71.3%*
Underlying administrative expenses	**(10.3)**	**(3.8)**	**(2.7)**	**(16.2)**	(9.2)	(3.4)	(2.8)	(14.2)
Underlying EBITDA	**99.3**	**33.8**	**8.8**	**136.3**	105.9	35.0	6.2	142.2
EBITDA margin	***61.2%***	***65.9%***	***42.6%***	***60.7%***	*63.7%*	*69.3%*	*38.8%*	*63.4%*
Leasehold costs	**(9.3)**	**(6.4)**	**(1.0)**	**(15.6)**	(8.6)	(6.4)	(0.8)	(14.9)
Underlying EBITDA after leasehold costs	**90.0**	**27.4**	**7.8**	**120.7**	97.3	28.6	5.4	127.3
EBITDA after leasehold costs margin	***55.5%***	***53.4%***	***37.7%***	***53.7%***	*58.5%*	*56.6%*	*33.8%*	*56.8%*
	UK £'m	**Paris £'m**	**Expansion Markets £'m**	**Total £'m**	UK £'m	Paris £'m	Expansion Markets £'m	Total £'m
Underlying EBITDA after leasehold costs	**89.9**	**23.8**	**7.0**	**120.7**	97.3	24.9	5.1	127.3
Adjustment to actual exchange rate	**—**	**(0.2)**	**(0.6)**	**(0.8)**	—	—	—	—
Reported Underlying EBITDA after leasehold costs	**89.9**	**23.6**	**6.4**	**119.9**	97.3	24.9	5.1	127.3

Note:
CER is Constant Exchange Rates with Euro denominated results for the current period translated at the exchange rate effective for the comparative period in order to present the reported results on a more comparable basis.

Underlying EBITDA in the UK decreased by £6.6 million, or 6.2%, to £99.3 million (FY 2023: £105.9 million), reflecting a 2.6% reduction in revenue together with an increase in underlying cost of sales and administrative expenses of £2.7 million. The Underlying EBITDA margin reduced to 61.2% compared to 63.8% in FY 2023.

In Paris, Underlying EBITDA decreased by €1.2 million to €33.8 million, reflecting a €0.8 million increase in revenue less an increase in cost of sales and administrative expenses of €2.0 million. As a result, Underlying EBITDA margin decreased to 65.9% from 69.3% in FY 2023.

Underlying EBITDA in Expansion Markets increased by €2.6 million or 41.9% to €8.8 million (FY 2023: €6.2 million) reflecting a €5.0 million increase in revenue less an increase in cost of sales and administrative expenses of €2.0 million. As a result, Underlying EBITDA margin increased from 38.4% in FY 2023 to 42.3% in FY 2024.

Adjusting for an unfavourable exchange rate movement of 2.1% resulting in an impact of £0.8 million in the current year, the Group reported that Underlying EBITDA after leasehold rent decreased by 5.8% or £7.4 million to £119.9 million (FY 2023: £127.3 million).

Revenue

Revenue for the Group is primarily derived from the rental of self-storage space and the sale of ancillary products such as StoreProtect and merchandise (e.g. packing materials and padlocks).

The split of the Group's revenues by geographical segment is set out below for FY 2023 and FY 2024.

		2024	**% of total**	2023	% of total	**% change**
UK	£'m	**162.2**	**73%**	166.2	74%	**(2.4%)**
Paris						
Local currency	€'m	**51.3**		50.5		**1.5%**
Paris in GBP	£'m	**43.7**	**19%**	43.9	20%	**(0.5%)**
Expansion Markets						
Local currency	€'m	**20.6**		16.0		**29.0%**
Expansion Markets in GBP	£'m	**17.5**	**8%**	14.2	6%	**23.2%**
Average exchange rate	€:£	**1.173**		1.149		**2.5%**
Total revenue		**223.4**	**100%**	224.2	100%	**(0.3%)**

The Group's reported revenue decreased by 0.3% or £0.8 million during the year. LFL revenue at CER was flat.

Total revenue in FY 2023 included £2.2 million of Insurance Premium Tax ("IPT") relating to customer goods insurance which was not repeated in FY 2024 due to changes in the nature of the protection for liability for loss and damage offered to customers storing goods with us. This amount has been excluded from like-for-like revenue figures to better reflect underlying performance.

Average rental rates for the Group on a LFL CER basis increased by 0.2% to £30.51 (FY 2023: £30.46) coupled with a decrease in average occupancy of 0.5ppts to 78.8% (FY 2023: 79.3%).

In the UK, LFL revenue decreased by £1.9 million or 1.2%. This was driven by a 1.8% decrease in the average occupancy together with a decrease in average store rate of 0.6%.

In addition, new stores and developments in the UK contributed an additional £2.1 million of revenue in the year.

In Paris, revenue increased by €0.8 million or 1.5%. There was an increase in the average rental rate in Paris to €42.28 for the period, an increase of 0.5% on €42.05 in FY 2023.

The performance of Spain, the Netherlands and Belgium has been presented together as Expansion Markets, reflecting both their combined scale and their common strategic focus on providing expansion opportunities for the Group.

Overall, they delivered 12.9% LFL revenue growth in FY 2024 with positive momentum in all three markets. Total revenue, including the benefit of new stores, increased 29.0% year on year to €20.6 million.

Analysis of cost base

On a like-for-like CER basis, adjusting for new stores, total costs increased by 8.7% from £62.9 million for FY 2023 to £68.3 million for FY 2024.

Cost of sales

	2024 £'m	2023 £'m
Volume related including bad debt	**5.6**	3.6
Store employee and related	**22.5**	21.8
Marketing	**8.8**	8.3
Business rates	**16.2**	14.6
Facilities and premises insurance	**15.2**	14.6
Underlying cost of sales (Like-for-like; CER)	**68.3**	62.9
New stores and developments	**4.0**	2.7
Store Protect replacement IPT	**—**	2.2
Foreign exchange	**(0.1)**	—
Underlying costs of sales	**72.2**	67.8
Depreciation	**1.5**	1.3
Variable lease payments	**—**	0.8
Total costs of sales	**73.7**	69.9

In order to arrive at underlying cost of sales, adjustments are made to remove the impact of depreciation and variable lease payments.

Adjusting for the impact of new stores, underlying cost of sales at CER on a like-for-like basis increased by 8.7% or £5.4 million, to £68.3 million (FY 2023: £62.9 million).

Of this, volume related costs, including bad debt, increased £2.0 million, principally due to higher provisioning in France as a result of changes to non-payer management processes. Store employee costs increased by £0.8 million, led by £0.9 million higher costs in the UK as a result of increases in the National Living Wage in April 2024. Business rates were £1.6 million higher in the year as a result of CPI-linked increases and increased rateable values.

The cost of sales attributable to non-LFL stores added £1.3 million year on year.

Cost of sales in FY 2023 included £2.2 million of IPT which is not repeated in FY 2024 due to changes in the nature of the protection for liability for loss and damage offered to customers storing goods with us.

Administrative expenses

The table below reconciles reported administrative expenses to underlying administrative expenses and details the key movements in underlying administrative expenses between FY 2023 and FY 2024.

	2024 £'m	2023 £'m
Underlying administrative expenses (Like-for-like; CER)	**15.2**	13.6
New stores and developments	**0.7**	0.6
Foreign exchange	**(0.1)**	—
Underlying administrative expenses	**15.8**	14.2
Share-based payments	**0.3**	3.5
Total administrative expenses	**16.1**	17.7

In order to arrive at underlying administrative expenses, adjustments are made to remove the impact of exceptional items and share-based payments.

Underlying administrative expenses increased by 11.3% or £1.6 million to £15.8 million (FY 2023: £14.2 million). The increase primarily arose from a rise in employee and related costs.

Gain on revaluation of investment properties

A full, independent external valuation of the store portfolio is undertaken by the Group on an annual basis for year-end reporting.

As a result of this exercise, the net gain on investment properties during the year was as follows.

	2024 £'m	2023 £'m
Gain on revaluation of investment properties	**301.9**	103.5
Loss on revaluation of investment properties under construction	**—**	(0.9)
Fair value re-measurement of lease liabilities	**(9.7)**	(8.8)
Gain on revaluation of investment properties	**292.2**	93.8

The movement on investment properties reflects the increased value of the Group's store portfolio primarily as a result of an improvement in cap rates, reflecting recent market transactions in self-storage. The UK business contributed £231.7 million of the £292.2 million net revaluation gain, with a £45.0 million revaluation gain arising in Paris and a £25.2 million revaluation gain arising in Expansion Markets.

Operating profit

Reported operating profit increased by £195.4 million from £230.4 million for FY 2023 to £425.8 million for FY 2024, primarily reflecting an increase in the investment property gain offset by a £6.8 million reduction in Underlying EBITDA.

Net finance costs

Net finance costs include interest payable, interest on obligations under lease liabilities, fair value movements on derivatives, exchange gains or losses, unwinding of discounts and exceptional finance income. Net finance costs increased by £4.6 million to £27.2 million in FY 2024 (FY 2023: £22.6 million). The main driver of the increase was net bank interest payable reflecting the Group's additional borrowings to fund the Group's acquisition and development activity, higher interest rates on floating-rate borrowings and a positive variance to prior year fair value movements on derivatives.

	2024 £'m	2023 £'m
Net exchange gains	**—**	0.3
Other interest received	**0.1**	0.1
Financial instruments income	**—**	0.4
Total finance income	**0.1**	0.8
Net bank interest payable	**(27.7)**	(19.5)
Capitalised interest on developments	**7.8**	4.4
Amortisation of debt issuance costs on bank loans	**(1.6)**	(1.3)
Underlying finance costs	**(21.5)**	(16.4)
Interest on lease liabilities	**(5.8)**	(5.3)
Fair value movement on derivatives	**—**	(1.7)
Total finance costs	**(27.3)**	(23.4)
Net finance costs	**(27.2)**	(22.6)

Underlying finance charge

The underlying finance costs represent the finance expense before interest on obligations under lease liabilities, changes in fair value of derivatives and exceptional items and is disclosed because management reviews and monitors performance of the business on this basis.

The underlying finance costs (reflecting Revolving Credit Facility ("RCF") and US Private Placement Notes ("USPPs") interest costs and the amortisation of capitalised debt issuance costs) increased by £5.1 million to £21.5 million (FY 2023: £16.4 million).

Net interest on borrowings increased £8.5 million year on year due to on higher average borrowings from financing our development programme and increased interest rates on our floating-rate RCF. Partially offsetting this was a £3.4 million increase in interest capitalised on store developments.

The movement in underlying finance costs can be summarised as follows:

Non-underlying finance charge

Interest on finance leases was £5.8 million (FY 2024: £5.3 million) and reflects part of the leasehold rental payment. The balance of the leasehold payment is charged through the gain or loss on investment properties line and variable lease payments in the income statement. Overall, the leasehold rent charge increased by £0.6 million to £15.5 million in FY 2024 (FY 2023: £14.9 million). In the prior year, a net loss of £1.7 million was recognised on fair valuation of derivatives when they matured.

The Group undertakes net investment hedge accounting for its Euro denominated loan notes reflecting the natural currency hedge against Euro denominated assets.

Tax

The tax charge for the period is analysed below:

	2024 £'m	2023 £'m
Underlying current tax losses	**(4.3)**	(5.1)
Current tax charge	**(4.3)**	(5.1)
Tax on investment properties movement	**(21.7)**	(8.3)
Adjustment in respect of prior years	**1.3**	2.8
Losses in respect of current year	**(1.6)**	3.0
Deferred tax charge	**(22.0)**	(2.5)
Net tax charge	**(26.3)**	(7.6)

Income tax in the period was a net charge of £26.3 million (FY 2023: £7.6 million).

In the UK, the Group is a REIT, so the current tax charge relates to the Paris and Spain businesses. The underlying current tax charge for the period amounted to £4.3 million (FY 2023: £5.1 million).

Profit after tax

The profit after tax for the period was £372.3 million, compared with £200.2 million in FY 2023, an increase of £172.1 million which arose principally due to the increased gain on investment properties, which is explained above.

Earnings per Share

Basic EPS was 170.5 pence (FY 2023: 92.2 pence) and diluted EPS was 170.1 pence (FY 2023: 91.8 pence). As explained in note 2 to the financial statements, management considers Adjusted Diluted EPRA EPS to be more representative of the underlying EPS performance of the business.

Adjusted Diluted EPRA EPS is based on the European Public Real Estate Association's ("EPRA") definition of earnings and is defined as profit or loss for the period after tax excluding corporate transaction costs, changes in fair value of derivatives, gain/loss on the fair value of investment properties and the associated tax impacts. The Company then makes further adjustments for the impact of exceptional items, IFRS 2 share-based payment charges, exceptional tax items and deferred tax charges. This adjusted earnings figure is divided by the diluted number of shares. The IFRS 2 cost is excluded as it is written back to distributable reserves and is a non-cash item (with the exception of the associated National Insurance element). Therefore, neither the Company's ability to distribute nor pay dividends is impacted (with the exception of the associated National Insurance element). The financial statements disclose earnings on a statutory, EPRA and Adjusted Diluted EPRA basis and provide a full reconciliation of the differences in the financial year in which any Long Term Incentive Plan ("LTIP") awards may vest.

Management introduced Adjusted Diluted EPRA EPS as a measure of EPS following the implementation of the Group's LTIP schemes. Management considers that the real cost to existing shareholders from such schemes is the dilution that they will experience on the granting of shares. Therefore, Earnings per Share has been adjusted for the IFRS 2 share-based payment charge and the number of shares used in the EPS calculation has also been adjusted for the dilutive effect of the LTIP schemes.

Earnings per Share continued

Adjusted Diluted EPRA EPS for the year was 42.3 pence (FY 2023: 47.9 pence), calculated on a pro forma basis, as if the dilutive LTIP shares were in issue throughout both the current and prior years, as follows:

	2024			2023		
	Earnings £'m	**Shares million**	**Pence per share**	Earnings £'m	Shares million	Pence per share
Basic earnings						
Adjustments:	**372.3**	**218.3**	**170.5**	200.2	217.2	92.2
Gain on investment properties	**(292.2)**	**—**	**(133.9)**	(93.8)	—	(43.2)
Net exchange loss	**—**	**—**	**—**	(0.3)	—	(0.1)
Change in fair value of derivatives	**—**	**—**	**—**	1.7	—	0.8
Tax on adjustments/exceptional tax	**20.9**	**—**	**9.6**	1.4	—	0.6
Adjusted	**101.0**	**218.3**	**46.2**	109.2	217.2	50.3
EPRA adjusted:						
Fair value re-measurement of lease liabilities add-back	**(9.7)**	**—**	**(4.5)**	(8.8)	—	(4.1)
Tax on lease liabilities add-back adjustment	**1.1**	**—**	**0.5**	1.1	—	0.5
EPRA basic EPS	**92.4**	**218.3**	**42.2**	101.5	217.2	46.7
Share-based payments charge	**0.3**	**—**	**0.1**	3.5	—	1.6
Dilutive shares	**—**	**0.9**	**—**	—	1.9	(0.4)
Adjusted Diluted EPRA EPS	**92.7**	**219.2**	**42.3**	105.0	219.1	47.9

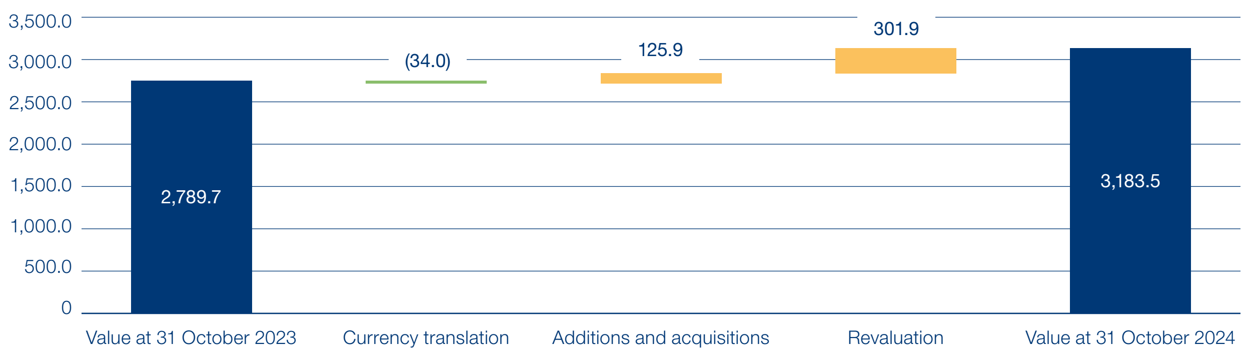
The Group has exposure to the movement in the Euro/GBP exchange rate. Based on the FY 2024 results, for a 10 cent increase to the average exchange rate of 1.173 would cause an impact of £1.7 million to Adjusted EPRA Earnings (FY 2023: £1.3 million).

Investment Properties

Cushman & Wakefield Debenham Tie Leung Limited LLP ("C&W") has valued the Group's property portfolio. As at 31 October 2024, the total value of the Group's property portfolio of open stores was £3,052.9 million (FY 2023: £2,681.1 million).

	UK £'m	Paris £'m	Expansion Markets £'m	Total IP £'m	Paris €'m	Expansion Markets €'m
Value as at 1 November 2023	1.872.2	573.9	235.0	2,681.1	657.9	269.4
Developments and Acquisitions	40.5	30.9	30.6	102.0	36.3	35.9
Disposals	—	—	—	—	—	—
Revaluation	231.7	45.0	25.2	301.9	52.8	29.5
FX		(22.7)	(9.6)	(32.3)		
Value of IP as at 31 October 2024	**2,144.4**	**627.1**	**281.3**	**3,052.8**	**747.0**	**334.8**
IP Under Construction	75.8	22.2	32.7	130.7	26.4	38.8
IP and IPUC	**2,220.2**	**649.3**	**314.0**	**3,183.5**	**773.4**	**373.6**
IP Lease Liabilities	73.1	19.1	8.4	100.6	22.7	10.1
Total as at 31 October 2024	**2,293.3**	**668.4**	**322.4**	**3,284.1**	**796.1**	**383.7**

Property valuation (£'m) (including investment properties under construction), before lease liabilities



The above tables summarise the movement in the valuations of the Group's investment property portfolio including investment properties under construction.

The Group's property portfolio valuation, including investment properties under construction, increased by £393.9 million, which includes the gain on valuation of £301.9 million and £125.9 million relating to additions and store refurbishments and foreign currency movements.

The exchange rate at 31 October 2024 was €1.191:£1 compared to €1.146:£1 at 31 October 2023. This movement in the foreign exchange rate has resulted in a £34.0 million unfavourable currency translation movement in the value of our investment properties in the year.

Valuation movement as a result of yield compression reflecting investor confidence in the sector with average freehold exit yield reducing 53bps to 5.19% in the year (FY 2023: 5.72%), partially offset by discount rates for future cash flows increasing 12bps to 8.66% in the year (FY 2023: 8.54%).

The EPRA basic NTA per share, as reconciled to IFRS net assets per share in the financial statements, was 1,091 pence at 31 October 2024, up 14.6% since 31 October 2023 (952 pence), and the IFRS reported diluted NAV per share was 1,017 pence (FY 2023: 884 pence), reflecting the £307.8 million growth in reported net assets since 31 October 2023.

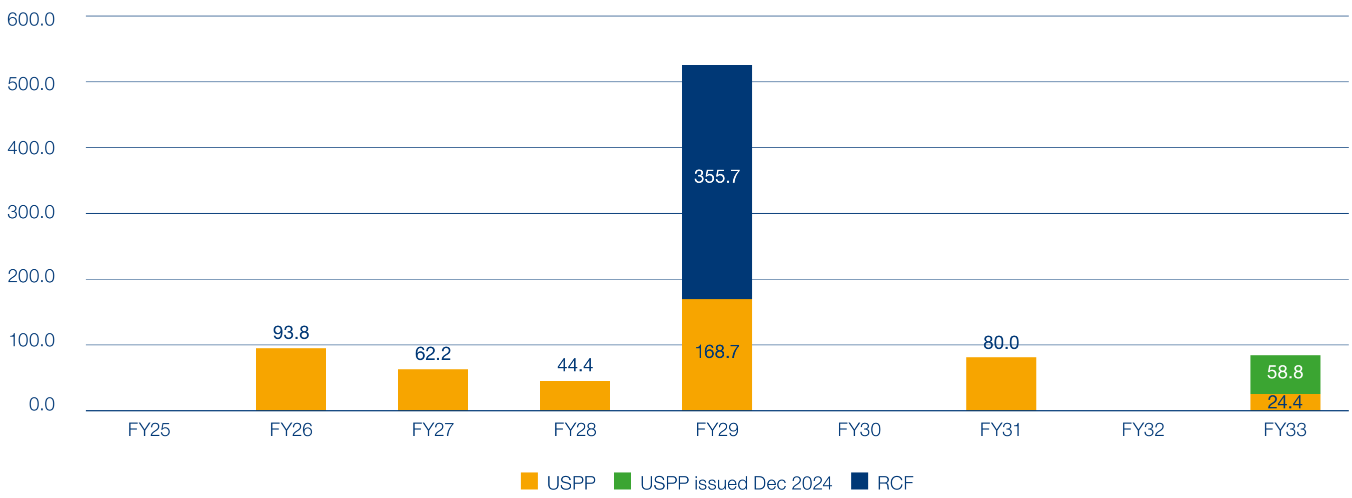
Gearing and capital structure

The Group finances its activities through a combination of equity and borrowings. As at 31 October 2024, the Group's borrowings comprise bank borrowing facilities, made up of a Revolving Credit Facility ("RCF"), together with US Private Placement Notes ("USPPs").

The drawn debt position as at 31 October 2024 is analysed as follows:

	Facility £/€'m	Fixed-rate borrowings £'m	Floating-rate borrowings £'m	Total Rate %
RCF – GBP drawn	£500.0		£249.0	6.15%
RCF – EUR drawn			£106.7	4.57%
RCF – non-utilisation		£144.3		0.42%
USPP 2026	€70.0	£58.7		1.26%
USPP 2026	£35.0	£35.0		2.59%
USPP 2027	€74.1	£62.1		2.00%
USPP 2028	£20.0	£20.0		1.96%
USPP 2028	€29.0	£24.4		0.93%
USPP 2029	£50.5	£50.5		2.92%
USPP 2029	£30.0	£30.0		2.69%
USPP 2029	€105.0	£88.1		2.45%
USPP 2031	£80.0	£80.0		2.39%
USPP 2033	€29.0	£24.4		1.42%
Unamortised finance costs	—	(£4.8)		—
Total	**973.2**	**612.7**	**355.7**	**3.96%**

The debt repayment schedule can be summarised as follows (£'m):



Gearing and capital structure continued

During the year, the Group exercised an accordion option to increase the committed facility in the RCF by £100.0 million to £500.0 million. The facility was originally for a four-year term with two one-year extension options exercisable after the first and second years of the agreement. The first of these extensions was exercised in FY 2023. The Group exercised the second one-year extension in FY 2024 with the RCF now expiring in November 2028.

As at 31 October 2024, £355.7 million of the £500.0 million RCF was drawn, split £249.0 million and €127.0 million (£106.7 million).

The Group pays interest on the RCF at an initial margin of 125bps plus SONIA or EURIBOR. The margin payable is linked to certain ESG targets, which have been met, enabling a reduction in the margin by 5bps to 120bps. In addition, the Group pays a non-utilisation fee of 0.42% on the undrawn facility balance.

USPPs are denominated in Euros and Sterling and incur fixed rates of interest.

The 2026, 2027, 2028, 2029 and 2033 USPP Notes are denominated in Euros and have interest rates of 1.26% (on €70.0 million), 2.00% (on €74.1 million), 0.93% (on €29.0 million), 2.45% (on €105.0 million) and 1.42% (on €29.0 million) respectively.

The 2026 (£35.0 million), 2028 (£20.0 million), 2029 (£50.5 million), 2029 (£30.0 million) and 2031 (£80.0 million) USPP Notes are denominated in Sterling and have interest rates of 2.59%, 1.96%, 2.92%, 2.69% and 2.39% respectively.

In the year, a €51.0 million USPP matured at the end of May 2024 and was fully repaid utilising existing facilities. Following the year end, a new USPP of €70.0 million was issued in December 2024 with a maturity in December 2032 and a fixed rate of interest of 4.03%.

As at 31 October 2024, 57% of the Group's drawn debt is at fixed rates of interest. Overall, the Group has an effective interest rate on its borrowings of 3.96% as at 31 October 2024, compared with 3.58% at the previous year end.

The Euro denominated borrowings provide a natural hedge against the Group's investment in the Paris and Expansion Markets businesses.

Net debt (including finance leases and cash) stood at £899.5 million at 31 October 2024, an increase of £89.2 million during the year, principally due to increased funding required for store acquisitions and developments.

Total capital (net debt plus equity) increased from £2,745.4 million at 31 October 2023 to £3,126.3 million at 31 October 2024. The net impact is that the gearing ratio has decreased to 28.8% at 31 October 2024 from 29.5% at 31 October 2023.

Management also measures leverage with reference to its loan-to-value ("LTV") ratio defined as net debt (excluding lease liabilities) as a proportion of the valuation of investment properties (excluding finance leases), including investment properties under construction. As at 31 October 2024, the Group LTV ratio was 25.1% compared with 25.4% at 31 October 2023.

The Board considers the current level of gearing is appropriate for the business to enable the Group to increase returns on equity, maintain financial flexibility and to achieve its medium term strategic objectives.

As at 31 October 2024, £355.7 million of the £500.0 million UK revolver was drawn. Including the USPP debt of €307.1 million (£257.8 million) and £215.5 million, the Group's borrowings totalled £829.0 million (before adjustment for unamortised finance costs). As at 31 October 2024, the weighted average remaining term for the Group's committed borrowing facilities is 4.2 years.

Following the repayment of the 2024 USPP, the Group has no other maturities until 2026 and has a weighted average term to maturity of 4.2 years.

Borrowings under the existing loan facilities are subject to certain financial covenants. The RCF and the USPPs share interest cover and LTV covenants. The interest cover requirement of a minimum of EBITDA interest of 2.4:1. Interest cover for FY 2024 was 4.3x (FY 2023: 6.7x), calculated on the basis required under our financial covenants.

The LTV covenant is 60% for the Group. As at 31 October 2024, there is significant headroom in the Group LTV covenant calculations.

Going concern

The Group is in compliance with its covenants at 31 October 2024 and, based on forecast projections (which considered a number of factors, including the current balance sheet position, the principal and emerging risks which could impact the performance of the Group, and the Group's strategic and financial plan), is expected to be in compliance and have ample liquidity for a period in excess of twelve months from the date of this report, and accordingly, this year end statement is prepared on the basis of going concern.

Cash flow

The table below sets out the cash flow of the business in FY 2024 and FY 2023.

	2024 £'m	2023 £'m
Underlying EBITDA	**135.4**	142.2
Working capital/exceptionals/other	**(2.3)**	(13.0)
Adjusted operating cash inflow	**133.1**	129.2
Interest payments	**(25.3)**	(19.6)
Leasehold payments	**(15.5)**	(14.9)
Tax payments	**(6.1)**	(5.5)
Free cash flow (before investing and financing activities)	**86.2**	89.2
Investment in associates	**(2.5)**	(2.3)
Capital expenditure – investment properties	**(118.3)**	(119.0)
Capital expenditure – property, plant and equipment	**(1.8)**	(2.9)
Adjusted net cash flow after investing activities	**(36.4)**	(35.0)
Issues of share capital	**0.7**	0.2
Dividends paid	**(65.9)**	(65.9)
Net drawdown of borrowings	**111.6**	101.3
Financial instruments	**—**	0.4
Debt issuance costs	**(1.3)**	(4.9)
Net increase/(decrease) in cash	**8.7**	(3.9)

Note:
Free cash flow is a non-GAAP measure, defined as cash flow before investing and financing activities but after leasehold rent payments.

Adjusted operating cash flow increased by £4.2 million in the year.

Interest payments increased compared to the prior year as a result of the increased interest charge associated with the additional borrowings to fund the capital expenditure on new stores. With small increases in leasehold and tax payments, free cash flow was broadly stable year on year at £86.2 million (FY 2023: £89.2 million).

In the year, we invested £122.6 million (FY 2023: net outflow of £124.2 million) on capital expenditure, principally on the development of new stores.

Dividends paid to shareholders were £65.9 million in FY 2024 (£65.9 million in FY 2023), and the Group drew a net £111.6 million of borrowings, primarily to finance capital expenditure.

Cash flow continued

The first table below reconciles free cash flow (before investing and financing activities) in the table above to net cash inflow from operating activities in the consolidated cash flow statement. The second table below reconciles adjusted net cash flow after investing activities in the table above to the consolidated cash flow statement.

	2024 £'m	2023 £'m
Free cash flow (before investing and financing activities)	**86.2**	89.2
Add-back: finance lease principal payments	**9.7**	8.8
Net cash inflow from operating activities	**95.9**	98.0

	2024 £'m	2023 £'m
From table above:		
Adjusted net cash flow after investing activities	**(36.4)**	(35.0)
Add-back: finance lease principal payments	**9.7**	8.8
Net cash outflow after investing activities	**(26.7)**	(26.2)
From consolidated cash flow:		
Net cash inflow from operating activities	**95.9**	98.0
Net cash outflow from investing activities	**(122.6)**	(124.2)
Net cash outflow after investing activities	**(26.7)**	(26.2)

Dividends

The Directors are recommending a final dividend of 20.4 pence per share (FY 2023: 20.2 pence per share) which shareholders will be asked to approve at the Company's Annual General Meeting on 19 March 2025. If approved by shareholders, the final dividend will be payable on 15 April 2025 to shareholders on the register at close of business on 13 March 2025. Reflective of the continued strong cash generation and positive outlook for the Group's long term prospects, the Group's full year dividend of 30.40 pence per share is 1.0% up on the prior year dividend of 30.10 pence per share. The Property Income Distribution ("PID") element of the full year dividend is 17.60 pence per share (FY 2023: 17.62 pence per share).

The strategic report, including pages 6 to 77, was approved by a duly authorised Committee of the Board of Directors on 15 January 2025 and signed om its behalf by:

Simon Clinton
Chief Financial Officer
15 January 2025

Engaging with our stakeholders and our Section 172(1) statement

Our purpose:

To add stakeholder value by developing profitable and sustainable spaces that allow individuals, businesses, and local communities to thrive.

Building and maintaining effective dialogue with stakeholders help inform the Board's decision-making process and enable it to create value in the long term. The Board emphasises to management, the importance of continued engagement with our key stakeholders. Engagement is led either directly through the Board and its Committees or by management. Not all information is reported directly to the Board, as the Board delegates authority to the CEO and management for certain engagement activities and receives regular stakeholder updates at Board meetings.

Our people

How we engage

We actively foster an open and collaborative environment for our people and prioritise their wellbeing and interests. We engage with our colleagues through a number of mechanisms, including our 'Make the Difference' people forum launched in 2018 which is a formal workforce advisory panel. Directors receive a Health, Safety and Wellbeing report at each Board meeting.

What they tell us matters to them

- Cost of living
- Training and development opportunities
- Reward and recognition initiatives
- Health and wellbeing and a safe working environment
- Open and honest communication
- Equality, diversity and inclusion

Outcomes

We are exceptionally proud that our commitment to colleagues was recognised externally in 2021 and again in 2024 by the award of the prestigious Investors in People ("IIP") Platinum accreditation. We were also shortlisted for the Platinum Employer of the Year award in 2024.

In 2024, the group introduced Quentic analytics. The Group can now track Lost Time Incident Frequency Rate ("LTIFR") with greater accuracy. Tracking LTIFR is useful for drawing conclusions about the factors which contribute to lost productivity and aid in the determination of adequate injury prevention.

Our customers

How we engage

We engage with customers in a creative and consistent way across various communication channels. We receive their feedback through face-to-face communication in store, directly through our Customer Support Centre, and online via our website, email, and social media channels. We invest in customer service training, tools, coaching and valuation to provide a service that is professional, efficient, and helpful.

What they tell us matters to them

- Understanding customer needs and using our expertise to identify the right solution to meet those needs
- Knowing that customers' belongings are stored safely and securely
- Great customer service
- Reliable communications channels
- Flexibility

Outcomes

Positive ratings on all relevant customer service rating platforms:

- UK: 4.9 Google; 4.7 Trustpilot; 4.8 Feefo
- France: 4.7 Google; 4.6 Trustpilot
- The Netherlands: 4.8 Google; 4.9 Trustpilot
- Spain: 4.9 Google
- Belgium: 4.7 Google

Our shareholders and investors

How we engage

Safestore recognises the importance of engaging with our investors and shareholders and values the input they have into the long term success of the Company. Our Chairman and SID are accessible to shareholders and engage with our largest institutional shareholders to discuss governance, strategy, and other significant matters. Our CEO and CFO regularly engage with all shareholders and provide more insight to the Company's strategic direction and performance.

What they tell us matters to them

- Delivering on our commitment to an embedded and appropriate remuneration structure which drives growth and rewards performance, within the confines of best practice
- Strong financial performance and returns
- Clear strategy and transparency on the Company's performance
- Strong leadership and a strong reputation for high standards of business conduct
- Progress against our ESG targets

Outcomes

Through the Remuneration Committee, the Board engaged with over 150 contacts from the largest institutional investors in Safestore Holdings plc in relation to the implementation of the Remuneration Policy approved by shareholders at the Company's General Meeting in 2023. The Board, the Chairman and Chair of the Remuneration Committee met with a number of investors to discuss any questions they might have. Discussion included changes to CEO and CFO remuneration packages and the 2024 LTIP EPS performance targets.

Our partners

How we engage
The Executive Team fosters strong relationships with our business partners, including joint venture partners, our landlords at our leasehold sites, our contractors and our suppliers of goods and services. Management holds regular meetings with our JV partners and quarterly meetings with our construction management partner and supplier forums are held bi-annually to facilitate an open exchange of feedback.

What they tell us matters to them
- Building strong relationships
- Maintaining sustainable business practices
- Our current and future financial performance
- Our operational excellence
- Clear communication, fair engagement and prompt payment
- Corporate governance, including Know Your Customer and Anti-Money Laundering

Outcomes
On 24 December 2024, the Company announced its new joint venture with Nuveen as part of the EasyBox acquisition. The Board recognises the importance of a strong relationship with all of our JV partners and wished to mirror the success the business has had with other JV partners in Germany, the Netherlands and Belgium.

Furthermore, we continue to work with all of our suppliers and partners on key ESG focus areas, including:

- responsible sourcing;
- carbon footprint; and
- waste management.

Our communities

How we engage
Location is fundamental to the success of Safestore stores and the Company is committed to making a positive contribution to our local communities.

We seek to deliver long term benefits to our local communities and be part of a thriving local economy.

Our Sustainable Development Goals and sustainability strategy are developed with our communities at its heart.

What they tell us matters to them
- Minimal negative impact and local disruption to the community from our business operations
- Creating local employment opportunities, both directly and from our suppliers and customers
- Supporting local community projects and charities

Outcomes
We provide fundraising support to existing and new local charity partners; for example, for the twelfth year in a row, Safestore UK teamed up with the WrapUp London campaign to support its annual coat drive to help those in need during the winter of 2023/24, and during December our Head Office colleagues supported a collection for a local food bank.

We continue to offer subsidised storage space to local communities through our ‘charity room in every store’ scheme and actively seek out practical and creative solutions by working with and supporting a number of charitable causes.

Our environment

How we engage
Safestore has a long-standing commitment to provide both a long term sustainable investment and a pleasant and safe environment for our customers, colleagues and other stakeholders.

What they tell us matters to them
- We receive feedback from various stakeholders on what environmentally sustainable business practices mean to them
- Awareness of the environmental impact of our activities and positive actions to mitigate these
- Reducing our carbon footprint by decreasing absolute emissions, energy usage, water consumption and waste

Outcomes
- Green electricity used across the Group with certification for the UK, France, the Netherlands, Spain, and Belgium
- 100% diversion from landfill for UK operational waste
- 38 UK stores now have gas use removed, reducing overall usage year on year by over 15%
- Our company-owned fleet is now predominantly fuelled by Petrol PHEV
- 100% first UK store development with all construction waste diverted from landfill
- 480 equivalent number of trees saved from being felled by using fully recycled paper

s172 statement

The Board believes that, at all times, the Directors of the Company acted in a way that they considered, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so had regard to the matters set out in s172(1) (a) to (f) ("s172 Matters"). In accordance with s414CZA of the Companies Act 2006, the below provides examples of principal decisions made during the year and describes how the Directors had regard for the s172 Matters:

Principal decision	Background	Regard for s172 matters
Implementation of Remuneration Policy	As part of the approval of our Remuneration Policy at the General Meeting of 12 July 2023, the Remuneration Committee pledged to move Executive Directors to a more conventional remuneration package over the three-year policy term consisting of a competitive salary, pension contribution rates in line with the wider workforce, and incentive awards (annual bonus and LTIP), each at levels within the market range for the respective role. The Board, led by the Chairman and Remuneration Committee Chair, engaged with over 150 contacts from the largest institutional investors to garner their thoughts on the proposed approach.	Guided by advisers, best practice and shareholder sentiment, as well as factors including the retirement of Andy Jones as Chief Financial Officer, the Committee elected to accelerate the adjustment process for the CEO's remuneration package over a two-year period and address the anomaly that the CEO's salary was 25% below the FTSE 250 median. In order to achieve this normalisation over a phased period, the Executive Directors' salary increases would need to be significantly higher than that of the workforce, offset by a corresponding reduction in the annual LTIP award. It was determined that a two-step rebalancing process will occur over 2024 and 2025 for the CEO. A phased approach was not required for the incoming CFO as the remuneration package was aligned with the desired market at appointment. The Board was cognisant of the sentiment of the wider workforce and recognised challenges faced by our people due to higher costs of living. As such the Committee recommended that UK Head Office staff receive an average pay increase of 5.2%, with Sales Consultants receiving an 8.5% increase, as well as above inflation pay rises in France, Spain and the Netherlands, with Belgium having already benefited from an increase earlier in the year as part of the Collective Agreement.
Appointment of CFO	In September 2023, the Company announced that Andy Jones had notified the Board of his intention to retire from his role as Chief Financial Officer and as a director of the Company. Andy joined Safestore in May 2013 and for over ten years was instrumental in helping deliver the Company's strategy, significantly expanding its store portfolio and entering four additional geographies. The Board, with the support of the Nomination Committee, recognised the importance of finding the right candidate to replace Andy as Chief Financial Officer to continue to deliver the Group strategy.	The Board recognised the importance of finding the right candidate that could foster the best relationship possible with the Company's stakeholders. In considering a wide array and diverse range of candidates, the Nomination Committee considered how any appointment would most likely promote the success of the Company for the benefit of its members as a whole. The Committee was cognisant of the impact a new Chief Financial Officer could have on the Company's operations, and the importance of the relationship with suppliers, customers and the Company's employees. In making its selection, the Board had due regard for the reputation of the Company for high standards of professionalism and business conduct. The Committee designed a robust and personalised induction programme to ensure the new appointment would be best positioned to succeed, had a strong grasp of the Company's culture and understood the sentiment of the Company's investors. In February 2024, the Board announced that Simon Clinton was to become the Company's new Chief Financial Officer. Simon brought with him a wealth of experience across the real estate, retail and consumer sectors.
EasyBox acquisition	Throughout the second half of the financial year, the Company explored the opportunity to acquire EasyBox Self-Storage in Italy through a joint venture with Nuveen Real Estate. On 24 December 2024, the Board announced that the €175 million acquisition, comprising a portfolio of ten complete stores and two turn-key developments across Italy's main economic centres, had been completed.	As part of its commitment to shareholders, to deliver the strategic aim of expanding the Company's portfolio into attractive new geographies, the Board was keen to pursue the venture into the Italian market. The Board emphasised the importance of engagement with our new colleagues and working with business partners and existing suppliers to understand the business and operations in the new jurisdiction. The business has engaged with employee works councils of EasyBox to ensure a smooth transition for our new colleagues and are in the process of migrating customers and existing processes into the Safestore platform, in order to deliver the same high standards across our Group.

Principal risks and uncertainties

The principal risks and uncertainties described could have potentially the most significant effect on Safestore's strategic objectives.

The key strategic and operational risks are monitored by the Board and are defined as those which could prevent us from achieving our business goals. Our current strategic and operational risks and key mitigating actions are as follows:

Risk	Current mitigation activities	Developments since 2023
Strategic risks The Group develops business plans based on a wide range of variables. Incorrect assumptions about the economic environment or the self-storage market or changes in the needs or activities of customers may adversely affect the returns achieved by the Group, potentially resulting in loss of shareholder value or loss of the Group's status as the UK's largest self-storage provider.	• The strategy development process draws on internal and external analysis of the self-storage market, emerging customer trends and a range of other factors. • Continuing focus on yield management with regular review of demand levels and pricing at each individual store. • Continuing focus on building the Safestore brand through acquisitions and development projects. • The portfolio is geographically diversified with performance monitoring covering personal and business customers by segments. • Detailed and comprehensive sensitivity and scenario modelling taking into consideration variable assumptions. • Monitoring of key data points helping to understand and minimise uncertainty around the economic environment.	The Group's strategy is regularly reviewed through the annual planning and budgeting process, and regular reforecasts are prepared during the year. The acquisition of new stores together with new store openings have been fully integrated in the Group's store portfolio. The current macroeconomic conditions, following a period of elevated inflation and interest rates and with ongoing cost pressures on businesses and consumers, have continued to impact growth. The level of risk is considered unchanged from the 31 October 2023 assessment.
Finance risk Lack of funding resulting in an inability to meet business plans, satisfy liabilities or a breach of covenants.	• Funding requirements for business plans and the timing for commitments are reviewed regularly as part of the monthly management accounts. • The Group manages liquidity in accordance with Board-approved policies designed to ensure that the Group has adequate funds for its ongoing needs. • The Board regularly monitors financial covenant ratios and headroom. • The Group's RCF now runs to 30 November 2028. The US Private Placement Notes have staggered maturities between 2026 and 2033.	In the past few years, there have been significant opportunities to invest in new stores, in both the UK and throughout Europe. The Group exercised its option to increase the size of its RCF by £100 million to a total of £500 million. In addition, the term of the facility was increased by one year to 2028 through the exercise of the remaining extension option. Following year end the Group issued a new €70 million USPP, demonstrating continued access to financing. The Group's loan-to-value ratio ("LTV") has broadly remained constant during 2024 at 25.1% compared to 25.4% at the prior financial year end. Therefore, this risk remains broadly unchanged from the 31 October 2023 assessment.
Treasury risk Adverse currency or interest rate movements could see the cost of debt rise, or impact the Sterling value of income flows or investments.	• The Group enters into interest rate hedging to limit exposure to floating rate risks where appropriate. • Foreign currency denominated assets are financed by borrowings in the same currency where appropriate.	Euro denominated borrowings continue to provide an effective, natural currency hedge against the net assets and income of our Euro denominated businesses. At year end 58% of the Group's debt is at fixed rates or has been hedged, removing much of the volatility of interest rate fluctuations as we move into 2025. Therefore, this risk remains broadly unchanged from the 31 October 2023 assessment.

Risk	Current mitigation activities	Developments since 2023
Property investment and development risk Suitable new sites may become more difficult to find, with new sites failing to achieve the required occupancy and therefore deliver the required sales and profitability within an acceptable timeframe. Acquisition and development of properties that fail to meet performance expectations, overexposure to developments within a short timeframe or the inability to find and open new stores may have an adverse impact on the portfolio valuation, resulting in loss of shareholder value. Corporate transactions may be at risk of competition referral or post-transaction legal or banking formalities. Building cost inflation makes it difficult to estimate accurate cost assumptions when considering new investments and developments.	• Large portfolio of potential new sites, prioritised based on detailed research into areas most likely to be successful. • Thorough due diligence is conducted and detailed analysis is undertaken prior to Board approval for property investment and development. • Where appropriate, the Group executes targeted acquisitions and disposals. • Strong operational knowledge and experience in integrating new sites. • The Group's overall exposure to development projects is monitored and controlled, with projects phased to avoid over-commitment. • The performance of individual properties is benchmarked against target returns and post-investment reviews are undertaken. • Development activity on a site-by-site basis with limited scale of each project reducing risk through diversification of capital deployment.	Projects are not pursued when they fail to meet our rigorous investment criteria, and post-investment reviews continue to indicate that sound and appropriate investment decisions have been made. The capital requirements of development projects undertaken during the year have been carefully forecasted and monitored, and we continue to maintain capacity within our financing arrangements. We continue to pursue investment and development opportunities, and consider our recent track record to have been successful. This risk is broadly unchanged from the 31 October 2023 assessment.
Valuation risk Value of our properties declining as a result of external market or internal management factors could result in a breach of borrowing covenants. In the absence of relevant transactional evidence, valuations can be inherently subjective leading to a degree of uncertainty.	• Independent valuations are conducted regularly by experienced, independent, professionally qualified valuers. • A diversified portfolio which is let to a large number of customers helps to mitigate any negative impact arising from changing conditions in the financial and property markets. • Significant headroom of borrowings for LTV is maintained and continuously monitored.	The valuation of the Group's portfolio has continued to grow during the year, reflecting valuation gains arising from the increasing underlying profitability of our portfolio, additions to our portfolio through new developments and the continued strong market demand for well-located self-storage assets. However, current economic pressures which impact on consumer and business spending may impact the self-storage market. Therefore, the key assumptions that underpin the investment property valuation are inherently subject to volatility. There has been no significant change to this risk since the 31 October 2023 assessment.
Occupancy risk A potential loss of income and increased vacancy due to falling demand, oversupply or customer default, which could also adversely impact the portfolio valuation.	• Personal and business customers cover a wide range of segments, sectors and geographic territories with limited exposure to any single customer. • Dedicated support for enquiry capture. • Weekly monitoring of occupancy levels and close management of stores. • Management of pricing to stimulate demand, when appropriate. • Monitoring of reasons for customers vacating and exit interviews conducted. • Independent customer feedback facilities closely reviewed.	With the economic outlook remaining uncertain, this may lead to pressure on occupancy in the next year. Growth in our store portfolio including to new geographies diversifies the potential impact of underperformance of an individual store but does not fully mitigate the risk. There has been no significant change to this risk since the 31 October 2023 assessment.

Principal risks and uncertainties continued

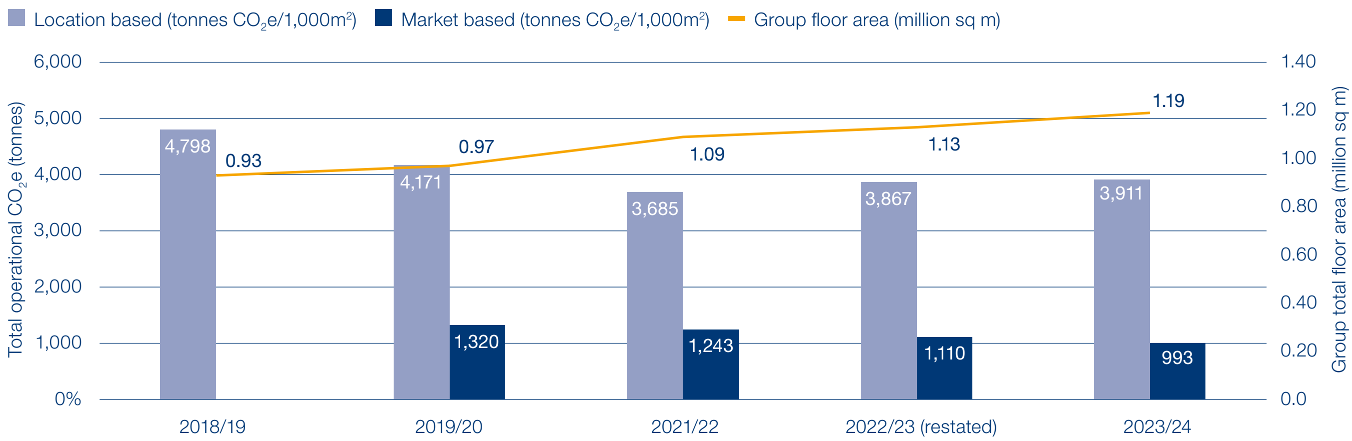
Risk	Current mitigation activities	Developments since 2023
Operational Risks from running a large property portfolio including fire, health and safety, and extreme weather. A major event could mean that the Group is unable to carry out its business for a sustained period or health and safety issues put customers, staff or property at risk. These may result in reputational damage, injury or property damage, or customer compensation, causing a loss of market share and/or income.	• Business continuity plans are in place and tested. • Back-up systems at offsite locations and remote working capabilities. • Reviews and assessments are undertaken periodically for enhancements to supplement the existing compliant aspects of buildings and processes. • Monitoring and review by the Health and Safety Committee. • Robust operational procedures, including health and safety policies, and a specific focus on fire prevention and safety procedures. • Fire risk assessments in stores. • Periodic security review of all systems supported by external monitoring. • Online colleague training modules. • Fire Brigade primary authority relationship in place.	Introduction of a Group-wide health and safety platform to monitor all incidents and to enable proactive prevention. Continuing focus from the Risk Committee, with particular attention to specific issues. The level of risk is considered similar to the 31 October 2023 assessment.
Regulatory compliance risk The regulatory landscape for UK-listed companies is constantly developing and becoming more demanding, with new reporting and compliance requirements arising frequently. Non-compliance with these regulations can lead to penalties, fines or reputational damage. Failure to comply with the REIT legislation could expose the Group to potential tax penalties or loss of its REIT status. The Group is also subject to the risk of compulsory purchases of property, which could result in a loss of income and impact the portfolio valuation.	• Monitoring and review by the Risk Committee. • Project-specific steering committees to address the implementation of new regulatory requirements. • Liaison with relevant authorities and trade associations. • Legal and professional advice. • Online colleague and new recruit training modules. • Internal monitoring procedures are in place to ensure that the appropriate REIT rules and legislation are complied with and this is formally reported to the Board. • Where a store is at risk of compulsory purchase, contingency plans are developed.	All regulatory compliance risks have been monitored during the year. The Group's tax obligations are regularly reviewed, ensuring key tax risks are in line with the Group's tax strategy. HMRC triennial review confirmed the Group's low risk rating for a further three years. The level of risk is considered similar to the 31 October 2023 assessment.
Marketing risk Our marketing strategy is critical to the success of the business. This includes maintaining web leadership and our relationship with Google. A lack of effective strategy would result in loss of income and market share and adversely impact the portfolio valuation.	• Constant measuring and monitoring of our web presence and ensuring compliance with rules and regulations. • Market-leading digital platform. • Use of online techniques to drive brand visibility. • Our pricing strategy monitors and adapts to evolving customer behaviour.	We continue to build functional expertise at Group level in performance marketing, organic and local searches and analytics. The Group marketing forum continues to review performance, market developments and our ongoing improvement plan. The level of risk is considered similar to the 31 October 2023 assessment.

Risk	Current mitigation activities	Developments since 2023
IT security Cyber-attacks and data security breaches are becoming more prominent and sophisticated. This has the potential to result in reputational damage, fines or customer compensation, causing a loss of market share and income.	• Constant monitoring by the IT department and consultation with specialist advice firms ensure we have the most up-to-date security available. • Twice yearly formal IT security review by the Group Audit Committee. • We minimise the retention of customer and colleague data in accordance with GDPR best practice. • IT policies and procedures, including regular user awareness campaigns, are under constant review and benchmarked against industry best practice. • IT systems backed up locally, air-gapped to tape, and held offsite.	During 2023 and continuing into 2024, the Group continued to invest in digital security. Some of the changes include continuous vulnerability testing of internet facing systems, adding components such as anti-ransomware as well as the regular upgrade of components such as firewalls to the latest technology and specifications. The risk is not considered to have increased for the Group nor is the Group considered to be at a greater risk than the wider industry; however, we consider that digital threats on the whole are increasing. The level of risk is considered similar to the 31 October 2023 assessment.
Brand and Reputational risk Our reputation, with Safestore's growth and the increased awareness of self-storage, including increased demand driving higher prices, may potentially attract greater social media attention and scrutiny.	• Constant involvement by the Retail Service team to engage with customers and address their concerns. • Constant training of the store teams to provide a clear and concise communication strategy to customers. • Our understanding of and engagement with all our stakeholders enable early visibility and identification of stakeholder dissatisfaction.	The Retail Service function always engages with customers to resolve any issues or complaints. Our sustainability report on pages 42 to 77 of our Annual Report provides insight into how we engage with our customers and the community. The level of risk is considered similar to the 31 October 2023 assessment.
Geographical expansion The Group has invested in expanding the overseas operations of the business through both subsidiaries and joint ventures over recent years. Returns and asset values from such investments may be impacted by local market, customer, regulatory or fiscal factors.	• Large portfolio of potential new sites, prioritised based on detailed research into areas most likely to be successful. • Strong operational knowledge and experience in integrating new business. • We have well documented procedures for the integration of new acquisitions and a good track record of recent success. • Centralised operational processes for marketing, pricing and site management enabling Group expertise to be applied.	The level of risk is considered similar to the 31 October 2023 assessment.
Human Resource Risk Fundamental to the Group's success are our people. As such, due to market competitiveness and cost-of-living increases we are exposed to a risk of colleague turnover, and subsequent loss of key personnel and knowledge.	• The Group has an efficient, high performing and stable management team in place. Our retention strategy aims to ensure we achieve long term engagement, through a combination of motivating factors. • We continue to consult regularly with our management team and monitor involuntary turnover. We maintain adequate succession for our key talent. • The Board and Remuneration Committee regularly review colleague feedback provided through surveys, our workforce advisory panel and CEO town hall events. These mechanisms enable colleagues to raise questions, discuss wider business issues and provide feedback on subjects including workforce remuneration. • In 2024, Safestore received the Investors in People Platinum Accreditation for the second time. This demonstrates that our colleagues are happy, healthy, safe and engaged in supporting Safestore to deliver sustainable business performance.	The level of risk is considered similar to the 31 October 2023 assessment.

Principal risks and uncertainties continued

Risk	Current mitigation activities	Developments since 2023
Climate change related risk The Group could be exposed to physical and transition risks as a result of climate change. Climate change physical risks could affect the Group's stores and may result in higher repair and maintenance costs and insurance costs. Failing to transition to a low carbon economy may cause an increase in taxation, decrease in access to loan facilities and reputational damage.	• The good working order of our stores is of critical importance to our business model with our commitment to provide long term sustainable real estate investment. • Physical climate risk of new developments is evaluated as part of the investment appraisal process for new developments. • We have a regular programme of store inspection, with our maintenance teams following sustainable principles and, wherever practicable, using materials that have recycled content or are from sustainable sources. • If we choose to develop a store in a high risk area, we proactively deploy flood mitigation measures. • We are committed to building to a minimum standard of BREEAM 'Very Good' or equivalent on all of our new store developments. • All new store developments are registered with the Considerate Constructors Scheme, which considers the public, the workforce and the environment.	As part of our journey to enhance our disclosures along the recommendations of the TCFD, the Group is continuing to develop its understanding of its exposure and vulnerability to climate change risk and the direct impact on the business. The Group has identified that the exposure and vulnerability will be isolated to specific areas of the business, such as a specific store potentially flooding rather than a multiple store event. Further, our Sustainability Committee, with representation from across the business, assesses the impact of climate change related risks and is working with the Board and its suppliers to develop an ambitious plan to reduce carbon emissions, where the Group has committed to be operationally carbon neutral by 2035, requiring an investment to achieve carbon neutrality of around £3 million. Our investment appraisal process has been updated to consider climate change related risks of new investments and will continue to evolve as we continue on the climate-related disclosures journey. The level of risk is considered similar to the 31 October 2023 assessment.

Our GHG emissions and intensity since 2018/2019



Non-financial and sustainability information statement

We comply with the non-financial reporting requirements contained in Sections 414CA and 414CB of the Companies Act 2006. The below table, and information it refers to, is intended to help stakeholders understand our position on key non-financial matters.

Reporting requirement	Some of our relevant policies	Where to read more about our policies
Environmental matters		The Company's sustainability strategy has as one of its four pillars to mitigate the environmental effects of its activities to reduce its carbon footprint, improve recycling, reduce reliance on packaging, minimise waste and improve efficiencies on finite natural resources in all parts of the Company's operations. How the Company seeks to implement its sustainability strategy is set out in the Our Environment section on pages 59 to 69 of the sustainability report. The Company's approach to environmental matters is overseen by the Company's sustainability leadership team.
Employees	• Code of conduct (page 86) • Equality, diversity and inclusion policy (page 48) • Bullying and harassment policy • Disciplinary and grievance policies • Health and safety manual (page 50)	The pivotal role of our colleagues is reported within the Our People section of the sustainability report on pages 47 to 52 and within the Chief Executive's statement on pages 8 to 19. Further commentary for individual policies is set out on the pages as detailed in the previous column and/or on the Company's website. These policies are made available to all colleagues within the Company's Colleague Handbook, an internal document available to all colleagues on the Company's intranet. The Company's approach to pay fairness throughout the Group is set out on pages 102 to 104 of the Directors' remuneration report.
Human rights	• Code of conduct (page 86) • Equality, diversity and inclusion policy (page 48) • Data privacy policies • Anti-slavery statement • Whistleblowing ('Speak Out') policy (page 86) • IT policy	Further commentary for individual policies is set out on the pages as detailed in the previous column and/or on the Company's website. These policies are monitored as part of our risk management processes, overseen by the Audit Committee.
Social matters		The Company's approach to social matters is set out in the our community section on pages 56 to 58 of the sustainability report. The Company's approach to social matters is set out in the Company's Colleague Handbook and Operations Manual, which are internal documents available to all colleagues on the Company's intranet. The Company's approach to social matters is overseen by the Company's sustainability leadership team.
Anti-corruption and anti-bribery	• Anti-corruption and bribery statement and policy (page 86) • Gifts, tips and hospitality policy (page 86)	Further commentary for individual policies is set out on the pages detailed in the previous column. These policies are monitored as part of our risk management processes, overseen by the Audit Committee.
Description of principal risks and impact on business activity	• Risk overview (pages 34 to 38 of the strategic report)	The Company's approach to risk management and internal control is set out in the governance report on page 85.
Description of the business model		The Company's market and business model are reported on pages 14 to 16 in the Chief Executive's review of the strategic report.
Non-financial key performance indicators		Non-financial KPIs are summarised in the Chief Executive's statement and reported in the financial highlights section of page 2; within the trading performance section of the strategic report on pages 17 and 18; as well as in the sustainability report on page 46.

Certain Group policies and internal standards and guidelines are not published externally, but are available to all colleagues on the Company's intranet and publicly within the governance section of the Company's website.

Viability statement

The Corporate Governance Code requires that the Directors have considered the viability of the Group over an appropriate period of time selected by them, declaring whether we believe the Group can continue to operate and meet its liabilities, taking into account its current position and principal risks. In assessing viability, the Board considered a number of key factors, including our strategy (see page 9), our business model (see pages 16 and 17), our risk appetite and our principal risks and uncertainties (see pages 34 to 38 of the strategic report).

The Board is required to assess the Group's viability over a period greater than twelve months, and, in keeping with the way that the Board views the development of our business over the long term, a period of three years is considered appropriate, and is consistent with the timeframes incorporated into the Group's strategic planning cycle, with the review considering the Group's cash flows, dividend cover, REIT compliance, financial covenants and other key financial performance metrics over the period. Our assessment of viability therefore continues to align with this three-year outlook.

In assessing viability, the Directors considered the position presented in the budget and three-year outlook recently approved by the Board. In the context of the current environment, two plausible downside sensitivities were applied to the plan, including a stress test scenario. These were based on the potential financial impact of the Group's principal risks and uncertainties set out on pages 34 to 38. These scenarios are differentiated by the impact of lower demand levels, lower average rate growth and what level of cost savings is reasonable, which can be summarised as follows:

- Base scenario – three-year plan as approved by the Board.
- Downside scenario – which assumes a flat LFL revenue growth alongside reduction in certain Head Office costs which are a direct correlation to and would naturally flow from a lower revenue.
- Stress Test Scenario – representing a reverse stress test to model what would be required to breach ICR and LTV covenants which indicated highly improbable changes would be needed before any issues were to arise.

As at 31 October 2024 the Group has US Private Placement Notes ("USPPs") of €307.1 million (FY 2023: €358 million) which have maturities between 2026 and 2033 with fixed-rate coupons of between 0.93% and 1.59%% and £212.5 million (FY 2023: £212.5 million) which have maturities between 2026 and 2031 with fixed-rate coupons of between 1.96% and 2.92%. The weighted average cost of interest on the overall USPPs at 31 October 2024 was 2.16% per annum. In addition the Group has arranged a Revolving Credit Facility ("RCF") with its relationship banks. In the financial year, the facility was extended by £100 million to £500 million and the maturity was extended by one year to November 2028. The RCF attracts a margin over SONIA/EURIBOR of between 1.25% and 2.50%, by reference to the Group's performance against its interest cover covenant.

The impact of the above scenarios and sensitivities has been reviewed against the Group's projected cash flow position and financial covenants over the three-year viability period. Should any of these scenarios occur, clear mitigating actions are available to ensure that the Group remains liquid and financially viable. Such mitigating actions available include, but are not limited to, reducing planned capital and marketing spend, pay and recruitment measures, making technology and operating expenditure cuts.

The Audit Committee reviews the output of the viability assessment in advance of final evaluation by the Board. The Directors have also satisfied themselves that they have the evidence necessary to support the statement in terms of the effectiveness of the internal control environment in place to mitigate risk.

Having reviewed the current performance, forecasts, debt servicing requirements, total facilities and risks, the Board has a reasonable expectation that the Group has adequate resources to continue in operation, meet its liabilities as they fall due, retain sufficient available cash across all three years of the assessment period and not breach any covenant under the debt facilities. The Board therefore has a reasonable expectation that the Group will remain commercially viable over the three-year period of assessment.

Compliance with Climate-related Financial Disclosures

We set out in the following section our climate-related financial disclosures consistent with the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations and recommended disclosures. The Group has complied with the requirements of LR 9.8.6(8)R by including climate-related financial disclosures consistent with the TCFD recommendations and recommended disclosures except for the following matters: metrics and targets (b) Scope 3 emissions. For Scope 3 emissions, the Group currently discloses those aspects under its operational control (categories 1, 3, 5 and 6). Upstream emissions associated with building development (category 2) may be material in a given year and, whilst we are unable to quantify them at this stage, we engage with suppliers to ensure they are taking steps to reduce their impact by using recycled content, reducing waste, minimising contractor travel, and using clean energy on site. Downstream emissions are primarily customer journeys to and from our stores (category 9). These emissions will naturally abate as consumer vehicles switch to electric propulsion powered by a clean energy grid.

The Group is compliant with the reporting requirements of the Companies Act 2006 as amended by the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

TCFD recommendation	Included in FY 2024 disclosures?	Reference/comment
Governance		
a) Describe the Board's oversight of climate-related risks and opportunities	Yes	Strategic report page 60 Corporate governance report page 78
b) Describe management's role in assessing and managing climate-related risks and opportunities	Yes	Strategic report page 60
Strategy		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Yes	Strategic report pages 60 to 64
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	Yes	Strategic report pages 60 to 64
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Yes	Strategic report pages 60 to 64
Risk management		
a) Describe the organisation's processes for identifying and assessing climate-related risks	Yes	Strategic report page 60
b) Describe the organisation's processes for managing climate-related risks	Yes	Strategic report pages 34, 38 and 60
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Yes	Strategic report pages 38 and 60
Metrics and targets		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Yes	Strategic report page 64
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks	Yes, partial Scope 3	Strategic report (GHG reporting) pages 70 to 77
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Yes	Strategic report pages 46, 59, 62, 68 and 76

Our commitment to sustainability

We combine strong business performance with a dedication to sustainability, ensuring our spaces foster community growth and business success while contributing to a sustainable future."

Frederic Vecchioli
Chief Executive Officer

Sustainability achievements and highlights for 2024

Platinum
we were again awarded the prestigious Investors in People Platinum accreditation

4.6+
customer satisfaction rating in all markets

Gold
rating in the 2024 EPRA Sustainability BPR awards

6
additional UK stores no longer using gas

99.9%
of construction waste diverted away from landfill in the UK

15.2%
reduction in market-based operational GHG intensity

Being a sustainable organisation remains fundamental to Safestore's business. We are committed to operating responsibly, valuing our customers, engaging our colleagues, supporting our communities, and mitigating our environmental impact. We are dedicated to ensuring that our actions reflect our long term commitment to creating shared value for our stakeholders, while also protecting the environment for future generations.

Our sustainability focus

As the UK's largest self-storage provider, with a significant presence across Western Europe, we recognise our responsibility to lead by example. We are committed to making continuous, incremental changes that benefit our colleagues, suppliers, customers, and the broader community. Our strategy revolves around four key pillars that guide our actions:

- **Our people:** we know our people as individuals and show respect for each other, enabling everyone to have a voice so that they can bring their full, unique selves to work. We focus on offering simple, practical wellbeing initiatives, to support our colleagues to lead healthier and happier lives. This includes health benefits, career development opportunities, and promoting work-life balance.
- **Our customers:** we focus on delivering a seamless and sustainable customer experience by offering digital tools to enhance convenience, as well as flexible storage solutions that support both residential and business customers in their own sustainability efforts.
- **Our community:** we remain committed to supporting the communities in which we operate. Through partnerships with local charities, educational institutions, and community groups, we provide not just storage solutions, but tangible benefits that foster local economic growth and societal wellbeing.
- **Our environment:** reducing our environmental impact is a core priority. We continue to improve energy efficiency across our sites, invest in renewable energy, and adhere to sustainable construction practices. By driving progress towards our net zero goals, we are playing our part in tackling climate change.

Our sustainability focus continued

As part of our ongoing commitment to improvement, we are proud to share several key achievements and targets met in the past year, including:

- **Introduction of renewable energy:** We have begun transitioning our UK facilities to renewable energy sources, aiming for 100% renewable electricity by 2025.
- **Expansion of diversity initiatives:** Following our first Diversity Pay Gap Report in 2022, we have greater strategic focus on equality, diversity, and inclusion, resulting in exceptional Investors in People survey results on this topic.
- **Enhanced waste management:** We have increased our commitment to reducing waste, achieving a 99.9% diversion of construction waste from landfill, and introducing new recycling programmes in all UK stores.
- **Progress on operational net zero goals:** We are on track with our net zero targets, having reduced operational GHG emissions by 15.2% in 2024. We remain committed to further reductions as part of our 2025 and 2028 goals.

Our sustainability strategy

Our sustainability strategy is anchored around the pillars of our people, customers, community, and environment. These pillars provide us with a structured yet flexible framework that allows us to address key material issues identified through engagement with our stakeholders, including investors, colleagues, customers, and suppliers.

We periodically review our sustainability strategy to ensure alignment with our corporate goals and the UN Global Compact principles. We have identified key sustainability issues through stakeholder engagement, focusing on areas that matter most to our business and stakeholders. We measure our progress using targeted medium term targets set in our 2019 KPIs and align our reporting with the latest European Public Real Estate Association ("EPRA") and Global Reporting Initiative ("GRI") standards. Our achievements are reflected in recognitions like the Gold rating in the 2024 EPRA Sustainability BPR Awards and an 'A' rating from Global Real Estate Sustainability Benchmark ("GRESB") in its 2024 Public Disclosures assessment, and MSCI has awarded Safestore its second-highest rating of 'AA' for ESG.

Once finalised, these indicators and supplemental information can be downloaded from the relevant section of our website: www.safestore.co.uk/corporate/investors/report-and-presentations/.

Delivering our sustainability strategy

Safestore's approach to sustainability is embedded across every level of the organisation, from our Board and executive leadership to day-to-day operations. This year, our key areas of focus have included:

- Engaging our workforce to deliver exceptional service and foster a great workplace.
- Strengthening ties with local charities and communities.
- Partnering with suppliers which share our commitment to sustainability.
- Minimising our environmental footprint through responsible resource management.
- Upholding the standards of the Self Storage Association.

Our purpose

To add stakeholder value by developing profitable and sustainable spaces that allow individuals, businesses, and local communities to thrive

→ Read more on page 82

How we ensure sustainability

Our people	Our customers	Our community	Our environment
Provide a great place to work	Deliver a great customer experience and help customers live and grow sustainably	Benefit local communities	Protect the planet from our activities and manage risks to our business from climate change

→ Read more on page 46

Our values

Our values, created by our store teams, are the foundation of everything we do

- We love customers
- We lead the way
- We have great people
- We dare to be different
- We get it

→ Read more on page 52

Alignment to the UN Sustainable Development Goals

The Safestore Group is dedicated to supporting the UN Sustainable Development Goals ("SDGs"), focusing on areas where we can make the most significant impact.

Our priority goals include:

- **Goal 8:** Decent work and economic growth – we support inclusive and sustainable economic growth by providing secure employment opportunities and investing in our people.
- **Goal 11:** Sustainable cities and communities – By offering flexible, secure storage solutions and engaging with local communities, we help to create more resilient and sustainable urban spaces.

- **Goal 12:** Responsible consumption and production – through initiatives like sustainable construction and improved waste management, we strive to reduce resource use and promote sustainable practices throughout our operations.
- **Goal 13:** Climate action – our commitment to renewable energy, energy efficiency, and carbon reduction supports global efforts to combat climate change.

We remain committed to these goals as we strive to enhance our positive impact on society and the environment through every aspect of our business.

Sustainability governance

Sustainability at Safestore is overseen by our cross-functional Sustainability Group, co-chaired by three Executive Team members. This ensures that sustainability is embedded in our business functions and in how we operate. The Group reports on its activities directly to the Board.

Our suppliers and partners

At Safestore, we recognise that our suppliers play a critical role in achieving our sustainability objectives. As we progress in our sustainability journey, we are committed to working with suppliers which share our values and commitment to responsible business practices. Our goal is to ensure that our supply chain aligns with our sustainability principles, helping us reduce our environmental impact while driving positive social outcomes.

Given that a significant portion of our environmental impact originates from third party suppliers, we have implemented rigorous evaluation criteria for all supply chain partners. Suppliers are now required to demonstrate compliance with Environmental, Social and Governance ("ESG") standards as part of our tendering and procurement processes. This includes meeting expectations around responsible sourcing, reducing waste, and lowering carbon emissions.

Key focus areas in 2024:

- **Responsible sourcing:** we continue to partner with suppliers which prioritise sustainable materials and ethical practices. This includes selecting materials with lower environmental impact for store construction and ensuring that all sourced materials meet high environmental standards.
- **Carbon footprint:** as part of our operational net zero focus, we are working closely with our suppliers to reduce the carbon footprint of goods and services. This includes encouraging our suppliers to adopt greener manufacturing processes and more efficient delivery methods, as well as participating in carbon reduction programmes.
- **Waste management:** we are proud to have diverted 100% of construction waste from UK stores away from landfill in 2024. Moving forward, we are extending our focus to reduce operational waste from both our suppliers and our storage facilities.
- **Supplier audits:** we have intensified our supplier audit processes, ensuring that ESG considerations are fully integrated into our supply chain management. Suppliers are regularly evaluated on their adherence to Safestore's sustainability standards, with regular reviews to ensure they are aligning with the UN Sustainable Development Goals ("SDGs").

Looking ahead, the Group's supplier engagement strategy will continue to evolve as we push for even greater transparency, efficiency, and collaboration within our supply chain. We believe that by working together with our partners, we can accelerate our progress towards a more sustainable future.

Sustainability targets and KPIs

The table below outlines the targets we set ourselves in each of the four ‘pillar’ areas. We are pleased to have met the majority of the 2022 targets set in 2019 and our near term focus now shifts to the 2025 targets. In consideration of our plan to achieve operational net zero according to the market-based method for Scope 2, and the acquisition of store portfolios in the Benelux region, the 2025 emissions targets have been revised this year.

Sustainability strategy ‘pillar’	Sustainable business goals	Corporate business goals	UN Sustainable Development Goals	Performance measures (KPIs)	Targets	
					2025	2028
Our people	A fair place to work	A great place to work	5 GENDER EQUALITY	Median gender pay gap	Below UK median	Below UK median
	A safe working environment		8 DECENT WORK AND ECONOMIC GROWTH	Engagement score	Maintain score >80%	
				Number of reportable injuries (RIDDOR)	Zero	Zero
				Investors in People	Maintain IIP Platinum	Maintain IIP Platinum
Our customers	Deliver a great customer experience Help customers live and grow sustainably	Storage provider of choice	8 DECENT WORK AND ECONOMIC GROWTH	Customer satisfaction score	>4.5	>4.5
Our community	Benefit local communities	Help local economies thrive	11 SUSTAINABLE CITIES AND COMMUNITIES	Pro bono value of space occupied by local community groups	Opportunity led	Opportunity led
Our environment	Reduce our waste	Achieve optimal operational efficiency	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	% of construction waste diverted from landfill in the UK	100%	100%
				% of UK operations waste to landfill	1%	0%
	Reduce our emissions		13 CLIMATE ACTION	% of renewables in owned store electricity (Group)	100%	100%
				Abs. operational GHG emissions (market based, tonnes CO_2e)	1,014	820
				Operational GHG intensity (market based, kg CO_2e/sq m)	0.93	0.75
				% of new stores achieving EPC B or better (excl. France)	100%	100%

Our people

Target

Engagement score - Maintain score > 80%

Performance 2023/24

84%

INVESTORS IN PEOPLE®
We invest in people Platinum

We know our people as individuals and show respect for each other, enabling everyone to have a voice so that they can bring their full, unique selves to work.

Our leaders are role models who build high trust. We recognise that great people management takes time and therefore we have kept colleague-to-manager ratios low to enable our leaders to invest their time in our people.

We have built an environment where it's natural for us to give regular, honest feedback and to coach in the moment, and formally, we go beyond mandatory training to promote life-enhancing learning where everyone can continually evolve.

We see our colleagues as an asset, and we understand that it's our people who truly make the difference. We are thrilled that this year, we have again been awarded the prestigious Investors in People ("IIP") Platinum accreditation. Platinum is the highest level of accreditation and very few organisations achieve it, so to obtain Platinum twice is an extraordinary achievement. We also made the final top ten shortlist for the Platinum Employer of the Year (250+) category in The Investors in People Awards 2024.

We endeavour to operate employment practices that support SDG 3 (Good health and wellbeing), SDG 8 (Decent work and economic growth) and SDG 10 (Reduced inequalities) through building, improving, and maintaining safe and secure working environments, and advocating a diverse and inclusive workforce, free from harassment and victimisation. Our Wellbeing, Equality, Diversity, and Inclusion strategies and People Principles further expand on how we make Safestore a great place to work.

More details about the progress we have made in each section of our wellbeing strategy can be found on pages 50 to 52.

Our people continued

Equality, diversity, and inclusion

Building a diverse and inclusive workplace is a top priority for us. Our Equality, Diversity, and Inclusion Strategy is about embedding and continuing the important work we've already done to enable all our colleagues to feel confident to bring their full unique selves to work.

We are proud of Safestore's diverse workforce; in our 2024 IIP survey, over 84% of colleagues agreed that Safestore is committed to diversity and stated that we value and respect individual differences.

In 2024, we published our Diversity Pay Gap Report, which includes ethnicity and gender data. We are committed to providing an inclusive workplace, encouraging, and welcoming diversity with zero tolerance of harassment and discrimination. This approach is supported by our Equality, Diversity, and Inclusion Policy, which reflects both current legislation and best practice, and highlights the Group's commitments to all protected characteristics including race, gender, socioeconomic and disability equality.

Full and fair consideration is given to applications for employment from disabled persons and appropriate training and career development are provided.

Safestore Equality, Diversity, and Inclusion Strategy

Purpose

Enable colleagues to feel confident to bring their full, unique selves to work

Colleague journey

- Provide an inclusive on-boarding experience so colleagues feel welcome from day one
- Integrate inclusion into culture through our behaviours and policies
- Ensure learning and development opportunities are accessible for all

Colleague data and analytics

- Improve data quality to understand our workforce diversity
- Invest in data development and analytics
- Use diversity data to inform positive action

Positive action

- Target recruitment at under-represented groups
- Introduce targeted colleague support networks and mentoring schemes
- Enable community affinity groups
- Continue awareness-raising activities and communications

Leadership and management

- Equip and educate leaders to encourage and welcome diversity
- Actively remove bias
- Create a safe space for open and inclusive discussion

Colleague journey. This is about ensuring our culture is friendly and welcoming to all. We want people to be themselves at work, and initiatives such as our Values and Behaviours framework, health and wellbeing support from day one, and improving the accessibility of our learning and development opportunities support our culture.

Colleague data and analytics. We are encouraging more colleagues to disclose their ethnicity. We want to collect more people data to further understand our diverse communities such as the LGBTQ+ and neurodiverse communities, to inform even more beneficial and tangible action. Our 'Make the Difference' people forum enables frequent opportunities for us to hear and respond to our colleagues. The forum has helped us to continue our awareness-raising activities and communication through our internal social media platform. The aim is to appreciate our diversity by recognising and celebrating festivals and events, as well as individuals, and to create a safe space for sharing and discussion.

Positive action. This is about recruiting from underrepresented groups, and building campaigns and opportunities for networks to meet, be listened to and feel supported. We believe that every colleague should be heard. Our colleagues describe a real listening and learning culture at Safestore. There are channels in place help to give everyone a voice, such as our 'Make the Difference' people forum, town hall meetings and leadership visits. Our awareness-raising activity on our internal communications platform, MySafestore, has generated lots of energy and engagement.

Leadership and management. We support our leaders to encourage and welcome diversity. Our Equality, Diversity, and Inclusion e-Learning module is part of the induction for all new colleagues joining Safestore. We want Safestore to be a safe space for discussion and curiosity to enable colleagues at all levels to continually learn from each other. In our 2024 IIP survey, over 90% of colleagues were aware of our equality, diversity, and inclusion policies.

Equality, diversity, and inclusion data

> The approach to EDI is genuine; we don't tick boxes for the sake of it."
>
> **Safestore colleague**
> **2024 IIP Report**

Safestore's gender and ethnicity split is outlined in the table below.

Our gender data is collected primarily for payroll, tax, and pay gap reporting, as part of our colleague on-boarding process, where colleagues are required to supply an answer to the question 'What is your gender as stated on your birth certificate?'. However, we appreciate that not everyone identifies as the gender they were assigned at birth (that is, the gender written on their first birth certificate). Therefore, in the UK, we have updated our gender data collection forms by adding a supplementary question about gender identity.

The data in the table below is at 31 October 2024.

Our ethnicity data is voluntarily self-reported by colleagues, via our payroll self-service portal. The data in the table shown below is at 31 October 2024. The section for voluntary completion is entitled 'Ethnic Group' and the options are the ONS ethnicity categories. Colleagues who have not provided data are not included in our calculations. We report on ethnicity as ethnic minority and white; however, we do consider the data at a more specific level internally.

The global landscape for data reporting on ethnicity is complex and, following a review of legal and local considerations, at present we only collect ethnicity data for UK colleagues.

Further analysis can be found in the 2023 Diversity Pay Gap Report on our website. The report also sets out a range of actions we are taking to help close the gap.

Group gender representation at 31 October 2024

	Number of Board members[1]	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, and Chair)	Number in Executive Committee	Percentage of Executive Committee	Number in Senior Management and Direct Reports	Percentage of Senior Management and Direct Reports	Number of all colleagues (excl. NEDs)	Percentage of all colleagues
Men	4	50%	3	8	89%	32	76%	517	64%
Women	4	50%	1	1	11%	10	24%	287	36%

Ethnicity representation at 31 October 2024[2]

	Number of Board members[1]	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, and Chair)	Number in Executive Committee	Percentage of Executive Committee	Number in Senior Management and Direct Reports	Percentage of Senior Management and Direct Reports	Number of all colleagues (excl. NEDs)	Percentage of all colleagues
White British or other White (including minority-white groups)	7	87.5%	4	5	71.4%	18	81.8%	328	66.0%
Mixed/multiple ethnic groups	1	12.5%	0	—	—	—	—	25	4.5%
Asian/Asian British	—	—	—	1	14.3%	4	18.2%	72	12.9%
Black/African/ Caribbean/Black British	—	—	—	—	—	—	—	61	11.0%
Other ethnic group	—	—	—	—	—	—	—	10	1.8%
Not specified/ prefer not to say	—	—	—	1	14.3%	—	—	61	11.0%
Target for 2027							18.3%		

Note:
1 The Board self-report their data.
2 UK only. Where colleagues have voluntarily disclosed this data.

Our people continued

Positive environment

Colleague engagement

We believe that engaged colleagues, who feel valued by our business, are the foundation of our customer-focused culture.

Our 'Make the Difference' people forum, launched in 2018, is a formal workforce advisory panel, which enables frequent opportunities for us to hear and respond to our colleagues.

Our network of 'People Champions' across the Group collate questions and feedback from colleagues across all countries and put them to members of the Executive Committee.

Our people forum provides a listening culture, enabling high levels of consultation. Innovation and ideas continue to come from every level.

We drive change and continuous improvement in responding to the feedback we receive, via our internal communication channels and back through our network of People Champions.

Our new communications app, MySafestore, formally Yapster, allows us to communicate with all colleagues across the business. It has inbuilt translation so everyone can access content in their preferred language.

Our People Champions help us to continue raising awareness through a selection of a broad range of topics for discussion on our MySafestore app. The aim is to appreciate our diversity by recognising and celebrating festivals and events, as well as individuals, and to create a safe space for sharing and discussion. In addition, we use MySafestore to highlight local successes and recognition between stores and regions with strong links made to Safestore's alignment to the SDGs.

> "People described a real listening and learning culture in the Company. There are channels in place to help give everyone a voice."
>
> **Matthew Filbee**
> **IIP Practitioner**

Health and safety

At Safestore, we uphold a 'safety-first' culture as a core value across all aspects of our business. The health, safety and wellbeing of our colleagues, customers and contractors are our top priorities, and we are unwavering in our commitment to fostering a safe, supportive environment for everyone.

We take pride in setting high safety standards that consistently exceed local and regional regulations. Regardless of the country or territory, we hold ourselves to rigorous benchmarks that ensure consistent safety practices across the Group.

Our approach emphasises sharing best practice and standardising policies to create seamless, robust safety processes throughout our operations. We are dedicated to preventing injuries and advancing our industry-leading safety performance through continuous improvement.

Our progress includes:

- Continuous engagement with our colleagues in developing practical solutions to self-improve working environments.
- Heightened focus on new colleague safety induction training and mentorship, as well as risk management.
- Introduction of a new digital health and safety system, providing key safety support functions simultaneously across all territories, informing colleagues' safety focus with facts, analytics and data.
- Group implementation of recording Lost Time Injury Frequency Rate ("LTIFR") to assess our safety performance and gauge effectiveness of Company safety management and culture.

We are continually strengthening our safety-focused culture by actively engaging our colleagues in partnership with our leaders. This collaborative approach empowers colleagues to contribute to the development of safety solutions, initiatives, and feedback processes, fostering shared responsibility in identifying and solving safety challenges. I In doing so, we aspire to prevent all injuries by creating a zero-incident culture and setting a new goal of zero RIDDOR[1]/Reportable[2] Injuries for 2024/25.

Group health and safety statistics

Injuries

The observed increase in the number of reported accidents in 2024 is attributed to the implementation of our new digital health and safety system, Quentic, that simplifies and encourages the reporting process, rather than an actual rise in accidents.

With the implementation of Quentic analytics in 2024, the Group has enhanced its ability to track LTIFR with greater precision. The Group's LTIFR for 2024 was 8.31. Monitoring LTIFR provides valuable insights into the factors that contribute to lost productivity and supports the identification of effective injury prevention strategies.

RIDDOR/Reportable Injuries

Customer, Contractor, and Visitor ("CCV") injuries resulting in RIDDOR include a laceration to an elbow and a fractured finger. Both required customers to attend hospital for further treatment.

RIDDOR/Reportable injuries of colleagues include a fractured wrist, solvent intoxication, and abrasions to a foot, all of which incurred over seven days of lost time, deeming them reportable incidents.

Construction

We are committed to creating the safest possible workplaces and fostering a culture of safety across all our construction projects. In every territory, we challenge our colleagues and partners to go beyond minimum standards and embrace our high safety expectations. During 2024, the number of reportable incidents on our construction sites was zero.

Colleague health and safety

Summary:

- 27 minor injuries were recorded over the past year.
- 3 reportable accidents/incidents were reported for this period.

Year ended 31 October	2021	2022	2023	**2024**
Number of colleagues	648	751	753	**804**
Number of minor injuries	19	26	13	**27**
Number of reportable injuries (RIDDOR/Reportable)	1	—	—	**3**
LTIFR per 1,000,000 working hours (Group)	—	—	—	**8.31**

Notes:

1 RIDDOR = Reporting of Injuries, Diseases and Dangerous Occurrences (UK only).

2 Reportable = any work-related injury or illness that results in loss of consciousness, days away from work, restricted work, or transfer to another job. Any work-related injury or illness requiring medical treatment beyond first aid (European countries only).

Great lifestyle choices

We focus on offering simple, practical wellbeing initiatives, to support our colleagues to lead healthier and happier lives. We recognise that it is more important than ever for our colleagues to take care of themselves and their loved ones.

- Our health cash plan, provided by Medicash, provides colleagues with everyday reassurance on their health and wellbeing from top to toe, inside and out, from GP appointments to skin health checks and physiotherapy to counselling services. It remains a popular benefit with our colleagues.
- Our Employee Assistance Programme ("EAP") and other external support organisations, such as Mind and Mental Health UK, provide our colleagues with expert guidance and support on everyday matters whenever they need it.
- Medicash's new online support platform, Your Care, gives our colleagues access to 24/7 support and counselling along with personal, emotional and wellbeing tools for a happier and healthier life.
- We continue to work closely with our occupational health provider, including the provision of private counselling for colleagues in crisis requiring additional support.
- In Spain, we offer annual medical check-ups for all colleagues.
- Our Cycle to Work scheme remains popular.
- We continue to support new ways of working and this year, we have increased our part-time and flexible working arrangements.

> "There is a strong focus on colleague wellbeing with a true culture of wellness having been achieved."

Matthew Filbee
IIP Practitioner

Personal growth and education

We have a strong focus on learning and development for all colleagues, with a genuine commitment to building a culture of developing talent. We use innovative methods of learning as well as traditional routes, with lots of support from our managers at all levels. The survey revealed that 84% of respondents knew how Safestore invests in learning and development. In 2024, we delivered over 30,000 hours of training.

Across the Group, colleagues are given extra responsibilities and opportunities to put skills and knowledge into practice. We are proud to offer comprehensive language courses for some colleagues, enhancing communication and collaboration across our global teams.

Our leaders understand the importance of succession planning. Talent management is sophisticated and transparent, with performance management channelled through our Values and Behaviours framework, to identify and support high potential individuals.

In the UK, both our Sales Consultant and Store Manager Development programmes continue to grow and upskill our colleagues. Everyone can discuss and agree their learning and development pathways with their line manager, and this is executed effectively. In our latest IIP survey, 84% of respondents stated that they have opportunities to learn at work.

Our Store Manager Development programme, now in its eighth year, is funded by the Apprenticeship Levy. This programme provides the opportunity to complete a Level 3 Management and Leadership apprenticeship, with the additional opportunity to complete an Institute of Leadership and Management ("ILM") qualification.

We also support ongoing professional development by application of our professional qualifications policy, supporting colleagues to gain formally recognised qualifications in their chosen field. This commitment is maintained by Safestore covering the cost of membership of any relevant professional body such as the Chartered Institute of Personnel and Development ("CIPD"), the Association ("ACCA") of Chartered Certified Accountants or the Royal Institution of Chartered Surveyors ("RICS").

Financial wellbeing

As part of our wider wellbeing strategy, we are committed to doing what we can to ensure the financial wellbeing of our colleagues.

79% of our colleagues are members of our pension scheme, provided by Aviva.

In August, we opened entry into our 2024 Sharesave scheme, and are delighted that 33% of our colleagues now share in our success by being a member of at least one of our Sharesave schemes. This is further evidence of high levels of colleague engagement across the business.

> "Safestore gives people access to high quality learning and everyone confirmed they have the training they need to do their jobs and grow their careers. Internal mobility is good at Safestore."

Matthew Filbee
IIP Practitioner

Our people continued

Active leaders and engaged teams

Leadership

Our leaders bring out the best in our colleagues, motivating them to work together to achieve our shared goals and objectives.

We achieve this by keeping colleague-to-manager ratios low, enabling our leaders to invest time in encouraging and engaging our colleagues, forming genuine connections with their teams.

Our active leaders are energetic and passionate, engaging in honest, open communication to connect with their colleagues. Our coaching culture encourages two-way feedback supporting both personal and professional growth, which is formalised through the setting of clear goals and expectations, reviewed bi-annually.

Keeping our colleagues connected to the business and to each other so that they feel supported has remained a focus and we have introduced new programmes for our new colleagues and line managers, to help to build knowledge and confidence across our teams.

Values and behaviours

Our values are authentic, having been created by our colleagues. They are core to the employment life cycle and bring consistency to our culture.

We are empowered to do the right thing, not necessarily the easiest. This enables us to feel comfortable challenging behaviours that are not in line with our values.

We love customers – we deliver much more than storage; we provide solutions that exceed our customers' expectations and we expect our people to show appreciation of our customers and their businesses.

We lead the way – we want people who talk with pride about Safestore, set themselves high standards and demonstrate passion for what they do.

We have great people – everyone has a key role to play within Safestore and we need people who show respect for everyone, no matter their position. Our people drive their own performance and are keen to learn from others.

We dare to be different – we want people that adapt to change and are willing to try new things. Part of daring to be different involves actively seeking feedback to develop new and existing skills.

We get it – we want people to be clear on our vision and goals and, in turn, know what part they play in achieving them. 'We get it' is also about communicating in a clear, open, and honest way to enable sound decision making.

> Leaders take accountability for colleague engagement and they want to get to know their people well and do the right thing for them. This leaves people feeling listened to, understood and respected."
>
> **Matthew Filbee**
> **IIP Practitioner**

Our customers

Target

4.5+

customer satisfaction rating in each market

Performance 2023/24

4.9 UK: Google	4.7 UK: Trustpilot	4.8 UK: Feefo
4.7 France: Google	4.6 France: Trustpilot	4.7 Belgium: Google
4.8 Netherlands: Google	4.9 Netherlands: Trustpilot	4.9 Spain: Google

Customer engagement

Customer-centric communication

Safestore serves a diverse customer base across the UK and Europe, dedicated to delivering exceptional service tailored to individual preferences. Our multi-channel approach includes email, LiveChat, WhatsApp, and phone support through our Customer Support Centre, ensuring accessibility and convenience. Our active social media presence on platforms like Facebook, Twitter, Instagram, and LinkedIn allows us to connect with customers in real time, providing support and gathering valuable feedback to continuously refine our service offering.

Delivering exceptional customer service

Empowering our colleagues to go above and beyond is key to our customer service strategy. Through regular training, coaching, and quality audits, we equip our teams to consistently deliver high standards of service. This approach has been recognised with awards such as the Feefo Platinum Trusted Service award in the UK for the sixth consecutive year, reinforcing our commitment to outstanding customer experiences.

Promoting sustainable and green business initiatives

We actively communicate our sustainability efforts via social media and blogs, focusing on key initiatives like reducing carbon emissions, minimising waste, and offering eco-friendly products. Our customers are informed and engaged in our journey towards a greener future, with regular updates about our sustainable supply chain, renewable energy use, and partnerships with eco-friendly organisations.

Addressing customer feedback and concerns

At Safestore, customer feedback is a cornerstone of our commitment to delivering exceptional service. In today's competitive landscape, understanding and responding to customer needs is crucial for success. We actively collect and monitor feedback through multiple channels, including Google, Trustpilot, and Feefo, to ensure we have a comprehensive view of our customers' experiences.

We take a proactive approach to feedback management, regularly reviewing and responding to customer comments and ratings. Our dedicated teams closely monitor incoming reviews, promptly addressing any concerns or issues raised. This not only demonstrates our commitment to customer satisfaction but also allows us to identify common themes and areas for improvement, enabling us to make informed changes that enhance our services.

Feedback provides invaluable insights that help us align our services with customer expectations. By analysing patterns in reviews, we can pinpoint specific aspects of our service that resonate with customers, as well as areas needing improvement. For instance, positive feedback often highlights the professionalism and helpfulness of our colleagues, which reaffirms the importance of ongoing training and support. Conversely, constructive feedback serves as a guide for refining our operations, such as streamlining processes or enhancing digital interactions.

Maintaining transparency with our customers is a priority. We believe that genuine, verified reviews are a powerful tool for building trust. As a testament to this commitment, Safestore UK has achieved a Feefo Platinum Trusted Service award for five consecutive years, reflecting the authenticity and credibility of our feedback process. Our strong ratings such as an average of 4.9 on Google in the UK serve as social proof, reassuring potential customers of our reliability and dedication to high quality service.

Across the Group, our French business maintained a Trustpilot service rating of 4.6 with 91% of customers rating their service experience as 'Excellent' or 'Great'. Additionally, in Spain, we achieved a 4.9 out of 5 rating for customer feedback collected from Google reviews. In Belgium, our customer service was rated 4.7 on Google, whilst we achieved a high score of 4.8 out of 5 on Trustpilot in the Netherlands.

We also use customer feedback to benchmark our performance against competitors, allowing us to refine our strategies and maintain our position as a leader in the self-storage industry. By understanding our strengths and identifying areas where we can outperform others, we ensure that Safestore remains the preferred choice for customers across our markets.

Our approach to feedback goes beyond passive collection; we actively engage with our customers in dialogue. Whether it's through responses to reviews, surveys, or direct outreach, we strive to create a two-way communication channel that values the voices of our customers. This engagement not only helps us address specific concerns but also fosters a sense of community and loyalty among our customer base.

Our customers continued

Customer engagement continued

Addressing customer feedback and concerns continued

Recognising the importance of customer feedback, we celebrate the positive impact our teams have on customer experiences. Colleague recognition programmes highlight exceptional service, reinforcing the value of listening to and acting on customer input. By rewarding teams who excel in customer satisfaction, we cultivate a culture of continuous improvement and responsiveness.

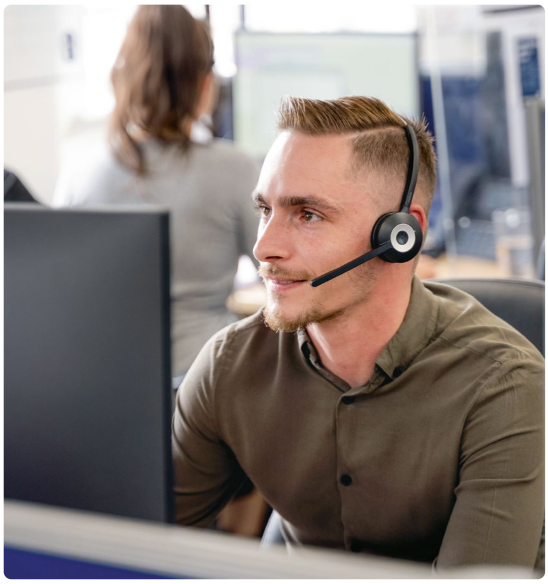
By addressing feedback with urgency, transparency, and a focus on improvement, we reinforce our dedication to customer satisfaction. This commitment is integral to the Group's ongoing success, ensuring that we consistently meet and exceed the expectations of our valued customers.

Empowering customers for sustainable choices

At Safestore, we are committed to helping our customers make sustainable choices that positively impact the environment. Beyond reducing the environmental footprint of our own operations, we provide customers with tools and options to embrace sustainability throughout their self-storage journey.

- **Digital contracts and paper reduction** – one of our key initiatives is the adoption of digital contracts across all markets, enabling customers to sign contracts online. This shift has significantly reduced our paper usage, saving approximately 959,055 printed pages this year – equivalent to over 1,910 reams of paper. In the UK alone, we've seen a 25% reduction in printed pages compared to last year. This initiative not only streamlines the customer experience but also supports our commitment to reducing waste. Additionally, in the Netherlands, we are working to reduce paper usage for our health and safety checks, aligning with our broader paper-saving goals. We also collect paper in our containers for recycling at our Dutch stores, contributing to a circular economy.
- **Supporting Refill and reducing plastic waste** – we participate in the Refill initiative at 122 Safestore locations across the UK, offering free tap water to encourage customers and the public to refill reusable bottles instead of purchasing single-use plastic ones. This effort aligns with our goal of reducing plastic waste and promoting sustainable behaviours in our communities.
- **Eco-friendly products and services** – in all our stores, we provide sustainably packaged merchandise and eco-friendly box products, giving customers environmentally conscious options for their storage needs. These products are carefully selected to minimise environmental impact without compromising on quality or convenience.
- **Electric vehicle charging points** – to support the shift towards greener mobility, we have installed electric vehicle ("EV") charging points in store car parks across our locations. This initiative provides added convenience for customers with electric vehicles and promotes the use of cleaner transportation options.
- **Encouraging sustainable practices** – we actively share tips and advice on sustainable living through our blog and social media channels, educating our customers on how they can reduce their environmental impact. From efficient packing tips to information on recycling, we aim to empower our customers with practical, actionable insights that support their green journey.
- **Supporting customer convenience and innovation** – Safestore continually looks for ways to improve customer experience through innovation. In Spain, we offer Amazon Lockers at our Valencia and Marina stores, providing the public with a convenient location to collect online purchases. Additionally, at our Marina store, customers can take advantage of a Pick Point service to collect items ordered from IKEA, whether purchased online or in store, enhancing the convenience of their storage and shopping experiences.

By integrating these sustainable choices into our services, we not only support our customers in making eco-friendly decisions but also contribute to broader environmental goals. We believe that encouraging greener alternatives is a shared responsibility that benefits our planet, society, and future generations.



Product quality and innovation

Digital contracts for a seamless experience

Having introduced digital contracts across our UK locations, we now provide customers with a streamlined, efficient way to rent storage units. Our customers now have the option to complete the entire booking and contract process for a self-storage unit online for any UK store location, offering flexibility and convenience. Whether customers prefer to manage everything digitally or require more personalised support, Safestore ensures an experience that suits their needs.

Our multi-channel sales strategy, combining full automation, interaction with our store sales teams, and support from our specialist call centre and National Accounts team, provides a tailored, easy way for every type of customer to buy self-storage. This holistic approach allows us to cater to varying preferences whether customers are time-strapped individuals looking for a quick online transaction, or businesses needing more comprehensive support.

Digital contracts are delivered via email, allowing customers to keep a secure record while reducing paper usage, contributing to our sustainability goals. By embracing this innovation, we ensure that our customers benefit from a seamless, user-friendly service that aligns with today's digital expectations.

In France, we have introduced mobile app access to our Fleury store, allowing customers to manage their storage experience seamlessly. This technology will be rolled out to future stores, further enhancing customer convenience and security. Additionally, in France, we have created meeting room spaces at our Velizy and Emerainville centres, providing business customers with dedicated areas to hold meetings while having easy access to their stored goods.

App-based storage centres for ultimate convenience

Building on the success of digital contracts, Safestore has introduced app-based storage centres that offer a fully digital, contactless experience. The Group recently opened two additional fully automated, unmanned satellite self-storage centres in Eastleigh and London Paddington Park West, following the launch of the first location in Christchurch in FY 2023. These centres use industry-leading automated technology, combined with in-house developed communication and control systems, allowing customers to securely access the building and their storage unit through a simple app on their mobile phone.

This technology not only simplifies the storage process but also enhances convenience and security. Customers can unlock their units without the need for physical keys or fobs, and the app enables them to grant temporary access to others, such as family members or movers, without needing to be physically present. Several additional unmanned satellite stores are currently in various stages of development across the UK, underscoring our commitment to expanding this innovative service.

Enhanced security and operational efficiency

App-based storage centres also offer significant security benefits, including detailed access logs and enhanced monitoring features, which reduce the risk of unauthorised access. Customers can receive instant notifications about their unit's status, providing peace of mind. Furthermore, by reducing the reliance on physical colleague presence for access management, these centres improve operational efficiency, allowing us to serve more customers with greater flexibility.

Meeting evolving customer expectations

Our investment in digital contracts and app-based storage centres reflects our broader strategy to meet the evolving needs of our customers. As digital adoption continues to rise, we recognise the importance of offering innovative solutions that provide convenience, security, and efficiency. These advancements are not only about improving the customer experience but also about future-proofing our business in a competitive market.

By leading the way in digital transformation within the self-storage industry, Safestore is redefining what customers can expect from their storage provider. Our commitment to innovation ensures that we remain at the forefront of customer service, providing solutions that are as flexible and forward-thinking as our customers.

Customer, Contractor, and Visitor ("CCV") health and safety

Maintaining a safe environment for our customers, contractors, and visitors remains a top priority. The observed increase in the number of reported accidents in 2024 is attributed to the implementation of our new digital health and safety system, Quentic. This simplifies and encourages the reporting process, rather than an actual rise in accidents, underscoring our commitment to safety through continuous monitoring and proactive measures.

Summary:

- 51 injuries were recorded over the past year, two of which were reportable under RIDDOR[1]/Reportable[2].
- 4 minor injuries were recorded to contractors and 45 to customers. No injuries were recorded to visitors.
- Injuries were recorded as 27 minor cuts, 16 bumps and bruises and 6 muscular, mainly relating to customers handling their goods.

Year ended 31 October	2022	2023	2024
Number of stores	179	190	**199**
Customer, contractor, and visitor movements	242,559	225,828	**225,441**
Number of minor injuries	38	30	**49**
Number of reportable injuries (RIDDOR/Reportable)	1	3	**2**
RIDDOR per 100,000 CCV movements	0.4	1.3	**0.9**

Notes:

1 RIDDOR = Reporting of Injuries, Diseases and Dangerous Occurrences.

2 Reportable = any work-related injury or illness that results in loss of consciousness, days away from work, restricted work, or transfer to another job. Any work-related injury or illness requiring medical treatment beyond first aid (European countries only).

Our community

Target

Provision of subsidised space and additional support to high impact local community groups – opportunity led

Performance 2023/24

23,862 sq ft

provided worth

£999,436

Strengthening local partnerships and community wellbeing

At Safestore, we understand that our success is closely tied to the wellbeing of the communities in which we operate. Over the past year, we have continued to build meaningful local partnerships and champion initiatives that contribute to both social and economic growth. Our commitment to sustainability and social responsibility remains at the core of our business practices.

Key initiatives include:

- Developing brownfield sites with community input to enhance local environments.
- Actively engaging with residents when establishing new stores, ensuring our developments align with community interests.
- Enhancing the sustainability of our operations by implementing greener construction and management practices.
- Supporting charities and communities to optimise limited space through innovative storage solutions.
- Creating local employment opportunities directly and indirectly by supporting the small and medium-sized enterprises that utilise our space.

Supporting community development

Safestore is proud to support the development of local communities through both financial contributions and practical assistance. Across all our stores in the UK, we actively engage with charities, schools, and community organisations to create spaces where they can thrive by providing subsidised storage space, which has helped countless organisations reduce operational costs and focus on delivering vital services. This year, we donated 23,862 sq ft of subsidised space to 194 charity organisations across 119 stores, valued at £999,436.

In Spain, we are proud to sponsor a children's football team in Barcelona, supporting around 1,000 kids through small sponsorships. Additionally, we sponsored a chess tournament for children in the region, fostering both physical and mental development. Next year, we plan to replicate these efforts in Madrid and Pamplona, further extending our support for youth programmes across the country.

In France, we continue our support by making an annual donation to a charity, providing them with a free storage unit for a month. This practical support allows charities to reduce costs and allocate more resources to their core activities, ensuring they can serve the community effectively.

We also work closely with Établissement et Service d'Aide par le Travail ("ESATs"), non-profit organisations that manage disabled individuals who are unable to work in traditional businesses. ESATs play a crucial role in maintaining the green spaces around four of our stores in France. This partnership not only helps preserve the environment but also provides meaningful employment for individuals with disabilities, reflecting our commitment to inclusivity and social responsibility.

Responding to local needs

As local communities face a variety of social challenges, Safestore is committed to responding to their needs with targeted, impactful support. This year, we have focused on providing assistance to organisations tackling urgent issues such as homelessness, domestic violence, and mental health. Our subsidised storage spaces have allowed these organisations to reduce their costs and operate more efficiently.

By working directly with local charities, we can respond quickly and effectively to emerging needs. Our Head Office colleagues have been engaged in their support, participating in community collections, including a successful food bank drive during the winter months. These efforts not only provide essential resources to those in need but also foster a sense of unity and shared purpose within our teams.

HandsOn London

- For the 13th year in a row, Safestore has proudly partnered with HandsOn London for the WrapUp London campaign, an initiative that provides winter coats to vulnerable individuals across the UK. This year, the organisation collected over 16,500 coats, which were distributed to the homeless, refugees, and families in crisis through a network of over 75 charities.

Safestore's involvement included:

- Donating 7,006 sq ft of storage space across multiple locations, allowing 1,588 volunteers to sort and distribute coats efficiently.
- Acting as accessible drop-off points for the public and coordinating with other businesses and organisations to expand the campaign's reach.
- Using our platforms to raise awareness and inspire community participation.

We are grateful to Safestore for its continued commitment to our WrapUp coat collection campaign.

As the challenges facing vulnerable individuals have grown, Safestore's generous provision of storage space and acting as convenient drop-off points has been invaluable in enabling us to expand our reach across the UK, allowing us to collect, store, and distribute thousands of essential winter coats to those most in need.

Safestore's dedication to our mission goes beyond logistics – its team is genuinely invested in the wellbeing of the communities we serve, sharing in our vision of providing relief and comfort to those facing the most difficult circumstances. We look forward to building on this partnership and helping even more people in the years to come."

Jon Meech
CEO, HandsOn London


Our community continued

Strengthening local partnerships and community wellbeing continued

Working in the community

In the UK, as part of our commitment to the Considerate Construction Scheme, we seek opportunities to support local communities and charities wherever possible.

At our Lea Bridge site, the team from our principal contractors, UC Build, along with our Head of Construction, collaborated with The Conservation Volunteers' Green Gym team to transform a green space within the local nature reserve. This charity operates nationally, offering open sessions for community members to help maintain and enhance green spaces, promoting both environmental sustainability and community wellness.

The day was spent working alongside the Green Gym volunteers to advance this vital project, helping them make substantial progress in transforming the area. To support their continued efforts, we were pleased to donate new gardening tools, providing essential resources for their ongoing work in preserving and enhancing natural habitats in the community.

In line with our purpose, we will continue to focus on community engagement initiatives that reflect the needs and expectations of the communities we serve.

Safestore, UC Build and the Green Gym in Lea Bridge.

Our environment

Target	Performance 2023/24
UK owned stores powered by 100% renewable electricity	**100%** completed
Reduce UK store waste to landfill by 50% by 2025 vs 2016/17 level	**99.9%** on track – we have achieved 99.9% diversion of UK construction waste from landfill
Achieve 100% diversion from landfill for UK and European construction waste	**100%** completed – we have achieved 100% diversion from landfill for UK operational waste ahead of schedule
Reduce carbon emissions by 20% of 2021 baseline by 2025	**17%** on track – 17% YoY reduction; emissions now 19% below 2021

Highlights 2023/24

Green
electricity used across the Group with certification for the UK, France, the Netherlands, Spain, and Belgium

All
of our UK-owned fleet is now predominantly petrol PHEV

6
UK stores now have gas use removed, reducing overall usage year on year by over 15%

100%
diversion from landfill for UK operational waste

99.9%
diversion from landfill for UK construction waste

480
equivalent number of trees saved from being felled by using fully recycled paper

Climate action and emissions reduction

In this section, we explain how we are reducing our impact on the planet through ongoing improvements in construction standards and our store operations. We also include our climate-related financial disclosures ("CFD") statement, through which we seek to understand and manage the potential risks (and opportunities) to our business associated with a changing environment.

Our net zero commitment

We are pleased to share our commitment to become an operationally net zero group by 2035. This commitment covers Scope 1 and 2 emissions and Scope 3 emissions, which relate to ongoing operations (water, waste, electricity, transmission and distribution, and business travel).

Our net zero transition plan is a combination of consumption reduction initiatives as outlined later in this section such as phasing out gas heating in the UK portfolio and ensuring all energy consumed is self-generated (where viable) or purchased from certified renewable sources.

We also intend to work with our construction partners to understand the baseline of embodied carbon in our new developments and explore ways of reducing this where viable. Our sustainable construction standards aspire to maximise the use of recycled material and minimise waste whilst building to Building Research Establishment Environmental Assessment Methodology ("BREEAM") 'Very Good' standards. Based on research by the London Energy Transformation Initiative ("LETI"), redevelopment projects have an embodied carbon footprint of approximately 50% of new build developments. As such, the Group's flexible model is likely to generate less embodied carbon than operators which develop new build structures exclusively.

Climate-related financial disclosures

Since 2021, we have been on a journey to implement the relevant recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), providing our stakeholders and investors with insight into the key climate-related risks and opportunities that are relevant to our business and how these are identified and managed. We report against the eleven recommendations of the TCFD in this year's disclosures.

Our environment continued

Climate-related financial disclosures continued

Governance

Our Chief Executive Officer has overall responsibility for climate-related risks and opportunities. Day-to-day management of climate-related issues is carried out by our Sustainability Group which is co-chaired by three members of the Executive Team (see sustainability governance section for organisation structure). The Group meets quarterly and is the forum for determining our sustainability strategy, reviewing performance, identifying emerging sustainability issues, and determining their materiality for reporting and escalation via the Group risk management process.

The Board oversees climate-related risk via the Group risk management process. The Board takes climate issues into consideration during the investment appraisal process, where it scrutinises major investments including acquisition, development, and refurbishment plans which may include climate-related aspects of design. Ongoing risk identification and management are through the relevant functional teams, for example through proposed or actual responses to changes in regulation such as the Minimum Energy Efficiency Standards ("MEES") in the UK.

Our commitment to address climate-related risks is embedded across the Group through a carbon emissions intensity KPI. Performance against this measure is linked to executive remuneration, to encourage and reward progress against carbon emissions reduction targets. The Board reviews progress on carbon reduction alongside other strategic initiatives annually as part of the annual targets and remuneration cycle.

Risk management

The Sustainability Group is responsible for identifying general climate-related risks that are managed by the Board via our corporate risk management process (see the Audit Committee report for details of our approach to risk management). In addition, the Property function is responsible for identifying risks specific to new development projects as part of the investment appraisal process. The Sustainability Group has conducted workshops incorporating inputs from internal and external experts and climate model data to explore the relevance and potential financial impact of the six risk themes identified in the TCFD framework over the short (to 2030), medium (to 2050), and long (beyond 2050) term.

These themes remain under review, particularly the physical risks to the Group portfolio as we expand into new markets, climate models evolve, and governments and municipal authorities develop their own mitigation strategies.

The completed climate-related risk register is reviewed and approved by the Audit Committee during the financial year such that the significance of climate-related risks is considered in relation to risks identified in the standard risk management process. This ensures the management of climate-related risks is integrated into the Group's overall risk management framework. The climate-related register is reviewed annually to incorporate ongoing refinement and quantification of risks and to ensure the register reflects any material changes in the operating environment and business strategy. Once identified, further details related to each key risk and opportunity, such as a quantification of the financial impact, the appropriate strategic response and cost of response and the variance of key risks in relation to climate-related scenarios, are developed where possible. These details help to determine the materiality of each risk and, alongside the impact assessment outlined above, this allows the Group to prioritise resources in managing the most material climate-related impacts, determine the best management response or highlight areas requiring further investigation.

An example of the day-to-day management of risks would be the incorporation of mitigations for high exposure sites into construction designs before submission for planning approval.

Strategy

Our business is exposed to both risk and opportunity from climate change primarily as a consequence of owning and operating real estate assets in the UK and Western Europe. We seek to understand and mitigate the physical and financial risks that could be material to the business. We have considered several climate hazards (wildfire, extreme heat, water stress, coastal flooding, fluvial flooding and drought) and their relevance to the context of our business. Of these, flooding risk was assessed as the only relevant risk for the UK, which accounts for most of the Group property portfolio by value and floor area. These findings can likely be generalised for Northern European markets, which will experience similar physical consequences. Whilst our Spanish assets may experience different physical hazards, they currently represent less than 3% of the Group by asset value and floor area and have therefore not been considered separately.

Climate-related risks and opportunities are assessed over multiple time horizons because we expect that transitional risks are likely to be 'front-loaded' as the international community attempts to meet the goal of keeping warming to 1.5°C or below. Physical risks to our assets are likely to increase over time, particularly if the global economy does not decarbonise at the rate required to keep warming below the target level. Accordingly, we assess climate-related risks and opportunities over the short (to 2028), medium (to 2050), and long (beyond 2050) term. In keeping with the Group's approach to risk management, risks are deemed to be low impact where the potential annual EBITDA impact is estimated to be below £100,000 and/or balance sheet impact is below £10 million. High impact is where either the potential EBITDA impact is greater than £1 million or a balance sheet (valuation) impact would exceed £25 million (approximately 1% of property valuation). An EBITDA consequence of between £150,000 and £1 million or likely balance sheet impairment between £10 million and £25 million was considered medium impact.

The assessment of the resilience of the business, specifically the asset portfolio, was guided by a range of scenarios published by external agencies, such as the UK Met Office UKCP18 (most relevant for the core asset portfolio), and looked at both physical and transitional risks under two climate warming scenarios: one within 1.5 to 2.0°C (RCP 2.6) and one up to 4.0°C (RCP 8.5).

Risk type	Description	Potential impact	Timeframe	Mitigation/ resilience measures
Physical risks				
Chronic	Physical disruption as a result of longer term shifts in climate patterns (e.g. sustained higher temperatures or rainfall) that may cause sea level rise or chronic heat waves. Intensity of weather (acute risk below) is deemed more significant for the business.	Low	Medium-long	—
Acute	Primarily, flooding risks (Northern Europe markets) triggered by changes in the frequency of extreme rainfall events (based on mm/day thresholds), which are projected to increase in all warming scenarios, especially in summer and late autumn. Costs that may be incurred for the few stores exposed include mitigation CAPEX, operational disruption, physical repairs, clean-up, insurance premia increases, and reduced customer demand as a result of reputational damage.	Medium	Medium-long	Avoid high risk exposure areas. Where a store is exposed use appropriate mitigation solutions for the context (e.g. enhanced drainage, flood barriers, and water pumps) As a last resort, relocate to nearby lower exposure site
Transition risks				
Policy and legal				
Regulation relating to stricter environmental standards	Increased stringency of building and planning requirements in support of national net zero targets. Local authorities will seek to use planning systems to deliver progress against climate goals which will impact on build specification and associated costs. MEES standards also increasing for commercial lettings (office locations only) which will drive upgrade expenditure.	Medium	Short	Engage planning authorities to ensure specifications for new stores are proportionate given intended use Identify existing locations exposed to regulatory changes – relocate or change use (remove offices) if improvements unviable
Climate change litigation	Claims brought by stakeholders (e.g. investors and public interest organisations) perhaps due to failure to mitigate impacts of climate change, failure to adapt, or the insufficiency of disclosure around material financial risks.	Low	Medium	—
Reporting obligations	Additional reporting burden on carbon emissions, including Scope 3.	Low	Short	—
Technology				
Electric vehicles	To deliver net zero targets, electric vehicle use will increase and drive demand for charging point infrastructure for customers and colleagues. May be mandated by some local authorities as part of planning process. This will impact capital budgets for new builds and retrofits. However, this could also be a revenue opportunity in high traffic locations with an appropriate commercial arrangement.	Low	Short	—
Market				
Valuation of properties with lower efficiency rating	Risk of valuation impairment of assets with low efficiency ratings. Only heated areas of storage facilities are rated – these can usually be cost effectively improved.	Low	Medium	—
Supply chain resilience/ cost of materials	Risk to development costs due to demand versus supply of key materials such as insulation and cost of inputs which may incur carbon premium (steel and cement).	Medium	Short-medium	Seek to convert existing structures where possible/ available. Ensure competitive tendering on major projects
Cost and availability of capital	Risk of downgrading/cost premium as ESG considerations are incorporated into credit ratings and other lender/ investor screening.	Low	Short	—

Our environment continued

Climate-related financial disclosures continued

Strategy continued

Risk type	Description	Potential impact	Timeframe	Mitigation/ resilience measures
Transition risks continued				
Reputation				
Stakeholder risk	Increasing public awareness of and appetite to tackle climate change could create reputational risk if there is failure to reduce operational and embodied carbon. This could manifest in delays to planning processes.	Low	Short-medium	—
Employee risk	As colleagues become increasingly engaged with climate change issues, perceived failure to make progress on decarbonisation could impact talent recruitment and retention.	Low	Short-medium	—

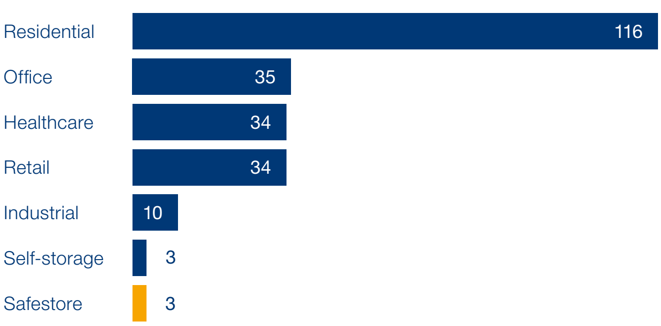
In summary, we expect physical climate-related risks to have some localised impacts on our business. Specifically, the impact of more frequent intense precipitation events is deemed relevant in the medium to long term for a subset of exposed stores. We also expect the transition to a low carbon economy to pose some limited financial risks in the short term as we respond to changes in regulation and incur costs associated with decarbonising our building development and operations. However, there may also be opportunities that arise from the transition, as well as the physical impacts of extreme weather.

Regardless of the scenario, we believe the Group's business model and strategy are likely to be resilient as its assets have overall limited exposure and vulnerability to climate-related risk. Accordingly, there are limited ongoing financial implications beyond the cost of meeting higher building standards and introduction of mitigation measures.

The Group will, therefore, continue to grow its portfolio, assessing each investment for climate risk in addition to financial considerations and making necessary physical and financial allowances for mitigations where appropriate, as it already does today.

The self-storage sector is not a significant consumer of energy when compared with other segments of the real estate landscape. According to a 2024 report by KPMG and EPRA[1], self-storage generates the lowest greenhouse gas emissions intensity of all European real estate sub-sectors. Reflecting the considerable progress made on efficiency measures and waste reduction to date, Safestore's emissions intensity is lower than the self-storage sector average.

GHG intensity (Scope 1 and 2) by REIT sector kg CO_2e/m^2 per year (2023)[1]



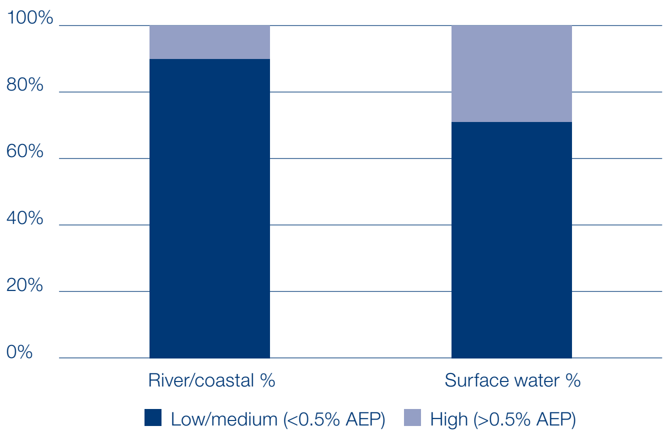
Note:
1 KPMG/EPRA: Deep-dive_on_Non-Financial_Performance: ListedReal Estate companies across Europe, November 2024.

Nevertheless, as part of our commitment to SDG 13 (Climate action) we have been working towards a previously set near term carbon reduction target to 2025 (see sustainability targets and KPIs). In addition, we have a commitment to work towards operational net zero by 2035. This commitment covers Scope 1 and 2 emissions plus Scope 3 emissions which relate to ongoing operations (water, waste, electricity transmission and distribution and business travel). Last year, we introduced an interim target for absolute emissions and emissions intensity for the financial year ending 2028 as a milestone on our journey to operational net zero (see sustainability targets and KPIs on page 46).

Physical risks

The primary physical risk to our business relates to the increasing likelihood of extreme weather events (particularly intense precipitation and flooding). Based on current data, our insurer's flood assessment at the last renewal indicates that 91% of the Safestore UK portfolio (69% of Group) by value has little to no exposure to river/coastal flood risk (the chance of a flooding event occurring annually is less than 0.5%). This corresponds to just 14 locations in the UK with an elevated risk. There is a slightly higher exposure to surface water flood risk – 71% of floor area and value is in stores with less than 0.5% Annual Exceedance Probability. The risk profile of the portfolio has been stable over the past few years.

Flood risk of UK portfolio 2024 (% of insured value excl. customer goods)



Our Benelux portfolio (which represents 9% of Group floor space in 2024) has a slightly higher flood risk profile with 7 of 21 locations considered high risk by the insurance underwriters. In Spain, insurers do not conduct flood risk assessments of specific assets due to a small premium which applies to every policy to cover such natural occurrences. However, we understand the current Spanish portfolio to be at low risk of surface flooding. According to ThinkHazard!, a web-based tool established by the Global Facility for Disaster Reduction and Recovery ("GFDRR"), Barcelona is classified as 'low risk' for urban flooding resulting from intense rainfall. This is the second lowest risk level and means that there is a chance of more than 1% that potentially damaging floods occur in the coming 10 years (return period of c. 1 in 1,000 years). Madrid, by contrast, is considered 'very low' risk with a less than 1% chance of this sort of event.

Accordingly, overall the Group portfolio has low exposure to acute flooding risk, and whilst the frequency of extreme precipitation events is projected to increase in all warming scenarios, medium and high impact rainfall days (defined by the UK Met Office's National Severe Weather Warning Service as 24-hour precipitation thresholds in mm/day which are designed to be used for identifying prolonged rainfall which may lead to flooding) are still projected to be relatively rare events[1].

Research using the most recent granular climate models[2] confirms this projection of extreme rainfall events and demonstrates the elevated risks are in the autumn and summer seasons specifically. Spring and winter events are rarely projected to exceed any impact threshold out to 2080, even in the low mitigation (RCP 8.5) scenario. This pattern is expected to be similar across the UK. This research implies that the probability of these extreme events will rise in autumn by 5–10% by 2040 and by 20–40% by 2080.

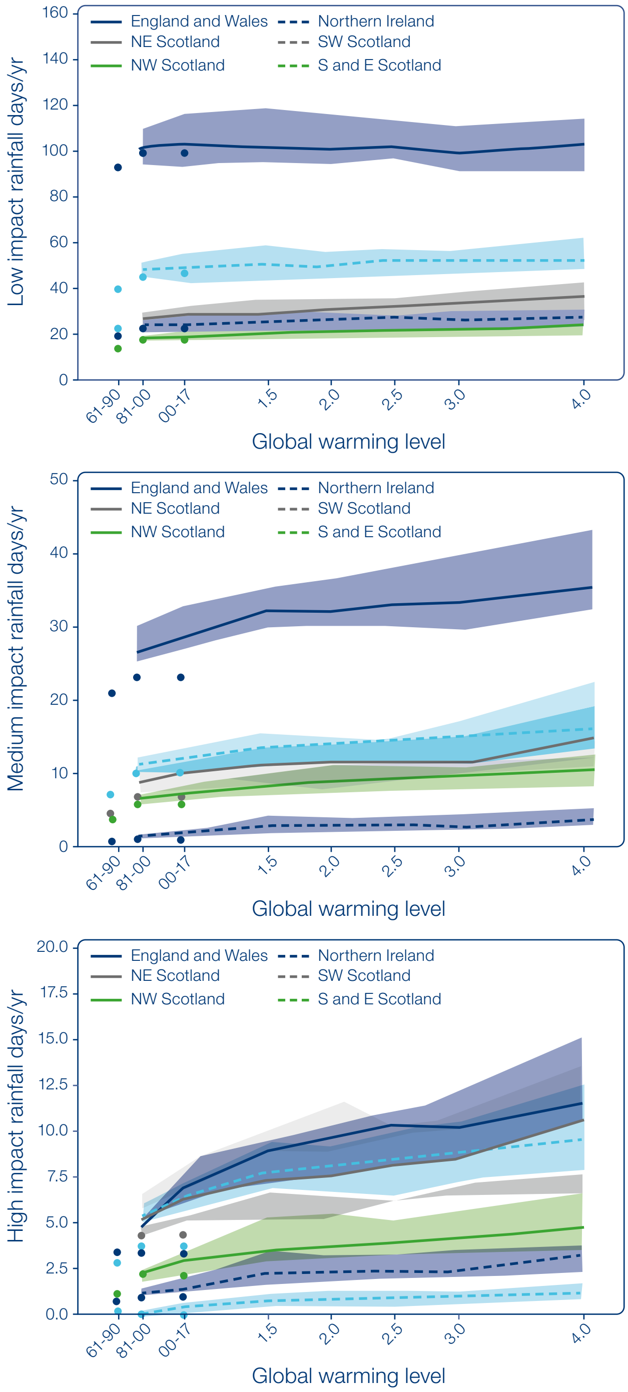
The summer season shows the largest change, especially towards the end of the century, with probability close to 50% higher for a 1-in-200-year event; i.e., despite overall summer drying trends in the future, increases in the intensity of summer rainfall events are projected. It should be noted, however, that projections for rare events have a high degree of uncertainty, especially in the outer years of a projection period.

From prior experience, the main consequences of these intense precipitation events are clean-up, repairs and maintenance costs, and short term impact on asset availability (temporary closures preventing new move-ins). Costs are usually recovered from insurers so over time it is reasonable to expect insurance premia and flood-related excesses will increase if extreme events occur more frequently.

There is also the longer term risk of lower occupancies in exposed stores – although customer goods are also insured to their declared value, there is the possibility of a reputational impact. A reasonable assumption for the cost based on prior experience (borne by insurers, direct impact being the impact on cost and availability of insurance) of remediation after an extreme precipitation event is £100,000 per event, regardless of the warming scenario.

It should be noted that where Safestore invests in property in higher risk areas, risk mitigation measures are usually proactively deployed. As such, even in extreme weather scenarios the majority of the UK portfolio is not likely to be impacted from an ongoing operation, insurance risk premium or valuation basis. Mitigation measures (where deployed) should minimise disruption at higher risk sites, and these locations may, in fact, experience increased demand from impacted local communities as they seek temporary storage for their belongings. In locations where mitigation becomes unviable, or cost/ availability of insurance becomes prohibitive the Group would seek to relocate to a nearby less exposed site.

Projections of low, medium, and high impact rainfall days in the UK per year under different warming scenarios[1]



Notes:

1 Hanlon, H.M., Bernie, D., Carigi, G. et al. Future changes to high impact weather in the UK. Climatic Change 166, 50 (2021). https://doi.org/10.1007/s10584-021-03100-5).

2 Shane O'Neill, Simon F.B. Tett, Kate Donovan. Extreme rainfall risk and climate change impact assessment for Edinburgh World Heritage sites, Weather and Climate Extremes, Volume 38, 2022.

Our environment continued

Climate-related financial disclosures continued

Transitional risks

Our primary transition risks are policy and regulatory changes, which may increase building specifications to meet net zero objectives. Local authorities will continue to use planning processes to deliver against their own objectives and policies such as Minimum Energy Efficiency Standards ("MEES") will impact landlords in the residential and commercial sectors. To ensure relevant UK assets meet MEES minimum standards, we estimated capital investment of approximately £650,000 would be required which is incorporated into our annual capital expenditure plans. For more details, see page 67. Should any of our facilities with offices be unable to cost effectively meet MEES standards, we would convert office space into a storage area, which does not have this requirement, meaning there is minimal risk of lost revenue or 'stranding' of assets.

Requirements for new projects to meet more stringent energy efficiency standards and include features such as solar photovoltaic panels and electric vehicle charging facilities will add to the capital costs of new developments; however, these would represent a small portion (1–2%) of a new development project and would likely be recovered through lower ongoing operating costs over the lifetime of the building. A related market risk of carbon taxes on core building materials such as steel could have a larger impact; however, where possible, Safestore will convert existing structures and is, therefore, less exposed to these increases in cost and embodied carbon.

Our transition plan is a combination of operational improvements, including consumption reduction initiatives such as phasing out of gas heating in the portfolio and ensuring all energy consumed is self-generated (where viable) or purchased from certified renewable sources. New buildings introduced to the portfolio will be developed to high energy efficiency standards. Some residual emissions may require the purchase of carbon offsets from a credible scheme(s). We estimate that the roadmap to operational net zero will require a total investment of c. £3 million to 2035, with investments in later years subject to detailed business case evaluation.

Opportunities

The transition to a low carbon economy is likely to present opportunities as well as risks. In general, businesses that build and operate sustainable facilities are well positioned in a world where both local planning departments and end consumers are making decisions with climate change in mind. In addition, reducing the energy intensity of the business and reliance on gas is financially advantageous, particularly in an era of volatile energy prices.

Removing gas-burning appliances from facilities also reduces associated fire and carbon monoxide exposure risk. However, it should be noted that the business is not an intensive user of energy (energy costs are approximately 1.5% of revenue), unlike other more intensive usage sectors, so the variability of power prices is not considered a significant risk or opportunity. Nevertheless, it is likely that buildings with lower operating costs and carbon emissions intensity will attract a valuation premium and lower cost of funding over the medium to longer term. Assuming PV installations progress, grid connections are made, and a suitable trading mechanism emerges, sales of excess power generated from rooftop solar installations could become a revenue stream in the medium term in addition to supporting decarbonisation in our communities and the wider economy.

The provision of electric vehicle charging facilities could deliver a customer benefit in the short term whilst also reducing associated Scope 1 (business travel) and Scope 3 (customer travel to/from stores) emissions and provide another ancillary revenue stream.

It should also be noted that well-positioned self-storage facilities could be seen as adding 'system resilience' to supply chain disruptions and facilitating recovery post-extreme weather events via temporary storage of business or consumer goods. This would be of more relevance in the longer term as chance of extreme weather events increases.

Metrics and targets

To assess climate risk, we internally record and monitor a range of construction and operational impact metrics such as development cost trends, unit availability (offline units) and damage claims relating to water damage. We also track and disclose the floor risk exposure of the UK property portfolio (see section on physical risks).

Our headline KPI for management is market-based operational carbon emissions intensity. Performance against this measure is linked to executive remuneration to encourage and reward progress in emissions reduction. We have set targets for FY 2025 and FY 2028 relative to base year FY 2022 as milestones towards operational net zero in FY 2035.

In addition, we monitor and report a range of metrics relevant to the property sector per the EPRA sBPR recommendations. Specifically, we disclose:

- Energy consumption (gas and electricity) and building energy intensity per unit floor area.
- Water use and water use intensity.
- Waste generation including the proportion diverted to landfill.
- Scope 1 and 2 and operational Scope 3 greenhouse gas emissions and emissions intensity.
- Energy performance ratings (EPC or equivalent) of new store developments.

These are disclosed in the following section of this report, on pages 65 to 77. Specifically, Scope 1, 2 and 3 emissions are disclosed in the mandatory greenhouse gas reporting and Streamlined Energy and Carbon Report sections on pages 70 to 77.

Supplementary data can be found in the sustainability section of our website, including the basis of reporting and independent limited assurance on selected metrics. Scope 3 emissions which relate to ongoing operations (water, waste, electricity transmission and distribution and business travel) are measured and actively managed. Upstream Scope 3 emissions relating to purchased goods and capital expenditure are not currently reported, but we are actively engaging with our suppliers to ensure these are being considered, for example, through consolidation of deliveries to our stores or the proportion of recycled material used in development projects. Downstream Scope 3 emissions (primarily customer journeys to our stores) are likely to be material; however, we are not currently able to measure or report these. We contend that collecting and reporting this data would not be an appropriate use of time or resources given that emissions will naturally abate over time as the consumer vehicle fleet and electricity grid decarbonise in each of our markets.

Strategy for operational net zero

We will achieve operational net zero by 2035, through:

a) Reducing and optimising what we use

- Completion of lighting efficiency programme (external signage and customer unit lighting)
- Voltage optimisation at selected sites
- Decommissioning of gas appliances
- Installation of building management
- Systems for remote monitoring and power management (business case dependent)

b) Using only zero carbon energy

- Installation of solar photovoltaic on new build stores where viable
- Securing certified green electricity through PPAs and/or 'high quality' tariffs
- Transition of company car fleet to PHEVs* and BEVs* and introducing charging points
- Retrofit of rooftop solar photovoltaic to selected stores (business case dependent)

Total investment of c. £3m spread until 2035

* PHEVs = plug-in hybrid electric vehicles; BEVs = battery electric vehicles.

Sustainable operations

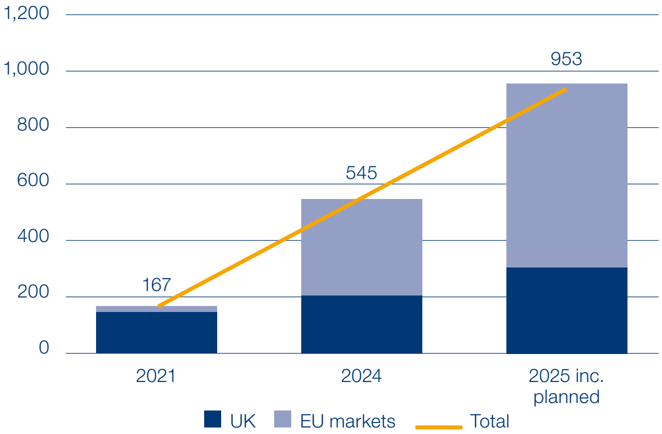
Renewable energy

Electricity

We are committed to the use of green electricity. We actively seek to reduce our overall energy usage through efficiency programmes and self-generate our power where practicable. In some locations we are also now offering EV charging to our colleagues and customers.

In May 2024 we commenced a green electricity contract in Belgium which means all Group stores are now powered by zero carbon electricity. In accordance with our strategy for reaching operational net zero by 2035, we have continued to introduce solar photovoltaic panels on our new stores where possible; our installed potential generation capacity was just under 0.55MW at the end of FY 2024. By the end of FY 2025, we anticipate the installed potential to be approaching 1MW.

Installed PV capacity (KW)



Lighting

Over the last five years, we have continued to optimise our UK lighting consumption. Following the installation of motion-sensitive LED lighting throughout communal areas, we are now upgrading the lighting within our larger units. To date, during FY 2023/24, we have replaced the lighting in over 310 storage units. We will continue this evolution of LED lighting as customers vacate units.

During this year, we have completed an upgrade of our lift lighting. All UK stores now have LED lighting within the lift cars and shafts.

In France, we have completed the internal LED lighting upgrades, and are now replacing all exterior lighting, including high consumption fluorescent tubes, with motion-sensitive LED lighting.

Gas

In 2020, we committed to eliminating gas usage by 2030 from our UK stores; this will be achieved by installing high-output, low-energy electric heaters, which are more efficient than water radiators, reducing consumption of and demand for electricity.

The benefits of removing gas from our stores are wide-ranging and include:

- A reduction in the CO_2 output attributed to Safestore.
- Lower maintenance costs as electric heating systems are more reliable.
- No requirement for carbon monoxide testing.
- Protection against volatile gas prices.

Since last year's report we have eliminated gas in a further six stores. This work has resulted in a like-for-like drop in gas usage in the UK from 1,862 MWh to 1,579 MWh, a reduction of 15.2%. We continue to work towards our 2030 target, removing gas in at least five stores per year.

In France and Spain, we no longer use gas in our stores. The gas used in our other European stores is for the purposes of heating reception areas and supplying hot water. Wherever possible, we have purchased CO_2-compensated gas contracts to minimise the impact of our gas usage whilst we review the option of removing gas across the remainder of the estate.

Our environment continued

Sustainable operations continued

Renewable energy continued

Water

Our stores consume relatively low volumes of water, and we strive to minimise our consumption wherever possible through the installation of efficiency schemes such as flow rate restrictors, aerators, and push button taps.

Proactive maintenance and reactive responses also mean that the likelihood and impact of events such as leaks and associated waste are mitigated wherever possible.

In the UK we have recently enlisted the support of our water retailer to complete store audits helping us identify any further opportunities.

Merchandise

We are proud to sell Safestore branded merchandise across the UK, Belgium, the Netherlands, and Spain. Our branded boxes are made from 100% recycled materials and are fully recyclable. We continue to offer our 'box for life promise', ensuring the boxes can be recycled in a responsible way. In France, our merchandise is made from paper sourced from sustainably managed forests and deliveries are made using hybrid vehicles.

The use of fully recycled paper across this range, including boxes, has resulted in approximately 480 trees saved from being felled this year. We are committed to ensuring our merchandise packaging contains no single-use or non-biodegradable plastics.

Working with our supplier, Ecopac Macfarlane, we endeavour to minimise the carbon footprint of deliveries with items dispatched from local depots and distribution centres across Europe.

Goods not for resale

At the start of 2023 we commenced a new UK contract with Lyreco which provides our teams with office, stationery, and maintenance supplies. As part of this work, we consolidated our supply base reducing the number of deliveries to our stores and simplifying our ordering processes - all whilst achieving improved commercial terms.

Over 30% of Lyreco deliveries are made with zero emission vehicles[1] and we continue to review our product assortment on an ongoing basis to seek greener alternatives where practicable. Following our successful launch in the UK, we have expanded Lyreco's coverage to include the Netherlands, and Lyreco has supplied our French teams for three years.

Operational waste

Since May 2022, we are pleased to confirm that, in partnership with Veolia, all UK operational waste has been successfully diverted from landfill.

Following a comprehensive analysis of waste composition in the UK, we introduced a new cardboard and paper waste service to replace our existing dry mixed recycling. This targeted approach improves our operational efficiency, reduces costs, and continues to support 100% landfill diversion.

To further control and reduce waste volumes across our stores, we actively monitor and implement site-specific measures. For example, in both France and the UK, we restrict access to waste containers to prevent unauthorised third party use. In Belgium, our waste service provider Renewi has also achieved 100% landfill diversion, reinforcing our commitment to sustainable waste management across multiple regions.

In central European locations, some waste collections are managed by local councils or municipalities, limiting visibility of our outputs on waste in certain areas. Nevertheless, we remain committed to minimising our environmental footprint by reducing single-use materials wherever possible and promoting recycling across our stores.

1 Sustainable Development Goals | Lyreco UK and Ireland.

New store development – construction waste and recycling

In the UK, our Lea Bridge store is on track to meet our target of diverting 100% of construction waste from landfill. Across our European operations, we have set a goal of achieving 98% landfill diversion within the next 24 months as part of our commitment to responsible waste management.

In the UK, we have partnered with the Community Wood Recycling charity ("CWR") to ensure that wood waste from our construction sites is re-used. We require our principal contractors to set aside all waste wood for collection by CWR, which repurposes it into a range of garden products, from flowerbeds to benches and tables. By collaborating with CWR, we are not only reducing landfill waste but also supporting community-based re-use initiatives that develop skills for the many volunteers who work with it.

As a Group, we are dedicated to recycling or recovering 100% of soft and hard plastics from our construction projects. We continue to work closely with our suppliers to reduce the amount of plastic packaging arriving at our sites and to further decrease plastic usage over the coming years. We are committed to phasing out all non-essential plastic products by 2030 as part of our ongoing sustainability journey.

Vehicle fleet

Across the last year we have continued to invest in, and modernise, our Company-owned fleet of cars. In the UK, we source modern plug-in hybrid electric vehicles capable of delivering the business needs on a day-to-day basis and helping us achieve greener transport goals.

Longer term we are looking to transition our entire fleet to fully electric vehicles subject to practicability and vehicle availability across all territories.

Reducing emissions in the wider economy

Through the provision of DHL ServicePoints in the UK, and Amazon and IKEA lockers in Spain, our stores play a role in reducing the number and frequency of doorstep deliveries and collections. By consolidating shipments and minimising transport requirements, we are facilitating a reduction in the carbon footprint in the wider economy.

Refill

Across many of our UK stores, we partner with Refill, a campaign to promote the use of reusable bottles and containers for drinking water. As a result, Safestore has helped to contribute to saving an estimated 60 million bottles[1] from entering our community waste streams.

Voltage optimisation

Voltage optimisation is a smart and proactive approach to manage electricity consumption by controlling the incoming voltage supplied to electrical equipment. Average UK voltage is 242V, around 10% higher than equipment requires. This higher voltage not only leads to increased energy consumption, but also results in higher electricity bills and unnecessary wear and tear on electrical appliances.

Voltage optimisation lowers the incoming voltage to a level that is more suitable for the electrical equipment's efficient operation. By optimising their voltage, businesses can achieve significant energy savings and reduce their carbon emissions, making a positive impact on the environment.

Voltage optimisation systems are installed between the incoming electrical supply and the electrical equipment, acting as a buffer. These systems monitor the voltage levels and adjust them to ensure a consistent and optimal voltage range.

The optimisation process involves stepping down the voltage when it exceeds the desired range and slightly boosting when it falls below the required level. This way, electrical equipment receives a steady, regulated supply of voltage, maximising its efficiency and lifespan.

In 2022 we installed our largest voltage optimiser at our Battersea Ingate site. This has now had one full year of amortisation and our consumption has dropped by a year to date average of 17.3%.

Minimum Energy Efficiency Standards ("MEES")

The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 prohibit landlords from letting a property with an EPC rating of below E unless an exemption applies. This is relevant to our UK locations with lettable offices and non-self-storage space.

The prohibition has applied to new tenancies for residential properties since 1 April 2020 and has applied to commercial properties from 1 April 2018. Since 1 April 2023, landlords cannot continue to let, properties that fall below an EPC rating of 'E'. It is currently unlawful for landlords to grant a new tenancy of, or continue to let, commercial property with an EPC rating of 'F' or 'G'. This applies to both new leases and renewals (unless an exemption applies, and the landlord has registered that exemption). MEES does not apply to lettings of six months or less, or to lettings of 99 years or more. From April 2027, the Government is proposing to change the minimum standard to a 'C' rating as an interim step followed by a minimum standard of 'B' from 1 April 2030. This has been consulted on but not yet confirmed by legislation.

Safestore identified 38 locations (storage centres which include lettable offices and/or non-self-storage space) where we would have the requirement to have a MEES energy performance survey conducted.

Since 2021/22, these stores have been surveyed by external independent assessors and the findings are that the majority are already compliant with the Government's proposed 2027 requirements of a 'C' rating. Just seven properties were identified as needing improvements to meet the 2027 standard, and we are confident that this can be achieved with modest capital investment. The readiness of the portfolio for the 2027 standard is a consequence of the work undertaken to date in the form of LED lighting upgrades, window and insulation enhancements, and the recent drive to install high efficiency electric heating.

1 https://www.refill.org.uk/about/

In our European geographies there is new emerging legislation. The key legislation is the EU Energy Performance of Buildings Directive 2024 and the EU Energy Efficiency Directive 2024. This is an outline framework which requires each geography within the EU to implement a regime compliant with the overarching framework. We will continue to monitor how each geography intends to respond to the regulations at national level and what that means for our portfolio.

St. Albans – Existing building converted into a new Safestore.

Rotterdam with a new PV Cell system.

Our environment continued

Sustainable construction and sourcing

Safe, sustainable construction

We are committed to ensuring our buildings are constructed responsibly and their ongoing operation has a minimal impact on local communities and the environment. This is how we can make a meaningful contribution towards achieving SDG 12 (Responsible consumption and production) and SDG 13 (Climate action).

- All our construction teams in the UK and across Europe follow sustainable construction principles and, wherever practicable, use materials that have recycled content or are from sustainable sources.
- Where feasible, concrete from existing buildings on site is demolished, then crushed on site and re-used in the new development.
- We monitor the waste and energy usage on every site and introduce efficiencies identified into future building projects.
- We design our stores to provide a safe, secure home for our customers' possessions and we build them with consideration given to our colleagues, our customers, our communities, our investors, and the environment.
- Over 50% of our new store openings in 2024 were conversions of existing buildings.
- Since the beginning of 2024, where structurally/practically feasible, we have been installing new PV Cell systems and electric vehicle charging points into our car parks. During the year, we installed PV cell systems at our stores in St. Albans, Rotterdam, Almere, Aalsmeer, and Leganés.
- All new store developments provide bicycle parking for both our customers and colleagues.

Considerate Constructors Scheme ("CCS") (UK only)

In the UK, construction sites, companies, and suppliers voluntarily register with the CCS and agree to abide by the Code of Considerate Practice, which is designed to encourage best practice beyond statutory requirements.

The scheme's remit is any area of construction activity that may have a direct or indirect impact on the image of the industry. The main areas of concern fall into three categories: the public, the workforce, and the environment.

We register all new UK-built store developments with the CCS, setting a target score of 40 points for both the shell construction and fitting out of the facility with our construction management partners.

Our new store in Lea Bridge scored an average of 44 out of 45 over the course of its two visits, putting it in the top bracket of scoring. The inspector highlighted all areas of the inspections as 'Excellent', which highlights the exceptional effort and commitment that our construction team makes in raising the standards of our new store developments.

Energy Performance Certificates ("EPCs") of new buildings and conversions

EPCs in the UK and their equivalent in European countries set out the energy efficiency of a property using a traffic light system of A–G, with A being the most efficient. In 2023 our target was to ensure that 80% of new store developments in the UK and across Europe (excluding France, where certification of self-storage buildings is not conducted) would achieve a minimum EPC rating of 'B'.

We achieved that goal and are pleased to report that in 2024, we met the target of 100% of buildings in scope achieving a minimum EPC rating of 'B'$^{\Delta}$. For further details of energy ratings of 2024 openings including the basis of reporting and independent limited assurance, see the Sustainability section of our website.

Note:

Δ Deloitte LLP has provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 ("ISAE 3000") and Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410") issued by the International Auditing and Assurance Standards Board ("IAASB") over the selected metrics identified with a Δ. Deloitte's full unqualified assurance opinion, which includes details of the selected metrics assured, can be found in the sustainability section of the Group website.

Building Research Establishment Environmental Assessment Methodology ("BREEAM") in the UK, the Netherlands, and Spain, and Haute Qualité Environnementale ("HQE") in France

BREEAM/HQE certification is a local planning requirement for some of our new stores in the UK and across Europe. The methodology assesses the impact and opportunity for enhancing the environmental aspects of design and construction.

The certification includes a review of new store energy, sustainable building materials, water efficiency, waste recycling and ecology. The review also includes social aspects of the building life, including resource management, health, wellbeing, modes of transport and pollution reduction.

Regardless of whether a site is BREEAM certified, we strive to build to a minimum standard of BREEAM 'Very Good' on all our new store developments across the UK and the Netherlands.

It is expected that our Lea Bridge store (due to open later this year) will achieve a BREEAM 'Very Good' rating.

Safestore construction standards

We have a long-standing commitment to providing both a long term sustainable investment and a pleasant and safe environment for our customers and colleagues.

Our stores are built or converted to achieve similarly high standards; however, the configuration of an individual store may vary.

Safestore commitments from 2023/24 onwards are:

Best practice – internal/ external expectation	Safestore commitment	Applicability
BREEAM/HQE	Equivalent to 'Very Good'	Across all new build stores
BREEAM/HQE	Very Good	Where part of local planning
Sustainable drainage systems	Included	Across all new build stores
Solar photovoltaic	Roof-mounted photovoltaic	PV cell systems on all new, own-build developments
Considerate Constructors Scheme (UK only)	Score 40 or higher	All new stores
Ecology	Protect existing and improve biodiversity	Across all new build stores
Energy	Efficient LED lighting with built-in motion sensors	Across all existing and new stores
Security	Operate safe and secure facility	Across all existing and new stores
Energy Performance Certificate (or equivalent)	Rated B or higher	All new stores

Construction material: recycled content

Typically, the construction of one of our stores may include the following:

Building material	% of build cost	% recycled content
Steel (main frame)	4%–5%	Minimum 56%
Concrete	3%–4%	29%–37%
Cladding (walls and roof)	7%–9%	50% but Kingspan targets improvement using recycled bottles by 2030
Particle board (FSC certified) (mezzanine floors)	2%	85%
Brick and block walls	3%–5%	9%–55%
Glazing	2%	Glass 25%, aluminium frames 60%
Hardcore (piling mat)	1%	100%

Construction health and safety

Our health and safety record is excellent. Across all markets, we aim to exceed minimum standards. Safestore has a robust health and safety policy, and we have very low incident levels compared with our peers. During 2024, the number of reportable incidents on our construction sites was zero.

Consultation process

As part of any local planning process, we consult widely amongst the community and those most likely to be affected by any development.

Our environment continued

Mandatory greenhouse gas ("GHG") emissions reporting (wholly owned stores only)

This report was undertaken in accordance with the mandatory greenhouse gas ("GHG") emissions reporting requirements outlined under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 (the '2013 Regulations') and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (the '2018 Regulations'). This requires Safestore Holdings plc 'Safestore') to produce a Streamlined Energy and Carbon Report as per Environmental Reporting Guidelines (March 2019). This report contains our GHG disclosure for the 2023/24 reporting period.

We have 137 stores in the UK, 30 stores in France, 14 stores in the Netherlands, 6 stores in Belgium and 15 stores in Spain. During the 2023/24 reporting period we opened stores in Eastleigh and St Albans (UK). We also opened one store in Paris, one in Spain, and three in the Netherlands.

This report contains the following environmental data for all our stores which were operational at the beginning of the financial year: GHG emissions, electricity consumption, electricity transmission and distribution, gas consumption, water consumption, waste generation and business travel.

Methodology

Scope of analysis and data collection

Over 2023/24 we have collected primary data for all of our stores, including: building size (sq ft), electricity consumption (MWh), electricity transmission and distribution ("T&D") (MWh losses), gas consumption (MWh), water consumption (m^3), waste generation (tonnes by waste disposal method) and business travel (mileage). We do not have any refrigerant leakage to report for any of our stores in the UK, France, Spain, the Netherlands or Belgium. All primary data used within this report is from 1 September 2023 to 31 August 2024, covering the same reporting period as last year. Where electricity, gas or water consumption data is not available or incomplete, we have estimated consumption based on a combination of pro-rata methods as per Environmental Reporting Guidelines (March 2019) including:

- Pro-rata extrapolation from known reliable data.
- Average consumption per sq ft of lettable area of the stores where we have reliable data.
- Direct comparison using a corresponding period.

KPI selection and calculation

For the purposes of this report, stationary energy use (electricity and gas consumption), water consumption, waste generation, and business travel have been selected as the most appropriate key performance indicators ("KPIs") for the Group. To ensure consistency in our reporting, particularly where there are differences between the UK, France, Spain, the Netherlands, and Belgium, we are reporting all GHG emissions in units of tonnes of CO_2e. We have used the 2023 GHG conversion factors published annually by the Department for Environment, Food & Rural Affairs ("DEFRA") and the Department for Energy Security and Net Zero, formerly known as the Department for Business, Energy and Industrial Strategy ("BEIS"), with the exception of the French, Spanish, Dutch and Belgian CO_2e conversion factors associated with electricity consumption and T&D, which are no longer published by BEIS. These were sourced from the International Energy Agency ("IEA") and carbon footprint country-specific grid electricity factors both for location-based and market-based emission factors.

GHG emissions scope

The Greenhouse Gas Protocol (the "GHG Protocol") differentiates between direct and indirect emissions using a classification system across three different scopes:

- **Scope 1 emissions:** includes direct emissions from sources which Safestore owns or controls. This includes direct emissions from fuel combustion and industrial processes.
- **Scope 2 emissions:** covers indirect emissions relating solely to the generation of purchased electricity that is consumed by the owned or controlled equipment or operations of Safestore.
- **Scope 3 emissions:** covers other indirect emissions including third party-provided business travel.

GHG emissions – scopes included in this report

- **Scope 1 emissions:** we are reporting our gas consumption and business mileage.
- **Scope 2 emissions:** we are reporting our electricity consumption including electricity purchased for electric vehicles.
- **Scope 3 emissions:** we are reporting our electricity transmission and distribution, waste generation and water consumption and business travel via train and plane.

For more details on our basis of reporting for energy and carbon please refer to the Safestore basis of reporting document as published on the Sustainability section of our website.

Group environmental performance

We recognise the importance of taking a proactive, strategic approach to environmental management and we aim to ensure that good environmental practices are applied throughout our stores, and that those working for or on behalf of Safestore are aware of the need to act responsibly and sustainably. Our most significant environmental impacts arise from the construction of new stores and the operational energy consumption of our existing stores.

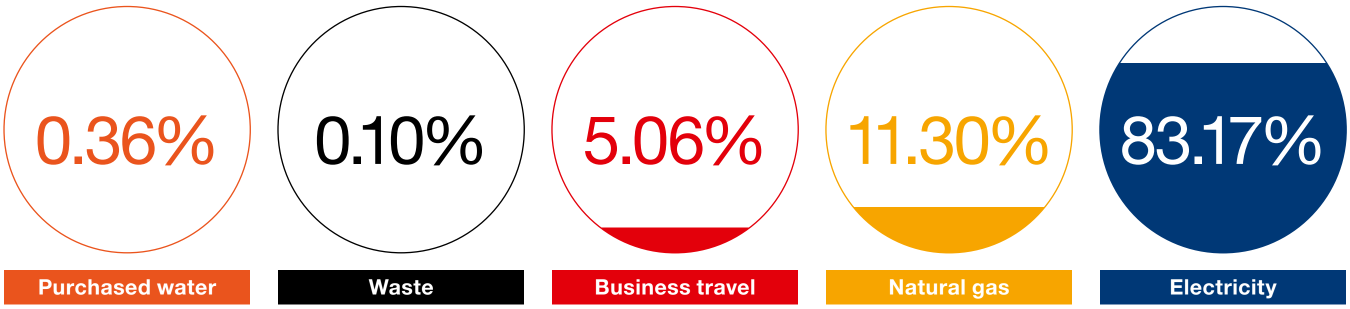
Safestore is committed to the protection of the environment, the prevention of pollution and continually improving its environmental performance. We will comply with all relevant legislation and strive to exceed legal requirements where possible in order to avoid or minimise any potential environmental impacts.

The following table displays our total Group performance for electricity consumption, gas consumption, water consumption, waste generation (recycling, landfill, energy from waste) and business travel against the previous years.

Breakdown of consumption by source (2019–2024)

Emissions source	Units	2019/20 (Sep–Aug)	2020/21 (Sep–Aug)	2021/22 (Sep–Aug)	2022/23 (Sep–Aug)	2022/23 (Sep–Aug) (restated)	**2023/24 (Sep–Aug)**
Natural gas	MWh	3,572	3,686	2,742	2,152	2,587	**2,419**
Electricity	MWh	14,435	13,506	14,755	14,708	14,708	**15,200**
Purchased water	m^3	43,372	47,503	53,024	52,774	52,774	**41,772**
Recycling	tonnes	1,448	1,487	277	233	233	**147**
Landfill	tonnes	58	57	37	—	—	**—**
Energy from waste	tonnes	1,124	831	696	599	599	**448**
Business travel	miles	346,076	421,829	608,381	740,770	740,770	**513,295**
Company vehicles							
Business travel (train/plane/ employee/hire vehicle)	miles	Not reported	Not reported	423,570	463,757	463,757	**464,963**

Breakdown of associated GHG emissions by source (2023/24)



Group environmental performance – analysis

We have analysed the year-on-year change in our performance and provided commentary on our Group environmental performance, as below:

Gas performance

We are continually seeking opportunities to reduce energy consumption to the lowest practicable levels appropriate with the operational needs of the business and to satisfy the needs of our customers. We are phasing out the use of gas in our stores wherever possible and have removed it from eleven sites during this period, but some of our stores still consume low volumes of gas for heating in reception and office locations. At the design and construction stage we seek opportunities to design efficient low consuming working environments and are ensuring that all new stores are built and rely just on electricity.

Gas performance Year ended 31 August	Units	2019/20	2020/21	2021/22	2022/23	2022/23 (restated)	**2023/24**	**% change**
Gas use	MWh	3,572	3,686	2,742	2,152	2,587	**2,419**	**(6.5%)**
Scope 1 emissions	tCO_2e	656.8	675.0	500.5	393.7	473.3	**442.4**	**(6.5%)**

Total gas consumption across all our stores is 2,419 MWh, which is a 6.5% decrease compared with the previous financial year.

Electricity performance

We are continuing to identify opportunities to reduce electricity consumption across our stores. To support this, we have installed smart meters across 92% of our UK stores to enable us to monitor our electricity consumption more accurately, and to identify further opportunities to improve energy efficiency.

Recognising that our electricity consumption is predominantly derived from our lighting requirements, we have completed a portfolio-wide LED lighting upgrade programme across all of our UK stores.

Our environment continued

Mandatory greenhouse gas ("GHG") emissions reporting (wholly owned stores only) continued

Electricity performance continued

Electricity performance Year ended 31 August	Units	2019/20	2020/21	2021/22	2022/23	**2023/24**	**% change**
Electricity use	MWh	14,435	13,506	14,755	14,708	**15,200**	**3.3%**
Scope 2 emissions(LB)	tCO_2e	3,022	2,555	2,620	2,803	**3,005**	**7.2%**
Scope 2 emissions(MB)	tCO_2e	171	153	178	47*	**87**	**86.9%**
Scope 3 emissions	tCO_2e	261	228	237	260	**248**	**(4.5%)**

Notes:
(LB) Location based
(MB) Market based.
* Electricity use includes electricity purchased for electric vehicles.

Total electricity consumption across all of our stores was 15,200 MWh which is a 3.3% increase in consumption compared to the previous year.

Water performance

Our stores consume very low volumes of water, and we strive to further minimise our consumption of water wherever possible through the installation of efficiency schemes.

Water performance Year ended 31 August	Units	2019/20	2020/21	2021/22	2022/23	**2023/24**	**% change**
Water use	m^3	43,372	47,503	53,024	52,774	**41,772**	**(20.8%)**
Scope 3 emissions	tCO_2e	45.6	20.0	22.0	20.0	**14.2**	**(29.1%)**

Between September 2023 and August 2024, the total water consumption across all our stores was 41,772m^3, which is a decrease of 20.8% compared to the previous financial year.

Waste performance

We produce a relatively small amount of waste, and we are seeking opportunities to further reduce or avoid the use of natural resources and minimise waste production by promoting recycling where possible. We continue to improve our waste segregation at our stores and are actively enhancing our recycling facilities to divert waste from landfill.

Waste performance Year ended 31 August	Units	2019/20	2020/21	2021/22	2021/22 (restated)	2022/23	**2023/24**	**% change**
Waste – recycling	tonnes	1,448	1,488	1,517	277	233	**147**	**(36.8%)**
Waste – energy from waste	tonnes	1,124	831	696	696	599	**448**	**(25.2%)**
Waste – landfill	tonnes	58	57	46	37	—	**—**	**0%**
Scope 3 emissions	tCO_2e	81.2	90.0	68.0	38.0	17.7	**3.8**	**(78.4%)**

In the last twelve months to August 2024, a total of 595 tonnes of waste have been generated (recycling, energy from waste) which is a decrease of 28% compared with the previous year.

Business travel performance

We report on our business travel, which includes vehicles owned by Safestore and business mileage on employee-owned cars and public transport such as planes, trains and taxis. We continue to promote public transport and car sharing where possible, notwithstanding the Covid-19 pandemic.

Business travel performance Year ended 31 August	Units	2019/20	2020/21	2021/22	2021/22 (restated)	2022/23	**2023/24**	**% change**
Business travel*	miles	346,076	421,829	469,324	608,381	740,770	**513,295**	**(30.7%)**
Business travel (Scope 1)	MWh	395	484	518	658	721	**406**	**(43.7%)**
Business travel (Scope 3)**	MWh	n/a	n/a	n/a	308	311	**309**	**(0.5%)**
Scope 1 emissions*	tCO_2e	96.4	117.7	124.0	159.0	170.0	**94.0**	**(44.6%)**
Business travel (PHEV/ EV) Scope 2 emissions	tCO_2e	Not reported	Not reported	Not reported	Not reported	6	**8**	**36.3%**
Business travel Scope 3** emissions	tCO_2e	Not reported	Not reported	Not reported	107.9	122.0	**103.0**	**(15.41%)**

In our business our Company vehicles travelled 513,295 miles in the twelve months to 31 August 2024, resulting in a 30.7% decrease compared with the previous year.

Notes:
* 2022/23 and 2021/22 (restated) excludes landfill and recycling waste tonnage from Europe – UK operational waste only.
** 2022/23 and 2021/22 (restated) includes mileage in Company-owned or operated vehicles throughout the Group. 2020/21 and earlier years include mileage in Company-owned or operated vehicles in the UK only.

Group GHG performance (mandatory GHG reporting)

We have used the Environmental Reporting Guidelines including Streamlined Energy and Carbon Reporting guidance[1] and Greenhouse Gas Protocol[2] methodology for compiling this GHG data and, for UK energy consumption and emissions, included the following material GHGs: CO_2, N_2O and CH_4. In accordance with the BEIS reporting guidelines and data conversion factors[3] for greenhouse gas emissions, the equivalent reports on our France, Spain, the Netherlands, and Belgium properties used the CO_2e factors provided by Carbon Footprint Emission Factors[4] September 2024 edition for grid electricity both for location based and residual fuel mix for market-based and transmission and distribution losses ("T&D losses"). Our GHG emissions for 2023/24 covered 100% of gross floor space. For the UK, France, Spain, the Netherlands, and Belgium vehicle fleets (both directly controlled and owner-driven vehicles) we used the following GHG emission conversion factors:

UK Government GHG emission conversion factors for company reporting

Standard set for 2024 as this set covers the greatest proportion of the current GHG reporting year.

Source: BEIS 2024 / Carbon Footprint Sep_24

Scope	Emissions source	Units	Conversion factors
1	Natural gas (gross CV)	kWh	0.18290
1	Business travel (petrol)	miles	0.26473
1	Business travel (diesel)	miles	0.27334
1	Business travel (plug-in hybrid) (Company owned)	miles	0.15062
2	**UK** electricity grid supply (LB)	kWh	0.20705
2	**France** electricity grid supply (LB)	kWh	0.07055
2	**Spain** electricity grid supply (LB)	kWh	0.18111
2	**Belgium** electricity grid supply (LB)	kWh	0.12525
2	**Netherlands** electricity grid supply (LB)	kWh	0.30901
2	**UK** electricity residual mix (MB)	kWh	0.41655
2	**France** electricity residual mix (MB)	kWh	0.09332
2	**Spain** electricity residual mix (MB)	kWh	0.41985
2	**Belgium** electricity residual mix (MB)	kWh	0.18711
2	**Netherlands** electricity residual mix (MB)	kWh	0.48595
2	Business travel (plug-in hybrid) (Company owned)	miles	0.02208
3	**UK** electricity transmission and distribution	kWh	0.01830
3	**France** electricity transmission and distribution	kWh	0.00614
3	**Spain** electricity transmission and distribution	kWh	0.01935
3	**Belgium** electricity transmission and distribution	kWh	0.00637
3	**Netherlands** electricity transmission and distribution	kWh	0.01303
3	Water supply	m^3	0.15311
3	Water treatment	m^3	0.18574
3	Commercial waste – recycling	tonnes	6.41061
3	Commercial waste – energy from waste	tonnes	6.41061
3	Commercial waste – landfill	tonnes	520.33
3	Business travel – plane (international flights)	pass-km	0.1758
3	Business travel – train (national rail)	pass-km	0.03546
3	Business travel – train (international rail)	pass-km	0.00446
3	Business travel – employee vehicles (average diesel)	miles	0.27334
3	Business travel – hire car/regular taxi	miles	0.14861

Notes:

The international conversion factors for electricity (both location based and market based) emission factors were sourced from carbon footprint country-specific electricity grid GHG emission factors, residual mixes and production mix conversion factors. (Note: Defra/BEIS no longer provide overseas electricity generation conversion factors).

1 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/850130/Env-reporting-guidance_inc_SECR_31March.pdf

2 https://ghgprotocol.org/

3 https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024

4 Source: Carbon Footprint Emission Factors (September 2024) (https://www.carbonfootprint.com/international_electricity_factors.html)

Our environment continued

Mandatory greenhouse gas ("GHG") emissions reporting (wholly owned stores only) continued

Streamlined Energy and Carbon Report ("SECR") summary

In accordance with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 (the '2013 Regulations') and the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (the '2018 Regulations') we have reported our Streamlined Energy and Carbon Report disclosure for the previous year 2022/23 and current year 2023/24.

UK – GHG emissions (tCO_2e)	Units	2021/22	2022/23	2023/24
Scope 1	tonnes CO_2e (UK)	557	473	**361**
Scope 2 (LB)	tonnes CO_2e (UK)	2,415	2,504	**2,451**
Scope 2 (MB)	tonnes CO_2e (UK)	—	—	**8**
Scope 3	tonnes CO_2e (UK)	384*	371	**319**
Total GHG CO_2e (LB)	**total tonnes CO_2e (UK)**	3,357	3,348	**3,131**
Total GHG CO_2e (MB)	**total tonnes CO_2e (UK)**	941	844	**688**
GHG CO_2e intensity (LB)	tonnes CO_2e/floor space (UK – thousand sq ft)	0.39	0.39	**0.351**
GHG CO_2e intensity (LB)	tonnes CO_2e/floor space (UK – thousand sq m)	4.22	4.15	**3.78**
GHG CO_2e intensity (MB)	tonnes CO_2e/floor space (UK – thousand sq ft)	0.11	0.10	**0.08**
GHG CO_2e intensity (MB)	tonnes CO_2e/floor space (UK – thousand sq m)	1.18	1.05	**0.83**

Note:
Scope 3 figures now include emissions from business travel via public transport (train/plane) and employee/hire vehicles for business travel.

Europe – GHG emissions (tCO_2e)	Units	2021/22 (restated)	2022/23	2022/2023 (restated)	2023/24
Scope 1	tonnes CO_2e (Europe)	103*	91	171	**176**
Scope 2 (LB)	tonnes CO_2e (Europe)	205	299	299	**554**
Scope 2 (MB)	tonnes CO_2e (Europe)	178	47	47	**79**
Scope 3	tonnes CO_2e (Europe)	21**	49	49	**50**
Total GHG CO_2e (LB)	**total tonnes CO_2e (Europe)**	328	439	519	**781**
Total GHG CO_2e (MB)	**total tonnes CO_2e (Europe)**	301	187	266	**306**
GHG CO_2e intensity (LB)	tonnes CO_2e/floor space (Europe – thousand sq ft)	0.100	0.126	0.149	**0.199**
GHG CO_2e intensity (LB)	tonnes CO_2e/floor space (Europe – thousand sq m)	1.08	1.36	1.60	**2.14**
GHG CO_2e intensity (MB)	tonnes CO_2e/floor space (Europe – thousand sq ft)	0.11	0.05	0.08	**0.08**
GHG CO_2e intensity (MB)	tonnes CO_2e/floor space (Europe – thousand sq m)	0.99	0.58	0.82	**0.84**

Notes:
Scope 3 figures now include emissions from business travel via public transport (train/plane) and employee/hire vehicles for business travel.

UK – underlying energy use (MWh)	Units	2021/22	2022/23	2023/24
Scope 1	MWh (UK)	2,918	2,470	**1,901**
Scope 2	MWh (UK)	12,490	12,093	**11,837**
Total Scope 1 and 2	**MWh (UK)**	15,408	14,563	**13,738**
MWh intensity	MWh/floor space (UK – thousand sq ft)	1.80	1.68	**1.54**
MWh intensity	MWh/floor space (UK – thousand sq m)	19.34	18.05	**16.58**

Europe – underlying energy use (MWh)	Units	2021/22 (restated)	2022/23	2022/2023 (restated)	2023/24
Scope 1	MWh (Europe)	482*	404	839	**923**
Scope 2	MWh (Europe)	2,266	2,615	2,615	**3,363**
Total Scope 1 and 2	**MWh (Europe)**	2,747	3,019	3,454	**4,286**
MWh intensity	MWh/floor space (Europe – thousand sq ft)	0.84	0.87	0.99	**1.09**
MWh intensity	MWh/floor space (Europe – thousand sq m)	9.06	9.33	10.68	**11.73**

GHG emissions	Units	2021/22	2022/23	2022/2023 (restated)	**2023/24**	**% change**
Scope 1	tonnes CO_2e (UK, Europe)	660	564	644	**536**	**(16.6%)**
Scope 2 (LB)	tonnes CO_2e (UK, Europe)	2,620	2,803	2,803	**3,005**	**7.2%**
Scope 2 (MB)	tonnes CO_2e (UK, Europe)	178	47	47	**87**	**86.9%**
Scope 3	tonnes CO_2e (UK, Europe)	405	420	420	**369**	**(12.0%)**
Total GHG CO_2e (LB)	**total tonnes CO_2e (UK, Europe)**	3,685	3,787	3,867	**3,911**	**1.2%**
Total GHG CO_2e (MB)	**total tonnes CO_2e (UK, Europe)**	1,243	1,030	1,110	**993**	**(10.5%)**
GHG CO_2e intensity	tonnes CO_2e/floor space (thousand sq ft)	0.31	0.31	0.32	**0.30**	**(4.1%)**
GHG CO_2e intensity	tonnes CO_2e/floor space (thousand sq m)	3.35	3.35	3.42	**3.28**	**(4.2%)**
GHG CO_2e intensity (MB)	tonnes CO_2e/floor space (thousand sq ft)	0.11	0.09	0.09	**0.08**	**(15.2%)**
GHG CO_2e intensity (MB)	tonnes CO_2e/floor space (thousand sq m)	1.13	0.91$^{\Delta}$	0.98	**0.83$^{\Delta}$**	**(15.3%)**

Note:

Δ Deloitte LLP has provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 ("ISAE 3000") and Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410") issued by the International Auditing and Assurance Standards Board ("IAASB") over the selected metrics identified with a Δ. Deloitte's full unqualified assurance opinion, which includes details of the selected metrics assured, can be found in the sustainability section of the Group website.

Energy consumed	Units	2022/23 (restated)	**2023/24**	**% change**
Scope 1	MWh (UK, Europe)	3,309	**2,825**	**(14.6%)**
Scope 2	MWh (UK, Europe)	14,708	**15,200**	**3.4%**
Total Scope 1 and 2	total MWh (UK, Europe)	18,017	**18,025**	**0.1%**
MWh intensity	MWh/floor space (thousand sq ft)	1.48	**1.40**	**(5.2%)**
MWh intensity	MWh/floor space (thousand sq m)	15.94	**15.09**	**(5.3%)**

Energy efficiency narrative

In the UK, which is our largest market, we have seen further reductions in energy use for electricity and gas on a like-for-like basis.

Like-for-like usage (UK)

	2022/23	2023/24	% change
Electricity (MWh)	11,412	11,042	(3.2%)

Like-for-like usage (UK)

	2022/23	2023/24	% change
Gas (MWh)	1,862	1,579	(15.2%)

These changes have been driven through the installation of more efficient heating solutions, and the continued optimisation of in-store lighting. This light fitting has been adopted as the default lighting used in all our new builds, extensions, and renovations both in the UK and our European estate.

We continue to review the energy used by our sites across all territories to identify and act upon any available opportunities.

Procurement of renewable energy

We actively pursue renewable energy within our purchasing decisions. Since May 2024, all electricity for owned stores across the Group are powered by zero carbon electricity sources.

The energy sources that we use include onshore wind farms and solar fields. Our objective here is to help meet our sustainability goals and to reduce our market-based GHG emissions. We also continue to invest in self-generation via solar panels, reducing our requirement for grid electricity.

Our environment continued

Mandatory greenhouse gas ("GHG") emissions reporting (wholly owned stores only) continued

Group GHG performance (mandatory GHG reporting) analysis

Total GHG emissions (location based) for Scope 1, Scope 2, and Scope 3 for the twelve-month period to 31 August 2024 have increased by 1.15% (or increased by 45 tonnes CO_2e) to 3,911 tonnes CO_2e. Of the total GHG emissions Scope 1 accounts for 14%, Scope 2 (location based) accounts for 77% and Scope 3 accounts for 9%. In terms of market-based emissions, the emissions have reduced by 11% (or reduced by 117 tonnes CO_2e) to 994 tonnes CO_2e. Scope 1 accounts for 54%, Scope 2 (market based) accounts for 9%, and Scope 3 accounts for 37% of the overall GHG emissions across global stores.

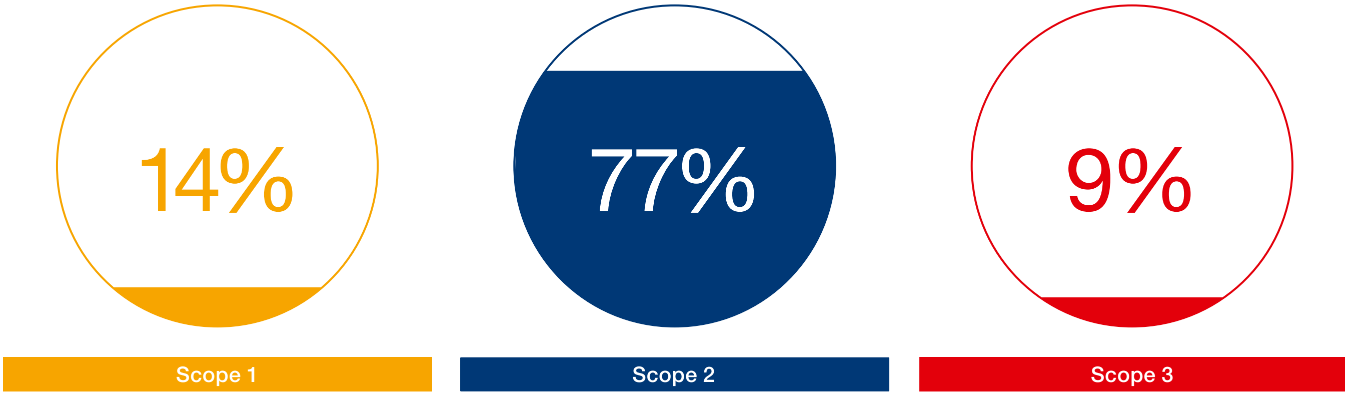
Breakdown of emissions scopes 2023/24

Our overall floor space has increased from 12,167,970 sq ft (2022/23) to 12,838,515 sq ft (2023/24).

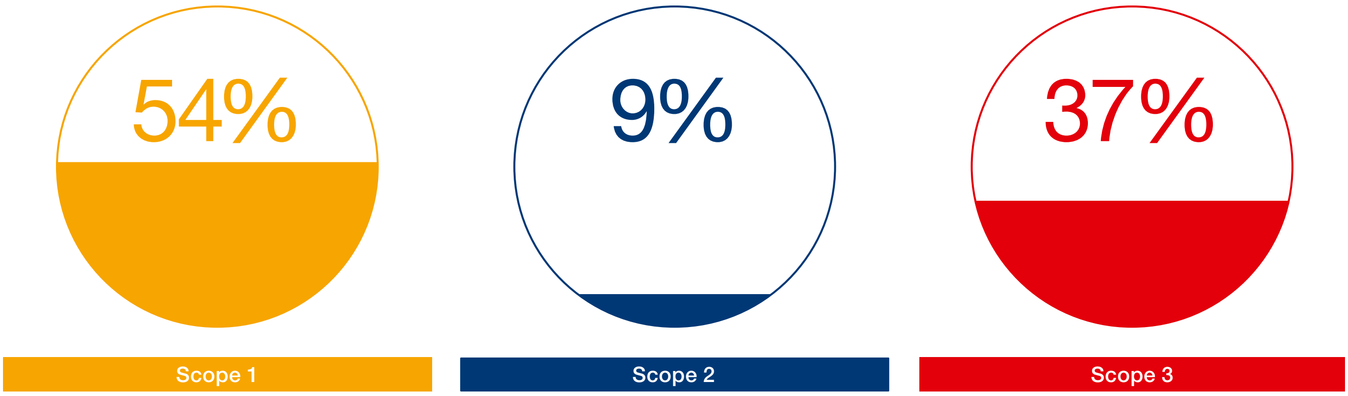
Our GHG emissions (location based) CO_2e intensity has decreased from 0.3178 tonnes CO_2e per thousand sq ft in 2022/23 (restated) to 0.30476 tonnes CO_2e per thousand sq ft in 2023/24, which is a decrease of 4.13%.

GHG emissions (market based) CO_2e intensity has decreased from 0.091 tonnes CO_2e per thousand sq ft in 2022/23 (restated) to 0.077 tonnes CO_2e per thousand sq ft in 2023/24, which is a decrease of 15.17%.

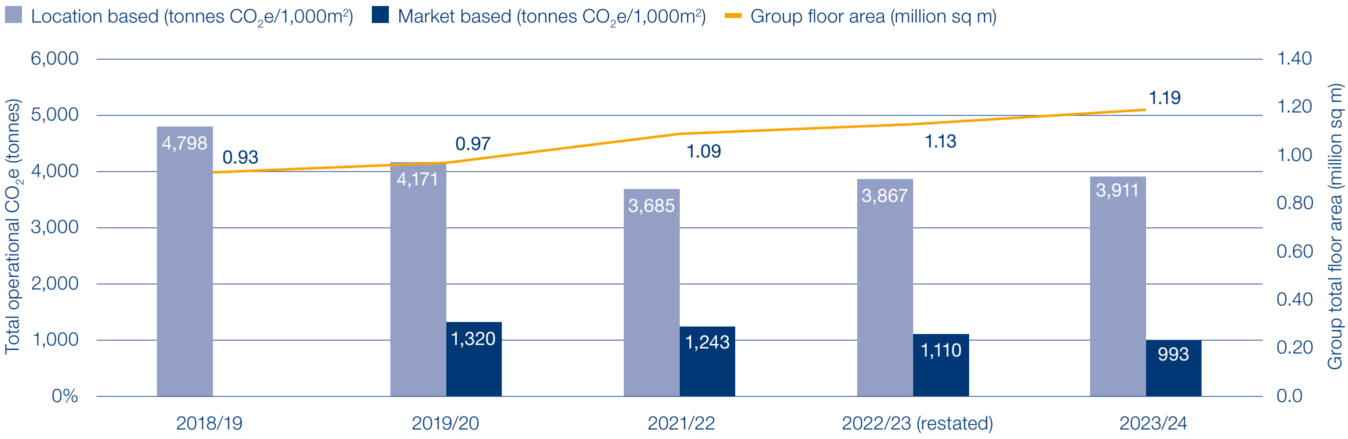
Location based



Market based



Our GHG emissions and intensity since 2018/2019



Market-based emissions intensity (tonnes CO_2e/1,000 m²)	**1.36**	**1.13**	**0.98**	**0.83**[Δ]

Note:

Δ Deloitte LLP has provided independent limited assurance in accordance with the International Standard for Assurance Engagements 3000 ("ISAE 3000") and Assurance Engagements on Greenhouse Gas Statements ("ISAE 3410") issued by the International Auditing and Assurance Standards Board ("IAASB") over the selected metrics identified with a Δ. Deloitte's full unqualified assurance opinion, which includes details of the selected metrics assured, can be found in the Sustainability section of the Group website.

Sustainable Energy First (formerly BiU) has collated the data set covering Scope 1 to 3 emissions for the period 1 September 2023 to 31 August 2024. Sustainable Energy First has direct visibility of the raw data used to calculate ~94% of the total global Scope 1 to 3 emissions and as such can provide confirmation of the completeness and accuracy of these emissions as well as around the emission factors applied, and their relevance and source; reference to these has been provided within this report. Where estimations have been made these have been noted within this report and efforts continue to be made to improve the quality of the data used within our annual energy and emissions report.

Safestore has an open and supportive culture. Our colleague and stakeholder engagement has been fundamental to our success and is integral to and aligned with our values and corporate culture."

David Hearn
Chairman

Dear shareholder

On behalf of the Board, I am pleased to introduce the Company's corporate governance report for the year ended 31 October 2024. High standards of governance continues to be the overarching ethos of the Board. The Board takes decisions with careful consideration and due regard to the impact on all stakeholders, with the underlying objective of promoting the long term success of the Company. Within this review and the reports of the Nomination, Audit and Remuneration Committees that follow, we outline the key governance matters considered by the Board in the financial year ended 31 October 2024. We provide commentary and insight into the decisions taken by the Board and how it discharged its responsibilities.

Board and Committee composition

I would like to start by thanking Ian Krieger and Andy Jones, both of whom stepped down from their roles on the Board in 2024. Since 2015 and 2013 respectively, Ian and Andy's dedication, leadership and hard work have left an indelible impact on our Company. I am sure you will all join me in wishing them the very best in retirement.

We were fortunate to have Jane Bentall step into Ian Krieger's role as Audit Committee Chair and Senior Independent Director. I am pleased that, with Jane's appointment as Senior Independent Director, the Board has met the targets set out in UKLR 6.6.6(9), as at 31 October 2024.

Following an extensive search process with assistance from executive search consultants, Odgers Berndtson, we were pleased to appoint Simon Clinton as the Group's new Chief Financial Officer. Simon was previously Chief Financial Officer of Logicor, one of Europe's largest warehouse and logistics real estate companies, and also brings a wealth of experience from a number of senior finance roles at Tesco and Diageo. Simon was appointed to the Company in March and underwent a robust handover period with Andy Jones and a thorough induction programme. More details on this induction programme can be found in the Nomination Committee report on page 88.

Company purpose, values, strategy, and culture

Safestore's purpose is to add stakeholder value by developing profitable and sustainable spaces that allow individuals, businesses, and local communities to thrive. This is achieved through the delivery of our strategy, supported by an effective framework of governance and risk management and by our culture and values.

Safestore has an open and supportive culture. Our colleague and stakeholder engagement has been fundamental to our success and is integral to and aligned with our values and corporate culture. We recognise that it is also critical for our colleagues to feel valued as well as to be paid fairly and we are exceptionally proud that our commitment to colleagues was recognised externally in 2021 and again in 2024 by the award of the prestigious Investors in People ("IIP") Platinum accreditation. We were also shortlisted for the Platinum Employer of the Year award. This award is explained more fully on page 10. Our success as a company is only possible due to the hard work and dedication of our colleagues. Their continued engagement is integral to the delivery of our strategy and ensuring it is aligned to our values and culture.

The Board is satisfied that our culture is aligned with the Company's purpose, values and strategy. Our values are summarised on page 52 and our strategy is explained on pages 8 to 19.

Board priorities

The Board continued to focus on delivering its strategic priorities. Sustainable growth through the development of our store pipeline, investing in our portfolio and expanding into under-penetrated self-storage markets across Europe continues to be on the Board's agenda. As mentioned above, our people, and their continued engagement and fair remuneration, are of high importance, as is the Board's continued oversight of environmental risks, health and safety and governance. The Board is committed to implementing the relevant recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") and reports against its framework. We have made climate-related financial disclosures consistent with the TCFD recommendations and further details are set out on pages 41 and 59 to 64.

Equality, diversity, and inclusion

Equality, diversity, and inclusion are considered important factors in the dynamics of the Board and are key contributors to our success. Safestore continues to recognise the value of an ethnically and gender diverse Board, and I am delighted that we continue to meet diversity targets set out by the FTSE Women Leaders and Parker Reviews and are aligned with the Board's Diversity Policy. At the date of this report, the Board comprises 50% women (FY 2023: 44%). The Board continues to challenge management in driving diversity in senior leadership roles and encourages more women into Safestore at all levels. As a Company, we are working hard on attracting, retaining, and supporting women in our workforce and we know that there is still an under-representation of black, Asian, and ethnic minority colleagues in higher paid roles. For more information on gender and ethnic diversity across the Group, details of the Company's equality, diversity and inclusion policy, and the gender and ethnicity balance of senior managers and direct reports, please see page 49.

Board evaluation

The Board undertakes a formal evaluation of its effectiveness on an annual basis. In 2024, the Board underwent an internally facilitated evaluation, conducted by the Chairman, and facilitated by the Company Secretary using a detailed questionnaire alongside opportunities for additional comments. Each member of the Board completed the questionnaire and the results were evaluated by the Nomination Committee in the first instance and subsequently the entire Board. In addition, the Nomination Committee undertook a detailed exercise to develop the Board's Skill Matrix and consider this against the composition of the Board and its Committees with due consideration to independence, diversity and succession planning.

The Board considered its own performance and that of its Committees to be strong and in a drive for continued improvement agreed a number of actions to further enhance the Board's effectiveness, and further details of these may be found on pages 83 to 85.

Compliance statement

The Company is reporting against the UK Corporate Governance Code 2018 (the "Code"). Throughout the year ended 31 October 2024, and up to the date of this report, the Company has applied the principles and complied with all provisions of the Code. The Code is available on the Financial Reporting Council ("FRC") website at: www.frc.org.uk.

2025 Annual General Meeting ("AGM")

The AGM of the Company will take place at 1.00pm on Wednesday 19 March 2025 at Brittanic House, Stirling Way, Borehamwood, Hertfordshire WD6 2BT. All Directors will attend the AGM, which will provide an opportunity for shareholders to hear more about our performance during the year and to ask questions of the Board. We will again invite shareholders to submit their written questions on the business of the 2025 AGM. You will find details of how to submit written questions in advance of the meeting on our investor website at https://www.safestore.co.uk/corporate and in the Notice of the 2025 AGM.

David Hearn
Non-Executive Chairman
15 January 2025

Board of Directors

as at 15 January 2025

David Hearn
Non-Executive Chairman

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Commenced role
January 2020 (appointed to the Board and as a member of the Remuneration Committee in December 2019 and appointed as Nomination Committee Chair on 1 January 2020)

Skills and experience
David Hearn is an experienced chair and brings a wealth of international board and senior executive experience in public companies, having previously been CEO of leading consumer goods businesses Goodman Fielder in Australasia, United Biscuits in Europe and Asia, Cordiant plc in the US and the UK and also international private equity and advisory firm Committed Capital. David was chair of The a2 Milk Company, a company listed on the New Zealand Stock Exchange and dual listed on the Australian Stock Exchange until November 2023. In January 2024, David was appointed Chair of Tate & Lyle PLC.

External appointments
David is chair of Tate & Lyle PLC and a director of Lovat Partners and Committed Capital.

Frederic Vecchioli
Chief Executive Officer

Commenced role
September 2013

Skills and experience
Frederic Vecchioli founded our French business in 1998 and has overseen its growth to 29 stores in Paris operating under the ‘Une Pièce en Plus’ brand. He joined the Group as President and Head of French Operations following the Mentmore acquisition in 2004. Frederic was appointed to the Board in March 2011 and became Chief Executive Officer of the Group in September 2013.

External appointments
None.

Simon Clinton
Chief Financial Officer

Commenced role
April 2024

Skills and experience
Simon Clinton joined the Group in March 2024 and was appointed as Chief Financial Officer on 22 April 2024. Simon was previously Chief Financial Officer of Logicor, one of Europe’s largest warehouse and logistics real estate companies. He joined Logicor as Director of Group Finance in February 2017, before being promoted to Chief Financial Officer in May 2018. Prior to this, Simon held a number of senior finance roles at Tesco and Diageo. Simon began his career and qualified as a chartered accountant at Hays Allen.

External appointments
None.

Jane Bentall
Senior Independent Director

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N
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Commenced role
May 2022 (appointed as Senior Independent Director and Audit Chair in March 2024

Skills and experience
Jane Bentall has extensive experience and understanding of operating multi-site, consumer-led businesses. Jane was managing director of Haven, the UK holiday parks chain and largest business division of Bourne Leisure. Prior to becoming managing director of Haven, she was the group chief financial officer for twelve years and previously spent six years as operations director. In her career she has also held senior financial roles at the Rank Group.

External appointments
Jane is Chair of Resident Hotels Limited, a director of Oakman Group plc, and Chair of Audit and Finance and non-executive director of The Royal Marsden NHS Foundation Trust. Jane has her own business consulting company and is a member of Pilotlight.

Jane is an ACA qualified accountant and a fellow of the Institute of Chartered Accountants.

Avis Darzins
Non-Executive Director

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Commenced role
September 2023

Skills and experience
Avis Darzins has over 20 years of senior executive level and management consulting experience in the retail and entertainment and media sectors, specialising in customer experience strategy and business transformation.

Avis began her career in the retail sector covering domestic and international B2B and B2C sales and buying and category management before specialising in large-scale change programmes. Before joining Sky PLC in 2009 as business transformation director, Avis spent eight years at Accenture, having been promoted to partner in 2004. Avis was a non-executive director of Moss Bros Group plc, until its sale in 2020. More recently Avis has established her own business consulting company.

External appointments
Avis is a non-executive director for Marshalls plc and Grafton Group plc, and the senior independent trustee/director for the children's charity Barnardo's.

Laure Duhot
Non-Executive Director

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Commenced role
November 2021 (appointed as Chair of the Remuneration Committee in June 2022)

Skills and experience
Laure Duhot brings over 30 years of senior executive level experience in the investment banking and property sectors, specialising in alternative real estate assets, and has been a non-executive director at a number of funds and property companies.

Laure started her career in the investment banking sector and has developed a focus on the property sector. She has held senior roles at Lehman Brothers, Macquarie Capital Partners, Sunrise Senior Living Inc., Pradera Limited and Grainger plc, and latterly was head of investment and capital markets – Europe at Lendlease. Laure was a non-executive of Orpea SA until December 2023 and NB Global Monthly Income Fund Limited until July 2024. In June 2024 Laure was appointed Chair of GI DI Pilgrim Acquisition Limited, holding entity for the ASK4 group.

External appointments
Laure is currently a non-executive director of Primary Health Properties plc. Laure is also a director of Pegasus Homes Holdings Ltd and acts as the independent member on CBRE-IM's UK investment committee. She is Chair of GI DI Pilgrim Acquisition Limited and PRSO limited.

Delphine Mousseau
Non-Executive Director

R

Commenced role
November 2021

Skills and experience
Delphine Mousseau brings over 25 years of senior executive level and consultancy experience in e-commerce and customer engagement across Europe, specialising in retail.

Delphine began her career as a project manager at the Boston Consulting Group before moving on to join Plantes-et-Jardins.com where she became head of operations. Between 2007 and 2011, she was director of e-commerce for Europe at Tommy Hilfiger and then became an independent consultant, primarily for the former Primondo Specialty Group which was Carlyle owned. Latterly Delphine was VP markets at Zalando and a non-executive director of Fnac-Darty SA.

External appointments
Based in Germany, Delphine is currently non-executive director at Aramis Group SAS, listed on Euronext Paris, and a member of the Holland & Barrett UK board and chair of the Refurbed board in Austria.

Gert van de Weerdhof
Non-Executive Director

A N R

Commenced role
June 2020

Skills and experience
During his extensive and varied career, Gert van de Weerdhof has held a number of senior executive positions including as CEO of GrandVision Europe BV before progressing to become chief retail officer for Esprit Holdings Ltd and latterly as CEO of RFS Holland Holdings BV and its subsidiary Wehkamp BV. Gert has been a non-executive director for Wereldhave NV and Accell Group NV, and chair of CTAC NV. Gert brings a wealth of international expertise to the Board having held roles across multi-site retail, e-commerce, consumer goods and real estate.

External appointments
Gert is currently CEO of the charity Mercy Ships and non-executive director of Sligro Food Group NV, a company listed on Euronext Amsterdam.

Committee membership
Chair of Committee — A Audit Committee — N Nomination Committee — R Remuneration Committee

Our purpose: to add stakeholder value by developing profitable and sustainable spaces that allow individuals, businesses, and local communities to thrive

Leadership

The role of the Board

The Board is collectively responsible for promoting the long term sustainable success of the Company and its reputation, for the benefit of its stakeholders.

The Board is responsible for setting:

- the Company's purpose, values and strategy, and satisfying itself that these are aligned with the overall culture of the Group;
- appropriate performance targets for management and monitoring the business' performance against those targets; and
- the Group's risk appetite and satisfying itself that financial controls and risk management systems are robust, while ensuring the Group is adequately resourced.

The Board also ensures that there is appropriate engagement with shareholders and stakeholders on key matters.

The Board is collectively responsible for promoting the long term success of the Group for the benefit of the Company's stakeholders. It agrees the overall strategy, direction and culture of the Group and has the powers and duties set out in the Companies Act 2006 (the "Act") and the Company's Articles of Association.

The Board delegates certain matters to the Board Committees and delegates the day-to-day operation of the business to the Executive Directors.

The Board's activities during the year and how it discharges its responsibilities can be found on pages 83 to 85. The Group's established strategy has evolved over time to embed sustainability within its purpose. Our strategy is underpinned by our values, as defined on page 52, our behaviours and our governance structure, which shape our culture and remain central to the way we conduct our business. The culture of the business is a key part of our success.

The Non-Executive Directors provide constructive challenge to the Executive Directors, assist in developing proposals on the Group's strategy and monitor the performance of the Executive Directors against strategic and operational objectives.

The Board has delegated certain responsibilities to its Audit, Remuneration and Nomination Committees. Each Board Committee has defined terms of reference, which can be found online within the Governance section of the Company's website: www.safestore.com. The activities of each Board Committee are set out in separate sections of this report. The Audit Committee is, in turn, supported by the Risk Committee, which is a management committee, chaired by the Chief Financial Officer.

The Board also has an established Standing sub-committee and a Disclosure sub-committee, which are sub-committees of the Board and meet as required. The Standing sub-committee has delegated authority to approve routine matters such as matters relating to the operation of the Company's share scheme arrangements, and any other matters, which may be expressly delegated to it by the Board from time to time. The Disclosure sub-committee has delegated responsibility for overseeing the disclosure of information by the Company to meet its obligations under the Market Abuse Regulation.

All Committees and all Directors have the authority to seek information from any Group colleague and to obtain professional external advice if they feel necessary.

Implementation of agreed plans, budgets and projects in pursuit of the Group's strategy and the actual operation of the Group's system of internal control and risk management are delegated to the Executive Directors, who are supported by an Executive Team. This includes implementing Group strategy to optimise the trading performance of the existing store portfolio, to monitor financial performance and maintain a strong and flexible capital structure, to identify selective portfolio and expansion opportunities, to develop our colleagues and to implement the Group's sustainability strategy. Sustainability governance is explained more fully on page 45.

The Board and its independence

At the date of this report, the Board consists of eight Directors, the Chairman, two Executive Directors and five independent Non-Executive Directors, with Jane Bentall appointed as Senior Independent Director. The Chairman was considered to be independent on appointment. The skills and experience of each of the Directors, along with the dates they commenced their role, are set out on pages 80 and 81.

Both on an individual and collective basis, the Directors have the skills, understanding, experience and expertise necessary to ensure the effective leadership of the Group. At least half of the Board, excluding the Chairman, is independent. The Board monitors the independence of its Non-Executive Directors. The Board is aware of the other commitments of its Non-Executive Directors and is satisfied that these neither conflict with their duties, nor impact their independence or time commitment to fulfil their roles at the Company. The Board is confident that each Director has sufficient time capacity and possesses the requisite skill and experience to satisfy their role.

In January 2024, David Hearn was appointed as Chair of Tate & Lyle PLC; the Board considered this significant appointment prior to David accepting the role and assessed the impact this could have on David's capacity to meet the demands of his role as Chairman of Safestore. The Board noted that, in November 2023, David Hearn stepped down from his role of Chair at The a2 Milk company, a company dual listed on the New Zealand and Australian Stock Exchanges. Taking into consideration David's travel time to Australia, the Board, led by the Senior Independent Director, agreed that impact on David in relation to the time required for external appointments would actually reduce with his appointment to Tate & Lyle PLC. As such the Board agreed to approve his external appointment.

Each Non-Executive Director continues to bring independent judgement to the Board's decision-making process. Frederic Vecchioli is also a director of the group of companies that forms the joint venture group structures operating in Germany and Italy, which includes companies incorporated in Germany, Italy and Luxembourg; apart from these appointments the Executive Directors do not hold any executive or non-executive directorships in other companies.

Division of responsibilities

The roles of Chairman, Chief Executive Officer and Senior Independent Director are separate and clearly defined, with the division of responsibilities set out in writing and agreed by the Board. The Chairman is responsible for the management of the Board and for aspects of external relations, while the Chief Executive Officer has overall responsibility for the management of the Group's businesses and implementation of the strategy approved by the Board. The Senior Independent Director is also responsible for supporting the Chairman on all governance issues. The statement of the division of responsibilities between the Chairman, the Chief Executive Officer and the Senior Independent Director is available on the Governance section of the Company's website: www.safestore.com.

Formal workforce advisory panel

Our 'Make the Difference' people forum, launched in 2018, is a formal workforce advisory panel. The Board approved the establishment of the advisory panel to facilitate engagement between colleagues from different areas of the business and provide a two-way feedback process between the Board and our colleagues. The panel has terms of reference that define its purpose and has a mechanism for appointing colleague representatives, known as 'People Champions'. Further information relating to the panel and our 'People Champions' can be found on page 10. The Board receives regular feedback from the panel which has resulted in the Board approving outcomes as detailed in the Sustainability report on page 50 and Directors' remuneration report on pages 96, 102 and 106. The Chief Executive Officer attends panel meetings twice a year to report the views of the Board and to provide regular updates covering the Group's performance and the delivery of its strategy. The Board considers the formal workforce advisory panel to be effective.

Effectiveness

Activities of the Board

There were nine Board meetings scheduled in the year. The Board has held a mix of meetings either in person or by video conference.

The Board has a formal schedule of matters specifically reserved for its decision, which includes (amongst other things) various strategic, financial, operational and governance responsibilities. A summary of the key activities of the Board during the year, in accordance with the formal schedule of reserved matters, can be found on page 84.

The services of the Company Secretary are available to all members of the Board. Board minutes are circulated to all Board members. There is also regular informal contact between Executive and Non-Executive Directors to deal with important matters that arise between scheduled Board meetings. A separate meeting for Non-Executive Directors is held at least once every year.

Appropriate Directors' and officers' insurance cover is arranged by the Group through its insurance brokers and is reviewed annually.

Board meetings held in 2023/24

Attendance of the individual Directors of the Board at meetings that they were eligible to attend during the financial year is shown in the table below:

Director who served during the year ended 31 October 2024	Number of meetings held during tenure during the year	Number of meetings attended
David Hearn	9	9
Frederic Vecchioli	9	9
Simon Clinton*	4	4
Jane Bentall	9	9
Avis Darzins	9	9
Laure Duhot	9	9
Delphine Mousseau	9	9
Gert van de Weerdhof	9	9
Ian Krieger**	5	5

Note:

* Simon Clinton was appointed to the Board on 22 April 2024.

** Ian Krieger stepped down from the Board on 13 March 2024.

In addition to the scheduled Board meetings, the Standing Committee met on 33 occasions and was granted express delegation by the Board to approve the full year and half year results announcements and ancillary matters, including the Company's new financing arrangements. The Standing Committee also approved routine administrative matters which related to the maturity of the Company's Sharesave schemes, and vesting of the Company's Long Term Incentive Plans, the grant of new options under the 2024 (three-year) Sharesave scheme and formalities in relation to a number of property acquisitions.

2024 Board and Committee evaluation

In accordance with the UK Corporate Governance Code (2018), the Board undertakes an annual effectiveness evaluation of its own performance and that of its Committees. Every three years an externally facilitated evaluation is procured by the Board. The last external evaluation was completed in 2022 and the Board is reviewing suppliers for the external evaluation in 2025. This year the Board conducted an internal effectiveness evaluation. The evaluation was conducted by the Chairman, and facilitated by the Company Secretary, through the use of a detailed questionnaire covering all aspects of the various Directors' roles. Directors were given the opportunity to provide further commentary on an anonymous basis and have one-to-one discussion with the Chairman. Jane Bentall, as Senior Independent Director, led the review of the Chairman's performance.

In addition to the questionnaire, the Board undertook a review of its composition and of that of its Committees, assessing in detail the particular strengths and weaknesses of the Board and its Committees as a whole, with due consideration given to matters of independence, the benefits of diversity and three-horizon succession planning.

Notwithstanding that the report considered that the Board's performance was strong, the evaluation provided constructive feedback and identified opportunities for development and growth. The Board undertook to develop an action plan to address particular areas of interest, with a focus on improving the Board and its Committees' effectiveness and developing efficiencies together with the executive function to enable Directors to prioritise strategic progression and generating shareholder value.

The results of the Board evaluation confirmed that the Board continues to function effectively to a high standard. The Board members were seen as engaged and committed while the Board's culture remains open, respectful, and constructive.

The content for any subsequent effectiveness reviews will be designed to build upon insights gained in the previous exercise to ensure that the recommendations agreed in the review have been implemented and that year-on-year progress is measured.

The Chairman reviewed the performance of the Chief Executive Officer and the Non-Executive Directors. The Chief Executive Officer reviewed the performance of the Chief Financial Officer, and this year, the Chairman's own performance was assessed by the Senior Independent Director after seeking and receiving feedback from each of the other Directors.

Effectiveness continued

A summary of the key matters considered by the Board during the year

Responsibilities	Activities
Strategy	• The development and implementation of the Company's strategy included general updates from the CEO and CFO. • Receiving presentations from members of the management team on strategy implementation in their operations. • Considered selective portfolio management and expansion opportunities, which included the establishment of a new joint venture arrangement with Nuveen for the acquisition of EasyBox announced in December 2024, and site acquisitions in the UK, France, Spain, Italy and Benelux.
Performance and operational matters	• Reviewed the 2024 performance against budget and updated forecasts for the UK, French, Spanish and Benelux operations. • Reviewed customer performance data. • Maintained a detailed focus on full year earnings guidance. • Reviewed and discussed the 2024 Board budget. • Reviewed and approved the Group's investment appraisal policy. • Received regular operational updates from members of the management team, relating to property, colleagues, marketing, IT, store operations, Company secretarial and legal matters.
Finance and capital	• Reviewed the Group's capital structure and new US Private Placement ("USPP"). • Monitored the Company's going concern and long term viability statements. • Reviewed cash flow, dividend policy (in line with the UK REIT requirements) and shareholder returns.
People, culture and values	• Received regular updates on colleague wellbeing and HR matters, including updates on colleague engagement and updates from our 'Make the Difference' people forum, our formal workforce advisory panel. • Reviewed and approved the Group's key policies including the Company's Modern Slavery Act statement, anti-corruption and bribery statement and policy, the whistleblowing ("Speak Out") policy and the health and safety policy statement. • Considered and reviewed the gender pay gap report for 2024. • Reviewed the Company's sustainability strategy, including the Company's commitment to working towards operational carbon neutrality (net zero) by 2035. • Reviewed colleague engagement arrangements.
Governance and risk	• Approved changes to Board composition, and considered Director independence, and succession planning. • Approved an increase in Director fees, following engagement with shareholders on the implementation of the 2023 Directors' Remuneration Policy. • Reviewed and approved improvements to the Company's Market Abuse Manual and Dealing Code. • Reviewed reports on governance and legal issues. • Considered the Company's risk appetite in relation to its strategy. • Reviewed the outcome of the Board and its Committees' 2024 Board effectiveness review. • Reviewed the Directors' Conflict of Interests Register. • Monitored and reviewed the Company's risk management and internal control system (see Audit Committee report for more details on effectiveness).
Shareholder and stakeholder engagement	• Discussed feedback from investors' and analysts' meetings following the release of our full year and half year results announcements and interim management statements and meetings with existing and potential shareholders. • Discussed feedback following the Chairman and Chair of the Remuneration Committee's engagement with major shareholders as part of the implementation of the 2023 Directors' Remuneration Policy. • Received regular updates from brokers and advisers on the market perception of Safestore. • Received updates from the CEO and CFO on stakeholder engagement in relation to investor and partner engagement.
Other	• Approved the Annual Report and Financial Statements and recommended the final dividend in line with the Company's dividend policy for shareholder consideration. • Approved the 2024 half year results announcement and declared the interim dividend in line with the Company's dividend policy. • Approved the interim management statements in November 2023 and February and September 2024 regarding trading updates. • Received and reviewed monthly shareholder analysis reports.

Board appointments

Each decision to appoint further Directors to the Board is taken by the entire Board in a formal meeting based on a recommendation from the Nomination Committee. The Nomination Committee consults with financial and legal advisers and uses the services of external recruitment specialists. New members of the Board are provided with initial and ongoing training appropriate to individual needs in respect of their role and duties as Directors of a listed company.

During the year the Nomination Committee engaged in a rigorous search for a new Chief Financial Officer. The process for identifying and overseeing the appointment of the new Chief Financial Officer has been explained in the Nomination Committee report on page 88.

The Nomination Committee, led by the Chairman, also considered the appointment of a new Senior Independent Director. Further details on this appointment can be found in the Nomination Committee report on page 87.

Board induction

Simon Clinton joined the Company on 11 March 2024 as CFO designate. He undertook an extensive handover process with his predecessor Andy Jones until his appointment to the Board as a Director and Chief Financial Officer on 22 April 2024. Set by the Nomination Committee, Simon Clinton was provided with a full, formal and tailored induction programme. More information on the Board's induction programme can be located in the Nomination Committee report on page 88.

Board development

The Chairman is responsible for ensuring that all Non-Executive Directors receive ongoing training and development. Our Non-Executive Directors are conscious of the need to keep themselves properly briefed and informed about current issues. Specific and tailored updates are provided at Board meetings and to members of the Audit Committee and have included presentations from the Company's advisers. The Company Secretary provides the Board with updates on developments on regulatory and corporate governance matters at each Board meeting, and these factor into ongoing Board training as necessary.

There is a procedure to enable Directors to take independent legal and/or financial advice at the Company's expense, managed by the Company Secretary, if they feel necessary to carry out their duties as a Director fully. No such independent advice was sought in 2024.

Appointment terms and elections of Directors

All Directors have service agreements or letters of appointment and the details of their terms are set out in the Directors' remuneration report on page 118. The service agreements of the Executive Directors and letters of appointment of the Non-Executive Directors are available for inspection at the Company's registered office during normal business hours, including the 15 minutes immediately prior to the AGM. The letters of appointment for Non-Executive Directors are in line with the provisions of the Code relating to expected time commitment. At each AGM of the Company, all Directors will stand for re-election in accordance with the Code and the Company's Articles of Association. The Company's Articles of Association require that a Director appointed during the preceding year should be subject to election at the Company's next AGM.

Directors' conflicts of interest

The Company's Articles of Association give the Directors the power to consider and, if appropriate, authorise conflict situations where a Director's declared interest may conflict or does conflict with the interests of the Company.

Procedures are in place at every meeting for individual Directors to report and record any potential or actual conflicts which arise. The register of reported conflicts is reviewed by the Board at least annually. The Board has complied with these procedures during the year.

Accountability

Risk management and internal control

A summary of the principal risks and uncertainties within the business is set out on pages 34 to 38.

The Board retains overall responsibility for setting Safestore's risk appetite and establishing, monitoring and maintaining the Group's risk management and internal control systems. These systems are designed to enable the Board to be confident that such risks are mitigated or controlled as far as possible, although no system can eliminate risk entirely.

The Board has established a number of ongoing processes to identify, evaluate and manage the strategic, financial, operating and compliance risks faced by the Group and for determining the appropriate course of action to manage and mitigate those risks. The Board delegates the monitoring of these internal control and risk management processes to the Audit Committee. These measures have been in place throughout the year and up to the date of this report.

The Risk Committee supports the Group's risk management strategy and undertakes regular reviews of the formal risk assessments and reports regularly to the Audit Committee of the Board. The Risk Committee is chaired by the Chief Financial Officer and comprises representatives from the Operations, Finance, Human Resources and Property functions. Risk management remains an ongoing programme within the Group and is formally considered at operational meetings as well as at meetings of the Board.

During the year ended 31 October 2024, the Group employed a Head of Internal Audit to lead its internal audit function. The internal audit team consisted of three auditors responsible for reviewing operational and financial controls across the Group. The internal audit team operates with a mandate to provide assurance that the stores' and Head Office's risk management and control processes operate effectively.

During the financial year, the Board has directly, and through delegated authority to the Audit and Risk Committees, overseen and reviewed the performance and evolution of risk management activities and practices and internal control systems within the Group. Through both its ongoing involvement in and overview of risk management and internal control activities, the Board is satisfied that there have been no significant failings or weaknesses identified and the Directors believe that during 2024 the system of internal control has been appropriate for the Group.

Accountability continued

Budgetary process

A comprehensive budgeting process is in place, with an annual budget prepared and validated at a country and functional level. The budget is subject to significant consideration and approval by the Board. The Directors are provided with relevant and timely information required to monitor financial performance.

Investment appraisal (including acquisitions)

Budgetary approval and defined authorisation levels regulate capital expenditure. Acquisition activity is subject to internal guidelines governing investment appraisal criteria, financial targets, negotiation, execution and post-acquisition management.

Company ethics and whistleblowing

The Company is committed to the highest standards of integrity and honesty and expects all colleagues to maintain the same standards in everything they do at work. The Company recognises that effective and honest communication is essential to maintain its business values and to ensure that any instances of malpractice are detected and dealt with.

The Company has a number of policies available online for its colleagues. These include a code of conduct, an anti-bribery and corruption policy, a receipt of gifts and corporate hospitality policy and a whistleblowing ("Speak Out") policy. The anti-bribery and corruption policy reinforces the Group's commitment to countering bribery, tax evasion and corruption as it seeks to comply with the Bribery Act 2010, the Criminal Finances Act 2017 and Economic Crime and Corporate Transparency Act 2023.

The Speak Out policy has procedures for disclosing malpractice and, together with the code of conduct, is intended to act as a deterrent to fraud or other corruption or serious malpractice. It is also intended to protect the Group's business and reputation.

No whistleblowing issues were reported during the year.

The Board considers the payment of taxes as a responsibility that brings positive socioeconomic impacts through its presence and employment creation in the countries it operates in. A Group tax strategy has been in place since 2016, which is approved by the Board and reviewed annually by the Audit Committee and is available on the Group's website: www.safestore.com. It is the Group's policy to pay the right amount of tax wherever it does business, based on a fair and sound application of local tax laws to the economic substance of its business transactions. Safestore does not use artificial tax avoidance schemes or tax havens to reduce the Group's tax liabilities.

Investor relations and shareholder and investor engagement

We are committed to proactive and constructive engagement with all our shareholders and consider all shareholders' views as part of the Board's decision-making process. The Group places a great deal of importance on communication with its shareholders and maintains a dialogue with the investment community. Engagement is maintained through a comprehensive investor relations programme, which includes formal presentations of the full year and half year results, meetings with institutional investors and analysts as required and attendance at investor conferences. The presentation slides used at these meetings are made available on the Company's website and accessible for all shareholders. The Board ensures that our shareholders, investors and investor community have a strong understanding of our strategy, performance and culture.

To ensure all Board members share a good understanding of the views of all our shareholders, the Board receives regular updates on the views of our shareholders and receives summaries of institutional investor comments following meetings on the full year and half year results.

In the event that shareholders have any concerns, which the normal channels of communication through the Chief Executive Officer or Chief Financial Officer have failed to resolve or for which such contact is inappropriate, our Chairman and Senior Independent Director are available to address such concerns. Both make themselves available when requested for meetings with shareholders on issues relating to the Company's governance and strategy.

The Board considers the Annual Report and Financial Statements, the AGM and its website to be the primary vehicles for communication with private investors. All shareholders are invited to the Annual General Meeting and can raise any comments they may have throughout the year via our IR inbox, which is published on our website. Resolutions at the Company's AGM are proposed on each substantially separate issue and the Company indicates the level of proxy voting lodged in respect of each resolution. The AGM gives all shareholders who are able to attend (especially private shareholders) the opportunity to ask questions of the full Board of Directors, including the Chairs of the Audit, Nomination and Remuneration Committees.

"The Committee adopt a three-horizon framework when considering succession planning."

David Hearn
Chair of the Nomination Committee

Meetings held in 2023/24

Members of the Committee during the year ended 31 October 2024	Number of meetings held during tenure during the year	Number of meetings attended
David Hearn (Chair)	●●●	●●●
Jane Bentall*	●●	●●
Ian Krieger**	●	●
Gert van de Weerdhof	●●●	●●●

Note:
* Jane Bentall was appointed to the Committee on 13 March 2024.
** Ian Krieger stepped down from the Committee on 13 March 2024.

Membership

The Nomination Committee comprises Non-Executive Directors and is chaired by David Hearn. Upon his retirement from the Board, Ian Krieger stepped down from the Nomination Committee on 13 March 2024. Jane Bentall was appointed to the Committee on 13 March 2024. Other Directors and management are invited to attend meetings as appropriate.

Key objectives

To ensure the Board and Executive Team comprise individuals with the appropriate skills, knowledge, experience and diversity, and to monitor the Board's effectiveness in discharging its responsibilities and make recommendation to the Board on Board and Committee composition and succession planning.

Responsibilities

The Board has approved terms of reference for the Nomination Committee which are available on the Governance pages of the Group's website, www.safestore.com, within 'Governance Documents'. These provide the framework for the Committee's work in the year and can be summarised as:

- assessing the composition of the Board and making recommendations on appointments to the Board and senior executive succession planning; and
- overseeing the performance evaluation of the Board, its Committees and individual Directors.

How the Committee operates

The Nomination Committee met as necessary and each meeting had full attendance.

Activities of the Committee during the year

Responsibilities	Activities
Board and Committee composition	• Assessed the diversity, skill set and composition of the existing Board and its Committees. • Oversaw the process for appointing new Chief Financial Officer.
Performance Reviews	• On behalf of the Board, led the 2024 Board and Committee Evaluation. • Developed the Board and Committee Evaluation Questionnaire, with a focus on specific topics relative to the Board and Committees' activities in the year. • Reviewed the outcomes of the Questionnaire and made recommendations to the Board for action plans to address issues raised.
Succession planning	• Discussed succession planning in respect of both Board members and senior management within the Group.
Board development and on-boarding programme	• Reviewed the programme for Non-Executive Director development. • Set a bespoke and tailored induction programme for the new Chief Financial Officer and monitored progress.
Governance	• Reviewed the Group's culture, values and behaviours. • Discussed the remit and role of the Committee and reviewed its terms of reference.

Diversity and Inclusion

The Nomination Committee regularly reviews matters of diversity and inclusion within the Board and the wider Group. Details of the Board and employees' sex and ethnicity, as well as the approach to collecting this data can be found on page 49. The Board considers its role in leading a culture where colleagues feel confident to bring their full unique selves to work. In December 2023, the Nomination Committee recommended a new Board Diversity Policy, which works in unison with the Safestore People Principles, be adopted by the Board. The Policy recognises that inclusivity and diversity are integral to bringing a range of perspectives and insights, supporting good decision making and maintaining business competitive advantages, all in the process of working toward the achievement of the Company's purpose and strategy. The Committee monitors progression against the objectives set out in our policy, as well as the FTSE Women Leaders and Parker Reviews targets, as part of an annual review led by our Head of HR.

Activities of the Committee during the year continued

Diversity and Inclusion continued

The Group is committed to the promotion of equal opportunities, supported by its Equality, Diversity and Inclusion Policy which is informed by and aligned to the Listing Rules. The policy reflects both current legislation and best practice. It highlights the Group's obligations to race, gender, socioeconomic and disability equality.

Full and fair consideration is given to applications for employment from disabled persons and appropriate training and career development are provided.

The Company's Board Diversity Policy and the Safestore People Principles can be found on the Company's website.

Appointment of a new Chief Financial Officer

In 2023, Andy Jones, Chief Financial Officer of the Company for over ten years, announced his plans to retire. The Board, as part of its succession planning procedures, instructed Odgers Berndtson to conduct and advise on the executive search for a new CFO. A number of candidates were considered and met with the Chief Executive Officer, Chairman and Audit Chair designate in the initial stages. Other Directors had the opportunity to meet with the final candidates before the Nomination Committee recommended that the Board appoint Simon Clinton.

The search process was extensive, with due regard given to the benefits of diversity, culture and strategy. The initial pool of candidates comprised a broad range of experience and backgrounds.

Odgers Berndtson has signed up to the voluntary code of conduct on gender diversity and best practice, and is accredited under the enhanced code of conduct for executive search firms, which specifically acknowledges those firms with a strong track record in and promotion of gender diversity in FTSE 350 companies. Odgers Berndtson has no other connection with the Group or any of the Company's Directors.

Induction programme

Simon Clinton joined the Company on 11 March 2024 and the Board on 22 April 2024. The Nomination Committee designed a full, formal and tailored induction programme for Simon prior to his appointment to the Board. There was an extensive handover process with his predecessor Andy Jones. Below highlights some of the key aspects of Simon Clinton's Induction Programme.

Business introduction	External stakeholders	Corporate governance

• **UK operation** – UK site tours with Operations Director.
• **Property** – Property portfolio deep-dive with Property Director.
• **Overseas** – Visits to France, Spain, and the Netherlands to meet with staff and key business leaders in each territory.
• **Executive** – One-to-ones with ExCo to gain a better understanding of the various functions' responsibilities.
• **Introduction to Safestore programme** – On-boarding process for all new joiners, covering topics such as health and safety, cybersecurity and equality, diversity and inclusion.
	• **Audit** – Meetings with Deloitte on audit plan for HY and 2024 year end and an overview of the FY 2023 year-end audit.
	• **Tax** – One-to-ones with tax advisers to discuss tax strategy.
	• **Brokers** – Individual meetings with the Company's brokers.
	• **Legal** – Training session with the Company's legal advisers on Director Responsibilities and Company debt structure.
	• **Investor Relations** – Meetings with analysts.
	• **Banks and PP providers** – Calls with debt facility participants to discuss rolling credit facility and USPPs.
	• **Shareholder engagement** – Led, with the CEO, roadshow for HY results.
		• **Provided with following documents with additional training scheduled, including:**
		  • Committee Terms of Reference;
		  • Matters Reserved for the Board;
		  • Modern Slavery Policy;
		  • Market Abuse Manual;
		  • Anti-bribery and money laundering policy;
		  • Whistleblowing policy;
		  • S172 statement;
		  • Remuneration Policy and share plans; and
		  • Board Diversity Policy.
		• **Provided overview of subsidiary governance.**
		• **One-to-one meetings with Company Secretary.**

Succession planning

Succession planning is a key responsibility of the Committee. It is taken in conjunction with related matters, including review of existing skills and experience, diversity, length of service, boardroom dynamics and Board and Committee composition. The Committee adopts a three-horizon framework when considering succession planning. Short term horizon addresses contingency plans for unexpected departures or changes to the Board's composition. Mid-horizon planning assesses the natural rotation of Directors with sufficient foresight for anticipated matters such as retirements and independence considerations. When considering mid-horizon succession planning, the Committee assesses what skills and experience may be required as and when Directors rotate naturally off of the Board, with due regard to the appropriate size and composition of its Committees and the importance of diversity of thought. Finally, long term horizon is considered against the backdrop of the long term strategic direction of the business.

Board and Committee performance evaluation

The Committee's performance was reviewed as part of the 2024 internal Board and Committee evaluation process, which is explained on page 83. The review found that the Committee functions effectively and should continue to develop succession plans at Board and Executive level with due regard for the benefits of diversity.

The Committee is leading the selection process for the Company's external Board evaluation provider in 2025.

Directors standing for election and re-election

In accordance with the Company's Articles of Association and the provisions of the Code, Simon Clinton will be subject to election and the remaining Directors will stand for re-election, at the Company's 2025 AGM. Following the annual Board performance review and the outcome of performance reviews of individual Directors, I can confirm that each Director subject to either election or re-election:

- continues to operate as an effective member of the Board;
- remains committed to their roles and has sufficient time available to perform their duties; and
- has the skills, knowledge and experience that enable them to discharge their duties properly and contribute to the effective operation of the Board.

The Board, on the advice of the Committee, recommends the election or the re-election of each Director. Further information on the Directors, including their skills and experience, can be found in the Directors' biographies on pages 80 and 81.

I will be available at the Annual General Meeting to answer any questions on the work of the Nomination Committee.

David Hearn
Chair of the Nomination Committee
15 January 2025

> The Committee assessed whether suitable accounting policies had been adopted and whether management had made appropriate estimates and judgements.”

Jane Bentall
Chair of the Audit Committee

Meetings held in 2023/24

Members of the Committee during the year ended 31 October 2024	Number of meetings held during tenure during the year	Number of meetings attended
Jane Bentall (Chair)*	●●●●●	●●●●●
Avis Darzins	●●●●●	●●●●●
Gert van de Weerdhof	●●●●●	●●●●●
Ian Krieger**	●●●	●●●

Note:
* Jane Bental was appointed Chair of the Audit Committee on 13 March 2024.
** Ian Krieger stepped down from the Audit Committee on 13 March 2024.

Membership

The Audit Committee comprises solely independent Non-Executive Directors. After nine years as Chair of the Audit Committee, Ian Krieger stepped down from his role at the Company's 2024 Annual General Meeting. I took over as Chair on 13 March 2024. The members of the Committee have been selected to provide a wide range of financial and commercial expertise necessary to fulfil the Committee's duties and responsibilities and I am the Committee's designated financial expert for the purposes of the Code.

To ensure that the Committee continues to have experience and knowledge relevant to the sector in which the Company operates, all of the Non-Executive Directors receive regular updates on business, regulatory, financial reporting and accounting matters. The Committee's performance was reviewed as part of the 2024 Board evaluation, which is explained on page 83. The review found that the Committee functions effectively and that issues are dealt with in a thoughtful, clear and rigorous manner.

Key objectives

The provision of effective governance over the appropriateness of the Company's financial reporting, the performance of both internal audit arrangements and the external auditor and oversight over the Company's system of internal control.

Responsibilities

The Board has approved terms of reference for the Audit Committee, which are available on the Governance pages of the Group's website, www.safestore.com, within 'Governance Documents'. These provide the framework for the Committee's work in the year and can be summarised as providing oversight of the:

- appropriateness of the Company's external financial reporting;
- relationship with, and performance of, the external auditor;
- Group's internal audit arrangements and the risk management framework; and
- Group's internal control framework.

How the Committee operates

The Audit Committee met four times during the year as part of its regular schedule of meetings and had one additional meeting as part of the Audit Tender process in January 2024. The agendas of regular scheduled meetings are linked to the events in the Group's financial calendar. In addition to the Committee members, the following individuals were invited to attend as guests:

- the Chief Financial Officer and the Group Financial Controller;
- the Chairman and the Chief Executive Officer;
- the Head of Internal Audit;
- other senior managers, as appropriate, including those responsible for IT security and risk management;
- the audit partner, directors and senior managers from Deloitte; and
- the valuation team from the Company's property valuers, Cushman & Wakefield.

This year, during two Audit Committee meetings, the Committee met separately with Deloitte without any other member of management being present.

Main activities of the Committee during the year

A summary of the Audit Committee's main activities during the year included the following items:

Responsibilities	The Audit Committee has:
Financial reporting	• reviewed the Annual Report and Financial Statements and that, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy; • assessed and concluded on the Group's viability statement and the appropriateness of adopting the going concern basis of accounting for the full and half year financial results; • reviewed the significant issues, key sources of estimation uncertainty, and material judgements which were made in preparing the 2024 half year results and the Annual Report and Financial Statements; • considered and approved the approach for performing the valuations of investment properties for the Annual Report and Financial Statements and interim results; • challenged the valuer's findings and judgements in relation to the property valuation; • reviewed the integrity of the financial statements and announcements relating to the financial performance and governance of the Group at the year end and half year; • reviewed the principal judgemental accounting matters affecting the Group based on reports from both the Group's management team and the external auditor; and • considered Alternative Performance Measures, not defined under IFRS or 'non-GAAP' measures, ensuring consistency with how management measures and judges the Group's financial performance. • balanced those alternative performance measures with IFRS standard measures to ensure that shareholders and stakeholders are provided a fair, balanced and understandable overview of the Company's performance.
External auditor	• undertaken a full tender for audit services, in line with the Statutory Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Responsibilities) Order 2014; • reviewed and approved the audit plan with the external auditor, and ensured that it was appropriate for the Group, including in respect of scope and materiality, and aligned to the key risks of the business; • considered external audit effectiveness and independence; • challenged the auditor's findings and judgements in relation to the property valuation; and • approved auditor remuneration.
Internal audit arrangements	• reviewed the effectiveness of the Group's internal controls and disclosures made in the Annual Report and Financial Statements; • reviewed Internal Audit Reports; • approved the internal audit plan for 2024 and 2025; and • assessed the effectiveness and independence of the internal audit team.

Governance and risk	• monitored the adequacy and the effectiveness of the Group's ongoing risk management systems and processes, through risk and assurance plans and reports, including:
	  • store assurance audit reports;
	  • internal financial control assessments;
	  • fraud and loss prevention reports; and
	  • operational risk updates, including IT security, health and safety and climate change risk;
	• reviewed the Company's anti-corruption and bribery statement and policy, and whistleblowing ("Speak Out") policy and procedures;
	• monitored the effectiveness of the Company's information security and business continuity arrangements; and
	• reviewed the Company's REIT compliance and tax strategy.

Appropriateness of the Company's external financial reporting

Financial reporting and significant financial judgements

The Committee assessed whether suitable accounting policies had been adopted and whether management had made appropriate estimates and judgements. The Committee reviewed accounting papers prepared by management which provided details on the main financial reporting judgements.

The Audit Committee reviewed the assumptions associated with the accounting for share-based payments to ensure that they were accurately measured and disclosed appropriately in the Annual Report and Financial Statements in accordance with IFRS 2 "Share-based Payments", with particular focus on the assessment of the performance conditions under which the share-based payments vest.

The Committee also reviewed reports by the external auditor on the full year and half year results which highlighted any issues with respect to the work undertaken on the year-end audit and half year review.

The Committee paid particular attention to matters it considered important by virtue of their impact on the Group's results and remuneration, and particularly those which involved a high level of complexity, judgement or estimation by management.

The Committee has concluded that there were not significant levels of judgements included in the financial statements, other than for the property valuation as described below.

Property valuations

The key area of judgement that the Committee considered in reviewing the financial statements was the valuation of the investment property portfolio. Whilst this is conducted by independent external valuers, it is one of the key components of the financial results and is inherently complex and subject to a high degree of judgement and estimation. As well as detailed management procedures and reviews of the process, the Committee met the Group's valuers to discuss the valuations, review the key judgements and discuss whether there were any significant disagreements with management. This year the Committee reviewed and challenged the valuers on investment properties under construction, discount rates, rental growth assumptions and stabilised occupancy levels, and also the considerations made around the macro-economic, inflationary environment and interest rates, in order to agree the appropriateness of the assumptions adopted. The Committee also challenged the valuers and satisfied itself on their independence, their quality control processes (including peer partner review) and their qualifications to carry out the valuations. Management also has processes in place to review the external valuations. In addition, the external auditor uses valuation experts to conduct a detailed review of the key assumptions that underpin the investment property valuations and reports their findings to the Committee.

A more detailed explanation of the background, methodology and judgements that are adopted in the valuation of the investment properties is set out in note 12 to the financial statements.

Financial statements

The Committee considered and was satisfied with management's presentation of the financial statements.

Management confirmed to the Committee that it was not aware of any material misstatements and the auditor confirmed that it had found no material misstatements during the course of its work.

The Committee is satisfied that the judgements and estimates made by management are reasonable and that appropriate disclosures have been included in the financial results. After reviewing the reports from management and following its discussions with the valuers and auditor, the Committee is satisfied that the financial statements appropriately address the critical judgements and key estimates, both in respect of the amounts reported and the disclosures. The Committee is also satisfied that the processes used for determining the value of the assets and liabilities have been appropriately reviewed and challenged and are sufficiently robust.

Fair, balanced and understandable assessment

At the request of the Board, the Committee also considered whether the Annual Report and Financial Statements was fair, balanced and understandable and whether it provided the necessary information for shareholders to assess the Company's position, performance, business model and strategy.

The Committee has advised the Board that in its view, taken as a whole, the Annual Report and Financial Statements is fair, balanced and understandable. In reaching this conclusion, the Committee considered, amongst other matters, the overall review and confirmation process around the Annual Report and Financial Statements, going concern and viability.

The Committee was provided with, and commented on, a draft copy of the Annual Report and Financial Statements. In carrying out the above processes, key considerations included ensuring that there was consistency between the financial results and the narrative provided in the front half of the Annual Report. The Committee is satisfied that Alternative Performance Measures, not defined under IFRS or 'non-GAAP' measures, are consistent with how management measures and judges the Group's financial performance.

Going concern and viability statement

The Committee has reviewed the Group's assessment of viability over a period of three years. The Committee's approach in assessing going concern and the viability statement is set out on page 40.

Relationship with, and performance of, the external auditor

Annual auditor assessment

During the year, the Committee conducted a review of the effectiveness of the external audit process and the audit quality.

In considering the effectiveness of the external audit, the Committee received reports from the external auditor and management on the audit process, quality procedures and the handling of key judgements. In addition the Committee assessed:

- the arrangements for ensuring the external auditor's independence and objectivity;
- the quality of the audit team and its expertise;
- the quality and scope of the audit plan and reporting;
- the quality of the formal audit report to shareholders;
- the robustness and perceptiveness of the auditor in its handling of the key accounting and audit judgements; and
- the content of the external auditor's comments on control improvement recommendations.

The Committee also sought the views of key members of the finance team, senior management and Directors on the audit process and the quality and experience of the audit partner engaged in the audit. Their feedback confirmed that the auditor had shown the requisite commitment in providing its services and has demonstrated depth of knowledge of the Company and the industry, with the necessary robustness, independence and objectivity. The auditor continues to perform well and provides an appropriate level of challenge to management.

External auditor objectivity, independence and non-audit work

The Audit Committee's terms of reference set out that it is responsible for the formal policy on the award of non-audit work to the auditor. The Committee has formalised procedures for the approval of non-audit services which stipulate the services for which the auditor will not be used. The policy also stipulates projects where the auditor may be used, subject to certain conditions and pre-approval requirements. In order to preserve auditor objectivity and independence, the external auditor is not asked to carry out non-audit work. A report of all audit and non-audit fees payable to the external auditor is provided to the Committee regularly at meetings throughout the year, including both actual fees for the year to date and a forecast for the full year, analysed by project and into pre-defined categories. In the current financial year, Deloitte LLP provided non-audit services amounting to £150,500 covering annual engagement of ESG covenant compliance work, as required by the Company's lenders, half year results review and minor procedure review in France, which is within the 70% non-audit fee cap rules. It was determined that the nature of the work would not impact auditor objectivity and independence given the safeguards in place.

It is the Committee's policy to ensure that there is audit partner rotation every five years to safeguard the external auditor's independence and objectivity. Deloitte was appointed as external auditor to conduct the audit for the 2014 financial year. The first lead audit partner retired following the 2017 audit and his successor retired following the 2022 audit. Stephen Craig was appointed as the new lead audit partner for the 2023 audit.

Relationship with, and performance of, the external auditor continued

External auditor objectivity, independence and non-audit work continued

The auditor is asked on an annual basis to articulate the steps that it has taken to ensure objectivity and independence, including where the auditor provides non-audit services. As part of the 2024 audit, Deloitte confirmed that it was independent within the meaning of applicable regulatory and professional requirements. Taking this into account and having considered the steps taken by Deloitte to preserve its independence, the Committee concluded that Deloitte's independence had not been compromised, notwithstanding the level of non-audit fees incurred during the year.

It is standard practice for the external auditor to meet privately with the Audit Committee, without any member of management or the Executive Directors being present, at least once a year.

Audit tender

Deloitte was appointed by the Company's shareholders as the Group's statutory auditor in 2014 following a formal tender process. The lead partner for Deloitte was rotated in 2023. As required by the Statutory Auditors and Third Country Auditors Regulations 2016 ("SATCAR"), the Company was required to undertake a formal tender for audit services for its financial year ended 31 October 2024.

At the end of 2023, the Board invited a number of audit firms to participate in a formal tender for the audit and related services of the Group, commencing with the audit for the year ended 31 October 2024. Confirmation of intent to participate was received from KPMG and Deloitte, with other firms declining to participate due to independence and capacity challenges. The Company undertook a request for proposals to assist the Audit Committee in making its recommendation to the Board. The tender process was led by the Audit Committee with assistance from management. Key personnel were invited to have a series of management meetings with the RFP participants.

Auditors were invited to submit a final proposal and make a presentation to the Audit Committee. The proposals were required to cover the following:

- understanding of the business and industry;
- approach to servicing other geographies;
- understanding of the Company's overseas geographies, and their audit approaches;
- strength and experience of their team;
- audit approach;
- quality assurance;
- communication and reporting;
- independence;
- implementation; and
- fees.

The Audit Committee evaluated the proposals carefully against set criteria and received feedback from management meetings.

The Audit Committee confirms that it has complied with The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2024.

Appointment or re-appointment of auditor

Following the successful Audit Tender, the Committee recommended to the Board that Deloitte LLP be retained as the Company's auditor and be put forward for re-appointment by shareholders at the Company's Annual General Meeting in 2024. Deloitte LLP received over 99.55% of the votes in favour of its re-appointment.

In reviewing the effectiveness, independence, objectivity and expertise of the external auditor in relation to the financial year ended 31 October 2024, the Audit Committee concluded that overall Deloitte has carried out the audit effectively and recommended to the Board that the auditor be proposed for re-appointment as external auditor for 2025.

Resolutions to re-appoint Deloitte as auditor and to authorise the Directors to agree its remuneration will be put to shareholders at the Annual General Meeting that will take place on 19 March 2025.

Group's risk management and internal control framework

The Board, as a whole, including the Audit Committee members, considered whether the nature and extent of Safestore's risk management framework and risk profile were acceptable in order to achieve the Company's strategic objectives. The Board and Committee were satisfied with the actions being taken by management to remedy any concerns raised by the internal audit function and raised through the external audit process. As a result, the Committee considered that the Board has fulfilled its obligations under the Code. For more information on risk mitigation activities, see the Principal Risks section of the Strategic Report.

Safestore's internal controls, along with its design and operating effectiveness, remain a key priority for the Group and are subject to ongoing monitoring by the Audit Committee through reports received from management, along with those from the internal audit function and the external auditor. The Committee, together with management, has continued to maintain its comprehensive review of the controls across the business. The Committee is satisfied that the Company's control environment remains robust. The risks and uncertainties facing the Group, and its internal control processes, are considered in the strategic report on pages 34 to 38 and on page 85.

Internal audit

The Audit Committee has oversight responsibilities for the internal audit team which is responsible for reviewing operational and financial controls at Head Office and store level. The Committee has also reviewed the Group's risk management framework and its linkage to the internal audit plan.

I will be available at the Annual General Meeting to answer any questions on the work of the Audit Committee.

Jane Bentall
Chair of the Audit Committee
15 January 2025

Directors’ remuneration report

for the year ended 31 October 2024

The Company has delivered a resilient performance during 2023/24.”

Laure Duhot

Chair of the Remuneration Committee

Part A: Annual statement

Dear shareholder

On behalf of the Remuneration Committee (the “Committee”), I am pleased to provide an overview of our work in relation to both Director and wider workforce remuneration for the year ended 31 October 2024. FY 2024 has proven to be another busy year for the Committee with a significant proportion of our time spent determining the implementation approach for the Policy at our General Meeting in July 2023. I was delighted to see that it was positively received by our shareholders, with 90.5% of the votes in favour, and would like to thank all our shareholders for showing their support at our Annual General Meeting (“AGM”) held on 13 March 2024.

The key activities undertaken by the Committee during the year were as follows:

Area	Activity
Rebalancing the CEO’s remuneration package	The Committee determined how the CEO’s package would be rebalanced to align with the Policy principles that total maximum remuneration on grant will continue to broadly align with, but not exceed, the upper quartile of the FTSE 250 for exceptional performance over the life of the Policy. This will be achieved through a two-step process in 2024 and 2025 to increase the CEO’s salary to align with the median of the FTSE 250 and correspondingly reduce the LTIP opportunity. See below for full details.
Determining the remuneration package for our new CFO	The Committee determined a remuneration package for the new CFO based on the same principles applied to the CEO’s package. The package was designed such that there will be no need for a phased approach for this role (full details are set out below).
Target setting and outcome determination	The Committee agreed annual bonus targets for 2024 and reviewed and approved the 2024 LTIP grant and the associated performance conditions. It also discussed and approved Executive Director and senior manager remuneration outcomes for 2024 including measuring the performance outcomes of the relative TSR element of the 2021 LTIP award and the EPS element of the 2022 LTIP award.
2024 salary increases	The Committee approved the 2024 salary increase for senior managers alongside the wider workforce salary budget.
Wider workforce pay	The Committee considered wider workforce pay policies and practices and feedback from the workforce panel and approved the grant of additional share awards for selected key individuals below Executive level.
Pay gaps	The Committee reviewed the gender and ethnicity pay gap analysis results and signed off corresponding actions, which included encouraging our colleagues to disclose their ethnicity, and addressing any barriers to them doing so.

Overview of business performance

As set out in this Annual Report, we have delivered a resilient trading performance in the year, despite a challenging economic environment, driving revenue growth overall for the financial year.

In the UK, we are encouraged by the continued improvements in domestic customer occupancy with increasingly positive levels of occupied space vs prior year through the second half of the year. However, business customer demand, particularly from smaller business customers, remains softer than in 2023.

We are pleased with the steady performance of our operations in Paris despite challenging economic trading conditions. We have presented our other countries combined as ‘Expansion Markets’ to reflect their importance in driving growth for the Group.

We have continued the successful delivery of new space, adding 386,000 sq ft of MLA (equivalent to 5% of the start of year MLA) throughout the financial year through new stores and extensions which are expected to significantly add to Group income as the stores mature. Furthermore, our development pipeline includes 26 additional stores with a projected total MLA of 1.3 million sq ft, reflecting 16% of year-end MLA, providing a clear pathway for further future revenue growth. This continued performance could not have been possible without our people, whom we continue to proactively engage with and develop. This includes significant training, supporting and incentivising all colleagues to perform to the best of their ability. We recognise that it is also critical for our colleagues to feel valued as well as to be paid fairly and we are exceptionally proud that our commitment to colleagues was recognised externally in 2021 and again in 2024 by the award of the prestigious Investors in People (“IIP”) Platinum accreditation. We were also shortlisted for the Platinum Employer of the Year award.

Part A: Annual statement continued

Overview of business performance continued

The Company continues to increase base salaries for all colleagues and Board Directors. I am pleased to report that an average UK workforce increase of 8.6% was provided to colleagues during 2024.

2024 performance metrics

The highlights set out above have translated into a solid year for Safestore. Our 2024 performance can be summarised as follows:

- Group revenue of £223.4 million;
- opened our 200th store in November 2024;
- Adjusted Diluted EPRA Earnings per Share at 42.3 pence;
- proposed total dividend in respect of the year to 31 October 2024 up 1% to 30.4 pence per share;
- property pipeline at 31 October 2024 of 1.6 million sq ft of MLA;
- Group occupancy at 31 October 2024 stood at 74.6%, and total occupancy was 6.41 million sq ft;
- continued progress made in relation to sustainability including reduction of market-based absolute emissions by 10.5% year on year (emissions intensity also below 2024 target);
- achieved EPRA Gold award status; and
- retained the prestigious Investors in People ("IIP") Platinum accreditation.

In addition, £100 invested in Safestore in September 2013, when the current CEO took over the business, would be worth £828 as at 31 October 2024, taking account of share price growth and reinvested dividends. This represents outperformance against key competitors and industry benchmarks.

Chief Executive Officer remuneration package rebalance

When designing the Policy, the Committee carried out an extensive consultation engaging with around 50 of our largest shareholders as well as investor bodies. The Committee collated the feedback received, and there was a desire across our shareholder base for the Company to move to a more conventional remuneration structure over the medium term, particularly with regard to the split between base salary and LTIP to deliver upper quartile total remuneration for exceptional performance.

Therefore, the Committee pledged to move to a conventional remuneration package over time consisting of a competitive salary, pension contribution rates in line with the wider workforce, and incentive award levels (annual bonus and LTIP) within the market range for the respective role.

As set out in the Notice of Meeting for the 13 March 2024 AGM, last year the Committee determined that the desired market positioning for the CEO total maximum remuneration is to be in line with the upper quartile of the FTSE 250, with a base salary broadly in line with the median of the FTSE 250. The Committee determined that a two-step rebalancing process would occur over 2024 and 2025. For 2024, this resulted in the CEO's salary being increased to £566,000 from 1 November 2023 and his LTIP award was reduced from 480% of salary to 400% of salary (equivalent to a 250% of salary Base award with a 1.6x Multiplier conditional on achieving upper decile relative total shareholder return).

In line with the Committee's approach to rebalancing the package in two steps, it determined that the CEO's package for 2025 should be as follows:

- salary increased from £566,000 to £665,000 (in line with the FTSE 250 median salary) and applicable from 1 November 2024;
- pension contribution of 4.1% of salary, in line with Policy;
- annual bonus maximum opportunity of 150% of salary, in line with Policy; and
- LTIP award will be reduced from 400% of salary to 350% of salary (equivalent to a 218.75% of salary Base award with a 1.6x Multiplier conditional on achieving upper decile relative total shareholder return). Performance targets will be set in line with our Board approved business plan and outlook reflecting both the economic landscape and the significant increase in our development pipeline which will dilute EPS growth over the next couple of years but will create significant value for shareholders over the longer term.

This gives a total maximum remuneration opportunity at grant of £4.02 million, which is aligned with the Committee's desired positioning of the FTSE 250 upper quartile. The Committee notes that, to achieve full vesting under the 2025 LTIP award, the Company must be in the upper decile of the FTSE 250 (excluding Investment Trusts) in terms of TSR performance to allow for the full impact of the 1.6x Multiplier, such that exceptional performance is required.

Chief Financial Officer change

Andy Jones – outgoing CFO

Andy Jones stepped down from the role of Chief Financial Officer and was replaced by Simon Clinton on 22 April 2024.

As set out in last year's remuneration report, given that Andy continued in his role until the transition to Simon was complete, the Remuneration Committee determined that it was appropriate to grant him a 2024 LTIP award to cover this period. In line with his 2023 award, the 2024 LTIP award granted was 344% of salary (equivalent to a 215% Base award with a 1.6x Multiplier conditional on achieving upper decile relative total shareholder return). On the basis that Andy retired, in line with Policy, he was treated as a good leaver as follows (see payments for loss of office section for further details):

- salary, pension and benefits; and
- unvested LTIP awards will be pro-rated for time, with performance testing and vesting occurring on their normal dates.

Simon Clinton – incoming CFO

As set out in the Notice of Meeting for the 13 March 2024 AGM, on the recruitment of a new CFO, the Committee provided a remuneration package based on the same principles applied to the CEO package. This means that there will be no need for a phased approach for this role. As such, Simon Clinton's package is as follows:

- salary at £425,000;
- pension contribution of 4.1% of salary;
- annual bonus maximum opportunity of 150% of salary; and
- LTIP opportunity of 250% of salary (equivalent to a 156.25% of salary Base award with a 1.6x Multiplier conditional on achieving upper decile relative total shareholder return). On this basis, Simon was granted a 2024 LTIP award on 13 March 2024 prior to joining the main Board.

Implementation of Policy for 2025

We set out above how the Remuneration Policy will be implemented in 2025 for the CEO and CFO, noting that the Committee will determine the salary increase for the CFO when it considers the increases for the wider workforce which will take effect from 1 May 2025.

In terms of incentive targets, the annual bonus will continue to be based two-thirds on adjusted EBITDA (excluding all leasehold rent charges and adjusted for budgeted exchange rates) and one-third on strategic/operational measures. Targets will be disclosed retrospectively as the Committee determines targets to be commercially sensitive.

The LTIP Base award will continue to be weighted 65% on EPS growth, 25% on strategic objectives which will remain focused on the aggregate net increase in Maximum Lettable Area ("MLA"), and 10% on ESG. The EPS targets will be 2% p.a. growth for threshold vesting (20% of maximum) and 6% p.a. growth for maximum vesting, the same as for the 2024 award. In determining this target range, the Committee considered: Safestore's three- year financial plan and market forecasts; the challenging economic climate; the Company's strategic goals and priorities, planned investments and the expanded development pipeline that will dilute EPS growth in the next couple of years; and previous years' results.

Given the Board considers the MLA targets to be commercially sensitive, they will be disclosed retrospectively. The ESG measure will continue to be split equally between EPC ratings of developments and refurbishments at A or B and reduction in greenhouse gas emissions intensity, with increased stretch under the GHG emissions reduction target versus 2024. Full details are set out on page 99.

The LTIP remains subject to a performance Multiplier whereby the Base award vesting can be increased by up to a maximum of 1.6 times for FTSE 250 (ex. Investment Trusts) upper decile TSR performance and a performance modifier whereby vesting will be reduced by one-third if Safestore's TSR is either below the median TSR of the FTSE 350 Supersector Real Estate Index or negative.

Remuneration outcomes for 2024

Annual bonus outcome

Targets for the 2024 annual bonus set by the Committee were based two-thirds on adjusted EBITDA (excluding all leasehold rent charges and adjusted for budgeted exchange rates) and one-third on strategic/operational measures with a maximum opportunity of 150% of salary. The Committee confirms that no performance target has been adjusted in the year for any reason.

Given the tough operating environment and the challenging targets set by the Committee, the Company missed the adjusted EBITDA (adjusted for budgeted exchange rates) threshold level of performance (£136.1 million versus threshold of £143 million). On the basis that the threshold performance level under the EBITDA measure was not achieved, under the Policy, no payout can be made under the strategic/operational measures, such that the Remuneration Committee was not formally required to test achievement under this element for 2024. However, in line with our commitment to provide transparency in relation to the strategic/operational bonus element, we have set out a summary of these measures and their achievement for 2024 in the annual report on remuneration.

On this basis, the formulaic outcome for the 2024 Executive Director bonus is nil. Despite there being nil annual bonus for the year, the Committee acknowledged the management team's excellent performance, particularly in relation to the strategic progress made during the year which will create long term value for our shareholders. However, the Committee determined that it should not exercise its discretion to adjust the formulaic bonus outturn as it was aligned with the shareholder experience over 2024.

Long Term Incentive Plans

2022 LTIP – EPS and relative TSR element performance measurement

The performance period of the EPS element of the 2022 LTIP ended on 31 October 2024; EPS performance accounts for two-thirds of the award. On that basis, the Committee measured the Company's EPS growth and Cash on Cash Return in relation to the underpin over the three-year performance period. Adjusted Diluted EPRA EPS increased by 1.5% p.a., which is below the 5% p.a. growth required for threshold vesting resulting in 0% of the awards being earned under the EPS element. For completeness, the average Cash on Cash Return over the same period was 10.8% which exceeded the 8% underpin target.

The final vesting level for the 2022 LTIP will not be determined by the Committee until the vesting date of 25 January 2025, with the balance of awards subject to the Company's relative TSR performance measured over the three-year period ending on 24 January 2025. As at 31 October 2024, Safestore's TSR is below the median TSR of both the FTSE 250 excluding the Investment Trusts Index and the FTSE 350 Supersector Real Estate Index, which would result in nil vesting.

Therefore, the Committee confirms that, based on performance to date, there is expected to be nil vesting under the 2022 LTIP awards and it will consider whether the formulaic outcome is in line with underlying Company performance at the vesting date. If at the vesting date, a portion of the award is due to vest, the Committee will also review the outcome at the vesting date in the context of the share price at grant to ensure no windfall gains have occurred.

This expectation of nil vesting under the 2022 LTIP awards has been included in the single figure of remuneration table for 2024 on the basis that the relative TSR performance period has been substantially completed.

2021 LTIP – vesting outcome

As reported in the 2023 remuneration report, the EPS element of the 2021 LTIP, representing two-thirds of the awards, was earned in full as at 31 October 2023. The balance of the awards was subject to a relative TSR measure with a three-year performance period ending on 27 January 2024. On the basis that Safestore's TSR was between the median and upper quartile of the FTSE 250 excluding the Investment Trusts Index and above the upper quartile of the FTSE 350 Supersector Real Estate Index peer groups, the formulaic vesting outcome for this element was 80.4%.

The Committee determined that the formulaic vesting outcome was aligned with the Company's underlying performance. The Committee also debated whether any windfall gains had been received as a result of the 2021 LTIP vesting and determined that no such gains had occurred and therefore no adjustment was required.

Therefore, in line with the formulaic outcome, 93.5% of the 2021 LTIP awards vested on 28 January 2024. The Executive Directors' awards are subject to a two-year post-vesting holding period.

Deferred annual bonus

Restricted shares granted in respect of the annual bonus earned in the year to 31 October 2021 were subject to a holding period of two years which ended on 1 November 2023. The number of restricted shares granted to Frederic Vecchioli and Andy Jones was 9,362 and 6,671 respectively.

2024 LTIP grant

The award levels granted to the Executive Directors were as set out above.

The awards will vest after three years subject to the achievement of financial and non-financial performance measures: Adjusted Diluted EPRA EPS growth (65% weighting), aggregate net increase in MLA (25% weighting), and ESG targets (EPC ratings of developments and refurbishments at A or B and reduction in greenhouse gas emissions intensity with a total of 10% weighting split equally between the two measures). The Base awards are combined with a relative TSR Multiplier, and an absolute and relative TSR performance modifier. The awards will also be subject to a two-year post-vesting holding period.

The Committee will have overriding discretion to change the formulaic outcome (both downwards and upwards) if it is out of line with the underlying performance of the Company. This will include an assessment at vest as to whether any windfall gains have occurred. Full details of the performance conditions attached to the awards can be found in the annual report on remuneration on page 114.

Part A: Annual statement continued

Remuneration outcomes for 2024 continued

Non-Executive Directors' fees

The Executive Directors recommended to the Board that Non-Executive Director and Chairman fees should rise by 5% from 1 May 2024 which is lower than the UK average workforce increase rate of 8.6%. As such, Non-Executive Director base fees have increased to £64,198, Committee Chair fees have increased to £12,037, and the Chairman's fee has increased to £244,860.

Wider workforce pay

Safestore's pay principles were reviewed during the year and continue to set out a framework for making decisions on colleagues' pay. Reward packages follow a pay-for-skills model and consist of a combination of fixed and variable elements, including base pay, performance related pay, annual bonus, pension and benefits. In the UK, we also operate an annual all-colleague share plan to foster the culture of ownership, reflecting our remuneration principles by rewarding colleagues for the successful execution of strategy over a multi-year horizon. We are delighted that many UK colleagues are enrolled in our Sharesave scheme, with 33% participating across all schemes. Participation in the LTIP has also continued to expand with 78 employees across seven countries being granted awards during the year. In addition, to recognise the efforts of key talent in executing the business' key strategic objectives, the Committee determined that a similar number of below Executive-level individuals should be granted additional performance-based share awards during the year.

The Committee receives remuneration information from across the Group regarding annual salary reviews, bonus, gender and ethnicity pay gaps and CEO pay ratios, together with the principles that are applied in relation to broader incentive schemes, and how these align with culture. We recognise that it is critical for our colleagues to feel valued as well as to be paid fairly.

Our approach to colleague engagement through our formal workforce advisory panel is now fully embedded. Our 15 People Champions continue to engage directly with the CEO on a wide range of subjects including remuneration. In addition, the CEO also ran two virtual town hall sessions where colleagues had the opportunity to raise questions, discuss business issues and provide feedback. Please see the section on our communication with colleagues for more information.

I am exceptionally proud that our commitment to colleagues was recognised externally in 2021 and again in 2024 by the award of the prestigious Investors in People ("IIP") Platinum accreditation. We were also shortlisted for the Platinum Employer of the Year award, and we continue to strive for excellence in this area.

Since our last Diversity Pay Gap Report, we have focused on encouraging colleagues to disclose their ethnicity and addressing any barriers to doing so. This has resulted in an increased disclosure rate of 85% (versus 69% last year). Our median ethnicity pay gap is close to zero, at 0.2%. We are aware that we have less disclosure of ethnicity in our upper pay quartiles so we will continue to encourage our colleagues to disclose their data to improve the accuracy of our reporting, as well as taking action to drive change. Based on current disclosure rates 31% of our UK workforce is from an ethnically diverse background. Our median gender pay gap of 6.5% is well below the national gender pay gap of 14.3%[1]. We currently have more men than women in senior leadership positions that attract higher levels of pay; therefore, this contributes to our gender pay gap. We also know that women are underrepresented in some industries from which we recruit, such as property and construction. Building a diverse and inclusive workplace is a top priority for us. Our Equality, Diversity, and Inclusion Strategy is about embedding and continuing the important work we've already done to enable all our colleagues to feel confident to bring their full unique selves to work.

We have also published our CEO pay ratio for the sixth time in line with the reporting regulations and the Committee notes that it is lower than in 2023 given that the 2022 LTIP is unlikely to vest.

Notes:
1 Gender pay gap in the UK: 2023, ONS.gov.uk.

Planned activities for 2025

We set out below the activities which the Committee expects to undertake next year:

- implement the final stage in rebalancing the CEO's remuneration package to be in line with a more conventional remuneration structure as per the approved Policy;
- review the current Remuneration Policy, develop a new Policy, engage with investors and representative bodies on the proposals and refine as appropriate for shareholder approval at the 2026 AGM;
- continue the normal oversight of the annual remuneration cycle including approving Company-wide salary increases, approving the annual bonus and LTIP performance measures, weightings and targets, measuring performance against the bonus targets and determining the vesting outcomes of the relative TSR element of the 2022 LTIP award and the EPS, MLA, and ESG elements of the 2023 LTIP award; and
- review of wider workforce pay policies and practices and feedback from the workforce panel.

Summary

Overall, the Company delivered a resilient performance during 2023/24; however, it unfortunately missed its bonus targets. Although somewhat disappointing, the Committee believes that the 2024 remuneration outcomes are appropriate and reflective of the shareholder experience.

We will be asking shareholders to vote in favour of our Directors' remuneration report at the 2025 AGM; I would welcome any feedback or comments on this report and look forward to receiving any written questions ahead of the meeting. You will find details of the conference facility and how to submit written questions on our website at www.safestore.co.uk/corporate.

We will continue to engage with shareholders and their representative bodies on remuneration and other governance matters and thank all our shareholders for their continued support on remuneration.

Finally, I want to recognise that the Company's performance would not be possible without the excellence demonstrated by our colleagues. To all colleagues – thank you for your hard work and commitment to making Safestore the robust business it remains today.

Approved by the Board on 15 January 2025 and signed on its behalf by:

Laure Duhot
Chair of the Remuneration Committee
15 January 2025

Part B: Our remuneration at a glance

Ahead of the annual report on remuneration, we have summarised below the key elements of our current Policy approved at the GM held on 12 July 2023 along with a summary of how we intend to implement the Policy in 2025. We also summarise the key remuneration outcomes for 2024.

Our full Policy can be found on the Safestore website at www.safestore.co.uk.

Summary of our Directors' Remuneration Policy and planned implementation of Policy for 2025

<table>
<tr><th>Element</th><th>Key features of Policy approved at 2023 AGM</th><th colspan="2">Implementation for 2025</th></tr>
<tr><th colspan="2">Executive Directors</th><th>Frederic Vecchioli</th><th>Simon Clinton</th></tr>
<tr><td>Base salary</td><td>Reflects an individual's responsibilities, experience and role.

Salary increases will normally be applied annually over the life of the Policy, which for the avoidance of doubt may be higher than the average workforce rate. This is to rebase fixed pay to a more market-competitive position allowing a corresponding reduction in LTIP award levels to achieve a more 'normalised remuneration structure'.</td><td>Base salary of £665,000.

(17.5% increase from 1 November 2024).</td><td>Base salary of £425,000.

(2025 increase to be determined and to apply from 1 May 2025).</td></tr>
<tr><td></td><td></td><td colspan="2">The average increase for the UK workforce for 2024 was 8.6%.</td></tr>
<tr><td>Benefits and pension</td><td>All Executive Directors will receive the average employer pension contribution rate received by the workforce (currently 4.1% of salary).

Market-competitive benefits package provided.

The Committee would expect to be able to provide other benefits where appropriate and to adopt benefits such as relocation expenses, tax equalisation and support in meeting specific costs incurred by Executive Directors to ensure the Company and the individuals comply with their obligations in the reporting of remuneration.</td><td colspan="2">Executive Directors will receive a pension contribution/ cash supplement of 4.1% of salary in line with the average workforce contribution rate.

Benefits in line with the Policy.</td></tr>
<tr><td>Annual bonus</td><td>Maximum award equal to 150% of salary per annum.

Performance measures are two-thirds financial and one-third non-financial, with a financial underpin ensuring no payout for the strategic/operational element if financial performance is below threshold.

Payout for threshold performance is 20% of maximum and for target performance is 50% of maximum.

Any bonus in excess of 100% of salary will be held in shares (referred to hereinafter as restricted shares) on a net of tax basis, via an agreement with the Executive, until the end of the two-year period following the financial year in which the bonus is earned.

For bonus paid in cash, malus applies in the year the bonus is earned and claw-back operates for three years thereafter. For restricted shares, malus applies until the end of the two-year period following the financial year in which the bonus is earned, and claw-back operates for three years thereafter.

Dividends are payable on restricted shares.

The Committee will continue to have overriding discretion to change formulaic outcomes (both downwards and upwards) if they are out of line with underlying performance of the Company. In addition, the Committee has the discretion to adjust targets or performance measures for any exceptional events that may occur during the year.</td><td colspan="2">Maximum opportunity of 150% of salary.

The annual bonus for 2025 will be based on two-thirds EBITDA (excludes all leasehold rent charges and non-recurring items) and one-third strategic/operational measures. There will be no payout under non-financial measures if threshold performance under the financial measure is not met.

The Board deems the annual bonus targets to be commercially sensitive. Full details of the 2025 targets and their achievement will be disclosed retrospectively in the 2025 Directors' remuneration report. All other elements of 2025 annual bonus operation will be in line with the Policy.</td></tr>
</table>

Part B: Our remuneration at a glance continued

Summary of our Directors' Remuneration Policy and planned implementation of Policy for 2025 continued

Element	Key features of Policy approved at 2023 AGM	Implementation for 2025	
Executive Directors continued		**Frederic Vecchioli**	**Simon Clinton**
LTIP	LTIP award of nil-cost options over shares on an annual basis with a three-year vesting and two-year holding period. Dividend equivalents will be paid on vested shares. The maximum annual Base award will be up to 300% of salary for the CEO and 215% of salary for the CFO/other Executive Directors. The performance measures, weightings and targets for the Base award will be set each year by the Committee based on a combination of financial and non-financial measures. Financial measures will not account for less than 65% of the LTIP opportunity. The vesting schedule will be such that for the financial measures, 20% of awards will vest for threshold performance and 0% of awards will vest for threshold performance for the non-financial measures. Vesting of the Base awards can be increased by up to 1.6x such that the overall maximum award will be up to 480% and 344% of salary for CEO and CFO/other Executive Directors respectively. Total LTIP award levels will be reduced annually during the Policy period. Malus applies up to the vesting date and claw-back applies during the two-year holding period. The Committee will have overriding discretion to change formulaic outcomes of the LTIP awards (both downwards and upwards) if they are out of line with underlying performance of the Company. In addition, the Committee has the discretion to adjust targets or performance measures for any exceptional events that may occur during the year.	As set out in the Committee Chair's statement, the CEO's award will be reduced from 400% to 350% of salary (equivalent to a 218.75% of salary Base award with a 1.6x Multiplier). The CFO's award will be 250% of salary (equivalent to a 156.25% of salary Base award with a 1.6x Multiplier). Performance measures and targets are set out in the following table.	
Shareholding guidelines	In-employment guidelines are 600% and 450% of salary for the CEO and CFO/other Executive Directors respectively. Post-employment guideline is 350% of salary on cessation for two years (or their actual shareholding on cessation if lower than 350% of salary). This excludes shares owned pre-18 March 2020 and awards vesting from the 2017 LTIP.	Will operate as per Policy.	
Chairman and Non-Executive Directors			
Fees	Non-Executive Directors may receive a base fee and additional fees for chairing a Committee or being the Senior Independent Director.	The Chairman's fee: £244,860. Non-Executive base fee: £64,198. Committee Chair and SID fee: £12,037. Non-Executive Director and Chairman fees were increased by 5% from 1 May 2024, lower than the UK average workforce increase rate of 8.6%. 2025 increase to be determined and to apply from 1 May 2025.	

2025 LTIP performance measures and targets

The table below sets out the details of the performance measures and targets chosen in respect of the LTIP awards for the financial year ending 31 October 2025, which continue to adhere to the Policy principle of upper quartile pay for upper decile performance:

2025 performance measures	2025 performance targets	How targets are set
Base award: • 65% Adjusted Diluted EPRA EPS growth. • 25% strategic/ operational measures. • 10% ESG measures. **Multiplier:** • Relative TSR vs FTSE 250 (excluding Investment Trusts) Index companies. **Performance modifier:** • The awards are underpinned by a performance modifier whereby the number of LTIP awards vesting will be reduced by one-third, if Safestore's TSR over the three-year performance period is either below the median TSR of the FTSE 350 Supersector Real Estate Index or negative.	**EPS targets:** For 2025: • Threshold (20% vesting) = 2% p.a. growth. • Maximum (100% vesting) = 6% p.a. growth. Straight-line vesting in between performance levels. **Strategic/operational targets:** For 2025, the measure will be the aggregate net increase in Maximum Lettable Area ("MLA") over the three financial years ending 31 October 2027. • Threshold net increase (0% vesting). • Target net increase (50% vesting). • Maximum net increase (100% vesting). Straight-line vesting in between performance levels. Given the Board considers the targets set to be commercially sensitive, they will be disclosed retrospectively. **ESG targets:** The measures for 2025 remain the same as for 2024 and 2023 with increased stretch under the GHG emissions reduction target: 1. EPC ratings of developments and refurbishments at A or B: • Threshold (0% vesting): 95% of developments and refurbishments. • Target (50% vesting): 98% of developments and refurbishments. • Maximum (100% vesting): 100% of developments and refurbishments. 2. Reduction in greenhouse gas emissions intensity: • Threshold (0% vesting): reduction to 0.80 kg CO_2/m^2. • Target (50% vesting): reduction to 0.775 kg CO_2/m^2. • Maximum (100% vesting): reduction to 0.75 kg CO_2/m^2. The Committee has discretion to deal with acquisitions as appropriate. For example, acquisitions could be excluded from the performance assessment, or the target could be reset in line with those published in future annual reports. Straight-line vesting in between ESG performance levels. **Multiplier:** For 2025, if TSR performance is above the upper quartile of the FTSE 250 (excluding Investment Trusts) then the Base award vesting can be increased by up to a maximum of 1.6 times for upper decile performance as follows: • Below or equal to upper quartile: Base award vesting multiplied by 1 times (no increase to Base award). • Upper decile or above: Base award vesting increased by 1.6 times. Straight-line increase in Multiplier vesting between upper quartile and upper decile relative TSR performance. **Performance modifier:** As set out in the left hand column.	**EPS targets:** For the 2025 award, the EPS target range (2%–6% p.a.) remains the same as for the 2024 award. In determining this target range, the Committee considered: Safestore's three-year financial plan and market forecasts; the challenging economic climate; the Company's strategic goals and priorities, planned investments and the expanded development pipeline that will dilute EPS growth in the next couple of years; and previous years' results. Targets are designed to be challenging yet achievable in order to effectively motivate management and align with the Company's strategic goal of providing long term growth for shareholders. **Strategic/operational targets:** For 2025, the Board determined that the most suitable measure to support and incentivise growth remains the net increase in MLA. The Committee is able to confirm that the targets have been approved at levels similar to prior year, to maintain a sustained level of development activity, within our balance sheet capacity. **ESG targets:** 2025 targets have been set in line with Safestore's publicly disclosed ESG strategy which is to reduce the carbon intensity of its operational portfolio over time, working towards operational net zero according to the market-based method of the GHG Protocol by 2035. Emissions targets cover Scope 1, Scope 2 (market based) and selected Scope 3 categories relevant to store operations. The 2025 targets are more stretching than 2024 to align with our ESG strategic milestones. **Multiplier:** The Multiplier mechanism, where the maximum 1.6x Multiplier only applies if the Company delivers upper decile total returns to shareholders relative to the FTSE 250 universe (excluding Investment Trusts), ensures that maximum LTIP award is only earned for exceptional performance.

Legacy awards

The Company will honour any remuneration related commitments to current and former Executive Directors and Non-Executive Directors (including the exercise of any discretions available in relation to such commitments) where the terms were agreed and/or commitments made in accordance with any previous Remuneration Policy of the Company. Such payments or awards will be set out in the annual report on remuneration in the relevant year. For the avoidance of doubt, it is noted that Executive Directors are eligible to receive payment under any award made prior to the approval and implementation of the current Policy approved by shareholders at the 12 July 2023 GM.

Part B: Our remuneration at a glance continued

Business performance and incentive outcomes in 2024

2024 annual bonus

KPI	2024 performance	2024 incentive outcome (% of maximum)
Underlying EBITDA in 2024	Down 4.8% to £135.4 million.	
Optimisation of performance of existing portfolio	As an Investors in People Platinum accredited organisation, our focus on our colleagues and culture has enabled us to continue to deliver sustainable business performance. Our commitment to colleagues was recognised externally again in 2024 by the award of the prestigious Investors in People ("IIP") Platinum accreditation. Other highlights include: • the time spent on training across the business was over 30,000 hours; • completed design and build of next generation website, currently in pre-launch testing; • improved data-driven insights and analytics, to assist with commercial decision making; and • deployed a multi-lingual internal communications solution across the Group.	
Strong and flexible capital structure	The Company's strong capital structure continued to allow it to take advantage of opportunities across the Group in order to deliver incremental earnings growth over the longer term. Highlights included: • on 30 April 2024, the Group completed the financing of its RCF accordion option for £100 million. This increased the facility to £500 million. The Group also exercised the second one-year extension in October 2024 with the agreement scheduled to expire in November 2028; • new US Private Placement ("USPP") of EUR €70 million drawing down on 3 December 2024 and due to be repaid in December 2032; • the increased RCF and the new USPP allow us to continue to consider strategic, value-accretive investments as and when they arise; • Group leverage was below the Group's strategic targeted level of an LTV ratio between 30 and 40% (25.1% for 2024); and • the full year dividend for the year ended 31 October 2024 increased by 1% demonstrating a continued progressive dividend policy.	
Take advantage of selective portfolio management and expansion opportunities	Acquired new development opportunities in the UK, Spain and France, in addition to opening new stores and completing store extensions in various locations. We have a total pipeline of 31 developments and extensions opening in FY 2025 and beyond which is expected to add a total of 1.6 million sq ft, representing 19% of portfolio MLA as at October 2024.	
ESG	Continued external recognition of ESG achievements and disclosures through the following: • a first EPRA Sustainability BPR Gold Award; • GRESB Public Disclosure A; and • MSCI ESG 'AA'.	

2021 LTIP

KPI	Performance	Incentive outcome (% of maximum)
TSR growth over three years to 27 January 2024	Safestore = 9.1%. Median of: • FTSE 250 Index excluding Investment Trusts = -2.8%; and • FTSE 350 Supersector Real Estate Index = -3.8%.	

Key:
Threshold or below   Threshold to target   Target to maximum

The incentive outcome for the 2021 LTIP award is reported as in respect of the year ended 31 October 2023 for the purposes of the single figure of remuneration but is shown here for completeness as the TSR performance period of the award was not complete at the time of drafting last year's report.

When combined with the full vesting of the Adjusted Diluted EPRA Earnings per Share growth measure and the achievement of the Cash on Cash Return underpin, as reported last year, the overall vesting outcome was 93.5%.

2022 LTIP

KPI	Performance	Incentive outcome (% of maximum)
Adjusted Diluted EPRA Earnings per Share growth over three years to 31 October 2024	• 4.5%, i.e. 1.5% per annum.	●

When combined with the expected 0% vesting of the TSR element of the 2022 LTIP, the overall vesting outcome is expected to be 0%.

For completeness, the average Cash on Cash Return for the 2022 LTIP was 10.8% which exceeded the 8% underpin target.

The Committee is comfortable that the Policy operated as intended and that the overall 2024 remuneration earned by the Executive Directors was appropriate.

Remuneration in the wider context

Context to our Executive Director remuneration in light of wider workforce considerations:

- The wider workforce predominantly has access to competitive bonus arrangements, can participate in all-colleague share plans and/or recognition schemes and is eligible to be auto-enrolled into the Safestore Group Personal Pension Plan.
- The wider workforce pay principles have been reviewed, leading to further increases in salaries and benefits, including an average UK workforce salary increase of 8.6% during the year.
- Continued alignment of Executive Director and general workforce pension contributions.
- Participation in our Sharesave scheme remained well above typical levels at 33%.
- Participation in the LTIP has also continued to expand with 78 employees across seven countries being granted awards during the year. To recognise the efforts of key talent in executing the business' key strategic objectives, a similar number of below Executive-level individuals were granted additional performance-based share awards during the year.
- Safestore's 2023 UK median gender pay gap is 6.5% and 2023 median ethnicity pay gap is 0.2%.

Part C: Annual report on remuneration

The 2024 annual report on remuneration contains the details of how the Company's Policy was implemented during the financial year ended 31 October 2024. An advisory resolution to approve this report and the Remuneration Committee Chair's annual statement will be put to shareholders at the 2025 AGM.

Pay fairness

To attract and retain the highest calibre individuals, we aspire to become the employer of choice within our sector, maintaining a competitive reward package that balances fairness to the colleague with the responsible use of shareholders' funds.

We review our pay principles, which set out a framework for making decisions on colleagues' pay, annually. The aim is to:

- support the recruitment and retention of high quality colleagues;
- enable us to recognise and reward colleagues appropriately for their contribution;
- help to ensure that decisions on pay are managed in a fair, just and transparent way; and
- create a direct alignment between Company culture and our reward strategy.

As part of our commitment to fairness, we have set out further information about our colleague offering. The various factors which make up our colleague value proposition are set out below:

Pay and benefits

- We pay all our colleagues above the over-21 National Living Wage rate, regardless of their age. The average annual salary for our store sales colleagues is £27,352, over £3,555 above the current National Living Wage for an over-21 year old on a 40-hour contract.
- All our sales colleagues are eligible for our performance-based monthly bonus scheme and can earn up to 50% of their monthly salary. Our Head Office colleagues are eligible to receive a discretionary annual bonus, which is calculated against business targets and objectives.
- Colleagues can join our Sharesave scheme on an annual basis for a fixed three-year term. Membership across our Sharesave schemes is 33% of the eligible population.
- Under the 2024 LTIP, 78 key colleagues were invited to participate, allowing them to share in the success of the Company. The performance conditions for below Board-level colleagues are the same as those for the Executive Directors.
- To recognise the efforts of key talent in executing the business' key strategic objectives, a similar number of below Executive-level individuals were granted additional performance-based share awards during the year.
- All eligible colleagues are auto-enrolled into the Safestore Group Personal Pension Plan provided through Aviva with a minimum employer contribution rate of 4% of salary.
- Additional benefits include private healthcare cover, healthcare cash plan, discounted gym membership, life insurance from day one of employment, paid holiday allocation and a Cycle to Work scheme.

Working environment

- Our leadership teams have created an environment where our managers and leaders are provided with the skills, tools and, crucially, time to dedicate to their teams. This has been achieved through maintaining good colleague-to-manager ratios.
- Our 'Make the Difference' people forum, launched in 2018, is a formal workforce advisory panel which enables frequent opportunities for us to hear and respond to our colleague voice. We drive change and continuous improvement in responding to the feedback we receive, via our internal communications channels and through our network of People Champions.
- We have a comprehensive Colleague Assistance programme where our teams can find guidance on coping strategies. They can speak to a professional who is ready to support and guide them through any concerns they have; in addition, for those who need it, they can access up to five counselling sessions.
- We support a healthy work–life balance through offering a Company sick pay scheme and encouraging all team members to take their rest breaks. We welcome and consider all requests for flexible working and at-home working, where appropriate.
- We know our people as individuals, and show respect for each other, enabling everyone to have a voice so that they can bring their full, unique selves to work.
- We are committed to providing an inclusive workplace and encouraging and welcoming diversity with zero tolerance of harassment and discrimination. More detail can be found in our People Principles document online.
- Our strong wellbeing foundation has enabled us to develop a strategy setting out our approach to further support diversity and inclusion at Safestore.

Development opportunities

- We have built an environment where it's natural for us to give regular, honest feedback and to coach in the moment. We go beyond mandatory training to promote life-enhancing learning where everyone can continually evolve.
- In 2024, we invested over 30,000 hours into developing our people. From online learning modules to face-to-face sales training, every one of our colleagues can take part in structured learning.
- We offer health and safety training including first aid, forklift and fire safety.
- Our Store Manager Development programmes offer the opportunity to gain a nationally recognised qualification from either the Institute of Leadership & Management ("ILM") or the Chartered Management Institute ("CMI") utilising the Apprenticeship Levy.
- Our Senior Leadership Development programme 'LEAD Academy' supports a Level 5 Management and Leadership apprenticeship.
- Furthermore, our Graduate programme provides an opportunity for newly qualified graduates to build their skill set and experience into a career with Safestore.

Recognition	
• We recognise great performance and behaviours through our annual appraisal process. • Our values, created by our store teams, are at the heart of everything the organisation does. • The values are accompanied by a set of behaviours and everyone is assessed against these every six months.	• Our annual pay review/bonus schemes are based on individual performance ratings. • We also reward our sales consultants for completion of training modules through a pay-for-skills approach.

Informing the Committee on the wider workforce

To build the Remuneration Committee's understanding of reward arrangements applicable to the wider workforce, the Committee is provided with data on the remuneration structure for management level tiers below the Executive Directors and pay outcomes for these roles, as well as comparable benchmarking information. The Committee also reviews feedback from the formal workforce advisory panel, in addition to the Investors in People survey, which provides further context in relation to pay and conditions throughout the organisation and supports the Committee in making decisions on future pay outcomes in line with the Policy. The Committee uses this information to ensure consistency and fairness of approach throughout the Company in relation to remuneration.

Alignment with Provision 40 of the Corporate Governance Code and Company strategy

The table below sets out how the current Policy addresses the factors in Provision 40 of the Corporate Governance Code, the objective of which is to ensure that the remuneration arrangements operated by the Company are aligned to all stakeholder interests including those of shareholders.

Factor	How this was addressed in the Remuneration Policy
Clarity Remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.	This is addressed through our commitment to full transparency and engagement with our shareholders in relation to the Policy. The Company engages directly with the broader colleague population on their remuneration through a variety of methods including the workforce advisory panel and town hall events led by the CEO.
Simplicity Remuneration structures should avoid complexity and their rationale and operation should be easy to understand.	Taking on board shareholder feedback, we designed a new LTIP for our 2023 Policy which is well understood by shareholders who inputted on its construct throughout the extensive shareholder consultation process.
Risk Remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated.	Identified risks have been mitigated as follows: • deferring an element of bonus into shares and requiring a two-year holding period for LTIP share awards helps ensure that the performance related awards are sustainable and thereby discourages short term behaviours; • aligning any reward to the agreed strategy of the Company; • reducing the awards or cancelling them through malus and claw-back provisions if the behaviours giving rise to the awards are inappropriate; and • reducing annual bonus or LTIP awards or cancelling them, if it appears that the criteria on which the awards were based do not reflect the underlying performance of the Company.
Predictability The extent of the value of individual Directors' reward, and any other limits or discretions, should be identified and explained at the time of approving the Policy.	The Remuneration Policy in the 2023 Notice of General Meeting sets out the potential remuneration available in several performance scenarios. The Committee is comfortable that the discretions available to it as set out in the current Policy are sufficient.
Proportionality The link between individual awards, the delivery of strategy and the long term performance of the Company should be clear. Outcomes should not reward poor performance.	One of the key strengths of the current approach of the Company to remuneration is the direct link between strategy and the value received by Executive Directors. Please see the schematic below which sets out in detail the link between Company strategy and the performance measures in the current incentive arrangements.
Alignment to culture Incentive schemes should drive behaviours consistent with Company purpose, values and strategy.	The LTIP rewards long term sustainable performance which is a key tenet of the Company's strategy, purpose and values as set out in our sustainability report on page 42.

Part C: Annual report on remuneration continued

Pay fairness continued

Alignment with Provision 40 of the Corporate Governance Code and Company strategy continued

In line with the proportionality factor from Provision 40 of the Corporate Governance Code set out above, the Committee designed the incentive arrangements such that they were closely aligned with Company strategy as set out in the schematic below:

	Optimising the trading performance of existing portfolio	Maintaining a strong and flexible capital structure	Selective portfolio management and expansion opportunities
What does success look like?	• First-class digital marketing expertise • Motivated and effective store teams benefiting from improved training and coaching • Central revenue management and cost control	• A capital structure appropriate for our business • Flexibility to take advantage of carefully evaluated development and acquisition opportunities • Successful store openings	• Strong pipeline for future openings • External recognition of ESG efforts
How do we measure progress against our objectives? Annual bonus Strategic and operational Financial	• Independent customer service survey • People engagement survey results • Assessment of online marketing enhancement	• Occupancy management enhancement • Free cash flow • Key capital cover ratios • Increased ability to pay dividends	• Successful store openings on time/budget • Strong pipeline for future openings • Increased portfolio valuation

All feed through to KPI = EBITDA growth

LTIP

- Continued successful execution of strategy should lead to shareholder value creation measured over three years by Adjusted EPRA EPS growth, increase in net MLA, progress against our ESG strategy and TSR relative to FTSE 250 and sector peers

Pay relativities

CEO pay ratio

Our CEO-to-colleague pay ratios for 2024 are set out in the table below. We also provide the 2019–2023 data for comparison purposes.

Financial year	Method used	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
2019	Option B (gender pay gap data)	60:1 Total pay and benefits: £19,067 Salary: £17,197	55:1 Total pay and benefits: £20,669 Salary: £18,175	37:1 Total pay and benefits: £31,278 Salary: £25,029
2020	Option B (gender pay gap data)	49:1 Total pay and benefits: £22,820 Salary: £18,500	41:1 Total pay and benefits: £27,244 Salary: £24,240	32:1 Total pay and benefits: £34,857 Salary: £30,852
2021	Option A	554:1 Total pay and benefits: £23,502 Salary: £19,540	500:1 Total pay and benefits: £26,019 Salary: £19,540	365:1 Total pay and benefits: £35,686 Salary: £28,829
2022	Option A	349:1 Total pay and benefits: £24,031 Salary: £20,300	312:1 Total pay and benefits: £26,849 Salary: £21,100	227:1 Total pay and benefits: £36,939 Salary: £30,556
2023[1]	Option A	54:1 Total pay and benefits: £24,866 Salary: £22,200	49:1 Total pay and benefits: £27,499 Salary: £22,700	36:1 Total pay and benefits: £37,270 Salary: £34,500
2024	Option A	22:1 Total pay and benefits: £27,626 Salary: £25,305	20:1 Total pay and benefits: £30,106 Salary: £24,800	16:1 Total pay and benefits: £38,934 Salary: £33,983

Note:
1 2023 ratios have been updated in line with the restated CEO single figure of remuneration for 2023.

Since 2021, the Company has chosen methodology Option A for the calculation, which takes into consideration the full-time equivalent basis of all UK employees and provides a representative result of employee pay conditions across the Company. In 2019 and 2020, the Company used methodology Option B. However, given the guidance by several shareholders that Option A is preferred, we updated our methodology to maintain market best practice disclosures.

The CEO remuneration figure is as shown in the Executive Directors' remuneration table on page 109. The remuneration figures for the colleague at each quartile were determined as at 31 October 2024. Each colleague's pay and benefits were calculated using each element of their remuneration, consistent with the CEO, pro-rated to be on a full-time equivalent basis. This therefore included the following elements of pay:

- base salary;
- private medical insurance;
- car/car allowance;
- fuel allowance;
- employer pension contribution;
- annual bonus;
- overtime and extra pay;
- LTIP; and
- Sharesave.

No components of pay have been omitted. The following estimates and adjustments were made:

- For new joiners, salary and benefits were annualised and bonus was calculated based on average payout for the relevant store.
- For colleagues on the annual bonus scheme, awards were estimated based on expected outcomes.
- Adjustments were made to achieve full-time equivalent rates.

The Committee notes that the 2024 median ratio is lower than in 2023 due to the CEO's single figure of remuneration being lower than last year. This is because the 2022 LTIP is not expected to vest while the 2021 LTIP paid out at 93.5%. The Committee notes that the 75th percentile employee is below the seniority to receive a 2021 or 2022 LTIP award and therefore payouts to c. 72 participants do not get captured within this ratio.

The above analysis demonstrates that the ratio is driven by the different structure of our CEO's pay versus that of our colleagues, as well as the composition of our workforce. This ratio varies between businesses even in the same sector.

The Committee considers the median pay ratio to be consistent with pay and progression policies for UK colleagues.

Part C: Annual report on remuneration continued

Pay relativities continued

Diversity pay gap reporting

We are committed to providing an inclusive workplace and encouraging and welcoming diversity with zero tolerance of harassment and discrimination. More detail can be found in our People Principles document in the Governance section of our website.

Building a diverse and inclusive workplace is a top priority for us. Our already strong wellbeing foundation has enabled us to develop a strategy setting out our approach to further support diversity and inclusion at Safestore. Our new Equality, Diversity, and Inclusion Strategy is about embedding and continuing the important work we've already done to enable all our colleagues to feel confident to bring their full, unique selves to work.

At Safestore, all colleagues are paid equally for doing the same or similar work. Our bonus schemes are open to all job levels and colleagues at the same level have the same bonus opportunity.

This year we were pleased to publish our second Diversity Pay Gap Report, which includes ethnicity and gender data. We have chosen to voluntarily report on our ethnicity pay data, because we believe this is an important step on our diversity and inclusion journey.

We were delighted that, in our recent Investors in People survey, over 84% of colleagues agreed that Safestore is committed to diversity and inclusion. Since our last Diversity Pay Gap Report, we have focused on encouraging colleagues to disclose their ethnicity and addressing any barriers to doing so. This has resulted in an increased disclosure rate of 85% (versus 69% last year). Our median ethnicity pay gap is close to zero, at 0.2%. We are aware that we have less disclosure of ethnicity in our upper pay quartiles so we will continue to encourage our colleagues to disclose their data to improve the accuracy of our reporting, as well as taking action to drive change. Based on current disclosure rates 31% of our UK workforce is from an ethnically diverse background.

Our median gender pay gap of 6.5% is well below the national gender pay gap of 14.3%[1]. We currently have more men than women in senior leadership positions that attract higher levels of pay; therefore, this contributes to our gender pay gap. We also know that women are underrepresented in some industries from which we recruit, such as property and construction.

Note:
1 Gender pay gap in the UK: 2023, ONS.gov.uk.

Remuneration justification

The Committee is comfortable that the internal and external pay relativity reference points provide justification that the new Policy is appropriate, as set out in the Chair's statement.

Communication with colleagues

During the year, we communicated with colleagues and gathered their feedback in a number of ways as set out below:

Workforce advisory panel: Our 15 People Champions have continued to engage directly with the CEO across a wide range of subjects including remuneration. Appropriate feedback from these sessions was presented to the Board, which the Remuneration Committee considered when determining the remuneration levels for Executive Directors. In addition, over the past few years feedback from the panel has resulted in the Remuneration Committee and Board approving improved colleague benefits such as enhanced Company sick pay, improved healthcare provision, and more frequent opportunities to participate in all-colleague share schemes.

CEO town hall events: The CEO also ran two virtual town hall sessions where colleagues had the opportunity to raise questions, discuss business issues, and provide feedback on subjects including remuneration. As part of these events, colleagues were engaged on how the Executive Directors' Remuneration Policy aligned with the wider Company pay policy.

Colleague survey: Our management team and the workforce advisory panel reviewed the recommendations from our 2024 Investors in People colleague survey, establishing improvements made and agreeing further actions with the aim of ensuring our leadership engagement score is over 80%.

Communication with shareholders

The table below shows the results of the latest shareholder votes on the Directors' remuneration report and Policy resolutions:

	Votes for	%	Votes against	%	Votes withheld
2024 AGM vote on annual report on remuneration	170,512,257	90.50	17,890,155	9.50	2,294,399
2023 GM vote on Remuneration Policy	178,517,273	97.40	4,769,130	2.60	2,815,021

The Committee was delighted to see that the 2023 Remuneration Policy, and its implementation, was positively received by our shareholders and would like to thank all our shareholders and the investor bodies for their constructive feedback provided through an extensive engagement process, and for showing their overwhelming support.

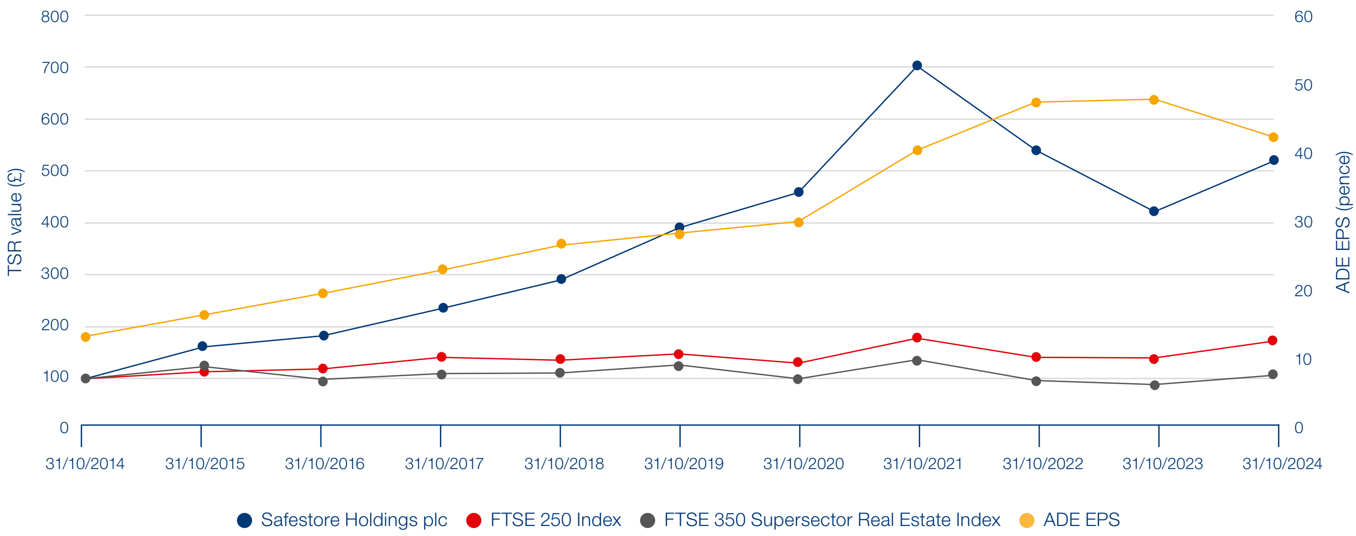
Chief Executive Officer and colleague pay

Total shareholder return and Chief Executive Officer pay over the last ten years

The chart shows the performance of a hypothetical investment of £100 in ordinary shares (as measured by the TSR for the Company) against the FTSE 250 and FTSE 350 Supersector Real Estate Index over a period of ten financial years starting from 31 October 2014 through to 31 October 2024. The FTSE 250 has been selected as an appropriate comparison index due to Safestore's ranking within the FTSE in terms of market capitalisation. The FTSE 350 Supersector Real Estate Index has been selected as an appropriate comparator group as its major sector competitors are constituents of this index.

The chart also shows the increase in Adjusted Diluted EPRA ("ADE") Earnings per Share from 31 October 2014 onwards (see right-hand scale).

Total shareholder return and Adjusted Diluted EPRA ("ADE") Earnings per Share (pence)



	Oct 2015	Oct 2016	Oct 2017	Oct 2018	Oct 2019	Oct 2020	Oct 2021	Oct 2022	Oct 2023	Oct 2024
Role	F Vecchioli CEO	F Vecchioli CEO	F Vecchioli CEO	F Vecchioli CEO	F Vecchioli CEO	F Vecchioli CEO	F Vecchioli CEO	F Vecchioli CEO	F Vecchioli CEO	F Vecchioli CEO
Single figure of total remuneration (£'000)	1,224	1,481	1,728	1,719	1,134	1,108	13,020	8,385	1,355	614
Annual bonus payout (% of max)	100%	100%	82%	81%	91%	100%	100%	100%	0%	0%
LTIP earned (% of max)	100%	100%	100%	100%	n/a	n/a	100%	100%	93.5%	0%[1]

Note:

1 Estimated outcome as at 31 October 2024.

Part C: Annual report on remuneration continued

Pay relativities continued

Percentage change in Executive Director, Non-Executive Director and colleague remuneration

The table below shows the percentage change in remuneration of the Directors undertaking the roles of Chief Executive Officer, Chief Financial Officer and Non-Executive Directors, together with average pay of the Company's colleagues in the listed entity on a full-time equivalent basis.

	% change from 2023 to 2024			% change from 2022 to 2023			% change from 2021 to 2022			% change from 2020 to 2021			% change from 2019 to 2020		
	Base salary/ fees	Benefits	Annual bonus	Base salary/ fees	Benefits	Annual bonus	Base salary/ fees	Benefits[8]	Annual bonus	Base salary/ fees[1]	Benefits	Annual bonus	Base salary/ fees	Benefits	Annual bonus
F Vecchioli (CEO)	21%	4%	0%	5%	3%	(100%)	4%	(3%)	3%	3%	0%	5%	1%	0%	11%
S Clinton (CFO)[9]	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A Jones (previous CFO)[11]	(6%)	15%	0%	5%	5%	(100%)	4%	2%	3%	3%	0%	5%	1%	0%	11%
D Hearn (NE Chairman)[2]	5%	n/a	n/a	12%	n/a	n/a	10%	n/a	n/a	19%	n/a	n/a	n/a	n/a	n/a
I S Krieger (NED)[10]	(62%)	n/a	n/a	5%	n/a	n/a	19%	n/a	n/a	22%	n/a	n/a	1%	n/a	n/a
G van de Weerdhof (NED)[3]	5%	n/a	n/a	5%	n/a	n/a	14%	n/a	n/a	175%	n/a	n/a	n/a	n/a	n/a
L Duhot (NED)[4]	5%	n/a	n/a	15%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
D Mousseau (NED)[5]	5%	n/a	n/a	5%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
J Bentall (NED)[6]	29%	n/a	n/a	127%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A Darzins (NED)[7]	515%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Colleague pay	8.9%	0%	0%	8.5%	0%	(100%)	6.9%	0%	8.8%	4.2%	0%	20%	2.3%	0%	19%

Notes:

1 The increases in 2021 to Non-Executive Director fees are a result of the increase to the base fee and Committee chairship fees and the Company starting to pay a Senior Independent Director fee of £10,500. All increases were effective 1 May 2021.

2 The Chairman was appointed on 1 December 2019 so received a pro-rated fee for 2020.

3 G van de Weerdhof was appointed on 1 June 2020 so received a pro-rated fee for 2020.

4 L Duhot was appointed as an independent Non-Executive Director on 1 November 2021.

5 D Mousseau was appointed as an independent Non-Executive Director on 1 November 2021.

6 J Bentall was appointed as an independent Non-Executive Director on 18 May 2022 so received a pro-rated fee for 2022. J Bentall was appointed Senior Independent Director and Chair of the Audit Committee on 13 March 2024.

7 A Darzins was appointed as an independent Non-Executive Director on 1 September 2023 so received a pro-rated fee for 2023.

8 F Vecchioli received dental insurance for two-twelfths of the year only.

9 S Clinton was appointed as CFO on 22 April 2024 so received a pro-rated remuneration for 2024.

10 I S Krieger stepped down from the Board on 13 March 2024 so received a pro-rated fee for 2024.

11 A Jones retired on 27 September 2024 so received pro-rated remuneration for 2024.

Relative importance of spend on pay

The table below sets out the overall spend on pay for all colleagues compared with the returns distributed to shareholders.

Significant distributions[1]	**2024**	2023	% change
Colleague costs (£'m)	**30.9**	30.0	3%
Distributions to shareholders in the form of shareholder dividends and share buybacks (£'m)	**65.9**	65.9	0%

Note:

1 The above figures are taken from notes 10 and 25 to the financial statements.

Executive Director remuneration for the year ended 31 October 2024

Single figure remuneration table (audited)

The remuneration of Executive Directors showing the breakdown between components with comparative figures for the prior financial year is shown below.

		Base salary £'000	Taxable benefits[1] £'000	Annual bonus[2] £'000	Long term incentives[3,4] £'000	Pension[5] £'000	Other £'000	Total £'000	Total fixed remuneration £'000	Total variable remuneration £'000
F Vecchioli (Chief Executive Officer)	**2024**	**566**	**25**	**0**	**0**	**23**	**0**	**614**	**614**	**0**
	2023	468	24	0	844	19	0	1,355	511	844
S Clinton (Chief Financial Officer)[6]	**2024**	**273**	**17**	**0**	**0**	**11**	**0**	**301**	**301**	**0**
	2023	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
A Jones (previous Chief Financial Officer)[7]	**2024**	**313**	**23**	**0**	**0**	**13**	**0**	**349**	**349**	**0**
	2023	334	20	0	601	14	0	969	368	601

Notes:

1 Taxable benefits comprise a car allowance, private medical and dental insurance.

2 The annual bonus figures would include the portion subject to deferral into restricted shares; however, the bonus outcome is nil for both years.

3 The 2024 figure is based on the expected nil vesting outcome of the 2022 LTIP, noting that the performance period for the TSR element will end on 24 January 2025, i.e. it has been substantially completed and therefore an estimate of the vesting of this element has been included.

4 The 2023 figure is the value of the 2021 LTIP as at the vesting date, 30 January 2024, i.e. based on the closing share price on 30 January 2024 of £8.22, and includes dividend equivalents accrued from the date of grant to the date of vest. The amount of the 2021 LTIP values attributable to share price appreciation was -£6,166 for F Vecchioli and -£4,394 for A Jones.

5 The pension contribution rate is 4.1% of salary in line with the average workforce pension contribution. No Executive Director participates in a Group defined benefit or final salary pension scheme.

6 Simon Clinton joined Safestore on 11 March 2024 and was appointed to the role of CFO on 22 April 2024. His remuneration shown above for 2024 is that earned from 11 March 2024, and as such includes payments made in respect of time before his formal appointment to the Board. All payments were made consistent with the approved Remuneration Policy.

7 Andy Jones stepped down from his role as CFO on 22 April 2024 and ceased employment with the Company on 27 September 2024. His remuneration shown above for 2024 is that earned up to 27 September 2024. Details on his remuneration from 23 April 2024 to 27 September 2024 can be found in the section on loss of office payments.

Annual bonus outcomes for the financial year ended 31 October 2024 (audited)

For 2024, the Executive Directors had a maximum annual bonus opportunity of 150% of salary. For each Executive Director, the 2024 annual bonus measures were weighted two-thirds for adjusted EBITDA (excludes all leasehold rent charges and non-recurring items) and one-third for strategic/operational measures.

Given the tough operating environment and the challenging targets set by the Committee, the Company failed to meet the adjusted EBITDA threshold level of performance such that there will be no payout under the financial element of the bonus.

Under the Policy, on the basis that the threshold performance level under the EBITDA measure was not achieved, no payout can be made under the strategic/operational measures, such that the Remuneration Committee was not formally required to test achievement under this element for 2024. However, in line with our commitment to provide transparency in relation to the strategic/operational bonus element, we have set out below a summary of these measures and their achievement for 2024 in addition to details of the targets and actual performance for the EBITDA measure and resulting bonus payment for each Executive Director.

		Performance required			Actual performance		CEO		CFO		Previous CFO	
Measure	Weighting	Threshold (20% payout)	On target (50% payout)	Maximum (100% payout)	Actual	% of element payable	Achievement as % salary	Bonus value £'000	Achievement as % salary	Bonus value £'000	Achievement as % salary	Bonus value £'000
Adjusted EBITDA[1]	Two-thirds	£143m	£149m	£152m	£136.1m	0%	0%	£0	0%	£0	0%	£0
Strategic/ operational measures	One-third		Objectives based on strategic/operational		See below	0%	0%	£0	0%	£0	0%	£0
Total bonus achieved in 2024							**0%**	**£0**	**0%**	**£0**	**0%**	**£0**

Note:

1 Adjusted EBITDA excludes all leasehold rent charges and non-recurring items and is equivalent to the reported EBITDA in the financial statements with European results translated at the budget Euro exchange rate of 1.15.

Part C: Annual report on remuneration continued

2024 annual bonus outcomes: strategic objectives

The Group's proven strategy remains unchanged. We believe that the Group has a well-located asset base, management expertise, infrastructure, scale and balance sheet strength to exploit the current industry dynamics. As we look forward, we consider that the Group has the potential to further increase its EPS over time by: optimising the trading performance of the existing portfolio; maintaining a strong and flexible capital structure; and taking advantage of selective portfolio management and expansion opportunities. Therefore, the Executive Directors' strategic/operational objectives reflect the Company's priorities in these areas for 2024 as well as the Company's ESG performance.

Objective	Achievement	Outcome
Optimisation of performance of existing portfolio (20% of salary)		
Enhancing people performance through engagement and improved capabilities in order to increase conversion of enquiries into new lets.	As an Investors in People Platinum accredited organisation, our focus on our colleagues and culture has enabled us to continue to deliver sustainable business performance. Highlights included: • our commitment to colleagues was recognised externally again in 2024 by the award of the prestigious Investors in People ("IIP") Platinum accreditation; • continuing to prioritise the health and wellbeing of our colleagues and our customers; • increasing the number of hours spent on training across the business to over 30,000; and • making 36 internal promotions across the Group from 2023 to 2024.	✔✔✔
Enhance website performance to drive new lets and marketing spend in line with budgeted expectations.	Delivered improvements to current website platforms: • completed design and build of next generation website, currently in pre-launch testing; • completed review of payment processing vendors and identified and agreed commercial terms. Integration work is in progress; and • tested new paid advert formats and bidding strategies.	✔✔✔
Leverage Group knowledge, experience and resources to improve productivity and drive efficiencies.	Highlights included: • improved data-driven insights and analytics, to assist with commercial decision making; • continued expansion of acquisition teams to grow store portfolio; • deployed a multi-lingual internal communications solution across the Group; and • IT security training and phishing testing deployed across all countries to strengthen and harmonise our security posture.	✔✔✔
Strong and flexible capital structure (9% of salary)		
Ensure the financial flexibility exists to deliver selected development and acquisition opportunities whilst maintaining conservative leverage and a progressive dividend policy.	The Company's strong capital structure continued to allow it to take advantage of opportunities across the Group in order to deliver incremental earnings growth over the longer term. Highlights included: • on 30 April 2024, the Group completed the financing of its RCF accordion option for £100 million. This increased the facility to £500 million. The Group also exercised the second one-year extension in October 2024 with the agreement scheduled to expire in November 2028; • new US Private Placement ("USPP") of EUR €70 million drawing down on 3 December 2024 and due to be repaid in December 2032; • the increased RCF and the new USPP allow us to continue to consider strategic, value-accretive investments as and when they arise; • Group leverage was below the Group's strategic targeted level of an LTV ratio between 30 and 40% (25.1% for 2024); and • the full year dividend for the year ended 31 October 2024 increased by 1%, demonstrating a continued progressive dividend policy.	✔✔✔

✔✔✔ indicates that the objective was exceeded, ✔✔ indicates that it was met, ✔ indicates that it was partially achieved and ✘ shows that the objective was not achieved.

Objective	Achievement	Outcome
Take advantage of selective portfolio management and expansion opportunities (15% of salary)		
Grow store portfolio through development or acquisition by at least two stores per year within the Board-approved ROI guidelines. Improve property valuations of the stores in the refurbishment and extension programme by more than the capital investment.	Acquired new development opportunities in the UK, Spain and the Netherlands, in addition to opening new stores and completing store extensions in various locations. Highlights included: **Redevelopments and extensions:** • London – Holloway • Paris – Poissy **New developments:** • UK – Eastleigh – Conversion • UK – London, Paddington Park West – Conversion • Spain – Madrid South 2 – Conversion • Netherlands – Aalsmeer – New build • Netherlands – Almere – Conversion • Netherlands – Rotterdam – New build • UK – St Albans – Conversion • France – Paris, Fleury – New build • UK – London, Chelsea Self Storage – Acquisition We have a total pipeline of 31 developments and extensions opening in FY 2025 and beyond which is expected to add a total of 1.6 million sq ft, representing 19% of portfolio MLA as at October 2024. This includes the five new stores and extensions which had already opened as at the date of this report. Our property pipeline summary can be found on pages 12 and 13.	✔✔✔
ESG (6% of salary)		

Improve the Group's ESG activities in order to deliver real value to all our stakeholders by:
• year-on-year carbon footprint reduction; and
• customer satisfaction initiatives.
 	
Align sustainability reporting with appropriate framework(s).
	Continued progress on our commitment to responsible and sustainable business practices.
	
	Highlights included:
	• delivered year-on-year carbon emissions intensity reduction through efficiency and electrification initiatives versus 2023;
	• market-based absolute emissions 10.5% lower year on year (emissions intensity also below 2024 target);
	• gas removed from a further six UK stores. On track for our 2030 target to remove gas use entirely;
	• 100% diversion of UK construction waste from landfill;
	• 100% UK operational waste diversion;
	• maintained positive ratings on all relevant customer service platforms:
	  • Feefo Platinum Trusted Service award for Safestore UK;
	  • Trustpilot 'Excellent' rating achieved in the UK with a Trustpilot 'Great' rating maintained in France;
	  • average Google rating of 4.7 achieved in Spain; and
	  • in the Netherlands, a high score of 4.9 was achieved on Trustpilot, whilst in Belgium, customer service was rated 4.7 on Feefo; and
	• external recognition of ESG efforts and disclosures: a first EPRA Sustainability BPR Gold Award, GRESB Public Disclosure A, and MSCI ESG 'AA'.
	
	Our strong wellbeing foundation has enabled us to develop a strategy setting out our approach to further support diversity and inclusion at Safestore. Our Equality, Diversity, and Inclusion Strategy is about embedding and continuing the important work we've already done to enable all our colleagues to feel confident to bring their full, unique selves to work.
		✔✔✔

✔✔✔ indicates that the objective was exceeded, ✔✔ indicates that it was met, ✔ indicates that it was partially achieved and ✘ shows that the objective was not achieved.

Given that the threshold performance level under the EBITDA measure was not achieved, the formulaic outcome for the 2024 Executive Director bonus is nil. Despite there being nil annual bonus for the year, the Committee acknowledged the management team's excellent performance, particularly in relation to the strategic progress made during the year which will create long term value for our shareholders. However, the Committee determined that it should not exercise its discretion to adjust the formulaic bonus outturn as it was aligned with the shareholder experience over 2024.

Part C: Annual report on remuneration continued

2024 annual bonus outcomes: strategic objectives continued

LTIP awards included in single figure for the year ended 31 October 2024 (audited)

2022 LTIP – EPS and relative TSR element performance measurement
For the 2022 LTIP, the CEO and previous CFO were granted an LTIP award equal to a maximum of 200% of salary.

The performance period of the EPS element of the 2022 LTIP ended on 31 October 2024; EPS performance accounts for two-thirds of the award. On that basis, the Committee measured the Company's EPS growth and Cash on Cash Return in relation to the underpin over the three-year performance period. Adjusted Diluted EPRA EPS increased by 1.5% p.a., which was below the 5% p.a. growth required for threshold vesting, resulting in nil vesting under this element. For completeness, the average Cash on Cash Return over the same period was 10.8% which exceeded the 8% underpin target. This is summarised in the table below:

Adjusted Diluted EPRA EPS growth[2]				Cash on Cash Return underpin[3]		
Threshold performance[1] (25% vesting)	Maximum performance (100% vesting)	Actual performance	% of awards earned	Underpin performance required	Actual performance	Overall % of awards earned
5% p.a.	8% p.a.	1.5% p.a.	0%	8%	10.8%	0%

Notes:
1 Vesting between threshold and maximum based on a sliding scale.
2 Adjusted Diluted EPRA Earnings per Share is based on the European Public Real Estate Association's definition of earnings and is defined as profit or loss for the period after tax but excluding corporate transaction costs, change in fair value of derivatives, gain/loss on investment properties and the associated tax impacts. The Company then makes further adjustments for the impact of exceptional items, IFRS 2 share-based payment charges, exceptional tax items and deferred tax charges. This adjusted earnings is divided by the diluted number of shares. The IFRS 2 cost is excluded as it is written back to distributable reserves and is a non-cash item (with the exception of the associated National Insurance element). Therefore, neither the Company's ability to distribute nor pay dividends are impacted (with the exception of the associated National Insurance element).
3 Cash on Cash Return p.a. is the average Cash on Cash Return over the performance period, where Cash on Cash Return is Underlying EBITDA after leasehold rent divided by original cost of investments calculated for each financial year in the performance period.

The final vesting level for the 2022 LTIP will not be determined by the Committee until the vesting date of 25 January 2025, with the balance of awards subject to the Company's relative TSR performance measured over the three-year period ending on 24 January 2025. Half of the TSR element of the awards is measured relative to the FTSE 250 excluding Investment Trusts Index, and the other half to the FTSE 350 Supersector Real Estate Index, with threshold and maximum vesting for median and upper quartile TSR growth versus the peer groups respectively.

As at 31 October 2024, Safestore's TSR growth is below the median of both peer groups, which would result in nil vesting under the relative TSR measure. Therefore, the Committee confirms that, based on performance to date, and taking account of the EPS element, it does not expect the 2022 LTIP awards to vest.

Restatement of LTIP awards included in single figure for the year ended 31 October 2023 (audited)
The three-year performance period for the relative TSR element of the 2021 LTIP ended on 27 January 2024; relative TSR accounts for one-third of the award with 50% of the element measured against the constituents of the FTSE 250 excluding Investment Trusts Index and the remaining 50% against the constituents of the FTSE 350 Supersector Real Estate Index.

Safestore's TSR growth was 9.1% over the three-year performance period and was between the median and upper quartile of the FTSE 250 excluding Investment Trusts Index peer group (-2.8% and 22.2% respectively) and above the upper quartile of the FTSE 350 Supersector Real Estate Index (6.9%), which equates to 80.4% vesting. Additionally, the Committee confirmed that the Cash on Cash Return underpin had been satisfied as at 31 October 2023. This is summarised in the table below:

TSR vs FTSE 250 Index excluding Investment Trusts				TSR vs FTSE 350 Supersector Real Estate Index			
Threshold performance – median TSR (25% vesting)	Maximum performance – upper quartile TSR (100% vesting)	Safestore's TSR performance	% of awards vested	Threshold performance – median TSR (25% vesting)	Maximum performance – upper quartile TSR (100% vesting)	Safestore's TSR performance	% of awards vested
-2.8%	22.2%	9.1%	60.8%	-3.8%	6.9%	9.1%	100%

Therefore, in total, 94,869 shares for the CEO and 67,594 shares for the previous CFO vested under the 2021 LTIP and became exercisable on 30 January 2024. The CEO and previous CFO also became entitled to 7,822 and 5,573 dividend equivalent shares respectively.

The value of the awards that vested under the 2021 LTIP included in the single figure of remuneration table for the year ended 31 October 2023 has been restated on this basis and using the share price on vesting.

The Committee determined that the formulaic vesting outcome was aligned with the Company's underlying performance. The Committee also debated whether any windfall gains had been received as a result of the 2021 LTIP vesting and determined that no such gains had occurred and therefore no adjustment was required such that, in line with the formulaic outcome, 93.5% of the 2021 LTIP awards vested on 30 January 2024. The Executive Directors' awards are also subject to a two-year post-vesting holding period.

	2023 figures (restated)					**2024 figures**				
Name	Number of 2021 LTIP awards granted	Number of 2021 LTIP awards vested	Number of 2021 LTIP dividend equivalent shares	Value of 2021 LTIP awards vested[1]	Value attributable to share price growth[2]	**Number of 2022 LTIP awards granted**	**Number of 2022 LTIP awards estimated to vest**	**Estimated number of 2022 LTIP dividend equivalent shares**	**Value of 2022 LTIP awards estimated to vest**	**Value attributable to share price growth**
F Vecchioli (Chief Executive Officer)	101,465	94,869	7,822	£844,120	(£6,166)	**71,645**	**0**	**0**	**£0**	**£0**
A Jones (previous Chief Financial Officer)	72,294	67,594	5,573	£601,433	(£4,394)	**51,047**	**0**	**0**	**£0**	**£0**

Notes:
1 Based on the closing share price on 30 January 2024 of £8.22.
2 Based on growth in share price from date of grant (£8.285 being the closing share price on the dealing day immediately before the date of grant of 28 January 2021) to the closing share price on the date of vest (£8.22 – 30 January 2024).
3 A Jones' unvested 2022 LTIP awards were pro-rated as set out in the payments for loss of office section.

LTIP awards granted in the year ended 31 October 2024 (audited)

LTIP awards were granted on 27 February 2024 to the CEO and previous CFO and on 13 March 2024 to the CFO. As set out in the Remuneration Committee Chair's statement, the CEO's Base award had a face value of 250% of base salary, the previous CFO's Base award had a face value of 215% of base salary, and the CFO's Base award had a face value of 150% of salary. The Base awards are subject to a maximum Multiplier of 1.6x such that the overall maximum awards were 400%, 344%, and 250% of salary, respectively. No consideration was paid for the grants which were structured as a nil-cost option. The LTIP awards will vest on the third anniversary of their award dates. Once vested, the LTIP awards will normally be exercisable until the day before the tenth anniversary of the award date and are subject to a two-year holding period commencing on vesting.

Name	Role	Base salary at date of grant	Face value of 2023 LTIP award (% of base salary)	Share price	Face value of 2023 LTIP award	Face value at minimum vesting[1]	Number of shares granted under nil-cost option[2,3]
F Vecchioli	CEO	£566,000	400%	£7.595	£2,264,000	£183,950	298,089
S Clinton	CFO	£425,000	250%	£7.635	£1,062,500	£86,328	139,161
A Jones[4]	Previous CFO	£343,320	344%	£7.595	£1,181,021	£95,958	155,499

Notes:
1 65% of the Base award has threshold vesting of 20% of maximum and 35% of the award has threshold vesting of nil.
2 The number of shares granted under the award was calculated using the share prices as shown in the table above, being the closing share prices on the dealing days immediately before the dates of grant.
3 Dividend equivalents will be payable on vested shares.
4 Andy Jones' 2024 LTIP awards will be pro-rated to reflect the period between the award date and him stepping down as CFO (22 April 2024) as a proportion of the vesting period.

Part C: Annual report on remuneration continued

2024 annual bonus outcomes: strategic objectives continued

Performance measures and targets:

- **Base award:**
  - 65% Adjusted Diluted EPRA EPS growth over three financial years ending 31 October 2026:
    - Threshold (20% vesting) = 2% p.a. growth.
    - Maximum (100% vesting) = 6% p.a. growth.
    - Straight-line vesting in between performance levels. The EPS target range was set to recognise the challenging business environment in which the Company is operating, lower internal forecasts and external consensus estimates for future growth.
  - 25% strategic/operational measures:
    - For 2024, the measure will be the aggregate net increase in Maximum Lettable Area ("MLA") over three financial years ending 31 October 2026:
      - Threshold net increase (0% vesting).
      - Target net increase (50% vesting).
      - Maximum net increase (100% vesting).
      - Straight-line vesting in between performance levels.
      - Given the Board considers the targets set to be commercially sensitive, they will be disclosed retrospectively.
  - 10% ESG measures:
    - There are two measures for 2024 with equal weighting:
      - 1. EPC ratings of developments and refurbishments at A or B completed during the three financial years ending 31 October 2026:
        - Threshold (0% vesting): 95% of developments and refurbishments.
        - Target (50% vesting): 98% of developments and refurbishments.
        - Maximum (100% vesting): 100% of developments and refurbishments.
      - 2. Greenhouse gas emissions intensity for the financial year ending 31 October 2026:
        - Threshold (0% vesting): reduction to 0.93 kg CO_2/m^2.
        - Target (50% vesting): reduction to 0.88 kg CO_2/m^2.
        - Maximum (100% vesting): reduction to 0.84 kg CO_2/m^2.
      - Straight-line vesting in between ESG performance levels.

The Committee has discretion to deal with acquisitions as appropriate. For example, acquisitions could be excluded from the performance assessment, or the target could be reset in line with those published in future annual reports.

- **Multiplier:**
  - If TSR performance is above the upper quartile of the FTSE 250 (excluding Investment Trusts) then the Base award vesting can be increased by up to a maximum of 1.6x for upper decile performance as follows:
    - Below or equal to upper quartile: Base award vesting increased by 1x (no increase to Base award).
    - Upper decile or above: Base award vesting increased by 1.6x.
    - Straight-line increase in Multiplier vesting between upper quartile and upper decile relative TSR performance.
- **Performance modifier:**
  - The awards are underpinned by a performance modifier whereby the number of LTIP awards vesting will be reduced by one-third, if Safestore's TSR over the three-year performance period is either below the median TSR of the FTSE 350 Supersector Real Estate Index or negative.

TSR is measured over a three-year period ending on 26 February 2027.

The Committee will have overriding discretion to change the formulaic outcome (both downwards and upwards) if it is out of line with the underlying performance of the Company and this will include an assessment of whether any windfall gains have been made.

Note:

1 Adjusted Diluted EPRA Earnings per Share is based on the European Public Real Estate Association's definition of earnings and is defined as profit or loss for the period after tax but excluding corporate transaction costs, change in fair value of derivatives, gain/loss on investment properties and the associated tax impacts. The Company then makes further adjustments for the impact of exceptional items, IFRS 2 share-based payment charges, exceptional tax items and deferred tax charges. This adjusted earnings is divided by the diluted number of shares. The IFRS 2 cost is excluded as it is written back to distributable reserves and is a non-cash item (with the exception of the associated National Insurance element). Therefore, neither the Company's ability to distribute nor pay dividends are impacted (with the exception of the associated National Insurance element). The financial statements will disclose earnings on a statutory, EPRA and Adjusted Diluted EPRA basis and will provide a full reconciliation of the differences in the financial year in which any LTIP awards may vest.

Annual bonus – deferred bonus restricted share awards made in the year ended 31 October 2024

On the basis that no bonus was earned in respect of the year ended 31 October 2023, no deferred bonus restricted shares were awarded.

Operation of Policy

The Committee is comfortable that the Policy operated as intended in 2024 and that the overall remuneration paid to Executive Directors for 2024, as set out above, was appropriate.

Payments to past Directors or for loss of office (audited)

There were no payments to past Directors during the year.

As set out in the Remuneration Committee Chair's statement, Andy Jones stepped down as CFO on 22 April 2024 and ceased employment with the Company on 27 September 2024. In line with the Remuneration Policy regarding loss of office payments, the Committee determined that on the basis Andy retired he be treated as a good leaver. The single figure of remuneration table on page 109 sets out remuneration earned up to 27 September 2024. We set out below remuneration earned from 23 April 2024 to 27 September 2024 in relation to the CFO's loss of office:

Fixed pay

- Andy received fixed pay of £167,957.53 (salary, pension, and benefits) in relation to the period from 23 April 2024 to 27 September 2024.

Unvested LTIP awards

- In line with Policy, Andy's unvested 2022 and 2023 LTIP awards have been pro-rated to reflect the period between the award date and his cessation of employment (27 September 2024) as a proportion of the vesting period.
- The Committee determined that Andy's unvested 2024 LTIP awards should be pro-rated to reflect the period between the award date and him stepping down as CFO (22 April 2024) as a proportion of the vesting period.
- All awards will vest on their normal dates and will remain subject to the achievement of the applicable performance targets and a two-year post-vesting holding period. The number of Andy's unvested awards, after pro-ration, is set out below:
  - 2022 LTIP: 45,375 (as set out above, these awards are unlikely to vest);
  - 2023 LTIP: 54,839; and
  - 2024 LTIP: 4,319.

Restricted deferred bonus shares

- In line with Policy, Andy's 8,339 restricted shares earned in respect of his bonus from the year ended 31 October 2022 continue to be subject to a two-year holding period that expires on 1 November 2024. Malus provisions apply during the holding period and claw-back provisions apply for three years thereafter.

Post-cessation shareholding requirement

- In line with Policy, Andy will be subject to a two-year post-cessation of employment shareholding requirement noting that this excludes shares owned pre-18 March 2020 and awards vesting from the 2017 LTIP.

Implementation of the Remuneration Policy for the year ending 31 October 2025

Please see the at a glance section on pages 97 to 101 of this report for details.

Part C: Annual report on remuneration continued

Non-Executive Directors

Single figure remuneration table (audited)

The remuneration of Non-Executive Directors showing the breakdown between components, together with comparative figures for the prior year, is shown below.

Director		Fees £'000	Other £'000	Total £'000
D Hearn	**2024**	**239**	**–**	**239**
	2023	227	–	227
I S Krieger[1]	**2024**	**31**	**–**	**31**
	2023	82	–	82
G van de Weerdhof	**2024**	**63**	**–**	**63**
	2023	59	–	59
L Duhot	**2024**	**74**	**–**	**74**
	2023	71	–	71
D Mousseau	**2024**	**63**	**–**	**63**
	2023	59	–	59
J Bentall	**2024**	**77**	**–**	**77**
	2023	59	–	59
A Darzins[2]	**2024**	**63**	**–**	**63**
	2023	10	–	10

Notes:

1 I S Krieger stepped down from the Board on 13 March 2024 so received a pro-rated fee for 2024.

2 A Darzins was appointed as an independent Non-Executive Director on 1 September 2023 so received a pro-rated fee for 2023.

Fees to be provided in 2025 to the Non-Executive Directors

The following table sets out the annual fee rates for the Non-Executive Directors from 1 May 2024:

Fee component	2025
Chairman fee	£244,860
Non-Executive Director base fee	£64,198
Additional fee for SID and Committee chairship	£12,037

Statement of Directors' shareholding and share interests

Shareholding and other interests at 31 October 2024 (audited)

Directors' share interests are set out below. As per the Remuneration Policy, in order that the Executive Directors' interests are aligned with those of shareholders, Executive Directors are encouraged to build up and maintain a personal shareholding equal to 600% and 450% of salary for the CEO and CFO/other Directors respectively. The shareholding guidelines take account of beneficially owned shares, restricted shares from bonus deferral and vested but unexercised awards at their net of tax value. The CEO had five years from the approval of this Policy (12 July 2023) to achieve this guideline and as shown in the table below meets the in-employment guidelines. The CFO will have five years from his appointment on 22 April 2024 to meet his guideline.

A shareholding guideline will continue to apply for two years post-cessation of employment. Executive Directors must retain shares equivalent in value to 350% of salary for two years post-cessation of employment (or their actual shareholding on cessation if lower than 350% of salary). This guideline excludes shares owned pre-18 March 2020 and awards vesting from the 2017 LTIP. Andy Jones is currently subject to this guideline.

As at 31 October 2024

Director	Number of beneficially owned shares[1]	% of salary held[2]	Shareholding requirement (% of salary)	In-employment shareholding requirement met	Total interests subject to conditions (LTIP nil-cost awards)	Outstanding Sharesave awards	Vested but unexercised LTIP nil-cost awards	Total interests at 31 October 2024
F Vecchioli	3,348,009	4,785	600	Yes	645,900	2,008	Nil	3,995,917
S Clinton	Nil	Nil	450	No	139,161	2,875	Nil	142,036
A Jones[3]	1,340,383	n/a	n/a	n/a	104,533	2,008	Nil	1,446,924
D Hearn	15,000	n/a	n/a	n/a	n/a	n/a	n/a	15,000
I S Krieger[4]	88,587	n/a	n/a	n/a	n/a	n/a	n/a	88,587
G van de Weerdhof	9,081	n/a	n/a	n/a	n/a	n/a	n/a	9,081
L Duhot	1,711	n/a	n/a	n/a	n/a	n/a	n/a	1,711
D Mousseau	1,460	n/a	n/a	n/a	n/a	n/a	n/a	1,460
J Bentall	9,300	n/a	n/a	n/a	n/a	n/a	n/a	9,300
A Darzins	Nil	n/a	n/a	n/a	n/a	n/a	n/a	Nil

Notes:
1 Beneficial interests include shares held directly or indirectly by connected persons and deferred bonus restricted shares acquired on 30 January 2023.
2 Based on the 31 October 2024 share price of 809 pence per share and beneficially owned shares only.
3 Number of beneficially owned shares for A Jones as at 22 April 2024, 2024 LTIP pro-rated to 22 April 2024, 2022 and 2023 LTIP pro-rates to 27 September 2024.
4 Number of beneficially owned shares for I S Krieger as at 13 March 2024.

Between 31 October 2024 and 9 January 2025 (being the latest practicable date prior to the publication of this report), there were no other changes to the Directors' interests.

2021 LTIP awards – awards exercised on 5 February 2024

The CEO and previous CFO exercised their 2021 LTIP vested nil-cost options on 5 February 2024 as set out in the table below:

Director	Role	Number of nil-cost options granted	Dividend equivalents	Total number of shares exercised	Retained shares
F Vecchioli	CEO	94,869	7,822	102,691	54,255
A Jones	Previous CFO	67,594	5,573	73,167	38,657

The retained shares are included within the 'Number of beneficially owned shares' column in the Directors' shareholding table above.

Outstanding LTIP awards at 31 October 2024

The following LTIP awards remain outstanding and unvested at 31 October 2024:

Director[2]	Awards granted	Maximum award	Awards vested	Awards lapsed	**Maximum outstanding awards at 31 October 2024[1]**	Market price at date of vesting (p)	Normal vesting date
F Vecchioli	25/01/2022 LTIP	71,645	—	—	**71,645**	—	25/01/2025
	12/07/2023 LTIP	276,166	—	—	**276,166**	—	12/07/2026
	27/02/2024 LTIP	298,089	—	—	**298,089**	—	27/02/2027
S Clinton	13/03/2024 LTIP	139,161	—	—	**139,161**	—	13/03/2027

Notes:
1 Figures shown exclude dividend equivalents.
2 A Jones' unvested LTIP awards are set out in the Payments for Loss of Office section.

The 2022, 2023 and 2024 LTIP awards are subject to performance measures and a continued service condition over a three-year period. The performance measures and targets for the 2022 LTIP awards are set out on pages 111 and 112 of the 2022 Annual Report; for the 2023 LTIP awards, these are set out on pages 116 and 117 of the 2023 Annual Report; and for the 2024 LTIP awards, these are set out on page 114 of this report.

Consideration of shareholder views

The Committee presented a summary of Safestore's remuneration challenges as well as an initial proposal for the current Policy to our major shareholders, representing over 74% of issued share capital as well as proxy voting agencies, in January 2023. The Committee subsequently held meetings with a large number of shareholders as well as proxy voting agencies to understand sentiment towards the proposals. We were pleased that all our shareholders were supportive of our efforts to retain an exceptional management team and that a significant number supported the initial proposals. The Committee collated feedback received and understood that some areas of the proposed structure required further consideration to ensure significant levels of shareholder support. The Committee subsequently made further refinements to the proposals to address the concerns raised by a number of our major shareholders.

The Committee was delighted to see that the Policy was positively received by our shareholders, with 97.4% of the votes in favour, and would like to thank all our shareholders and the investor bodies for their constructive feedback provided through an extensive engagement process, and for showing their overwhelming support at our General Meeting ("GM") held on 12 July 2023.

Part C: Annual report on remuneration continued

Consideration of conditions elsewhere in the Group

Please see page 106 for details.

Considerations by the Committee of matters relating to Directors' remuneration for 2024

The Committee is responsible for recommending to the Board the Remuneration Policy for Executive Directors and senior management and for setting the remuneration packages for each Executive Director. The Committee also has oversight of the Remuneration Policy for all colleagues. The written terms of reference of the Committee are available on the Company's website and from the Company on request.

Members of the Committee in the year to 31 October 2024	Independent	Meetings held during tenure during the year	Number of meetings attended
L Duhot (Chair)	Yes	7	7
D Hearn	Yes	7	7
I S Krieger (stepped down on 13 March 2024)	Yes	4	4
G van de Weerdhof	Yes	7	7
D Mousseau	Yes	7	7
J Bentall	Yes	7	7
A Darzins	Yes	7	7

Please see page 93 of the Chair's statement for the activities undertaken by the Committee during the year ended 31 October 2024.

None of the Committee members have any personal financial interest (other than as shareholders) in the decisions made by the Committee, conflicts of interest arising from cross-directorships or day-to-day involvement in running the business.

The Chief Executive Officer, the Chief Financial Officer, the HR Director and the Company Secretary may attend meetings at the invitation of the Committee but are not present when their own remuneration outcomes are being discussed. The HR Director acts as the secretary to the Committee.

The Committee received external advice in 2024 from PricewaterhouseCoopers LLP ("PwC") in connection with remuneration matters, including the provision of general guidance on market and best practice. PwC was appointed by the Committee after a competitive tender process in August 2016. PwC is considered by the Committee to be objective and independent. 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 the Company with reward, tax, and consulting advice. The Committee reviewed the nature of all the services provided during the year by PwC and was satisfied that no conflict of interest exists or existed in the provision of these services and therefore the advice provided was objective and independent.

The total fees paid to PwC in respect of services to the Committee during the year were £99,975. Fees were determined based on the scope and nature of the projects undertaken for the Committee.

Executive Director service contracts

The service agreements of the Executive Directors are not fixed term and are terminable by either the Company or the Director on the following basis:

Director	Date of current service contract	Notice period
F Vecchioli	3 September 2013	Twelve months
S Clinton	22 April 2024	Twelve months

Non-Executive Director letters of appointment

The Non-Executive Directors were appointed for an initial three-year term and their appointment continues, subject to annual re-election at the Company's AGM up to a maximum term of nine years.

The table below sets out the dates that each Non-Executive Director was first appointed and the notice period by which their appointment may be terminated early by either party:

Director	Date of appointment	Notice period by Company or Director
D Hearn	1 December 2019	Three months
G van de Weerdhof	1 June 2020	Three months
L Duhot	1 November 2021	Three months
D Mousseau	1 November 2021	Three months
J Bentall	18 May 2022	Three months
A Darzins	1 September 2023	Three months

Safestore Holdings plc is a public limited liability company incorporated under the laws of England and Wales with the registered number 04726380. It is listed on the London Stock Exchange under the category equity shares (commercial companies) (LON:SAFE) and is a constituent member of the FTSE 250 Index. The Company is a real estate investment trust ("REIT"). It is expected that the Company, which has no branches, will continue to operate as the holding company of the Group. The address of the registered office is Brittanic House, Stirling Way, Borehamwood, Hertfordshire WD6 2BT.

The principal activity of the Group is to provide storage solutions and related goods and services to commercial and domestic customers. The principal activity of the Company is that of a holding company.

The Directors present their report and the audited consolidated financial statements for the year ended 31 October 2024. References to Safestore, 'the Group', 'the Company', 'we' or 'our' are to Safestore Holdings plc, and its subsidiary companies where appropriate.

Disclosures incorporated by reference

The following disclosures required to be included in the Directors' report have been incorporated by way of reference to other sections of this report and should be read in conjunction with this report:

- corporate governance report on pages 82 to 86;
- strategy and relevant future developments – refer to pages 8 to 19 of the strategic report;
- Section 172, including engagement with employees, suppliers, customers and others – refer to pages 31 to 33 of the strategic report;
- financial risk management, policies and objectives of the Group, along with any details of exposure to any liability and cash flow risk, are set out on pages 34 to 38 and in note 19 to the financial statements;
- details of the Group's going concern assessment and viability statement on pages 40 and 135; and
- employee matters and carbon emission disclosures are set out in the sustainability report on pages 47 to 52 and pages 70 to 77 respectively.

Results for the year and dividends

The results for the year ended 31 October 2024 are set out in the consolidated statement of comprehensive income on page 131 and a review of the Group's results is explained further on pages 20 to 30.

An interim dividend of 10.0 pence (FY 2023: 9.9 pence) was paid on 8 August 2024, comprised of a Property Income Distribution ("PID") of 2.50 pence (FY 2023: 2.47 pence) and a non-PID dividend of 7.50 pence (FY 2023: 7.43 pence). The Directors recommend a final dividend in respect of the year ended 31 October 2024 of 30.4 pence per ordinary share (FY 2023: 20.20 pence), of which the PID element will be 17.60 pence (FY 2023: 15.15 pence). If authorised at the 2024 AGM, the dividend will be paid on 15 April 2025 with the record date of 14 March 2025 and an ex-dividend date of 13 March 2025.

PIDs are paid after the deduction of withholding tax at the basic rate (currently 20%). However, certain categories of shareholder may be entitled to receive payment of a gross PID if they are UK-resident companies, UK public bodies, UK pension funds and managers of ISAs, PEPs and child trust funds. Information, together with the relevant forms which must be completed and submitted to the Company's Registrar, for shareholders who are eligible to receive gross PIDs is available in the investor relations section of the Company's website at www.safestore.com. Non-PID dividends are not subject to withholding tax.

Going concern and viability statement

The Directors of Safestore are confident that, on the basis of current financial projections and facilities available and after considering sensitivities, and reviewing the stress testing scenarios, the Group has sufficient resources for its operational needs and to enable the Group to remain in compliance with the financial covenants in its bank facilities for the foreseeable future, a period of not less than twelve months. The Directors have assessed Safestore's viability over a three-year period to 31 October 2027. This is based on modelling over a three-year period, which gives greater certainty over the forecasting assumptions used. The viability statement is set out on page 40.

Financial instruments

The financial risk management objectives and policies of the Group, along with any details of exposure to any liability and cash flow risk, are set out on pages 34 to 38, and in note 19 to the financial statements.

Disclosures required under UK Listing Rule 6.6.1R and 6.6.6R

For the purposes of UKLR 6.6.1R and UKLR6.6.6R, the information required to be disclosed can be found in the following locations within the Annual Report:

		Page
(1)	Amount of interest capitalised	24
(2)	Publication of unaudited financial information	n/a
(4)	Details of long term incentive schemes	160 and 161
(5)	Waiver of emoluments by a Director	n/a
(6)	Waiver of future emoluments by a Director	n/a
(7)	Non-pre-emptive issues of equity for cash	160
(8)	Item (7) in relation to major subsidiary undertakings	n/a
(9)	Parent company participation in a placing by a listed subsidiary	n/a
(10)	Contracts of significance	122
(11)	Provision of services by a controlling shareholder	n/a
(12)	Shareholder waiver of dividends	120
(13)	Shareholder waiver of future dividends	n/a
(14)	PDMR interests statement	116
(15)	Interest disclosed in under DTR5	121
(16)	Going Concern Statement	135
(17)	Statement in relation to purchase of own shares	121
(18)	Statement setting out unexpired terms of any director's service contract	n/a
(19)	CFD disclosures	59 to 64
(20)	Statement on gender diversity	49
(21)	Numerical data on ethnic background and the gender identity or sex of Board and Executive Management	49

All the information referenced above is incorporated by reference into the Directors' report.

Management report

The strategic report and the Directors' report collectively comprise the 'management report' for the purposes of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules (DTR 4.1.5R).

Corporate governance statement

In compliance with the Financial Conduct Authority's Disclosure Guidance and Transparency Rules, the disclosures required by DTR 7.2.6 are set out in this Directors' report.

Post-balance sheet events

In December 2024, the Group issued a new USPP loan note for a total of €70 million expiring in December 2032 with an all-in coupon of 4.03%.

In December 2024, the Group entered into a joint venture with Nuveen to acquire the EasyBox self-storage business in Italy. The Group paid €42 million for a 50% share of EasyBox which has ten operating stores and two further stores under development, all located in key cities in Italy. The Group also entered into an agreement to manage the EasyBox business on behalf of the joint venture.

Directors

The Directors of the Company who served during the year and to the date of this report were as follows:

Jane Bentall	Senior Independent Director
Simon Clinton	Chief Financial Officer (appointed 22 April 2024)
Avis Darzins	Non-Executive Director
Laure Duhot	Non-Executive Director
David Hearn	Non-Executive Chairman
Andy Jones	Chief Financial Officer (resigned 22 April 2024)
Ian Krieger	Senior Independent Director (resigned 13 March 2024)
Delphine Mousseau	Non-Executive Director
Frederic Vecchioli	Chief Executive Officer
Gert van de Weerdhof	Non-Executive Director

The skills and experience of the serving Directors are set out on pages 80 and 81, and their interests in the ordinary share capital of the Company, and details of options granted to Executive Directors under the Group's share schemes are set out in the Directors' remuneration report on pages 112 to 117.

Appointment and removal of Directors

The Company's rules governing the appointment and removal of Directors are contained in its Articles of Association. Changes to the Articles of Association are only permitted in accordance with legislation and must be approved by a special resolution of shareholders. The Company's Articles of Association provide that a Director may be appointed by an ordinary resolution of the shareholders or by the existing Directors, either to fill a vacancy or as an additional Director. Further information on the Company's internal procedures for the appointment of Directors is given in the corporate governance section on page 85.

A Director may be removed by the Company in certain circumstances set out in the Articles of Association or by an ordinary resolution of the Company's shareholders.

Vacation of office

The office of a Director shall be vacated if (amongst other circumstances) a Director: (i) resigns; (ii) has been appointed for a fixed term and the term expires; (iii) ceases to be a Director by virtue of the Companies Act, is removed from office pursuant to the Articles of Association or becomes prohibited by law from being a Director; (iv) becomes bankrupt or the subject of an interim receiving order or compounds with creditors generally or applies to the court for an interim order under Section 253 of the Insolvency Act 1986 (as amended) in connection with a voluntary arrangement under that act or any analogous event occurs in relation to the Director in another jurisdiction; (v) has been suffering from mental or physical ill health and may remain so for more than three months; (vi) both a Director and his or her alternate Director (if any) are absent, without the permission of the Board from meetings of the Board for six consecutive months and the Board resolves that his or her office is vacated; or (vii) is removed from office by notice addressed to the Director at their last-known address and signed by all co-Directors.

Directors' powers

The Board, which is responsible for the management of the business, may exercise all the powers of the Company subject to the provisions of relevant legislation, the Company's Articles of Association and directions given by special resolution of the Company. The powers of the Directors set out in the Articles of Association include those in relation to the issue and buyback of shares.

Annual re-election of Directors

The Company's Articles of Association require that all Directors retire by rotation each year. In accordance with the Company's Articles of Association and with the Code, all Directors will retire at the Annual General Meeting ("AGM") to be held on Wednesday 19 March 2025 and will offer themselves for re-election.

Directors' indemnities

The Company maintains directors' and officers' liability insurance which provides appropriate cover for legal action brought against its Directors. The Company has also granted indemnities to each of its Directors to the extent permitted by law. The Directors also have (and during the year ended 31 October 2024 had) the benefit of the qualifying third party indemnity provision contained in the Company's Articles of Association, which provides a limited indemnity in respect of liabilities incurred as a Director or other officer of the Company.

Directors' interests in contracts and conflicts of interest

No member of the Board had a material interest in any contract of significance with the Company, or any of its subsidiaries, at any time during the year. Directors are required to notify the Company of any conflict or potential conflict of interest.

The Company's policy is that Directors notify the Chairman and the Company Secretary of all new outside interests and actual or potential conflicts of interest as and when they arise. The Board confirms that no actual or potential conflicts have been identified or notified to the Company during the year and, accordingly, the Board has not authorised any conflicts of interest as permitted by the Company's Articles of Association.

Share capital

At 31 October 2024, the Company's issued share capital comprised 218,490,500 ordinary shares of 1 pence each. The rights and obligations attached to the Company's ordinary shares are set out in its Articles of Association and note 10 of the Company's financial statements. Details of movements in the share capital during the year are provided in note 22 of the financial statements. The issued share capital has been increased by 451,081 ordinary shares during the year by fully paid issues as follows:

Date	Share scheme	Number of ordinary shares of 1 pence
16 February 2024	Exercise of options under the 2019 (three-year) Sharesave scheme	352
7 November 2023 to 30 April 2024	Early exercise of options under the 2020 (three-year) Sharesave scheme	113,130
31 January 2024	Issue of new share to the Trustee of the Safestore Employee Benefit Trust to satisfy share awards granted by the Company under its 2021 Long Term Incentive Plan	334,249
6 August 2024	Early exercise of options under the 2023 (three-year) Sharesave scheme	650

No person holds securities in the Company carrying special rights with regard to control of the Company.

Own shares – Employee Benefit Trust

At 31 October 2024, the Employee Benefit Trust retains 73,759 ordinary shares (FY 2023: 64,363) with a nominal value of £737.59 (FY 2023: £643.63) to satisfy awards under the Group's share scheme arrangements. This represents circa 0.03% (FY 2023: 0.03%) of the total issued share capital of the Company. The Trustee of the Employee Benefit Trust has elected not to receive dividends on its retained ordinary shares.

Purchase of own shares

The Company was granted authority at the 2024 AGM to make market purchases of its own ordinary shares. This authority will expire at the conclusion of the 2025 AGM and a resolution will be proposed to seek further authority. No ordinary shares were purchased under this authority during the year or in the period from 1 November 2024 to 9 January 2025.

Restrictions on transfers of shares and/or voting rights

The Company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights and apart from the matters described below, there are no restrictions on the transfer of the Company's ordinary shares and/or voting rights:

- Certain restrictions on transfers of shares may from time to time be imposed by laws and regulations (such as the Market Abuse Regulation). The Company's Securities Dealing Code provides that all Directors and employees are required to seek the Company's approval to deal in its shares.
- Some share-based employee incentive plans include restrictions on the transfer of shares, while the shares are subject to the plan concerned.
- The Directors' Remuneration Policy provides that annual bonus awards in excess of 100% of salary be deferred into shares. The annual bonus plan rules include restrictions on the transfer of such shares, while the shares are subject to the plan concerned.
- The transferor of a share is deemed to remain the holder until the transferee's name is entered in the register of shareholders. The Board can refuse to register any transfer of any share which is not a fully paid share. The Company does not currently have any partly paid shares.
- Unless the Directors determine otherwise, members are not entitled to vote personally or by proxy at a shareholders' meeting, or to exercise any other member's right in relation to shareholders' meetings, in respect of any share for which any call or other sum payable to the Company remains unpaid.
- Unless the Directors determine otherwise, no transfer of shares shall be registered and members are not entitled to vote personally or by proxy at a shareholders' meeting, or to exercise any other member's right in relation to shareholders' meetings if the member fails to provide the Company with the required information concerning interests in those shares within the prescribed period after being served with a notice under Section 793 of the Companies Act 2006.
- The shareholding guidelines set out in the Directors' Remuneration Policy provide that Executive Directors are expected to build up their shareholding over a five-year period. Executive Directors would be expected to retain any shares vesting (post-tax) under in-flight awards until they have acquired the necessary shares to meet their shareholding requirements.

Details of deadlines in respect of voting for the 2025 AGM are contained in the Notice of Meeting that has been circulated to shareholders and can be viewed on the Company's website at www.safestore.com.

Substantial shareholdings

The table below sets out the names of those persons who, insofar as the Company is aware, as at 16 November 2024 (being the nearest date of the Company's internal analysis to 31 October 2024), are interested directly or indirectly in 3% or more of the issued share capital of the Company.

Name of shareholder	Number of ordinary shares	Percentage of issued share capital
BlackRock Inc (Combined)	21,455,639	9.82
The Capital Group Companies, Inc (Combined)	17,013,693	7.79
The Vanguard Group, Inc (Combined)	12,392,149	5.67
Principal Financial Group (Combined)	9,515,520	4.36
abrdn plc (Combined)	9,182,998	4.20
Ameriprise Financial (Combined)	8,565,427	3.92
Cohen and Steers (Combined)	8,557,146	3.92
AXA SA (Combined)	7,127,645	3.26
State Street Corporation (Combined)	6,832,641	3.13
CPP Investment Board	6,654,557	3.05

Information provided to the Company pursuant to Rule 5 of the Disclosure Guidance and Transparency Rules ("DTR") is published on a Regulatory Information Service and on the Company's website.

During the current financial year and as at 31 October 2024, the Company received the following notifications in accordance with DTR 5 disclosing changes to voting interests in its issued share capital. The information provided includes the percentage of issued capital as at the date of the notifications.

Name of shareholder	Date of latest notification	Number of ordinary shares	Percentage of issued share capital	Nature of holding (direct/indirect)
Canada Pension Plan Investment Board	18 March 2024	6,562,457	3.004%	Direct

Between 1 November 2024 and 14 January 2025, being a date not more than one month prior to the date of the Company's Notice of Annual General Meeting 2024, the Company did not receive any notification(s) in accordance with DTR 5 disclosing changes to voting interests in its issued share capital.

All interests disclosed to the Company in accordance with DTR 5 that have occurred since 15 January 2025 can be found on the Company's website www.safestore.com.

Significant agreements and change of control

The Group's bank facilities agreement and US Private Placement Note agreements contain provisions entitling the counterparty to terminate the contractual agreements in the event of a change of control of the Group. The rules governing the Group's share scheme arrangements also contain provisions relating to the vesting and exercising of options in the event of a change of control of the Group.

There are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

Employment and environmental matters

Information in respect of the Group's employment and environmental policies, including the policies regarding the employment of disabled persons and greenhouse gas reporting, is summarised in the sustainability section on pages 42 to 77.

Amendment of the Articles of Association

The Company's Articles of Association may only be amended by special resolution at a general meeting of the shareholders.

Political donations

The Company made no political donations and incurred no political expenditure during the year (FY 2023: £nil). It remains the Company's policy not to make political donations or to incur political expenditure; however, the application of the relevant provisions of the Companies Act is potentially very broad in nature and, as with last year, the Board is seeking shareholder authority to ensure that the Company does not inadvertently breach these provisions as a result of the breadth of its business activities. It is not the policy of the Company or its subsidiaries to make political donations.

Disclosure of information to auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken all the steps a Director might reasonably ought to have taken in order to make themself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Independent auditor

The Audit Committee undertook its annual review of the auditor's independence. The Directors determined that Deloitte LLP remained independent through the course of the year.

At the end of 2023, the Company undertook a formal audit tender for audit services. In February 2024, after careful consideration, the Audit Committee recommended that Deloitte LLP be retained as the Company's auditor. Deloitte LLP was put forward to shareholders at the Company's Annual General Meeting on Wednesday, 13 March 2024 for re-appointment, and received 99.55% of votes in favour.

The Audit Committee undertook a review of the external auditor effectiveness and independence in October 2024. The Audit Committee found that Deloitte had continued to demonstrate independence and a strong performance. A recommendation was made to the Board that Deloitte be put forward for re-election as the Company's auditor. Shareholders will have the opportunity to vote on the re-appointment of the Company's auditor at the Annual General Meeting on Wednesday, 19 March 2025.

Annual General Meeting ("AGM")

The AGM will be held at the Company's registered office at Brittanic House, Stirling Way, Borehamwood, Hertfordshire WD6 2BT, on Wednesday, 19 March 2025 at 1.00pm.

The 2025 AGM will include, as special business, resolutions dealing with authority to issue shares, disapplication of pre-emption rights, authority to purchase the Company's own shares and authority to call a general meeting on not less than 14 days' notice. Notice of AGM sets out details of the business to be considered at the AGM and contains explanatory notes on such business. This has been dispatched to shareholders and can be found on the Company's website at www.safestore.com.

Shareholders are encouraged to use their vote at this year's AGM by casting their votes online by using our electronic proxy appointment service offered by the Company's Registrar, MUFG Corporate Markets, at www.signalshares.com or via the MUFG Corporate Markets shareholder app, LinkVote+.

This report was approved by the Board for release on 16 January 2025 and signed on its behalf by:

David Orr
Company Secretary
15 January 2025

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare such financial statements for each financial year. Under that law the Directors are required to prepare the Group financial statements in accordance with United Kingdom-adopted International Accounting Standards. The financial statements also comply with International Financial Reporting Standards ("IFRS") as issued by the IASB. The Directors have chosen to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 "Reduced Disclosure Framework". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the parent company and of the profit or loss of the Group for that period.

In preparing the parent company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

In preparing the Group financial statements, International Accounting Standard 1 requires that Directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Group's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and the Group to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the parent company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website at www.safestore.com. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in Board of Directors on pages 80 and 81, confirm that, to the best of their knowledge:

- the consolidated financial statements, which have been prepared in accordance with UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the Company's financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the strategic report of this report includes a fair review of the development and performance of the business and the position of the Company and the wider Group, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's external auditor is unaware; and
- the Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's external auditor is aware of that information.

This responsibility statement was approved by the Board of Directors on 15 January 2025 and is signed on its behalf by:

Frederic Vecchioli
Chief Executive Officer

Simon Clinton
Chief Financial Officer

Independent auditor's report

to the members of Safestore Holdings plc

Report on the audit of the financial statements

1. Opinion

In our opinion:

- the financial statements of Safestore Holdings plc (the "parent company") and its subsidiaries (the "Group") give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 October 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with United Kingdom-adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 30 and parent company related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom-adopted International Accounting Standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

2. Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC's") Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services provided to the Group and parent company for the year are disclosed in notes 6 and 4 respectively to the financial statements and in the Audit Committee report on page 91. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Group or the parent company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matters that we identified in the current year was the valuation of the investment properties, which is consistent with the key audit matter identified in the prior year.
Materiality	The materiality that we used for the Group financial statements was £41.0 million which was determined on the basis of 2% of net assets. For testing of items affecting Adjusted EPRA earnings we have applied a lower threshold amounting to £4.5 million, which was determined as 5% of Adjusted EPRA earnings.
Scoping	We have identified four components within the Group: United Kingdom ("UK"), France, Spain and Benelux. The Group engagement team ("GET") has performed a full scope audit of the UK component and a French component audit team has performed a full scope audit of the French component. In addition, the GET has performed specified procedures in respect of the Spanish and Benelux components.

Report on the audit of the financial statements continued

4. Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the Group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- obtaining an understanding of the relevant controls relating to the going concern process;
- an assessment of the Group's financing facilities including nature of facilities, repayment terms, maturity profile and covenants;
- testing the mathematical accuracy of, and assessing the sophistication of, the model used to prepare the going concern forecast;
- challenging the range of scenarios, including the base case, modelled by management through our understanding of sector performance and sentiment and historical forecasting accuracy of management;
- an assessment of the level of headroom arising in each scenario;
- an assessment of the outcome of the reverse stress testing performed by management; and
- an evaluation of the appropriateness of the going concern disclosures in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the reporting on how the Group has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

5. Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5.1. Valuation of investment properties

Key audit matter description	Investment properties are held at a fair value of £3,284.1 million at 31 October 2024 (2023: £2,890.9 million). Investment property valuation is subjective in nature with significant estimation and therefore results in risk of error and fraud. The property valuation, which is performed by an external valuer, is determined using actual data and a number of subjective assumptions. These drive a cash flow model that is used as the basis of the valuation of each individual property. We consider the key assumptions to comprise capitalisation rate, rental growth rate and stabilised occupancy. For key sources of estimation uncertainty disclosures and further details of the Group's valuation method and assumptions, refer to note 2 and 12 of the financial statements. The valuation of investment properties is also discussed in the Audit Committee report on page 91.

Report on the audit of the financial statements continued

5. Key audit matters continued

5.1. Valuation of investment properties continued

How the scope of our audit responded to the key audit matter	We carried out the following audit procedures in response to the identified key audit matter: **Understanding the properties and relevant controls:** • Gained an understanding of the relevant controls relevant to the property valuation process. • Made enquiries of management to enhance our understanding of the portfolio and market. **Data provided to the valuer:** • Obtained the source data provided by management to the valuer and tested on a sample basis for completeness and accuracy. **External valuation:** • Assessed the appropriateness of the valuer's scope and evaluated the competence, objectivity and capability of the valuer. • Identified individual properties through identification of valuer key assumptions which are considered outliers to our expected range. • Investigated the properties identified and challenged the key estimates by assessing the appropriateness through comparison with market evidence and our expectation. • Met with the valuers and, with the involvement of our internal real estate specialists, performed an independent assessment of the assumptions that underpin the valuations, based on our internal real estate specialists' knowledge of the self-storage industry and wider real estate market. • Evaluated whether the valuation methodology remains appropriate and assessed whether indicative rents and exit capitalisation rates achieved in recent comparable transactions were consistent with the assumptions used in the Group's valuations. • Made enquiries of the valuer and management around the impact of climate change on the portfolio valuation, if any. • Tested the accuracy and integrity of key elements of the valuer's model and for a sample of properties, recalculated the valuation. • To address the risk of fraud, we assessed whether the changes between the draft valuations presented to management for review and the final valuation report were appropriate and substantiated. • Considered contradictory evidence where available and performed a 'stand-back' review to assess the sufficiency of audit evidence. **Financial statements and disclosures** • Reconciled the external valuation reports to underlying financial records to test for completeness and accuracy within the Group's financial statements. • Assessed the sufficiency of the Group's valuation disclosures, including the related sensitivities.
Key observations	We consider the assumptions applied in arriving at the fair value of the Group's investment property to be reasonable and therefore the valuation reported in the financial statements to be reasonable.

6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

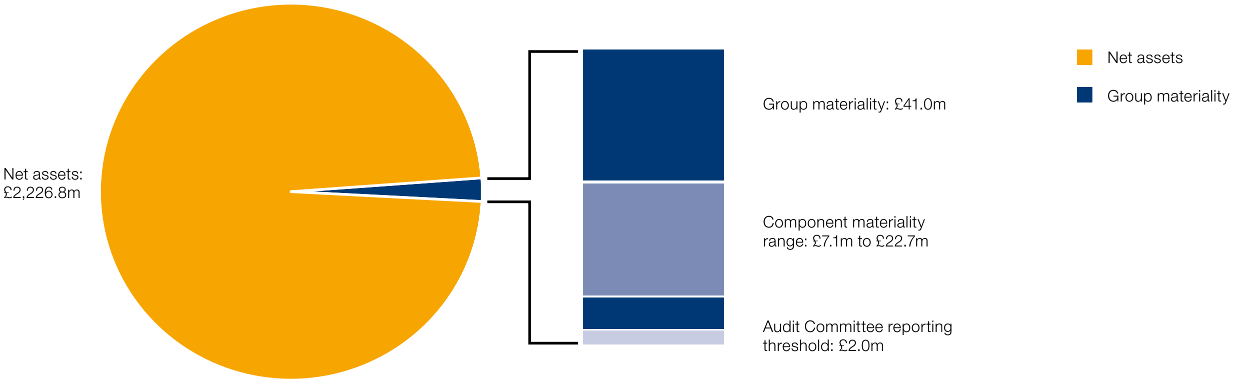
	Group financial statements	Parent company financial statements
Materiality	£41.0 million (2023: £38.5 million)	£5.2 million (2023: £7.3 million)
Basis for determining materiality	2% of net assets (2023: 2% of net assets).	3% of net assets (2023: 3% of net assets).
Rationale for the benchmark applied	We considered net assets to be a critical financial performance measure for the Group on the basis that it is a key metric used by management, investors, analysts, and lenders.	We considered net assets to be a critical financial performance measure for the Group on the basis that it is a key metric used by management, investors, analysts, and lenders.

Report on the audit of the financial statements continued

6. Our application of materiality continued

6.1. Materiality continued

In addition to net assets, we also consider Adjusted EPRA earnings as a key benchmark. We applied a lower threshold of £4.5 million (2023: £5.0 million) for testing of balances impacting that measure, which has been determined as 5% (2023: 5%) of Adjusted EPRA earnings.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole.

	Group financial statements	Parent company financial statements
Performance materiality	70% (2023: 70%) of Group materiality	70% (2023: 70%) of parent company materiality
Basis and rationale for determining performance materiality	In determining performance materiality, we considered the following factors: a. the quality of the control environment and whether we were able to rely on controls; b. the low volume of uncorrected misstatements in the previous audit; and c. turnover of management or key accounting personnel.	

6.3. Error reporting threshold

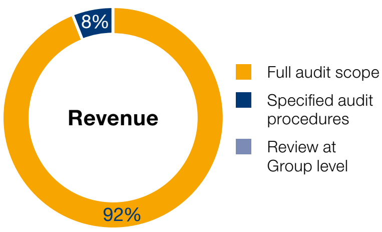
We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £2.0 million (2023: £1.9 million), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

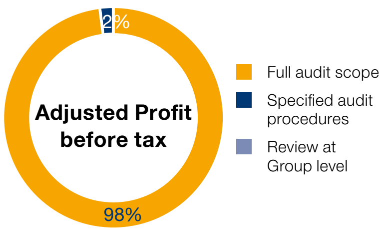
7. An overview of the scope of our audit

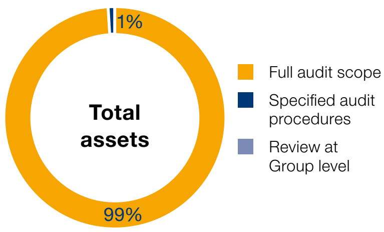
7.1. Identification and scoping of components

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

We have determined that there are four components within the Group: the UK, France, Spain and Benelux operations. The Group audit team has performed a full scope audit of the UK component and a French component audit team has performed a full scope audit of the French component. In addition, the Group audit team has performed specified procedures at Group level in respect of the Spanish and Benelux components.







7.2. Our consideration of the control environment

The Group uses the following application systems for the recording and reporting of its financial statements:

- SpaceManager
- Access Dimensions

We involved IT specialists to assess the relevant controls over these systems. Working with our IT specialists, we identified and obtained an understanding of the relevant risks arising from each relevant IT system. We obtained an understanding of the IT environment as part of these risk assessment procedures.

Additionally, we obtained an understanding of the relevant controls such as those relating to the financial reporting cycle, revenue and going concern and those in relation to our key audit matter.

As a result of findings arising from our work, we were unable to take a controls reliance approach for any substantive testing though the audit.

Report on the audit of the financial statements continued

7. An overview of the scope of our audit continued

7.3. Our consideration of climate-related risks

We have made enquiries of management and the Directors to understand the processes in place to assess the potential impact of climate change on the business and the financial statements. Management considers climate change to be a principal risk which particularly impacts the cost of retrofitting stores to improve their sustainability credentials and comply with future regulations. These risks are consistent with those identified through our own risk assessment process.

As part of our identification of key audit matters, we consider there to be a risk in relation to climate change as part of the valuation of investment properties. There is a risk that the valuation does not include the relevant assumptions around climate change, principally capital expenditure required to bring the stores up to a certain environmental standard, to the extent assumed by a third party when determining fair value.

We made enquiries of the valuer and management as to any climate-related specific assumptions in the investment property valuations.

We have reviewed the disclosures in the principal risk section and note 2 of the Annual Report and Financial Statements and consider that management has appropriately disclosed the current risk that has been identified.

7.4. Working with other auditors

We directed our French component auditor to perform the audit of the France component and supervised its work through regular communication. We reviewed and evaluated its work including its reporting. As the Group team, we attended a site visit in Paris and met local management. We also attended the local audit close meeting with the component team and local management team.

Our component audit work was executed at levels of materiality applicable to each individual component which were lower than Group materiality, ranging from £7.1 million to £22.7 million (2023: £6.7 million to £21.6 million). In addition, for the lower materiality threshold described above, our component thresholds ranged from £0.8 million to £2.5 million (2023: £0.9 million to £2.8 million).

8. Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

9. Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

10. Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on the audit of the financial statements continued

11. Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non- compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for Directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, internal audit, the Directors and the Audit Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's sector;
- any matters we identified having obtained and reviewed the Group's documentation of its policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether it was aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether it has knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team including significant component audit teams and relevant internal specialists, including climate and property valuation specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the assumptions used in the valuation of investment properties. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty.

11.2. Audit response to risks identified

As a result of performing the above, we identified the valuation of the investment properties as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management, the Audit Committee and legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Directors' report.

13. Corporate governance statement

The Listing Rules require us to review the Directors' statement in relation to going concern, longer term viability and that part of the corporate governance statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 135;
- the Directors' explanation as to its assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 40;
- the Directors' statement on fair, balanced and understandable set out on page 123;
- the Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on pages 34 to 38;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 85; and
- the section describing the work of the Audit Committee set out on pages 89 to 92.

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of Directors' remuneration have not been made or the part of the Directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

Following the recommendation of the Audit Committee, we were appointed by the shareholders on 12 October 2014 to audit the financial statements for the year ended 31 October 2014 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and re-appointments of the firm is ten years, covering the years ending ended 31 October 2014 to 31 October 2024.

15.2. Consistency of the audit report with the additional report to the Audit Committee

Our audit opinion is consistent with the additional report to the Audit Committee we are required to provide in accordance with ISAs (UK).

16. Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority ("FCA") Disclosure Guidance and Transparency Rule ("DTR") 4.1.14R, these financial statements form part of the European Single Electronic Format ("ESEF") prepared Annual Financial Report filed on the National Storage Mechanism of the UK FCA in accordance with the ESEF Regulatory Technical Standard ("ESEF RTS"). This auditor's report provides no assurance over whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS.

Stephen Craig FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
15 January 2025

Consolidated income statement

for the year ended 31 October 2024

	Notes	Group 2024 £'m	Group 2023 £'m
Revenue	3, 4	**223.4**	224.2
Cost of sales		**(73.7)**	(69.9)
Gross profit		**149.7**	154.3
Administrative expenses		**(16.1)**	(17.7)
Operating profit before gains on investment properties and other exceptional gains		**133.6**	136.6
Gain on revaluation of investment properties	12	**292.2**	93.8
Operating profit	4, 5	**425.8**	230.4
Finance income	7	**0.1**	0.8
Finance expense	7	**(27.3)**	(23.4)
Profit before income tax		**398.6**	207.8
Income tax charge	8	**(26.3)**	(7.6)
Profit for the year		**372.3**	200.2
Earnings per share for profit attributable to the equity holders			
– basic (pence)	10	**170.5**	92.2
– diluted (pence)	10	**170.1**	91.8

The financial results for both years relate to continuing operations.

The notes on pages 135 to 164 are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

for the year ended 31 October 2024

	Group 2024 £'m	Group 2023 £'m
Profit for the year	**372.3**	200.2
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Currency translation differences	**(22.0)**	7.1
Net investment hedge	**6.9**	(2.9)
Other comprehensive income, net of tax	**(15.1)**	4.2
Total comprehensive income for the year	**357.2**	204.4

Consolidated balance sheet

as at 31 October 2024

	Notes	Group 2024 £'m	Group 2023 £'m
Assets			
Non-current assets			
Investment in associates	11	**6.6**	4.1
Investment properties	12	**3,284.1**	2,890.9
Property, plant and equipment	13	**5.7**	5.2
Deferred tax assets	21	**6.3**	6.6
		3,302.7	2,906.8
Current assets			
Inventories		**0.4**	0.4
Current income tax receivables		**1.0**	—
Trade and other receivables	15	**31.7**	32.8
Cash and cash equivalents	16	**25.3**	16.9
		58.4	50.1
Total assets		**3,361.1**	2,956.9
Current liabilities			
Bank borrowings	18	**—**	(44.5)
Trade and other payables	17	**(51.8)**	(52.4)
Current income tax liabilities		**—**	(0.4)
Lease liabilities	20	**(14.0)**	(13.1)
		(65.8)	(110.4)
Non-current liabilities			
Bank borrowings	18	**(824.2)**	(681.3)
Deferred tax liabilities	21	**(155.4)**	(139.2)
Lease liabilities	20	**(86.6)**	(88.3)
Provisions	26	**(2.3)**	(2.6)
		(1,068.5)	(911.4)
Total liabilities		**(1,134.3)**	(1,021.8)
Net assets		**2,226.8**	1,935.1
Equity			
Ordinary share capital	22	**2.2**	2.2
Share premium		**62.7**	62.0
Translation reserve		**(2.4)**	12.7
Retained earnings		**2,164.3**	1,858.2
Total equity		**2,226.8**	1,935.1

These financial statements were authorised for issue by the Board of Directors on 15 January 2025 and signed on its behalf by:

S Clinton
Chief Financial Officer

F Vecchioli
Chief Executive Officer

Company registration number: 04726380

Consolidated statement of changes in shareholders' equity

for the year ended 31 October 2024

	Group				
	Share capital £'m	Share premium £'m	Translation reserve £'m	Retained earnings £'m	Total £'m
Balance at 1 November 2022	2.1	61.8	8.5	1,721.0	1,793.4
Comprehensive income					
Profit for the year	–	–	–	200.2	200.2
Other comprehensive income					
Currency translation differences	–	–	7.1	–	7.1
Net investment hedge	–	–	(2.9)	–	(2.9)
Total other comprehensive income	–	–	4.2	–	4.2
Total comprehensive income	–	–	4.2	200.2	204.4
Transactions with owners					
Dividends (note 9)	–	–	–	(65.9)	(65.9)
Increase in share capital and share premium	0.1	0.2	–	–	0.3
Employee share options	–	–	–	2.9	2.9
Transactions with owners	0.1	0.2	–	(63.0)	(62.7)
Balance at 1 November 2023	2.2	62.0	12.7	1,858.2	1,935.1
Comprehensive income					
Profit for the year	–	–	–	372.3	372.3
Other comprehensive income					
Currency translation differences	–	–	(22.0)	–	(22.0)
Net investment hedge	–	–	6.9	–	6.9
Total other comprehensive income	–	–	(15.1)	–	(15.1)
Total comprehensive income	–	–	(15.1)	372.3	357.2
Transactions with owners					
Dividends (note 9)	–	–	–	(65.9)	(65.9)
Increase in share capital and share premium	–	0.7	–	–	0.7
Employee share options	–	–	–	(0.3)	(0.3)
Transactions with owners	–	0.7	–	(66.2)	(65.5)
Balance at 31 October 2024	**2.2**	**62.7**	**(2.4)**	**2,164.3**	**2,226.8**

The translation reserve balance of (£2.4) million (FY 2023: £12.7 million) comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations and the impact of the net investment hedge. The cumulative impact of the net investment hedge included within this reserve is a net income of £4.1 million (FY 2023: loss of £2.8 million).

Consolidated cash flow statement

for the year ended 31 October 2024

		Group	
	Notes	**2024 £'m**	2023 £'m
Cash flows from operating activities			
Cash generated from operations	23	**133.1**	128.4
Interest received		**0.1**	—
Interest paid		**(31.2)**	(24.9)
Tax paid		**(6.1)**	(5.5)
Net cash inflow from operating activities		**95.9**	98.0
Cash flows from investing activities			
Investment in associates	11	**(2.5)**	(2.3)
Expenditure on investment properties		**(118.3)**	(119.0)
Purchase of property, plant and equipment		**(1.8)**	(2.9)
Net cash outflow from investing activities		**(122.6)**	(124.2)
Cash flows from financing activities			
Issue of share capital		**0.7**	0.2
Equity dividends paid	9	**(65.9)**	(65.9)
Proceeds from borrowings		**173.8**	108.4
Repayment of borrowings		**(62.2)**	(7.1)
Financial instruments income		**—**	0.4
Debt issuance costs		**(1.3)**	(4.9)
Principal payment of lease liabilities		**(9.7)**	(8.8)
Net cash inflow from financing activities		**35.4**	22.3
Net increase/(decrease) in cash and cash equivalents		**8.7**	(3.9)
Exchange loss on cash and cash equivalents		**(0.3)**	(0.1)
Cash and cash equivalents at 1 November		**16.9**	20.9
Cash and cash equivalents at 31 October	16, 2	**25.3**	16.9

1. General information

Safestore Holdings plc (the "Company") and its subsidiaries (together, the "Group") provide self-storage facilities to customers throughout the UK, Paris, Spain, the Netherlands, and Belgium. The Company is a public limited company, which is listed on the London Stock Exchange and incorporated and domiciled in the UK, England and Wales. The Company operates as the ultimate parent company of the Group. The address of its registered office is Brittanic House, Stirling Way, Borehamwood, Hertfordshire WD6 2BT.

2. Summary of material accounting policies

The principal accounting policies of the Group are set out below. These policies have been consistently applied to each of the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements have been prepared in accordance with United Kingdom-adopted International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations.

The Group consolidated financial statements are presented in Sterling and are rounded to the nearest £0.1 million, unless otherwise stated. They are prepared on a going concern basis under the historical cost convention as modified by the revaluation of investment properties and the fair value of derivative financial instruments.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual amounts may differ from those estimates.

Going concern

The Directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing this consolidated financial information.

In assessing the Group's going concern position as at 31 October 2024, the Directors have considered a number of factors, including the current balance sheet position, the principal and emerging risks which could impact the performance of the Group and the Group's strategic and financial plan. Consideration has been given to compliance with borrowing covenants along with the uncertainty inherent in future financial forecasts. The Directors considered the most recent three-year financial plans, in particular the projections for the period to 30 April 2026, approved by the Board. In the context of the current environment, plausible downside scenarios were applied to the plan, including a reverse stress test scenario. These were based on the potential financial impact of the Group's principal risks and uncertainties which are set out on pages 34 to 38. These scenarios are differentiated by the impact of lower demand levels, lower average rate growth and what level of cost savings is reasonable. A scenario was also performed where we carried out a reverse stress test to model what would be required to breach ICR and LTV covenants, which indicated highly improbable changes would be needed before any issues were to arise.

The impact of the downside scenarios has been reviewed against the Group's projected cash flow position and financial covenants over a three-year period. Should any of these scenarios occur, clear mitigating actions are available to ensure that the Group remains liquid and able to meet its liabilities as they fall due. The financial position of the Group, including details of its financing and capital structure, is set out in the financial review section of this report. Further details of the Group's viability statement are set out on page 40.

Standards, amendments to standards and interpretations issued and applied

The following new or revised accounting standards or IFRIC interpretations are applicable for the first time in the year ended 31 October 2024:

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Non-current Liabilities with Covenants (Amendments to IAS 1)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

The adoption of the standards and interpretations has not significantly impacted these financial statements and any changes to our accounting policies as a result of their adoption have been reflected in this note.

New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, a number of new standards and amendments to standards and interpretations have been issued but are not yet effective for the current accounting period. The Directors do not expect these standards to have a material impact on the financial statements of the Group or Company.

- IFRS S1 "General Requirements for Disclosure of Sustainability-related Financial Information"
- IFRS S2 "Climate-related Disclosures"
- Amendments to IAS 8 Definition of Accounting Estimate
- IFRS 18 "Presentation and Disclosure in Financial Statements"
- IFRS 19 "Subsidiaries without Public Accountability: Disclosures"

2. Summary of material accounting policies continued

Basis of consolidation and business combinations

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiary undertakings made up to 31 October each year. Subsidiaries are entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances and unrealised gains on transactions are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the assets transferred.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The consideration transferred for the acquisition is measured as the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity instruments issued by the Group. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the date of acquisition. Any excess of the cost of an acquisition over the fair value of the Group's share of net identifiable assets including intangible assets of the acquired entity at the date of acquisition is recognised as goodwill. Any discount received is credited to the income statement in the year of acquisition as negative goodwill on acquisition of subsidiary. Costs attributable to an acquisition are expensed in the consolidated income statement under the heading 'administrative expenses'.

Investment in associates

An associate is an entity over which the Group is in a position to exercise significant influence, but not control or joint control, through participation in the financial and operating policy decisions of the investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting except when classified as held for sale. Investments in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. Where necessary, adjustments are made to the financial statements of associates to bring the accounting policies used into line with those used by the Group. Where a Group company transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate. Losses may provide evidence of an impairment of the asset transferred, in which case appropriate provision is made for impairment.

Segmental reporting

IFRS 8 "Operating Segments" ("IFRS 8") requires operating segments to be identified based upon the Group's internal reporting to the chief operating decision maker ("CODM") to make decisions about resources to be allocated to segments and to assess their performance. The CODM is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined that its CODM are the Executive Directors.

An operating segment is a component of an entity:

(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);

(b) whose operating results are regularly reviewed by the entity's CODM to make decisions about resources to be allocated to the segment and assess its performance; and

(c) for which discrete financial information is available.

The Group's net assets, revenue and profit before tax are attributable to one principal activity, the provision of self-storage, in three geographical reporting segments, the United Kingdom, Paris in France, and Expansion Markets which is defined as Spain, Belgium, the Netherlands and Germany.

Segment results, assets and liabilities include items directly attributable to segments as well as those that can be allocated on a reasonable basis.

2. Summary of material accounting policies continued

Revenue recognition

Revenue represents amounts derived from the provision of self-storage services (rental space, customer goods protection) which fall within the Group's activities provided in the normal course of business, net of discounts, VAT (where applicable) and other sales related taxes.

Rental income is recognised over the period for which the space is occupied by the customer on a time apportionment basis. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due. Customer goods protection income is recognised over the period for which the space is occupied by the customer on a time apportionment basis.

The Group has put in place protection arrangements whereby it purchases block policies from third party assurers which provide cover for the value of customers' goods. The Group charges a fee to customers for such goods protection, depending on the level of cover. The block policies purchased and the income earned from charging customers are independent transactions. Although the Group may be involved in the initial handling of any customers' goods protection claims, these are passed on to the third party protection providers, who are responsible for all protection payments. The Group is not exposed to protection risk.

The Group bears the inventory risk and pricing risk associated with these contracts and as such the Group acts as principal in the provision of the access to protection services for its customers who elect to access that protection, and therefore revenue from protection premiums is reported on a gross basis.

Income for the sale of assets and consumables is recognised when the significant risks and rewards have been transferred to the buyer. For property sales this is generally at the point of completion. Where any aspect of consideration is conditional then the revenue associated with that conditional item is deferred. Income earned on the sales of consumable items is recognised at the point of sale.

Foreign currency translation

Functional and presentation currency

The individual financial statements for each company are measured using the currency of the primary economic environment in which it operates (its functional currency). For the purposes of the consolidated financial statements, the results and financial position of the Group are expressed in Sterling, which is the presentational currency of the Group.

Transactions and balances

Foreign currency transactions are translated into the functional currency at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in the income statement for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

On consolidation, the assets and liabilities of the Group's overseas operations are translated into the Group's presentational currency at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are classified as equity and are recognised as a separate component of equity, within the translation reserve. Such translation differences are recognised as income or expense in the period in which the operation is disposed of.

Borrowing costs

All borrowing costs are recognised in the consolidated income statement in the period in which they are incurred, unless the costs are incurred as part of the development of a qualifying asset, when they will be capitalised. Commencement of capitalisation is the date when the Group incurs expenditure for the qualifying asset, incurs borrowing costs and undertakes activities that are necessary to prepare the assets for their intended use when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. In the case of suspension of activities during extended periods, the Group suspends capitalisation. The Group ceases capitalisation of borrowing costs when substantially all of the activities necessary to prepare the asset for use are complete, typically when a store opens.

Investment properties and investment properties under construction

Investment properties are those properties owned by the Group that are held to earn rental income, or for capital growth, or both.

Investment properties and investment properties under construction are initially measured at cost, including related transaction and borrowing costs. After initial recognition, investment properties and investment properties under construction are held at fair value based on a market valuation by professionally qualified external valuers at each balance sheet date, unless the fair value of investment properties under construction are not yet reliably measurable, in which case they would be held at cost.

The fair value of investment properties and investment properties under construction reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of these outflows are recognised as a liability, including lease liabilities in respect of leasehold land and buildings classified as investment properties.

In accordance with IAS 40, investment property held as a leasehold is stated gross of the recognised lease liability. Leasehold properties are classified as investment properties and included in the balance sheet at fair value. The obligation to the lessor for the leasehold is included in the balance sheet at the present value of the minimum lease payments. The minimum lease payment valuation is re-measured at the point of lease modification and the value of the Group's right-of-use assets is adjusted accordingly over the lease term. Gains or losses arising on changes in the fair values of investment properties and investment properties under construction at the balance sheet date are recognised in the income statement in the period in which they arise.

Gains or losses on sale of investment properties are calculated as the difference between the consideration received and fair value estimated at the previous balance sheet date.

If an investment property or part of an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

2. Summary of material accounting policies continued

Property, plant and equipment

Property, plant and equipment not classified as investment properties or investment properties under construction are stated at historical cost less accumulated depreciation and any accumulated impairment loss. Historical cost comprises the purchase price and costs directly incurred in bringing the asset into use.

Assets' residual values and useful lives are reviewed and, if appropriate, adjusted at each balance sheet date. If the carrying amount of an asset is greater than the recoverable amount then the carrying amount is written down immediately to the recoverable amount.

Depreciation is charged so as to write off the cost of an asset less estimated residual value of each asset over its expected useful life using the straight-line method. The principal rates are as follows:

Owner-occupied freehold buildings	2% per annum
Motor vehicles	20–25% per annum
Computer hardware and software	15–33% per annum
Fixtures, fittings, signs and partitioning	10–15% per annum

The gain or loss arising on the retirement or disposal of an asset is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the income statement on disposal.

Leases

A right-of-use asset and corresponding lease liability are recognised at commencement of the lease. The lease liability is measured at the present value of the lease payments, discounted at the rate implicit in the lease or, if that cannot be readily determined, at the lessee's incremental borrowing rate specific to the term, country, currency and start date of the lease. Lease payments include: fixed payments; variable lease payments dependent on an index or rate, initially measured using the index or rate at commencement; the exercise price under a purchase option if the Group is reasonably certain to exercise; penalties for early termination if the lease term reflects the Group exercising a break option; and payments in an optional renewal period if the Group is reasonably certain to exercise an extension option or not exercise a break option.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is re-measured at the point of lease modification, with a corresponding adjustment to the right-of-use asset, when there is a change in future lease payments resulting from a rent review, change in an index or rate such as inflation, or change in the Group's assessment of whether it is reasonably certain to exercise a purchase, extension or break option.

The corresponding asset is initially measured at cost, comprising: the initial lease liability; any lease payments already made less any lease incentives received; initial direct costs; and any dilapidation or restoration costs. The Group has two categories of assets in respect of leases: those in respect of leases related to its leasehold properties, classified as investment property, and an occupational lease for its Head Office in France, classified as a right-of-use asset under IFRS 16. The right-of-use assets classified as investment property are subsequently measured at fair value, gross of the lease liability. The right-of-use asset in respect of its occupational leases is classified as property, plant and equipment and is subsequently depreciated over the length of the lease.

Leases of low value assets and short term leases of twelve months or less are expensed to the Group consolidated income statement.

Finance charges are charged directly against income, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

2. Summary of material accounting policies continued

Financial instruments

(a) Financial assets

Financial assets are classified as financial assets at fair value through profit or loss ("FVTPL") or at amortised cost as appropriate. The Group determines the classification of its assets at initial recognition.

Financial assets are de-recognised only when the contractual right to the cash flows from the financial asset expires or the Group transfers substantially all risks and rewards of ownership.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured through FVTPL. This includes all derivative financial assets.

Financial assets at FVTPL – these assets are subsequently measured at fair value. Net gains and losses, including any interest, are recognised in profit or loss.

Financial assets at amortised cost – these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (expected losses). Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

The Group has the following classes of financial assets:

- **Trade and other receivables** – trade receivables are initially recognised at transaction price. Other receivables are initially recognised at fair value. Subsequently, these assets are measured at amortised cost using the effective interest method, less provision for expected credit losses.
- **Cash and cash equivalents** – cash and cash equivalents represent only liquid assets with original maturity of 90 days or less. Bank overdrafts that cannot be offset against other cash balances are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are also classified as amortised cost. They are subsequently measured at amortised cost. Cash and cash equivalents include cash in hand, deposits at call with banks, and other short term, highly liquid investments with original maturities of three months or less.

(b) Impairment of financial assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses ("ECLs") which uses a lifetime expected loss allowance on trade receivables. The expected credit losses are estimated using a provisions matrix based upon the Group's historical credit loss experience and geographic business unit, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current and forecast direction of conditions at the reporting date, including time value of money where appropriate.

Loss allowances for other receivables are initially measured at an amount equal to twelve months' ECLs and subsequently it is assessed whether the credit risk has increased significantly since initial recognition. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. If the credit risk increased significantly, the loss allowance is then measured using the lifetime ECL. The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full.

(c) Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on de-recognition is also recognised in profit or loss.

The Group has the following classes of financial liabilities:

- **Trade and other payables** – trade and other payables are initially recognised at fair value. Subsequently, they are measured at amortised cost using the effective interest rate method.
- **Borrowings** – interest-bearing bank loans and overdrafts are initially recognised at fair value, net of directly attributable transaction costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the income statement using the effective interest method and are included within the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. Where fees are payable in relation to raising debt the costs are disclosed in the cash flow statement within financing activities.

Where existing borrowings are replaced by others from the same lenders on substantially different terms, or the terms of existing borrowings are substantially modified, such an exchange or modification is treated as a de-recognition of the original borrowings and the recognition of new borrowings, and the difference in the respective carrying amounts, including issuance costs, is recognised in the income statement. Otherwise, issuance costs incurred on refinancing are offset against the carrying value of borrowings.

2. Summary of material accounting policies continued

Financial instruments continued

(d) Derivative financial instruments

The Group uses derivative financial instruments, such as interest rate swaps, cross-currency swaps, and foreign exchange swaps, to hedge risks associated with fluctuations on borrowings and foreign operations transactions. Such derivatives are initially recognised and measured at fair value on the date a derivative contract is entered into and subsequently re-measured at fair value at each reporting date. The gain or loss on re-measurement is taken to finance expense in the income statement. Interest costs for the period relating to derivative financial instruments, which economically hedge borrowings, are recognised within interest payable on bank loans and overdrafts. Other fair value movements on derivative financial instruments are recognised within fair value movement of derivatives. Designation as part of an effective hedge relationship occurs at inception of a hedge relationship. Currently, the Group does not have any cash flow hedges or fair value hedges.

The borrowings denominated in foreign currency are used to hedge net assets. The effective part of any gain or loss on borrowings that are designated as a hedge of a net investment in a foreign operation is recognised in other comprehensive income and presented in the translation reserve in equity and is subsequently recognised in the Group income statement as part of the profit or loss on disposal of the net investment. The ineffective portion of the gain or loss is recognised immediately within trading profit in the Group income statement. See note 19 for detail about financial instruments.

Taxation including deferred tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates for that period that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided on items that may become taxable at a later date, on temporary differences between the balance sheet value and the tax base value, on an undiscounted basis. Deferred tax liabilities are generally recognised for taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available, against which deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates substantively enacted at the balance sheet date that are expected to apply in the period when the liability is settled, or the asset is realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities.

Employee benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Share-based payments

Share-based incentives are provided to employees under the Group's Long Term Incentive Plan and employee Sharesave schemes. The Group recognises a compensation cost in respect of these schemes that is based on the fair value of the awards, measured using Black-Scholes or Monte Carlo valuation methodologies. For equity-settled schemes, the fair value is determined at the date of grant and is not subsequently re-measured unless the conditions on which the award was granted are modified. For cash-settled schemes, the fair value is determined at the date of grant and is re-measured at each balance sheet date until the liability is settled. Generally, the compensation cost is recognised on a straight-line basis over the vesting period. Adjustments are made to reflect expected and actual forfeitures during the vesting period due to the failure to satisfy service conditions or non-market performance conditions.

Share capital

Ordinary shares are classified as equity.

Costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Climate change

In preparing the financial statements, the Directors have considered the impact of climate change, particularly in the context of the climate change risks identified in the sustainability section of the strategic report and the Group's stated target of operational net zero carbon emissions by 2035. These considerations did not have a material impact on the financial reporting judgements and estimates in the current year. This reflects the conclusion that climate change will have a limited exposure and vulnerability on the Group's investment property portfolio, the carrying value of non-current assets and the estimates of future profitability used in our assessment of the recoverability of deferred tax assets.

Critical accounting judgements and key sources of estimation uncertainty

There were no critical accounting judgements made in the preparation of the consolidated financial statements.

The preparation of consolidated financial statements under IFRS requires the Directors to make judgements, estimates and assumptions that may affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual outcomes may therefore differ from these judgements, estimates and assumptions.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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2. Summary of material accounting policies continued

Critical accounting judgements and key sources of estimation uncertainty continued

The following key source of estimation uncertainty has significant risk of causing a material adjustment, within the next financial year, to the carrying amounts of assets and liabilities within the consolidated financial statements:

Estimate of fair value of investment properties and investment properties under construction

The Group values its investment properties using a discounted cash flow methodology which is based on projections of net operating income. Principal assumptions and management's underlying estimation of the fair value of those relate to: stabilised occupancy levels; expected future growth in storage rental income and operating costs; maintenance requirements; capitalisation rate; and discount rates. There are inter-relationships between the valuation inputs and they are primarily determined by market conditions. The effect of an increase in more than one input could be to magnify the impact on the valuation. However, the impact on the valuation could be offset by the inter-relationship of two inputs moving in opposite directions, e.g. an increase in rent may be offset by a decrease in occupancy, resulting in minimal net impact on the valuation. For immature stores, these underlying estimates hold a higher risk of uncertainty, due to the unproven nature of its cash flows. C&W has considered Safestore's commitment to operational net zero carbon emissions by 2035 and the impacts that this could have on each of the Group's investment properties. A more detailed explanation of the background, methodology and estimates made by management that are adopted in the valuation of the investment properties, as well as detailed sensitivity analysis, is set out in note 12 to the financial statements.

Non-GAAP financial information/Alternative Performance Measures

The Directors have identified certain measures that they believe will assist the understanding of the performance of the business. The measures are not defined under IFRS and they may not be directly comparable with other companies' adjusted measures. The non-GAAP/Alternative Performance Measures are not intended to be a substitute for, or superior to, any IFRS measures of performance but they have been included as the Directors consider them to be important comparables and key measures used within the business for assessing performance. The following are the key non-GAAP/Alternative Performance Measures identified by the Group:

- The Group defines exceptional items to be those that warrant, by virtue of their nature, size or frequency, separate disclosure on the face of the income statement where, in the opinion of the Directors, this enhances the understanding of the Group's financial performance.
- Underlying EBITDA is an Alternative Performance Measure and is defined as operating profit before exceptional items, share-based payments, corporate transaction costs, gain/loss on investment properties, depreciation and variable lease payments and the share of associate's depreciation, interest and tax. Management considers this presentation to be representative of the underlying performance of the business, as it removes the income statement impact of items not fully controllable by management, such as the revaluation of derivatives and investment properties, and the impact of exceptional credits, costs and finance charges. A reconciliation of statutory operating profit to Underlying EBITDA can be found in the financial review on page 21.
- Adjusted Diluted EPRA Earnings per Share is based on the European Public Real Estate Association's definition of earnings and is defined as profit or loss for the period after tax but excluding corporate transaction costs, change in fair value of derivatives, gain/loss on investment properties and the associated tax impacts. The Company then makes further company-specific adjustments for the impact of exceptional items, net exchange gains/losses recognised in net finance costs, exceptional tax items, and deferred and current tax in respect of these adjustments. The Company also adjusts for IFRS 2 share-based payment charges. This adjusted earnings is divided by the diluted number of shares. The IFRS 2 cost is excluded as it is written back to distributable reserves and is a non-cash item (with the exception of the associated National Insurance element). Therefore, neither the Company's ability to distribute nor pay dividends are impacted (with the exception of the associated National Insurance element). The financial statements disclose earnings on a statutory, EPRA and Adjusted Diluted EPRA basis and will provide a full reconciliation of the differences in the financial year in which any LTIP awards may vest. A reconciliation of statutory basic Earnings per Share to Adjusted Diluted EPRA Earnings per Share can be found in note 10.
- EPRA's Best Practices Recommendations guidelines for Net Asset Value ("NAV") metrics are EPRA Net Tangible Assets ("NTA"), EPRA Net Reinstatement Value ("NRV") and EPRA Net Disposal Value ("NDV"). EPRA NTA is considered to be the most relevant measure for the Group's business which provides sustainable long term progressive returns and is now the primary measure of net assets. The basis of calculation, including a reconciliation to reported net assets, is set out in note 14.
- Like-for-like figures are presented to aid in the comparability of the underlying business as they exclude the impact on results of purchased, sold, opened or closed stores.
- Constant exchange rate ("CER") figures are provided in order to present results on a more comparable basis, removing foreign exchange movements.

3. Revenue

Analysis of the Group's operating revenue can be found below:

	2024 £'m	2023 £'m
Self-storage income	**186.6**	187.2
Customer goods protection income	**25.1**	25.5
Other non-storage income	**11.7**	11.5
Total revenue	**223.4**	224.2

4. Segmental analysis

The Group's revenue, profit before income tax and net assets are attributable to one activity: the provision of self-storage accommodation and related services. This is based on the Group's management and internal reporting structure.

Safestore is organised and managed in three operating segments, based on geographical areas, being the United Kingdom, Paris in France and Expansion Markets (Spain, the Netherlands and Belgium). This change has been made from the prior periods to reflect the importance of these three markets in driving growth for the Group.

The chief operating decision maker, being the Executive Directors, assesses the performance of the operating segments on the basis of Underlying EBITDA, which is defined as operating profit before exceptional items, share-based payments, corporate transaction costs, gain/loss on investment properties, depreciation and variable lease payments, and the share of associate's depreciation, interest and tax.

The operating profits and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Year ended 31 October 2024	UK £'m	Paris £'m	Expansion Markets £'m	Group £'m
Continuing operations				
Revenue	**162.2**	**43.7**	**17.5**	**223.4**
Underlying EBITDA	**99.3**	**28.7**	**7.4**	**135.4**
Share-based payments	**(0.1)**	**(0.1)**	**(0.1)**	**(0.3)**
Variable lease payments and depreciation	**(1.4)**	**(0.1)**	**—**	**(1.5)**
Operating profit before gain on revaluation of investment properties and other exceptional gains	**97.8**	**28.5**	**7.3**	**133.6**
Gain on investment properties	**226.8**	**40.9**	**24.5**	**292.2**
Operating profit	**324.6**	**69.4**	**31.8**	**425.8**
Net finance expense	**(17.2)**	**(1.3)**	**(8.7)**	**(27.2)**
Profit before tax	**307.4**	**68.1**	**23.1**	**398.6**
Total investment properties	**2,293.2**	**668.6**	**322.3**	**3,284.1**

Year ended 31 October 2023 re-presented	UK £'m	Paris £'m	Expansion Markets £'m	Group £'m
Continuing operations				
Revenue	166.2	43.9	14.1	224.2
Underlying EBITDA	105.9	30.5	5.8	142.2
Share-based payments	(3.1)	(0.3)	(0.1)	(3.5)
Variable lease payments and depreciation	(1.9)	(0.2)	—	(2.1)
Operating profit before gain on revaluation of investment properties and other exceptional gains	100.9	30.0	5.7	136.6
Gain on investment properties	70.9	16.3	6.6	93.8
Operating profit	171.8	46.3	12.3	230.4
Net finance expense	(13.8)	(2.2)	(6.6)	(22.6)
Profit before tax	158.0	44.1	5.7	207.8
Total investment properties	2,002.2	612.7	276.0	2,890.9

Results for the UK segment for FY 2023 have been re-presented with the inclusion of transactions between the Group and the German associate being included in Expansion Markets. The impact is to lower revenue by £0.3 million, profit before tax by £0.3 million and total assets by £0.3 million within the UK segment and increase it by the same amounts in the Expansion Markets segment.

Inter-segment transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. There is no material impact from inter-segment transactions on the Group's results. The segmental results exclude intercompany transactions.

5. Operating profit

The following items have been charged/(credited) in arriving at operating profit:

	Notes	2024 £'m	2023 £'m
Staff costs	25	**30.9**	30.0
Inventories: cost of inventories recognised as an expense (included in cost of sales)	2	**1.0**	1.1
Depreciation on property, plant and equipment	14	**1.5**	1.3
Gain on revaluation of investment properties	12	**(292.2)**	(93.8)
Variable lease payments payable under lease liabilities		**0.1**	0.8

6. Fees paid to auditor

During the year, the Group (including its overseas subsidiaries) obtained the following services from the Company's auditor at costs detailed below:

	2024 £'m	2023 £'m
Audit services		
Fees payable to the Company's auditor and its associates for the audit of the parent company and consolidated financial statements	**0.4**	0.4
Fees payable to the Company's auditor and its associates for the audit of the Company's subsidiaries pursuant to legislation	**0.1**	–
Total audit fees	**0.5**	0.4
Non-audit services	**0.2**	0.1
Total	**0.7**	0.5

7. Finance income and costs

	2024 £'m	2023 £'m
Finance income		
Other interest and similar income	**0.1**	0.1
Interest receivable from loan to associates	**–**	–
Financial instruments income	**–**	0.4
Underlying finance income	**0.1**	0.5
Net exchange gains	**–**	0.3
Total finance income	**0.1**	0.8
Finance costs		
Interest payable on borrowings	**(19.9)**	(15.1)
Amortisation of debt issuance costs on bank loan	**(1.6)**	(1.3)
Underlying finance charges	**(21.5)**	(16.4)
Interest on lease liabilities	**(5.8)**	(5.3)
Fair value loss on derivatives	**–**	(1.7)
Net exchange losses	**–**	–
Total finance costs	**(27.3)**	(23.4)
Net finance costs	**(27.2)**	(22.6)

The total change in fair value of derivatives reported within net finance costs for the year is £nil (FY 2023: £1.7 million net loss). Included within 2023 finance income is £0.4 million relating to swaps settled in June 2023.

8. Income tax charge

Analysis of tax charge in the year:

	Note	2024 £'m	2023 £'m
Current tax:			
– current year		**4.3**	5.1
– prior year		**—**	—
		4.3	5.1
Deferred tax:			
– current year		**21.7**	5.3
– prior year		**0.3**	(2.8)
	22	**22.0**	2.5
Tax charge		**26.3**	7.6

Reconciliation of income tax charge

The tax for the period is lower (FY 2023: lower) than the standard rate of corporation tax in the UK for the year ended 31 October 2024 of 25% (FY 2023: 22.5%). The differences are explained below:

	2024 £'m	2023 £'m
Profit before tax	**398.6**	207.8
Profit before tax multiplied by the standard rate of corporation tax in the UK of 25% (FY 2023: 22.5%)	**99.7**	46.8
Effect of:		
– permanent differences	**1.5**	(6.3)
– profits from the tax exempt business	**(78.2)**	(32.4)
– difference from overseas tax rates	**1.5**	0.9
– potential deferred tax assets not recognised	**1.7**	1.4
– prior year adjustment	**0.1**	(2.8)
Tax charge	**26.3**	7.6

The Group is a UK real estate investment trust ("REIT"). As a result, the Group is exempt from UK corporation tax on the profits and gains from its qualifying property rental business in the UK, providing it meets certain conditions. Non-qualifying profits and gains of the Group remain subject to corporation tax as normal. The Group monitors its compliance with the REIT conditions. There have been no breaches of the conditions to date.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

9. Dividends per share

Dividends paid in 2024 were £65.9 million (30.2 pence per share) (FY 2023: £65.9 million (30.30 pence per share)). A final dividend in respect of the year ended 31 October 2024 of 20.4 pence (FY 2023: 20.20 pence) per share, amounting to a total final dividend of £44.6 million (FY 2023: £44.1 million), is to be proposed at the AGM on 19 March 2025. The ex-dividend date will be 13 March 2025 and the record date will be 14 March 2025 with an intended payment date of 15 April 2025. The final dividend has not been included as a liability at 31 October 2024.

The Property Income Distribution ("PID") element of the final dividend is 15.3 pence (FY 2023: 15.15 pence), making the PID payable for the year 17.6 pence (FY 2023: 17.62 pence) per share.

10. Earnings per Share

Basic Earnings per Share ("EPS") is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares held as treasury shares. Diluted EPS is calculated by adjusting the weighted average number of ordinary shares to assume conversion of all dilutive potential shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is performed to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Year ended 31 October 2024			Year ended 31 October 2023		
	Earnings £'m	**Shares million**	**Pence per share**	Earnings £'m	Shares million	Pence per share
Basic	**372.3**	**218.3**	**170.5**	200.2	217.2	92.2
Dilutive securities	**—**	**0.6**	**(0.4)**	—	0.9	(0.4)
Diluted	**372.3**	**218.9**	**170.1**	200.2	218.1	91.8

Adjusted Earnings per Share

Explanations related to the adjusted earnings measures adopted by the Group are set out in note 2 under the heading, Non-GAAP financial information/Alternative Performance Measures, on page 141. Adjusted EPS represents profit after tax adjusted for the valuation movement on investment properties, exceptional items, change in fair value of derivatives, exchange gains/losses.

The Directors consider that these alternative measures provide useful information on the performance of the Group. EPRA earnings and Earnings per Share before non-recurring items, movements on revaluations of investment properties and changes in the fair value of derivatives have been disclosed to give a clearer understanding of the Group's underlying trading performance.

	Year ended 31 October 2024			Year ended 31 October 2023		
	Earnings £'m	**Shares million**	**Pence per share**	Earnings £'m	Shares million	Pence per share
Basic	**372.3**	**218.3**	**170.5**	200.2	217.2	92.2
Adjustments:						
Gain on revaluation of investment properties	**(292.2)**	**—**	**(133.9)**	(93.8)	—	(43.2)
Fair value re-measurement of investment properties lease liabilities	**(9.7)**	**—**	**(4.5)**	(8.8)	—	(4.1)
Net exchange gain	**—**	**—**	**—**	(0.3)	—	(0.1)
Change in fair value of derivatives	**—**	**—**	**—**	1.7	—	0.8
Tax on adjustments	**22.0**	**—**	**10.1**	2.5	—	1.1
Adjusted EPRA basic EPS	**92.4**	**218.3**	**42.2**	101.5	217.2	46.7
Share-based payments charge	**0.3**	**—**	**0.1**	3.5		1.6
Dilutive shares	**—**	**0.9**	**—**	—	1.9	(0.4)
Adjusted Diluted EPRA EPS[1]	**92.7**	**219.2**	**42.3**	105.0	219.1	47.9

Note:

1 Adjusted Diluted EPRA EPS is defined in note 2 under, Non-GAAP financial information/Alternative Performance Measures, on page 141.

10. Earnings per Share continued

Adjusted Earnings per Share continued

Gain on revaluation of investment properties includes the fair value re-measurement of investment properties lease liabilities of £9.7 million (FY 2023: £8.8 million) and the related tax thereon of £1.1 million (FY 2023: £1.1 million). As an industry standard measure, EPRA earnings is presented. EPRA earnings of £92.4 million (FY 2023: £101.5 million) and EPRA Earnings per Share of 42.2 pence (FY 2023: 46.7 pence) are calculated after further adjusting for these items.

EPRA adjusted income statement (non-statutory)	2024 £'m	2023 £'m	Movement %
Revenue	**223.4**	224.2	(0.3%)
Underlying operating expenses (excluding depreciation and variable lease payments)	**(88.0)**	(82.0)	7.4%
Share of associate's Underlying EBITDA	**—**	—	—
Underlying EBITDA before variable lease payments	**135.4**	142.2	(4.8%)
Share-based payments charge	**(0.3)**	(3.5)	(91.4%)
Depreciation and variable lease payments	**(1.5)**	(2.1)	(28.6%)
Operating profit before fair value re-measurement of investment properties lease liabilities	**133.6**	136.6	(2.2%)
Fair value re-measurement of investment properties lease liabilities	**(9.7)**	(8.8)	10.2%
Operating profit	**123.9**	127.8	(3.1%)
Net financing costs	**(27.2)**	(21.2)	28.3%
Share of associate's finance charges	**—**	—	—
Profit before income tax	**96.7**	106.6	(9.3%)
Income tax	**(4.3)**	(5.1)	(15.7%)
Profit for the year ("Adjusted EPRA basic earnings")	**92.4**	101.5	(9.0%)
Adjusted EPRA basic EPS	**42.2 pence**	46.7 pence	(9.6%)
Final dividend per share	**20.4 pence**	20.2 pence	1.0%

Underlying EBITDA of £135.4 million (FY 2023: £142.2 million) is an Alternative Performance Measure and is defined as operating profit before exceptional items, share-based payments, corporate transaction costs, gain/loss on investment properties, depreciation and variable lease payments and the share of associate's depreciation, interest and tax.

11. Investment in associates

	2024 £'m	2023 £'m
PBC Les Groues SAS	**1.8**	1.8
CERF II German Storage Topco S.a.r.l.	**4.8**	2.3
	6.6	4.1

PBC Les Groues SAS

The Group has a 24.9% interest in PBC Les Groues SAS ("PBC"), a company registered and operating in France. PBC is accounted for using the equity method of accounting. PBC is the parent company of Nanterre FOCD 92, a company also registered and operating in France, which is developing a new store as part of a wider development programme located in Paris. The development project is managed by its joint venture partners, therefore the Group has no operational liability during this phase. During the current period there has been no material investment in the company (31 October 2023: £nil). The investment is considered immaterial relative to the Group's underlying operations. The aggregate carrying value of the Group's interest in PBC was £1.8 million (31 October 2023: £1.8 million), made up of an investment of £1.8 million (31 October 2023: £1.8 million). The Group's share of profits from continuing operations for the period was £nil (30 October 2023: £nil). The Group's share of total comprehensive income of associates for the period was £nil (31 October 2023: £nil).

CERF II German Storage Topco S.a.r.l.

On 1 December 2022 the Group acquired a 10.0% interest in CERF II German Storage Topco S.a.r.l. "CERF II", a company registered in Luxembourg for which the Group has board representation. The reporting date of the financial statements for the company is 31 December. CERF II is accounted for using the equity method of accounting. Safestore entered the German self-storage market via a new investment with Carlyle which acquired the myStorage business. The aggregate carrying value of the Group's interest in CERF II was £4.8 million (31 October 2023: £2.3 million), made up of an investment of £4.8 million (31 October 2023: £2.3 million). The carrying value of the investment increased in the financial year as a result of equity investment to fund the Group's share of the cost of three new stores. The Group's share of profits from continuing operations for the period was £nil (31 October 2023: £nil). The Group's share of total comprehensive income of associates for the period was £nil (31 October 2023: £nil).

12. Investment properties

	Investment properties, net of lease liabilities £'m	Investment properties lease liabilities £'m	Investment property under construction £'m	Total investment properties £'m
At 1 November 2023	2,681.1	101.2	108.6	2,890.9
Additions	45.9	11.7	80.0	137.6
Disposals	—	(1.6)	—	(1.6)
Reclassification at completed cost	56.1	—	(56.1)	—
Revaluations	301.9	—	—	301.9
Fair value re-measurement of investment properties lease liabilities	—	(9.7)	—	(9.7)
Exchange movements	(32.2)	(1.0)	(1.8)	(35.0)
At 31 October 2024	**3,052.8**	**100.6**	**130.7**	**3,284.1**

	Investment properties, net of lease liabilities £'m	Investment properties lease liabilities £'m	Investment property under construction £'m	Total investment properties £'m
At 1 November 2022	2,457.8	95.1	94.5	2,647.4
Additions	67.6	17.5	56.4	141.5
Disposals	—	(3.1)	—	(3.1)
Reclassifications	42.0	—	(42.0)	—
Revaluations	103.5	—	(0.9)	102.6
Fair value re-measurement of lease liabilities	—	(8.8)	—	(8.8)
Exchange movements	10.2	0.5	0.6	11.3
At 31 October 2023	2,681.1	101.2	108.6	2,890.9

The Group acquired the freehold of the Marais, Paris, property in May 2024. This resulted in the disposal of lease liabilities with a carrying value of £1.6 million.

The gain on investment properties, net of lease liabilities comprises:

	Cost £'m	Revaluation on cost £'m	Valuation £'m
Freehold stores			
At 1 November 2023	1,018.8	1,218.1	2,236.9
Movement in year	76.0	252.3	328.3
At 31 October 2024	**1,094.8**	**1,470.4**	**2,565.2**
Leasehold stores			
At 1 November 2023	139.2	305.0	444.2
Movement in year	25.0	18.4	43.4
At 31 October 2024	**164.2**	**323.4**	**487.6**
All stores			
At 1 November 2023	1,158.0	1,523.1	2,681.1
Movement in year	101.0	270.7	371.7
At 31 October 2024	**1,259.0**	**1,793.8**	**3,052.8**

	2024 £'m	2023 £'m
Revaluations of investment property and investment property under construction	**301.9**	102.6
Fair value re-measurement of investment properties lease liabilities	**(9.7)**	(8.8)
Gain on revaluation of investment properties	**292.2**	93.8

12. Investment properties continued

The valuation of £3,052.8 million (FY 2023: £2,681.1 million) excludes £0.4 million in respect of owner-occupied property, which is included within property, plant and equipment. Rental income earned from investment properties for the year ended 31 October 2024 was £186.6 million (FY 2023: £188.5 million).

The Group has classified the investment property and investment property under construction, held at fair value, within Level 3 of the fair value hierarchy. There were no transfers to or from Level 3 during the year.

As described in note 2, summary of significant accounting policies, where the valuation obtained for investment property is net of all payments to be made, it is necessary to add back the lease liability to arrive at the carrying amount of investment property at fair value. The FY 2023 lease liability of £101.4 million per note 20 differs to the £101.2 million disclosed above as a result of accounting for the French Head Office lease under IFRS 16. This lease is included as part of property, plant and equipment, and has a net book value of FY 2023: £0.2 million (note 13). There are no differences between lease liabilities and lease assets in the current year.

All direct operating expenses arising from investment property that generated rental income as outlined in note 3 were £88.1 million (FY 2023: £82.0 million).

The freehold and leasehold investment properties have been valued as at 31 October 2024 by external valuer Cushman & Wakefield Debenham Tie Leung Limited ("C&W"). The valuation has been carried out in accordance with the current edition of the RICS Valuation – Global Standards, which incorporates the International Valuation Standards and the RICS Valuation UK National Supplement (the "RICS Red Book"). The valuation of each of the investment properties has been prepared on the basis of fair value as a fully equipped operational entity, having regard to trading potential. Two non-trading properties were valued on the basis of fair value. The valuation has been provided for accounts purposes and, as such, is a Regulated Purpose Valuation as defined in the RICS Red Book. In compliance with the disclosure requirements of the RICS Red Book, C&W has confirmed that:

- the member of the RICS who has been the signatory to the valuations provided to the Group for the same purposes as this valuation has done so since April 2020. The valuations have been reviewed by an internal investment committee comprising two valuation partners and an investment partner, all unconnected with the assignment;
- C&W has been carrying out regular valuations for the same purpose as this valuation on behalf of the Group since October 2006;
- C&W does not provide other significant professional or agency services to the Group;
- in relation to the preceding financial year of C&W, the proportion of total fees payable by the Group to the total fee income of the firm is less than 5%; and
- the fee payable to C&W is a fixed amount per property and is not contingent on the appraised value.

Valuation method and assumptions

The valuation of the operational self-storage facilities has been prepared having regard to trading potential. Cash flow projections have been prepared for all of the properties reflecting estimated absorption, revenue growth and expense inflation. A discounted cash flow method of valuation based on these cash flow projections has been used by C&W to arrive at its opinion of fair value for these properties.

C&W has adopted different approaches for the valuation of the leasehold and freehold assets as follows:

Freehold and long leasehold (UK, Paris, Spain, the Netherlands, and Belgium)

The valuation is based on a discounted cash flow of the net operating income over a ten-year period and a notional sale of the asset at the end of the tenth year.

Assumptions:

- Net operating income is based on projected revenue received less projected operating costs together with a central administration charge of 6% of the estimated annual revenue, subject to a cap and collar. The initial net operating income is calculated by estimating the net operating income in the first twelve months following the valuation date.
- The net operating income in future years is calculated assuming either straight-line absorption from day one actual occupancy or variable absorption over years one to four of the cash flow period, to an estimated stabilised/mature occupancy level. In the valuation the assumed stabilised occupancy level for the trading stores (both freeholds and all leaseholds) open at 31 October 2024 averages 90.9% (FY 2023: 89.3%). The projected revenues and costs have been adjusted for estimated cost inflation and revenue growth. The average time assumed for stores to trade at their maturity levels is 12.1 months (FY 2023: 13.4 months).
- The capitalisation rates applied to existing and future net cash flows have been estimated by reference to underlying yields for industrial and retail warehouse property, yields for other trading property types such as purpose-built student housing and hotels, bank base rates, ten-year money rates, inflation and the available evidence of transactions in the sector. The valuation included in the accounts assumes rental growth in future periods.
- The weighted average freehold exit yield on UK freeholds is 5.21% (FY 2023: 5.75%), on France freeholds is 5.22% (FY 2023: 5.61%), on Spain freeholds is 5.49% (FY 2023: 5.50%), on the Netherlands freeholds is 4.99% (FY 2023: 5.15%) and on Belgium freeholds is 4.77% (FY 2023: 5.00%). The weighted average freehold exit yield for all freeholds adopted is 5.19% (FY 2023: 5.72%).
- The future net cash flow projections (including revenue growth and cost inflation) have been discounted at a rate that reflects the risk associated with each asset. The weighted average annual discount rate adopted (for both freeholds and leaseholds) in the UK portfolio is 8.81% (FY 2023: 8.59%), in the France portfolio is 8.76% (FY 2023: 8.38%), in the Spain portfolio is 8.60% (FY 2023: 8.39%), in the Netherlands portfolio is 7.26% (FY 2023: 7.74%) and in the Belgium portfolio is 8.12% (FY 2023: 7.99%). The weighted average annual discount rate adopted (for both freeholds and all leaseholds) is 8.66% (FY 2023: 8.54%).

12. Investment properties continued

Valuation method and assumptions continued

Assumptions: continued

- The Group's investment property assets have been valued for the purposes of the financial statements after adjusting for notional purchaser's costs of approximately 5.0% (UK), 5.0% to 6.4% (Paris), 6.0% to 10% (Spain), 10.4% (the Netherlands) and 12% to 12.5% (Belgium), as if they were sold directly as property assets and sales plus purchaser's costs totalling approximately 6.8% (UK), 6.8% to 8.2% (Paris), 7.8% to 11.8% (Spain), 12.2% (the Netherlands) and 13.8% to 14.3% (Belgium) are assumed on the notional sales in the tenth year in relation to freehold and long leasehold stores. The valuation is an asset valuation which is strongly linked to the operating performance of the business. They would have to be sold with the benefit of operational contracts, employment contracts and customer contracts, which would be difficult to achieve except in a corporate structure. This approach follows the logic of the valuation methodology in that the valuation is based on a capitalisation of the net operating income after allowing a deduction for operational cost and an allowance for central administration costs. A sale in a corporate structure would result in a reduction in the assumed stamp duty land tax but an increase in other transaction costs reflecting additional due diligence resulting in a reduced notional purchaser's cost of c.2.0% of gross value. All the significant sized transactions that have been concluded in the UK in recent years were completed in a corporate structure.

Short leaseholds (UK)
The same methodology has been used as for freeholds, except that no sale of the assets in the tenth year is assumed but the discounted cash flow is extended to the expiry of the lease.

Short leaseholds (Paris)
In relation to the commercial leases in Paris, C&W has valued the cash flow projections in perpetuity due to the security of tenure arrangements in that market and the potential compensation arrangements in the event of the landlord wishing to take possession. The valuation treatment is therefore the same as for the freehold properties. The capitalisation rates on these stores reflect the risk of the landlord terminating the lease arrangements.

Short leaseholds (Spain)
In relation to the commercial leases in Spain, C&W has valued the cash flow projections in perpetuity due to the nature of the lease agreements which allows the tenant to renew the lease year on year into perpetuity. The valuation treatment is therefore the same as for the freehold properties. The capitalisation rates on these stores reflect the risk of the rolling lease arrangements.

Short leaseholds (the Netherlands)
The same methodology has been used as for freeholds, except that no sale of the assets in the tenth year is assumed but the discounted cash flow is extended to the expiry of the lease.

Short leaseholds (Belgium)
There are no short term leaseholds in Belgium.

Investment properties under construction
Investment properties under construction are initially measured at cost, including related transaction and borrowing costs. After initial recognition, investment properties under construction are held at fair value based on a market valuation by C&W at each balance sheet date, unless development of the property is not yet certain, in which case investment properties under construction would be held at cost. To establish certainty, the Group considers whether planning is unconditional, funding is in place, a full business case has been approved by the Board and whether there is full control over the site.

Immature stores
C&W has assessed the value of each property individually. Where the stores in the portfolio are relatively immature and have low initial cash flow, C&W has endeavoured to reflect the nature of the cash flow profile for these properties in its valuation, and the higher associated risks relating to the as yet unproven future cash flow, by adjustment to the capitalisation rates and discount rates adopted. However, immature low cash flow stores of this nature are rarely, if ever, traded individually in the market, unless as part of a distressed sale or similar situation, although there is more evidence of such stores being traded as part of a group or portfolio transaction.

C&W states that, in practice, if an actual sale of the properties was to be contemplated then any immature low cash flow stores would normally be presented to the market for sale, lotted or grouped with other more mature assets owned by the same entity, in order to alleviate the issue of negative or low short term cash flow. This approach would enhance the marketability of the group of assets and assist in achieving the best price available in the market by diluting the cash flow risk.

C&W has not adjusted its opinion of fair value to reflect such a grouping of the immature assets with other properties in the portfolio and all stores having been valued individually. However, C&W highlights the matter to alert the Group to the manner in which the properties might be grouped or lotted in order to maximise their attractiveness to the marketplace.

C&W considers this approach to be a valuation assumption but not a special assumption, the latter being an assumption that assumes facts that differ from the actual facts existing at the valuation date and which, if not adopted, could produce a material difference in value.

12. Investment properties continued

Valuation method and assumptions continued

Sensitivity of the valuation to assumptions

As noted in 'Key sources of estimation uncertainty' on pages 140 and 141, self-storage valuations are complex, derived from data which is not widely publicly available and involves a degree of judgement. All other factors being equal, higher net operating income would lead to an increase in the valuation of a store and an increase in the capitalisation rate or discount rate would result in a lower valuation, and vice versa. Higher assumptions for stabilised occupancy, absorption rate, rental rate and other revenue, and a lower assumption for operating costs, would result in an increase in projected net operating income, and thus an increase in valuation.

There are inter-relationships between the valuation inputs, and they are primarily determined by market conditions. The effect of an increase in more than one input could be to magnify the impact on the valuation. However, the impact on the valuation could be offset by the inter-relationship of two inputs moving in opposite directions, e.g. an increase in rent may be offset by a decrease in occupancy, resulting in no net impact on the valuation.

For these reasons we have classified the valuation of our property portfolio as Level 3 as defined by IFRS 13. Inputs to the valuation, some of which are 'unobservable' as defined by IFRS 13, include capitalisation yields, stable occupancy rates, and time to stabilised occupancy. The existence of an increase of more than one 'unobservable' input would augment the impact on the valuation. The impact on the valuation would be mitigated by the inter-relationship between unobservable inputs moving in opposite directions. For example, an increase in stable occupancy may be offset by an increase in yield, resulting in no net impact on the valuation. A sensitivity analysis showing the impact on valuations of changes in capitalisation rates and stable occupancy is shown below:

	Impact of change in capitalisation rates £'m		Impact of a change in stabilised occupancy assumption £'m		Impact of a delay in stabilised occupancy assumption £'m
	25 bps decrease	25 bps increase	1% increase	1% decrease	24-month delay
Reported group	136.5	(124.0)	45.0	(45.0)	(54.4)

13. Property, plant and equipment

	Owner-occupied buildings £'m	Motor vehicles £'m	Fixtures and fittings £'m	IFRS 16 leases £'m	Total £'m
Cost					
At 1 November 2023	1.7	1.4	9.5	0.6	13.2
Additions	0.2	0.4	1.4	—	2.0
At 31 October 2024	**1.9**	**1.8**	**10.9**	**0.6**	**15.2**
Accumulated depreciation					
At 1 November 2023	0.2	0.6	6.8	0.4	8.0
Charge for the year	—	0.3	1.0	0.2	1.5
At 31 October 2024	**0.2**	**0.9**	**7.8**	**0.6**	**9.5**
Net book value					
At 31 October 2024	**1.7**	**0.9**	**3.1**	**—**	**5.7**
At 31 October 2023	1.5	0.8	2.7	0.2	5.2

	Owner-occupied buildings £'m	Motor vehicles £'m	Fixtures and fittings £'m	IFRS 16 leases £'m	Total £'m
Cost					
At 1 November 2022	1.0	0.9	7.8	0.6	10.3
Additions	0.7	0.6	1.8	—	3.1
Disposals	—	(0.1)	(0.1)	—	(0.2)
At 31 October 2023	1.7	1.4	9.5	0.6	13.2
Accumulated depreciation					
At 1 November 2022	0.2	0.5	5.9	0.3	6.9
Charge for the year	—	0.2	1.0	0.1	1.3
Disposals	—	(0.1)	(0.1)	—	(0.2)
At 31 October 2023	0.2	0.6	6.8	0.4	8.0
Net book value					
At 31 October 2023	1.5	0.8	2.7	0.2	5.2
At 31 October 2022	0.8	0.4	1.9	0.3	3.4

14. Net assets per share

EPRA's Best Practices Recommendations guidelines for Net Asset Value ("NAV") metrics are EPRA Net Tangible Assets ("NTA"), EPRA Net Reinstatement Value ("NRV") and EPRA Net Disposal Value ("NDV").

EPRA NTA is considered to be the most relevant measure for the Group's business which provides sustainable long term progressive returns and is now the primary measure of net assets, replacing the previously reported EPRA NAV metric. EPRA NTA assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax. Due to the Group's REIT status, deferred tax is only provided at each balance sheet date on properties outside the REIT regime. As a result, deferred taxes are excluded from EPRA NTA for properties within the REIT regime. For properties outside of the REIT regime, deferred tax is included to the extent that it is expected to crystallise, based on the Group's track record and tax structuring.

There are no reconciling items between EPRA NTA and the previously reported EPRA NAV metric. EPRA NTA is shown in the table below:

	2024		2023	
	£'m	Diluted pence per share	£'m	Diluted pence per share
Balance sheet net assets	2,226.8	1,017	1,935.1	884
Adjustments to exclude:				
Deferred tax liabilities on the revaluation of investment properties	155.4		139.2	
EPRA NTA	2,382.2	1,088	2,074.3	948
Basic net assets per share		1,020		888
EPRA basic NTA per share		1,091		952

The basic and diluted net assets per share have been calculated based on the following number of shares:

	2024 Number	2023 Number
Shares in issue		
At year end	218,490,500	218,039,419
Adjustment for Employee Benefit Trust (treasury) shares	(75,397)	(64,363)
IFRS/EPRA number of shares (basic)	218,415,103	217,975,056
Dilutive effect of Save As You Earn shares	7,769	39,269
Dilutive effect of Long Term Incentive Plan shares	567,621	860,328
IFRS/EPRA number of shares (diluted)	218,990,493	218,874,653

Basic net assets per share is shareholders' funds divided by the number of shares at the year end. Diluted net assets per share is shareholders' funds divided by the number of shares at the year end, adjusted for dilutive share options of 575,390 shares (FY 2023: 899,597 shares). EPRA diluted net assets per share excludes deferred tax liabilities arising on the revaluation of investment properties. The EPRA NAV, which further excludes fair value adjustments for debt and related derivatives net of deferred tax, was £2 million (FY 2023: £2,074.3 million), giving EPRA NTA per share of 1,088 pence (FY 2023: 948 pence). The Directors consider that these alternative measures provide useful information on the performance of the Group.

EPRA adjusted balance sheet (non-statutory)

	2024 £'m	2023 £'m
Assets		
Non-current assets	3,302.7	2,906.8
Current assets	58.4	50.1
Total assets	3,361.1	2,956.9
Liabilities		
Current liabilities	(65.8)	(110.4)
Non-current liabilities	(913.0)	(772.2)
Total liabilities	(979.0)	(882.6)
EPRA adjusted Net Asset Value	2,382.2	2,074.3
EPRA adjusted basic net assets per share	1,091 pence	952 pence

15. Trade and other receivables

	2024 £'m	2023 £'m
Current		
Trade receivables	**21.9**	21.8
Less: credit loss allowance	**(6.6)**	(5.8)
Trade receivables – net	**15.3**	16.0
Other receivables	**7.3**	10.9
Prepayments	**9.1**	5.9
	31.7	32.8

The creation and release of credit loss allowances have been included in cost of sales in the income statement.

The Group always measures the loss allowance for the trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor and an analysis of the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group writes off a trade receivable when there is information indicating that the debtors are in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

The following table details the risk profile of trade receivables based on the Group's provision matrix:

UK	Not past due	<28 days	29–60 days	>60 days	Total
Expected credit loss rate (%)	—	11.8%	20.0%	83.3%	8.41%
Estimated total gross carrying amount at default (£'m)	7.4	1.7	1.0	0.6	10.7
Lifetime ECL (£'m)	—	(0.2)	(0.2)	(0.5)	(0.9)
Net trade receivables as at 31 October 2024	**7.4**	**1.5**	**0.8**	**0.1**	**9.8**

France	Not past due	<28 days	29–60 days	>60 days	Total
Expected credit loss rate (%)	—	9.2%	25.8%	72.2%	56.3%
Estimated total gross carrying amount at default (£'m)	1.1	0.9	0.5	7.7	10.2
Lifetime ECL (£'m)	—	(0.1)	(0.1)	(5.5)	(5.7)
Net trade receivables as at 31 October 2024	**1.1**	**0.8**	**0.4**	**2.2**	**4.5**

UK	Not past due	<28 days	29–60 days	>60 days	Total
Expected credit loss rate (%)	—	6.5%	16.7%	55.6%	7.5%
Estimated total gross carrying amount at default (£'m)	6.8	3.1	1.2	0.9	12.0
Lifetime ECL (£'m)	—	(0.2)	(0.2)	(0.6)	(1.0)
Net trade receivables as at 31 October 2023	6.8	2.9	1.0	0.3	11.0

France	Not past due	<28 days	29–60 days	>60 days	Total
Expected credit loss rate (%)	—	7.1%	20.0%	71.9%	49.0%
Estimated total gross carrying amount at default (£'m)	1.5	1.4	0.5	6.4	9.8
Lifetime ECL (£'m)	—	(0.1)	(0.1)	(4.6)	(4.8)
Net trade receivables as at 31 October 2023	1.5	1.3	0.4	1.8	5.0

Outstanding trade receivables for the Expansion Markets totalled £1.0 million; therefore, the risk profile for this geography has been excluded.

The difference between expected credit loss rates in the UK and France is largely due to the differing processes for collecting overdue debt, with legal proceedings in France typically taking significantly longer than in the UK.

The above balances are short term (including other receivables) and therefore the difference between the book value and the fair value is not significant. Consequently, these have not been discounted.

15. Trade and other receivables continued

Movement in the credit loss allowance:

	2024 £'m	2023 £'m
Balance at the beginning of the year	**5.8**	5.5
Amounts provided in the year	**3.2**	2.1
Amounts written off as uncollectable	**(2.4)**	(1.8)
Balance at the end of the year	**6.6**	5.8

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	2024 £'m	2023 £'m
Sterling	**19.2**	18.7
Euros	**12.5**	14.1
	31.7	32.8

Amounts due from associates of £0.5 million (FY 2023: £0.1 million) relate to the arrangement (note 11), made up of arms-length management fees of £0.5 million (FY 2023: £0.1 million). These amounts are considered to be fully recoverable and have not been impaired (FY 2023: £nil).

16. Cash and cash equivalents

	2024 £'m	2023 £'m
Cash at bank and in hand	**25.3**	16.9

The carrying amounts of the Group's cash and cash equivalents are denominated in the following currencies:

	2024 £'m	2023 £'m
Sterling	**12.2**	4.9
Euros	**13.1**	12.0
	25.3	16.9

Restricted cash of £0.9 million (FY 2023: £1.1 million) relates to the provision in note 26. The restricted cash is held by HSBC and is used to settle any amounts owed to the French tax authorities pending results of the ongoing litigation.

17. Trade and other payables

	2024 £'m	2023 £'m
Current		
Trade payables	**10.1**	9.4
Other taxes and social security payable	**4.3**	6.3
Other payables	**3.4**	2.9
Accruals	**15.7**	15.0
Deferred income	**18.3**	18.8
	51.8	52.4

The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

	2024 £'m	2023 £'m
Sterling	**33.7**	34.7
Euros	**18.1**	17.7
	51.8	52.4

18. Financial liabilities – bank borrowings and notes

	2024 £'m	2023 £'m
Bank loans and notes		
Bank loans – RCF	**355.7**	203.0
USPP Notes	**473.3**	527.8
Debt issue costs	**(4.8)**	(5.0)
	824.2	725.8

As at 31 October 2024 the Group has US Private Placement Notes ("USPPs") of €307.1 million (FY 2023: €358 million) which have maturities between 2026 and 2033 with fixed-rate coupons of between 0.93% and 2.45% and £212.5 million (FY 2023: £212.5 million) which have maturities between 2026 and 2031 with fixed-rate coupons of between 1.96% and 2.92%. The weighted average cost of interest on the overall USPPs at 31 October 2024 was 2.16% per annum. In addition the Group has arranged a Revolving Credit Facility ("RCF") with its relationship banks. In the financial year, the facility was extended by £100 million to £500 million and the maturity was extended by one year to November 2028. The RCF attracts a margin over SONIA/EURIBOR of between 1.25% and 2.50%, by reference to the Group's performance against its interest cover covenant.

The €434.1 million of Euro denominated borrowings provides a natural hedge against the Group's investment in the Paris and Expansion Markets businesses, so the Group has applied net investment hedge accounting and the retranslation of these borrowings is recognised directly in the translation reserve.

Bank loans and notes are stated after unamortised issue costs of £4.8 million (FY 2023: £5.0 million).

Bank loans and unsecured notes are repayable as follows:

	Group	
	2024 £'m	2023 £'m
Within one year	**—**	44.5
Between one and two years	**93.7**	—
Between two and five years	**630.9**	409.0
After more than five years	**104.4**	277.3
Bank loans and notes	**829.0**	730.8
Unamortised debt issue costs	**(4.8)**	(5.0)
	824.2	725.8

The effective interest rates at the balance sheet date were as follows:

	2024	2023
Bank loans (UK term loan)	**Monthly, quarterly or six-monthly SONIA plus 1.25%**	Monthly, quarterly or six-monthly SONIA plus 1.25%
Bank loans (Euro term loan)	**Monthly, quarterly or six-monthly EURIBOR plus 1.25%**	Monthly, quarterly or six-monthly EURIBOR plus 1.25%
Private Placement Notes (Euros)	**1.83%**	1.80%
Private Placement Notes (Sterling)	**2.55%**	2.55%

In addition to the margin of 1.25%, the RCF also has ESG targets enabling a reduction in the margin of up to 5bps to 1.20%. In the period these targets were all met.

The carrying amounts of the Group's borrowings are denominated in the following currencies:

	2024 £'m	2023 £'m
Sterling	**464.5**	377.5
Euros	**364.5**	353.3
	829.0	730.8

18. Financial liabilities – bank borrowings and notes continued

Borrowing facilities

The Group has the following undrawn committed borrowing facilities available at 31 October 2024 in respect of which all conditions precedent had been met at that date:

	Floating rate	
	2024 £'m	2023 £'m
Expiring within one year	**—**	—
Expiring beyond one year	**144.3**	297.0
	144.3	297.0

19. Financial instruments

Financial risk management

Financial risk management is an integral part of the way the Group is managed. In the course of its business, the Group is exposed primarily to foreign exchange risk, interest rate risk, liquidity risk, and credit risk. The overall aim of the Group's financial risk management policies is to minimise potential adverse effects on financial performance and Net Asset Value ("NAV"). The Group manages the financial risks within policies and operating parameters approved by the Board of Directors and does not enter into speculative transactions. Treasury activities are managed centrally under a framework of policies and procedures approved and monitored by the Board. These objectives are to protect the assets of the Group and to identify and then manage financial risk. In applying these policies, the Group will utilise derivative instruments, but only for risk management purposes.

The principal financial risks facing the Group are described below.

Interest rate risk

The Group finances its operations through a mixture of retained profits, issued share capital, bank borrowings, and notes. The Group borrows in Sterling and Euros at floating rates and, where necessary, uses interest rate swaps to convert these to fixed rates to generate the preferred interest rate profile and to manage its exposure to interest rate fluctuations. A 1ppt change in interest rates would have a £3.5 million (FY 2023: £2 million) impact on net interest. This sensitivity impact has been prepared by determining average floating interest rates and flexing these against average floating-rate deposits and borrowings by major currency area over the course of the year.

Liquidity risk

The Group's policy on liquidity risk is to ensure that sufficient cash is available to fund ongoing operations without the need to carry significant net debt over the medium term. The Group's principal borrowing facilities are provided by a group of core relationship banks in the form of term loans and overdrafts, revolving credit facilities and notes. The quantum of committed borrowing facilities available to the Group is reviewed regularly and is designed to exceed forecast peak gross debt levels. Further details of the Group's borrowing facilities, including the repayment profile of existing borrowings and the amount of undrawn committed borrowing facilities, are set out in note 19.

Credit risk

Credit risk arises on financial instruments such as trade and other receivables and short term bank deposits. Policies and procedures exist to ensure that customers have an appropriate credit history and account customers are given credit limits that are monitored. Short term bank deposits are executed only with A-rated or above authorised counterparties based on ratings issued by the major rating agencies. Counterparty exposure positions are monitored regularly so that credit exposures to any one counterparty are within predetermined limits. Overall, the Group considers that it is not exposed to a significant amount of credit risk. The amount of trade receivables outstanding at the year end does not represent the maximum exposure to operational credit risk due to the normal patterns of supply and payment over the course of a year. Based on management information collected as at month ends the maximum level of net trade receivables at any one point during the year was £15.6 million (FY 2023: £16.0 million).

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk in respect of the Euro. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group has investments in foreign operations in France, Spain, the Netherlands and Belgium, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

The Group holds Euro denominated loan notes totalling €364.5 million (FY 2023: €358 million) and as such is exposed to foreign exchange risk on these notes. The foreign exchange risk relating to the notes provides a natural hedge against the Euro denominated assets of its operations in France, Spain, the Netherlands and Belgium and were 100% effective. As a result, the Group applies net investment hedging in respect of these loan notes and the change in fair value during the year of £6.9 million (FY 2023: £2.9 million) was recognised in other comprehensive income.

At 31 October 2024, if Sterling had weakened by 10% against the Euro with all other variables held constant, pre-tax profit for the year would have been £0.1 million lower due to Euro bank balances held by UK entities (FY 2023: £0.4 million lower). Equity (translation reserve) would have been £34.7 million higher (FY 2023: £22.8 million higher), arising primarily on translation of Euro denominated net assets held by subsidiary companies with a Euro functional currency less the Euro denominated loan notes.

The Group is not exposed to significant transaction foreign exchange risk as purchases are invoiced in either Sterling or Euros.

19. Financial instruments continued

Financial risk management continued

Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Being a REIT, the Group is required to distribute as a dividend a minimum of 90% of its property rental income to shareholders. This is factored into the Group's capital risk management.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings and lease liabilities' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as equity as shown in the consolidated balance sheet plus net debt.

The gearing ratios at 31 October 2024 and 2023 were as follows:

	2024 £'m	2023 £'m
Total borrowings (excluding derivatives)	924.8	827.2
Less: cash and cash equivalents (note 16)	(25.3)	(16.9)
Net debt	899.5	810.3
Total equity	2,226.8	1,935.1
Total capital	3,126.3	2,745.4
Gearing ratio	28.8%	29.5%

The Group considers that a loan-to-value ("LTV") ratio, defined as gross debt (excluding lease liabilities) as a proportion of the valuation of investment properties and investment properties under construction (excluding lease liabilities), below 40% represents an appropriate medium term capital structure objective. The Group's LTV ratio was 25.1% at 31 October 2024 (FY 2023: 25.4%).

The Group has complied with all of the covenants on its banking facilities during the year.

The fair value of bank loans and notes is calculated as:

	2024		2023	
	Book value £'m	Fair value £'m	Book value £'m	Fair value £'m
Bank loans and notes	824.2	759.6	725.8	789.3

Fair value hierarchy

IFRS 13 requires fair value measurements to be recognised using a fair value hierarchy that reflects the significance of the inputs used in the measurements, according to the following levels:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – inputs for the asset or liability that are not based on observable market data.

The table below shows the level in the fair value hierarchy into which fair value measurements have been categorised:

Assets per the balance sheet	2024 £'m	2023 £'m
Amounts due from associates – Level 2	0.5	0.1

Liabilities per the balance sheet	2024 £'m	2023 £'m
Bank loans – Level 2	829.0	725.8

There were no transfers between Level 1, 2 and 3 fair value measurements during the current or prior year.

Over the life of the Group's derivative financial instruments, the cumulative fair value gain/loss on those instruments will be £nil as it is the Group's intention to hold them to maturity.

19. Financial instruments continued

Financial risk management continued

Hedging arrangements

No hedging instruments were used in FY 2024. In FY 2023 a net loss of £1.7 million was recorded in the income statement due to the interest rate hedging instruments which matured in June 2023 and the foreign currency hedging instruments which matured in April 2023.

Financial instruments by category

Assets per the balance sheet	Financial assets at amortised cost £'m	Assets at fair value through profit and loss £'m	Total £'m
Trade receivables and other receivables excluding prepayments	22.6	—	22.6
Cash and cash equivalents	25.3	—	25.3
At 31 October 2024	**47.9**	**—**	**47.9**

Liabilities per the balance sheet	Other financial liabilities at amortised cost £'m	Liabilities at fair value through profit and loss £'m	Total £'m
Borrowings (excluding lease liabilities)	824.2	—	824.2
Lease liabilities	100.6	—	100.6
Payables and accruals	29.2	—	29.2
At 31 October 2024	**954.0**	**—**	**954.0**

Assets per the balance sheet	Financial assets at amortised cost £'m	Assets at fair value through profit and loss £'m	Total £'m
Trade receivables and other receivables excluding prepayments	22.5	—	22.5
Derivative financial instruments	—	—	—
Cash and cash equivalents	16.9	—	16.9
At 31 October 2023	39.4	—	39.4

Liabilities per the balance sheet	Other financial liabilities at amortised cost £'m	Liabilities at fair value through profit and loss £'m	Total £'m
Borrowings (excluding lease liabilities)	725.8	—	725.8
Lease liabilities	101.4	—	101.4
Payables and accruals	27.2	—	27.2
At 31 October 2023	854.4	—	854.4

The interest rate risk profile, after taking account of derivative financial instruments, was as follows:

	2024			2023		
	Floating rate £'m	**Fixed rate £'m**	**Total £'m**	Floating rate £'m	Fixed rate £'m	Total £'m
Borrowings	**355.7**	**468.5**	**824.2**	203.0	522.8	725.8

The weighted average interest rate of the fixed-rate financial borrowing was 2.16% (FY 2023: 2.10%) and the weighted average remaining period for which the rate is fixed was 4.3 years (FY 2023: 5.0 years).

19. Financial instruments continued

Financial risk management continued

Maturity analysis

The table below analyses the Group's financial liabilities and non-settled derivative financial instruments into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than one year £'m	One to two years £'m	Two to five years £'m	More than five years £'m
2024				
Borrowings	**9.3**	**103.1**	**657.4**	**123.6**
Lease liabilities	**14.7**	**14.2**	**35.0**	**75.5**
Payables and accruals	**28.6**	**—**	**—**	**—**
	52.6	**23.5**	**617.6**	**367.8**

	Less than one year £'m	One to two years £'m	Two to five years £'m	More than five years £'m
2023				
Borrowings	54.6	10.2	436.0	297.0
Lease liabilities	13.8	13.7	36.4	77.0
Payables and accruals	29.4	—	—	—
	97.8	23.9	472.4	374.0

20. Lease liabilities

The Group leases certain of its investment properties under lease liabilities. The average remaining lease term is 13.2 years (FY 2023: 10.7 years).

	Minimum lease payments		Present value of minimum lease payments	
	2024 £'m	2023 £'m	**2024 £'m**	2023 £'m
Within one year	**14.7**	13.8	**14.0**	13.1
Within two to five years	**49.2**	50.1	**42.3**	42.0
Greater than five years	**75.5**	77.0	**44.3**	46.3
	139.4	140.9	**100.6**	101.4
Less: future finance charges on lease liabilities	**(38.8)**	(39.5)	**—**	—
Present value of lease liabilities	**100.6**	101.4	**100.6**	101.4

	2024 £'m	2023 £'m
Current	**14.0**	13.1
Non-current	**86.6**	88.3
	100.6	101.4

Amounts recognised within the consolidated income statement include interest on lease liabilities of £5.8 million. Amounts recognised in the consolidated statement of cash flows include lease liabilities principal payments of £9.7 million and interest on lease liabilities of £5.8 million. The maturity analysis for lease liabilities under contractual undiscounted cash flows is included in note 20.

21. Deferred income tax

Deferred tax is calculated in full on temporary differences under the liability method using tax rates enacted in each respective jurisdiction corresponding to when they are expected to reverse. The movement on the deferred tax account was as shown below.

	Note	2024 £'m	2023 £'m
At 1 November 2023		**132.6**	128.2
Charge to income statement	8	**22.0**	2.5
Exchange differences		**(5.5)**	1.9
At 31 October 2024		**149.1**	132.6

The movements in deferred tax assets and liabilities during the period are shown below.

Deferred tax liability	Revaluation of investment properties £'m	Other timing differences £'m	Total £'m
At 1 November 2022	129.0	—	129.0
Charge to income statement	8.3	—	8.3
Exchange differences	1.9	—	1.9
At 31 October 2023	139.2	—	139.2
At 1 November 2023	139.2	—	139.2
Charge to income statement	21.7	—	21.7
Exchange differences	(5.5)	—	(5.5)
At 31 October 2024	**155.4**	**—**	**155.4**

Deferred tax asset	Other timing differences £'m	Tax losses £'m	Total £'m
At 1 November 2022	0.8	—	0.8
Credit to income statement	—	5.8	5.8
At 31 October 2023	0.8	5.8	6.6
At 1 November 2023	0.8	5.8	6.6
Credit to income statement	(0.2)	(0.1)	(0.3)
At 31 October 2024	**0.6**	**5.7**	**6.3**

The deferred tax liability due after more than one year is £155.4 million (FY 2023: £139.2 million).

As at 31 October 2024, the Group had trading losses of £34.3 million (FY 2023: £34.7 million) and capital losses of £36.4 million (FY 2023: £36.5 million) in respect of its UK operations.

As at 31 October 2024, the Group had trading losses of £11 million (FY 2023: £6.6 million) in respect of its Netherlands and Belgium operations.

As at 31 October 2024, the Group had trading losses of £5.5 million (FY 2023: £2.3 million) in respect of its Spanish operations.

All losses can be carried forward indefinitely. A deferred tax asset of £5.7 million (FY 2023: £5.8 million) has been recognised in respect of these losses in the current period, recognising the extent to which the Group believes these losses will be utilised in the future to reduce income tax liabilities.

22. Called up share capital

	2024 £'m	2023 £'m
Called up, allotted, and fully paid		
218,490,500 (FY 2023: 218,039,419) ordinary shares of 1 pence each	**2.2**	2.2

Ordinary shares

The holders of the ordinary shares shall be entitled to one vote for each ordinary share.

During the year the Company issued 451,081 ordinary shares (FY 2023: 6,111,922 ordinary shares).

Safestore Holdings plc Sharesave scheme

The Sharesave awards are savings related awards accruing over a three-year period. There are no performance conditions attached to the awards; as such, the sole condition for vesting is continued service. The fair value of the Sharesave options granted during the year was assessed by an independent actuary using a Black-Scholes model based on the assumptions set out in the table below:

		Grant date September 2024 (UK three years)
Number of options granted		94,393
Share price at grant date	(pence)	839
Exercise price	(pence)	645
Risk-free rate of interest	(% per annum)	3.75%
Expected volatility	(% per annum)	29.0%
Expected dividend yield	(% per annum)	3.60%
Expected term to exercise	(years)	3.21
Value per option	(pence)	240

Safestore Long Term Incentive Plan

The fair values of the awards granted in the accounting period were assessed by an independent actuary using a Monte Carlo model based on the assumptions set out in the table below. In determining an appropriate assumption for expected future volatility, the historical volatility of the share price of Safestore Holdings plc has been considered along with the historical volatility of comparator companies.

		Grant date February 2024		
		(PBT EPS part)	(MLA part)	(ESG part)
Number of options granted		654,248	251,634	100,654
Weighted average share price at grant date	(pence)	764	764	764
Exercise price	(pence)	—	—	—
Weighted average risk-free rate of interest	(% per annum)	4.17%	4.17%	4.17%
Expected volatility	(% per annum)	29.4%	29.4%	29.4%
Weighted average expected term to exercise	(years)	3.0	3.0	3.0
Weighted average value per option	(pence)	4.58	4.58	4.58

22. Called up share capital continued

Safestore Long Term Incentive Plan continued

Details of the awards outstanding under all of the Group's share schemes are set out below:

Date of grant	At 31 October 2023	Granted	Exercised	Lapsed	At 31 October 2024	Exercise price	Expiry date
Safestore Holdings plc Sharesave scheme							
14/08/2019	352	—	(352)	—	**—**	510.0p	01/03/2023
26/08/2020	116,130	—	(115,503)	(627)	**—**	600.0p	01/05/2024
20/08/2021	23,631	—	—	(4,471)	**19,160**	824.0p	01/05/2025
22/08/2022	33,366	—	—	(11,713)	**21,653**	896.0p	01/05/2026
22/08/2023	164,176	—	—	(52,098)	**112,078**	692.0p	01/05/2027
14/08/2024	—	94,393	—	(1,293)	**93,100**	645.0p	01/05/2027
Total	337,655	94,393	(115,855)	(70,202)	**245,991**		
Safestore Long Term Incentive Plan – 2017							
05/02/2019	17,500	—	—	—	**17,500**	0.1p	28/09/2027
23/01/2020	8,332	—	(2,601)	—	**5,731**	0.1p	28/09/2027
Total	25,832	—	(2,601)	—	**23,231**		
Safestore Long Term Incentive Plan – 2020							
18/03/2020	35,588	—	(6,672)	—	**28,916**	0.0p	17/03/2030
Total	35,588	—	(6,672)	—	**28,916**		
Safestore Long Term Incentive Plan – 2021							
28/01/2021	347,422	—	(299,761)	(21,614)	**26,047**	0.0p	27/01/2031
Total	347,422	—	(299,761)	(21,614)	**26,047**		
Safestore Long Term Incentive Plan – 2022							
25/01/2022	246,833	—	—	(33,334)	**213,499**	0.0p	24/01/2032
29/09/2022	4,892	—	—	(924)	**3,968**	0.0p	24/01/2032
Total	251,725	—	—	(34,258)	**217,467**		
Safestore Long Term Incentive Plan – 2023							
12/07/2023	785,340	—	—	(140,833)	**644,507**	0.0p	11/07/2033
Total	785,340	—	—	(140,833)	**644,507**		
Safestore Long Term Incentive Plan – 2024							
27/02/2024	—	1,005,244	—	(204,682)	**800,562**	0.0p	26/02/2034
Total	—	1,005,244	—	(204,682)	**800,562**		

In addition, gross amounts totalling £nil (FY 2023: £nil) in respect of bonuses awarded to Executive Directors for the year ended 31 October 2024 will be deferred into shares which will vest at the end of two years following the financial year in which the bonus is earned. The grant date is the last day of the financial year in which the performance stage is assessed. The share entitlement will be determined in FY 2025.

The weighted average exercise price of outstanding options under the Sharesave scheme is 702.6 pence (FY 2023: 690.0 pence). The weighted average exercise price of options exercised under the Sharesave scheme was 599.7 pence (FY 2023: 366.1 pence).

Own shares

Included within retained earnings are ordinary shares with a nominal value of £177 (FY 2023: £644) that represent shares held by the Safestore Employee Benefit Trust in satisfaction of awards under the Group's Long Term Incentive Plan and which remain unvested.

23. Cash flow from operating activities

Reconciliation of operating profit to net cash inflow from operating activities:

Cash generated from continuing operations	Notes	2024 £'m	2023 £'m
Profit before income tax		**398.6**	207.8
Gain on revaluation of investment properties	12	**(292.2)**	(93.8)
Depreciation	13	**1.5**	1.3
Net finance expense	7	**27.2**	22.6
Employee share options		**(0.3)**	2.9
Changes in working capital:			
Decrease in inventories		**—**	—
(Increase)/decrease in trade and other receivables		**1.2**	(1.4)
(Increase) in trade and other payables		**(2.6)**	(11.2)
Increase/(decrease) in provisions		**(0.3)**	0.2
Cash generated from continuing operations		**133.1**	128.4

24. Analysis of movement in gross and net debt

	2023 £'m	Cash flows £'m	Non-cash movements £'m	2024 £'m
Bank loans	(725.8)	(110.3)	11.9	**(824.2)**
Lease liabilities	(101.4)	9.7	(8.9)	**(100.6)**
Total gross debt (liabilities from financing activities)	(827.2)	(100.6)	3.0	**(924.8)**
Cash in hand	16.9	8.7	(0.3)	**25.3**
Total net debt	(810.3)	(91.9)	2.7	**899.5**

	2022 £'m	Cash flows £'m	Non-cash movements £'m	2023 £'m
Bank loans	(623.8)	(96.4)	(5.6)	(725.8)
Lease liabilities	(95.4)	8.8	(14.8)	(101.4)
Total gross debt (liabilities from financing activities)	(719.2)	(87.6)	(20.4)	(827.2)
Cash in hand	20.9	(3.9)	(0.1)	16.9
Total net debt	(698.3)	(91.5)	(20.5)	(810.3)

The table above details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated cash flow statement as cash flows from financing activities.

The cash flows from bank loans make up the net amount of proceeds from borrowings, repayment of borrowings and debt issuance costs.

Non-cash movements relate to the amortisation of debt issue costs of £1.6 million (FY 2023: £1.3 million), foreign exchange movements of £13.2 million (FY 2023: £4.3 million) and unwinding of discount to lease liabilities of £8.9 million (FY 2023: £14.8 million).

25. Employees and Directors

Staff costs (including Directors) for the Group during the year	2024 £'m	2023 £'m
Wages and salaries	**26.9**	24.2
Social security costs	**3.3**	2.0
Other pension costs	**1.0**	0.9
Share-based payments	**(0.3)**	2.9
	30.9	30.0

During the period ended 31 October 2024, the Company's equity-settled share-based payment arrangements comprised the Safestore Holdings plc Sharesave scheme and the Safestore Long Term Incentive Plans. The number of awards made under each scheme is detailed in note 22. No options have been modified since grant under any of the schemes, other than the modification in respect of the LTIP awards for Executive Directors described in note 22.

Average monthly number of people (including Executive Directors) employed	2024 Number	2023 Number
Sales	**646**	619
Administration	**142**	134
	788	753

Key management compensation	2024 £'m	2023 £'m
Wages and salaries	**2.9**	2.7
Social security costs	**0.4**	0.3
Post-employment benefits	**0.1**	0.1
Share-based payments	**—**	1.9
	3.4	5.0

The key management figures given above include Directors.

Directors	2024 £'m	2023 £'m
Aggregate emoluments	**2.2**	2.9

26. Provisions

In France, the basis on which property taxes have been assessed has been challenged by the tax authority for financial years 2011 onwards. In November 2022, the French Supreme Court delivered a final judgement in respect of litigation for years 2011 to 2013, which resulted in a partial success for the Group. The Group is separately pursuing litigation in respect of years since 2013 and has lodged an appeal with the French administrative tribunal against the issues included in assessments for 2013 onwards on which it was ultimately unsuccessful in the French Supreme Court for the earlier years. A provision is included in the consolidated financial accounts of £2.3 million at 31 October 2024 (31 October 2023: £2.6 million) to reflect the increased uncertainty surrounding the likelihood of a successful outcome. Of the total provided, (£0.2) million has been released in relation to the year ended 31 October 2024 within cost of sales (Underlying EBITDA) (31 October 2023: £0.3 million within cost of sales (Underlying EBITDA)). The litigation is expected to be resolved over the next few years.

It is possible that the French tax authority may appeal the decisions of the French Court of Appeal in which the Group was successful to the French Supreme Court. The maximum potential exposure in relation to these issues at 31 October 2024 is £0.8 million (31 October 2023: £3.0 million). No provision for any further potential exposure has been recorded in the consolidated financial statements since the Group believes it is more likely than not that a successful outcome will be achieved, resulting in no additional liabilities.

27. Contingent liabilities

The Group has a contingent liability in respect of property taxation in the French subsidiary as disclosed in note 26.

28. Capital commitments

The Group had £119 million of capital commitments as at 31 October 2024 (FY 2023: £128 million).

29. Related party transactions

The Group's shares are widely held. Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions with PBC Les Groues SAS

As described in note 11, the Group has a 24.9% interest in PBC Les Groues SAS ("PBC"). During the period, the Group made no transactions with PBC (FY 2023: £nil (€nil)). The total amount invested is included as part of its non-current investments in associates. The total amount outstanding at 31 October 2024 included within trade and other receivables was £nil (FY 2023: £nil).

Transactions with CERF II German Storage Topco S.a.r.l ("CERF II")

As described in note 11, the Group has a 10.0% interest in CERF II German Storage Topco S.a.r.l ("CERF II"). During the period, the Group recharged £0.4 million relating to management services. As described in note 15, the balance outstanding at 31 October 2024 is £0.5 million (FY 2023: £0.1 million).

30. Post-balance sheet events

In December 2024, the Group issued a new USPP loan note for a total of €70 million expiring in December 2032 with an all-in coupon of 4.03%.

In December 2024, the Group entered into a joint venture with Nuveen to acquire the EasyBox self-storage business in Italy. The Group paid €42 million for a 50% share of EasyBox which has ten operating stores and two further stores under development, all located in key cities in Italy. The Group also entered into an agreement to manage the EasyBox business on behalf of the joint venture.

Company balance sheet

as at 31 October 2024

Company registration number: 04726380

	Notes	Company 2024 £'m	Company 2023 £'m
Non-current assets			
Investments in subsidiaries	5	**1.0**	1.0
Deferred tax asset	12	**1.2**	2.9
Loans to Group undertakings	6	**721.9**	943.9
Total non-current assets		**724.1**	947.8
Current assets			
Trade and other receivables	7	**0.9**	1.0
Corporate income tax receivable		**0.2**	—
Cash and cash equivalents		**1.3**	1.6
Total current assets		**2.4**	2.6
Total assets		**726.5**	950.4
Current liabilities	8	**(79.3)**	(183.1)
Total assets less current liabilities		**647.2**	767.3
Non-current liabilities	9	**(473.4)**	(524.9)
Net assets		**173.8**	242.4
Equity			
Called up share capital	10	**2.2**	2.2
Share premium account		**62.7**	62.0
Retained earnings		**108.9**	178.2
Total equity		**173.8**	242.4

The Company's loss for the financial year amounted to £3.1 million (FY 2023: £99.0 million profit).

The Company financial statements were approved by the Board of Directors on 15 January 2025 and signed on its behalf by:

S Clinton
Chief Financial Officer

F Vecchioli
Chief Executive Officer

Company statement of changes in equity

for the year ended 31 October 2024

	Company			
	Called up share capital £'m	Share premium account £'m	Retained earnings £'m	Total £'m
Balance at 1 November 2022	2.1	61.8	142.2	206.1
Comprehensive income				
Profit for the year	—	—	99.0	99.0
Total comprehensive income	2.1	61.8	241.2	305.1
Transactions with owners				
Dividends	—	—	(65.9)	(65.9)
Increase in share capital	0.1	0.2	—	0.3
Employee share options	—	—	2.9	2.9
Transactions with owners	0.1	0.2	(63.0)	(62.7)
Balance at 1 November 2023	2.2	62.0	178.2	242.4
Comprehensive income				
Loss for the year	—	—	(3.1)	(3.1)
Total comprehensive income	2.2	62.0	175.1	239.3
Transactions with owners				
Dividends	—	—	(65.9)	(65.9)
Increase in share capital	—	0.7	—	0.7
Employee share options	—	—	(0.3)	(0.3)
Transactions with owners	—	0.7	(66.2)	(65.5)
Balance at 31 October 2024	**2.2**	**62.7**	**108.9**	**173.8**

For details of the dividend paid in the year see note 9 in the Group financial statements.

1. Accounting policies and basis of preparation

The Company financial statements are prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ("FRS 101"). In preparing these financial statements the Company applies the recognition, measurement and disclosure requirements of United Kingdom-adopted International Financial Reporting Standards ("IFRS") and sets out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for tangible fixed assets;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- IFRS 2 "Share-based Payment" in respect of Group-settled share-based payments; and
- certain disclosures required by IFRS 13 "Fair Value Measurement" and the disclosures required by IFRS 7 "Financial Instruments: Disclosures".

The above disclosure exemptions are permitted because equivalent disclosures are included in the Group consolidated financial statements.

The financial statements are prepared on a going concern basis under the historical cost convention. The Company's principal accounting policies are the same as those applied in the Group financial statements, except as described below:

Investments

Investments held as fixed assets are stated at cost less provision for impairment in value.

2. Results of parent company

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its own profit and loss account as part of these financial statements. The Company's loss for the financial year amounted to £3.1 million (FY 2023: £99.0 million profit).

3. Directors' emoluments

The Directors' emoluments are disclosed in note 25 of the Group financial statements.

4. Operating profit

The Company does not have any employees (FY 2023: none). Details of the Company's share-based payments are set out in note 22 to the Group financial statements.

5. Investments in subsidiaries

	£'m
Cost and net book value	
At 1 November 2023	1.0
At 31 October 2024	**1.0**

Investments in subsidiaries are stated at cost. A list of interests in subsidiary undertakings is given below. The Directors believe that the carrying value of the investments is supported by their underlying net assets.

5. Investments in subsidiaries continued

Interests in subsidiary undertakings

The entities listed below are subsidiaries of the Company or the Group. The Group percentage of equity capital (represented by 'ordinary shares') and voting rights is 100% for all subsidiaries listed. The results of all of the subsidiaries have been consolidated within these financial statements. The registered address of each subsidiary is Brittanic House, Stirling Way, Borehamwood, Hertfordshire WD6 2BT, except where indicated below by a footnote.

Subsidiary	Country of incorporation	Principal activity
Safestore Investments 2018 Limited[1,10]	England and Wales	Holding company
Safestore Investments Limited[10]	England and Wales	Holding company
Safestore Group Limited[10]	England and Wales	Holding company
Safestore Acquisition Limited[10]	England and Wales	Holding company
Safestore Limited[10]	England and Wales	Provision of self-storage
Safestore Properties Limited[10]	England and Wales	Provision of self-storage
Spaces Personal Storage Limited[10]	England and Wales	Provision of self-storage
Safestore Trading Limited[10]	England and Wales	Non-trading
Mentmore Limited[10]	England and Wales	Holding company
Invest Holding S.à.r.L	Luxembourg[2]	Holding company
Une Pièce en Plus SAS	France[3]	Provision of self-storage
OMB Self-storage S.L.U.	Spain[4]	Provision of self-storage
Safestore Netherlands B.V.	Netherlands[5]	Holding company
Your Room Self-storage Limited	England and Wales	Provision of self-storage
Safestore Storage Benelux B.V.	Netherlands[6]	Holding company
Safestore Storage B.V.	Netherlands[6]	Provision of self-storage
M3 Self-Storage B.V.	Netherlands[6]	Provision of self-storage
Safestore Storage Properties 1 B.V.	Netherlands[6]	Provision of self-storage
Safestore Storage Properties 2 B.V.	Netherlands[6]	Provision of self-storage
Safestore Storage Properties 3 B.V.	Netherlands[6]	Provision of self-storage
Lokabox SA	Belgium[7]	Provision of self-storage
Safestore Europe SAS	France[3]	Provision of self-storage
Investimmo SAS	France[3]	Provision of self-storage
Safestore Germany GmbH	Germany[8]	Holding company
Safestore Italia S.R.L[14]	Italy[9]	Holding company
Safestore European Investments 1 S.à.r.L	Luxembourg[2]	Holding company
Safestore Storage Properties 4 B.V.	Netherlands[6]	Provision of self-storage
Chelsea Self-storage Limited[10,15]	England and Wales	Provision of self-storage
Safestore Property Investments 1 Limited[10,11]	England and Wales	Provision of self-storage
Safestore Property Investments 2 Limited[10,12]	England and Wales	Provision of self-storage
Safestore Property Investments 3 Limited[10,13]	England and Wales	Non-trading
Safestore Property Investments 4 Limited[10,13]	England and Wales	Non-trading
Safestore Property Investments 5 Limited[10,13]	England and Wales	Non-trading

Notes:

1 Held directly by the Company.
2 Registered address: 412F, route d'Esch, L-2086 Luxembourg.
3 Registered address: 1, rue François Jacob, 92500 Rueil Malmaison, France.
4 Registered address: Calle Marina 153, 08013 Barcelona, Spain.
5 Registered address: Herikerbergweg 88, 1101CM Amsterdam, 1077ZX Amsterdam, Netherlands.
6 Registered address: Beijnesweg 19, 2031BB Haarlem, Netherlands.
7 Registered address: Chaussée de Bruxelles 151-155, 6040 Charleroi, Belgium.
8 Registered address: Westendstraße 28, 60325 Frankfurt, Germany.
9 Registered address: Via della Posta 7, 20123 Milan, Italy.
10 These companies are exempt from the requirement to prepare individual audited financial statements in respect of the year ended 31 October 2024 by virtue of Sections 479A and 479C of the Companies Act 2006.
11 Incorporated in January 2024.
12 Incorporated in February 2024.
13 Incorporated in May 2024.
14 Incorporated in June 2024.
15 Acquired in October 2024.

6. Non-current assets – loans to Group undertakings

	2024 £'m	2023 £'m
Loans to Group undertakings	**721.9**	943.9
	721.9	943.9

Amounts owed by Group undertakings are unsecured and repayable on demand; however, the Directors consider it unlikely that repayment will arise in the short term and in practice amounts owed by Group undertakings are used to meet the capital requirements of the borrower with no realistic repayment in the near future. It is for this reason that the amounts are classified as non-current assets.

Interest is charged to Group undertakings on amounts totalling £473.4 million (FY 2023: £524.9 million). The remaining amounts owed by Group undertakings are interest free. The movement in loans to Group undertakings relates to interest charged of £10.7 million (FY 2023: £11.1 million) and additional amounts repaid of £232.7 million (FY 2023: £97.1 million).

7. Trade and other receivables

	2024 £'m	2023 £'m
Other receivables	**0.9**	1.0
	0.9	1.0

Trade and other receivables due within one year were tested for impairment in line with the Group as described in note 2. As at 31 October 2024, these amounts due are considered fully recoverable and no provision has been made (FY 2023: £nil).

8. Current liabilities

	2024 £'m	2023 £'m
Amounts owed to Group undertakings	**76.6**	179.8
Accruals and deferred income	**2.7**	3.3
	79.3	183.1

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand. The Directors have received assurance that repayment of amounts owed to Group undertakings will not arise in the short term.

9. Non-current liabilities

	2024 £'m	2023 £'m
Loan notes	**473.4**	524.9
	473.4	524.9

Of the above, £317.5 million (FY 2023: £277.4 million) is due after more than five years.

The Company has in issue €nil (FY 2023: €50.9 million) 1.59% Series A Senior Notes due 2024, €70.0 million (FY 2023: €70.0 million) 1.26% Series A Notes due 2026, £35.0 million (FY 2023: £35.0 million) 2.59% Series B Senior Notes due 2026, €74.1 million (FY 2023: €74.1 million) 2.00% Series B Senior Notes due 2027, £20.0 million (FY 2023: £20.0 million) 1.96% Series A Notes due 2028, €29.0 million (FY 2023: €29.0 million) 0.93% Series B Notes due 2028, £50.5 million (FY 2023: £50.5 million) 2.92% Series C Senior Notes due 2029, £30.0 million (FY 2023: £30.0 million) 2.69% Series C Senior Notes due 2029, €105.0 million (FY 2023: €105.0 million) 2.45% Private Shelf Senior Notes due 2029, £80.0 million (FY 2023: £80.0 million) 2.39% Series C Notes due 2031 and €29.0 million (FY 2023: €29.0 million) 1.42% Series D Notes due 2033.

10. Called up share capital

	2024 £'m	2023 £'m
Called up, allotted, and fully paid		
218,490,500 (FY 2023: 218,039,419) ordinary shares of 1 pence	**2.2**	2.2

Ordinary shares

The holders of the ordinary shares shall be entitled to one vote for each ordinary share.

For details of share options see note 22 in the Group financial statements.

11. Contingent liabilities

For details of contingent liabilities see note 27 in the Group financial statements.

12. Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using tax rates enacted in each respective jurisdiction corresponding to when they are expected to reverse. The movement on the deferred tax account was as shown below.

Deferred tax asset	Other timing differences £'m	Tax losses £'m	Total £'m
At 1 November 2022	—	—	—
Credit to income statement	—	2.9	2.9
At 31 October 2023	—	2.9	2.9
At 1 November 2023	—	2.9	2.9
Credit to income statement	—	(1.7)	(1.7)
At 31 October 2024	**—**	**1.2**	**1.2**

The deferred tax asset receivable after more than one year is £1.2 million (FY 2023: £2.9 million) and will be utilised by reducing future taxable profit.

As at 31 October 2024, the Company had unutilised trading losses of £4.9 million (FY 2023: £11.2 million).

Glossary

Absorption rate	The rate at which rentable space is filled.
Adjusted Diluted EPRA Earnings per Share	Based on the European Public Real Estate Association's definition of earnings and is defined as profit or loss for the period after tax but excluding corporate transaction costs, change in fair value of derivatives, gain/loss on investment properties and the associated tax impacts. The Company then makes further adjustments for the impact of exceptional items, net exchange gains/losses recognised in net finance costs, exceptional tax items, and deferred and current tax in respect of these adjustments. The Company also adjusts for IFRS 2 share-based payment charges.
Adjusted earnings growth	The increase in adjusted EPS year on year.
Adjusted EPS	Adjusted profit after tax divided by the diluted weighted average number of shares in issue during the financial year.
Adjusted profit before tax	The Company's pre-tax EPRA earnings measure with additional Company adjustments.
Average net achieved rent per sq ft	Storage revenue divided by average occupied space over the financial year.
Average rental growth	The growth in average net achieved rent per sq ft year on year.
Average storage rate	Revenue generated from self-storage revenues divided by the average square footage occupied during the period in question.
BREEAM	An environmental rating assessed under the Building Research Establishment's Environmental Assessment Method.
Cap and collar	Term used in connection with interest rates. A cap is an upper limit or maximum interest rate that will apply, while a collar is the minimum interest rate.
Capitalisation rate	The ratio of net operating income to property asset value.
Compound Annual Growth Rate ("CAGR")	The annual rate of return over a specified period of time longer than one year.
CER	Constant Exchange Rates (Euro denominated results for the current period have been retranslated at the exchange rate effective for the comparative period, in order to present the reported results on a more comparable basis).
Closing net rent per sq ft	Annual storage revenue generated from in-place customers divided by occupied space at the balance sheet date.
Earnings per Share ("EPS")	Profit for the financial year attributable to equity shareholders divided by the average number of shares in issue during the financial year.
EBITDA	Earnings before interest, tax, depreciation and amortisation.
EPRA	The European Public Real Estate Association, a real estate industry body. This organisation has issued Best Practices Recommendations with the intention of improving the transparency, comparability and relevance of the published results of listed real estate companies in Europe.
EPRA earnings	The IFRS profit after taxation attributable to shareholders of the Company excluding investment property revaluations, gains/losses on investment property disposals and changes in the fair value of financial instruments.
EPRA Earnings per Share	EPRA earnings divided by the average number of shares in issue during the financial year.
EPRA Net Asset Value ("NAV")	IFRS net assets excluding the mark-to-market on interest rate derivatives effective cash flow and deferred taxation on property valuations where it arises. It is adjusted for the dilutive impact of share options.
EPRA NAV per share	EPRA NAV divided by the diluted number of shares at the year end.
EPRA Net Tangible Assets ("NTA")	A proportionally consolidated measure, representing the IFRS net assets excluding the mark-to-market on derivatives and related debt adjustments, the mark-to-market on the convertible bonds, the carrying value of intangibles and deferred taxation on property and derivative valuations. It includes the valuation surplus on trading properties and is adjusted for the dilutive impact of share options.
EPRA NTA per share	EPRA NTA divided by the diluted number of shares held at the year end.
Equity	All capital and reserves of the Group attributable to equity holders of the Company.
Euro Interbank Offered Rate ("EURIBOR")	The average benchmark interest rate at which Eurozone banks offer unsecured short term lending on the interbank market.
Exit yield	Represents the capital value of an investment property at the end of the investment term expressed in percentage terms.

Free cash flow	Cash flow before investing and financing activities but after leasehold rent payments.
Gross property assets	The sum of investment property and investment property under construction.
Gross value added	The measure of the value of goods and services produced in an area, industry or sector of an economy.
ICR	ICR is interest cover ratio and is calculated as the ratio of Underlying EBITDA after leasehold rent to underlying finance charges.
Joint venture	A business arrangement in which two or more parties agree to pool their resources for the purpose of accomplishing a specific task.
Like-for-like occupancy	Excludes the closing occupancy of new stores acquired, opened and closed in the current financial year in both the current financial year and comparative figures.
Like-for-like revenue	Excludes the impact of new stores acquired, opened and closed in the current or preceding financial year in both the current year and comparative figures.
Loan to value ("LTV")	Gross debt (excluding lease liabilities) as a proportion of the valuation of investment properties and investment properties under construction (excluding lease liabilities).
Maximum lettable area ("MLA")	The total square feet ("sq ft") available to be fitted out to rent to customers.
Net debt	Total borrowings (including 'current and non-current borrowings and lease liabilities' as shown in the consolidated balance sheet) less cash and cash equivalents.
Net initial yield	The forthcoming financial year's net operating income expressed as a percentage of capital value, after adding notional purchaser's costs.
Net promoter score ("NPS")	An index ranging from -100 to 100 that measures the willingness of customers to recommend a company's products or services to others. The Company measures NPS based on surveys sent to all of its move-ins and move-outs.
Net rent per sq ft	Storage revenue generated from in-place customers divided by occupancy.
Occupancy	The space occupied by customers divided by the MLA expressed as a %.
Occupied space	The space occupied by customers in sq ft.
Pipeline	The Group's development sites.
Property Income Distribution ("PID")	A dividend, generally subject to withholding tax, that a UK REIT is required to pay from its tax exempt property rental business and which is taxable for UK-resident shareholders at their marginal tax rate.
Real Estate Investment Trust ("REIT")	A tax regime which in the UK exempts participants from corporation tax both on UK rental income and gains arising on UK investment property sales, subject to certain conditions.
Real Estate Transfer Tax ("RETT")	RETT is levied in respect of the acquisition of the legal and/or beneficial ownership of real estate located in the Netherlands, certain rights concerning such Dutch real estate, and shares in entities that qualify as a real estate entity.
REVPAF	REVPAF is an Alternative Performance Measure used by the business. REVPAF stands for revenue per available square foot ("REVPAF") and is calculated by dividing revenue for the period by weighted average available square feet for the same period.
Sterling Overnight Index Average ("SONIA")	The effective overnight interest rate paid by banks for unsecured transactions in the British Sterling market.
Store EBITDA	Store earnings before interest, tax, depreciation and amortisation.
Task Force on Climate-related Financial Disclosures ("TCFD")	The Financial Stability Board created the TCFD to improve and increase reporting of climate-related financial information.
Total shareholder return ("TSR")	The growth in value of a shareholding over a specified period, assuming dividends are reinvested to purchase additional units of shares.
Underlying EBITDA	Operating profit before exceptional items, share-based payments, corporate transaction costs, gain/loss on investment properties, depreciation and variable lease payments and the share of associate's depreciation, interest and tax. Underlying EBITDA therefore excludes all leasehold rent charges.
Underlying profit before tax	Underlying EBITDA less leasehold rent, depreciation charged on property, plant and equipment and net finance charges relating to bank loans and cash.

Directors

David Hearn	(Non-Executive Chairman)
Frederic Vecchioli	(Chief Executive Officer)
Simon Clinton	(Chief Financial Officer)
Jane Bentall	(Senior Independent Director)
Avis Darzins	(Non-Executive Director)
Laure Duhot	(Non-Executive Director)
Delphine Mousseau	(Non-Executive Director)
Gert van de Weerdhof	(Non-Executive Director)

Company Secretary
David Orr

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Share Portal: www.signalshares.com

Through the website of our Registrar, MUFG Corporate Markets, shareholders are able to manage their shareholding by registering for the Share Portal, a free, secure, online access to their shareholding.

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For all the latest news and updates at www.safestore.com.

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