

SHURGARD

SELF-STORAGE

SUSTAINABILITY REPORT

2021

JANUARY 1, 2021 TO DECEMBER 31, 2021

BASIS OF THE SUSTAINABILITY REPORT

This third sustainability report of Shurgard Self Storage S.A., headquartered in Luxembourg, presents the quantitative and qualitative information needed to understand its material sustainability issues for the calendar year 2021. It covers all activities of the company.

GRI 102-1 / 102-3 / 102-5 / 102-45 / 102-50 / 102-51 / 102-52¹

REPORTING FRAMEWORK

The scope in this report covers 100.0% of the total workforce.

GRI 102-1 / 10

REPORTING GUIDELINES

Shurgard has published a sustainability report annually since 2019, referencing the Global Reporting Initiative (GRI) standards and aiming to comply with EPRA sBPR guidelines.

GRI 102-54 / 102-55

DATA REVIEW

Shurgard called upon EVORA Global Ltd, to review the data published. Their limited assurance report on a selection of key performance indicators can be found in the chapter titled 'Assurance Summary Statement' in this document.

GRI 102-56

MATERIAL ASSESSMENT

In 2021, Shurgard conducted an internal materiality assessment to identify and select the most significant social, environmental and governance issues. Further information can be found in the chapter titled 'Materiality' in this document.

GRI 102-46 / 103-1

PARTICIPATION IN SUSTAINABILITY INITIATIVES

In 2015, the member states of the United Nations adopted 17 Sustainable Development Goals (SDGs) to ensure a better future for all without leaving anyone behind.

The SDG framework brings together society, governments and business to drive positive change. As a responsible company, Shurgard is determined to play an active role, on its own scale, contributing materially to the above SDGs via its Sustainability Strategy. To affirm this, Shurgard attained signatory status of the United Nations Global Compact in 2021.

GRI 102-12

CONTACT

For any question or comment on the published content of this report, please contact: investor.relations@shurgard.lu

GRI 102-53

¹ GRI stands for Global Reporting Initiative. GRI is the independent, international organization that helps business and other organizations take responsibility for their impacts, by providing them with the global common language to communicate those impacts.

SHURGARD SELF STORAGE

Shurgard is the largest owner and operator of self-storage properties ('stores') in Europe. Our network of over 255 stores comprises approximately 1.3 million rentable square meters and serves more than 174,000 customers in the Netherlands, France, Sweden, United Kingdom, Belgium, Germany and Denmark. As of December 31, 2021, we employ 771 personnel (who identify as 60.0% men, 40.0% women), with a range of over 36 nationalities (top three: 22.6% French, 20.3% Dutch and 13.8% Swedish).

GRI 102-53 / 102-4 / 102-8

MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

Welcome to our sustainability report.

Over the past few years, we have been solidifying our position as a European leader in sustainable self-storage operations. This has required us to embrace industry-leading innovations while working to reduce the environmental footprint of our assets.

HIGHLIGHTS FOR THIS YEAR:

- We reduced like-for-like electricity consumption across our portfolio by 3.0% compared to 2020;
- Our like-for-like carbon emissions reduced by 67.5% (Scope 1) and 86.0% (Scope 2), compared to 2020. Since 2017 we have achieved an 82.0% reduction in carbon emissions (covering both scopes 1 and 2), resulting in our meeting of our 2023 objective via a combination of energy efficiency reductions and green energy procurement;
- We have established our ISO 14001 aligned environmental management system, including undertaking a comprehensive materiality assessment;
- Our reporting processes have improved year-on-year and we were delighted to have this recognized with a Gold EPRA sBPR Award;
- We were awarded a score of 13.2 in the Sustainalytics ESG Risk rating report. This is a significant improvement on our 2020 score of 21.7. This places us in the 'low risk' category;
- We were awarded an excellent 5-star rating (the top banding) and a score of 87 out of 100 in the GRESB 2021 results. This reflects the growing care, attention and integration of ESG issues throughout our business.
- Shurgard attained signatory status of the United Nations Global Compact in 2021.

Our social and philanthropic endeavors have been very evident this year. Donations are planned or have already been made to a variety of different charitable organizations across Europe. We were awarded with the Fedessa Charity Initiative Award to applaud our efforts here.

As Chief Executive Officer, I, alongside my colleagues, work to develop and implement our ESG strategy. To fulfill our ESG objectives, we set up an efficient governance. Internally, a formal cross departmental ESG Committee is entrusted to implement the ESG goals of the Company and to suggest new ones under the management of our Executive Committee.

We see sustainability as not just a feature of our property, but inherent to the values and culture of our business. We commit to further expanding our climate resilience, carbon reduction (through our net zero commitment, established in this report) and community enhancement programs as part of our ESG strategy. We remain enthusiastic about the future because we are convinced that our approach and the dynamics of our collective spirit will enable us to contribute to change. We will continue to build a culture of authenticity, responsibility, respect and trust that will serve current and future generations.

Please read on for more information. Thank you for your interest in what we do.

Marc Oursin
Chief Executive Officer

INTRODUCTION

Shurgard has established sustainable and responsible policies and procedures, for the benefit of the environment and to promote long-term economic value for its customers, shareholders, and employees. In doing so, we follow principles of sound environmental and social sustainability and good governance (ESG). This is reflected in our dynamic management approach and our close engagement with our internal teams and wider stakeholders.

Shurgard's sustainability strategy aligns its management of ESG issues across the life cycle of its storage properties. Our properties are designed to be resilient, minimizing their environmental footprint and exposure to climate-related risks.

Shurgard strives, where possible, to be a positive force in the development of strong integrated local communities. We support a range of not-for-profit organizations, charities, and community groups across Europe.

Our people are our most valuable resources. As a result, Shurgard also has a strong focus on the people who work in and utilize its properties, and on maximizing their health and wellbeing by providing safe, productive, and positive environments. Central to the success of Shurgard is the right blend of talent, motivation and leadership. For this reason, investing in our people is not only the right thing to do, it is essential in delivering sustainable results. A healthy workforce is not only an ethical priority for Shurgard but can also make a significant contribution through increased productivity and reduced costs associated with sickness absence. Our ESG strategy and related initiatives aim to lead, support and develop our workforce to achieve business results and integrate a culture of wellbeing.

Our governance framework exists to provide an ESG strategy which drives our actions and strives to create positive results that are manifested in the day-to-day operation of our business. In 2021, we established an ISO 14001 aligned environmental management system (EMS). This was overseen by a formal cross departmental ESG Management Group (chaired by our Chief Executive Officer, and attended by the Chief Financial Officer, and representatives from Investor Relations, Real Estate, Human Resources, Legal, Finance, Marketing, Facility, and Operations). This EMS works to implement best practice environmental (and social) management throughout the business, via a series of policies, procedures and protocols. The ESG Management Group is entrusted to implement the EMS, progress the ESG objectives and maintain transparent ESG reporting. Our EMS will evolve over time to deliver continual improvement.

On a monthly basis, the ESG Management Group reports to members of the Senior Management at Executive Committee meetings. Ultimately, the oversight of ESG matters is entrusted to the ESG Committee of the Board of Directors. Thanks to the ESG Management Group, Shurgard benefits from an efficient chain of command. ESG materiality is at the core of the Company, supervised at the highest level of the Company.

Our 2021 ESG performance reported here, builds on our achievements in 2020, as validated by our GRESB 5-star result. We look forward to progressing on a number of ESG initiatives over the next 5 years as part of a €10 million per year investment program, including an LED energy efficient lighting rollout, heating optimization and solar photovoltaic panel installations. We will report our progress transparently under a number of reporting frameworks (GRESB, CSA, Sustainalytics) and within annual sustainability reports. Follow our progress online at <https://corporate.shurgard.eu/>. We welcome feedback and comments.

IMPROVE DIGITALIZATION, SUSTAINABILITY AND SECURITY

A total of €10 million per year over 2022- 2026 or €7/sqm/year



Summary of our 5-year ESG investment program

CONVICTION

Our approach to sustainable development is based on a realistic long-term vision. Our commitment is based on the analysis of issues and trends that could have a tangible impact on the world of tomorrow. Sustainability issues are therefore an integral part of our corporate strategy. Their integration into all our activities and decisions requires the identification of non-financial risks within our four priority pillars:

CONVICTION: TO BENEFIT OUR CUSTOMERS, EMPLOYEES AND SHAREHOLDERS BY RELENTLESSLY ADVANCING SELF-STORAGE SOLUTIONS FOR EVERY MOVE IN LIFE			
ENVIRONMENTAL IMPACT	IMPACT ON SOCIETY	OUR EMPLOYEES	ETHICS AND GOVERNANCE

SUSTAINABILITY AIMS

Our plans are clear. Whether serving our customers, hiring our employees, respecting the natural resources used in our stores or building relationships with communities, we focus on what is good for the business and for a sustainable future. This step-by-step approach leads to responsible investment solutions and decisions, with more committed employees and enhanced value for all our stakeholders. We must help individuals, companies and the economy to move towards a more sustainable and balanced system, focused on the management of non-financial risks. We look forward to continuing to make positive changes, relentlessly advancing self-storage solutions for every move in life.

GRI 102-47

PILLAR	MISSION	AIMS
ENVIRONMENTAL IMPACT	LIMIT AND CONTROL OUR ENVIRONMENTAL IMPACT	Optimize energy consumption
		Manage our water usage
		Make progress in responsible waste management
IMPACT ON SOCIETY	HELP TO BUILD A SUSTAINABLE SOCIETY	Have a positive societal impact
		Report on the impact of our commitments
		Deliver best-in-class customer service
OUR EMPLOYEES	BE AN EMPLOYER OF CHOICE	Strengthen engagement and social cohesion
		Share and live the Shurgard culture
		Invest in the development of our employees
ETHICS AND GOVERNANCE	RECONCILE RISK MANAGEMENT WITH INNOVATION	Incorporate sustainability solutions into Shurgard's corporate management systems and Code of Conduct

MATERIALITY

We must address the ESG issues that materially affect Shurgard, our shareholders, our employees and our community, in order to drive positive and transformational change. We seek to identify the issues that will impact our ability to operate successfully and create long-term value. To this end, we undertook a materiality review as part of our 2021 environmental management system adoption, to ensure that we are addressing the most important sustainability issues. This exercise was designed to refine and supplement our new objectives, building on the results of our previous materiality assessments.

Aligned with the Non-Financial Reporting Directive, we employed a double materiality perspective, covering both financial materiality, and environmental and social materiality.

We are constantly working to improve the way we listen to all our stakeholders, from customers to employees, so that we can answer their questions and understand the impact of our decisions.

The Board of Directors is ultimately responsible for considering how sustainability topics interrelate with its business strategy, and developing sustainability materiality processes that link with the wider risk management process. All stores are managed to provide long-term reward commensurate with acceptable risk. By assessing and understanding the range of ESG factors, together with many other investment criteria, we believe we will be better positioned to deliver consistent, superior long-term investment returns for our investors.

OUR MATERIAL ISSUES¹

- Climate change
- Health and Safety
- Customer wellbeing
- Community wellbeing
- Committed governance
- Transparency and reporting
- Financial and non-financial risk management
- Data security
- Strong corporate culture
- Economic performance
- Diversity and inclusion
- Talent management
- Employee well-being
- Learning and development
- Integration of ESG Dialogue and engagement
- Managing our carbon emissions
- Waste management and recycling
- Social impact
- Director remuneration
- Water use

GRI 102-47 / 103-1 / 102-44

¹ Ranked by order of importance – classified under EMS 2021

Other issues have been identified in connection with our activities but have not been selected as priorities. We integrate them into our monitoring and surveillance system used to further develop our sustainability program under our environmental management system. Our main challenges are directly linked to the United Nations [Sustainable Development Goals](#) (SDGs). We monitor our sustainability program in line with the most significant SDGs for our business sector. Through our actions, our investment strategies, our partnerships and our decisions, we seek to provide concrete responses to the SDGs that concern us.

STAKEHOLDERS

Our ability to provide solutions to sustainability issues has become more important to our business model. Our capacity to achieve this is linked to our commitments and our vision. In the same vein, we place great importance on building lasting relationships with our stakeholders. Our success depends on the quality of the relationships we build inside and outside Shurgard. A dialogue with our stakeholders and communication based on transparency allows for better risk management.



We define stakeholders as individuals, groups or organizations that may benefit or be affected by our business activities. We strive to create a balance between activities that generate value and short-term returns through effective management of current business activities, and investments in people, properties and technologies designed to produce sustainable returns over the long-term.

Our key stakeholders have been identified and prioritized according to the level of sustainability impact we believe our operations have on their day-to-day activities, and, in turn, their sustainability impact on our day-to-day activities. These impacts span our identified material ESG sustainability risks.

Reporting on our results, our commitments, our progress and our transformation is essential to maintaining lasting relationships. Encouraging dialogue with our various stakeholders helps us to improve, meet material issues and achieve our objectives. Our financial strength and reputation assure our stakeholders of our ability to fulfil our obligations to them and make us trusted partners.

We know that transparency and collaboration offer the opportunity to make a difference and improve our operations. This is why we are committed to:

- Maintaining a strong governance structure to manage risks and take advantage of opportunities;
- Providing superior services to advance the environment and society;
- Engaging with stakeholders in an ethical and socially responsible manner;
- Partnering with suppliers who share the same commitment to ethics, human rights and environmental management;
- Pursuing efforts to reduce carbon emissions and protect biodiversity;
- Fostering a working environment that supports employee health, safety, diversity and inclusion;
- Collating social and environmental measurements to assess our progress in meeting these commitments;
- Sharing data on sustainability indicators with stakeholders in order to continuously improve our performance.

KEY ESG HIGHLIGHTS



ACHIEVED 5-STAR GRESB
scale with a score of 87 out of a maximum of 100



GOLD MEDAL
at the EPRA Sustainability Best Practices Recommendations awards



LOW RISK
at the Sustainalytics ESG Risk Ratings Report in the top 5 percent globally

ENVIRONMENTAL HIGHLIGHTS



ENERGY USE

-5.6%

MWh*

2021	29,426
2020	31,176
2019	34,670

* Total energy use at same store (degree day corrected)



GREENHOUSE GAS EMISSIONS

-12.7%

Tonnes CO₂**

2021	5,595
2020	6,412
2019	7,189

** Total Scope 1 & 2 location-based emissions at same store. NB: Procurement of green supplies have reduced market-based carbon emissions by -78.8% year-on-year. See EPRA tables for further information.



GREEN CERTIFIED PROPERTIES

+31.4%

Number of voluntary certified stores (BREEAM***)

2021	46
2020	35
2019	29

*** Building Research Establishment Environmental Method (BREEAM) green building certification

SOCIAL HIGHLIGHTS



EMPLOYEE PERFORMANCE

+7.0%

Appraisal engagement – %

2021	93.0
2020	86.9
2019	79.4



GENDER PAY GAP

-2.4%

Gender pay gap**** – %

**** (in favor of male colleagues) in stores



COMMUNITY ENGAGEMENT

+6.6%

Assets that have implemented local community engagement – %

2021	100.0
2020	93.8
2019	42.9

ENVIRONMENTAL IMPACT

As an owner and operator of real estate, we understand the impact of our built environment and the importance of addressing these impacts in a sustainable manner. At Shurgard, we consider climate risk (both physical and transition) to be the most significant environmental risk. We recognize the possibility that climate changes associated with our activities or stakeholders may affect our business.

Self-storage properties generally present low operational environmental impacts with minimal utility use given the nature of the business. It should also be noted that our industry provides solutions that prevent customers disposing of goods as waste by offering storage options. Despite this, we continuously explore and, where feasible, implement solutions designed to mitigate climate change risk, reduce our carbon emissions and limit our overall impact on the environment.

A key reason for the establishment of the Shurgard ESG strategy is to improve the sustainability of our storage portfolio. Our approach identifies opportunities for efficiencies in energy and water consumption and strengthening climate resilience across the portfolio. Any efficiency projects undertaken are assessed on the basis of return on investment for both the environment and our investors.

When undertaking design work for our properties, we recognize the crucial importance of appropriate built asset design. Where possible we seek passive design solutions that aim to reduce heating, cooling, lighting and ventilation energy use. Our external design and material specifications aim to incorporate the benefits of thermal mass and reduce cooling energy use. We also utilize a range of technologies to minimize heat transfer (particularly in climate and/or humidity-controlled storage). Where we are required to remediate land or contaminated sites, we seek expert advice and endeavor to conduct works in a sustainable manner.

Natural hazards, including severe storms and flooding, may impact our operations and our properties. Comprehensive business continuity and disaster recovery plans detail our management and operational approach in hazardous situations. Should rectification works be required, we seek expert advice where necessary and where possible we conduct works in a sustainable manner.

We follow the Greenhouse Gas Protocol standards to measure and report greenhouse gas (GHG) emissions under scopes 1 and 2 and are looking towards an approach to better understand our scope 3 emissions. As a responsible company, we have a duty to combat climate change through commitments and actions that create the right conditions to build the world of tomorrow.

GRI 102-20

**Our mission in this area:
Limit and control our environmental impact**

How we aim to do this:
1. Optimize energy consumption;
2. Manage our water usage;
3. Make progress in responsible waste management.

OPTIMIZE ENERGY CONSUMPTION

Our environmental impacts include energy and carbon used to heat, light, and operate our stores (lighting, lifts, systems, and controls, etc.) and the carbon emissions generated. It is worth noting that we have been investing in energy efficiency strategies for many years and have now reached a point in time where any additional programs deliver much smaller returns.

LED LIGHTING INITIATIVE

LED upgrades are progressing across our stores:

Type	Description	LED upgrade % complete	
		2021	2020
External lighting	Facade, above accessible units, parking spots, canopy	89.6%	81.0%
Storage lighting	Corridor lighting	29.6%	16.0%
Employees room lighting	Office, back office, IT-room, toilet, janitor	54.0%	31.0%
Drive lighting	Internal drives	100.0%	100.0%

SOLAR PV ROLLOUT

We look for solar photovoltaic opportunities across our portfolio. At present, seventeen of our properties possess roof-mounted solar PV installations. These generate electricity, monitored for performance and we receive financial payments from energy companies we export to.

2021 ENERGY OPTIMIZATION ACHIEVEMENTS

- In 2021, we reduced like-for-like electricity consumption across our store portfolio by 5.6% compared with 2020. Our absolute consumption fell by 2.0% despite the addition of new stores in our portfolio.
- We surpassed our objective of a 10.0% reduction in energy consumption by 2023 based on our 2017 baseline, by achieving a like-for-like reduction of 15.2%;
- We surpassed our objective of 10% reduction in greenhouse gas emissions by 2023 based on 2017 baseline, as our like-for-like carbon emissions have already reduced by 19.0% (covering both Scopes 1 and 2, location-based);
- From January 2021, 100.0% of all electricity used across all our markets is sourced from traceable, zero carbon energy contracts;
- From January 2021, 63% of all gas supply contracts are offset through green gas contracts.

ENERGY OPTIMIZATION OBJECTIVES

- Operational net zero carbon by 2030;
- Material net zero carbon by 2040, or sooner;
- Reduce average greenhouse gas intensity of our properties by 2025 basis from 2020 baseline, through year-on-year reductions of 5.0%;
- Measure and report our own impact associated with business travel (by 2023).

2022 ENERGY OPTIMIZATION ACTION

- Establish protocols for monitoring, measuring and reporting on business travel.
- Replacement of gas heating in our markets (France, the Netherlands, Sweden, Germany, and Belgium) with electric or renewable energy heating (such as air source heat pumps) at a considered pace.

MANAGE OUR WATER USAGE

Water use for our stores is typically very low compared to sites of a similar size: our employees and visitors have toilet facilities, some stores have showers for employees who choose to travel by bike and our employees have access to a kitchen.

By the end of 2022, all our locations will be fitted with low flow taps and we are evaluating further water saving initiatives, where they are relevant. In 2021, we undertook a deep dive analysis into our highest water consuming assets to better understand consumption patterns and where further investigation was required.

2021 WATER ACHIEVEMENT

- Our absolute water intensity has reduced year-on-year by 1.7%, attributable to the newer stores in our portfolio being more water efficient;
- We are aware we have increased our water consumption by 10.0% in 2021 against our 2017 baseline on a same store basis. Whilst water consumption is not a highly significant material topic, due to the nature of our sector, our consumption patterns prompted us to undertake a deep dive analysis in 2021. This allowed us to scrutinize our data and understand those stores where intensity was greatest and actions are mostly urgently required to improve water usage efficiency.

2022 WATER ACTION

- Maintain protocols for low water consumption in the design and operation of our properties, for instance the provision of low flow taps.

MAKE PROGRESS IN RESPONSIBLE WASTE MANAGEMENT

We have equipped our stores with waste bins for general waste and recycling, and we have special collection arrangements for waste electronic and electrical equipment and lightbulbs. We provide guidance on use and recycling to our store teams during induction. Our main source of waste is from the operational activities of our stores. Our employees apply best practice waste segregation for general and mixed dry recyclable materials.

2021 WASTE ACHIEVEMENT

- We maintained our 100.0% rate of waste diverted from landfill.

RESPONSIBLE WASTE MANAGEMENT OBJECTIVE

- Maintain our waste diverted from landfill percentage (tracked annually under GRESB).

2022 WASTE ACTION

- Maintain protocols for low waste consumption in the design and operation of our stores.

WASTE CASE STUDY – MORGRINE CHALLENGE, FRANCE

Over 60 of our properties across France participate in a paper reduction challenge, termed “Morgrine” (more green). This challenge aims to reduce the amount of paper printed across the stores. Year-on-year paper consumption is tracked and monitored. Those with the biggest reduction in paper consumption can win awards. The award winners are encouraged to share tutorials on best practice tips for paper reduction with the rest of the European organization: more than 250 properties. Paper consumption has certainly gone down across the French stores, around 18.0% year-on-year, in part due to this challenge.

OUR NET ZERO CARBON COMMITMENT

The scientific community has clearly stated the need to reach net zero global carbon emissions by mid-century, in order to limit global warming to 1.5°C and reduce the destructive impacts of climate change on human society and nature.

The Intergovernmental Panel on Climate Change (IPCC) defines net zero as that point when “anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period”. The [Paris Agreement](#) sets out the need to achieve this balance by the second half of this century.

The concept of net zero has been rising in prominence ever since, and countries, cities, companies and other stakeholders are increasingly committing to reaching this ambitious goal. Shurgard’s European corporate offices and stores are obligated to meet requirements defined within the relevant European Directives, namely the Energy Performance of Buildings (EPBD) and Energy Efficiency Directive (EED). For example, these directives commit the sector to an energy efficiency reduction target of 32.5%, with policies to stimulate deep renovation (Building Renovation Passport) and improve the energy performance of buildings in development (Renovation Wave). However, Shurgard recognizes that we must go further.

As such, Shurgard is committing to decarbonizing its operations, including its travel footprint, guided by best practice principles. We will use the energy hierarchy to drive down carbon emission levels to “Paris Agreement proof”. We will neutralize our remaining climate impact by investing in carbon offsetting projects. We will also engage with our suppliers to tackle their climate impact.

OUR NET ZERO CARBON STRATEGY

We define operational Net Zero Carbon (NZC) for our buildings as the point in time when the amount of carbon emissions associated with the company’s operational energy on an annual basis is zero or negative. A net zero carbon building is highly energy efficient and powered from on-site and/or off-site renewable energy sources, with any remaining carbon balanced via a reputable carbon offset project.

Our commitment is to achieve absolute net zero carbon across our entire material emissions by 2040 or sooner. In addition, we have set an interim target to be operationally net zero carbon by 2030. This commitment builds on our pledge from 2021, that 100.0% of electricity is sourced from traceable zero carbon energy contracts.

This strategy explains our proposed plan for the upcoming years to 2030, including the targets we have set and the metrics we will be using to track our progress. This is the first phase on our journey to net zero carbon and it will focus on operational carbon (energy used in our offices and storage areas). A future second phase will involve a plan to achieve material net zero carbon by 2040, or sooner, for further scope 3 emissions including business travel, employee commuting and embodied carbon from our developments.

NET ZERO CARBON DELIVERY SCOPE

PHASE 1

Our phase 1 net zero carbon commitment applies to operational carbon emissions of our properties, where we have operational control and a direct ability to impact energy use and their associated emissions. We have been measuring and reporting the carbon emissions associated with managing our locations for many years. Scope 1 and 2 greenhouse emissions come from the fuels and electricity that we purchase and control, in order to operate our properties. In addition, we also include corporate emissions – scope 1 and 2 from our offices - in our phase 1 commitment. For information, we have occupied an all-electric head office building for a number of years now, which has eliminated scope 1 emissions (arising from gas use).

PHASE 2

Our net zero carbon target to 2040, or sooner, phase 2, focuses on scope 3 emission sources. Scope 3 emissions are from indirect sources – the capital goods, primarily the embodied carbon, built into new developments and refurbishments and from materials used on site. In between phases we will develop an understanding as to the precise make-up of phase 2 components.

The availability and quality of scope 3 emissions data is currently limited. An important component of our roadmap to net zero is to improve the breadth and depth of this data, and to develop more accurate monitoring and reporting protocols.

NET ZERO CARBON DELIVERY STRATEGY

We follow the greenhouse gas management hierarchy when setting actions to deliver our NZC commitment. The first step is to 'eliminate' emissions initially through low-carbon business decisions. Step 2 relates to increasing efficiency across our operations to 'reduce' greenhouse gas emissions. Step 3 aims to 'substitute' energy-intensive technologies for low-carbon technologies. Step 4 'compensates' residual emissions through offsetting. This will only be considered as a final step should the emissions be unavoidable. Below we set out our net zero carbon strategy at core stages of our business:

ACQUISITION

During acquisition we will:

- Appraise the potential for renewable installations – no over sighting/shadowing from natural daylight/ planned neighboring developments;
- Consider the potential for renewable energy generation from local supplies or schemes;
- Incorporate climate scenario mapping to understand resilience to physical climate threats.

DEVELOPMENT AND REFURBISHMENT

In development and refurbishment we will:

- Explore the assessment of whole life embodied carbon for new developments, including end of life;
- Specify all-electric heating and cooling systems, with resilience against power outages;
- Maximize on-site renewable energy generation.



Store under development, Cologne

OPERATIONS (STORES)

During operation we will:

- Identify priority assets for net zero carbon audits and implement auditing schedules if/where required;
- Set out energy efficiency measures in the store management plans and maintenance programs for all properties, including new developments;
- Identify properties in the portfolio that can be retrofitted to all electric heating and cooling systems;
- Explore opportunities for on-site solar photovoltaic installation;
- Procure 100% of electricity from Renewable Energy Guarantees of Origin (REGO) backed sources.

OPERATIONS (CORPORATE)

At corporate head office we will:

- Set out energy efficiency measures in plans and maintenance programs for all offices;
- Review the energy demand of our offices, set operational energy intensity targets and monitor ongoing performance;
- Develop a program for employee engagement to improve performance, including energy, water consumption and waste production;
- Explore opportunities for reducing carbon emissions from business travel.

MONITORING AND REPORTING

To track progress we will:

- Increase the granularity of operational energy consumption data by: (1) ensuring the accuracy of existing meters, (2) upgrading to half-hourly meters with AMR technology that automatically feeds into software platforms, (3) installing additional sub-metering, where considered valuable;
- Report progress against net zero ambitions transparently on an annual basis within the ESG report and GRESB.

GREEN CERTIFIED BUILDINGS

Shurgard encourages the achievement and maintenance of green building certifications to protect value and stay ahead of regulations. The Real Estate department at Shurgard is responsible for achieving and maintaining green building certifications, with the support of our ESG Management Group. The Group initiates feasibility studies and provides support to meet certification requirements and performance objectives. BREEAM (Building Research Establishment Environmental Method) is the certification of choice across our seven markets. BREEAM is a sustainability assessment method used to assess the environmental performance of buildings. Currently 19.0% of our portfolio holds BREEAM certification, and we are committed to certifying developing assets in our pipeline where relevant.

2021 GREEN BUILDING CERTIFICATION ACHIEVEMENT

- Energy Performance Certificate (EPC) across 100.0% of our portfolio. Over 80% of EPCs are rated at A+ or A (or equivalent);
- The percentage of BREEAM certified stores across our portfolio with a minimum 'Good' rating has increased from 10.2% to 13.3%.

2022 GREEN BUILDING CERTIFICATION ACTION

- For upcoming constructions, where relevant: to obtain BREEAM New Construction certificate.



Barking store - rated BREEAM Excellent

ENVIRONMENTAL MANAGEMENT SYSTEM

We believe that using an Environmental Management System (EMS) supports better ESG results. Shurgard's EMS aligns with the International Standards Organization (ISO) 14001 standard, which is an internationally recognized approach to environmental management. The key elements of our strategy include:

1. Plan: The results of our materiality review, together with asset level risk and opportunity analysis, are used to develop control procedures, objectives and targets, with the overall objective of achieving continual improvement.
2. Implement: We implement improvement programs in conjunction with our local partners and suppliers.
3. Monitor and Measure: We use a variety of approaches to monitor and measure ESG performance. Performance is tracked on a regular basis.
4. Review: We complete regular progress reviews. This is a vital element of our approach and is designed to help ensure our approach is refined and improved. A further, in-depth annual review is also completed. We also use external methodologies, including GRESB, Sustainalytics and CSA, to benchmark our performance externally.
5. Report: Finally, we commit to reporting progress on an annual basis.

2021 EMS ACHIEVEMENTS

- We have fully implemented an environmental management system, aligned to ISO 14001;
- We had no implication in any significant ESG controversies.

CLIMATE RELATED RISKS AND OPPORTUNITIES

Climate scenario analysis allows a company to plan for what it considers to be the material impacts of climate change. The ESG Management Group agrees that we should expect some physical climate change risks to have an impact on our business.

The impacts from localized flooding and from rising temperatures are deemed material.

Climate change is deemed a material issue to Shurgard from both a financial materiality perspective, and environmental and social materiality perspective.

PHYSICAL CLIMATE CHANGE RISKS

Impacts from both flooding and rising temperatures will likely have a financial impact on us. It may also have a reputational impact if stored goods are affected, and an indirect financial impact through rising insurance costs.

The financial impact of flooding could come from a range of impacts, such as damage to goods stored on the ground and basement floors, unblocking drains, clearing up large scale flooding, and more frequent maintenance of the building infrastructure that is exposed to a large amount of rain falling over shorter time frames, such as roofs, gutters, signage, etc.

The financial impact for longer periods of hot weather could come from a range of impacts, such as heat damage to goods being stored, increase in use of ventilation/cooling, potential retro-fitting of air conditioning units, detrimental impact on immediate neighborhoods through urban island effects and community pressure to address heat issues.

We report on climate-related risks consistent with the Non-Financial Reporting Directive (2014/95/EU) and the recommendations of the Task Force for Climate-Related Financial Disclosures (TCFD) within Appendix 1.

TRANSITION RISKS

There are a number of aspects of changing climate that the ESG Management Group deems likely to occur, in line with the commitments outlined in our net zero carbon commitment:

- A focus on electrification and decarbonization;
- An increase in carbon/emission taxation and fines (may vary across countries);
- An increase in standards, especially for buildings;
- A significantly higher reporting burden including scope 3;
- The introduction of a carbon price.

Decarbonizing Shurgard's operations will allow us to:

- Avoid the risk of stranded assets;
- Minimize the costs by investing at the right time;
- Minimize taxation, including carbon/emission taxation;
- Utilize our sustainability credentials to attract customers/investors.

INTERNAL PROCESSES

Shurgard has processes in place which we perceive are sufficient to maintain a close watch on increasing costs driven by climate change. These include:

- Identifying emerging issues through visual inspection for planned and unplanned maintenance. This is particularly useful for physical risk;
- Identifying issues via our ESG Management Group, for instance, modelling the potential increase in energy costs for cooling and understanding better the suitability of external tools, such as CRREM tool methodology.

2022 ACTIONS

- Our initial undertaking in 2022 is to conduct physical climate scenario mapping across our entire portfolio, to better understand the climate hazards we may face;
- Our goal is to further improve our transparency and reporting around this area, in alignment with the Task Force on Climate-Related Financial Disclosures (TCFD);
- We intend to replace inefficient gas heating systems across European stores with green gas procurement and/or air source heat pumps, at a ratio of 10 per year.

CLIMATE-RELATED RISKS

Regulation	2021	2020
Percentage floor area of EPCs rated A or more (European equivalent)	80.4%	-

We have two EPCs, both from stores in France, with low ratings. They are now a high priority for rectification.

CLIMATE-RELATED OPPORTUNITIES

Transitioning to a low carbon economy	2021	2020
% of gas purchased from renewable sources (market based)	63.0%	0.0%
% of electricity purchased from renewable sources (market based)	100.0%	0.0%
Greenhouse Gas (GHG) emissions intensity from building energy consumption (Scope 1 and 2) – tCO ₂ e/CLA (sq m)	1.02	5.5

IMPACT ON SOCIETY

Shurgard is committed to finding and implementing effective solutions to pressing societal issues and prioritizing sustainability. We partner internally and externally to make a difference in society. We are attentive to societal changes, and provide our expertise through social and societal impact programs.

Our mission in this area:
Contribute to a sustainable society

How we aim to do this:

1. Delivering a positive societal impact;
2. Reporting on the impact of our ESG commitments;
3. Providing best-in-class customer service;
4. Encouraging ESG through the supply chain.

DELIVERING A POSITIVE SOCIETAL IMPACT

At Shurgard, to help enable meaningful action, we define community as our immediate neighbors and those in the local catchment areas surrounding our stores. We support and empower our community partners by focusing on building positive and lasting relationships and maintaining a sustainable operation. We believe that having an open and transparent dialogue with our local communities enables us to create a harmonious environment for our neighbors, customers, and employees alike.

Compliance with local laws and regulations is paramount to the progress of our development projects, the sustainability of our operations and harmonious community environments. Hence, we consult and develop compliance action plans for each area in which we operate.

All our stores (as well as our corporate offices) have time and financial budgets to provide in-kind support and sponsorship to our community partners and this financial year they have continued to utilize these budgets to make a positive contribution.

The effectiveness of our community engagement is continuously reviewed and adjusted to ensure that we sufficiently address community interests and opportunities.

GRI 413-1

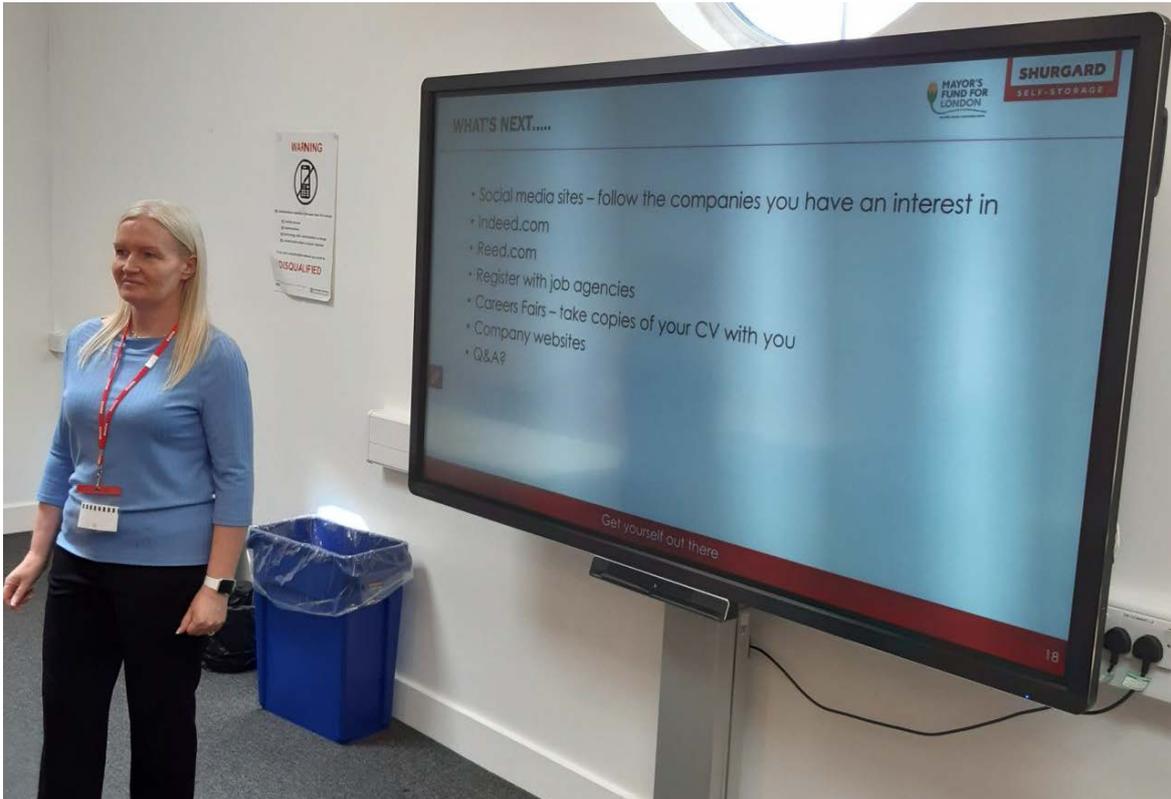
2021 ACHIEVEMENTS

- Continued our charity partnership with Le Rire Médecin, a leading association in France working with clowns entertaining children in hospitals. Shurgard provides free storage space at three of our stores in the Paris region;
- Continued our charity partnership with Stichting Babyspullen, a leading foundation in the Netherlands providing free baby essentials to low-income parents-to-be. Shurgard serves as a collection point for the foundation by placing donation containers at 20 self-storage locations across the Netherlands. In addition, Shurgard provides free storage space for Stichting Babyspullen at each of its stores;

- Established a charity partnership with Pelicano, a foundation that fights to end child poverty in Belgium. Since 2009, they have been committed to ensuring all children's basic needs of healthy living conditions, nutritious food, education and meaningful leisure time are met. Shurgard provides the foundation with free storage space at seven different self-storage locations and is collecting toys which Pelicano will distribute to underprivileged children during the Christmas period;
- Continued support of B2HELP to provide protection equipment to enable students in Africa to return to school in safe conditions. We provide free storage space for this charity at one of our stores in Belgium;
- Continued support of Off Road Kids: a German non-profit organization that runs a street social work system to prevent homeless young people from becoming street children; We provide free storage space for this charity at three of our stores in Germany;
- Sponsored Team Rynkeby, a Nordic charity cycling team raising money for organizations that support children with critical diseases across Europe. Shurgard has signed a platinum sponsorship contract with the organization, providing free storage space at three locations in Denmark and five locations in Sweden. In 2021, we completed a Fundraising Step Challenge, where our Shurgard teams collectively completed 6,420 kilometers, raising €1,400 for Team Rynkeby;
- Continued our charity partnership with the [Mayor's Fund for London](#) an independent pan-London charity offering support to young Londoners from low-income backgrounds. We were awarded the [Fedessa Charity Initiative Award 2021](#) for our support of the Mayor's Fund for London;
- Taken part in two engaging workshops at the Riverside Academy, Barking with the Mayor's Fund for London's Access Aspiration Program. Shurgard provided helpful tips on how to create a great CV and prepare for a job interview.



Fedessa Charity Initiative Award 2021



Mayor's Fund for London Aspiration Program

SOCIETAL IMPACT OBJECTIVES

Below we set out our core social objectives:

- Implement a community and charitable engagement policy;
- Continue to engage charity programs in each of our seven markets;
- Improve reporting on corporate citizenship and philanthropic endeavors;
- Integrate social integration criteria into the new store planning and development phase.

2022 SOCIETAL IMPACT ACTIONS

To deliver our social objectives, in 2022, we will take the following actions:

- Implement, and make publicly available, a Community and Charity Policy;
- Maintain existing reporting on corporate citizenship and philanthropic endeavors.

PHILANTHROPIC CONTRIBUTIONS

For 2021, we estimate below the total monetary value (at cost) of Shurgard's corporate citizenship/philanthropic contributions for each of the following categories. 100% of our corporate citizenship and/or philanthropic activities are comprised of charitable donations, a breakdown is provided in the table below:

Type of Contribution	2021
Cash Contributions	€18,344
Time: employee volunteering during paid working hours	€2,081
In-kind giving: product or service donations, projects/partnerships or similar	€75,650
Total Charitable Contributions	€96,795

REPORTING ON THE IMPACT OF OUR ESG COMMITMENTS

GRESB

[GRESB](#) is the Global Real Estate Sustainability Benchmark. GRESB is a mission-driven and investor-led organization that provides actionable and transparent Environmental, Social and Governance (ESG) data to financial markets. GRESB collects, validates, scores and benchmarks ESG data to provide business intelligence, engagement tools, and regulatory reporting solutions. The GRESB Assessment is guided by what investors and the industry consider to be material issues in the sustainability performance of real asset investments and are aligned with international reporting frameworks, such as GRI, PRI, SASB, DJSI, TCFD recommendations, the Paris Climate Agreement, UN SDGs, region and country specific disclosure guidelines and regulations.

In 2021, more than 1,500 property entities, REITs, funds and developers participated in the Real Estate Assessment, representing \$5.7 trillion in assets under management. The Assessment covers nearly 117,000 assets across 66 countries.

Shurgard is delighted to announce a 2021 5-star result, with a score of 87 out of 100.



This is an improvement of 27 points versus our first submission in 2019. In addition, we performed well in the Public Disclosure element of the assessment, receiving full marks.



Significantly, Shurgard also achieved GRESB Real Estate Sector leader status – denoting our position as first in our peer group. The result reflects Shurgard’s efforts over the last two years to improve our ESG management and performance.



G R E S B
R E A L E S T A T E

sector leader 2021

CORPORATE SUSTAINABILITY ASSESSMENT

The Corporate Sustainability Assessment (CSA) and the collaboration with Dow Jones Indices (now S&P Dow Jones Indices) is a foremost global sustainability benchmark. Companies are selected for inclusion in the Dow Jones Sustainability Indices (DJSI), S&P 500 ESG and several other sustainability indices in part based on their results in the S&P Global CSA. The CSA applies a best-in-class approach, meaning no industries are excluded from the assessment. It compares companies across 61 industries via questionnaires assessing a mix of 80-100 cross-industry and industry-specific questions. On the basis of their performance, companies receive scores ranging from 0 to 100 and percentile rankings for approximately 20 financially relevant sustainability criteria across economic, environmental and social dimensions. All assessed companies' industry rankings are published on the Bloomberg Platform. S&P Global ESG Scores, calculated from the CSA, are available publicly and accessible to the financial community on the S&P Global Market Intelligence platform.

In 2021, we participated in the CSA and achieved results of 39/100. Given that we were in our first year of 'active' participation and the nuances of the CSA (e.g. demands for most evidence to be publicly available), we believe this to be a good result. We will undertake this again in 2022.

SUSTAINALYTICS

During the year, we had our risks and control measures evaluated via the <https://www.sustainalytics.com/> ESG Risk Rating. Sustainalytics' ESG Risk Ratings measure a company's exposure to industry-specific material ESG risks and how well a company is managing those risks. This multi-dimensional way of measuring ESG risk combines the concepts of management and exposure to arrive at an absolute assessment of ESG risk. We were awarded a score of 13.2, a significant improvement on our 2020 score of 21.7 (the lower the better). This places us now in the 'low risk' category. Shurgard is in the top 13 % in real estate and in top 5 % globally.

ESG Risk Rating

13.2

Updated Aug 10, 2021

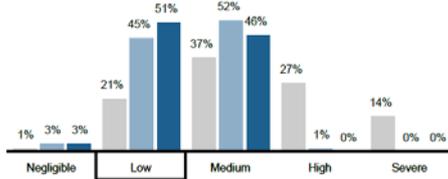
-8.5

Momentum

Low Risk



ESG Risk Rating Category Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK	PERCENTILE
	(1 st = lowest risk)	(1 st = lowest risk)
Global Universe	602/13581	5th
Real Estate INDUSTRY	127/1001	13th
Real Estate Management SUBINDUSTRY	21/145	15th

EPRA SBPR

Shurgard reports the Company’s sustainability indicators based on EPRA’s ([European Public Real Estate Association](#)) latest recommendations: Best Practice Recommendations on Sustainability Reporting, third version September 2017. The EPRA sustainability Best Practices Recommendations (sBPR) are intended to raise the standards and consistency of sustainability reporting for listed real estate companies across Europe. As with the EPRA financial BPR Awards, each year EPRA recognizes companies which have issued the best-in-class annual sustainability performance report. Based on adherence to the EPRA sBPR in their public disclosure, companies are identified for Gold, Silver or Bronze Awards. The Award winners are announced each year at EPRA’s Conference.



In 2021, we achieved a Gold Award – an improvement on our Silver Award in 2020.

INVESTOR RELATIONS

In addition to the reporting frameworks and benchmarks above, our executive team runs a program of investor engagement activities including annual and quarterly reporting cycles and attends investor events across Europe and the USA. In September 2021, we hosted a successful webcast investor event. A replay can be found here: <https://www.shurgard.com/corporate/investors/investor-day/2021>.



EU TAXONOMY

EU Taxonomy objectives

Shurgard considers climate change a key risk and is committed to operate its business in a sustainable manner, by mitigating the impact of its operations on the environment. We recently announced our ambition to become a material net zero carbon company by 2040.

Climate change is a global challenge, also being addressed by the European Union through ambitious climate and energy targets to reach the objectives of the European Green Deal. As part of these activities, the EU Taxonomy has been issued, establishing a common understanding of green economic activities that make a substantial contribution to EU environmental goals, by providing consistent, objective criteria to classify and list activities that are environmentally sustainable. It aims at providing companies, investors, and policymakers with appropriate definitions to objectively measure how sustainable a company is, enable comparability and help direct investments towards sustainable projects.

Regulatory Framework

The EU Taxonomy Regulation was published in June 2020 and entered into force on July 12, 2020. The Taxonomy Regulation establishes six environmental objectives: (i) Climate change mitigation, (ii) Climate change adaptation, (iii) The sustainable use and protection of water and marine resources, (iv) The transition to a circular economy, (v) Pollution prevention and control, and (vi) The protection and restoration of biodiversity and ecosystems. Together with the Corporate Sustainability Reporting Directive (CSRD) these two instruments aim at ensuring that companies falling in the scope of the CSRD, disclose the environmental performance information of the company as well as information about a company's Taxonomy aligned economic activities. The EU Taxonomy Regulation tasked the European Commission ("EC") to establish technical screening criteria through delegated acts.

In the first Taxonomy Delegated Act, the EC defined these Technical Screening Criteria ("TSC") for each objective. This first Delegated Act was formally adopted on June 4, 2021. This Delegated Act set the criteria for the most relevant sectors in achieving the green goals, including sectors such as energy, forestry, manufacturing, transport and buildings.

According to the EU Taxonomy, covered companies have to disclose:

- The extent to which they invest (through "CapEx") to either strengthen or expand their activities which are already Taxonomy-aligned, or to upgrade activities to make them Taxonomy aligned;
- Green turnover;
- Green expenditures ("OpEx").

The disclosure requirements start applying:

- On January 1, 2022 in relation to the climate objectives (climate change mitigation, climate change adaptation);
- On January 1, 2023 in relation to the other four environmental objectives.

As of January 2022, non-financial undertakings have to disclose only the proportion of Taxonomy-eligible and Taxonomy non-eligible economic activities, in their total turnover, capital and operational expenditure and in addition qualitative information relevant for this disclosure ("Accounting Policies").

Shurgard’s taxonomy-eligible activities

A taxonomy-eligible activity under the Taxonomy Regulation is defined as an economic activity that is described in the European Commission’s Delegated Acts. In line with the above guidance, we have analysed Shurgard’s economic activities to evaluate their eligibility to contribute to the aforementioned environmental objectives.

We concluded that our “Construction and Real estate” activities are taxonomy-eligible. This pertains specifically to the following NACE codes:

NACE Code	Taxonomy-eligible	Example of taxonomy-aligned activity
F41.1	Development of non-residential building projects.	Construction of a new self-storage store, renovation of an existing self-storage property, installation, maintenance and repair of energy efficiency equipment, stations for electric vehicles, instruments and devices for measuring, regulating and controlling energy performance of buildings and of renewable energy technologies.
F41.2	Construction of non-residential buildings.	
F43	Specialised construction activities (site preparation, electrical installation, plumbing, heat and air-conditioning installation, roofing, etc.).	
M71	Architectural and engineering activities; technical testing and analysis (building design and drafting).	

The other economic activities of Shurgard were classified as non-eligible as they are not part of the activities under the scope of the first Delegated Act on the climate objectives (e.g. renting out self-storage units).

Shurgard’s taxonomy-aligned activities

Shurgard is currently in the process of setting up a governance structure and processes to assess and track the taxonomy alignment of the above eligible activities. A taxonomy-aligned activity must make a substantial contribution based on the TSC outlined in the Climate Delegated Act, should not significantly harm the other five environmental objectives and should comply with minimum safeguards check. In line with the EU Regulation, Shurgard will start reporting on the taxonomy-alignment of its activities for all reports published from January 1, 2023.

Turnover, CapEx and OpEx KPI’s

Article 8 of the Taxonomy Regulation defines 3 Key Performance Indicators (KPI) to assess the proportion of turnover, CapEx and OpEx associated with economic activities that qualify as environmentally sustainable.

Shurgard is preparing its financial statements in accordance with International Financial Reporting Standards (“IFRS”), as adopted by the European Union. The KPI’s calculated here below are based on the EU Regulation definitions. Qualitative information is provided to give some clarity on what is included or excluded from the KPI’s in order to ensure the reader of the information can understand how these KPIs should be understood, compared to IFRS financial information provided in the financial statements.



Turnover

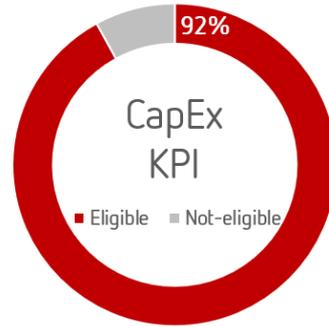
The turnover KPI represents the proportion of Shurgard’s net turnover derived from products or services associated with environmentally sustainable economic activities, as currently covered by the first Delegated Act.

Eligible activities: none

Shurgard’s turnover, consisting mainly in real estate rental revenue and ancillary revenue, is not eligible under the EU Taxonomy.

Capital Expenditures (“CapEx”)

The CapEx KPI represents the proportion of Shurgard’s capital expenditure that is either already associated with environmentally sustainable economic activities or is part of a credible plan to extend such activities or for activities which are not yet taxonomy-aligned to reach environmental sustainability.

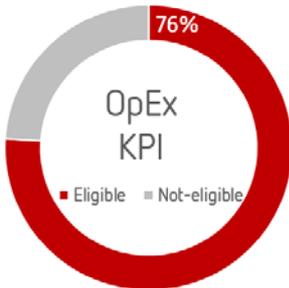


Eligible activities: construction and development of self-storage facilities; installation, maintenance and repair of specialized construction activities; architectural design

Shurgard’s CapEx consists of acquisition of stores (IFRS 3 / IAS 16 / IAS 40), expenditures on our investment properties (IAS 40), rights of use (IFRS 16), property, plant and equipment (IAS 16), and capitalized intangible assets (IAS 38).

The capital expenditures are generally taxonomy-eligible, as they relate to constructions, renovations, installation, maintenance and repair of specialized construction activities and building design and drafting, as described in the Delegated Acts.

From the KPI numerator the rights of use of our company cars, our office equipment, the finance leases (IAS17) and the capital expenditures recognized as intangible assets have been excluded, as relating to activities not covered by the first Delegated Act.



Operating Expenditures (“OpEx”)

The OpEx KPI represents the proportion of operating expenditure associated with environmentally sustainable economic activities or the above-mentioned CapEx plan. The operating expenditure covers essentially non-capitalized costs relating to the maintenance and servicing of company assets (plant, equipment) that are necessary to ensure the continued and effective use of such assets associated with taxonomy-alignment.

Eligible activities: construction and development of self-storage facilities; installation, maintenance and repair of specialised construction activities; architectural design.

Our operating expenses are made up of the following category of expenses: Staff compensation and benefits expense; Real estate and other taxes; Repair and maintenance expense; Marketing expense; Utilities; Doubtful debt expense; Ancillary operations expense; Real Estate leasehold expense; Irrecoverable VAT; Legal and Consultants; Insurance expense; Costs related to the IT infrastructure; Office Administration; Other OpEx; Travel and Representation; Expenses incurred as a result of involuntary conversion; Business interruptions insurance recoveries regarding involuntary conversions; Acquisition cost expensed and dead deals; Share-based compensation expense; Capitalized costs and Depreciation and amortization expenses.

Not all our operating expenses meet the definition of OpEx KPI as per the Taxonomy Regulation. We included the following expenses into the denominator:

The staff compensation and benefits expenses of our personnel working in the Facility Management (managing our properties and ensuring they are repaired and maintained), Real estate (research, development and

construction/design of our properties, including searching for acquisition targets) and IT service departments (intangible assets). The staff cost includes travel, representation and share-based compensation expenses.

- Repair and maintenance expenses.
- Irrecoverable VAT, for the portion pertaining to expenses included in the numerator.
- Legal and consultants, for the part related to, amongst others, architecture, engineering, construction or real estate services.
- Costs related to the IT infrastructure (data centers, IT projects, infrastructure maintenance, etc.).
- Office Administration, only for expenses related to office equipment.
- Acquisition costs expensed and dead deals.

The other expenses are excluded from the denominator.

In the numerator, 24% of our expenses were considered as non-eligible. They belong to non-capitalized costs relating to assets that are not eligible such as costs related to our company cars, our IT-related expenses (associated with intangible assets that are not in scope of the Taxonomy) and our office equipment.

NON-FINANCIAL REPORTING DIRECTIVE

The new Corporate Sustainability Reporting Directive (CSRD) revises and strengthens rules introduced by the Non-Financial Reporting Directive (NFRD). Shurgard aims to adhere to the requirements within the Non-Financial Reporting Directive (NFRD). We remain informed of the requirements of the Corporate Sustainability Reporting Directive (CSRD) – which currently will be an obligation in our 2024 report (affecting the 2023 reporting period) – providing an extension to the requirements of the NFRD.

2021 REPORTING ACHIEVEMENTS

- GRESB – Awarded five Green Stars in 2021 results, a score of 87 out of 100;
- Sustainalytics – Awarded a 2021 score of 13.2. This places us now in the 'low risk' category;
- Achieved an EPRA sBPR Gold Award for our reporting covering the 2020 calendar year, published in 2021.

REPORTING OBJECTIVE

- Participate in GRESB and other reputable frameworks, and work to improve scores year-on-year.

2022 REPORTING ACTION

- Host a workshop with key members of the Shurgard team to better understand, and prepare for, the disclosure requirements of EU Taxonomy regulations.

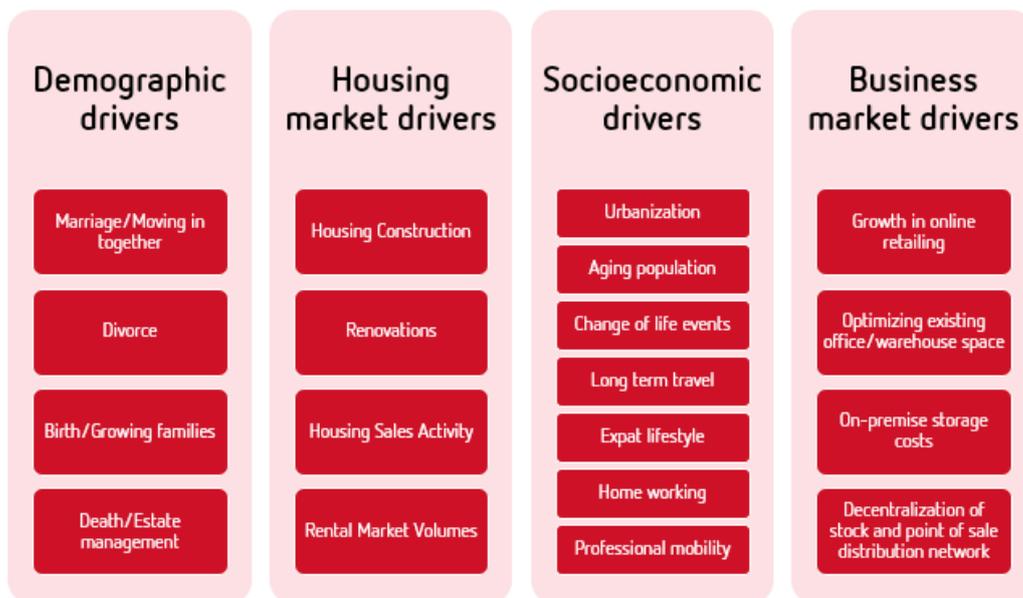
PROVIDING BEST-IN-CLASS CUSTOMER SERVICE

Delivering excellent customer service is central to the Shurgard ethos and we view it as a key competitive advantage. We are committed to understanding our customers’ needs, providing tailored storage solutions and delivering on our brand promise. Our focus on customer engagement and insights informs our customer experience strategy which aims to deliver superior experiences and in turn, drive retention and referrals.

Our policies and procedures are designed to protect the health, safety and privacy of our customers. We monitor and assess these programs which are updated regularly based on our learnings.

Around 80% of the Shurgard customer base are residential customers whose storage needs range from short term due to moving home, renovating or simply needing more room, through to long-term needs for collectibles or hobbies. The remainder of the Shurgard customer base is businesses, from online retailers or local businesses through to multi-national companies requiring a distribution network.

We define four overarching demand drivers for self storage – demographic, housing market, socioeconomic and business market. Changes in these drivers and market conditions influence the demand for self storage and in turn our operating business.



2021 CUSTOMER SERVICE ACHIEVEMENTS

- Over 30,000 Google reviews were collected with an average rating of 4.9 out of 5 stars. Our all-time rating currently stands at 4.8 out of 5. It is a valuable testimony to our service level and feedback approach;
- We have expanded the scope of our engagement with customer review site Trustpilot, collecting reviews from our customers in all the markets in which we operate. Over the last 12 months, our customers have rated their experience 4.4 out of 5;
- Meanwhile from January to October of 2021, 6,400 reviews were collected using Feefo, the online review platform which guarantees genuine feedback by direct invites only. These reviews were rated between 4.6 and 4.8 out of 5 across the European countries we operate;



- [Service Value](#), the rating and ranking agency, presented Shurgard with the highest recommendation rate in the self-storage industry – a recommendation score of 18.7 – following a customer survey in April/May 2021.

2022 CUSTOMER SERVICE ACTIONS

- Continue to seek customer feedback through Google reviews and seek improvement opportunities at each store;
- Aim for 100% of stores and districts to be reviewed at the high-end of the Google rating range (4.5+ out of 5).

ENCOURAGING ESG THROUGH THE SUPPLY CHAIN

We commit to working with appointed partners, suppliers and contractors to improve ESG performance through our supply chain.

To drive positive change and as part of our procurement process, we ask our suppliers strategic questions and evaluate different options using a wide variety of criteria. Sustainable procurement means going beyond price, quality, and value to also incorporate environmental, social, and governance considerations into our supply-chain decisions and purchases. Our sustainable procurement strategy contributes to local communities and, by buying locally, helps reduce negative environmental and health impacts, by notably promoting high labor standards and local job creation.

As part of our sustainable procurement strategy, Shurgard:

- Considers environmental, social and governance matters when procuring products, services and equipment;
- Provides our employees and suppliers with knowledge and resources about sustainable procurement principles;
- Proactively implements compliance provisions in contract templates;
- Reviews modern slavery and bribery risks throughout the supply chain.

We continually look for opportunities to increase dialogue and improve understanding, both internally and externally, on sustainable sourcing. Strategies include addressing sustainability-specific requirements in our standard procurement agreements. Within all our contracts we have clauses relating to anti-bribery, human rights and modern slavery¹.

Shurgard is committed to preserving rainforests and other natural forests with high conservation value, and will work systematically and purposefully to ensure that our products do not contribute to deforestation. This commitment applies to all of our operations and sourcing.

Shurgard uses paper and board for the packaging sold to our customers to aid their moving needs. We require that all of our suppliers of wood fiber-based products for packaging applications only use wood fibers from forests that are managed sustainably and that provide appropriate traceability. The wood fibers must come from forests that are certified. All forestry-based products (for packaging) supplied to Shurgard are either Forest Stewardship Council (FSC) or PEFC (and other certifications recognized by PEFC) certified. We promote these credentials alongside the packing materials for sale. Other documentation given to customers is on FSC certified paper.

2021 SUPPLY CHAIN ACHIEVEMENT

- Conducted an ESG supplier assessment on the main construction and maintenance suppliers in each market where we operate.

SUPPLY CHAIN OBJECTIVE

- Continue to develop sustainable supply chain engagement frameworks.

¹ For further information, see our Anti-slavery, human trafficking and child labor statement: [20190930-shurgard-anti-slavery-human-trafficking-child-labor-statement.pdf](https://www.shurgard.com/20190930-shurgard-anti-slavery-human-trafficking-child-labor-statement.pdf) ([azureedge.net](https://www.azureedge.net))

2022 SUPPLY CHAIN ACTION

- Our ongoing commitment is to continue to require our supply chain to confirm their approach on anti-bribery and corruption, modern slavery and diversity and inclusion policies. We will keep the performance of our key suppliers (identified by turnover) under annual review.

OUR EMPLOYEES

Our employees are a key pillar in our sustainability strategy.

The commitment of our teams to the development of our employees is based on sharing common values such as collective effort, a strict sense of ethics and the search for excellence. The sustainability objectives are set in line with these goals and are consistent with values and convictions.

Our mission in this area:
Be an employee of choice

How we aim to do this:

1. Strengthen engagement and social cohesion;
2. Share and live the Shurgard culture;
3. Prioritize workplace Health and Safety;
4. Invest in the development of our employees.

STRENGTHEN ENGAGEMENT AND SOCIAL COHESION

We place a high degree of trust and authority in our support center teams and operational management to run each store and region with support and oversight from our European Support Center.

Shurgard is passionate about creating excellent workplaces characterized by optimal organizational health, wellbeing and productivity of our employees. Our policies and programs are designed to make our employees' working life productive and rewarding. We foster an open, supportive, diverse and inclusive culture and regularly monitor and evaluate our performance in this regard.

We are accredited by [Investors in People](#), an internationally recognized people management accreditation association. The accreditation recognizes Shurgard as having principles and practices in place to support our employees and that our employees are aware of how to use them to make our work environment better. The accreditation will require renewal in 2023.

[Glassdoor](#) operates a review site for employees of large corporations, such as ours. Our current ranking is higher than average (the average rating is a 3.69 out of 5, while the average CEO approval rating is 82%).



SHARE AND LIVE THE SHURGARD CULTURE

Our ambition is to anchor Shurgard's culture in everyday practices in order to forge positive relationships, improve the employee experience and create a united internal environment.

Diversity, Equity and Inclusion

Shurgard is committed to an inclusive workplace that embraces and promotes diversity, pay equity and equal opportunity. The principle of non-discrimination permeates all of the processes inherent in our Company. To meet this commitment, we make sure that Shurgard guarantees equality, whether it be gender, culture, age, or origin, in all its processes, including:

- Talent review;
- Compensation review;
- Promotions;
- Development programs.

Our teams are located in eight countries. We therefore benefit from a naturally diverse and high-quality employee base. Our diversity of thinking and experience fosters innovation and long-term relationships. We strive to create a working environment that is synonymous with warmth, respect, support and appreciation. We strive to increase the diversity of gender, culture, age, origin and training within our workforce. We value, respect and leverage the unique contributions of people with diverse backgrounds and perspectives to enhance the understanding of the needs of our customers. We believe that this encourages innovative solutions and exceptional customer service within an equally diverse community. Our commitment to creating and ensuring a diverse work environment contributes to Shurgard's corporate objectives and embeds the importance and value of diversity within the culture of our organization.

Shurgard aims to create an inclusive environment that supports people and removes artificial barriers from the workplace. Training for all employees on sexual harassment and discrimination occurs at induction and is refreshed on a regular basis. The management of Equal Employment Opportunities within Shurgard is the responsibility of all employees. Recruitment, selection and promotion of individuals into specific positions or for development opportunities are determined on personal/professional merit, and all employees are subjected to the same rules and conditions of employment without regard to any individual differences. Shurgard also respects the right of all employees to form and join a trade union of their choice without fear of intimidation or reprisal, in accordance with national law.

OVER 36 NATIONALITIES REPRESENTED IN THE BUSINESS

51.0% OF WOMEN AMONG PROMOTIONS

46.0% OF WOMEN AMONG RECRUITMENTS

2021 DIVERSITY, EQUITY AND INCLUSION ACHIEVEMENT

- Maintained a 30% women ratio for our Non-Executive Directors.

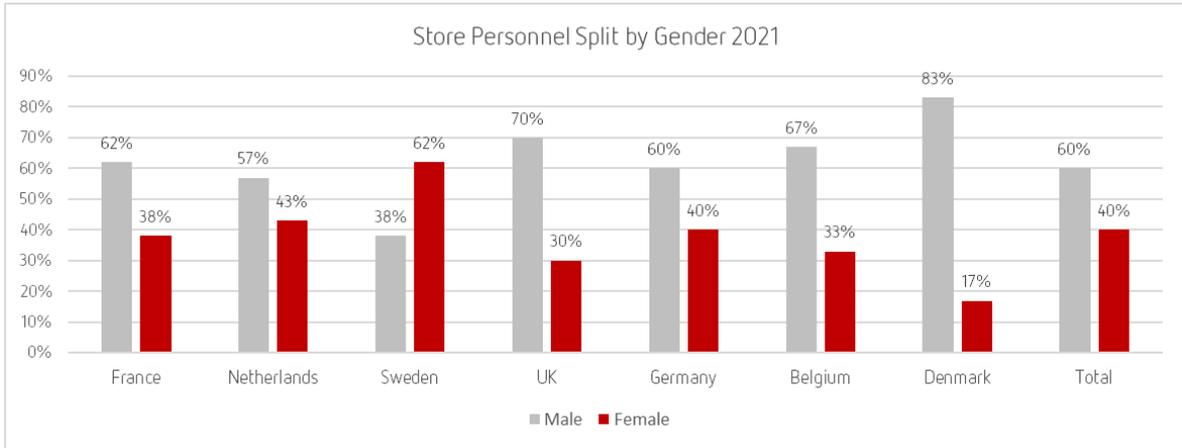
DIVERSITY, EQUITY AND INCLUSION OBJECTIVES

- Create a Diversity and Inclusion training;
- Monitor workforce according to nationality and diversity indicators where possible;
- Compile and report on equal pay analysis.

2022 DIVERSITY, EQUITY AND INCLUSION ACTION

- Implement a Diversity and Inclusion training.

Within our stores, we foster an inclusive culture which engages with all potential candidates. The outcome of this culture is a good gender balance in our stores, which employ 80.3% of the total Shurgard personnel. Within stores across our seven operating countries, the total gender split is 60.0% male and 40.0% female. In 2020, the gender split was 61.0% male and 39.0% female.



The gender split for our European Support Center employees was 50.0% male and 50.0% female in 2021, against 57.0% male and 43.0% female in 2020.



The gender pay difference for store personnel is marginal across our different operating countries. The total difference is 2.4% (in favor of male personnel) across all geographies which reflects a range between -10.5% and -1.3%. Denmark has our highest difference of -10.5% due to the larger ratio of male employees who have been with the Company for a longer period. The balance is being examined further, to inform future recruitment strategies.

PRIORITIZE WORKPLACE HEALTH AND SAFETY

The safety of our employees and our customers is our chief priority. Safe practices are inherent in our systems, our operating procedures, and most importantly in the way we think and act. Shurgard is fully committed to providing safe storage facilities for our customers and our employees. Health and Safety criteria are regularly assessed in our properties to ensure that applicable Health and Safety rules are respected. All the properties are audited from a Health and Safety perspective:

- by Internal Audit within a three-year cycle (more than one third of the properties are audited each year);
- by the District Managers three times per year (self-assessments).

A workplace Health and Safety organizational induction is provided to all new team members and contractors upon initial employment or engagement with Shurgard.

Regular periodic training is conducted with all team members, as well as in instances of changes to the workplace or operations; plant or equipment; legislation, policies, work processes or processes, and generally as required. Furthermore, task-specific training is conducted to provide knowledge of Health and Safety issues and safe work practices relevant to work activities, workplaces or equipment. Training is hands on and interactive, to ensure complete understanding of procedures. Records of the training conducted and the participation and acknowledgment of training by team members are kept in an online learning management system or filed with the Human Resources department.

2021 ACHIEVEMENTS

- Maintained COVID-19 secure procedures at all properties;
- Promoted Health and Safety principles to our customers on all seven market web pages (e.g., <https://www.shurgard.com/en-gb/self-storage/tools-and-tips/health-and-safety-tips>);
- Updated the common checklist with additional Health and Safety control checks around our fire safety program.

HEALTH AND SAFETY OBJECTIVES

- Maintain Shurgard's commitment to zero harm;
- Continue to educate and train employees on the importance of maintaining strict Health and Safety standards.

INVEST IN THE DEVELOPMENT OF OUR EMPLOYEES

CONTINUOUS TRAINING

Our ambition is to place the development of our employees at the center of our priorities through the continuous improvement of skills and knowledge, and a continuous process of education and learning. A comprehensive training offer is defined and updated every year, in line with Shurgard's strategy, investors in people accreditation and regulatory requirements. The performance management process includes the definition of a personalized skills development plan for each employee. We support our managers and business units in setting development priorities through specific training or on-the-job learning activities.

We believe the quality of our customers' interaction with our employees is critical to Shurgard's long-term success. Accordingly, we emphasize customer service and teamwork in our employee training programs. Each in-store employee is required to complete a training program that builds the foundation to assist our customers with their storage needs. All new employees at our support centers are also engaged in an extensive induction program which lasts several weeks. We offer a continuous feedback program to help employees improve their performance. We invest in a wide range of training to grow both professional skills as well as soft skills, such as communication, problem-solving and time management.



The Shurgard Academy was launched in 2018 to enable us to attract, retain and train top talent within our stores. The academy provides a transparent program of progression which empowers our employees to develop throughout their careers. The academy ensures a structured process of career progression, from Junior Assistant Store Manager to Senior Store Manager.

2021 TRAINING ACHIEVEMENT

- 93.0% of our employees underwent the performance appraisal process, an increase of 6.1pp year-on-year.

TRAINING OBJECTIVE

- Continue employee training in environmental, health and safety.

2022 TRAINING ACTIONS

- Develop further training programs about sustainability for our employees;
- Implement training for managers about providing effective feedback;
- Develop further security/cybersecurity awareness training.

INTERNAL MOBILITY AND PROMOTION

Shurgard's priority is to develop support for employees in their career development, in line with the business needs, and to help them build a rich career while strengthening their employability. Mobility demonstrates the employee's commitment to building a long-term career. Shurgard aims to match personal aspirations with the needs of the business, prepare for the future in line with strategic focus, develop a shared culture, retain employees and strengthen our employer brand. Various measures have been implemented or will be implemented soon, including:

- Systematic publication of open positions on our website;
- Priority given to internal applications.

A DYNAMIC REMUNERATION POLICY

The philosophy of Shurgard's remuneration policy is to reward long-term performance, attracting and retaining talent through competitive, fair and gender-neutral compensation. Performance is as much individual as it is collective. Shurgard is committed to the sincerity and transparency of the link between performance and remuneration. This link must also be a driver for employee motivation and commitment. We look at pay equity at all levels. Thus, people with similar roles and responsibilities receive comparable salaries. We ensure our alignment with best practices and our compliance with the various legislations in force. We regularly participate in remuneration surveys in order to assess our conditions within the business.

GRI 102-35

ETHICS AND GOVERNANCE

Ethics and integrity are founding values of Shurgard. All activities and developments are guided by a strict sense of responsibility and a duty of transparency. We expect our employees and stakeholders to respect our fundamental values, sense of ethics and compliance with the applicable regulations.

The adoption of ethical and responsible practices defines the way we do business. This is a required condition for our development and sustainability. Maintaining and reinforcing the trust established with our customers, employees and shareholders is our daily priority.

In our opinion, robust corporate governance focused on managing sustainability issues helps to:

- Be more competitive;
- Maintain success;
- Create long-term value.

We align our strategy with the challenges facing our industry and regulatory changes related to sustainability. Since the beginning we have integrated non-financial risks into our governance and processes. This approach has been reinforced during the latest cycle of sustainability objectives under our environmental management system. Supporting the transformations of our industry and a strict alignment with current societal challenges are our priorities. We will strengthen the alignment of our values and processes, as well as internal synergies around sustainability issues. In addition, we will formalize the links between our existing policies, guidelines and processes and sustainability issues. With regard to our stakeholders, this strengthens our transparency and our sense of duty.

As a Luxembourg Société Anonyme whose shares are listed on Euronext Brussels, Shurgard is subject to both Luxembourg corporate governance and Belgian corporate governance regimes. As we recognize the importance of high standards of corporate governance, we have set up our own Corporate Governance Charter that meets the specific needs and interests of our Company. The charter came into effect when the Company was listed on Euronext Brussels. Our governance structure is designed to foster principled actions, informed and effective decision-making, and appropriate monitoring of both compliance and performance. For additional information please refer to the Corporate Governance Charter in the "Governance" section of the Shurgard website: [Governance Documents | Shurgard Investor Relations](#). The last update to the Corporate Governance Charter occurred on September 20, 2021.

The governing bodies of our Company are the Board of Directors and the General Shareholders' Meeting. The powers of these governing bodies are defined in the 1915 Companies Act of Luxembourg and our Articles of Association. The Board together with the Senior Management manages the Company in accordance with applicable laws.

2021 ETHICS AND GOVERNANCE ACHIEVEMENTS

- We rolled-out the Code of Conduct among all employees;
- There were no fines, notifications, penalties, or settlements during 2021;
- There have been no breaches to our Code of Conduct throughout the year (across areas of privacy, bribery, corruption and discrimination);
- No contributions to or expenditures to political campaigns or organizations, lobbying, tax-exempt entities, or other groups whose role is to influence political campaigns or public policy and legislation in reporting year (GRI 415-1);
- The group is part of local trade associations for self storage. In 2021, the total amount of the membership fees across the group was around €28,900¹.

2022 ETHICS AND GOVERNANCE ACTION

- Host a workshop with key members of the Shurgard team to better understand, and prepare for, the disclosure requirements of the EU Taxonomy Regulation.

GRI 307-1

Our mission in this area:
Reconcile risk management with innovation

How we aim to do this:
1. Incorporate sustainability issues into Shurgard's management systems and Code of Conduct.

¹ Belgian Self Storage association (Belgium) = €2,100; CISS (France) = €6,100; NSSA (The Netherlands) = €6,100; VDSU (Germany) = €3,680; Self Storage Association Denmark (Denmark) = DKK 12,500; Self Storage Association UK (UK) = £6,460; Self Storage Association (Sweden) = SEK 16,000

CORPORATE GOVERNANCE

The management and supervision of Shurgard comprises a Board of Directors which is the body responsible for Shurgard's senior management, supervision and control. To support the Board, there are three main committees: the Audit Committee, the ESG Committee and the Real Estate Investment Committee.

Having robust governance bodies is a priority for Shurgard. A diversity of profiles is required among the members of its collegiate bodies. Thus, the collective expertise of each of them contributes to the implementation, management and supervision of all business activities. The Board of Directors provide guidance, direction and oversight to advance the interests of Shurgard and our stakeholders.

Shurgard is committed to respecting the rules of governance. To this end, it has established transparent financial reporting and effective internal controls. It is organized in such a way as to promote a strong culture of awareness of compliance, business ethics and risk management.

GRI 102-18 / 102-19 / 102-20 / 102-22 / 102-25 / 102-32

BOARD OF DIRECTORS

According to our Articles of Association, the Directors are appointed by the General Shareholders' Meeting for a term of one year. The General Shareholders' Meeting also determines the number of members of the Board of Directors, their remuneration and the terms of their office (which may not exceed one year). The Directors are eligible for reelection, and they can be removed at any time by the General Shareholders' Meeting, with or without cause. If the Board has a vacancy, the remaining Directors have the right to appoint a replacement until the next General Shareholders' Meeting.

The Board of Directors is currently composed of 11 members - one Executive Director and ten Non-Executive Directors. A majority (six) of the members of our Board of Directors is independent, of which one has been appointed Lead Independent Director. At the Annual General Shareholders' Meeting of May 5, 2021, all the members of the Board were re-appointed for a term of one year ending at the Company's Annual General Shareholders' Meeting to be held in 2022.

For more detailed information on the composition of the Board of Directors, see below.

RESPONSIBILITY OF THE BOARD OF DIRECTORS

The Board of Directors retains sole responsibility for the following matters:

- a) Convene the general meeting of shareholders of the Company;
- b) Establish the internal regulations of governance of the Company;
- c) Elect the members of the Audit Committee, the ESG Committee and the Real Estate Investment Committee;
- d) Appoint and remove the CEO of the Company;
- e) Delegate the day-to-day management of the Company to the CEO;
- f) Appoint and remove the other executive board members when their appointment or removal is proposed by the CEO;
- g) Approve the overall Company strategy;
- h) Approve the annual overall Company budget;

- i) Approve the annual balance sheet and profit and loss accounts and propose an allocation of the annual profits;
- j) Approve any acquisition or disposal of assets, properties or subsidiaries worth more than €50.0 million; and
- k) Decide on a Company basis on the introduction or major amendments of pension schemes, share option schemes, participation of employees in profits, or similarly important labor relations schemes.

BOARD MEETINGS

The Board of Directors meets as often as the interests of the Company require and at least four times a year. The meetings are called by the Chairperson of the Board. Except in urgent cases or with the prior consent of all the Directors, at least 48 hours' written notice must be given for Board meetings.

The Chairperson prepares the agenda of the Board meetings after consultation with the CEO and/or the Lead Independent Director.

The Chairperson presides at meetings of the Board. If they are absent the Board can vote by majority to appoint another Director as Chairperson for the relevant meeting. At least half of the Directors must be present at the meeting for any deliberation and voting to be valid. No Directors can be represented by another Director at any meeting of the Board.

The convening notice provides details of the day, time and place of the Board meetings. The Board and its committee meetings are conducted in English and can be held remotely (e.g., by video or telephone conference). In these circumstances, the connection must be uninterrupted, all members taking part in the meeting must be identified, and they must be able to communicate with each other on a continuous basis.

During the financial year 2021, the Board of Directors held eight meetings. All members of the Board were present at these meetings. Also, over the year, the Board members assessed the way the Board operates, the effective fulfilment of its role, its rules, policies and tools available. They consider the way the Board operates as adequate to perform their role and to ensure good governance of the Company, thus, no change has been requested.

As provided in the Articles of Association of the Company and, to the extent necessary, in accordance with the Luxembourg law of September 23, 2020 (as extended on December 17, 2021) on measures concerning the holding of meetings in companies and other legal persons, a law passed in the context of the COVID-19 pandemic, which permitted the managing body of a Luxembourg company to hold its meetings by videoconference, the meetings of the Board of Directors of the Company and of the board-level Committees were held by videoconference (except the meetings of August and November 2021).

DIRECTORSHIPS HELD BY BOARD MEMBERS

As of December 31, 2021, our Board members held directorship mandates in the following companies:

Name	Mandates
Ronald L. Havner, Jr.	Public Storage, PS Business Parks, Inc*, AvalonBay Communities, Inc., Huntington Hospital, Easy Ice
Marc Oursin	Ugly Invest
Z. Jamie Behar	Armour Residential REIT, Inc., Broadstone Real Estate Access Fund, Benefit Street Partners Multifamily Trust, Puppies Behind Bars
Everett B. Miller III	No other directorship
Daniel C. Staton	Staton Capital LLC, ARMOUR Residential REIT Inc, ACM, Terran Orbital, Techiya LLC
Ian Marcus	Secure Income REIT PLC, Town Center Securities plc,, Anschutz Entertainment, Work-Life, Elysian Residences, the Wharton Business School Real Estate Faculty, Eastdil Secured LLP, Redevco NV, Cambridge University Land society
Muriel De Lathouwer	CFE, Coderdojo Belgium asbl, Etex, Olympia group of companies, CPH, ULB dev (economic development of the research from the Free University of Brussels)
Olivier Faujour	Wegrow SaaS, Neosilver Silver Economy, Alpange Pianos Company
Frank Fiskers	Whitbread PLC
Padraig McCarthy	Kleos Space SA
Isabelle Moins	April International Care France, Smile Corp (SAS), Innovaas

* PS Business Parks, Inc. is an affiliate of Public Storage

SHARE OWNERSHIPS OF DIRECTORS

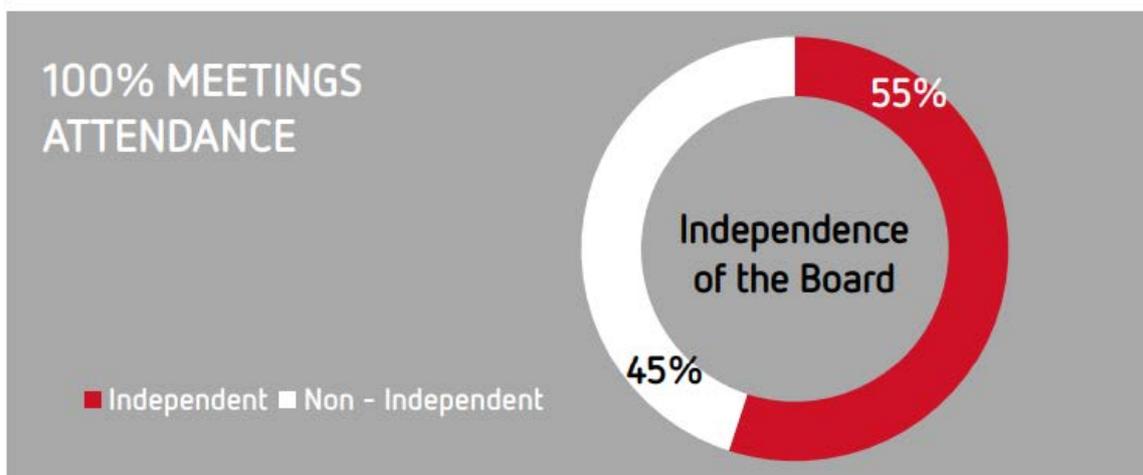
As of December 31, 2021, the members of the Board of Directors owned 179,881 shares or 0.2% of the total share capital of the Company. The breakdown of share ownership is:

Name	Number of shares
Ronald L. Havner, Jr.	10,000
Marc Oursin	137,092
Z. Jamie Behar	1,901
Everett B. Miller III	500
Muriel De Lathouwer	2,979
Olivier Faujour	4,347
Frank Fiskers	4,347
Ian Marcus	2,515
Padraig McCarthy	2,000
Isabelle Moins	1,700
Daniel C. Staton	12,500
Total	179,881

INDEPENDENCE OF BOARD MEMBERS

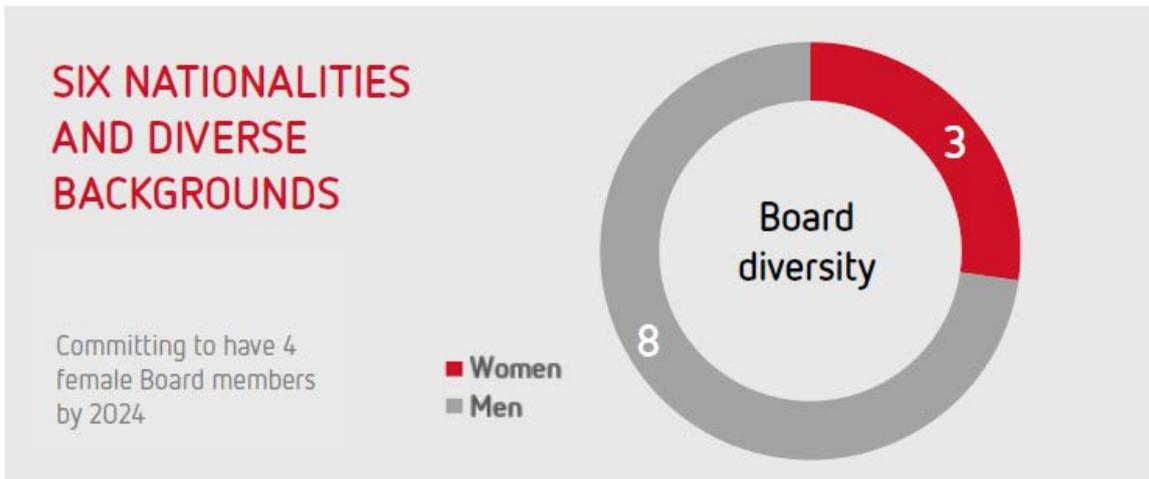
Six of the Non-Executive directors – Muriel De Lathouwer, Olivier Faujour, Frank Fiskers, Ian Marcus, Padraig McCarthy and Isabelle Moins – are independent of management and other outside interests that might interfere with the exercise of their independent judgement. We define an “independent Board member” as a member who:

- a) Is not an executive or managing director of the Company or an associated company;
- b) Is not an employee of the Company or an associated company;
- c) Does not receive significant additional remuneration from the Company or an associated company apart from a fee received as Non-Executive Director;
- d) Does not have an employee, contractual or managerial relationship with, is not an agent of, nor has a financial interest in or receives compensation from, the controlling shareholder(s) (i.e., a strategic shareholder with a 10.0% or larger holding);
- e) Has no significant business relationship with the Company. Business relationships include significant suppliers of goods or services (including financial, legal, advisory or consulting services), a significant customer and organizations that receive significant contributions from the Company or Group;
- f) Is not a partner or employee of the external auditor of the Company or an associated company;
- g) Is not an executive or managing director in another company in which an executive or managing director of the Company is a non-executive or supervisory director, and does not have other significant links with executive directors of the Company through involvement in other companies or bodies; and
- h) Is not a close family member of an executive or managing director, or of persons in the situations referred to in points (a) to (g).



DIVERSITY OF BOARD MEMBERS

Shurgard is committed to achieving a high level of diversity at all levels in qualities such as age, gender, race, ethnicity, geography, sexual orientation, gender identity and diverse background. The commitment to diversity also extends to the Company’s Board. Our Board reflects diverse perspectives, including a complementary mix of skills, experience and backgrounds, which we believe is paramount to the Company’s ability to represent the interest of all shareholders. As disclosed below, 30% of the Non-Executive Board members are women, and the Company aims to increase that ratio. Also, six nationalities are represented on the Board of Directors which allows for an enriching cultural exchange.



Furthermore, the Board members have different skills backgrounds: all of them have management experience, three quarters have finance experiences, and seven directors have a strong background in real estate, including self storage. The Board members’ profiles are further complemented by experience in marketing, engineering and insurance. To enhance the self-storage and corporate governance skills of the members of the Board, ongoing training is provided by the Company.

GRI 405-1

COMMITTEES OF THE BOARD

The Board of Directors has set up the following committees, each of which is governed by internal rules and regulations approved by the Board:

- the Audit Committee;
- the ESG Committee;
- the Real Estate Investment Committee.

The Board of Directors can amend or rescind the powers delegated to each of the committees and amend the internal rules and regulations to which the committee is subject.

According to their internal rules and regulations, each of the committees convenes at appropriate times and whenever required by our affairs. The meetings are called by the Chairperson or by two members acting jointly. The meetings of the committee are held either in the Grand Duchy of Luxembourg or at other places indicated on the convening notice; or via an online secured videoconference system due to certain circumstances and as authorized by the law (such as the COVID-19 safety rules and travel restrictions experienced). Except in urgent cases or for regularly scheduled meetings, the meetings of the committee are announced in writing at least 48 hours in advance. This notice can be waived if each member of the committee provides documented consent. Meetings previously scheduled by the committee do not require a separate notice. Members of the committee can participate in a meeting remotely by conference call or videoconference. Remote participation is equivalent to a physical presence at the meeting. At least half of the committee members present or represented at a committee meeting constitutes a quorum, and resolutions are adopted by a simple majority vote of the committee members present or represented. In case of a tie, the resolution will not be approved. The committee provides periodic reports to the Board of Directors and assesses its own effectiveness annually.

AUDIT COMMITTEE

The Audit Committee is responsible for all matters set forth in the Luxembourg law of July 23, 2016, on the audit profession, as amended (the "Audit Act"). The Audit Committee should, in particular, perform the following activities:

- a) Inform the Board of Directors of the outcome of the statutory audit and explain how the statutory audit contributed to the integrity of financial reporting and what the role of the Audit Committee was in that process;
- b) Monitor the financial reporting drawing-up process and submit recommendations or proposals to ensure its integrity;
- c) Monitor the effectiveness of our internal quality control and risk management systems and, where applicable, its internal audit, regarding our financial reporting, without breaching its independence;
- d) Monitor the statutory audit of the annual and consolidated financial statements, in particular its performance, taking into account any findings and conclusions by the CSSF pursuant to Article 26(6) of Regulation (EU) No 537/2014;
- e) Review and monitor the independence of the approved statutory auditor(s) (réviseur(s) d'entreprises agréé(s)), in particular the appropriateness of the provision of non-audit services to the audited entity in accordance with Article 5 of Regulation (EU) No 537/2014;

- f) Be responsible for the selection of the approved statutory auditor(s) (réviseur(s) d'entreprises agréé(s)) and recommend the approved statutory auditor(s) (réviseur(s) d'entreprises agréé(s)) for approval by the Company's shareholders except when Article 16(8) of Regulation (EU) No 537/2014 is applied.

At least one member of the Audit Committee should be competent in accounting and/or auditing. The Audit Committee members as a whole should be competent in the relevant sector in which we are operating. A majority of the members of the Audit Committee should be independent of the Company. The chairperson of the Audit Committee should be appointed by its members and should also be independent of the Company.

As of December 31, 2021, the Audit Committee consisted of four members: Pdraig McCarthy (chairperson), Z Jamie Behar, Isabelle Moins and Muriel De Lathouwer. Pdraig McCarthy, Isabelle Moins and Muriel De Lathouwer are considered independent Board members. Pdraig McCarthy, Z. Jamie Behar and Muriel De Lathouwer have a special competence in accounting and/or auditing in listed companies. Three out of the four members of the Audit Committee are independent, which ensures good governance and nonpartisan decision-making. Z. Jamie Behar, non-independent director has been appointed onto the Audit Committee due to her renowned academic knowledge in finance and 25 years of senior experience in both public and private market real estate investment.

During the financial year 2021, the Audit Committee held four meetings, where all committee members were present.

Over the year, the Audit Committee members assessed the way the Committee operates, the effective fulfilment of its role, its rules, policies and tools available. They consider it as adequate to perform their role and to ensure good governance of the Company, thus, no change has been requested.

ESG COMMITTEE¹

The ESG Committee is responsible for the following matters:

- a) The review and approval of corporate goals and objectives relevant to the Senior Management's compensation, and the evaluation of their performance related to these goals;
- b) Making recommendations to the Board on incentive compensation plans and equity-based plans;
- c) Submitting proposals to the Board on the remuneration of members of the Senior Management;
- d) Making recommendations to the Board on the Company's framework of remuneration for Senior Management and other members of the executive management, and assisting the Board in drawing up the remuneration policy of the Company;
- e) Identifying candidates qualified to serve as members of the Board and executive officers;
- f) Recommending candidates to the Board for appointment by the General Meeting or for appointment by the Board to fill interim vacancies on the Board;
- g) Facilitating the evaluation of the Board and reporting to the Board on all matters relating to remuneration (including, for example, on internal pay disparity);
- h) Preparing a remuneration report (which should contain, among others, disclosure on the remuneration of each executive officer) and which should be submitted to the annual Shareholders' Meeting for an advisory vote;

¹ The Nomination and Remuneration Committee has been renamed the ESG Committee to better and more accurately reflect its larger scope of responsibilities, which includes the addition of ESG-related matters.

- i) Overseeing the Environment, Social and Governance (ESG) strategy of the Company and monitoring the completion of the ESG objectives;
- j) Reviewing any ESG report filed by the Company;
- k) Assisting the Board in reviewing and assessing the Company's ESG risks;
- l) Submitting a list of candidates to the Board on the appointment of new directors and Senior Management;
- m) Assessing the existing and required skills, knowledge and experience for any post to be filled and preparing a description of the role, together with the skills, knowledge and experience required;
- n) Making an assessment about the independence of candidate directors; and,
- o) Assessing, together with the CEO, the way in which the Senior Management operates and the performance of its members at least once a year.

The ESG Committee members should be competent in the relevant sector in which we are operating. The committee will be composed of independent Directors and Non-Executive Directors of the Board of Directors.

As of December 31, 2021, the ESG Committee consisted of five members: Frank Fiskers (chairperson), Muriel De Lathouwer, Ian Marcus, Padraig McCarthy and Olivier Faujour, all of whom are considered independent Board members.

During the financial year 2021, the ESG Committee held four meetings where all committee members were present.

Over the year, the ESG Committee members assessed the way the Committee operates, the effective fulfilment of its role, its rules, policies and tools available. They consider it as adequate to perform their role and to ensure good governance of the Company, thus, no change has been requested.

REAL ESTATE INVESTMENT COMMITTEE

The Real Estate Investment Committee is authorized by the Board to review and approve all acquisitions or disposal of assets, properties or subsidiaries under €50 million.

As of December 31, 2021, the Real Estate Investment Committee consisted of six members: Z. Jamie Behar (chairperson), Olivier Faujour, Frank Fiskers, Daniel C. Staton, Ian Marcus and Everett B. Miller III. Ian Marcus, Olivier Faujour and Frank Fiskers are considered independent Board members.

During the financial year 2021, the Real Estate Investment Committee held nine meetings, where all committee members were present.

Over the year the Real Estate Investment Committee members assessed the way the Committee operates, the effective fulfilment of its role, its rules, policies and tools available. They consider it as adequate to perform their role and to ensure good governance of the Company, thus, no change has been requested.

SENIOR MANAGEMENT

The Senior Management of the Group is made up of five members, who hold their positions through employment contracts with entities of the Group, except for the CEO who has a management agreement and who is appointed and may be removed by the Board of Directors.

The Board of Directors has delegated the daily management of the business to the CEO. The CEO has the authority to represent the Board, as well as a number of ancillary specific powers. In addition, the CEO has been granted powers to approve any development or refurbishment of real estate assets.

In 2021, the Senior Management team changed. In August, Mr. Jean-Louis Reinalda stood down as VP Real Estate. This position was subsumed within that of the Chief Investment Officer entrusted to Ms. Isabel Neumann. She brings exceptional skills in real estate investment to the role, and this change adds more diversity at the Senior Management level.

DIRECTORSHIPS HELD BY SENIOR MANAGEMENT

As of December 31, 2021, the members of the Senior Management held directorship mandates in the following companies:

Name	Mandates
Marc Oursin	Ugly Invest
Jean Kreusch	Transforming Talent SPRL
Duncan Bell	Self-Storage Association UK (SSAUK)
Ammar Kharouf	No other directorship
Isabel Neumann	Belfius Bank & Insurance

During his mandate as senior manager for part of 2021, Mr. Jean-Louis Reinalda held a directorship mandate in Tekto BV in the Netherlands.

SHARE OWNERSHIP OF THE MEMBERS OF SENIOR MANAGEMENT

As of December 31, 2021, members of the Senior Management owned the following numbers of shares, adding up to 280,134 shares or 0.31% of the total share capital:

Name	Number of shares
Marc Oursin	137,092
Jean Kreusch	86,521
Duncan Bell	12,173
Ammar Kharouf	44,348
Isabel Neumann	0
Total	280,134

The members of the Senior Management will have to meet share ownership requirements. They were requested to build up shareholdings in the Company proportional to their fixed compensation over the five years following the IPO (2018). This shareholding requirement was set at 2.5 times the fixed compensation for the CEO, 2.0 times

for the CFO and 1.5 times for the other Senior Management members. For the four members who were present at the time of the IPO, this was satisfied well in advance of the five-year period.

DIRECTORS' AND MANAGEMENT CONFLICTS OF INTEREST

Members of the Senior Management have employment agreements with an entity of the Group, other than the CEO who has a management contract. Certain members of the Senior Management also serve on the boards of various Group companies. In addition, the CEO is a member of the Board of Directors of the Company. Therefore, conflicts of interest could arise for members of the Board of Directors and of Senior Management between their duties towards the Group, the relevant individual Group company and their duties as members of the Board of Directors of the Company or as a member of Senior Management, respectively.

As of December 31, 2021, the following member of the Board of Directors is partner, director, representative and/or employee of Public Storage or an affiliate thereof: Ronald L. Havner, Jr., Z. Jamie Behar, Everett B. Miller III are members of the Board of Directors elected on the designation of our shareholder New York State Common Retirement Fund and Daniel C. Staton is a member of the Board of Directors elected on the designation of our shareholder Public Storage. Apart from these potential conflicts of interest and the transactions and legal relations described in the section "Related Party Transactions", there are no other actual or potential conflicts of interest between the obligations of the members of the Board of Directors or Senior Management toward the Company and their respective private interests or other obligations.

None of the Board members or members of the Senior Management are related to one another by blood or marriage. We have not granted any Board members or members of the Senior Management any loans, nor have we assumed any guarantees or sureties on their behalf.

Pursuant to the 1915 Companies Act, in the event that a member of the Board of Directors has a financial conflict of interest in any Company transaction submitted to the approval of the Board of Directors, they must inform the Board of Directors at that meeting and include a record of their statement in the minutes of the meeting. The member of the Board of Directors may not take part in the deliberations relating to that transaction and may not vote on the resolutions relating to that transaction. At the following General Shareholders' Meeting, before any other resolution is put to a vote, a special report should be made on any transactions in which any of the directors may have had a conflict of interest with that of the Company.

ANNUAL GENERAL MEETING

The Annual General Meeting of Shareholders must be held within six months following the end of the financial year at the place and on the day set by the Board of Directors. The Board of Directors can convene Extraordinary General Meetings as often as the Company's interests require. In accordance with the Luxembourg Company Law, a General Meeting of Shareholders must be convened on the request of one or more shareholders who together represent at least one tenth of the Company's capital.

The right of a shareholder to participate in a General Meeting and to exercise the voting rights attached to his shares are determined with respect to the shares held by such shareholder the 14th day before the General Meeting of Shareholders at 24 hours (Luxembourg time), which is known as the "Record Date". Each shareholder has the right to ask questions about the items on the agenda of a General Meeting of Shareholders. Each share entitles the holder to one vote. Each shareholder can exercise their voting rights in person, through a proxy holder, or by correspondence in advance of the General Meeting of Shareholders, by means of the form made available by the Company.

In the financial year 2021, the Annual General Meeting of Shareholders took place on May 5, 2021. Due to COVID-19, physical attendance was excluded, and a vote was only possible by power of attorney to the Chairman of the meeting or by correspondence (further information can be found on our Corporate website: [2021 Annual General Assembly | Shurgard Investor Relations](#)).

STATUTORY AUDITOR

During the financial year 2021, the Company's statutory auditor (réviseur d'entreprise agréé) was EY. EY is registered with the CSSF as a cabinet de révision agréé and with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés, Luxembourg) under number B47771. The registered office of EY Luxembourg S.A. is 35E, Avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg. EY is a member of the Luxembourg body of registered auditors (Institut des Réviseurs d'Entreprises). At the [Annual General Meeting of Shareholders](#) of May 5, 2021, EY was re-appointed as independent auditor (réviseur d'entreprises agréé) of the Company for a term of one year ending at the Company's Annual General Meeting of Shareholders to be held in 2022.

Audit fees in 2021 were €624.545 for the audits of consolidated and statutory financial statements of the Company and its subsidiaries.

CODE OF CONDUCT

At all times, our employees must act with loyalty, competence, care and diligence, in the best interests of customers and other stakeholders. Identifying and understanding irresponsible behavior is a pre-requisite for any corrective action. Ethical and accountability principles are a mandatory part of each employee's annual performance review. In addition, the whistleblowing procedures in place guarantee employee's complete confidentiality in the event of a report. In all our activities, checks and balances ensure the proper monitoring of the systems put in place, in support of our corporate values and objectives. Employee training involves courses related to business ethics, compliance and regulations.

Our Code of Conduct aims to:

- Define the expected behavior of all employees;
- Make the connection between our company values, policies and guidelines, and individual actions;
- Promote ethical decision-making;
- Ensure that our behavior meets the highest standards of professional conduct.

It covers a number of important topics, including:

- Compliance with the laws and regulations of the countries in which we operate;
- Ethics and transparency in the services provided to customers;
- Protecting confidential information;
- The fight against money laundering and corruption;
- Maintaining a healthy environment, free from harassment and discrimination;
- Conflicts of interest.

It underlines our desire to have a positive and lasting impact on society and our commitment to sustainability. It provides the overall framework for all topics relevant to our activities. Shurgard employees must comply with it at all times. Shurgard further expects its employees to promote Shurgard values outside their business activities and to speak up when they have a concern about a possible violation of the underlying Shurgard policies or the applicable laws.

We have put in place internal guidelines for each issue that may impact our activities, our employees or our other stakeholders. These arrangements ensure the active monitoring of compliance with regulations. Thanks to them, all employees facing these risks are informed of any regulatory changes. Shurgard's objective is twofold: maintain active communication on procedures and guidelines, and review ethics-related policies to integrate non-financial risks.

GRI 102-15 / 102-17 / 102-29

Anti-corruption and bribery

Shurgard prohibits employees from participating in schemes involving any payment or transfer of Shurgard funds or assets to any representative of suppliers, customers, public authorities' officials or others in the form of commercial bribes, kickbacks, and other similar payoffs and benefits, as detailed in the Ethical Behavior policy of the Company.

Bribery and corruption of suppliers and/or customers includes, but is not limited to:

- Gifts (except if customary business practice or in compliance with Shurgard’s business expense policy);
- Cash payments reimbursed by Shurgard (except expenditures for meals and entertainment of suppliers and customers that are a customary business expense and in compliance with Shurgard’s business expense policy);
- The uncompensated use of Shurgard services, facilities or property (except if customary business practice and lawful);
- Loans, loan guarantees or other extensions of credit (except at prevailing commercial rates);
- Giving or receiving anything of value to (foreign) government officials, (foreign) political parties, party officials, or candidates for public office, suppliers or customers for the purposes of obtaining, facilitating (facilitation payments) or retaining business for Shurgard.

Shurgard also prohibits employees from receiving (other than salary, wages or other ordinary compensation from Shurgard), directly or indirectly, from suppliers, customers or others in connection with a transaction entered into by Shurgard, anything of a significant value, excessive hospitality, loans or other special treatments. The same applies to any person having a close personal relationship with the employee.

Failure to comply with such commitments may lead to disciplinary or other measures against culpable employees, including the termination of employment and/or the termination of contracts with business partners, or to such contracts not being extended or changed for precautionary reasons.

To mitigate the risk of corruption, employees and Directors of the Board of Shurgard (more information page 95) shall participate in an annual declaration of conflicts of interest. Additionally, in 2021 our employees participated in an online training course about anti-bribery as part of our Code of Conduct refreshment training.

Business Ethics and Compliance training	2021	2020
Percentage of employees who attended at least one Ethics and Compliance training session	82.0%	-

In 2021, no cases of corruption or bribery was reported. There were no legal proceedings against Shurgard or its employees and no confirmed incidents when contracts with business partners were terminated or not renewed due to alleged corruption.

GRI 205

Community contribution

Shurgard encourages participation by its employees in supporting the community and charity organizations.

Conflict of interests

Shurgard wants its employees to remain neutral and independent when acting for the Company. Hence, conflicts of interests are to be avoided by employees. If a conflict of interest is unavoidable it must be disclosed at the earliest opportunity. An online assessment is engaged every year for employees, as per the Conflict of Interest policy.

Insider dealing

Shurgard wants to ensure that its employees do not abuse, or place themselves under suspicion of abusing, price sensitive or inside information that they may have or be thought to have, especially in periods leading up to an announcement of financial results or of price sensitive events or decisions. Basically, any of Shurgard's directors or employees (or people closely associated with them) are prohibited from dealing or attempting to deal in financial instruments for his, her or its own account or for the account of a third party at any time (i) when such person is in possession of inside information or (ii) during a closed period (as communicated by the management). Other restrictions such as prohibition of short sales, hedging, disclosing or using inside information also apply.

In 2021, employees participated in online training related to Insider Dealing as part of our Code of Conduct refreshment training.

Whistleblowing

Shurgard annually reviews and updates its procedure, consistent with best practice. The policy is proactively communicated and made available to all employees in local languages. It is also available on the Shurgard website for suppliers, customers and other third parties.

The policy is designed to allow all Concerned Persons (e.g., employees, shareholders, executive or non-executive directors, contractors or suppliers) to disclose information internally on actual or potential acts, which they believe shows malpractice, unethical conduct or illegal practices in the workplace, without being penalized in any way. The policy also sets forth how Concerned Persons are to (i) safely express concerns, (ii) know who to contact, (iii) make a report, and (iv) be protected for raising concerns. Concerned Persons are expected to disclose or report the acts/incidents (e.g., crime, offense, misconduct, threat or prejudice) that could occur in various contexts (e.g. financial markets, money laundering, anti-bribery, product safety and compliance, Health and Safety, consumer protection and regulations). Shurgard ensures that employees act within the law and expects all Concerned Persons to adhere to all rules, policies and procedures.

A clear reporting procedure is in place to raise any wrongdoing in an appropriate way. In 2021, Shurgard appointed a third-party provider to develop a secure online platform, through which it will be possible to report anonymously as from the beginning of 2022. Reported cases are handled by the Internal Audit department (independent reporting line to the Audit Committee) and, in case of conflicts of interest, by the Legal Department, treating any whistleblowing disclosure with the highest level of confidentiality. The identity of the reporting person will be protected at all stages in any internal matter to the extent reasonably possible and subject to national legislation. Concerned Persons will be protected from retaliation, harassment, victimization or disciplinary action as a result of any disclosure.

The policy is proactively communicated and made available to all employees in local languages. Online training as well as regular refresher courses are organized for all employees. Finally, employees in stores are regularly tested by the Internal Audit department on their knowledge about this policy.

Freedom of Association and Collective bargaining

Shurgard supports freedom of association. As part of this, it respects the right of employees to join unions and to be represented by representatives of these unions internally and externally in accordance with the applicable national or local laws and practices. The same standard is applicable for suppliers.

Suppliers must observe the right of their employees to strike and to be members of trade unions.

In 2021, Shurgard knows of no cases in which freedom of association or the right to collective bargaining have been seriously jeopardized or even breached.

Shurgard is assessing its suppliers in relation to freedom of association, among other social, governance, and environmental topics.

GRI 407

RISKS AND OPPORTUNITIES

Understanding the risks analyzed and their potential impact on the commitments made is at the heart of Shurgard's sustainable approach.

The risk management framework makes it possible to see how risks interact over time and at different stress levels. It benefits from our commitment to transparency and informed decision-making. Tradition and a long-term perspective are the foundation of our convictions.

In this context, the notion of responsibility and the duty of prevention require an irreproachable control of risks. The Board of Directors determine the risk tolerance. This is monitored using indicators and risk limits. Reputational risks, ethical breaches or data protection shortfalls are also monitored. We are aligned with industry best practice standards to articulate responsibilities and obligations for risk management. This standard allows us to integrate sustainability risks throughout the organization.

The culture of innovation and collective reflection permeates our business. We believe that incremental improvements in all of our activities create value for Shurgard's development. The successful implementation of our strategic objectives depends on the strength of our risk management. When we identify and analyze the main operational or non-financial risks, we also identify opportunities. These opportunities will enable us to create and deliver products, services, processes, collaborations and tools in line with Shurgard's strategic objectives. Our commitment to sustainability is part of this approach. It contributes to the transformation of the activities of our industry which in turn contributes to a more sustainable and responsible world.

GRI 102-30

EXAMPLES OF MAIN RISKS

- Regulatory framework;
- Guaranteeing a long-term business model;
- Capabilities and data management;
- Good corporate citizenship;
- Talent management;
- IT risks;
- Product suitability.

OPPORTUNITIES

- Comply with current regulations;
- Leverage increased levels of innovation;
- Optimize the effectiveness of tools and processes;
- Support the communities in which we operate;
- Invest in training and development;
- Integrate sustainability criteria into investments.

DATA PROTECTION

Ensuring the privacy of our customers' personal data is a daily concern at Shurgard. We are committed to protecting the privacy of the data collected for the sole purpose of executing the self-storage contract, and to ensuring the security of the premises.

The Company has set up a privacy policy that can be found on our commercial website, available in all languages in the country where we operate and also on the Company's corporate website. Our contracts with our customers, but also with our suppliers and employees, contain a data privacy provision, to ensure that all the rights and duties are understood by the parties. A dedicated email address is available to raise any request or issue regarding the protection of personal data: dataprotection@shurgard.eu.

The Security Committee, a cross-departmental body (IT, finance, legal, HR, internal audit, operations, real estate), has been established for the purposes of proactively engaging with and monitoring data security across the organization as well as spreading awareness on the topic and training employees about it.

The Security Committee convenes on a quarterly basis and discusses the different security topics related to each department based on findings, experiences, proposals, actions and reactions and dedicated reporting. Activities of this committee are reported to and discussed at the Executive Committee. Updates on security-related risks are reported to and discussed at the Audit Committee on a quarterly basis.

The Security Committee actively monitors security and privacy risks, improving our ability to mitigate them through:

- Company-wide programs;
- Established industry practices;
- Assessments and responses to threats and vulnerabilities.

Digitization is accelerating and, with it, the risks of invasion of privacy. We are supporting these changes with digitization projects. Our goal is to optimize certain processes and offer our customers new service options. At the same time, we pay attention to the smallest details to support technology protection of our stakeholders. Information security policies and procedures define the classification and rules to be adopted for the purposes of confidentiality of information and compliance with regulations on the protection of personal data. They describe the organizational controls put in place to protect information. Our other security measures include firewalls, data encryption and 24-hour monitoring. This enables us to maintain the quality of technological systems and proactively detect unusual activity. In addition, all our employees are trained on the collection, the process and the protection of personal data.

We ensure the confidentiality, integrity and availability of data. This is essential to maintain the trust placed in us by our customers, employees and other stakeholders. Since the spread of teleworking for our corporate employees, we have further strengthened our security capabilities. We can thus monitor the increasing number of threats involving phishing and social engineering.

We also focused on improving the user experience for our customers. To do this, we have simplified the processes and controls and consolidated security. We are continually and exponentially adapting all our systems.

CYBER SECURITY

Cyberattacks against businesses are increasing in size, speed and sophistication. To protect its information and systems, Shurgard takes a defense-in-depth approach. This approach:

- Incorporates detailed information on security controls;
- Provides end-to-end protection;
- Offers multiple possibilities to detect, prevent, respond to and recover from cyber threats.

This approach is an essential component of information security management, and it aims to strengthen the security and stability of technology platforms. In addition, we are constantly developing awareness campaigns. Shurgard's employees are trained, business by business, in the risk of cyberattacks and the importance of data protection. Shurgard's prevention methods and controls include Advanced Threat Protection:

- The prevention of data leaks;
- Network intrusion and vulnerability;
- Ongoing employee awareness programs.

At the same time, we focus on detection, supported by a robust incident response process. Responsible teams endeavor to anticipate and respond to incidents proactively. Security incident management covers unwanted or unexpected events that affect confidentiality and the integrity of information that may have an impact on Shurgard, our customers or employees. The escalation processes, led by management, are designed to best respond to cyber-attacks or threats to information security, and minimize losses, leaks or disturbances. We use the information obtained by handling incidents to continuously improve our security. We continuously increase stability through a better understanding and proactive management of our cyber security risks.

GRI CONTENT INDEX

Our sustainability reporting has been prepared with reference to the guidelines developed by the Global Reporting Initiative (GRI). This content index demonstrates our alignment with the General Disclosures and Topic-Specific Standards for the Priority 1 material topics that were identified following our most recent materiality review in 2021.

The index is attached as an appendix, available on our investor relations website or upon request.

GRI 102-54 / 102-55

EPRA PERFORMANCE MEASURES

Shurgard reports the Company's sustainability indicators based on EPRA's ([European Public Real Estate Association](#)) latest recommendations: Best Practice Recommendations on Sustainability Reporting, third version September 2017.

OVERARCHING RECOMMENDATIONS

ORGANIZATIONAL BOUNDARY

Shurgard limits its report to properties controlled by Shurgard (operational control) in accordance with the principles of the Greenhouse Gas Protocol. This includes all real estate assets owned or managed by Shurgard. Data is reported for our storage properties and separately for our own occupied offices.

Operational control has been chosen since it provides Shurgard with the best conditions for demonstrating statistics and data that Shurgard can directly influence.

COVERAGE

Shurgard works actively to access relevant data for the properties that Shurgard owns and manages. Having access to data is important to Shurgard, as the information creates conditions for efficient and sound technical management of the buildings. The proportion of properties included in each indicator is mentioned in connection with respective key indicators.

Measurement data is affected by changes in the portfolio – i.e., recently purchased, sold and project properties – which complicates access to relevant data. Shurgard constantly strives to access all relevant data as comprehensively as possible. We commit to reporting on progress annually.

ESTIMATIONS OF DATA

In order to meet Annual Report deadlines, all environmental data under measured indicators has been estimated for the last three months of 2021 i.e., October 1, 2021 to December 31, 2021. Data from January 1, 2021, to September 30, 2021 is actual. Where data for Shurgard-obtained utility consumption is missing or unreliable, we have used the following estimation methodology to fill gaps following periods of known consumption:

1. Direct comparison using data from the corresponding period of the previous year;
2. The daily average of available data (requiring a minimum of 180 days) from the current calendar year is used; or,
3. The daily average of available data (requiring a minimum of 180 days) from the previous calendar year is used; or,
4. Where insufficient previous data was available, we have excluded the property from reporting.

Where newly acquired assets have entered the portfolio and accurate meter readings are not available, we have calculated back dated estimates of an initial meter reading based on pro rata estimates of actual meter reading data after this time. We have only back dated these estimates to the date that the asset became Shurgard's responsibility if less than a year prior to the first available meter reading, or the beginning of the current reporting year if the acquisition date is more than a year before the first available actual meter reading.

THIRD-PARTY VERIFICATION/ASSURANCE

This report has been independently assured by a third-party - [EVORA Global Ltd](#). Their statement can be found at the end of this report.

CHANGES SINCE LAST YEARS REPORT

In order to meet last year's Annual Report deadlines, all environmental data under measured indicators were estimated for the last three months in 2020. Shurgard now possesses the data for the entire calendar year. As such, there is a difference between 2020 figures reported in last year's report and 2020 figures reported below, which consists of a full year of actual data.

NORMALIZATION

Shurgard calculates energy and water intensity key ratios by dividing by the buildings' floor area. This is the most widely accepted method in Europe for a self-storage facility to compare energy utilization and resource consumption.

SEGMENTAL ANALYSIS (BY PROPERTY TYPE, GEOGRAPHY)

Segmental analysis is conducted by property type. Shurgard's portfolio consists of only one building type – self-storage properties.

We operate in seven different countries – all located in the European Union and UK. We have chosen not to perform segmental analysis at country level in this report, but this granularity is available upon request.

We do report on the split of our energy labels (EPCs) and green building certifications (BREEAM) by rating.

DISCLOSURE ON OWN OFFICES

Disclosure on performance for our office occupation is reported separately. Shurgard has a European Support Center office where it is the landlord, located in Brussels, next to our Groot-Bijgaarden store. The European Support Center has a floor space of 1,518 sqm and approximately 70 employees work there.

LOCATION OF EPRA SUSTAINABILITY PERFORMANCE IN COMPANIES' REPORTS

This document is a supplement within the Annual Report, available on Shurgard's official website.

NARRATIVE ON PERFORMANCE

Where appropriate, we have provided a narrative on our performance alongside the relevant performance measure in this document.

REPORTING ON LANDLORD AND TENANT CONSUMPTION

Due to the nature of the self-storage business model, Shurgard does not have any "tenants" - as such all utilities are the responsibility of the landlord i.e., Shurgard. Shurgard does have "customers" – those that use the portfolio to store belongings – but they are not responsible for any utility consumption.

REPORTING PERIOD

Reporting for each year accounted for in the EPRA table refers to the calendar year, i.e., January 1, 2021 to December 31, 2021.

ENVIRONMENTAL SUSTAINABILITY PERFORMANCE MEASURES

The EPRA sBPR compliance table below provides an overview of the EPRA sustainability performance measures that Shurgard is able to report on, and an explanation of where data cannot be reported.

EPRA sustainability best practice recommendations compliance table Environmental Sustainability Performance Measures				
EPRA Sustainability Performance Measure		Portfolio	Corporate offices	Where measure is reported
		Storage assets	Own office occupation	Pages
Elec-Abs	Total electricity consumption	✓	✓	59-69
Elec-LfL	Like-for-like total electricity consumption	✓	✓	59-69
DH&C-Abs	Total district heating and cooling consumption	✓	N/A	59-69
DH&C-LfL	Like-for-like total district heating and cooling consumption	✓	N/A	59-69
Fuels-Abs	Total fuel consumption	✓	N/A	59-69
Fuels-LfL	Like-for-like total fuel consumption	✓	N/A	59-69
Energy-Int	Building energy intensity	✓	✓	59-69
GHG-Dir-Abs	Total direct greenhouse gas (GHG) emissions	✓	N/A	59-69
GHG-Indir-Abs	Total indirect greenhouse gas (GHG) emissions	✓	✓	59-69
GHG-Int	Greenhouse gas (GHG) intensity from building energy consumption	✓	✓	59-69
Water-Abs	Total water consumption	✓	✓	62
Water-LfL	Like-for-like total water consumption	✓	✓	62
Water-Int	Building water intensity	✓	✓	122
Waste-Abs	Total weight of waste by disposal route	✓	✓	122-123
Waste-LfL	Like-for-like total weight of waste by disposal route	✓	✓	122
Cert-Tot	Type and number of sustainably certified assets	✓	✘	124

Key:

Fully reported ✓ Partially reported -- Not reported ✘ Not applicable N/A
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METHODOLOGY

We have reported on all EPRA Sustainability Performance Measures, using the EPRA Best Practices Recommendations on Sustainability Reporting 3rd Version, the main requirements of the GHG Protocol Corporate Standard (revised edition) and emissions factors from country-specific, best practice conversion factors for the appropriate year. At the time of report production, the International Energy Agency conversion factors relating to 2019 have been applied to both 2020 and 2021 data for relevant countries.

We have used the GHG Protocol's location-based methodology for conversion factors for scope 2 emissions.

Greenhouse gas emissions are reported as metric tons CO2 equivalent (tCO2e) and greenhouse gas intensity is reported as kilograms of CO2 equivalent (kgCO2e).

Like-for-like measures exclude all assets not held for the full two-year period from January 1, 2020, to December 31, 2021 and any assets for which a building extension has been added.

Any further exclusions from absolute and like-for-like measures have been reported in the data notes accompanying the EPRA tables.

Applicable properties refer to the number of properties within our organizational boundaries for this indicator.

SOCIAL AND GOVERNANCE SUSTAINABILITY PERFORMANCE MEASURES

We are able to report on all Social and Governance Performance Measures. The EPRA sBPR compliance table below provides an overview of the EPRA sustainability performance measures that Shurgard is able to report on, and an explanation of where data cannot be reported.

EPRA sustainability best practice recommendations compliance table					
Social and Governance Sustainability Performance Measures					
EPRA Sustainability Performance Measure		Portfolio	Shurgard		Where measure is reported
SOCIAL PERFORMANCE MEASURES		Storage assets	Corporate	Own office occupation	Pages
Diversity-Emp	Employee gender diversity	N/A	✓	N/A	125
Diversity-Pay	Gender pay ratio	N/A	✓	N/A	126
Diversity-Pay	Equal Pay Analysis	N/A	✓	N/A	126
Emp-Training	Employee training and development	N/A	✓	N/A	127
Emp-Dev	Employee performance appraisals	N/A	✓	N/A	127
Emp-Turnover	New hires and turnover	N/A	✓	N/A	128
H&S-Emp	Employee Health and Safety	N/A	✓	N/A	129
H&S-Asset	Asset Health and Safety assessments	✓	N/A	✓	130
H&S-Comp	Asset Health and Safety compliance	✓	N/A	✓	130
Comty-Eng	Community engagement, impact assessments and development programs	✓	N/A	✓	131

GOVERNANCE PERFORMANCE MEASURES		Storage assets	Corporate	Own office occupation	Pages
Gov-Board	Composition of the highest governance body	N/A	✓	N/A	132
Gov-Selec	Process for nominating and selecting the highest governance body	N/A	✓	N/A	133
Gov-Col	Process for managing conflicts of interest	N/A	✓	N/A	134

The absolute energy, building energy intensity, GHG emissions and GHG intensity are reported into two different tables, one for the own office occupation and one for owned assets. We define "own office occupation" as our European Support Center located in Groot-Bijgaarden, near Brussels, Belgium. We define "owned assets" as our storage properties.

ABSOLUTE ENERGY, BUILDING ENERGY INTENSITY, GHG EMISSIONS AND GHG INTENSITY FOR OWN OFFICE OCCUPATION

Absolute and like-for-like energy for own office occupation			2021				2020				Absolute trend	Like-for-like trend
Energy reported in MWh			Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties	Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties		
Elec-Abs Elec-LfL	Own Office Occupation	Total electricity obtained by Shurgard	32.5	1 of 1	32.5	1 of 1	35.4	1 of 1	35.4	1 of 1	-8.3%	-8.3%
		Proportion of electricity from renewable sources	100.0%		100.0%		0.0%		0.0%			
Energy-Abs Energy-LfL		Total energy obtained by Shurgard	32.5		32.5		35.4		35.4			
Building energy intensity for own office occupation (kWh/sqm/year - GIA)												
Energy-Int	Own Office Occupation	Building energy intensity for all energy obtained by Shurgard	24.7	1 of 1	24.7	1 of 1	26.9	1 of 1	26.9	1 of 1	-8.2%	-8.2%
		% of energy and associated GHG estimated	25.0%		25.0%		0.0%		0.0%			

Absolute GHG emissions for own office occupation			2021				2020				Absolute trend	Like-for-like trend
GHG reported in tCO2e			Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties	Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties		
GHG-Indir-Abs GHG-Indir-LfL	Own Office Occupation	Indirect GHG emission (GHG Protocol Scope 2 Location-based) in tonnes	6.5	1 of 1	6.5	1 of 1	7.1	1 of 1	7.1	1 of 1	-8.3%	-8.3%
GHG-Int	Own Office Occupation	Building GHG Intensity (GHG Protocol Scopes 1 and 2)	4.9	1 of 1	4.9	1 of 1	5.4	1 of 1	5.4	1 of 1	-8.3%	-8.3%

Data coverage notes for office occupation:

Only Shurgard’s European Support Center office in Brussels has been included in the absolute and like-for-like energy, GHG and intensity figures reported as the other offices have been excluded based on small floor areas and/or Shurgard being only a tenant.

This office does not have either gas or district heating – and as such has nil scope 1 emissions.

Total consumption of electricity obtained by Shurgard for the main office has dropped by 8.3% due to lower occupancy figures following a local government push to homeworking over 2021 as a preventative measure for the COVID-19 pandemic.

We are mindful that while our emissions at our corporate offices have dropped, they have effectively been displaced to homeworking emissions. This is something that we are not currently tracking and will seek advice on reporting this as a metric in the future.

Scope 2 (location-based) emissions have decreased by 8.3%. The GHG intensity also dropped, despite the carbon factor used in the methodology remaining the same year-on-year.

ABSOLUTE AND LIKE-FOR-LIKE ENERGY, BUILDING ENERGY INTENSITY, GHG EMISSIONS AND GHG INTENSITY FOR OWNED ASSETS (SELF-STORAGE STORES)

Absolute and like-for-like energy for owned assets (stores)		2021				2020				Absolute trend	Like-for-like trend
		Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties	Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties		
Elec-Abs Elec-LfL	Shurgard obtained electricity	19,804.1	253 of 253	18,334.3	240 of 240	19,979.3	243 of 243	19,822.4	240 of 240	-0.9%	-7.5%
	Proportion of electricity from renewable sources	100.0%	253 of 253	100.0%	240 of 240	0.0%	243 of 243	0.0%	240 of 240		
	% of electricity estimated	25.0%		25.0%		0.0%		0.0%			
DH&C-Abs DH&C-LfL	Shurgard obtained district heating	2,752.0	36 of 36	2,752.0	36 of 36	2,492.5	36 of 36	2,492.5	36 of 36	10.4%	10.4%
	Proportion of district heating from renewable sources	0.0%	36 of 36	0.0%	36 of 36	0.0%	36 of 36	0.0%	36 of 36		
	% of district heating estimated	25.0%		25.0%		0.0%		0.0%			
Fuels-Abs Fuels-LfL	Shurgard obtained fuels (natural gas)	8,413.9	112 of 112	8,339.5	105 of 105	9,124.2	134 of 134	8,861.3	105 of 105	-7.8%	-5.9%
	Proportion of fuels from renewable sources	62.5%	70 of 112	62.2%	69 of 105	0.0%	134 of 134	0.0%	105 of 105		
	% of fuels estimated	25.0%		25.0%		0.0%		0.0%			
Energy	Total Energy Consumption from all sources	30,969.9	253 of 253	29,425.7	240 of 240	31,596.0	243 of 243	31,176.3	240 of 240	-2.0%	-5.6%
Building energy intensity for self-storage stores (kWh/sqm/year - GIA)											
Energy-Int	Building energy intensity for all Shurgard-obtained energy	22.2	253 of 253	23.7	240 of 240	25.6	243 of 243	25.1	240 of 240	-13.1%	-5.6%
	% of energy and associated GHG estimated	25.0%		25.0%		0.0%		0.0%			

SHURGARD SUSTAINABILITY REPORT 2021

Absolute GHG emissions for owned assets (stores)		2021				2020				Absolute trend	Like-for-like trend
GHG reported in tCO2e		Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties	Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties		
GHG-Dir-Abs	Direct GHG Emissions (GHG Protocol Scope 1)	2,019.3	112 of 112	2,001.5	105 of 105	2,134.1	134 of 134	2,115.6	105 of 105	-5.4%	-5.4%
	Direct GHG Emissions (GHG Protocol Scope 1) after green procurement	709.3	112 of 112	724.0	111 of 111	N/A	132 of 132	N/A	128 of 128	-66.8%	-65.8%
GHG-Indir-Abs	Indirect GHG emission (GHG Protocol Scope 2 Location-based) in tonnes	4,307.7	253 of 253	3,593.3	240 of 240	4,126.3	243 of 243	4,295.9	240 of 240	4.4%	-16.4%
	Indirect GHG emission (GHG Protocol Scope 2 Market-based) in tonnes after green procurement	636.9	253 of 253	636.9	240 of 240	N/A	243 of 243	N/A	223 of 223	-84.6%	-85.2%
GHG	GHG Scope 1 & 2 (Location based; before green procurement) in tonnes	6,327.0	253 of 253	5,594.8	240 of 240	6,260.4	243 of 243	6,411.5	240 of 240	1.1%	-12.7%
	GHG Scope 1 & 2 (Market based; after green procurement) in tonnes	1,346.2	253 of 253	1,360.9	240 of 240	N/A	243 of 243	N/A	223 of 223		
Building GHG Intensity for owned assets (stores) (Kq CO2e/sqm/year - GIA)											
GHG-Int	Building GHG Intensity (GHG Protocol Scopes 1 and 2)	4.5	253 of 253	4.5	240 of 240	5.1	243 of 243	5.2	223 of 223	-10.4%	-12.7%

Data coverage notes for owned assets:

Absolute energy and Scope 1 and 2 GHG emissions: We have been able to report fuels and scope 1 GHG emissions for all 112 properties for which we purchase fuels and 37 properties for which we purchase district heating. We have also been able to report electricity and scope 2 GHG emissions data for 253 of 253 properties.

Like-for-like energy: We have been able to report like-for-like electricity performance for 240 of 240 properties which have been owned and operated by Shurgard for the complete 24-month period analyzed, as well as gas and district heating performance for 105 of 105 properties and 36 of 36 properties respectively which have been owned and operated by Shurgard for the complete 24-month period analyzed.

Narrative on performance:

Absolute energy: Total Shurgard obtained electricity for stores has slightly decreased by 0.9%. Shurgard obtained fuels consumption has increased for district heating by 10.4% and reduced for gas by 7.8%. Heating/hot water demands for this sector are typically low in nature. Overall, absolute energy demands have fallen by 2% and energy intensity has also reduced.

Absolute GHG emissions: Total Shurgard obtained scope 1 GHG emissions have reduced by 5.4%. However, in 2021 Shurgard adopted green gas contracts, procured from 100% renewable sources, for all of its stores in the two highest demand markets (Germany and Denmark). Consequently, Shurgard’s scope 1 Net emissions (after offsetting) have been further reduced by 66.8%.

Shurgard obtained scope 2 (location-based) emissions – from electricity – have increased in absolute terms by 4.4% due to the opening of new stores. However, in 2021 Shurgard adopted zero carbon electrical supply contracts at all stores procured from 100% renewable sources. Consequently, the majority of Shurgard’s scope 2 absolute emissions have been reduced by 84.6% (reported as scope 2 (Market-based) emissions).

Like-for-like energy: Like-for-like electricity and fuel consumption has reduced year-on-year due to energy efficiency measures undertaken at our stores. Overall, like-for-like energy reduced by 5.6%.

ABSOLUTE AND LIKE-FOR-LIKE WATER CONSUMPTION AND BUILDING WATER INTENSITY FOR OWN OFFICE OCCUPATION AND OWNED ASSETS

Absolute and like-for-like water for own occupied offices & owned assets (stores)			2021				2020				Absolute trend	Like-for-like trend
			Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties	Absolute Consumption	Coverage of applicable properties	Like-for-like consumption	Coverage of applicable properties		
Water reported in m3												
Water-Abs Water-LfL	Own Office	Shurgard obtained water	151.7	1 of 1	151.7	1 of 1	148.5	1 of 1	148.5	1 of 1	2.2%	2.2%
		% of water estimated	25.0%		25.0%		0.0%		0.0%			
Water-Abs Water-LfL	Stores	Shurgard obtained water	29,533.2	253 of 253	27,155.4	222 of 222	26,627.6	243 of 243	22,197.0	222 of 222	10.9%	22.3%
		% of water estimated	25.0%		25.0%		0.0%		0.0%			
Building water intensity for own occupied offices (m3/sqm/year - GIA)												
Water-Int	Own Office	Water intensity for all Shurgard-obtained water supplying own occupied offices	0.1	1 of 1	0.1	1 of 1	0.1	1 of 1	0.1	1 of 1	2.2%	2.2%
Building water intensity for self-storage stores (m3/sqm/year - GIA)												
Water-Int	Stores	Water intensity for all Shurgard-obtained water supplying stores	0.02	253 of 253	0.02	222 of 222	0.02	243 of 243	0.02	222 of 222	-1.7%	22.3%

Data coverage notes:

Absolute water: We have been able to report water usage for all the properties for which we purchase water.

Like-for-like water: 222 assets are reported in our like-for-like comparisons.

Narrative on performance:

All water is municipal potable water discharged from taps in the communal areas of Shurgard properties. Due to the nature of the sector, there is minimal landlord obtained water across Shurgard's portfolio and as the business does not operate in water-stressed locations, such water consumption is not considered material. Total Shurgard obtained water has increased by 10.9% principally due to the opening of 14 new stores in 2021, 11 of which recorded water consumption.

Like-for-like water consumption has increased by 22.3% year-on-year. The high variations in percentage of water consumption year-on-year reflects the limited requirements for water generally and whilst the percentages seem high, the actual water used across the portfolio is minimal.

Absolute water intensity has decreased slightly by 1.7%; this may be attributable to the newer stores entering the portfolio being more water efficient.

Water usage at our office has increased slightly; this may be attributable to increased COVID-19 safe cleaning regimes.

TOTAL WEIGHT OF WASTE BY DISPOSAL ROUTE AND LIKE-FOR-LIKE TOTAL WEIGHT OF WASTE BY DISPOSAL ROUTE FOR OWN OFFICE OCCUPATION AND OWNED ASSETS

Total weight of waste by disposal route and like-for-like total weight of waste by disposal route for occupied offices		2021				2020				Absolute trend	Like-for-like trend		
		Waste reported in tonnes	Absolute tonnes	Absolute Proportion	Like-for-like tonnes	Like-for-like Proportion	Absolute tonnes	Absolute Proportion	Like-for-like tonnes			Like-for-like Proportion	
Waste-Abs Waste-LFL	Own Occupied Offices	Recycled	10.5	52.2%	10.5	37.4%	14.6	52.5%	14.6	52.5%	-28.0%	-27.9%	
		Incineration (with and without energy recovery)	9.6	47.8%	9.6	62.5%	13.2	47.6%	13.2	47.6%	-27.4%	-27.5%	
		Landfill (non hazardous)	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0%	0.0%	
		Hazardous Waste Treatment Facility	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0%	0.0%	
		Total	20.1	100.0%	20.1	100.0%	27.8	100.0%	27.8	100.0%	-27.7%	-27.7%	
		% of waste estimated	25.0%		25.0%		0.0%		0.0%				
		Coverage of applicable properties	1 of 1		1 of 1		1 of 1		1 of 1				

Data coverage notes for occupied offices:

Absolute and like-for-like waste: Waste consumption decreased over 2021 in the corporate office – this was partly down to decreased activities requiring waste disposal.

Total weight of waste by disposal route and like-for-like total weight of waste by disposal route for owned assets		2021				2020				Absolute trend	Like-for-like trend	
		Absolute tonnes	Absolute Proportion	Like-for-like tonnes	Like-for-like Proportion	Absolute tonnes	Absolute Proportion	Like-for-like tonnes	Like-for-like Proportion			
Waste-Abs Waste-LFL	Stores	Recycled	1,431.4	64.1%	1,281.1	60.7%	1,271.2	52.9%	1,221.5	55.0%	12.6%	4.9%
		Incineration (with and without energy)	260.4	11.7%	347.1	16.4%	173.2	7.2%	359.8	16.2%	50.4%	-3.5%
		Landfill (non hazardous)	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0%	0.0%
		Hazardous Waste Treatment	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0%	0.0%
		Materials Recovery Facility - Unknown	540.6	24.2%	484.1	22.9%	960.0	39.9%	639.6	28.8%	-43.7%	-24.3%
		Total	2,232.5	100.0%	2,112.2	100.0%	2,404.4	100.0%	2,220.8	100.0%	-7.2%	-4.9%
		% of waste estimated	25.0%		25.0%		0.0%		0.0%			
		Coverage of applicable properties	253 of 253		237 of 237		243 of 243		237 of 237			

Data coverage notes for owned assets:

Absolute and like-for-like waste: Waste data is gathered for all properties in the portfolio where Shurgard has waste management contracts. 237 out of 253 assets are reported as like-for-like, as not all assets were held for the full two-year period from January 1, 2020, to December 31, 2021 and any assets for which a building extension has been added have been excluded (see the Methodology Note for further information).

Absolute waste has decreased by 7.2% despite the increase in stores in 2021. Likewise, like-for-like total waste decreased by 4.9%.

Total volumes of recycled waste have increased, as minimum standards are in place to ensure that all cardboard at our stores is recycled, along with plastic use being minimized.

TYPE AND NUMBER OF SUSTAINABLY CERTIFIED ASSETS

Cert-Tot (Type and number of sustainably certified assets)		2021			2020			
Type of Certification	Name of certification	Number of certified properties	Percentage of portfolio certified (by floor area)	Coverage of Applicable Properties	Number of certified properties	Percentage of portfolio certified (by floor area)	Coverage of Applicable Properties	
Mandatory Certifications	EU Energy Performance Certificate	254	100.0%	254 of 254	7	2.7%	7 of 243	
Voluntary Certifications	BREEAM	Pass	12	6.0%	12 of 254	10	5.1%	10 of 243
		Good	20	9.3%	20 of 254	15	6.8%	15 of 243
		Very Good	7	4.6%	7 of 254	4	2.9%	4 of 243
		Excellent	6	4.5%	5 of 254	5	3.3%	5 of 243
		Outstanding	1	0.7%	1 of 254	1	0.7%	1 of 243

EPC Breakdown

Score	No of Assets	% of assets
A+	5	2.2%
A	176	78.2%
B	10	4.4%
C	19	8.4%
D	13	5.8%
E	0	0.0%
F	1	0.5%
G	1	0.5%

Data coverage notes:

Mandatory certifications are EU energy performance certificates, which are not mandatory for all of Shurgard's properties because they are only mandatory for buildings which are marketed or sold, or those that have been recently constructed. As Shurgard holds assets long-term this is not a material aspect, however, to better understand the portfolio makeup energy performance certificates have been obtained for the entire portfolio in 2021.

Voluntary certifications include BREEAM (Building Research Establishment Environmental Method). Shurgard recognizes the benefits of green building certification and seeks to increase the percentage coverage year-on-year.

SOCIAL PERFORMANCE MEASURES

EMPLOYEE GENDER DIVERSITY

Employee Gender Diversity				2021		2020	
Impact Area	EPRA Code	Units of Measure	Indicator	Female	Male	Female	Male
Diversity-Emp	Diversity-Emp	% of male and female employees	Employees on the organization's Board of Directors	27.3%	72.7%	27.3%	72.7%
			Employees in the organization's Senior Management	20.0%	80.0%	0.0%	100.0%
			All employees	40.0%	60.0%	39.0%	61.0%

Narrative on performance:

Shurgard believes that a diverse perspective is key to success. Our current female representation on the Board stands at 27.3%.

Ms. Isabel Neumann joined Shurgard Self Storage as Chief Investment Officer in August 2021. For further information, see [Leadership and Governance | Shurgard Investor Relations](#).

GENDER PAY RATIO

Employee Gender Pay Ratio				2021	2020
Impact Area	EPRA Code	Units of Measure	Indicator		
Employee gender pay gap	Diversity-Pay	Gender Pay Gap (%)	Mean gender pay gap	-2.4%	-1.7%
			Median gender pay gap	-2.8%	0.0%

Narrative on performance:

For all in-store employees, Shurgard discloses the mean and the median gender pay gap between female and male pay.

In 2021, Shurgard reported a change in the business' median gender pay gap, due to the larger ratio of male employees who have been with the Company for a longer period.

EQUAL PAY ANALYSIS 2021

Employee Level	Average Women Salary	Average Man Salary
Executive level (base salary only)	€320,000*	€319,672
Executive level (base salary + other cash incentives)	€320,000*	€545,032
Management level (base salary only)	€84,660	€75,049
Management level (base salary + other cash incentives)	€107,247	€105,095

Narrative on performance:

We believe that our salary paid is reflective of our continual commitment to maintaining a workplace that is free from discrimination.

*Note that we employ one female executive who was recruited part-way through the year and as such was ineligible for 'other cash incentives' in 2021. We anticipate that future reporting will demonstrate a more equal balance.

EMPLOYEE TRAINING AND DEVELOPMENT AND EMPLOYEE PERFORMANCE APPRAISALS

Employee Training, Development and Performance				2021	2020
Impact Area	EPRA Code	Units of Measure	Indicator		
Employee training and development	Emp-Training	Average number of hours/FTE	Average hours of training undertaken by employees in the reporting period (per employee)	67.5	73.0
Employee performance appraisals	Emp-Dev	% of total workforce	% of total employees who received regular performance and career development reviews during the reporting period	93.0%	86.9%
Spend on learning and development	N/A	€ per FTE	Average spend on training per FTE in the reporting period	€210	€292
Total Hours of Training	N/A	Number	Total number of hours of training undertaken by all employees in the reporting period (overall)	52,533	55,016

Narrative on performance:

93.0% of total employees underwent a performance review in 2021, up 6.1pp on 2020 – this positively reflects the recognition given to the importance of conducting these appraisals.

Our learning hours have fallen slightly. One reason is that in 2020, Shurgard implemented new Enterprise Resource Planning software, 'Pharos' – this involved e-learning training across the business, to each employee. Following this, in 2021 – and will be the case in future years – training will be provided around this only to new employees and those requiring refreshing. Another reason of the drop was COVID-19 prevented live trainings.

Each in-store employee is required to complete a rigorous four-month training program that builds the foundation to assist our customers with their storage needs. European Support Center employees are also engaged in an extensive induction program which lasts several weeks. Shurgard recruited 227 new employees over 2021 who all went through induction training.

The Shurgard Academy was launched in 2018 to enable us to attract, retain and train top talent within our stores. The academy provides a transparent program of progression which empowers our employees to develop throughout their careers. The academy ensures a structured process of career progression, from Junior Assistant Store Manager to Senior Store Manager.

NEW HIRES AND TURNOVER

New Hires and Turnover				2021		2020		
Impact Area	EPRA Code	Units of Measure	Indicator	Number	Rate	Number	Rate	
Employee turnover and retention	Emp-Turnover	Total number and rate	New employee hires	Overall	247	32.0%	265	34.0%
				Female	114	46.0%	102	38.0%
				Male	133	54.0%	163	62.0%
			Employee turnover	Overall	289	37.0%	199	25.0%
				Female	118	41.0%	82	41.0%
				Male	171	59.0%	117	59.0%

Narrative on performance:

We continued to increase new hires in 2021, due to recruitment of additional site-based employees for new stores completed during the year.

GRI 401-1

EMPLOYEE HEALTH AND SAFETY

Employee Health and Safety				2021	2020
Impact Area	EPRA Code	Units of Measure	Indicator		
Employee Health and Safety	H&S-Emp	Per 100,000 hours worked	Injury rate	0.003%	0.002%
			Lost day rate	0.07%	0.057%
		Days per employee	Absentee rate	4.80%	4.70%
		Total number	Fatalities	0	0

Narrative on performance:

Shurgard has specific internal control and management systems to mitigate Health and Safety risks, including technological solutions and a program of audit and assurance.

In 2021, we maintained our record of no reportable Health and Safety incidents for employees. Our absentee rate increased slightly in 2021, which is partly attributable to COVID-19 isolation protocols.

GRI 403-2

ASSET HEALTH AND SAFETY ASSESSMENTS AND COMPLIANCE

Asset Health and Safety assessments and compliance				2021	2020
Impact Area	EPRA Code	Units of Measure			
Asset Health and Safety assessments	H&S-Assets	% of assets	% of assets for which Health and Safety impacts are assessed or reviewed	35.2%	33.3%
Asset Health and Safety compliance	H&S-Comp	Total number	Number of incidents of non-compliance with regulations and/or voluntary standards	1	2

Narrative on performance:

Shurgard is fully committed to providing safe storage facilities to our customers and our staff. Health and Safety criteria are regularly assessed in our properties to ensure that applicable Health and Safety rules are respected. All the properties are audited with respect to Health and Safety criteria:

- By Internal Audit within a 3-year cycle (more than one third of the properties are audited each year);
- By the District Managers three times per year (self-assessments).

The organization has not identified any non-compliance with regulations and/or voluntary codes. We continue to comply fully with COVID-19 recommendations issued by local governments and health authorities.

GRI 307-1

COMMUNITY ENGAGEMENT, IMPACT ASSESSMENTS AND DEVELOPMENT PROGRAMS

Community engagement, impact assessments and development programs				2021	2020
Impact Area	EPRA Code	Units of Measure	Indicator		
Asset community engagement programs	Comty-Eng	% of assets	% of assets under operational control that have implemented local community engagement, impact assessments, and/or development programs	100.0%	93.8%

Narrative on performance:

Shurgard has a corporate community program that applies across all activities. Further detail of which are included under the 'Community Enhancement' section above.

Community engagement activities are undertaken at a growing number of stores.

All our community initiatives are based on an assessment of the local communities' needs and we conduct social and environmental impact assessments for planning purposes. We provide grievance processes for all stakeholders, including a formal complaints procedure.

GRI 413-1

GOVERNANCE PERFORMANCE MEASURES**COMPOSITION OF THE HIGHEST GOVERNANCE BODY**

Composition of the highest governance body				2021	2020
Impact Area	EPRA Code	Units of Measure	Indicator		
Composition of the Board of Directors	Gov-Board	Total numbers	Number of executive Board members	1	1
			Number of independent Board members	6	6
			Number of non-executive Board members	10	10
			Average tenure on the governance body (years)	3.14	2.14
			Number of independent / non-executive Board members with competencies relating to environmental and social topics	10	10

Narrative on performance:

The Board of Directors (highest governance body) is currently composed of 11 members, one Executive Director and ten Non-Executive Directors. We define "executive" as a director with executive functions within the Shurgard group (such as CEO, CFO, etc.). The Chairman, Ronald L. Havner Jr leads the board. The ESG Committee oversees the Environment, Social and Governance (ESG) strategy of the Company and monitors the completion of the ESG objectives. Also, it is considered that all the Non-Executive Board members have competencies related to environmental and social topics, through academic and professional backgrounds, and/or charity work.

PROCESS FOR NOMINATING AND SELECTING THE HIGHEST GOVERNANCE BODY

Nominating and selecting the highest governance body				2021	2020
Impact area	EPRA Code	Units of Measure	Indicator		
Nominating and selecting the Board of Directors	Gov-Select	Narrative description	<p>Composition of the Board of Directors</p> <p>The nomination and selection processes for the Board of Directors and its committees. Criteria used for nominating and selecting Board members, including whether and how</p> <ul style="list-style-type: none"> - Stakeholders (including shareholders) are involved; - Diversity is considered; - Independence is considered; - Expertise and experience relating to economic, environmental and social topics are considered. 	<p>Source: Internal Rules and Regulations of the ESG Committee, available under https://corporate.shurgard.eu/governance/committee-charter (Relevant for reporting year, rules last reviewed Nov 2021)</p> <p>The ESG Committee acts to:</p> <ul style="list-style-type: none"> - Identify candidates qualified to serve as members of the Board and executive officers; - Recommend candidates to the Board for appointment by the general meeting of shareholders or for appointment by the Board to fulfil interim vacancies at the Board; - Submit a list of candidates to the Board on the appointment of new directors and executive officers; - Make an assessment of the existing and required skills, knowledge and experience for any post to be filled and prepare on that basis a description of the role, together with the skills, knowledge and experience required - this includes ESG topics; - Make an assessment as to whether candidate directors meet the criteria of independence. <p>In respect of diversity: "Within six years from the effective date of the initial public offering of the Company, at least 1/3 of the members of the proposed candidates shall be female"</p>	

Narrative on performance:

The rules for the nomination and selection of members of the Board of Directors have not changed since 2019. The ESG Committee makes recommendations to the Board about the renewal of the Directors' mandates and the nomination of new directors when requested. It is then the prerogative of the shareholders of the Company to approve the mandates of the Directors.

PROCESS FOR MANAGING CONFLICTS OF INTEREST

Processes for managing conflicts of interest				2021	2020
Impact area	EPRAs Code	Units of Measure	Indicator		
Process for managing conflicts of interest	Gov-Col	Narrative description	Processes to ensure that conflicts of interest are avoided and managed in the highest governance body	<p>Source 1: Corporate Governance Charter Available under https://www.shurgard.com/corporate/governance/governance-documents Procedure:</p> <ul style="list-style-type: none"> - In relation to any transaction, submitted for approval to the Board or any committee of the Board conflicting with that of the Company, a director having a direct or indirect financial interest shall notify the Board or any committee of the Board of directors and shall not participate in any discussions or vote of the Board or any committee of the Board, and the decision shall be taken by simple majority of the voting directors. - Where, due to a conflict of interests, the number of directors required to be present for a valid quorum is not reached, the Board may defer the decision to the general meeting of shareholders. <p>Source 2: Directors Code of Conduct Directors must take appropriate actions in case of conflicts of interest. Directors must use their best efforts to avoid any potential conflict of interest with the Company or any company controlled by it. If a Director has a direct or indirect personal and conflicting interest of a financial nature in a decision or transaction within the authority of the Board, he must so notify the other Directors prior to a decision by the Board. A Director who has a conflicting interest may not participate or vote in the deliberations of the Board on such transactions or decisions. This procedure does not apply if the decisions of the Board relate to transactions at arm's length and concerning the daily affairs of the Company.</p> <p>Source 3: disclosure in the annual report of the other directorships of the Directors of the Board.</p>	
			Whether conflicts of interest are disclosed to stakeholders, including:		

Narrative on performance:

No conflicts of interest were identified in either year.

ASSURANCE SUMMARY STATEMENT



AA1000
Licensed Assurance Provider
000-288

EVORA Global Ltd. ("EVORA") was engaged by Shurgard Self Storage S.A. ("Shurgard") to provide assurance of the Environmental sustainability performance measures of their 2021 Sustainability Report for the reporting period of 1st Jan 2021 to 31st Dec 2021.

The assurance was provided in accordance with AccountAbility's AA1000 Assurance Standard V3 (AA1000AS) Type 2 moderate level and EPRA Best Practice Recommendations for Sustainability Reporting (sBPR) 2017 3rd Edition. EVORA's scope of assurance covered a series of indicators and assertions contained in the report including:

- Absolute:
 - Electricity Consumption (kWh)
 - District Heating/cooling (kWh)
 - Fuels Consumption (kWh)
 - Water Consumption (m³)
 - Greenhouse Gas (GHG) Emissions (tCO₂e)
 - Waste (tonnes)

- Intensity Calculations:
 - Energy (kWh/sqm)
 - GHG (kgCO₂e/sqm)
 - Water (m³/sqm)

- Alignment check of Shurgard's reporting against EPRA sBPR Guidelines 2017 across all the performance measures.

EVORA's full assurance statement includes certain limitations, findings and recommendations for improvement, adherence to AA1000 Accountability Principles, and a detailed assurance methodology.

The full assurance statement with EVORA's independent opinion can be found at [Investor Relations Home Page | Shurgard Self Storage](#)

Appendix 1 – climate disclosure

Appendix 1 - Disclosure aligned to NFRD and Climate Related Information
Note on disclosure: Shurgard is not obliged to report aligned to TCFD requirements - however, we make efforts to move our disclosures towards doing so. We intend to work constructively with the TCFD, and others, to develop good practices and standards for transparency.
<u>Table 1: Disclosure on Business Model</u>
Describe the impact of climate-related risks and opportunities on the company's business model, strategy and financial planning. [Covers TCFD recommendation Strategy b)]
<p>Shurgard is increasingly considering the impact of climate-related risks and opportunities on our businesses, strategy and financial planning. We recognize the importance and the opportunities of integrating sustainability considerations in the investment process.</p> <p>We would view neglect of climate-related risks and opportunities as an extreme risk in itself, to support long-term business resiliency. We are making strides in introducing consideration of climate-related risks into our own corporate thinking, processes and financial planning. This includes working towards incorporation of climate-related risks into our ISO 14001-aligned Environmental Management System (See section 'Environmental Management System') and enhancement in our reporting (see section 'Report on the Impact of our Commitments'), which will help describe the impact of climate related risks and opportunities.</p>
Describe the ways in which the company's business model can impact the climate, both positively and negatively.
<p>Shurgard is the largest provider of self-storage facilities in Europe. Our business has negative impacts on the climate in a variety of ways - our carbon footprint being the main source. Conversely, as a leader in our field we aim to continually raise the bar and set standards for others to emulate. ESG in our acquisition policies is a mainstay - we opt for brownfield sites where possible and develop buildings that integrate innovative low carbon technologies. We report transparently and openly, participating in reporting frameworks where it is considered valuable.</p>
Describe the resilience of the company's business model and strategy, taking into consideration different climate-related scenarios over different time horizons, including at least a 2 °C or lower scenario and a greater than 2 °C scenario (20). [Covers TCFD recommendation Strategy c)]
<p>We believe our evolving ESG strategy, incorporating our net zero ambitions, is resilient to the range of energy transition pathways and scenarios including those outlined at the UN Climate Change Conference in Paris. Our strategy is validated annually by the Board to ensure it remains relevant and resilient, as part of our standard governance processes. Elements of the strategy may be refreshed earlier if there are significant changes in the external or internal environment. See Section 'Our Net Zero Carbon Ambition'. We are developing net zero pathways for all of our individual investments to inform our approach on future spending and investment decision-making. We expect provisioning for this work in the coming year: the importance of doing so has been underscored by our TCFD reporting process. We will provide more detailed disclosures on this topic in future reports.</p>

Table 2: Disclosure on Policies and Due Diligence Processes
<p>Describe any company policies related to climate, including any climate change mitigation or adaptation policy.</p>
<p>Shurgard's goal is to conduct current and future business operations in a sustainable manner that helps create a better future for the environment. We seek to ensure that environmental sustainability is managed like any other critical business activity – in an integrated, systematic way. To this end, in 2021, Shurgard adopted our latest ESG Policy, which formalizes Shurgard's commitment to managing climate-related risks. The EMS framework is designed to ensure pollution prevention, carbon reduction, waste minimization, responsible use of resources and compliance with legislation through good practice and continuous improvement.</p>
<p>Describe any climate-related targets the company has set as part of its policies, especially any GHG emissions targets, and how company targets relate to national and international targets and to the Paris Agreement in particular.</p>
<p>See Section 'Our Net Zero Carbon Ambition'.</p>
<p>Describe the Board's oversight of climate-related risks and opportunities. [Covers TCFD recommendation Governance a)]</p>
<p>The role of the Board is to promote Shurgard's sustainable success for the benefit of its shareholders while having regard to the interests of our other stakeholders, the impact of our operations on the communities where we operate and the environment. In performing this role, the Board is responsible for oversight of the overall conduct of the group's business, which extends to setting our ESG strategy and approach to decarbonization. The Board and its associated committees, where appropriate, have oversight of climate-related matters, which include climate risks and opportunities. They are updated on these matters quarterly, a process which is managed by our ESG Management Group, which works to develop materials that assist the Board or other committees to discharge their responsibilities, including those related to climate. In 2021 these processes included formal analysis of Shurgard's net zero ambition and aims, briefings with subject matter experts, reviews of regulatory correspondence regarding climate disclosures, site visits and the preparation and consideration of corporate reporting documents and other investor briefing materials. During 2021, climate matters were included on the agenda at every board meeting.</p> <p>The ESG Management Group provides oversight of the effectiveness of the implementation of Shurgard's sustainability framework. This includes reviewing that appropriate progress is being made against our ESG aims. The committee will continue to cover existing sustainability-related activities, including the oversight of climate-related risks and opportunities.</p> <p>The role of the Audit Committee is to monitor the effectiveness of Shurgard's financial reporting, systems of internal control and risk management, and the integrity of Shurgard's external and internal audit processes. In fulfilling this purpose, the committee has oversight of financial disclosure, and this is being extended to include TCFD reporting.</p> <p>The role of the ESG Committee is to recommend to the Board the remuneration policy for employees. It also reviews and monitors related policies, satisfying itself that incentives and rewards are aligned to Shurgard's strategy, culture and long-term sustainable success. This includes climate-related matters.</p> <p>The role of the Real Estate Investment Committee is to oversee all acquisitions and disposals of assets, properties or subsidiaries under €50 million. An essential component of their role is to ensure we have the most appropriate portfolio to deliver our ESG strategy and net zero ambition.</p>

<p>Describe management’s role in assessing and managing climate-related risks and opportunities and explain the rationale for the approach. [Covers TCFD recommendation Governance b)]</p>
<p>The assessment and management of climate-related matters is embedded across Shurgard at various levels and delegated authority flows down from the Board.</p> <p>The ESG Management Group provides internal oversight of Shurgard’s progress against the aims and objectives in the sustainability framework, including net zero.</p> <p>This Group is chaired by the CEO and comprises members of the Shurgard leadership team - covering all key departments to ensure information is effectively disseminated. The Group meets on a quarterly basis (as a minimum) to review progress against the sustainability framework and decide on critical strategic positions related to climate change that present risks or opportunities to delivery. The ESG Management Group will report to the main Board and other committees as required.</p>
<p>Table 3: Disclosure on Outcomes</p>
<p>Describe the outcomes of the company's policy on climate change, including the performance of the company against the indicators used and targets set to manage climate-related risks and opportunities. [Covers TCFD Metrics and targets c)].</p>
<p>Metrics reported against climate-related risks and climate-related opportunities are presented under section 'Climate Related Risks and Opportunities'.</p>
<p>Describe the development of GHG emissions against the targets set and the related risks over time. [Covers TCFD Metrics and targets b)].</p>
<p>See GHG Emissions data in section 'EPRA Performance Measures'.</p>
<p>Table 4: Disclosure on Principal Risks and Their Management</p>
<p>Describe the company’s processes for identifying and assessing climate-related risks over the short, medium, and long-term and disclose how the company defines short, medium, and long-term (21). [Covers TCFD recommendation Risk management a)]</p>
<p>As part of our risk management system, our operating departments are responsible for identifying, assessing, managing, and monitoring risks associated with their business area. Risks are assessed in line with Shurgard’s risk management policy and this includes an impact and likelihood assessment which supports relative prioritization.</p> <p>Climate-related risks are classified in alignment with TCFD’s description of physical and transition risks:</p> <p>Physical risks – risks related to the physical impacts of climate change including event-driven risks such as changes in the severity and/or frequency of extreme weather events.</p> <p>Transition risks – risks related to the transition to a lower carbon economy including policy and legal, technology, markets and reputational risks.</p> <p>An effective time horizon for short (1-3 years), medium (3-7 years) and long-term (over 7 years) is integrated into the risk definition.</p>

<p>Describe the principal climate-related risks the company has identified over the short, medium, and long-term throughout the value chain, and any assumptions that have been made when identifying these risks. [Covers TCFD recommendation Strategy a)]. This description should include the principal risks resulting from any dependencies on natural capitals threatened by climate change, such as water, land, ecosystems or biodiversity.</p>
<p>The principal climate-related risks are described in Risk factors under section 'Climate Related Risks and Opportunities'.</p>
<p>Describe processes for managing climate-related risks (if applicable how they make decisions to mitigate, transfer, accept, or control those risks), and how the company is managing the particular climate-related risks that it has identified. [Covers TCFD recommendation Risk management b)]</p>
<p>Climate change and the transition to a lower carbon economy has been identified as a principal risk. This covers various aspects of how risks associated with the energy transition could manifest. Similarly, physical climate-related risks such as extreme weather are covered in our principal risks related to safety and operations.</p> <p>We manage risks on a case-by-case basis, seeking to reduce our exposure to the risk followed by reducing the vulnerability of the business or asset to any risk. This could include any number of risk-specific adaptations or mitigation measures. If risks cannot be managed in this way, we actively seek to transfer the risk or acknowledge that the risk must be accepted in line with our risk tolerances.</p>
<p>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management. [Covers TCFD recommendation Risk management c)]. An important aspect of this description is how the company determines the relative significance of climate-related risks in relation to other risks.</p>
<p>Our processes for identifying, assessing, managing and monitoring climate-related risks are integrated into Shurgard's risk management policy and the associated risk management procedures.</p>
<p><u>Key Performance Indicators</u></p>
<p>GHG emissions</p>
<p>See Section 'EPRA Performance Measures'.</p>
<p>Energy</p>
<p>See Section 'EPRA Performance Measures'.</p>
<p>Physical risks</p>
<p>See Section 'EPRA Performance Measures'.</p>
<p>Products and services</p>
<p>Shurgard does not currently report on this metric - but will work towards this in accordance with the required timeframe.</p>

Green Finance

Shurgard does not currently report on this metric - but will work towards this in accordance with the required timeframe.

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