



## Assurance Statement: AA1000AS

EVORA Global Limited (“EVORA”) was engaged by the directors of Shurgard Self Storage SA (“Shurgard”) to provide Type 2 Moderate Assurance of their annual Sustainability Report for the year ending 31 December 2020 in accordance with AccountAbility’s AA1000 Assurance Standard 2020 v3 (AA1000AS) which is published within their annual report and standalone ESG report.

### Your responsibility

Shurgard has responsibility for ensuring the preparation of the sustainability content of the reports is complete. The EVORA Consultancy Team has been appointed by Shurgard to deliver these services in line with the requirements of the EPRA Best Practice Recommendations for Sustainability Reporting (sBPR) 2017 3<sup>rd</sup> Edition (referred to herein as “EPRA sBPR”).

### Our responsibility

The EVORA Assurance Team (‘We’ / ‘Our’) have responsibility to express a conclusion on compliance with the EPRA sBPR with respect to the preparation, collation and reporting of the Annual Sustainability Report of Shurgard for the year ending 31<sup>st</sup> December 2020, in all material respects. The procedures selected depend on our judgement, including an assessment of the risks of material misstatement or material non-compliance of the matters being audited. We conducted our engagement in accordance with the EPRA sBPR and the AA1000AS.

### Assurance standard and criteria

The EVORA Assurance Team undertook assurance in accordance with AA1000AS Type 2 Moderate level assurance, covering:

- Evaluation of adherence to the AA1000APS (2018) principles of inclusivity, materiality, responsiveness, and impact (“the Principles”)
- The reliability (completeness and accuracy) of the Subject Matter

### Assurance scope

Assurance was conducted in accordance with the EPRA sBPR (the “Criteria”), covering:

- Environmental Sustainability Performance Measures
- Social Performance Measures
- Governance Performance Measures

The scope of assurance covered the indicators and assertions outlined in the tables below (collectively the ‘Subject Matter’).

| Indicators   |
|--|
| <p>Absolute and Like-For-Like:</p> <ul style="list-style-type: none"> <li>• Electricity Consumption (mWh)</li> <li>• District Heating (mWh)</li> <li>• Fuels Consumption (mWh)</li> <li>• Water Consumption (m<sup>3</sup>)</li> <li>• Greenhouse Gas (GHG) Emissions (tCO<sub>2e</sub>)</li> <li>• Waste (tonnes)</li> </ul> <p>EPRA Codes: ‘Elec-Abs’, ‘Elec-LfL’, ‘DH&amp;C-Abs’, ‘DH&amp;C – LfL’, ‘Fuels-Abs’, ‘Fuels-LfL’, ‘GHG-Dir-Abs’, ‘GHG-Indir-Abs’, ‘Water-Abs’, ‘Water-LfL’, ‘Waste-Abs’ and ‘Waste-LfL’</p> |
| <p>Intensity Calculations:</p> <ul style="list-style-type: none"> <li>• Energy (kWh / m<sup>2</sup>)</li> <li>• GHG (kgCO<sub>2e</sub>/m<sup>2</sup>)</li> </ul>   |



| Indicators  |
|---|
| <ul style="list-style-type: none"> <li>Water (m<sup>3</sup>/m<sup>2</sup>)</li> </ul> <p><i>EPRA Codes: 'Energy-Int', 'GHG-Int' and 'Water-Int'</i></p>   |
| <p>Green Building Certification coverage (%)</p> <p><i>EPRA Code: 'Cert-Tot'</i></p>  |
| <p>Diversity:</p> <ul style="list-style-type: none"> <li>Employee Gender Diversity</li> <li>Gender Pay Ratio</li> </ul> <p><i>EPRA Codes: 'Diversity-Emp' and 'Diversity-Pay'</i></p>   |
| <p>Employee:</p> <ul style="list-style-type: none"> <li>Training and Development</li> <li>Performance Appraisals</li> <li>Turnover and Retention</li> </ul> <p><i>EPRA Codes: 'Emp-Training', 'Emp-Dev' and 'Emp-Turnover'</i></p>  |
| <p>H&amp;S:</p> <ul style="list-style-type: none"> <li>Employee H&amp;S</li> <li>Asset H&amp;S assessments</li> <li>Asset H&amp;S compliance</li> </ul> <p><i>EPRA Codes: 'H&amp;S-Emp', 'H&amp;S-Asset' and 'H&amp;S-Comp'</i></p> |
| <p>Community:</p> <ul style="list-style-type: none"> <li>Community engagement, impact assessments and development programs</li> </ul> <p><i>EPRA Code: 'Comty-Eng'</i></p>  |
| <p>Governance:</p> <ul style="list-style-type: none"> <li>Composition of highest governance body</li> </ul> <p><i>EPRA Code: 'Gov-Board'</i></p>  |

| Assertions  |
|---|
| <p>Process for nominating and selecting the highest governance body</p> <p>Process for managing conflicts of interest</p> <p><i>EPRA Codes: 'Gov-Selec' and 'Gov-Col'</i></p> |

*Disclosures covered*

This assurance report covers the Shurgard 2020 Sustainability Report which is published within their annual report and as a standalone ESG report.

*Intended users*

The intended users of this assurance statement are Shurgard and its investors and GRESB B.V.

*Methodology*

The procedures conducted in performing our moderate assurance included:

- Performing a risk assessment, including considering internal controls relevant to the preparation of the Sustainability report and associated data to inform further procedures
- Making enquiries, primarily of persons responsible for the preparation of the Sustainability report
- Understanding Shurgard activities covered within the scope of the Sustainability report
- Applying analytical and other review procedures including assessing relationships between energy data and other financial and non-financial data
- Examination of evidence for a small number of transactions or events
- Analysing and inspecting on a sample basis, the key systems, processes and procedures and



controls relating to the collation, validation, presentation and approval process of the information included in the Sustainability Report.

#### *Use of our assurance statement*

This report has been prepared for Shurgard and their investors for the sole purpose for reporting on the matters being audited in accordance with the EPRA sBPR.

We understand that a copy may be provided to GRESB B.V. for the purpose of reviewing Shurgard compliance with question RP1 of the GRESB Real Estate Reference Guide 2020 (or equivalent once the 2021 GRESB Guide is released). We agree that a copy of the report may be provided to the GRESB B.V. for this purpose.

We disclaim any assumption of responsibility for any reliance on this assurance statement or on the Subject Matter to which it relates, to any person other than the directors of Shurgard or for any purpose other than that for which it was prepared.

#### *Inherent Limitations*

There are inherent limitations in performing assurance - for example, assurance engagements are based on selective testing of the information being examined - it is possible that fraud, error or non-compliance may occur and not be detected. An assurance engagement is not designed to detect all instances of non-compliance with the EPRA sBPR, as an assurance engagement is not performed continuously throughout the year and the procedures performed are undertaken on a test basis. The conclusion expressed in this report has been formed on the above basis.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data.

A limited assurance engagement is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than undertaken for a high level or reasonable assurance engagement. As such the level of assurance is lower than would be the case for a high level or reasonable assurance engagement.

#### *Independence*

In conducting the assurance engagement, we have complied with the independence requirements of the International Federation of Accountant's ('IFAC') Code of Ethics for Professional Accountants ('IFAC Code') through the implementation of internal controls to maintain independence, including:

- The EVORA Consultancy Team is responsible for analysing and preparing the data, aligned with EPRA requirements and producing the Annual Sustainability Report.
- The EVORA Assurance Team is independent and geographically separate to the EVORA Consultancy Team.
- Independence declarations were received from each of the assurance team members, confirming no financial, commercial, governance, ownership or other relationships exist that may impair our independence.

#### *Competence*

The core EVORA Assurance Team comprised:

- Chris Bennett, Managing Director, EVORA is a Chartered Accountant with five years experience at a professional audit firm, nine years experience as Managing Director of Property and Asset Management for a global property manager, and ten years experience as a sustainability consultant at EVORA.
- Rachael Entwistle, Associate Director, EVORA has over seven years of experience



as an environmental consultant, with a further five years' experience in an environmental management role including data capture including external certification. Core responsibilities at EVORA include the completion of internal audits (of Environmental Management Systems) including review of data quality, coverage and performance and support of external ISO14001 audits. She is also a qualified Lead ISO14001 EMS auditor.



*Findings conclusions and recommendations*

AA1000 Accountability Principles

| Principle  | Observations, Findings & Recommendations  |
|--|---|
| <p><b>Inclusivity:</b> actively identifying stakeholders and enabling their participation in establishing an organisation’s material sustainability topics and developing a strategic response to them.</p> <p>An inclusive organisation accepts its accountability to those on whom it has an impact and to those who have an impact on it.</p>   | <p>Key stakeholders have been identified and prioritised according to the level of sustainability impact Shurgard believe their operations have on day to day activities and in turn, their sustainability impact on Shurgard’s day-to-day activities. These impacts span the identified material ESG sustainability risks.</p> <p>Key stakeholder groups have been identified and include: employees, customers, investors, suppliers, communities and government and regulators. Shurgard monitors evolving external aspects to the business by working with third party organisations and through the review of feedback from surveys in order to incorporate results into the ESG approach.</p> <p>Shurgard operate in line with an Environment, Social and Governance policy, this includes commitments with respect to key stakeholder groups including supply chain engagement, community engagement and employees.</p> <p>Stakeholders are engaged with through a variety of measures as outlined in the ‘responsiveness’ section below.</p>  |
| <p><b>Materiality:</b> identifying and prioritising the most relevant sustainability topics, taking into account the effect each topic has on an organisation and its stakeholders.</p> <p>A material topic is a topic that will substantively influence and impact the assessments, decisions, actions and performance of an organisation and/or its stakeholders in the short, medium and/or long term</p> | <p>Material issues are identified by Shurgard’s program of ongoing proactive engagement with stakeholders in the business. This has led to the development of the ESG policy, and associated objectives and targets</p> <p>A review of materiality risks has been completed. The assessment identified, refined and assessed the various ESG factors that can affect the Shurgard business and / or stakeholders. The ongoing impact of COVID-19 has been considered as part of this process. Shurgard monitor evolving external aspects by working with appropriate third parties, reviewing feedback from surveys and gaining insights generated from social media platforms where relevant.</p> <p>Shurgard understand that ESG issues can influence operation and financial performance and therefore, work to incorporate ESG risk considerations into business decision making processes. To this end the Chief Executive actively participates in the ESG Committee.</p> <p>The ESG analysis serves to complement the ultimate objective of delivering superior long-term returns to investors. In order to successfully integrate sustainability into the corporate strategy.</p> <p>The process of determining materiality and relevance is documented within the annual report. Shurgard is committed to presenting future updates.</p> |



|   |   |
|---|---|
| <p><b>Responsiveness:</b> an organisation’s timely and relevant reaction to material sustainability topics and their related impacts.</p> <p>Responsiveness is realised through decisions, actions and performance, as well as communication with stakeholders</p>  | <p>Shurgard has an ESG committee which is attended by employees from several departments in order to ensure a wide range of involvement from stakeholders across the business, the ESG committee is positioned so that it can respond as required to changing ESG demands. Above the ESG committee sits the Executive Committee who are responsible for the sign-off of ESG objectives and the overarching ESG strategy.</p> <p>Stakeholders are engaged and responded to through a variety of mechanisms, including:</p> <ul style="list-style-type: none"> <li>• Investors can raise material topics through a variety of channels including during roadshows, one to one meetings, direct communication to the Investor relations manager – any ESG concerns raised which Shurgard do not currently address via their ESG strategy would be channelled to the ESG committee to determine a potential response / approach</li> <li>• Customer surveys are regularly completed to understand the happiness of the people using the self-storage facilities and to determine if there is anything within the ESG approach which needs to be adapted. Tenants are also engaged with via the website and through on-site communication through the site personnel.</li> </ul> <p>An employee surveys was completed in 2019 with a response rate of approximately 87%. An action plan was developed and implemented to progress areas which scored lower than desired.</p> |
| <p><b>Impact:</b> the effect of behaviour, performance and/or outcomes, on the part of individuals or an organisation, on the economy, the environment, society, stakeholders or the organisation itself.</p> <p>Material topics have potential direct and indirect impacts — which may be positive or negative, intended or unintended, expected or realised, and short, medium or long term</p> | <p>Shurgard has defined ESG objectives – as outlined within their ESG policy and reported against within their 2020 annual report, these include both qualitative and quantitative metrics, covering both short and long term timeframes.</p> <p>Headline achievements against objectives include an 8% like for like reduction in electricity consumption and a 18% reduction in Scope 1 and 9% reduction in Scope 2 like for like carbon emissions.</p> <p>The core environmental impact at the asset level is primarily energy consumption (due to the nature of the assets), however Shurgard has recognised the importance of monitoring and reporting on these metrics in order to provide a full reflection of the impact their properties have upon the environment.</p> <p>Metrics for measuring impact have been developed through various mechanisms including through advice from external sector specific consultants and via the review of publicly available information i.e. from industry bodies / and via GRESB where relevant.</p> <p>Shurgard report annually to GRESB, which is used as a mechanism to support benchmarking against peers, ensures monitoring, measuring and evaluation of impacts and enables the communication of the ESG performance.</p>   |



Reliability of Subject Matter

| Finding  | Description & Recommendations  |
|--|--|
| <p><b>Finding 1:</b> Incorrect categorisation of waste tonnages</p>      | <p>An instance was identified where waste tonnage which had been reported as 'General Waste' with the destination of 'MRF – Unknown' had been classified as being recycled, where no evidence available to support this. This led to a material over-statement of recycling tonnage / %. Additionally, the recovery rate of MRFs had not been considered when data was analysed, resulting in material errors (over and under-reporting) associated with the 'MRF – Incinerated' waste stream. These errors were determined to have been caused due to human error when analysing the dataset. Improved guidance for consultants with respect to interpreting waste data is to be communicated.</p> <p>Further checks were made throughout the waste data to ensure these were not inherent errors, this was not found to be the case. All errors were corrected in the final dataset.</p> |
| <p><b>Finding 2:</b> Incorrect application of GHG conversion factors</p> | <p>Country specific conversion factors were inconsistently applied to calculate GHG emissions. An error was noted whereby incorrect countries were allocated against assets (i.e. German assets having Danish conversion factors applied). This impacted materially upon Scope 1 and 2 absolute GHG figures, but not like for like calculations. This was due to a manual error of country allocation per asset which led to incorrect conversion factors being applied. All absolute GHG data was reviewed to ensure the correct country specific conversion factors were applied. This error was corrected in the final dataset.</p> <p>Utilisation of automatic carbon conversion functionality of SIERA should be considered in future reporting to avoid this error occurring.</p>  |

Our Unqualified Opinion

Nothing has come to our attention that causes us to believe that the preparation of the annual sustainability report for inclusion in the Shurgard annual report and ESG report is not in accordance with the AA1000 Accountability Principles 2018.

Furthermore, nothing has come to our attention that causes us to believe that the annual sustainability report for inclusion in the Shurgard annual report and ESG report is not prepared in accordance with the

EPRA sBPR and the AA1000 Assurance Standard 2020, in all material respects, for the year ending 31<sup>st</sup> December 2020.

Chris Bennett  
Managing Director, EVORA Global Limited  
Date: 27<sup>th</sup> January 2021  
Assurance Statement Reference: 3705C