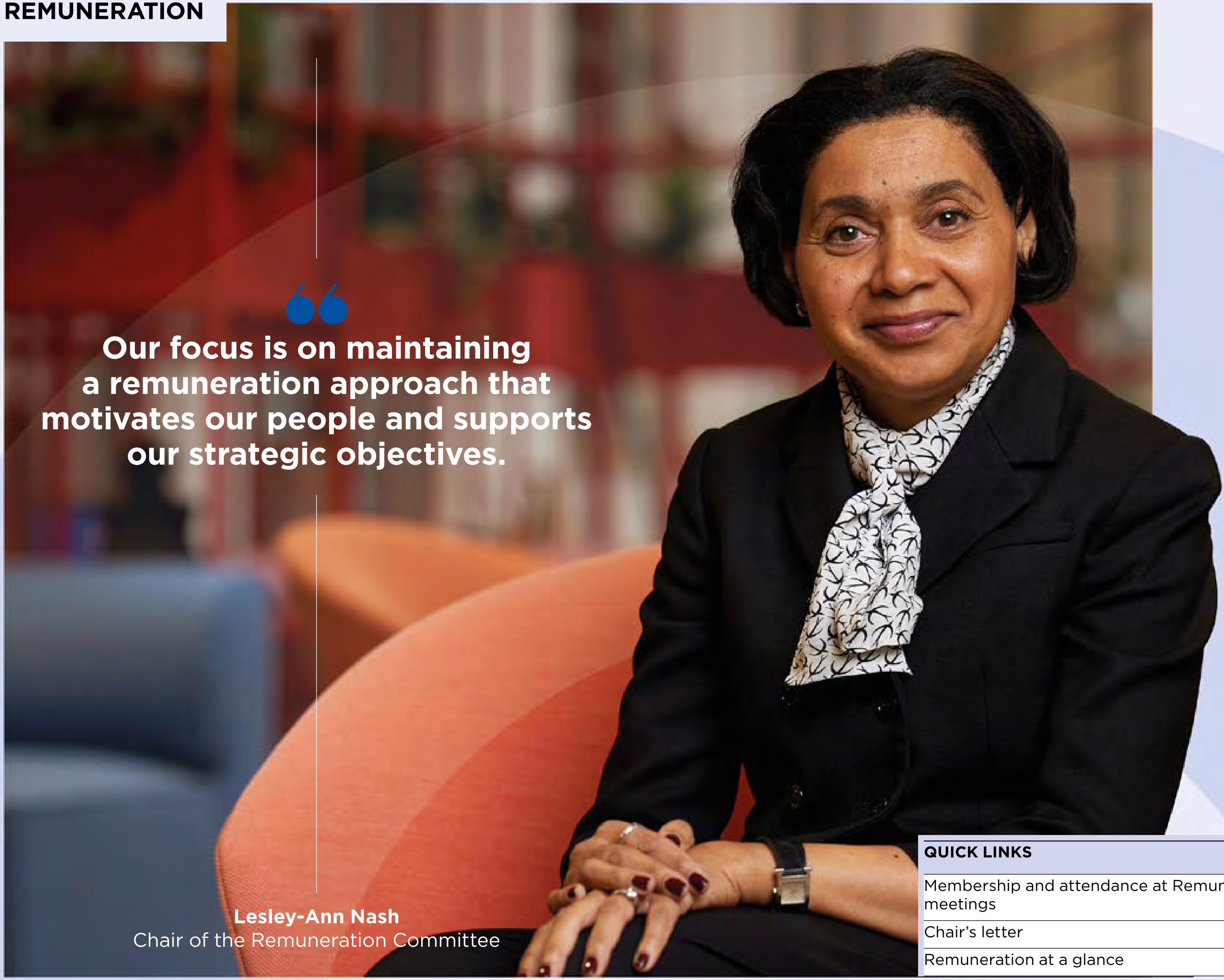
REMUNERATION



Our focus is on maintaining a remuneration approach that motivates our people and supports our strategic objectives.

Lesley-Ann Nash
Chair of the Remuneration Committee

QUICK LINKS

REMUNERATION CONTINUED

MEMBERSHIP AND ATTENDANCE AT REMUNERATION COMMITTEE MEETINGS

	MEMBER SINCE	MEETINGS ATTENDED
Lesley-Ann Nash (Chair)	2021	7/7
Duncan Owen[1]	2023	4/4
Rosie Shapland	2020	7/7
Stephen Hubbard[2]	2014	3/3

1. Duncan Owen became a member of the Committee in July 2023 and he attended all meetings from this date.
2. Stephen Hubbard retired as a Director of the Company in July 2023 and he attended 3/3 meetings up to this point.

The Committee consists of Non-Executive Directors and is chaired by Lesley-Ann Nash. Details of individual attendance at the meetings held during the year are set out above. More information on the skills and experience of all Committee members can be found on pages 118 to 120.

Support for the Remuneration Committee

During the year, we sought external support from PwC and internal support from the CEO and CFO, whose attendance at Committee meetings was by invitation from the Chair, to advise on specific questions raised by the Committee and on matters relating to the performance and remuneration of the senior management team. The Company Secretary attended each meeting as Secretary to the Committee. No Director was present for any discussions that related directly to their own remuneration.

KEY TOPICS CONSIDERED BY THE COMMITTEE DURING THE YEAR

KEY TOPIC	ACTIVITY	OUTCOME
EXECUTIVE AND SENIOR MANAGEMENT REMUNERATION FRAMEWORK	The Committee reviewed annual bonus outcomes for 2022/23 and considered the outcome of the 2020 LTIP grant, which vested at 50% of maximum in June 2023. Performance metrics and targets were determined in line with our remuneration structure. For the 2023/24 financial year, the Committee also reviewed the targets for the annual bonus and 2023 LTIP grant.	After careful consideration, the performance measures and targets for the 2023 LTIP were revised to better align with Workspace's evolving strategy. Restricted Share Awards were introduced and awarded in June 2023 (excluding Executive Directors), replacing the performance based LTIP structure. This ensures employees below Board level are rewarded appropriately for their continued contribution to the business.
REFLECTING ESG TARGETS UNDER THE ANNUAL BONUS AND THE LTIP	Recognising sustainability is inherent to the values of the Company and is heavily reflected in remuneration. With this in mind and as part of our ongoing objectives, we had the opportunity to better align the 2023 LTIP with our strategic plan. The LTIP measures and weightings that were agreed are Total Shareholder Return (TSR) (25%), Earnings Per Share (EPS) (25%), Total Accounting Return (TAR) (25%) and Environmental Social and Governance (ESG) (25% – the first time we introduced this measure in our LTIP).	The Committee identified precise ESG metrics and targets for inclusion in the Company's variable pay as part of the 2023 Remuneration Policy Review. After careful consideration, ESG, as a performance measure, was introduced in the 2023 LTIP, with a 25% weighting. We have also retained our sustainability metric within the annual bonus. Meetings were held with investors where the Committee Chair and Company Secretary explained the rationale for the selected ESG performance metrics and targets, details of which were also disclosed in the 2023 Annual Report.
GENDER PAY GAP	The Remuneration Committee continues to monitor the requirements under the Equality Act 2010. Any employer with more than 250 employees on 5 April each year (the 'Snapshot Date') is required to publish a gender pay gap report. Having reached this threshold for the first time at the Snapshot Date of 5 April 2022, we published our first gender pay gap report in March 2023.	As of 5 April 2023, 283 employees were employed and therefore the Company was required to publish a further gender pay gap report in March 2024. The Committee evaluated the data presented by the HR team, illustrating that the Company does have a gender pay gap in hourly pay and bonus on both mean and median measures. The main reason for the gap continues to be that proportionally more men are employed at the upper quartile and actions being undertaken to address the gender pay gap were discussed by the Committee.
WIDER WORKFORCE REMUNERATION	The Committee reviewed wider workforce remuneration arrangements and took these into account when reviewing remuneration for the Executive Directors.	In response to ongoing cost of living pressures, the Committee agreed that employees would receive a 5% salary increase, effective from 1 April 2024. Most members of the Executive Committee were awarded a 4% increase.
COMMITTEE GOVERNANCE	The Committee considered key executive remuneration trends and market practice including updates on the current executive pay environment, shareholder guidelines and corporate governance revisions.	A review of the results of the external performance review of the Remuneration Committee was conducted as well as a review of the Committee terms of reference. During the year, the Committee approved the Directors' Remuneration Report and Gender Pay Gap Report.

REMUNERATION CONTINUED

REMUNERATION COMMITTEE CHAIR'S LETTER

Lesley-Ann Nash
Chair of the Remuneration Committee

8.7%
INCREASE IN TRADING PROFIT AFTER INTEREST

8.5%
INCREASE IN DIVIDEND PER SHARE COMPARED TO PRIOR YEAR

86.1%
CUSTOMER SATISFACTION

99.8%
2023 REMUNERATION POLICY VOTE

Dear shareholders,

As Chair of the Remuneration Committee and on behalf of the Board, I am pleased to present our 2024 Remuneration Report.

The report this year is split into:
- Remuneration at a glance: highlighting simply and transparently how executive pay incentivises the delivery of our strategy and promotion of our values, and how this cascades down the organisation – pages 195 to 197.
- A summary of our current Directors' Remuneration Policy for Executive Directors approved by shareholders at our 2023 AGM – pages 198 to 201.
- The Annual Report on Directors' remuneration explaining the remuneration outcomes for 2023/24 and the implementation of pay for 2024/25 – pages 202 to 217.

In producing this year's Remuneration Report, the Committee has sought to present a clear and concise statement of our key decisions in respect of reward and recognition at Workspace, including how our approach to pay cascades throughout the organisation.

Gender pay gap report
Page 130

We are confident that the link between pay and performance at Workspace is clearly evident, with a focus on how our variable pay structures directly drive all of our strategic priorities and reflect alignment with our different stakeholders. More information on this can be found on pages 191 to 192.

I would like to take this opportunity to thank our shareholders for their support for our Directors' Remuneration Policy which was overwhelmingly approved at the 2023 AGM by 99.8% of voting shares. Coupled with the 99.9% support we received for our 2023 Directors' Remuneration Report, we believe this reflects shareholder confidence in our balanced approach to executive remuneration. The Committee remains focused on its role in promoting performance to develop long-term value for all stakeholders and continues to be guided by its key principles which are detailed on page 195.

Business performance
This year we have continued to see robust demand from businesses for the truly flexible offer we provide in our vibrant locations. This can be seen in our results with net rental income up 8.2%, driven by increased pricing and stable occupancy.

Throughout the year, we have continued to focus on operational excellence and have actively managed our portfolio to meet changing customer needs. We completed a large number of smaller unit refurbishments and subdivisions, which deliver strong immediate returns, as well as making good progress on our larger projects. As expected, our property valuations were down as a result of movement in market yields. However, we have maintained a conservative level of gearing, with the continuing disposal of non-core properties further strengthening our balance sheet.

The experience of our stakeholders
In reviewing the outcomes for 2023/24 remuneration for our Executive Directors, the Committee actively considered the wider context, such as the experience of all the Company's stakeholders during the year, including our shareholders, employees, customers and suppliers.

Throughout the year, we have been mindful of the challenges that our employees continue to face in the current economic environment. In this context, the Company agreed that for 2024/25, staff salaries would increase by 5%, with the increase being accelerated to be paid from April 2024. This follows a 6% increase in 2023/24, with a minimum uplift of £3,000 for staff earning below £50,000. More information about other benefits and pay that are offered to employees can be found on page 197.

In addition, this year we have reviewed a number of our family-related policies. We have increased maternity and paternity pay, introduced total reward statements so that employees have greater visibility of their remuneration package and introduced charity giving so that employees can make use of salary sacrifice arrangements to donate to their chosen charities. We have also launched two new benefits to replace our previous employee health cash plan, giving staff access to annual health checks, consultations on mental health and nutrition and a cash plan enabling staff to claim reimbursements for certain health-related expenses, such as optical and dental services.

Last year, we published our inaugural gender pay gap report and this year's report can be found on our website. The Board and the Committee continue to be fully committed to creating a diverse and inclusive culture that attracts the best individuals to our Company.

REMUNERATION CONTINUED

We have also relaunched our InspiresMe programme, providing work experience and careers advice for students and disadvantaged young people in our communities and contributed £66,199 to our charity partner, Single Homeless Project.

A more detailed summary of how the remuneration outcomes align with the experience of our other stakeholders is set on page 191.

Remuneration outcomes in 2023/24
The formulaic outcome under the bonus was 67.1% of maximum which equates to 100.7% of salary for the CEO and 80.5% of salary for the CFO. This results in £538,500 to the CEO and £296,300 to the CFO. This reflects strong performance across our annual bonus measures, in particular in profit, sustainability and customer satisfaction.

With ESG so high up the Company's agenda, we are pleased that this metric has paid out in full. Further details of the outcomes are set out on page 207. Of the bonus award, 33% will be deferred in shares for three years under the Deferred Bonus Plan.

Vesting of 2021 LTIP
The LTIP awards granted to Graham Clemett and Dave Benson in 2021 were subject to performance conditions measured over the three financial years from 1 April 2021 to 31 March 2024. The vesting of 50% of this award was subject to Total Shareholder Return (TSR) performance relative to FTSE 350 Real Estate companies (excluding agencies), with the remaining 50% subject to Total Property Return (TPR) versus IPD Benchmark.

Having tested the performance conditions, TPR performance was above upper quartile, meaning this element vested in full. TSR, however, was ranked within the 25th percentile, meaning that this element did not pay out. Therefore, the overall formulaic outcome is 50%.

This equates to a total of £342,377 for Graham Clemett and £235,600 for Dave Benson (these figures include dividend equivalents). The net vested shares will be subject to a two-year holding period.

Following evaluation of the formulaic outcomes for both the annual bonus and LTIP, the Committee considered the results against the underlying performance of the Company in what continues to be challenging market conditions, as well as the experience of our stakeholders over the performance period, and determined no adjustments to outcomes were required.

Proposed implementation of policy for 2024/25
As I set out at the beginning of this statement, the renewal of our Directors' Remuneration Policy received overwhelmingly strong support from our shareholders at the 2023 AGM. We believe this policy remains fit for purpose as it continues to align with our strategic priorities.

Base salary
The CEO will receive a base salary increase of 4%, which is below the level awarded to the wider workforce, and this took effect from 1 April 2024.

The CFO will receive an increase of 8.7%, taking his salary to £400,000.

The CFO's package has slipped below his peers over the last few years. The increase in salary will place his total compensation in line with the lower quartile of the industry peer group. The Committee remains conscious of ensuring that any salary increase that is awarded to Executive Directors is typically the same level, if not below that of the

SUMMARY OF EXECUTIVE DIRECTORS' TOTAL REMUNERATION
The tables below set out a single figure for the total remuneration received by each Executive Board Director for the year ended 31 March 2024. The full tables can be found on pages 193 and 194.

Graham Clemett
Chief Executive Officer

		2023/24 £000
Fixed pay	Base salary	535.0
	Pension[1]	53.5
	Benefits[2]	21.8
	Total fixed	**610.3**
Variable pay	Annual bonus[3]	538.5
	LTIP[4,5]	342.4
	Other (SAYE, SIP)	4.5
	Total variable	**885.4**
Total		**1,495.7**
of which share price growth		0

Dave Benson
Chief Financial Officer

		2023/24 £000
Fixed pay	Base salary	368.0
	Pension[1]	36.8
	Benefits[2]	0
	Total fixed	**404.8**
Variable pay	Annual bonus[3]	296.3
	LTIP[4,5]	235.6
	Other (SAYE, SIP)	4.5
	Total variable	**536.4**
Total		**941.2**
of which share price growth		0

1. Pension: During 2023/24 each of Messrs Clemett and Benson received a cash allowance in lieu of pension contribution.
2. Benefits: Taxable value of benefits received in the year by Executive Directors includes a car allowance, private health insurance and death in service cover.
3. Annual bonus: This is the total bonus earned in respect of performance during the relevant year. For 2023/24, the Committee set a minimum deferral requirement of 33% of the bonus earned. For 2023/24, this deferral was equivalent to £177,705 for Mr Clemett and £97,779 for Mr Benson.
4. None of the LTIP single figure is attributable to share price growth.
5. The 2023/24 figure includes the estimated value of 50% of the 2021 LTIP shares that vested based on performance to 31 March 2024. The share price used is the three-month average to 31 March 2024 of £5.11. This will be updated in next year's report to reflect the share price on the date of vesting. As allowable under the relevant plan rules and approved Policy, the Committee determined that dividend equivalents are payable under the 2021 LTIP award – this figure therefore includes the value of dividend equivalents accrued on the shares that are vesting over the relevant performance period.

REMUNERATION CONTINUED

wider workforce. However, this exception is important to the Committee, given that the CFO has been in role for the last four years and has made a strong contribution over this period, assisting the CEO in the succesful management of the Company through the challenges of COVID, securing of new finance facilities including the issue of a Green Bond and the recent implementation of a new finance and admin system. In addition, we remain mindful of his role as we transition our new CEO. For these reasons, the Committee concluded that this salary increase is appropriate. Executive Director salary increases took effect from 1 April 2024.

Annual Bonus 2024/25

The Committee regularly reviews the targets and weightings of incentives to ensure that they continue to align to Workspace's strategic priorities and support the Company's culture and values. Following its review, the Committee determined that for the 2024/25 annual bonus, the performance measures would remain unchanged from 2023/24 but a slight change to the weightings should apply to ensure there is a greater focus on our strategic financial objectives.

In addition, the Committee reviewed how our sustainability strategy is reflected across our incentives, with ESG metrics representing 20% of award within the annual bonus and 25% within the LTIP. Given the shorter-term nature of the annual bonus, it was determined that going forward, the sustainability objective should represent 10% of award and would focus on the people and community support elements of our ESG strategy. The targets to be set for 2024/25 would encompass customer advocacy of our sustainability credentials, increasing our social value and championing diversity and inclusion. Further, in light of the headwinds on climate change and associated regulations, we believe that prioritising resilience and reducing energy intensity usage within our portfolio will be crucial to protecting long-term shareholder value. As a consequence, ESG, as a performance measure within the LTIP, representing 25% of the award, would focus on increasing EPC A/B rated space and reducing scope 1 and 2 emissions.

Therefore, for 2024/25 the annual bonus performance measures and weightings will be: Financial objectives (Trading profit after interest (50%), Strategic financial (20%, previously 10%)), Sustainability (10%, previously 20%), Operational efficiency (10%) and Customer satisfaction (10%). The Committee believes these measures appropriately incentivise the Directors to deliver in-year performance that is aligned to each of the three pillars of our strategy. We set out further evidence of this alignment on pages 195 to 197.

Targets for the annual bonus are set at the beginning of the year and will be disclosed in full at the end of the performance year. See page 212 for further details.

2024 LTIP

Following a review last year, the Committee amended the measures for the LTIP in order to further improve alignment between the performance conditions and the Company's strategy. This year, the Committee determined that these measures remain fit for purpose, therefore the measures for the 2024 LTIP award, due to be granted in June, will remain unchanged from the previous year's grant, with the exception of a small adjustment to the targets of the Total Accounting Return measure. The measures and weightings that will apply are as follows: Total Shareholder Return (TSR) relative to FTSE 350 Real Estate companies (excluding agencies) (25%), Total Accounting Return (TAR) (25%), Earnings Per Share Growth (EPS) (25%) and Environmental, Social and Governance (ESG) metrics (25%).

As with previous awards, a performance underpin applies to this award which allows the Committee to reduce vesting if the outturn is inconsistent with the overall performance of the business, individual performance or wider considerations. Further details of the LTIP that will be granted in June 2024 can be found on page 213.

Chief Executive Officer (CEO) Succession

In January 2024, we announced Graham Clemett's intention to retire from his role as Chief Executive Officer. As Graham serves his notice period, he will continue to receive his base salary, benefits and pension. In addition, he will remain eligible for a 2024/25 annual bonus, which will be pro-rated for time served, and a 2024 LTIP award, subject to performance and time proration. All remuneration received by Graham in relation to his retirement, including the treatment of his outstanding incentives, will be in accordance with our approved policy. In line with the policy, he will also be subject to post-cessation shareholding requirements.

A key focus of the Committee since Graham's announcement has been the remuneration arrangements for our new Chief Executive Officer. Lawrence Hutchings was announced as the new CEO and he will take up the role on a date to be confirmed. The terms of the remuneration package for Lawrence comply fully with the Directors' Remuneration Policy that was approved by shareholders at the 2023 AGM. Further information in respect of Lawrence's remuneration upon taking up the role of CEO is provided throughout the Report.

Remuneration Committee Effectiveness

For the year ending 31 March 2024, the Company was required to undertake an external Board performance review, similar to that carried out in 2020/21 to identify opportunities to further strengthen Board performance and contribution. Fidelio Partners has carried out the Board performance review and presented their findings to the Board in January 2024.

As part of the process, Fidelio has produced specific feedback for the Remuneration Committee, highlighting areas in which the Committee operates strongly and we are responding to areas identified for improvement. Overall it was confirmed that the Committee continued to operate effectively.

Concluding remarks

The Committee remains aware of the scrutiny on executive pay, and we continue to assess our current remuneration policy to ensure that it drives the right behaviours and continues to evolve in line with our strategy and wider stakeholders.

I want to thank you for your ongoing support in the year and I hope you will join the Board in supporting our Directors' Remuneration Report at the upcoming 2024 AGM.

Lesley-Ann Nash

Lesley-Ann Nash
Chair of the Remuneration Committee
4 June 2024

REMUNERATION CONTINUED

CONSIDERATION OF THE EXPERIENCE OF OUR STAKEHOLDERS

OUR PURPOSE, STRATEGY AND STAKEHOLDERS

Our people
Mindful of the challenging economic environment faced by our employees, the Committee oversaw the decision to award salary increases of 5% for all employees below the Executive Committee. The introduction of the restricted share awards for senior employees below Board level, in 2023, ensures these individuals can share directly in the success of Workspace and are fully aligned with shareholders' experience.

Employee engagement and wellbeing are reflected in our sustainability objectives as part of our Executive Directors' bonuses. The Committee also set objectives in order to increase our social value contribution. Our target during the year was to generate £700,000 of social value. We successfully delivered a series of enhanced employee wellbeing programmes and employment and skills initiatives for employees such as helplines for stress and wellbeing. 72% of respondents in our current staff survey confirmed that Workspace cares about employee wellbeing. Furthermore, we successfully launched our apprenticeship programme, supporting six apprentices this year. In addition, a number of initiatives were rolled out this year to drive greater diversity and inclusion within the business. This includes 119 hours of diversity and inclusion training to employees. We also aim to achieve equal gender split across all professional training opportunities and internal promotions. Following on from the year end employee survey, 85.5% of employees agree that Workspace is an inclusive employer, up from 80% last year.

Our investors
We believe in an open dialogue with investors. As part of our Directors' Remuneration Policy review, the Committee consulted with major shareholders and investor bodies, receiving constructive and positive feedback.

In 2023, the Committee reviewed the LTIP performance measures to ensure these continue to align to our strategic priorities. Subsequently, the Committee approved the introduction of an EPS growth measure for the 2023 LTIP grant. EPS is an important headline measure of Workspace's financial performance and profitability. The relative TSR condition remains an important measure in ensuring outcomes from the LTIP align with the experience of our shareholders. Participants are only rewarded if returns exceed that achieved elsewhere in the sector. Total Accounting Return as a measure, reflects the creation of value for shareholders in the form of dividends paid and growth in Asset Value. The use of an ESG measure strongly aligns to the sustainability pillar of our strategy.

Stakeholder experiences in 2024
Pages 191 to 192

REMUNERATION CONTINUED
CONSIDERATION OF THE EXPERIENCE OF OUR STAKEHOLDERS CONTINUED

Our partners and suppliers
We work with a broad range of long-term partners and these relationships are governed by stringent ethical and sustainability standards. As an accredited Living Wage employer ourselves, we are committed to paying the Real London Living Wage to 100% of our suppliers and partners working on Workspace premises. All of our suppliers are required to comply with our supplier code of conduct, setting minimum standards of sustainability performance and ethical conduct.

Our communities
Our buildings positively impact communities: by providing high-quality, affordable space, we bring employment into the local areas and help create community hubs. We strongly believe in giving something back to the communities where we have a presence, which is why we offer employment support to disadvantaged young people. This year, we partnered with 10 local schools to deliver skills and employability workshops, reaching over 300 beneficiaries. We also worked with our customers to offer work placement opportunities to 25 students.

As part of our annual bonus sustainability metrics, we focused on a number of social impact initiatives which include adopting responsible business practices to support our people to achieve their best, rolling out programmes focused on wellbeing, skills, employment and local community impact. During the year, our employees devoted 1,440 hours of time to volunteer work. The delivery of our social value objectives have generated a total of £847,000, versus our target of £700,000, this year.

The environment
Sustainability is at the heart of our strategy and this is reflected in incentives for our Executive Directors. Whilst sustainability objectives were already part of our annual bonus, in 2023 the Committee approved the introduction of ESG metrics for the LTIP from the 2023 grant. During the year, we achieved an 11% reduction in energy use intensity across the like-for-like portfolio compared to last year. This is mainly driven by a 35% reduction in gas use across the portfolio due in the main to electrification and operational improvements. In addition, 10.5% of the portfolio has been upgraded to an EPC A/B rating this year. The measures include key objectives which directly support our strategy in focusing on creating sustainable environments. We signed a long-term contract to procure two-thirds of our electricity from a solar plant in Devon, contributing 21.1GW of additional renewable capacity to the UK grid.

Our customers
Our customers are at the heart of our business and this is reflected in our strategy, with one of our three strategic pillars relating to customer-led growth. Customer satisfaction is a measure within our annual bonus for our Executive Directors and the Committee was satisfied that the bonus outcomes for the year accurately reflected the experience of our customers at Workspace. In addition, we held a number of engagement initiatives with our customers to drive sustainable behaviours and supported them with their own sustainability aspirations. Such sustainability initiatives were well received by our customers, with 79% of customers agreeing that Workspace is a socially and environmentally responsible business.

> **Sustainability underpins all that we do at Workspace. By introducing ESG performance measures within our annual bonus and LTIP, we directly support our strategy and focus on creating sustainable environments.**

REMUNERATION CONTINUED

SUMMARY OF EXECUTIVE DIRECTORS' TOTAL REMUNERATION

GRAHAM CLEMETT
CHIEF EXECUTIVE OFFICER

Fixed components of executive pay	£000
Base salary	535.0
Pension	53.5
Benefits	21.8
Total fixed	**610.3**

Variable components of executive pay	£000
Annual bonus	538.5
LTIP	342.4
Other – SAYE, SIP	4.5
Total variable	**885.4**
Single figure for 2023/24	**1,495.7**

ANNUAL BONUS
OUTCOMES UNDER THE 2023/24 ANNUAL BONUS

Measure:	Threshold (0% Payable)	Maximum (100% payable)	Actual	Outcome (% of award)	Weighting (% of award)	CEO actual £000
Trading profit after interest	£64.9m	£68.6m	£66.3m[1]	21.9%	50%	175.7
Strategic financial objectives	0%	100%	75%	7.5%	10%	60.2
Sustainability objectives	0%	100%	100%	20%	20%	160.5
Operational efficiency	0%	100%	77%	7.7%	10%	61.8
Customer satisfaction	80%	86%	86.1%	10%	10%	80.3
Bonus outturn				**67.1%**		538.5
As a percentage of salary				**100.7%**		

1. Adjusted by £0.3m due to exceptional costs in relation to CEO transition.

LTIP
OUTCOMES UNDER THE 2021 LTIP PERFORMANCE MEASURES OVER THE PERIOD 1 APRIL 2021 TO 31 MARCH 2024

Measure:	Threshold (20% payable)	Maximum (100% payable)	Actual	Formulaic outcome (% of award)		CEO actual £000
Total shareholder return (TSR) Relative to FTSE 350 Real Estate companies (excluding agencies)	MEDIAN	UPPER QUARTILE	25th percentile	0%	50%	299.0 of which share price: £NIL
Total property return (TPR) versus IPD	MEDIAN	UPPER QUARTILE	95th percentile	50%	50%	43.4 Dividend equivalent:
Total				**50%**	100%	342.4

REMUNERATION CONTINUED

SUMMARY OF EXECUTIVE DIRECTORS' TOTAL REMUNERATION

DAVE BENSON
CHIEF FINANCIAL OFFICER

Fixed components of executive pay	£000
Base salary	368.0
Pension	36.8
Benefits	0
Total fixed	**404.8**

Variable components of executive pay	£000
Annual bonus	296.3
LTIP	235.6
Other – SAYE, SIP	4.5
Total variable	**536.4**
Single figure for 2023/24	**941.2**

ANNUAL BONUS
OUTCOMES UNDER THE 2023/24 ANNUAL BONUS

Measure:	Threshold (0% Payable)	Maximum (100% payable)	Actual	Outcome (% of award)	Weighting (% of award)	CFO actual £000
Trading profit after interest	£64.9m	£68.6m	Actual: £66.3m[1]	21.9%	50%	96.7
Strategic financial objectives	0%	100%	Actual: 75%	7.5%	10%	33.1
Sustainability objectives	0%	100%	Actual: 100%	20%	20%	88.3
Operational efficiency	0%	100%	Actual: 77%	7.7%	10%	34.0
Customer satisfaction	80%	86%	Actual: 86.1%	10%	10%	44.2
Bonus outturn				67.1%		296.3
As a percentage of salary				80.5%		

1. Adjusted by £0.3m due to exceptional costs in relation to CEO transition.

LTIP
OUTCOMES UNDER THE 2021 LTIP PERFORMANCE MEASURES OVER THE PERIOD 1 APRIL 2021 TO 31 MARCH 2024

Measure:	Threshold (20% payable)	Maximum (100% payable)	Actual	Formulaic outcome (% of award)		CFO actual £000
Total shareholder return (TSR) Relative to FTSE 350 Real Estate companies (excluding agencies)	MEDIAN	UPPER QUARTILE	Actual: 25th percentile	0%	50%	205.8 of which share price: £NIL
Total property return (TPR) versus IPD	MEDIAN	UPPER QUARTILE	Actual: 95th percentile	50%	50%	29.8 Dividend equivalent:
Total				50%	100%	235.6

REMUNERATION CONTINUED

ALIGNING OUR REMUNERATION PRINCIPLES WITH OUR PURPOSE AND STRATEGY AND THE EXPERIENCE OF ALL OUR STAKEHOLDERS

OUR PURPOSE, STRATEGY AND STAKEHOLDERS

Our remuneration approach is aligned to our purpose, values and strategy, thereby incentivising delivery for customers and the environment, and the creation of long-term value for all of our stakeholders.

Stakeholder experiences in 2024
Pages 191 to 192

OUR KEY REMUNERATION PRINCIPLES

ALIGNMENT WITH OUR STRATEGY AND PURPOSE	Workspace has worked hard to articulate and define our purpose, alongside our established values and corporate strategy. Our remuneration is aligned with the Group's objectives and long-term strategy through a mix of short and long-term performance metrics. This aligns with the 'alignment to culture' principle under Provision 40 of the UK Corporate Governance Code.
A FOCUS ON RISK	We design our measures to incentivise the right behaviours, that are consistent with our strategy. Performance measures applicable to the 2024 LTIP grant have been reviewed and are based on a combination of financial, share price, ESG and strategic measures aligned with the Company's strategic plan. This aligns with the 'risk' and 'proportionality' principles under the UK Corporate Governance Code.
ACTING IN A SUSTAINABLE WAY	Incorporating ESG into our incentive arrangements reinforces the importance of the sustainability pillar of our strategy. Staying ahead of the sustainability curve and delivering on our net zero carbon commitments is a fundamental part of Workspace's long-term strategy. This aligns with the 'alignment to culture' principle under Provision 40 of the UK Corporate Governance Code.
TRANSPARENCY AND SIMPLICITY FOR THE BENEFIT OF ALL OUR STAKEHOLDERS	The Committee seeks to embed simplicity and transparency in the design and delivery of Executive reward. The remuneration structure is simple to understand for both participants and shareholders and is clearly aligned to the strategic priorities of the business. This aligns with the 'clarity', 'simplicity' and 'predictability' principles under Provision 40 of the UK Corporate Governance Code.
CONSISTENCY OF APPLICATION	Short and long-term incentive plans, operated across the organisation, explicitly reward the delivery of the business strategy. A high percentage of rewards are delivered in the form of equity, meaning that Executives are strongly aligned with shareholders. Executives are also required to build significant shareholdings in Workspace. This aligns with the 'risk' principle under Provision 40 of the UK Corporate Governance Code.

REMUNERATION CONTINUED

ALIGNING OUR PURPOSE AND STRATEGY WITH OUR REMUNERATION PRINCIPLES AND THE EXPERIENCE OF ALL OUR STAKEHOLDERS CONTINUED

HOW OUR VARIABLE PAY ALIGNS TO OUR STRATEGIC PILLARS

Our annual bonus and LTIP are closely aligned to our strategic priorities. They each demonstrate a clear focus on operational performance, customers and the environment.

ELEMENT OF REMUNERATION	MEASURES (% of award)	WHY IT IS IMPORTANT TO DELIVER OUR STRATEGIC PRIORITIES AND SUPPORT OUR STAKEHOLDERS	LINK TO STRATEGIC PRIORITIES	LINK TO DIFFERENT STAKEHOLDERS
2024/25 ANNUAL BONUS	**Financial measures** Trading profit after interest **50%** Strategic financial **20%**	**Trading profit after interest** Trading profit after interest is a key measure for Workspace and determines dividend growth, and also the returns we provide to our shareholders. **Strategic financial** Strategic financial objectives allow us to cover key drivers of our commercial success that would otherwise not be captured under trading profit after interest.	- Driving customer-led growth - Delivering operational excellence	- Our investors - Our partners & suppliers
	Sustainability **10%**	**Sustainability** The sustainability objectives incentivise the Executive Directors to deliver progress against our three-pillar sustainability strategy.	- Being sustainable from the inside out	- The environment - Our communities - Our people - Our partners & suppliers
	Operational efficiency **10%**	**Operational efficiency** Optimising value and service is an important part of our business and a key part of our strategic pillar to deliver operational excellence.	- Delivering operational excellence	- Our customers - Our people
	Customer satisfaction **10%**	**Customer satisfaction** Customers are at the heart of Workspace and the use of customer satisfaction objectives demonstrates our commitment to providing the best value to our customers.	- Driving customer-led growth	- Our customers
2024 LTIP	**Total Shareholder Return (TSR) relative to FTSE 350 Real Estate companies (excluding agencies)** **25%**	**Total Shareholder Return (TSR) relative to FTSE 350 Real Estate companies (excluding agencies)** TSR is paramount to Workspace because it shows the value that our shareholders receive from investing in Workspace. We aim to create maximum value for our shareholders therefore it is important to ensure outcomes from the LTIP align with the experience of our shareholders, with participants only rewarded if returns exceed those achieved elsewhere within the sector.	- Driving customer-led growth - Delivering operational excellence - Being sustainable from the inside out	- Our investors
	Total accounting return (TAR) **25%**	**Total Accounting Return (TAR)** TAR is important to Workspace as it ensures we reward the creation of value for shareholders in the form of dividends paid and growth in net asset value.	- Driving customer-led growth - Delivering operational excellence	- Our investors
	Earnings per share (EPS) Growth **25%**	**Earnings Per Share (EPS) growth** EPS growth is a key headline measure of Workspace's financial performance, with outcomes better aligned to our success in active portfolio management and investment.	- Delivering operational excellence	- Our investors
	Environmental, Social and Governance (ESG) measures **25%**	**Environmental, Social and Governance (ESG) measures** ESG measures demonstrate our commitment to long-term Company strategy focusing on creating sustainable environments.	- Being sustainable from the inside out	- The environment

REMUNERATION CONTINUED

ALIGNING OUR PURPOSE AND STRATEGY WITH OUR REMUNERATION PRINCIPLES AND THE EXPERIENCE OF ALL OUR STAKEHOLDERS CONTINUED

WORKSPACE'S APPROACH TO REMUNERATION AND HOW WE INCENTIVISE AT ALL LEVELS WITHIN THE COMPANY

REMUNERATION ELEMENT		Executive Directors 2	Rest of employees[1] 327
BASE SALARY		ALL EMPLOYEES Salaries are set to reflect market value of the role and aid recruitment and retention. From April 2024, we awarded a 5% increase to all staff, below the Executive Committee. For more details on Executive Director and Executive Committee salary increases, see pages 187 and 190.	
PENSION		ALL EMPLOYEES Employees are eligible for a 2:1 match on employee pension contributions of 3% or 5% of salary. Payments are made through salary sacrifice.	
BENEFITS	Health and wellbeing benefits	ALL EMPLOYEES We want to create an environment that promotes healthy behaviours and ensures that employees have access to advice and information to improve their health and wellbeing. Employees at all levels are eligible for company-funded healthcare, an enhanced company sick pay scheme, and have access to a medical advice and information service. All colleagues have free 24/7 access to our employee assistance programme, which provides counselling and support to them and their households. We have delivered mental health awareness training to all employees, and we direct employees to relevant support services.	
	Flexible benefits	ALL EMPLOYEES All colleagues have access to a variety of additional voluntary benefits to suit their lifestyle. We have introduced two new benefits to replace our previous employee cash plans, giving staff access to annual health checks, mental health and nutritional consultation. Colleagues can choose from a range of deals and discounts all year round, and can donate to their chosen charities directly from their pay.	
ANNUAL BONUS	Cash	ALL EMPLOYEES All colleagues are eligible for the annual bonus programme. The bonus award is designed to reward the delivery of targets and objectives directly linked to the financial and strategic performance of the Group set each year. All employees are set objectives as part of our appraisal process and these are agreed with the relevant Head of Department to ensure alignment across the Company.	
	Deferral	EXECUTIVE DIRECTORS ONLY Deferral of part of bonus into shares aligns the interests of Executive Directors and shareholders.	REST OF EMPLOYEES Not applicable. Bonus deferral applies to Executive Directors only.
SHARE OWNERSHIP	LTIP	EXECUTIVE DIRECTORS ONLY Discretionary annual grant of shares that vest subject to continued employment and performance conditions measured over three years.	REST OF EMPLOYEES Not applicable.
	Restricted Share Awards (RSAs)	EXECUTIVE DIRECTORS DO NOT RECEIVE AN RSA Executive Directors do not receive RSAs as they participate in the LTIP.	CERTAIN SENIOR STAFF AND OTHER STAFF MEMBERS RSAs are awarded to certain senior staff and other members of staff at the discretion of the Committee.
	Save As You Earn (SAYE)	ALL EMPLOYEES Any colleague can become a shareholder in our Company and share in our success by participating in our SAYE scheme. All colleagues have the option to buy shares in Workspace at a discounted price (after a three-year or five-year saving period elapses).	
	Share Incentive Plan (SIP)	ALL EMPLOYEES The Company will award a number of shares based on an agreed value. In September 2021, the Company offered a free share award of £2,000 to all employees.	

1. As at 31 March 2024.

REMUNERATION CONTINUED

OUR REMUNERATION POLICY

In this section we provide a summary of the key elements of the Remuneration Policy for Executive Directors approved by shareholders at our 2023 AGM. In addition, we have set out how the Policy was operated in 2023/24 (which was as intended) and how it is intended to be operated in 2024/25.

You can find the full policy at www.workspace.co.uk

REMUNERATION POLICY TABLE

The table below describes the Policy in relation to the components of remuneration for Executive Directors.

FIXED COMPONENTS OF EXECUTIVE PAY

KEY ELEMENT	2024–2025	2025–2026	2026–2027	2027–2028	2028–2029	OPERATION	OPPORTUNITY	OPERATION IN THE YEAR ENDED 31 MARCH 2024	OPERATION IN THE YEAR ENDING 31 MARCH 2025
BASE SALARY To reflect market value of the role and an individual's experience, performance and contribution.						Salaries are normally reviewed annually. Salary levels take account of: – Role, performance and experience. – Business performance and the external economic environment. – Salary levels for similar roles at relevant comparators. – Salary increases across the Group.	Increases are applied in line with the outcome of the review. There is no prescribed maximum. Increases for Executive Board Directors will typically be in line with those of the wider workforce.	**Salary:** Graham Clemett (CEO): £535,000 Dave Benson (CFO): £368,000	**Proposed salary:** CEO: £556,400 CFO: £400,000 (effective from 1 April 2024) For further details, see page 190. When Lawrence Hutchings succeeds Graham Clemett as CEO (the date of which is to be confirmed), his annual salary as CEO will be £560,000.
PENSION To provide market competitive pensions.						Directors participate in a defined contribution pension scheme or may receive a cash allowance in lieu of pension contribution.	Up to 10% of salary. For individuals with less than a year's service with Workspace, this will be 6% of salary.	Graham Clemett (CEO): 10% of salary Dave Benson (CFO): 10% of salary	CEO and CFO: In line with 2023/2024 When Lawrence Hutchings succeeds Graham Clemett as CEO (the date of which is to be confirmed), he will receive a cash allowance in lieu of pension of 6% of salary for the first year of employment and 10% of salary thereafter.
BENEFITS To provide market competitive benefits.						Benefits typically include car allowance, private health insurance, and death in service cover. Where appropriate, other benefits may be offered including allowances for relocation. In addition, Directors are eligible to participate in all employee share plans, currently the SAYE and SIP.	Benefits may vary by role and individual circumstance, and are reviewed periodically. There is no overall maximum.	Includes car allowance, private health insurance and other benefits.	No change. When Lawrence Hutchings suceeds Graham Clemett as CEO (the date of which is to be confirmed) he will be eligible to receive benefits in line with the policy.

REMUNERATION CONTINUED
OUR REMUNERATION POLICY CONTINUED

REMUNERATION POLICY TABLE CONTINUED

VARIABLE COMPONENTS OF EXECUTIVE PAY

KEY ELEMENT	2024–2025	2025–2026	2026–2027	2027–2028	2028–2029	OPERATION	PERFORMANCE METRICS	OPERATION IN THE YEAR ENDED 31 MARCH 2024	OPERATION IN YEAR ENDING 31 MARCH 2025
ANNUAL BONUS To reinforce and reward delivery of annual strategic business priorities, based on performance measures relating to both Group and individual performance. Bonus deferral provides alignment with shareholder interests.						A portion of the annual bonus is deferred into shares for a period of three years. The deferral is 33% of bonus earned. Dividend equivalents may be accrued on deferred shares. The Committee may apply malus and clawback in circumstances of gross misconduct, material misstatement of the Group's results, an error in calculation, serious reputational damage, and corporate failure up to the end of the deferral period.	Performance is measured relative to financial, operational and strategic objectives in the year aligned with the Company's strategic plan. Performance measures and weightings are reviewed each year to ensure they remain appropriate and reinforce the business strategy. At least 60% of the total bonus will be based on financial measures. Bonus awards are at the Committee's discretion and the Committee will consider the Company's performance in the round. The Committee may override the formulaic bonus outcome within the limits of the plan where it believes the outcome is not reflective of performance, to ensure fairness to both shareholders and participants.	**Maximum Opportunity:** Graham Clemett (CEO): Up to 150% of salary Dave Benson (CFO): Up to 120% of salary **Performance conditions and weightings:** (As % of award) - Trading Profit (50%) - Strategic Financial (10%) - Sustainability (20%) - Operational efficiency (10%) - Customer satisfaction (10%) **Executive Directors awarded bonuses of:** Graham Clemett (CEO): 100.7% of salary Dave Benson (CFO): 80.5% of salary Deferral of 33% of bonus earned. See page 207 for further details on bonus outcomes.	**Maximum Opportunity:** Graham Clemett (CEO): Up to 150% of salary Dave Benson (CFO): Up to 120% of salary **Performance conditions and weightings:** (As a % of award) - Trading Profit (50%) - Strategic Financial (20%) - Sustainability (10%) - Operational efficiency (10%) - Customer satisfaction (10%) See page 212 for more details. The Committee is of the opinion that the targets used for the annual bonus are commercially sensitive and will be disclosed in next year's Annual Report. Actual targets, performance achieved and awards made are published at the end of the financial year so shareholders can fully assess the basis for any payouts. The annual bonus opportunity for Graham Clemett will proceed on the usual timetable and will be pro-rated to reflect the proportion of FY25 that was spent in employment. When Lawrence Hutchings succeeds Graham Clemett as CEO (the date of which is to be confirmed), his eligibility to participate in the Company's Annual Bonus Plan, at the discretion of the Committee, will be subject to the attainment of applicable performance conditions. The bonus opportunity for Lawrence, for the financial year of the Company in which he commences his employment will be time pro-rated to reflect the proportion of the relevant financial year in which he is employed.

REMUNERATION CONTINUED
OUR REMUNERATION POLICY CONTINUED

REMUNERATION POLICY TABLE CONTINUED

VARIABLE COMPONENTS OF EXECUTIVE PAY CONTINUED

KEY ELEMENT	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	OPERATION	OPPORTUNITY	PERFORMANCE METRICS	OPERATION FOR 2023/24	IMPLEMENTATION FOR 2024/25
LONG TERM INCENTIVE PLAN (LTIP) To reward and align to the delivery of sustained long-term performance and to align the interests of participants with those of shareholders						The Committee may grant annual awards of Performance Shares which vest after three years, subject to performance conditions. Vested shares are subject to a further two-year holding period. The Committee has discretion to apply malus and clawback (in circumstances listed in the annual bonus column above), up to the end of the holding period. Dividend equivalents may be accrued on shares in respect of the performance and holding period.	Normal maximum award of up to 200% of salary per annum. An award of 300% of salary per annum may be made in exceptional circumstances.	Awards will be based on a combination of financial, share price and strategic measures aligned with the Company's strategic plan. A performance underpin will apply which allows the Committee to reduce vesting if performance is inconsistent with the overall performance of the business. The Committee may, in the context of the underlying business strategy, use different measures and/or vary the weightings of the measures. The Committee would consult with major shareholders prior to making any significant changes.	**Maximum Opportunity:** Graham Clemett (CEO): 200% of salary Dave Benson (CFO): 200% of salary **Performance conditions and weightings for the 2023 LTIP:** 25% Total Shareholder Return (TSR) relative to FTSE 350 Real Estate companies (excluding agencies), 25% Total Accounting Return (TAR), 25% Earnings Per Share (EPS) Growth and 25% Environmental Social and Governance (ESG). The 2020 LTIP vested in the year at 50% of the award. See page 211 for further details on outcomes.	**Grant sizes for:** Graham Clemett (CEO): 200% of salary Dave Benson (CFO): 200% of salary No change to maximum LTIP opportunities or the performance conditions. Graham Clemett will be granted a 2024 LTIP award which will be pro-rated for time served at the point of vesting in June 2027. When Lawrence Hutchings succeeds Graham Clemett as CEO (the date of which is to be confirmed), his first ordinary course grant of an award under the Company's LTIP is expected to take place in June 2025. The normal maximum award is equal to 200% of salary. On joining the Company, a buyout award of shares will be awarded to Lawrence Hutchings. This will be granted as soon as practicable after the commencement of employment. Further details can be found on page 213.

KEY ELEMENT	OPERATION	CURRENT SHAREHOLDINGS[1]
SHAREHOLDING REQUIREMENT	Shareholding guideline for Executive Directors of 200% of salary. Post-cessation shareholding requirement of 200% of salary for two years post-departure. In the event that a leaver has not met the relevant shareholding requirement at the point of cessation of employment, they would be required to retain their full pre-cessation shareholding for the two-year period.	Graham Clemett (CEO): 209% of salary Dave Benson (CFO): 123% of salary Graham Clemett's post-cessation shareholding requirement will apply in line with the policy. Lawrence Hutchings will be expected to build up and maintain a shareholding in the Company with shares equivalent to 200% of basic salary.

1. Based on a share price of £5.0332 being the average share price over the year to 31 March 2024 and salaries of £535,000 and £368,000 for Graham Clemett and Dave Benson respectively.

REMUNERATION CONTINUED
OUR REMUNERATION POLICY CONTINUED

POSSIBLE PAYOUTS UNDER POLICY

Based on our proposed Remuneration Policy, we set out to the right scenarios for the potential remuneration to be earned by our Executive Directors under the Policy for various performance assumptions. In line with the Companies (Miscellaneous Reporting) Regulations 2018, we have included the impact of a potential scenario of a 50% share price appreciation on the LTIP.

A high proportion of the Executive Board Directors' packages are made up of shares, supporting the alignment of executive pay with the interests of our shareholders. The increased value in remuneration from share price appreciation is beneficial for both Executive Directors and shareholders.

SINGLE FIGURE SCENARIOS

Graham Clemett, CEO

BASE SALARY
Salary as at 1 April 2024.

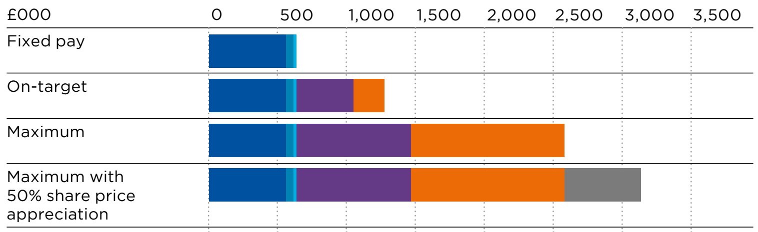
PENSION
Current contribution rate of 10% of salary.

BENEFITS
As provided in the single figure table on page 193.

ANNUAL BONUS
Minimum – no bonus payable;
On-target – 50% of maximum potential bonus;
Maximum – maximum potential bonus.

LTIP
Minimum – no LTIP vesting;
On-target – 20% of maximum (threshold vesting);
Maximum – maximum LTIP vesting.

SHARE PRICE GROWTH
Impact of 50% share price appreciation over three years (on the LTIP).



Dave Benson, CFO

BASE SALARY
Salary as at 1 April 2024.

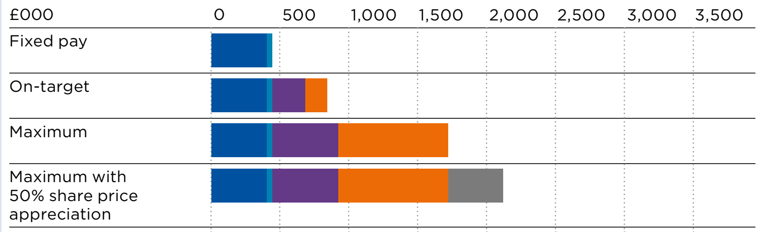
PENSION
Current contribution rate of 10% of salary.

BENEFITS
As provided in the single figure table on page 194.

ANNUAL BONUS
Minimum – no bonus payable;
On-target – 50% of maximum potential bonus;
Maximum – maximum potential bonus.

LTIP
Minimum – no LTIP vesting;
On-target – 20% of maximum (threshold vesting);
Maximum – maximum LTIP vesting.

SHARE PRICE GROWTH
Impact of 50% share price appreciation over three years (on the LTIP).



REMUNERATION CONTINUED

ANNUAL REPORT ON REMUNERATION

This section sets out the Annual Report on Remuneration. An advisory shareholder resolution to approve this section, together with the Chair's statement on pages 188 to 190 will be put forward at the 2024 AGM of the Company on 25 July 2024.

WHAT WE PAID OUR DIRECTORS IN 2023/24

TOTAL TARGET COMPENSATION COMPARED TO OUR PEERS

Chart A below shows the relative position of target total compensation for our Executive Directors compared to our peers. When we set the target total compensation for the Executive Directors, one of the factors the Committee considers is the competitive market for our Executive Directors, which we believe is the FTSE 250 constituents and FTSE 350 Real Estate companies, and the size of the Company compared to these peers. The Committee is pleased to report that in the context of delivering strong performance, above on-target remuneration has been achieved over recent years.

CHART A (I) — GRAHAM CLEMETT
CHIEF EXECUTIVE OFFICER

O Positioning of total remuneration of the Company relative to market benchmarks.

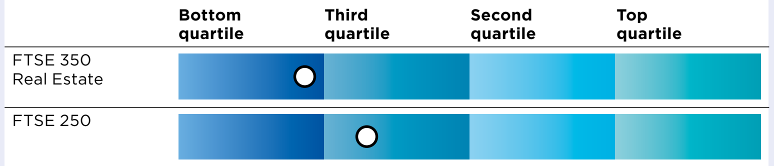
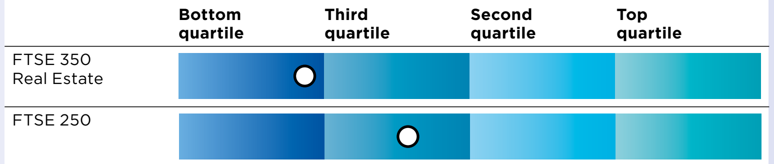


CHART A (II) — DAVE BENSON
CHIEF FINANCIAL OFFICER

O Positioning of total remuneration of the Company relative to market benchmarks.



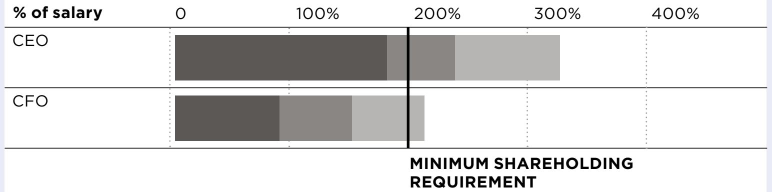
OUR SHAREHOLDING REQUIREMENTS

Our Executive Directors are encouraged to hold a high number of shares in order to align their interests to those of the shareholders, and to encourage a long-term view of the sustainable performance of the Company. As such, our Directors are impacted by the share price over the year in the same way as our shareholders.

Chart B below shows that, in the year, the CEO met his minimum shareholding requirements. The CFO joined in April 2020 and is building his shareholding.

CHART B
OUR SHAREHOLDING REQUIREMENT HAS BEEN MET

● Owned outright or vested.
● Unvested and not subject to performance.
● Subject to performance.



1. All shares that are either unvested and not subject to performance or subject to performance have been included on a net of tax basis (i.e. at a 50% discount).
2. This is based on a share price of £5.0332 being the average share price over the year to 31 March 2024 and salaries of £535,000 and £368,000 for Graham Clemett and Dave Benson respectively.

OVERALL LINK TO REMUNERATION AND EQUITY OF THE EXECUTIVE DIRECTORS

Table A below sets out the single figure for 2023/24, the number of shares held by the Director at the beginning and end of the financial year, and the impact on the value of these shares taking the opening price and closing price for the year.

TABLE A

	Graham Clemett	Dave Benson
2023/24 single figure (£000)	1,495.7	941.2
Shares held at start of year	141,930	39,765
Shares held at end of year	189,322	64,988
Value of shares at start of year (£000)[1]	620.2	173.8
Value of shares at end of year (£000)[2]	971.2	333.3
Difference (£000)	(351.0)	(159.5)

1. Based on a closing share price on 31 March 2023 of £4.37.
2. Based on a closing share price on 31 March 2024 of £5.13.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

OUR APPROACH TO FAIRNESS AND WIDER WORKFORCE CONSIDERATIONS

When making remuneration decisions for the Executive Board Directors, the Committee considers pay, policies and practices elsewhere in the Group.

We receive regular updates from the Executive Board Directors, and we monitor bonus payout and share award data.

In this section, we provide context to our Executive Board Director remuneration by explaining our employee policies and our approach to fairness, as well as the ratio of CEO pay to that of the wider workforce.

Communication and engagement with employees
The Board is committed to an open dialogue with our employees over various decisions. Our Chair, Duncan Owen, is our designated Non-Executive Director responsible for overseeing employee engagement. During the last financial year, employees have been informed about activities, performance and the Company's response to the increased cost of living through staff briefings held by the CEO and other members of the Executive team. Mr Hubbard, our previous Chair, held one meeting in the financial year and Mr Owen, who took over as Chair in July 2023, held three meetings since his appointment. Lesley-Ann Nash and Rosie Shapland also joined Duncan in these meetings. Employees are kept informed about activities and performance not only through these briefings but also by the circulation of corporate announcements and other relevant information to all staff, supplemented by updates on the intranet.

Share schemes
Share schemes are a long-established and successful part of our total reward package, encouraging and supporting employee share ownership. In particular, all employees are invited to participate in the Company's Savings Related Share Option Scheme and the Share Incentive Plan.

Equal opportunities
Workspace is committed to an active Equal Opportunities Policy from recruitment and selection, through training and development and in performance reviews and promotion. All decisions relating to employment practices are objective, free from bias and based solely upon work criteria and individual merit. We consider the needs of all employees, customers and the community.

We use everyone's talents and abilities, and we value diversity. The Company aims to make our promotion and recruitment practices fair and objective. We encourage continuous development and training, as well as the provision of equal opportunities and career development for employees. Further details of this are shown on pages 163 to 164.

Retirement benefits
The Company provides pension benefits for the majority of its employees. The Company's commitment to pension contributions, consistent with last year, ranges from 6% to 10% of an employee's salary. The pension scheme is open to every employee in accordance with the Government auto-enrolment rules.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

THE YEAR ON YEAR CHANGE IN OUR DIRECTORS' REMUNERATION

The table to the right sets out the changes year on year between our Director pay and average employee pay. As per our Policy, salary increases applied to Executive Directors will typically be in line with those of the wider workforce.

Table B to the right shows the percentage change in Director remuneration, comprising salary, taxable benefits and annual bonus, and comparable data for the average of employees within the Company. The comparator group is based on all employees (excluding the CEO, CFO and Non-Executive Directors), normalised for joiners and leavers during the year. The average number of people employed by the Company during the year was 311 (2023: 291). All employees are eligible for consideration for an annual bonus.

TABLE B

	2024			2023			2022			2021		
Director	Salary/ fees	Taxable benefits	Annual variable	Salary/ fees	Taxable benefits	Annual variable	Salary/ fees	Taxable benefits	Annual variable	Salary/ fees	Taxable benefits	Annual variable
Executive Directors												
Graham Clemett	3%	-3%	20%	3%	4%	-11%	2%	1%	157%	9%	-15%	-54%
Dave Benson	3%	n/a	-22%	3%	n/a	10%	2%	n/a	157%	n/a	n/a	n/a
Non-Executive Directors												
Duncan Owen[1]	172%	n/a	–	73%	n/a	–	n/a	n/a	–	n/a	n/a	–
Stephen Hubbard[2]	-67%	n/a	–	6%	n/a	–	10%	n/a	–	198%	n/a	–
Rosie Shapland	0%	n/a	–	31%	n/a	–	194%	n/a	–	n/a	n/a	–
Lesley-Ann Nash	0%	n/a	–	15%	n/a	–	345%	n/a	–	n/a	n/a	–
Nick Mackenzie[3]	0%	n/a	–	491%	n/a	–	n/a	n/a	–	n/a	n/a	–
Manju Malhotra[3]	0%	n/a	–	491%	n/a	–	n/a	n/a	–	n/a	n/a	–
All other employees[4]	-7%	-20%	-6%	19%	-4%	-11%	5%	-24%	58%	5%	-5%	-5%

1. Duncan Owen joined the Board in July 2021 and assumed the role of Chair in July 2023.
2. Stephen Hubbard stepped down from the Board on 6 July 2023 and therefore the above information reflects his time in role.
3. Nick Mackenzie and Manju Malhotra joined the Board in January 2022, and therefore were paid a partial fee in the prior year.
4. The 2024 and 2023 figures have been impacted by the acquisition of McKay. The majority of employees received a minimum of 6% payrise in April 2023 and 5% payrise in April 2024.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

PAY COMPARISONS

CHART C

Chart C shows the single figure of remuneration for our CEO over time, and the pay of our average employee, each rebased to 2013. We have also included our TSR performance over this period.

- FTSE 350 Real Estate Supersector Index
- FTSE 250 Index
- Workspace Group PLC TSR
- CEO single figure

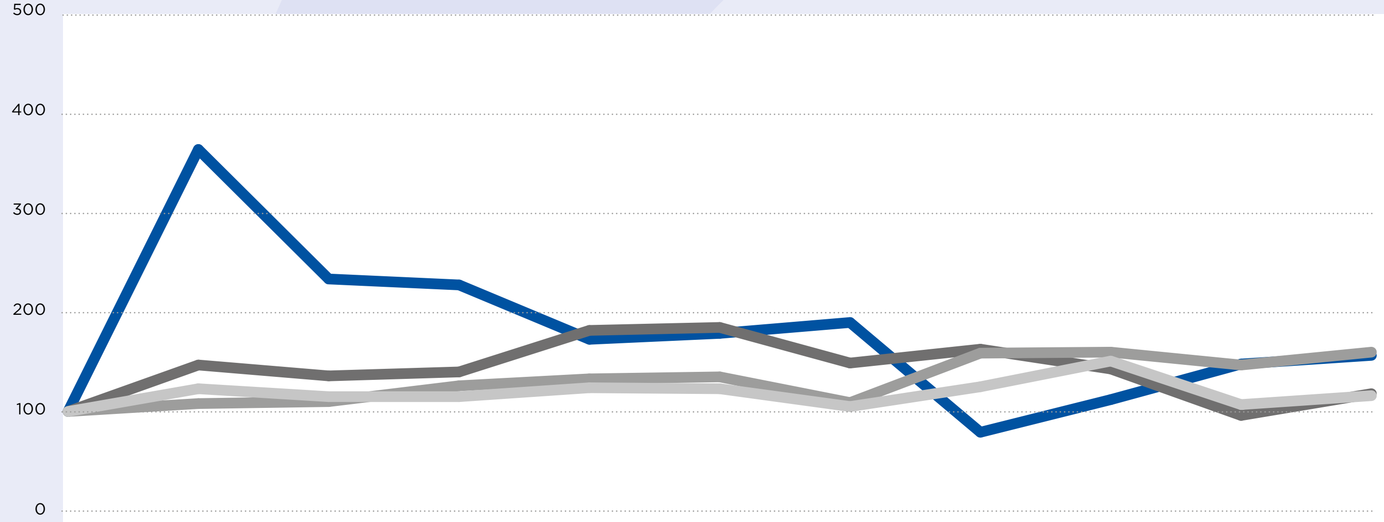


TABLE C

CEO single figure of total remuneration £000	31 Mar 2015	31 Mar 2016	31 Mar 2017	31 Mar 2018	31 Mar 2019	31 Mar 2020	31 Mar 2021	31 Mar 2022	31 Mar 2023	31 Mar 2024
Graham Clemett[1]	–	–	–	–	–	1,349.9	764.4	1,080.0	1,440.3	1,495.7
Jamie Hopkins[2]	3,533.1	2,262.7	2,205.6	1,674.2	1,728.2	490.9	–	–	–	–
Annual bonus payout										
Graham Clemett (% of maximum opportunity)	–	–	–	–	–	–	33%	83%	72%	67.1%
Jamie Hopkins (% of maximum opportunity)	97.2%	95.3%	100%	100%	95.8%	–	–	–	–	–
LTIP vesting										
Graham Clemett (% of maximum opportunity)	–	–	–	–	–	87.24%	0%	0%	50%	50%
Jamie Hopkins (% of maximum opportunity)	100%	100%	88.7%	62.7%	50.7%	87.24%	–	–	–	–
Ratio of single total remuneration figure shown to employees as a whole: to employee lower quartile[3]	–	–	–	–	53x	47x	23x	32x	43x	40x
to employee median	128x	79x	72x	48x	33x	43x	15x	23x	29x	29x
to employee upper quartile[3]	–	–	–	–	23x	23x	11x	15x	20x	18x

1. Mr Clemett assumed the role of Interim CEO on 1 June 2019 and was appointed CEO on 24 September 2019.
2. Mr Hopkins was appointed as an Executive Director on 12 March 2012 and stepped down from the Board on 31 May 2019.
3. See next page for details on calculation.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

PAY COMPARISONS CONTINUED

Chief Executive's Pay Ratio

The table below compares the single total figure of remuneration for the CEO with that of the Group employees who are paid at the 25th percentile (lower quartile), 50th percentile (median) and 75th percentile (upper quartile) of its employee population.

Despite voluntarily disclosing the ratio of CEO pay to workforce pay in previous years (see page 205), this is the second year in which Workspace meets the requirement regarding employee numbers as per the Companies (Miscellaneous Reporting) Regulations 2018.

Year	Methodology	25th percentile ratio	50th percentile ratio	75th percentile ratio
2024	Option A	40:1	29:1	18:1
2023	Option A	43:1	29:1	20:1

Option A, as set out under the reporting regulations, was used to calculate remuneration for 2024, as well as 2023 and 2022.

The UK employees included are those employed on 31 March 2024 and remuneration figures are determined with reference to the financial year ended on 31 March 2024.

We have chosen Option A as we believe that it is the most robust methodology for calculating these figures. The value of each employee's total pay and benefits was calculated using the single figure methodology consistent with the CEO. No elements of pay have been omitted. Where required, remuneration was approximately adjusted to be full-time and full-year equivalent basis based on the employee's average full-time equivalent hours for the year and the proportion of the year they were employed. No other adjustments were made.

The table below sets out the salary and total pay and benefits of the employee at the lower quartile, median and upper quartile for the 2023/24 financial year.

	25th percentile	50th percentile	75th percentile
Salary	£33,750	£48,000	£40,000
Total pay and benefits	£37,750	£51,498	£82,463

There is significant volatility in this ratio, caused by the following:

- Our CEO pay was made up of a higher proportion of incentive pay than that of our employees, in line with shareholder expectations. This introduces a higher degree of variability in his pay each year versus that of our employees.
- Long-term incentives, which made up a significant proportion of our CEO's pay, are provided in shares, and their value on vesting, included in his single figure, reflects the movement in share price over the three years prior to vesting. This outcome can add significant volatility to the CEO's pay and this is reflected in the ratio.

For these reasons, we believe the median pay ratio this year is consistent with pay, reward and progression policies for UK colleagues.

SINGLE FIGURE OF EXECUTIVE DIRECTORS (AUDITED)

The illustrations below set out a single figure for the total remuneration received by each Executive Board Director for the year ended 31 March 2024 and the prior year.

	Graham Clemett, CEO 2023/24 £000	Graham Clemett, CEO 2022/23 £000	Dave Benson, CFO 2023/24 £000	Dave Benson, CFO 2022/23 £000
Fixed pay				
Base salary	535.0	519.2	368.0	357.3
Pension[1]	53.5	51.9	36.8	35.5
Benefits[2]	21.8	22.5	0	0
Total fixed	610.3	593.6	404.8	392.8
Variable pay				
Annual bonus[3]	538.5	448.6	296.3	380.2
LTIP[4,5]	342.4	398.1	235.6	274.0
Other – SAYE, SIP[6]	4.5	0	4.5	0
Total variable	885.4	846.7	536.4	654.2
Total	1,495.7	1,440.3	941.2	1,047.0
Of which share price growth	0	0	0	0

1. Pension: During 2023/24 each of Messrs Clemett and Benson received a cash allowance in lieu of pension contribution. Due to an administrative error, Mr Benson's pension in 2022/23 has been restated to reflect an underpayment of £321.25.
2. Benefits: Taxable value of benefits received in the year by Executive Directors includes a car allowance, private health insurance and death in service cover.
3. Annual bonus: This is the total bonus earned in respect of performance during the relevant year. For 2022/23 and 2023/24, the Committee set a minimum deferral requirement of 33% of the bonus earned. For 2023/24, this deferral was equivalent to £177,705 for Mr Clemett and £97,779 for Mr Benson. Deferred shares are subject to continued service only.
4. The 2023/24 figure includes the estimated value of 50% of the 2021 LTIP shares that vested based on performance to 31 March 2024. The share price used is the three-month average to 31 March 2024 of £5.11. This will be updated in next year's report to reflect the share price on the date of vesting. As allowable under the relevant plan rules and approved Policy, the Committee determine that dividend equivalents are payable under the 2021 LTIP award – this figure includes accrued dividends on vested shares.
5. With regards to the 2020 LTIP which vested in June 2023, the 2022/2023 figures have been updated to reflect the share price on the date of vesting on 19 June 2023 of £4.981.
6. An SAYE award was granted in 2023 to both Mr Clemett and Mr Benson, exercisable after three years.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

ANNUAL BONUS PAYOUT IN RESPECT OF 2023/24 (AUDITED)

For 2023/24 the maximum bonus opportunity for the Executive Directors was 150% of salary for the CEO and 120% of salary for the CFO. Payouts are subject to the assessment of performance against stretching financial, strategic and business performance targets, and are calculated on a straight-line basis from 0% at threshold to 100% at maximum performance. Both Graham Clemett and Dave Benson are required to defer 33% of their bonus into Company shares for three years. The targets are set based on our budgeting process, which takes account of market expectations, planned acquisitions and disposals of assets, and aspirations around Company growth.

The performance measures, targets and outcomes for each measure are shown to the right.

ANNUAL BONUS PAYOUT IN RESPECT OF 2023/24

ANNUAL BONUS
OUTCOMES UNDER THE 2023/24 ANNUAL BONUS

Measure:	Threshold (0% payable)	Maximum (100% payable)	Actual	Formulaic outcome and opportunity as a % of award	
Trading profit after interest	£64.9m	£68.6m	**Actual:** £66.3m[1]	21.9%	50%
Strategic financial objectives	0%	100%	**Actual:** 75%	7.5%	10%
Sustainability objectives	0%	100%	**Actual:** 100%	20%	20%
Operational efficiency	0%	100%	**Actual:** 77%	7.7%	10%
Customer satisfaction	80%	86%	**Actual:** 86.1% of this element	10%	10%
Total				**67.1%**/100%	

Outcome (£000) Graham Clemett, CEO	Bonus outturn	£538.5	£177.7 of which is deferred bonus
Outcome (£000) Dave Benson, CFO	Bonus outturn	£296.3	£97.8 of which is deferred bonus

1. Adjusted by £0.3m due to exceptional costs in relation to CEO transition.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

STRATEGIC FINANCIAL, OPERATIONAL EFFICIENCY AND SUSTAINABILITY OBJECTIVES 2023/24

A summary of the strategic financial, operational efficiency and sustainability objectives is shown below. Full details for each performance measure are set out on pages 208 and 210.

STRATEGIC FINANCIAL, OPERATIONAL EFFICIENCY, SUSTAINABILITY OBJECTIVES (AUDITED)

	ACTIVITY	OPPORTUNITY	OUTCOME	
1 Strategic financial objectives	Reduction in the large voids in our like-for-like portfolio Capital recycling (excluding £82m already exchanged) Raise spontaneous brand awareness Agreement and implementation of Centro business development plan	10%	7.5%	Page 209
2 Operational efficiency objectives	Yavica (finance and property management) implementation Centre and asset management reorganisation Rollout of new dilapidations process Improve the cleaning and facilities provision at centres	10%	7.7%	Page 209
3 Sustainability objectives	Reduce operational energy intensity Improve customer advocacy of our sustainability credentials Increase our social value contribution Champion diversity and inclusion	20%	20%	Page 210

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

STRATEGIC FINANCIAL OBJECTIVES – OUTCOME 7.5%/10%

1

	Target	Achievement
Reduction in the large voids in our like-for-like portfolio	– 25% to 50% reduction in large voids	– An overall reduction of 59% in the large voids in the like-for-like portfolio was achieved during the year.
Capital recycling (excluding £82m already exchanged)	– £20m to £50m exchanged or sold	– During the year, the total value of exchanged or sold was £61.1m (excluding the £82m portfolio sold in June 2023). Since the year end, we also exchanged on the sale of the former McKay head office in Reading for £4m.
Raise spontaneous brand awareness	– Overall brand awareness score between 14% to 17%	– The overall brand awareness score was 13% in FY24, versus 14% in FY23. The score for this financial year saw a small drop relative to last year. However, Workspace continues to lead competitors on prompted brand awareness, with 60% of the survey sample aware of Workspace.
Implementation of Centro business development plan	– Plan to be agreed and in progress	– Centro, which consists of 212,000 square foot, was acquired in two tranches in 2017 and 2018. Since acquisition, a number of projects, including upgrades to common parts and meeting rooms in some parts of the campus have been completed. We have now obtained vacant possession of Atelier House at the north end of this site and are progressing with the roll-out of our business centre model in this building.

OPERATIONAL EFFICIENCY OBJECTIVES – OUTCOME 7.7%/10%

2

	Target	Achievement
Yavica (finance and property management) implementation	– Successfully implemented	– Overall, we fully achieved six of the ten objectives set at the start of the year, with three having been partially achieved and one remaining a work in progress. Consequently, we therefore achieved 75% of the objectives set for the year.
Centre and asset management reorganisation	– Implemented and operating effectively	– We have now successfully completed a major reorganisation of our centre management teams who now report into a Head of Centre Management to improve our focus on customer service.
Rollout of new dilapidations process	– Implement a new dilapidations process, across the business	– A new dilapidations process has been successfully rolled out across the business. A series of process improvements have been made in order to significantly enhance the experience of customers when they leave or move within the portfolio. This includes offering customers the option of allowing the Workspace team to manage the reinstatement works. This, together with the other process improvements, has received a positive response from our customers.
Improve cleaning and facilities provision at centres	– Following the customer survey, overall satisfaction ranging from 78% to 81% or above	– Customer surveys are conducted annually, by an independent third party. The overall facilities satisfaction score was 79%, an increase in satisfaction based on 'agree' and 'strongly agree' responses received, versus 78.3% in FY23.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

SUSTAINABILITY OBJECTIVES – OUTCOME: 20%/20%

3

	Target	Achievement
Reduce operational energy intensity	– 4% to 7% reduction	– An 11% reduction in the like-for-like energy use intensity has been achieved across the portfolio, compared to the previous year. This was mainly driven by a 36% reduction in gas use across the portfolio as a result of electrification and operational improvements.
		– There has also been a 7% reduction in landlord procured electricity consumption.
Improve customer advocacy of our sustainability credentials	– 71% to 74%	– The year-end customer survey revealed that 79% of customers agree that Workspace is a socially and environmentally responsible business, and this score is up from 71% last year.
		– An enhanced customer engagement and communications workstream, centre staff training on ESG and ongoing operational improvements across the portfolio have all contributed towards this improved target. In December 2023, the Company entered into a Corporate Power Purchase Agreement with Statkraft, Europe's largest generator of renewable energy, to supply around two-thirds of the Group's expected electricity demand for 10 years, from February 2024. This, together with a portfolio-wide energy savings campaign in February 2024, have been positively received.
Increase our social value contribution	– £600,000 to £700,000	– A number of social impact initiatives were rolled out during the year. This included enhanced customer and employee wellbeing programmes, employment and skills initiatives, charity support and inclusive business practices.
		– The delivery of the social value objectives has generated a total of £827,000, with a significant contribution coming from lettings in kind, wellbeing initiatives and diversity and inclusion programmes.
		– The successful launch of our apprenticeship programme, supporting six apprentices during the year.
		– Our community skills and employment programme InspiresMe, has now been successfully delivered across ten of our key centres.
Champion diversity and inclusion	– Maintain at 80% or greater	– The year-end employee survey revealed an inclusivity score of 85.5%, up from 80.0% last year.
		– Diversity and inclusion initiatives rolled out during the year include 119 hours of diversity and inclusion training for employees. We have launched a new recruitment policy and software to enable a bias free recruitment process.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

LTIP AWARD VESTING IN RESPECT OF 2023/24 (AUDITED)

The 2021 LTIP awards measured performance over the period 1 April 2021 to 31 March 2024. Details of the performance targets and achievement against them are set out below.

On this basis, 50% of the 2021 LTIP will vest.

The 2022 LTIP awards are based on the same targets and weightings as the 2021 LTIP award shown below, measured over the period 1 April 2022 to 31 March 2025.

TABLE D

Measure	Threshold (20% payable)	Maximum (100% payable)	Actual	Formulaic outcome (% of award)
Total shareholder return (TSR) relative to FTSE 350 Real Estate companies (excluding agencies)	MEDIAN	UPPER QUARTILE	25th Percentile	0%/50%
Total property return (TPR) versus IPD	MEDIAN	UPPER QUARTILE	95th Percentile	50%/50%
LTIP (% maximum) vesting				50%/100%
			CEO	CFO
Number of shares vesting (audited)			58,521	40,270

LTIP AWARDS MADE DURING THE 2023/24 FINANCIAL YEAR (AUDITED)

Under the current Policy, conditional share awards under the LTIP are granted to a maximum of 200% of salary. Awards under the 2023 LTIP are subject to the performance conditions detailed in Table E below measured over the period 1 April 2023 to 31 March 2026.

TABLE E

	Total Shareholder Return relative to FTSE 350 Real Estate companies (excluding agencies)	Earnings Per Share (EPS) Growth	Total Accounting Return (TAR)	Environmental, Social and Governance (ESG)
Weighting (% of award)	**25%**	**25%**	**25%**	**25%**
Threshold (20% vesting)	Median	5% p.a.	4.5% p.a.	See below
Maximum (100% vesting)	Upper Quartile	10% p.a.	10% p.a.	See below

A holding period of two years will apply to any net vested shares under the LTIP.

To allow any payouts to be fully reflective of underlying performance, the LTIP underpin allows the Committee to reduce vesting should the Committee believe that the performance is inconsistent with the overall performance of the business.

ESG LTIP THREE-YEAR TARGETS

Environmental, Social and Governance (ESG)	Threshold (20% vesting)	Maximum (100% vesting)	Weighting
Reduction in Scope 1 gas emissions	15%	20%	50%
Increase in percentage of EPC A or B rated space	20%	27%	50%

The following awards were granted during the year under the 2023 LTIP:

			Performance share award		
				Face value	
Director	Date of grant	Market price at date of award[1]	Number of shares	£	% of salary
Graham Clemett	22 June 2023	£4.9347	216,750	1,069,600	200%
Dave Benson	22 June 2023	£4.9347	149,188	736,200	200%

1. The share price for calculating the levels of awards was £4.9347, the average mid-market closing price over the three dealing days 19, 20 and 21 June 2023, in accordance with the LTIP rules.

Deferred shares were granted (as conditional share awards) under the 2022/23 bonus of 31,995 shares to Mr Clemett and 27,115 shares to Mr Benson (33% of bonus awarded) on 26 June 2023. The share price on the date of grant was £4.59 which represented the average mid-market closing price.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

HOW WE WILL APPLY THE POLICY IN 2024/25

BASE SALARY

The CEO will receive a base salary increase of 4%, which is below the level awarded to the wider workforce, and this took effect from 1 April 2024. The CFO will receive an increase of 8.7%, taking his salary to £400,000.

The CFO's package has slipped below his peers over the last few years. The increase in salary will place his total compensation in line with the lower quartile of the industry peer group. The Committee remains conscious of ensuring that any salary increase that is awarded to Executive Directors is typically the same level, if not below that of the wider workforce. However, this exception is important to the Committee, given that the CFO has been in role for the last four years and has made a strong contribution over this period, assisting the CEO in the successful management of the Company through the challenges of COVID, securing of new finance facilities including the issue of a Green Bond and the recent implementation of a new finance and property system. In addition, we remain mindful of his role as we transition our new CEO. For these reasons, the Committee concluded that this salary increase is appropriate. Executive Director salary increases took effect from 1 April 2024.

Salaries will be as follows:

CEO	CFO	CEO designate
£556,400	**£400,000**	**£560,000**

The salary for the CEO designate is in line with that of the outgoing CEO.

PENSION

In line with the proposed Policy set out in this report, the Executive Directors will receive a contribution to a defined contribution plan or a cash allowance in lieu of contribution of 10% of salary respectively.

Lawrence Hutchings will receive a cash allowance in lieu of pension of 6% of salary for the first year of employment and 10% of salary thereafter.

ANNUAL BONUS

There is no change to the annual bonus maximum potential in 2024/25, and this will continue to be 150% of salary for the CEO and 120% of salary for the CFO.

33% of the total bonus paid will be deferred into shares for three years. Dividend equivalents may be accrued on deferred shares.

Whilst the Committee is of the opinion that the targets used for the annual bonus are commercially sensitive, we remain committed to best practice disclosure. We therefore set out below some examples of the objectives that the Committee will consider in respect of evaluating the strategic financial and operational efficiency and sustainability objectives.

Operational efficiency objectives will include elements which optimise value and service such as centre and asset management and improved customer facilities and employee engagement. Strategic financial targets will cover key drivers of our commercial success including capital management and brand awareness. ESG metrics will align to our core sustainability focus including increasing our social value impact and championing diversity and inclusion.

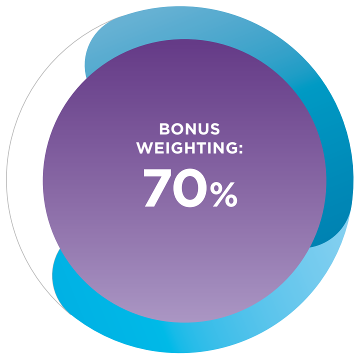
Lawrence Hutchings will be eligible to participate in the Company's Annual Bonus Plan, at the discretion of the Committee, subject to the attainment of applicable performance conditions. The bonus opportunity will be time pro-rated to reflect the proportion of the relevant financial year in which he is employed.

Full disclosure on the targets, performance achieved and resulting bonus payouts for 2024/25 will be provided in next year's report.

2024/25 ANNUAL BONUS AND LINK TO STRATEGY

Link to strategy
- Driving customer-led growth
- Delivering operational excellence
- Sustainable from the inside out

Measure:
Financial objectives (Trading profit after interest (50%), Strategic financial (20%))



Measure:
Sustainability (10%)

Measure:
Operational efficiency (10%)

Measure:
Customer satisfaction (10%)

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

HOW WE WILL APPLY THE POLICY IN 2024/25 CONTINUED

LONG-TERM INCENTIVE PLAN (LTIP)

Following careful consideration, the performance measures of the 2024 LTIP remain unchanged from 2023.

Maximum award 200% of salary. The performance measures and targets for the four elements are as follows:

	Total Shareholder Return relative to FTSE 350 Real Estate companies (excluding agencies)	Earnings Per Share (EPS) Growth	Total Accounting Return (TAR)	Environmental, Social and Governance (ESG)
Weighting (% of award)	**25%**	**25%**	**25%**	**25%**
Threshold (20% vesting)	Median	5% p.a.	4% p.a.	See below
Maximum (100% vesting)	Upper Quartile	10% p.a.	8% p.a.	See below

Due to market conditions, targets under the TAR measure have been amended following careful consideration by the Committee.

A holding period of two years will apply to any net vested shares under the LTIP.

To allow any payouts to be fully reflective of underlying performance, the LTIP underpin allows the Committee to reduce vesting should the Committee believe that the performance is inconsistent with the overall performance of the business.

ESG LTIP THREE-YEAR TARGETS

Environmental, Social and Governance (ESG)	Threshold (20% vesting)	Maximum (100% vesting)	Weighting
Increase in percentage of EPC A or B rated space	18%	24%	50%
Reduction in total Scope 1 and 2 emissions	24%	30%	50%

Graham Clemett will be granted a 2024 LTIP award which will be pro-rated for time served at the point of vesting in June 2027.

When Lawrence Hutchings succeeds Graham Clemett as CEO (the date of which is to be confirmed), his first ordinary course grant of an award under the Company's LTIP is expected to take place in June 2025. The normal maximum award is equal to 200% of salary.

2024 PERFORMANCE MEASURES AND LINK TO STRATEGY

Measure:
Total Shareholder Return (TSR) relative to FTSE 350 Real Estate companies (excluding agencies)

Measure:
Total Accounting Return (TAR)

Measure:
Earnings Per Share (EPS) Growth

Measure:
Environmental, Social and Governance (ESG) metrics

LINK TO STRATEGY

- Driving customer-led growth
- Delivering operational excellence
- Sustainable from the inside out

CEO SUCCESSION – BUYOUT AWARD

On leaving his current employer, Lawrence Hutchings will forfeit various incentive awards. As a consequence, the Company will, in accordance with the Director's Remuneration Policy, make a 'buy-out' award to compensate Lawrence for the loss of his awards. The buy-out award is to be structured as follows:

A) An award over shares with a value at grant date of £250,000. The award would be subject to a vesting period of three years from the date of commencement of employment and would not be subject to vesting conditions other than a requirement to remain in employment throughout the vesting period.

B) An award over shares with a value as at the date of grant of £250,000. The award would be subject to a vesting period of three years from the date of commencement of employment. Vesting would be subject to a requirement to remain in employment throughout the vesting period and to the same performance conditions that apply to awards made under the Company's ordinary course LTIP grant to Executive Directors for the financial year in which Lawrence commences employment with the Company.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

SINGLE FIGURE FOR NON-EXECUTIVE DIRECTORS (AUDITED)

Table F below sets out a single figure for the total remuneration received by each Non-Executive Director for the year ended 31 March 2024 and the prior year:

TABLE F

Non-Executive Director	Duncan Owen 2023/24 £000	Duncan Owen 2022/23 £000	Stephen Hubbard 2023/24 £000	Stephen Hubbard 2022/23 £000	Nick Mackenzie 2023/24 £000	Nick Mackenzie 2022/23 £000	Rosie Shapland 2023/24 £000	Rosie Shapland 2022/23 £000	Lesley-Ann Nash 2023/24 £000	Lesley-Ann Nash 2022/23 £000	Manju Malhotra 2023/24 £000	Manju Malhotra 2022/23 £000	Damon Russell 2023/24 £000	Damon Russell 2022/23 £000
Base fee	163.8	55.0	66.7	200.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	55.0	–	19.2
Additional fees	2.8	6.3	–	–	–	–	21.6	21.6	10.8	10.8	–	–	–	2.7
Total	166.6	61.3	66.7	200.0	55.0	55.0	76.6	76.6	65.8	65.8	55.0	55.0	–	21.9

1. Expenses incurred by Non-Executive Directors represent the cost to the Group, being gross of taxation. In 2023/24 Nick Mackenzie, Manju Malhotra, Lesley-Ann Nash and Duncan Owen were reimbursed for out of pocket expenses incurred in attending meetings, in connection with the discharge of their duties of £90.15, £429.40, £18.60 and £44.80 respectively.
2. Additional fees were paid during the year to Non-Executive Directors serving as Chairs of the Remuneration, Audit and ESG Committees. An additional fee is also paid to the Senior Independent Non-Executive Director.

SHARE OWNERSHIP AND SHARE INTERESTS (AUDITED)

The table below shows the interests of the Directors and connected persons in shares (owned outright or vested). There have been no changes in the interests in the period between 31 March 2024 and 4 June 2024.

TABLE G

	31 March 2024	31 March 2023
Chair		
Duncan Owen	20,010	9,410
Executive Directors		
Graham Clemett	189,322	141,930
Dave Benson	64,988	39,765
Non-Executive Directors		
Rosie Shapland	Nil	Nil
Lesley-Ann Nash	Nil	Nil
Nick Mackenzie	12,400	12,400
Manju Malhotra	Nil	Nil
Past Directors		
Stephen Hubbard[1]	See note	41,500

1. Stephen Hubbard stepped down for the Board on 6 July 2023. As at date of leaving, Stephen Hubbard held 41,500 shares.

Dave Benson, who joined the Company on 1 April 2020, acquired 19,850 shares in September 2020. Mr Benson was subsequently awarded 235 ordinary shares under the Workspace Group PLC Share Incentive Plan and acquired a further 19,680 shares on 1 September 2022. On 19 June 2023, Mr Benson acquired a further 48,044 shares following the vesting of the 2020 LTIP.

Table H below shows the Executive Directors' interest in shares.

TABLE H

Executive Director	Type	Owned outright or vested[2]	Unvested and not subject to performance[3]	Subject to performance[4]	Total
Graham Clemett	Shares	189,322	123,525	382,100	694,947
	Market value options[1]	Nil	4,556	Nil	4,556
Dave Benson	Shares	64,988	90,098	262,977	418,063
	Market value options[1]	Nil	4,556	Nil	4,556

1. Market value options include SAYE options outstanding and not yet matured as at 31 March 2024. The exercise price of these was set at 80% (in accordance with HMRC and the plan rules) of the market value of a share at the invitation date. See page 217 for further details.
2. The total shares owned outright or vested.
3. This figure includes the deferred bonus shares awarded in 2021, 2022 and 2023 for Mr Clemett and the deferred bonus shares awarded in 2021, 2022 and 2023 for Mr Benson and the number of shares vesting, (gross), pursuant to the 2021 LTIP award. 50% of the 2021 LTIP will vest.
4. The interest in shares of 382,100 for Mr Clemett consists of LTIP awards made in 2022 and 2023. The interest in shares of 262,977 for Mr Benson consists of LTIP awards made in 2022 and 2023, details of which can be found on page 217 in this report.

Graham's post cessation shareholding requirement will apply in line with the policy.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

NON-EXECUTIVE DIRECTOR FEES

The fees for Non-Executive Directors are reviewed and agreed annually. The fees, which are effective from 1 April 2024, are set out in the table below. The increase in Chair and Non-Executive Director fees are in line with the increase awarded to the CEO and below that of the wider workforce.

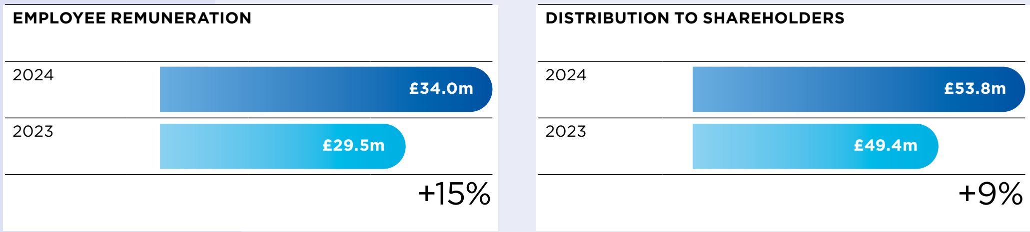
	2024/25 fee	2023/24 fee	% change
Chair	£208,000	£200,000	4%
NED base fee	£57,200	£55,000	4%
Chair of Audit Committee fee	£10,800	£10,800	0%
Chair of Remuneration Committee fee	£10,800	£10,800	0%
Chair of ESG Committee fee	£10,800	£10,800	0%
Senior Independent Director fee	£10,800	£10,800	0%

ADDITIONAL INFORMATION

External appointments
It is the Board's policy to allow Executive Directors to take up one Non-Executive position on the board of another company, subject to the prior approval of the Board. Any fee earned in relation to outside appointments is retained by the Executive Director. Mr Clemett was a Non-Executive Director of The Restaurant Group PLC. Mr Clemett stepped down as a director on 21 December 2023 and was paid an annual fee of £67,720 up to and including that date.

Relative importance of spend on pay
Chart D below shows the Company's actual expenditure on shareholder distributions (including dividends and share buybacks) and total employee pay expenditure for the financial years ended 31 March 2023 and 31 March 2024.

CHART D



The estimated total dividend as reported in the financial statements for the year to 31 March 2024 was £36.5m.

Payments for loss of office (audited)
None.

Payments to past Directors (audited)
None.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

ADDITIONAL INFORMATION CONTINUED

Service contracts of Directors serving in the year
Executive Directors are employed under contracts of employment with Workspace Group PLC. The principal terms of the Executive Directors' service contracts are as follows.

Executive Director	Position	Effective date of contract	Notice period From Company	Notice period From Director
Graham Clemett	Chief Executive Officer	31 July 2007	12 months	12 months
Dave Benson	Chief Financial Officer	1 April 2020	12 months	12 months

Graham Clemett joined the Company as CFO in July 2007 and was appointed as CEO on 24 September 2019. Mr Clemett served as Interim CEO and CFO from 31 May 2019 until September 2019.

The Chair and Non-Executive Directors have letters of appointment. Dates of the Directors' letters of appointment are set out below:

Name	Date of original appointment (date of reappointment)	Date of appointment/ last reappointment at AGM	Notice period
Duncan Owen	22 July 2021 (27 February 2023)	2023	6 months
Rosie Shapland	6 November 2020 (6 November 2023)	2023	3 months
Lesley-Ann Nash	1 January 2021 (1 January 2024)	2023	3 months
Manju Malhotra	26 January 2022 (n/a)	2023	3 months
Nick Mackenzie	26 January 2022 (n/a)	2023	3 months
David Stevenson	1 June 2024 (n/a)	2024	3 months

The Directors are subject to annual re-election at the AGM. Non-Executive Directors' letters of appointment and Executive Directors' contracts are available to view at the Company's registered office.

Mr Hubbard retired from the Company on 6 July 2023.

Mr Owen, as Chair designate, signed a new letter of appointment dated 27 February 2023 which became effective at the conclusion of the AGM on 6 July 2023. Reappointment letters for each of Rosie Shapland and Lesley-Ann Nash were both dated 21 September 2023 and took effect from 6 November 2023 and 1 January 2024 respectively.

David Stevenson was appointed as a Director with effect from 1 June 2024. David will be subject to election by shareholders at the forthcoming AGM being held on 25 July 2024.

Committee advisers
During the year, PwC LLP acted as independent adviser to the Committee. PwC LLP was appointed by the Committee in 2018 following a selection process. PwC LLP is a founding member of the Remuneration Consultants Group and voluntarily operates under the Code of Conduct in relation to Executive remuneration consulting in the UK. The Committee is satisfied that the PwC LLP engagement partner and team, which provide remuneration advice to the Committee, do not have connections with the Group that may impair their objectivity and independence. The fees charged by PwC LLP for the provision of independent advice to the Committee during the year were £107,490 (based on hourly rates). PwC LLP provided no other services during the financial year.

Voting at the Company's AGM
The table below sets out the results of the most recent shareholder votes on the Policy Report and the advisory vote on the 2022/23 Annual Report on Remuneration at the 2023 AGM on 6 July 2023. The Committee views this level of shareholder support as a strong endorsement of the Company's Policy and its implementation.

	Percentage of votes cast		Number of votes cast		
	For and Discretion	Against	For and Discretion	Against	Withheld[1]
Policy Report (2023 AGM)	99.77%	0.23%	168,571,004	396,722	2,506
Annual Report on Remuneration (2023 AGM)	99.88%	0.12%	159,849,863	186,978	8,933,391

1. A withheld vote is not a vote in law and is not counted in the calculation of the proportion of votes cast for and against a resolution.

REMUNERATION CONTINUED
ANNUAL REPORT ON REMUNERATION CONTINUED

ADDITIONAL INFORMATION CONTINUED

Share based awards and dilution

The Company's share schemes are funded through a combination of shares purchased in the market and new-issue shares, as appropriate. The Company monitors the number of shares issued under these schemes and their impact on dilution limits. The Company's usage of shares compared to the relevant dilution limits set by the Investment Association in respect of all-share plans (10% in any rolling ten-year period) and Executive share plans (5% in any rolling ten-year period) as at 31 March 2024 is detailed below.

As of 31 March 2024, around 2.2% and 1.8% shares have been, or may be, issued to settle awards made in the previous ten years in connection with all-share schemes and executive share schemes respectively. Awards that are made but then lapse or are forfeited are excluded from the calculations.

ALL-SHARE PLANS	
Limit	10%
Actual	2.2%

EXECUTIVE SHARE PLANS	
Limit	5%
Actual	1.8%

Outstanding LTIP awards

Details of current awards outstanding to Graham Clemett and Dave Benson are detailed below.

Executive Director	At 1 April 2023 Performance[2]	Lapsed during the year Performance	Vested during the year Performance	At 31 March 2024 Performance
Graham Clemett				
18/06/2020	139,638	69,819	69,819	–
24/06/2021	117,043	–	–	117,043
24/06/2022	165,350	–	–	165,350
22/06/2023	–	–	–	216,750
Dave Benson				
18/06/2020	96,089	48,045	48,044	–
24/06/2021	80,541	–	–	80,541
24/06/2022	113,789	–	–	113,789
22/06/2023	–	–	–	149,188

1. Awards will vest subject to the satisfaction of performance conditions detailed on page 211 over the three-year performance period.
2. LTIP awards made to the Executive Directors. In June 2020, 2021, 2022 and 2023 awards were in respect of 200% of salary based on a share price at date of award of £7.0767, £8.6117, £6.2800 and £4.9347 respectively. The 2021 LTIP awards vested at 50%.
3. On the 22 June 2023, LTIP awards of 216,750 and 149,188 were granted to Mr Clemett and Mr Benson respectively.

Share options

The following table shows, for the Directors who served during the year, the interests in outstanding awards under the HMRC-approved Savings Related Share Option Plan and SIP Awards.

Executive Director	At 01/04/2023	Granted during the year	Lapsed during the year	Vested in year	At 31/03/2024	Exercise price	Normal exercise date From	To
Graham Clemett	107	–	–	–	107		18.09.18	
	228	–	–	–	228		30.08.2]	
	233	–	–	–	233		05.09.22	
	235	–	–		235		29.09.24	
	3,389	–	3,389	–	–	£5.31	01.09.23	01.03.24
	–	4,556	–	–	4,556	£3.95	01.09.26	01.03.27
Dave Benson	5,649	–	5,649	–	–	£5.31	01.09.25	01.03.26
	–	4,556	–	–	4,556	£3.95	01.09.26	01.03.27
	235	–	–	–	235		29.09.24	

1. Mr Clemett was granted awards under the Share Incentive Plan on 18 September 2015 (107); 30 August 2017 (228); 5 September 2019 (233) and 29 September 2021 (235).
2. Mr Benson was granted an award under the Share Incentive Plan on 29 September 2021 (235).

There have been no changes in Directors' interests over options in the period between the balance sheet date and 4 June 2024.

The Directors' Remuneration Report has been approved by the Board of Workspace Group PLC.

By order of the Board

Lesley-Ann Nash

Lesley-Ann Nash
Chair of the Remuneration Committee
4 June 2024