

newsbrief

September 2026



Nineteenth *newspad* share plan awards

The *newspad* employee share plan awards recognise organisations which have demonstrated outstanding achievement in employee share ownership and hold up best practice models for other companies to follow.

If your company or client made a notable contribution to employee share ownership, issued an inspirational share plan or showed excellence in its communication and presentation; has been creative in using share plans to overcome significant changes or challenging situations, or maybe has a chairman, ceo or share plan team leader who has upped the game with enthusiasm for employee share ownership; then why not tell the world about it?

Companies can nominate themselves or advisers can make submissions on behalf of clients. Entrants can apply for awards in more than one category. Submitting nominations is free and simple. Required information kept to a minimum. Clarity matters more than length. The deadline for nominations is **17:00 on Wednesday December 16 2026**.

The awards represent a great opportunity to celebrate your company or clients' achievements.

The award categories this year are:

1. **Best all-employee share plan**
2. **Best equity scheme in a start-up or scaling company**
3. **Best share plan communications**
4. **Best share plan response to significant changes or challenging situations**

Guidance for entrants including category descriptions, judging criteria and rules of entry can be viewed on the [awards webpage](#).





Centre high table dinner debate – October 22

The Centre is delighted that the Rt Hon John Glen MP, co-chair of the All Party Parliamentary Group on Financial Education for Young People, will be joining us for a high table in the City of London on Thursday, October 22.

John's work with the APPG aligns closely with the Centre's lobbying for UK participation in the OECD PISA Financial Literacy study, and the government's commitment to strengthening financial learning through the curriculum, including reinforcing the provision of financial literacy provision at secondary level.

When in government John served as Paymaster General and Minister for the Cabinet Office. He is currently a member of the Treasury Committee and the Public Accounts Commission. As well as co-chairing of the APPG on Financial Education for Young People, he is an officer of the APPG on Debt and Financial Inclusion.



The Rt Hon John Glen MP



The members only event will be hosted by Prof Michael Mainelli, Alderman of the City of London and take place at the Guildhall in the Aldermen's dining room, starting with a welcome glass at 18:30, sitting down at 19:00, finish at 21:30. Places are limited at Centre high table dinners to ensure everyone has a chance to talk with our guest of honour.

Tickets are £150 + VAT each.

If you would like to take this opportunity to chat with Mr Glen over a sumptuous meal in the beautiful surroundings of the Guildhall, please register your interest by email to events@esopcentre.com soon as possible. Space is limited.

EVENTS



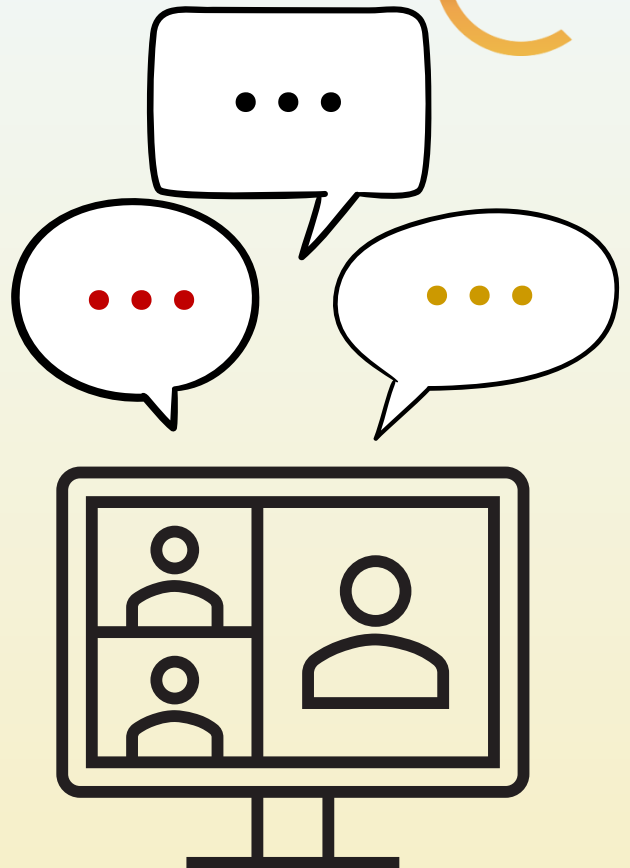
Webinar – EMI schemes: How to avoid the pitfalls

Wednesday October 7 11:00 - 11:45 BST

There are many pitfalls that unsuspecting companies can fall into when setting up and operating an EMI option plan, which often only come to light on a corporate event. By that time it is generally too late to do more than mitigate the damage or accept the consequences.

In this Centre webinar our expert panel will guide you through the processes of setting up and running an EMI scheme and the impact of recent changes in legislation and regulation.

Speakers include Bird & Bird's Sarah Ferguson, partner and head of employee incentives & benefits; and David Walder, senior associate. There will be plenty of opportunities to put your questions to the panel. To join the debate, [register now](#).



Thursday March 18 for Share Schemes and Trustees Conference 2027 - Jersey

For the first time since 2016, the Centre will return to The Royal Yacht hotel, St Helier, for its annual employee share plans and trustees conference. The event will be on the morning of Thursday March 18 2027.

We are putting together a programme of talks from expert speakers, to update trustees and employee share scheme professionals. Presentations will run from 09:00 to 13:15, followed by a networking lunch. The seminar will be held in conjunction with STEP Jersey.

Tickets: Book early to secure discounted ticket prices:

Eso Centre/STEP members: **£380**/each
(if booked before February 26. £450 thereafter)

Non-members: **£485**/each
(if booked before February 26. £548 thereafter)

Multi-booking discount: 50% off cost of ticket for your **third+ delegate**

To reserve your place, email us at events@esopcentre.com.





Thursday May 27 for the Share Plans Symposium 2027 - London

The Employee Share Ownership Centre's tenth Share Schemes Symposium, will consist of two sections:

Background material: The speakers' presentations will be recorded during April and early May. They will be made available in advance of the *live session*: face-to-face event to discuss the presentation topics.

The live session, in Baker McKenzie's Central London offices from 13:15 on Thursday, May 27 2027, will feature four interactive discussion sessions.

The symposium will conclude with the presentation of the 19th *newspad* all-employee share plan awards and a celebratory reception.

The programme of 10 to 12 presentations by employee equity experts will include developments in all-employee and international share plans; share plans in SMEs and private companies; employee ownership and benefit trusts; executive remuneration within the context; and case studies of employee share plans.

The Symposium provides an opportunity for people with a professional interest in all forms of employee share ownership to learn about latest legal, regulatory, governance and tax issues affecting employee share plans and to exchange ideas.

Admission rates:

*Delegates from **plan issuer companies** will be admitted **free** of charge.*

Practitioners:

Members: £450; Non-members: £800

Trustees:

Members: £400; Non-members: £650

Multi-booking discount: 50% off cost of ticket for your **third delegate.**

*All prices are subject to UK standard rate VAT

There will be strictly limited opportunities to attend remotely for international members not able to travel to London.

To register a delegate, email : events@esopcentre.com

Speaker opportunities:

If you would like to make a presentation at the symposium, please send your proposal to esop@esopcentre.com. Your speaker would need to be available to record a 20 to 30-minute talk between *April 6 and May 12*, and to attend the in-person section of the event between 13:45 and 17:15 on May 27 to discuss the issues raised in their presentation. The in-person part of the event will split into four discussion sessions, each with a number of presentations.

Sponsorship opportunities are available for one main event co-sponsor (alongside host Baker McKenzie); plus two further e-brochure logo sponsorships. Please contact esop@esopcentre.com for details.

The Centre thanks Baker McKenzie for hosting the 2027 symposium

**Baker
McKenzie.**



What Germany can teach us about employee ownership

When comparing the different economic traditions of Germany and the UK, ownership, participation, the relationship between employees and companies and where remuneration ends and investment begins, **Burges Salmon** partner Nigel Watson and colleagues realised that they were really talking about employee equity and thought the contrasts seemed worth exploring. UK incentives practice tends to treat genuine equity as the natural destination and virtual equity as an approximation, but that premise is challenged on the German side, the argument being that equity arrangements bundle together four distinct things: legal ownership, economic exposure, remuneration character and tax character. Virtual equity (*virtuelle Beteiligungen*) is common in German start-ups and GmbH structures because genuine GmbH equity brings the employee into the corporate structure as a shareholder, with notarial formalities and statutory information and inspection rights attached. A virtual plan gives economic participation without shareholder status, but it is a contractual claim rather than the same economics with the complexity removed: the plan must itself decide how dividends, dilution, preference rights, exit events and funding are handled. Tax reinforces the split, with virtual awards taxed as employment income on payment and excluded from the capital-participation rules that the Future Financing Act improved by raising the tax-free allowance to €2,000 (£1,720). A March 2025 Federal Labour Court ruling on leaver provisions for vested virtual options shows that avoiding shareholder status relocates legal complexity into contract and employment law rather than removing it. The conclusion is that differing UK and German answers reflect the costs each legal system attaches to the available choices, not competing philosophies, and that the better question is **which characteristics of ownership an incentive actually needs.**



Final call for MM&K's private capital pay survey

MM&K's 2026 PE/VC Compensation Report for the UK and Europe is nearing publication and will be shared only with firms which submit data, making this the last chance to take part. The 2025 edition showed management fees at the investment stage clustering around two percent and an eight percent carried interest hurdle still firmly embedded. Women made up just eight percent of general partners on average and the median firm's general partner ranks were 100 percent male. Firms wanting a questionnaire should contact MM&K at surveys@mm-k.com.



Employment Rights Act update

The government is consulting on reform of the equal pay and pay discrimination framework. Responses are due by October 27. **Baker McKenzie's** analysis notes a two-phase approach: first, greater transparency (including pay information in job adverts), tougher sanctions and a new Equal Pay Regulatory and Enforcement Unit with powers to compel pay data, launch investigations and order audits; then an extension of equal pay-style protections to race and disability claims, plus a duty to take all reasonable steps to uphold pay equality in contractual arrangements. The firm expects compulsory audits and regulatory scrutiny to expose far wider pay practices to examination, moving the UK closer to the **EU Pay Transparency Directive**.

Lewis Silkin's dashboard sets out when each part of the Employment Rights Act lands. Already in force: the doubled 180-day protective award, day one statutory sick pay, criminal sanctions for holiday records, and the Fair Work Agency. Tribunal time limits double to six months on October 1 2026, with third-party harassment liability and union access rights following three weeks later.

From January 1 2027 the unfair dismissal qualifying period drops to six months and the compensatory award cap goes. Guaranteed hours, shift-notice compensation, NDA restrictions and equality action **plans follow through 2027**.

Bird & Bird's podcast series on the Act turns to harassment and NDAs. From October 30 2026 the duty to prevent sexual harassment is upgraded from reasonable steps to all reasonable steps, shifting the test from whether some action was taken to whether further preventative measures should have been adopted, with regulations defining those steps not expected until consultation in 2027 or 2028. The same date restores direct employer liability for harassment by third parties such as customers, clients and suppliers, covering all protected characteristics and potentially arising from a single incident.

Reforms expected in 2027 will void NDA provisions in contracts, settlement agreements and COT3s which silence workers about harassment or discrimination, subject to an "excepted agreement" regime still under consultation. Bird and Bird advises refreshing risk assessments, auditing NDA wording and **retaining evidence of preventative steps**.





Structuring compliant share buybacks under the Companies Act 2006

Doyle Clayton warns that private companies routinely fall foul of Part 18 of the Companies Act 2006 when buying back their own shares, most often by failing to pay for them in full at the time of purchase. Save where a purchase is made for the purposes of, or pursuant to, an employee share scheme — rare in practice — deferring payment or settling by instalments renders the buyback void. Payment must also be funded from distributable reserves, which is the most common route, from capital, which carries further requirements of its own, or from the proceeds of a fresh issue of shares. Companies typically try to spread payments because they lack sufficient distributable reserves, or because they are wary of the cash-flow impact of a lump sum.

Doyle Clayton suggests structuring the transaction as multiple tranche completions: a single agreement under which a portion of the shares is bought and paid for in full on completion, with the balance acquired in a series of later tranches, each paid for in full as it is purchased. Where the seller wants capital treatment rather than taxation as a distribution, the number of shares sold at completion and at each tranche must be calculated carefully to satisfy section 1033 of the Corporation Tax Act 2010. Sellers hoping to use Business Asset Disposal Relief face a further trap: the full capital gains tax charge must arise on completion, which requires the entire beneficial title to pass at that point and the agreement to be unconditional. Poor structuring risks a **void buyback, added cost and a lost relief**.

European AGM season review 2026

Georgeson (part of the **Computershare** Group) has published a report on the 2026 European AGM season. Over that period 36.5 percent of remuneration policies received more than 10 percent opposition, compared with 25.2 percent of remuneration reports. This growing focus on forward-looking pay proposals has important implications for remuneration planning, shareholder engagement and the way governance decisions are explained. Investor scrutiny starts well before the AGM notice is released. Understanding where expectations are changing can help governance and investor relations teams identify potential areas of pressure earlier, strengthen internal discussions and plan more informed shareholder engagement.

The review brings together insight from the UK, Germany, France, Switzerland, the Netherlands, Italy, Spain, Belgium and Ireland, helping issuers understand both the wider European picture and the **developments affecting individual markets**.



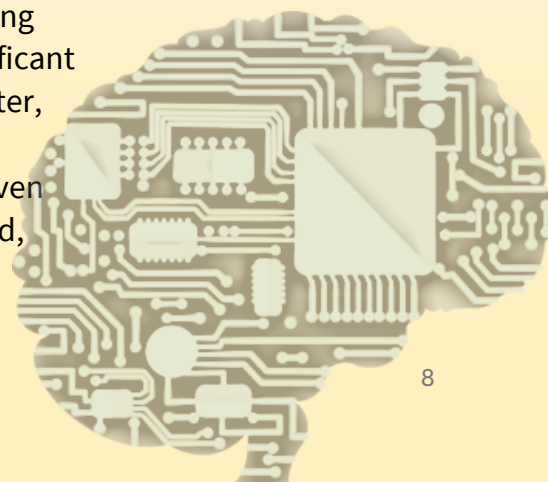
Image by Yogendra Singh from Pixabay

Don't get caught out by the Budget

Employee share plan consultant **David Craddock** reminds us that although the relief remains substantial and continues to make the EOT model attractive for owners of profitable, well-established businesses, given the current economic climate, and the unknown contents of the forthcoming Budget, scheduled for October 28 2026, the future of the favourable tax regime for the sale of company shares to an EOT is considered to be vulnerable to change and, therefore, the continuation of the EOT in its current tax-efficient form for new EOT arrangements after the Budget is indeed uncertain. For this reason, business owners and company shareholders considering the introduction of an EOT are advised to think about an implementation as early as possible and should not overlook the opportunity to act now to start the conversation, understand the benefits and assess whether **an EOT could secure** the future of their business.

Will AI cut the cost of running an Esop?

A paper by **NCEO** founder Corey Rosen, pours cold water on the idea that artificial intelligence will make employee stock ownership plans meaningfully cheaper to establish or run. Selling a business to an Esop is a service-intensive exercise, and generative AI's central promise is to compress the time and expense of exactly that kind of work, so the appeal is obvious. Rosen concedes that forecasting where a fast-moving technology lands is closer to arrogance than insight, but sets out where the consensus currently sits: AI will speed up and improve particular tasks without materially reducing either the cost or the elapsed time of Esop transactions and the annual administrative cycle. Feasibility studies are the clearest gain, since AI can model multiple scenarios quickly and more comprehensively than existing tools, helping companies identify the best structure; advisers are still needed to walk owners through the options and to catch hallucinated or missing issues, and the hardest cases are those where the output is mostly right, with errors that are subtle but no less consequential. The legal picture is starker still. AI is useful for drafting documents and analysing deal structures, but broader studies show legal fees rising rather than falling, because the consequences of error force significant time into verification. Appraisers can gather and analyse data faster, though much of a valuation rests on client conversations and judgment, and trustees are unlikely to lean on AI-derived work given the liability. Repurchase obligation software, already AI-generated, has deepened **analysis without lowering study costs**.



UK NEWS



TPXimpact boosts employee ownership with new SIP allocations

Digital transformation consultancy TPXimpact Holdings has expanded participation in its employee Share Incentive Plan by allocating 5,408 partnership shares purchased in the market at £0.832 per share. These shares, acquired by the SIP trustees at a total cost of £4,499.46, have been distributed to employees enrolled in the tax-efficient salary sacrifice scheme designed to encourage long-term share ownership.

In a corresponding move, the SIP trustees have also allocated 5,408 matching shares to participating employees on a one-for-one basis, recycling unallocated shares already held within the plan. The transaction underlines TPXimpact's commitment to employee engagement and alignment with shareholder interests, reinforcing its positioning as a purpose-led digital **transformation partner to the UK** public sector.



WORLD NEWS

Australia

Macmahon md's performance rights vest into the employee share trust

Macmahon Holdings, the ASX-listed Australian mining services contractor, has **disclosed a change in the equity interests** of managing director Michael John Finnegan following the vesting of performance rights issued under its Senior Manager Long Term Incentive Plan. A total of 6,962,962 FY24 performance rights vested on August 31 2026 and converted into fully paid ordinary shares held within the Macmahon Employee Share Ownership Plans Trust, lifting the trust's holding while Finnegan's direct and spouse-held positions were left unchanged. The rights vested on conditions set out in previous annual reports, making the conversion a straightforward illustration of the link between executive reward and performance milestones, and of the company's reliance on equity rather than cash to keep senior management pointed in the same direction as shareholders. For investors, the larger pool of shares sitting in the employee trust is the point worth watching: it signals a continuing commitment to long-term incentive structures for senior staff, with implications for future dilution and for governance. Macmahon, which provides open-cut and underground mining, civil construction and related support services to resources projects under long-term contracts with mine owners, carries a market capitalisation of A\$2.14bn (£1.13bn) and average trading volume of 4,117,933 shares, with a technical sentiment signal of buy. The most recent analyst rating on the stock is a buy, with a price target of A\$0.82 (about 43p).



Image by Pete Linforth from Pixabay



France

French employee share plans cluster in September

Four of France's largest listed companies initiated 2026 employee share ownership plans within days of each other. **Capgemini** launched its thirteenth Esop, offered to roughly 97 percent of its workforce and delivered through a capital increase reserved for employees capped at 3,000,000 shares, or 1.77 percent of shares outstanding; with the 2021 plan reaching its term at year end, the offer is meant to hold employee shareholding at about eight percent of capital. The reservation period runs from September 11 to 30, the subscription price is set on November 5, and the capital increase completes on December 17 2026, with Crédit Agricole Corporate and Investment Bank structuring leveraged and guaranteed formulas that protect the amount invested during the lock-up. A dedicated buyback envelope, separate from the €2bn (£1.72bn) multi-year programme announced in July 2025, may be used to neutralise the dilution. **Michelin** opened BIB'Action 2026 to around 114,000 eligible staff in 44 countries, pricing at €24.26 (£20.81), a discount of 30 percent to the reference price, with matching shares tapering from one free share per share on the first five down to one per five thereafter and nothing above 55. Subscriptions ran from September 9 to 24, settlement falls on October 27 2026 and French labour law imposes a five-year lock-up to 2031. Chief executive Florent Menegaux said nearly 65 percent of employees are already shareholders. **Axa** launched Shareplan 2026 for more than 110,000 staff in 40 countries, allowing up to 58,951,965 new shares, with a classic offer at 80 percent of the reference price and a *Garantie Plus* offer at 93.95 percent carrying a minimum return guarantee; the capital increase is scheduled for December 3. **Airbus** took the other route, beginning an open-market buyback of up to 4,100,000 shares between September 11 and November 6 to stock future employee plans and equity-based compensation without diluting existing holders.





India



Metro Brands lifts its equity base with an Esop allotment

Metro Brands, a Mumbai-headquartered branded footwear and accessories retailer whose shares trade on both BSE and the National Stock Exchange of India, has issued 18,772 equity shares to employees exercising options under its Metro Stock Option Plan 2008. The shares carry a face value of ₹5 (about four pence) each and were allotted to eligible grantees after the company's Share Allotment and Transfer Committee signed off on the exercises. The effect on the capital structure is slight: paid-up share capital moves from ₹1,362,963,705 to ₹1,363,057,565, an increase of ₹93,860 (roughly £725) that leaves the total in sterling terms at about £10.5m either side of the allotment, while the share count edges up to 272,611,513. Metro Brands has itself described the issue as not material in nature, and the disclosure has been filed with both exchanges in line with the Securities and Exchange Board of India's rules on share-based employee benefits and listing obligations, under which any change in share capital, however modest, must be reported. Small as it is, the allotment points to the continued use of equity-linked incentives in the group's compensation and retention strategy, a familiar feature among established consumer-facing listed companies seeking to align staff. The shareholder interests and the capital base are periodically adjusted as options are exercised. The company carries a market capitalisation of ₹261.2bn (£2bn) on average trading volume of 28,309 shares, with a technical sentiment reading of sell; the stock was down 1.25 percent **at the time of reporting**.

Dr Reddy's issues a handful of shares on ADR option exercise

Dr Reddy's Laboratories allotted 375 fully paid equity shares of one rupee each on September 10 2026 to eligible employees exercising options under its Employees ADR Stock Option Scheme, 2007. The new shares rank pari passu with existing stock and lift total issued share capital to roughly ₹834.6m (£6.5m). The Hyderabad-based generics and branded medicines group, which serves domestic and international markets, continues to lean on equity incentives across both its Indian and overseas listings. The backdrop is less comfortable. Recent cash flow has weakened and margin and revenue trends have softened, even as the balance sheet stays healthy and the business remains profitable. The shares sit below all their major moving averages, while valuation is mid-range on a price-to-earnings multiple of roughly 29 times, with a modest dividend yield. The most recent earnings call struck a mixed note: constructive guidance for a second-half recovery, set against execution and regulatory risks tied to semaglutide and the biologics site. Market capitalisation stands at \$10.09bn (£7.5bn), on an average **trading volume of 2,786,869 shares**.





USA

Looking for a win-win-win? Why not consider selling to the workers

According to Forbes contributor Mary Josephs, rather than merely toasting American workers on Labour Day, business owners should consider selling their companies to them through employee stock ownership plans.

Owners secure a fair-market exit on their own timetable while preserving the culture they built, aided by unusually favourable tax treatment such as a Section 1042 capital-gains deferral for C-corporation sellers and tax-exempt status for a 100 percent S-corporation Esop. Employees receive a company-funded retirement account that often represents their only realistic path to equity ownership. Communities benefit because employee-owned firms tend to remain rooted locally, protecting jobs, sponsorships and supplier relationships. Yet the model remains severely under-used: fewer than 6,500 Esop companies exist in the United States, representing less than one percent of all firms. The annual pipeline of new plans is essentially flat at under 300. This is not a demand problem—owners routinely embrace the idea once they understand it—but a "plumbing" problem of complex rules, litigation risk and misaligned incentives. Partial Esops, once more common, have declined for fixable reasons, and the 100 percent model, while powerful, is not suitable for every business. The Expanding Esops coalition, now more than 100 members strong after only two years, is working to dismantle these barriers. Succession is inevitable; the only question is who ends up holding the keys. Esops turn capitalism into a team sport, building worker wealth, stronger companies and more resilient communities. They **deserve far wider consideration**.



Image by [Tung Lam](#) from [Pixabay](#)



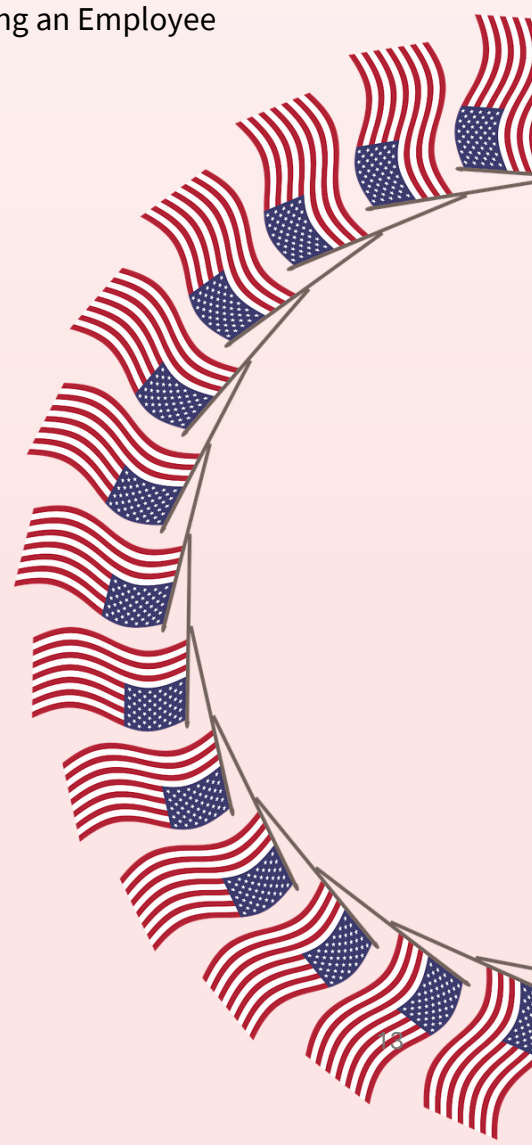
USA

BPAS buys Esop One to bolster its employee ownership arm

BPAS, the Utica-based national provider of retirement plans, employee benefits and institutional trust services, has acquired Esop One, a technology platform built to educate and engage participants in employee stock ownership plans. The deal adds participant education tools to a practice already covering Esop and 401(k) administration, recordkeeping, trust and custody, bringing in a participant portal, an employer repurchase obligation portal and the ability to administer synthetic equity programmes. "Employee ownership can be a powerful succession strategy," said chief executive Paul Neveu, who argued that running a plan well takes more than setting it up and administering it. BPAS already serves more than 110 Esop and kSOP plans holding over 19,000 participants and \$2.2bn (£1.6bn) in assets, within a business supporting close to one million participants; Esop One brings more than 70 clients and will continue to be sold standalone, including to BPAS competitors, behind an internal firewall. The timing reflects a succession crunch: the McKinsey Institute for Economic Mobility estimates roughly six million small and midsize businesses will change hands by 2035, worth as much as \$5tn (£3.7tn), and owners weighing alternatives to private equity buyers are drawn to the tax treatment of an Esop sale. Nationally, 8,500 Esop or kSOP plans now cover about 15.1 million participants and more than \$2tn (£1.5tn) in assets, with the US Department of Labor running an Employee Ownership Initiative to **push the model further**.

Hornbeck's Esop filings land as the share price slides

Marine transportation services provider, Hornbeck Offshore Services, has filed two shelf registrations covering employee stock ownership plan offerings worth roughly \$23.2m (£17.2m). The stock trades at \$9.00 (£6.66), down 1.3 percent on the day (September 11) and 4.2 percent over the week, extending a year-to-date decline of 12.9 percent as investors weigh softer recent earnings, refreshed credit facilities, governance changes and the new Esop-related equity capacity. At 22.4 times earnings, the shares are cheaper than the US energy services sector at 27.3 but pricier than closer peers at 12.2, which reads as roughly fair. Cash flows tell a less flattering story: Simply Wall St's discounted cash flow model puts fair value at \$3.07 (£2.27), well below the traded price. The firm cautions that the recent slide and the fresh equity overhang could weigh further on sentiment should earnings or contract activity disappoint. Hornbeck stresses that its **commentary is not financial advice**.





Opinion: Entrepreneurship through acquisition meets employee ownership

According to author Evan Edwards for Forbes Nonprofit Council, the approaching retirement of baby boomer owners is expected to drive a major transfer of small and medium-sized businesses, with more than one million US firms potentially representing up to \$5trn in enterprise value. Entrepreneurship through acquisition (ETA), in which aspiring entrepreneurs acquire existing businesses rather than start from scratch, is gaining popularity as a succession and liquidity solution. However, the author argues that workers risk being overlooked in these transitions, and that employee ownership can provide a way to align the interests of buyers and employees. Aspiring entrepreneurs can introduce EO after an acquisition to improve retention and productivity, or structure employee ownership into the deal from the outset, bringing EO-focused capital alongside their own investment. In addition, employee ownership can provide workers with a stake in the company's future and create a clearer exit route.

The growing ETA ecosystem, including accelerator programmes and alternative routes beyond traditional MBA networks, could broaden access to business ownership while helping preserve businesses and local communities. Combining ETA with EO may therefore offer a faster route to succession than employee ownership alone, while retaining access to conventional acquisition finance. Evan Edwards argues that integrating EO into acquisition strategies could turn the coming business transition into an opportunity **for broader worker wealth creation**.



Employee-owned firm increases staff payment

Ison Harrison, one of the UK's largest employee-owned law firms, increased its annual profit distribution to eligible staff by 25 percent in 2025, with each qualifying employee receiving £5,000. The total distribution rose from £986,400 to £1.7m as headcount increased from 349 to 431. All employees, including fee earners and support staff, qualify provided they worked at the firm throughout the year. The firm, which established an employee ownership trust in 2022, reported a 37 percent increase in pre-tax profit to £6.4m and a 39 percent rise in revenue to £33.8m. It paid £2.2m to accelerate repayment of deferred consideration owed to its former owners. Director Jonathan Wearing said employee ownership had contributed to a culture of shared purpose, accountability and long-term commitment, helping align employees with the firm's performance and supporting engagement, retention and collaboration. The results provide a notable example of an employee-owned business able to link strong financial performance with **direct profit sharing among its workforce**.



Triton lifts profit as turnover falls and staff share the gains

At Triton Construction, the Yorkshire-based contractor, pre-tax profit grew by 82 percent to £1.1m in the year to March 31, up from £610,300, even though turnover fell from £60.5m to £48.5m. The company, which is controlled by an employee ownership trust, paid £1.18m into the trust over the year, with staff also receiving bonus payments under the EOT arrangements, sharing directly in the improved result. That result rests on a smaller workforce: an average headcount of 65 against 69 previously, and a wages bill down to £3.7m from £3.8m.

Triton said it had already secured a large proportion of the work it needs for the coming year, describing its clients as good quality and its risks as controlled. A rise in negotiated contracts was evidence that customers trust it to produce economical building solutions and deliver a quality service.

Work through the Premier Inn framework has returned to pre-pandemic levels, and the contractor reported progress on a number of defence-based contracts, though the accounts named neither the clients nor the values involved.

The outlook is guarded. Triton expects the construction market to remain difficult, with economic uncertainty — including the unresolved effects of tariffs and trade deals — thinning the flow of opportunities. As it does not expect significant industry-wide growth over the coming year, it is positioning itself for controlled expansion and improved margins. It closed the period with £8.2m in cash, up from £7.2m, and no formal debt, which it said allows it to keep paying **its long-standing supply chain fairly and on time.**



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Broadening horizons, Z/Yen Group is hosting a range of webinars over the coming weeks. For a full listing of Z/Yen, Long Finance, FS Club, and Employee Share Ownership Centre webinars look here:

<https://fsclub.zyen.com/events/webinars/>

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ABOUT NEWSBRIEF

Newsbrief is the Employee Share Ownership Centre's members-only mid-month publication. To submit a story for the next issue of newsbrief, sponsor the publication, or to propose someone for a member profile, contact Juliet Wigzell:

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