



NEWSPAD AWARDS – SUBMISSION DEADLINE APPROACHING

Don't miss out on your chance to tell us about the companies and people who deserve to be recognised for their work and commitment to all-employee share ownership. The submission deadline is February 25 2022 which gives you time to enter.

The *newspad awards* recognise achievement and reward best practice models which others can follow. If your company (or your client) has made a notable contribution to employee share ownership, issued an inspirational share plan, showed excellence in communication and presentation, been creative in using technology, or if your company, project or team leader has upped the game with personal enthusiasm for employee share ownership ... why not shout about it with a *newspad* award nomination!

The results will be announced in *newspad* and award certificates will be presented to the winners at the Centre's Employee Share Plans Symposium 2022.

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. The deadline is **5pm on Friday February 25 2022**. Any questions to: esop@esopcentre.com. Please read the [rules and terms of entry](#)

EVENTS

Follow-up webclave on EOTs – March 21

Thank you to everyone who took part in our most recent members' webclave on how the employee ownership trust (EOT) should develop. The topic proved popular and we have invited Esop tax barrister David Pett to lead a follow-up event on Zoom platform between 15:30 and 16:30 (GMT) on Monday March 21. Invitations for members to register will be sent shortly.

British Isles Share Plan Symposium – April 6

Registration is now open for the **Centre's V Share Plan Symposium**. Background material - recorded presentations and accompanying papers - will be available to delegates before the face-to-face segment, which takes place in the London offices of **Baker McKenzie** at 100 New Bridge Street EC4, on the afternoon of **Wednesday 6 April 2022**.

The live session, starting at 13:30, will feature four panels. Speakers will summarise the main points arising from their presentations before throwing the debate open to delegates. The event will finish with the *newspad* drinks reception from 17:20, at which the award winners will be announced.

Centre conferences are popular because they combine expert speakers and great networking.

Speakers include: Jeremy Edwards, partner and head of **Baker McKenzie**'s employee benefits group; Catherine Ramsay, partner-equity incentives, **Gannons**; Andrew Nealey, senior manager-reward & employment & Elizabeth Bowdler, senior manager, **PwC**; Arran Simpson, partner-tax, & Hannah Tipper, associate director-tax valuations, **Deloitte**; Stuart Bailey, associate director, **Computershare**; Shervin Binesh, director-corporate services, **Sanne** and a senior member of **Macfarlanes**' team.

Programme guide:

Panel one: *The new executive remuneration landscape:*

- ◆ Baker McKenzie's latest FTSE100 remuneration review: what it shows and feedback - *Jeremy Edwards, Baker McKenzie*
- ◆ The growing impact of ESG on executive remuneration – *Macfarlanes (speaker tbc)*
- ◆ Remuneration committee decisions and shareholder reactions

Panel two: *The impact of regulation and governance on all-employee share plans:*

- ◆ Gig Workers –How can they be brought into shared ownership (inclusive capitalism)?
- ◆ Recent regulatory developments affecting all-employee plans
- ◆ Should regulators urge companies to encourage employee shareholder voices to be heard?
- ◆ Why employee share ownership matters: the ESG perspective – with reference to issues raised by the Esop Centre booklet

Panel three: *Employee share/share option plans in SME companies:*

- ◆ Using the Enterprise Management Incentive (EMI) in a volatile tax landscape – *Catherine Ramsay, Gannons*
- ◆ Navigating valuation issues for unquoted UK companies & growth shares come of age – *Hannah Tipper & Arran Simpson, Deloitte*
- ◆ Employee Ownership Trusts: reward and management incentives in EOT owned businesses - *Andrew Nealey & Elizabeth Bowdler, PwC*

Panel four: *Top tips for successful share plan launches in 2022:*

- ◆ Plan objectives, communications data protection and retrieval, plan reach, tax issues for mobile employees and plan participation levels.
- ◆ How easy or difficult is it to use employee benefit trusts internationally? – *Shervin Binesh, Sanne*
- ◆ Can the Company Share Option Plan (CSOP) rise to the rescue of hard-up employees and plan sponsors?

Prices:

Delegates from plan issuer companies attend free.

Practitioners: Members: £395 Non-members: £595

Trustees: Members: £330 Non-members: £550

Early-bird offer: Book by February 28 to receive 20 percent discount on ticket prices. *All prices given attract standard UK VAT.*

To book your place, email events@esopcentre.com or call the team on +44 (0)20 7562 0586.

Employee share plans and trustees conference 2022

Organised in partnership with STEP Jersey, the annual half-day conference will return to the Pomme d'Or, St Helier, for an in-person event on **Friday May 13**.

With the international reach of trustees and the growth in the establishment of employee ownership trusts, it has never been more important for those interested in employee share schemes and trusteeship to stay informed with expert views and enjoy the continuing education which our conferences and seminars offer. The programme is drafted to provide technical information, designed to be acceptable as counting towards your Continuing Professional Development or Continuing Competence.

Prices: Esop Centre/STEP members: £375
Non-members: £480

To reserve a delegate place or propose a talk topic, please email Juliet at juliet_wigzell@zyen.com.

Here is our library of broadcasts: [The Employee Voice: Share Plan Votes](#) ; [Esop Sofa: Hot Topics In Employee Share Ownership – Newspad Review IV](#); [Innovative Tax Techniques For Employee Share Schemes](#); [Share Schemes For Non-Employees & The Gig Economy](#); [Esop Sofa: Hot Topics In Employee Share Ownership](#); [Building Back Better With Your Employees Through Shared Ownership](#) ; [EOTs: The Credible Alternative To Succession](#); [The Role of Employee Share Schemes In Achieving The UN Sustainable Development Goals](#) ; [Esop Sofa: Hot Topics In Employee Share Ownership - Newspad Review](#) ; [Beyond Brexit: EU-UK Social Security Contribution Rules](#); [Esop Sofa: Hot Topics – newspad Review](#); [The Share Valuation Worked Examples Group In The Changing Valuation Landscape](#) ; [Looking](#)

[Ahead To 2021: Moving Beyond Brexit In Financial Services Regulation](#); [Insights Into Share Valuation for Employee Share Schemes: Revealed Through Dynamic Case Studies](#); [Lessons From Lockdown: Re-Assessing How You Manage Share Plans In A Digital Way](#); [Employee Share Schemes: Innovative Communication Strategies Guaranteed To Increase Employee Take-Up](#) ; [Selling Your Company To An EOT - How It Differs From An MBO](#); [Institutional Investors' Views On The Use Of Share Plans](#); [Esop Sofa – Hot Topics](#); [Employment -Related Securities: The Complexity Unravelling Into Practical Application](#); [Employee Ownership & The Future Of Capitalism](#); [Could Equity Be Used To Replace A Portion Of An Employee's Salary?](#); [The Case For Employee Share Ownership: The Heart Of The Matter Revealed](#); [Esop Sofa Lockdown Stories](#); [Share Valuation: The Wisdom On Price-Setting For Your Employee Share Schemes](#); [Tools Of Engagement: The Power Of All-Employee Plans](#); [Awarding Shares To Employees In A Covid-19 World](#); [The Employee Share Trust: Establishing A Dynamic Market For Your Employee Share Schemes](#); [How To Ensure All-Employee Share Plans Remain Relevant](#); [Esop Sofa - What Are Today's Big Employee Share Ownership Questions?](#); [Enterprise Management Incentives \(EMIs\) – Powerful Lessons From Five Practical Case Studies](#); [Enterprise Management Incentives \(EMIs\) – Igniting Your Business By Sharing Success](#); [Esop's Tales: The Foundation Of The Esop Centre](#).

Broadening horizons, Z/Yen Group Limited is hosting a range of webinars over the coming weeks. For a full listing of Z/Yen, Long Finance, FS Club, and Esop Centre webinars look here - <https://fsclub.zyen.com/events/webinars/> - or sign up for mailings - <https://fsclub.zyen.com/#Subscribe>

CENTRE & MEMBERS' NEWS

Book launch – March 3

Esop barrister David Pett will celebrate his new guide to EOTs by combining some gentle book promotion with the opportunity to get together with friends and professional contacts in the Midlands over a lunchtime drink.

In all, he and fellow members of Chambers have produced more than half a dozen new titles or editions during the pandemic on topics as varied as Disguised Remuneration, International Tax Treaties, Schedule 36 FA 2008, and Principal Private Residence Exemption.

The book launch will be at **Chapter Restaurant**, 5 Greenfield Crescent, Birmingham B15 3BE (nr. Five Ways, Birmingham), 12.30 – 14:00 Thursday March 3 2022. Places are limited, so anyone wishing to be invited should contact clerks@templetax.com without delay.

MM&K launches *Life in the Boardroom 2021-2022*

The 2021-2022 chair and NED survey report - *Life in the Boardroom* has been published by MM&K, from an extensive survey that collects data directly from board directors.

The comprehensive 80 page report contains unique breakdowns on fees and time commitments and exclusive insights into life in the boardroom, as seen through the eyes of those who have first-hand experience.

Further information - Life in the Boardroom 2021-2022 <https://mm-k.com/services/pay-salary-surveys/chairman-and-ned-surveys/> or email surveys@mm-k.com

The report preview is available to download: <https://mm-k.com/mmk-publication/2021-2022-chair-and-non-executive-director-survey-life-in-the-boardroom/>

Video: <https://vimeo.com/667710313>

Incentive awards during the pandemic - January 2022

Structuring employee reward in a way that engages and motivates employees is a perennially hot topic and, since the beginning of the pandemic, interest in ways of providing all-employee reward has increased markedly.

Deloitte reported seeing more companies choosing to provide one-off awards and thank you payments to their employees.

In total, 33 companies have disclosed that they have made all-employee awards over the last 18 months. Based on these disclosures, awards were made by:

- ◆ ten percent of FTSE 100 companies
- ◆ nine percent of FTSE 250 companies
- ◆ six percent of FTSE SmallCap companies

The majority of the awards (59 percent) were in cash, with the remainder in the form of a share award. Almost half of the awards were made by companies in the Retail & Services sector.

In one small cap example all employees were granted a one-off share award with a face value of £1,000, which will vest subject to an operating profit performance target.

Ocorian strengthens US presence

In March 2021, Ocorian announced the acquisition of Philadelphia-based analytical firm, Emphasys Technologies which marked its entry into the US. Since then, the firm has been making key hires across the country to expand its onshore capabilities and to build stronger relationships with clients. **Adding a New York office** is further evidence of commitment to building a significant presence in the US.

CMS advises InstaDeep

InstaDeep Ltd, a leader in advanced AI decision-making systems for solving real-world problems, was advised by CMS on its recent \$100m fundraise. The company will use the funding to advance its high-performance computing infrastructure optimised for decision-making AI and accelerate the launch of disruptive AI products across multiple industries. Its projects include a multi-year collaboration with BioNTech SE in 2020 which has produced an AI-powered early warning system for detecting high-risk SARS-CoV-2 variants. Investors in the round, led by Alpha Intelligence Capital together with CDIB, include BioNTech, Chimera Abu Dhabi, Deutsche Bahn's DB Digital Ventures, Google, G42 and Synergie. The CMS team advising InstaDeep was led by Valentina Santambrogio, supported by William Holder and Jure Tuš (Corporate); **Andrew Quayle** and **Jasleen Kaur** of the CMS Employee Incentives team; Joanna Willems, Loretta Pugh, Sam De Silva, Ilana Goddard and David Parrish (TMIC); and Jacob Gilkes (Tax).

Is employee ownership a viable alternative to family succession?

In a piece for Modaq, Wrigley's Solicitors' Malcolm Lynch and Mike Ford look at why a transition to **employee ownership may be preferable to a third-party sale**, if family succession isn't a viable option.

Global Shares set to double its workforce in Ireland

Irish Examiner reports that Clonakilty-based fintech company **Global Shares**, which specialises in employee equity and works with companies in more than 100 countries, is expecting to almost double its workforce by 2024.

With the employee equity market seeing significant growth in recent years and that growth expected to continue, Global Shares is expanding its own operations and workforce to ensure it remains at the forefront of supporting companies towards this shift.

During the course of the Covid-19 pandemic, Global Shares hired more than 250 new team members and accumulated numerous awards, including 'Best Workplaces in Ireland 2021', 'Best Workplace in Tech 2021', 'Top 100 in Wellbeing 2021', as well as the prestigious Technology Ireland 'Company of the Year' Award 2021.

Gannons' insights: Share based incentives: partly paid shares, growth shares and joint ownership arrangements

While EMI is the most popular type of equity incentive to offer UK employees, it is not always the best fit for employers. The business and/or participant may not meet the qualifying criteria or the cost of the equity prohibitively high to incentivise. There are **viable alternatives** that can offer great tax efficiencies.

WORLD NEWS

UK support for Cayman

UK Foreign and Commonwealth Office minister Amanda Milling said she wanted to be “a champion for the Overseas Territories” during her first visit to the Cayman Islands in January.

The **UK will continue its support** in relation to the imminent inclusion of Cayman on the EU’s list of high-risk jurisdictions for money laundering, and other financial services issues.

“I know that a lot of progress has been made” Milling said. Asked whether she was comfortable with government’s plans to increase debt as part of the current budget, she said it was down to the government to make those types of decisions on how to govern the Cayman Islands.

Poland: GetResponse Announces Conversion into Joint-Stock Company

On February 10 GetResponse, marketing automation software, announced its conversion into a **Polish joint-stock company**. This change enables GetResponse to move forward with implementing an Employee Stock Option Plan.

Ireland: Greencore Group launches employee shares giveaway as investor adviser firms criticise bosses' bonuses

Irish convenience foods maker Greencore Group plc announced a shares giveaway for employees in what some might see as a tactic to divert attention **away from management remuneration**.

The company said its "Be Part of Something Better" share ownership

scheme and colleague wellbeing centre is designed to recognise the diligent work of Greencore colleagues in supporting the needs of customers on a daily basis.

Under the share ownership scheme, close to 12,000 workers will receive roughly £250 worth of Greencore shares each.

South Africa: BLSA accepts Bain & Co's resignation in the wake of public backlash

Independent Online reported that Business Leadership South Africa (BLSA) has announced that it has accepted the **resignation of Bain & Company from its membership** as the business entity’s reputation has come under fire for its stance on the US management consulting firm.

When the State Capture Inquiry’s report was released earlier this month, it was critical in its assessment of Bain’s consultancy work for the South African Revenue Services (Sars). The inquiry’s chairperson and acting Chief Justice, Raymond Zondo, recommended that law enforcement agencies investigate how contracts were awarded to the firm.

In a statement, BLSA said it had noted Bain & Co’s decision to withdraw its membership. “We reaffirm BLSA’s commitment to ensuring that all those involved in state capture are appropriately held to account.

“We hope that as a society we can collectively direct our attention to seeking justice and amends for the damage to our country during the years of state capture and reforming our institutions to ensure it never happens again,” said the business lobby unit, headed by chief executive Busi Mavuso.

Former Bain partner Athol Williams, who testified at the inquiry against his former

employer, told the media that keeping Bain as a member of BLSA was a “middle finger” to South Africans.

Bain & Co said in a statement on January 17 that its membership in BLSA should not distract from the important work the organisation did on behalf of the business community for the good of South Africa.

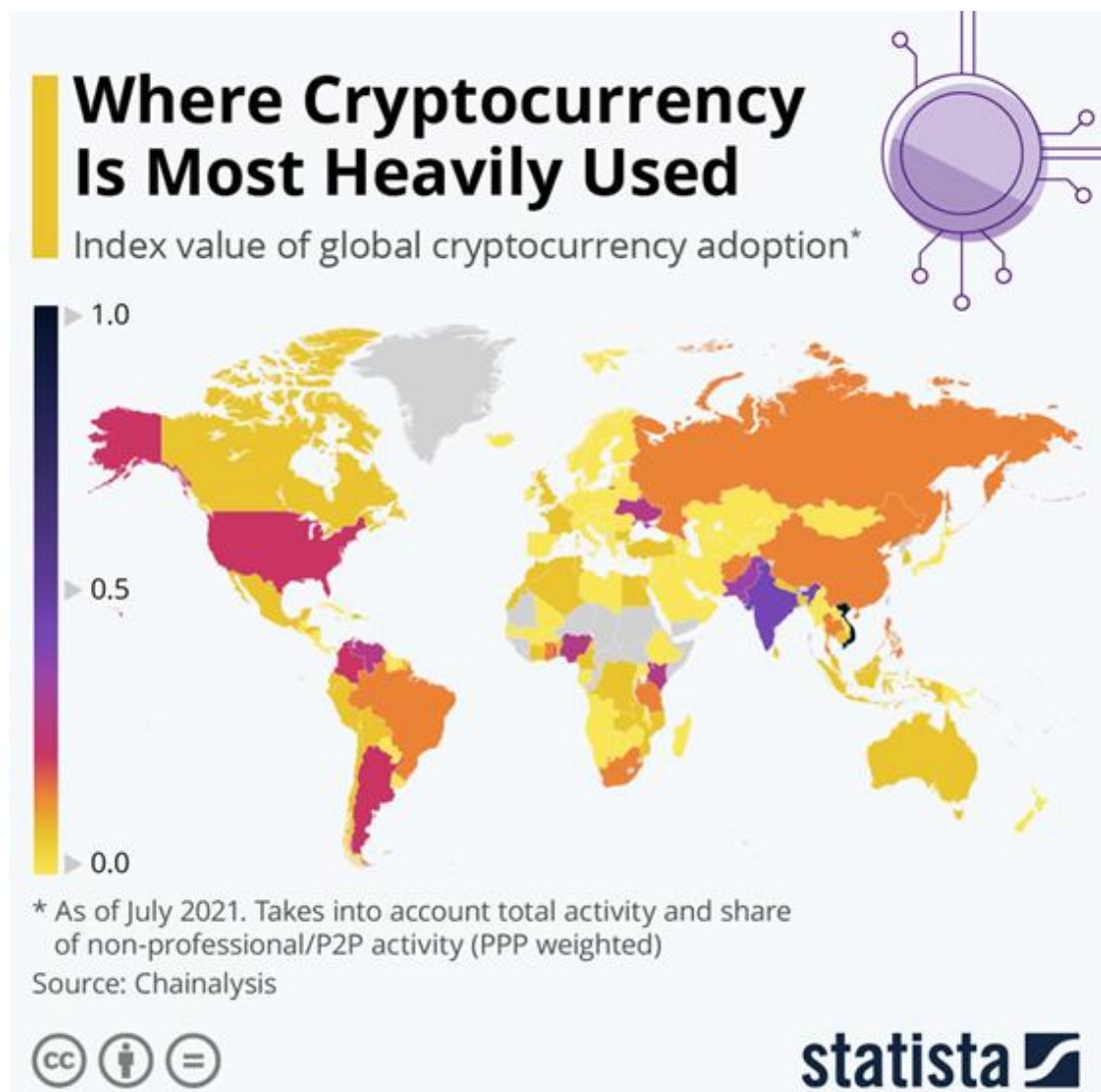
Recently, BLSA came under fire when critics, including the Black Business Council, called for Bain to be blacklisted from further government contracts for its role in furthering state capture.

BLSA defended keeping Bain as a member, citing the firm was not “inherently corrupt”. On social media, users also voiced their opinion on Bain leaving the BLSA membership.

Econometrix chief economist Azar Jammie tweeted: “Bain & Co has withdrawn from BLSA! This is a shame; it should have been sacked by BLSA!!! Bain much like McKinsey, KPMG, SAP, etc should withdraw from ‘business’, rebrand themselves as advisory firms destroying institutions of governance, promoting greed, corruption & social illfare.”

Might younger employees want reward in crypto?

This statista shows who likes it most:



USA: Instead of 'I quit,' workers at these companies say they're staying put and reaping rewards

According to *NBC News*, a record 4.5 million Americans quit their jobs in November, as reported by the Bureau of Labor Statistics, evidence of a deep disaffection among workers across the nation. And in December, 4.3 million workers walked out. However, when workers are owners, they often get better benefits and a chance to build wealth. Some even build million-dollar retirement accounts.

Employee-owned companies provide ownership stakes at no cost to their workers in a type of retirement account governed by the same law that created 401(k) accounts. Companies owned by their workers tend to pay higher wages, have lower turnover, better benefits and more inclusive cultures, research shows.

EMPLOYEE OWNERSHIP NEWS

Questions over Go Ape's founders' control of Trust

Twenty years before the Covid pandemic made it fashionable for city workers to rethink their lifestyle, Tristram and Rebecca Mayhew quit their London-based jobs as marketing and fundraising managers and relocated to the country. Their move followed a chance sighting of a treetop attraction in France, which inspired them to launch Go Ape.

The pandemic put it all at risk. Go Ape was forced to close its UK sites in March 2020 due to the government lockdown rules and could not reopen until July, curtailing its busiest season.

The challenge was to keep the company afloat. The process of doing this — in which staff flexibility and willingness to help out was key — convinced the Mayhews to turn Go Ape into an EOT.

The commitment of their skeleton workforce made the couple reassess their long-term succession plans. "Our relationship changed with those who remained working to cover customer care and other support roles because of the way we all had to muck in and get through it together," Rebecca says.

"There is nothing like a crisis to see which people you have who are 100 percent invested in the company.

"These people clearly loved the brand, they loved the culture and they showed that they felt the company could do very well if we got through this."

The founders and fellow shareholders had appointed advisers for a private sale in 2019 but the process had stalled, partly because potential investors were concerned about what the management team might look like without the founders.

"The whole process of seeking buyers was painful, slightly humiliating and it was very expensive, so we ended it," Tristram says.

However questions were raised in the FT about how the founders rather than the employees control the Trust as well as the company which is at variance with guidelines and recommendations. The FT quoted the concern of Centre chairman Malcolm Hurlston about the way Go Ape had structured its trustee board, noting that three of the six founding members were former shareholders. The Centre expects new EOTs to announce the composition of their trustee board to put minds at rest.

Employee ownership: who really wins?

According to *Architects' Journal*, there are **several incentives to becoming employee-owned**, including sorting out succession planning, and claims of superior business performance. But practices that convert to employee ownership routinely say the change will democratise their business and create a fairer division of profits.

At the time of converting, BuckleyGrayYeoman co-founder, Matt Yeoman said the practice's transition to employee ownership was "conceived as a strong and fairer way to govern the practice going forward". Orms Designers + Architects said its move would bring a "range of benefits" including ensuring "all voices are heard". And Hawkins\Brown said its transition would make "every colleague a co-owner, an ambassador and an entrepreneur".

But not all staff are convinced. The union for architectural workers, Section of Architectural Workers at the United Voices of the World Union (UWW-SAW), says its members have mixed experience of employee ownership with some reporting that little has changed.

"Employee-owned trusts do not really divest power from business-owners to their employees as the owners choose the way it is set up," argues Will Stephens, comms co-ordinator at the union. "This will not lead to the redress of power that we believe is needed in the architectural industry."

Employee-owned healthcare business invests millions in its employees

Shaw healthcare, which operates a care home in Pembroke Dock, has rewarded its employees for their continued hard work and compassion throughout the pandemic by investing **millions of pounds in their salaries**.

Ceo Russell Brown, has been key in making employee-ownership a reality by implementing a series of actions to increase the sense of ownership, engagement and involvement: free shares, share options, opportunities to sell shares and in May 2020 creating an Employee Ownership Trust. Since then, the company has paid £2.3m in bonuses, each employee receiving up to £950 in tax-free payments. Shaw is now the largest healthcare company in the UK with an EOT

EOT Round-up

Kidzcare, which runs four nurseries in Edinburgh. 150 staff.

guitarguitar. 160 employees benefit from 60 percent of its shares.

Family Law Group.

Newhall Publishing has marked its 60th year of business.

Terence O'Rourke Ltd.

Orbis Partners has transferred majority ownership.

Nikwax and Páramo Clothing.



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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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