

NEWSBRIEF

Conferences and events

Awards Dinner 2016: Tuesday November 22

The Esop Centre's [fifteenth annual black-tie champagne reception and awards dinner](#) will be held at the Reform Club in London next week on Tuesday November 22, the evening before our inaugural British Isles conference.

Hosted by former chairman of the Reform, sports journalist Mihir Bose, the evening will pay tribute to those who have excelled in spreading employee share ownership in the UK and globally.

Beginning at 18.30, the champagne reception and four-course dinner will be held in the grand Italianate surroundings of the Reform Club's library.

Individual tickets are £195 + VAT each.

To register, please email events@esopcentre.com or call 020 7239 4971.

Nominees

Competing for the following awards are Aviva, Barratt Development, Chess Ltd, Computershare, DAI Global, Henderson Global Investors, Intertrust, Just Eat, Nokia, Randgold Resources and Rio Tinto.

- ◇ Best all-employee share plan in a company with more than 1,500 employees
- ◇ Best all-employee share plan in a company with fewer than 1,500 employees
- ◇ Best international all-employee share plan
- ◇ Best all-employee share plan communications
- ◇ Best financial education of employees

Last orders for the British Isles employee equity symposium: November 23 & 24

There's still time - just - for you to register for the [Centre's one-and-a-half-day employee equity symposium](#), hosted by White & Case at its Old Broad Street City HQ on Wednesday/Thursday November 23–24.

Ticket prices are very reasonable – £395 + VAT for member practitioners, or £595 + VAT for non-members. Plan issuer delegates are subject only to an admin charge of £50 + VAT.

Keynote speakers include Deputy Lyndon Trott of Guernsey States and chairman of Guernsey Finance, Peter Parry of UK Shareholders Association and Sarah Wilson of proxy voting agency Manifest.

Expert speakers include Stuart Bailey of Equatex UK, Catherine Gannon of Gannons, Graham Ward-Thompson of Howells Associates, Sara Cohen of Lewis Silkin, Juliette Graham of Linklaters, Liz Hunter of Mazars, Amanda Flint of Mercer, Stephen Woodhouse of Pett Franklin, Lynette Jacobs of Pinsent Masons, Jeremy Mindell of Primondell, Nicholas Greenacre of hosts White & Case.

A buffet lunch is offered on both days and the Centre, with support from White & Case, will welcome delegates and steering committee members to an informal canapés & drinks reception at the end of the first day, Wednesday, at around 17:00.

[The timed programme is available in the event brochure](#), co-sponsored by Equatex, Estera and Bedell Trust (Ocorian).

More than 50 people have registered for this event so far and a sell-out looms, so get your seat booked now. To reserve your place, please email your delegate name(s) to britishisles@esopcentre.com or call 020 7239 4971.

Nigel Wilson high table: Thursday January 19 2017

Chairman of the Investment Association's executive remuneration working group, Nigel Wilson, will be the guest of honour at the Centre's next high table dinner held at the RAF Club in London on Thursday January 19 2017.

In July the working group published [its final report](#) into problems with executive pay in the UK, which includes ten recommendations to strengthen the role of remuneration committees and improve shareholder engagement.

Tickets cost £140 + VAT. To book your place, please email events@esopcentre.com.

Dates for your diary

The Esop Centre-Institute of Directors SME conference will be held in London on Tuesday September 12 2017.

Members' news

Bedell Trust renamed Ocorian

Following its management buyout in September earlier this year, Bedell Trust has launched its new brand and identity – Ocorian. Ceo of the now fully independent company Nick Cawley said: “Through the sustained growth and diversification of our business we recognised the time was right to revitalise our corporate identity. Building upon our strong heritage, reputation and capabilities, the launch of our new brand is another exciting step in the evolution of our business.”

Solium opens Barcelona operating centre

Solium Capital formally opened its new operating centre in Barcelona on October 19. The Spanish office will serve as a base for Solium's international customers and participants in the EMEA region. Ceo Marcos Lopez said: “we are committed to being the leading global plan administrator in the industry. Barcelona provides a strategic additional location to continue building this promise to our customers and the market.”

Global Shares and Fidelity announce collaboration

Centre member Global Shares has teamed up with Fidelity Investments to integrate the management of employee share schemes with retirement plans and other employee benefits. Tim Houstoun, Global Shares ceo, said: “Our software has set a new benchmark in stock plan administration globally, simplifying the increasingly complex needs of employee and executive plan management. We have tremendous flexibility to tailor our solutions to the unique needs of Fidelity's clients, which makes this an especially powerful offering.”

Postlethwaite Solicitors extends employee ownership to non-lawyers

Postlethwaite Solicitors has become an alternative business structure to extend its existing employee share scheme to non-lawyers. The Staple Inn based limited company was one of the first law firms in the UK to introduce employee ownership four years ago. The new arrangement, which combines ownership of shares with options to acquire, will limit the ownership of shares by non-lawyers to less than ten percent. Founder and md Robert Postlethwaite said: “law firms tend not to be early adopters, and there's an amount of caution in the way they operate. They watch other people before making a decision. Now they can see different approaches being trialled in the UK, I would expect to see more going down the employee ownership route. It's not going to become universal, but it will be more common.”

Fieldfisher aligns millennials with employee ownership
 Graeme Nuttall hosted the launch of research showing the particular appeal to millennials of working in employee owned companies. The paper was written by Peter Neville Lewis and Dr Ruth Yeoman of Kellogg College, Oxford. From the floor Gabbi Stopp of Proshare illustrated the human impact of Sharesave. Graeme concluded: "Employee ownership can prosper in the hands of the millennial generation".

National and International news

UK: Office of Tax Simplification appoints new director

Paul Morton has been appointed as tax director at the Office of Tax Simplification, succeeding High Table guest John Whiting who has held the post since it was established in 2010. Former Treasury minister Angela Knight, who chairs OTS said: "I am delighted to welcome Paul. He will bring valuable skills, expertise and experience which will increase the ability of the OTS to build on its achievements in simplifying the tax system and make the most of its new status as a permanent, statutory body." John Whiting made a major contribution to share scheme simplification.

UK: lowest earners see fastest pay rise in two decades

The UK's lowest paid employees have received their largest pay rise in almost twenty years following the introduction of the national living wage on April 1. According to the Office for National Statistics, the bottom five percent of earners have seen their pay rise six percent on average.

USA: what a Trump presidency could mean for stock ownership

The incoming Trump administration is likely to view employee ownership favourably, according to myStockOptions. This form of egalitarian capitalism that spreads the wages of capital, with stock compensation for all employees, is likely to appeal to blue collar Trump supporters. Meanwhile, the Republican-dominated Congress looks set to introduce tax simplification reforms which may increase the value of stock compensation.

UK: QCA submits representations ahead of Autumn Statement and Budget 2017

The Tax Expert Group and the Share Schemes Expert Group of the Quoted Companies Alliance have submitted their proposals to the chancellor of the exchequer ahead of the Autumn Statement next week and the 2017 Budget. The

representations suggest a simpler tax system, long-term investment, and putting equity and debt on a level playing field. [Click here to read the proposals in full.](#)

China: Tencent makes surprise share giveaway to employees

Chinese tech giant Tencent Holdings Ltd has announced that it will give more than HK\$1.7 billion (USD\$220 million) worth of shares to its employees to celebrate its eighteenth anniversary. Every employee is set to receive 300 shares over three years. The announcement was made by chairman Pony Ma on its WeChat account last week. WeChat's user base is twice the population of the US. Welcoming the move Centre chairman Malcolm Hurlston said: "It is good to see Asia's leading company show the way".

Member profile

Mike Smith

head of corporate executive and employee trading, Canaccord Genuity Wealth Management

In what ways does employee share ownership serve a useful purpose?

Employee share ownership is a very valuable tool for managers to ensure all employees are aligned with shareholders, knowing that by executing their role to the best of their ability, they'll contribute to the overall success of the firm. It's quite simply a win win scenario by rewarding employee loyalty and hard work with all stakeholders.

How can we widen and deepen the adoption and use of employee share ownership?

At a Centre level, I think it's important to keep up the good work of lobbying the government to promote employee ownership. From within a company itself, it comes down to running clear and concise workshops that explain the benefits of share ownership to all employees.

Real life case studies can help to drive the message throughout the organisation.

Lastly, whether it be a Share Incentive Plan (SIP) or Save As You Earn (SAYE) scheme, the company should seek to make the terms as generous as possible within the boundaries of the scheme rules.

What would you tell someone on the fence about introducing employee share ownership to their company?

Take a leap of faith! Or speak to colleagues or contacts at other firms to see how successful they found employee schemes worked.

What do you think will change about employee share ownership over the next five years?

I think we'll continue to see people elect to use SIPs as opposed to SAYE schemes as interest rates don't look like they'll be going higher anytime soon and therefore a matching scheme is likely to prove more popular. In particular, where a generous employer fully matches the employees' commitment to the scheme.

What has been the most important developments in employee share ownership during your career?

I would say we have moved away from just having senior executive share plans to more broad based all employee schemes that (apart from alignment) have encouraged people to use them as a savings tool.

Which change to employee share plans legislation, in the UK or elsewhere, would you most like to see?

Probably this would be a means of simplifying ownership for employees that are based outside of the jurisdiction to which their employer is listed. If employees feel there is too much form filling (W8-BEN for example) or costs (dealing / custody / settlement) then they might liquidate at the first opportunity or perhaps simply decline to participate from the outset.

Stock Appreciation Rights ("SARs") might be one option, but it definitely needs more thought.

Why do you think employee share ownership has enjoyed cross-party support in the UK?

It recognises the contribution that everyone makes to a firm's success, regardless of their level.

Which aspect of the Esop Centre do you most value?

That would have to be the community spirit amongst the members, with the Centre leading by example!

Which aspect of the Esop Centre would you most like to change?

Perhaps more informal get-togethers from time to time. Pub quiz perhaps!

What is your idea of perfect happiness?

Being on the river bank, fly-fishing rod in hand and a cold beverage in the other!

What is your most marked characteristic?

Well that would be stubbornness or perseverance – I'll let time decide.

What do you consider your greatest achievement?

Being able to work with many fantastic companies and in turn becoming great friends with my counterparts there.

Personally that would have to surviving in London which is no mean feat for a Scotsman that grew up in the countryside and more accustomed to welly boots than a suit & tie!

What historical figure do you most identify with?

Sir Douglas Bader.

Which living person do you most admire?

Tricky to single one out, but Sir Tom Farmer would be amongst the top three. A true entrepreneur, self-made success and founder of Kwik-Fit. He made a speech at my school leavers' ceremony that I've never forgotten. It was about recognising what you're not good at and making sure whatever you do do, you perform that role to the very best of your ability. You don't have to be book smart to succeed, just determined and passionate about it.

Who are your heroes in real life?

That would be my late grandfather. Started work at 14 before becoming a Spitfire Pilot during WW2 then after the war, building up an international textile business. His energy and motivation was contagious throughout the workforce and remains an inspiration to this day.

Which word or phrases do you most overuse?

Gotcha!

What is your most treasured possession?

Although not technically a possession, that would be Florence, my two-year-old black Labrador.

If you would like to suggest a profile for newsbrief please **contact Daniel Helen** dhelen@esopcentre.com; 020 7239 4971.

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