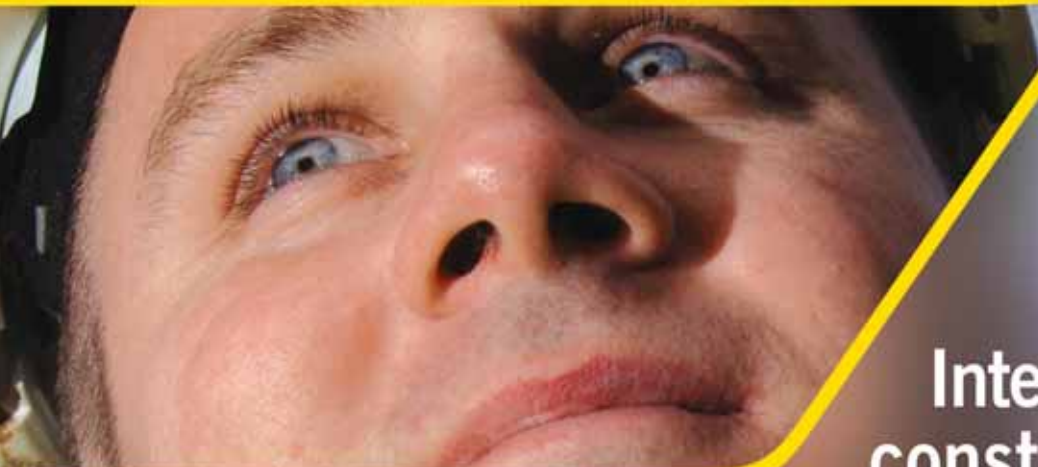




ANNUAL AWARDS 2007



Winners' Book



Integrated support & construction services

May Gurney is a dynamic integrated support and construction services company providing maintenance and enhancement services to the highways, rail, utilities and general infrastructure markets, primarily with public sector and regulated sector customers, across the UK. The company focuses on long-term relationships, has 3,450 employees and delivers solutions through two primary business segments - Maintenance Services and Engineering & Project Services.

The **Maintenance Services** segment is focused on the core markets of highways and utilities. Activities include highways maintenance under long-term partnerships with local authorities and network improvement and maintenance services provided to major UK utilities networks under long-term framework contracts.

The **Engineering & Project Services** segment serves public and regulated sector customers across a broad range of industries. Core services include the enhancement of road and rail infrastructure, waste management, flood protection, ground remediation, foundations, geotechnical engineering and building.

www.maygurney.co.uk



ANNUAL AWARDS 2007

Contents

| | |
|--|----|
| Welcome from Anthony Nelson | 4 |
| A message from Matt Dawson | 5 |
| The Awards' host | 6 |
| Chair of the judges' overview | 7 |
| Judges' Profiles | 8 |
| Shortlisted companies | 11 |
| The Awards | 12 |
| Celebrating Excellence | 22 |
| Become a member of <i>ifs ProShare</i> | 23 |



Welcome from Anthony Nelson

I am delighted to welcome you all to the *ifs ProShare* Annual Awards 2007 in my new capacity as Chair of the *ifs ProShare* Faculty Board. These are the first Annual Awards I have attended, but many of you will have been to many more as this is their fifteenth year.

My thanks go to our sponsors this evening: RBC cees for the Guest Book and Citi Smith Barney for the Prize Draw. Special thanks go to Equiniti for sponsoring tonight's Dinner, which enabled us to welcome Matt Dawson as our Guest Speaker and joint presenter of the Awards with Andrea McLean, the Awards' MC.

We are delighted to be celebrating the fifteenth anniversary of these Awards that set the gold standard of corporate excellence in employee share plans and dedication to employee share ownership. The fifteenth anniversary product is crystal – an appropriate theme for our Award winners as they are a sparkling example to our industry and need to be crystal clear in order to succeed.

I would like to thank all our members for their ongoing support, but especially our Gold Members: BP, BT, Equiniti, HBOS Employee Equity Solutions and Killik Employee Services.

We appreciate the energy, commitment and support of all the companies, advisers and administrators who took the time and trouble to enter this year's Awards. We have been lucky to have an expert panel of judges, under the leadership of Paul Jackson, to undertake the challenge of evaluating the shortlisted Award entries. Particular thanks go to all our judges for their time and commitment.

I wish everyone an enjoyable and entertaining evening, but as always we welcome your comments and suggestions. Special congratulations to all tonight's finalists and above all to the Award winners.

A handwritten signature in black ink that reads "Anthony Nelson". The signature is written in a cursive, flowing style.

Anthony Nelson



A message from Matt Dawson

I am delighted to have been given the opportunity to be the guest Speaker at the **ifs ProShare** Annual Awards 2007 this evening.

Most of you will probably know that sport, and in particular rugby has played a big part of my life. It was a tremendous honour to play for my country and be part of the team that brought 'Bill' to England in 2003.

Now I stand on the sidelines as a rugby analyst and commentator. It has been fantastic to see an 'against the odds' performance in this year's Rugby World Cup.

I've always been a very competitive person and sport has been an effective outlet, but it has also provided me with an opportunity to be competitive outside of sport. Last year I took part in *Celebrity Masterchef* – and won. I also learnt to put on my dancing shoes and was runner up in *Strictly Come Dancing* – but please don't expect me to strut my stuff in the post-Awards disco!

I am no stranger to the tension in the room as you compete tonight against your peers for this evening's Awards. I also understand the concepts of risk and reward, believing in your people and sharing in success. I applaud all our Award entrants and congratulate the winners.

Matt Dawson

PROFILE

Matt was part of the England squad that took the country to victory in the 2003 World Cup, a rugby commentator for the BBC and Radio 5 live and is easily recognisable as team captain on BBC's *A Question of Sport*. Matt is an institution in the world of rugby.

With 77 caps under his belt, he is England's most capped scrum half, captaining the side 9 times. He has played for both Northampton and London Wasps as well as England and represented the British Lions on two tours. During the 1998 tour to Australia and New Zealand 'The Tour from Hell', Matt was congratulated on his leadership. He also captained England to win the Six Nations Championships in 2000.

A big sports fan, Matt can often be seen playing for the Bunbury cricket team or out on a golf course playing off 12.



The Awards' host Andrea McLean

I currently host the ITV1 daytime chat show *Loose Women*. It is a live lunchtime show where we chat about the issues of the day, and anything else that we feel strongly about. It is great fun, and I really enjoy being part of it.

I have been a journalist for 14 years and a television presenter for 11. I began my career as a travel writer in 1993. I then became a staff writer for the London-based features agency Central Press Features, and after two years became Production Editor. During that time, when an opportunity came up to work as a presenter for the American company The Weather Channel, based in the UK, it sounded so exciting I jumped at the chance. I'm so glad I did, because within 18 months I was working for GMTV, the UK's most popular breakfast programme. I have been a presenter there for ten years.

I love the thrill of doing live TV, and during my career I have appeared in a Bollywood movie, rap jumped off Table Mountain in South Africa and looped-the-loop strapped to the top of a bi-plane. I also gained a RAC Formula 4 motor racing licence, which has since expired through lack of a racing car. However, my passion for fast cars remains undiminished.

In 2006 I took part in the first ever series of *Dancing On Ice* as a celebrity skater. It was by far the hardest thing I have ever done, but I loved it, not least because it led to me co-hosting the daily ITV1 series *Dancing On Ice Extra* with Andi Peters.

In 2005 I presented 'Life Coach' for GMTV, a strand that took me round the country with phobias expert Pete Cohen, helping viewers overcome their mental and physical fears. In that year I also went to South Africa for GMTV. I did live broadcasts every day from the village of Mamone, four hours north of Johannesburg. During our week-long stay the team I was with provided the village its only supply of free running water, supplied the local school with computers and built two extra classrooms. It was wonderful to be part of a team that made such a difference to people's lives.

I look forward to presenting the Annual Awards to teams who have made a big difference to their companies.

Chair of the judges' overview of this year's awards

Raising standards

This is my first time as a judge of these Awards and it was an honour to chair the judging process. My thanks therefore go to all the companies who submitted entries this year and to all my fellow judges for making the judging day such a fascinating and worthwhile experience.

A significant increase in the number of entries across most categories made judging a challenging process. The judges were pleased to see increasing standards due to the benchmarks set in previous years, as exhibited by presentations at 'Celebrating Excellence', and a focus in the Award entries on demonstrating clearly the award-winning characteristics of employee share ownership programmes.

These Awards are designed to highlight best practice, thereby raising the quality of share plans, and there were distinctive themes and trends emerging from this year's winning submissions:

- the importance of CEO and senior executive endorsement and involvement in plan communications (a continuing theme from last year);
- keeping things simple;
- "after sales service" – ie employee consultation and feedback and, most importantly, to back it up with measurable data in order to shape future communications; and
- increased use of segmentation – this allows companies to target different messages to different groups of employees and can be highly effective.

A key feature in the Best New Plan and Communications categories is a properly planned strategy, both to present and reinforce the corporate message – this was achieved by increased use of segmentation and of new media.

There was a strong shortlist in the Financial Education category, but the disappointing number of entries overall suggests that this is still a blind spot for many companies. This category is all about helping employees plan their personal finances for the future, including eventually paying for their retirement. We know that responsibility for this often falls between departments, but there are strong reasons for companies both to provide this benefit and also to promote the role that share plans can play within it.

To be shortlisted for the Best Overall category requires companies to demonstrate: first, why their company has all-employee plans and/or the role discretionary share plans play in their pay policies; secondly how these plans are marketed to employees and finally how maturity is handled in terms of long-term employee share ownership and lifetime financial planning.

The best practice bar has been set high and if you want some tips for adopting best practice in your company, you will be able to hear insights from the winning companies at Celebrating Excellence on 7 February 2008.

I hope you enjoy the Awards Dinner and that you and your company will be inspired to enter next year.

Paul Jackson, Chair of the Judges

The judges



Paul Jackson
Chair of the judges
– Head of Compensation,
HSBC Insurance

Paul Jackson became Head of Compensation, HSBC Insurance, in April 2007 and concentrates on insurance businesses in six regions (the US, Mexico, Brazil, the UK, France and Hong Kong). His key

objective is to focus performance-related pay on driving the corporate strategy of increasing the contribution of Insurance to 20% of the HSBC Group profits.

Paul was Senior Reward Manager with the HSBC Group between 2001 and 2007, specialising in the Group's international share plans. During this time, he played a key part in reviewing the role of discretionary share plans within the Group and changed the international savings related option plan away from the UK model into a plan more appropriate for employees around the world.

Prior to 2001, Paul was Investor Relations Manager of HSBC during a period when the HSBC Group expanded considerably both by organic growth and acquisition.



Stuart Bailey
– Manager, Financial
Capability – Workplace

Stuart Bailey joined the Financial Services Authority (FSA) earlier this year as part of the Financial Capability team. Stuart is responsible for a 'Workplace' team whose aim is to provide general financial education to employees in

their place of work through accessible resources, and seminars delivered by trained professionals. The Workplace programme has ambitious targets, aiming to reach 4 million employees by 2011.

Prior to joining the FSA, Stuart headed up "Abbey at Work", the workplace distribution and employee share plan arm of Abbey.

Stuart has over 15 years' experience in the employee share plan industry having worked with diverse range of employers introducing all-employee share plans that have operated in over 80 countries.





Julia Goldsworthy – Shadow Chief Secretary to the Treasury

Julia grew up in Cornwall, where she attended Truro School. She went on to read history at Cambridge University, followed by a year at Daiichi University of Economics in Japan. In 2003, while

a researcher for Matthew Taylor MP, Julia completed a postgraduate course in economics at Birkbeck College, London.

Following her work for Matthew Taylor, MP for Truro and St Austell, Julia was a Liberal Democrat policy adviser, focusing on education and the economy. However, at the 2005 General Election, Julia became an MP herself at the age of 26, with a swing of 9.5% from Labour, giving a majority of 1886. Her success means that the Liberal Democrats now hold all five Cornish seats.

As an MP, Julia has continued to fight for her constituency, bringing to the fore the issues that most affect her constituents. She has been vocal in the Party's Axe the Tax (Council Tax) campaign, and has campaigned actively for a fairer funding deal for Cornwall. The troublesome issue of housing is close to Julia's heart, and she is currently working with local companies to create more affordable housing in an area where this is hard to come by.

At a more national level, having been appointed Shadow Chief Secretary to the Treasury earlier this year, Julia has been working



with Treasury colleagues on the new Liberal Democrat tax proposals, as successfully adopted at the Party Conference.



Dr Chris Jackson PhD

Chris Jackson held a variety of managerial positions in the Manufacturing Division of Procter & Gamble Limited over 20 years, followed by positions as Senior Consultant and Partner in PA Consulting Group for 15 years. He

retired to research "Participation in Sharesave Schemes" for his PhD at Warwick University Business School and is now a part-time lecturer in Business and Management at Middlesex University Business School.



Amanda **Wilkinson**

– Editor of Employee
Benefits magazine

Amanda was made editor of Employee Benefits magazine in November 2005. Before joining the magazine, she worked at Marketing Week as deputy editor and prior to that on the Hackney Gazette as a reporter.



Supporting your growth



Thinking about introducing a Sharesave (SAYE) plan?

Already have a Sharesave plan and want an innovative, flexible partner?

Capita Share Plan Services is a market leader in the management of UK and international employee share plans. Our specialist teams and systems offer a complete solution, helping you achieve your objectives across the lifecycle of your Sharesave plan. Our focus is on expert administration, tailored communications and service quality throughout.

To find out how we can support you, please contact **John Meehan**, Business Development Director on **020 7539 1540** or email john.meehan@capita.co.uk

Capita Share Plan Services, a market leader in global share plan administration, congratulates all of tonight's winners and nominees

www.capitashareplans.com

Capita Share Plan Services is a trading name of Capita IRG Trustees Ltd.
Capita IRG Trustees Ltd is authorised and regulated by the Financial Services Authority

ANNUAL AWARDS 2007

Shortlisted Companies

Acteon Group

ASDA

BAE Systems

bhpbilliton

Biffa

BT Group

Cadbury Schweppes

Capita Group

Drax Group

easyJet

Enterprise Inns

Halcrow Holdings

HBOS

Henderson Group

J Sainsbury

KCOM Group

May Gurney Integrated Services

Scottish & Southern Energy

Telford Homes

Vodafone

Whitehead Mann

Wolseley

Best new share plan



Winner – bhpbilliton

This was a clear winner in a field of quality entries. The judges were impressed by the immense technological operation required to cope with the massive exercise of rolling out a global share plan via a single integrated HR system. Emphasis was given to an innovative plan offering the same tax-neutral benefits across the globe to employees in all walks of life, with special attention given to employees in remote locations.

The judges felt that bhpbilliton had gone more than the extra mile to make it easy for employees worldwide to join the plan, creating global shareholders and achieving corporate unity on a global basis.

Commended – May Gurney Integrated Services plc

The judges felt that May Gurney merited a commendation for their enthusiastic approach to launching their first all-employee share plan in their 80-year history. They introduced an uncomplicated plan with a clear rationale of making employees feel valued and recognising their dedication while instilling a sense of belonging and commitment to the company. The plan started with top-level board commitment and excellent employee feedback, which resulted in a well-executed and successful launch with average monthly savings in excess of £120.

Both these entries demonstrated the positive impact that Board involvement can have.

Best financial education programme for employees

CAPITA

Winner – The Capita Group plc

The judges had to think long and hard about whether to make this award to Capita for the third year running, but they concluded that Capita had placed a strong emphasis on understanding the needs and views of their employees' financial education requirements. This year, Capita added the FSA's Financial Capability resources to their Financial Education programme, which had received a lot of positive feedback from employees. Congratulations on achieving the Financial Education hat trick.

Commended – Henderson Group plc

The judges commended Henderson for an excellent initiative giving a great deal of consideration to the tax consequences of share plan maturity for their employees. An integrated approach resulted in targeted tax information and the introduction of a Group SIPP (Self Invested Pension Plan), one of the first companies to do so.

The judges were disappointed with the overall number of entries in this category and feel that more companies should be encouraged to enter to demonstrate the different range of facilities offered. Although both companies had demonstrated excellent tendencies, the judges felt that neither of these companies had got it quite right and need to think more about quantifiable data.

Most effective communication of an Employee Share Plan

(0 – 1,000 Employees)



Winner – Drax Group plc

Drax operates a standard plan but showed that you can achieve a good take-up with strong management commitment and personal endorsement from the Chief Executive. Using colour-coding to good effect and keeping communications clear and straightforward, Drax achieved an impressive 91% Partnership Shares result. After undergoing a turbulent few years of corporate restructuring, Drax has a motivated workforce committed to the Company's success.

Most effective communication of an Employee Share Plan

(1,001 – 10,000 Employees)



Winner – KCOM Group PLC

KCOM used MyShares branding, upfront research and a range of communication tools to great effect. KCOM did not need glossy brochures, but chose a retro theme to project effectively the messages they wanted to convey. These strong messages, thoroughly backed by CEO endorsement – including an unusual CEO blog – resulted in an impressive 48% of staff signing up to Partnership Shares.

Most effective communication of an Employee Share Plan

(10,000+ Employees)



Winner – Vodafone plc

Vodafone was a clear winner with the judges. They used great imagery coupled with very creative straplines showing how the cost of a daily cup of coffee or weekly magazine could easily be put into a Sharesave account. The use of non-corporate branding and different packs for different segments of the workforce, together with a wide range of communications and a variety of entry methods, proved a successful mix.

Commended – BT Group plc

Another commendation for BT's extensive employee consultation and continued quest for improvement and innovation. Their innovative range of communications included e-chats, application by SMS and multilingual webchats. Rebranding and new 'cleaner' imagery was used to good effect. The judges wanted to recognise BT as a consistent high performer.

Most Innovative use of Technology



Winner – bhpbilliton

An ambitious and complex project of combining all bhpbilliton's payrolls onto one system was extremely well-handled by very few project managers. The sheer enormity of the task was inherently reliant on technology. The judges were impressed with the global reach of the programme and trusted the company that part of the entry was submitted in Zulu!

Commended – Cadbury Schweppes plc

Cadbury Schweppes identified a need for a new global option system with very specific parameters. After searching long and hard and working very closely with their service provider, their new multilingual system has 24/7 access to personal data and modelling tools. This type of system is well used in the US, but is relatively new to the UK. Cadbury Schweppes is commended for recognising and overcoming the challenges of providing the same high service delivery globally.

Best overall performance in fostering Employee Share Ownership

(0 – 1,000 Employees)



Winner – Enterprise Inns plc

Enterprise were double Award winners in different categories last year and the judges felt that they were deserving winners in this category this year. They have taken advantage of the full suite of all-employee approved plans with a wide variety of participation routes and excellent commitment from the top. The presentation of the entry was excellent. Enterprise is a great role model for companies of this size.

Commended – Telford Homes plc

This entry goes to show that less glossy submissions can capture the judges' attention if they are well structured. The judges were impressed by the beneficial effect of share plans on employee retention. Innovative financing had resulted in an impressive 80% take-up with 113 out of 131 employee shareholders. A great example of how employee share ownership can have a positive impact in small companies.

Best overall performance in fostering Employee Share Ownership

(1,001 – 10,000 Employees)

The Halcrow logo is displayed in a blue, italicized, sans-serif font. The letter 'H' is stylized with a diagonal slash through it. The logo is set against a white rectangular background.

Winner – Halcrow Holdings Limited

Halcrow's entry made it easy to see the positive impact that ESO can have. The judges wanted to mention that this was the ONLY entry that included historical data, corporate targets in a ten-year plan and the spread of employee involvement – the only thing missing was a benchmark against other sectors. Halcrow shows that employee share ownership is embedded in the corporate culture and takes a forward-looking view to support the links with the corporate objectives. Halcrow's vision and results are commendable. Hats off to Halcrow.

Best overall performance in fostering Employee Share Ownership

(10,000+ Employees)



Winner – HBOS plc

A comprehensive and holistic approach to share plans. HBOS presented a well-constructed submission that clearly showed how share plans are fully integrated in the total reward package. The judges liked the fact that HBOS had taken a step back to look at the financial decisions that employees have to take in working life and positioned their share plans accordingly. Good measurements, an integrated approach and the recognition of the pros and cons of different share plans make HBOS a deserving winner.

Commended – ASDA

ASDA has been a familiar face at these Awards over the years. This year the judges wanted to commend ASDA for its strong board commitment and its focus on employee segmentation. Multilingual call centres, corporate environmental objectives, CEO messages on CDs for drivers, SMS applications and strong employee feedback at every stage all contribute to this commendation.

Join us at our 2008 Conference on Tuesday 23 September 2008

Keynote Speaker: Charlie Mayfield,
Chairman, John Lewis

ANNUAL AWARDS 2007

To celebrate the success of the **ifs ProShare** 2007 Annual Award winners and to give those of you who would like to win next year a flying start, we will once again be holding our highly popular 'Celebrating Excellence' event in early 2008.

This event gives Award Winners an opportunity to showcase their company and present their winning entries in detail and to give insight and encouragement to other companies – next year it could be you!

Chairman of the judges, Paul Jackson, will be on hand to give feedback and comments on the entries and to highlight the essential components required for an award-winning **ifs ProShare** Award submission.

This event provides useful tips for future award winners and for anyone looking for new ideas and wanting to catch up on best practice.

Looking forward to 2008 – Celebrating Excellence

The event is being hosted by Linklaters on Thursday 7 February 2008 in their auditorium at 1 Silk Street, London, EC2Y 8HQ. Companies will be restricted to three representatives per organisation as there are a limited number of places available, so please book early to secure your place.

To obtain a booking form and to receive more information, please contact Denise Courtney on 020 7444 7139 or by email: dcourtney@ifslearning.ac.uk.

Hosted by

Linklaters

Become a member of *ifs ProShare*

ifs ProShare provides a voice for the Employee Share Ownership (ESO) industry.

We act as an essential point of liaison between ESO professionals, service providers and companies committed to and involved in employee share plans and other share ownership schemes. We provide a forum for members to come together and share knowledge, ideas and expertise.

Our services

ifs ProShare provides a range of services for their members, including:

- focus groups for:
 - discussing current topics
 - preparing cross-industry responses to consultations
 - gaining clarification of technical issues with HMRC
 - exchanging views to identify good practice
 - sharing experiences
- liaison with HMRC, Treasury, industry bodies and policymakers
- events, including topical seminars, training courses, annual Conference and Exhibition and the Annual Awards Dinner
- email newsletters
- updates on the latest news affecting employee share plans

Members' benefits

Benefits of *ifs ProShare* membership include:

- discounts on events
- access to members'-only section of our new website
- free copy of the annual SIP and SAYE survey
- access to other research
- input into and feedback from consultation with government departments and other relevant bodies
- advertising of own relevant events on *ifs ProShare* website

There are additional benefits of becoming a Gold Member of *ifs ProShare*, including 20 per cent off all events.

Further information

Please contact Fiona Downes, Head of Employee Share Ownership:

T 020 7444 7104 or 020 7444 7141

E fdownes@ifslearning.ac.uk

W www.ifsproshare.org

ifs ProShare Awards

Sweet taste of success

+
With over 50 years' experience as Lloyds TSB Registrars – and over 55 per cent of FTSE 100 companies as clients – we've an enviable reputation as market leader.

Now as Equiniti, we are delighted to be the exclusive awards dinner partner of the *ifs ProShare* Annual Awards. We would like to congratulate all the winners and short-listed companies at this year's exciting event.

To find out more please email phil.ainsley@equiniti.com
or call +44 (0)1903 833447.

