

it's good to Share

December 2009

Supporting employee
share ownership



ifs ProShare 2009 Annual Awards

This year we celebrated 17 years of rewarding excellence in the industry. As with previous years, the **ifs ProShare** Annual Awards Gala Dinner proved to be the highlight on the employee share plans calendar. For those attending, it provided a great opportunity to celebrate best practice within the industry and to catch up with current and former colleagues.

The 17th Annual Awards were held on Wednesday 2 December at the refurbished and renamed Grand Connaught Rooms. Just shy of 500 attendees joined us for our flagship event and helped to celebrate the success of the winners.

The evening began with a champagne reception followed by dinner. Freelance journalist and broadcaster John Sergeant kept everyone entertained in his capacity as awards host and guest speaker. In all twelve trophies were presented and nine certificates of commendation. An electronic version of the winners' booklet, available to all guests on the evening on a memory stick, was sponsored by Killik Employee Services.



This year ShareGift, the share donation charity that provides a charitable solution to the problem of unwanted small shareholdings, donated £15,000 to charities chosen by the three overall winning companies. There was also a special donation of £5,000 to a charity chosen by the winner of the Best Financial Education Programme for Employees award. **ifs ProShare** is grateful to ShareGift for this extremely generous gesture and it is great to know that others will benefit from our Annual Awards.

After the more formal part of the evening there was the opportunity for all to network or to adjourn to the Edinburgh Room, where the dancing continued until about 2am for those really looking to celebrate!

It was pleasing to see some new faces among the winning companies and we look forward to receiving more entries from new companies in 2010.

Finally, our thanks go to Stuart Bailey who chaired the judging panel and to his fellow judges, Kevin Eddy, Bill Hamilton, Paul Jackson and Sally Russell. Each of our judges spends a great deal of time reviewing the shortlisted entries and their enthusiasm, energy and commitment is very much appreciated.

If you want to find out more about what makes a winning entry then why not attend Celebrating Excellence, kindly hosted by Baker & McKenzie, on Wednesday 10 February. [More information](#) can be found on our website.

Winners 2009

Best New Share Plan

Winner BG Group
Commended Goodrich Corporation

Best International Share Plan (up to 1,000 overseas employees)

Winner Catlin Group
Commended Henderson Global Investors

Best International Share Plan (Over 1,000 overseas employees)

Winner BAE Systems
Commended Diageo

Most Effective Communication of an Employee Share Plan (up to 1,000 employees)

Winner Henderson Global Investors

Most Effective Communication of an Employee Share Plan (1,001–10,000 employees)

Winner Barratt Developments

Most Effective Communication of an Employee Share Plan (10,000+ employees)

Winner ASDA
Commended Centrica
Commended Vodafone

Best Commitment to Employee Share Ownership for a company with fewer than 250 employees

Winner Black Sheep Brewery

Most Effective use of Technology

Winner BT Group
Commended Aviva

Best Financial Education Programme for Employees

Winner Henderson Global Investors

Best Overall Performance in Fostering Employee Share Ownership (up to 1,000 employees)

Winner Henderson Global Investors

Best Overall Performance in Fostering Employee Share Ownership (1,001–10,000 employees)

Winner Severn Trent
Commended SThree

Best Overall Performance in Fostering Employee Share Ownership (10,000+ employees)

Winner Tesco
Commended BT Group
Commended National Grid

HMRC update

The long-awaited **EMI manual** is now available on the HMRC website and the SIP version should be available soon. **ifs ProShare** members will be sent the link once the SIP version is on the website.

At the time of going to press there are two issues on which we are awaiting further information from HMRC:

- The practical administration issue of dealing with, for example, an exercise of an unapproved option once the new 50 per cent tax rate comes into force.
- The new penalty regime for late PAYE payments comes in May 2010. Clarification is being sought from HMRC on the implications this may have for employee share plans.

An update will be issued to **ifs ProShare** members once a response has been received from HMRC.

Over the last few years many of you will have dealt with Kevin Meehan from HMRC's Employee Shares and Securities Unit. Kevin retires from HMRC at the end of this year and we wish him well for the future.

EU Prospectus Directive

You will recall that in our October Newsletter we reported that the EU Commission had taken on board comments made over the last few years and was proposing that the employee share plans exemption be extended to companies not listed on EU-regulated exchanges. This would have included, for example, companies with an overseas listing and those listed on AIM, as well as unlisted companies.

Since then, following some Presidency Compromises, the goal posts have been moved. Overseas listed companies without an EU listing will be able to benefit from the proposed changes so long as the exchange on which they are listed meets the equivalency requirements of the EU. AIM companies will also be able to benefit from the wider employee share schemes exemption. However, despite the original proposal, unlisted companies will not benefit from the proposed changes and will need to rely on another exemption or produce a full prospectus. We will continue to work on this issue with the EU Sub Focus Group.

Training course and workshop programme 2010

Following on from a successful programme in 2009, we are presently putting the finishing touches to the 2010 programme and will make an announcement shortly. We have also received a number of suggestions for new topics. To enable us to ascertain if these are areas that would be of interest, a short online survey will shortly be issued, so keep an eye on your inbox for the link.

Business Breakfast Briefing

We were delighted to welcome Marc Jobling, Assistant Director Investment Affairs at the ABI, as our guest speaker in November. Executive remuneration is currently a very hot topic and Marc received a number of questions concerning the ABI's views on areas such as clawback and accelerated vesting. As you'd expect, the ABI has a concern about payments being made before performance conditions have been met. Feedback from delegates was very positive, with those attending appreciating Marc's open and approachable style.

We are currently sourcing speakers for 2010. Once the details have been finalised, invitations will be issued to the main contact at member organisations.

Focus Groups

Many thanks to those of you who have supported the various Focus Groups during 2009. These continue to provide a valuable forum for members to discuss current issues and thinking as well as providing an opportunity to exchange ideas.

We have already altered the timing of the Company Focus Groups to a 9am start, from the afternoon slot starting at 2.30pm. Feedback from Focus Group attendees has shown a preference for a morning meeting, so in 2010, where possible, Focus and Sub Focus Group meetings will commence at 9am. If you would like to host one of our meetings, then please contact Julie Richardson on 020 7444 7104.

Invitations to attend are sent out approximately one month in advance of the meeting.

ifs ProShare wishes all members a very Merry Christmas and a Happy New Year.

We look forward to working with you all in 2010.

