

Worksheet Part 1.

Disclaimer: This training is a general guide to understanding and implementing an ESS. Whilst this training will help in getting started with employee ownership it is not to be considered as, or a replacement for, qualified legal or tax advice. EOA is not affiliated with or does not take responsibility for any interactions that might take place as a result from an individual contacting the details of industry specialists as provided throughout the training modules.

How to use this worksheet

Throughout the EOA online training 'Getting Started With Employee Ownership' you will see **workshop tasks** that are in place to help you plot out the beginning of your very own Employee Share Scheme (ESS). The workshop tasks are repeated in this worksheet to **print out and complete by hand**. Spending time answering the questions on this worksheet is an important (and valuable!) step in understanding why you are undertaking the creation of an ESS and how to do so.

Workshop Task 1.1

1. List the top 3 reasons why you want to implement an ESS.
2. Below each reason list the employees that this applies to and why it applies to them.

1.

Applies to:

2.

Applies to:

3.

Applies to:

Workshop Task 1.2

1. First, note down what final percentage of your organisation you eventually want owned by your employees.
2. Now pick a year (around 10-15 years into the future) that you wish to fulfil this long term goal by.
3. Next, experiment by allocating different amounts of starting equity to your ESS and then consider how this impacts how much equity you are left with to allocate year on year (towards fulfilling your long term goal).

Final Percentage: _____ %	Final Percentage: _____ %	Final Percentage: _____ %
Fulfilment Year: _____	Fulfilment Year: _____	Fulfilment Year: _____
Initial Allocation: _____ %	Initial Allocation: _____ %	Initial Allocation: _____ %
Left For Future Allocation: _____	Left For Future Allocation: _____	Left For Future Allocation: _____
Allocation Per Year Thereafter: _____	Allocation Per Year Thereafter: _____	Allocation Per Year Thereafter: _____
↑	↑	↑
$\frac{(\text{Final Percentage}) - (\text{Initial Allocation})}{(\text{Years To Fulfilment From Current Date}) - 1}$	$\frac{(\text{Final Percentage}) - (\text{Initial Allocation})}{(\text{Years To Fulfilment From Current Date}) - 1}$	$\frac{(\text{Final Percentage}) - (\text{Initial Allocation})}{(\text{Years To Fulfilment From Current Date}) - 1}$

4. Now, work out equity allocations based on a percentage of salary and what this looks like over time including the potential increase in the number of your employees over time.

Workshop Task 1.3

Reflect on the answers you gave in the workshop tasks 1.1. & 1.2. and then answer the following questions:

1. Which option aligns better with the reasons you want to offer an ESS?

- a) Annual Allocation
- b) Single Allocation
- c) Something In-between (make note of your variation)

2. List the top three reasons why you chose the answer from the previous question.

1.

2.

3.