

## **Best New Employee Share Plan**

### **Domain**

Domain Holdings Australia is a real estate media and technology services business focussed on the Australian property market. It has 700 employees, 90% of whom participate in their 'Share Rights' program. To address staff and employee related expenses during the pandemic, Domain launched a voluntary staff program to deliver a 20 per cent reduction in staff costs. All Domain employees were offered the opportunity to participate in a program called 'Project Zipline', where they would receive 20 per cent of their salary package over the following six months in "Share Rights" – or alternatively, they could elect to reduce working hours. With almost 90% of staff opting to participate in the share plan, the project achieved significant success in reducing costs, thus avoiding the need for redundancies and the standing down staff for long periods, while at the same time aligning employee interests with those of the company during a difficult economic period.

## **Best SME/Succession Plan**

### **Meld Studios**

Meld Studios is an award-winning design company with studios in Sydney and Melbourne. It is the first headquartered company in Australia to be employee owned through an 'Employee Ownership Trust' (EOT). 100% of its 25+ staff participate equally in the ownership of the company through the EOT. The benefit of being employee owned by trust embeds business longevity for the company's original founders. It also aims to support the company continuing in perpetuity through the buyout strategy with the founders being over a ten year period. The strategy also ensures there will be a profit share distributed to employees annually. Shared employee ownership through the EOT means Meld is not owned by individuals, but 'collectively' - and as the business thrives, all employees will benefit. Meld has the legal, governance and operational structures in place to be successfully 'all employee' owned. Meld employees have also been nominated as representatives on both the Company Board of Directors and as Trustees. The company holds monthly employee forums, and day to day business activities and decision making is transparent and guided by more open policy and strategy frameworks. These enable each employee the autonomy to act and consult with others where appropriate, leading to enhanced employee engagement. Meld Studios continues to work towards making an impact on the everyday lives of people as they interact with the world around them and becoming employee owned by trust is a key part of this. In being the first EOT in Australia, Meld hopes to inspire and encourage others so that employee ownership becomes a common choice for succession planning.

## **Best International Share Plan**

### **Purcell**

Purcell is an award winning architectural practice with studios across the United Kingdom and Asia Pacific with a focus on design led solutions for historic/heritage environments and sustainable spaces. Trading since 1947, Purcell's owners were facing succession decisions. They wanted to leave the Purcell legacy in the hands of its dedicated employees. In incorporating recently as an "Employee Ownership Trust" (EOT) involving all of its staff, this has enabled Purcell to transition its ownership structure to its employees without the

potential disruption a sale to new owners might have caused. Converting to an EOT has maintained continuity of its unique culture and business processes, while providing the desired legacy for its former owners. Throughout its evolution to employee ownership - and to gain employee involvement and commitment in the transition - Purcell has ensured regular communication with all its 300+ employees across the globe, especially about its financial performance. Purcell held a democratic process of finding a strong Board of Trustees, representing employee interests in every region in which it operates. Purcell's employee council ("Purcell Voice") is made up of elected representatives who provide the means for employee consultation and engagement. Since its launch 5 years ago, "Purcell Voice" has become a powerful tool for shared purpose in those workplace and business decisions which effect all their staff in their offices around the world.

### **Best Performance in Fostering long Term Employee Share Ownership (more than 1,000 employees)**

#### **Woolworths**

Woolworth Group is the largest company in Australia by revenue and the second-largest in New Zealand. Woolworths Group supermarkets and liquor store team members were recently at the front line of droughts and bushfires in Australia, the devastating volcanic eruption in New Zealand, protests in cities across the globe, and the global COVID- 19 pandemic, while at the same time supporting each other, Woolworths customers, and their local communities. To show appreciation and gratitude for this immense contribution by its staff – as well as to enable employees to share in the future success of Woolworths Group - the Woolworths Board and CEO, Brad Banducci approved a grant of up to \$750 worth of Woolworths shares for the year under their 'Tax-exempt Employee Share Plan'. This employee share plan initiative is more commonly referred to as the "Better Together Share Award" and it has created the largest ever employee equity plan administered in Australia with an employee shareholder population of around 106,000 of the full-time and part-time team members who are eligible (with the part-time team members having their allocation pro-rated based on contracted hours).

### **Best Performance in Fostering Long Term Employee Share Ownership (less than 1,000 employees)**

#### **Culture Amp**

Culture Amp is an employee engagement software company started in 2009 in Melbourne, now operating on several continents with more than 400 employees. Culture Amp prides itself on 'building a new type of company: a company that truly puts culture first'. With culture being their first and foremost consideration, this has strongly influenced the design of their employee share plan towards being fully inclusive and fully transparent. As such, every Culture Amp employee around the world - from entry level staff to senior executives - gets equity in the company on commencement of their employment. Shares vest after four years, fostering not only a culture of ownership, but also employee loyalty and commitment. Additionally, as part of the company's talent attraction and retention strategy, the company doesn't offer bonuses or pay sales commissions to employees (including sales staff). Instead, the company offers equity as an integral component of every employee's annual compensation package. This creates a level of buy-in, enthusiasm and motivation on the part

of employees who admit to being attracted to the company very much by the company's commitment to 'turn every employee into an owner'.

## **Most Effective and Innovative Communications program**

### **Xero**

Xero is a New Zealand domiciled public technology company, listed on the ASX. It is one of the fastest growing 'software as a service' companies globally. From the start, Xero's founders made it clear that all employees would have the opportunity to be shareholders of the company, connecting them to the company's success and aligning their interests with those of Xero's shareholders. In line with this, every permanent employee is provided with equity as a component of their remuneration and is issued new equity annually. Today, over 2,700 employees internationally participate in the company's equity plans. Throughout the year, Xero's LTI team uses multiple forums to communicate with employees globally, including seminars, Help Centre, info sheets and articles, FAQs and a dedicated Slack channel - all geared towards their global audience where employees can get their questions answered and view answers to questions others have raised. Xero has also implemented a new equity administration platform to support employees in reporting their tax obligations and paying their taxes wherever they are. With lots of regulatory changes happening through the year in various countries where they have employees based, Xero has had to develop several communications platforms to meet the needs of these employees shareholders by location. Xero's employee communications strategy is to communicate clearly in simple language while delivering modern, concise and informative communications to their employee share plan participants – all with the aim of increasing employee engagement and educating them on the benefits of long term ownership of equity in the company. Generating a sense of pride about working for Xero has been the result. Xero's employee share plan communications are designed to reflect also the business's commitment to innovation and agility, while remaining customised to the needs of their global and local participants.