



Grant Thornton
Société d'Avocats

Revealing audacity, engaging courageous choices



Employee Shareholding & Management Package

Employee shareholding is one way for a company to offer its employees the opportunity to **invest in its capital**, and thus become shareholders. Through the implementation of a share scheme, **companies provide their employees with a direct interest in the business performance.**

This type of scheme can be set up in all **joint stock companies**, whether listed or not, and can be for the benefit of all employees or only some employees.

While employee share ownership is not a new concept in France, it is being increasingly used. It aligns the interest of the employees with those of its shareholders. From a company perspective, it is a contributing factor to **cohesion, attractiveness and employee loyalty**. For employees, a share scheme plan is an advantageous way of redistributing the company's created wealth and enables employees to be more engaged in the business.

Implementing such schemes is becoming an increasingly important pillar in a company's quest for **corporate social responsibility**, and current legislation opens many opportunities for companies to adopt such initiatives.

Faced with such a general and developing trend, we have pooled our experts together to create **a dedicated and unique team** who can provide our clients with **innovative solutions** tailored to their corporate objectives, deal with the **most complex issues** (governance, corporate development, liquidity and valuation, human resources management) as well as providing them with legal, social and tax security.

We work with **unlisted companies - SMEs, mid-tier companies and asset managers** - in **France and internationally**, helping them to draw up and implement their **employee shareholding schemes**, as well as **preparing their remuneration and employee savings plans**.

As such schemes are by nature cross-functional, it is essential that experts have a **global approach to the issues at stake and** that an **international network** is in place and able to deploy **employee shareholding schemes in other countries if necessary**.

Supporting our team of expert lawyers, is our **extensive and specialized network**:

- Grant Thornton's **Valuation Services** experts.
- Our **24 offices in all regions of France: North, East and West, offering local coverage and knowledge**.
- Our **global organization, Grant Thornton International, present in 140 countries**.



Your Challenges

Reconcile economic performance and social impact (ESG)

Attracting talent and retaining employees

Employee engagement

Improving cohesion and performance

Aligning the interests of shareholders, management and employees

Sharing value with employees

Attractive tax treatment for companies and employees.

Our multidisciplinary expertise

With **sound technical and strategic expertise** and **extensive experience**, Grant Thornton Société d'Avocats can assist you with all **aspects of employee shareholding** and **profit-sharing** schemes in your workforce.

Our experts advise companies both in France and **abroad** in defining and securing their remuneration plans.

CORPORATE MERGERS - ACQUISITIONS

- Corporate engineering and legal arrangements (sale or increase of capital reserved for employees, capital gains sharing agreements, management packages),
- Implementation of **profit-sharing and retention measures**:
 - Warrants for business creator shares (known in France as BSPCEs),
 - Share subscription warrants (BSAs), free allocation of shares (AGA)
 - Stock-options.

INDIVIDUAL TAXATION

- Diagnostics to determine the effectiveness of existing schemes,
- Advice on the applicable tax and social security regimes,
- Risk assessment of management packages,
- Comparative financial simulations: studies of different options: *BSPCE*, *AGA* (*free shares*), stock options,
- Establishment of remuneration packages.

EMPLOYMENT LAW

- Advisory services on remuneration policy and different schemes: **traditional collective non-capital packages, selective capital packages,**
- Advice on governance of employee shareholders,
- Analysis of how to coordinate employee shareholding scheme with existing packages,
- **Deployment plan and HR mapping,**
- Assistance with **social dialogue with the Economic and Social Committee (ESC) and trade unions, and drafting collective agreements,**
- Preparation of the **information and consultation** documents for the ESC,
- HR communication plan.

CORPORATE TAX

- Risk assessment of management packages,
- Analysis of the tax deductibility of charges relating to plans,
- Comparative analysis of the impact of different schemes: cost estimates and timing.

The different expert teams at *Grant Thornton Société d'Avocats* are at your disposal to advise you on **the structure best suited to your needs** and support you at every stage of its implementation.



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About Grant Thornton Société d'Avocats

Grant Thornton Société d'Avocats supports its clients in all their strategic operations, whether in national or international context through multidisciplinary expertise in all areas of business law.

The firm offers national and international customers all required services for the legal, tax and business management of companies. We deal in all business law matters: legal, tax, labour and contractual due diligences, mergers and acquisitions, tax law, VAT and international trade, global mobility, commercial law, employment law and finally business litigation.