



Share plan design considerations

Your reasons for a share plan	Company's future objectives and strategy

Who is the plan aimed at?	First participants?	Grant policy? For example, once a year?

When will share options/awards vest? Conditions should link to the reasons for the plan and company strategy. For example, vesting and number of shares can be made conditional upon time (employee retention), performance (turnover/profit/individual targets), triggered by an event (sale at target amount) or a combination of these factors



Share plan design considerations

Which shares will the plan use? For example, ordinary shares with voting and dividend rights or a new class with different rights e.g. non-voting, so that control is maintained?	Total equity reserved for the plan?	Will the shares be from new issue or come from existing shareholders?

How much for each employee?	What price will employees pay for their shares? Fair value, or discounted?	Should employees get their awards in one grant or spread over time e.g. annually?	What will the potential rewards be? Will the amounts be motivational?

Proposed timing of the plan?	How will the plan be communicated to employees? Have employee views been canvassed about the share plan?	Should leavers lose existing awards and have to sell shares? Any distinctions between good and bad leavers?