

## Case Study 7.3

### Financial performance of employee-owned companies in the UK

The UK Employee Ownership Index, developed by legal advisors Field Fisher Waterhouse, is an index of the share prices of UK public companies quoted on the London Stock Exchange and AIM which have ten per cent or more of their issued share capital held by or on behalf of employees other than main board directors. The performance of the index is calculated quarterly. Started in 1995, the index has outperformed the FTSE All-Share (London Stock Exchange) index over three, five and ten years. In 2010, for example, employee-owned companies' share prices were up 16.3 per cent, performing better than the FTSE All Share companies' share prices which went up by 11.3 per cent over the year.

Source: <http://www.ffw.com/practices/employment-pensions-incentives/equity-incentives/uk-employee-ownership-index.aspx>.

