

## European Commission's Action Plan

Here is the European Commission's Action Plan for employee share ownership:

### Employee share ownership

The Commission believes that employees' interest in the sustainability of their company is an element that ought to be considered in the design of any well-functioning governance framework. Employees' involvement in the affairs of a company may take the form of information, consultation and participation in the board. But it can also relate to forms of financial involvement, particularly to employees becoming shareholders.

Employee share ownership schemes already have a successful tradition and track record in many Member States. Research conducted in preparation for the 2011 Green Paper and responses to it indicate that employee share ownership schemes could play an important role in increasing the proportion of long-term oriented shareholders. Since there are many angles to this issue (for instance taxation, social security and labour law) the Commission finds it important to analyse this subject in more detail, in particular as regards its internal market dimension. In the light of this analysis, it will identify which initiatives may be appropriate to encourage the development of trans-national employee share ownership schemes in Europe.

The Commission will identify and investigate potential obstacles to trans-national employee share ownership schemes, and will subsequently take appropriate action to encourage employee share ownership throughout Europe.

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This Action Plan for employee share ownership is part of the **Action Plan on European Company Law and Corporate Governance**. The complete Action Plan is available for [download here](#).