

AGP - MAY 10 CONFERENCE - BERLIN

Location :

Siemens Headquarter, North-West of Berlin, within “Siemens town” equivalent to approx. 1/6 of Berlin.

Remark 1 : in the Cafeteria garden, main hall, was the fresco illustrating “We remember the many fellow men who have to work against their will in our company during the Second World War”.

Remark 2 : approx. 30 attendees. Marc Mathieu (EFES) was present. Jens Lowtitzsch invited but not present.

Agenda :

Theme	Lead by
Equity for all : Value creation and Participation as base for social Economy	Ludwig-Erhard Foundation
Employee Participation Yes, Robots Taxes No	Management Representative, Research Institute for the work future
Value Creation for the 21 st century (ref Thomas Piketty)	Manager markets & Thematic research, Allianz
The country needs more shares	DAI (Deutsches Aktieninstitut)
Share-based compensation and employee participation	Siemens Director Global Tax Policy Manager
Best Practices : AGP Partner price to August Stork enterprise	Heinrich
Working Groups : 1. Employee Stock Purchase Plan 2. Silent Participation and Benefit Rights	
Statements & Discussion : More participation in the capital of the economy: How do we create a new equity and shareholder culture in Germany?	The above mentioned journalist and politics + ULA Manager, Strategy Manager-Commerzbank, Finance/fiscal Advisor – RÖdl & Partner
Summary – Demand – Outlook	by Heinrich

Observations/Comments :

The May 9 Diner and the entire Conference day “exuded” AGP credibility. But IAFP presence added an external load/eye to AGP and events.

The conference develops these points : advantages of FP/ES and open discussions between the politics (Ministers officials / Elected people), Enterprises leaders and researchers to improve fiscal and legal rules.

Necessary Assets for future retired people was a well mentioned point as a sup argument for FP/ES by Enterprise people and researchers

FP/ES is supported in Gemany by true believers : AGP and its partners of course, some SME as STORCK and also some multinationals as Siemens.

But a significant number of enterprises are family owned. BMW being a good example.

And the privatisation phenomenon did not happen, as in France for France Telecom, Bull, etc leading to high level of Employee-Shareownership.

And due to past hard financial crisis, the Politics are rather cautious with financial advantages.

So, for years, in Germany, the only advantage is the discount granted by companies to employees on the issue of employee shares, i.e. a tax-free and social-tax-free up to a maximum of 360 euros per year.

What goes beyond it is taxed and burdened with social contributions.

In the case of employee shares, the net salary of the employee is reduced because of the tax payments, even though the company issues the shares below the market price. This is difficult for employees and often reduces the participation in the employee share program.

The tax and social levy-free possible maximum amount should therefore be increased to at least 1000 euros per year

Remark : No solution was promised by the politics attending the conference.