

# Employee Owner Bonus Scheme V1.0

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# BrisDoc's Employee Owner (EO) Bonus Scheme

## 1. Purpose of the Scheme

The Employee Owner Bonus Scheme enables the Company to make discretionary annual bonus payments to eligible Co-owners, reflecting collective contribution and shared ownership, and to distribute surplus in a fair and transparent way consistent with Employee Ownership Trust principles.

The Scheme is designed to:

- support co-ownership and engagement
- share organisational success fairly
- comply with HMRC rules for EOT-related bonuses
- operate lawfully and without discrimination

Participation in the Scheme does not create any contractual entitlement to a bonus now or in the future.

This Scheme is separate from all other BrisDoc reward and/or recognition arrangements, both past and present, and does not affect them.

## 2. Scheme Principles

The Employee Owner Bonus Scheme operates in accordance with the following principles:

### **Ownership-based distribution**

The bonus reflects participation as a co-owner, not individual performance, seniority, or salary level.

### **Fair and consistent treatment**

All Eligible Employees (co-owners) are treated on the same terms. Differences in bonus amounts arise solely from Bonus Hours worked. Eligibility criteria, including length of service, do not affect the calculation of bonus amounts.

### **Affordability and sustainability**

Bonuses are paid only where affordable and supported by the organisation's financial position. The Scheme does not guarantee payment in any year.

### **Transparency and clarity**

The methodology for calculating and distributing the bonus will be clearly defined, consistently applied, and communicated to co-owners.

### **Compliance with Employee Ownership Trust legislation**

The Scheme is designed to comply with HMRC rules governing Employee Ownership Trust bonus payments, including the statutory participation and equality requirements.

### **Equality and non-discrimination**

The Scheme will operate in accordance with the Equality Act 2010. Disability-related absence, statutory leave, and reasonable adjustments will not disadvantage co-owners.

### **Recognition of collective contribution**

The Scheme recognises the collective contribution of co-owners to organisational success, rather than rewarding individual performance or specific roles.

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### Non-contractual and discretionary status

The Scheme is entirely discretionary and does not form part of any contract of employment.

### Support for employee ownership culture

The Scheme reinforces the shared ownership model by enabling co-owners to benefit from organisational success.

### 3. Scheme at a Glance

The Scheme operates on an annual cycle aligned to the Scheme year (1 July – 30 June).

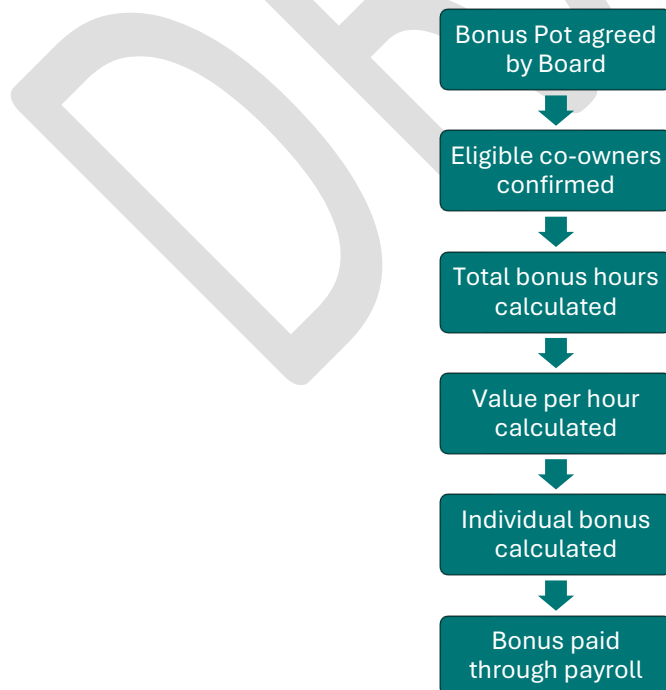
If the Scheme operates in a given year:

- The Board sets a total bonus pot
- HR calculates total Bonus Hours across all co-owners
- The pot is divided by those hours to create a value per hour
- Each co-owner receives: Value per hour × their Bonus Hours

Key points:

- The bonus is based on Bonus Hours, not salary
- Working more hours = larger share
- Working fewer hours = smaller share
- All eligible co-owners receive a payment
- The Scheme is discretionary and depends on affordability
- Bonus Hours are used as a consistent measure of participation and do not reflect performance, effort, or intensity of work.

**Fig 1. Overview of the EO Bonus Scheme**



This means the bonus is shared proportionately based on Bonus Hours worked during the year.

## BrisDoc's Employee Owner (EO) Bonus Scheme

### 4. Legal Status of the Scheme

The Scheme is:

- entirely discretionary, both in whether it operates and the amounts paid
- non-contractual
- non-consolidated
- non-pensionable

No co-owner has any right to receive a bonus under this Scheme, even if bonuses have been paid in previous years.

The Company may amend, suspend or withdraw the Scheme at any time.

The Scheme will not be used to replace or substitute for salary, wages, or other contractual pay.

### 5. Relationship to the Employee Ownership Trust

The Company operates an Employee Ownership Trust (EOT). The Scheme is intended to operate in accordance with EOT legislation and HMRC guidance.

Where payments qualify as EOT bonuses:

- income tax will not be payable on amounts up to the statutory annual limit per individual
- any amount paid above that limit will be subject to income tax
- all payments remain subject to employee and employer National Insurance contributions

Nothing in this Scheme overrides the Trust Deed or statutory EOT requirements.

### 6. Definitions

#### Average Weekly Hours

Average Weekly Hours means the average number of hours worked per week by the Co-owner across the Reference Period, including weeks where no hours were worked. This is used for the purpose of crediting statutory family leave and disability-related absence.

#### Bonus

A discretionary, non-contractual, non-pensionable payment made under the Employee Owner Bonus Scheme.

#### Bonus Hours

Bonus Hours means the number of hours attributed to an Eligible Co-owner during the Reference Period for the purpose of calculating the bonus, based on actual hours worked.

Bonus Hours are calculated as the actual hours worked by the Co-owner during the Reference Period, subject to the following adjustments:

- hours are capped at a maximum average of 37.5 hours per week across the Reference Period
- hours from multiple roles or contracts are aggregated before applying the cap
- statutory family leave is credited at the Co-owner's average weekly hours

## **BrisDoc's Employee Owner (EO) Bonus Scheme**

- disability-related absence is credited at the Co-owner's average weekly hours
- non-disability sickness absence may reduce Bonus Hours unless otherwise credited under the Scheme
- the minimum-participation safeguard applies where the resulting figure would otherwise be zero.

For the avoidance of doubt, Bonus Hours are the sole determinant of the value of an individual bonus under this Scheme.

### **Bonus Payment Date**

The date on which the Bonus is paid through payroll, which will normally be in the September payroll run.

### **Bonus Pot**

The total amount approved for distribution under the Scheme in a given Scheme Year.

### **Continuous Service**

Service calculated in accordance with the Employment Rights Act 1996.

### **Co-owner**

A Co-owner is an Employee of the Company. For the purposes of this Scheme, the terms Co-owner and Employee refer to the same individuals. The term Co-owner reflects the employee ownership structure of the Company.

### **Determination Date**

The date in July each year on which the Board formally determines whether a bonus will be paid in respect of the completed Reference Period.

### **Employee**

An individual who is employed under a contract of employment with the Company, including employees who transferred to the Company under the Transfer of Undertakings (Protection of Employment) Regulations 2006 and who retain legacy terms and conditions. TUPE-transferred employees will be treated in the same manner as all other employees under this Scheme

### **Employee Ownership Trust (EOT)**

The trust established to hold a controlling interest in the Company for the benefit of its employees, in accordance with the Income Tax (Earnings and Pensions) Act 2003 (ITEPA 2003), Part 4, Chapter 10A.

### **Eligible Co-owner**

A Co-owner who meets the eligibility criteria set out in this Scheme as at the Determination Date. Eligibility under the Scheme is assessed by reference to the Determination Date.

### **Normal Contracted Hours**

The hours an Employee is contractually required to work during the Reference Period.

### **Reference Period**

The period of 12 months ending on 30 June in the relevant Scheme Year, used for the purposes of calculating hours worked and any pro-rata bonus entitlement.

### **Scheme**

The Employee Owner Bonus Scheme as amended from time to time.

### **Scheme Year**

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The financial year to which the Bonus relates.

### 7. Funding of the Bonus

#### Key Message

Bonuses are paid only if affordable and approved.

The bonus pot:

- is determined annually
- is subject to affordability and distributable profits
- is not guaranteed

There is no obligation to fund a bonus in any year.

### 8. Eligibility Criteria

To be eligible for consideration under the Scheme, an individual must, at the Determination Date:

- be an Employee (as defined in this Scheme)
- have completed at least 6 months' continuous service
- not have been dismissed following a finding of gross misconduct resulting in dismissal

Eligibility is assessed on employment status, not role or seniority. All eligibility criteria under this Scheme are assessed by reference to the Determination Date.

#### Key Message

You must be employed and have at least 6 months' service at the Determination Date.

### 9. Included and Excluded Groups

Included:	Excluded:
<ul style="list-style-type: none"><li>• permanent employees</li><li>• fixed-term employees</li><li>• bank and zero-hours employees</li></ul>	<ul style="list-style-type: none"><li>• Non-Executive Directors</li><li>• self-employed individuals</li><li>• locums</li><li>• consultants</li><li>• agency workers</li><li>• honorary contract holders</li></ul>

## 10. Sickness Absence, Family Leave and Reasonable Adjustments

Sickness absence, disability-related absence, family leave and reasonable adjustments do not affect eligibility under the Scheme. These factors are reflected in the calculation of Bonus Hours.

Bonus Hours will be adjusted as follows:

- statutory family leave is credited using Average Weekly Hours
- disability-related absence is credited using Average Weekly Hours
- non-disability sickness absence may reduce Bonus Hours unless otherwise credited under the Scheme

The Scheme will be applied in a way that complies with the Equality Act 2010. Where required to avoid unlawful disadvantage under the Equality Act 2010, reasonable adjustments may be applied to Bonus Hours.

## 11. Leavers

Employees who meet the eligibility criteria at the Determination Date will be entitled to receive any bonus determined under the Scheme in respect of that Scheme Year, even if they leave employment before the Bonus Payment Date, unless dismissed for gross misconduct.

Eligibility is determined solely by reference to the Determination Date.

## 12. Performance Conditions

The Scheme is a pure ownership-based distribution. There are:

- no individual performance targets
- no behavioural gateways
- no “being prepared” or compliance conditions

Other than the exclusions set out in this Scheme, disciplinary status will not be used to determine eligibility.

## 13. Calculation and Distribution

### Overview

The total Bonus Pot will be divided by the total Bonus Hours of all Eligible Co-owners to create a value per Bonus Hour.

Each Eligible Co-owner’s bonus will then be calculated by multiplying that value per Bonus Hour by their individual Bonus Hours.

All Eligible Co-owners are treated on the same basis under this Scheme.

### Multiple Contracts

Participation in the Scheme is assessed per individual Co-owner. Where co-owner holds more than one contract of employment with the Company, Bonus Hours across all such contracts will

## BrisDoc's Employee Owner (EO) Bonus Scheme

be aggregated and a single bonus payment will be calculated and paid in respect of that individual for the Scheme Year.

Each eligible Co-owner will receive only one bonus payment per Scheme Year, regardless of the number of contracts held.

Payments are intended to qualify as EOT bonuses, therefore:

- eligible Co-owners will be treated on the same terms
- differences in bonus amounts arise solely from Bonus Hours worked, applied consistently across all Eligible Co-owners

The Company will confirm annually:

- the total bonus pot
- the distribution methodology
- any pro-rata or hours-based calculations

To ensure all Eligible Co-owners receive a meaningful participation payment, where the hours-based calculation would otherwise result in a nil payment, the Eligible Co-owner will be credited with one Bonus Hour for the purposes of calculating their entitlement under the Scheme.

### Impact of Hours Worked

The bonus is calculated by reference to Bonus Hours during the Reference Period on a pro-rata basis. Bonus Hours reflect actual hours worked during the Reference Period, regardless of contract type, subject to the weekly cap.

The Scheme does not distinguish between contracted, bank or zero-hours arrangements. All Eligible Co-owners are treated consistently using the same hours-based methodology.

### Calculation Formula

#### Bonus calculation – simple formula

##### Step 1

Total bonus pot ÷ Total bonus hours = Value per hour

##### Step 2

Value per hour × Your bonus hours = Your bonus

##### Example:

Bonus pot: £300,000

Total bonus hours: 150,000

Value per hour: £2

If you worked 1,500 bonus hours:

Your bonus = £2 × 1,500 = £3,000

## 14. Taxation and Payroll

Bonus payments will be processed through payroll and paid in September.

- amounts up to the statutory EOT limit will be paid free of income tax
- any excess will be taxed through PAYE

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National Insurance contributions will apply to all amounts.

Bonus payments are made by the Company through payroll and are not paid directly by the Employee Ownership Trust.

### 15. Governance and Approval

Each year the Scheme requires formal approval, including:

- confirmation of distributable profits
- approval of the bonus pot and methodology
- confirmation of compliance with EOT requirements

Each year, the Company will also confirm compliance with all statutory Employee Ownership Trust requirements, including the participation requirement and applicable limits relating to office-holders, prior to approving any Bonus Pot.

No payment may be made without approval through the Company's governance process.

The Remuneration Committee and Board retain full discretion over whether any bonus is paid and the amount of any Bonus Pot.

The Scheme will not operate on a tax-free basis if statutory participation or office-holder thresholds under EOT legislation are not met.

Each year, approval will include confirmation of the Reference Period, the calculation methodology, and any assumptions applied in calculating Bonus Hours. Decisions, calculations and compliance checks will be documented and retained for audit purposes.

Determination will take place following completion of the Reference Period and after confirmation of the Company's audited financial performance.

### 16. Communication

Eligible Co-owners will be informed of:

- whether the Scheme will operate in that year
- the payment date
- the basis of calculation
- Individual bonus amounts are confidential.

### 17. Review of the Scheme

The Scheme will be reviewed periodically to ensure continued:

- legal compliance
- HMRC compliance
- alignment with employee ownership principles

## BrisDoc's Employee Owner (EO) Bonus Scheme

### Appendix A: Equality Impact Assessment

This Equality Impact Assessment (EQIA) ensures that BrisDoc's Employee Owner Bonus Scheme upholds our duties under the Equality Act 2010, supports inclusive and equitable participation in employee ownership, and considers how co-owners with different protected characteristics may be impacted by the design and operation of the Scheme.

The Scheme distributes bonus payments based on Bonus Hours as a measure of participation, not role, seniority, or performance. This EQIA considers whether that approach could create differential impacts and how these are mitigated. It also reflects on intersectionality and the potential for compounded disadvantage.

Protected Characteristic	Potential Impact Identified?	Actions Taken / Considerations
Age	Yes – indirect impact possible	Younger co-owners or those early in employment may have fewer Bonus Hours due to service length or working patterns. The Scheme applies a consistent hours-based methodology and a minimum participation safeguard to ensure all eligible co-owners receive a payment.
Disability	Yes – potential barriers	Disability-related absence is credited using Average Weekly Hours to ensure no disadvantage. The Scheme includes provision for reasonable adjustments where required to avoid unlawful disadvantage.
Sex / Gender	Yes – indirect impact possible	Women may be more likely to work part-time or take family-related leave. Statutory family leave is credited using Average Weekly Hours, ensuring no reduction in Bonus Hours due to maternity or related leave.
Gender Reassignment	No differential impact identified	The Scheme operates on an objective, hours-based methodology. Any required adjustments are handled sensitively and in line with the Equality Act 2010.
Pregnancy and Maternity	Yes – potential barriers	Pregnancy and maternity-related leave are explicitly protected through the crediting of Bonus Hours based on Average Weekly Hours, ensuring no disadvantage during periods of absence.
Race / Ethnicity	No differential impact identified	The Scheme applies consistently across all co-owners. Communication of the Scheme will be clear and accessible. Any support required is available through line managers and the People Team.
Religion or Belief	No differential impact identified	The Scheme is compatible with different working patterns and does not restrict participation based on religious observance. Any adjustments to working arrangements are reflected proportionately in Bonus Hours.

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Protected Characteristic	Potential Impact Identified?	Actions Taken / Considerations
Sexual Orientation	No differential impact identified	The Scheme applies equally to all co-owners regardless of sexual orientation, with no differential treatment in eligibility or calculation.
Marriage and Civil Partnership	No differential impact identified	The Scheme does not differentiate based on marital or partnership status.

### Intersectionality

BrisDoc recognises that co-owners may experience overlapping impacts due to intersecting characteristics (for example, a disabled co-owner working part-time, or a parent returning from maternity leave).

The Scheme has been designed to mitigate these risks through:

- A consistent, objective methodology based on Bonus Hours
- Crediting of statutory family leave and disability-related absence
- A minimum participation safeguard to ensure all eligible co-owners receive a payment
- The ability to apply reasonable adjustments where required

We are committed to ensuring that participation in the employee ownership model is inclusive and does not disadvantage co-owners due to intersecting factors. This means we will:

- Avoid assumptions about working patterns or availability
- Recognise that hours worked may be influenced by protected characteristics
- Apply the Scheme in a way that is fair, proportionate, and sensitive to individual circumstances

### Monitoring and Review

Equality impacts will be reviewed as part of the annual Scheme review and any future revisions.

Data on participation and distribution outcomes will be monitored at an aggregate level to identify any unintended disparities.

Any concerns raised by co-owners will be reviewed by the People Team and used to inform ongoing improvements. Co-owners are encouraged to raise any concerns with their line manager or confidentially with the People Team at [workforcesupport@brisdod.org](mailto:workforcesupport@brisdod.org)

### Overall Assessment

The Employee Owner Bonus Scheme is designed to be inclusive, equitable, and compliant with the Equality Act 2010, with safeguards in place to mitigate potential indirect impacts arising from differences in working patterns, absence, or personal circumstances.

## Appendix B: Version Control

The Employee Owner Bonus Scheme was historically operated without a formal policy framework and was supported by guidance provided through a Frequently Asked Questions (FAQ) document on Radar.

This document formalises the Scheme, providing clarity, consistency, and alignment with HMRC requirements and organisational governance.

Version	Date	Author	Summary of Changes
N/a	April 2022	Sam Hill	Initial Employee Ownership Trust (EOT) bonus approach implemented operationally. No formal policy in place. Guidance provided via FAQ published on Radar.
V1.0	6 <sup>th</sup> April 2026	Mike Duncan, Director of People & OD	First formal Employee Owner Bonus Scheme document created. Establishes clear principles, definitions, governance, and calculation methodology aligned to HMRC EOT requirements and the Equality Act 2010. Replaces informal FAQ-based approach.