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Rt Hon Rachel Reeves

Chancellor of the Exchequer

HM Treasury

1 Horse Guards Road

London

SW1A 2HQ

5 November 2025

Dear Chancellor,

SIP holding period to change from 5 to 2 years

As a group of companies representing a wide range of sectors across the UK economy, we are writing ahead of your forthcoming Budget to express our strong support for a reduction in the mandatory holding period for Share Incentive Plan (SIP) shares from five to two years.

This is a focused change, but one with significant impact. The current five-year period acts as a hurdle for many employees who would otherwise participate. Reducing it to two years would make the scheme more appealing, helping more people to take part. It would also directly advance priorities you have outlined: increasing retail share ownership in the UK and strengthening the connection between working people and the companies they help to grow. As you emphasised in your Mansion House remarks and in the Leeds Reforms agenda, broadening retail investment is central to deepening UK capital markets and making long-term growth more inclusive. Improving the accessibility of SIP is a practical way to deliver on this ambition.
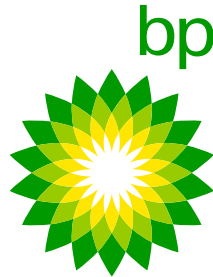
Enabling more employees to build a tax-advantaged stake in their employer will also encourage good savings habits and foster a stronger culture of share ownership nationwide. For employers, greater participation will help companies to attract and retain staff and in turn drive up productivity.

As signatories, we strongly encourage you to seize the opportunity presented by the Budget to introduce this reform.

Yours sincerely,

Sophie Altaf

Head of ProShare

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In addition, the following companies have also confirmed their support:
- Anglo American plc
- Jupiter Fund Management plc
- Legal & General Group plc