

# SCOTTISH ENTERPRISE TRAINING, DISADVANTAGED WORKERS AND WORKERS WITH DISABILITIES SCHEME 2022 – 2025 – SC10676

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## 1. OBJECTIVES

- 1.1 The Scottish Enterprise Training, Disadvantaged Workers and Workers with Disabilities Scheme 2022 – 2025 (the “**Scheme**”) aims to covers discretionary funding awarded to enterprises to assist them with activities in the areas outlined below.
- 1.2 The principal objectives of the Scheme are to encourage investment in training by companies in Scotland and promote the recruitment and employment of disadvantaged workers and workers with disabilities.

## 2. LEGAL BASIS

- 2.1 Scottish Enterprise (“**SE**”) is established under the Enterprise and New Towns (Scotland) Act 1990 and provides support to enterprises across Scotland under the provisions of that Act.
- 2.2 Following the expiry of the Brexit transition period on 31 December 2020, the UK is no longer subject to EU State aid rules. The only exceptions to this are for aid that is caught by the NI Protocol and for awards of funding that include contributions from EU Structural Funds.
- 2.3 The Scheme is required to comply with the provisions on subsidy control listed below, insofar as they are relevant to the specific facts and circumstances of the proposed support:
  - a) Part Two, Heading One, Title XI, Chapter 3 of the UK-EU Trade and Cooperation Agreement signed on 30 December 2020 (as implemented by section 29 of the European Union (Future Relationship) Act 2020) (the “**TCA**”);
  - b) the Northern Ireland Protocol to the UK-EU Withdrawal Agreement agreed on 17 October 2019 (as implemented by section 7A of the European Union (Withdrawal) Act 2018) (the “**NI Protocol**”);
  - c) Article 138 of the UK-EU Withdrawal Agreement agreed on 17 October 2019 in respect of EU Structural Funds (as implemented by section 7A of the European Union (Withdrawal) Act 2018) (“**Article 138**”);
  - d) WTO Agreement on Subsidies and Countervailing Measures (“**WTO ASCM**”);
  - e) Trade Agreements entered into between the UK and other countries; and
  - f) Relevant UK Government guidance.

- 2.4 From 1 January 2021, the Scheme operates under and satisfies as relevant and/or necessary:
- (i) the principles in Article 366 of Title XI of the TCA;
  - (ii) Article 10 of the NI Protocol; and
  - (iii) Article 138.

### **3. GENERAL PROVISIONS**

- 3.1 The Scheme runs from 23 December 2022 to 31 December 2025. SE may at any time extend the duration of the Scheme by amending the end date provided for in the Scheme, without limitation as to the number of extensions or total duration of the Scheme, provided that SE is satisfied that the Scheme remains both relevant and consistent with the legal requirements that apply to it. The anticipated amount budgeted by SE for the Scheme is £10 million. SE may at any time increase the total budget of the scheme, without limitation as to the number or aggregate value of such increases, provided that SE is satisfied that the budget increase is both required to meet the Scheme's objectives and consistent with the legal requirements that apply to it.
- 3.2 Terms used in this Scheme are defined in Appendix 1.
- 3.3 There is no automatic entitlement to support from SE and any funding is provided on a discretionary basis. Any award is subject to SE's assessment against the Scheme conditions, SE approval and acceptance of standard terms and conditions of grant. The amounts and subsidy intensities stated reflect the maximum potential levels of support that may be made available. There is no guarantee of funding under the Scheme and any funding which is made available may be made at lower intensities than those stated below.
- 3.4 Assistance may be offered through a range of instruments, products and services. Any award will be based on the merits of the proposed project. Requests for support will also be subject to an assessment of need for assistance, rigorous due diligence appraisal and internal approval by SE. Any business interested in assistance from SE under this Scheme should consult [www.scottish-enterprise.com](http://www.scottish-enterprise.com) or contact us on 0300 013 3385 or by e-mail to [enquiries@scotent.co.uk](mailto:enquiries@scotent.co.uk).
- 3.5 Subsidy may be awarded to enterprises of all sizes.
- 3.6 Applicants must submit a written application for assistance to SE before work on the project or activity has started, and the application must be approved in writing before work can commence on the project, unless otherwise agreed by SE. The application must include information on the applicant's name and size, a description of the project

(including start and end date), the location of the project, a list of project costs and the type of subsidy (e.g. grant).

- 3.7 The applicant may be required to provide documentation to allow SE to assess whether the subsidy will achieve one or more of the following: a material increase in the scope of the project/activity; a material increase in the total amount spent by the prospective beneficiary on the project/activity; or a material increase in the speed of completion. This is in order for SE to ensure that the subsidy will bring about a change in the economic behaviour of the beneficiary that is conducive to achieving objectives and that would not be achieved in the absence of subsidies being provided.
- 3.8 SE is required to provide annual returns to the Scottish and UK Governments detailing subsidy provided under this Scheme, and to maintain detailed records regarding individual subsidies provided under the Scheme. Such records must contain all information necessary to establish that the conditions of the Scheme are fulfilled, including information on the status of any economic actor whose entitlement to subsidy or a bonus depends on its status as an SME, information on the incentive effect of the subsidy, and information making it possible to establish the precise amount of eligible costs for the purpose of applying the rules of the Scheme. The information which must be provided to SE and/or retained by the subsidy recipient, and the length of time for which records must be maintained, will be set out in any offer of grant made under the Scheme. SE will maintain detailed records regarding subsidy provided under the Scheme and will provide reports to the Scottish and UK Governments on subsidies awarded under the Scheme. SE will maintain records with all information necessary to establish that the conditions laid down in the Scheme are fulfilled. Information to be provided to SE and/or retained by the subsidy recipient will be set out in any offer of grant.
- 3.9 All grants identified as being over the reporting threshold at any given time must be registered as specified by reporting requirements in force at the relevant time. Details of grants may also be published on SE's website.
- 3.10 SE may at any time modify any or all of the legislative references in this Scheme, provided that i) SE deems it necessary to ensure that appropriate recognition is given to any updated legislation applicable in the UK, and ii) SE is satisfied that such modification is both required to meet the Scheme's objectives and consistent with the legal requirements that apply to it.

#### **4. TYPES OF SUBSIDY UNDER THE SCHEME**

*Note: The information below is intended to be a helpful summary of the types of subsidy which may be granted under the Scheme. It should be noted that the subsidy amounts stated reflect the maximum levels of support permitted under the Scheme at a single point in time and SE may set lower subsidy intensities for particular support, specific products or programmes created under the Scheme, taking into account the strategic rationale and market failure being addressed through the subsidy.*

## **Section A: Training Subsidy**

4.1 Any training subsidy shall be provided in accordance with the conditions set out in this section. Subsidy shall not be granted for training which economic actors carry out to comply with national standards on training.

4.2 Eligible costs are:

- trainers' personnel costs, for the hours during which the trainers participate in the training;
- trainers' and trainees' operating costs directly relating to the training project such as travel expenses, accommodation costs, materials and supplies directly related to the project, depreciation of tools and equipment, to the extent that they are used exclusively for the training project;
- costs of advisory services linked to the training project;
- trainees' personnel costs and general indirect costs (administrative costs, rent and overheads) for the hours during which the trainees participate in the training.

4.3 Subsidy intensities and bonuses are set out in the table below and subject to a maximum of 70%:

	Large economic actor	Medium economic actor	Small economic actor	Bonus where training workers with disabilities or disadvantaged workers
Subsidy intensity	50%	60%	70%	10%

4.4 Where subsidy is granted in the maritime transport sector, the subsidy intensity may be increased to 100% of the eligible costs provided that:

- the trainees are not active members of the crew but are supernumerary on board; and
- the training is carried out on board of ships entered in applicable national registers.

4.5 The maximum amount of subsidy that can be granted under this provision is £1.8 million per training project.

**Section B: Subsidy for the recruitment of disadvantaged workers in the form of wage subsidies**

- 4.6 Any subsidy for recruitment of disadvantaged workers in the form of wage subsidies shall be provided in accordance with the conditions set out in this section.
- 4.7 Eligible costs are the wage costs over a maximum period of 12 months following recruitment of a disadvantaged worker. Where the worker is severely disadvantaged, wage costs for a maximum period of 24 months may be considered eligible.
- 4.8 The subsidy intensity shall not exceed 50% of eligible costs.
- 4.9 If the period of employment is shorter than 12 or 24 months respectively, the aid shall be reduced pro rata accordingly.
- 4.10 Where recruitment does not represent a net increase, compared with the average over the previous 12 months, in the number of employees in the undertaking concerned, the post or posts shall have fallen vacant following voluntary departure, disability, retirement on grounds of age, voluntary reduction in working time or lawful dismissal for misconduct and not as a result of redundancy.
- 4.11 Except in the case of lawful dismissal for misconduct, the disadvantaged workers shall be entitled to continuous employment for a minimum period consistent with the national legislation concerned or any collective agreements governing employment contracts.
- 4.12 The maximum amount of subsidy that can be granted under this provision is £4.5 million per economic actor per year.

**Section C: Subsidy for the employment of workers with disabilities in the form of wage subsidies**

- 4.13 Any subsidy for employment of workers with disabilities in the form of wage subsidies shall be provided in accordance with the conditions set out in this section.
- 4.14 Eligible costs are the wage costs over any given period during which the worker with disabilities is employed.
- 4.15 The subsidy intensity shall not exceed 75% of eligible costs.
- 4.16 Where recruitment does not represent a net increase, compared with the average over the previous 12 months, in the number of employees in the undertaking concerned, the post or posts shall have fallen vacant following voluntary departure, disability, retirement on grounds of age, voluntary reduction in working time or lawful dismissal for misconduct and not as a result of redundancy.

- 4.17 Except in the case of lawful dismissal for misconduct, the workers with disabilities shall be entitled to continuous employment for a minimum period consistent with the national legislation concerned or any collective agreements which are legally binding for the undertaking and governing employment contracts.
- 4.18 The maximum amount of aid that can be granted under this provision is £9 million per economic actor per year.

**Section D: Subsidy for compensating the additional costs of employing workers with disabilities**

- 4.19 Any subsidy for compensating the additional costs of employing workers with disabilities shall be provided in accordance with the conditions set out in this section.
- 4.20 Eligible costs are:
- costs of adapting the premises;
  - costs of employing staff solely for time spent on the assistance of the workers with disabilities and of training such staff to assist workers with disabilities;
  - costs of adapting or acquiring equipment, or acquiring and validating software for use by workers with disabilities, including adapted or assistive technology facilities, which are additional to those which the beneficiary would have incurred had it employed workers who are not workers with disabilities;
  - costs directly linked to transport of workers with disabilities to the working place and for work related activities;
  - wage costs for the hours spent by a worker with disabilities on rehabilitation;
  - where the beneficiary provides sheltered employment, the costs of constructing, installing or modernising the production units of the undertaking concerned, and any costs of administration and transport, provided that such costs result directly from the employment of workers with disabilities.
- 4.21 The subsidy intensity shall not exceed 100 % of the eligible costs.
- 4.22 The maximum amount of subsidy that can be granted under this provision is £9 million per economic actor per year.

**Section E: Subsidy for compensating the costs of assistance provided to disadvantaged workers**

- 4.23 Any subsidy for compensating the costs of assistance provided to disadvantaged workers shall be provided in accordance with the conditions set out in this section.
- 4.24 Eligible costs are the costs of:

- employing staff solely for time spent on the assistance of the disadvantaged workers over a maximum period of 12 months following recruitment of a disadvantaged worker or over a maximum period of 24 months following recruitment of a severely disadvantaged worker;
- training such staff to assist disadvantaged workers.

4.25 The subsidy intensity shall not exceed 50% of eligible costs.

4.26 The assistance provided shall consist of measures to support the disadvantaged worker's autonomy and adaptation to the work environment, in accompanying the worker in social and administrative procedures, facilitation of communication with the entrepreneur and managing conflicts.

4.27 The maximum amount of subsidy that can be granted under this provision is £4.5 million per economic actor per year.

## **5. EXCLUSIONS**

### ***Export subsidy***

5.1 The Scheme does not apply to:

- subsidies that are contingent in law or in fact, whether solely or as one of several other conditions, upon export performance relating to goods or services; or
- subsidies contingent, whether solely or as one of several other conditions, upon the use of domestic over imported goods or services.

### ***Sectoral***

5.2 The Scheme applies to all sectors of the economy, with the exceptions of:

- activities in the processing and marketing of agricultural products where subsidy is aimed at directly influencing the price or quantity of primary production (i.e. where the amount of the subsidy is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the economic actors concerned or the subsidy is conditional on being partly or entirely passed on to primary producers); and
- subsidy to facilitate the closure of uncompetitive coal mines.

### ***Recovery of illegal subsidy / Ailing or insolvent economic actors***

5.3 The following are explicitly excluded from the Scheme:

- payment of subsidy in favour of an economic actor which is subject to an outstanding recovery order following i) a previous Commission decision declaring an aid illegal



- and incompatible with the common market or ii) an order requiring recovery of subsidy issued by any domestic UK court or tribunal; and
- subsidies for restructuring an ailing or insolvent economic actor without a credible plan being in place to return the economic actor to viability. For the purposes of this paragraph, an ailing or insolvent economic actor is one that would almost certainly go out of business in the short to medium term without the subsidy.

## **6. CUMULATION OF SUBSIDY**

- 6.1 Subsidy provided under the Scheme may be cumulated with other permitted subsidy provided through this or another SE scheme (or another registered scheme) as long as those subsidy measures concern different identifiable eligible costs.
- 6.2 Subsidy provided under this Scheme may only be cumulated with other permitted subsidy, where, in respect of the same totally or partially overlapping eligible costs, such cumulation does not result in the highest permissible subsidy intensity or subsidy amount under this Scheme being exceeded.
- 6.3 All sources of public funding shall be taken into account when considering cumulation and in determining that the relevant subsidy intensity or subsidy amount is not exceeded.

## APPENDIX 1

### DEFINITIONS

**“agricultural product”** means the products listed in Annex I to the Treaty, except fishery and aquaculture products listed in Annex I to Regulation (EU) No 1379/2013 of the European Parliament and of the Council of 11 December 2013;

**‘Article 138’** means Article 138 of the UK-EU Withdrawal Agreement agreed on 17 October 2019 in respect of EU Structural Funds (as implemented by section 7A of the European Union (Withdrawal) Act 2018);

**‘coal’** means high-grade, medium-grade and low-grade category A and B coal within the meaning of the international codification system for coal established by the United Nations Economic Commission for Europe and clarified in the Council decision of 10 December 2010 on State aid to facilitate the closure of uncompetitive coal mines;

**‘date of granting the subsidy’** means the date when the legal right to receive the subsidy is conferred on the beneficiary;

**‘disadvantaged worker’** means any person who:

- (1) has not been in regular paid employment for the previous 6 months; or
- (2) is between 15 and 24 years of age; or
- (3) has not attained an upper secondary educational or vocational qualification (International Standard Classification of Education 3) or is within two years after completing full-time education and who has not previously obtained his or her first regular paid employment; or
- (4) is over the age of 50 years; or
- (5) lives as a single adult with one or more dependents; or
- (6) works in a sector or profession in a Member State where the gender imbalance is at least 25 % higher than the average gender imbalance across all economic sectors in that Member State, and belongs to that underrepresented gender group; or
- (7) is a member of an ethnic minority within a Member State and who requires development of his or her linguistic, vocational training or work experience profile to enhance prospects of gaining access to stable employment;

**‘economic actor’** means an entity or a group of entities constituting a single economic entity, regardless of its legal status, that is engaged in an economic activity by offering goods or services on a market;

**‘enterprise’** has the same meaning as ‘economic actor’;

**‘NI Protocol’** means the Northern Ireland Protocol to the UK-EU Withdrawal Agreement agreed on 17 October 2019 (as implemented by section 7A of the European Union (Withdrawal) Act 2018);

**‘marketing of agricultural products’** means holding or display with a view to sale, offering for sale, delivery or any other manner of placing on the market, except the first sale by a primary producer to resellers or processors and any activity preparing a product for such first sale; a sale by a primary producer to final consumers shall be considered to be marketing if it takes place in separate premises reserved for that purpose;

**‘processing of agricultural products’** means any operation on an agricultural product resulting in a product which is also an agricultural product, except on-farm activities necessary for preparing an animal or plant product for the first sale;

**‘SE’** means Scottish Enterprise, established under the Enterprise and New Towns (Scotland) Act 1990;

**‘severely disadvantaged worker’** means any person who:

1. has not been in regular paid employment for at least 24 months; or
2. has not been in regular paid employment for at least 12 months and belongs to one of the categories (2) to (7) mentioned under the definition of disadvantaged worker;

**‘sheltered employment’** means employment in an undertaking where at least 30 % of workers are workers with disabilities;

**‘small and medium sized economic actors’ or ‘SMEs’** means economic actors fulfilling the criteria in Appendix 2 to be classified as either a small or a medium sized economic actor;

**‘subsidy’** means financial assistance which:

1. is given directly or indirectly from public resources by a public authority, including:
  - a. a direct or contingent transfer of funds such as direct grants, loans or loan guarantees;
  - b. the forgoing of revenue that is otherwise due; or
  - c. the provision of goods or services, or the purchase of goods or services;
2. confers an economic advantage on one or more economic actors;
3. is specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services; and

4. has, or could have, an effect on trade or investment between the United Kingdom and a country or territory outside the United Kingdom.

**‘subsidy intensity’** means the gross subsidy amount expressed as a percentage of the eligible costs, before any deduction of tax or other charge;

**‘TCA’** means the UK-EU Trade and Cooperation Agreement signed on 30 December 2020 (as implemented by section 29 of the European Union (Future Relationship) Act 2020);

**‘transport sector’** means the transport of passengers by aircraft, maritime transport, road or rail and by inland waterway or freight transport services for hire or reward; more specifically, the ‘transport sector’ means the following activities in terms of NACE Rev. 2:

- a. NACE 49: Land transport and transport via pipelines, excluding NACE 49.32 Taxi operation, 49.42 Removal services, 49.5 Transport via pipeline;
- b. NACE 50: Water transport;
- c. NACE 51: Air transport, excluding NACE 51.22 Space transport.

**‘wage cost’** means the total amount actually payable by the beneficiary of the subsidy in respect of the employment concerned, comprising over a defined period of time the gross wage before tax and compulsory contributions such as social security, child care and parent care costs; and

**‘worker with disabilities’** means any person who:

1. is recognised as worker with disabilities under national law; or
2. has long-term physical, mental, intellectual or sensory impairment(s) which, in interaction with various barriers, may hinder their full and effective participation in a work environment on an equal basis with other workers.

## **APPENDIX 2**

### **SME DEFINITION**

#### **Section A: Economic actors**

- 1.1 An economic actor is considered to be any entity engaged in an economic activity, irrespective of its legal form. This includes, in particular, self-employed persons and family businesses engaged in craft or other activities, and partnerships or associations regularly engaged in an economic activity.

#### **Section B: Staff headcount and financial thresholds determining economic actor categories**

- 2.1 The category of micro, small and medium-sized economic actors ('SMEs') is made up of economic actors which employ fewer than 250 persons and which have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.
- 2.2 Within the SME category, a small economic actor is defined as an economic actor which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million.
- 2.3 Within the SME category, a micro-economic actor is defined as an economic actor which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million.

#### **Section C: Types of economic actor taken into consideration in calculating staff numbers and financial amounts**

- 3.1 An 'autonomous economic actor' is any economic actor which is not classified as a partner economic actor within the meaning of paragraph 3.2 or as a linked economic actor within the meaning of paragraph 3.3.
- 3.2 'Partner economic actors' are all economic actors which are not classified as linked economic actors within the meaning of paragraph 3.3 and between which there is the following relationship: an economic actor (upstream economic actor) holds, either solely or jointly with one or more linked economic actor within the meaning of paragraph 3.3, 25 % or more of the capital or voting rights of another economic actor (downstream economic actor).

However, an economic actor may be ranked as autonomous, and thus as not having any partner economic actors, even if this 25 % threshold is reached or exceeded by the following investors, provided that those investors are not linked,

within the meaning of paragraph 3.3, either individually or jointly to the economic actor in question:

- a) public investment corporations, venture capital companies, individuals or groups of individuals with a regular venture capital investment activity who invest equity capital in unquoted businesses (business angels), provided the total investment of those business angels in the same economic actor is less than EUR 1 250 000;
- b) universities or non-profit research centres;
- c) institutional investors, including regional development funds;
- d) autonomous local authorities with an annual budget of less than EUR 10 million and less than 5 000 inhabitants.

3.3 'Linked economic actors' are economic actors which have any of the following relationships with each other:

- a) an economic actor has a majority of the shareholders' or members' voting rights in another economic actor;
- b) an economic actor has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another economic actor;
- c) an economic actor has the right to exercise a dominant influence over another economic actor pursuant to a contract entered into with that economic actor or to a provision in its memorandum or articles of association;
- d) an economic actor, which is a shareholder in or member of another economic actor, controls alone, pursuant to an agreement with other shareholders in or members of that economic actor, a majority of shareholders' or members' voting rights in that economic actor.

There is a presumption that no dominant influence exists if the investors listed in the second subparagraph of paragraph 3.2 are not involving themselves directly or indirectly in the management of the economic actor in question, without prejudice to their rights as shareholders.

Economic actors having any of the relationships described in the first subparagraph of paragraph 3.2 through one or more other economic actors, or any one of the investors mentioned in paragraph 3.2, are also considered to be linked.

Economic actors which have one or other of such relationships through a natural person or group of natural persons acting jointly are also considered linked economic actors if they engage in their activity or in part of their activity in the same relevant market or in adjacent markets.

An 'adjacent market' is considered to be the market for a product or service situated directly upstream or downstream of the relevant market.

3.4 Except in the cases set out in paragraph 3.2, second subparagraph, an economic actor cannot be considered an SME if 25 % or more of the capital or voting rights are directly or indirectly controlled, jointly or individually, by one or more public bodies.

- 3.5 Economic actors may make a declaration of status as an autonomous economic actor, partner economic actor or linked economic actor, including the data regarding the thresholds set out in Section B. The declaration may be made even if the capital is spread in such a way that it is not possible to determine exactly by whom it is held, in which case the economic actor may declare in good faith that it can legitimately presume that it is not owned as to 25 % or more by one economic actor or jointly by economic actors linked to one another.

#### **Section D: Data used for the staff headcount and the financial amounts and reference period**

- 4.1 The data to apply to the headcount of staff and the financial amounts are those relating to the latest approved accounting period and calculated on an annual basis. They are taken into account from the date of closure of the accounts. The amount selected for the turnover is calculated excluding value added tax (VAT) and other indirect taxes.
- 4.2 Where, at the date of closure of the accounts, an economic actor finds that, on an annual basis, it has exceeded or fallen below the headcount or financial thresholds stated in Section B, this will not result in the loss or acquisition of the status of medium-sized, small or micro- economic actor unless those thresholds are exceeded over two consecutive accounting periods.
- 4.3 In the case of newly-established economic actors whose accounts have not yet been approved, the data to apply is to be derived from a bona fide estimate made in the course of the financial year.

#### **Section E: Staff headcount**

- 5.1 The headcount corresponds to the number of annual work units (AWU), i.e. the number of persons who worked full-time within the economic actor in question or on its behalf during the entire reference year under consideration. The work of persons who have not worked the full year, the work of those who have worked part-time, regardless of duration, and the work of seasonal workers are counted as fractions of AWU. The staff consists of:
- a) employees;
  - b) persons working for the economic actor being subordinated to it and deemed to be employees under national law;
  - c) owner-managers;
  - d) partners engaging in a regular activity in the economic actor and benefiting from financial advantages from the economic actor.

Apprentices or students engaged in vocational training with an apprenticeship or vocational training contract are not included as staff. The duration of maternity or parental leaves is not counted.

## **Section F: Establishing the data of an economic actor**

- 6.1 In the case of an autonomous economic actor, the data, including the number of staff, are determined exclusively on the basis of the accounts of that economic actor.
- 6.2 The data, including the headcount, of an economic actor having partner economic actors or linked economic actors are determined on the basis of the accounts and other data of the economic actor or, where they exist, the consolidated accounts of the economic actor, or the consolidated accounts in which the economic actor is included through consolidation.

To the data referred to in the first subparagraph are added the data of any partner economic actor of the economic actor in question situated immediately upstream or downstream from it. Aggregation is proportional to the percentage interest in the capital or voting rights (whichever is greater). In the case of cross-holdings, the greater percentage applies.

To the data referred to in the first and second subparagraph are added 100 % of the data of any economic actor, which is linked directly or indirectly to the economic actor in question, where the data were not already included through consolidation in the accounts.

- 6.3 For the application of paragraph 6.2, the data of the partner economic actors of the economic actor in question are derived from their accounts and their other data, consolidated if they exist. To these are added 100 % of the data of economic actors which are linked to these partner economic actors, unless their accounts data are already included through consolidation.

For the application of the same paragraph 6.2, the data of the economic actors which are linked to the economic actor in question are to be derived from their accounts and their other data, consolidated if they exist. To these are added, pro rata, the data of any possible partner economic actor of that linked economic actor, situated immediately upstream or downstream from it, unless it has already been included in the consolidated accounts with a percentage at least proportional to the percentage identified under the second subparagraph of paragraph 6.2.

- 6.4 Where in the consolidated accounts no staff data appear for a given economic actor, staff figures are calculated by aggregating proportionally the data from its partner economic actors and by adding the data from the economic actors to which the economic actor in question is linked.

*Note: SE may at any time modify the content of this Appendix, provided that SE is satisfied that such modification is both required to meet the Scheme's objectives and consistent with the legal requirements that apply to it.*