
Share Plans Resource Pack 2025

Working with ShareGift



How it
works



Contents

● Working with ShareGift	3
Business problem, business solution, charitable outcome	3
ShareGift: the new 'S' in ESG	4
● Problem-solving in share plans	5
Fractional share entitlements	6
Disproportionate dealing/transfer costs	7
Erroneous share transfer	8
Disproportionate cash transfer costs	9
Unclaimed assets – shares	11
Unclaimed assets – cash	12
Unallocated assets	13
● How ShareGift supports charities	14
How we identify recipients of our grants	14
Our guiding principles for grant-making	15
Who we support	16
● Get in touch	17

Working with ShareGift

Business problem, business solution, charitable outcome

ShareGift is a problem-solver, an effective solution to the longstanding problem of small shareholdings.

Generally unwanted because they are too small to sell and/or worth less than the fees to sell or transfer them, these shareholdings are instead transferred to the charity ShareGift (registered charity no. 1052686), aggregated and sold to benefit other charities. This results in substantial savings for companies in administrative costs, in addition to a significant funding stream for UK charities which previously did not exist. Since 1996, more than £60million has been donated to over 4,000 charities.

ShareGift is now the industry standard mechanism used by companies, directly or through their registrars, and by share plan

providers, brokers, custodians and nominees to deal effectively with all manner of small shareholdings, fractional entitlements and residual cash balances.

We have worked in a variety of ways with more than half of the FTSE100 as well as hundreds of smaller listed and unlisted companies.

ShareGift can be deployed in a wide variety of ways, and new applications are being developed all the time. Incorporating ShareGift demonstrates tangible commitment to ESG and takes into account the charitable interests of a company's individual shareholders, whilst at the same time saving significant administration costs.



ShareGift is now increasingly seen as the industry charity for matters relating to small shareholdings.

£60m



Since 1996, over £60 million has been donated supporting over 4,000 charities.¹

¹ Figures correct as of September 2025. For up-to-date figures please see www.sharegift.org

Working with ShareGift

ShareGift: the new 'S' in ESG

Demonstrating your company's commitment to ESG matters.

Incorporating ShareGift's services into your share plan practices and shareholder register can demonstrate to share plan participants/employees and other stakeholders that ESG isn't just 'words on a page' for your company. It gives you a way to contribute to local society.

What we do at ShareGift addresses all three parts of the ESG agenda.



Environmental: Removing small entitlements, de minimis shareholdings and inefficiencies within your register and share plans cuts down the need for costly and wasteful written communications.



Social: it is socially responsible to support charities, whether local, national or global, and to facilitate that for your share plan participants/employees through incorporation of ShareGift's problem-solving in your share plan management.



Governance: it is good governance practice to minimise inefficient shareholdings, dormant or orphaned assets, and turn those into valuable charitable funding via ShareGift.

Your ESG audience

Your ESG audience will include a wide variety of stakeholders – your board and senior leadership team, your employees, clients, investors and customers – and it is important to remember that these groups are not discrete, they can have considerable overlap. For example, your investors may also be clients, your employees may also be shareholders. These stakeholders will have a range of views on what constitutes good ESG practice. ShareGift's services cut across these views in a number of different ways.



Working with ShareGift gives you a tangible way of contributing to the social fabric of your area and that of your share plan participants/employees too.

Problem-solving in share plans

The problem	How ShareGift can help	More information
Fractional share entitlements that can't be transferred	Fractional entitlements can be consolidated and donated to ShareGift in a single transaction	See page 06
Shares that cost more to sell or transfer than they are worth	Shares can be aggregated and donated to ShareGift in a single transaction	See page 07
Share entitlement created and transferred in error	Shares that cannot easily be transferred back to the company or into a trust can be transferred to ShareGift instead	See page 08
Small cash balances that are disproportionately expensive to return to participants	Cash balances can be aggregated and donated to ShareGift	See page 09
Unclaimed assets – shares	Allocated but unclaimed shares can be donated to ShareGift under the FCA CASS rules providing certain criteria are met	See page 11
Unclaimed assets – cash	Unclaimed cash under £25 can be donated to ShareGift under the FCA CASS rules providing certain criteria are met	See page 12
Unallocated assets – shares and cash	Unallocated shares and cash can be donated to ShareGift by applying to the FCA for a waiver	See page 13

Problem-solving in share plans

Fractional share entitlement

A share plan participant can become entitled to a fraction of a share and, in the UK, this usually can't be given to them.

In such circumstances, the fractional entitlements can be aggregated to create a number of whole shares, which can be transferred to ShareGift.

Examples of how fractional entitlements can arise include:

- Where a performance condition leads to the number of shares vesting under a share award being reduced to a number of whole shares plus a fraction of a share.
- Where a UK employee participates in a plan involving an overseas company's shares where fractional entitlements are permitted, but the UK employee wants to sell their shares, at which point only whole shares can be sold.

It is possible to include terms in the share plan rules allowing:

- Any fractional share entitlement to be donated to charity by default
- The option to be offered to each share plan participant to receive a cash sum equivalent to the value of the fractional share entitlement or to donate it to charity.



ShareGift can receive aggregated fractional entitlements in a single donation.



Problem-solving in share plans

Disproportionate dealing/ transfer costs

Sometimes, a share plan participant holds a small number of shares that can cost more to sell or transfer than they are worth. This usually arises where a minimum charge is levied to carry out a sale or transfer.

Examples of how a small shareholding can arise include:

- A share plan reinvests dividends in acquiring more shares and a share plan participant sells or transfers plan shares after a dividend record date but before the dividend is reinvested in shares, hence leaving a small balance of shares after the dividend is reinvested.
- A share plan awards shares based on an underlying value (possibly participant savings or a value chosen by the company) and the shares have a high individual market value, resulting in a small number of shares being awarded.

ShareGift can receive both donations of a small number of shares and a larger donation of aggregated small holdings of shares.

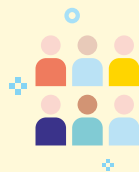
Case Study

UK based Employees participating in a CSOP received shares in their US parent company. The share award matured at a share price which left many participants with small value shareholdings. Furthermore, these holdings were held within a corporate nominee where share sales were made at a minimum charge of \$35 – in many cases more than the value of the entitlement itself.

By involving ShareGift, employees were given an option to donate their small entitlements to charity rather than receiving an entitlement which in some cases had no realisable value. In total 2,119 participants, around 10% of those in the plan, donated their entitlements with an average value of just £3.50.

ShareGift was able to pool these entitlements and sold the holding for around £7,500. In this instance ShareGift opted to donate a total of £10,000 to support Breast Cancer Care and Breast Cancer Campaign, two charities the company was actively fundraising for at that time. The uplift in this donation reflected not just the fact that these popular charities receive support from many of our donors, but also recognised the innovative way in which the company had chosen to include ShareGift.

2,119



In total 2,119 participants, around 10% of those in the plan, donated their entitlements with an average value of just £3.50.

£7,500



ShareGift was able to pool these entitlements and sold the holding for around £7,500.

Problem-solving in share plans

Erroneous share transfer

A share entitlement can sometimes be created and shares transferred to someone in error.

What can you do with the shares if they can't be transferred back to the company or into an Employee Benefit Trust (either because the terms do not allow it or because you don't have one)? Or if the costs to put such a transfer into effect are prohibitive?

ShareGift can receive such transfers and has done so several times in the past.

Examples of how a share entitlement can arise in error:

⚠ A leaver is processed late and so receives shares when an awards vest that they shouldn't. The shares received in error could be all the shares that vested (if they are a bad leaver) or a proportion of them (if they are a good leaver and the share plan rules allow them to receive a pro rata entitlement).

⚠ A leaver's pro rata entitlement is calculated incorrectly, resulting in them receiving too many shares when the award vests.

⚠ An error in the original number of shares granted is identified after the shares have vested and been transferred. This could be because the wrong value or exchange rate was used to calculate the number of shares to be awarded.

⚠ Clawback is operated in relation to a person's share award.

⚠ An entitlement created as part of a remuneration package for a new starter cannot be allocated because they do not join the company as anticipated.



ShareGift can receive such transfers and has done so several times in the past.



Problem-solving in share plans

Disproportionate cash transfer costs

Share plan participants can end up with small cash balances left after all their shares have been sold or transferred away from the share plan provider.

Examples of how small cash balances can arise include:

- Where participants in a discretionary share plan sell enough shares to cover their tax and social security liabilities ("sell to cover") and retain the balance of their shares. The difference between the net proceeds of their sell to cover transaction and their tax/social security liabilities might lead to a small residual cash balance arising.
- Where the savings of participants in a ShareSave are used to buy a number of whole shares and there is a small cash balance remaining that is not enough to cover the cost of a whole share.
- Where selling shares can result in entitlement to a fraction of a penny to avoid rounding errors.

- Where a plan is transferring from a share plan provider who operates a nominee structure to a new share plan provider who operates individual accounts and so cannot accept cash as well as shares. Large cash sums will likely be returned to share plan participants but the cost to return smaller cash balances might be prohibitive.

It is possible to include terms in the share plan rules allowing:

- Any residue to be paid to charity by default
- The option to be offered to each share plan participant to receive the cash or donate it to charity



ShareGift can receive both donations of a small cash balance and a larger donation of aggregated cash balances.

Case Study

In a recent example:

£3,227.07

1,478 residues arising from a discretionary share plan of between £0.03 and £4.19 were donated, with £3,227.07 received by ShareGift in total.



Example ShareSave wording for opting in/out of donating residues to charity

Action A. Exercise of Option

I wish to exercise my Option to buy Shares

I authorise [share plan administrator] to close my ShareSave account with the bank and transfer the proceeds to the Company or their duly appointed agent.

I would like to buy:

☐

1a all the Shares under Option – please donate to the charity ShareGift any residue monies left in my account that cannot be used to buy Shares.

☐

1b all the Shares under Option – please retain any cash balance within my ShareSave account.

Example share dealing wording for default donation of residues to charity

Where the transaction results in you being entitled to a fraction of a penny, you consent to us releasing any such amount to a registered charity of our choice, for or on your behalf. Accordingly, you agree that we will not remit that amount to you, nor hold it as client money for you, and you shall not have a proprietary claim over such amount.

Problem-solving in share plans

Unclaimed assets – shares

Contact with beneficial owners can easily be lost, particularly if the shareholding is of a low value where the cost to sell or transfer the shares might be more than the shares are worth. Reconciliation and administration still have to be undertaken though, with the associated costs.

Where the beneficial owner is known but has not claimed their shares, the shares can be donated to charity under the FCA CASS rules, specifically **6.2.10 R**, providing the following criteria are met:

- It's allowable under the terms on which the shares are held
- The shares have been held for at least 12 years
- No instructions have been received from the client for at least 12 years
- You can demonstrate that reasonable steps have been taken to trace the beneficial owner
- You undertake to pay the beneficial owner if they come forward to request their entitlement in due course

Please refer to the CASS rules for full details of the requirements, including the tracing requirements under **6.2.11 E**.

As ShareGift can accept donations of cash and/or shares, unclaimed shares can be donated either by:

- Liquidating them and donating the cash
- Transferring them in specie

While you must undertake to pay the beneficial owner if they come forward to claim their entitlement, such reclaim rates are typically very low, especially for de minimis value entitlements. Firms typically conservatively provision for 5% of claimants to come forward following the donation of such unclaimed entitlements.

You may wish to consider excluding any large entitlements from such an exercise to avoid the potential liability of those beneficial owners subsequently coming forward.



While you must undertake to pay the beneficial owner if they come forward to claim their entitlement, such reclaim rates are typically very low, especially for de minimis value entitlements.

What share plan assets are covered by the CASS rules?

Assets covered by the CASS rules include any that involve safeguarding assets. Typically, in relation to share plans this would include SIP/ESPP arrangements where shares are purchased and held for the participant as well as vested shares held in a vested share account/nominee. We'd be happy to discuss whether assets you have identified might be covered by the CASS rules.

Problem-solving in share plans

Unclaimed assets – cash

As already noted, contact with beneficial owners can easily be lost, particularly if the only remaining entitlement is to a small amount of cash.

Unclaimed cash balances held within share plans can prevent the closure of accounts. And, again, reconciliation and administration still have to be undertaken, with the associated costs.

Where the beneficial owner is known but has not claimed cash with a value of less than £25, the cash can be donated to charity under the FCA CASS rules, specifically **7.11.56 G** and **7.11.57 R** providing the following criteria are met:

- The cash balance has been held for over 6 years since the last movement
- You undertake at least one attempt to contact the beneficial owner using the most up-to-date details you have for them on record
- Records of the donation are retained



As ShareGift can accept donations of cash and/or shares, unclaimed cash can be donated.

You may wish to consider excluding any large entitlements from such an exercise to avoid the potential liability of those beneficial owners subsequently coming forward.

Example terms and conditions from a share plan provider regarding the donation of unclaimed cash to charity

If your client money held by [share plan provider] is £25 or less (or equivalent) and there has been no movement in your balance for at least six years (disregarding any payments, charges or similar items), we may cease to treat your money as client money and remove it from the client money bank account(s). Before doing this, we will write to you at your last known email or postal address giving you at least 28 calendar days' notice of our intention to cease to treat the money we hold for you as client money and remove it from the client money bank account. If no claim is made by you by the end of the notice period, we will pay this money to a registered charity of our choice but still retain a record of the balance we were holding for you. If you later claim this balance, you will not be entitled to any interest which would have otherwise accrued on this money during the period over which it was unclaimed by you.

Problem-solving in share plans

Unallocated assets

Distinct from unclaimed assets, where the beneficial owner is known but has not claimed their entitlement, share plan providers may also hold unallocated shares and/or cash.

Unallocated assets can often arise from historic corporate activity such as mergers and acquisitions. Here, assets have been transferred to a share plan provider but they have no way of knowing or learning who the underlying beneficial owner is.

There is no direct CASS guidance on gifting unallocated assets to charity, however firms can apply for an FCA waiver to do so.

As part of the waiver application, the FCA would assess the efforts to identify the owners and the circumstances under which the unallocated assets were acquired.

While a 12-year dormancy period might be considered, it's not a strict requirement for FCA consideration. The FCA's criteria are likely to focus on the due diligence undertaken and the reasonableness of the assertion that it is not possible to identify the beneficial owners. The FCA is aware of how easily and frequently such occasions arise.

ShareGift has received such unallocated shares and cash on a number of occasions.

Should you require any further information on this process, please do get in touch.



There is no direct CASS guidance on gifting unallocated assets to charity, however firms can apply for an FCA waiver to do so.



How ShareGift supports charities

How we identify recipients of our grants

While companies will do a great deal to support their own chosen charitable causes, there are times when the logical choice is to include ShareGift. The charitable grants we make are driven by:

- The charitable interests of **those that help us create our funds:**

- Our largest source for charitable suggestions is **individual shareholders** – around half of the shareholders who donate directly to ShareGift suggest a charity. There is no reason why the charitable interests of that shareholder, often an existing shareholder, will necessarily coincide with those of the company. Individuals often have strong personal connections with specific charities and naturally wish to have those interests recognised.
 - We also include the charitable interests of the **companies and professionals we work with**. We routinely make grants to charities connected to these organisations. We also give to charities identified through our own independent research.
- Our own **independent research**

We perform due diligence on all the charities that are identified as being potential recipients of a ShareGift donation, no matter how they were originally discovered. Our due diligence covers three key areas: financial, governance and reputational risk.

Including ShareGift enables a company's share plan participants to engage with their own charitable interests as we can work with companies to gather charitable suggestions from their share plan participants. This in turn makes ShareGift a very effective part of the share plan administration toolkit.



If you are working with ShareGift, please do let us know of any charities you would like us to consider for future distributions.



How ShareGift supports charities

Our guiding principles for grant-making



Informed by our own research

From time-to-time we will use our own in-house expertise to research charities or areas of charitable need where are particularly underfunded.



Subject to due diligence and grant making policy

We research all the charities we support to ensure they meet our due diligence criteria before committing to support them.



Never application driven

Applying for grants takes up a huge amount of time and resources within the charity sector. We never solicit or accept application for funding from charities.



Unrestricted funding

We trust charities to apply funds received in whatever area it is most needed, including their core costs. Unrestricted funding is the hardest funding to secure in the charity sector.



Proportionate to charity's income

Making very large one-off grants to small charities can cause long-term systemic issues. We only make grants which are proportionate to a charity's income.



Reactive to donor and corporate partner suggestion

Our grants are primarily informed by the suggestions of donors and corporate partners. In this way we represent the broad charitable interests of shareholders and the firms with which we work.



Cause neutral

ShareGift can give to any kind of charitable work and supports charities large and small.



No impact reports

Requiring charities to report in-depth on how grants have been applied is a huge strain on resources in the sector.

How ShareGift supports charities

Who we support

ShareGift has a broad and inclusive charitable reach, guided by donor suggestions, corporate partner suggestions and independent research.

£10.3m

In 2024-25 we gave £10.3 million in unrestricted funding and supported 615 different charities. We are also giving to new charities all the time and have supported more than 4,000 charities to date.



We are giving to new charities every month. If you work with ShareGift and would like to suggest a charity or charities to us to benefit, please do get in touch.

Some of the highlights of our charitable giving include:

£1m+

each donated to Alzheimer's Society, British Heart Foundation, Cancer Research UK, The King's Trust, The National Trust, and Alzheimer's Society.

£9m+

donated to overseas aid charities.

£4m+

donated to cancer charities.

£12m+

donated to other health charities, including over £2 million to mental health charities.

£10m+

to charities focussing on social welfare, including over £1.7 million to homelessness charities and over £1.3 million to armed forces charities.

£5.7m+

in donations to children's charities.

Cross-sector funding covering every area of charitable work.

200+

individual hospices in the UK supported.

Grants being made to every **Air Ambulance charity in the UK.**

100s

of small grass roots initiatives supported both directly and via Community Foundations.

Figures correct as of September 2025. For up-to-date figures please see www.sharegift.org

Get in touch



David McIntosh

Chief Executive

If you have any queries about including ShareGift in your equity plans feel free to reach out to David directly.

→ david.mcIntosh@sharegift.org

ShareGift equity plans advisory panel

ShareGift's work within equity plans is supported by our advisory panel. Free free to reach out to them directly if you have any technical questions about the application of ShareGift within your equity plan.



Helen Baker



Zoe Denny-Thomas



Shelley Goff



David Kilmartin



Pat Sims

Find out more

If you would like to find out more about ShareGift please check out our [**grantmaking policy**](#), [**LinkedIn**](#) and [**website**](#).

For more information about donating shares please check out our [**Large Donor Notes**](#) and [**HMRC**](#).

