

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 broker commission required to sell them, these shares are instead transferred to ShareGift, aggregated and sold to benefit 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, over £60 million has been donated to over 4,000 charities.¹

ShareGift is now the industry standard mechanism used by companies, directly or through their registrars, and by brokers, custodians and nominees, to deal effectively with all manner of small shareholdings, fractional entitlements and residual cash balances.

Information about ShareGift is routinely included in standard shareholder mailings (annual reports, corporate nominee annual statements, etc.) as companies recognise the potential to significantly reduce their future administrative costs. As these are existing mailings, there is no additional cost to the company. Company dealing services, where existing shareholders are offered an option to dispose of small shareholdings, typically include an option to donate the proceeds

of sales to ShareGift. ShareGift often features as the recipient of residual dividend entitlements and unclaimed cash amounts from Dividend Reinvestment Programmes. Similar applications also exist within employee share plans, particularly to clear the small cash or share balances arising in SAYEs and SIPs after the plan has been closed.

Companies and their advisers are increasingly finding useful applications within 'live' transactions. There is a clear benefit in including ShareGift in corporate actions, especially where this can pre-empt the creation of odd lot shareholdings or small cash entitlements.

Examples include:

- As an option for shareholders to donate small amounts of cash following share consolidations
- As the recipient of the proceeds from the aggregated fractions of shares in major acquisitions. Here, the principal benefit is that the donation option removes the necessity for the costly generation and posting of hundreds of thousands of small cheques

- As the recipient of a proportion of funds arising from share forfeiture to represent the varied charitable interests of shareholders, past and present, via ShareGift's distribution model.
- As an option for shareholders in asset reunification exercises to address pre-dormancy
- As transferee of last resort when registers for companies in administration are closed to all other transfers. Administrative costs are substantially reduced following the many share donations which take place before the final payment is made to shareholders.

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.

£60m+ 

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