

# Shareholders determine new corporate giving direction

What right does a company have to spend profits on donations? Being a "Good Corporate Citizen" may be a popular buzz phrase, but just who is deciding which charities are going to benefit?

In response to this dilemma, five of Australia's oldest children's hospital charities have joined forces as Children's Hospitals Australia to develop the nation's first Dividend Donation Scheme to put the donating decision back in the hands of the shareholders.

The Investing In Hope Program enables shareholders to support Children's Hospitals Australia by simply ticking a box instructing the share registry to donate all or part of their biannual dividend payments.

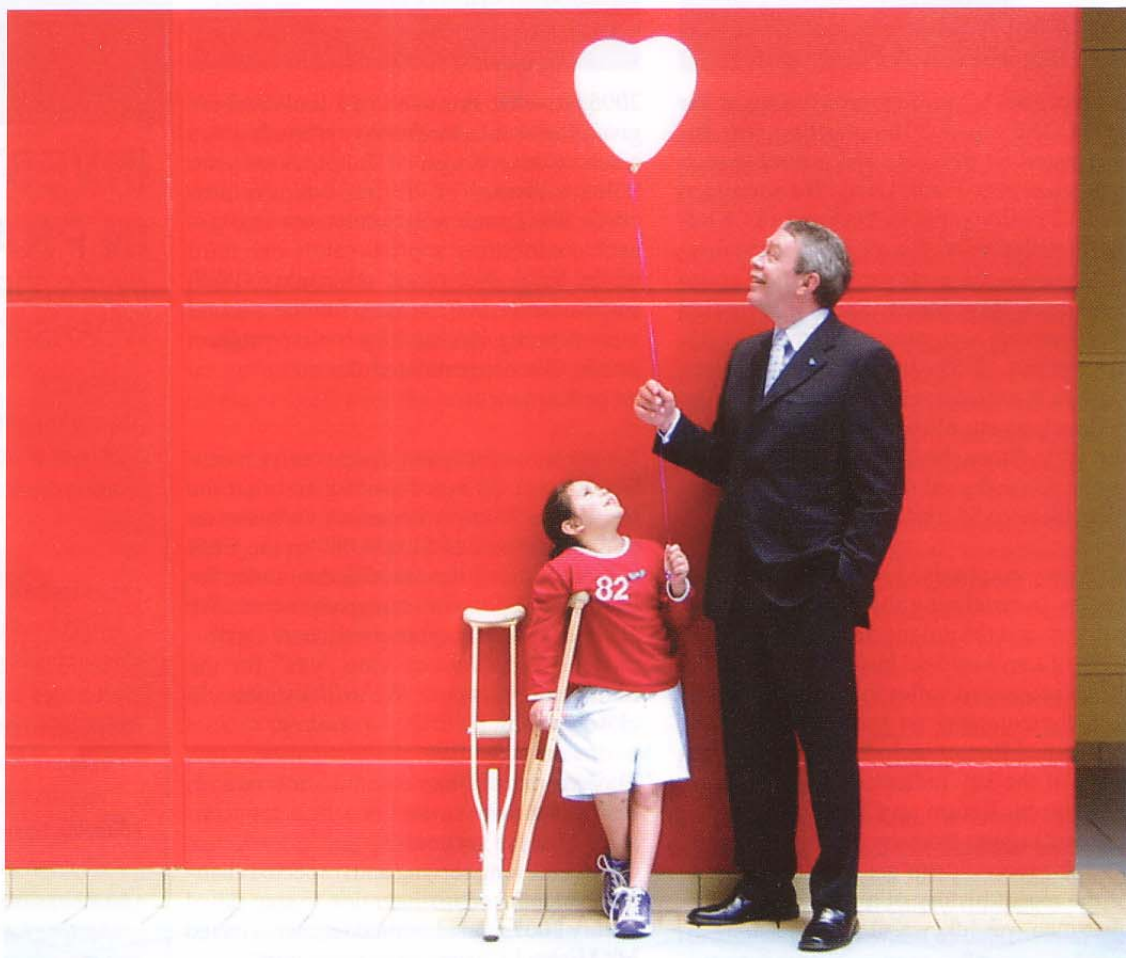
Investing in Hope Ambassador and investment expert Noel Whittaker said the scheme also allowed shareholders to take advantage of imputation credits and tax deductions for each donation.

"One of the most rewarding investments any Australian could make is in our children's health. If we can do this simply and tax-effectively, we can empower everyday shareholders to help cure and care for children facing lifelong battles with disease or even death. I strongly urge all publicly listed companies to sign up and give their shareholders the choice to donate."

"Bank of Queensland shareholders trialled the program last year. They have already donated three rounds of dividends with individual donations from \$4 to \$2,400, while benefiting from imputation credits and tax deductions," he said.

"As the pilot company for Investing in Hope, Bank of Queensland has helped pave the way for other listed companies to seamlessly incorporate this life-saving program into their business."

The inspiration for Investing In Hope came from a report in 2004 that AMP alone had 805,000 dividend cheques worth \$50 million that had remained uncashed since 1998.



Bank of Queensland's Managing Director David Liddy Investing in Hope for Children's Hospitals Australia

Children's Hospitals Australia would prefer to see that money channelled into medical research programs that aim to find breakthrough treatments and cures rather than sitting as uncashed cheques.

Australian Shareholders' Association CEO Stuart Wilson said Investing in Hope was a simple, yet valuable solution that would become one of the most cost-effective fundraising methods.

"Uncashed dividend cheques contribute to companies' huge administrative costs," he said.

"If we could get just 0.1% of shareholders of the top 200 companies participating then we would raise more than \$100 million annually, at virtually no cost to any party thanks to the fully automated nature of the concept. The decision to donate will always remain in the hands of the individual shareholder."

Children's Hospitals Australia is a partnership of five foundations across the country dedicated to the support of Australia's

leading paediatric hospitals. Members are:

- Royal Children's Hospital Foundation Queensland
- Sydney Children's Hospital Foundation New South Wales
- Royal Children's Hospital Foundation Victoria
- Women & Children's Hospital Foundation South Australia
- Princess Margaret Hospital Foundation Western Australia

Donations will go directly towards paediatric research to improve treatment methods and discover cures for many serious and life-threatening diseases.

Projects range from complex laboratory investigations to studies at the bedside in areas that include burns, cancer, respiratory, viruses, child advocacy and protection, growth and nutrition and pain free treatment.

If you would like to see your company involved in this initiative, write to the Company Secretary and let them know. ●