

Pass-Through Voting Enabling Democratization of Investing New Broadridge Report Shows

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Giving investors a voice can be a key differentiator for asset management firms worldwide

NEW YORK, May 11, 2023 /PRNewswire/ -- The rise in demand for pass-through voting from investors, combined with support from regulators, is fostering the democratization of investing in a major way, according to a new report by global fintech leader, **Broadridge Financial Solutions**, Inc. (NYSE:BR).

"Pass-through voting gives a voice to investment fund holders," said Demi Derem, General Manager, International Investor Communication Solutions at Broadridge. "Institutional Investors are increasingly active in expressing their views on ESG-related agenda items, among other things, which they consider to be important. Firms that fail to meet this demand can quickly find themselves falling behind their competition."

Pass-through voting is the practice of providing investors a voice in how asset managers vote proxies on the underlying equities in a specific fund. Funds can allow individual and institutional investors to vote in proportion to their holdings relative to the other shareholders. Additionally, funds can poll retail investors to learn their preferences. Through innovative technology, Broadridge is working with the industry to incorporate these capabilities.

Broadridge's latest white paper, "Pass-through Voting: Granting a voice to the investor community in the passive investment space," explains how growth in the investment funds space has increased the industry's interest in leveraging technology to provide pass-through voting and to give a voice to institutional and individual investors who own specific funds, but not directly the underlying stocks. For instance, the growth of passively managed index funds, ETFs and mutual funds, resulted in many investors having no direct ownership interest, or ability to vote the underlying securities in proxy matters. Pass-through voting provides investors this voice.

The white paper was prepared in collaboration with Firebrand Research. For more details on Pass-through Voting, what it is and where this trend might be headed, read **the full white paper here**.

About Broadridge

Broadridge Financial Solutions (NYSE: BR), a global Fintech leader with more than \$5 billion in revenues, provides the critical infrastructure that powers investing, corporate governance and communications to enable better financial lives. We deliver technology-driven solutions that drive business transformation for banks, broker-dealers, asset and wealth managers and public companies.

Broadridge's infrastructure serves as a global communications hub enabling corporate governance by linking thousands of public companies and mutual funds to tens of millions of individual and institutional investors around the world. Our technology and operations platforms underpin the daily trading of more than U.S. \$9 trillion of equities, fixed income and other securities globally. A certified Great Place to Work®, Broadridge is part of the S&P 500® Index, employing over 14,000 associates in 21 countries.

For more information about us and what we can do for you, please visit www.broadridge.com.

Broadridge media contact:

Tatjana Kulkarni

+1 203-285-0766

Tatjana.Kulkarni@broadridge.com

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