

Case study:

# Tumelo powers LGIM's pass-through voting offering

## In September 2023, Legal and General Investment Management (LGIM) announced its pass-through-voting solution, powered by Tumelo.

Pass-through voting allows an investor in a pooled fund to vote the shares of underlying companies in proportion to the AUM they have invested in the fund.

### The opportunity

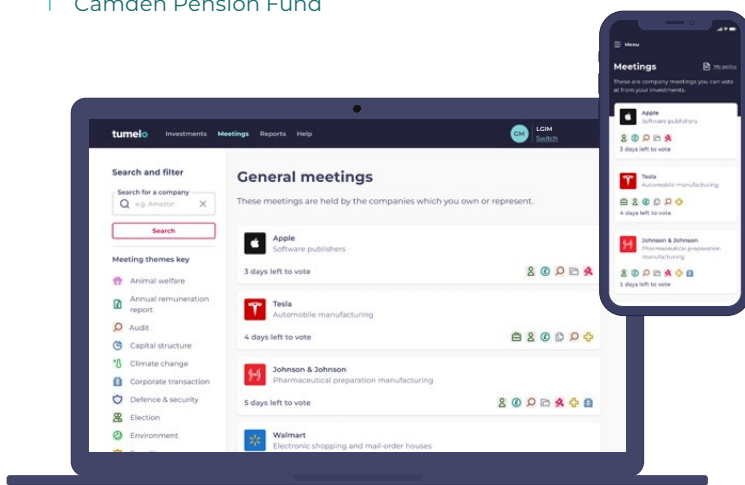
LGIM casts all of its funds' votes in a single direction. While this approach ensures a single, strong voice from LGIM, it can lead to misalignment for clients who also want a consistent voice in the market. Alignment is difficult when clients disagree with LGIM's voting decisions, or have multiple fund managers voting differently.

LGIM needed a scalable, client-directed-voting solution that offered its fund investors the flexibility to either opt for LGIM's voting policy or to vote themselves if and when they choose.

*Since 1996, we have voted equities in segregated mandates with our bespoke vote policy. Yet, for pooled funds we have always been forced to accept the fund managers' policies, which are different to our own. This has led to misalignment of voting across our portfolio and sometimes with our own responsible-investment beliefs.*

#### Rishi Madlani

Chair of Pension Committee  
Camden Pension Fund



Tumelo's pass-through voting product



### The client

Legal & General Investment Management (LGIM) is one of Europe's largest fund managers, managing over £1.2 trillion in assets.

LGIM leverages engagement and voting to progress issues ranging from gender diversity to climate change, and in 2022 was acknowledged by ShareAction as a "proactive" passive manager on shareholder resolutions.

LGIM began working with Tumelo in 2020 to launch [expression of wish](#), which allows the manager to canvass investors' opinions on AGM resolutions to inform voting decisions.

*Investors, both retail and institutional, are becoming increasingly aware of the power they have to make a difference at the companies they invest in.*

**Georgia Stewart**  
CEO of Tumelo

## The pass-through-voting solution

After a thorough due-diligence process, LGIM chose Tumelo's pass-through-voting product, with standout key features including:



### 1. Voting-entitlement calculation

Tumelo calculates the pro-rata vote entitlement of individual clients, reducing resource burden on LGIM.



### 2. Voting flexibility

LGIM's clients can apply their preferred voting policy or default to LGIM's voting decisions. They can vote on everything or override votes on only key issues.



### 3. Voting-policy agnostic

Independent from any proxy advisor, Tumelo's solution offers the broadest range of policies (including bespoke policies).



### 4. Voting audit trail

Tumelo's solution offers a fully auditable vote trail.



### 5. Dual functionality: expression of wish and pass-through voting

Through Tumelo's solution, LGIM can offer either pass-through voting or expression of wish to clients, with vote reporting in line with a client's chosen themes.



### 6. Innovative pricing model

Independent of the traditional proxy infrastructure, Tumelo's affordable model scales per fund, rather than per client, security or ballot.



### 7. User-friendly interface

Tumelo's solution has a user-friendly interface with personalised notifications and filtering by company, industry or resolution theme.

*Tumelo is an extremely agile, collaborative, and results-focused team. They are a pleasure to work with.*

**Stuart Murphy**

Head of Client Platforms, LGIM

## Solution in action

**Camden Pension Fund is the first of LGIM's clients to take up pass-through voting. The investor holds a segregated mandate as well as pooled-fund investments with LGIM.**

While votes in Camden's segregated mandate are cast in line with its bespoke voting policy with PIRC, votes attached to its pooled funds are cast by LGIM.

To ensure votes across all its holdings are aligned, Camden will use Tumelo's solution to extend its PIRC policy to its pooled-fund investments. In practice, this means that PIRC will send Tumelo voting recommendations based on Camden's policy, and Tumelo will submit Camden's vote, as instructed.

This arrangement ensures that Camden's segregated mandate and pooled-fund investments are both voted in the same direction. Additionally, the process runs independently of LGIM's input, posing no disruption to either firm's voting processes.

Any resolutions that go un-voted under the PIRC policy will be returned to LGIM. Camden retains the ability to override any voting-policy recommendations.

*This is an exciting development for Camden and we will continue to work closely with all of our clients to ensure we try to best reflect their views when it comes to important issues, whatever their preferred approach to voting.*

**Michael Marks**  
Head of Investment Stewardship, LGIM

*We are proud to be among the first to use pass-through voting on pooled funds. We can now ensure Camden has one strong voice in the market on the most important issues for the scheme and its members.*

**Rishi Madlani**  
Chair of Pension Committee  
Camden Pension Fund

## What's next for LGIM

By implementing Tumelo's pass-through-voting solution, clients can now achieve a stronger voice without compromising LGIM's fiduciary duty. At the point of launch, it will be implemented on circa 100 funds.

Going forward, LGIM expects to offer greater voting flexibility to clients who want to play a more active role in stewardship. As the first major UK-based manager to offer pass-through voting, it joins the likes of BlackRock, Vanguard and State Street in supporting greater empowerment of their clients.

## About Tumelo:

**Tumelo builds technology to make stewardship more impactful.** Our products enable pass-through voting and expression of wish for fund managers, institutions, and retail investors. Our customers win through cost savings, simple integrations, and access to third-party voting policies. Read more about our journey in [Forbes](#).

## To learn more about Tumelo's solution, contact:



### Charlie Barlow

Global Head of Sales, Tumelo  
[charlie.barlow@tumelo.com](mailto:charlie.barlow@tumelo.com)

Alternatively, let us know by heading to our Contact Us page:  
<https://www.tumelo.com/contact>

### Tumelo

[www.tumelo.com](http://www.tumelo.com)

### LinkedIn:

<https://www.linkedin.com/company/tumelo>