

Proxy Impact Offers New Advisory Services

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Long-time shareowner advocate Michael Passoff launched [Proxy Impact](#), a proxy advisory firm that seeks to align investment with mission for sustainable investors.

Proxy advisory services have come under increased scrutiny for several years, due to potential conflicts of interest. A [policy briefing \(pdf\)](#) published last March by the [Millstein Center for Corporate Governance and Performance](#) noted, “The proxy voting system in the US and other markets is chronically subject to criticism that it is short on integrity,” and recommended “a general ban on a vote advisor performing consulting work for any company on which it provides voting recommendations or ratings.”

A prime example of such a potential conflict is RiskMetrics Group, whose ISS segment issues proxy and vote recommendations, and voted 7.6 million ballots representing over 1.3 trillion shares in 2009. At the same time, RiskMetrics derives revenue from governance services it provides to corporations that contract with the firm for advice on how to improve their environmental, social, and corporate governance (ESG) rankings. ([New Proxy Advisory Service to Meet the Needs of Foundations and Sustainable Investors](#). SocialFunds.com, 1/26/2011)

[Proxy Impact services](#) include established voting guidelines, proxy voting, reporting; plus a unique new research service linking your proxy voting to your mission. They hope to attract foundations, endowments, mission-based and social investors.

Michael Passoff, CEO, Proxy Impact has over 20 years of experience in corporate social responsibility, shareholder advocacy, philanthropy, and proxy research and education. For more than a decade Michael served as the Sr. Program Director for the [As You Sow Foundation's](#) Corporate Responsibility Program. From 2005 to 2010 Michael authored [As You Sow's](#) annual *Proxy Preview – Helping Foundations Align Investments and Mission* to alert foundations to upcoming shareholder resolutions that are relevant to their missions.

Michael led and participated in more than 100 shareholder dialogues and resolutions and worked closely with shareholder advocates in the pension fund, labor, philanthropic, and faith-based communities. His shareholder advocacy work led him to be named as one of 2009's “100 Most Influential People in Business Ethics.”

The Advisory Board of Proxy Impact includes Eric Kessler, Principal and Founder, Arabella Philanthropic Investment Advisors, Leslie Lowe, Board Member, Social Investment Forum and David Seward, Chief Financial Officer, UC Hastings College of the Law.