

February 12, 2025

The Honorable Mark T. Uyeda
Acting Chair, U.S. Securities and Exchange Commission
100 F Street, N.E., Washington, D.C. 20549

Submitted via email

Dear Chair Uyeda:

On behalf of HR Policy Association's Center On Executive Compensation ("Center"), I want to personally congratulate you on your new role at the Commission. As you begin to shape your agenda, I'd like to take this opportunity to highlight a few key regulatory topics within the SEC's jurisdiction that are of particular importance to our members. These areas present opportunities for meaningful action in the near term—offering significant benefits without imposing substantial costs or requiring formal rulemaking.

The Center's advocacy positions reflect the views and experiences of the top human resources and executive compensation professionals at over 160 large companies across a range of industries, who regularly interact with proxy voting advice businesses. As such, we share your commitment to ensuring transparency and accountability in our financial markets. The Center has a longstanding history of collaboration with the Commission, serving as a resource on key issues, and I hope to continue this partnership. I have greatly valued working with your staff over the years and look forward to our continued engagement.

The Center would like to emphasize the following areas of particular importance to our member companies:

- **Proxy Advisory Firms:** Proxy advisory firms play a key role in helping institutional investors evaluate proposals, vote proxies, and meet fiduciary obligations in a cost-effective manner. However, these firms exert significant influence over executive compensation, corporate governance, and stakeholder management, yet they lack sufficient accountability for the accuracy of their reports and often provide limited opportunities for companies to offer input. We encourage the SEC to finalize a balanced set of reforms that enhance transparency and accuracy in the proxy advisory process.
- **Disclosure of Executive Security Arrangements:** We would like the SEC to consider (in the short term) broadening the interpretation of "integrally and directly related" to an executive's job duties to include reasonable and necessary security arrangements regardless of where provided, since such arrangements should not be viewed as provided solely for personal benefit or business convenience. In addition to this, we would appreciate the SEC revisiting the discussion and characterization of executive security arrangements as perquisites in its 2006 release and adopting rules eliminating the treatment of executive security as ever being a perquisite.

Thank you for considering the Center's perspectives. We would welcome the opportunity to arrange a meeting with you and your team to further discuss these key issues and their impact on our members.

Sincerely,

A handwritten signature in black ink that reads "Ani Huang". The signature is written in a cursive, flowing style.

Ani Huang
President and CEO
Center On Executive Compensation