March 4, 2022

Vanessa A. Countryman, Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Dear Ms. Countryman:

RE: Pay versus Performance, File Number S7-07-15

We appreciate the opportunity to provide input to the rule proposal, Pay versus Performance, which aims to require registrants to disclose the relationship between executive compensation actually paid and the financial performance of the registrant.

XBRL US is a nonprofit standards organization, with a mission to improve the efficiency and quality of reporting in the U.S. by promoting the adoption of business reporting standards. XBRL US is a jurisdiction of XBRL International, the nonprofit consortium responsible for developing and maintaining the technical XBRL specification. XBRL US is a membership organization, and our members include filing agents, accounting firms, public companies, universities, software, data, and service providers, as well as other nonprofits and standards organizations. XBRL is a free and open data standard widely used in the United States, and around the world, for reporting by public and private companies, as well as government agencies.

We support the Commission proposal to require registrants to render these disclosures in XBRL format. We agree with the benefits described in the proposal, that XBRL tagging would lower the cost to investors of collecting this information, permit data to be analyzed more quickly by investors and other end-users, and enable comparisons among public companies. In addition, requiring the data to be tagged would facilitate analysis of company performance compared to executive compensation over time.

## Responses to proposal questions

*SEC question: We are considering requiring registrants to also tag specific data points (such as quantitative amounts) within the footnote disclosures that would be block-text tagged. In addition, we are considering requiring registrants to use Inline XBRL rather than XBRL to tag their pay versus performance disclosure. Would additional detail tagging of some or all of those specific data points within the footnote disclosures be valuable to investors?*

Detailed tagging of individual facts within a disclosure combined with block-text tagging of the entire disclosure is a practice commonly followed by issuers today. Data consumers are accustomed to obtaining data structured this way. Given the importance of proxy data to investors, researchers, and others, rendering it machine-readable would increase its value. We believe that any information that is required to be disclosed, should be machine-readable therefore we support the tagging of specific data points within the tagged footnote disclosures.

*SEC question: What would be the incremental costs of such a requirement?*

If a reporting entity is rendering certain information within a document in XBRL format, the incremental cost to format additional facts within the same document (such as the specific data points referenced), is expected to be minimal.

*SEC question: Should we require registrants to use Inline XBRL rather than XBRL to tag the proposed new pay versus performance disclosures?*

Given that corporate registrants are reporting in Inline XBRL today, we support Inline XBRL tagging for the proxy. While the individual preparing the proxy is likely to be different than the SEC reporting manager preparing the 10-K, preparers will be able to share XBRL tagging applications and experience to assist their colleagues to move up the learning curve more quickly. In addition, inline XBRL generates a document that is both human- and machine-readable which could be helpful for issuers who wish to use their proxy statement for other purposes besides SEC submission to EDGAR, e.g., posting on their website.

*SEC question:  Is there an alternative machine-readable language to Inline XBRL that we should consider?*

We support using the XBRL standard to report pay versus performance data. XBRL is a structured data format created specifically for financial and other types of business data. Its design accommodates the idiosyncrasies of financial data such as currency (units), time period, reporting entity, level of precision, labels, and definitions. Users of corporate financial data, which today is prepared in XBRL format, will very likely wish to commingle proxy data such as executive compensation data, along with financial performance data.

While the SEC proposal requires certain performance data such as total shareholder return to be included in the Pay vs. Performance table, many investors and analysts may be interested in comparing additional financial metrics which they can find in XBRL format within the company financial statements. Rendering data from both the proxy and financial statements in the same format, allows that data to reside in the same database, and to be extracted, queried, and analyzed together. This will enable comparisons, correlations, trend analysis, and many of the kinds of analyses envisioned by the Commission with this proposal.

An alternative would be to build a custom XML schema to accommodate proxy data. While this would also produce machine-readable data, the data generated could not be easily shared or

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inventoried along with other data reported by corporate registrants, and it would require the creation of new reporting, querying, collection, and analytical tools. This would increase the cost to issuers, to the Commission, and to data users.

*SEC question: Should we enable more flexibility by accommodating other machine readable languages?*

Allowing entities to report using any "machine-readable language" would result in registrants producing inconsistent data that could require data users to extract on a company-by-company basis. This could be more costly than simply providing the data in text format, because data users would need to develop separate data collection processes for every different language used by the 6,000 registrants.

*SEC question: If we were to require Inline XBRL detailed tagging of the disclosures, should we exempt smaller reporting companies from that requirement? Would the costs be different for smaller reporting companies to comply with such a requirement as compared to other registrants? Should we, as was proposed with respect to the original XBRL tagging requirement, provide a phase-in for smaller reporting companies for any Inline XBRL requirement that includes additional detail tagging?*

While every filer, regardless of size, is now accustomed to Inline XBRL tagging and has a process in place, small filers may be disadvantaged given that they may have smaller staff. In addition, the Commission should consider the fact that, as noted earlier, staff involved in preparing the proxy statement will likely be different than those individuals preparing the 10-K or 10-Q. The proxy may be managed by the corporate secretary, investor relations and/or legal, because of the nature of the document. Thus, there will be a learning curve to climb, although they can gain knowledge from their colleagues in the SEC reporting area.

## Other Considerations

The rule proposal makes no mention of the Schedule 14A cover page. We believe this should also be tagged and could leverage the DEI elements used today by corporate filers.
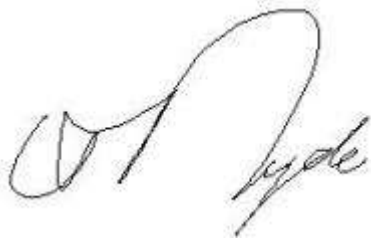
The Commission should also take note that the proxy statement may be prepared using a different filing platform (application) than that used for periodic filings. Proxy statements can be highly styled and may need to go through a design process. Time should be made available to ensure that vendors supporting different preparation applications can adapt on time to meet compliance dates.

As noted earlier, the proxy is likely to be prepared by different individuals within the reporting entity such as the corporate secretary, investor relations professional and legal staff. The SEC should ensure that sufficient training and educational resources are made available to assist preparers.

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Particularly in light of the "newness" of this program (different reporting document, potentially different applications used, different preparers within public companies), we urge the Commission to ensure that clear and useful guidance be made available to vendors and issuers, including technical guidance and taxonomy drafts, as well as examples of inline XBRL documents. These materials can be critical to ensure the success of this program.

Thank you again for the opportunity to provide input to this important proposal. Please let me know if you have any questions or would like to discuss further. I can be reached at (917) 582 - 6159 or campbell.pryde@xbrl.us.

Respectfully,

Campbell Pryde,
President and CEO

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