



Empowering Directors. Transforming Boards.



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Chairman Atkins,

As the nation's leading organization for director education and certification, the National Association of Corporate Directors (NACD) is pleased to share insights and perspectives of our members relating to SEC reporting and disclosure requirements.

In early March 2026, the NACD fielded a short survey to explore our members' perspectives on current SEC reporting and disclosure requirements with a focus on the areas most likely to receive board attention, such as committee reports in the proxy or the MD&A in the 10-K. In addition, the survey asked on the perceived value of requirements for reporting companies and investors, and perspectives on the shareholder-proposal process. There were 189 responses to the anonymous 11-question survey with 83% of responses from independent directors and the balance of responses from non-independent directors, general counsel/ corporate secretary, or other corporate executive roles.

Overall, the survey responses showed that most directors:

- Advise and/or review key disclosures in the proxy and 10-K
- Want greater simplicity and clarity in disclosure requirements
- Support reforms to the proxy resolution process

The aggregate data indicate the sentiment of public company directors and can be applied by the SEC in consideration of its agenda and priorities. We are pleased to share these perspectives as part of NACD's ongoing support of the SEC's threefold mission of protecting investors; maintaining fair, orderly, and efficient markets; and facilitating capital formation.

Responses are summarized below with selected illustrative open text comments. Data tables are provided in the appendix.



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Survey Findings

Director Time Engagement with SEC Filings is Increasing

Approximately 60 percent of responding directors have been involved in reviewing components of their organization's proxy statement and 10K MD&A report and just over a quarter have advised on these reports over the past two years.

Around one-third of respondents noted that they currently apply the same amount of time to review these documents as compared to four years ago. However, two-thirds of respondents (66%) apply "slightly more" or "significantly more" time reviewing the proxy statement and just over half (54%) apply "slightly more" or "significantly more" time reviewing the 10K MD&A.

Reducing Regulatory Complexity is Rated as SEC Priority Area

Seventy percent of respondents rated a reduction in regulatory complexity as the most helpful SEC focus area for reporting companies. This was closely followed by reduction in quantity of disclosure obligations (63%) and improved clarity in disclosure obligations (62%). Respondents were invited to comment and the following are illustrative responses:

- *"Focus on "principles-based" disclosure rather than detailed prescriptive requirements. The objective should be to communicate and inform, not simply meet technical requirements or protect the company from litigation or SEC action."*
- *"There is too much redundancy in requirements and resulting repetition of information."*

Disclosures Viewed as Mix of Boilerplate and Useful Data

In terms of the value of these disclosures, most (62%) respondents viewed them as a mixture of "boilerplate" and "useful data." But one in five respondents (21%) views the data as solely boilerplate to fulfill regulatory requirements and 16 percent rate the reports as highly useful to shareholders and directors.

Respondents' Perspectives on the Cost-Benefit Analysis of Disclosures

Respondents overwhelmingly agreed that the SEC could review certain disclosures with a high cost/benefit ratio (80%), or that provide limited use to investors (85%).

In open text responses to these questions respondents identified specific items for potential elimination and suggestions for enhancing investor utility:

- *"CD&A disclosures are way too lengthy"*
- *"The required compensation disclosures are overly complex in many areas and do not contribute meaningful information."*
- *"Risk factor disclosures have become so boiler-plated and do not distinguish between meaningful risks vs highly unlikely events."*



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- *“Reduce “risk factor proliferation” by creating a safe harbor for widely publicized or macroeconomic risks that affect all companies, and focus only on company-specific risks.”*
- *“All non-financial ESG related disclosures should be eliminated.”*

Perspectives on Shareholder Proposal and Voting Processes

Just over fifty percent (55%) of respondents noted a preference for more limitations on the type of proposals that must be included in proxies and 47% noted a preference for more limitations on the type of shareholders who can propose resolutions. Interestingly, a combined third of respondents had “no opinion” or thought the current 14a-8 system is effective as is.

Along with this, nearly half of respondents (47%) perceive advisory shareholder proposals as “slightly helpful” in terms of informing company directors and officers of shareholder views, with an additional 25 percent approving at higher levels. But more than a quarter of respondents (28%) viewed them as “not helpful at all.”

Respondent perspectives were split on proxy advisors’ influence on shareholder voting, with a combined 44% sharing the view advisors have “a great deal” (16%) or a “lot of influence” (28), and another 44% taking the view that they have a moderate amount of influence. Open text comments on this question present the view that proxy advisor influence may be greater for smaller or individual investors as compared well-resourced institutional investors. The comments also suggested that the influence of proxy advisors may be declining overall.

Recommendation for Reforms in Director and Officers’ Liability around the Proxy Statement

Forty percent of respondents noted the need for reforms around director and officers’ liability for deceptive or inadequate disclosures in a proxy statement. Respondents had equally ranked responses regarding reforms to liability for errors in registration statements or prospectuses or no action required.

Conclusion

Overall, the survey shows that most respondents are personally involved in corporate disclosures as advisors and/or reviewers, and have strong views on disclosure requirements. Generally speaking, respondents find value in the disclosures required by the SEC and in the rules for shareholder engagement, but their responses also indicated room for reform on both fronts.

The NACD is pleased to share this data as part of our organization’s commitment to providing insights, resources and education that empower directors to stay on the leading edge of corporate governance. We look forward to discussing the materials with you.

Regards



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Peter Gleason

CEO
National Association of Corporate Directors



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Appendix

Survey Methodology

The 11-question online survey was direct email distributed to NACD members. Selected questions had options for open text responses. The survey captured 189 respondents from March 1-10, 2026.

Respondent Profile

Which of the following best describes your status with respect to the board for which you are taking this survey?

Independent director	83%
General Counsel/ Corporate Secretary	6%
Other Corporate Executive	5%
CEO	4%
Executive director (member of management or board)	2%
Nonvoting attendee	2%
Non-independent, non-executive director	1%
None of the above	2%

Which of the following board and/ committee leadership roles do you fulfill on this board?

(Select all that apply.)

Board/ committee member (non-chair)	41%
Audit committee chair	33%
None of above	14%
Compensation committee chair	14%
Board chair	13%
Nominating /Governance committee chair	12%
Lead/Independent director	8%
Other committee chair	7%

Survey Questions

1. Which of the following sections of the proxy statement or the 10-K have you advised prior to drafting or and/or reviewed after drafting in the past two years? (Select all that apply)

	Advised	Reviewed	Neither
Nominating / Governance Committee Report (Proxy)	25%	55%	19%



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Audit Committee Report (Proxy)	27%	58%	15%
Compensation Committee Report (Proxy)	26%	64%	10%
Compensation Discussion and Analysis (Proxy)	29%	58%	13%
MD&A (10-K)	28%	63%	9%

2. How has the amount time you apply to review each of the following documents changed relative to four years ago? (Select one)

	Proxy statement	10K MD&A
Significantly more time	27%	20%
Slightly more time	39%	34%
About the same amount of time	29%	39%
Slightly less time	4%	6%
Significantly less time	1%	2%

3. How would you describe the information you see in the proxy and 10K MD&A? (Select one)

The information is an even mix of useful data and boilerplate	62%
Most information is boilerplate to fulfill regulatory requirements	21%
Most information is highly relevant to me as a director and to the shareholders I represent	16%

4. What improvements to SEC requirements or processes would be most helpful to reporting companies? (Select top three)

Reduce regulatory complexity	71%
Reduce quantity of disclosure obligations	63%
Improve clarity of disclosure obligations	62%
Reduce regulatory overlaps between federal and state requirements	21%
Clarify enforcement approach	17%
Other	8%

Please comment on your response: _____



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5. Directors and officers of public companies can be sued for disclosure violations. Which officer liabilities for disclosure violations are in need of reform area? (Check all that apply.)

Liability for deceptive or inadequate disclosures in a proxy statement (e.g., Section 14 (a) of the 1934 Securities Exchange Act)	42%
None of the above	39%
Liability for errors in prospectuses (e.g., Section 12 of the 1933 Securities Act)	36%
Liability for errors in registration statements or statements around sale of securities (e.g., Section 11 of the 1933 Securities Act)	35%

6. How much influence do you believe proxy advisors have on shareholding voting?

A great deal	16%
A lot	28%
A moderate amount	44%
A little	10%
None at all	1%

7. Overall, what changes should the SEC make to the shareholder-proposal process and administration outlined in Rule 14a_8? (Select one)

Place more limitations on the type of proposals that must be included in proxies	57%
Place more limitations on the type of shareholders who can propose resolutions	47%
No opinion	17%
The current 14a-8 system is effective as is	12%

8. Are there certain disclosure items the SEC should review because the cost to produce the disclosure outweighs the benefit to investors?

Yes	80%
No	20%

9. Are there specific disclosure items that the SEC could eliminate because the information they provide is not useful to investors?

Yes	85%
No	15%



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10. How helpful are advisory shareholder proposals in terms of informing company directors and officers of shareholder views? (Select one)

Extremely helpful	2%
Very helpful	3%
Moderately helpful	19%
Slightly helpful	47%
Not helpful at all	28%