

Elizabeth M. Murphy
Secretary
U.S. Securities and Exchange Commission
100 F St. NE
Washington, DC 20549-1090

Re: Pay Ratio Disclosure, File No. S7-07-13

October 2013

Dear Ms. Murphy

PIRC support for pay ratio disclosure

I am writing to you in support of the Commission's proposed rule on the disclosure of pay ratios.

Pensions & Investment Research Consultants Ltd (PIRC) has been an independent adviser to pension funds and other institutional investors for over 20 years. PIRC is the largest European proxy research adviser. PIRC's clients have combined assets in excess of £1.5 trillion and include some of the largest pension funds, asset management companies and insurance companies in the UK and overseas. Together, they comprise a diverse group of institutional investors with long-term liabilities and broad fiduciary duties.

We believe the Commission is right to propose this rule and we wish to see it enacted.

There is shareholder demand for this information. We already have two investor clients who factor the relationship between executive and employee pay into their assessment of executive compensation policies. Given that the disclosure of a ratio is not currently a requirement this is a calculation that we undertake for them, based on publicly available disclosures. However, given that investors do want the information, it would clearly be preferable for companies to calculate and disclose the data themselves.

As an organisation that has often advocated greater enfranchisement of shareholders we have encouraged the UK Government to require this disclosure in our own market. Therefore if the Commission does enact the proposed rule we believe this would also strengthen the case for disclosure elsewhere.

PIRC therefore strongly supports the SEC's proposed rule.

Kind regards

A handwritten signature in black ink, appearing to read 'Alan MacDougall', written in a cursive style with a horizontal line underneath.

Alan MacDougall

Managing Director
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