December 2, 2013

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

Dear Ms. Murphy:

We are writing to express our strong support for Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act that requires disclosure of the CEO-to-worker pay ratio. At Christian Brothers Investment Services (CBIS), a 30-year old investment advisory firm with 1000 Catholic institutional clients, we believe that companies are ethically bound to treat workers as partners in the achievement of corporate objectives. To provide for mutual respect and provide opportunities for personal fulfillment, companies must develop ways to share the gains of production fairly. One way for corporate boards and senior management to demonstrate a mutually beneficial relationship with employees is to provide information to employees and to stakeholders, including shareholders, about the firm’s compensation plans at all levels of the company. This can help employees better understand how prosperity is shared at the firm and how employee contribution is valued compared to the highest senior executives.

We are supportive of the SEC’s work asking companies to disclose the ratio between the highest and lowest paid workers. Not only is it in line with our ongoing requests for transparency on environment, human rights and governance issues, but it will help the board, especially the compensation committee, track how the highest and lowest paid at the company are faring.

Since companies are able determine the median in a variety of ways, the Commission’s proposal offers flexibility and allows companies to supplement the data with additional information. While we acknowledge that supplying the information will not be a turnkey process for companies, it is reasonable to expect that they can collate compensation data, even for part-time and overseas employees. In fact, this information should assist them in developing, tracking and aligning pay packages. Asking companies to provide pay ratio data has been a longtime request of shareholders and one that has been under discussion for three years as part of Dodd-Frank. Therefore, astute and progressive companies have had ample time to collect this information while the SEC rules are under consideration.

Comparing compensation of the company’s top executives and its lowest paid workers and the rationale for the gap, as well as percentage changes year to year, can help shareholders better understand if the current system of executive compensation is consistent with values of fairness and proportionality. Because the contribution of
workers is essential to corporate success, both executives and workers should share in that success. There is a need to restore some measure of proportionality to the relative levels of compensation received by each.

Disclosing pay ratio information can enhance credibility and increase confidence in a company’s systems and processes. Providing information annually to the public can help employees, board members, shareholders and other stakeholders while enhancing the company’s public profile with current and future customers, reducing reputational risk, and creating a competitive advantage within the sector.

We appreciate your work on this important issue.

Sincerely,

Julie Tanner
Assistant Director of Socially Responsible Investing