Meridian Signal

Finding the signal in executive compensation data.

July 2026 :: Signal No. 002

Executive Security and Personal Use of Corporate Aircraft Perquisites for S&P 500 CEOs

Executive security and personal use of corporate aircraft have become two of the most visible, and often scrutinized, executive perquisites among large public companies. Boards frequently view both benefits as useful tools to protect their chief executives, safeguard productivity and manage enterprise risk. However, institutional investors and proxy advisors historically scrutinized the magnitude, governance and disclosures related to such arrangements.

Recent events, however, are reshaping the external perspective of these executive perquisites. At the SEC's Executive Compensation Roundtable, representatives from both public companies and institutional investors suggested that executive security should not be viewed as a perquisite.[1] Heightened security concerns have also prompted many companies to expand executive protection programs and, in some cases, mandating the use of private aircraft for personal travel based on independent third-party threat assessments. As a result, executive security and private aircraft use are increasingly intertwined elements of a single executive-protection framework, rather than stand-alone benefits.

To better understand evolving market practice, Meridian reviewed the 2026 proxy statements of S&P 500 companies to evaluate how executive security programs and personal aircraft policies are changing.

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Executive security is evolving from an executive perquisite into an enterprise risk management program. Boards are increasingly designing security and aircraft policies together to protect executives, support business continuity and manage enterprise risk.

[1] See Meridian Client Alert, "SEC Holds Roundtable Discussion on Executive Compensation Disclosure Requirements" dated July 3, 2025. Available at: https://www.meridiancp.com/insights/sec-holds-roundtable-discussion-on-executive-compensation-disclosure-requirements/.

Key Findings

Executive security programs are becoming increasingly common and more closely integrated with corporate aircraft policies, reflecting boards' growing focus on executive risk management.

Executive Security

- **More than half (56%) of S&P 500 companies** disclose an executive security perquisite for the CEO.
- Median value (for those reporting) is **$95,569** and an average of **$571,000** – approximately 6x median, reflecting a small group of highly elevated programs that drive the average upward.
- Of S&P 500 companies providing CEO executive security, **40%** have SCT values **below $50,0000,** while **14%** have SCT values **exceeding $1 million** (see Appendix B for a distribution of the SCT executive security values).
- Among those with security perquisites:
    - **54%** provided **residential security** systems/monitoring,
    - **36%** mandated **corporate aircraft for personal travel** by the CEO, and
    - **36%** provided **a private car/driver** as part of the program.
- Only **17%** of S&P 500 companies include a **formal dollar or hour cap** – cost control remains limited; but where a cap exists, it is most often expressed as an annual dollar limit.

Personal Use of Corporate Aircraft

- **Nearly two-thirds (60%) of S&P 500 companies** allow for personal use of corporate aircraft by their CEO.
    - Most companies use an aircraft-use policy approved by the board or compensation committee
    - Approximately 20% of S&P 500 companies *mandate* personal use of corporate aircraft, and such mandates are increasingly common due to executive security concerns. When provided, the mandatory use of corporate aircraft is typically supported by an independent security assessment, which helps the company deduct related security expenses as business expenses.
- Of those providing this benefit, **78%** reported a value in the SCT, with a **median** value of **$153,223** and an **average** of **$227,523** (see Appendix B for a distribution of the SCT corporate aircraft use values).
- Only **30%** of programs include a **formal dollar ($200,000 at median)** or **hour cap (70 hours at median)**.
- **12%** of S&P 500 companies **require CEO reimbursement** for personal use, which eliminates (or significantly reduces) the value required to be disclosed.
    - Reimbursement features are most often structured to apply only above a usage threshold or for guest/family travel that is not security-related.
    - Requiring reimbursement is increasingly viewed as a sound governance feature, particularly if a company does not rely on a threat assessment to justify personal use of corporate aircraft.

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Mandatory aircraft use is increasingly driven by security concerns rather than convenience. Companies that require CEO use of corporate aircraft are increasingly supporting those policies with independent threat assessments.

Components of CEO Personal Security Programs

Among companies disclosing security benefits, a company will typically provide multiple forms of security protection. The most common are (i) residential security systems and monitoring, (ii) required use of company aircraft for personal travel, and (iii) secure transportation.

Security Component	% of Companies Providing Security[2]	Median SCT Value[3]	Observations
Residential security systems/monitoring	38%	$57,000	Equipment installation, monitoring, maintenance and occasionally periodic upgrades; treated as ordinary business expense by a subset of issuers.
Required corporate aircraft for personal travel	36%	$150,000	Range reflects strict vs. broad reading of disclosure language. Increasingly mandated, not elective, where a threat assessment supports it.
Personal car and/or driver	36%	$19,000	Often presented as security-motivated rather than convenience-driven; largely concentrated in financial services, media and large-cap technology.
Cybersecurity	22%	$64,000	Emerging component of executive security programs. Includes online privacy protection, identity theft monitoring, home network security and personal device security.
Personal guards/ executive protection	8%	$41,000	Coverage ranges from event-specific protection to 24/7 detail.

Meridian Observations

- The most common security-driven benefit is a board mandate requiring the CEO (and in some cases, other senior executives) to use corporate or chartered aircraft for all air travel, including personal travel (approximately 20% of S&P 500 companies mandate the use of corporate aircraft for all air travel).
- The most prevalent rationale cited for security perquisites is a bona fide, business-oriented security concern. A growing number of companies cite independent third-party security assessments as the basis for implementing or expanding their executive security programs.
- Several companies specifically cited the December 2024 murder of a healthcare executive as a rationale for initiating or expanding executive security programs
- A growing trend is for companies to provide cybersecurity and digital privacy services as a component of the executive security perquisite, reflecting a recognition that threats to executives are increasingly digital as well as physical.

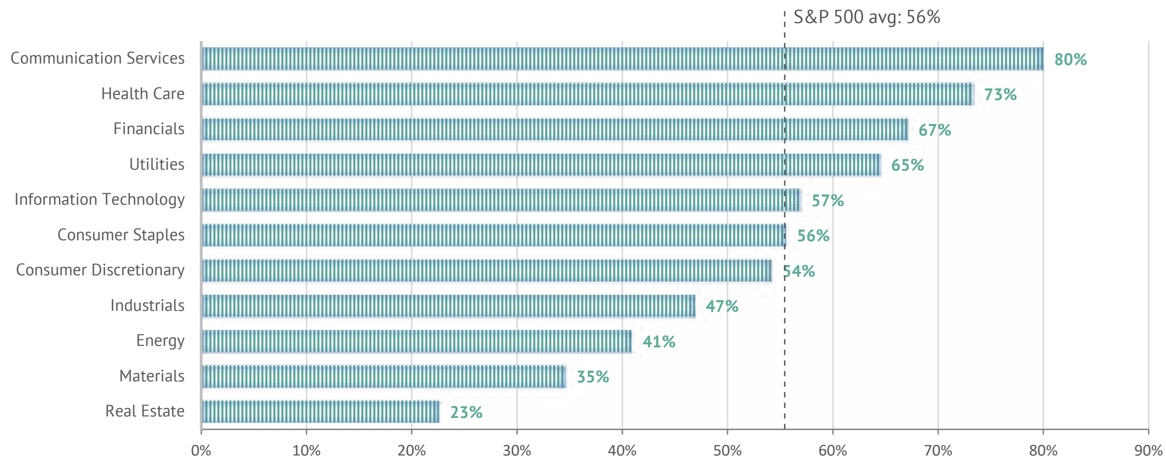
[2] *Certain security benefits, such as cybersecurity, may be more prevalent than reflected in Meridian statistics, because some companies providing such security benefits are not reporting them as a perquisite under SEC rules.*

[3] *Median SCT Values were derived from company narrative disclosures attributing amounts to various components of executive security. Some companies provide a single amount for executive security, without providing a value for each component. Consequently, the SCT median amounts shown above are for those companies that provided disclosure on component amounts.*

Prevalence of Executive Security Varies Significantly by Industry Sector

Prevalence of CEO Executive Security Perquisites by GICS Sector

S&P 500 – % of companies disclosing a CEO executive security perquisite



Executive security has historically been viewed as a perquisite limited to executives in industries with elevated public profile or geopolitical exposure – e.g., large-cap technology, media, financial services, oil and gas, and certain consumer brands. Following a series of high-visibility incidents in 2024 and 2025, many compensation committees have undertaken focused reviews of their CEO security programs. Many issuers have adopted, expanded, or formalized executive security benefits based on independent third-party threat assessments.

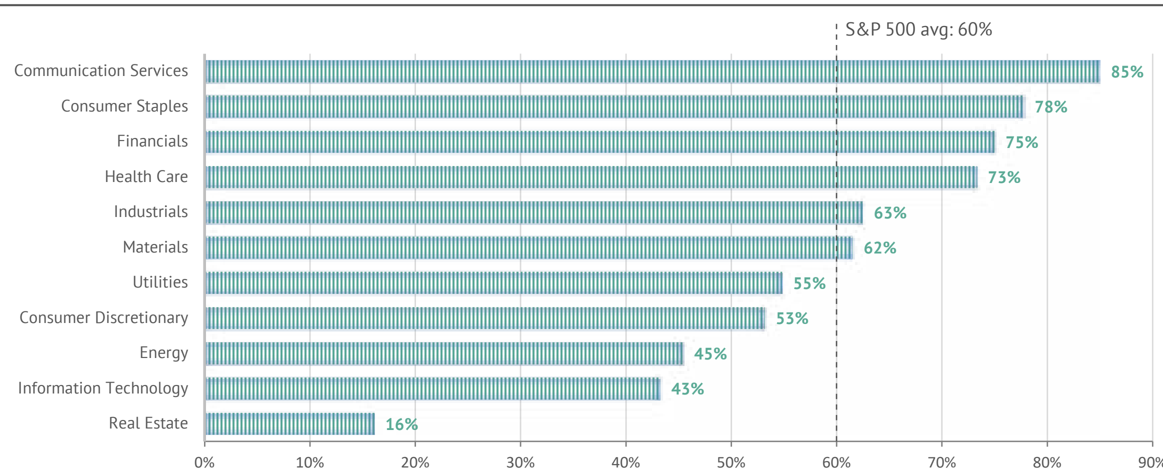
The industry sectors showing the highest prevalence of this perquisite are those in which the company has a considerable public presence, such as social media and health care companies.

Also, there is a distinction between the treatment of ordinary business expenses and compensation for these security benefits. Our analysis looks at the companies that concluded the security perquisites were treated as compensation and therefore disclosable as perks in the SCT. However, some companies could conclude that these security services are ordinary business expenses and therefore not disclosable as perks in the SCT.

Prevalence of CEO Use of Aircraft Also Varies Significantly by Industry Sector

CEO Personal Aircraft Perquisite Prevalence by GICS Sector

S&P 500 – % of companies disclosing a CEO personal aircraft perquisite



Companies with the most prominent public presence tend to have CEOs who use the personal company aircraft benefit more than those in other industries (e.g., Communication Services sector, which includes social media companies). Boards mandating use of corporate aircraft is increasingly common as a response to heightened security threats against corporate executives.

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Executive security is not distributed evenly across the market. Companies with the highest public visibility and risk exposure continue to lead adoption of executive security programs and mandatory aircraft policies.

Companies Should Conduct Analysis and Consider External Perspectives

While comments from companies, institutional investors, and institutional investor organizations at the SEC's Roundtable on Executive Compensation Disclosure Requirements last summer indicated a willingness to treat executive security as not a perquisite for disclosure purposes, the SEC has not yet proposed rules to implement those recommendations. However, the SEC recently indicated in its regulatory agenda[4] that it would take up executive compensation disclosures, so it may propose eliminating executive security as a perquisite. Until that happens, companies should conduct a thorough analysis of the need for any executive security benefits or executive use of company aircraft to ensure their proxy disclosures present a well-reasoned rationale for providing them and the magnitude of such benefits.

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The question for boards is no longer whether executive security programs should exist—but whether they are appropriately governed, documented and disclosed.

Good Governance Procedures

Given the external focus, a compensation committee should periodically review executive perquisite benefits, including any executive security measures, as well as a company's aircraft use policy. As part of this process, committees should consider the following due diligence steps:

- Review and approve all design aspects of the executive security perquisites program in light of any threat assessment(s) and benchmark against market practices.
    - Ensure the board has documented an independent security study and that proxy disclosure clearly describes the process and rationale (particularly if security drives mandatory personal use of corporate aircraft)
    - Determine whether residential security, transportation and personal protection components are treated consistently as compensation or as ordinary business expense – and is that classification defensible.
    - Discuss whether any emerging components of executive security– such as cybersecurity and digital privacy services– should be considered for inclusion in the company's executive security benefits.

[4] *See SEC Regulatory Agenda on Executive Compensation Disclosure Reform, estimated to be released in October 2026, available at: https://www.reginfo.gov/public/do/eAgendaViewRule?pubId=202510&RIN=3235-AN60*

- Review and approve a written corporate aircraft use policy that clearly delineates between business, personal and security-mandated use.
    - Consider whether personal use of corporate aircraft should be mandated or not (usually based on input from a third-party threat assessment) for the CEO (and potentially other executives).
    - Evaluate whether to adopt a formal dollar or hour cap on personal use of corporate aircraft and benchmark any cap against peer median practice.
    - Assess whether incremental cost above any stated cap on use should be subject to executive reimbursement.
    - Ensure management has reviewed the imputed-value methodology and confirmed the differences between the aggregate incremental cost methodology for SCT disclosure and the tax-imputation calculation provided to the executive for income tax purposes.

This Meridian Signal was prepared by Meridian Compensation Partners' Governance and Regulatory Team co-led by Edward Hauder and Nathan Williams. Questions regarding this Meridian Signal or executive compensation technical issues may be directed to the Governance and Regulatory Team at govreg@meridiancp.com.

Appendix A:
Methodology

Our findings are based on Meridian's review of proxy statement disclosures for approximately 496 S&P 500 companies (filed within 12 months of May 5, 2026, principally covering fiscal year 2025 compensation).

For the personal aircraft analysis, variables collected per company include (i) the presence of any CEO personal aircraft perquisite; (ii) the presence of a usage cap; (iii) the cap level expressed in dollars or hours; (iv) whether executive reimbursement is required; and (v) the CEO's personal aircraft use SCT value.

For the executive security analysis, security perquisite disclosures were identified and categorized from the "All Other Compensation" column and related footnotes in each company's Summary Compensation Table ("SCT"), including components such as residential security, executive protection officers, secure transportation, cybersecurity and digital privacy services, and security-mandated aircraft use.

CEO SCT dollar amounts reflect the incremental cost as disclosed in the SCT. In instances in which a company disclosed a perquisite but reported zero dollars as an aggregate value, or a value below the individual disclosure threshold, the SCT value is treated as zero dollars. Percentages are generally calculated relative to companies with the relevant disclosure (i.e., excluding "data not available" observations from the denominator where appropriate). Summary statistics on aircraft SCT values are computed across the 231 CEOs disclosing a positive aircraft value, and security SCT statistics across the 263 CEOs disclosing a positive security value. Meridian used ESGauge to compile the underlying SCT dollar values.

Categories such as "private car/driver" and "personal security guards" reflect explicit disclosures in proxy filings; the absence of a disclosure does not necessarily mean a company does not provide such services. Many companies disclose broad "security services" or "executive protection" without itemizing specific components. Aircraft usage mandated for security reasons is typically reported separately in proxy disclosures and is not included in the executive security SCT values reported unless the company explicitly categorizes it as security; as a result, the aircraft and security populations overlap for a subset of issuers.

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ESGauge is a data mining and analytics firm focused on disclosure of environmental, social and governance (ESG) practices.

www.esgauge.com

Appendix B:
Supplemental Data and Program Design Detail

This appendix provides supplemental detail on the distribution of disclosed Summary Compensation Table values, cap practices and program-design features for CEO executive security and personal use of corporate aircraft.

Distribution of Disclosed CEO Security Perquisite Values

The table shows the distribution of security perquisite values for the 153 S&P 500 companies that reported a non-zero cost:

Disclosed CEO Security Value	# Companies	% of S&P 500 Companies Disclosing
Under $50,000	60	40%
$50,000 – $100,000	18	12%
$100,000 – $200,000	27	18%
$200,000 – $300,000	14	9%
$300,000 – $500,000	11	7%
$500,000 – $1,000,000	16	10%
Over $1,000,000	7	4%

Caps are a Minority Practice

Of the 263 companies with a disclosed security perquisite, only 44 (approximately 17%) disclosed an explicit dollar or hour cap on the security benefit. The remaining 83% provide the perquisite without a stated limit, relying instead on board or committee oversight to manage costs.

Distribution of CEO Personal Use of Corporate Aircraft SCT Values

Among the S&P 500 companies that disclose a positive SCT value for personal use of the company aircraft, the distribution is skewed by small number of large, disclosed values: roughly two-thirds of values fall below $200,000, while a narrow tail of large-cap and security-sensitive companies report values exceeding $500,000.

SCT Value Range (CEO)	# Companies	% of S&P 500 Companies Disclosing
Under $50,000	33	14%
$50,000 – $100,000	34	15%

SCT Value Range (CEO)	# Companies	% of S&P 500 Companies Disclosing
$100,000 – $200,000	76	33%
$200,000 – $300,000	38	17%
$300,000 – $500,000	34	15%
$500,000 – $1,000,000	13	5%
Over $1,000,000	3	1%

At the high end of the distribution, the largest CEO personal use of corporate aircraft SCT values reported in the 2026 proxy cycle are concentrated among companies citing executive security considerations or mandatory use policies, with approximately 36% of companies providing executive security perquisites to their CEO mandating such use.

Corporate Aircraft Use Program Design Features

Among the 91 S&P 500 companies that impose an explicit cap on personal use of corporate aircraft, dollar caps are far more common than hour caps, and the typical limit clusters in a relatively narrow range:

Cap Type	# Disclosing	Median	Range (Min–Max)
Dollar cap on annual personal use	75	$200,000	$75,000 – $4.6M
Hour cap on annual personal use	26	70 hours	25 – 275 hours

Dollar Cap Distributions for Corporate Aircraft Use

Over three-fourths of S&P 500 companies that impose a dollar cap on personal use of corporate aircraft set the limit within the range of $100,000 to $299,999.

Dollar Cap Range	# of Companies	% of Capped Companies
≥$300,000	15	20%
$200,000–$299,999	28	37%
$100,000–$199,999	31	41%
< $100,000	1	1%

Required Reimbursement

Only 12% of S&P 500 companies with personal corporate aircraft use require the CEO to reimburse the company for all or a portion of personal use costs. While reimbursement arrangements can substantially reduce the net cost of the benefit to the company, reimbursement below the SIFL rate does not fully offset the benefit, leaving an amount that must be shown in the SCT under the aggregate incremental cost method required for perquisite disclosure.

- Reimbursement provisions were more common among companies that also disclosed a dollar cap.
- Where reimbursement is required, the SCT value may appear as zero dollars even when meaningful personal use occurred.