EUROPEAN BANKING AUTHORITY

Guidelines compliance table

EBA/GL/2015/22 Appendix 1

30 August 2016 – Updated 26 November 2018

Guidelines on sound remuneration policies under Articles 74(3) and 75(2) of Directive 2013/36/EU and disclosures under Article 450 of Regulation (EU) No 575/2013

The following competent authorities* comply or intend to comply with EBA's Guidelines on sound remuneration policies:

Member State		Competent authority	Complies or intends to comply	Comments
BE	Belgium	National Bank of Belgium	Yes	**Updated 14.12.2016:** As at 12.12.2016, notification date.
BG	Bulgaria	Българска народна банка (Bulgarian National Bank)	Yes	As at 15.08.2016, notification date.

		Competent authority	Complies or intends to comply	Comments
CZ	Czech Republic	Česká Národni Banka (Czech National Bank)	**Intends to comply****	By 01.01.2017
DK	Denmark	Finanstilsynet (Danish Financial Supervisory Authority)	**No**	Does not comply and does not intend to comply with all or parts of the Guidelines. **Award of variable remuneration in instruments (section 15.4, paragraph 251(a)**). According to the Danish official translation of the CRD IV the availability of instruments under article 94(1)(I)(i) are both shares and share-linked instruments for institutions in the legal form of a stock corporation. The same translation follows from the Danish official translation of the identical requirement in the previous directive the CRD III[2]. The wording of the Danish official translations of the CRD III and the CRD IV has been implemented into the Danish Financial Business ACT since 1 January 2011. Since the EBA/GL/2015/22 par. 251(a) conflicts with the Danish official translation of the CRD IV article 94(1)(I)(i) the Danish Financial Business ACT complies with the Danish official translation of the CRD IV and therefore the Financial Supervisory Authority do not comply with and does not intend to comply with paragraph 251(a) of the guidelines. According to the Opinion of the European Banking Authority on the application of the principle of proportionality to the remuneration provisions in Directive 2013/36/EU paragraph 23 the EBA is also of the opinion that listed institutions should be able to use share-linked instruments, as, in terms of incentives for prudent risk-taking, they have the same effect as shares, when they reflect exactly the value of the shares. **Severance pay (section 9.3 paragraph)** – According to the CRD IV article 94(1)(h) severance pay is “payments relating to early termination of contract reflect performance achieved over time and do not reward failure or misconduct”. The wording is identical to the previous provision of the CRD III requirement. The CRD IV article (94)(1)(h) regarding severance pay is implemented into the Danish Executive Order no. 818 of 27 March 2014 on Remuneration Policy and obligations to provide information about Remuneration section 13. Section 13 of the Danish Executive Order contains special regulations on severance pay, and states as follows: “13.-(1) Section 10 shall not apply to agreement on redundancy pay complying with the

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				following conditions: 1) The agreement on redundancy pay is established in connection with recruitment to the position. 2) The redundancy pay agreed does not depend on the results achieved from working in the position. 3) At the time of redundancy, the redundancy pay agreed may not exceed a value corresponding to the last two years' total remuneration including pension. (2) Section10 shall not apply to agreements on redundancy pay established in connection with redundancy for the part of the redundancy pay that does not exceed a value corresponding to one year's total remuneration including pension. (3) Subsections (1) and (2) shall only apply to redundancy pay which cannot be derived from legislation or collective agreement". Section 13 was implemented 1 January 2011 in line with the wording of the CRD III requirement has been maintained due to the same wording of the CRD IV article 94(1)(h). Further guidance regarding the interpretation of section 13 of the Danish Executive Order follows the Danish guidelines regarding the interpretation of the remuneration requirements in the Danish Financial Business Act and the above-mentioned Danish Executive Order. Section 13 of the Danish Executive Order and the Danish guidelines is not as specific as the EBA/GL/2015/22 section 9.3. The Danish national implementation of the CRD IV article 94 (1)(h) is maintained and will as far as possible be interpreted in line with section 9.3 of the EBA/GL/2015/22/ Except from he points above the Danish Financial Supervisory Authority intends to comply with the Guidelines by 1 January 2017.
DE	Germany	Bundesanstalt für Finanzdienstleistungsa ufsicht (BaFin)	**No**	Does not comply and does not intend to comply with all or parts of the Guidelines. *BaFin will generally and almost entirely comply with the EBA Guidelines on sound remuneration policies under Articles 74(3) and 75(2) of Directive 2013/36/EU and disclosures under Article 450*

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				of Regulation (EU) No 575/2013 (EBA/GL/2015/22). **There is only one exception:** BaFin will not implement the prohibition laid down in paragraph 251 lit. a of the EBA Guidelines where it is determined that listed stock corporations must not use share-linked instruments for the award of variable remuneration. Given the current review of the CRD according to Art. 161 CRD and the fact that EBA as well as the European Commission have already suggested amending the CRD text in a way that would subsequently legitimate the German approach, BaFin has decided to avoid forcing institutions to change their remuneration systems only for a foreseeable limited period of time. In addition, there is not any notable prudential benefit while costs for the companies are obvious. Background: In its Opinion (EBA/Op/2015/2) on the application of the principle of proportionality to the remuneration provisions in Directive 2013/36/EU of 21 December 2015 addressed to the European Commission, European Parliament and Council, EBA has proposed amending the current text of the CRD in order to allow the use of shared-linked instruments (also) by listed institutions in future, as, in terms of incentives for prudent risk-taking, they have the same effect as shares, when they reflect exactly the value of the underlying shares. Meanwhile in its Report to the European Parliament and the Council on the assessment of the remuneration rules under the CRD of 29 July 2016 (COM(2016) 510 final, together with two accompanying working documents), the European Commission has confirmed that the requirement for listed institutions to use only shares is not efficient since the exclusive use of shares does not bring a notable prudential benefit compared to a situation in which the use of share-linked instruments whose value closely tracks the value of the underlying share would also be allowed. The Commission has therefore concluded that it is acceptable to allow listed institutions to use share-linked instruments whose value closely tracks the value of the underlying share would also be allowed. The Commission has therefore concluded that it is acceptable to allow listed institutions to use share-linked instruments, provided that they closely track the value of shares (without a leverage effect), and has announced to consider proposing a legislative amendment to that effect.
EE	Estonia	*Finantsinspektsioon (Financial Supervision*	**Yes**	As at 15.08.2016, notification date.

		Competent authority	Complies or intends to comply	Comments
		Authority)		
IE	Ireland	*Central Bank of Ireland*	**Yes**	As at 30.08.2016, notification date.
EL	Greece	Τράπεζα της Ελλάδος (Bank of Greece)	**Intends to comply****	By 01.01.2017,
HR	Croatia	Croatian National Bank	**Intends to comply****	By 01.01.2017.
		Hrvatska agencija za nadzor finacijskih usluga (Croatian Financial Services Supervisory Agency) - HANFA	**Intends to comply****	By 01.01.2017.
ES	Spain	Banco de España (Bank of Spain)	**Intends to comply****	By 01.01.2017
FR	France	Autorité de Contrôle Prudentiel et de Résolution (ACPR)	**No**	Does not comply and does not intend to comply with all or parts of the Guidelines. First of all we confirm that the ACPR intends to comply with the major part of the Remuneration Guidelines, namely paragraphs 1 to 6; 8 to 13; 17; 20; 22 to 45; 47 to 58; 50-64; 69 to 78; 80 to 101; 103; 105 to 107; 109 to 239; 241 to 250; 252 to 266; 268 to 326. The CRD introduced remuneration requirements that were faithfully transposed in French legislation in Articles L.511-55 and L.511-71 TO 511-88 of the Monetary and Financial Code an in the Ministerial Order on internal control of 3 November 2014. The ACPR will not be able to comply with several provisions of the Guidelines because **they are not in line with the above-mentioned national transposition of CRD4.** There are two main reasons for these divergences: **The French legislator considers the Guidelines' restrictive interpretation of the proportionality principle (i.e. no exemption of remuneration requirements allowed) is not in line with the**

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				substance and the wording of the CRD4 provisions, which would allow targeted exemptions of remuneration requirements on grounds of proportionality for small, non-complex institutions. Several provisions of the EBA Guidelines introduce new requirements which exceed the legal mandate of these Guidelines to specify the implementation of already-existing CRD requirements. Some of these requirements excessively change the substance of the CRD provisions and as such should be incorporated in level 1 text. The French legislator sees no reason to amend a national framework which is compliant with current CRD provisions. For this reason, the ACPR **will not be able to comply** with the following paragraphs of the Guidelines: **7; 14 to 16; 18; 19; 21; 46; 59; 65; 66; 68; 79; 102; 104; 108; 240; 251; 267;**. Details of partial compliance and reasoning are also noted under the following headings:- **1. Proportionality principle and exemptions (waivers)** Several of the "Remuneration policies and group context" and "Proportionality" sections of the Guidelines require that all institutions identify Material Risk takers at the individual and consolidated level as well as apply the maximum limitation of the variable remuneration of 200% of the fixed remuneration. However, for proportionality purposes, Articles 198 to 201 of the Ministerial Order on internal control of 3 November 2014 provide waivers to the application of Articles L.511-71 to L511-88 of the Monetary and Financial code, which include the two above mentioned requirements, on an individual or consolidated basis under certain conditions for specific entities (balance sheet threshold of 10 Bn EUR, insurance companies, asset management companies)[2]. The French legislator considers these waivers reflect a risk-based approach and are compliant with the proportionality principle which is explicitly mentioned in Article 92 CRD4: "*Institutions comply with the following principles* ***in a manner and to the extent that is appropriate*** *to their size, internal organization and the nature, scope and complexity of their activities*". For these reasons the ACPR is not able to comply with paragraphs 7; 65; 66; 68; 79; 102; 104 and 108 of the Guidelines. **2. Scope of requirements for all staff** The Guidelines include a mapping of the remuneration requirements for all staff and identified staff only (annex 1). The scope of several requirements of Articles 92 and 94 CRD (e.g. remuneration policy in line with the business strategy, incorporates measures to avoid conflicts of interest) has been extended to all staff by the Guidelines, even if the reading of the above-mentioned articles of CRD indicates these articles only apply to identified staff.

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				The structure and scope of Articles 92 and 94 CRD have been faithfully transposed in French law in Articles L.511-71 to L.511-88 of the Monetary and Financial Code, which effectively apply to identified staff. For these reasons, the ACPR is not able to fully comply with paragraphs 14 to 16; 18; 19 and 21 of the Guidelines. **3. Delegation of the role of the remuneration committee to the parent company** Article L.511-91 of the Monetary and Financial Code allows a subsidiary to delegate the functions of the remuneration committee to the remuneration committee of the parent company, including when the subsidiary is considered significant (over 5 Bn EUR in total assets). The purpose of this provision is to **alleviate the operational burden** related to establishing and maintaining a remuneration committee at the individual level of the subsidiary. However, according to the Guidelines, any institution considered significant at the individual level, including a subsidiary, should establish its own remuneration committee. For these reasons, the ACPR is not able to comply with paragraphs 46 and 59 of the Guidelines. **4. Deferral period of at least 5 years under certain conditions** Paragraph 240 **exceeds the legal mandate of the Guidelines** by introducing a **new requirement**: significant institutions should in all cases apply a deferral period of at least 5 years to the members of the management body in its management and supervisory function. However, Article 94(1)(m) CRD does not include any specific requirements of this kind and only requires "deferral over a period which is not less than three to five years". As regards this provision, Article L.511-82 of the Monetary and Financial Code is compliant with the CRD by requiring a deferral of "at least 3 years". For these reasons the ACPR is not able to comply with paragraph 240 of the Guidelines. **5. Share-linked instruments** Article L.511-81 of the Monetary and Financial Code allows listed institutions to use share-linked instruments for compliance with Article 94(1)l) CRD which requires at least 50% of variable remuneration to be paid in instruments. However, following a restrictive reading of Article 94(1)l)i) CRD, the Guidelines consider only non-listed institutions should be allowed to use share-linked instruments. It should be noted that in its Opinion on proportionality attached to the Guidelines, the EBA considers listed institutions should be allowed to use these instruments. For these reasons, the ACPR is not able to comply with paragraph 251 of the Guidelines.

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				6. Retention Period The concept of "retention period" is referenced only once in CRD4, in Article 94(1)o) for discretionary pension benefits. The Guidelines extend this concept, **exceeding the legal mandate of the Guidelines, by imposing a new requirement** to all variable remuneration, considering that after the vesting of the deferred variable remuneration, an additional retention period should apply before the individual can freely use the amount. As mentioned before, French law faithfully transposes the CRD 4 provisions. Therefore, the concept of retention period is not reflected anywhere else than in the transposition of Article 94(1)o), i.e. Article L.511-84 of the Monetary and Financial Code. In this Article, the fragment "is deferred to 5 years" is used instead of "subject to a five-year retention period", with a totally equivalent effect: the retired individual cannot obtain its discretionary pension benefits before 5 years. Now paragraph 267 of the Guidelines imposes a new and specific requirement for the retention period, distinguishing it clearly from the deferral notion: the retention period should be of at least 1 year. A retention period of 6 months is only allowed when the deferral period is of at least 5 years for a subset of identified staff. The national transposition of CRD, in line with the level 1 text, by definition could not include such requirement. The Guidelines are not the appropriate venue to establish new requirements, the level 1 text is. For these reasons, the ACPR is not able to comply with paragraph 267 of the Guidelines. Any other additional information that may be necessary: For any further information, please also refer to the ACPR answer to the EBA survey on proportionality, which was also transferred to the European Commission in the context of its report following the CRD review clause. [2]The provisions of the Ministerial order on internal control of 3 November 2014 exempt the following entities from the above mentioned remuneration requires (i.e. Article L.511-71 to L.511-88 of the Monetary and Financial Code). . Asset management companies (Article 198 of the Ministerial Order on internal control of 3 November 2014) . Insurance companies (Article 198) . Entities other than asset management companies and insurance companies which belong to a banking group and have total balance sheet inferior to 10 billion EUR and which do not pose risk to the solvency and liquidity of the group (Article 201) If these entities are credit institutions,

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				investment firms or finance companies, they are subject to remuneration requirements on a consolidated level, following Article 200. . Credit institutions, investment firms and finance companies which have total assets inferior to 10 billion EUR (or which belong to a group having total consolidated balance sheet inferior to 10 billion EUR) which have identified their risk takers and have implemented a policy on variable remuneration including deferral, limitation and payment in instruments. The remuneration policy of these entities shall take into account long-term interests of the company or the group and shall not limit their capacity to strengthen their own funds. If required by the threshold of 5 billion EUR of total balance sheet mentioned in Article 102 of the Ministerial order., these entities shall also be able to justify all these elements to the supervisor, as well as their efficiency and appropriateness regarding the size and nature of their activities (Article 199). . Credit institutions, investment firms and finance companies having total balance sheet inferior to 10 billion EUR and which belong to a group having total consolidated balance sheet superior to 10 billion EUR are exempted on an individual basis (i.e. have to apply group-level requires). (Article 200).
IT	Italy	Banca d'Italia (Bank of Italy)	**No**	Does not comply and does not intend to comply with all or parts of the Guidelines. Partial non-compliance with the Guidelines no.68,124/125 and 251 for the reasons explained below. First of all, we confirm that the Italian framework is on the overall compliant with the EBA guidelines, being in some cases even more stringent. Only on a few points (Guidelines no. 68, 24/ 125, 251), the Bdl regulation partially departs from the Guidelines, as a result of its latest update issued in October 2018. More specifically: 1) Guideline no. 68, states that the parent company shall apply the remuneration rules also to group's entities which do not fall individually within the scope of the CRD IV, including the rules which have not been included in other sectoral legislation (e.g., limit to the ratio between variable and fixed remuneration of 100%, up to 200% with shareholders' approval for staff of entities that fall within the scope of Directive 2011/61EU and Directive 2009/65/EC and whose professional activities have a material impact on the group' s risk profile). The BdI new regulation (differently from the former one, that did not provide for any waiver) allows the parent company of banking (or investment firms') groups not to apply the cap rule to the staff members of asset management companies who are risk takers for the group. The waiver is clearly limited to:

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				- the cap rule only (i.e., all other rules on variable remuneration - such as link with groups performance and risks, ma/us and claw-backs, etc. - continue to apply to those staff members); - staff members of group's asset management companies only (i.e., the waiver does not apply to staff members belonging to other entities within the group). Moreover, the waiver is admitted only when those staff members perform their activities exclusively on behalf of the asset management company. This rules have been introduced taking account that: i) other Member States do not apply the cap rule on a consolidated basis (including to asset management companies) on the assumption that this waiver is consistent with the proportionality principle explicitly mentioned in Article 92 of the CRD IV; ii) within the negotiation for the CRD V currently taking place at European level, changes are being discussed on Article 109 according to which the ca rule would not apply to staff of asset management companies belonging to a banking group Against this background, BdI has deemed it appropriate to align its regulation and supervisory practices to those adopted in other MS, in order to remove the current uneven playing field. 2) Guideline no.124, let. f, and guideline no.125, address variable remuneration based on future performance, and namely long-term incentive plans (LTIPs). According to these paragraphs, the amount of LTIPs should be taken into account, for the calculation of the ratio between variable and fixed remuneration, in a single financial year (i.e., the financial year in which the LTIP was awarded, in the cases under paragraph 124; the financial year prior to the award of the LTIP, in the cases under paragraph 125). The BdI provisions permit institutions - when specific conditions are met in terms of length of the plan - to include LTIPs into the ratio between variable and fixed remuneration on a pro rota basis (i.e., the amounts are split into as many parts as the years of the plan, and each part is taken into account for the calculation of the ratio of each single year of the plan) . All other rules on LTIPs are fully complied with. The BdI choice is grounded on the consideration that the guidelines' approach, by requiring the full amount of LTIPs to be included in the variable remuneration of a single financial year, seems too restrictive and to eventually discourage LTIPs, while these plans - if properly designed - can be particularly effective in ensuring that an institution's remuneration policy is sound and sustainable. 3) BdI has not implemented the provision laid down in guideline no. 251, according to which only non-listed institutions are allowed to use share-linked instruments (instead of shares) for

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				the award of variable remuneration. It is important to underline that both the EBA (in its Opinion no. 2015/2) and the European Commission (in its Report on the assessment of the remuneration rules under the CRD, dated 29 July 2016) have acknowledged that the requirement for listed institutions to use only shares does not bring a prudential benefit compared to the use of share -linked instruments (whose value tracks the value of underlying shares); in addition, share -linked instruments have positive effects as they reduce costs arising from the purchase or issuance of shares . Finally, it is worth noting that also on this aspect the oncoming CRD V text will most probably allow listed institutions to use share-linked instruments This is an update to the compliance form submitted by BdI to the EBA in September 2016. BI has recently amended its regulation on remuneration policies and practices. As a result of this process, these provisions encompass the specific aspects of non-compliance with the guidelines, which have been described above.
CY	Cyprus	Κεντρική Τράπεζα της Κύπρου (Central Bank of Cyprus)	**Yes**	As at 02.08.2016, notification date.
LV	Latvia	Finanšu un Kapitāla tirgus Komisija (Financial and Capital Market Commission)	**Intends to comply****	By 01.01.2017.
LT	Lithuania	Lietuvos Bankas (Bank of Lithuania)	**Intends to comply****	By 01.01.2017
LU	Luxembourg	Commission de Surveillance du Secteur Financier (CSSF)	**No**	Updated 16.03.2017: Does not comply and does not intend to comply with all or parts of the Guidelines. The CSSF will generally and almost entirely comply with the EBA Guidelines on sound remuneration policies under Articles 74(3) and 75(2) of Directive 2013/36/EU and disclosures under Article 450 of Regulation (EU) No 575/2013.

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				There is, however, one exception. The CSSF intends to continue applying the principle of proportionality in the way that was foreseen and described under the CEBS Guidelines on Remuneration Policies and Practices dated 10 December 2010. Therefore, the CSSF continues to allow the neutralisation of the requirements specifically mentioned in paragraph 20 of the CEBS Guidelines. The CSSF will not extend the possibility of neutralisation through the application of proportionality to any other requirement (e.g. bonus cap). Consequently, the CSSF will not comply with the restrictive interpretation of the proportionality principle included in the EBA Guidelines. In our view, the proportionality principle is based on Article 92(2) of the CRD IV that permits an institution to comply with the remuneration principles in a manner and to the extent that is appropriate for that institution: "competent authorities shall ensure that (…) institutions comply with the following principles *in a manner and to the extent that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities."* (emphasis added). Recital (66) of CRD IV confirms our approach by stating that "*the provisions of this Directive on remuneration should reflect differences between different types of institutions in a proportionate manner, taking into account their size, internal organisation and the nature, scope and complexity of their activities. In particular it would not be proportionate to require certain types of investment firms to comply with all of those principles*". (emphasis added). Furthermore, in the framework of the current review of the CRD IV according to Article 161 of the CRD IV, the European Commission has proposed amendments to the CRD IV text which would subsequently reintroduce proportionality and neutralisation in a manner similar to that foreseen in the CEBS guidelines and similar to the application currently in force in Luxembourg. Therefore, the CCSF has decided to avoid forcing institutions to change their remuneration system for a limited period of time. Additionally, such forced changes would not be of particular prudential benefit but would clearly have cost the administrative consequences for the institutions.

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HU	Hungary	Magyar Nemzeti Bank (The Central Bank of Hungary)	**Intends to comply****	By 01.01.2017.
MT	Malta	Malta Financial Services Authority	**Intends to comply****	By such time as the necessary legislative or regulatory proceedings have been completed.
NL	Netherlands	De Nederlandsche Bank (National Bank of Netherlands)	**Intends to comply****	By such time as the necessary legislative or regulatory proceedings have been completed.
AT	Austria	Finanzmarktaufsicht (Financial Market Authority)	**Intends to comply****	By 01.01.2017, i.e. the date of application of the present Guidelines.
PL	Poland	Komisja Nadzoru Finansowego (Polish Financial Supervision Authority)	**Intends to comply****	Updated – email of 03.10.2016 - By such time as the necessary legislative or regulatory proceedings have been completed.
PT	Portugal	Banco de Portugal (Bank of Portugal)	**Intends to comply****	By 31.12.2017.
RO	Romania	Banca Naţională a României (National Bank of Romania)	**Intends to comply****	By 01.01.2017.
SI	Slovenia	Banka Slovenije (Bank of Slovenia)	**Intends to comply****	By 01.01.2017.
SK	Slovakia	Národná Banka	**No**	Does not comply and does not intend to comply with all or parts of the Guidelines.

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		Slovenska (National Bank of Slovakia) / Resolution Council		NBS has never faced or addressed serious problems with implementation or application of the relevant Articles of CRD; The remuneration provisions stipulated in the CRD and CRR were implemented or incorporated into Slovak legislation in an appropriate and satisfactory way; We came to the conclusion that this GL is beyond the scope of CRD and CRR as well as the scope of EBA's competence; Since the Labour law is not harmonised in the EU and the remuneration is a part of the Labour Act, NBS cannot regulate this remuneration area in such a detailed way through the Banking Act or NBS decrees; By issuing this GL, EBA enters an area that is not harmonised – labour law; we are of the opinion that regulation of remuneration through the Acts and Decrees within the competence of the NBS could be an unacceptable intervention to the constitutional powers according to the Slovak Constitution.
FI	Finland	Finanssivalvonta (FIN-FSA) (for Less Significant Institutions as defined in Council Regulation (EU) No. 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions)	**No**	Does not comply and does not intend to comply with all or parts of the Guidelines. Art. 94 (1) (o) of the CRD IV has not been implemented in Finnish legislation. The FIN-FSA will not be able to comply with paragraphs 134, 135 and 136 in section 8.5 Discretionary Benefits of the Guidelines due to the national implementation of the directive as specified above. In addition, discretionary benefits as granted in Finland cannot be subject to malus and clawback. The amounts are set and cannot be changed based on the terms and conditions. The FIN-FSA intends to comply with other parts of the guidelines by 1 January 2017.
SE	Sweden	Finansinspektionen (Swedish Financial Supervisory Authority	**No**	Does not comply and does not intend to comply with certain parts of the Guidelines. Non-compliance is for the most part due to the Swedish implementation at the level of law or binding regulation which makes it impossible for the FSA to comply with the guidelines. The specific reason for non-compliance is set forth below: **Paragraph 73** The rules that are applicable to branches in Sweden of credit institutions authorized in a third country are set forth in the Swedish law and are not possible for the

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				Swedish FSA to decide on. **Paragraph 81** For the avoidance of doubt, the Swedish FSA does not have within its competence to supervise the competition between institutions. However, the Swedish FSA treats all institutions according to the principle of equal treatment. **Paragraph 114** The possibility for the Swedish FSA to intervene is regulated in the Swedish legislation. The mentioned ways of intervention in the paragraph are highly prescriptive while the Swedish gives wider discretion to the supervisory authority. **Part 15.7** Clawback is not possible according to Swedish law. Therefore the parts concerning clawback will not be implemented in Sweden. Any other additional information that may be necessary: The opportunity for a Member State to implement a possibility for shareholders or owners or members of the institution to approve a higher maximum level of the ratio between the fixed and variable components of remuneration according to article 94.1 g ii) Directive 2013/36/EU has not been used in Sweden. Therefore the paragraphs that relate to those rules are not applicable in Sweden. The present Swedish regulation concerning remuneration sets forth, in line with the principle of proportionality, some waivers (neutralisation). When it comes to these, the Swedish binding regulation applies. One example of such a waiver is that, according to the Swedish regulation, the rules of deferral presently only apply if the variable remuneration exceeds 100 000 SEK per year (relevant inter alia **Part 15.2** of the Guidelines). The Guideline consequently goes further than the Swedish regulation. The rules concerning deferral in the Guidelines will therefore for the time being only apply if the variable remuneration exceeds 100 000 SEK. According to Swedish law it is not possible to make a clawback when the ownership has passed over the staff member. Concerning **paragraph 163** it should be noted that Finansinspektionen does not see the possibility of intervene according to Swedish law should the paragraph not be fulfilled.
UK	United Kingdom	Prudential Regulation Authority (PRA)	**No**	Does not comply and does not intend to comply with all or parts of the Guidelines. The Prudential Regulation Authority ("PRA") wishes to notify the EBA of partial non-compliance with the EBA Guidelines on Sound Remuneration Polices ("the Guidelines"). The PRA will comply with all aspects of the Guidelines, except for the requirement that the limit on awarding variable remuneration to 100% of fixed remuneration, or 200% with shareholder approval (the "bonus

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				cap”), must be applied in any case to all firms subject to the Capital Requirements Directive (“CRD”) as stated in paragraph 79 (second sentence) and related provisions. Our approach to the application of the proportionality principle is based on the wording under Art.92(2) CRD which states, “*competent authorities that ensure that …institutions comply with the following principles <u>in a manner and to the extent</u> that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities”* [Emphasis added]. In our view, the “extent” of application under the proportionality principle may include not applying a remuneration principle in its entirety based on the size, internal organisation and the nature, scope and complexity of the activities of the firm in question. This is confirmed by recital (66) CRD which clarifies that it would not be proportionate for some firms to comply with all of the principles including the limits on bonuses. The proportionality principle applies to all of the remuneration principles including the bonus cap, as stated under Art. 94(1) CRD: “*For variable elements of remuneration, the following principles* [i.e. the bonus cap and all other numerical requirements] *shall apply <u>in addition to, and under the same conditions as</u> those set out in Art. 92 (2)”* [Emphasis added]. The principle of proportionality is enshrined in Art. 5(4) of the Treaty on European Union. The European legislators respected this principle when they enacted the Capital Requirements Regulation and CRD. In particular, the legislators did so by including language in Art. 92(2) CRD (and imported into Art. 94(1) CRD) that permits a firm to comply with the remuneration principles in the manner and to the extent that is appropriate for that firm. We therefore disagree with the suggestion that CRD does not permit waiver of any of the quantitative CRD minimum criteria for any identified staff, or for any institutions. In particular, the CRD provides no credible basis for specifically identifying the bonus cap as a numerical criterion which must be applied to all firms irrespective of their size, internal organisation and the nature, scope and complexity of their activities.
		Financial Conduct Authority (FCA)	**No**	Does not comply and does not intend to comply with all or parts of the Guidelines. The Financial Conduct Authority (“FCA”) wishes to notify the EBA of partial non-compliance with

		Competent authority	Complies or intends to comply	Comments
				the EBA Guidelines on Sound Remuneration Polices ("the Guidelines"). The FCA will comply with all aspects of the Guidelines, except for the requirement that the limit on awarding variable remuneration to 100% of fixed remuneration, or 200% with shareholder approval (the "bonus cap"), must be applied in any case to all firms subject to the Capital Requirements Directive ("CRD") as stated in paragraph 79 (second sentence) and related provisions. Our approach to the application of the proportionality principle is based on the wording under Art.92(2) CRD which states, "*competent authorities that ensure that …institutions comply with the following principles in a manner and to the extent that is appropriate to their size, internal organisation and the nature, scope and complexity of their activities"* [Emphasis added]. In our view, the "extent" of application under the proportionality principle may include not applying a remuneration principle in its entirety based on the size, internal organisation and the nature, scope and complexity of the activities of the firm in question. This is confirmed by recital (66) CRD which clarifies that it would not be proportionate for some firms to comply with all of the principles including the limits on bonuses. The proportionality principle applies to all of the remuneration principles including the bonus cap, as stated under Art. 94(1) CRD: "*For variable elements of remuneration, the following principles* [i.e. the bonus cap and all other numerical requirements] *shall apply in addition to, and under the same conditions, as those set out in Art. 92 (2)"* [Emphasis added]. The principle of proportionality is enshrined in Art. 5(4) of the Treaty on European Union. The European legislators respected this principle when they enacted the Capital

		Competent authority	Complies or intends to comply	Comments
				Requirements Regulation and CRD. In particular, the legislators did so by including language in Art. 92(2) CRD (and imported into Art. 94(1) CRD) that permits a firm to comply with the remuneration principles in the manner and to the extent that is appropriate for that firm. We therefore disagree with the suggestion that CRD does not permit waiver of any of the quantitative CRD minimum criteria for any identified staff, or for any institutions. In particular, the CRD provides no credible basis for specifically identifying the bonus cap as a numerical criterion which must be applied to all firms irrespective of their size, internal organisation and the nature, scope and complexity of their activities.

EU Institutions - Agencies

ECB	ECB	ECB	**Yes**	As at 05.08.2016, notification date. The ECB's intention to comply with the EBA Guidelines should be considered as operating within the limit of, and without prejudice to, national provisions implementing Directive 2013/36/EU.

EEA – EFTA State

IS	Iceland	Fjármálaeftirlitið (Icelandic Financial Supervisory Authority - FME)	**Intends to comply****	By such time as the necessary legislative or regulatory proceedings have been completed.
LI	Liechtenstein	Finanzmarktaufsicht - FMA (Financial Market Authority)	**Yes**	As at 30.08.2016, notification date.
NO	Norway	Finanstilsynet (Norwegian Financial Supervisory Authority	**Yes**	As at 29.08.2016, notification date.

		Competent authority	Complies or intends to comply	Comments
European Territories under Article 355(3) TFEU				
UK	United Kingdom	Gibraltar Financial Services Commission	**Intends to comply****	By 01.01.2017.

*The EEA States other than the Member States of the European Union are not currently required to notify their compliance with the EBA's Guidelines. This table is based on information provided from those EEA States on a voluntary basis.

** Please note that, in the interest of transparency, if a competent authority continues to intend to comply after the application date, it will be considered "non-compliant" unless (A) the Guidelines relate to a type of institution or instruments which do not currently exist in the jurisdiction concerned; or (B) legislative or regulatory proceedings have been initiated to bring any national measures necessary to comply with the Guidelines in force in the jurisdiction concerned.

Notes

Article 16(3) of the EBA's Regulations requires national competent authorities to inform us whether they comply or intend to comply with each Guideline or recommendation we issue. If a competent authority does not comply or does not intend to comply it must inform us of the reasons. We decide on a case by case basis whether to publish reasons.

The EBA endeavour to ensure the accuracy of this document, however, the information is provided by the competent authorities and, as such, the EBA cannot accept responsibility for its contents or any reliance placed on it.

For further information on the current position of any competent authority, please contact that competent authority. Contact details can be obtained from the EBA's website www.eba.europa.eu.

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