

## EBF response to the EBA GLs on data collection exercises regarding high earners

### Q3: Are the sections 2 and 3 regarding the procedural and general specifications appropriate and sufficiently clear?

**Paragraph 17:** About the timing of information collection, we ask to confirm the previous timing:

- 30 June transmission to the competent national authorities
- 31 August broadcast to the EBA.

to avoid an increase in administrative burdens during the period of organizational effort related to the shareholders meeting and considering the numerous checks on the adequacy of the information carried out by each institution /investment firm, aimed at guaranteeing high data quality and reducing the checks and controls to be carried out part of the national competent authorities.

The same request for remuneration benchmarking, data on the differential by gender and on the approval of an upper limit on the ratio between variable and fixed remuneration.

### Q4: Are the additional instructions to Annex I sufficiently clear?

**Paragraph 31:** about Management Body it seems to be a different definition between the benchmarking consultation paper and high earners consultation paper.

Specifically, in benchmarking consultation paper:

- a. Management body (MB) supervisory function, should be the members of the management body at the highest level of consolidation acting in the role of overseeing and monitoring management decision-making (i.e. non-executive directors), as specified in the instructions to table REM1 column letter (a) of the Commission Implementing Regulation (EU) 2021/637. Institutions should allocate members of management bodies of subsidiaries to the relevant business area under points (c) to (i) where such a break down is provided and otherwise to the category 'other identified staff'.
- b. Management body (MB) management function, should be the members of the management Body at the highest consolidating level, who are responsible for its management functions (i.e. executive directors) as specified in the instructions to table REM1 column letter (a) of the Commission Implementing Regulation (EU) 2021/637. Institutions should allocate members of management bodies of subsidiaries to the relevant business area under points (c) to (i), where such a break down is provided and otherwise to the category 'other senior management'

Therefore, members of the Management Body in the supervisory / management function of the subsidiaries are to be placed relevant business area under points (c) to (i) where such a break down is provided and otherwise to the category 'other identified staff'.

In high earners consultation paper:

- a. Members of the management body, including members of the management body of subsidiaries that are not subject to specific remuneration requirements, should be reported, as applicable, under the column 'management body in its supervisory function' or 'management body in its management function'. Members of the management body of subsidiaries that are investment firms, UCITS and AIFM should be reported in the column 'All staff in subsidiaries subject to a specific remuneration framework'.

We request to homogenize the two definitions in order to provide comparable data. We suggest harmonising it in a way that the MBs and SBs of subsidiaries are reported under the division/business area.

d. Asset management should include:

- i. the asset management within the institution,
- ii. where the institution reports on a consolidated basis, its subsidiaries that are institutions, and
- iii. where Article 109(5) or (6) of Directive 2013/36/EU is applied, staff employed by investment firms, Undertakings for Collective Investments in Transferable Securities (UCITS) or Alternative Investment Funds Managers (AIFM).

The wording in this paragraph gives the impression that high earners in asset management subject to AIFM for instance should be declared in two different columns, could you please precise?

If asset management activities are subject to AIFM and thus excluded from CRD application, they should be declared in the last columns only?

E.g. staff employed by "institutions" under "Asset Management" and staff employed by investment firms under "All staff in subsidiaries subject to a specific remuneration framework"?

f. Independent control functions should include staff active in the independent risk management, compliance and internal audit functions as described in section 19 of the EBA Guidelines on internal governance under Directive 2013/36/EU.

If institutions consider other functions than compliance, risk management and internal audit as independent control functions, should they declare them under this category?

g. All staff in subsidiaries subject to a specific remuneration framework should include all staff, that is employed by investment firms, UCITS or AIFM, with the exception of staff in subsidiaries where Article 109(5) or (6) of Directive 2013/36/EU is applied which should be allocated to the appropriate business area.

The end of this paragraph is not clear, please give examples to better understand what is meant.

Clarification on Annex 1

Please confirm our understanding that all High Earners' (not only for identified staff) remuneration shall be reported in rows 6-22.

## About EBF

The European Banking Federation is the voice of the European banking sector, bringing together national banking associations from across Europe. The federation is committed to a thriving European economy that is underpinned by a stable, secure, and inclusive financial ecosystem, and to a flourishing society where financing is available to fund the dreams of citizens, businesses and innovators everywhere.

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