



**Single
Rulebook
Q&A**

Question ID	2021_5793
Status	Final Q&A
Legal act	Regulation (EU) No 575/2013 (CRR)
Topic	Supervisory reporting - FINREP (incl. FB&NPE)
Article	99
Paragraph	-
Subparagraph	-
COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations	Regulation (EU) No 680/2014 - ITS on supervisory reporting of institutions (as amended)
Article/Paragraph	Annex V
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Disclose name of institution / entity	No
Type of submitter	Credit institution
Subject matter	Disclosures of Staff expenses Management body in its supervisory function in FINREP Template 44.4
Question	In the countries where we operate supervisory board and management board are two separate bodies. The supervisory board also has members which are not employed by the reporting entity but still receive remuneration for their function. We would like to understand, if this remuneration has to be presented in template 44.4 column 0040 and if yes, should those external remuneration be presented consequently in staff expenses (FINREP Template 2 - Statement of profit or loss in a r370, c010)?

<p>Background on the question</p>	<p>Based on Annex V, Part 2.311i (b) ‘Management body’ means, ‘management body in its supervisory function’ and ‘senior management’ shall comprise staff as defined in points (7), (8) and (9) of Article 3(1) CRD. According to Article 3(1) CRD: (8) ‘management body in its supervisory function’ means the management body acting in its role of overseeing and monitoring management decision-making. We would like to understand if this refers to supervisory board, which is in the reporting entity a separate body, supervising the management board and if yes, can those external costs be shown in staff expenses (FINREP Template 2 - Statement of profit or loss in a r370, c010)?</p>
<p>EBA answer</p>	<p>The “management body in its supervisory function” is defined under Article 3(1) (8) of Directive 2013/36/EU and in the EBA Guidelines on internal governance under Directive 2013/36/EU. The EBA Guidelines on sound remuneration policies under Articles 74(3) and 75(2) of Directive 2013/36/EU provide, inter alia, guidelines with regard to the remuneration of members of the management and supervisory function of the management body.</p> <p>It follows that template F 44.4 of Regulation (EU) 2021/451 (ITS on supervisory reporting) shall be filled even if the ‘management body in its supervisory function’ comprises people not employed by the reporting entity. These amounts should be reported in column 040 of template F 44.4, and in row 370 of template F 02.00.</p>
<p>Link</p>	<p>https://www.eba.europa.eu/single-rule-book-qa/qna/view/publicId/2021_5793</p>

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