

<b>Question ID</b>	2013_41
<b>Status</b>	Final Q&A
<b>Legal act</b>	Directive 2013/36/EU (CRD)
<b>Topic</b>	Remuneration
<b>Article</b>	75
<b>Paragraph</b>	1
<b>Subparagraph</b>	-
<b>COM Delegated or Implementing Acts/RTS/ITS/GLs/Recommendations</b>	Not applicable
<b>Article/Paragraph</b>	N/A
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<b>Disclose name of institution / entity</b>	No
<b>Type of submitter</b>	Credit institution
<b>Subject matter</b>	Which institution is responsible to provide the remuneration data if a subsidiary has been sold?
<b>Question</b>	Which institution is responsible to provide the remuneration data if a subsidiary has been sold?
<b>Background on the question</b>	Regarding the Remuneration Benchmarking Exercise (EBA/GL/2012/4), we will soon need to submit the remuneration data for 2012. If an institution has been merged/ was taken over by another institution in 2013, we would like to know which group has the responsibility to report the remuneration data of the subsidiaries that were part of the merger/take over.
<b>EBA answer</b>	<p>According to Article 75(1) of Directive 2013/36/EU (CRD) competent authorities shall collect the information disclosed in accordance with the criteria for disclosure established in points (g), (h) and (i) of Article 450 (1) of Regulation (EU) No 575/2013 (CRR).</p> <p>Article 13 (1) to (3) of CRR specifies the application of the disclosure requirements on a consolidated basis for EU parent institutions, institutions controlled by EU parent (mixed) financial holding companies and for significant subsidiaries and subsidiaries of material significance for their</p>

	<p>local markets of EU parent institutions and EU parent (mixed) financial holding companies.</p> <p>Article 3.1 of the EBA Guidelines on the remuneration benchmarking exercise (EBA/GL/2012/4) provides that the exercise is conducted at the highest level of consolidation, i.e. the EEA consolidation level covering all subsidiaries and branches which have been established by EEA institutions in other Member States and in third countries. Article 5.3 provides that accounting year-end numbers should be submitted.</p> <p>It follows from the above that, subject to the application of Article 13(3) of CRR, the information has to be submitted on a EEA consolidated basis, containing information of all subsidiaries and branches which have been established by EEA institutions in other Member States and in third countries which were subject to the consolidation at the end of the financial year for which the information is reported. Any mergers or selling of shares in a subsidiary during the past year will thus be duly taken into account.</p> <p>Significant subsidiaries of EU parent institutions, EU parent financial holding companies or EU parent mixed holding companies and those subsidiaries which are of material significance for their local market shall disclose the information on an individual or sub-consolidated basis.</p> <p>If a subsidiary 'ab' of group 'A' is sold to group 'B' in April 2013, figures for 2012 (assuming that the financial is equal to the calendar year) will need to be reported by group 'A' including subsidiary 'ab' by the end of June to the competent authority (see Article 5.1 of the Guidelines). In 2014 figures for 2013 will be reported by group 'B' including subsidiary 'ab', assuming that both group A and B are included in the remuneration benchmarking exercise and that the subsidiary is included in the scope of consolidation of the relevant group.</p>
<b>Link</b>	<a href="https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_41">https://www.eba.europa.eu/single-rule-book-qa/-/qna/view/publicId/2013_41</a>

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