

**Consultation Paper  
Draft  
European Banking Authority  
Guidelines No xxx/2011 on  
Remuneration data collection exercise regarding high earners**

**THE BOARD OF SUPERVISORS OF THE EUROPEAN BANKING AUTHORITY**

**Having regard to** Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC<sup>1</sup> (the 'Regulation' and 'EBA'), in particular Article 16 thereof,

**Whereas:**

- (1) Article 22 of Directive 2006/48/EC, as amended by article 1 point 3 of Directive 2010/76/EU of the European Parliament and of the Council of 24 November 2010 amending Directives 2006/48/EC and 2006/49/EC as regards capital requirements for the trading book and for re-securitisations, and the supervisory review of remuneration policies<sup>2</sup> ('CRD'), introduced requirements for data collection on remuneration practices.
- (2) According to this article, national supervisory authorities shall collect information on the number of individuals per credit institution in pay brackets of EUR 1 million and upwards on an aggregate home member state basis. According to the same article, this information shall be transmitted to the EBA.
- (3) Further, also according to the same article, the data shall be disclosed by the EBA on a Member State basis. The aim of the disclosure of this data by the EBA is to reveal year-to-year evolutions in the number of individuals earning in excess of EUR 1 million within the whole EU and within the different separate Member States. Furthermore, the disclosure can point to differences in the numbers depending on where groups are headquartered and on where such staff members undertake their professional activities.
- (4) Given that the closing of the final accounts of firms takes place by the end of June, it would be convenient that the remittance dates for the transmission of the data described in these Guidelines are after that point in time.

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<sup>1</sup> OJ L331, 15.12.2010, p. 12.

<sup>2</sup> OJ L 329, 14.12.2010, p. 3–35.

## **HAS ADOPTED THESE GUIDELINES:**

### **Article 1 – Definitions**

- 1.1. 'Institutions' means institutions according to article 4(1) of Directive 2006/48.
- 1.2. 'High earners' means staff in total pay brackets of EUR 1 million and above.

### **Article 2- Information to be completed and submitted**

Institutions shall complete, in relation to their high earners, the template provided in Annex 1.

### **Article 3- Scope of the information provided**

- 3.1. The information mentioned above in article 2 shall be submitted by institutions to the home member state competent authority.
- 3.2. The information provided shall exclude non-EU branches and non-EU subsidiaries of EEA parent companies.

### **Article 4- Member State of the high earner**

- 4.1. High earners who undertake their professional activities in a Member State shall be classified under that particular Member State.
- 4.2. High earners who undertake professional activities for different legal entities in different Member States (e.g. both at parent and at subsidiary level, where the subsidiary is incorporated in another Member State) or who undertake professional activities for a branch in a host Member State, shall be classified under the Member State where the highest proportion of their remuneration is awarded.

### **Article 5- Frequency of reporting and remittance dates, and reference year**

- 5.1. The information mentioned above in article 2 shall be submitted every year at the end of June.
- 5.2. The information mentioned above in article 2 shall relate to remuneration awarded for performance during the year preceding the year of remittance.

### **Article 6- Transitional arrangements**

The first date for data submission shall be October 2011. It shall relate to remuneration awarded for the 2010 performance year.

## **Article 7- Date of application**

7.1. Home competent authorities applying these guidelines shall incorporate them into their supervisory practices, including where particular guidelines within the document are directed primarily at institutions.

7.2. Competent authorities shall undertake all the above steps to apply these guidelines by ... [date].

Done at London on xx [Month] 2011

Andrea Enria  
Chairperson  
For the EBA Board of Supervisors

Annex 1- Information to be completed and submitted regarding high earners

## **ANNEX 1- Information to be completed and submitted regarding high earners**

<b>Name of the institution:</b>				
<b>Member state to which the data relate:</b>				
<b>Business areas:</b>	<b>Investment banking<sup>3</sup></b>	<b>Retail banking</b>	<b>Asset management</b>	<b>All Other<sup>4</sup></b>
<b>Number<sup>5</sup> of individuals earning in excess of €1mn</b>	#	#	#	#
Number of "Identified Staff" <sup>6</sup> earning in excess of €1mn	#	#	#	#
<b>Total fixed<sup>7</sup> remuneration<sup>8</sup> in Year N for all individuals earning in excess of €1mn</b>	€ mn	€ mn	€ mn	€ mn
<b>Total variable<sup>9</sup> remuneration in Year N (upfront + deferred<sup>10</sup>) for all individuals earning in excess of €1mn</b>	€ mn	€ mn	€ mn	€ mn
Total discretionary pension benefits <sup>11</sup> in Year N for all individuals earning in excess of €1mn	€ mn	€ mn	€ mn	€ mn
Total variable remuneration deferred in Year N for all individuals earning in excess of €1mn	€ mn	€ mn	€ mn	€ mn

<sup>3</sup> Incl. corporate finance, private equity, capital markets, sales & trading.

<sup>4</sup> This column should include high earners that cannot be allocated to one of the designated business areas. In this case, institutions should add a footnote explaining in which business areas these high earners work.

<sup>5</sup> The numbers of staff provided should be based on the institutions' performance year-end numbers.

<sup>6</sup> Identified staff according to paragraph 16 of the CEBS Guidelines on Remuneration Policies and Practices.

<sup>7</sup> Fixed remuneration according to article 11 of CEBS Guidelines on Remuneration Policies and Practices.

<sup>8</sup> The amounts of remuneration provided should be gross numbers, including all costs for the institutions except, mandatory contributions to social security and comparable schemes.

<sup>9</sup> Variable remuneration according to article 11 of CEBS Guidelines on Remuneration Policies and Practices.

<sup>10</sup> Cf. section 4.4.1 of CEBS Guidelines on Remuneration Policies and Practices for definitions of deferred and non-deferred remuneration.

<sup>11</sup> Cf. section 3.1.2 of CEBS Guidelines on Remuneration Policies and Practices for definition of discretionary pension benefits.