



January 29, 2021

VAB-Statement on EBA Draft Guidelines on sound remuneration policies under Directive 2013/36/EU

Question1: Are the amendments to the subject matter, scope and definitions appropriate and sufficiently clear?

In general, we welcome the proposed amendments and in particular the concretization of the scope of application already set out in Art. 109 para. 2 et seq. of Directive (EU) 2019/878 (CRD V).

In detail:

Pursuant to Art. 109 para. 2 CRD V, parent undertakings and subsidiaries are in principle obliged to meet the rules on remuneration resulting from CRD V on a consolidated or sub-consolidated basis in order to ensure that the arrangements, processes and mechanisms are consistent and well-integrated and that any data and information relevant to the purpose of supervision can be produced. This concept has been included in marginal number 8 of the Draft Guidelines, so that it is clear which rules apply for any subsidiary undertaking and its staff. We very much welcome this clarification and consider that the Draft Guidelines are sufficiently clear in this respect.

Question 2: Are the amendments regarding gender neutral remuneration policies sufficiently clear?

We welcome the proposed amendments regarding gender neutral remuneration policies and in particular the fact that the principle of equal pay for male and female workers for equal work or work of equal value pursuant to Article 157 of the Treaty on the Functioning of the European Union (TFEU) and the gender equality rules pursuant to CRD V will be incorporated into the Guidelines on sound remuneration.

We agree that uniform guidelines for job descriptions and positions are needed to implement gender neutral remuneration policies as set out in marginal number 26 of the Draft Guidelines. Nevertheless, we would like to suggest that a detailed catalogue of criteria should be included in the Guidelines on sound remuneration, based on which an institution has clear guidance for the creation of a gender-neutral job and position description. The aspects mentioned in marginal number 27 of Draft Guidelines are certainly helpful in this respect. However, we understand that these aspects are only to be used in addition. In this respect, we consider that the inclusion of a detailed catalogue of criteria in the Guidelines should be necessary.

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Question 3: Are the guidelines on the application of the requirements in a group context sufficiently clear?

The guidelines on the application of the requirements in a group context are sufficiently clear; please see also our answer to question 1.

Question 4: Are the guidelines regarding the application of waivers within section 4 sufficiently clear?

We have not any comments regarding the application of waivers within section 4.

With regard to the amendments in the marginal numbers 84 to 92 of the Draft Guidelines, we would like to highlight that we welcome the concretizations regarding the proportionality assessment as set out in marginal numbers 86 and 87 as well as the clarification as set out in marginal number 92 whereafter institutions have to comply with the remuneration requirements in a manner that provides for a level playing field among different institutions.

Question 5: Is the section 8.4 on retention bonuses sufficiently clear?

The amendments in section 8.4 on retention bonuses are sufficiently clear. In this respect, we welcome in particular the supplemented criteria for determining the need to grant a retention bonus pursuant marginal number 143. This shows an institution which minimum standard is required for the preparation of a retention bonus and its documentation.

Question 6: Is the amended section 9 on severance payments sufficiently clear?

We have not any comments regarding the amended section 9 on severance payments.