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DECISION (EU) 2024/461 OF THE EUROPEAN CENTRAL BANK

of 29 January 2024

on the reporting by national competent authorities to the European Central Bank of information on remuneration, gender pay gap, approved higher ratios and high earners for the purposes of benchmarking *(ECB/2024/2)*

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EU) No 1024/2013 of 15 October 2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions [1], and in particular Article 6(2) thereof,

Having regard to Regulation (EU) No 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for cooperation within the Single Supervisory Mechanism between the European Central Bank and national competent authorities and with national designated authorities (SSM Framework Regulation) (ECB/2014/17) [2], and in particular Article 21 and Article 140(4) thereof,

Having regard to the proposal of the Supervisory Board,

Whereas:

(1) Pursuant to Article 75(1) of Directive 2013/36/EU of the European Parliament and of the Council [3], competent authorities are required to collect the information disclosed in accordance with the criteria for disclosure established in Article 450(1), points (g), (h), (i) and (k), of Regulation (EU) No 575/2013 of the European Parliament and of the Council [4] as well as the information provided by institutions on the gender pay gap, and must use that information to benchmark remuneration trends and practices. The competent authorities should then provide the European Banking Authority (EBA) with that information.

(2) The benchmarking information to be collected by competent authorities has been further harmonised and clarified by the EBA in the Guidelines on the benchmarking exercises on remuneration practices, the gender pay gap and approved higher ratios under Directive 2013/36/EU (EBA/GL/2022/06) [5], as well as the Guidelines on the data collection exercises regarding high earners under Directive 2013/36/EU and under Directive (EU) 2019/2034 (EBA/GL/2022/08) [6]. EBA Guidelines EBA/GL/2022/06 and EBA/GL/2022/08 provide that where the responsibility for supervision lies with the European Central Bank (ECB), the competent authorities should coordinate the data collection amongst themselves and provide each other with the necessary data and information to ensure that only one set of data is collected and reported to the EBA for each Member State [7].

(3) In accordance with Article 75(1) and (2) of Directive 2013/36/EU, competent authorities must provide the EBA with relevant data on remuneration practices and the gender pay gap, in order to allow the EBA to benchmark remuneration trends and practices at the Union level. Benchmarking allows for year-to-year evolutions to be identified and points to differences between groups/institutions depending on where they are headquartered within the Union. In order to allow for comparability, the data provided to the EBA need to be consistent. The data which need to be submitted for the benchmarking exercise concern significant and less significant supervised entities.

(1) OJ L 287, 29.10.2013, p. 63.
(2) OJ L 141, 14.5.2014, p. 1.
(3) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).
(4) Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).
(5) Available on the EBA website.
(6) Available on the EBA website.
(7) See paragraph 27 of EBA/GL/2022/06 and paragraph 41 of EBA/GL/2022/08.

(4) Within the framework of cooperation within the Single Supervisory Mechanism, as set out in Article 6 of Regulation (EU) No 1024/2013, the ECB is exclusively competent to carry out, for prudential supervisory purposes, the tasks set out in Article 4(1), point (e), of that Regulation. The ECB, in the exercise of those tasks, ensures compliance with the provisions of Union law that impose prudential requirements on credit institutions as regards remuneration.

(5) In accordance with Article 140(3) of Regulation (EU) No 468/2014 (ECB/2014/17), supervised entities are obliged to communicate to their relevant national competent authority (NCA) any information to be reported on a regular basis in accordance with relevant Union law. Unless specifically provided otherwise, all information reported by the supervised entities should be submitted to the NCAs. These authorities should perform the initial data checks and make the information reported by supervised entities available to the ECB.

(6) In accordance with Article 6(2) of Regulation (EU) No 1024/2013 and Article 21 of Regulation (EU) No 468/2014 (ECB/2014/17), both the ECB and NCAs are subject to an obligation to exchange information. Without prejudice to the ECB's power to directly receive information from credit institutions or have direct access to that information on an ongoing basis, NCAs should specifically provide the ECB with all information necessary for the purposes of carrying out the tasks conferred on the ECB by Regulation (EU) No 1024/2013, having regard to the need to coordinate among authorities in order to submit only one set of data per Member State.

(7) For the exercise of the ECB's tasks in respect of remuneration policies and practices, the manner in which NCAs submit the information they receive from supervised entities to the ECB needs to be further specified. In particular, the formats, frequency and timing of such submission of information, as well as the details of the data quality checks that NCAs should perform before submitting information to the ECB, should be further specified.

(8) EBA Guidelines EBA/GL/2022/06 and EBA/GL/2022/08 describe in detail the data to be provided to competent authorities for the purposes of benchmarking remuneration trends and practices, the gender pay gap, approved higher ratios and high earners. In order to avoid inconsistencies as regards the information NCAs should submit to the ECB, this Decision includes references to those EBA Guidelines where relevant,

HAS ADOPTED THIS DECISION:

Article 1

Subject matter and scope

This Decision lays down the requirements concerning the submission to the European Central Bank (ECB) of information reported to the national competent authorities (NCAs) by supervised entities for the purposes of benchmarking remuneration trends and practices, the gender pay gap, approved higher ratios and high earners.

Article 2

Definitions

For the purposes of this Decision, the definitions in Regulation (EU) No 468/2014 (ECB/2014/17) apply.

Article 3

Requirements for the submission of information on remuneration

1. NCAs shall submit to the ECB each year the information on remuneration specified in paragraph 20, points (a) to (d), of EBA Guidelines EBA/GL/2022/06 and reported by the following supervised entities established in their respective participating Member State:

(a) significant supervised entities at the highest level of consolidation in the participating Member States, on a consolidated basis;

(b) significant supervised entities that are not part of a supervised group, on an individual basis;

(c) supervised entities that are not referred to in points (a) or (b) and from which NCAs collect such information in compliance with EBA Guidelines EBA/GL/2022/06;

(d) significant supervised entities that are not referred to in points (a), (b) or (c), and from which NCAs collect such information.

2. NCAs shall submit to the ECB every three years the information on the gender pay gap specified in Annex IV to EBA Guidelines EBA/GL/2022/06 and reported by the following supervised entities established in their respective participating Member State:

(a) supervised entities from which NCAs collect such information in compliance with EBA Guidelines EBA/GL/2022/06;

(b) significant supervised entities that are not referred to in point (a) at the highest level of consolidation in the participating Member States, on an individual basis;

(c) significant supervised entities that are not part of a supervised group and that are not referred to in point (a), on an individual basis;

(d) significant supervised entities that are not referred to in points (a), (b) or (c), and from which NCAs collect such information.

For the purposes of point (b), where the significant supervised entity at the highest level of consolidation in the participating Member States is a financial or a mixed financial holding company and no supervised entities within the same supervised group fall under point (a), NCAs shall submit to the ECB the information specified in this paragraph on a credit institution within that supervised group with the highest number of full-time employees (FTEs), on an individual basis.

3. NCAs shall submit to the ECB every two years the information on approved higher ratios specified in Annex V to EBA Guidelines EBA/GL/2022/06 and reported by significant supervised entities on an individual basis.

4. NCAs shall submit to the ECB every two years the information on approved higher ratios as specified in Annex VI to EBA Guidelines EBA/GL/2022/06, aggregated at the level of their respective participating Member State.

Article 4

Requirements for the submission of information on high earners

1. NCAs shall submit to the ECB each year the information on high earners specified in Annex I to EBA Guidelines EBA/GL/2022/08 and reported by the following supervised entities established in their respective participating Member State:

(a) significant supervised entities at the highest level of consolidation in the participating Member States, on a consolidated basis;

(b) significant supervised entities that are not part of a supervised group, on an individual basis;

(c) significant supervised entities that are not referred to in points (a) or (b), and from which NCAs collect such information.

2. NCAs shall submit to the ECB each year the information on high earners specified in Annex I to EBA Guidelines EBA/GL/2022/08, aggregated at the level of their respective participating Member State.

Article 5

Remittance dates

1. NCAs shall submit to the ECB the information referred to in Article 3, paragraphs 1 to 3, and Article 4, paragraph 1, in accordance with the following:

(a) for significant supervised entities, NCAs shall, upon receipt of the data in accordance with the 15 June remittance date and after performing the initial data checks referred to in Article 8, submit to the ECB that information without undue delay;

(b) for less significant supervised entities, NCAs shall submit that information to the ECB at the latest by 12:00 Central European Time (CET) on 31 July.

2. NCAs shall submit to the ECB the information referred to in Article 3, paragraph 4, at the latest by 12:00 CET on 31 August.

3. NCAs shall submit to the ECB the information referred to in Article 4, paragraph 2, at the latest by 12:00 CET on 31 July.

Article 6

Data quality

1. NCAs shall:

(a) monitor and assess the quality and reliability of the information made available to the ECB pursuant to this Decision;

(b) apply the relevant validation rules developed, maintained and published by the EBA;

(c) apply the additional data quality checks defined by the ECB in cooperation with the NCAs.

2. NCAs shall perform their quality assessment of data submitted to them in accordance with the following:

(a) for the following supervised entities, by the 10th working day following the receipt of the data in accordance with the 15 June remittance date:

(i) significant supervised entities reporting at the highest level of consolidation in the participating Member States;

(ii) significant supervised entities that are not part of a supervised group;

(iii) supervised entities that are classified as significant in accordance with the three most significant supervised entities criterion in their Member State on a consolidated basis, or on an individual basis if they are not required to report on a consolidated basis.

3. Further to compliance with the validation rules and data quality checks referred to in paragraph 1, the information shall be submitted in accordance with the following additional minimum standards for accuracy:

(a) NCAs shall provide information, where applicable, on the developments implied by the information submitted;

(b) the information shall be complete, existing gaps shall be acknowledged and explained to the ECB and, if applicable, those gaps shall be filled without undue delay.

Article 7

Qualitative information

1. NCAs shall submit to the ECB without undue delay the corresponding explanations where the data quality for a given table in the taxonomy cannot be warranted.

2. NCAs shall communicate the following to the ECB:

(a) reasons for any resubmissions by significant supervised entities;

(b) reasons for any significant revisions submitted by significant supervised entities.

For the purposes of point (b), 'significant revision' means any revision of one or more data points, both in terms of absolute figures reported and percentage of variations, which significantly impacts the prudential or financial analysis made using these data points at entity level.

Article 8

Transmission format

1. NCAs shall submit the information specified in this Decision in accordance with the relevant Data Point Model and eXtensible Business Reporting Language (XBRL) taxonomy developed, maintained and published by the EBA.

2. In accordance with Article 140(3) of Regulation (EU) No 468/2014 (ECB/2014/17), NCAs shall perform initial data checks to ensure that the submissions constitute a valid XBRL report in accordance with paragraph 1.

3. The supervised entities shall be identified in the corresponding transmission by the use of the Legal Entity Identifier.

4. NCAs shall submit information aggregated at the level of the respective participating Member State using the relevant country identifier.

Article 9

Taking effect

This Decision shall take effect on the day of its notification to the addressees.

Article 10

Addressees

This Decision is addressed to the national competent authorities of the participating Member States.

Done at Frankfurt am Main, 29 January 2024.

The President of the ECB
Christine LAGARDE