



Bernd RUMMEL
Senior Policy Expert, European Banking Authority (EBA)

Copy to:

Meri Rimmanen, Director - Data Analytics, Reporting and Transparency, EBA
Pilar Gutiérrez, Senior Bank Sector Analyst, EBA

The 21st of March 2022,

Subject : ecoDa comments on EBA consultation on its guidelines on remuneration and gender pay gap benchmarking and also on the data collection regarding high earners in banks and investment firms.

Dear Mr.Rummel,

ecoDa would like to congratulate EBA for its three documents which have the common objective of describing a methodology for the collection of data and concern the institutions of credit and investment companies. All are based on the principle of "equal pay for equal work or work of equal value" indicated in the article of the European Union.

We would like to use this opportunity to make some comments:

- 1- As a general comment, ecoDa would like to point out that institutions and companies in large are already doing a lot in terms of gender pay gap. They can not substitute for welfare state policy ;
- 2- First of all, we suggest to carefully reflect on the division between the management and the supervisory function as well as on the definition of the respective responsibilities of executives and non-executives. We have indeed the impression that the members of the supervisory board are assimilated to the staff of the entities subject to the questionnaires. ecoDa would suggest to carry out separate surveys for members of supervisory boards and to include reference to attendance fees. Too many concepts included in the guidelines do not apply indeed to board members¹;
- 3- ecoDa would like to point out the different remuneration structures for executive board members and for non-executive board members. According to ecoDa understanding, the gender pay gap relates to executive positions. Non-executives' fees are set during annual

¹ Reference under the *draft guidelines on the high earner data collection exercises under CRD and IFD* to "headcount", "guaranteed variable compensation", "working hours on which their contract is based" do not apply to Boards members. The same is true for *draft guidelines on the remuneration and gender pay gap benchmarking exercises under IFD* where reference to « full time equivalent », « contractual working time arrangement », "allocation of staff to business area", "parental leave" is made. Reference is also to « *allocation of staff to business areas* », « *staff that was recruited* », under the *draft guidelines on the remuneration, gender pay gap and on approved higher ratios benchmarking exercises under CRD*.

- general meetings. They are mostly fixed and are not based on individual appraisal. Therefore, the EBA should concentrate its efforts on executives remuneration;
- 4- When it comes to executive remuneration, ecoDa would recommend a high level of granularity (seniority, function, etc) ;
 - 5- Furthermore, ecoDa wonders about the level of responsibility of board members for this exercise. We assume that the responsibility lies primarily with the "Management Body in their management function";
 - 6- In addition, ecoDa wonders about the choice of the different deadlines for the collection of information on the gender pay gap and the rationale that motivates this choice². Some consistency should be necessary.

We thank you for taking these comments into account and we remain at your disposal if necessary.

Yours faithfully,



Béatrice Richez-Baum

Director General of ecoDa



Michel de Fabiani

Chair of ecoDa's Advocacy and Policy Committee

² The first information for the "gender pay gap" will be collected in 2024 on the data for 2023 (and will take place every three years) and the others will be collected in 2023 on the data for the year 2022 (then every two years for higher ratios and every year for remuneration).