

## Luxembourg Tax Alert

### The European Banking Authority (EBA) published its report on high earners for 2017

21 March 2019

#### **The EBA observes a slight increase of high earners in EU banks for 2017**

On 11 March 2019, the European Banking Authority (EBA) issued its annual report on high earners (i.e. staff whose total remuneration is equal to or higher than €1 million).

The data analyzed in this report have been provided by all Member States for the year 2017.

Looking at the aggregated data at EU level, it appears from this report that:

- The number of high earners has slightly increased from 4,597 in 2016 to 4,859 in 2017 (+5.69%)
- The percentage of high earners who are identified staff (i.e. Material Risk Takers) has declined from 89% in 2016 to 87% in 2017
- The average ratio between variable and fixed remuneration for high earners has continued to decrease from 104% in 2016 to 101% in 2017
- Asset management remained the area with the highest average ratio between variable and fixed remuneration (402%), i.e. far exceeding the maximum ratio of 200% due to waivers granted by several Member States.

In Luxembourg's case, the report indicates that with 20 high earners in 2017, this figure has remained stable compared to 2016 (21).

#### **Next steps**

The EBA will publish its report on benchmarking of remuneration practices in EU banks for 2017 and 2018 (including data on high earners for 2018) by the beginning of 2020.

In addition, the EBA plans on reviewing the application of the RTS on identified staff, and will subsequently issue a report in the second half of 2019.

## **Additional information**

Please click the below link for more details:

<https://eba.europa.eu/-/the-eba-observes-a-slight-increase-of-high-earners-in-eu-banks-for-2017>

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