

13 May 2021

Circular to Credit Institutions and Foreign Branches on the Remuneration Benchmarking and High Earners Data Collection Exercises and Other Reporting Developments

Remuneration Data Reporting

Pursuant to the Implementing Technical Standards ('ITS') on Supervisory Reporting (Regulation EU No 680/2014) and the [Circular to credit institutions on development in supervisory reporting, mainly on reporting pursuant to Banking Rule 23](#) dated 30 September 2020, the Authority is hereby informing all credit institutions and branches of non-EU credit institutions, as applicable, on the upcoming Remuneration Benchmarking and High Earners data collection exercises.

This circular is mainly intended to provide detailed information to institutions on developments with respect to the submission of Remuneration Benchmarking and High Earners data to the MFSA in line with EBA's integration of these data requirements into the Supervisory Reporting taxonomy.

As from 31 December 2020 reference date onwards, remuneration data reporting will be required to be submitted to the MFSA in both XBRL and Excel formats, similar to the ITS reporting modules. The Excel templates that should be compiled by institutions and submitted to the MFSA are those provided by the Authority, which can be downloaded from the [MFSA Supervisory Reporting webpage](#). The XBRL file should be produced using the Supervisory Reporting taxonomy in line with EBA's publication of the relevant technical documentation.

The process for reporting Remuneration data to the MFSA starting December 2020 reference date will follow that of other ITS on Supervisory Reporting modules (FINREP/COREP), that is, institutions will be required to submit data through the [LH Portal](#).

The LH Portal Submission Guidelines documents have been updated to provide detailed information on file naming conventions and submission to the Authority. All other necessary information and documentation has also been provided on the dedicated MFSA webpage.

a. Remuneration Benchmarking

In line with the EBA Guidelines ('GLs') on the Remuneration Benchmarking Exercise ([EBA/GL/2014/08](#)) the Authority is requesting all credit institutions, excluding branches of EU and non-EU credit institutions, to submit the Remuneration Benchmarking reporting module.

Pursuant to paragraph 3.1 of the GLs, credit institutions are required to report this information at the highest level of consolidation in the EEA covering all subsidiaries and branches within a group, whether established in a Member State or in a third country.

b. High Earners

In line with the EBA Guidelines ('GLs2') on the Data Collection Exercise regarding High Earners ([EBA/GL/2014/07](#)) the Authority is requesting all credit institutions and branches of institutions that have their head office in a third country to submit the High Earners reporting module.

Pursuant to section 3 '*Scope of consolidation*' of the GLs2, credit institutions are required to report this information at the highest level of consolidation covering all subsidiaries and branches within a group established in the EEA. Data regarding high earners in third countries should not be reported.

In the case an institution has no data to report in the High Earners reporting module, the institution is requested to notify this to the Authority by email on Bankingdata@mfsa.mt.

Institutions are reminded to follow all the provisions of the EBA Guidelines on the Remuneration Benchmarking Exercise and the EBA Guidelines on the Data Collection Exercise regarding High Earners in reporting remuneration data to the MFSA.

Reporting Templates for ITS v3.0

The Authority is hereby informing credit institutions and foreign branches that it has made available on its dedicated webpage on Supervisory Reporting the excel templates for ITS v3.0. More information and corresponding documentation on this new ITS version will be communicated and provided in due course.

In general, bank officials are reminded to not alter, in any way, the format, structure and/or file names of the excel templates as provided by the Authority. In addition, institutions are also reminded that it is their responsibility to ensure that no data differences are present between the XBRL and the Excel files submitted to the MFSA.