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SLASPO's responses on Principles on remuneration
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1. Are the CEBS guidelines relevant for the insurance sector?

In past times (socialism), there were introduced such a remuneration system in Slovakia. The system was public, transparent „to the eye“, but absolutely not effective, which led to slowness and backwardness of the whole process.

In principle, Slovak Insurance Association will not support an establishment of the globally defined principles on remuneration, because of the negative experiences with such a system.

Furthermore, we would like to highlight that there are significant differences between remuneration of employees and management according valid slovak legislation. Employees are rewarded under their labour contracts and internal company standards which have to be in accordance with the principles contained in Labour code. Executive management, members of board, that are not employees, are rewarded under their special contracts: managerial contract or mandate contract which are concluded individually with investors and actionaries.

Example of principles on remuneration in Slovak Labour code:

„Employees have a right to wages for the work performed, a right to ensure the safety and health at work, for rest and recreation after work. Employers are obliged to provide employee wages, and create working conditions that allow employees the best performance of the work according to their skills and knowledge, the development of creative initiatives and strengthen skills.“

2. Is there a need or not for additional rules for the insurance sector?

Insurance sector is different from banking sector in the way, that majority of earned money goes to distribution channels. Insurance sector thereby need a special and individual approach.