Priority question for written answer P-002522/2021 to the Commission

Rule 138

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Subject: Suspension of bonus payments by companies receiving emergency state aid

State aid for companies hard hit by the economic fallout of the pandemic is understandably subject to conditions such as the temporary suspension of dividends and bonus payments for as long as the aid is being received. However, in view of recent developments, it is far from clear that these conditions are being complied with in line with current EU rules.

- 1. It has recently emerged that the CEO of Air France-KLM, which is receiving state aid, is being paid a bonus (in the form of shares) despite record company losses¹. How is this in line with the ban on bonus payments by Air France-KLM decided by the Commission² until it has repaid at least 75 % of state aid received? Does the Commission intend to publish its formal decision in full?
- 2. Is it also considering the introduction of stricter temporary framework conditions and related rules governing bonuses and variable pay incentives by companies receiving recapitalisation assistance from the state?
- 3. During the 2008 financial crisis, bonuses were also paid by recipient companies, including banks³. What lessons has the Commission learned from this and how is it putting them into practice with a view to suspending dividend and bonus payments to companies in such a situation and those that are being called upon to take additional measures to remain afloat?

https://www.telegraaf.nl/financieel/423714714/miljoenenbonus-topman-air-france-klm-ondanks-recordverliesen-staatssteun

https://ec.europa.eu/commission/presscorner/detail/en/ip_21_1581

³ https://www.nrc.nl/nieuws/2009/09/21/banken-keren-middenin-crisis-gewoon-bonussen-uit-11785762-a374619