

# Implementation of the EU Pay Transparency Directive – The Latest Position

March 2026

With less than three months to go until the Pay Transparency Directive comes into force, we are starting to see more EU member states take steps to prepare for its implementation. Progress is, however, still slow. This is not a reason for employers not to take action! We would continue to urge affected companies to be taking steps now to comply with the requirements of the Directive.

It seems that, as was the case with the Whistleblowing Directive, many member states will be issuing draft legislation late in the day. This makes things very difficult for employers, but as the minimum requirements of the Directive are clear, employers should be using these as the framework for their preparations.

In the latest version of our “snapshot” guide, we have collaborated with our Global Edge contributors to set out the current state of play in 19 key EU member states, including an indication of the likely scale of change in different jurisdictions and the potential need for union/works council consultation along the way.

As the UK is no longer a member of the EU, it will not be required to implement the Directive. To the extent UK companies have operations in continental Europe, however, it will, of course, still be relevant. Greater transparency in pay practices and procedures in EU member states is also likely to raise the profile of this issue in the UK and potentially trigger demands from UK staff for similar information.

Please note that this guide is intended as a high-level overview only and should not be regarded as a substitute for legal advice. It sets out the position as of 16 March 2026. We recommend that you always check the latest position with your local labour and employment lawyer. Where “✓/x” responses are given, they may be dependent on the facts and specific advice should always be taken.



# How We Can Help

We can support you in relation to all aspects of preparing for implementation of the Pay Transparency Directive, as well as your broader pay equity strategy – from reviewing your current pay structures and practices to identify potential areas of challenge, to supporting with “dry runs” of your gender pay gap reporting in individual EU member states.

Our global footprint and extensive experience of delivering global projects for clients means we can provide joined-up support to ensure your pay practices and structures align with the requirements of the Directive and any local implementing legislation across all your affected markets.

If you would like to discuss the implications of the Pay Transparency Directive for your business, please speak to your usual contact at the firm or one of our experts in the first instance.



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## Global Edge

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## Key Provisions – Pay Transparency

### Overview

Employers must provide job applicants with information about their starting salary (or pay range) for the position applied for. That information must be provided prior to any job interview, e.g. in a job advert. The aim here is to ensure an informed and transparent discussion, and to minimise the scope for negotiations about pay.

Employers will be prohibited from asking job applicants about their previous pay history. The thinking behind this is that candidates should have salary offers based on their suitability for the role and not on what they may have been willing to work for at another employer, since that could have the effect of perpetuating lower salaries for women.

Employers must make available to workers the criteria used to determine their pay, pay levels and pay progression. These criteria must be objective and gender neutral.

Workers will have the right to request information in writing on their individual pay level and the average pay levels, broken down by sex, for categories of workers performing the same work as them or work of equal value. They also have the right to request and receive this information through their workers' representatives, in accordance with national law and/or practice. The information must be provided no later than two months after the request is made. Furthermore, employers will be required to inform their workers on an annual basis of their right to receive this information and how they can exercise their rights.

Employers will be prohibited from including contractual terms that restrict workers from disclosing information about their pay for the purposes of enforcing equal pay rights.

## Key Provisions – Pay Gap Reporting

### Overview

- The new pay gap reporting obligations are significantly broader in scope than those currently in place in most, if not all, EU member states.
- Large employers will be obliged to report on their gender pay gap – see “What Information Must be Provided?” on page 4 for the specific information that they will be required to provide and the deadlines for doing so. The accuracy of the information provided will have to be confirmed by management, after consulting workers' representatives.
- Workers' representatives will have access to the methodologies applied by the employer and certain information must be provided to the workers and their representatives. Certain information must also be shared with the relevant national body in charge of compiling and publishing such data.
- Workers, workers' representatives, labour inspectorates and equality bodies will have the right to request further information, including explanations concerning any gender pay differences. Employers must respond to such requests within a reasonable period and where gender pay differences are not justified based on objective, gender-neutral criteria, employers must remedy the situation within a reasonable period of time in close cooperation with those bodies.
- If (i) the pay reporting shows a difference in the average pay level between male and female workers of at least 5% in any category; (ii) the employer cannot justify such a difference on the basis of objective, gender-neutral criteria; and (iii) it has not remedied the difference within six months of the pay reporting date, it will be required to conduct a joint pay assessment in cooperation with the workers' representatives. This joint pay assessment must comply with various requirements (imposed with the purpose (or at least effect) of representing a process to be avoided if at all possible) and then be made available to workers and their representatives.

## What Information Must Be Provided?

Affected employers will be obliged to provide the following information concerning their organisation under their gender pay gap reporting obligations:

- The gender pay gap, i.e. the difference in average pay levels between female and male workers of the employer expressed as a percentage of the average pay level of male workers.
- The gender pay gap in complementary or variable components, e.g. certain bonuses.
- The median gender pay gap, i.e. the difference between the median pay level of female and male workers of an employer expressed as a percentage of the median pay level of male workers.
- The median gender pay gap in complementary or variable components.
- The proportion of female and male workers receiving complementary or variable components.
- The proportion of female and male workers in each quartile pay band, i.e. each of four equal groups of workers into which they are divided according to their pay levels, from the lowest to the highest.
- The gender pay gap between workers by categories of workers (meaning workers performing the same work or work of equal value), broken down by ordinary basic wage or salary, and complementary or variable components. This obligation is the one most likely to cause difficulties for employers, as it will require them (possibly for the first time) to “group” together workers who are performing the same work or work of equal value, i.e. akin to an equal pay audit, to allow them to produce the relevant statistics.

It is also important to note that the definition of pay for these purposes is broad and would capture benefits in kind (such as share awards), as well as basic pay and bonuses.

## Pay Reporting Dates

- Employers with 250 or more workers will have to report their first pay gap data by 7 June 2027 in respect of the previous calendar year and then annually thereafter.
- Employers with 150 to 249 workers will also have to report their first pay gap data by 7 June 2027 in respect of the previous calendar year and then every three years thereafter.
- Finally, employers with 100 to 149 workers will have to report their first pay gap data by 7 June 2031 in respect of the previous calendar year and then every three years thereafter.

It is possible that individual EU member states will require employers with fewer than 100 workers to provide information on pay. Indeed, some EU countries already impose such obligations. In Ireland, for example, the gender pay gap reporting obligations were extended to employers with 50 or more employees from 1 June 2025.

## Remedies and Enforcement of Rights

To strengthen the principle of equal pay for equal work or work of equal value, the Directive also contains robust enforcement mechanisms.

EU member states will be required to ensure that effective, proportionate and dissuasive penalties are in place relating to the principle of equal pay, including potential exclusion from public contracts where there has been a failure to comply with the pay transparency obligations or there is a pay gap of more than 5% in any category of workers that is not justified by objective, gender-neutral criteria.

The Directive contains provisions on compensation for individuals who have faced pay discrimination.

Where an employer has not implemented the pay transparency obligations and proceedings are brought alleging pay discrimination, the burden of proof will be on the employer to prove that there has been no such discrimination.

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# Austria

<p><b>1. Does Austria have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Austria already has some legislation in place in this regard, including the following:</p> <ul style="list-style-type: none"> <li>• Employers with more than 150 employees are required to prepare an income report every two years. This report must be submitted to the relevant workforce representation body (e.g. the works council) and contains an anonymised record of employees’ remuneration, separated by gender. If no such body exists, the report must be made accessible to all employees in a designated area of the workplace.</li> <li>• Furthermore, employers are required to specify in job advertisements both the minimum salary under the applicable collective bargaining agreement, and the remuneration intended to serve as the baseline for salary negotiations.</li> </ul>		<p><b>4. Does Austria already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p>	
<p><b>2. Has Austria introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Not yet. Austria is currently in the process of transposing the Pay Transparency Directive into national law.</p>		<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>Under current law, an obligation to provide information to the works council may arise if the proposed changes affect the economic interests of employees. Furthermore, some kind of consultation may become necessary if, for example, the remuneration system or the framework conditions for performance-related variable pay are specified in a shop agreement. In such cases, any changes to the existing practice would be subject to negotiations with the works council.</p>	
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>In our view, the implementation of the Pay Transparency Directive will result in stricter and more comprehensive disclosure, information and reporting obligations for employers regarding their pay practices. This will strengthen employees’ rights to information and generally require employers to maintain much more detailed documentation on pay practices. This will include precise job descriptions outlining skills and responsibilities, as well as explanations of voluntary salary increases, bonus payments, etc., in order to ensure compliance with the upcoming pay transparency legislation, and to provide sufficient evidence in potential legal proceedings.</p> <p>Furthermore, restrictions currently permissible under Austrian law that prevent employees from discussing or sharing any remuneration information with their colleagues are expected to be prohibited following the implementation of the Pay Transparency Directive in Austria.</p>		<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>We do not consider that there will be an obligation to establish a works council. The Austrian system is based on employees being entitled to elect a works council. The employer may not prevent this, but at the same time it is not obliged to ensure the establishment of a works council.</p> <p>A works council may only be established in an operation with at least five employees.</p>	
		<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>This is to be expected, as new legislation typically attracts greater attention upon its introduction. The implementation of the Directive is also expected to draw significant media coverage, while awareness among the workforce is likely to increase through specific information provided by works councils and employee representatives, such as trade unions or the Chamber of Labour.</p>	

**8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?**



Employers can already take first steps, such as evaluating their existing pay practices and assessing whether there are any gender-specific pay gaps. If such gaps are identified, employers can consider taking appropriate measures to address them proactively. In particular, it will be necessary to either increase salaries, or to identify criteria that justify different salaries in any given case.

It is also advisable for employers to prepare an overview of their employees' salaries, including any variable pay, accompanied by a description of each position, its responsibilities and the required competencies. We recommend documenting all of this in writing and collecting the necessary supporting documents, as this will in any case facilitate compliance with upcoming pay reporting and information obligations.

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# Belgium

<p><b>1. Does Belgium have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Every two years, companies with an average of at least 50 employees must make a detailed analysis of the company's remuneration structure. On the basis of the information included in the report, the works council decides whether it is desirable to draw up an action plan. If requested by the works council, an action plan must be drafted. The works council can ask the employer to appoint a staff member who will act as a mediator in matters of gender-based unequal pay and will support the drafting of an action plan and reporting on the progress of this plan.</p>		<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>The works council has the right to be informed and consulted on intended changes to the company's employment conditions, including pay structure and job categories. In addition, the works council has the right to be consulted on measures intended to bridge the wage gap.</p> <p>Depending on the level of sophistication of the works council and the importance of the changes to be imposed, this process may take one to three months approximately.</p>	
<p><b>2. Has Belgium introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Implementation of the Directive is currently being discussed by the social partners, but they have not yet released any information.</p>	<p>Not yet</p>	<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>The obligation to set up worker representation is based on headcount only. If the company has no worker representatives, employees may still rely on external unions to assert their rights stemming from the Directive.</p>	
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>As set out above, Belgium already has legislation in place that partially meets the objectives of the Pay Transparency Directive.</p> <p>The Directive does, however, go further in terms of the level of detail of the reporting requirements, and in the obligation to provide information on salary ranges when applying for a job. The prohibition on enquiring about pay history is also new.</p>		<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>It is expected that individual employees will take an increased interest in the matter and assert their rights, in particular in contentious situations (e.g. by using individual information requests as a weapon to negotiate a better termination package). The position of trade unions is more difficult to predict: they have negotiated the sector-level collective labour agreements that determine salaries for large numbers of employees, and in times where employers are managing a strict budget, will the unions insist on allocating that budget to one specific gender group?</p>	
<p><b>4. Does Belgium already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>There is currently no such guidance for Belgium.</p> <p>However, the Belgian authorities are apparently developing a tool that will allow social partners at industry level to assess whether their collective labour agreements are in line with the requirements of the Directive.</p>			

**8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?**



Depending on the current level of pay transparency within a business, and the specific needs and goals of the company, it would be prudent to start preparing now for compliance with the Directive by assessing areas of concern and preparing the necessary corrective measures.

**9. Are there any additional points specific to your jurisdiction that companies should be aware of?**



As Belgium already has legislation in place that at least partially meets the obligations of the Directive, this is not yet a hot topic in Belgium.

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# Czech Republic

<p><b>1. Does the Czech Republic have any existing pay transparency and pay gap reporting obligations in place?</b></p>	✘
<p><b>2. Has the Czech Republic introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Even though full implementation of the Directive has not yet taken place, amendments to the Labour Code (effective from 1 June 2025) introduced important changes. For example, employers may no longer request that employees keep the amount and/or structure of their wages confidential. Any such confidentiality clauses are unenforceable, and companies may face fines of up to CZK400,000 if they continue to include them in agreements with employees.</p>	Some
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>As highlighted above, currently there are no pay gap reporting obligations. Furthermore, there is no obligation to provide information on salary ranges when applying for a job.</p>	✔
<p><b>4. Does the Czech Republic already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>The Ministry of Labour and Social Affairs has recently officially announced that the draft law will be introduced to the Government shortly and will be light touch, mostly following the Directive. The Ministry has also indicated that the implementation deadline will most likely not be met and that the reporting obligations will not be triggered earlier than the beginning of 2027.</p>	✘



<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>If employee representatives operate at the company, the employer must consult them on any intended changes to working conditions.</p> <p>If employee representatives operate at the company, the employer must inform them within a reasonable period about the development of wages, their components and job classifications, unless a collective bargaining agreement stipulates otherwise.</p>	✔
<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p>	✘
<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>Remuneration matters are typically the primary area in which employee representatives are actively engaged.</p>	✔
<p><b>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</b></p> <p>Yes, even though it is highly probable that the transposition of the Directive into national law will not be completed before the implementation deadline, companies should start working on creating work categories for the reporting obligations and establishing internal processes to comply with the other obligations arising from the Directive.</p>	✔

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# Denmark


<p><b>1. Does Denmark have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>In Denmark, gender pay gap reporting is currently governed by the Danish Equal Pay Act (<i>Ligelønsloven</i>). The Act requires employers to comply with the general principle of ensuring equal pay for equal work or work of equal value between men and women.</p> <p>Furthermore, employers with at least 35 employees, of whom a minimum of 10 persons of each gender must work in the same job function, are required to provide gender-specific pay statistics.</p>	<p>✓ Some</p>	<p><b>4. Does Denmark already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>In Denmark, the Equal Pay Act allows for the use of systems that assist employers in assessing and comparing the value of work, e.g. job evaluation tools, and it is common market practice to have some sort of job evaluation system in place, particularly in larger corporations.</p> <p>In Denmark, an occupational classification system is used in the classification of jobs. It involves the use of “DISCO codes”, which are the Danish version of the International Standard Classification of Occupations. The DISCO codes help determine whether specific employees carry out the same job function by providing a standardised framework for job classification. Thus, to some degree, it can be helpful when evaluating the value of work.</p> <p>However, as part of the Directive, the current gender-segregated pay statistics (based on DISCO codes) will be replaced by a pay reporting requirement. Employers will still be able to report pay information to Statistics Denmark or an employer’s organisation, which will then prepare and send a pay report to the employer. However, as such pay reporting will continue to be based on DISCO codes, it will often be necessary for the employer to submit supplementary pay reporting, as the categorisation under the pay transparency rules cannot be based solely on job functions (DISCO codes), but must be based on a concrete assessment of whether the employees perform equal work or work of equal value.</p>	<p>✓ Some</p>
<p><b>2. Has Denmark introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Denmark has not yet transposed the Directive into national law. However, on 26 February 2026, the Danish Ministry of Employment released the long-awaited draft Bill for consultation. The Bill aims to implement the Directive into the existing Danish Equal Pay Act. The new rules are proposed to enter into force on 1 January 2027.</p> <p>Furthermore, it should be noted that the upcoming general election has suspended the work of the Danish Parliament, and the draft Bill is therefore awaiting completion of the consultation process and formal presentation. However, as the Bill implements the Directive and has been the subject of discussions with the labour market partners, we expect the Bill to be presented and adopted with any amendments received during the consultation process, regardless of the composition of a new government.</p>	<p>✓</p>		
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>As highlighted above, companies are currently only obliged to report on pay and pay gaps in a very limited manner compared to the requirements under the Directive. Further, the Directive introduces obligations for employers that are not a part of existing legislation. Consequently, it is anticipated that substantial amendments will be made to existing legislation to accommodate the obligations set out in the Directive.</p>	<p>✓</p>		

<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>As per the Danish Act on Information and Consultation, all employees in companies with a minimum of 35 employees have a right to be informed and consulted on all matters of material importance to their employment and work-related conditions.</p> <p>Thus, depending on the nature of any such changes, there may be an obligation to inform and consult employee representatives, provided the employer employs a minimum of 35 employees. Such an information and consultation process can normally be completed within five to seven days.</p>	 <b>In some cases</b>	<p><b>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</b></p> <p>Employers should already be taking a proactive approach to compliance with the upcoming change of rules under Danish law. There are several disadvantages and highly burdensome obligations linked with not being compliant.</p> <p>Employers should, as a first step, assess their current pay structures to ensure they are in line with the principle of equal pay for equal work or work of equal value. This requires a thorough mapping of existing pay gaps within the organisation. Furthermore, employers should analyse gender-specific pay statistics. If a pay gap exists, employers must determine whether it is justified by objective, gender-neutral criteria.</p> <p>Additionally, employers should develop clear pay policies based on objective, gender-neutral standards, outlining how salaries are determined, as well as the criteria for pay progression. Implementing transparency measures prior to employment, including providing applicants with information about the expected salary range and refraining from asking about salary history, will be beneficial to ensure the employer’s compliance in relation to this prior to the rules becoming applicable.</p> <p>Lastly, companies subject to the reporting obligations should take steps to ensure they are prepared for such reporting. A useful strategy would be to do a “dummy report” prior to the Directive being implemented.</p>	
<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>As it stands now, this will not be the case. However, as outlined above, Denmark has not yet transposed the Directive, so this might change depending on the specific implementation of the Directive.</p>			
<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>As the Directive entails more obligations for employers, as well as procedures to follow, we anticipate an increased focus on pay transparency and gender pay gap issues when the Directive has been implemented into Danish legislation.</p>			

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# Finland

<p><b>1. Does Finland have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Under the Act on Equality between Women and Men, employers with 30 or more employees must prepare a gender equality plan. The plan must include a pay survey that includes the classifications of jobs performed by women and men, the pay for those jobs and the differences in pay. The Act requires that the employer must account for reasons behind pay differences if a review of groups based on job grade, duties or other grounds in the pay survey reveals clear differences between the pay for men and women. Additionally, according to the Act, the employer is required to take appropriate corrective action if no acceptable reason is found for differences in pay between men and women.</p>	<p>✓ Some</p>	<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>Some significant changes are expected.</p> <p>Finland already has legislation in place that will meet some of the new obligations imposed by the Directive – see above. The Directive will introduce additional requirements to this and create new obligations as well, such as the obligation to report on gender pay gaps.</p> <p>The draft legislative proposal includes new employer obligations related to pay transparency, including requirements to report on gender pay gaps, conduct pay assessments and provide greater transparency in various aspects of employee remuneration.</p> <p>However, the exact changes that will be made are not yet known. It has been stated that pay transparency will be promoted in accordance with the minimum requirements of the Directive.</p>	<p>✓</p>
<p><b>2. Has Finland introduced legislation to implement the Pay Transparency Directive?</b></p> <p>No legislation has been introduced yet. A working group was set up in May 2024 to draft a proposal on the implementation of the Directive. On 16 May 2025, the working group published a draft legislative proposal suggesting amendments mainly to the Act on Equality between Women and Men. This was followed by a revised draft government proposal that was published and circulated for comments in December 2025. The main differences in the revised draft proposal included clarification of definitions, structural changes and amendments to certain provisions, for example, the definition of “equal value work” was revised.</p> <p>The draft is expected to be presented in mid-April 2026, with the proposed legislative changes intended to enter into force on 18 May 2026.</p>	<p>Not yet</p>	<p><b>4. Does Finland already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>In Finland, the Ombudsman for Equality is responsible for monitoring compliance with the Act on Equality between Women and Men, providing guidance and information on discrimination due to gender and promoting gender equality. The Ombudsman has provided general instructions regarding drafting an equality plan and pay survey, which also includes advice regarding comparison groupings and classifications used for pay comparisons.</p>	<p>✓</p>
		<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>In practice, it is difficult for an employer to refer to legal grounds to reduce an employee’s salary or to change pay structures in a way that is not favourable to the employee, as the scope to reduce salary is very limited. We, therefore, believe that consultations to ensure compliance with the Directive would, in practice, be very uncommon.</p>	<p>✓</p>

**6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?**



While the draft legislative proposal does not impose a general obligation on employers to establish permanent worker representation structures, some obligations introduced under the Directive must be fulfilled in cooperation with employee representatives.

If the employees are not represented by an employee representative, the employer must provide employees with the opportunity to elect, of their own choosing, an employee representative to represent them in matters relating to compliance with the obligations under the Directive.

**7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?**



In the draft legislative proposal, employers are required to engage in discussion with employee representatives regarding various obligations set out by the Directive. For example, when assessing whether employees perform the same or equivalent work, the evaluation criteria used must be agreed jointly with employee representatives. Furthermore, the implementation of the Directive increases individual employees' awareness of their salaries, which makes it likely that employees will contact trade unions or employee representatives concerning pay-related issues.

Consequently, it can be expected that trade unions and employee representatives will take more interest in these matters and challenge employers accordingly.

**8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?**



It is recommended that employers begin preparations to ensure compliance with any upcoming regulations.

Employers can start preparing for the obligation to report on pay gaps between female and male workers by reviewing their existing pay structure and reflecting on which job duties are considered similar. Further, it is recommended they review existing pay gaps and begin taking steps to eliminate them.

**9. Are there any additional points specific to your jurisdiction that companies should be aware of?**



Companies operating in Finland should be aware that Finnish legislation, such as the Act on Equality between Women and Men, already includes provisions on pay equality and transparency. The implementation of this Directive does not, for example, remove the employer's obligation to prepare a gender equality plan or to conduct a pay survey.

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# France

<p><b>1. Does France have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>All companies with more than 50 employees must measure the level of any pay gap between men and women according to specific criteria published by the government and must take rectifying measures to reduce any such pay gap. The law of 5 September 2018 created the professional Gender Equality Index, which must be published each year, no later than 1 March. This tool aims to calculate the pay gaps between women and men in companies.</p> <p>In addition, the percentage of either gender (men or women) on the executive board cannot be less than 40%. This measure is currently applicable to companies with more than 250 employees and at least €50 million turnover (annual sales volume).</p>		<p><b>5. If an employer is proposing changes to its job categories/ pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/ agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>In France, the works councils in companies with more than 50 employees must always be consulted before the implementation of any projects impacting the company's organisation, working conditions or workforce management process.</p> <p>Without a specific collective agreement or expertise, the works council consultation process on such projects would generally take one month.</p>	
<p><b>2. Has France introduced legislation to implement the Pay Transparency Directive?</b></p> <p>A first draft was shared with social partners on 6 March 2026.</p>		<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>There are no provisions in the draft bill that would require this.</p>	
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>France already has legislation in place that partially meets the objectives of the Pay Transparency Directive.</p>		<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>Trade unions and worker representatives will have access to more information regarding their own situation and potentially also about other employees depending on the legislation. We, therefore, anticipate enhanced scrutiny on these topics.</p> <p>Note that trade unions already have the ability to take action before the Labour Courts on behalf of employees in cases of discrimination and gender inequality, but this is not currently very common.</p> <p>In May 2025, France introduced significant changes to its class actions regime, including extending the scope for trade unions and associations approved by the French administration to bring class actions against employers. Gender pay gaps could therefore become a collective risk - groups of underpaid women could join forces and file a class action if the gender pay gap exceeds 5%.</p>	
<p><b>4. Does France already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>A draft bill has, however, been issued which contains more detail as to how employers should approach the Directive's obligations.</p>			



**8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?**



Depending on the current level of pay transparency within a company, we recommend starting preparations to ensure compliance with the Directive.

As a first step, companies should assess the availability of required data and any areas of concern. Once identified, it would be advisable for companies to take any necessary corrective measures to mitigate litigation risk relating to discrimination claims as far as possible.

**9. Are there any additional points specific to your jurisdiction that companies should be aware of?**



The draft bill shared with the social partners on 6 March aims to reform the Gender Equality Index to bring it into line with the Directive’s requirements. The current index would be replaced by seven new indicators. Of particular note, is the proposed “Seventh Indicator” which would be the indicator relating to gender pay gap by category (i.e. bringing together employees performing work of equal value). In general, companies will be required to inform the Comite Social & Economique (CSE) of the data used to calculate the indicators and the results. Where the Seventh Indicator reveals a gap greater than the threshold set by decree, the process for the employer to address this will depend on company size.

The draft bill also sets out more detail as to the criteria to be used in assessing work of equal value and the proposed penalty regime for employers who do not comply.

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# Germany

<p><b>1. Does Germany have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>The German Pay Transparency Act has been in place since 2017. The Act expressly prohibits direct or indirect discrimination on the grounds of gender with regard to all pay components and pay conditions for equal or equivalent work.</p> <p>Workers can request information on their own salary and the median salary for a comparable position if:</p> <ul style="list-style-type: none"> <li>• The company employs more than 200 workers</li> <li>• There is a comparison group of at least six workers</li> </ul> <p>The information must be provided no later than three months after the request is made. A request for information can only be made every two years.</p> <p>Employers with 500 or more workers must prepare reports for publication in the German Federal Gazette every three or five years on:</p> <ul style="list-style-type: none"> <li>• Their measures to promote equality between men and women and the effectiveness of these measures</li> <li>• Their measures to establish pay equality between men and women</li> <li>• The average total number of workers and the average number of full-time and part-time workers broken down according to gender</li> </ul>	 <b>Some</b>	<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>The Directive will oblige Germany to establish some measures that go beyond the Pay Transparency Act, e.g. information on the starting salary or salary range of the advertised position, no more exemptions for small businesses, the introduction of claims for damages and sanctions for breaches of duty.</p>	
<p><b>2. Has Germany introduced legislation to implement the Pay Transparency Directive?</b></p> <p>The German government tasked an expert commission to ascertain the necessary changes and to propose solutions for a low-bureaucracy implementation of the PTD. The commission published its final report on 7 November 2025. In general, the commission's recommendation for implementation is to align with the PTD's baseline requirements, rather than exceeding them. The German government must now draft legislation to implement the directive using the report's findings.</p>	<b>Not yet</b>	<p><b>4. Does Germany already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>There are no specific tools available for employers.</p>	
		<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>The participation rights of the works councils (or respectively joint or group works councils) must be observed here, as they have a right of codetermination in the structuring of remuneration in accordance with § 87 (1) no. 10 of the German Works Constitution Act (BetrVG). It is, therefore, not just a matter of an advisory role, but of a mandatory codetermination issue, which is usually regulated in the form of a works agreement.</p> <p>As this is a matter of mandatory codetermination, a works agreement between the employer and the competent works council must be reached. If such an agreement cannot be reached, the parties must set up an arbitration board. The arbitration board will attempt to reach a mutually agreed position between the parties. If it fails to do so, it will issue a binding decision for such a works agreement. This process can be quite lengthy and will typically take months or, in very extreme cases where there is a deadlock in negotiations, even years.</p>	

<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>This issue was discussed by the expert commission, but per the final report is not planned.</p>	
<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>We are firmly convinced of this, especially since works council elections are also taking place this year and this is an issue that the works councils can use to raise their profile.</p>	
<p><b>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</b></p> <p>The Directive will introduce a new level of transparency in Germany and companies should be prepared for this. Employers are recommended to begin preparations to ensure compliance with any upcoming regulations.</p> <p>Employers, especially those without a fixed remuneration system (but with a works council), are advised to refer to the criteria for objective remuneration systems set out in the Directive, and to review and adapt their company remuneration practices accordingly. The company's processes for the extended provision of information should also be reviewed.</p> <p>Some modifications may be necessary concerning the principle of equal pay for work of equal value (e.g., as of today, employees with similar roles may not necessarily receive the same level of compensation, since the employer has a certain degree of discretion) and pay transparency in the employment relationship and during the selection process.</p>	

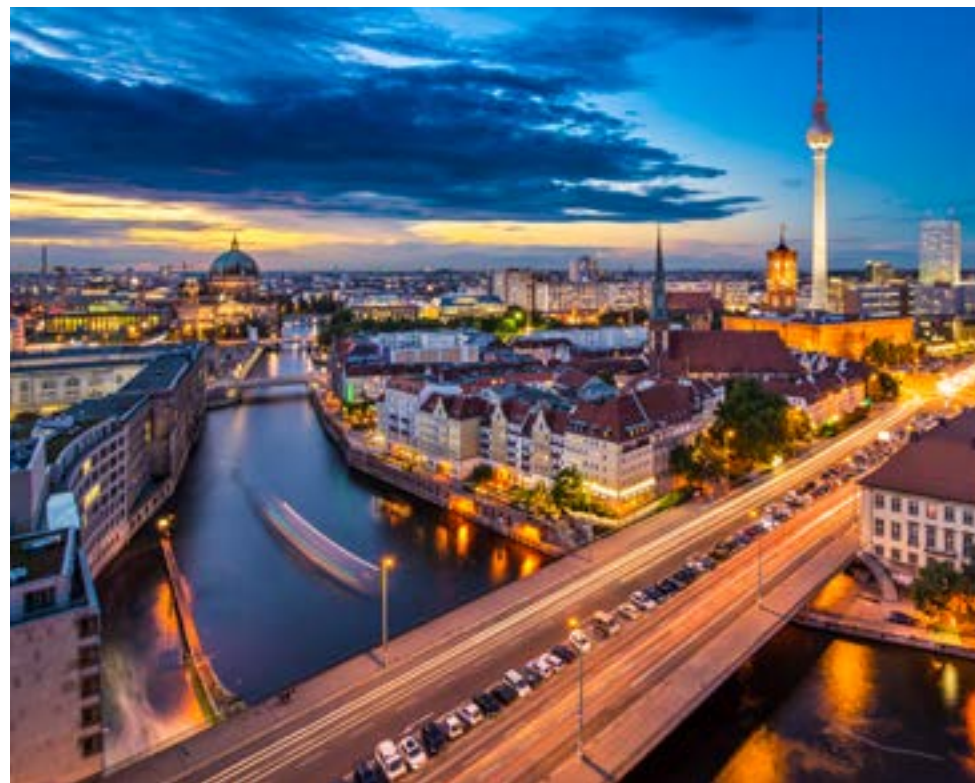
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<p><b>1. Does Greece have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Greek law guarantees equal treatment of men and women in all employment aspects, including equal pay for equal work, or work of equal value. It requires consistent professional classification and prohibits discrimination in salary progression based on gender or family status. Currently, this is the only legal provision addressing pay discrimination, but the upcoming Pay Transparency Directive will introduce stricter obligations for employers.</p>		<p><b>4. Does Greece already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>At present, there is no formal guidance for employers on how to assess and compare the value of work.</p>	
<p><b>2. Has Greece introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Greece has not yet enacted legislation to implement the Pay Transparency Directive, but significant progress is being made. On 21 May 2025, the Minister of Labor and Social Security established a working group tasked with preparing a report and proposing a legislative framework for incorporating the Directive into Greek law. The working group is expected to complete its work during March 2026 and submit the draft proposal to the Minister of Labor &amp; Social Security. Although no detailed updates have been disclosed regarding the publication of the draft law, unofficial sources indicate that Greece is expected to meet the 7 June 2026 deadline for transposing the Directive.</p>		<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>The Greek Labour Code requires timely consultation with employee representatives (trade union) on key changes to employment. While there is no fixed timeline, consultations must occur in a timely manner before the changes occur. How the Pay Transparency Directive will affect these provisions, particularly regarding job categories and pay structures, is still uncertain.</p>	
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>While Greece has existing provisions promoting equal treatment between men and women, these measures are not comprehensive enough to fully satisfy the requirements of the Pay Transparency Directive. Consequently, significant changes to the legislative framework are anticipated.</p>		<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>Currently this is not the case. However, since Greece has yet to transpose the Pay Transparency Directive and no draft legislation has been introduced, the situation may change depending on its final implementation.</p>	
		<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>Once the Pay Transparency Directive is implemented, employee representatives are likely to focus more on pay-related matters and engage more actively with employers.</p>	



**8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?**



Although the Pay Transparency Directive has not yet been transposed into Greek law, businesses can begin preparing now ahead of the 7 June 2026 deadline to ensure compliance. Early action not only enhances a company’s reputation with customers, candidates and employees by demonstrating a genuine commitment to pay equity, but also helps mitigate risks associated with pay reporting, such as triggering joint pay assessments. To get started, employers can consider the following proactive steps:

- Advise recruiters not to ask about applicants’ salary history
- Use gender-neutral language and include pay ranges in job adverts
- Review and update contracts, as well as policies on pay confidentiality
- Define clear pay criteria and establish salary ranges
- Adopt a pay transparency policy
- Collect and analyse pay data for gaps
- Investigate and document reasons for any pay gaps
- Correct unjustified pay gaps
- Regularly review pay practices for fairness
- Train staff and representatives on pay transparency and rights

**9. Are there any other points specific to this jurisdiction that employers should be aware of?**



The Pay Transparency Directive sets minimum standards, but Greece may adopt stronger pay transparency laws. Employers should expect greater scrutiny and effective penalties, including fines for equal pay violations. Proactive compliance is essential.

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# Hungary

<p><b>1. Does Hungary have any existing pay transparency and pay gap reporting obligations in place?</b></p>	<p>✘ Not yet</p>
<p><b>2. Has Hungary introduced legislation to implement the Pay Transparency Directive?</b></p> <p>The implementation of the Pay Transparency Directive is currently in the preparatory phase. It is expected that the government will finalise a comprehensive implementation package related to the Directive by the end of 2025.</p>	<p>✘ Not yet</p>
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>Local legislative changes are expected, as currently there are no specific rules covering this topic. Currently, the Hungarian Labour Code only highlights that the principle of equal treatment must be upheld in all matters related to employment, particularly regarding remuneration. However, there is very limited case law on the pay aspects of gender equality.</p>	<p>✔</p>
<p><b>4. Does Hungary already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>There is currently no such guidance in Hungary, and it is not typical that guidance would be issued by the government/ministries.</p>	<p>✘ Not yet</p>

<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>Yes, this is required, and a consultation obligation is triggered. At least 15 days prior to making a decision, the employer must seek the opinion of the works council on any proposed “employer measures” or policies affecting a larger group of employees.</p> <p>“Employer measures” include, in particular, the determination of the principles of remuneration, as well as actions aimed at ensuring compliance with the principle of equal treatment and promoting equal opportunities. In addition, generally, the employer must inform the works council semi-annually about changes in salary and the liquidity related to salary payments.</p>	<p>✔</p>
<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>The implementation of the Directive should not create additional obligations in this area. To be confirmed under future Hungarian law.</p>	<p>Probably no</p>
<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>Following implementation of the Directive, it is expected that trade unions and worker representatives will show increased interest in pay-related matters, especially at the year-end discussions on annual salary increases.</p>	<p>✔</p>

### 8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?



It is recommended that employers begin preparations to ensure compliance with any upcoming regulations. They will have to review and adapt their company remuneration practices in accordance with the Directive. Other areas of focus include, for example, the development of gender-neutral job titles and job descriptions; the implementation of a fair, reliable and gender-neutral job evaluation and classification system; defining the method of informing job applicants about the starting salary or salary range; preparing to address potential pay tensions among existing employees; and establishing a reporting process to ensure compliance with pay transparency obligations.

We understand from local HR management that multinational companies often already have appropriate reporting lines in place.



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# Italy

## 1. Does Italy have any existing pay transparency and pay gap reporting obligations in place?

Italy already has existing gender pay reporting obligations in place under Law No. 162/2021, which amended the Equal Opportunities Code (Legislative Decree No. 198/2006). This law requires companies with 50 or more employees to submit a biennial gender equality report through the Ministry of Labour's online portal by 30 April of even-numbered years, detailing the number of male and female employees, salary levels, training, promotions, disciplinary measures and additional pay components, broken down by gender and professional category. Companies with fewer than 50 employees may submit the report voluntarily. These reports must also be shared with employee representatives.

In addition to this, Italy has introduced the Gender Equality Certification, which companies can obtain by meeting specific gender equality criteria based on the UNI/PdR 125:2022 guidelines. Certified companies benefit from financial incentives, such as a 1% exemption on employer social security contributions (up to €50,000 per year) and preferential treatment in public procurement procedures. Therefore, while a formal legislative proposal to implement the Directive is still pending, Italy's current framework already partially aligns with the Directive's objectives and places the country in a relatively advanced position in terms of gender pay transparency.

Reinforcing this framework, a recent protocol between the National Labour Inspectorate and the National Equality Advisor aims to more effectively identify and penalise violations of gender equality law, strengthening oversight and the fight against all forms of gender discrimination.



## 2. Has Italy introduced legislation to implement the Pay Transparency Directive?

The Council of Ministers has approved a draft of Legislative Decree, consisting of 16 Articles, implementing the Directive.

The Decree covers both public and private sectors, establishing objective criteria for equal work while emphasizing the role of collective bargaining. It introduces significant transparency measures, including the obligation to disclose pay ranges in job ads, a ban on requesting salary history, and the right for current employees to request information on average salary levels.

Furthermore, the text mandates that companies with at least 100 employees must report on pay gaps and unjustified disparities exceeding 5% will trigger a joint assessment if not corrected within six months.


Following the preliminary approval of the draft decree by the Council of Ministers and following discussions with the social partners, the text has entered the parliamentary debate phase. The Commissions' opinions highlight differences regarding the methods of implementation. The ability of the Italian transposition to be not only formally compliant with the directive, but also consistent with its purpose, will depend largely on how the final text addresses these tensions.








## 3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?

Although Italy is already partly in line with the provisions in the Directive, the draft Decree introduces specific new obligations.



<p><b>4. Does Italy already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>There is currently no such guidance for Italy.</p> <p>However, the draft Decree establishes that “work of equal value” must be determined by reference to the National Collective Bargaining Agreement (NCBA) applied by the company. In the absence of one, the benchmark will be the NCBA signed by the most representative national unions, specifically to prevent the use of “pirate contracts”.</p>	<p>✘</p>	<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>Trade unions and workers’ representatives are likely to take more interest in pay issues and challenge employers more following the Directive.</p>	<p>✔</p>
<p><b>5. If an employer is proposing changes to its job categories/ pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/ agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>Legislative Decree no. 25/2007 concerning employees’ right to information and consultation provides that employers with more than 50 employees must inform and consult workers’ representatives on possible company decisions that may affect the organisation of work and employment contracts, which would include changes to pay structures and job classification systems. Applicable collective bargaining agreements determine the timing, form and content of the above information and consultation procedure. Employers must provide the relevant information to workers’ representatives in a timely manner, allowing sufficient time for a thorough review and prepare, if needed, the consultation. The consultation itself must take place according to the mode – both in terms of timing and content - that is appropriate to the purpose.</p>	<p>✔</p>	<p><b>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</b></p> <p>It is recommended that employers review and adapt their company remuneration practices in accordance with the Directive. In particular, some modifications may be necessary concerning the principle of equal pay for work of equal value (e.g., as of today, employees with similar roles may not necessarily receive the same level of compensation, since the employer has a certain degree of discretion) and pay transparency in the employment relationship and during the selection process.</p>	<p>✔</p>
<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>The implementation of the Directive should not create additional obligations in this area.</p>	<p>Probably no, but to be confirmed under future Italian law</p>		

<p><b>1. Does Latvia have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Latvian Labour Law already requires equal pay for equal work, not just between men and women, but also between all other comparable groups to prevent discrimination. Additionally, with the transposition of the Corporate Sustainability Reporting Directive (CSRD) into the Latvian Law on Sustainability Disclosures, it has been indirectly indicated that the standards of the CSRD (thus also those regarding fair pay in relation to pay gaps) must be taken into consideration and included in the Environmental, Social and Governance (ESG) reports for those companies subject to reporting requirements.</p>		<p><b>4. Does Latvia already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>In Latvia, a classification of occupations system is in place with codes for occupations. This helps to determine whether specific employees carry out the same job function by providing a standardised framework for job classification. Thus, to some degree, it can be helpful when evaluating the value of work.</p> <p>In terms of general guidance, the ministry responsible for the new legislation has published materials and is organising seminars for employers to educate themselves ahead of time on what will be expected of them. These materials are currently only available in Latvian on their <a href="#">website</a>.</p>	
<p><b>2. Has Latvia introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Latvia has not yet transposed the Directive into national law. Furthermore, no bill or draft bill has been presented and, therefore, the specifics of the transposition of the Directive into Latvian law are not yet known.</p> <p>It is currently expected that only the minimum requirements of the Directive will be included in the Latvian laws and regulations. It is expected that an entirely new law will be passed, as well as some amendments to existing legal acts.</p>		<p><b>5. If an employer is proposing changes to its job categories/ pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/ agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>The Latvian Labour Law provides that worker representatives can request to receive information in good time and consult with the employer before it makes decisions that may affect the interests of employees, including those that may significantly affect remuneration.</p> <p>Additionally, worker representatives have the right to take part in the determination and improvement of remuneration provisions. All actions shall be done in a timely manner.</p>	
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>As previously indicated, only those companies for which ESG reporting is relevant are obliged to report on pay gaps at all. The Directive introduces many significant obligations for employers that do not form part of existing laws and regulations in Latvia. Consequently, it is anticipated that substantial amendments will be made to legal acts to accommodate the obligations set out in the Directive.</p>		<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>As previously mentioned, Latvia has not yet transposed the Directive, nor has a bill or draft bill been presented. Consequently, the current situation may change depending on the specific implementation of the Directive.</p>	<p><b>Not yet known</b></p>



<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>Since the Directive entails more obligations for employers, as well as procedures to follow, it is presumed that there will be an increased focus on pay transparency and gender pay gap issues when the Directive has been implemented into Latvian legal acts.</p>	<p>✓</p>
<p><b>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</b></p> <p>Employers should already be taking a proactive approach by assessing their current pay structures to ensure they do in fact align with the principle of equal pay for equal work or work of equal value. This requires a thorough mapping of existing pay gaps within the organisation. In addition, employers should analyse gender-specific pay statistics and develop clear pay policies based on objective, gender-neutral standards and outlining how salaries are determined, as well as the criteria for pay progression.</p> <p>Likewise, implementing transparency measures ahead of time will be beneficial to ensure the employer's compliance with the potential future regulation. In general, companies subject to the reporting obligations should take steps to ensure that they are prepared for such reporting and assess what can be improved.</p>	<p>✓</p>
<p><b>9. Are there any other points specific to this jurisdiction that employers should be aware of?</b></p> <p>Companies operating in Latvia should be aware that Latvian Labour Law already emphasises pay equality for the same work. However, with the transposition of the Directive companies can certainly expect increased scrutiny of their pay practices in the coming years.</p>	<p>✓</p>

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# Luxembourg

<p><b>1. Does Luxembourg have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Where a staff delegation (employee representative body) is in place, the employer must share limited information with the staff delegation and the equality delegate concerning pay on a twice-yearly basis.</p>	✓	<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>Staff delegations are only required if an employer employs 15 or more employees. If an employer has failed to organise staff delegation elections, except for particular cases (e.g. collective dismissal process), there is not usually the obligation to first ensure that a staff delegation has been elected before an employer can comply with its obligations in other areas.</p>	Likely not
<p><b>2. Has Luxembourg introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Not as yet. As of 11 March 2026, no draft legislation has been published.</p>	✗	<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>Pay transparency will definitely be an area that trade unions and staff delegations (employee representative body) will focus on in light of the implementation of the new pay transparency obligations.</p>	✓
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>Yes, we anticipate significant changes to existing legislation as the current pay transparency obligations are very light compared to the new obligations under the Directive.</p>	✓	<p><b>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</b></p> <p>We would strongly recommend that employers start at least the preliminary steps (e.g. evaluating job categories) to ensure that they are ready to comply with the new legislative obligations.</p>	✓
<p><b>4. Does Luxembourg already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>There is currently no such guidance for Luxembourg.</p>	✗	<p><b>9. Are there any additional points specific to your jurisdiction that companies should be aware of?</b></p> <p>Employers should bear in mind the statutory salary indexation that applies to all employees (even highly paid employees) according to which salaries are increased in view of cost of living increases.</p>	✓
<p><b>5. If an employer is proposing changes to its job categories/ pay structures and processes to ensure compliance with the Directive, is it required under local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>Depending on the extent of the envisaged changes, it may be necessary to consult the staff delegation. There is no specific timescale for action according to existing legal provisions.</p>	Maybe		



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# Netherlands

<p><b>1. Does the Netherlands have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>The Equal Treatment of Men and Women Act provides for a ban on discrimination on the grounds of gender in relation to recruitment and selection; and the right of equal remuneration for men and women for work of equal value and equal treatment with respect to pension provisions.</p> <p>Certain companies (e.g. listed or very large companies) are required to report pay ratios and disclose gender equality information under the Corporate Sustainability Reporting Directive.</p>	 <b>Some</b>	<ul style="list-style-type: none"> <li>• <b>Pay structures</b> – Employers must have pay structures in place that are based on objective and gender-neutral criteria. These criteria should enable the determination of the value of work and the remuneration linked to it.</li> <li>• <b>Pay transparency before hiring</b> – Job applicants will have the right to receive information from a potential future employer about their starting pay or pay range. Employers will no longer be allowed to ask applicants about their previous pay history.</li> <li>• <b>Transparency of remuneration and remuneration progression policies</b> – Employers must provide employees with easy access to the criteria used to determine their pay. Pay is defined as the compensation owed by the employer to the employee for their work, consisting of the base salary and any supplementary or variable components. Employers with 50 or more employees must also provide information with respect to the criteria used for pay progression.</li> <li>• <b>Right to information</b> – Employees will have the right to receive written information about their pay, as well as the gender-disaggregated average pay levels of employees performing equal (or equivalent) work.</li> <li>• <b>Pay gap reporting obligations</b> – Employers with 250 or more employees must report annually on any gender pay gap, whereas employers with 100 to 249 employees must report every three years. In line with the Directive, the first pay reporting date will be 7 June 2027. There is no reporting obligation for employers with fewer than 100 employees. This represents a significant change for Dutch employers, as the Netherlands does not currently require employers to carry out gender pay gap reporting.</li> <li>• <b>Joint pay assessment</b> – In line with the Directive, if the pay report reveals an unjustified difference of at least 5% in the average pay between female and male employees performing equal (or equivalent) work, and this difference is not rectified within six months after submitting the report, employers will be required to conduct a joint pay assessment with their employee representatives.</li> </ul>
<p><b>2. Has the Netherlands introduced legislation to implement the Pay Transparency Directive?</b></p> <p>The Dutch government issued a Bill aimed at implementing the Directive (<i>Wetsvoorstel implementatie richtlijn loontransparantie</i>). The Bill states that it does not include any provisions other than those that are strictly necessary to ensure compliance with the Directive.</p> <p>In late September 2025, the Dutch government announced that the target date for introducing domestic legislation is now 1 January 2027, instead of 7 June 2026 as required by the Directive. One of the main reasons given for the delay in implementation is that the government says it needs more time to design the national legislation and its implementation in such a way that employers can meet their obligations effectively while keeping the administrative burden to a minimum.</p>	<p><b>Draft legislation has been published</b></p>	
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>The Netherlands already has legislation in place that meets some of the obligations imposed by the Pay Transparency Directive, but the Bill introduces various new measures that are intended to reduce the wage gap between men and women by increasing transparency about pay, and to strengthen the rights of employees who wish to exercise their right to equal pay. The transparency measures are also intended to serve as an incentive for employers to reward their staff objectively and demonstrate good employer practices. The key measures are as follows:</p>		

<ul style="list-style-type: none"> <li>• <b>Measures for legal protection</b> – The provisions on legal protection in the Directive largely align with the existing Dutch system. For example, employees in the Netherlands already have the ability to bring legal proceedings and the right to claim damages. Three new provisions are being introduced: a (further) reversal of the burden of proof in cases of noncompliance with these new transparency obligations; protection for employees against retaliation; and the possibility for a court to order an employer to pay the legal costs of the proceedings even if the employer is successful, if there were valid reasons to file the claim (in the context of equal pay claims).</li> </ul>	
<p><b>4. Does the Netherlands already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p>	✘
<p><b>5. If an employer is proposing changes to its job categories/ pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/ agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>The works council has the right to be informed and consulted regarding a limited number of terms and conditions, including the right to consent to the establishment, amendment or abolition of remuneration systems and job classification systems. They also have the right to withhold consent to any proposed changes, except where such matters are regulated by a separate collective bargaining agreement.</p> <p>Depending on the level of sophistication of the works council and the importance of the changes to be imposed, this process may take one to three months approximately.</p> <p>In the Bill, the article on remuneration systems and job classification systems changed to: “A regulation in the area of remuneration, concerning: a remuneration structure or job classification system ...”.</p> <p>The Explanatory Memorandum contains no explanation for the change in terminology. The term “remuneration structure” also does not appear in the Explanatory Memorandum; it only refers to “wage structures”. This raises the question of whether the legislator intends to change the current terminology regarding a “remuneration system”. There is already considerable case law on whether something constitutes a remuneration system, and that case law is quite varied. Changing that definition without any explanation could lead to further uncertainty. This issue has been raised as part of the online consultation.</p>	✔

<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>The works council has the right to be informed and consulted regarding a limited number of terms and conditions, including the right to consent to the establishment, amendment or abolition of remuneration systems and job classification systems. They also have the right to withhold consent to any proposed changes, except where such matters are regulated by a separate collective bargaining agreement.</p> <p>Depending on the level of sophistication of the works council and the importance of the changes to be imposed, this process may take one to three months approximately.</p>	<p>✔</p> <p>Potentially</p>
<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p>	✔



**8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?**



The delay in implementation will create a transitional period during which the Directive is already legally binding at EU level, but has not yet been fully incorporated into Dutch national law. During this interim phase, the Dutch courts will, where possible, interpret existing national laws in line with the Directive's objectives, a principle known as "directive-conform interpretation". In our opinion, Dutch employers should therefore continue to seek to prioritise the practical implementation of the Directive in their workplaces, notwithstanding that the law may lag a little behind.

Certain obligations, such as pay gap reporting and pay evaluation requirements, will require specific national legislation to be enforceable. As a result, employers with 150 or more employees will have to publish their first gender pay gap reports based on pay data from the calendar year 2027, rather than 2026. The timings for other employers subject to the new reporting requirements (i.e. those with 100 to 149 employees) remain unchanged, i.e. they must report on 2030 pay data in line with the existing timelines set out in the Directive.

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# Poland

<p><b>1. Does Poland have any existing pay transparency and pay gap reporting obligations in place?</b></p>		<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>Trade unions have the right to be informed and consulted regarding important decisions concerning employees and this would include changes to remuneration systems and job classification systems.</p> <p>Depending on whether it concerns individual employment relationships or regulations for all employees, the rules and timeframe for union involvement will vary. In individual employment relationships, unions usually have five days to take a position, while in the negotiation of regulations it is usually 30 days (when there is more than one trade union at the employer). In the case of one trade union operating at the employer, the term for negotiations is not specified.</p>	
<p><b>2. Has Poland introduced legislation to implement the Pay Transparency Directive?</b></p> <p>An act focusing on the pay transparency aspects of the Directive came into force from 24 December 2025.</p> <p>On 16 December, Poland published the first draft of the Act implementing the outstanding provisions of the Directive, i.e. rules and process of job valuation, rules and process of creating salary structures, measures aimed at pay transparency including gender pay gap reporting, ways of monitoring compliance with equal treatment and protection measures. Poland also published preliminary guidance on job valuation as a separate working document aimed at assisting employers.</p>	 <b>Some</b>	<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>The implementation of the Directive may create additional obligations in this area.</p>	<b>Potentially, yes</b>
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>Yes. A more comprehensive Bill was published on 16 December 2025 and is now subject to consultation.</p>		<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p>	
<p><b>4. Does Poland already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>Poland published preliminary guidance on job valuation in December 2025.</p>	 <b>Some</b>		

## 8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?



Employers should take the following steps now to comply with the new legislation on transparency:

- Review advertisements and job titles used in the company and ensure that these are gender neutral.
- Prepare a standard template for use in hiring processes listing out all elements of remuneration and work-related benefits. The template should also contain an extract from the applicable remuneration regulations or collective bargaining agreement which sets out the rules for remuneration in the company.
- Train talent acquisition teams and managers with involvement in recruitment on the new requirements.
- Ensure any questions about current or previous remuneration are taken out of the standard interview process and ensure relevant personnel are aware that such questions will become unlawful under the new requirements.

Employers should also monitor further legislative work on the implementation of the Pay Transparency Directive in Poland which has already started by publication of the draft implementing legislation on 16 December 2025, as additional obligations for employers will be introduced including gender pay gap reporting. Now is the time to get a head start on developing transparent remuneration structures and periodic remuneration auditing procedures to benchmark any pay gaps between employees doing the same or equivalent work and, if and when identified, take reasonable measures to eliminate them.

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# Portugal

<p><b>1. Does Portugal have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Portugal has enacted pay transparency and gender pay gap reporting obligations through Law no. 60/2018, of 21 August 2018. This legislation is intended to promote the principle of equal remuneration for equal work or work of equal value between men and women.</p> <p>Among its various provisions, the law establishes that companies adopt transparent remuneration policies by implementing mechanisms for evaluating job functions based on objective and nondiscriminatory criteria. In instances where the Ministry of Labour identifies unjustified gender pay gaps, employers are formally notified and required to prepare an evaluation plan within a period of 120 days.</p>		<p><b>4. Does Portugal already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>The Portuguese Authority for Working Conditions (<i>Autoridade para as Condições do Trabalho – ACT</i>) has published a practical guide to assist employers in assessing job functions based on objective parameters. This guide supports employers in the evaluation and comparison of job roles, ensuring compliance with the principle of equal pay for equal work and providing the necessary technical instruments to implement a transparent and equitable remuneration policy.</p>	
<p><b>2. Has Portugal introduced legislation to implement the Pay Transparency Directive?</b></p>		<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>Under existing Portuguese labour legislation, it is mandatory for employers to consult worker representatives when proposing changes to job categories, pay structures or processes that may significantly affect working conditions. The worker representatives must respond within 10 or more days, depending on the deadline granted by the employer, e.g. if the complexity of the situation justifies a longer period.</p>	
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>Despite existing rules in Portugal that prohibit employers from determining pay on discriminatory grounds related to gender, the Directive imposes new obligations, particularly regarding mandatory information and communication to candidates, employees and external entities. Such amendments, among others, will demand changes to the Labour Code, with the potential introduction of amendments to other regulations, particularly those related to public entities responsible for ensuring compliance with information duties.</p>		<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>Employers are not obliged to proactively set up worker representative bodies. The initiative lies with employees or unions.</p>	



**7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?**



Portugal already has a legal framework promoting equal pay (Law 60/2018, of 21 August), but the Directive introduces stronger requirements for transparency and joint pay assessments involving workers representatives when pay gaps exceed 5%. This formal role will empower unions to demand explanations and corrective actions from employers.

**8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?**



Following implementation of this Directive, employers will be obliged to ensure pay transparency within their companies, not only during the execution of employment contracts, but also before hiring.

In order to get ahead, employers can start including in their job advertisements the starting salary or its range, based on objective and gender-neutral criteria.

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# Republic of Ireland

<p><b>1. Does the Republic of Ireland have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Mandatory gender pay gap (GPG) reporting has been a legal requirement for employers in Ireland with 50 or more employees since 1 June 2025, pursuant to the Gender Pay Gap Information Act 2021 and the Gender Pay Gap Information Regulations. Employers in scope are required to report information annually, such as their mean and median gender pay and bonus gaps, and the proportion of men and women that receive bonuses. Employers must also identify the reasons for such differences and the measures (if any) being taken or proposed to be taken to eliminate or reduce such differences.</p>	 <b>For some employers</b>	<p>Employees, their representatives and employment rights bodies will then have the right to ask the employer for clarifications and details regarding the information, including explanations concerning any gender pay differences. The employer will be required to respond to any such request within a reasonable time and provide reasons. Where gender pay differences are not justified by objective and gender-neutral factors, the employer will be required to remedy the situation in close cooperation with employee representatives, the Workplace Relations Commission (WRC) and/or the Irish Human Rights and Equality Commission (IHREC).</p> <p>Where the GPG report shows a gap that (i) is at least 5% in any category of workers; (ii) has not been justified by objective and gender-neutral factors; and (iii) has not been remedied within six months of the date of the GPG report, the employer will have to carry out a joint pay assessment in cooperation with employee representatives, with the results to be made available to employees, their representatives and the monitoring body.</p> <p>Significantly, under the Directive, employees will be entitled to full recovery of back pay. This could be substantial, depending on how far back an equal pay issue goes. Additionally, the Directive requires that member states remove any strict requirement to identify a real comparator to bring an equal pay claim - an employee can use a hypothetical comparator or provide other evidence instead.</p> <p>There will be changes that effect the recruitment process also. Employers will have to indicate the initial pay level or range in a job vacancy notice or otherwise prior to interview. They will not be permitted to ask applicants about their pay history.</p> <p>Employees will have a right to request information from their employer on their individual pay level and on average pay levels, broken down by gender for employees doing the same work or work of equal value. This information must be supplied by the employer within two months of the request. Employers with 50 or more employees will have to make information easily accessible regarding the criteria used to determine employees' pay, pay level and pay progression.</p> <p>Measures will be put in place to prohibit pay secrecy clauses in employment contracts.</p>
<p><b>2. Has the Republic of Ireland introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Ireland is using two legislative vehicles to transpose the Directive:</p> <ul style="list-style-type: none"> <li>• In January 2025, the Irish government published a General Scheme of the Equality (Miscellaneous Provisions) Bill 2024 (the Draft Equality Bill) which includes two provisions aimed at pre-employment pay transparency and transposes Article 5 of the Directive.</li> <li>• Additionally, the Spring 2025 Legislative Programme states that the Heads of a Pay Transparency Bill are in preparation. The draft bill focuses on pay transparency obligations and lays the groundwork for broader transposition.</li> </ul>	<b>Draft Bill has been published</b>	
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>Yes, below is an outline of some of the significant changes anticipated.</p> <p>GPG reporting as it currently stands will be amended. Employers (who meet the employee number threshold) will have to provide details of the GPG by employment category to employees and employee representatives. The accuracy of the GPG report will need to be confirmed by the employer's management, after consulting employee representatives, which is not currently required under Irish law.</p>		

<p><b>4. Does the Republic of Ireland already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>The IHREC published a Code of Practice on Equal Pay on 9 March 2022 (Code). The Code, which is admissible in evidence before a court, aims to provide practical guidance to employers and employees in respect of the right to equal pay. The Code includes guidance on conducting a pay review/equal pay audit, which should involve collecting job data, carrying out a job evaluation process and analysing the pay data. The Code refers to different job evaluation models and refers employers to examples published elsewhere, including guidance published by the Irish Business and Employers' Confederation (IBEC): Gender Pay Reviews (2013) and guidance published by the Irish Congress of Trade Unions (ICTU): Negotiating for Equality – Gender and Pay Toolkit (2003).</p>		<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>Under the Directive, “workers’ representatives” means the workers’ representatives in accordance with national law and/or practice. As comprehensive legislation has not yet been introduced to transpose the Directive, it remains to be seen how “workers’ representatives” will be defined in the legislation and what the requirements will be.</p> <p>As worker representatives will have a pivotal role to play in the application of the Directive, it does seem inevitable that employers will have to have worker representatives in place.</p>	<p><b>Maybe</b></p>
<p><b>5. If an employer is proposing changes to its job categories/ pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/ agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>Currently in Ireland, employers are not generally required to consult with worker representatives on proposed changes to job categories/ pay structures and processes.</p> <p>However, if an employer seeks to make a change to an employee’s terms and conditions of employment, the employee’s consent will generally be required. In addition, collective agreements made by, or on behalf of, an employer and a representative trade union, which govern pay and/or other conditions of employment, may require consultations with worker representatives.</p>		<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>As pay information will be more readily available to workers and their representatives, it is anticipated they will take more interest, leading to an increase in complaints regarding equal pay.</p>	
		<p><b>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</b></p> <p>The Directive’s implementation in Ireland will have significant consequences. It has the potential to create time-consuming obligations for employers to conduct equal pay audits and assessments of work of equal value. It will increase the profile of equal pay and pay transparency across EU member states and will likely lead to a rise in equal pay claims. Employers should take steps now to examine existing recruitment, pay transparency and GPG reporting practices, and address any issues.</p>	

### 9. Are there any additional points specific to your jurisdiction that companies should be aware of?



It is worth bearing in mind that the Directive sets out the minimum standards required. Ireland, like other EU member states, may introduce and maintain pay transparency laws that are more favourable to workers.

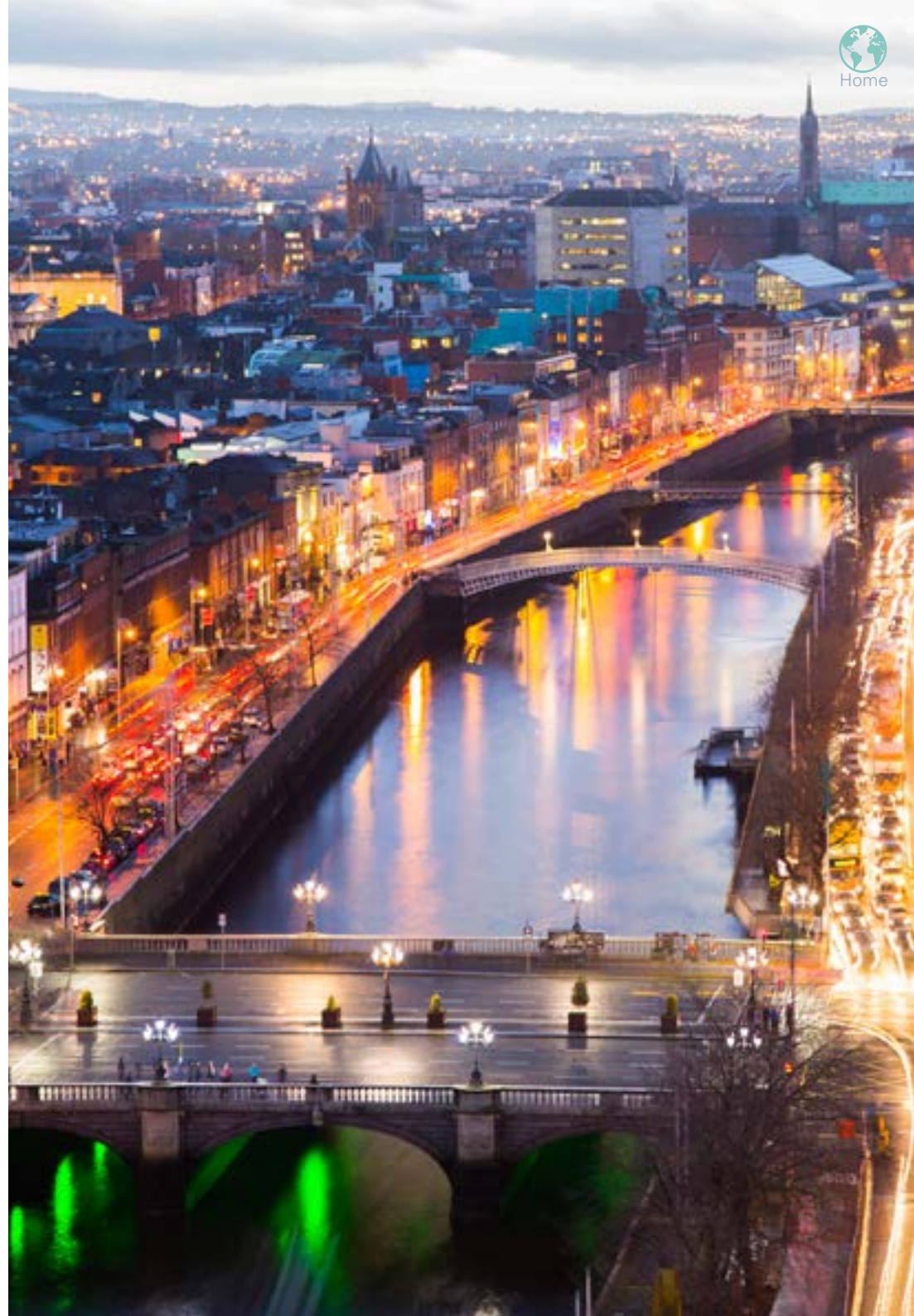
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# Slovak Republic

<p><b>1. Does the Slovak Republic have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>The current Slovak Labour Code only requires that men and women receive equal pay for equal work, but it says very little about the mechanism for calculating or reporting any pay gaps. However, a draft Act on equal pay has been introduced, and it is expected to become effective on 7 June 2026.</p>		<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>Yes, significant changes to existing legislation are necessary. The current Slovak Labour Code only briefly addresses the principle of equal pay for equal work, without setting out any concrete mechanisms for calculating, monitoring, or reporting pay gaps. Therefore, it is clear that the Slovak Act on Equal Pay implementing the Equal Pay Transparency Directive will bring substantial changes and new obligations for companies compared to the current legislation.</p>	
<p><b>2. Has the Slovak Republic introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Yes, a draft Act has been introduced and it is expected to become effective from 7 June 2026. The primary aim is to implement minimum remuneration transparency requirements in connection with the application of the principle of equal pay for men and women for equal work or work of equal value.</p> <p>The key newly introduced elements include:</p> <ul style="list-style-type: none"> <li>a) an obligation to disclose salary ranges in job advertisements</li> <li>b) a prohibition on requesting information about previous earnings from job applicants</li> <li>c) a right for employees to obtain information on the average remuneration of colleagues in the same job category; and</li> <li>d) regular reporting on gender pay gaps for larger employers.</li> </ul> <p>In cases of unjustified discrepancies, the Act would also impose an obligation to jointly assess the remuneration scheme and take measures to address any pay gaps. The draft law will also establish sanctions for breaches of gender-neutral remuneration requirements.</p>		<p><b>4. Does the Slovak Republic already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p>	
		<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>Unless the job categories or pay structures are part of the workplace policy, another internal employer policy, a collective bargaining agreement, individual employment contracts or similar documents, the employer is only subject to the general consultation obligation under Article 237 of the Slovak Labour Code. Under this general consultation obligation, the employer is required to consult on certain matters in advance before their implementation. However, the current law does not provide any further guidance on the exact scope or procedure for this consultation obligation.</p> <p>In this context, the Slovak Draft Act on Equal Pay introduces an enhanced role for employee representatives in job categories/pay structure systems. The draft Act requires employers to establish and maintain pay structures based on objective criteria, which must be agreed upon in cooperation with the employee representative, where such representation exists within the employer's organisation.</p>	

<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p>	<p>✘</p>
<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p>	<p>✓ Most likely</p>
<p><b>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</b></p> <p>Time is running short and it is essential to start developing transparent remuneration structures and periodic remuneration-auditing procedures. These will be crucial for benchmarking any pay gaps between employees performing the same or equivalent work and, where gaps are identified, taking reasonable measures to eliminate them.</p>	<p>✓</p>



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# Spain

<p><b>1. Does Spain have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Spain already has in place several obligations in connection with equal pay and pay transparency that apply to all employers. These include keeping a salary register of all employees indicating – broken down by gender – the mean and the median average values of salary, salary supplements and benefits, for each occupational group, professional category, level, position or any other applicable classification system. All employees are entitled to access the register through the worker representatives.</p> <p>Companies with more than 50 employees are also obliged to negotiate with worker representatives or unions to approve and submit an equality plan, which must include a salary audit carried out prior to negotiation of the plan. This must include an analysis of the salary situation in the company through the evaluation of job positions and the establishment of an action plan to correct pay inequalities (specifying actions, deadlines, people responsible for their implementation, etc.).</p> <p>If the average remuneration for one gender is at least 25% higher than for the other, then a justified reason must be recorded in the salary register to explain the disparity.</p> <p>Recent case law confirms that salary registers require aggregated data (mean/median) and do not entail disclosing individual salaries.</p>		<p><b>4. Does Spain already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>In April 2022, the Spanish government published a “Job Evaluation Tool” to support Spanish employers to comply with their salary audit obligations, which is a key element of the current equality plan obligations in Spain. A user guide (in English) can be found <a href="#">here</a>.</p> <p>It is not currently mandatory for Spanish employers to use this tool, and it has not been prepared with the obligations of the Directive in mind, but it gives employers a useful insight as to the sort of exercise they may be obliged to carry out to comply with the job evaluation obligations under the Directive.</p>	
<p><b>2. Has Spain introduced legislation to implement the Pay Transparency Directive?</b></p> <p>Although Spain has not yet introduced implementing legislation, employers can already start reviewing their job evaluation systems, recruitment processes and pay structures to ensure smoother compliance once the Directive is transposed.</p>	<p>Not yet</p>	<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>Under Spanish law, employers must consult worker representatives or unions before making any collective substantial changes to working conditions, including to job classifications and pay structures.</p> <p>This obligation already exists under equality and pay transparency regulations and will become even more relevant with the implementation of the Directive.</p> <p>Consultation must be carried out in good faith and in advance, typically over a 15-day period. Companies should ensure that any proposed adjustments are communicated early and negotiated as required to avoid compliance risks.</p>	
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>Although this matter is already regulated by several Spanish regulations, this new Directive will strengthen some aspects.</p>			

<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>Spain does not require all companies above a certain size to set up works councils or worker representation bodies by default. However, worker representation is a fundamental element in the Spanish system for compliance with pay transparency and equality obligations.</p> <p>In practice, if there are no worker representatives, employers are expected to promote the election of staff delegates or a committee to represent employees, particularly for purposes such as negotiating equality plans or consulting on structural changes.</p>	<p>✘</p>	<p><b>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</b></p> <p>Employers should consider whether they are compliant with the existing legal requirements, particularly if their headcount is over 50 employees.</p> <p>Having the relevant paperwork in place will help facilitate compliance with the Directive when it is transposed into the Spanish legal framework. This includes ensuring the accuracy and completeness of salary registers, reviewing the contents and status of equality plans and salary audits, and preparing for a more robust approach to job evaluation and pay reporting.</p> <p>It is particularly important to identify any pay gaps above the forthcoming 5% threshold and prepare objective justifications in advance, as this will become a key compliance obligation under the Directive.</p>	<p>✔</p>
<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>Pay transparency is already a key area of focus for unions and worker representatives in Spain.</p> <p>The Directive will reinforce this trend, especially with new rights to request information, joint pay assessments and access to objective pay criteria.</p> <p>Greater scrutiny and more challenges from worker representatives are expected, particularly in larger organisations or where unexplained pay gaps exist.</p>	<p>✔</p>	<p><b>9. Are there any additional points specific to your jurisdiction that companies should be aware of?</b></p> <p>With the introduction of pre-employment and in-employment pay transparency requirements and the expectation of more active involvement from employee representatives and authorities, Spanish companies should expect much closer scrutiny of their pay practices in the coming years.</p>	<p>✔</p>




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# Sweden

<p><b>1. Does Sweden have any existing pay transparency and pay gap reporting obligations in place?</b></p> <p>Employers are obliged to conduct a salary review annually with a view to establishing whether there are any unjustified differences in salaries between men and women. The review should also include an action plan on how to address any such unjustified differences. An employer that employs 10 or more employees at the beginning of the calendar year must document the gender pay gap survey in writing.</p>		<p><b>Information to Job Applicants and Employees</b></p> <ul style="list-style-type: none"> <li>• Job applicants will have the right to receive information about the position’s initial pay or its pay range. An employer will not be allowed to ask job applicants about their current or previous salary.</li> <li>• Employers should inform their employees about the criteria used to determine their pay, pay levels and pay progression (a “pay progression policy”). The proposal does not address how, or when, the number of employees should be calculated to determine whether an employer is subject to this requirement.</li> <li>• Employees may request written information about their individual and average pay level and should receive such information within two months from the employer. This information should be reported in annual and hourly-based salary.</li> </ul> <p><b>Pay Surveys</b></p> <ul style="list-style-type: none"> <li>• Employers must annually survey and analyse (i) the provisions and practices regarding pay and other employment conditions applied by them; and (ii) pay differences between genders performing work that is considered equal or equivalent. The purpose of the pay survey is to identify, address and prevent unjustified pay differences between genders.</li> <li>• The pay survey according to the Directive requires a more in-depth analysis than current obligations under Swedish legislation, including a comparison of the pay progression between employees who take parental leave and those who do not.</li> <li>• Employers with at least 25 employees at any point during the year are obliged to document their pay survey in writing. However, all employers are obliged to conduct a pay survey.</li> </ul> <p><b>Pay Reporting</b></p> <ul style="list-style-type: none"> <li>• Employers with more than 100 employees must make a gender pay gap report annually or every third year (depending on the size of the company) and may be required to do a joint pay assessment because of the results in the report. The gender pay report must be submitted to the Equality Ombudsman (<i>Sw. Diskrimineringsombudsmannen</i>).</li> </ul>	
<p><b>2. Has Sweden introduced legislation to implement the Pay Transparency Directive?</b></p> <p>On 15 January 2026, the Swedish government published a proposal which has been referred to the Council on Legislation for consideration. The proposal gives guidance on how the Directive may be implemented into Swedish law and it is part of the preparatory work for the new Act. The government bill will most likely be published during Q1 2026.</p> <p>The proposal from the Swedish government proposes, amongst other things, that the majority of changes required by the Directive will be implemented into Swedish law through the introduction of a new chapter in the Swedish Discrimination Act (<i>Sw. diskrimineringslagen (2008:567)</i>). The proposal is for the new rules to come into force on 1 January 2027.</p> <p>The proposal is that the new rules will be accompanied by sanctions, such as the possibility of damages for individuals and sanction fees, as well as protection against retaliation for individuals who exercise their rights following implementation by Sweden of the Directive.</p>	<p>Not yet</p>		
<p><b>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</b></p> <p>Although the rules on gender pay gap analysis in the Swedish Discrimination Act, along with the rules in most central collective bargaining agreements, already fulfil most of the requirements set out in the Directive, there are additional requirements in the Directive that do not yet apply under Swedish law. The new rules proposed by the report presented on 15 January 2026 are divided into three categories: information to job applicants and employees; pay surveys; and pay reporting.</p>			

<p><b>4. Does Sweden already provide guidance to support employers on issues such as how to assess and compare the value of work, e.g. job evaluation tools, etc.?</b></p> <p>The Swedish Discrimination Act provides <i>some</i> guidance to employers by defining what constitutes work of equal value. However, such guidance is not very specific. According to the Act, work is considered to be of equal value, based on an overall assessment of the requirements and nature of the work. When assessing the requirements of the work, factors such as knowledge, skills, responsibility and effort must be considered. When evaluating the nature of the work, particular attention should be paid to the working conditions.</p> <p>There are no specific, standardised job evaluation tools or predetermined classifications provided by law. It is the employer’s responsibility to determine what constitutes equal work or work of equal value, although employees, trade unions or the Equality Ombudsman may challenge an employer’s assessment.</p>		<p><b>6. If an employer does not currently have any worker representatives in place, will it be required to set these up going forward to meet its obligations under the Directive?</b></p> <p>According to the proposal, no “new” employee representatives will be introduced as a result of the national implementation of the Directive. Instead, the employee representatives will be the trade unions with whom the employer has collective bargaining agreement(s) or the trade unions who have members at the workplace. As mentioned, this is subject to further preparatory work on whether there will be any changes to the current obligation to cooperate and, if yes, what form these provisions will take.</p>	
<p><b>5. If an employer is proposing changes to its job categories/pay structures and processes to ensure compliance with the Directive, is it required under existing local legislation/agreements to consult worker representatives on such changes? If so, what are the timescales for action?</b></p> <p>In Sweden, whether consultation with trade unions is required in connection with changes to job categories, pay structures or similar aspects depends on the nature and impact of the change. The obligation to consult will also depend on whether the employer is bound by a collective bargaining agreement and what is stated in such agreement.</p> <p>Generally speaking, under the Swedish Co-Determination in the Workplace Act, employers must consult with the relevant trade unions with whom they have a collective bargaining agreement or the trade unions that have members at the workplace before making decisions that significantly affect employees’ working conditions.</p> <p>There is no fixed statutory timeframe, but consultations must take place before a decision is made. In practice, the process is often completed within a couple of weeks, depending on the trade unions’ availability.</p>		<p><b>7. Do you anticipate that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive?</b></p> <p>This is hard to say, but, yes, we see a risk that trade unions and/or worker representatives will take more interest in pay issues and are more likely to challenge employers in this area following implementation of the Directive, as they will likely receive more information on these matters than is currently the case.</p> <p>It should also be noted that some trade unions tend to work more actively on these questions than others. Therefore, in practice, the level of activity will depend on which trade unions the company has a collective bargaining agreement with, and which trade unions have members at the workplace.</p>	

### 8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?



National legislation (in the form of a government bill) needs to be proposed before detailed planning can commence. However, employers should start reviewing what current policies and routines they have for pay setting (including if they have objective and gender-neutral criteria) and what tools they have for collecting salary information about their employees.

In this regard, it should be noted that the new legislation will likely not only cover employees, but also trainees, apprentices and staffing agency workers. Further the word “pay” does not only involve the employees’ basic/minimum salary, but also other remuneration that an employee receives from their employer (including complementary or variable components).

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