

Implementation of the EU Pay Transparency Directive

Where Are We Currently?

June 2025

With 12 months to go until the Pay Transparency Directive comes into force, we are starting to see steps being taken in some EU member states to prepare for its implementation. Progress is, however, still rather 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.

Previous experience with the Whistleblowing Directive suggests that many member states may not issue any draft legislation until late in the day, which means that if companies wait for local implementing legislation, they are unlikely to have sufficient time to ensure their business is compliant with the new obligations. Ensuring compliance is likely to require a great deal of work by most employers – this is not something you are going to be able to achieve in a few months. As the minimum requirements in the Directive are clear, employers should be able to use these as the framework for their preparations. It is also possible that local implementing legislation/guidance may not necessarily add much to what is already set out in the Directive, especially if member states seek to go no further than the minimum requirements set out there.

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 15 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 June 2025. 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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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.

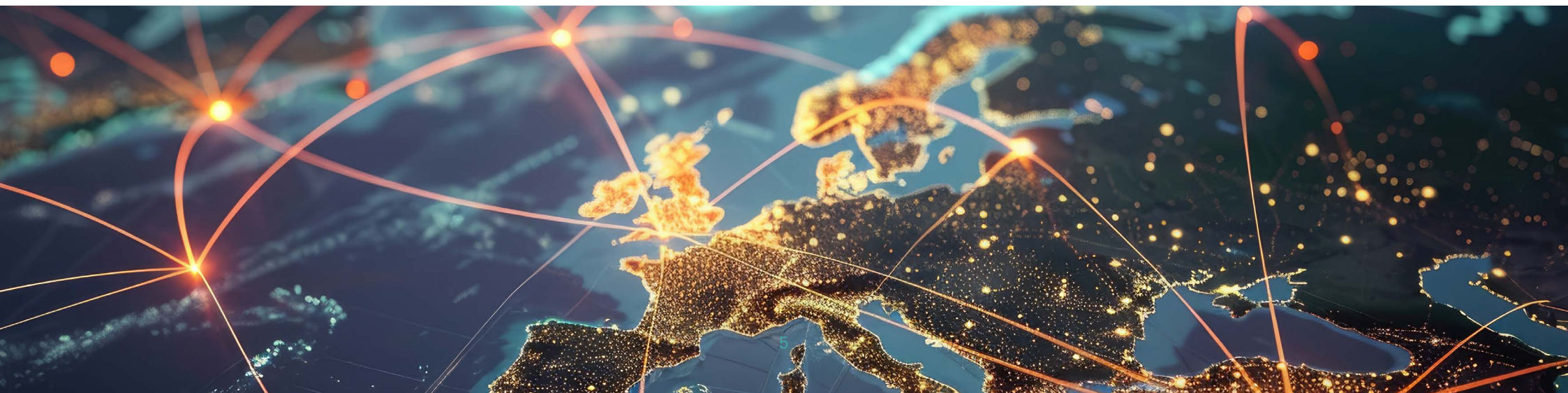
Where an employer has not implemented the pay transparency obligations and proceedings are brought alleging pay discrimination, the burden of proof will be on the employer to prove that there has been no such discrimination.

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<p>1. Does Belgium have any existing pay transparency and pay gap reporting obligations in place?</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>2. Has Belgium introduced legislation to implement the Pay Transparency Directive?</p> <p>Implementation of the Directive is currently being discussed by the social partners, but they have not yet released any information.</p>	Not yet
<p>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</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>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.?</p> <p>There is currently no such guidance for Belgium.</p>	✗

<p>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?</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>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?</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>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?</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>	✓

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 expected to be a hot topic in Belgium, although we are seeing that interest is increasing.

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Czech Republic

1. Does the Czech Republic have any existing pay transparency and pay gap reporting obligations in place?	✗
2. Has the Czech Republic introduced legislation to implement the Pay Transparency Directive? Even though full implementation of the Directive has not yet taken place, recent amendments to the Labour Code (effective from 1 June 2025) introduce 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 will be unenforceable, and companies may face fines of up to CZK400,000 if they continue to include them in agreements with employees.	Some
3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive? 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.	✓
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.? There is currently no guidance for employers. The criteria to be considered when assessing and comparing the value of work are primarily derived from case law.	✗
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? If employee representatives operate at the company, the employer must consult them on any intended changes to working conditions. 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.	✓

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?	✗
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? Remuneration matters are typically the primary area in which employee representatives are actively engaged.	✓
8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?	✓
Since implementation of the Pay Transparency Directive into national law will introduce completely new obligations for companies, it is recommended that they begin preparations now. They should start by reviewing their existing remuneration systems to assess what changes will need to be made.	

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<p>1. Does Denmark have any existing pay transparency and pay gap reporting obligations in place?</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>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.?</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>✓ Some</p>
<p>2. Has Denmark introduced legislation to implement the Pay Transparency Directive?</p> <p>Denmark has not yet transposed the Directive into national law. Further, no bill or draft bill has been presented and, therefore, the specifics of the transposition of the Directive into Danish law are not yet known.</p>	<p>✗</p>	<p>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?</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>	<p>✓ In some cases</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?



As it stands now, this will not be the case. However, as outlined above, Denmark has not yet transposed the Directive, nor has a bill or draft bill been presented. Consequently, this might change depending on the specific implementation of 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?



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.

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



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.

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.

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.

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.

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<p>1. Does Finland have any existing pay transparency and pay gap reporting obligations in place?</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>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.?</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>2. Has Finland introduced legislation to implement the Pay Transparency Directive?</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. The draft is expected to be presented in September 2025, with the proposed legislative changes intended to enter into force on 18 May 2026.</p>	<p>Not yet</p>	<p>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?</p> <p>If such changes may lead to the unilateral modification of an essential term in the employment contract of an employee, companies employing 20 or more employees may be obliged to conduct consultations prior to making any decisions that can lead to such a change. Consultations must be concluded prior to making a decision that can lead to such a change.</p> <p>As of 1 July 2025, the minimum consultation period is either seven days or three weeks, depending on the number of employees affected and the number of employees employed by the employer.</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. Changing job categories without an impact on pay or the actual working duties would usually not be a change of an essential term in the employment contract.</p>	<p>✓</p>
<p>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</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>		

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.

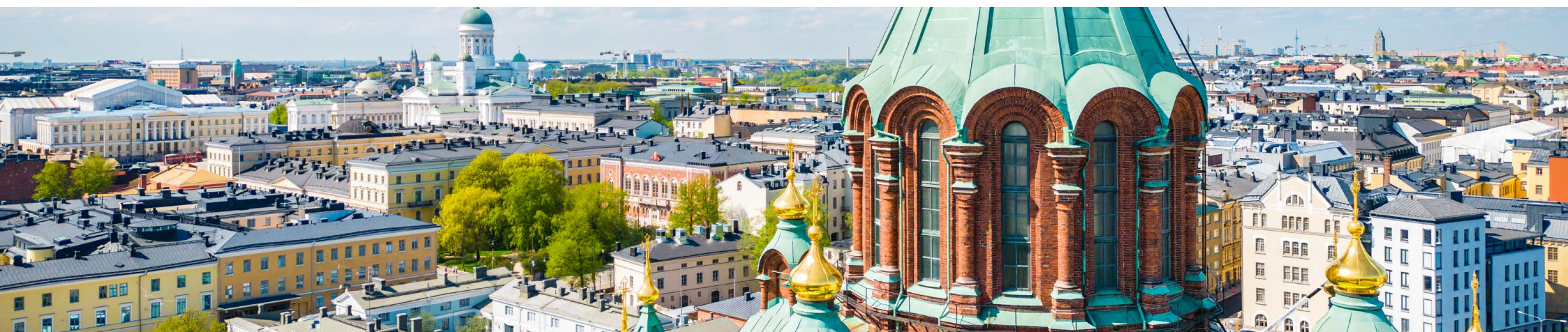
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<p>1. Does France have any existing pay transparency and pay gap reporting obligations in place?</p> <p>All companies with more than 50 employees must measure the level of any pay gap between men and women according to specific criteria published by 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>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?</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>2. Has France introduced legislation to implement the Pay Transparency Directive?</p> <p>The French Labour Minister has indicated that the Gender Equality Index will potentially be reviewed to be aligned with the Pay Transparency Directive requirements, but no further information is available at this stage.</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?</p>	Probably no, but to be confirmed under future French law
<p>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</p> <p>France already has legislation in place that partially meets the objectives of the Pay Transparency Directive.</p>	✗	<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?</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>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.?</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.

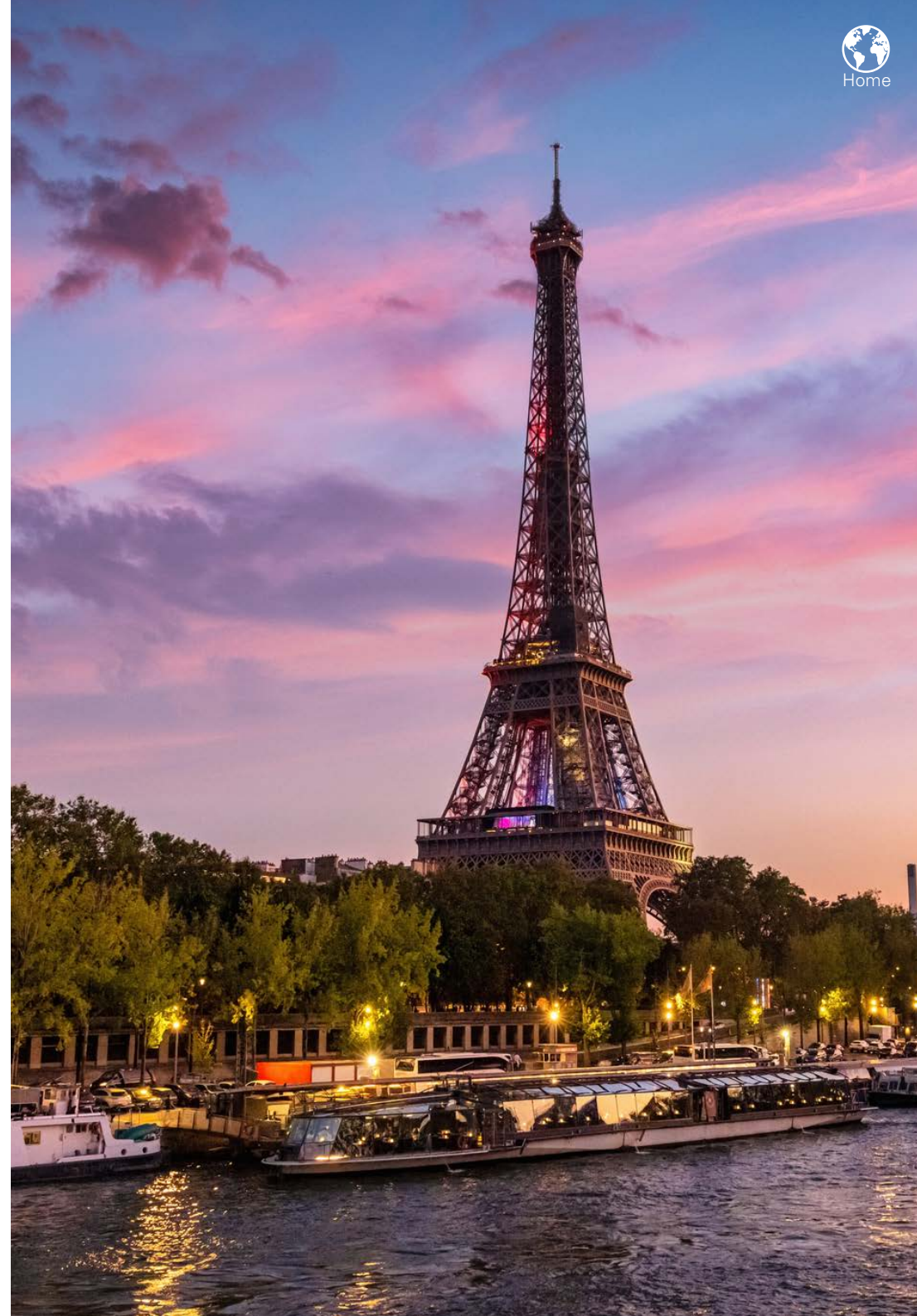
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<p>1. Does Germany have any existing pay transparency and pay gap reporting obligations in place?</p> <p>The German Pay Transparency Act has been in place since 2017. The Act expressly prohibits direct or indirect discrimination on the grounds of gender 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"> • The company employs more than 200 workers • There is a comparison group of at least six workers <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"> • Their measures to promote equality between men and women and the effectiveness of these measures • Their measures to establish pay equality between men and women • The average total number of workers and the average number of full-time and part-time workers broken down according to gender 	<p>✓ Some</p>
<p>2. Has Germany introduced legislation to implement the Pay Transparency Directive?</p> <p>The coalition agreement of the new government provides that the government will set up a commission to make proposals on implementation of the Pay Transparency Directive by the end of 2025 and a law shall be implemented in early 2026.</p>	<p>Not yet</p>

<p>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</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>✗</p>
<p>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.?</p> <p>There are no specific tools available for employers.</p>	<p>✗</p>
<p>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?</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>✓</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?</p> <p>This is not currently planned.</p>	<p>✗</p>
<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?</p> <p>We are firmly convinced of this, especially since works council elections are also taking place next year and this is an issue that the works councils can use to raise their profile.</p>	<p>✓</p>
<p>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</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>	<p>✓</p>

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<p>1. Does Italy have any existing pay transparency and pay gap reporting obligations in place?</p> <p>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.</p> <p>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.</p>	✓	<p>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</p> <p>Although Italy is already partly in line with the provisions in the Directive, some modifications may be necessary to ensure compliance.</p>	✓
<p>2. Has Italy introduced legislation to implement the Pay Transparency Directive?</p> <p>Italy has not yet introduced a draft law (<i>progetto di legge</i>) to formally transpose the Pay Transparency Directive into national legislation, with the transposition deadline set for 7 June 2026.</p>	✗	<p>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.?</p> <p>There is currently no such guidance for Italy.</p>	✗
		<p>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?</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>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?</p> <p>The implementation of the Directive should not create additional obligations in this area.</p>	Probably no, but to be confirmed under future Italian law

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?



Trade unions and workers' representatives are likely to take more interest in pay issues and challenge employers more following the Directive.

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. 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.

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Netherlands

<p>1. Does the Netherlands have any existing pay transparency and pay gap reporting obligations in place?</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>	<p>✓ Some</p>	<p>Pay structures – 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.</p> <p>Pay transparency before hiring – Job applicants will have the right to request and 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.</p> <p>Transparency of remuneration and remuneration progression policies – 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.</p> <p>Right to information – 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.</p> <p>Pay gap reporting obligations – 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.</p> <p>Joint pay assessment – 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.</p>
<p>2. Has the Netherlands introduced legislation to implement the Pay Transparency Directive?</p> <p>The Dutch government recently 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>The Ministry of Social Affairs and Employment plans to submit the Bill in quarter 3 of 2025 to the House of Representatives, although this timescale may be subject to change. It is currently subject to an online consultation process, which closed on 7 May 2025. The Bill is due to come into force on 7 June 2026, i.e. in line with the deadline for compliance by member states.</p>	<p>Draft legislation has been published</p>	
<p>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</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>	<p>✓</p>	

<p>Measures for legal protection – 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).</p>	
<p>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.?</p>	<p>✗</p>
<p>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?</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>✓</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?</p> <p>In the Netherlands, companies with 50 or more employees are legally required to set up a works council. The works council is expected to play a key role in ensuring compliance with the upcoming pay transparency rules. Employers that meet the 50-employee threshold but have not established a works council will find themselves unable to fulfil certain obligations under the new legislation. The Dutch legislator has deliberately chosen not to provide an alternative mechanism for such situations. This means that if no works council has been established and there are 50 or more employees, it is crucial for companies to act promptly and take the appropriate steps towards the establishment of a works council.</p>	<p>✓ Potentially</p>
<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?</p>	<p>✓</p>
<p>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</p> <p>Although the Bill will not come into effect until 7 June 2026, it is essential that employers start preparing now considering the scope of the upcoming changes. This is particularly important given that, starting in June 2026, the burden of proof will shift in favour of employees, placing employers at a disadvantage. Employers can take proactive steps by, for example, reviewing their current job evaluation method (or implementing one if none exists), auditing recruitment procedures, and establishing processes to monitor and analyse the pay disparity between male and female employees from the outset.</p>	<p>✓</p>

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Poland

1. Does Poland have any existing pay transparency and pay gap reporting obligations in place?	✗
2. Has Poland introduced legislation to implement the Pay Transparency Directive? An act focusing on the pay transparency aspects of the Directive has been published and will come into force from 24 December 2025. A first draft of the legislation implementing the gender pay gap provisions of the Directive is expected by the end of 2025.	✓ Some
3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive? Local legislative changes are expected, as currently there are no specific rules covering this topic.	✓
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.? There is currently no such guidance for Poland.	✗
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? 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. 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.	✓

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? The implementation of the Directive should not create additional obligations in this area.	✗
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?	✓
8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations? 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. When the draft law implementing transparency provisions of the Directive is published, the employers will have six months to adjust their recruitment processes to the new requirements.	✓

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<p>1. Does Portugal have any existing pay transparency and pay gap reporting obligations in place?</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>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.?</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>2. Has Portugal introduced legislation to implement the Pay Transparency Directive?</p>	✗	<p>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?</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>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</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>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?</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>1. Does the Republic of Ireland have any existing pay transparency and pay gap reporting obligations in place?</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>	<div><p>For some employers</p></div>	<p>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</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>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>	<div></div>
<p>2. Has the Republic of Ireland introduced legislation to implement the Pay Transparency Directive?</p> <p>In January 2025, the Irish government published a General Scheme of the Equality (Miscellaneous Provisions) Bill 2024 (Draft Equality Bill), which includes two provisions to transpose Article 5 of the Directive:</p> <ul style="list-style-type: none">• Salary ranges – The Bill says that information about the “remuneration rate or its range for the post concerned” should be provided in job advertisements. This requirement goes slightly further than the provisions of the Directive, which do not say this information has to be set out specifically in job adverts. In practice, though, it is likely to reflect how most employers would approach this obligation. It does not specify how detailed the pay range information needs to be.• Previous pay history – As per the Directive, the Bill provides that employers will be prohibited from asking job applicants about their own pay history or their current rate of pay, in line with Article 5 of the Directive. <p>The Draft Equality Bill is currently being revised.</p> <p>The Spring 2025 Legislative Programme states that the Heads of a Pay Transparency Bill are in preparation. It is anticipated this Bill will transpose the Pay Transparency Directive in full.</p>	<div><p>Draft Bill has been published</p></div>		

<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>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.?</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>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?</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>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?</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>Maybe</p>
<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?</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>	

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



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, before they are forced to.

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.

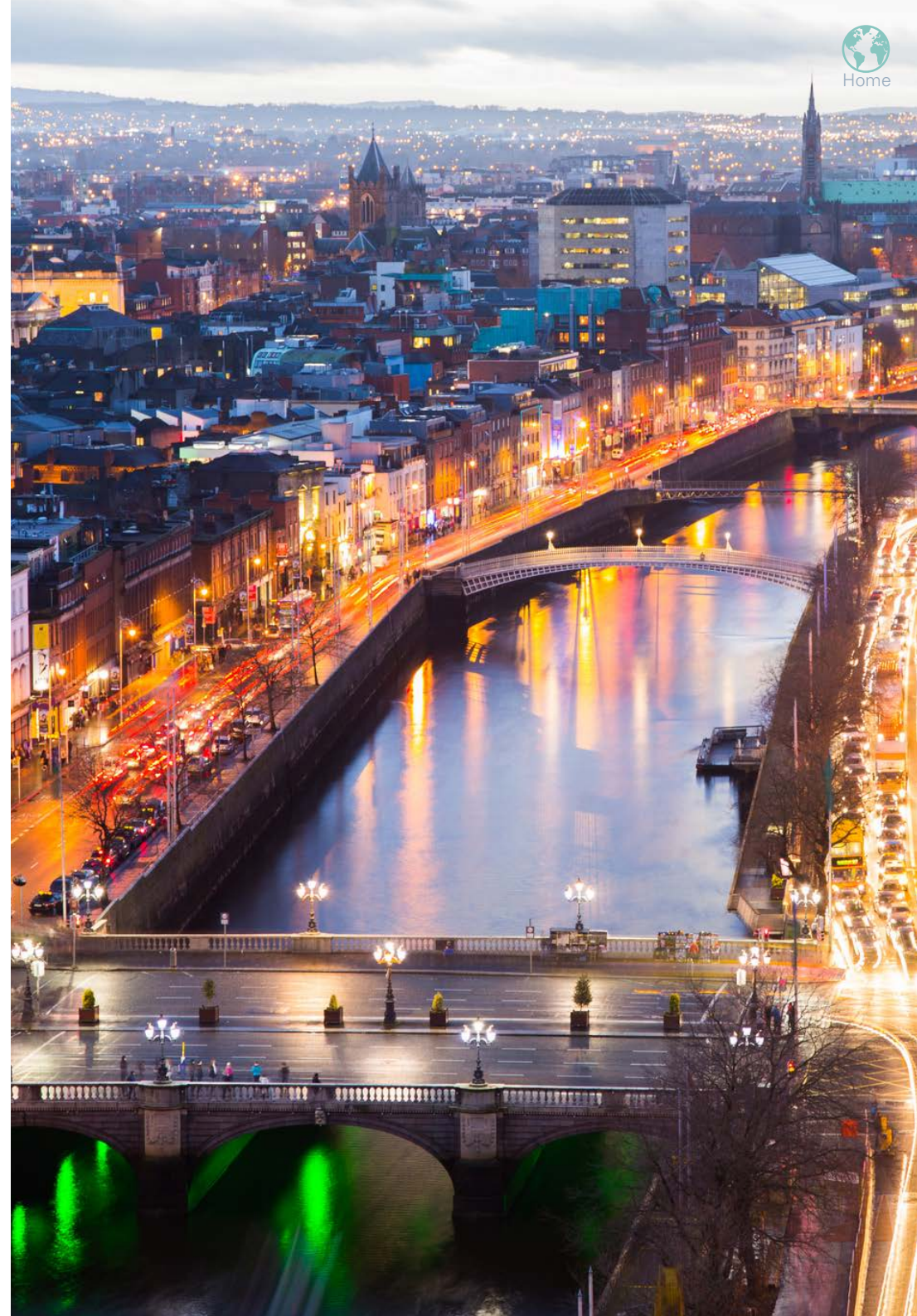
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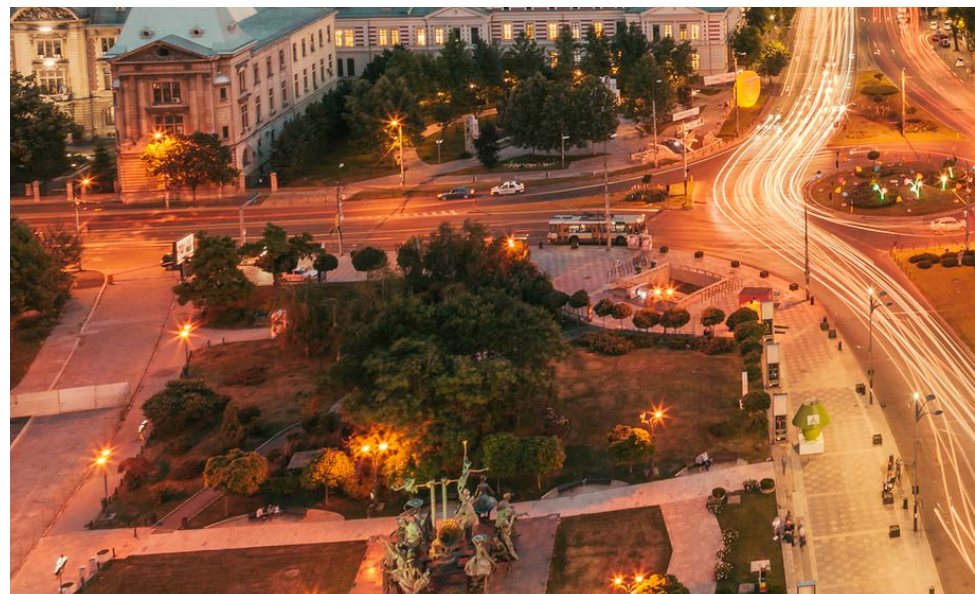
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1. Does Romania have any existing pay transparency and pay gap reporting obligations in place?	✗
2. Has Romania introduced legislation to implement the Pay Transparency Directive?	✗
3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive? At this point Romania does not have legislation in place to comply with most of the new obligations imposed by the Pay Transparency Directive. Thus, it is expected that the current labour legislation will have to undergo significant changes to implement the obligations imposed by the Directive.	✓
4. Does Romania 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.?	✗
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? This depends on whether the changes would amount to a change under a collective bargaining agreement (CBA) negotiated at company level. Where this is the case, negotiation of the CBA with trade union/employee representatives is required. Employers must follow a strict mandatory procedure including certain steps, such as organising one or more negotiation meetings, recording changes in a written addendum to the CBA containing the mutual consent of the employer and the trade union/employees' representatives over the envisaged amendments. To be effective, the CBA and its addendum have to be registered with the labour authorities.	✓

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? This is unlikely to be an issue in practice in that workforce representatives already have a significant presence in Romanian employers. The law regulates that if there are no trade unions within a company which has at least 10 employees/workers, the employees are entitled to elect representatives at a general meeting.	✗ Probably not
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?	✗ Probably not



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



Employers should consider certain preparatory steps now, such as conducting detailed audits concerning the salary system/pay practices within the company, reviewing pay policies, professional evaluation policies, internal job classifications and starting to address pay gaps and other identified issues.

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



Among other aspects to be considered, it is worth noting that according to the Labor Code salaries are confidential and employees are bound by confidentiality obligations concerning their salaries. After transposition of the Pay Transparency Directive employers will no longer be able to include in employment agreements an obligation for employees to keep their salaries confidential. Also, employers should be aware that disclosing more data than the minimum necessary to compare pay levels may constitute a breach of data protection legislation.

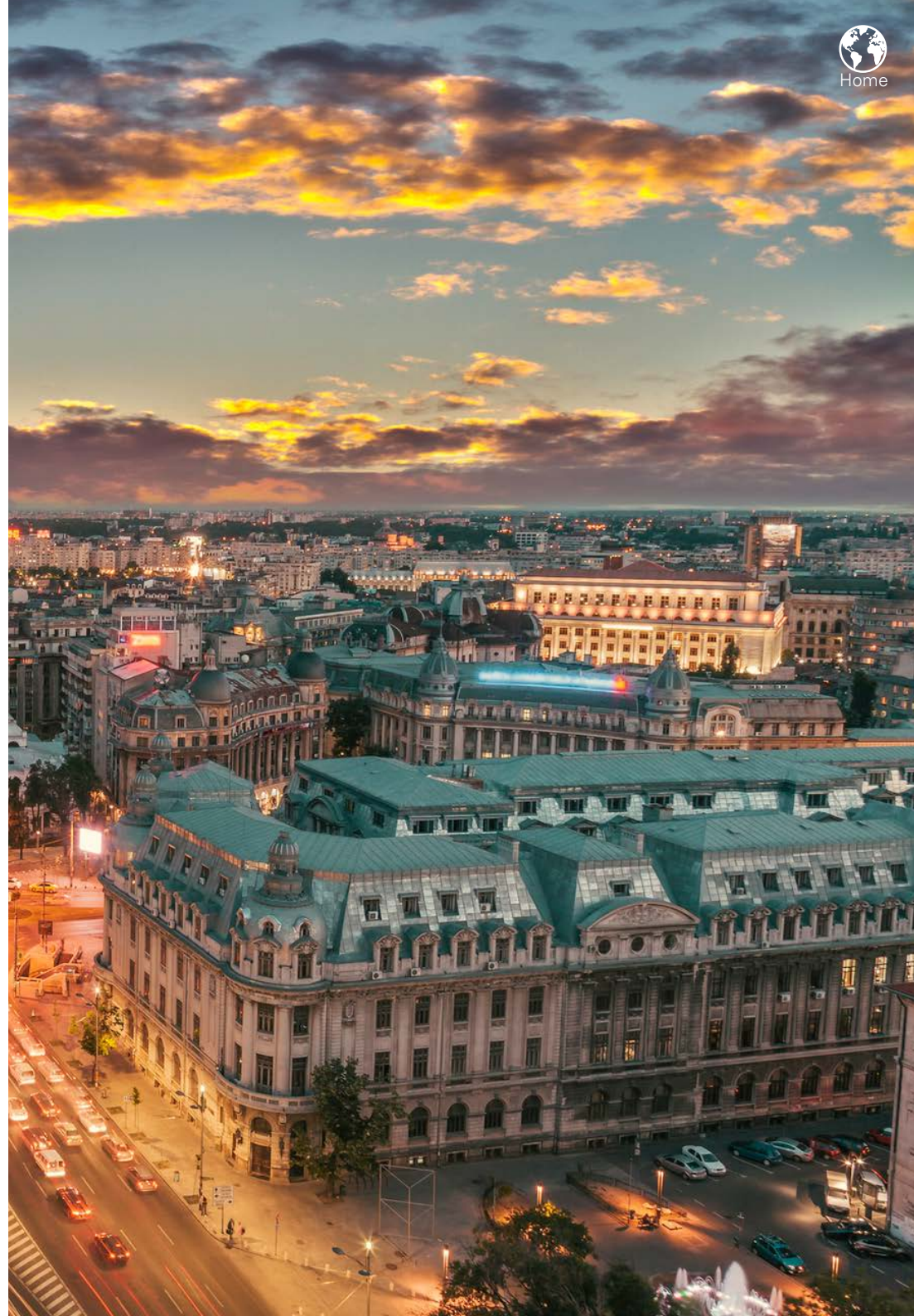
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Slovak Republic

<p>1. Does the Slovak Republic have any existing pay transparency and pay gap reporting obligations in place?</p> <p>The current Slovak Labour Code provides only that men and women should receive equal pay for equal work but says very little about the machinery of calculating or reporting any gaps. There will be much to be done to comply with the Directive.</p>	✗
<p>2. Has the Slovak Republic introduced legislation to implement the Pay Transparency Directive?</p> <p>On 15 May 2025, the Ministry of Labour, Social Affairs and Family published preliminary information on the forthcoming law on pay transparency. Comments on the preliminary information are currently underway.</p> <p>The expected date for the start of comments on the draft law on pay transparency is July/August 2025. In the government's legislative task plan, a draft law on pay transparency is scheduled for October 2025.</p> <p>The preliminary information clarifies that 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 draft law is intended to:</p> <ul style="list-style-type: none"> • Create an effective system for monitoring and assessing pay gaps between men and women's remuneration • Ensure that employees are subject to gender-neutral remuneration structures based on objective criteria <p>The proposed law aims to introduce new gender pay gap reporting obligations for employers. In cases of unjustified discrepancies, it 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>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</p> <p>As set out above, the current Slovak Labour Code provides only that men and women should receive equal pay for equal work but says very little about the machinery of calculating or reporting any gaps and there will, therefore, be much to be done to comply with the Directive.</p>	✓
<p>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.?</p>	✗
<p>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?</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 law does not provide any further guidance on the exact scope or procedure for this consultation obligation.</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?</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?

✓
Most likely

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

✓

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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<p>1. Does Spain have any existing pay transparency and pay gap reporting obligations in place?</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>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.?</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 here.</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>2. Has Spain introduced legislation to implement the Pay Transparency Directive?</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>	Not yet	<p>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?</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>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</p> <p>Although this matter is already regulated by several Spanish regulations, this new Directive will strengthen some aspects.</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?</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>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?</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>8. Should employers be taking steps now to ensure they are able to comply with any new legislative obligations?</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>9. Are there any additional points specific to your jurisdiction that companies should be aware of?</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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<p>1. Does Sweden have any existing pay transparency and pay gap reporting obligations in place?</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>2. Has Sweden introduced legislation to implement the Pay Transparency Directive?</p> <p>On 29 May 2024, the Swedish Government Office published a report, which gives guidance on how the Directive may be implemented into Swedish law and it is part of the preparatory work to the new Act. The Government Office has circulated the report for formal consultation and will most likely publish its government bill sometime during Q1 2026. How the Directive is implemented into national law will, therefore, be subject to the provisions in the government bill.</p> <p>The report 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</i> (2008:567)). The proposal is for the new rules to come into force on 7 June 2026.</p> <p>The proposed new rules are further specified below. The proposal is that they will also 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>3. Do you anticipate significant changes to existing legislation to comply with the new obligations under the Pay Transparency Directive?</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 29 May 2024 are divided into three categories: information to job applicants and employees; pay surveys; and pay reporting.</p> <p>Information to Job Applicants and Employees</p> <ul style="list-style-type: none"> • 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. • Employers should inform their employees about the criteria used to determine their pay, pay levels and pay progression (a "pay progression policy"). • Employees may request written information about their individual and average pay level and should receive such information within two months from the employer. <p>Pay Surveys</p> <ul style="list-style-type: none"> • 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. • 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. <p>Pay Reporting</p> <ul style="list-style-type: none"> • 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>). 	

<p>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.?</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>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?</p> <p>According to the report, 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>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?</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>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?</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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