



Belgium
Denmark
Finland
France
Germany
Ireland
Italy
Poland
Portugal
Romania
Sweden
Spain
United Kingdom

PAY TRANSPARENCY

Practical guide

About ELLINT Next	p.3
Pay Transparency	p.4-6
Belgium	p.7
Denmark	p.8
Finland	p.9
France	p.10
Germany	p.11
Ireland	p.12
Italy	p.13
Poland	p.14
Portugal	p.15
Romania	p.16
Spain	p.17
Sweden	p.18
United Kingdom	p.19
Contacts	p.20

Who are we?

ELLINT NEXT:

A group promoting collaboration and enhancing client service.

ELLINT Next was launched in 2023 and counts today 45 members from 11 countries.

ELLINT Next is a collaborative forum between current and upcoming partners, attorneys and associates from the member firms of the ELLINT organisation. The group consists of employment law specialists, who work together in **creating value for our clients** by exchanging knowledge and ideas on current employment law topics. We believe that by sharing our knowledge and professional experiences, we provide better legal and strategic advice to our clients.

ELLINT Next is committed to **sharing the latest news** on developments within the field of employment law with clients and stakeholders across the world. By producing monthly publications with comparative analyses on relevant employment law topics in two jurisdictions, we aim at creating an external platform for knowledge sharing and provide insight into how a current topic is viewed upon in different jurisdictions. In our annual conference we discuss the latest progressions in employment law and the topics that have been relevant for our clients throughout the year.

In addition, each year ELLINT Next directs the spotlight **towards a topic of the year**. The aim of the topic of the year is to provide an overview of an employment law topic which has broad relevance to our clients. In 2025/2026, the topic of the year is Pay Transparency, with a focus on the changes our clients will face from the implementation of the EU Directive 2023/970. If you want more insight into Pay Transparency and the impacts the new regulations will have in one or more jurisdictions, or if you have questions about other employment matters, each of our member firms would be happy to advise and support you.



Pay transparency

On 10 May 2023, the European Parliament and the Council approved Directive 2023/970, that must be transposed by EU Member States by 7 June 2026 (currently, only Belgium and the Czech Republic have done so).

This is the **“Pay Transparency” Directive**, which sets out specific obligations for employers to ensure transparency in workers’ remuneration.

A fundamental idea behind the Directive is that providing clear information about the economic conditions applied to employees is an **effective way of preventing or resolving pay discrimination** between men and women (the gender pay gap).

The European legislator has introduced new transparency requirements for all employers, public and private, regardless of company size. However, reporting requirements apply only to companies with at least 100 employees (a minimum threshold that Member States may lower during transposition).

The Directive will have a significant impact on companies’ activities.

For example, before establishing an employment relationship (in job advertisements and during interviews), companies will be required to provide candidates with clear and comprehensive information on remuneration. In addition, the Directive expressly prohibits companies from asking candidates about their current or previous remuneration.

Furthermore, during their employment, employees will have the **right to request and receive written information** on the pay offered by the company for equivalent roles.

The Directive also gives employee representatives an important role: if there are unjustified pay differences between male and female workers, these representatives may be involved in an assessment aimed at resolving them.

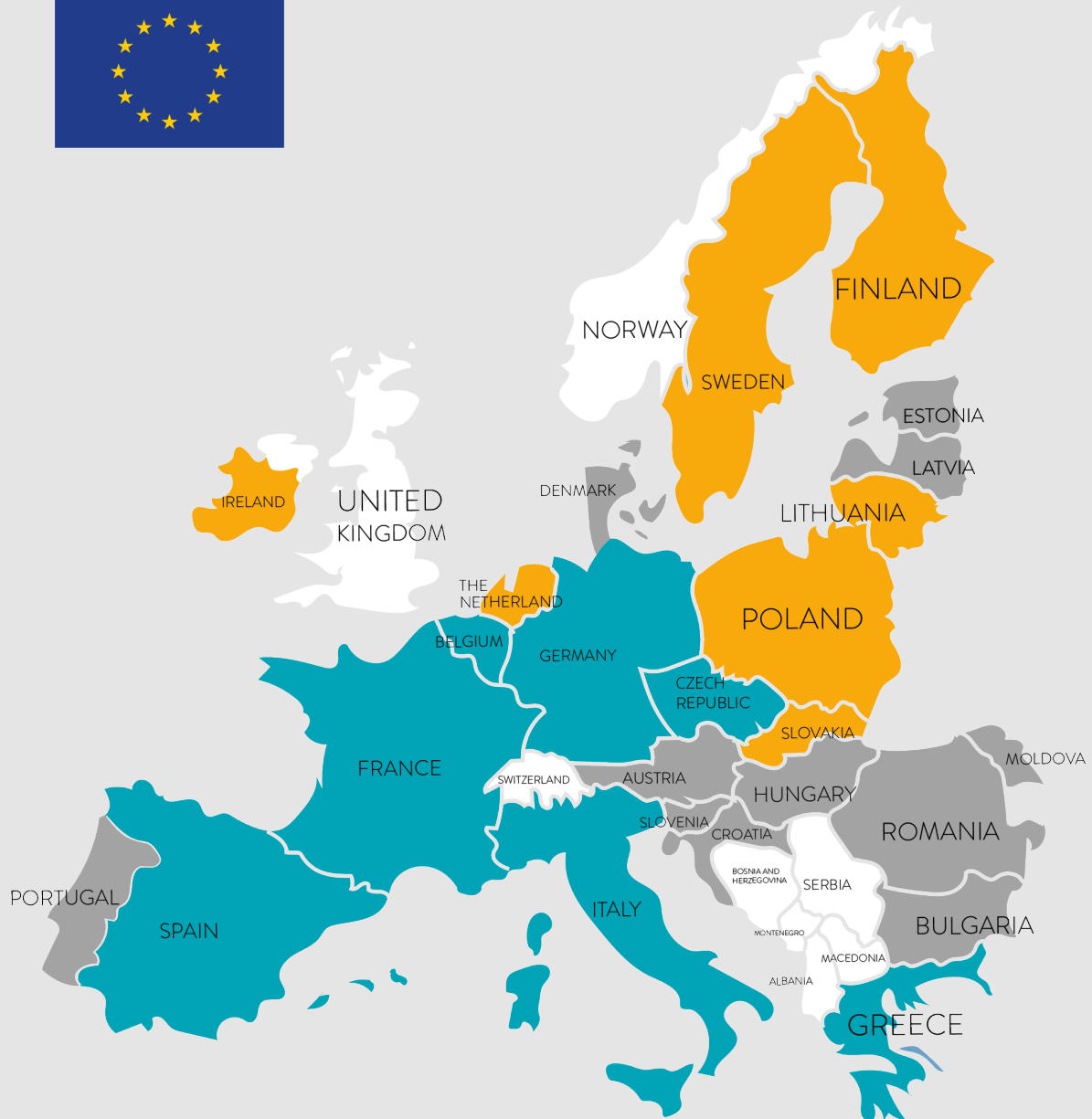
Given the importance of these changes, we have decided to provide further details in this brochure to help you understand how the transposition of the Directive may change the activities of companies in each jurisdiction.

It is our belief that it is essential to draw the attention of companies to the content of the new obligations, so that they can begin to take the necessary steps to ensure that they are prepared when the Directive becomes part of domestic law.

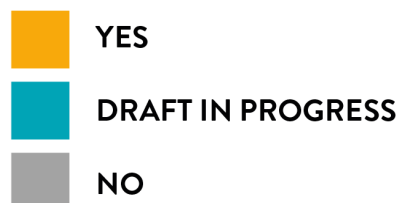
If you would like to know more about this, the ELLINT members will be happy to answer your questions. Please do not hesitate to contact one of our offices using the contact details provided for each country in this brochure.



Current status EU Countries



EU PAY TRANSPARENCY DIRECTIVE Status of draft by country



Comply with pay transparency

What steps could employer take now, even though the Pay Transparency Directive has not yet been implemented?

The following actions are worth to take even before the Pay Transparency Directive is implemented in your jurisdiction. They stem from the Directive itself, which makes them useful both for employers operating in only one EU country as well as those operating throughout the EU.

RECRUITMENT:

Create a recruitment procedure - including, among other things, a ban on asking applicants about their pay history and stating what questions may be discriminatory.

Internally determine at what stage of the recruitment process and in what form the pay is disclosed, and exactly which benefits are disclosed.

Verify whether the job titles are gender-neutral.

Conduct training for recruiters on the new recruitment rules.

IN GENERAL:

Determine whether there is a single source other than your entity (employer) that establishes the components of pay (e.g., parent companies) - this may affect the assessment of which employees should be compared.

Prepare a payroll/HR system - it should have the technical capability to generate information on pay levels, in particular using gender as a criterion.

Estimate how many employees will be employed in 2026 - this affects whether there will be an obligation to prepare special reports on remuneration levels.

Group employees - in simple terms, one group includes people employed in the same or similar positions.

Determine pay ranges for individual positions and their groups within the meaning of point (4) above - this will facilitate the comparison of pay.

Introduce internally objective criteria for determining the level of remuneration for individual job groups.

Plan a mechanism enabling employees to access information - concerning criteria and level of pay.

Belgium

What steps should employers take to comply with the pay transparency obligations during recruitment?

During the recruitment phase, obligations are threefold: (1) employers need to disclose the starting salary or the salary range in the job posting or at the latest before the first interview with the candidate, (2) recruiters can no longer ask about a candidate's pay history, and (3) salary confidentiality obligations in employment contracts will be prohibited. Employers can prepare themselves by training recruiters on these obligations and by adapting templates for job offers and employment contracts.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country

At this point in time, it is not yet clear how this individual right to information will be implemented in Belgian legislation. Currently, this information is only partly shared with employee representatives in the works council, in the framework of a biennial reporting on the gender pay gap within the company. However, it remains to be seen whether the Belgian legislator will impose certain special formalities in this regard.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

The Directive provides for a 'standstill' clause, that prohibits Member States from lowering existing protections. As Belgium already has an extensive legal framework on pay transparency reporting, even for companies between 50 and 100 employees, we expect that the implementation of the Directive will build upon this existing framework. This means that

the obligations foreseen for the lowest threshold (+ 100 employees, with a reporting frequency of 3 years) might be put on + 50 employees in Belgium, with a reporting frequency of 2 years. Otherwise, we expect the Belgian legislator to comply with the Directive's threshold, without any gold plating.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

Belgian discrimination legislation already provides for enforcement mechanisms before labour courts in case of discrimination based on gender, and specific protections exist for gender pay discrimination. We expect the new enforcement mechanisms to build upon the existing ones. General obligations under the Directive (e.g. the obligatory joint pay assessment) will likely be enforced by labour inspections and administrative sanctions.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

Employers in Belgium should not wait for the national implementation of the Pay Transparency Directive to act. A practical first step is to review the current remuneration policy and group employees performing the same or equivalent work. This requires mapping the pay structure, identifying the criteria historically used to set pay, and assessing whether these criteria have been applied consistently.

By carrying out this analysis now, employers can detect and correct any unexplained pay differences well in advance. Early action reduces the risk of future non-compliance and avoids operational and reputational difficulties later on.



Denmark

What steps should employers take to comply with the pay transparency obligations during recruitment?

Applicants have the right to receive information about the starting salary or salary range and, if applicable, the collective agreement that applies to the position. This information must be provided before the salary negotiations begin. The employer is not allowed to ask about the applicant's current or previous salary in other jobs. The purpose is to break with the practice of basing new salaries on past wages, which can perpetuate existing pay inequality.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country?

As of December 2025, there is still no Danish legislative proposal. It is anticipated that the Danish law will closely follow the directive, granting every employee the right to request and receive information about their own individual pay level, as well as the average pay levels, broken down by gender, for employee categories performing the same work or work of equal value.

The employer is obligated to inform employees once a year about their right to obtain pay information – and how they can specifically exercise this right.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

It is expected that employers with fewer than 50 employees will be exempt from the obligation to disclose the criteria for pay progression. This means that such smaller companies must still provide information on how starting salaries and pay levels are determined, but may be exempt from

the requirement to disclose how pay develops over time. Companies with fewer than 100 employees are not subject to the obligation to prepare a pay report and are also not required to carry out a joint pay assessment – an obligation that applies when a company's pay report reveals a gender pay gap of more than 5% that is not objectively justified and has not been addressed.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

Denmark is expected to designate a national monitoring body to oversee and enforce compliance with the Pay Transparency Directive. Employees will be entitled to full compensation in cases of pay discrimination, including back pay, bonuses, and protection against retaliation. Employers may face effective, proportionate, and dissuasive sanctions – primarily fines – for non-compliance, including failure to meet reporting obligations, with the possibility of stricter penalties for repeated or serious violations.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

Employers can prepare for the directive by reviewing and clarifying their pay structures to ensure that salary levels, pay bands, and progression criteria are objective and gender-neutral. They can also begin conducting internal gender pay-gap analyses to identify and address any unexplained differences in comparable roles. Finally, updating equal-pay and anti-discrimination policies to reflect transparent, gender-neutral principles and robust documentation and complaint processes will further support readiness.



Mads Bernstorn, Partner
METTE KLINGSTEN LAW FIRM
Copenhagen - Denmark

mb@mklaw.dk

Finland

What steps should employers take to comply with the pay transparency obligations during recruitment?

Employers must provide candidates with the following information:

- (1) Initial pay or its range;
 - (2) Relevant provisions of the collective agreement applied in relation to the position (if applicable).
- The information shall be provided sufficiently early, e.g. in a job vacancy notice or prior to the job interview.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country

Upon request, employees have the right to obtain information on their individual pay level and on the average pay levels, broken down by sex, for the category of workers performing the same work as them or work of equal value to theirs.

Criteria used to determine pay progression must be made accessible to employees in an easily accessible way in companies with a headcount of at least 50.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

Reporting and joint pay assessment is obligatory only for companies with a headcount of at least 100. Companies with a headcount of at least 250 must report the relevant information yearly, while companies with a headcount of 100-249 must do so only every three years.

Further, the joint pay assessment is obligatory only if

- (1) the difference in reported average pay levels between female and male employees is at least 5 % in any given employee category;
- (2) a justification for the difference based on objective, gender-neutral criteria is not provided by the employer; and
- (3) the employer has not remedied such a difference in pay level within six months of the date on which the pay reporting had to be submitted to the Ombudsman for Equality.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

Pay transparency breaches may have the following consequences:

- (1) Employees may claim compensation. At the moment the minimum is EUR 4,360 without any upper limit. (In recruitment situations there is an upper limit which is EUR 21,800 at the moment.) The limitation period for claims is three years.
- (2) The Ombudsman for Equality or a national bargaining association (i.e., an employers' association or a trade union) may bring the matter before the National Non-Discrimination and Equality Tribunal, which in turn may prohibit the employer from continuing or repeating the unlawful practice, if necessary under the threat of imposing a fine.
- (3) If the Employer does not comply with its obligation to prepare a joint pay assessment (or it is deficient), the Ombudsman for Equality may impose a negligence fee of min. EUR 5,000 and max. EUR 80,000

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

- (1) Current state assessment:
Review pay structures; identify gender pay gaps
- (2) Documentation of pay criteria:
Establish clear, measurable, and gender-neutral criteria for determining pay; ensure that the criteria are transparent and easily justifiable
- (3) Developing reporting capabilities:
Check if pay reports by gender can be produced from HR systems; plan processes for reporting
- (4) Updating HR and payroll systems:
Remove practices related to asking about pay history during recruitment; ensure systems support disclosure of pay ranges
- (5) Training and communication:
Train supervisors and HR on the requirements of the directive; prepare internal guidelines and communication materials to increase transparency

**Markus Majer, Founder of
MAJER ATTORNEYS**

Helsinki - Finland

markus.majer@majer.fi



France

What steps should employers take to comply with the pay transparency obligations during recruitment?

The French government intends to prohibit employers from publishing job offers without an initial salary range. Phrases like “salary based on profile” or “on experience” will be banned, and recruiters may no longer ask about a candidate’s salary history. Job postings must reference the applicable collective agreement. While administrative sanctions are planned for non-compliance, it remains unclear whether candidates could themselves assert claims against the company under the new framework.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country?

French employees will gain a right to request, in writing, individual pay details and average pay levels by gender for comparable roles. Employers must reply within two months and remind employees annually of this right. Employees, staff representatives, or labour inspectors may also seek clarification, requiring employers to justify and correct any unjustified gender pay gaps. Although the directive requires a response within a “reasonable” time, France will not set a strict deadline. These transparency duties may create an administrative burden, particularly for small businesses, as no annual limit on requests is planned. The transposition law should clarify communication methods and may introduce safeguards against potential misuse.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

The transposition law will overhaul the long-standing Gender Equality Index. Although companies already report annual indicators, the

future index will align with the directive’s expanded requirements.

The first six indicators (pay gaps, quartile distribution, bonuses, etc.) should be automatically generated via the DSN to limit administrative burden. The seventh indicator—pay gaps by worker category—must be reported annually by companies with over 250 employees and every three years by those with 50–250 employees. For employers with fewer than 150 employees, this obligation is postponed until 2030. A simplified index will apply to companies with 50–99 employees.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

Enforcement should rely on administrative penalties rather than criminal sanctions. Employers who fail to meet their obligations may face fines, either as a percentage of total payroll or as a fixed amount, depending on the nature and seriousness of the breach. Regarding the burden of proof, a presumption of discrimination should apply where the employer has not complied with these transparency obligations.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

French employers should audit pay structures by mapping comparable roles and reviewing job classifications, using collective bargaining agreements as a guide, while identifying gaps and documenting reasons for any inconsistencies.

They should also ensure DSN data accuracy, update recruitment practices by revising job offer templates and interview protocols, and train HR teams on forthcoming disclosure duties. Early engagement with employee representatives will further support effective compliance as the new transparency framework approaches in France now.



**Paul Romatet, Counsel at
MGG LEGAL**
Paris, France

prm@mgglegal.com

Germany

What steps should employers take to comply with the pay transparency obligations during recruitment?

After implementation it is expected that employers may no longer ask applicants about their current or previous remuneration. Instead they must provide the entry salary (or salary range) in advance. Job postings, titles and recruitment processes must be gender-neutral and non-discriminatory.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country?

Employees will have, once per year, the right to request and receive written information on their individual pay and on average pay levels, broken down by gender, for groups performing the same or equivalent work. The reply should explain how the comparison group was formed, exclude hypothetical or former employees, and meet a minimum group size. It should cover only the gross total remuneration paid in the previous reference year, without itemising components. Employers will no longer be able to contractually restrict employees from sharing their salary.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

Regarding thresholds and rules, a 1:1 adoption of the Directive is expected in Germany.

This entails the following reporting obligations: Mandatory reporting in cases of ≥250 employees - first by 7 June 2027, then annually; 150–249

employees - first by 7 June 2027, then every three years; 100–149 employees - first by 7 June 2031, then every three years. Reports must include gender pay gaps, variable pay, quartiles, and categories of employees.

Joint pay assessment: Required for employers ≥100 employees if an unjustified ≥5% gap in any category persists for six months; carried out with employee representatives and reported to the monitoring body.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

Penalty mechanisms will be significantly expanded: a system of fines modeled on the GDPR is expected to be introduced. In addition, coercive fines will be implemented to ensure compliance with the obligations. Employee remedies will also be strengthened: broader information rights, higher compensation for discrimination, and amended cost rules to facilitate court access.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

Employers should map pay structures, use gender-neutral job evaluations and comparative groups, collect remuneration data, test for gender pay gaps, and set processes for information requests. They should review recruitment, train HR, and document their principles in a pay-transparency policy. Digital tools (templates/portals) can streamline reporting and responses, as text form is considered sufficient.

**Sophia Hartmann, Lawyer at
ALTENBURG**
Berlin, Germany
s.hartmann@altenburg.net



Ireland

What steps should employers take to comply with the pay transparency obligations during recruitment?

In January 2025, the General Scheme of the Equality (Miscellaneous Provisions) Bill 2024 was published. It includes two provisions aimed at enhancing transparency before employment commences and preventing continuation of pay discrimination throughout a career:

Employers will be

- a.required to publish initial salary levels or ranges in job advertisements.
- b.prohibited from inquiring about job applicants' previous or current pay rates.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country?

It is envisaged that employees will have the right to request information on:

- average pay levels of colleagues performing the same or similar work or work of equal value;
- criteria for career progression.

and receive it within two months of the request being made.

Gender Pay Gap reporting has been in place since June 2022 starting with employers with 250 or more employees. In November 2025, employers with 50 or more employees will be required to publish gender pay gap reports.

Currently reports must be published in a way that is accessible to all its employees and to the public and be available for at least three years from the date of publication and include:

- 1.mean and median pay gaps across the entire organisation;
- 2.mean and median bonus gaps;
- 3.the proportion of men and women that received bonuses;
- 4.the proportion of men and women that received benefits in kind;
- 5.the proportion of men and women in each of four equally sized pay band quartiles showing how staff are distributed throughout the pay structure; and
- 6.differences for part-time and temporary staff.
- 7.A narrative statement explaining the reasons behind any identified pay gaps and
- 8.measures that are being taken to eliminate or reduce any gap.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

It is not yet clear what thresholds and rules will apply for the mandatory reporting and joint pay assessment obligations. The joint pay assessment envisaged by the Directive will be new to Ireland.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

Currently in an equal pay claim an employee must prove facts from which a presumption of discrimination can be drawn. Where such a presumption is drawn, the onus of proof will shift to the employer. It is envisaged that the Directive will put the burden of proof on the employer immediately.

Currently an actual comparator is required. It is envisaged that a hypothetical comparator or other evidence may be relied upon.

Currently the Workplace Relations Commission can carry out an investigation if the Director General is satisfied of a prima facie case for such an investigation.

The Irish Human Rights and Equality Commission (IHREC) has enforcement powers and can make an application to the Circuit Court or to the High Court for the granting of an order requiring an employer to comply with its reporting obligations under the Gender Pay Information Regulations.

It is envisaged that transposition of the Directive will result in penalties so that enforcement does not depend on individual claims.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

- Review recruitment processes, interview protocols and training;
- Establish pay range and criteria for career progression for each role;
- Audit and assess how staff are distributed across pay structures;
- Identify gaps;
- Take measures to eliminate or reduce any gaps;
- Put joint assessment processes in place;
- Establish a proactively anti-discrimination culture in which pay is transparent.



**Jane Babb, Consultant at
MCINNES DUNNE MURPHY LLP**
Dublin, Ireland
jane@mcdm.ie

Italy

What steps should employers take to comply with the pay transparency obligations during recruitment?

Before hiring, employers:

- must ensure that selection processes (from job advertisements to interviews) are conducted neutrally and without gender discrimination;
- must inform workers about the initial salary or salary range and the applicable collective agreement rules;
- must not ask candidates for information about their previous or current salary.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country

We can expect companies to adopt internal policies that explain to employees their right to information on remuneration.

These policies are likely to distinguish between different types of information:

- during the pre-recruitment phase (see above);
- during employment, whereby employees (either personally or through their representatives) may request and receive, within two months of the request, written information on their own remuneration and that of colleagues performing 'work of equal value'.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

As of today, December 2025, Italy has not yet transposed the Directive.

However, when transposing the Directive, it is likely that our Parliament will apply that the reporting and joint assessment obligations (required by the Directive for companies with at least 100 employees) will also apply to smaller companies.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

Given that (as highlighted above) Italy has not yet transposed the Directive, when it does so, it will not be able to derogate in a negative sense from the provisions established at EU level for the protection of workers, including:

- the right (of individual workers and their associations or organisations) to take legal action;
- the right to compensation for damage suffered as a result of pay discrimination;
- court orders to prevent future discriminations;
- reversal of the burden of proof: it will therefore be up to the company to prove that the alleged pay discrimination did not occur;
- possible court orders requiring the company to disclose any evidence in its possession, even in the case of confidential information, with adequate safeguards;
- possibility that the unsuccessful employee will not be required to pay legal costs;
- limitation period of at least three years, which may not start to run while the employment continues;
- for companies that violate pay transparency obligations: financial penalties, possible exclusion from public procurement procedures, termination of public contracts.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

Italian employers can now:

- identify the criteria for considering two job positions as equivalent in terms of remuneration;
- carry out an internal gap analysis to check for pay discrimination;
- adopt recruitment and job advertisement policies that make the remuneration for offered positions transparent.

**Chiara D'Angelo, Associate at
LEXELLENT**

Milano - Italy

chiaradangelo@lexellent.it



Poland

What steps should employers take to comply with the pay transparency obligations during recruitment?

1. Inform the job candidates about the salary range and any relevant provisions of applicable collective agreements or remuneration regulations no later than before concluding the employment contract.
2. Must use gender-neutral job titles and descriptions.
3. Cannot require the candidate to disclose information about their previous salary. These obligations will apply as of 24 December 2025.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country?

From 24 December 2025 each employer is going to provide the information either in the job advertisement, before the interview, or before establishing an employment relationship. The other provisions concerning employees' right to receive information on pay levels, as well as those relating to career progression criteria, have not been yet implemented in the Polish legal system.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

Polish lawmakers are still working on regulations regarding mandatory reporting and joint pay assessment. At this stage, no binding provisions have been adopted in Poland.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

There are no special rules yet concerning the provisions of the Directive however according to the initial project for further implementation provided by the Polish government, for failure to comply with obligations derived from the Directive, an employer is going to be fined with a penalty of up to PLN 50,000 (approx. EUR 14,200).

In addition, at this point a breach of the general obligation to inform an employee, including failure to provide information on remuneration components and monetary or in-kind benefits other than those agreed in the employment contract, or failure to confirm the terms of employment in writing, constitutes an offence and may be subject to a fine ranging between PLN 1,000 and PLN 30,000.

Employees may additionally file a claim with the labour court for compensation or wage equalisation if the court finds that discrimination has occurred.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

The employers in Poland should at this point:

- (1) review and adjust job offers and procedures;
- (2) map the comparable roles and review job classifications;
- (3) document reasons for any inconsistencies, in particular the ones which show discrepancies between women and men;
- (4) check whether there is any single entity outside of the employer which establishes the pay conditions for the employees (e.g. holding company);
- (5) prepare the IT systems used by payroll to be able to collect, process, and provide the data on pay required by the Directive.



**Andrzej Orzechowski, Partner at
ZAWIRSKA RUSZCZYK SP. K. LAW FIRM**
Warsaw, Poland

andrzej.orzechowski@zawirska.com

Portugal

What steps should employers take to comply with the pay transparency obligations during recruitment?

Portugal has not yet transposed the EU Pay Transparency Directive (2023/970). While certain aspects of pay equality are already covered under existing Portuguese legislation, there is currently no legal obligation for employers to disclose salary ranges in job advertisements. Nonetheless, in anticipation of the Directive's future transposition, employers are advised to begin including salary ranges in recruitment postings, as such disclosure will become mandatory once the Directive is implemented into national law.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country

Portuguese law already requires employers to have a transparent pay policy, based on an assessment of the components of each function and grounded in objective criteria applied equally to men and women. The law does not clearly state whether such policy must be proactively disclosed to employees. What is clear is that, in cases where an employee alleges pay discrimination, the employer is obliged to present that policy and justify the remuneration applied on the basis of those objective criteria. This framework will likely be amended upon the implementation of the EU Pay Transparency Directive, which is expected to reinforce employees' rights of access to pay information.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

There are already rules on pay reporting - which the implementation of the Directive will probably build upon. All employers, regardless of size, must annually submit information on remuneration through Relatório Único (Single Report), which allows the Portuguese Authority for Working Conditions (ACT) and CITE to monitor pay gaps. With this information, the Portuguese Government

publishes a general and sectoral barometer of pay differences

between women and men and sends a balance of pay differences between women and men by company, occupation and qualification level, to each company. If the company has a gender pay gap above a certain threshold, the ACT will notify the company to present a pay gap assessment plan.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

There is currently no official information on the specific enforcement mechanisms, penalties or employee remedies that will apply in Portugal upon the transposition of the EU Pay Transparency Directive. However, Portuguese law already provides for sanctions in cases of pay discrimination. In particular, if an employee alleges discriminatory pay, the employer is legally required to present a transparent pay policy and justify the remuneration applied on objective grounds. Failure to do so may be reported to the ACT and qualify as a very serious administrative offence, punishable with fines ranging from €2,040 up to €61,200, depending on the company's annual turnover and the degree of fault.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

In anticipation of the forthcoming transposition of the Pay Transparency Directive, employers operating in Portugal should begin preparing internal structures to ensure compliance. This includes conducting preliminary pay audits to identify potential remuneration disparities, reviewing and formalising objective criteria for salary determination, progression and bonuses, and adjusting recruitment practices to incorporate transparent salary ranges. By taking these steps proactively, organisations can reduce compliance risks, strengthen their governance practices, and ensure a smoother transition once the Directive is implemented into national law.

**Ana Rita do Carmo, Associate Lawyer at
PARAMOUNT LEGAL**
Lisbon, Portugal
arc@paramountlegal.pt



Romania

What steps should employers take to comply with the pay transparency obligations during recruitment?

As of now, the provisions of Directive (EU) 2023/970 on pay transparency have not yet been transposed into national legislation. Although the Romanian government had initially announced a calendar for implementation, no official draft has been published to date.

Despite this, some employers have voluntarily adjusted practices: a recent study shows around 40% of job ads include salary information. While no legal obligations exist yet, employers may increase transparency in job postings, avoid asking about previous salaries, and review internal pay structures for consistency and fairness.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country?

Currently, Romanian employees do not have an individual right to access pay data for comparable roles, and the Labour Code requires salary confidentiality, which will likely need revision. Pay information may be available in aggregated form to employee representatives during collective bargaining or through legal proceedings, particularly in pay discrimination cases. There is no clear implementation plan, and existing laws will require adjustments to comply by 2026.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

Exact thresholds and rules are not yet defined. Historically, Romanian legislators follow EU minimum standards without major deviations, suggesting the directive's thresholds will likely be adopted. Until legislation is published, this remains speculative.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

Although no official draft is currently available, based on existing enforcement structures, several institutions are expected to be involved:

1. Labour Inspectorate – this authority is likely to be designated for monitoring employers' compliance.
2. National Council for Combating Discrimination (CNCD) – CNCD handles discrimination cases, including gender-based pay discrimination, and is expected to continue addressing complaints and applying sanctions when appropriate.
3. Courts of Law – Employees alleging breaches of the directive, such as unequal pay, lack of transparency, or retaliation, can bring claims before Romanian courts, which already handle labour and discrimination disputes. Remedies may include pecuniary and non-pecuniary damages.
4. National Agency for Equal Opportunities (ANES) – responsible for gender equality policy, ANES is expected to have an advisory or coordinating role in promoting compliance.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

Employers can:

- Conduct an internal pay audit (reviewing pay structures, compare similar roles).
- Ensure all pay differences are objectively justified.
- HR and Legal should review salary grids, job ads, processes, and internal policies.
- Train managers to communicate transparently.
- Promote a company-wide culture of fairness.



**Teodora Paunescu, Senior Associate at
SUCIU - EMPLOYMENT & DATA PROTECTION LAWYERS**
Bucharest, Romania

teodora@suciuemployment.law

Spain

What steps should employers take to comply with the pay transparency obligations during recruitment?

Directive (EU) 2023/970 has not yet been transposed. Therefore, there is not a specific regulation/legal obligation on this matter to be applicable during the recruitment process. We supposed this scenario will change in the near future and the transposition of the Directive will bring further requirements for companies at this previous step of the labour relationship. Nonetheless, as a general point of view, based on Equality Plans Acts, job postings, titles, and recruitment procedures should be gender-neutral and non-discriminatory.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country

Once a candidate is hired, certain rights regarding pay transparency do exist, particularly in relation to gender pay equality. Under Royal Decree 902/2020, all companies must maintain a remuneration register (“registro retributivo”), for all their personnel, including managers and senior managers (not management), indicating the average salary, allowances and additional benefits disaggregated by gender and including the arithmetic mean and the median of what is actually received for each of these items in each professional group, professional category, level, position or any other applicable classification system.

Employees representatives have the right to access this register and in absence of them, it can be accessed by the employees directly.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

Apart from what has been described in the previous question, companies with 50 or more employees must have a gender equality plan, which includes a pay audit. The pay audit, is considered as a nuclear point in order to achieve equal pay for equal work between men and women. The main objectives are: analysing remuneration systems

and identifying any gender pay gaps (this will be the diagnosis phase), and establishing corrective measures (this will be the action plan phase to correct pay inequalities).

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

As the Directive has not yet been transposed, no specific enforcement mechanisms are currently expected to be applied. However, non-compliance with the obligation to maintain the remuneration register or with the requirements regarding equality plans already carries administrative fines and penalties (ranging from approximately 751 to 225,018 euros, depending on the severity).

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

- Conduct a thorough analysis of employee compensation to identify potential pay gaps between men and women performing the same job or work of equal value
- Ensure that the professional classification and job evaluation system is objective, gender-neutral, and based on clear criteria such as skills, effort, responsibility, and working conditions.
- Determine if salary differences (greater than 5%) are justified by objective and non-discriminatory factors. If not, the company must carry out a joint pay assessment with the legal representatives of workers and establish corrective measures
- Establish clear salary ranges or pay brackets for vacancies in job postings.
- Prepare mechanisms so that employees can request and receive information about their individual remuneration and the average remuneration, broken down by sex, of workers who perform the same work or work of equal value
- Ensure continued compliance with the existing mandatory remuneration register in Spain
- Adjust all human resources procedures, from recruitment and promotion to performance management and compensation policy, under the perspective of equal pay.
- To train managers on the new regulations and the importance of equal pay to avoid unconscious bias in decision-making.

Nuria Naranjo Agudo, Associate at
álvarez lentner
Madrid - Spain
nuria@alvarezlentner.com



Sweden

What steps should employers take to comply with the pay transparency obligations during recruitment?

Employers will be obliged to inform job applicants about the starting salary or the relevant salary range for the position, as well as about any applicable collective bargaining agreement provisions that affect salary.

Employers will not be permitted to ask applicants about their current or previous salary.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country?

Employees may ask the employer for information about their own pay level and the average pay levels, broken down by gender, for the category of workers doing the same work or work of equivalent value.

Employers will need to respond within a reasonable timeframe.

Employers must make available the objective, gender-neutral criteria used to determine pay levels, pay progression, and career advancement. Employees who exercise their right to request pay information must be protected from reprisals.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

250+ employees = annual reporting from 2027.

150–249 employees = Reporting every 3 years from 2027.

100–149 employees > Reporting every 3 years from 2031.

less than 100 employees > No external reporting. Still subject to pay transparency rights + internal pay surveys

Requirement to conduct joint pay assessment together with trade union representatives in case of differences in reported average pay levels between female and male employees is at least 5

% in any given employee category and this is not objectively justified and has not been remedied within 6 months.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

The Equality Ombudsman will be the supervisory authority. Possible employer consequences for violations:

- General and/or economic damages to employees for breach of their pay transparency rights such failure to provide information on starting salary, etc.

- Discrimination compensation to individual employees who e.g., suffer salary discrimination.

- Damages for failure to provide information to trade unions and trade union representatives.

- Administrative fines of 0.5–8 price base amounts, e.g., for failing to provide relevant information etc. to Equality Ombudsman (DO).

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

Employers should undertake a structured review of its current pay practices and policies to ensure alignment with upcoming transparency requirements. This includes establishing clear, documented, and gender-neutral pay criteria, job classification as well as updating the existing pay policy and procedures governing salary development. Also need to consider implementing appropriate digital systems for managing salary data, pay ranges, job evaluations, and statistical monitoring.

Updated internal reporting routines are needed to collect and analyse salary data, including data segmented by gender, job category, and supplementary pay components. HR and recruitment personnel should be trained on permissible recruitment questions and on the correct handling and disclosure of salary information.



**Lucas Magnusson, Founding Partner
AFIRM**

Stockholm - Sweden

lucas@afirm.law

What steps should employers take to comply with the pay transparency obligations during recruitment?

The directive does not apply in Great Britain but becomes relevant where the employer has operations in the EU. In these cases, prospective employers should give job applicants information about the initial pay or pay range for a particular position, as per the Directive. The UK government is considering adopting pay transparency measures, similar to those set out in the Directive, although there are no formal proposals for what this will look like.

How will the right of employees to receive information on pay levels and criteria for career progression be implemented in your country

As the UK is no longer a member state of the EU, there is no direct implementation of the Directive and employees do not have a right to receive this information.

The government launched a “call for evidence” in April 2025 to consider the impact of introducing the following measures, which are similar to those contained within the directive:

1. providing the specific salary or salary ranges of a job in the job advert or prior to interview
2. not asking candidates their salary history
3. publishing or providing employees with information on pay, pay structures and criteria for progression
4. providing employees with information on their pay level and how their pay compares to those doing the same role or work of equal value

However there has been no confirmation that these measures will actually be introduced.

What thresholds and rules will apply in your jurisdiction for the mandatory reporting and joint pay assessment obligations?

Pursuant to the gender pay gap reporting obligations in the Equality Act 2010, employers with 250 or more employees must annually publish their gender pay gap findings, including the average hourly pay figures, how the pay gap differs across different levels of seniority, the average bonus pay for men and women, and the proportion of men and women who received a bonus.

What enforcement mechanisms, penalties or employee remedies are expected under local implementation of the Directive?

Currently, there are no enforcement provisions or sanctions under the gender pay gap regulations in the UK however, the Equality and Human Rights Commission (EHRC) has limited powers such as carrying out investigations and publishing notices specifying action that must be taken.

What steps can employers already take in your jurisdiction to anticipate the application of the Pay Transparency Directive?

Although not directly impacted, UK employers could engage in preparations as well. As the PTRs don't have effect in the UK, implementing transparency can be a gradual process, tailored to fit the needs and capabilities of the business. Businesses could audit current pay and recruitment practices to identify areas where transparency could be improved. Documents, like policies, employee contracts and handbooks, could be updated to remove any pay secrecy restrictions. It is wise that global employers in the UK choose to streamline policies and practices to ensure they satisfy pay transparency obligations.

**Oliver Calcott, Associate at
DOYLE CLAYTON**

London, United Kingdom

OCalcott@doyleclayton.co.uk



CONTACTS



Belgium | **SOTRA HR LAWYERS**

Karel Devloo, Partner
karel.devloo@sotra.be



Italy | **LEXELLENT**

Chiara D'Angelo, Associate
chiaradangelo@lexellent.it



Denmark | **METTE KLINGSTEN LAW FIRM**

Mads Bernstorn, Partner
mb@mklaw.dk



Poland | **ZAWIRSKA RUSZCZYK SP.K**

Andrzej Orzechowski, Partner
andrzej.orzechowski@zawirska.com



Finland | **MAJER ATTORNEYS**

Markus Majer, Founder
markus.majer@majer.fi



Portugal | **PARAMOUNT LEGAL**

Ana Rita do Carmo, Associate Lawyer
arc@paramountlegal.pt



France | **MGG LEGAL**

Paul Romatet, Counsel
prm@mgglegal.com



Romania | **SUCIU I THE EMPLOYMENT LAW FIRM**

Teodora Paunescu, Senior Associate
teodora@suciuemployment.law



Germany | **ALTENBURG**

Sophia Hartmann, Lawyer
s.hartmann@altenburg.net



Spain | **ÁLVAREZ LENTNER**

Nuria Naranjo Agudo, Associate
nuria@alvarezlentner.com



Ireland | **MCINNES DUNNE MURPHY LLP**

Jane Babb, Consultant
jane@mcdm.ie



Sweden | **AFIRM**

Lucas Magnusson, Founding Partner
lucas@afirm.law



United Kingdom | **DOYLE CLAYTON**

Oliver Calcott, Associate
OCalcott@doyleclayton.co.uk