



Stay Ahead of 2026

EU Pay Transparency Directive - Ensure Compliance and Build a Stronger Compensation Strategy



Today's speakers



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In today's session

- Overview of EU Pay Transparency Directive
- Your readiness checklist
- Demo of how Payscale can support you
- Current state of member state legislation
- Q&A

The journey to the Directive

March 2021

Proposal on pay transparency introduced

December 15, 2022

EU Commission and EU Parliament reach an agreement on directive with two key parts

- 1) Pay Transparency Measures
- 2) Better Access to Justice for Victims of Pay Discrimination

March 31, 2023

EU Parliament Passes Directive on Pay Transparency

2026/2027

The EU member states deadline to implement the requirements into local law.



Main EU directive requirements



> Transparency for job seekers *and* employees



> Salary history bans



> Public disclosure of Gender Pay Gap Report



> Joint pay assessment



> Access to pay information



> Expensive penalties

How do we comply with the EU Directive?



Do I comply with the directive?

- The directive requires each EU member state to transpose its provisions into national law by 2026.
- This means you do not have to comply directly with the Directive at this stage.
- You will be required to comply with your country's specific legislation



Do I comply with local laws?

- These upcoming national laws will build on existing employment and equal pay legislation
- These laws have not yet been passed, the exact legal requirements employers will face remain somewhat uncertain.



What should I do now?

- There are important steps organizations can take now to prepare and build out your pay transparency playbook.

Your pay transparency playbook



Get buy in and commit to build **transparent and consistent pay practices** with a compensation philosophy that embeds fair pay



Create a road map factoring in **regulatory deadlines, requirements, your current state, and your change readiness for compliance**



Understand the relevant factors that impact pay in your organization and make sure this part of your compensation philosophy



Ensure you have the **job architecture and pay structures** that allow for appropriate comparisons between groups of employees



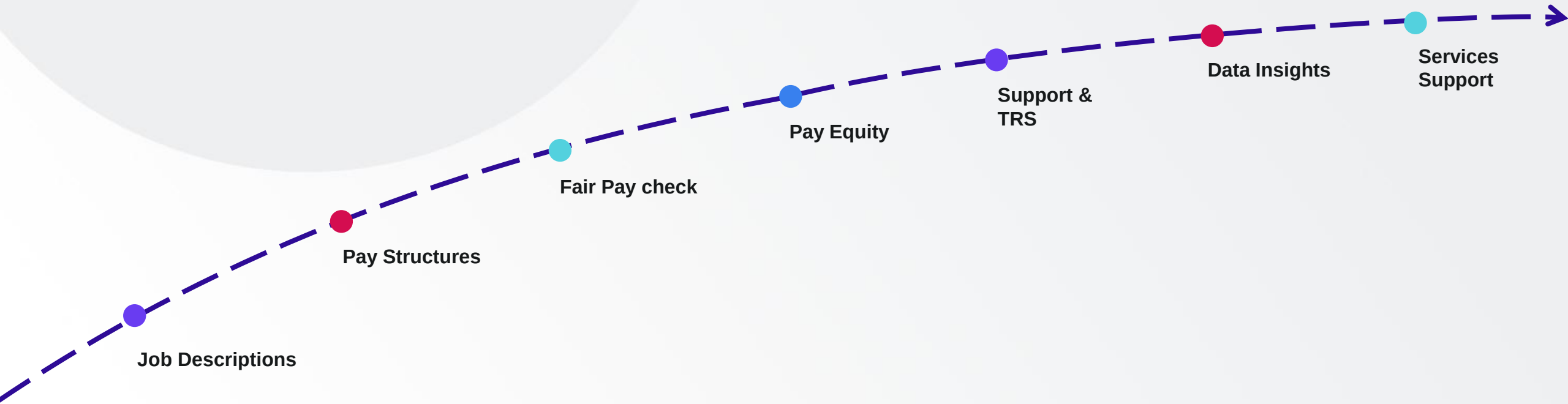
Conduct **proactive pay equity analysis** to understand the impact of wage gaps and biases



Train managers and other stakeholders to have **effective conversations** with employees about their pay



Demo Journey



OUTCOMES

✓ **TRANSPARENT PAY DECISIONS**

✓ **EFFICIENT & COLLABORATIVE COMPENSATION PROCESSES**

✓ **BETTER INSIGHTS**

Status of EU member states legislation

Passed

Draft legislation

In progress

Belgium

(Fédération Wallonie-

Bruxelles)

Sweden

Netherlands

Poland

Ireland

Spain

Luxembourg

Germany

Czechia

Your compliance timeline

Now	Assess readiness, conduct audits, and align compensation practices with Directive requirements.
Late 2025	Build systems and processes for supporting pay transparency and the data requirements of the Directive.
Early 2026	Finalize policies, and manager and employee communication tools.
By June 7, 2026	Be ready for full compliance and reporting – national laws must reflect the Directive.

Ready to kickstart your pay transparency journey?

Questions?



Thank you

