

Checklist

EU Pay Transparency Directive

Applicability and preparation

- ☐ **Determine EU activity and scope:** Establish whether the organisation is active in the the EU (and if so, in which countries) and verify whether the organisation falls under the EU PTD (all EU employers, including non-EU organisations with employees in the EU).
- ☐ **Map employment relationships:** Identify all types of employment relationships within the organisation (permanent, temporary, part-time, agency workers and interns) and determine whether the organisation falls under the reporting obligation with at least 100 employees.

Recruitment and selection (all employers)

- ☐ **Inform applicants before employment:** Verify that vacancies or information provided prior to the interview, and at the latest before the start of salary negotiations, include the starting salary or its range, including fixed and variable components and relevant benefits.
- ☐ **Safeguard gender-neutral job titles and vacancies:** Assess whether recruitment procedures are designed objectively and are free from (in)direct gender bias, for example, in job requirements or titles, language use and selection criteria.
- ☐ **Enforce the ban on salary history:** Ensure that applicants are never asked about previous remuneration (absolute ban). Ensure compliance with the right to equal pay for women and men for the same work or work of equal value within the framework of recruitment and selection procedures.
- ☐ **Check employment contracts for clauses:** Ensure that when issuing the employment contract, there are no provisions that prohibit employees from discussing salary with colleagues (ban).

Transparency obligations (all employers)

- ☐ **Provide employees access to pay criteria, pay level and pay progression:** Actively provide employees with information on the criteria used to determine remuneration, the pay levels and pay progression (employers with <50 employees excluded).
- ☐ **Actively inform employees annually about their right to pay information:** Ensure that employees are actively informed at least once a year about their right to pay information, for example via intranet, staff handbook or internal communication.
- ☐ **Facilitate access upon written requests:** Ensure that employees, upon request – within 2 months – receive information about their own pay and about the average pay, broken down by gender and function (or equivalent function).
- ☐ **Safeguard protection against disadvantage or dismissal:** Ensure that employees are not disadvantaged, discriminated against or dismissed for exercising their right to pay transparency (ban).
- ☐ **Allow free pay exchange:** Ensure that employees may freely share pay information with colleagues and that no contractual or factual restrictions exist (pay secrecy provisions removed or declared invalid).

Remuneration policy , job evaluation and classification (all employers)

- ☐ **Fully map all remuneration components:** Identify all forms of remuneration within the organisation, including salary, variable remuneration (bonuses), shares (options), pensions, mobility allowances, allowances and fixed reimbursements, benefits in kind, etc.
- ☐ **Set up a job evaluation and classification system:** Ensure that a job evaluation and classification system is available and applied, guaranteeing equal pay for equal or equivalent work, and that jobs are structured and described in such a way that it can be assessed whether employees, in view of the value of their work, are in comparable situations.
- ☐ **Involve the employee representatives (e.g. works council):** Ensure that employee representatives are involved in establishing the employee categories and the criteria used within the job evaluation and classification system.
- ☐ **Establish objective and gender-neutral pay criteria:** Ensure that you have a documented policy defining objective, gender-neutral criteria for pay differences (such as job evaluation, experience, performance and responsibilities) and that these criteria are applied and documented on a structural basis.

Pay data analysis (all employers)

- ☐ **Identify and collect data:** Ensure that historical and current pay data per employee are identified and collected, including all relevant variables that can provide objective explanations for pay differences.
- ☐ **Perform data analysis:** Analyse average and median pay differences between men and women, broken down by function and/or department, quartiles and employee categories, in line with the mandatory reporting content, and apply statistical testing to determine which pay differences can be objectively explained (for example, by experience, job level or performance).
- ☐ **Document and justify pay differences:** Record the data analysis and document whether existing pay differences can be objectively and demonstrably justified.
- ☐ **Ensure continuous monitoring:** Perform annual analyses, document the outcomes and adjust remuneration structures where necessary; check for the impact of promotions, leave and bonuses/variable remuneration.

Reporting obligation and pay assessment (at least 100 employees)

- ☐ **Report and determine reporting frequency:** Report the outcomes of your data analysis in line with the mandatory reporting content and determine the correct reporting frequency (≥ 250 employees $\rightarrow$ annually, 100–249 employees $\rightarrow$ every three years). Timetable for reporting obligations: ≥ 250 employees: annual reporting; 150 to 249 employees: reporting every 3 years (from 2027); 100 to 149 employees: reporting every 3 years (from 2031).
- ☐ **Address pay differences >5%:** If no objective justification is possible, correct within 6 months or subsequently carry out a joint pay assessment with employee representatives and draw up an action plan.
- ☐ **Make reporting public (external):** Ensure that the board formally confirms the information from the pay report, after consultation with the employee representatives (works council), and subsequently submits the report to the designated competent authority.
- ☐ **Realise internal communication:** Ensure that employees are informed about the outcomes of the pay gap between employees, broken down by employee categories and by basic pay and additional or variable pay components, and any follow-up steps.

