Checklist: Preparing for the EU Pay Transparency Directive

The EU Pay Transparency Directive requires companies to be more transparent about salaries. This checklist will help you prepare your company for the upcoming requirements in a structured manner.

1. Get an overview: Understand content and responsibilities

- >>> Find out about the requirements of the directive (e.g., salary band information, reporting obligations, rights to information).
- >>> Clarify internally who is responsible for implementation (HR, Legal, Management).
- >>> Document deadlines and milestones in an internal schedule.

2. Analyze and prepare compensation structure

- >>> Conduct an internal review: Are there documented salary ranges?
- >>> Check for gaps and inconsistencies in remuneration (especially based on gender).
- >> If necessary, use external benchmarks or compensation studies for classification purposes.

3. Review and prepare reporting requirements

- >> Determine whether your company is affected by the reporting requirements (100 or more employees).
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- >>> Plan internal responsibilities for reporting (HR, Controlling, Finance).

4. Adapt HR processes and recruiting

- >> In future, include salary ranges in job advertisements.
- >>> Define standardized salary range logic for positions (e.g., according to experience levels).
- >>> Revise onboarding, promotion, and salary increase processes to ensure transparency.

5. Prepare communication: internally and externally

- >>> Train managers in how to deal with questions about salary transparency.
- >> Develop clear guidelines for communicating about salary and fairness.
- >> Develop an internal story for the transparency campaign —including goals, benefits, and implementation steps.
- >> This creates a dynamic development process that is measurable and strategically effective.

6. Plan for change management

- >>> Present the transparency initiative as a positive cultural change - not as an obligation.
- >> Involve employees at an early stage, e.g. via HR formats, the intranet, or the works council.
- >>> Plan regular updates and feedback loops to actively support the change.

7. Clarify compliance and legal aspects

- >> Ensure that all requirements of the directive are met (e.g., deadlines, reporting obligations).
- >>> Have HR and compensation policies reviewed by legal counsel and revised if necessary.
- >> Involve data protection and the works council at an early stage.

8. Seek support & accompany implementation

- >> Use external expertise to evaluate your compensation structure and develop your strategy.
- >>> If necessary, plan workshops, coaching, or consulting for implementation.
- >>> Use tools for analysis, reporting, and communication ideally integrated into existing HR systems.



Tipp:

Start preparing now. Implementation takes time, clarity, and the support of the entire organization.

