



gradar

The EU Pay Transparency Directive Made Simple

Why does it exist, what are the requirements and how does gradar support compliance?



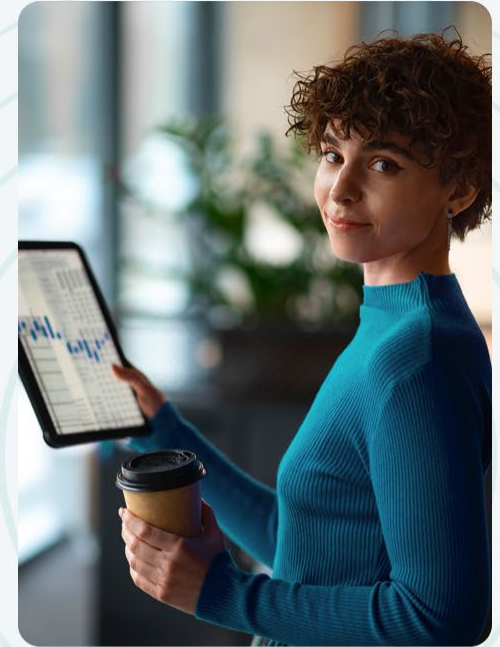
What is the EU Pay Transparency Directive?

Under the Pay Transparency Directive, EU companies will be legally required to share information about how much they pay women and men for work of equal value - and take action if their gender pay gap exceeds 5%.

In short, the law says:

- Companies must share information about how much they pay employees.
- Employers must check their pay and fix any unfair differences.
- If a company's gender pay gap is bigger than 5% and can't be explained by fair reasons, fines can be applied.

It's all about making salaries clear, fair and equal - for everyone.



Why pay transparency matters



Fairness

Ensures employees are rewarded equally for work of equal value.



Trust

Builds confidence between employees and employers.



Retention

Encourages staff to stay by showing commitment to fairness.



Attraction

Helps bring in top talent by being open about pay.



Protection

Reduces the risk of lawsuits and fines by complying with legislation.



Accountability

Encourages employers to regularly review and justify pay decisions.



Motivation

Creates a sense of value and recognition for employees.



Equality

Helps close pay gaps between different groups in the workplace.

No company is immune...

Across Europe, high-profile equal pay cases have shown that even the biggest, most respected organisations can face serious consequences when pay disparities go unaddressed.

Global retailer – Paid millions in back pay after female employees were found to earn significantly less than men in equivalent roles.

National broadcaster – Faced public backlash and legal claims when salary data revealed a gender gap in top-presenter pay.

Public sector organisation – Required to restructure pay scales after losing a case over years of unequal pay for comparable work.

Tech company – Settled a lawsuit with hundreds of female engineers after internal analysis showed unexplained pay disparities.

If pay transparency is ignored, the risks are not just financial – they can include reputational damage, employee distrust and long-term talent loss.



Key things your organisation must do

Conduct Fair Job Evaluation

You must have a clear, objective and analytical way to measure the value of jobs that considers gender-neutral criteria like skills, responsibilities, education and experience.

Share Pay Info With Job Seekers

You must give clear and accurate pay ranges for a role, either directly in the job posting or by providing the information to candidates before any interview takes place.

Make Pay Reports Public

You must publish detailed reports on your gender pay gap, clearly showing any differences in pay between men and women including base salary and additional benefits.

Provide Role Details To Employees

Employees can formally request detail about salaries, pay levels and opportunities for career progression from you as their employer under the 'right to know' rule.

Fix Unfair Pay Differences

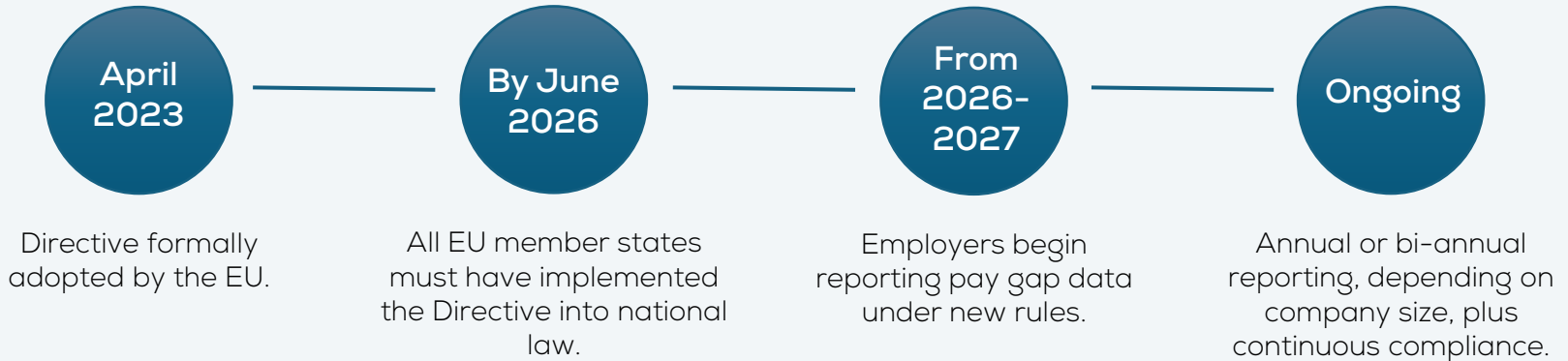
If your gender pay gap is found to be more than 5% and there is no valid, objective and gender-neutral reason to explain it, you are legally required to close the gap.

Pay Penalties for Non-Compliance

If you fail to comply, you can face legal consequences – including substantial fines, compensation claims from affected employees and other enforcement measures.

Why now?

The EU Pay Transparency Directive timeline



The earlier you prepare, the easier it is to meet requirements without costly last-minute fixes.

How gradar helps you stay compliant

Think of gradar as your one-stop-shop for equal pay - breaking down all the elements of pay transparency into digestible chunks and giving you all the tools you need to comply with the EU Pay Transparency Directive in a single software.

Job Evaluation Made Easy

- ✓ Grades roles fairly based on skills, responsibilities and experience.
- ✓ Creates an objective, legal basis for pay decisions.

Check Your Pay Gap

- ✓ Calculates gender pay gaps using advanced methods.
- ✓ Shows if your company is under the 5% threshold.

Set Clear Pay Ranges

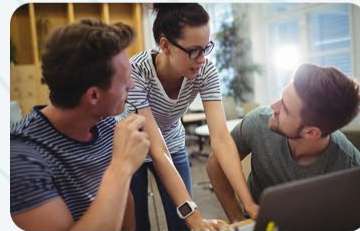
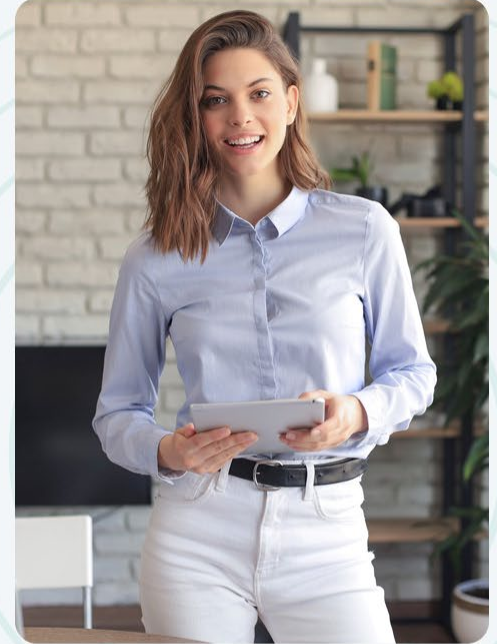
- ✓ Creates meaningful salary bands for every role.
- ✓ Makes posting salaries in job ads straightforward and fair.

Benchmark Against The Market

- ✓ Compares your pay to other companies in your industry.
- ✓ Ensures salaries are competitive and equitable.

AI-Powered Job Description

- ✓ Generates clear, professional job descriptions automatically.
- ✓ Supports job architectures while keeping grading consistent and fair.






What makes gradar different?

Typical Company Approach	The gradar Method
Job levels are loosely defined, based on department needs.	Structured Job Architecture: Clearly defined role levels and career paths across the organisation.
Pay decisions rely on manager judgement or historical figures.	Scientific Job Grading: Point-factor evaluation based on skills, responsibilities, and impact.
Struggles to maintain fair grading and pay structures across different countries or legal frameworks.	Consistent Across Borders: Standardised methodology ensures fairness and compliance in multi-country organisations.
Finds it difficult to explain why pay decisions are made.	Transparent Communication: Produces clear, accessible role profiles and grading rationales employees can understand.
Roles are compared only within departments, leading to inconsistencies.	Equal Value Framework: Cross-functional role comparison to ensure equal pay for equal work.
Market benchmarking is inconsistent or based on limited data.	Market & Agreement Alignment: Grades mapped to multiple salary surveys and collective agreements.
Documentation is incomplete or outdated, making audits risky.	Audit-Ready Evidence: Detailed, standardised grading reports ready for legal or compliance review.

Getting started with gradar

Pricing:

 <p>Starter Complete Edition</p> <p>€4.000/yr</p>	 <p>Professional Complete Edition</p> <p>€7.000/yr</p>	 <p>Enterprise Complete Edition</p> <p>€10.000/yr</p>
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Support:

- ✓ Expert partner network available if you need additional guidance
- ✓ Free online resources for pay transparency on the gradar website

Contact:



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Download our pay transparency whitepaper

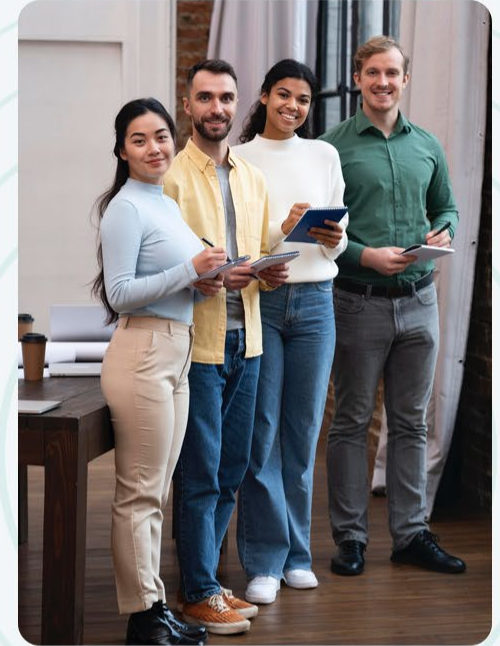
Discover what it takes to successfully implement the EU Pay Transparency Directive.

Our study reveals key success factors, practical strategies and unique insights into rewards practices.

Inside the whitepaper:

- ✓ Success factors for effective implementation
- ✓ Strategic recommendations for HR and leadership
- ✓ Evidence-based insights to drive fair pay

[Get your free copy here](#)



Next steps

Pay transparency isn't just a legal requirement - it's a way to build fairer, more trusted workplaces. gradar is your tool to make the whole process easier:

Grade jobs and build a clear job architecture so every role has an objective, transparent value in your organisation.

See if your pay is fair and fix gaps before they become a problem, ensuring equity across all positions.

Give employees confidence in your pay practices with transparent, data-backed pay ranges.

Benchmark salaries against reliable market data to ensure your pay is competitive, fair and aligned with industry standards.

If you want to learn more about the gradar system (or just ask a few questions about pay transparency!) please book a demo on [gradar.com](https://www.gradar.com)

