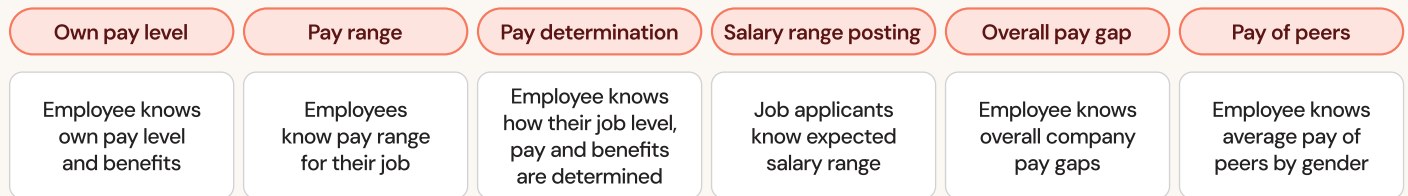


Levels of Pay Transparency



The EU Pay Transparency Directive

A collection of pay equity tools

Pay Structure | Pay Transparency | Pay Equity Analysis



Key Requirements of the EU Pay Transparency Directive

Pay Structure: How We Pay

Compensation structures – Article 4

Employers should have pay structures in place to ensure women and men are paid equally for same work or work of equal value on the basis of objective, gender-neutral criteria including skills, effort, responsibility, working conditions and any other factors specific to the job.

Criteria – Article 6

Employers must make it easy for employees to access information about the criteria are used to determine pay, pay levels and pay progression.

Pay Transparency: Pay Range Disclosure

Pay Transparency for job seekers – Article 5

Employers must provide information about the pay level or pay range in the job advertisement or before the interview. Employers may not ask applicants about previous salaries.

Right to information for employees – Article 7

Workers will have the right to request information from their employer on their individual pay level and on the average pay levels, broken down by sex, for categories of workers doing the same work or work of equal value. Employers must inform workers of this right annually.

Pay Gap Reporting: Pay Gap Disclosure

External Gender Pay Gap Reports — Article 9

Employers with more than 100 employees (within a country + entity) must publish pay gap information of male and female employees in the company (100+ every 3 years, 250+ every year).

For each employing entity within a country:

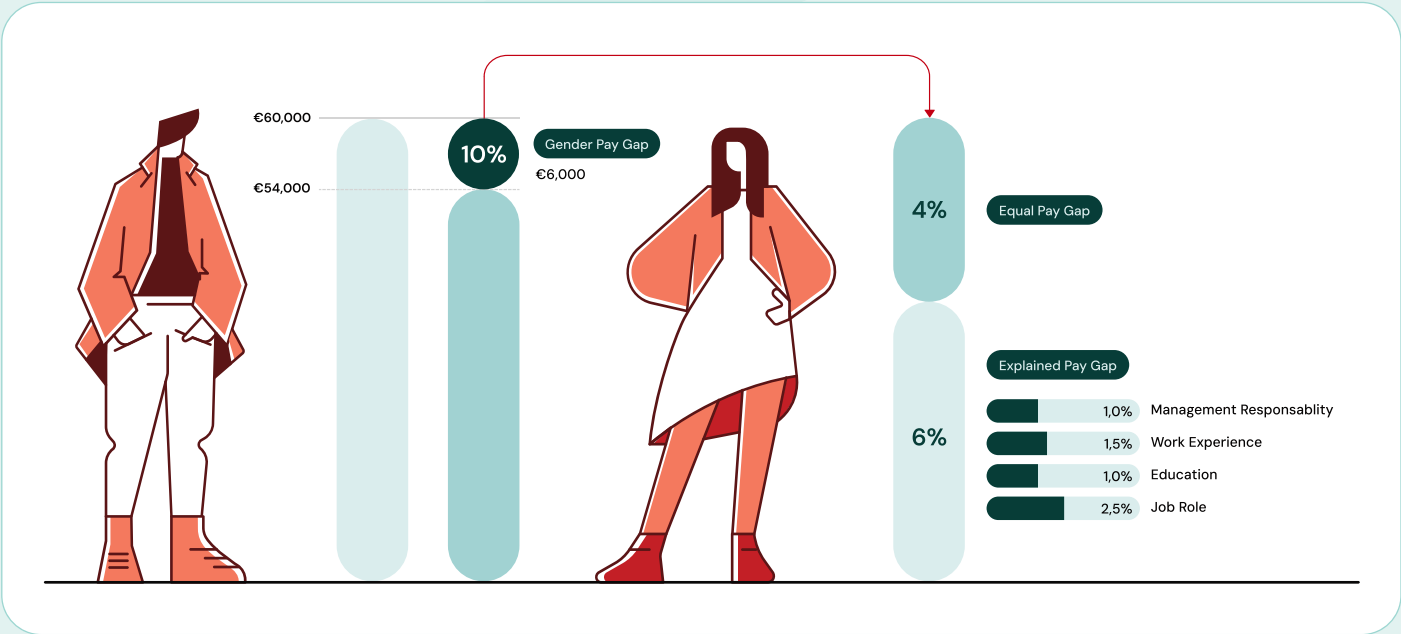
1. Gender pay gap (all pay & benefits)
2. Gender pay gap (complementary or variable)
3. Median gender pay (all pay & benefits)
4. Median pay gap (complementary or variable)
5. Proportion of female and male workers receiving complementary or variable pay
6. Proportion of female and male workers in each quartile pay band

Pay Equity Management: Analysis and Remediation

Pay Equity Analysis — Article 9 (and 10)

- As a part of the external reporting is measuring unadjusted pay gaps overall and by category of workers.
- Unexplained (adjusted) gaps within a category of workers cannot exceed **5%**.
- When the employer cannot justify the gap on objective gender-neutral factors, employers will have to carry out a pay assessment, in cooperation with workers' representatives, with unjustified gaps remedied **within 6 months**.

Pay Equity: Measuring two types of pay gaps



The Timeline: Each of the 27 EU Member States (Countries)

June 2026			June 2027	
Transparency on hire	Pay criteria	Employee requests	Publish gender pay gaps for entities with 150+ workers	Remediate pay gaps exceeding 5% that cannot be explained by objective reasons

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