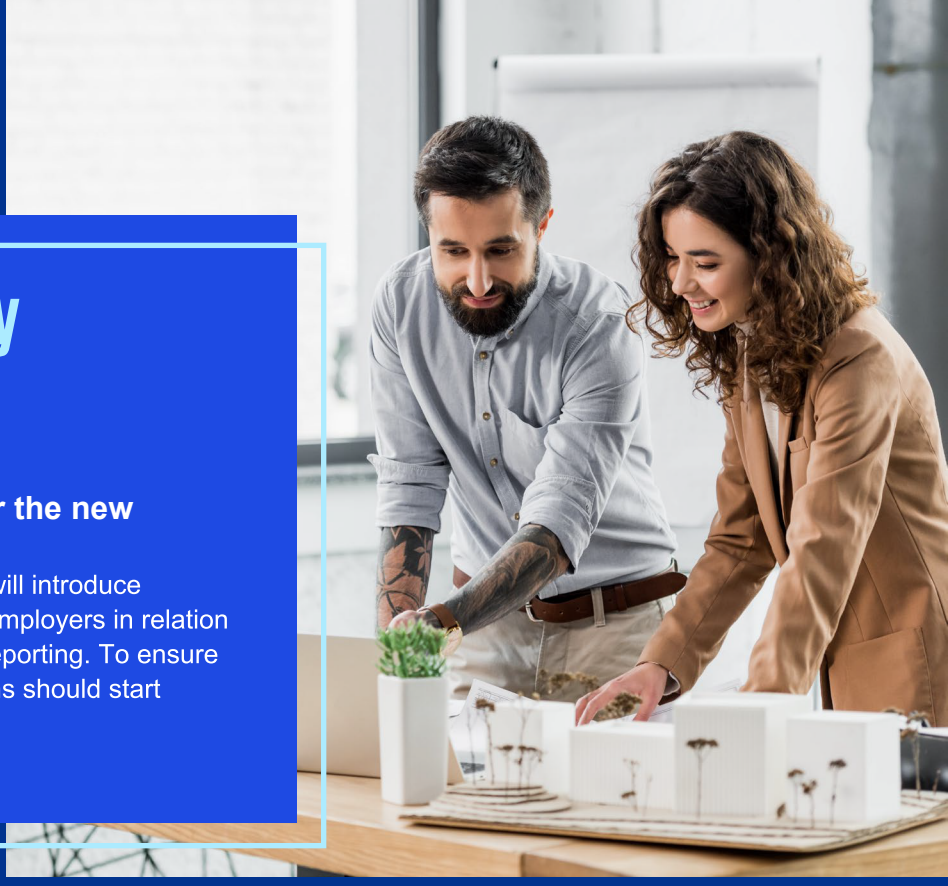
Pay Transparency Directive



Is your organisation ready for the new requirements?
The EU Pay Transparency Directive will introduce significantly higher requirements for employers in relation to pay transparency, equal pay and reporting. To ensure effective implementation, organisations should start preparing now.

What does the Directive require?

Employers will be required to:

- provide candidates with information on the pay level or pay range during the recruitment process;
- apply objective and gender-neutral criteria for determining pay;
- give employees the right to access information on pay levels for comparable categories of workers;
- regularly analyse and report pay gaps;
- take corrective action where unjustified pay differences are identified.

Does this apply to your organisation?

A review of the existing pay structure may be particularly relevant in the case of:

- rapid business growth;
- organisational restructuring or changes to the business model;
- mergers or acquisitions;
- difficulties in attracting and retaining talent;
- a complex or historically developed reward structure;
- increasing employee expectations regarding fairness and transparency.

What are the benefits?

Preparing early can help organisations:

- mitigate legal and reputational risks;
- strengthen employee trust;
- improve talent attraction and retention;
- establish a consistent reward policy;
- provide clear career development pathways;
- build a sustainable and competitive employer value proposition.

How can KPMG help?

Our multidisciplinary team brings together expertise in employment law, HR, reward, data analytics and change management.

01
Assess organisational readiness
Assess the Directive's requirements, risks and potential impact.

02
Analyse pay data
Identify pay gaps and analyse their underlying causes.

03
Develop or enhance job and pay structures
Using the internationally recognised sKale Job Grading methodology.

04
Prepare for employee information requests
Establish practical procedures and supporting documentation.

05
Prepare for reporting requirements
Align data, systems and processes with reporting requirements.

06
Manage change and communications
Support management and HR teams, and facilitate employee engagement.

Why start now?

Organisations that prepare early can not only ensure compliance with the new requirements, but also use the process as an opportunity to improve reward management, organisational culture and competitiveness in the labour market.

Contact the KPMG Latvia team to assess your organisation's readiness and develop an action plan tailored to your needs.



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