

Funded by the European Union

Transparency Pay & Gender Equality

Summary — Draft bill transposing Directive (EU) 2023/970

LABOUR LAW

EQUALITY IN THE WORKPLACE

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Background: pay gaps in France

Source: INSEE 2023 — Private sector

-22.2%	-14.2%	-3.8%
Overall gap	For the same working hours	Residual difference
All working hours combined (-29.7% 2012)	For the same working hours (-19.8% in 2012)	For the same job, occupation and employer — a potential sign of unjustified discrimination

i The residual gap of 3.8% may reflect pay discrimination, but may also result from factors not observed in the statistical data.

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Existing framework and limitations of the Index

'Professional Future' Act (2018)

Professional Equality Index: scoring based on 4 to 5 indicators (pay, pay rises, promotions, maternity leave, gender parity in management).

'Economic Equality' Act (2021)

Gender quotas among senior management (companies with ≥ 1 ,000 employees).

Identified limitations

- Average score of 88.5/100 in 2025, but the Index does not measure pay gaps for work of equal value
- No transparency is required regarding employees' comparative situation
- Aggregate score based on heterogeneous indicators

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Directive (EU) 2023/970: a regulatory turning point

Adopted on 10 May 2023, mandatory transposition by 7 June 2026. Three key pillars:



Objective measure

Rigorous assessment of pay gaps



Transparency

New rights to information for employees and job applicants



Remedies

Tougher penalties and a higher burden of proof




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Structure of the bill

Two separate titles pursuing three cross-cutting objectives:

Préciser les sanctions:
renversement charge de la preuve



Accroître la transparence:
droits à l'information, interdiction
clauses de confidentialité



Renforcer les mesures correctives:
définir le travail de valeur égale,
réviser l'Index



Title I (Articles 1 to 9)
Employers and employees under private law

Title II
Public-sector employers and staff (details to be specified by the DGAFP)

Eight structural measures cover the entire remuneration cycle, from recruitment to the correction of pay gaps.

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Measures 1 & 2 — New Index and corrective mechanism

Measure 1 — 7 mandatory indicators

- 6 standard indicators: annual declaration (≥ 50 employees)
- Gap indicator by category: triennial (50–249) or annual (≥ 250)
- Indicator by category submitted to the Social and Economic Committee (CSE), not public

Measure 2 — Sequential correction (≥ 100 employees)

- 01 Information and consultation with the CSE
- 02 Justification or corrective action
- 03 6-month deadline for rectification
- 04 Joint assessment if the issue persists

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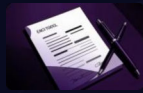
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Measures 3 to 5 — Transparency and recruitment



Measure 3 — Right to information

Every employee may request details of their pay and the gender-based averages for their category. A written response must be provided within a timeframe set by decree. Subject to categorisation (Measure 6).



Measure 4 — Confidentiality prohibited

Any clause prohibiting the disclosure of remuneration is automatically void. The prohibition applies to the employer, not the employee.



Measure 5 — Job offers

A salary range must be included in all job offers. It is prohibited to ask for the candidate's salary history. This applies to

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Measures 6 & 7 — Categorisation and burden of proof

Measure 6 — Categorisation (sections 4–5)

Broader definition of work of equal value: inclusion of soft skills and working conditions (arduousness, working hours).

Hierarchy of sources:

1. Company agreement (priority)
2. Industry-wide agreement (in the absence of such an agreement)
3. Triennial unilateral decision + consultation with the Social and Economic Committee
Sectors: negotiations before 31 December 2026.

Measure 7 — Burden of proof

In the event of a breach of transparency obligations, the burden of proof lies entirely with the employer, without the employee having to provide evidence of discrimination.

Exception: a breach that is 'clearly unintentional and minor'.

Comparison possible with employees of a separate employer if there is a joint collective agreement.

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Measure 8 — Penalty system

A two-tier system depending on the seriousness of the breach.

Type of breach	Maximum penalty	Repeat offence (5 years)
Substantial — Failure to declare, absence of corrective procedure, failure to agree or action plan	1% of remuneration paid	2% of total payroll gross
Informational — Failure to provide information to employees/Works Council, non-compliant offer, lack of information on rights	€450 per breach	€900

⚠ A ban on tendering for public contracts is also provided for. Penalties are imposed by the administrative authority following a formal notice, with the possibility of appeal to the administrative court.

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Timetable and summary

Timetable for entry into force



What is fundamentally changing

Moving from documentary compliance to operational transparency: reporting actual discrepancies, category by category, and drawing binding corrective conclusions from them.

- Analytical dimension: building the categories
- Relational dimension: transparency towards employees and candidates
- Litigation aspect: safeguarding corrective procedures

📅 Start preparing now for the categorisation work and the gap analysis.

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