

Pay : Corporate Sustainability Reporting Directive (CSRD) vs the Pay Transparency Directive (PTD)

The CSRD uses **European Sustainability Reporting Standards (ESRS)** that include S1: Own Workforce

The **Shareholders' Rights Directive** if listed in the EU includes executive compensation disclosure. Some terms in UK law pre Brexit.

	Corporate Sustainability Reporting (CSRD)	Pay Transparency (PTD)
Listed and non-listed business: EU parent (first reporting)	<p>Applies across the EU + EEA (Iceland, Liechtenstein, Norway) in aggregate</p> <ul style="list-style-type: none"> - 2025 if already subject to the NFRD Typically 500+ workers and/or public interest entities - 2026 if two of a) 250+ workers, b) €50M+ revenue, c) €25M+ assets. Listed SME 2027 	<p>By country. Applies by country where there is 1 worker, no threshold. Private and public sector. Country transposition by 7 June 2026.</p> <p>In addition reporting based on worker headcount:</p> <ul style="list-style-type: none"> - 250+: By 7 June 2027 for 2026 then yearly - 150-249: 7 June 2027 for 2026, every 3 yrs - 100-149: : 7 June 2031 for 2030, every 3 yrs
Business: Non-EU parent (first reporting)	<ul style="list-style-type: none"> - 2025 EU market-listed and 500+ workers and €50M+ revenue and/or €25M+ assets. 2026 if 250-499 workers. - 2029 if not listed, with €150M+ EU revenue in past 2 years and 250+ workers. 	<p>Member states to define whether by country overall or employing entity if more than one entity. Currently this is often by employing entity.</p> <p>Assistance and training where below 250 workers.</p>
Who is a worker	Initial CSRD laws suggest the same definition as is used today for country pay reporting and this may also apply for PTD transposition. Direct employer paying social charges.	
Pay information for job applicants	Not covered	New for many countries. Reflects most current business reality. For applicants the right to the initial pay or pay range. Clearly the same for all current workers.
What is included as pay	More than wage/salary and bonus/commissions. The principle is all elements with a discretionary employer element.	
Equal work and work of equal value categorisation	Skills requirement and training mentioned but not in relation to pay.	Based on skills, effort, responsibility and working conditions, and, if appropriate, any other factors which are relevant. Comparison can be with another employer. Equal value may run across job families.

Internal pay transparency	Not covered	New is that workers are to be informed each year about their right to pay information. They can request comparison versus others in the same category – countries to set categorisation and any minimum number of the opposite gender for confidentiality
External pay reporting	Gap between women and men, actions to address, context and how the data has been compiled	If headcount as above that requires reporting. 7 elements, including average and median pay overall and by category, split by total pay and complementary/variable.
Engagement of workers' representatives	Pay as part of the disclosure of social dialogue, collective bargaining, proportion of workers covered by collective agreements, information/consultation	More detailed. Beyond working with other social partners access to data with, as required, individual data. Training to be provided.
		If in a report there is a 5%+ gap in any category that is unjustified and not rectified in 6 months a joint assessment with the employer to remedy this within a "reasonable period of time".
Engagement of social partners	No direct pay reference.	Direct roles even envisaging implementation. Roles include categorisation methodologies and tools.
Payment of a fair wage	Disclose how the fair wage is calculated and any countries in which there are workers paid less	Joint pay assessment where there is reporting and a 5%+ gap in a category.
Executive pay	Ratio of the highest total compensation (not necessarily CEO, may be resident outside the EU+EEA) to the median employee and % change each year. Overlaps with the EU Shareholders Rights Directive.	Not covered