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# EU Pay Transparency Directive in Lithuania: anticipated changes

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## Current implementation status

- The 4th version of amendments to the Labour Code was registered on 3 March 2026
- Amended laws should come into force on **7 June 2026**
- Secondary draft laws on pay reporting and joint pay assessment have not been made public yet

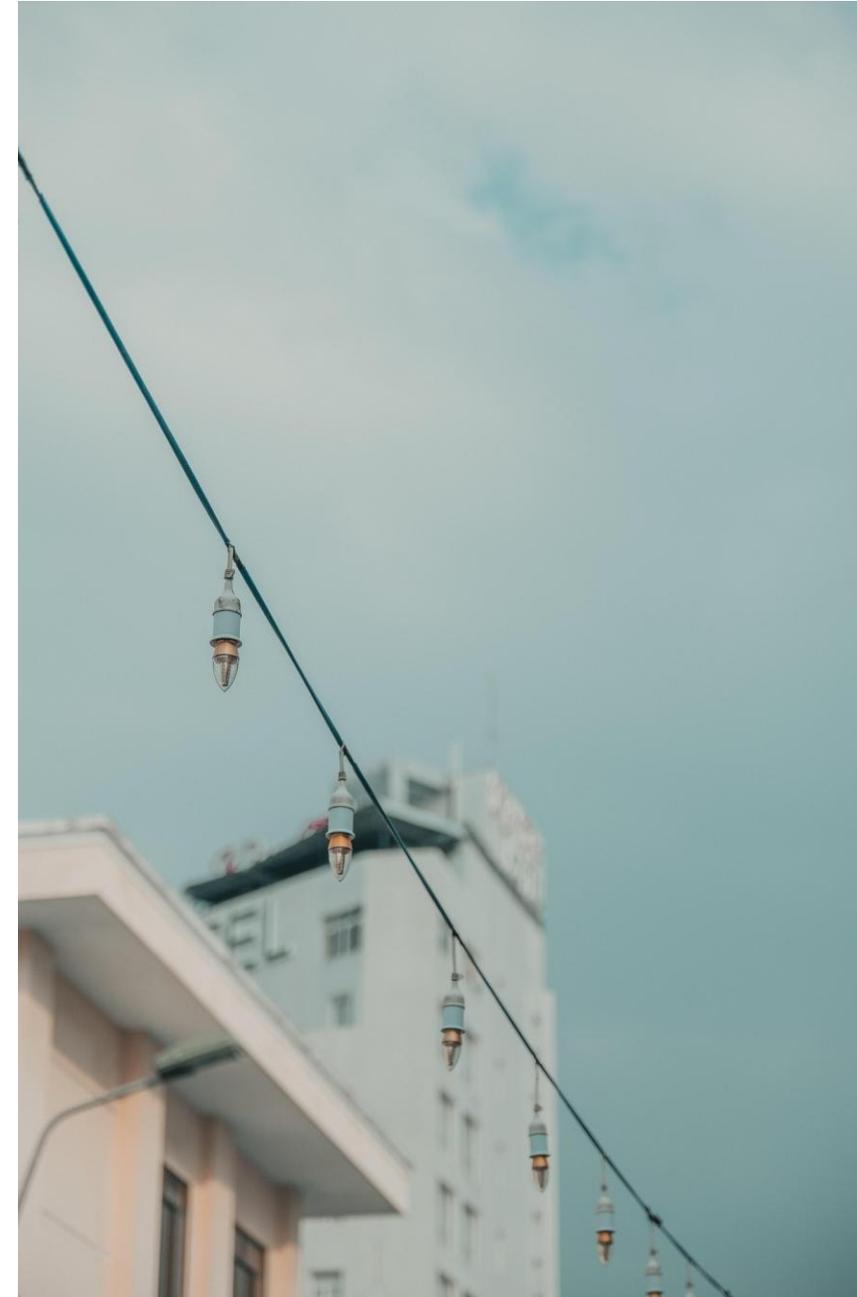


# Job categorisation

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## Job categorisation

- Employee positions must be divided into groups (categories)
- Job categorisation must be based on objective and gender-neutral criteria
- Mandatory criteria include hard and soft skills, qualifications, effort, responsibility, and work conditions
- Jobs of equal value must be grouped into the same category





Pay system/Remuneration policy

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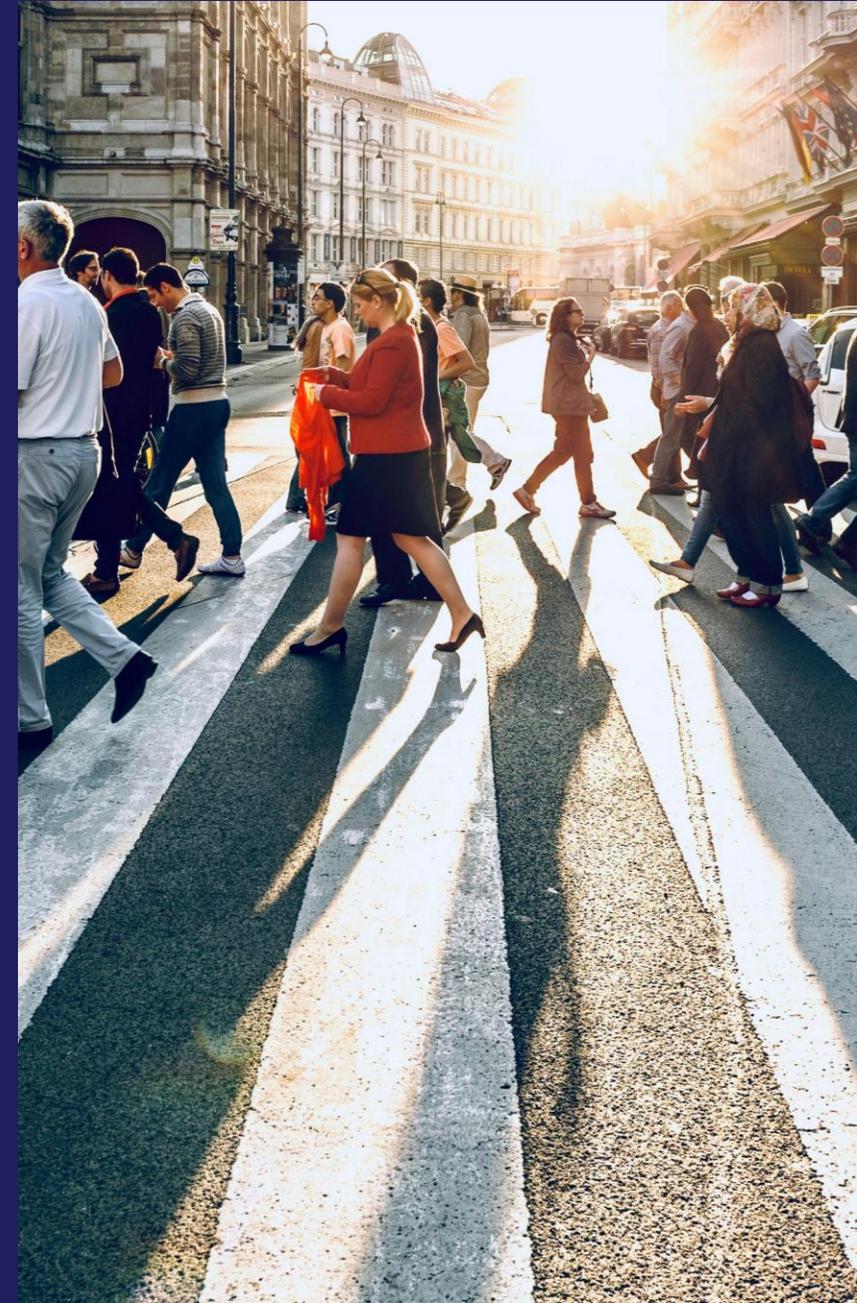


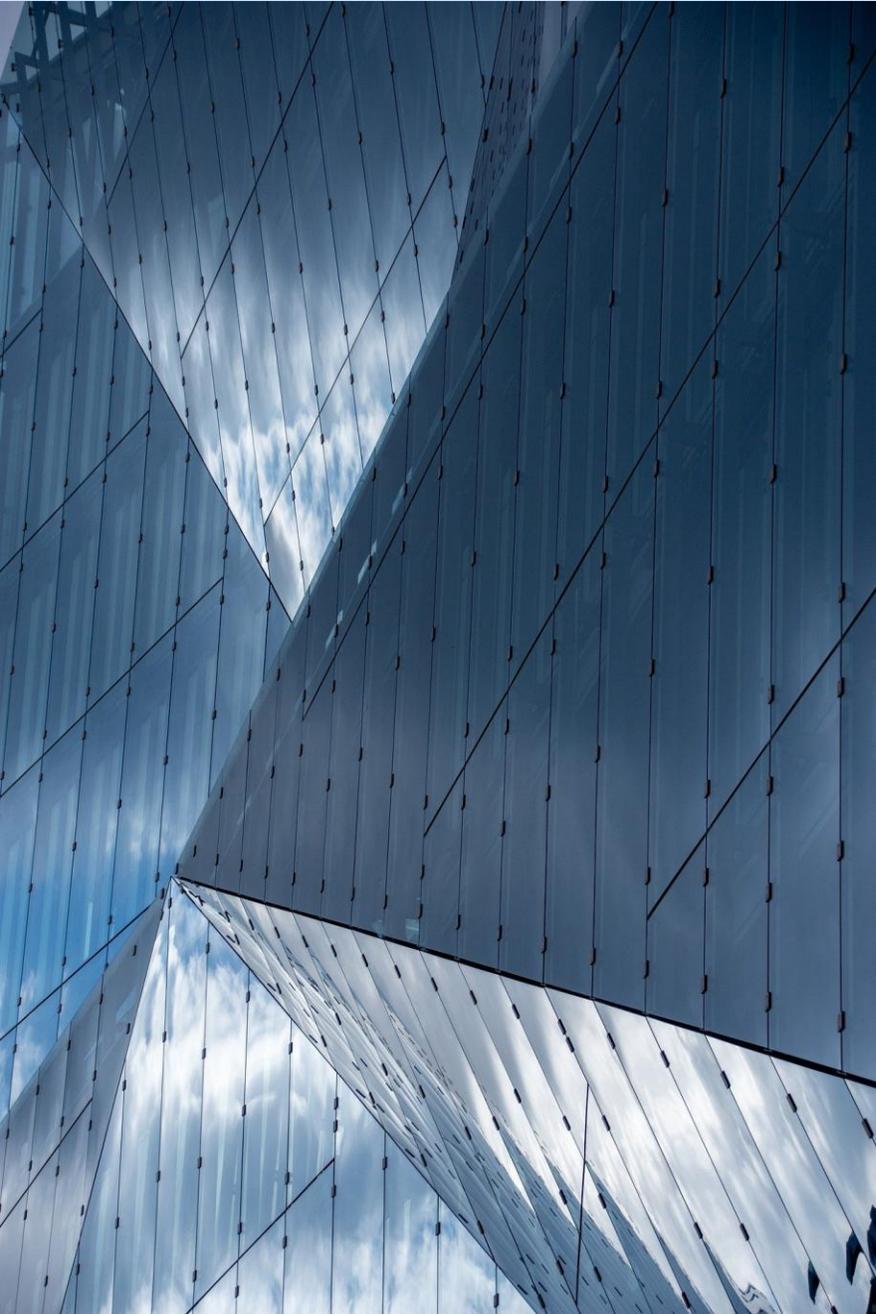
## Pay system/Remuneration policy

- Mandatory for **all** employers, **regardless** of the headcount (currently only for 20+ employees)
- Must be made in writing and available to **all** employees
- Mandatory information and consultation with employee representatives (most cases – the Works Council)

# Required content for the Remuneration Policy

- Job categories
- Forms of remuneration for each job category
- Base salary amounts or ranges
- Clear terms of variable pay (e.g. bonuses)
- Wage indexation (if applicable)
- Salary progression terms (referring to performance results, better competencies, more experience, etc.) (**50+** employees)

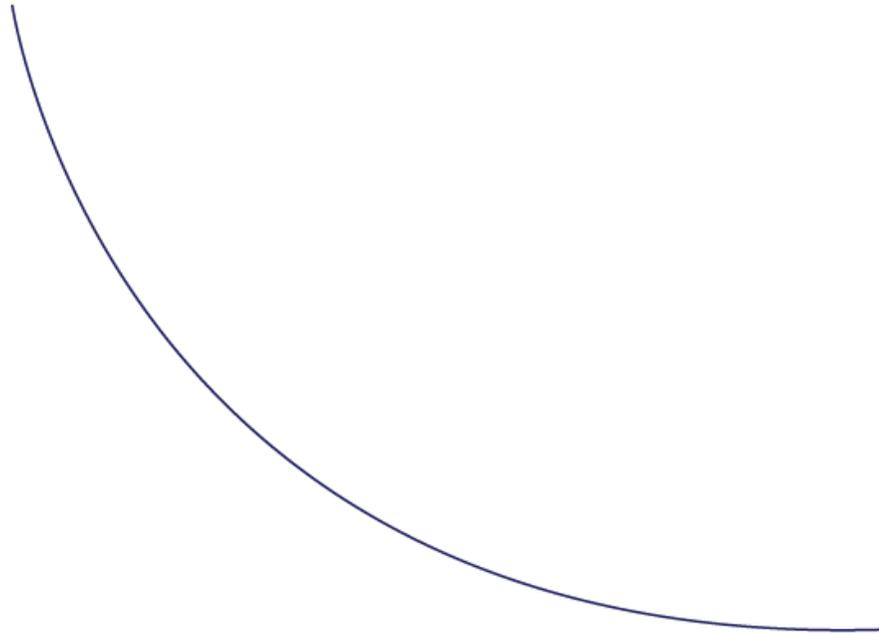




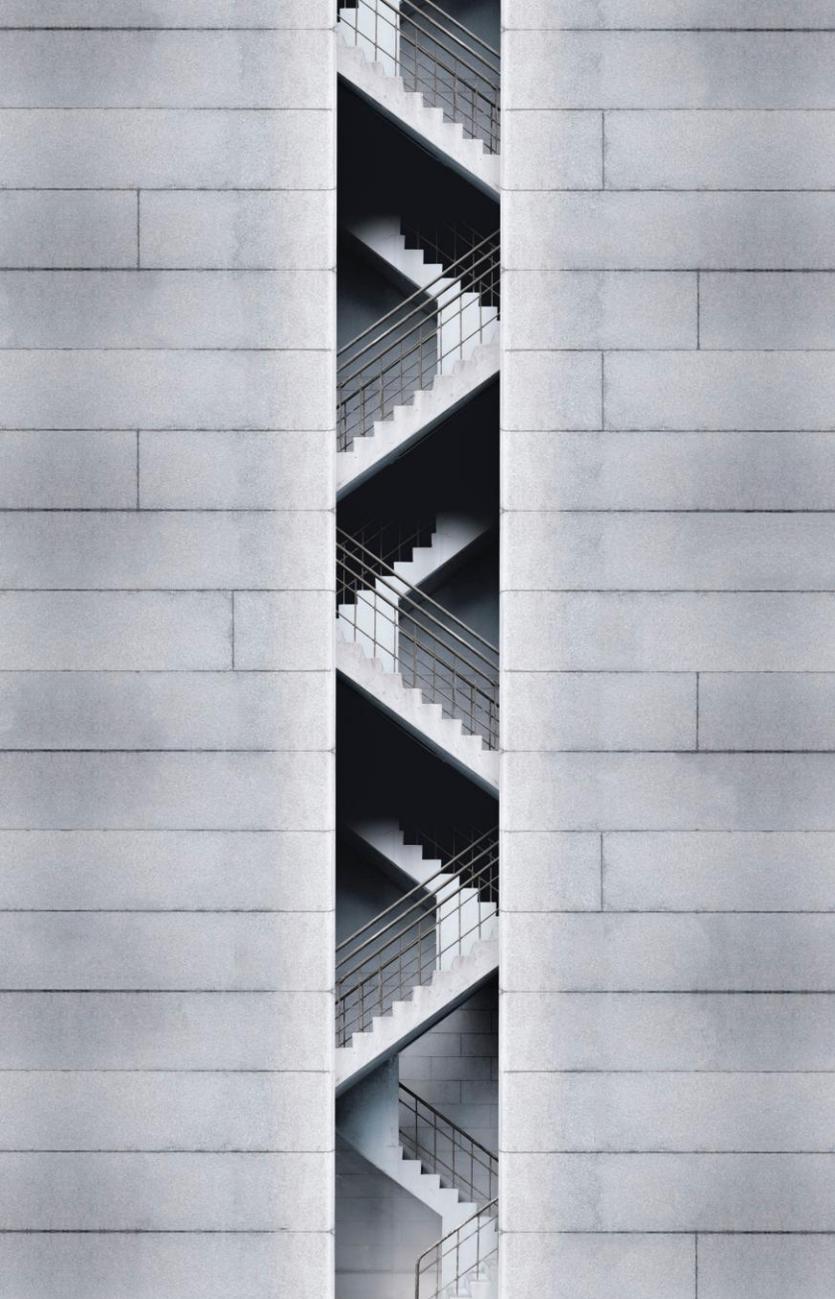
## Providing pay information to:

- Social insurance authority (Sodra)
- Employees
- Employee representatives

# Pay reporting to social insurance authority



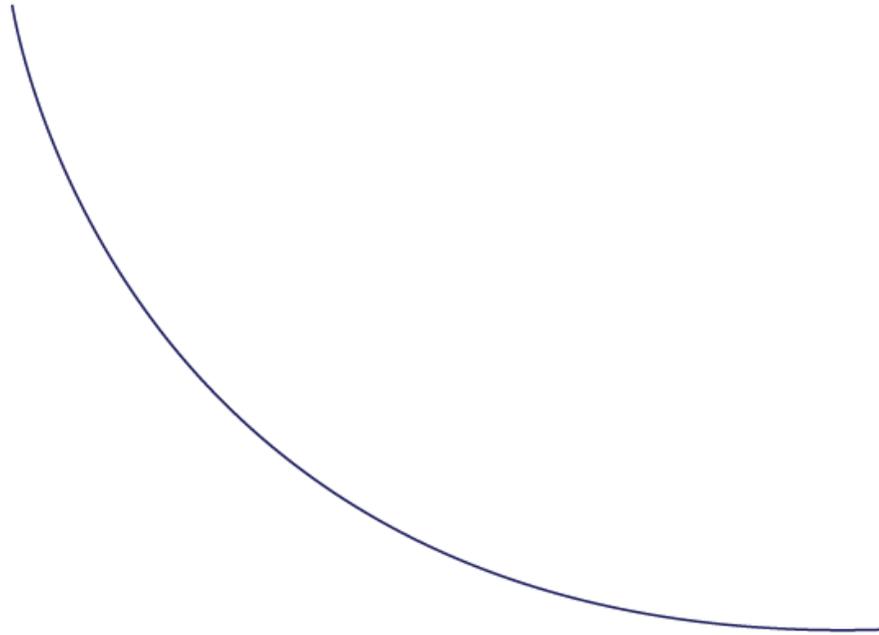
- Mandatory for **all** employers
- **Every month** as of **June 2026**
- Submitted online by payroll
- Covers information on:
  - Base and variable pay
  - Job grade
  - Working time
- Social insurance authority will generate monthly and annual pay reports to employers
- A lot of uncertainty on technical details



# Providing pay information to employees

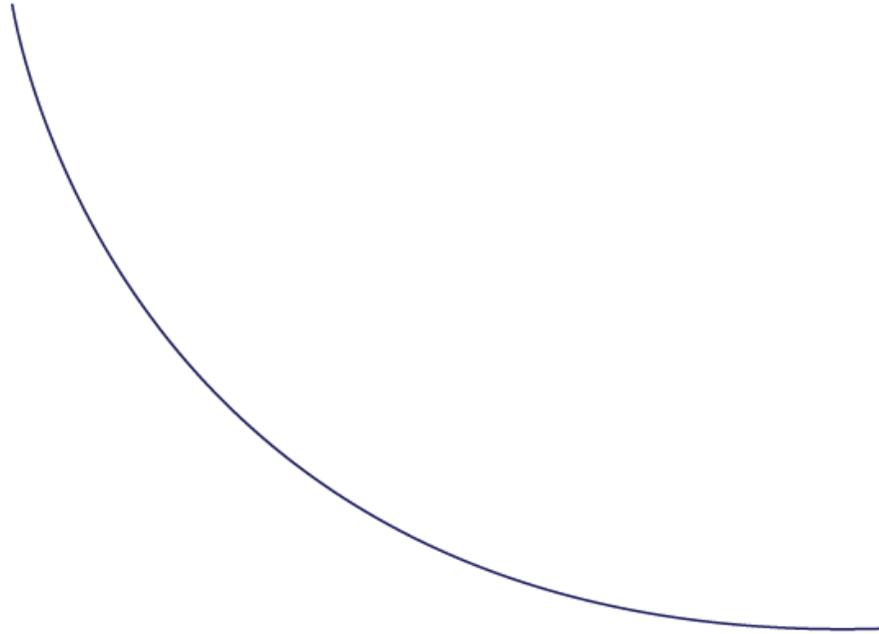
- Employees may request pay information:
  - Directly
  - Through the Works Council
  - Through the State Labour Inspectorate or the Equal Opportunities Ombudsperson
- Employers must provide the pay information generated by the social insurance authority
- Information must be provided to the employee within 1 month
- Employers must remind employees about this right at least annually
- Safeguards aimed at protecting confidentiality

# Gender Pay Gap Reports (I)



- Headcount thresholds, timing and frequency – as in the Directive
- Gender pay gap reports will be **prepared by social insurance authority, not employers**
- Within 1 month, employers must provide the report to employee representatives and employees (where more than 2 employees are in the job category)

## Gender Pay Gap Reports (II)



Sodra will publish gender pay gap reports online:

- Simplified monthly reports for companies with 8+ headcount (min. 4 employees of the same gender)
- Full gender pay gap reports: annually (250+ headcount) or every three years (100-249 headcount)



Other obligations

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- Pay transparency in recruitment
- Employees may disclose their pay information (for the right purposes)



## Employer liability

- Small penalties to management
- Uncapped liability in employment disputes
- High financial risk after employment termination (full average pay from the termination until the case is resolved, uncapped)

# Contact us



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