

New corporate transparency and working conditions obligations

September 2026

Companies must adapt their recruitment processes and employment documentation before 5 October 2026

On 15 September 2026, Royal Decree 723/2026 of 9 September was published in the *Official State Gazette*, transposing Directive (EU) 2019/1152 on transparent and predictable working conditions in the European Union.

The Royal Decree will enter into force **20 days after its publication**, namely on 5 October 2026. Its application will require companies, within a very short timeframe, to review not only their employment contract templates, but also the documentation used when onboarding new employees, procedures for changing employment conditions, internal equality and work-life balance policies, and the use of algorithmic systems in people management.

The new rules represent a significant shift in approach: **it will no longer be enough simply to formalise the employment contract correctly.** Companies must be able to evidence that they have provided full, accessible and understandable information, within the required timeframe, on a broad range of working conditions and corporate policies.

Which companies and employment relationships are affected?

As a general rule, the new provisions apply to all companies and employees falling within the scope of Article 1 of the Spanish Workers' Statute. However, the general information regime set out in Chapter II applies only to employment relationships lasting more than four weeks.

What does this mean for employers?

Mandatory information before the employment relationship begins

From the date of entry into force, information on the essential elements of the contract and the main terms and conditions governing the provision of services must be provided **before the employment relationship begins**.

This **obligation** may be satisfied through the **employment contract itself**, provided that it contains all the information required by the legislation. Where the contract includes only part of that information, the employer must provide one or more supplementary documents.



This new framework requires a coordinated review of:

- Job offers.
- Statements of terms and conditions.
- Employment contract templates.
- Annexes and supplementary agreements.
- Onboarding processes.
- Joining communications.
- Digital repositories for employment documentation.

This is therefore not simply a matter of adding new clauses, but of designing a **traceable and consistent employment information system**.

Greater detail on pay, working time, duties and working conditions

Employers must provide detailed information, among other matters, on:

The identity of the parties and the start date of the employment relationship; the usual place of work and, where applicable, the workplace to which the employee is assigned in remote working arrangements; the specific content of the services to be provided; the professional category or group and a brief description of the role; base salary and each salary supplement, set out separately; daily, weekly and annual working time; working time distribution, night work and shift work; procedures for changing working time or shifts; overtime and the remuneration system; holiday entitlement and the procedure for determining when holidays may be taken; irregular distribution of working time and notice periods; the specific conditions and duration of any probationary period; the right to training provided by the employer; the procedure for terminating the contract and applicable notice periods; term and any possible continuation after expiry; the social security collaboration system, voluntary improvements and pension plans or funds; and the circumstances and procedures applicable to changes to certain essential terms and conditions.

Of particular significance is the requirement to explain **how variable remuneration components are calculated and which criteria determine eligibility**. This obligation may require a review of incentive plans, bonuses, commissions, remuneration-linked performance assessment systems and career progression criteria.

Equality, diversity and work-life balance become part of essential employment information

One significant development is the obligation to provide express information on:

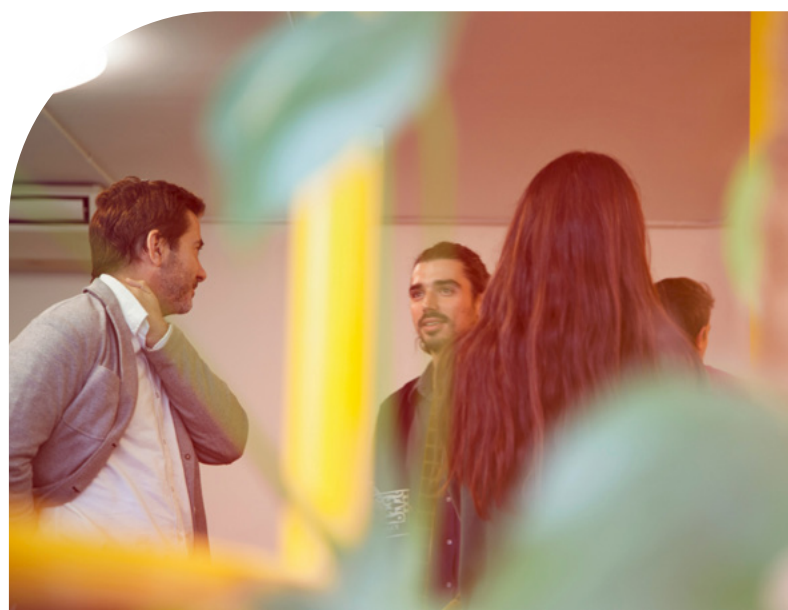
- The existence and identification of the applicable equality plan.
- The employer's work-life balance policy, where it improves on or develops the statutory minimum.
- The protocol on sexual harassment and harassment on grounds of sex.
- The planned set of measures and resources aimed at achieving real and effective equality for LGBTI people, where the employer has such measures in place.

These matters will no longer operate solely as general instruments of collective compliance; they will become part of the **individual information process for each employee**.

Additional information for services performed abroad:

Where an employee is normally required to perform services abroad, the employer must **provide additional information on the destination country or countries**, the duration of the work, the currency of payment, remuneration and allowances, travel expenses, subsistence, accommodation, maintenance and repatriation conditions.

For **transnational services within the European Union or the European Economic Area**, employers must also provide information on the remuneration applicable in the host Member State, the reimbursement of expenses and the link to the official national posting portal.



Changes to working conditions: information from the first day of effect

Any change to the elements and conditions covered by the new regime must be communicated in writing **as soon as possible and, at the latest, on the day on which it takes effect.**

This requires employers to **review procedures** relating to:

- Pay changes.
- Changes to working time and hours.
- Shift changes.
- Functional mobility.
- Changes to the workplace or place of work.
- Contract variations.
- Changes to incentive schemes.
- Implementation of new algorithmic tools.
- Updates to internal policies affecting working conditions.

What happens to existing employment relationships?

The new obligations also apply to employment relationships already in force on the **date of entry into force.**

Where an employee requests the information and does not already have it, the employer must provide it within a maximum of **thirty working days from receipt of the request.**

Any changes made after the date of entry into force must also be communicated in accordance with the new timeframe: as soon as possible and, at the latest, on the day on which the change takes effect.

This regime may generate a significant volume of **individual requests.** It is therefore advisable to have a standard corporate response template, an internal process for managing requests and a repository that enables the organisation to evidence the transmission or receipt of documentation.

Format, accessibility and proof of delivery

The information may be provided on paper or in electronic format, provided that:

- It is accessible to the employee.
- It can be stored and printed.
- The employer keeps proof of transmission or receipt.

In addition, where employees have a disability or borderline intellectual functioning, the employer must ensure that the information is accessible and understandable.



The **Ministry of Labour and Social Economy**, through the State Public Employment Service, will publish an information document template within a maximum period of twenty days from publication of the Royal Decree. However, the legislation itself makes clear that the absence of an official template **does not postpone or affect the enforceability of employers' obligations**.

Is your organisation ready to meet the new obligations?

Royal Decree 723/2026 requires more than an update to employment contract templates. Its implementation will require a cross-functional review of recruitment, hiring and onboarding processes, as well as the internal policies and procedures governing the working conditions listed in Article 3.

Employers should, in particular, check that the information provided to employees is **complete, consistent with internal policies, accessible and understandable**, and that it is delivered within the required timeframes. They should also have mechanisms in place to retain proof of transmission or receipt.



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