

LEGAL ALERT. NEW OBLIGATIONS REGARDING ALGORITHMS AND ARTIFICIAL INTELLIGENCE IN THE WORKPLACE

Royal Decree 723/2026 of 9 September, which came into force on 5 October 2026, strengthens employers' obligations to provide information on working conditions.

The legislation generally applies to employment relationships and also covers certain special employment relationships and other categories of workers.

It maintains the obligation to inform employees of the essential aspects of their employment relationship, while significantly expanding the scope of the information to be provided, the manner in which it must be provided and the applicable deadlines. As a general rule, these obligations apply to employment relationships lasting more than four weeks.

Among the key new provisions is the obligation to provide information regarding the existence of algorithmic or automated decision-making systems.

Where such systems are used in decisions concerning working hours, task allocation, remuneration, promotion, place of work or termination of employment, the employer must also provide information on their guidelines, criteria and operating rules.

The regulation is particularly significant due to its link with the European Artificial Intelligence Regulation (AI Act), which makes it advisable to address these tools through an integrated approach that encompasses employment law, data protection, compliance and AI governance.

When must the information be provided?

Generally speaking, the information must be provided before the employment relationship begins and updated whenever changes occur.

For employment relationships existing on 5 October 2026, the information must be provided within thirty working days of the employee's request, unless the employee has already received it.

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What should companies review?

It is advisable to:

- Identify any algorithmic or AI tools used in human resources.
- Check whether they are involved in decisions affecting working conditions.
- Review the documentation and information provided to employees.
- Coordinate this review with data protection obligations and the AI Act.
- In multinational groups, include these tools in the company's AI inventory and governance system.

Conclusion

The new regulation strengthens transparency requirements regarding the use of algorithms and automated systems in the workplace.

It is therefore advisable for companies to review the tools they use in human resources and adapt their internal procedures to ensure coordinated compliance with employment law, data protection and artificial intelligence regulations.

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