

LUXEMBOURG

PACTE NATIONAL
ENTREPRISES ET
DROITS DE L'HOMME

NATIONAL BUSINESS & HUMAN RIGHTS PACT

ANALYSIS REPORT, EDITION 2025

Luxembourg, octobre 2025

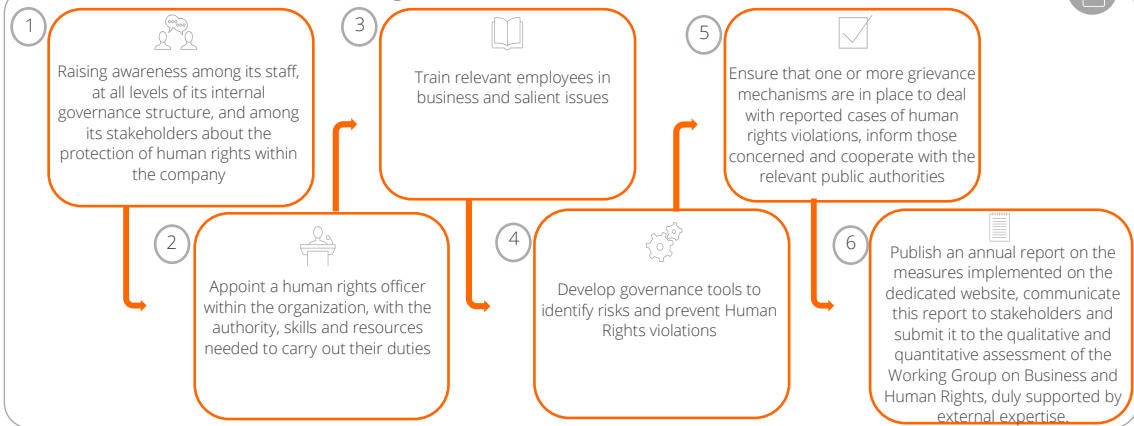
CONTENTS

	Page
Executive Summary	3
A. ABOUT THE PACT	
1. Context	6
2. Guiding principles	8
B. SCOPE AND METHODOLOGY OF ANALYSIS	
1. Scope	9
2. Methodology for analyzing and consolidating results	9
C. MAIN OBSERVATIONS	
PART A: Governance of human rights compliance	10
PART B: Defining the reporting framework	12
PART C: Managing salient issues	14
D. CONCLUSION	16
APPENDIX	
Methodological note	21
Qualitative & quantitative analysis of results	22

EXECUTIVE SUMMARY

This report provides an in-depth analysis of the verifications conducted under the Luxembourg National Pact "Business and Human Rights" by HWCL, Charlotte Michon, and Forethix between April and July 2025. It offers a comprehensive review of the results, combining both qualitative and quantitative assessments of the extent to which signatories' practices align with the commitments set out in the Pact, and concludes with concrete recommendations to support further progress.

The 6 commitments of the signatories



MAIN FINDING

2024-2025

Awareness and training on human rights are expanding across organizations.

Compared to 2024, a growing number of signatories have strengthened internal awareness by providing training sessions, workshops, or communication campaigns. This confirms a positive trend: organizations are moving beyond high-level commitments towards concrete capacity-building efforts at the employee level.

MAIN FINDING

2025

Risk identification becoming more structured, though methodologies vary.

Around 80% of signatories have now identified their priority human rights risks, marking risk identification as a more structured process, though methodologies still vary. Many organizations conduct risk-mapping exercises increasingly linked to ESG processes or CSRD reporting.

MAIN FINDING

2025

Stakeholder engagement is becoming a more established practice in risk identification.

Around 60% of signatories now involve stakeholders—employees, suppliers, or clients—when assessing human rights risks. This participation strengthens the relevance of risk prioritization and reflects a shift toward more inclusive and transparent due diligence processes.

MAIN FINDING

2025

Grievance mechanisms are increasingly operational and accessible.

More than 70% of signatories have established grievance or whistleblowing channels, a clear improvement compared with 2024. These mechanisms provide employees — and in some cases external stakeholders — with safe avenues to raise concerns, strengthening transparency and accountability.

MAIN FINDING

2025

Integration into policies and codes.

Around two-thirds of signatories have now embedded human rights into internal policies, codes of conduct, or supplier charters, demonstrating steady institutionalization compared to 2024.

EXECUTIVE SUMMARY IN FIGURES

67

Reports submitted
in 2025

On the reports presented

13 large organizations, over 250 employees

23 medium-sized organizations under 250 employees

31 small organizations under 50 employees

78

Organizations covered by the reports submitted

2025

3 areas for improvement What's new in 2025 analysis ?

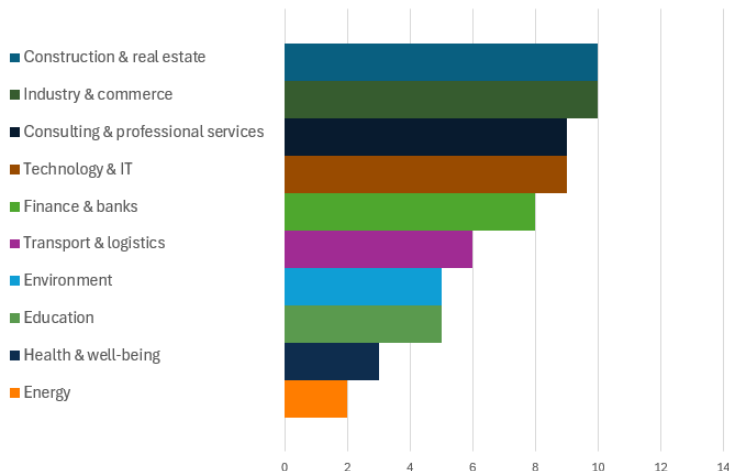
1. Extend due diligence efforts beyond internal operations to cover suppliers, subcontractors, and other value chain actors.
2. Formalize roles, responsibilities, and monitoring systems to strengthen governance structures and accountability.
3. Improve accessibility and external coverage of grievance mechanisms to ensure broader stakeholder trust.

2025

Top 3 best findings What's new in 2025 analysis ?

1. More than 90% of signatories reaffirmed their public commitment, endorsed at the highest level, indicating broad alignment with the Pact's requirements.
2. Significant progress has been achieved in the implementation of grievance mechanisms, with 67% of signatories now providing operational channels.
3. Risk identification is becoming more structured, with around 66% of organizations conducting systematic human rights risk-mapping as part of their ESG reporting processes.

11 sectors represented in 2025



The signatory organizations of the National Business and Human Rights Pact covered in this report



A. ABOUT THE PACT

1. CONTEXT

1.1 Background and origins

The National Pact on Business and Human Rights is a voluntary initiative that helps companies operating in Luxembourg integrate the United Nations Guiding Principles on Business and Human Rights (UNGPs) into their strategies and operations.

Luxembourg adopted its first National Action Plan (NAP) to implement the UNGPs in 2018, followed by a second NAP in December 2019. As part of NAP 2, the Ministry of Foreign and European Affairs (MFA), in collaboration with the Union des Entreprises Luxembourgeoises (UEL), the Institut National du Développement Durable et de la Responsabilité Sociale des Entreprises (INDR), and with the support of the Business and Human Rights Working Group, launched the National Pact on "Business and Human Rights", hereinafter referred to as the Pact.

This initiative is the fruit of collaboration between the public and private sectors, national human rights institutions, civil society, trade unions and the academic community. The Pact encourages Luxembourg companies to make a voluntary commitment to integrating the UN Guiding Principles into their activities. By signing the Pact, participating companies voluntarily commit to conducting human rights due diligence (HRDD). This includes the obligation, from the second year of adherence to the Pact, to publish a report on their HRDD activities aligned with the UN Guiding Principles reporting framework, developed by Shift in 2015.

1.2 Institutional framework and partnerships

In 2023, responsibility for supporting companies under the Pact evolved. The Chamber of Commerce, through its House of Sustainability, succeeded the UEL and INDR as an official partner alongside the MFA. The House of Sustainability strengthened the Pact by:

- delivering training sessions via the House of Training ;
- organizing specialized meetings for signatory organizations ;
- facilitating access to experts, and ;
- promoting the exchange of best practices among signatories.

1.3 Strategic relevance and future outlook

The Pact has established itself as a platform for dialogue and cooperation between the State, businesses, and civil society. It reflects Luxembourg's ambition to:

- foster a responsible business culture ;
- anticipate upcoming EU regulations, such as the Corporate Sustainability Due Diligence Directive (CS3D) ;
- enhance the country's reputation as a sustainable and ethical business hub ;
- For companies, joining the Pact is more than a symbolic act: it is a strategic step towards building resilience, earning stakeholder trust, and contributing to a fairer and more sustainable economy.

1.4. Verification and continuous improvement

The reporting obligation is not a mere formality. Reports are subject to external verification, which strengthens the credibility, accountability, and transparency of the initiative. This process helps signatories monitor progress and continuously improve their human rights practices.

About UNGP

The United Nations Guiding Principles on Business and Human Rights (UNGPs) provide the global standard for preventing and addressing the risk of adverse human rights impacts linked to business activity. Endorsed by the UN Human Rights Council in 2011, they clarify the responsibilities of States and businesses under three complementary pillars:



PROTECT

States have the duty to protect individuals against human rights abuses by third parties, including businesses, through appropriate policies, regulation and enforcement.



RESPECT

Businesses have the responsibility to respect human rights by embedding due diligence processes, identifying salient issues, and taking action to prevent and mitigate risks throughout their operations and value chains.



REMEDY

Both States and businesses must ensure that victims of business-related human rights abuses have access to effective remedy, through judicial and non-judicial mechanisms.

Beyond providing a shared global framework, the UNGPs have influenced a wide range of international initiatives, national action plans, and regulatory frameworks, including the forthcoming EU Corporate Sustainability Due Diligence Directive (CS3D). They set out not only minimum expectations but also a dynamic approach for continuous improvement, encouraging companies to integrate human rights into governance structures, risk management processes, and stakeholder engagement practices.

These principles serve as the foundation for due diligence expectations, reporting frameworks, and international initiatives such as the Luxembourg National Business & Human Rights Pact. They help organizations to translate commitments into measurable actions, fostering greater transparency, accountability, and responsible business conduct across sectors.

A. ABOUT THE PACT

2. GUIDING PRINCIPLES & PACT REQUIREMENTS

The commitments that organizations are expected to meet when signing the Pact are structured around 6 fundamental pillars

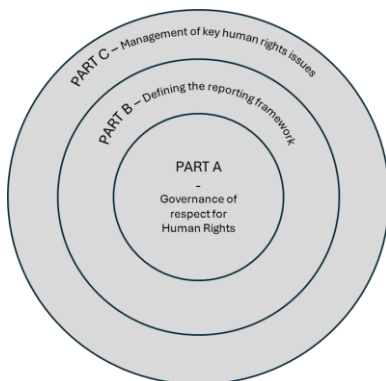
The 6 commitments



1. Awareness: Raising awareness among its staff, at all levels of its internal governance structure, and among its stakeholders about the protection of human rights within the company.
2. Governance: Appoint a human rights officer within the organization, with the authority, skills and resources needed to carry out their duties.
3. Training: Train relevant employees in business and human rights.
4. Risk analysis: Develop governance tools to identify risks and prevent human rights violations.
5. Grievance mechanisms: Ensure that one or more grievance mechanisms are in place to deal with reported cases of human rights violations, inform those concerned and cooperate with the relevant public authorities.
6. Public reporting: Publish an annual report on the measures implemented on the dedicated website, communicate this report to stakeholders and submit it to the qualitative and quantitative assessment of the Working Group on Business and Human Rights, duly supported by external expertise.

The reporting template to be completed by signatory organizations is aligned with the Shift guiding principles, and is divided into 3 distinct parts, as shown below:

Part A: Governance of respect for human rights: this part aims to report on the organization's public commitment to human rights, the dissemination of this commitment internally and in business relationships, and the definition of governance of salient issues.



Part B: Defining the scope of reporting: in this part, the organization must identify the most relevant human rights risks for it (hereinafter referred to as "salient issues") and explain their methodologies.

Part C: Human rights management highlights: This part asks the company to explain whether it engages its stakeholders on human rights, and whether it has put in place specific policies and a redress system.

B. SCOPE AND METHODOLOGY OF ANALYSIS

1. SCOPE

This report covers all signatories of the Luxembourg National Business and Human Rights Pact, based on the reports submitted for the 2024 reporting cycle. Between April and July 2025, a total of 67 reports, representing 78 organizations, were reviewed as part of the verification process conducted by external experts HWCL, Charlotte Michon and Forethix. Since some reports cover more than one organization, the results presented in this report are estimates derived from the number of reports submitted. The analysis focused on the initiatives, policies, actions, and progress implemented during the period from 1 January 2024 to 31 December 2024. The reference framework applied corresponds to the Pact's reporting template, which sets different levels of requirements depending on the year of accession:

- For organizations that joined the Pact in 2024 (21 reports covering 21 organizations), this represents their first human rights reporting exercise. The verification therefore focused on Parts A and B, addressing governance structures and the identification of salient issues. As new signatories join the Pact each year, often at an early stage of maturity, it is expected that the global report will continue to evolve over time, reflecting the progressive integration of human rights practices across participating organizations.
- For organizations that signed the Pact in 2023 (13 reports covering 15 organizations), the analysis extended to Parts A, B, and C, thereby also assessing how human rights risks and impacts are managed through dedicated policies, stakeholder engagement, and grievance mechanisms.
- For organizations that signed the Pact in 2022 (33 reports covering 42 organizations), the analysis likewise encompassed Parts A, B, and C, with a focus on the management of human rights risks and impacts, including policies, stakeholder engagement, and grievance mechanisms.

It is important to note that, as with any process based on self-reported data, certain methodological limitations must be acknowledged:

- Risks of bias in the way companies report on their progress.
- Variations in the availability and level of detail of the information provided.
- Challenges in capturing a comprehensive picture of practices across the entire value chain.

Despite these limitations, the verification exercise provides a comprehensive and valuable overview of the signatories' commitment, their level of maturity in integrating human rights, as well as the common trends of progress and remaining challenges that shape the development of the Pact. This process not only measures individual advancements but also highlights opportunities for collective improvement and fosters shared learning, thereby strengthening the culture of corporate responsibility in Luxembourg.

2. ANALYSIS AND CONSOLIDATION METHODOLOGY

The analysis methodology, findings, and recommendations presented in this report are based on three main sources of information:

- Preliminary analysis of the reports submitted by the signatory organizations
- Verification of supporting documents submitted for each question answered, as part of the verification process.
- Dialogue with the coordinators of signatory organizations during the verification phase, to gather feedback on their perceptions and experiences of the Pact's process.

For the quantitative analysis, Forethix consolidated verification responses (including those by HWCL and Charlotte Michon) and calculated the percentage of measures in place, partially in place, and not in place across Sections A, B, and C. Results were further broken down by sub-sections (A1-A2, B1-B4, C1-C6) and compared by organization size (large, medium, small) to highlight differences in alignment levels. A detailed methodological note on the verification approach, data processing, and analytical framework is provided in the appendix.

C. MAIN OBSERVATIONS

Our analysis is structured on the UN Guiding Principles Reporting Framework, ensuring a comprehensive and standardized approach to assessing companies' human rights commitments, governance, and practices.

PART A: HUMAN RIGHTS GOVERNANCE

1. ABOUT PART A



Part A is the first part that companies must answer and report on during the verification exercise, and focuses on the governance of respect for human rights within a company. In line with Principle 16 of the UN Guiding Principles on Business and Human Rights, companies are encouraged to formalize their commitment to respect human rights through a clear public statement. This policy statement should:

- (a) Be approved at the highest corporate level
- (b) Be developed using internal and/or external expertise
- (c) Clearly describe the company's expectations of employees, business partners and other stakeholders directly involved in its activities, products and services
- (d) Be accessible to the public and communicate both internally and externally

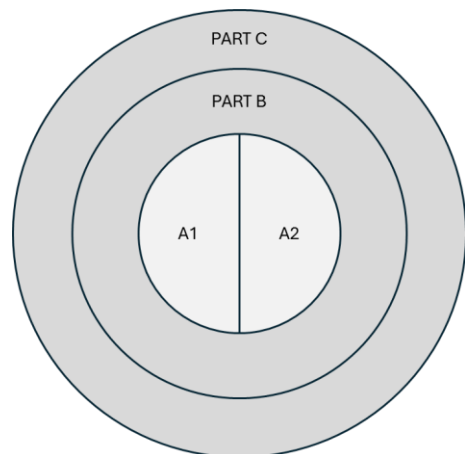
More specifically, Part A of the reporting template is divided into two subsections: A1 and A2, each focusing on a different aspect of human rights governance.

Part A1: Public commitment to human rights

Companies must adopt a public human rights policy approved by senior management, drawn up with the help of experts and clearly communicated to employees, business partners and stakeholders. This commitment sets expectations for responsible conduct and is essential for integrating human rights into the company's values and operations.

Part A2: Mainstreaming human rights

Companies need to integrate human rights into their governance and day-to-day operations, by assigning clear responsibilities, training employees and addressing human rights in business relationships. Regular evaluation and adaptation of policies ensures continuous improvement in the management of human rights impacts.



PART A: HUMAN RIGHTS GOVERNANCE

FINDINGS

2025

Public commitments on human rights are consistently endorsed and can be leveraged for broader stakeholder engagement.

All signatory organizations have published public statements of commitment, ranging from reports to internal or external communications on websites. This reflects alignment with the Pact and international standards. Increasing the visibility and accessibility of these commitments offers an opportunity to further strengthen transparency and build trust with employees, clients, and partners.

FINDINGS

2025

Designation of human rights roles reflects growing commitment and offers opportunities for greater formalization.

Over 80% of organizations have appointed a coordinator, focal point, or committee to oversee human rights topics. This illustrates a strong step toward embedding human rights into governance structures. Further formalization of responsibilities will allow these roles to gain visibility and strengthen their impact across the organization.

AREAS OF PROGRESS compared to 2024 analysis

2024

- A growing number of organizations have made their public declaration more visible on websites, strengthening transparency since 2024.
- More organizations are rolling out awareness and training initiatives for employees, advancing internal engagement.

AREAS OF PROGRESS FOR SIGNATORY ORGANIZATIONS

The areas of progress for signatories identified in the Part A verifications are as follows:

- **Make human rights policies more visible and accessible (website, reports, external communication) and ensure formal approval and public endorsement by top management.**
- **Formalize roles and responsibilities (human rights coordinators, RSE committees, focal points) and provide systematic training on human rights, especially for at-risk functions.**

SUPPORT MATERIALS FOR SIGNATORY ORGANIZATIONS

- Practical guidelines for drafting and publishing a Human Rights Policy, including best-practice templates.
- To ensure visible leadership commitment, a checklist could be developed specifying the responsibilities and expectations of top management.
- Sample role descriptions for Human Rights Coordinators and RSE committee members.
- Tailored training modules on human rights integration for at-risk functions (HR, procurement, operations, compliance).

PART B: DEFINING THE REPORTING FRAMEWORK

1. ABOUT PART B



In accordance with Principle 18 of the UN Guiding Principles on Business and Human Rights, companies must identify and assess the actual or potential negative impacts on human rights associated with their business activities or relationships. This assessment is a crucial step in ensuring a robust human rights due diligence process, taking into account both the risks to the company and to rights-holders.

More specifically, Part B of the reporting template is divided into four subsections: B1, B2, B3 and B4, each focusing on a different aspect of the definition of the corporate reporting framework.

Part B1: Identify the main human rights risks.

Companies should highlight the most significant human rights risks associated with their operations and business relationships. These may include risks relating to working conditions, health and safety, discrimination and privacy, among others.

Part B2: Identification of salient issues.

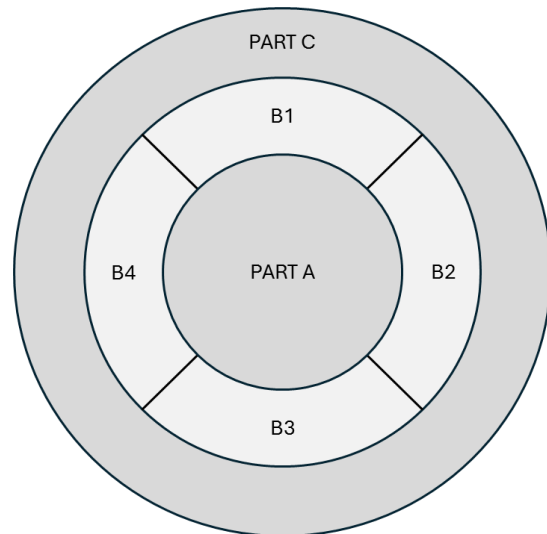
Companies should describe how these key risks have been identified, including stakeholder feedback and risk assessment criteria such as severity, scope and irreversibility.

Part B3: Geographical orientation.

If the report focuses on specific geographic regions, companies should explain why they have chosen these areas, by illustrating the risk profile of the regions.

Part B4: Handling other serious incidents.

Any significant human rights incidents that occurred outside the salient issues identified during the reporting period should also be disclosed, along with how they were managed.



PART B: DEFINING THE REPORTING FRAMEWORK

FINDINGS

2025

Structured risk identification exercises are increasingly implemented, supporting stronger alignment with the UN Guiding Principles.

A majority of signatory organizations have begun conducting structured risk identification, often using materiality assessments, stakeholder consultations, or risk mapping. This demonstrates growing maturity in recognizing salient issues. Many organizations have also linked these exercises to broader ESG or CSRD reporting, ensuring consistency across frameworks.

FINDINGS

2025

Stakeholder engagement enriches risk analysis and helps organizations prioritize salient issues.

Over 60% of organizations actively involve stakeholders—employees, suppliers, or external partners—in their risk identification processes. This engagement provides valuable insights into potential impacts and strengthens the legitimacy of risk prioritization. Organizations that integrate stakeholder perspectives tend to identify risks more comprehensively, including issues such as mental health, supply chain practices, and working conditions.

Areas successfully achieved in line with the 2024 recommendation

2024

- Over 60% of organizations now involve external stakeholders in risk analyses, marking clear progress since 2024.
- Organizations have begun extending risk assessments across their value chain, though further progress is still required.

AREAS OF PROGRESS FOR SIGNATORY ORGANIZATIONS

The areas of progress dedicated to signatories identified in the Part B verifications are as follows:

- **Enhance methodological consistency by adopting structured risk assessment tools (e.g., likelihood–severity matrices, salience criteria) to align with the UN Guiding Principles.**
- **Broaden stakeholder involvement by engaging a wider range of internal and external parties (suppliers, clients, community representatives) to ensure more inclusive risk identification.**
- **Strengthen documentation and transparency of risk analyses by publishing clear summaries of salient issues, geographic focus, and monitoring mechanisms.**

SUPPORT MATERIAL FOR SIGNATORY ORGANIZATIONS

- Guidelines on stakeholder consultation with practical methods (surveys, interviews, workshops) to capture diverse perspectives.
- Sector-specific risk catalogues highlighting common human rights risks by industry and geographic region.
- Case studies and good practices illustrating how organizations identify and prioritize salient issues.

PART C: MANAGING SALIENT ISSUES

1. ABOUT PART C

Part C is the third and final part that companies must answer and report on during the verification exercise. As mentioned above, however, only Pact signatories from 2022 were required to complete Part C. This part of the reporting template focuses on how companies should address and manage the key human rights risks identified in the course of their operations and business relationships. In line with principles 19 and 20 of the UN Guiding Principles, companies should act on their human rights risk assessments by integrating the results into relevant internal functions and processes. This ensures that appropriate measures are taken and that the effectiveness of preventing or mitigating negative impacts on human rights is monitored.

More specifically, Part C of the reporting template is divided into six sub-sections: C1, C2, C3, C4, C5 and C6, each focusing on a different aspect of disclosure of companies' management of salient issues.

C1: Specific policies

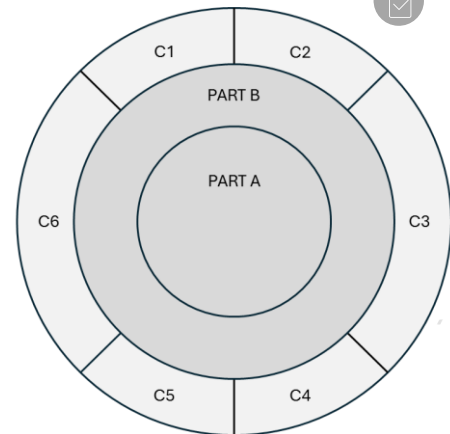
Companies should establish specific policies to manage key human rights risks, such as human rights policies or grievance mechanisms. Communication and training programs ensure that these policies are understood and effectively implemented.

C2: Stakeholder engagement

Engaging with stakeholders is essential to managing key human rights risks. Companies need to identify relevant stakeholders, collaborate with them and integrate their feedback into their decision-making and risk management strategies.

C3: Impact assessment

Regularly assess the evolution of human rights risks over time, including trends and significant incidents, in order to adapt the company's responses accordingly. Monitoring the evolution of risks enables the company to remain responsive to new developments.



C4: Integration of results

Companies need to integrate the results of human rights risks into decision-making processes, ensuring that all relevant departments are involved in managing these risks. When tensions arise between business objectives and human rights concerns, companies need a clear framework for managing these conflicts.

C5: Performance monitoring

Track the effectiveness of measures taken to address key human rights risks using quantitative and qualitative indicators. Give examples to demonstrate that the management of these risks has been successful.

C6: Grievance and redress mechanisms

Ensure that effective complaints mechanisms are in place to deal with any human rights violations. These mechanisms should be accessible, encourage reporting and be able to provide useful solutions. In addition, companies should examine and learn from grievance trends in order to improve their human rights practices.

PART C: MANAGING SALIENT ISSUES

FINDINGS

2025

Policies and procedures increasingly integrate human rights, creating a stronger foundation for responsible business practices.

More than half of the organizations have embedded human rights considerations into codes of conduct, supplier charters, HR policies, and onboarding materials.

This demonstrates a clear effort to translate high-level commitments into operational practices. The progressive alignment of these documents with international standards helps ensure consistency and visibility across internal and external stakeholders.

FINDINGS

2025

Grievance mechanisms and reporting channels are being established, fostering greater transparency and accountability.

More than 70% of signatory organizations have put in place whistleblowing procedures or other reporting systems accessible to employees and, in some cases, external stakeholders. These mechanisms provide safe channels for raising concerns and are increasingly framed as part of a culture of trust and continuous improvement. Their effectiveness, however, depends on awareness, accessibility, and regular monitoring.

Areas successfully achieved in line with the 2024 recommendation

2024

- 84% of organizations have introduced or strengthened policies on human rights topics, demonstrating tangible progress since 2024.
- A growing number of organizations have formalized grievance mechanisms (77%), improving monitoring and remedy capacity.

AREAS OF PROGRESS FOR SIGNATORY ORGANIZATIONS

The areas for improvement identified in the Part C verifications are as follows:

- **Strengthen monitoring and performance evaluation by developing concrete indicators (quantitative and qualitative) to track progress on human rights commitments and salient issues.**
- **Broaden accessibility and effectiveness of grievance mechanisms, making them available to external stakeholders (suppliers, clients, communities) and ensuring transparent follow-up of cases.**

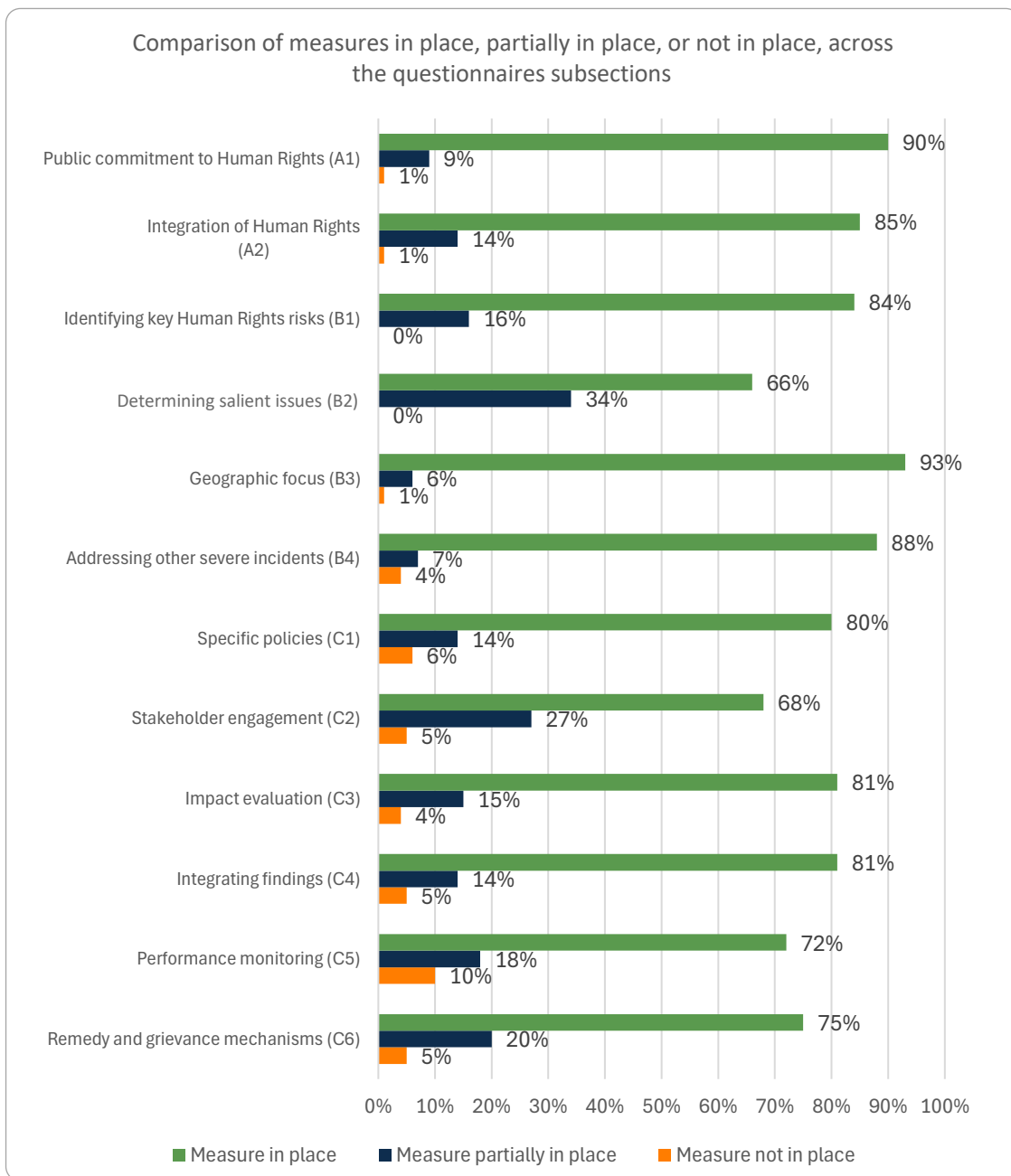
SUPPORT MATERIALS FOR SIGNATORY ORGANIZATIONS

- Toolkits for grievance mechanisms, including whistleblowing procedures, communication strategies, and feedback loops to reinforce trust.
- Case studies of remediation practices showing how organizations addressed salient issues and improved processes.
- Practical guidance on stakeholder dialogue, including templates for documenting consultations and integrating feedback into corrective actions.

D. CONCLUSION & TAKE AWAY

Significant improvement in signatories' alignment with the Pact's commitments compared to 2024

The 2025 verification analysis shows that signatories are consolidating their implementation of the Pact's commitments, with several measures now widely adopted. At the same time, some areas remain less developed and continue to require sustained attention.



D. CONCLUSION & TAKE AWAY

On the positive side, almost all signatories have established a **public human rights commitment** at the highest level of governance, demonstrating that this has become a common baseline. Strong adoption is also visible in the establishment of **grievance mechanisms** (81%), the use of **structured risk identification processes** (70%), and the application of **impact evaluation** and **integration of findings** (both at 81%). The **adoption of specific policies** (80%) and the **integration of human rights across different functions** (85%) confirm that these issues are increasingly being embedded into corporate frameworks.

Nevertheless, the analysis also highlights areas where signatories could further strengthen their efforts. In particular, the **determination of salient issues** remains the area with the most room for improvement, with **66% of companies** reporting structured processes. This shows that, while the foundations are largely in place, organizations could benefit from advancing towards more systematic approaches to prioritizing the most relevant human rights risks across their operations and value chains. **Stakeholder engagement (68%)** also offers opportunities for development, as mechanisms are present but could be made more inclusive and regular to ensure the perspectives of affected groups are fully reflected. Similarly, **performance monitoring (72%)** is already practiced by most signatories, yet further progress could be achieved by expanding the use of measurable indicators and strengthening follow-up actions.

High rates are reported for **addressing severe incidents (88%)** and for **geographic focus (93%)**. Building on these positive results, companies could enhance the consistency and quality of their approaches, shifting from reactive to more preventive measures and tailoring geographic risk assessments more closely to the specific characteristics of each region.

Taken together, the 2025 results confirm a steady improvement in the maturity of signatories, with human rights now more firmly integrated into company policies and procedures. The next steps will require strengthening the following areas: ensuring that the identification of salient issues is systematic and robust, deepening stakeholder engagement, and improving the quality of monitoring and geographic analysis to achieve more consistent and preventive approaches.

D. CONCLUSION & TAKE AWAY

The 2025 analysis report edition shows clear progress among signatories, particularly in the expansion of public commitments, the integration of human rights into codes of conduct and supplier charters, and the development of more structured risk-mapping exercises. However, further progress is needed to consolidate these practices, extend them across the value chain, and strengthen engagement with sensitive stakeholders.

Below are some of the ways in which the signatories could further advance their human rights measures:

PROGRESS

2025

Strengthen visibility of commitments

Human rights commitments are now systematically published, but organizations can go further by making them more visible and accessible through websites, annual reports, and communication campaigns.

PROGRESS

2025

Formalize governance roles

While many signatories have appointed coordinators or committees, the next step is to formalize their mandates, clarify responsibilities, and allocate sufficient resources.

PROGRESS

2025

Expand stakeholder engagement

Engagement has increased, yet there is room to involve a broader range of stakeholders—particularly suppliers, clients, and external partners—through consultations and structured feedback mechanisms.

PROGRESS

2025

Improve risk assessment methodologies

Progress has been made in mapping risks, but most organizations still need to adopt more systematic approaches, combining severity and likelihood, and updating assessments regularly.

PROGRESS

2025

Enhance monitoring and performance indicators

Several organizations are tracking human rights performance, but developing clear KPIs and dashboards would strengthen monitoring and allow better benchmarking over time.

PROGRESS

2025

Deepen value chain due diligence

Extend human rights risk assessments beyond direct operations to suppliers and subcontractors, especially in higher-risk geographies.

D. CONCLUSION & TAKE AWAY

PROGRESS

2024- 2025

Strengthen training and awareness across the organization

Deliver tailored training modules for employees in high-risk functions (procurement, HR, operations), and raise awareness at all levels, including executives.

PROGRESS

2024- 2025

Pay attention to sensitive stakeholders

Identify and prioritize vulnerable groups (e.g., migrant workers, temporary staff, subcontracted employees) and integrate their concerns into governance and monitoring.

PROGRESS

2025

Link human rights to strategic decision-making

Ensure that human rights considerations are systematically integrated into major corporate decisions, such as entering new markets, launching projects, or restructuring operations.

PROGRESS

2025

Embed continuous improvement mechanisms

Establish regular internal reviews of human rights policies and practices, ensuring lessons learned from incidents, audits, or stakeholder feedback are integrated into future actions.

Based on the 2025 verification round, signatories formulated several expectations for future editions of the Pact.

EXPECTATION

2024- 2025

Development of a questionnaire template adapted to VSMEs

Signatories expect future editions to provide a simplified reporting template tailored to the needs and capacities of very small and medium-sized enterprises, ensuring proportionality while maintaining alignment with the Pact's objectives.

EXPECTATION

2025

More sector-specific guidance for some sectors

Some organizations would welcome practical illustrations and case studies adapted to different sectors, as the current UNGP-based framework is perceived as too general and not always reflective of specific operational realities.

D. CONCLUSION & TAKE AWAY

EXPECTATION

2025

Guidance on reporting expectations related to maturity levels

Signatories request more precise explanations of what is expected at different stages of maturity, with progressive milestones to help organizations evaluate their progress and better plan the next steps in their human rights due diligence journey.

The 2025 analysis highlights a few useful support material ideas that could be considered for future editions to further assist signatories in strengthening their human rights approach.

SUPPORT MATERIAL

2025

Human rights training modules for key functions

Practical training packages tailored for high-impact roles such as HR, procurement, operations, and governance bodies, ensuring that human rights principles are consistently applied across decision-making processes.

SUPPORT MATERIAL

2025

Practical self-assessment checklist

A hands-on tool enabling signatories to quickly measure their level of compliance and maturity in order to set priority actions for improvement.

SUPPORT MATERIAL

2025

Monitoring and performance indicator toolkit

A library of suggested KPIs and dashboards enabling organizations to track progress on human rights commitments, grievance mechanisms, and value chain due diligence in a comparable and measurable way.

D. CONCLUSION & TAKE AWAY

OPPORTUNITIES FOR NEXT EDITIONS

Beyond the measurable progress, the 2025 analysis report shows that signatories are entering a stage of growing maturity in integrating human rights into their business practices. The progress recorded reflects not only stronger alignment with the Pact and the UN Guiding Principles, but also a clear ambition to translate commitments into concrete actions. This evolution signals that human rights considerations are increasingly embedded in governance structures, risk management processes, and corporate strategies.

Looking ahead, the main challenge will be to extend due diligence more consistently across the entire value chain, ensuring that risks are identified and addressed not only within direct operations but also among suppliers and business partners. Another priority will be to reinforce monitoring mechanisms, moving beyond basic reporting towards clear indicators that allow companies to measure progress and demonstrate tangible outcomes. Equally important is the active involvement of external stakeholders and vulnerable groups, whose perspectives are essential for identifying the most significant salient issues and ensuring that measures respond to real needs on the ground.

In addition, more attention should be paid to the prioritization of salient issues, so that resources are directed where the risks to people are greatest. Companies will also need to move from reactive approaches — responding once incidents occur — to more preventive strategies that anticipate risks before they materialize. This requires embedding human rights due diligence into broader corporate planning, investment decisions, and long-term sustainability strategies.

By maintaining a culture of continuous improvement and leveraging available support tools, signatories will be able to consolidate their contribution to responsible business conduct. In doing so, they will not only strengthen their individual practices but also contribute to positioning Luxembourg as a reference country in the field of business and human rights, showing that national initiatives can play a leading role in advancing international standards.

APPENDIX

Qualitative & quantitative analysis of results

ANALYSIS REPORT, EDITION 2025

Luxembourg, September 2025

APPENDIX: Methodological Note

Methodological Note

The analysis of the 2025 Pact is grounded in 67 verification reports conducted by the three accredited verifiers. These reports draw on the submissions presented by signatory organizations in 2024, as well as the additional information and clarifications provided during the verification process.

In each case, verifiers engaged directly with the organizations, posing questions and seeking clarifications on the information contained in their reports. This dialogue allowed for the refinement, completion, and contextualization of the available data, ensuring a rigorous and accurate assessment of each signatory's practices.

Methodological Approach

The methodology combined qualitative and quantitative dimensions to capture both the maturity of signatories' practices and their progress over time:

- **Qualitative assessment:** Each report was reviewed for clarity, coherence, and relevance. The analysis focused on the extent to which signatories demonstrated alignment with the UNGPs, the robustness of their governance structures, and the depth of their human rights due diligence processes. Particular attention was given to how commitments are translated into concrete policies and practices, as well as to the integration of stakeholder perspectives.
- **Quantitative aggregation:** Data from the reports were consolidated to generate comparable indicators. Percentages were calculated for key dimensions such as the existence of public commitments, the designation of human rights coordinators, the establishment of grievance mechanisms, and the adoption of structured risk analyses. These indicators provide a measurable picture of overall progress and enable year-on-year comparisons.
- **Comparative analysis:** The 2025 results were systematically compared with those of 2024, highlighting positive trends, areas where practices have matured, and dimensions where further progress remains necessary.

Results and Interpretation

The conclusions of the analysis are presented in a way that underscores both achievements and areas for improvement. Three categories of results were developed:

KEY FINDINGS

Concise messages supported by data, highlighting the most significant advances and challenges among signatories.

AREAS FOR PROGRESS

Key areas identified across reports to further strengthen alignment with the UNGPs.

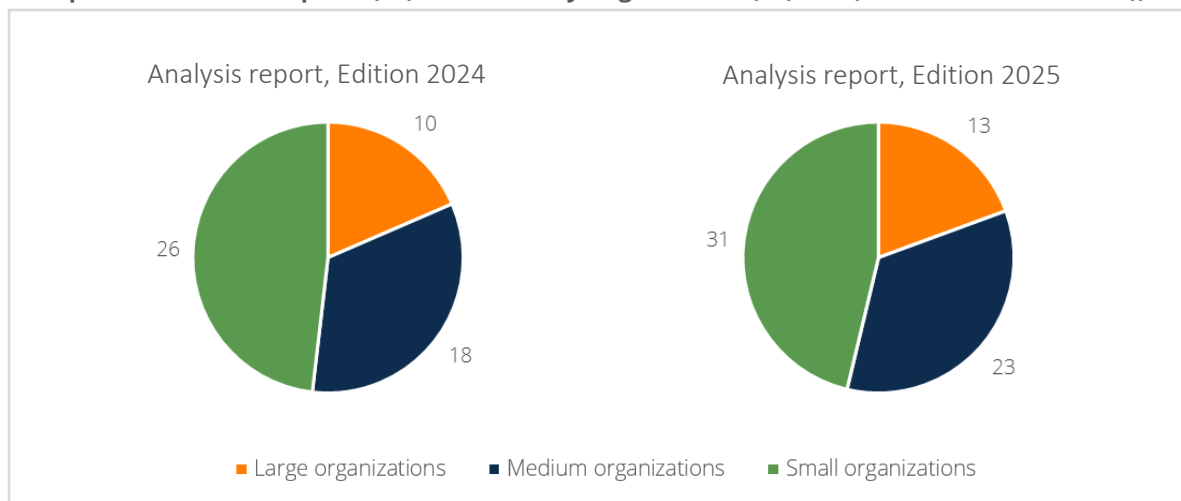
EXPECTATIONS AND SUPPORTING MATERIALS

Insights into what signatories expect from future editions of the Pact and suggestions of practical tools to support them.

To facilitate understanding, visual tools such as radar diagrams, charts, and maturity indicators were used to provide a clear and accessible overview of the results.

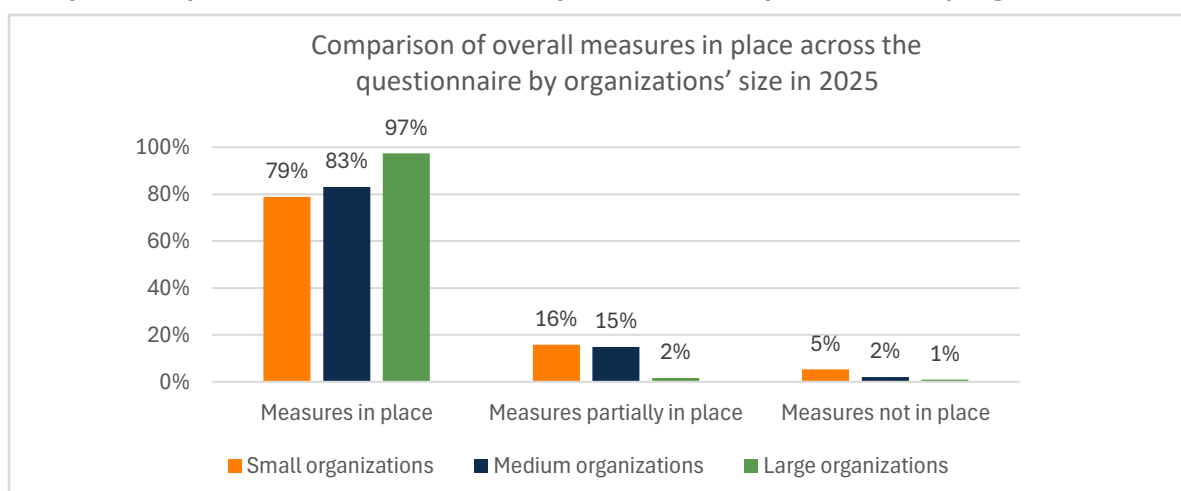
APPENDIX: Quantitative analysis of results

Graph 1 : Number of reports (67) submitted by organization (78) size (Editions 2024 and 2025))



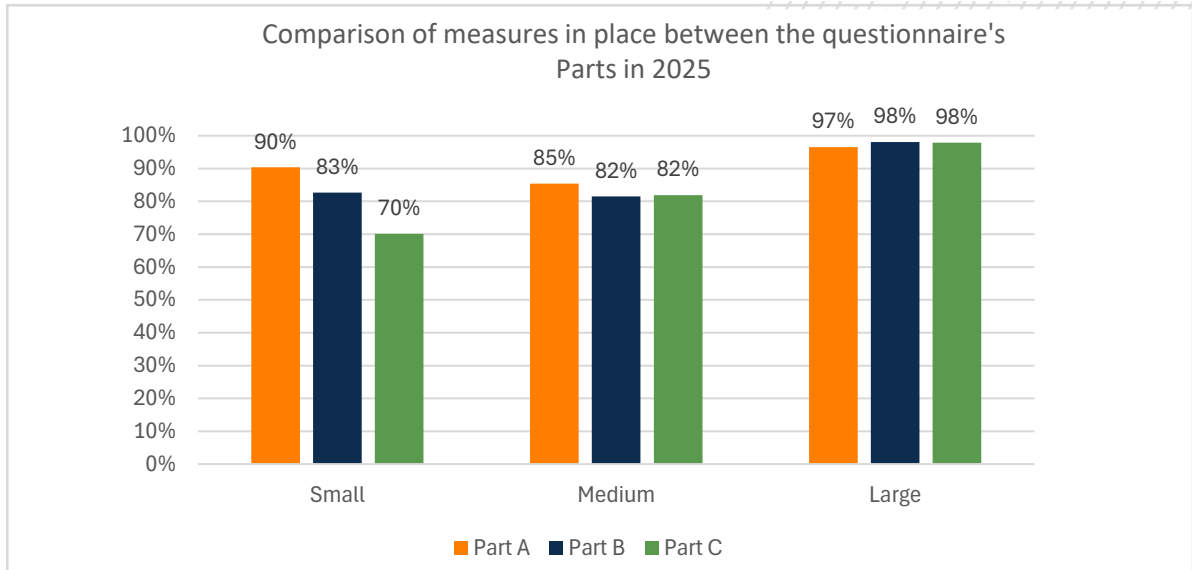
The number of reports submitted increased between the 2024 and 2025 editions, covering a growing set of organizations. In 2025, 13 reports were submitted by large organizations, compared to 10 in 2024. Reports from medium-sized organizations grew from 18 to 23, while those from small organizations increased from 26 to 31. This progression confirms a steady rise in participation across all size categories, with small organizations continuing to account for the largest share of reports submitted.

Graph 2: Comparison of overall measures in place across the questionnaire by organizations' size



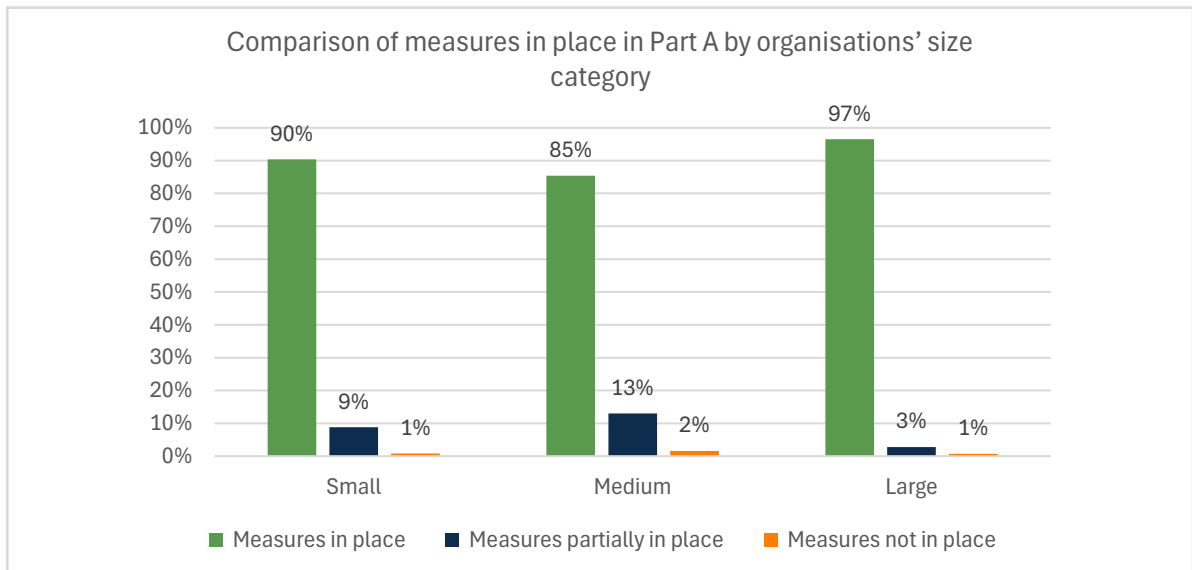
The comparison by organization size shows that progress is consistent across all categories. **More than 90% of large organizations have measures in place**, making them the strongest performers overall. Small and medium organizations also perform well, with **more than 70% reporting measures in place**. The share of measures only partially in place remains below 20% across all sizes, and those with no measures in place are negligible.

Graph 3 : Comparison of measures in place across Parts A, B, and C of the Pact's questionnaire



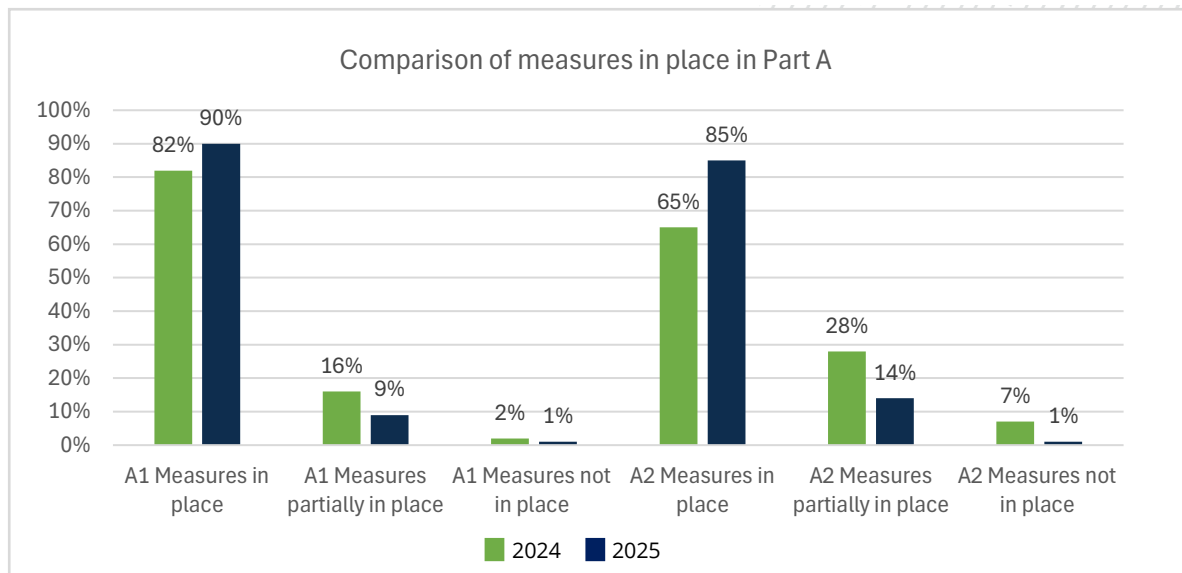
When comparing Parts A, B, and C across organization sizes, a clear pattern emerges. **Large organizations consistently achieve near-full implementation across all three Parts, with measures in place above 95%. Medium organizations also perform strongly, with more than 80% in place in each Part, showing balanced progress across commitments, integration, and remedies. Small organizations display the widest variation: while more than 85% have measures in place in Part A, the share drops to around 70% in Part C, suggesting greater challenges in impact evaluation and remedy mechanisms.**

Graph 4 : Comparison of measures in place in Part A by organisations' size category



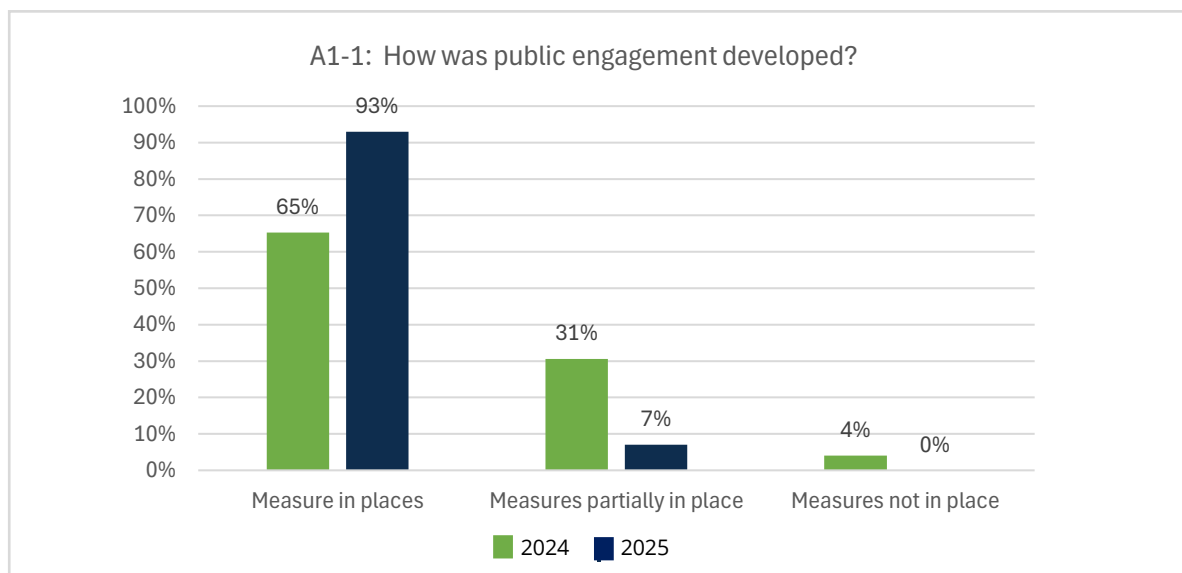
Results in Part A are strong across all organization sizes. **Large organizations lead, with more than 95% having measures in place, while small and medium organizations also perform well, both above 80%. The share of measures partially in place remains low (below 15%), and those with no measures in place are almost negligible.**

Graph 5 : Comparison of measures in place within Part A



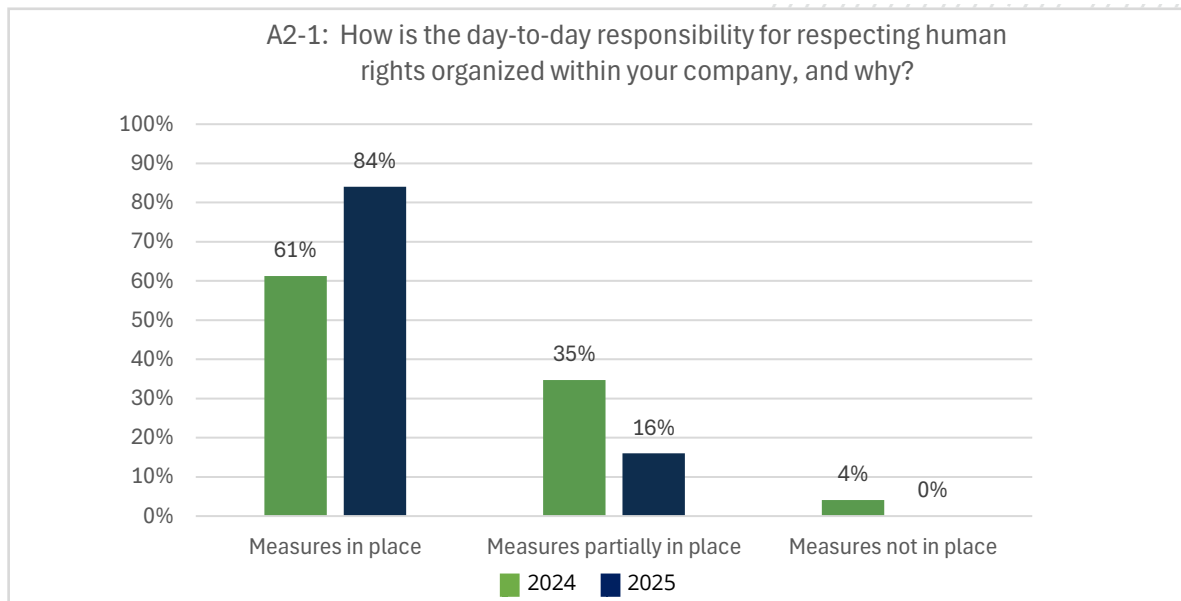
Part A results highlight strong consolidation of commitments between 2024 and 2025. For **A1 (public commitment to Human Rights)**, **more than 85% of organizations now have measures in place**, compared to 82% in 2024, while those with only partial measures fell to **less than 10%**. For **A2 (integration of Human Rights into responsibilities)**, progress is also clear: **more than 80% report measures in place**, up from about two-thirds in 2024. The share with partial measures decreased to **around 15%**, and those with no measures in place have become negligible.

Graph 6 : Question A1-1 How was public engagement developed?



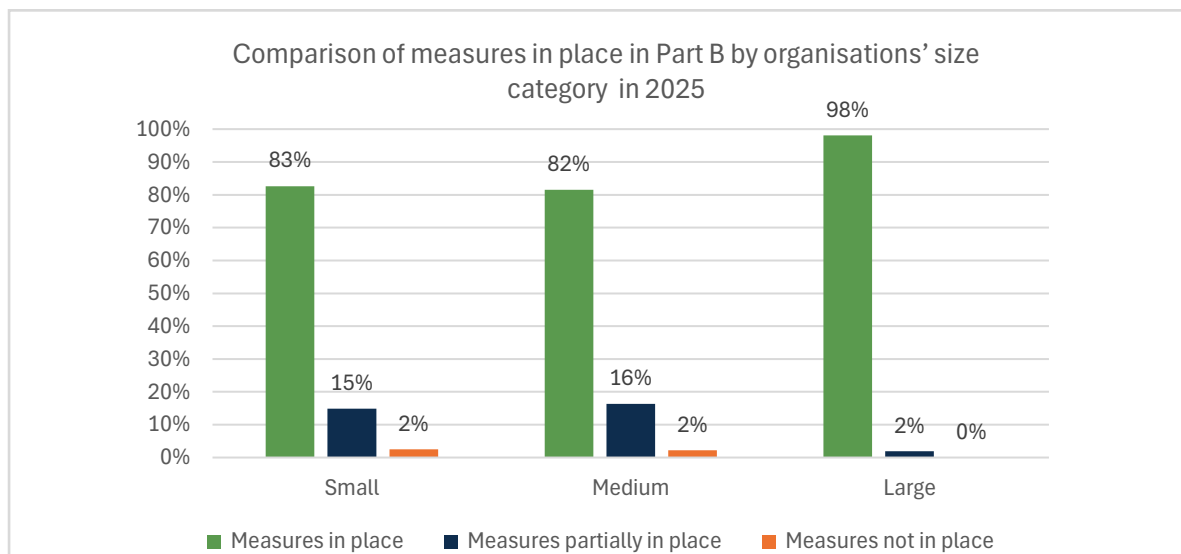
The 2025 results show a marked improvement in public engagement. **93% of organizations now have a measure fully in place**, compared to **65% in 2024**. Meanwhile, the share with **measures only partially in place fell from 31% to 7%**, and those with **no measure in place were almost eliminated**. This confirms strong progress toward making public engagement a consistent and institutionalized practice.

Graph 7 : Question A2-1 How is the day-to-day responsibility for respecting Human Rights organized within your company, and why?



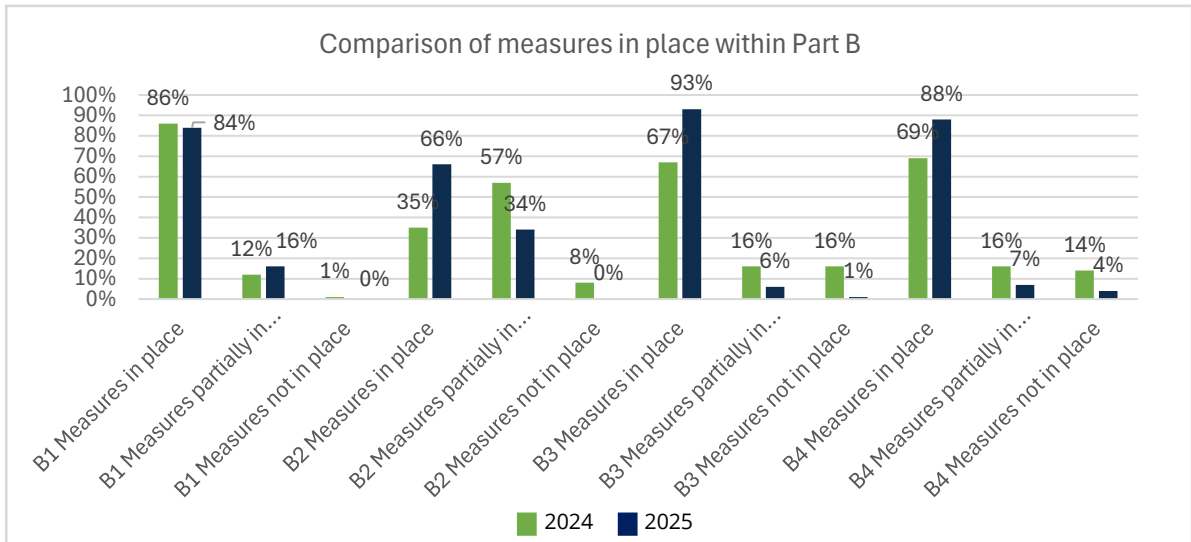
The 2025 results show clear progress in assigning responsibility for human rights. **84% of organizations now have measures in place**, up from **61% in 2024**. The share with **measures only partially in place decreased from 35% to 16%**, while those with **no measure in place remain negligible**. This indicates stronger integration of human rights responsibilities into day-to-day company structures.

Graph 8 : Comparison of measures in place in Part B by organisations' size category



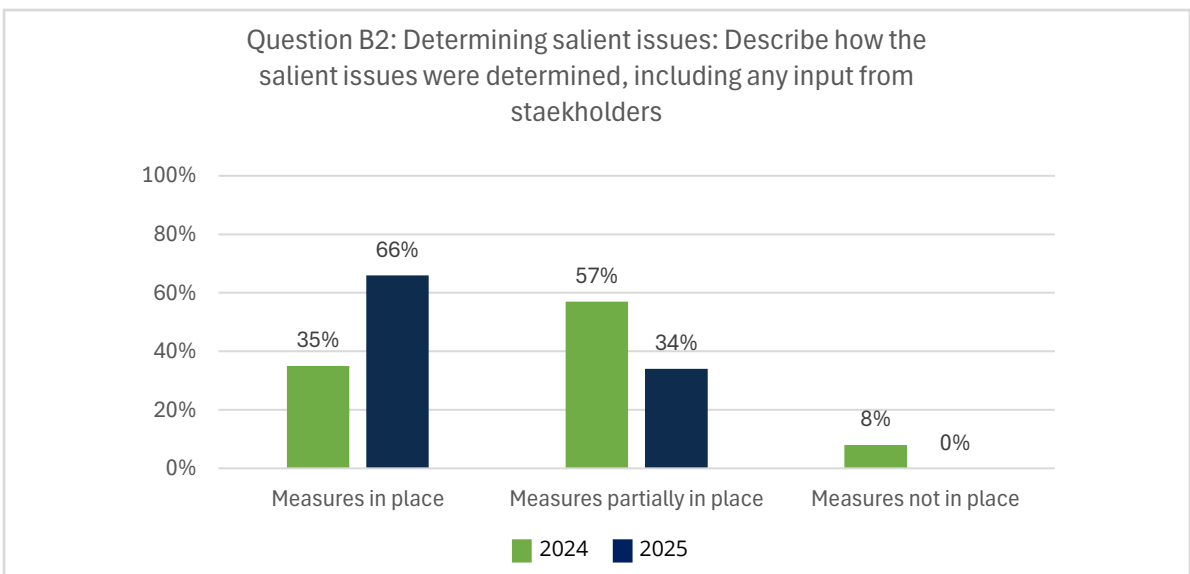
In Part B, implementation levels are consistently high across organization sizes. **Large organizations show the strongest results, with more than 90% having measures in place**, while **small and medium organizations also score well, both above 80%**. The proportion of **measures partially in place is below 20% for small and medium organizations and negligible for large ones**, while those with **no measures in place are almost absent across all categories**.

Graph 9 : Comparison of measures in place within Part B



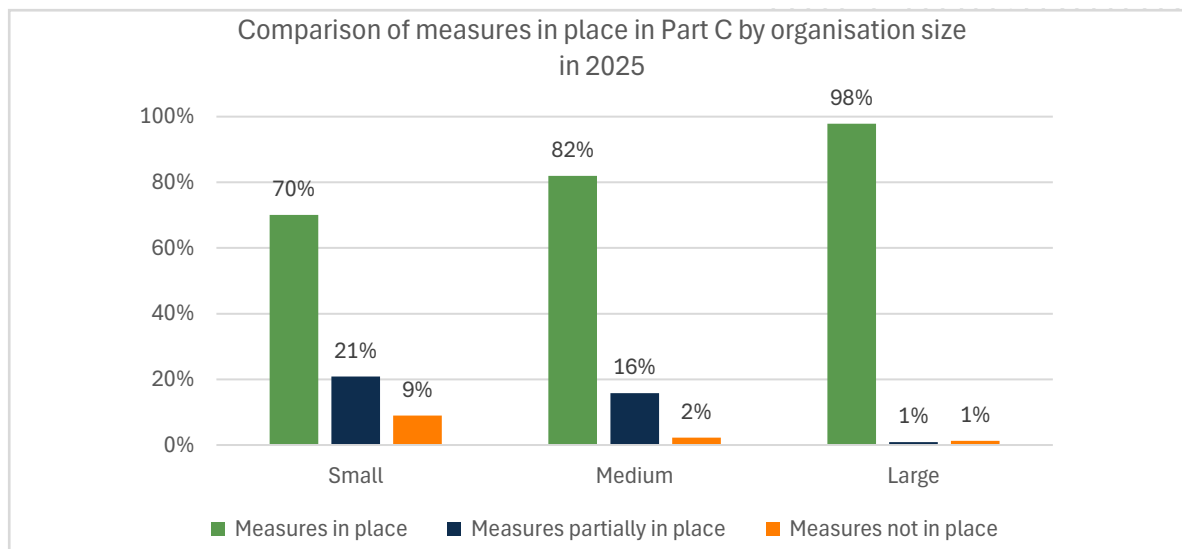
Across Part B, the 2025 results show stronger alignment in all dimensions. For **B1 (integration of human rights)**, more than 80% of organizations have measures in place, with only a small share partially in place or absent. In **B2 (determining salient issues)**, there is progress from less than 40% in 2024 to more than 65% in 2025 with measures in place. For **B3 (geographic prioritization)**, implementation improved significantly, with more than 90% now fully in place, compared to 67% in 2024. Finally, **B4 (addressing severe incidents)** shows the strongest growth, with close to 90% of organizations reporting measures in place, and very few remaining without any measure.

Graph 10 : Question B2: Determining salient issues: Describe how the salient issues were determined, including any input from stakeholders



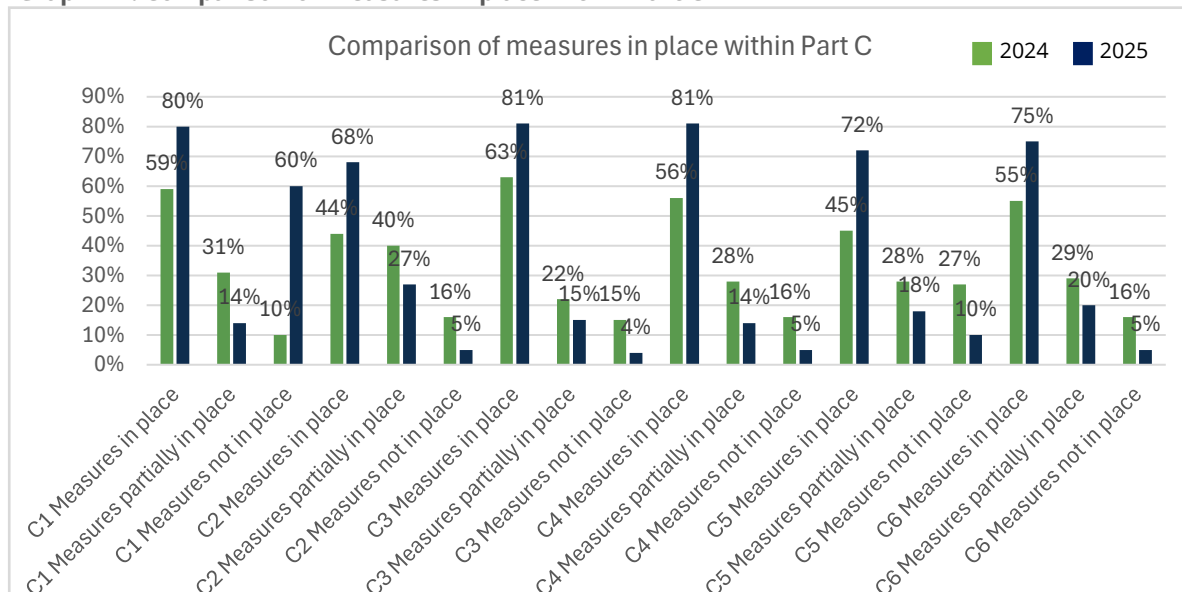
Progress is evident in the determination of salient issues. In 2025, more than 65% of organizations have measures in place, compared to less than 40% in 2024. The share with measures partially in place decreased from more than 55% to around 35%, while those with no measure in place fell to below 10%. This indicates that companies are increasingly using structured processes, often informed by stakeholder input, to identify salient issues.

Graph 11 : Comparison of measures in place in Part C by organisation size



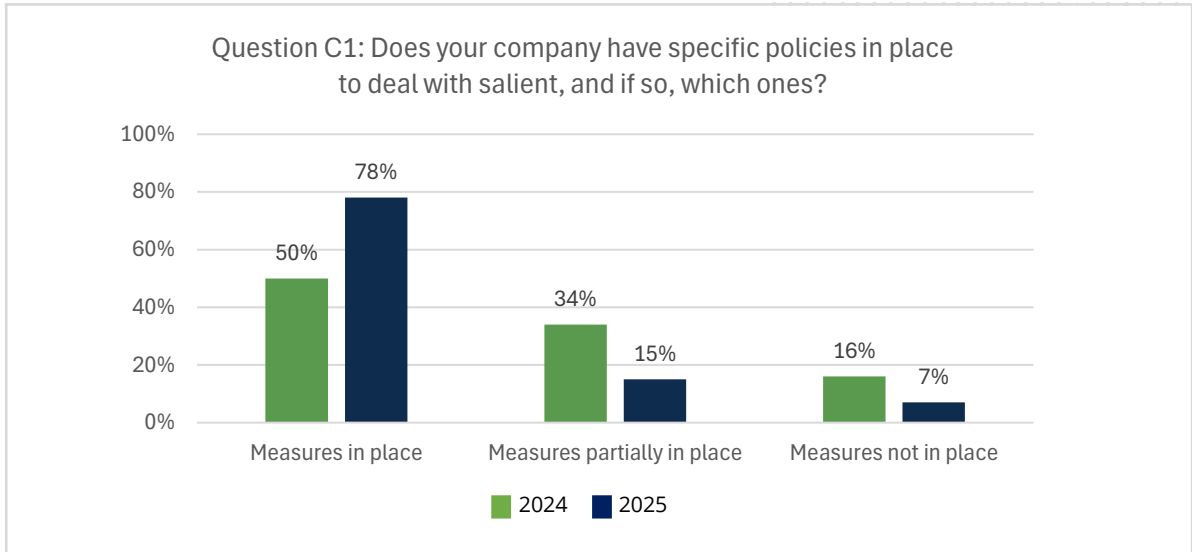
For Part C, results reveal strong progress across all organization sizes, though with some variation. **Large organizations lead, with more than 90% having measures in place**, and only a negligible share with partial or no measures. **Medium organizations also perform strongly, with around 80% in place and less than 15% partially in place**. **Small organizations show slightly lower results, with around 70% in place**, while **more than 20% remain only partially in place** and a small share with no measures at all.

Graph 12 : Comparison of measures in place within Part C



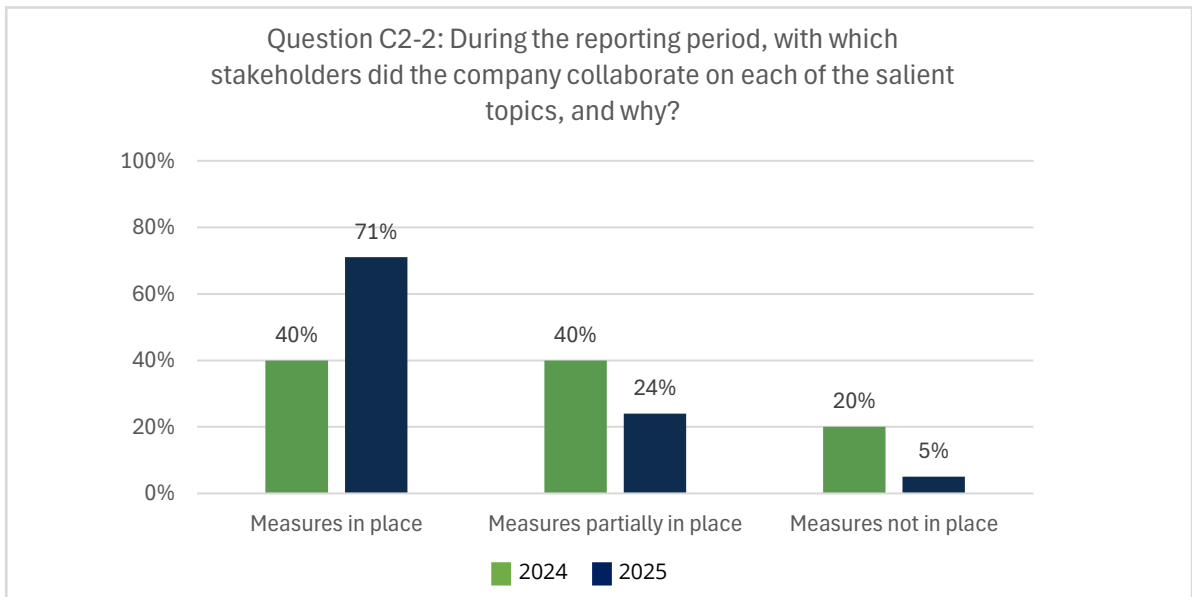
Part C results show steady progress across all dimensions, from policy adoption to remedies. For **C1 (specific policies on salient issues)**, more than 70% of organizations now have measures in place, compared to less than 50% in 2024. In **C2 (impact evaluation)** and **C3 (reporting of trends and patterns)**, the share with measures in place rose to around 70–80%, while partial measures decreased significantly. **C4 (integration across departments)** also improved, with more than 80% reporting measures in place, up from about two-thirds in 2024. Finally, in **C5 (evaluating effectiveness)** and **C6 (remedy mechanisms)**, the shift is particularly striking: in 2025, more than 70% have measures in place, while those with no measures in place dropped to below 10%.

Graph 13 : Question C1 Does your company have specific policies in place to deal with salient issues, and if so, which ones?



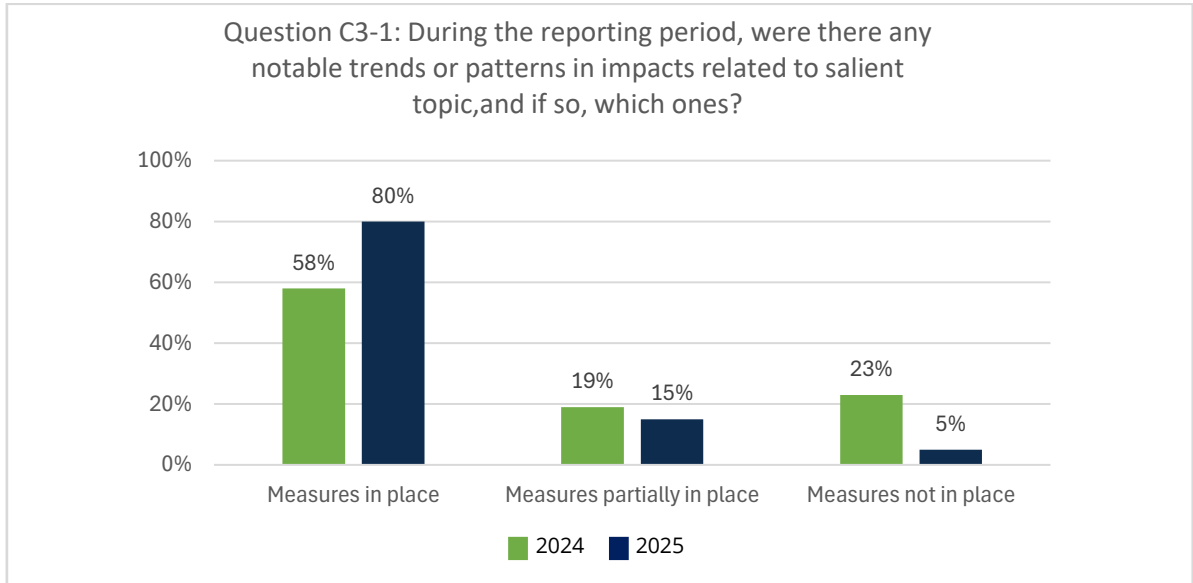
Progress is also visible in the adoption of specific policies addressing salient human rights issues. **78% of organizations now report having measures in place**, compared to **50% in 2024**. The share with **measures partially in place declined from 34% to 15%**, while **those with no measure in place fell from 16% to 7%**. This trend shows that a growing majority of signatories are formalizing their commitments through dedicated policies.

Graph 14 : Question C2-2 During the reporting period, with which stakeholders did the company collaborate on each of the salient issues, and why?



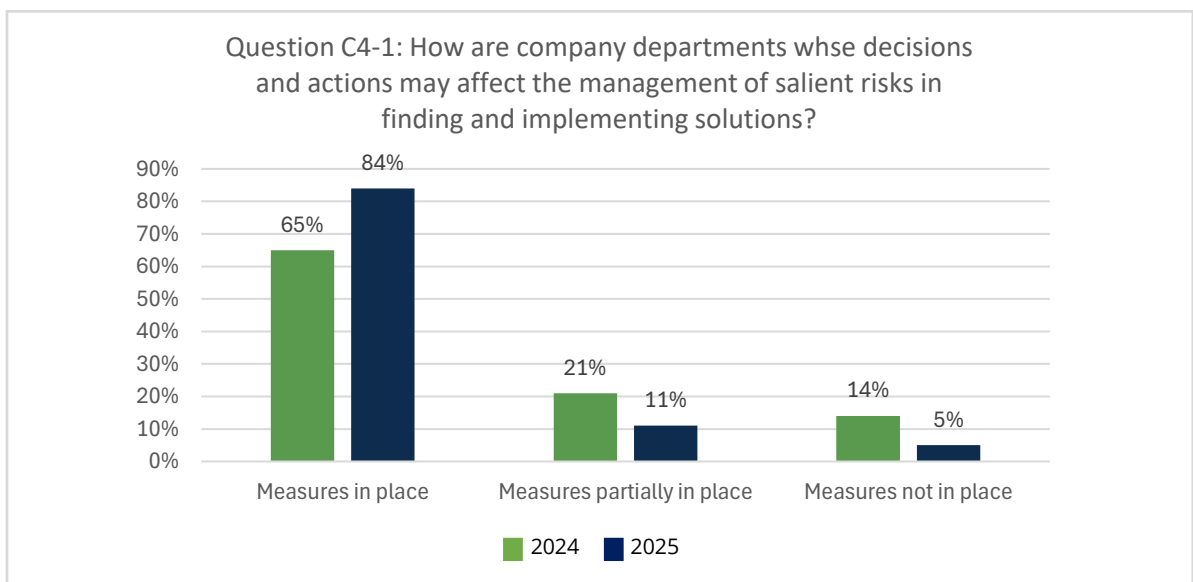
Collaboration with stakeholders has advanced significantly between 2024 and 2025. **More than 70% of organizations now have measures in place**, compared to **40% in 2024**. The proportion with **measures only partially in place fell from 40% to less than 25%**, and **those with no measures in place decreased sharply from 20% to just 5%**.

Graph 15 : Question C3-1 During the reporting period, were there any notable trends or patterns in impacts related to a salient topic, and if so, which ones?



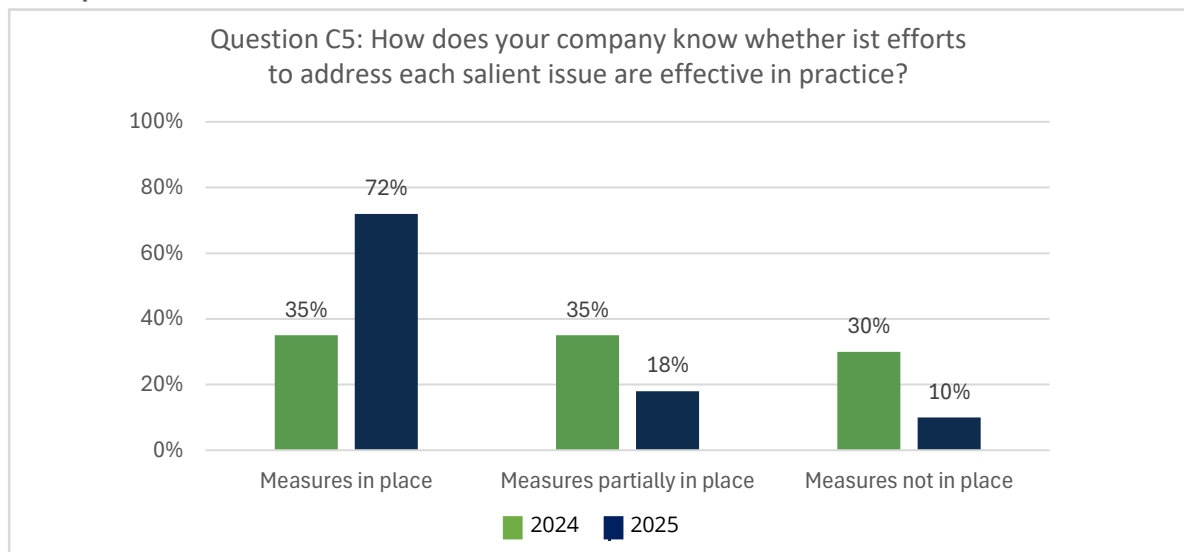
Reporting on human rights impacts has improved markedly. **80% of organizations now have measures in place**, compared to **58% in 2024**. The share with **measures partially in place** decreased slightly, from **19% to 15%**, while those with **no measures in place** dropped significantly from **23% to just 5%**.

Graph 16 : Question C3-1 During the reporting period, were there any notable trends or patterns in impacts related to a salient topic, and if so, which ones?



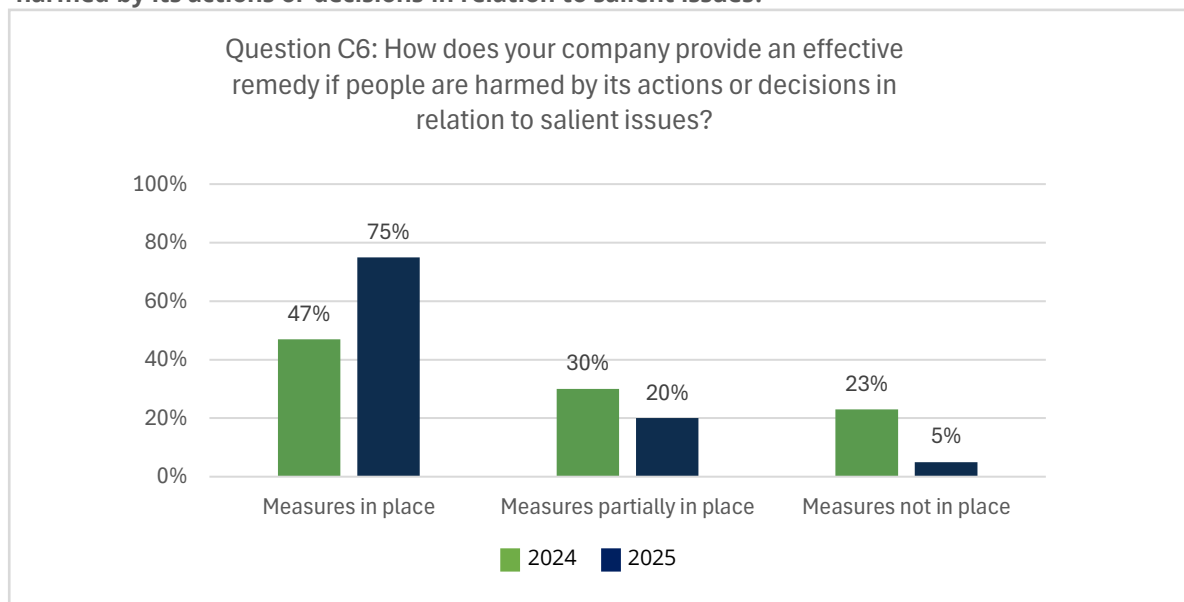
Integration of departments into the management of salient risks shows strong progress. **84% of organizations now have measures in place**, compared to **65% in 2024**. The proportion with **measures partially in place** decreased from **21% to 11%**, and those with **no measure in place** fell from **14% to 5%**.

Graph 17 : Question C3-1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue, and if so, which ones?



Assessment of effectiveness has advanced significantly. In 2025, **more than 70% of organizations report having measures in place**, compared to **35% in 2024**. The share with **measures partially in place declined to less than 20%**, while **those with no measure in place decreased from 30% to 10%**. This shows a marked shift from partial or absent practices toward systematic evaluation of human rights measures in practice.

Graph 18 : Question C6: How does your company provide an effective remedy if people are harmed by its actions or decisions in relation to salient issues?



The results show clear improvement in providing effective remedies. In 2025, **more than 70% of organizations have measures in place**, compared to **less than 50% in 2024**. The proportion with **measures partially in place decreased to 20%**, while **those with no measure in place dropped to less than 10%**.

ABOUT FORETHIX

Forethix is a leading Luxembourg-based ESG consultancy specializing in sustainable development, corporate social responsibility (CSR) and business ethics.

Forethix helps companies navigate the complexities of integrating environmental, social and governance (ESG) factors into their strategies, ensuring that these principles are deeply embedded at all levels of the organization. Their services include strategic consulting, risk management and the development of customized frameworks that promote transparency, accountability and ethical leadership.



contact@forethix.com



+352 28 55 85 - 1



Forethix