

National Pact Business and Human Rights

18 April 2024

HOUSE OF 
SUSTAINABILITY

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CHAMBER
OF COMMERCE
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POWERING BUSINESS

Sabrina Kohn | Sustainability Advisor | House of Sustainability



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Sustainability Advisor

House of Sustainability | Chambre de Commerce

House of Sustainability

Companies

Big, medium and small companies of different sectors of activity

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Facilitating the sustainable transition of companies

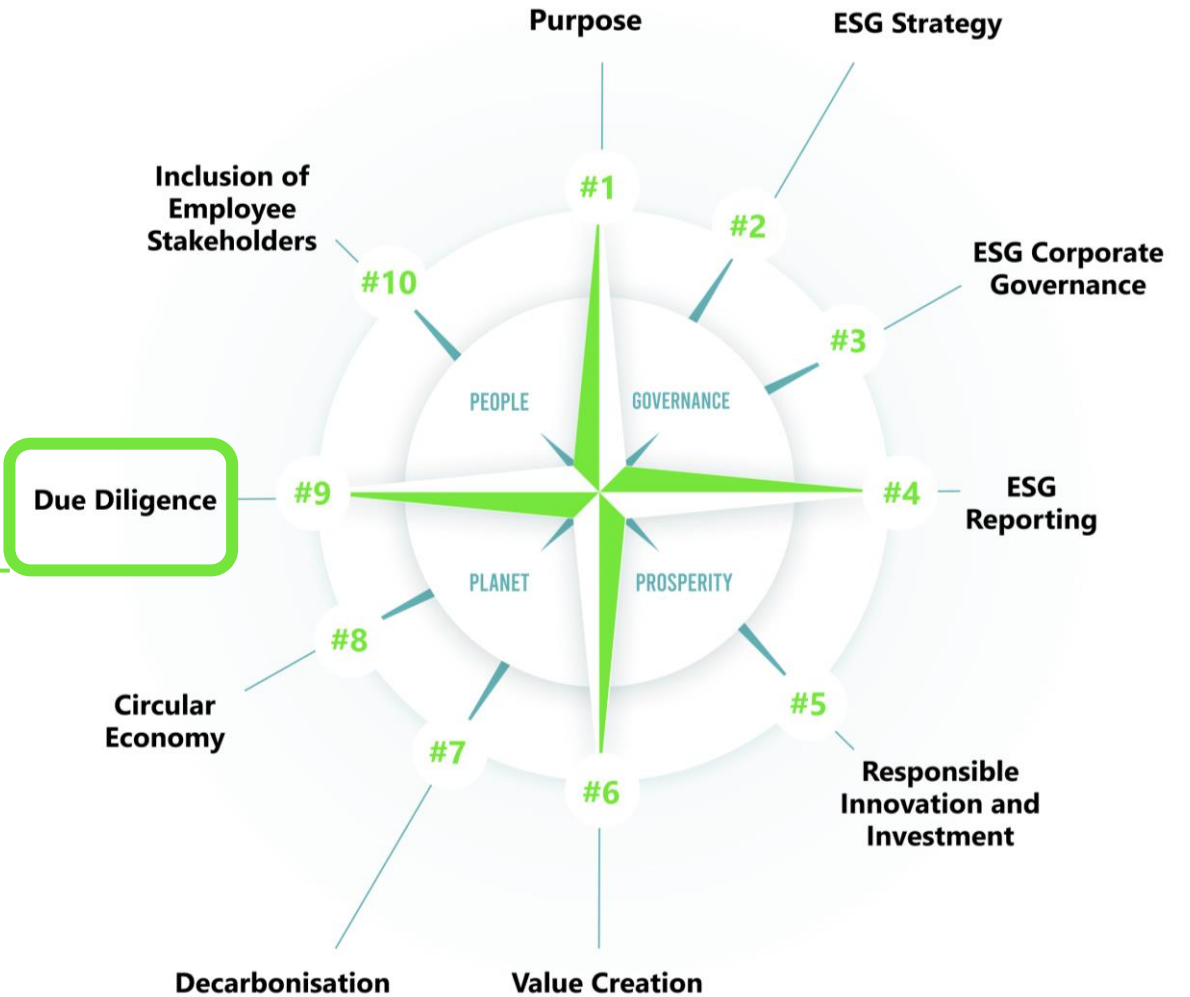
Ecosystem



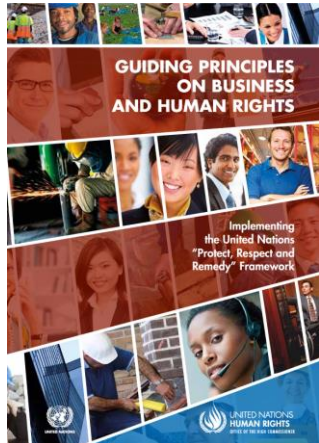
Luxembourg Sustainable Business Principles

Our common goal to put sustainability at the heart of corporate strategy in Luxembourg

Principle #9
Perform due diligence on human rights and environmental impacts throughout the value chain of the company



International Context «Business and Human Rights»

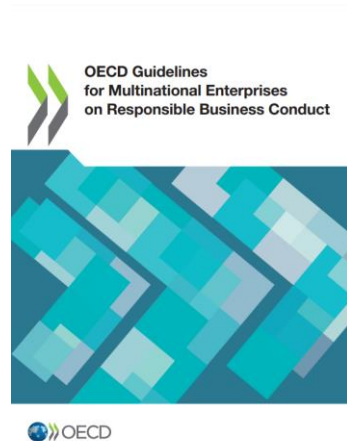


**United Nations
Guiding
Principles on
Business and
Human Rights**
2011

The State's **duty** to protect human rights (1-10)

Corporate responsibility to **respect** human rights (11-24)

Access to **remedies** (25-31)



**OECD Guidelines
for Multinational
Enterprises on
Responsible
Business Conduct**
2023

Government recommendations addressed to multinational companies aim at enhancing their contributions to sustainable development and mitigating the negative impacts of their activities on individuals, the planet, and society



**Rules of the
Game of the
International
Labour
Organization**
2019

Global system of labour and social policy instruments

List of instruments by subject and status

European Context «Business and Human Rights»

National Laws

National Laws

2015 : UK Modern Slavery Act

2017 : Loi française sur le devoir de vigilance

2021 : Deutsches Lieferkettensorgfaltspflichtengesetz

...

Proposal for a European directive
« Corporate Sustainability Due
Diligence »



National Context «Business and Human Rights»

Multi-stakeholder working group "Business and Human Rights", managed by the Ministry of Foreign and European Affairs

1st National Plan

2018 - 2019

2nd National Plan

1. Communication and awareness-raising
2. Training
3. Policy coherence
4. Legislative initiatives
5. International relations
6. Appeal procedure

2020 - 2022

Launch of the National «Business and Human Rights» Pact

2021

National «Business and Human Rights» Pact



Initiative jointly launched in July 2021 by the **Ministry of Foreign and European Affairs** (MFEA), the Union of Luxembourg Enterprises (UEL) and the National Institute for Sustainable Development and Corporate Social Responsibility (INDR).



Since September 2023, jointly managed between the MFEA and the **House of Sustainability**



The National Pact is an act of **voluntary commitment** by which a company declares its determination to apply the **United Nations Guiding Principles** in its organisation and value chain

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Assistance by the House of Sustainability

PACTE NATIONAL
ENTREPRISES ET
DROITS DE L'HOMME
LUXEMBOURG



National «Business and Human Rights» Pact



72

Signatories in the community

National «Business and Human Rights» Pact

By subscribing to the Pact, the company undertakes to :

- **Raising awareness** among their staff and stakeholders of the need to protect HR within companies,
- **Appoint a person responsible for HR** within the organisation,
- **Training the employees** concerned in corporate and HR matters,
- **Develop governance tools** to identify risks and prevent HR breaches,
- **Implement** one or more **remedies** to remedy reported breaches of HR, and
- **Publish an annual report** on the implemented measures.

LUEMBOURG | **PACTE NATIONAL ENTREPRISES ET DROITS DE L'HOMME**

Considérant

- les Plans d'action nationaux du Luxembourg pour la mise en œuvre des Principes directeurs des Nations Unies relatifs aux entreprises et aux droits de l'homme (PAN 2018-19 et PAN 2020-2022), y compris les propositions respectives exprimées par les parties prenantes,
- la Recommandation CM/Rec(2016) sur les droits de l'homme et les entreprises du Conseil de l'Europe, la Déclaration de principe tripartite sur les entreprises multinationales et la politique sociale de l'Organisation internationale du travail (OIT),
- l'Agenda 2030 et les 17 Objectifs de développement durable des Nations Unies, la loi du 23 juillet 2016 concernant la publication d'informations non financières et d'informations relatives à la diversité par certaines grandes entreprises et certains groupes, les Principes relatifs aux droits des enfants et aux entreprises de l'UNICEF,
- les Principes directeurs de l'OCDE à l'intention des entreprises multinationales,
- la recommandation de l'Union des Entreprises Luxembourgeoises (UEL) et de la House of Sustainability aux entreprises de s'engager aux termes du présent Pacte national « Entreprises et droits de l'homme ».

L'entreprise _____
représentée par _____


déclare sa volonté et sa détermination de faire appliquer les Principes directeurs des Nations Unies relatifs aux entreprises et aux droits de l'homme, dans son organisation et dans sa chaîne de valeur économique, et elle s'engage à :


- **sensibiliser son personnel**, à tous les niveaux de sa structure de gouvernance interne, et ses parties prenantes à la protection des droits de l'homme en entreprise,
- **nommer un(e) responsable des droits de l'homme** dans son organisation, doté(e) de l'autorité, des compétences et des moyens nécessaires à l'exécution de ses fonctions,
- **former les salariés** concernés en matière d'entreprises et de droits de l'homme,
- **développer des instruments de gouvernance** permettant d'identifier les risques et de prévenir les violations de droits de l'homme, notamment en prenant appui sur les principes directeurs,
- **veiller à mettre en place une ou plusieurs voies de recours** pour traiter les cas signalés de violation de droits de l'homme, à en informer les personnes concernées et à collaborer avec les instances publiques compétentes,
- **publier tous les ans, sur le site internet dédié**, un rapport sur les mesures mises en œuvre, à communiquer ce rapport aux parties prenantes et à le soumettre à l'évaluation qualitative et quantitative du Groupe de travail « Entreprises et droits de l'homme » dûment appuyé par une expertise externe.

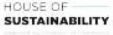
Luxembourg, le _____

Monsieur Jean Olinger
Secrétaire général
Ministère des Affaires étrangères et européennes

Signature du dirigeant d'entreprise

 LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère des Affaires étrangères
et européennes

 CHAMBER
OF
COMMERCE
LUXEMBOURG
POWERING BUSINESS

 HOUSE OF
SUSTAINABILITY
L'ambition des générations

Publication of an annual report based on the UN Guiding Principles Reporting Framework

THE UN GUIDING PRINCIPLES
REPORTING FRAMEWORK

PART A: GOVERNANCE OF RESPECT FOR HUMAN RIGHTS

POLICY COMMITMENT

A1 What does the company say publicly about its commitment to respect human rights?

A1.1 How has the public commitment been developed?
A1.2 Whose human rights does the public commitment address?
A1.3 How is the public commitment disseminated?

EMBEDDING RESPECT FOR HUMAN RIGHTS

A2 How does the company demonstrate the importance it attaches to the implementation of its human rights commitment?

A2.1 How is day-to-day responsibility for human rights performance organized within the company, and why?
A2.2 What kinds of human rights issues are discussed by senior management and by the Board, and why?
A2.3 How are employees and contract workers made aware of the ways in which respect for human rights should inform their decisions and actions?
A2.4 How does the company make clear in its business relationships the importance it places on respect for human rights?
A2.5 What lessons has the company learned during the reporting period about achieving respect for human rights, and what has changed as a result?

PART B: DEFINING THE FOCUS OF REPORTING

B1 **Statement of salient issues:** State the salient human rights issues associated with the company's activities and business relationships during the reporting period.

B2 **Determination of salient issues:** Describe how the salient human rights issues were determined, including any input from stakeholders.

B3 **Choice of focal geographies:** If reporting on the salient human rights issues focuses on particular geographies, explain how that choice was made.

B4 **Additional severe impacts:** Identify any severe impacts on human rights that occurred or were still being addressed during the reporting period, but which fall outside of the salient human rights issues, and explain how they have been addressed.

PART C: MANAGEMENT OF SALIENT HUMAN RIGHTS ISSUES

SPECIFIC POLICIES

C1 Does the company have any specific policies that address its salient human rights issues and, if so, what are they?

C1.1 How does the company make clear the relevance and significance of such policies to those who need to implement them?

STAKEHOLDER ENGAGEMENT

C2 What is the company's approach to engagement with stakeholders in relation to each salient human rights issue?

C2.1 How does the company identify which stakeholders to engage with in relation to each salient issue, and when and how to do so?
C2.2 During the reporting period, which stakeholders has the company engaged with regarding each salient issue, and why?
C2.3 During the reporting period, how have the views of stakeholders influenced the company's understanding of each salient issue and/or its approach to addressing it?

ASSESSING IMPACTS

C3 How does the company identify any changes in the nature of each salient human rights issue over time?

C3.1 During the reporting period, were there any notable trends or patterns in impacts related to a salient issue and, if so, what were they?
C3.2 During the reporting period, did any severe impacts occur that were related to a salient issue and, if so, what were they?

INTEGRATING FINDINGS AND TAKING ACTION

C4 How does the company integrate its findings about each salient human rights issue into its decision-making processes and actions?

C4.1 How are those parts of the company whose decisions and actions can affect the management of salient issues, involved in finding and implementing solutions?
C4.2 When tensions arise between the prevention or mitigation of impacts related to a salient issue and other business objectives, how are these tensions addressed?
C4.3 During the reporting period, what action has the company taken to prevent or mitigate potential impacts related to each salient issue?

TRACKING PERFORMANCE

C5 How does the company know if its efforts to address each salient human rights issue are effective in practice?

C5.1 What specific examples from the reporting period illustrate whether each salient issue is being managed effectively?

REMEDIATION

C6 How does the company enable effective remedy if people are harmed by its actions or decisions in relation to a salient human rights issue?

C6.1 Through what means can the company receive complaints or concerns related to each salient issue?
C6.2 How does the company know if people feel able and empowered to raise complaints or concerns?
C6.3 How does the company process complaints and assess the effectiveness of outcomes?
C6.4 During the reporting period, what were the trends and patterns in complaints or concerns and their outcomes regarding each salient issue, and what lessons has the company learned?
C6.5 During the reporting period, did the company provide or enable remedy for any actual impacts related to a salient issue and, if so, what are typical or significant examples?

Training catalogue 2024 – House of Training

Sustainable Finance and Human Rights | ABBL | 26.04.2024, 8h30 – 12h30

Business and Human Rights – Fundamentals | FR : 05.07.2024, 8h30 -12h30 | 13.09.2024, 13h30 -17h30
(English on demand)

Business and Human Rights – Risk Mapping | FR : 09.07.2024, 8h30 - 12h30 | 27.09.2024, 13h30-17h30
(English on demand)

Protection des lanceurs d’alerte | FR : 22.10.2024
Luxembourg Whistleblowing Framework | on demand

Chaîne de valeur responsable - Comment exercer une diligence raisonnable en matière de droits de l'Homme et d'incidences sur l'environnement – LSMS || FR | 7.11.2024

Why join the Pact ?



Why incorporate human rights due diligence ?

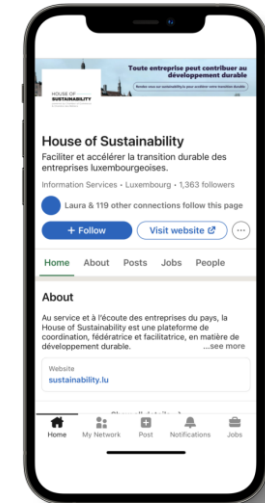
- Better risk management
- Better understanding and transparency of the value chain
- Improved governance
- Prepared to meet obligations arising from the future European directive

Why join the Pact ?

- Regular meetings with the signatory community
- Sharing best practice and expertise
- Visibility as a signatory
- Training in due diligence
- Confidential recommendations by an external expert on the annual report

Thank you for your attention.

Contact us : pacte@cc.lu



Start your voluntary approach and become one of the more than 70 signatories !

Go to www.sustainability.lu and subscribe to our **monthly Newsflash**

Join us on LinkedIn : **House of Sustainability**



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**Every company can contribute to sustainable
development.**

We are here to support you.