



18 December 2024

FOLLOW-UP STATEMENT

WORKERS SUPPORT TEAM AND KOREAN TRANSNATIONAL CORPORATIONS WATCH

VS.

TOTALENERGIES E&P NORGE AS, EQUINOR ASA, TECHNIP ENERGIES N.V.

Note: The conclusions and recommendations in the Final Statement of 22 February 2023 were based on the OECD Guidelines' version 2011. In the conclusion of this follow-up the NCP has taken into account the updated Guidelines, which were adopted 8 June 2023.

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1 INTRODUCTION

On 22 February 2023, the Norwegian National Contact Point (NCP) issued a Final Statement regarding a complaint submitted by Workers Support Team and Korean Transnational Corporations Watch (KTNC Watch), collectively the “Complainants”, against TotalEnergies E&P Norge AS (“TEPN”), Equinor ASA and Technip Energies N.V., collectively the “Respondents”, for alleged non-compliance with the OECD Guidelines for Multinational Enterprises (2011). The Final Statement included recommendations to the respondents. In accordance with the [NCP’s Procedural guidelines for handling specific instances](#), the parties were invited to follow-up meetings one year after the Final Statement was made public to examine implementation of the recommendations from the NCP. In accordance with the OECD Guidelines, the following statement from the NCP assesses the case based on the findings from the follow-up meetings.

The specific instance concerns a crane accident in the Republic of Korea at Samsung Heavy Industries’ (Samsung HI) Geoje Shipyard on 1 May 2017, during the construction of an oil platform module for the Martin Linge project on the Norwegian continental shelf. Six workers died and 25 workers were injured. Furthermore, the complainants asserted that at least 150 workers were traumatised by witnessing the accident and needed treatment.

Samsung HI was also part of the initial complaint, but the issues concerning Samsung HI were unfortunately decided by the Korean NCP to be handled by them. The Korean NCP issued a [Final Statement](#) 26 October 2022. Hence, the Norwegian NCP only dealt with the complaints against the remaining three corporations.

The Complainants alleged that the Respondents had failed to observe the OECD Guidelines with reference to Chapter II (General Policies), paragraphs A10 and A11, Chapter IV (Human Rights), paragraphs 1, 2, 5 and 6, and Chapter III (Disclosure), paragraph 1-3.

The Complainants argued that the Respondents did not conduct proper due diligence to identify and mitigate the risk of a crane collision. On this basis, the Complainants argued that TEPN and Technip Energies caused the accident and that Equinor contributed to the accident and that the Respondents should provide for or cooperate in remediation with respect to the traumatised workers and in improving safety at shipyards. The Complainants also asserted that the Respondents should disclose an investigation report produced by TotalEnergies, TEPN, Technip Energies and Samsung HI.

The Norwegian NCP found that the issues raised merited further examination and offered the parties dialogue and mediation in the [Initial Assessment](#) published 13 May 2020. The parties did not reach an agreement in the mediation process. The NCP proceeded to conduct an examination of the issues put forward in the complaint, in line with the NCP’s Procedural guidelines. The NCP concluded that TEPN, Equinor and Technip Energies did not cause or contribute to the accident but were directly linked to the accident by their business relationship with Samsung HI. Samsung

HI caused the accident and, with respect to remedy for the victims of the accident, a recommendation by the Korean NCP to the company was to take necessary remedial measures if any victims not included in the examination by the Korean NCP were identified.

The Norwegian NCP issued three sets of recommendations to the Respondents in this specific instance related to the following three topics: due diligence and stakeholder engagement; leverage and remedy; and disclosure.

2 PROCEEDINGS

According to the OECD Guidelines, NCPs will carry out follow-up on agreements they facilitate or recommendations they make, where relevant. This is reflected in the NCP’s Procedural guidelines, which states that any follow-up measures should be implemented within a year after publication of the Final Statement.

About a year after the Final Statement, the NCP invited the parties to separate meetings to update the NCP on follow-up of the recommendations in its Final Statement. The meetings were held in the following order: TotalEnergies E&P Norge (TEPN) and TotalEnergies SE, Equinor, Workers Support Team and KTNC Watch, and Technip Energies.

Based on the parties’ accounts, the NCP drafted a Follow-Up Statement which was shared with the parties for comments. The finalized statement was made public on the NCP website.

Date / 2024	Action that occurred
February	Email from the NCP to the parties concerning follow-up of the recommendations in the Final Statement and that invitations to separate meetings with each party would follow
6 March	Meeting with TEPN and TotalEnergies SE
8 March	Meeting with Equinor
15 March	Meeting with Workers Support Team and KTNC Watch
3 April	Meeting with Technip Energies
16 April	Respondents confirm that Samsung HI has agreed to share extracts of the Investigation Report, and a context note with the Complainants, if the Complainants sign a Confidentiality Undertaking also signed by the Respondents and by Samsung HI. The NCP is requested to follow up with the Complainants.
1 May	Complainants return signed Confidentiality Undertaking with certain reservations, which is shared with the Respondents the next day.

8 May - 28 June	<p>Respondents reply that Samsung HI requires further details from Complainants in the Confidentiality Undertaking.</p> <p>Several emails between the Complainants, Respondents, Samsung HI and the NCP concerning Samsung HI's requirements, which the Complainants found unacceptable.</p>
28 June	<p>Email from the NCP to the Respondents concerning the disagreement between the Complainants and Samsung HI and that the situation seems to be locked. The NCP offers the Respondents a last opportunity to give comments on the way forward with deadline 15 August.</p>
14 August	<p>Email from the Respondents where they agree that it is time to halt the process and that the NCP proceeds with drafting the Follow-Up Statement.</p>
26 September	<p>Draft of Follow-Up Statement shared with the parties for comments</p>
18 December	<p>Follow-Up Statement finalized and published on the NCP website</p>

3 OUTCOMES OF THE FOLLOW-UP

In the Final Statement of 22 February 2023, the NCP issued three sets of recommendations:

1. Due diligence and stakeholder engagement

According to the OECD Due Diligence Guidance, meaningful stakeholder engagement, involving two-way communication, is a key component throughout the due diligence process. At shipyards, such as Geoje, and in the gas and oil sector in general, workers are central stakeholders. The NCP recommends the respondents to:

- a) include meaningful stakeholder engagement in their own policies and management systems and to include responsible business conduct and meaningful stakeholder engagement in contracts with suppliers and business relationships, as well as expectations that these conditions are passed on in the supply chain.
- b) establish early warning systems and/or operational-level grievance mechanisms, in accordance with the OECD Guidelines, through which workers, including those employed by subcontractors, can raise issues of concern anonymously and without fear of reprisals.
- c) consider a list of conditions that the complainants request the respondents to integrate in purchasing practices and contractual terms for ship and plant construction and view the suggested conditions as important inputs for engagement with workers.

2. Disclosure

In the spirit of the OECD Guidelines, which promote transparency as a general principle, the NCP recommends that the respondents follow up their good intentions in the mediation process and

share parts of the investigation report with the complainants, in a way that does not jeopardise trust in the industry's investigation of adverse impacts.

3. Leverage and remedy

Recalling that the Korean NCP recommends Samsung HI to take remedial measures for any additional victims not included in the course of the Korean NCP's examination and to devise a plan for remedial measures for any future industrial accidents, the Norwegian NCP recommends the respondents that are party to this specific instance to:

- a) use their leverage with Samsung HI, to the extent possible on their own or in collaboration with others, to deliver on the [recommendations of the Korean NCP](#)
- b) encourage Samsung HI to involve the complainants in this process.

The NCP recommends that the respondents use their leverage with Samsung HI, to the extent possible on their own or through sector-wide initiatives, such as International Association of Oil and Gas Producers (IOGP), to encourage Samsung HI to seek collaboration with other Korean shipbuilders and the government to:

- c) strengthen due diligence in the sector, according to the OECD Guidelines, especially with regards to risk assessment and implementation of detailed and relevant safety measures
- d) actively address systemic issues affecting health, safety and environment (HSE) in Korean shipyards, such as multi-layer subcontracting
- e) address the lack of efficient and systematic trauma management for victims of industrial accidents.

3.1 FOLLOW-UP ON RECOMMENDATION 1 – DUE DILIGENCE AND STAKEHOLDER ENGAGEMENT

Concerning follow-up of **recommendation 1 a and b** on stakeholder engagement and early warning systems and/or grievance mechanism, all Respondents established that they have a Code of Conduct, Human Rights Policy and/or an expectation document for suppliers and subcontractors in line with internationally recognised standards on responsible business conduct, that include meaningful stakeholder engagement.¹ The Respondents confirmed that requirements concerning health and safety, labour rights, human rights, stakeholder engagement and grievance mechanisms, are important in the Respondents' pre-qualification processes and

¹ UN Guiding Principles on Business and Human Rights, UN Declaration on Human Rights, ILO Declaration on Fundamental Principles and Rights at Work.

execution of contracts, as well as an expectation that these requirements are passed on in the supply chain.

TEPN implements TotalEnergies Group HSE principles and deploys, such as TotalEnergies Group Fundamental Principles of Purchasing based on TotalEnergies Group's Code of Conduct. Suppliers are expected to comply with the Fundamental Principles and to ensure compliance by their own suppliers.

TEPN has different channels for feedback based on TotalEnergies Group policy. TEPN has a preventive measure called the Stop Card system. The card is a plastic card like a bank card, which enables any employee of the company or a contractor to intervene in high-risk or accident-prone situations without fear of reprisals or disciplinary action even if the intervention turns out to be unnecessary. In 2023 TotalEnergies tested a solution to collect direct feedback via mobile phones from workers and subcontractors' workers in two major African projects in Uganda and Mozambique, with positive results. TEPN has a grievance channel on their website with a phone number to the company's HSEQ Director, as well as an opportunity to anonymously submit complaints in writing. The company has not received any grievances. TotalEnergies entities have an online alert system with an email address to the Ethics Committee accessible to both employees and third parties, which according to the company ensures that the identity of the person making the report is protected. At the operational level, TotalEnergies says subsidiaries provide communication channels and grievance mechanisms for local communities in line with the UN Guiding Principles on Business and Human Rights and internal standards (such as the Code of Conduct). TEPN and TotalEnergies SE include information on reported grievances in their annual reporting.

Equinor confirmed that the company's human rights requirements are included in its procurement process and contract templates, which includes a provision for suppliers to pass similar human rights obligations on to their supply chain. Equinor stated that the company has structures and practices in place to engage with business partners. Equinor has an ethics helpline online for all stakeholders and community grievance mechanisms where relevant. Suppliers are obliged to communicate Equinor's ethics helpline, as part of specific compliance requirements. Equinor has also set up community grievance mechanisms in several countries where the company has activities. The company receives different grievances and includes information on reported grievances in its annual reporting. However, Equinor has initiated a project with external expertise to further assess and improve the company's grievance mechanisms as necessary.

Technip Energies stated that the company expects its suppliers and subcontractors to follow the company's Code of Business Conduct, Global Human Rights Policy, and Supplier & Subcontractor Integrity Expectations, which together contain references to stakeholder engagement, the importance of reporting concerns, and the right to effective remediation. Last year the company also adopted a Stakeholder Engagement Policy, which applies to the company, its affiliates, and

subsidiaries. Technip Energies has an ethics helpline online for all stakeholders and grievance mechanisms in ten high-risk construction sites to assess and understand risks in their operations and as a basis for developing mitigation plans. Social toolboxes are a new tool introduced at sites with workers for awareness raising on labour rights and to obtain direct feedback from workers. The company does not include information on reported grievances in their annual reporting but plans to increase visibility of the grievance mechanisms to generate statistics and lesson learned.

Concerning **recommendation 1 c** and the list of conditions submitted by the Complainants, TEPN reported that the list has been reviewed in consultation with relevant departments that confirm that the subject matters addressed in the Complainants' list are covered in contractual terms and practices used by TEPN.

According to Equinor, the HSE conditions proposed by the Complainants in the list are largely embedded in the company's procurement processes and reinforced during contracts execution. Three of the conditions are partially met, namely regarding prohibiting multi-level subcontracting that amplifies risk, guaranteeing workers' rights to refuse dangerous work and guaranteeing participation of victims in accident investigation. Equinor does not have policies or procedures providing any such specific "guarantees" or "prohibitions". Rather, Equinor selects its suppliers and sub-suppliers based on the company's policies and procedures, including regarding HSE, human rights and decent working conditions. Equinor has adopted an IOGP standard that provides 'Stop Work Authorities' to workers. Concerning investigations, Equinor will seek transparency but will often be obliged to follow a consortium's decision.

Technip Energies stated that the company has strengthened HSE in subcontracting documents which to a large degree responds to the complainants' list of conditions. In line with Equinor, Technip Energies does not make prohibitions or guarantees. However, the company has measures to manage risks related to the number of sub-contracting, simultaneous operations and delays resulting in completion pressure. Regarding risks in crane operations, Technip Energies has, according to best practice, equipped cranes with cameras, among other measures.

3.2 FOLLOW-UP ON RECOMMENDATION 2 – DISCLOSURE

Concerning **recommendation 2** on disclosure of the investigation report, the Respondents informed the NCP in the follow-up meetings that there had been several meetings and extensive discussions in 2023 with Samsung HI on this matter, which were still ongoing. The investigation report had been produced after the accident by a Joint Investigation Committee comprising

representatives from TotalEnergies SE, TEPN, Technip Energies and Samsung HI.² Shortly after the last follow-up meeting, the Respondents informed the NCP that the companies, including Samsung HI, had come to an agreement and were willing to share the key recommendations of the investigation report on the accident with the Complainants, provided that all parties sign a confidentiality undertaking. The Respondents requested the NCP to organize the process.

The Complainants accepted the confidentiality undertaking and it was signed by authorized representatives for the organizations. The Respondents accepted this. However, Samsung HI did not accept signatures alone and required copies of ID papers from the representatives and business registration numbers or other documentation from Workers Support Team and KTNC Watch, if registered as legal entities.

According to the Complainants, the organizations were not legal entities and consequently it was not possible to present the documentation required by Samsung HI in this respect. Concerning the requirement of ID papers, the Complainants argued that the representatives did not sign as individual signatories, and that personal information was not requested by the companies' signatories. However, Samsung HI was not willing to withdraw their requirements, ultimately leading to the Complainants' resignation from the effort to secure a confidentiality undertaking. The Complainants stated they were concerned that the confidentiality undertaking included confidentiality of the extracts of the investigation report, although sensitive information reportedly was taken out, while 'permitted purposes' of the extracts were vague and unclear, and hence limited in value. Furthermore, the confidentiality undertaking included conditions of liability for any breach, which made the requirement of ID papers unacceptable to the Complainants.

In the view of the NCP, neither the Complainants nor Samsung HI seemed open to reconsider their positions. The Respondents agreed that the process concerning disclosure had come to a halt. Thus, extracts of the investigation report were not shared with the Complainants.

3.3 FOLLOW-UP ON RECOMMENDATION 3 – LEVERAGE AND REMEDY

Regarding **recommendations 3 a and b** on using leverage with Samsung HI to encourage the company to deliver on the Korean NCP's recommendations, the Respondents informed the NCP that they have jointly addressed and repeatedly discussed the Korean NCP's recommendations with Samsung HI. Samsung HI had confirmed that all recommendations from the Korean NCP had been addressed and presented to the Respondents. Samsung HI also informed the Respondents

² Equinor was at the time of the accident part of the Martin Linge joint venture, while TEPN was the operator. Equinor became operator in March 2018 and TEPN assigned all its interests to Equinor in March 2018, including information related to the accident.

that the company had written a close-out report to the Korean NCP, confirmed by the Korean NCP, and had not received any further comments from the NCP.

With respect to **recommendations 3 c-e** on using leverage with Samsung HI to improve health and safety in the shipbuilding industry in the Republic of Korea, the Respondents reported that they had discussed these recommendations with Samsung HI. It was reported by the Respondents that, according to Samsung HI, the company has existing arenas for collaboration with the wider industry and authorities in the Republic of Korea and does not intend to initiate additional measures for collaboration on named issues. Furthermore, Samsung HI had pointed out that these recommendations from the Norwegian NCP were not part of the Korean NCP's recommendations.

The Respondents underlined that a buyer at yards mainly has leverage in the prequalification process and throughout execution of the contract whereafter leverage is less. The Respondents are currently not in a contractual relationship with Samsung HI and therefore have limited leverage with the company. However, they use their influence in multi-stakeholder initiatives such as IOGP and Building Responsibly. According to TEPN, there is no similar organisation in the Republic of Korea which provides the Respondents with a channel to influence Korean shipbuilders directly. On this basis, the Respondents argued that multi-stakeholder initiatives are the most effective channels for the Respondents to exert leverage on health and safety. They share their learnings to contribute to improved standards and greater consistency of safety practices in the oil and gas, engineering, and construction sector. TotalEnergies and Equinor are members of the IOGP, while Technip Energies is a member of Building Responsibly.

According to TEPN, the accident has triggered several exchanges in IOGP. More specifically, TotalEnergies' representatives engaged with the IOGP Safety Committee in December 2023 regarding safety on shipyards and presented a so-called safety moment recalling the Martin Linge accident and the IOGP recommendations applicable to site construction. A safety moment is a brief safety talk about a specific subject at the beginning of a meeting. Learnings from the accident are also included in safety moments in all subsidiaries in TotalEnergies and in discussions with bidders when initiating new projects. Technip Energies is part of the steering committee of Building Responsibly and has participated in events and workshops to share best practice and contribute to the organisation's aim of raising the bar on promoting worker rights and welfare in the engineering and construction sector. In 2023 Technip Energies also launched the ESG Supplier Council, an initiative for the company's 20 major suppliers to jointly address ESG challenges.

3.4 COMMENTS BY THE COMPLAINANTS

The Complainants informed the Norwegian NCP in the follow-up meeting that they have not been updated by the Respondents of any actions on their part after the Norwegian NCP's Final Statement was published. However, in line with the NCP's procedural guidelines, companies are not expected to update on follow-up until a year after the Final Statement. The NCP informed the

Complainants that the Respondents had presented for the NCP their efforts to implement the recommendations. Specifically, the NCP referred to that the Respondents had initiated several meetings with Samsung HI and that the companies were in discussions regarding disclosure of parts of the investigation report. The Complainants found this, at the time of the meeting, promising.

The Complainants also informed the NCP that they had not been involved in the follow-up by the Korean NCP to comment on Samsung HI's feedback report on the NCP's recommendations. The Complainants had sent a questionnaire to Samsung HI in 2023, which was not returned. Instead, they received Samsung HI's report to the Korean NCP, referred to above. With respect to a list of HSE measures presented in the report, the Complainants said that it is not possible for them to check whether these measures are new or improved and whether they are implemented at all. Furthermore, the Complainants alleged that the report confirms that Samsung HI has not made any efforts to identify and support victims of the accident after the Korean NCP concluded the case. As an example, the Complainants referred to two victims who testified in the mediation process in Norway. According to the Complainants, they are still traumatized and have not heard from Samsung HI. In general, the Complainants see no meaningful improvement in health and safety on Korean shipyards and referred to several fatalities in the last year, which also is reported by the media.³

The Korean NCP has informed the Norwegian NCP that it is not considering a response to the report submitted by Samsung HI. The specific instance was closed before the update of the OECD Guidelines and procedures in June 2023. The Korean NCP therefore claims to have proceeded internally in accordance with their operational rules.

4 CONCLUSIONS BY THE NCP

Based on information received, the Norwegian NCP finds that the respondents have followed up on the **recommendation 1 regarding due diligence and stakeholder engagement**. The Respondents have policies and procedures in place based on internationally recognised standards on responsible business conduct and include references to stakeholder engagement and grievance mechanisms, as well as expectations that these requirements are passed on in the supply chain. The respondents expect the same from their suppliers.

The NCP welcomes that the Respondents in their different documents stress the value of stakeholder engagement, the importance of reporting dangerous situations or deviation from the Respondents' Code of Conduct and that workers or any stakeholder can express grievances without fear of reprisals. It should be underlined that the value of this will be determined by how

³ The Korea Times (17 May 2024) [Why did so many shipyard workers die at work in South Korea this year? - The Korea Times](#)

these documents are followed up and respected in practice. The NCP underlines that strong trade unions strengthen social and stakeholder dialogue and that actual meaningful dialogue with workers will give the best possible information and feedback. Companies and buyers' efforts to promote freedom of association and collective bargaining is important, especially when they are operating in, or have business relationships in countries that are known to have weak labor rights practices, such as in the Republic of Korea.⁴ The NCP has not received any information from the employee side to confirm the reported improvements in due diligence practices.

TEPN has a grievance mechanism which is easy to find on the company's website. After the follow-up meetings, TEPN has also recently adopted a procedure for reporting complaints anonymously. The NCP welcomes this improvement. In addition, there is a possibility to call TEPN's HSEQ Director. The last mechanism, however, makes the threshold for making contact very high.

TotalEnergies has an alert system with an email address to its Ethics Committee, which in 2023 received about 170 reports regarding compliance with the Code of Conduct. TotalEnergies has procedures which seek to ensure that the identity of the whistle-blower is protected. However, TotalEnergies could consider whether email should be the only option with a view to ensure the whistle-blower's perception of anonymity.

TotalEnergies' Stop Card system gives any employee of the company and contractors the authority to stop activities which they find unsafe. However, there is little information in the company's reporting on the effectiveness of this measure. With respect to TotalEnergies' test projects in Uganda and Mozambique, with feedback from workers and contractors via mobile phones, TEPN refers to encouraging results. In the NCP's opinion, exploring the opportunities of this measure could be a way forward to collect feedback from workers to prevent and mitigate negative impacts.

Equinor and Technip Energies have an ethics helpline online with several options for reporting, including the option of filling out a form and reporting anonymously. Equinor also has onsite community grievance mechanisms, where relevant. The company includes information on these mechanisms in their reporting. Based on experiences so far there is, according to the company, a plan to assess whether current systems for receiving and processing grievances is sufficiently robust and effective or in need of further strengthening. In the NCP's view, this is in line with the OECD Guidelines' expectation of a dynamic due diligence process which implies that the company should use lessons learned to improve its due diligence to prevent and mitigate adverse impacts.

The NCP welcomes Technip Energies' project initiated in 2023 on human rights due diligence in ten high risk construction sites. It follows a risk-based approach and includes plans for meaningful stakeholder engagement with grievance mechanisms and social toolbox meetings. The NCP

⁴ ITUC 2024 ITUV 2024 Global Rights Index, [Korea, South - International Trade Union Confederation \(ituc-csi.org\)](https://www.ituc-csi.org)

encourages Technip Energies to share and communicate lessons learned in the company's public reporting, including information on grievances in general and in these construction sites to the company's ethics helpline.

Concerning the list of conditions proposed by the Complainants, the NCP finds that the Respondents have followed up on several recommendations in the NCP Final Statement and provide reasonable explanations for why they are not fully in line with some conditions.

The NCP encourages the Respondents to continue to assess and develop meaningful stakeholder engagement as part of their due diligence and to ensure that grievance mechanisms and other feedback channels are effective and provide substantial information and remediation of adverse impacts.⁵ The NCP stresses the importance of well-functioning operational-level grievance mechanisms, to identify, address and remediate adverse human rights impacts as part of the due diligence process.⁶

Concerning **recommendation 2 on disclosure** of parts of the companies' investigation report of the accident, the NCP finds that the Respondents have made efforts to follow up on this through dialogue with Samsung HI. The companies agreed to share parts of the report provided all parties signed a confidentiality undertaking. However, the process unfortunately fell through following Samsung HI's identification requirements and other confidentiality conditions, which the Complainants understandably could not accept. The NCP finds it relevant to repeat its comments in the Final Statement that it was unfortunate that Samsung HI was unwilling to participate in a joint process with all parties in this specific instance. It precluded substantial discussions on key issues. Based on the outcome of the recommendation on disclosure it appears that Samsung HI chooses to continue this approach.

Recommendation 3a and 3b implied that the Respondents should use leverage with Samsung HI with respect to the company's implementation of the Korean NCP's recommendations and to encourage Samsung HI to involve the Complainants in the process of delivering on the recommendations. To the Respondents' understanding, Samsung HI had implemented all recommendations from the Korean NCP. It is the NCP's view that the Respondents have followed up on recommendation 3a and 3b, by holding meetings with Samsung HI where these recommendations were discussed and by receiving confirmation and justification from Samsung HI that, absent any comments or further request from the Korean NCP on Samsung HI's close-out report, the process carried out by the Korean NCP - of which the respondents were not part - was

⁵ A useful tool in this respect is the guide from UN Office of the High Commissioner for Human Rights, launched April 2024: [Access to Remedy in cases of business-related human rights abuse](#)

⁶ OECD Guidelines for Responsible Business Conduct (2023) Ch. IV Human Rights, commentary 51.
UN Guiding Principles on Business and Human Rights (2011) Commentary 29.

closed but based on the input from the Respondents, the NCP has not been able to establish whether they have encouraged Samsung HI to involve the complainants during the follow-up.

Regarding **recommendation 3 c-e** on using leverage with Samsung HI to improve health and safety in the Korean shipbuilding industry, the Respondents have informed the NCP that they are not currently in a contractual relationship with Samsung HI and consequently have limited leverage. However, they seek to strengthen their leverage in collaboration with other companies through multi-stakeholder initiatives, where they share important learnings from the accident to improve standards for health and safety in the oil and gas, engineering and construction sectors. The NCP finds that the Respondents' follow-up in this respect is in line with OECD Guidelines' recommendations to enterprises to enhance their leverage when they are directly linked to adverse impact and have limited leverage.⁷

In sum, the NCP finds that the respondents have implemented the recommendations with the slight exception of recommendation 3b. The NCP notes that the Respondents have policies and principles based on internationally recognized standards for responsible business conduct. Furthermore, the Respondents demonstrate an understanding that policies and principles only have a value if implemented, assessed, and improved to make lives better for people on the ground. It is beyond the NCP's capacity to confirm whether that is the case with respect to the Respondents' activities. However, the NCP welcomes that the Respondents express that they are in a process of continuous learning as a basis for improvement. In that respect, the NCP reiterates what was stated in the Final Statement, with reference to the OECD Due Diligence Guidance for Responsible Business Conduct, that *meaningful* stakeholder engagement involves dialogue - two-way communication – to reach mutual understanding and is a key component throughout the due diligence process. The NCP finds it regrettable that Samsung HI's conditions for the confidentiality undertaking made it impossible for the Respondents to share extracts of the investigation report with the Complainants. This could have been a basis for further dialogue on health and safety in the shipyard industry, and the NCP encourages the Respondents, as well as Samsung HI, to continue to engage with the Complainants on these matters.

Finally, the NCP would like to thank all parties for their cooperation and constructive contributions in the follow-up process.

⁷ OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (2023) Ch. II Commentary 23
OECD Due Diligence Guidance for Responsible Business Conduct (2018) A.3 Q33 Box 6; Q37