



TOTAL E&P NORGE AS

Confidential

National contact point for responsible business conduct Norway (Norway NCP)
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Att.: Åse K. Sand

Your date:

Your ref.:

Our ref. (please quote):

Our date:

Stavanger, 17 April 2020

REGARDING SPECIFIC INSTANCE KOREA: DRAFT INITIAL ASSESSMENT

Reference is made to the Norway NCP's e-mail dated 25 March 2020 and the attached Specific Instance Korea Initial Assessment draft. We note that according to the Procedural Guidelines for handling specific instances – NCP Norway, the parties subject to a specific instance process should be invited to submit comments to the NCP's draft initial assessment.

In the opinion of Total E&P Norge AS (TEPN), the draft initial assessment does not accurately reflect the statements made in TEPN's reply letter dated 25 October 2019 or the Complaint itself and the Complainant's follow-up letter dated 24 July 2019. TEPN kindly asks that the Norway NCP considers incorporating the changes proposed in the attached mark-up of the final initial assessment, with a view to more accurately record the contents of the parties' submissions.

TEPN would like to reiterate that it is willing to continue to cooperate with a view to enter into Good Offices discussions with the Complainant, as in line with Total Group's commitments under the OECD guidelines.

Nevertheless, as previously stated, prior to taking part in Good Offices discussions, TEPN would need the Norway NCP to clarify the following: (i) that the Norway NCP confirms that the Respondents will not be subject to parallel proceedings by the other OECD NCP's concerned; (ii) that, as far as TEPN is concerned, any such discussions would be limited strictly to the role of TEPN and the Total Group in exercising their due diligence in relation to their suppliers. Therefore, TEPN will not be able to discuss matters relating to the detailed facts of the incident occurring on the SHI yard, or management by SHI of its personnel and subcontractors (including potential support measures) as this is for SHI to address; and (iii) clarity is provided as to the nature of the Complaint against TEPN and the outcome sought by the Complainant in relation to TEPN and the Total Group.

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As referred to by the Norway NCP, the criminal court in South Korea has rendered a judgement. TEPN understands that within the context of this court proceeding, a full police investigation was carried out into the circumstances of the accident. Through this process, it must be assumed that the South Korean courts have accurately assessed the causes of the accident.

TEPN trusts that the South Korean authorities and SHI take the necessary prevention measures in light of this judgement to avoid future accidents. It is the fundamental responsibility of the South

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Korean authorities and the South Korean shipbuilding industry to ensure that adequate industrial safety systems and practices are in place within its industry. That being said, TEPN, as part of the Total Group, fully acknowledges the importance of implementing due diligence towards its contractors, particularly in light of the OECD Guidelines. Thus, the Total Group continuously reviews and elaborates its safety standards and that of its contractors, based on Total's experience, industry standards and good practices in general.

TEPN understands that the South Korean NCP has now initiated a Good Offices process with SHI. In order to ensure clarity and to avoid duplication, TEPN kindly requests that any processes to be initiated by the Norway NCP should not include matters that will be covered by the South Korean NCP's process.

With regard to the Norway NCP's references to the Norwegian Petroleum Act and the Norwegian Framework Regulations, supervision authority of these public law requirements is given to specific Norwegian authority bodies, most importantly the Ministry of Petroleum and Energy and the Petroleum Safety Authority (PSA). Reference is therefore made to supervisions of the Martin Linge project performed by the PSA, and the specific findings in the PSA's audit reports. It is noted that such audit reports issued by the PSA in the period when TEPN was operator of the Martin Linge Unit, have been closed by the PSA. We understand that the Norway NCP treats any complaints it receives only on the merit of the OECD Guidelines.

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TEPN trusts that the Norway NCP will ensure that TEPN will be given the opportunity to address the matters set out in this letter as well as additional observations. It is important that the terms of reference for a Good Offices process are sufficiently clear, equitable and that the neutral role of the NCP is duly reflected in such terms.

TEPN assumes that this letter and the enclosed document are published together with the initial assessment.

TEPN would be grateful if we could have the opportunity to see the amended draft initial assessment prior to its publication and a notification of when the Norway NCP will make its final initial assessment public.



Yours faithfully,
Total E&P Norge AS

Henning Eide
Corporate Affairs and Communications Director
Ethics Officer