

Webinar: Introducing an Asia-first Proposed Bill on Mandatory Human Rights and Environmental Due Diligence in Korea

2023.
SEP.19.
TUE
14:00
-15:30
KST

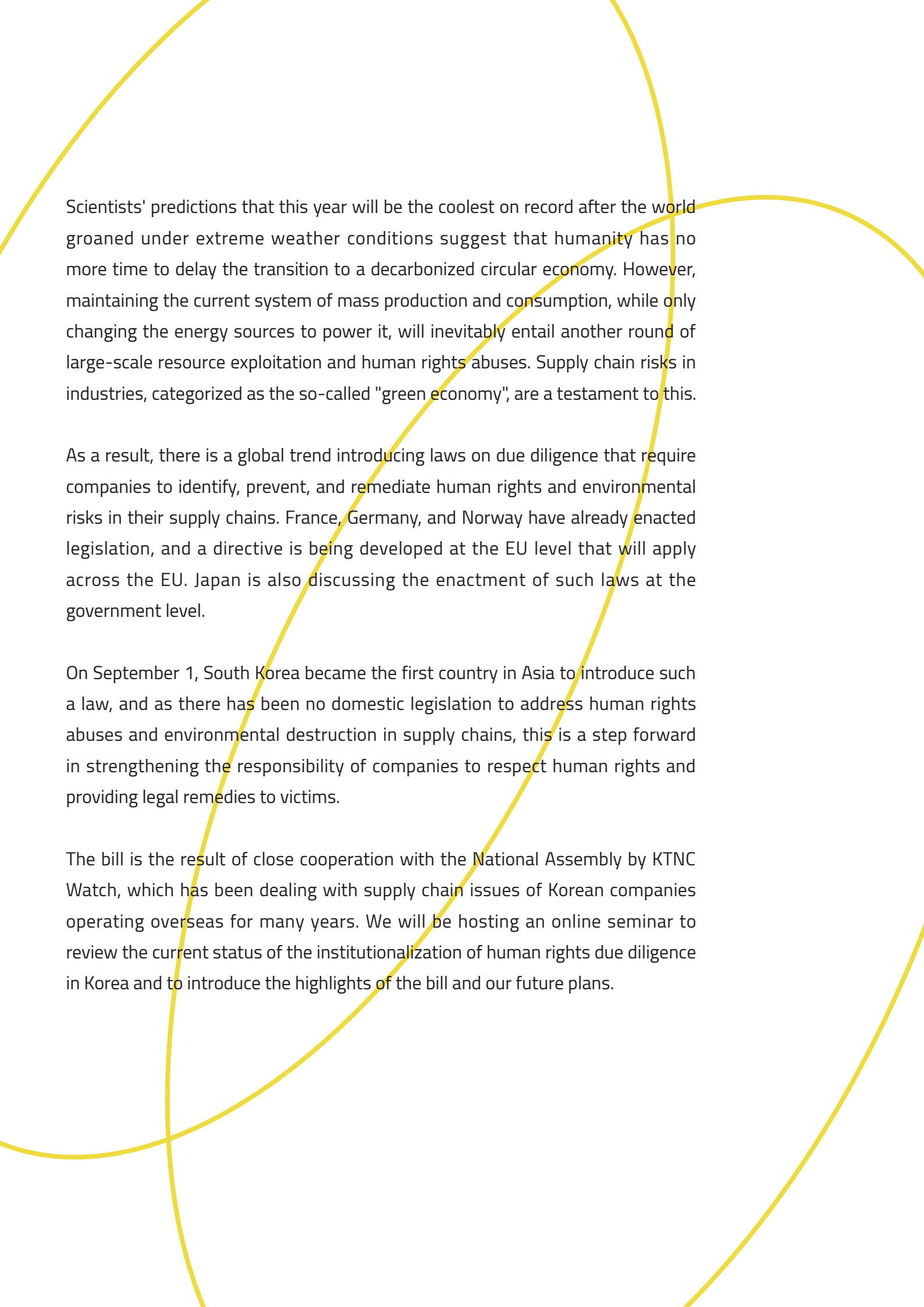
Organizer **KTNC Watch** 

Contact ktncwatch@gmail.com

Time	Subject
14:00-14:10	<p>Welcome and Introduction - DongHyun Kim (Lawyer, KTNC Watch / KLPH)</p>
14:10-15:10	<p>Presentation 1 A case of human rights and environmental violations in the supply chain of a Korean company: Focusing on the case of Samsung's Vietnam factory - Activist, SHAPS</p>
	<p>Presentation 2 Introduction to the Proposed Bill on Mandatory Human Rights and Environmental Due Diligence I - YooJung Shin(Lawyer, KTNC Watch / JIHYANG LAW)</p>
	<p>Presentation 3 Introduction to the Proposed Bill on Mandatory Human Rights and Environmental Due Diligence II : Doona Kim(Lawyer, KTNC Watch / KLPH)</p>
	<p>Presentation 4 Introduction to the Proposed Bill on Mandatory Human Rights and Environmental Due Diligence III : YoungAh Park(Lawyer, KTNC Watch / GongGam)</p>
15:10-15:30	Q&A

Background

The image features a solid blue background with several overlapping, curved yellow lines that create a sense of motion and depth. The lines are smooth and vary in curvature, some appearing as arcs and others as more complex, looping shapes. The word "Background" is written in a bold, white, sans-serif font in the upper left quadrant.

The page features several large, overlapping yellow curved lines that create a dynamic, abstract background. These lines sweep across the page from the top and bottom edges, framing the text.

Scientists' predictions that this year will be the coolest on record after the world groaned under extreme weather conditions suggest that humanity has no more time to delay the transition to a decarbonized circular economy. However, maintaining the current system of mass production and consumption, while only changing the energy sources to power it, will inevitably entail another round of large-scale resource exploitation and human rights abuses. Supply chain risks in industries, categorized as the so-called "green economy", are a testament to this.

As a result, there is a global trend introducing laws on due diligence that require companies to identify, prevent, and remediate human rights and environmental risks in their supply chains. France, Germany, and Norway have already enacted legislation, and a directive is being developed at the EU level that will apply across the EU. Japan is also discussing the enactment of such laws at the government level.

On September 1, South Korea became the first country in Asia to introduce such a law, and as there has been no domestic legislation to address human rights abuses and environmental destruction in supply chains, this is a step forward in strengthening the responsibility of companies to respect human rights and providing legal remedies to victims.

The bill is the result of close cooperation with the National Assembly by KTNC Watch, which has been dealing with supply chain issues of Korean companies operating overseas for many years. We will be hosting an online seminar to review the current status of the institutionalization of human rights due diligence in Korea and to introduce the highlights of the bill and our future plans.

Presentation 1

A case of human rights and environmental violations in the supply chain of a Korean company: Focusing on the case of Samsung's Vietnam factory

- Activist, SHAPS

A Case of Human Rights and Environmental Violations in the Supply Chain of a Korean Company

- Focusing on the Case of Samsung's Vietnam Factory



Sangsu LEE, Supporters for the Health and Rights of People in the
Semiconductor Industry (SHARPs)

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<Contents>

- ◆ Carbon Dioxide Leak Accident at Samsung Electronics
 - Right to know about serious accidents
 - Samsung's systemic concealment of accidents
- ◆ Hydrofluoric Acid Gas Leak Accident at Samsung Electronics
 - Right to know about safety and health issues
- ◆ Repeated Methanol Poisoning Accidents
 - Case of Samsung Electronics' suppliers in Vietnam
- ◆ Neglecting Safety and Health Problems
 - Case of Samsung Electronics' suppliers in Vietnam

Carbon Dioxide Leak Accident at Samsung Electronics : Right to Know about Serious Accidents

Carbon Dioxide Poisoning at Samsung Electronics Plant in Giheung in 2018 - caused 3 casualties

삼성전자 기흥사업장서 이산화탄소 누출...3명 사상

송고시간 | 2018-09-04 19:20



최해민 기자
기자페이지

3명 모두 협력업체 직원...1명 사망·부상자 2명은 의식불명
"119개 이산화탄소 저장 탱크로 연결된 배관이 터진 듯"

(용인=연합뉴스) 최해민 최종호 강영훈 기자 = 삼성전자 반도체 부문 사업장에서 ~~소화용 이산화탄소~~
~~가 누출돼 20대 협력업체 직원 1명이 숨지고 2명이 의식불명 상태에 빠졌다.~~

사고는 소화용 이산화탄소가 든 탱크와 연결된 배관이 알 수 없는 이유로 터지면서 이산화탄소가 한
꺼번에 분출해 발생한 것으로 추정된다.

Carbon Dioxide Leak at Samsung Electronics in Suwon in 2014 - caused one death

연합뉴스
삼성전자 수원사업장서 이산화탄소 누출...1명 사망(종합)
기사입력 2014.03.27. 오전 11:47 최종수정 2014.03.27. 오후 3:14 | 스킨 | 본문듣기 · 설정

1 26

요약본 가



이산화탄소 누출 사고 설명하는 삼성전자 상무(우측) 연합뉴스 신영근 기자 = 27일 이상 이산화탄소 누출 사고로 근무 중이던 한직업체 직원 1명이 숨진 경기도 수원 삼성전자 수원 사업장에서 삼성전자 수원환경안전팀 이기학 상무가 사고 현장 영면도를 통해 사고 상황에 대해 설명하고 있다.

“Replace carbon dioxide
with a safer and cleaner
solution.”

- The Ministry of Labor's order to establish a safety and health improvement plan after inspection of the accident in 2014 -

삼성전자 기흥사업장 이산화탄소 누출 사고 관련 간담회 자료

Reference material from a meeting to discuss the aftermath of carbon dioxide leak accident at Samsung Electronics' Giheung plant

5) 2014년 이산화탄소 누출사고가 발생한 삼성전자 수원사업장에 대한 '안전보건개선계획 수립 명령'의 범위 및 이행점검 여부 (이산화탄소를 청정약제로, 1인 작업을 2인 1조로 교체)

- 행정명령은 사업장 단위*로 시행되는 것으로 2014년 당시 이산화탄소 누출 사고를 일으킨 삼성전자 수원사업장에 대하여 '안전보건개선계획 수립'을 명령하였으며,

- 회사측은 복지관 등 6개소에 청정 소화약제를 이용한 소화설비 신설과 생산기술연구소 별관의 이산화탄소 소화설비의 교체, 시설 운영 인력충원 및 2조 2교대를 3조 3교대로 변경 등 자체 개선 계획의 이행이 완료된 것을 확인*함

◆ **Complacent Response of Samsung and the Ministry of Labor** is responsible for repeated fatal accidents

: Recurrence prevention measures were not implemented in other workplaces, causing similar accidents recurring

Ways to Change

◆ Critical supervision and audits over **causes of accidents, and establishment and implementation of recurrence prevention measures** are required!

◆ Disclosure of a serious accidents report

삼성전자 이산화탄소 누출사고 '늑장신고' 논란

현행법상 사망·요양 기준으로 신고 ... "모든 사고발생시 신고 의무" 주장도

Criticisms about Samsung Electronics' "delayed report" of accidents

가. 사고 당일 시간대별 경과(증 제2호증)

Timetable of responses

- 13:59 최초사고발생, 삼성전자 사업장 내 방재센터 사고인지
- **13:59 Accident occurred**
- 14:01 삼성 자체소방대 출동
- 14:08 요구조자 3명 발견 및 구조활동 실시(집합관실 부근)
- 14:20 요구조자 구조 및 CPR 실시
- 14:32 삼성전자 자체구급차로 3명 이송(동탄한림대병원)
- 15:43 삼성전자 → 5개 기관 신고(유선 신고)
- **15:43 Samsung Electronics reported to the authorities**
- 용인소방서, 용인동부경찰서, 고용노동부 경기지청, 한강유역환경청, 가스안전공사

<Source: the 2018 complaint about the carbon dioxide leak>

Carbon Dioxide Poisoning Accidents at Samsung Electronics

- - Samsung's systemic concealment
of accidents
- "SECRECY"

삼성은 두 시간 가까이 지체된 15:43분에서야 5개 기관에 신고를 했는데, 삼

성의 이런 늦장신고는 **Samsung reported to the authorities almost two hours after the accident**

신고없이 자체적으로 대응했던 이 골든타임 동안의 부실한 응급조치가 부상자

를 살릴 수도 있었던 마지막 기회를 **Insufficient emergency measures during the Golden Time**

삼성은 마지막까지도 소방당국에는 신고하지 않았습니다. 삼성의 신고를 받

은 한강유역환경청이 **Samsung never reported to fire authorities** 소

방청에 보고를 한 것이 오후 4시가 넘어서였습니다. 경기도 재난안전본부 상

황실에서 상황을 파악하기 위해 삼성전자 반도체공장에 전화를 했을 때, 삼성

의 반응은 '부상자 세 명 중 두 명이 의식을 찾았다'는 거짓보고였습니다. 삼

성의 신고의무 **Samsung even made a false report claiming two of the three injured gained consciousness**

악하는 과정에서도 삼성의 방해 를 받았습니다. 삼성은 소방기본법에 명시된

신고의무를 다하지 않았습니다.

6) 제19조(화재 등의 방지) ① 화재 현장 또는 구조·구급이 필요한 사고 현장을 발견한 사람은 그 현장의 상황을 소방본부, 소방서 또는 관계 행정기관에 지체 없이 알려야 한다. [소방기본법] <http://www.law.go.kr/lsInfoP.do?lsSeq=303074&efYd=30180810#0000>

<Source: the 2018 complaint about the carbon dioxide leak>

삼성은 화관법 상 화학사고 발생에 따른 신고의무를 위반하였습니다. 화학사

고 신고 **Samsung breached its reporting obligation under the Chemical Substances Control Act**

which requires immediate reporting of chemical accidents to relevant authorities

해를 줄 수 있는 화학사고의 특성 때문에 더욱 엄격한 신고의무가 부과된 것

입니다. 환경부도 이번 삼성전자 이산화탄소 누출사고가 화학사고라는 점을 확

인하고, 경찰에 고발하겠다는 입장을 밝힌 바 있습니다. 화학사

고가 반복되어 왔으며, 드러난 사고에서는 매번 사망 등의 중대재해가 있었습

니다. 삼성전자가 사고 때마다 늦장신고로 신고의무를 상습적으로 위반해 온

점을 감안하면 엄중한 처벌이 필요합니다.

- 7) 제2장 화학사고의 대응 등 제43조(화학사고 발생신고 등) 관련법칙
- ① 화학사고가 발생하거나 발생할 우려가 있으면 해당 화학물질을 취급하는 자는 즉시 위해관리 계획에 따라 위해방지에 필요한 응급조치를 하여야 한다. 다만, 화학사고의 중대성·시급성이 인정되는 경우에는 취급시설의 가동을 중단하여야 한다.
- ② 화학사고가 발생하면 해당 화학물질을 취급하는 자는 즉시 관할 지방자치단체, 지방환경관서, 국가경찰관서, 소방관서 또는 지방고용노동관서에 신고하여야 한다.
- ③ 제2장에 따라 신고를 받은 기관의 장은 즉시 이를 환경부령으로 정하는 바에 따라 화학사고의 원인·규모 등을 환경부장관에게 통보하여야 한다.
- ④ 제2장에 따른 신고 또는 제3항에 따른 통보를 한 경우에는 「재난 및 안전관리 기본법」 제18조에 따른 신고 또는 통보를 각각 마친 것으로 본다.

- 8) 화학사고 즉시 신고에 관한 규정[시행 2018. 2. 12.] [환경부예규 제632호, 2018. 2. 12, 일부개정]
- 제3조(신고 기준) ① 법 제43조제2항 및 규칙 제49조제1항에 따른 즉시는 15분 이내를 말한다. 다만, 화학물질 취급자가 현장에서 중상을 입은 경우 등 불가피한 경우에는 그러하지 아니하다.

<Source: the 2018 complaint about the carbon dioxide leak>



"쓰러진 요원은 구조하다 탈진한 것,
로비는 가스 누출 없어 현장 통제 안 해"

이번 사고에서 가장 심각한 부분은 녹장신고입니다. 삼
곧바로 119에 신고하지 않았습니다. 부상자에 대한
신고를 하지 못한 것은 아닙니다. 공개된 사고 당시의 CCTV를 보면, 복수의
구조요원들이 계속해서 어딘가로 전화통화를 하는 것을 볼 수 있습니다.② 급
박한 현장 상황때문이거나 구조요원들의 자제 판단만으로 신고가 지연된 것은
아니라는 게 분명합니다.

The CCTV footages of multiple rescue workers on the phone shows that Samsung's claim of no time to make a call is not true. Delayed report was clearly not due to the urgent situation in the field.

<Source: the 2018 complaint about the carbon dioxide leak>

SAMSUNG SECRET

SAMSUNG

(Rules) DS Accidents Response Plan
(규칙) DS 재난대응계획

Delayed Report

2018. 08.16

기흥/화성/평택단지
환경안전팀

4.8.3. 대외기관신고 4.8.3. Report to Authorities

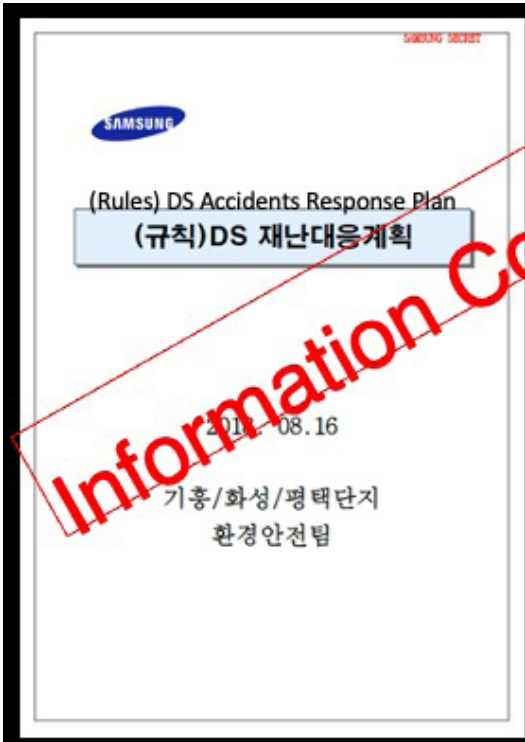
법정기준에 따른 환경부/소방서/노동부 등 유관기관에 즉시 신고하도록 사고유형 별 책임부서장제도를 운영한다.

사고구분	신고기관	Person in charge
		담당자
화재/가스 사고	소방서	방재그룹장
	가스안전공사	
안전 사고	고용노동부	안전그룹장
환경 사고	환경부	환경그룹장
인사 사고	경찰서	단지 인사팀

Annex 3. Director's Duties at Emergency

첨부 3. 비상대응본부 경명진 임무

구분	집결장소	역할
단지	사고현장 → 비상대응본부 (위기상황선포 後)	- 대표이사 사고 보고 (S메세지 혹은 구루보고) - 위기상황선포 승인 - 대외 관공서 신고여부 승인 - 비상대응본부 소집 및 지휘
제조센터, FAB팀	사고현장 → 라인상황실 (위기상황선포 後) * 필요 시 비상대응본부	- 라인 대기 인력, 생산계획 현황 파악 - 사고지역 생산 중단 의사결정 - 생산 복구 계획 지휘
환경안전팀	사고현장 → 비상대응본부 (위기상황선포 後)	- 위기상황선포 건의 - 단지장 승인 후 관공서 신고 지시 - 상황 종료 後 라인 입실 의사결정 - 단지장 브리핑 및 부재시 비상대응본부 지휘 - 관공서 방문시 환경브리핑(일반화재)



4.9. 주민홍보 및 언론대응, 사내홍보 4.9 Public Relations and Media Response

○ 위기상황 발생시 언론에 대한 정보공개 절차는 다음과 같다.



※ 위기상황이란 BCP 규정상 2단계로 반드시 시설물과 인원이 발생한 화재/폭발, 가스/케미컬 유출, 정전, 자연재해 등 불발적이며 비정상적인 사고로 인해 물 환경피해가 발생한 경우.

4.9.2. 언론대응 4.9.2. Media Response

가. 초동대응

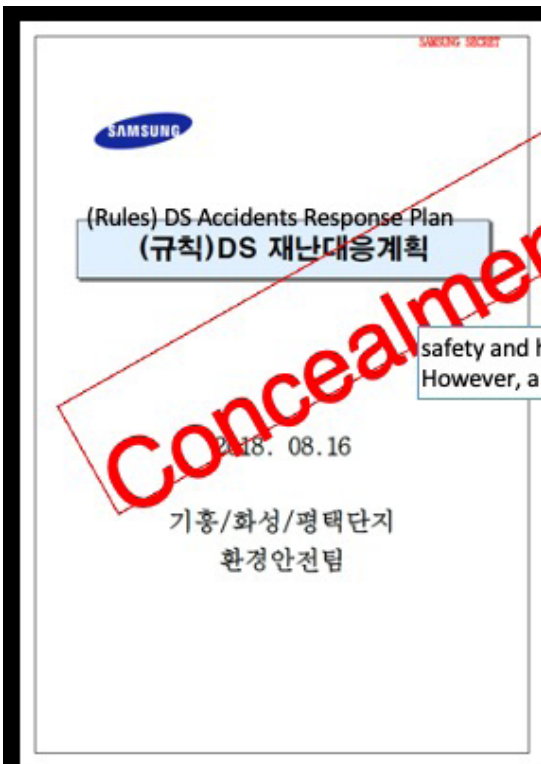
○ 신속회(초피해)에 막대한 손실이 예상되는 경우 1-2시간 이내 대응방향을 결정하고 전 종업원에 대해 보안을 강화한다.

Enhance security check of employees

다. 언론대응자료작성

○ 정보를 집진적으로 공개하지 않고 지양 공개하고 있지는 않은가?

Check whether too much information is being disclosed



4.2. 위기상황 정의 4.2. Definition of Crisis

위기상황에 이르기까지의 발생전자(주) DS부분이 처한 리스크 및 관련상황 변화를 초기대응단계와 1,2단계로 구분하여 모니터링하고, 2단계 시 위기상황으로 간

Classify and monitor situations by initial response and level 1 and 2. Level 2 situation is considered as a crisis (Red).

다. 환경안전 사고등급 분류기준 C급 이상 해당된다. 단, C급 이상의 사고 중 대외 이슈가 없는 단일 사고는 1단계(Yellow) 업무 프로세스로 처리한다.

safety and health-related accidents above level C is considered as level 2 (Red) situation. However, a C-level accident with no external issues should be processed as level 1 (Yellow)

- 상생전자(주) DS부분에 노출된 다양한 리스크로 임직원 사망, 부상
- 경영활동 중 발생하는 사고, 사회 법규, 유경 위반으로 인해 사회문제를 야기시킨 경우
- 라인단위로 생산에 영향을 줄 수 있는 화재나 라인 외 지역에서의 화재 발생으로 대외 이슈사항이 발생한 경우
- 유독물(액체)이 200리터 이상 누출되어 사업장 외부로 유출된 경우
- 독성가스(기체)가 부지경계선에서 TLV-TWA이상 확산된 경우
- 유입리터 공급라인의 파손으로 라인 내 공급이 중단된 경우
- 1개 라인이상 정전, 질수, 풍파사고가 발생한 경우(예: 전동)
- 경영환경에 중대한 영향을 미치는 전산시스템 장애/재해가 발생하는 경우
- 사고로 인해 사망사고가 발생한 경우 즉시, 비상대응본부가 가동되고 위기관리체제로 운영되는 단계이다.
- 사고 등급 분류 기준은 첨부 2, 참조.

- ◆ Samsung Electronics' accident response manual
- Not a response to an accident but a response to a accident-related reputation risk!
- Not a response to rescue lives but a concealment of accidents to manage corporate reputation!
- Should not leave accident response to corporate discretion!



- ◆ Need to enhance punishments for concealment and delayed report of accidents
- ◆ The government should take responsibility for accident response
- ◆ Fire and medical authorities should be aware of risks and dangers in relation to businesses,

Hydrofluoric Acid Gas Leak Accident at Samsung Electronics

- Right to Know Safety and Health
Information -

I. 사고개요

2013. 01. 28(월) 7:50분경 경기도 화성소재 00전자(주)의 케미컬 공급실에서 50% 불산탱크 하부 밸브에 대한 누출 방지조치 작업을 하던 ○○○서비스(주) 소속 야간작업자 4명과 누출방지조치를 위해 긴급 투입된 작업자 1명이 누출된 불산흠에 노출되어 그 중 1명이 치료 중 사망하고, 4명이 경상을 입은 사고가 발생하였다.

On January 28, 2013, five employees were exposed to hydrofluoric acid gas at Samsung Electronics' Hwasung Factory. One employee lost his life and four employees were hospitalized.



[사진 1] 누출이 발생한 불산탱크 하부 모습

고용부 "불산누출 삼성공장, 안전관리 총체적 부실"

고용부 **Ministry of Labor found Samsung's safety measures were a total failure**

설명했다. 뒤늦게 두달에 내비한 긴급 배기양자가 6개 라인 중 2개 라인에만 설치돼있었다. 이번 사고가 발생한 11라인에는 통 배기시설이 설치돼있지 않았다.

Lack of local ventilation equipment

화학물질 중앙공급실은 유해화학물질을 취급하는 곳으로 배기시설이 설치돼있지 않다는 것은 독성물질을 안전하게 회수할 수 있는 시설이 없다는 것이다. 고용부는 이 경우 유해화학물질 누출 시 인명피해가 발생할 수 있다고 우려했다. 일부 장소에서는 유해물질로부터 근로자를 보호하는데 도움이 되지 않는 보호구를 지급하는 등 보건조치도 소홀했던 것으로 나타났다.

Lack of personal protective equipment

또 유해위험성이 큰 가스공급실과 화학물질 중앙공급실 관리를 협력업체에 맡기고 안전보건협의체 회의 등을 제대로 운영하지 않은 것으로 밝혀졌다. 고용부는 "협력업체 근로자 보호를 위해 유해하고 위험성이 큰 작업은 도급을 제한하는 제도개선 방안도 마련하겠다"고 밝혔다.

Outsourcing management of highly hazardous facilities to contractors

주요 설비구조부분을 설치 또는 변경하면서 의무적으로 제출해야 하는 유해위험방지계획서도 제출하지 않은 것으로 드러났다.

Failure to submit accident prevention plans

고용부는 이번엔 적발된 법 위반 1934건 중 712건에 대해서는 사업주를 형사입건 하는 등 사법처리하기로 했다. 143건에 대해서는 과태료 2억5000만원을 부과하고 개선이 필요한 1904건에 대해서는 시정조치를 병행하기로 했다.

Ministry of labor ordered Samsung Electronics to monitor safety and health situations and establish improvement plans for all of its semiconductor plants

특히 삼성전자가 세미컨덕터 제조공정에서 사용하는 유해화학물질의 안전보건개선계획을 수립하도록 했다. 고용부는 "협력업체 근로자 보호를 위해 유해하고 위험성이 큰 작업은 도급을 제한하는 제도개선 방안도 마련하겠다"고 밝혔다.

고법 "삼성 사업장 안전진단 결과, 영업비밀 빼고 공개"

High Court ordered Samsung disclose its safety assessment results

송고시간 | 2017-10-25 23:14



송진원 기자
기자번호: 20170005

1심보다 공개 범위 넓혀... "국민 알권리가 영업상 이익 앞선다"

(서울=연합뉴스) 송진원 기자 = 삼성전자 사업장에 대한 정부의 안전보건진단 결과를 대폭 공개하라는 법원의 판단이 나왔다.

25일 법조계에 따르면 서울고법 행정10부는 삼성전자 반도체 사업장 인근 주민 등 6명이 중부지방고용노동청 경기지청을 상대로 "안전진단 보고서를 공개하라"며 낸 소송의 항소심에서 일부 영업비밀을 제외한 보고서 내용을 공개하라고 판결했다.

고용노동청은 2013년 1월 삼성전자 화성사업장 반도체 생산라인에서 불산 누출 사고로 근로자 1명이 숨지고 4명이 다치자 화성, 기흥사업장에 대해 특별감독을 벌였다. 한국산업안전보건공단도 안전보건진단에 나섰다.



◆ Chemical substances control

- Numerous problems were observed across the entire operation
- Gas detection equipment was not installed properly, unable to detect leak
- Gas detection equipment was either malfunctioning or not installed at all
- Gas ventilation equipment not installed or not properly installed
- Tasks with high-risk of gas exposure such as equipment repair is not properly not properly managed

◆ Others

- Safety and health measures remain as a mere formality
- No meaningful safety training is provided
- In many cases, even safety and health officers are ignorant of safety control process
- Too many substances were designated as trade secret
- Even toxic materials were designated as trade secret
- Strong culture of concealment
- Samsung Electronics was not cooperative during the inspection by refusing to submit requested documents

중합-본부-2013-0030

Inspection Report

- Samsung Electronics' Giheung Plant

종합진단보고서

- 삼성전자(주) 기흥사업장 -

2013. 5.

◆ Carbon Dioxide

7-5. 취급 화학물질의 유해위험성 이해 부족

7-5. Lack of understanding of toxic risks of chemical materia

(1) 현황 및 문제점

- SR-1, SR-3 케미칼실, 수전실, 면전실에 CO₂소화설비가 설치되어 있고 가스방출시 질식위험으로 절대 출입금지하도록 하고 있으나 CO₂의 독성에 대한 내용이 간과되고 있으며, 현장에서도 해당 상태에서의 정확한 위험을 언급하지 못함.
- CO₂의 물질위험, 질식사고의 농도별 차이에 대해 정확한 교육이 이루어지지 않은 것으로 사료됨.
- CO₂를 공급하는 회사의 MSDS 내용에 CO₂의 독성에 대해 충분한 언급되어 있지 못함.

(2) 개선방안

- CO₂방출시 기본적으로 34%의 설계농도로 방출되며, 이 경우 산소의 농도는 14%[21 x (1-0.34)] 밖에 저하되지 않으므로 전항에 언급된 산소부족으로 인한 질식사망사고의 가능성은 거의 없음. 반면, CO₂는 독성에 의한 LC50 값이 있으며 소화약제 방출시 이 농도이상 도달함에 따라 사망이 발생하게 됨.
- CO₂ 소화설비의 방출에 따른 독성과 사망가능성에 대한 충분한 교육이 필요함.
- 공급자의 MSDS가 불충분한 경우 공급자가 보완토록 요청하거나, 내부적으로 보완하여 사내 근로자가 사용할 수 있도록 하여야 함.

중합-본부-2013-0030

Inspection Report

- Samsung Electronics' Giheung Plant

종합진단보고서

- 삼성전자(주) 기흥사업장 -

2013. 5.

- 물질의 위험성을 쉽게 파악할 수 있도록 종합적인 대책수립과 교육이 필요하며, 이러한 기본지식의 바탕하에서 자신이 폭로될 수 있는 물질에 대한 정확한 위험성을 숙지하도록 하여야 함. 과거 실시된 물질안전보건교육의 시행착오를 되풀이 하지 않기 위해서는 기본계획수립과 이행내용에 대해 관계기관의 사전검토와 심시내용 확인이 필요함.

Comprehensive plans and training is required for employees to identify toxic risks of materials they use at workplace.

이해 할 수 있는 지식, MSDS의 내용이 수행업무와 어떤 연관이 있는지 이해시키시기 바람.

관련규격 및 참고자료

E.g. Toxicity of CO₂

- Immediate death when exposed to 20% of CO₂

1. CO₂ LC50

6700ppm(0.6%)/1hr (LC50, rat)
20000ppm(2%)/4hr (LC50, mouse)
7500ppm(0.75%)/1hr (LC50, monkey)
9600ppm(0.96%)/1hr (LC50, dog)

2. CO₂ 독성

- 5%이상의 CO₂에 장시간 노출되면 의식을 잃거나 사망하게됨
- 10%에서는 심한구토와 함께 혼절
- 20%를 넘는 경우 즉사(따라서 CO₂ 소화약제 방출농도인 34%에 노출 또는 피난지체시 거의 예외 없는 사망발생)

◆ Non disclosure of the Inspection Report (2013.5)



- ◆ All information related to safety and health should be disclosed.
- ◆ Revise the Act On Prevention Of Divulgence And Protection Of Industrial Technology! Revise the Act On Special Measures For Strengthening The Competitiveness Of, And Protecting National High-tech Strategic Industries!
- ◆ Revise the Occupational Safety and Health Act – Enhance the Right to Know

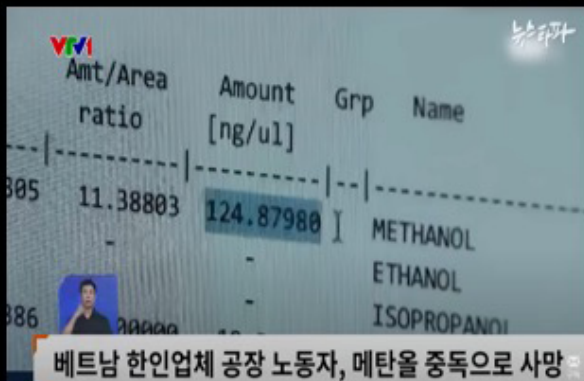
1) (정보공개법)
7. 법인·단체 또는 개인(이하 "법인등"이라 한다)의 경영상·영업상 비밀에 관한 사항으로서 공개될 경우 법인등의 정당한 이익을 현저히 해칠 우려가 있다고 인정되는 정보. 다만, 다음 각 목에 열거한 정보는 제외한다.
가. 사업활동에 의하여 발생하는 위해(危害)로부터 사람의 생명·신체 또는 건강을 보호하기 위하여 공개할 필요가 있는 정보

Methanol Poisoning Accident

- Samsung Electronics' Supplier in Vietnam

SAMSUNG

Methanol poisoning accident: Samsung's supplier in Vietnam



A screenshot of a laboratory report with a table. The table has columns for 'Amt/Area ratio', 'Amount [ng/ul]', 'Grp', and 'Name'. The first row shows a ratio of 11.38803 and an amount of 124.87980. The name 'METHANOL' is listed in the 'Name' column. Below the table, there is a caption in Korean: '베트남 한인업체 공장 노동자, 메탄올 중독으로 사망'.

Amt/Area ratio	Amount [ng/ul]	Grp	Name
11.38803	124.87980		METHANOL
			ETHANOL
			ISOPROPANO

베트남 한인업체 공장 노동자, 메탄올 중독으로 사망



- **1 death, 3 teenagers with brain and eyesight impairment, 37 hospitalized**
- The company ignored workers complaining of bad smell, headaches, and fatigue. No response from the company even after dozens fainted and hospitalized.
- The accident was revealed only after the victims' families reported to toxic material authorities
- Samsung had declared it prohibited the use of methanol for "cooling" at all its suppliers

SAMSUNG

Methanol Poisoning Accident at Samsung's domestic supplier in 2016

- **7 workers in their 20s and 30s suffered from losing eyesights and brain impairment such as brain hemorrhage in 2016**
- **Methanol was used as "refrigerant"** in manufacturing parts for Samsung and LG smartphones
- Methanol was used instead of ethanol as it is cheaper
- **Lack of safety equipment** including shielding and local ventilation equipment
- **Company's no response despite workers showing symptoms exacerbated damages**
→ **Exactly the same accident repeated in Vietnam**

Samsung's Response: Eco-friendly refrigerant has been used across its global suppliers

• Samsung Electronics' 2017 Sustainability Report



친환경 냉각제 개발 사례

삼성전자는 최근 사회적으로 이슈가 되고 있는 유해물질의 사용자감을 위해 사업장뿐 아니라 1차 협력사를 대상으로 대체제의 개발과 유해물질 사용 점검과 개선 활동을 지원하였습니다. 유해화학물질을 취급하는 협력사의 현장진단을 통해 예탄올을 취급상 위험성이 낮은 예탄올로 우선 대체하고 작업환경 개선과 안전교육을 실시하였습니다. 이후 보호구 착용 불만에 따른 생산성 저하를 개선하기 위해 친환경 냉각제를 개발하여 2016년 기준 국내외의 모든 협력사에 적용을 완료하였습니다.

안전성을 높이고 생산성 향상

예탄올 → 예탄올 → 친환경 냉각제 개발과 적용

Samsung developed eco-friendly refrigerant and applied it at all of its domestic and global suppliers as of 2016.

Samsung's Response: Prohibition of methanol as "refrigerant" across its supply chain

• Samsung Electronics' 2019 Sustainability Report



#	구분	Cas No.	물질명	사용제한용도1)	관련기준	대상
1	금지	71-43-2	벤젠	모든 용도	산안법(특별/C/M), IARC 서내 기준	삼성전자 전 사업장, 협력회사
2	금지	110-54-3	n-헥산	모든 용도	산안법(관리/R), EU 생식독성, 서내 기준	삼성전자 전 사업장, 협력회사
3	제한	68-12-2	디메틸포름아미드	세척, 말지	산안법(특별/R), IARC(2A), EU 생식독성(1B)	삼성전자 전 사업장, 협력회사
4	제한	75-52-5	니트로메탄	세척, 말지	산안법(관리/C), IARC(2B)	삼성전자 전 사업장, 협력회사
5	제한	67-66-3	클로로폼	세척, 말지	산안법(관리/C/RL), IARC(2B), EU 생식독성	삼성전자 전 사업장, 협력회사
6	제한	79-01-6	TCE	세척, 말지	산안법(특별/C/M), IARC	삼성전자 전 사업장, 협력회사
7	제한	108-88-3	톨루엔	세척, 말지	산안법(관리/R), EU 생식독성	삼성전자 전 사업장, 협력회사
8	제한	127-18-4	PCE	세척, 말지	산안법(특별/C), IARC(2A)	삼성전자 전 사업장, 협력회사
9	제한	67-56-1	메탄올	세척, 말지, 냉각	냉각 산안법(관리/C)	삼성전자 전 사업장, 협력회사
10	제한	108-94-1	시클로헥사논	세척, 말지	산안법(관리/C)	삼성전자 전 사업장, 협력회사
11	제한	75-09-02	디클로로메탄	세척, 말지	산안법(특별/C), IARC(2A)	삼성전자 전 사업장, 협력회사
12	제한	75-21-8	산화에틸렌	세척, 말지	산안법(특별/관리 C,M), IARC(1)	삼성전자 전 사업장
13	제한	109-86-4	2-메톡시에탄올	세척, 말지	산안법(특별/관리 R)	삼성전자 전 사업장
14	제한	110-49-6	2-에톡시에틸아세테이트	세척, 말지	산안법(특별/관리 R)	삼성전자 전 사업장
15	제한	110-80-5	2-에톡시에탄올	세척, 말지	산안법(특별/관리 R)	삼성전자 전 사업장
16	제한	111-15-9	2-에톡시에틸아세테이트	세척, 말지	산안법(특별/관리 R)	삼성전자 전 사업장
17	제한	50-00-0	포름알데하이드	세척, 말지	산안법(특별/관리 C,M) IARC(1)	삼성전자 전 사업장
18	제한	111-96-6	비스(2-에톡시에틸)에테르	세척, 말지	EU 생식독성(1B)	삼성전자 전 사업장
19	제한	78-87-5	1,2-디클로로프로판	세척, 말지	산안법(관리 C), IARC(1)	삼성전자 전 사업장
20	제한	106-99-0	1,3-부타디엔	세척, 말지	산안법(특별/관리 C, R), IARC(1)	삼성전자 전 사업장
21	제한	127-19-5	N,N-디에틸아세티아미드	세척, 말지	산안법(특별/관리 R)	삼성전자 전 사업장
22	제한	106-94-5	1-프로모프로판	세척, 말지	산안법(특별/관리 C, R), IARC(2B)	삼성전자 전 사업장
23	제한	75-26-3	2-프로모프로판	세척, 말지	산안법(특별/관리 R)	삼성전자 전 사업장
24	제한	107-13-1	에크릴로니트릴	세척, 말지	산안법(특별/관리 C), IARC(2B)	삼성전자 전 사업장
25	제한	75-01-04	염화비닐	세척, 말지	산안법(관리 C), IARC(1)	삼성전자 전 사업장

Other regulated materials such as toluene, xylene, cyclohexanone, dichloromethane, trichloroethylene are still being used in Samsung's suppliers

[Joint Press Conference of Civil Society Organizations, 2023. 3. 29.]

Samsung should be held accountable for accidents!



Samsung should **admit its responsibility and apologize** for methanol poisoning accidents!

Samsung should **support victims and establish a plan to prevent reoccurrence of accidents!**

Samsung should **prohibit the use of methanol in its supply chain and stop outsourcing of risks!**

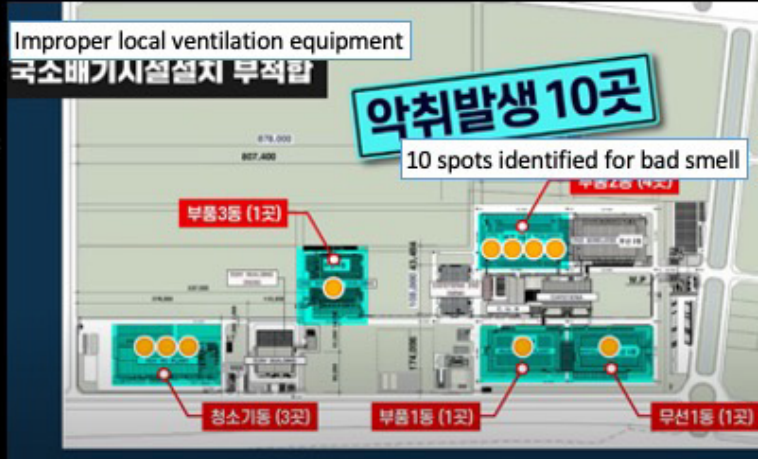
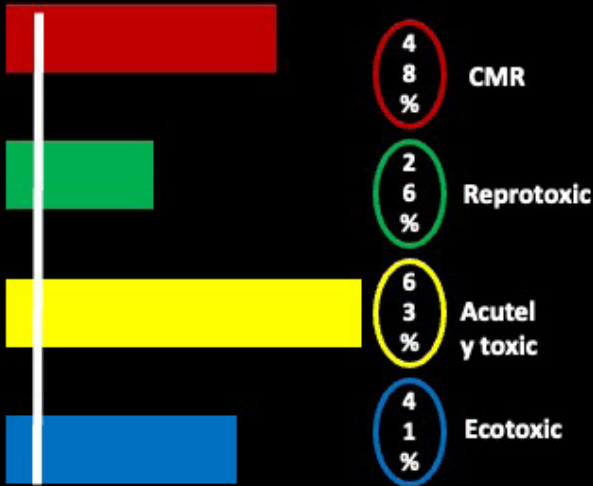
Neglect of Environmental, Safety and Health Risks

- Samsung Electronics' Plants in Vietnam -

Toxic chemical materials in use in Samsung Electronics Bac Ninh

SAMSUNG

"Nasty smells due to air pollution"

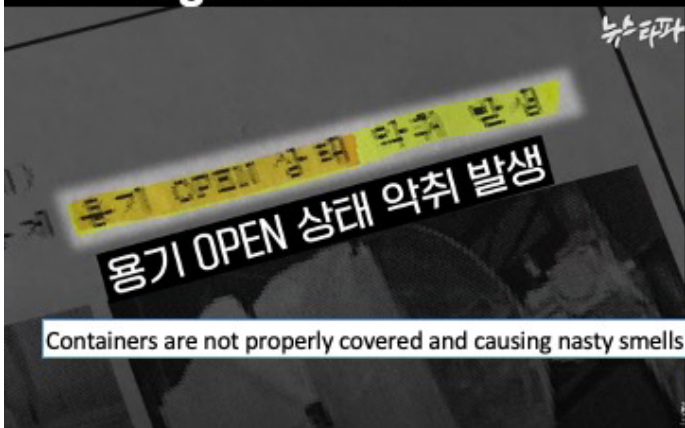


SAMSUNG

"Nasty smells" at Bac Ninh Factory

Abandoned organic solvent

Lack of personal protective equipment





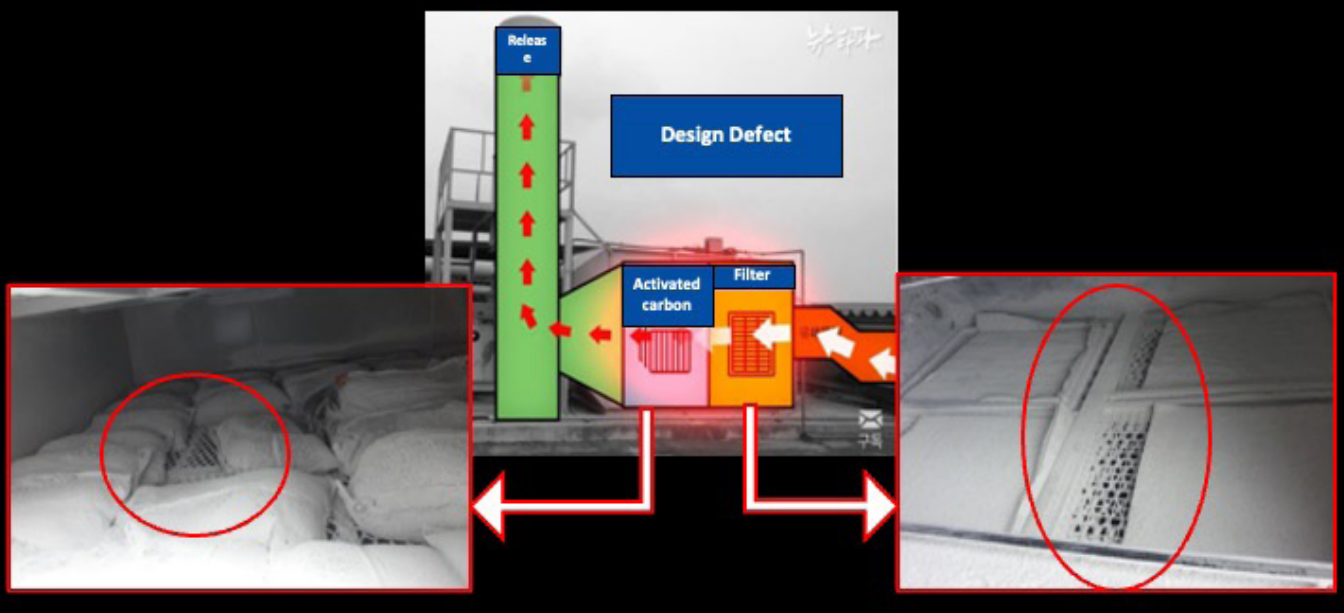
2013년 촬영된 박닌공장 오폐수 처리시설 사진

Wastewater treatment facility at Bac Ninh factory in 2013

- Concerns over legal disputes due to the delayed construction of wastewater treatment facility
- No wastewater treatment facility for 4 years

SAMSUNG

"A Bad Smell" outside the Bac Ninh factory is air pollution

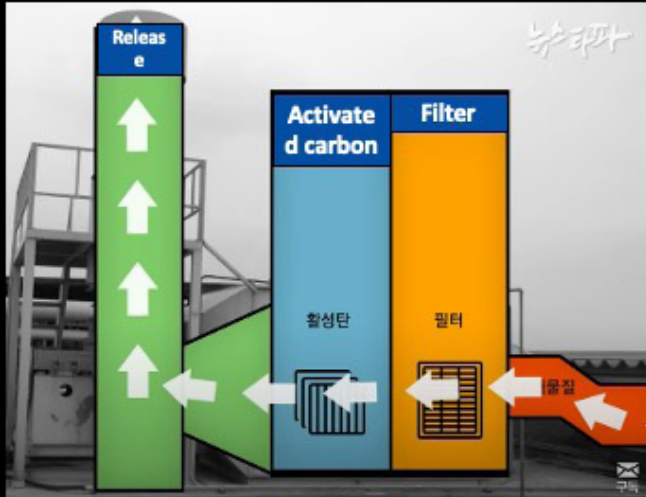


SAMSUNG

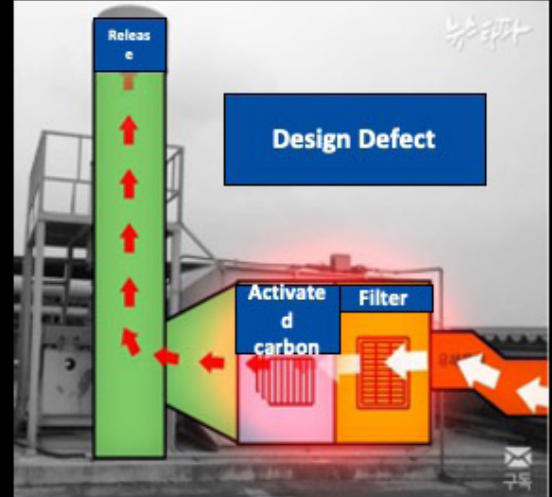
"A Bad Smell" outside the Bac Ninh factory is **air pollution**

Required

Reality



Vs.



Over 8 years of operation, inadequate air pollution control

Please support SHARPs.

<https://webcm30.webcm.co.kr/system/platform/page1-1.html?id=hrfund&aid=sharps>

후원하기

반올림은 기업의 후원을 받지 않습니다.
시민들의 자발적인 후원으로 활동하고 있습니다.
반올림을 정기, 일시로 후원하실 수 있습니다.

정기후원

QR 코드 클릭 또는 아래 버튼 누르기를 하시면 정기후원하실 수 있습니다.

*위의 주소로 들어가시면 정기후원회원으로 가입하실 수 있습니다. 반올림은 (재)인권재단사람이 운영하는 인권단체 재정안정기금의 지원을 받는 재정발전소 회원단체입니다. 반올림을 지정하여 <인권단체 재정안정기금>에 기부하시면, 회원님의 CMS 출금계좌와 기부금영수증에는 '인권재단사람'이 표기되며 기부금은 <재정발전소>사업을 통해 단체에 배분됩니다.

일시 후원 또는 증액

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* 문의: 02-3496-5067 (반올림 전화)

sharps@hanmail.net (이메일)



병들지 않고 죽지않고 일할 권리!!!
The right to work without getting sick and not dying!!!
아프면 치료받을 권리!!!
Right to be treated if you're sick!!!
아프지 않도록 쉴 권리!!!
The right to rest so that you don't get sick!!!



< Appendix >

직업병 인정 투쟁

Struggle for recognition of occupational diseases

The first semiconductor occupational disease victim, the late Ms. Hwang yumi, and her father Mr. Hwang Sangki,

"My daughter developed leukemia while making semiconductors at Samsung."



돈으로 피해자를 회유한 삼성을 규탄하는 기자회견

Press conference condemning Samsung for trying to bribe victims



http://h21.hani.co.kr/arti/society/society_general/48905.html

h21.hani.co.kr

[단독] 백혈병 피해 유족에 '우수고객' 조롱한 삼성
반도체 산재 첫 인정 판결 7년 뒤 뒤흔은 합의 이유 보여주는 문건들...
직업병 직시는 뒷전, 피해자-시민단체 이갈질에 열중

Samsung, featuring the bereaved families of workers who died from leukemia as "Valued Customers"

우수고객 명단

 홍길동, 박, 김씨 삼성전자 조종 직업병으로 사망 사망, 사망로 인해 기 2000, 조종 제1	 홍길동, 박, 김씨 삼성전자 조종 직업병으로 사망 사망, 사망로 인해 기 2000, 조종 제1
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 홍길동, 박, 김씨 삼성전자 조종 직업병으로 사망 사망, 사망로 인해 기 2000, 조종 제1	 홍길동, 박, 김씨 삼성전자 조종 직업병으로 사망 사망, 사망로 인해 기 2000, 조종 제1
 홍길동, 박, 김씨 삼성전자 조종 직업병으로 사망 사망, 사망로 인해 기 2000, 조종 제1	 홍길동, 박, 김씨 삼성전자 조종 직업병으로 사망 사망, 사망로 인해 기 2000, 조종 제1

Samsung's responses to occupational death issues (Hankyoreh 21 report)

1) **Not Samsung Electronics but the future strategy office of Samsung Group** has been handling the issue

2) **Focusing on addressing social and political effects of the issue, not the remediation and prevention of recurrence**

- As Samsung had no commitment to address the issue itself but cared about political ripple effects only, its response of engaging in discussion or not was determined by political needs .

3) **Samsung was aware of the occupational disease (leukemia) issue early in January 2012**

- Keumyong Jung (HR manager), **"In conclusion, it is true that the incidence rate of leukemia is high in the semiconductor industry."**

4) **Alienating victims and activists**

- 2013. 9. 12. "The fourth SHARPs meeting: Induce breakup of victims' families from SHARPs by emphasizing working with SHARPs will result in no benefits"

- 2013. 9. 16. "Induce breakup of victims' families from SHARPs by planting distrust for SHARPs"

- 2013. 9. 26. "In relation to the petition submitted to the UN: Strongly protest the submission of the UN petition, claiming that such a political issue making is against public morals. Widen the gap between families and CSOs by explaining that such a political move is initiated by SHARPs."

5) **Intervention into court proceedings**

Requesting key units of Samsung Group of their opinions about "whether to move up the timing of the second trial"

1023일간의 삼성본관 앞 반올림 농성에 참여한 피해자와 어머니

A victim and her mother at SHARPs' 1023-day sit-in protest in front of Samsung headquarters



Demands on Samsung's occupational diseases

- **Make a sincere apology**
- **Compensate without excluding victims**
- **Keep your promise on a social dialog**

끝없이 이어진 연대, Endless solidarity

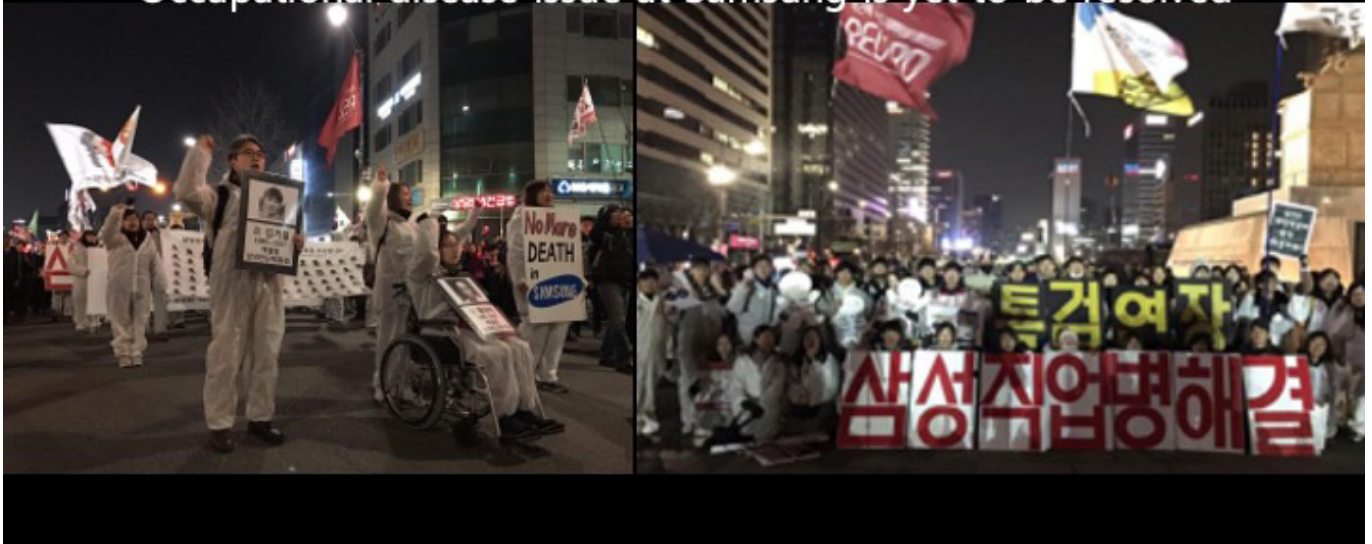


국제노총, International Trade Union Confederation
해외 강연과 영상상영회, overseas lectures and film shows
UN 특별보고관 면담, UN Special Rapporteur interview



Candle light vigil: Impeachment of the President and Imprisonment of
Jaeyong Lee

"Occupational disease issue at Samsung is yet to be resolved"



투쟁이 만든 변화들

Changes made by the struggle

11 years took for SHARPs and Samsung to reach an agreement!!



November 23, 2018

Samsung Electronics' semiconductor LCD occupational health support & compensation committee

<http://www.ohsec.or.kr/>

지원보상 제도 이해 필수 안내 삼성전자 반도체·LCD 산업보건 지원보상 지원보상 산업/특안 832호

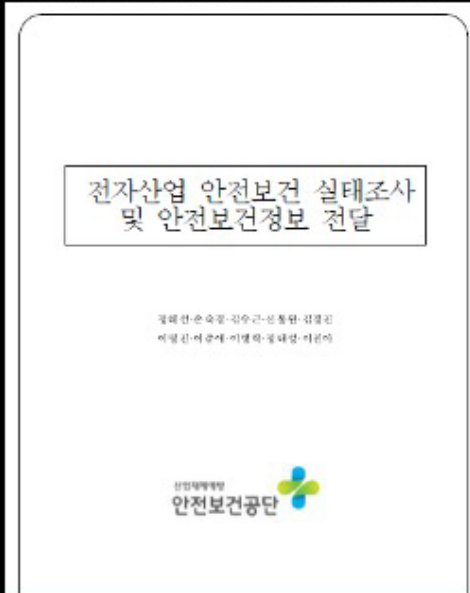
“ 삼성전자 반도체·LCD 산업보건 지원보상 위원회 ”

‘삼성전자 반도체·LCD 산업보건 지원보상위원회’는 삼성전자 반도체·LCD사업장 근무자들의 질병보상 절차 진행을 위해 삼성전자로부터 위탁받은 독립기구로서, 2018년 11월 23일 합의한 ‘삼성전자 반도체 등 사업장에서의 역학병 등 질환 예방과 관련한 문제해결을 위한 조장위원회’의 중재신청서에 의거해 공정하고 객관적인 기준에 따라 보상문자를 수행하겠습니다.

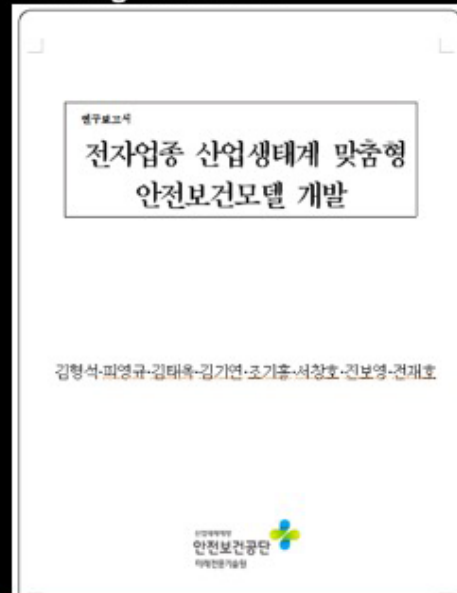
보상 절차

신청/접수 > 심의 > 확정 > 지급/종료

The Electronics Industry Center established in Korea Occupational Safety and Health Agency with KRW 50 billion won contribution from Samsung Electronics



Study on the actual conditions of safety and health in SMEs in the electronics industry



Study on the outsourcing of hazardous work to suppliers in the semiconductor industry

The Supreme Court decision on occupational diseases in the semiconductor industry



반도체전자산업 직업병문제에 대한
대법원 판결

“산업재해보상보험제도는 산업안전보건상의 위험을 사회 전체가 분담하고자 하는 목적”

“불확실한 위험을 감수해야 하는” 첨단산업에서는 산재보험제도가 본래 목적과 기능에 더욱 충실해야 하고, 당사자간 이해관계 조정과 갈등 해소에 기여할 수 있어야”

“업무와 질병 사이의 인과관계를 규명하는 것이 현재의 의학·과학 수준에서 곤란하더라도 그것만으로 인과관계를 부정할 수 없다”

“사업주의 협조 거부 또는 관련 행정청의 조사 거부나 지연 등으로 작업환경상 유해요소를 규명할 수 없었던 사정이 있다면, 이는 상당인과관계를 인정함에 있어 근로자에게 유리한 간접사실로 고려할 수 있다”


“Additive interaction due to complex exposure to a number of chemical substances, radiation, low frequency magnetic field, night shift, high temperature, overwork, excessive workload, and stress should be taken into account.”

The government official research recognized occupational diseases in the semiconductor industry!

반도체 제조공정 근로자에
대한 건강실태 역학조사
- 암 질환 중심 -

김은영 · 역성림 · 서희경 · 전교현 · 박순우

산업재해예방
안전보건공단
산업안전보건연구원



■ Cancer patients: 3,442

■ Cancer deaths : 1,178

- Survey targets: 201,057 former or current employees of six semiconductor companies
- Survey period: from 1998 to 2015/16

- 영코테크놀로지코리아 13,887명, 케어차일드코리아반도체 4,550명, 케이이씨(주) 9,586명, DB하이텍(주) 7,746명, SK하이닉스(주) 64,115명, 삼성전자(주) 101,173명으로 총 201,057명

Remaining Questions

The government statistics is only the tip of an iceberg!!

More harms and deaths are yet to be identified!

■ Cancer patients: 3,442

■ Cancer deaths: 1,178

- 1998~2016

- Occupational cancer

- Semiconductor industry

Vs.

- Before 1998 and after 2016

- Other occupational diseases: rare disease, reproductive health problem, brain cardiovascular disease, musculoskeletal disorders, mental disorders

- Other industries: display, smartphone, home appliance, battery, electronic parts industries

노동자가 참여하는 노동안전보건사업 Workers participate in industrial safety and health projects



Presentation 1

Introduction to the Proposed Bill on Mandatory Human Rights and Environmental Due Diligence I

- YooJung Shin(Lawyer, KTNC Watch / JIHYANG LAW)



Introduction to the Proposed Bill on Mandatory Human Rights and Environmental Due Diligence ① The Scope and Obligations of HREDD

Yujung Shin
Attorney at Law, KTNC Watch / JIHYANG Law



I. Scope of Application

1. Scope of Human Rights and Environmental Impacts

- Temporal Scope: adverse impacts that have already occurred + adverse impacts that are likely to occur
- Normative Scope:
 - ① Human dignity, value, freedom and rights guaranteed by the following documents
 - Korea's Constitution and laws and regulations
 - International human rights treaties that the Republic of Korea signed/ratified and customary international laws (schedule 1)
 - International Labour Organization conventions that the Republic of Korea signed/ratified (schedule 2)
 - ② Protection of health and environment prescribed by the following documents
 - Korea's Constitution and laws and regulations
 - International environmental agreements (schedule 3) and their implementing laws
 - ③ In addition, when adverse impacts on human rights and environment are serious or highly likely, such as climate crisis



Scope of Human Rights Impacts— background

- Commentary to UNGP 12.
 - The responsibility of business enterprises to respect human rights is distinct from issues of legal liability and enforcement, which remain defined largely by national law provisions in relevant jurisdictions.
 - An authoritative list of the core internationally recognized human rights is contained in the International Bill of Human Rights, coupled with the principles concerning fundamental rights in the eight ILO core conventions as set out in the Declaration on Fundamental Principles and Rights at Work.
- OECD Guidelines for Multinational Enterprises Commentary on IV. Human Rights
 - A State's failure either to enforce relevant domestic laws; or to implement international human rights obligations (...) does not diminish the expectation that enterprises respect human rights. (...) In all cases and irrespective of the country or specific context of enterprises' operations, reference should be made at a minimum to the internationally recognized human rights expressed in the International Bill of Human Rights.

Scope of Environmental Impacts – background

- UN General Assembly Resolution (A/76/L.75)
 - **Recognizes the right to a clean, healthy and sustainable environment as a human rights;**
 - Notes that the right to a clean, healthy and sustainable environment is related to other rights and existing international law;
 - **Affirms that the promotion of the human right to a clean, healthy and sustainable environment requires the full implementation of the multilateral environmental agreements under the principles of international environmental law;**
 - Calls upon States, international organizations, **business enterprises** and other relevant stakeholders to adopt policies, to enhance international cooperation, strengthen capacity-building and continue to share good practices in order to scale up efforts to ensure a clean, healthy and sustainable environment for all.

Scope of Environmental Impacts – background

- EU CSDDD (Amendments adopted by the European Parliament, June 2023)
 - Art. 6 Para 1
Member States shall ensure that companies take appropriate measures to broadly scope the impacts of their operations, subsidiaries and business relationships in order to identify and assess **actual and potential adverse human rights and environmental impacts** arising from their own operations, products and services or those of their subsidiaries and those related to their value chains (...)
 - Art. 3 (b)
'adverse environmental impact' means **an adverse impact on the environment resulting from the failure to comply with obligations in line with the relevant provisions of the instruments** listed in Part I, points 18 and 19, of the Annex and Part II of the Annex (...)

2. Personal Scope – (1)

- Business enterprises required to comply with HREDD obligations
 - Among enterprises not defined as SMEs under the Article 2 of the Act on Small and Medium Enterprises,
 - Enterprises that normally have at least 500 employees; or
 - Have sales revenues exceeding KRW 200 billion won
- The scope of application can be scaled up as prescribed by Presidential Decree
- Obligations applicable to all enterprises:
Concerns over involvement in crimes against humanity, war crimes, child labor; or obligations to identify adverse human rights impacts in the event of business operations in conflict areas

Personal Scope - background

- As of 2020, out of 6,820,850 enterprises operating in Korea, **enterprises with more than 500 employees account for less than 0.03% (1,904) and enterprises with more than KRW 150 billion won of annual sales revenues by industry and size only accounts for 0.04% (2,589).**

* Source: National Statistical Office

- UNGP 14
 - The responsibility of business enterprises to respect human rights applies to all enterprises regardless of their size, sector, operational context, ownership and structure.
- EU Explanatory Memorandum to COM(2022)71 - Corporate Sustainability Due Diligence
 - For SMEs, the financial and administrative burden of setting up and implementing a due diligence process would be relatively high.
 - For the most part, they do not have pre-existing due diligence mechanisms in place, they have no know-how, specialized personnel, and the cost of carrying out due diligence would impact them disproportionately.

Personal Scope - background

<p>EU CSDDD (amendments adopted by the European Parliament, June 2023)</p>	<ul style="list-style-type: none"> • EU companies <ol style="list-style-type: none"> (1) EU companies with more than 250 employees on average and a worldwide net turnover exceeding EUR 40 million (2) Companies which are the ultimate parent company of a group that had 500 employees and a net worldwide turnover of more than EUR 150 million • Non-EU companies <ol style="list-style-type: none"> (1) Companies with a worldwide net turnover exceeding EUR 150 million and at least EUR 40 million net turnover in the Union (2) Companies which are the ultimate parent company of a group that had 500 employees and a net worldwide turnover of more than 150 million and at least 40 million was generated in the Union
<p>French Commercial Law Art. 225-102-4</p>	<ul style="list-style-type: none"> • Large companies with over 5,000 employees in France and over 10,000 in the world (including employees in subsidiaries)
<p>German Supply Chain Act</p>	<ul style="list-style-type: none"> • Enterprises with more than 3,000 employees (Art. 1-1) - Employees of entities in the same business group and dispatched employees are also counted into the number of employees • The scope is to be expanded to enterprises with more than 1,000 employees from 2024

2. Personal Scope – (2)

- Business activities scope of HREDD obligations
 - Activities that an enterprise conducts repeatedly and continuously domestically and internationally to achieve its purpose of establishment + accompanying activities
 - Above activities of its subsidiary companies defined by the Act on External Audit of Stock Companies
 - Above activities of companies in the business group controlled by the enterprise in pursuant to the Monopoly Regulation and Fair Trade Act
- **Key question - Whether a business enterprise exercises control/power sufficient to determine financial and operational policies of another enterprise that causes adverse human rights and environmental impacts?**

2. Personal Scope – background

- EU CSDDD (amendments adopted by the European Parliament, June 2023) Art. 6
 - Member States shall ensure that companies take appropriate measures to broadly scope the impacts of their operations, subsidiaries and business relationships in order to identify and assess actual and potential adverse human rights and environmental impacts arising from their own operations, products and services or those of their **subsidiaries** and those related to their value chains (...)
 - Subsidiaries → 2004/109/EC Directive Article 2 paragraph 1 (f) → include any undertaking over which a natural person or legal entity has the power to exercise, or actually exercises, **dominant influence or control**
- The German Supply Chain Act Article 2(6)
 - In affiliated enterprises, the parent company's own business area includes a group company **if the parent company exercises a decisive influence on the group company**

3. Definition of Supply Chain

- Supply chain means **all relationships established directly or indirectly across all steps from the extraction of the raw materials to the delivery to the end customer** with all economic entities in Korea and abroad that are necessary to produce the products and provide the services when an enterprise produces the products (including financial investment products) or provides the services or trade the products or the services (Art. 2-5)
- The German Supply Chain Act Article 2(5)

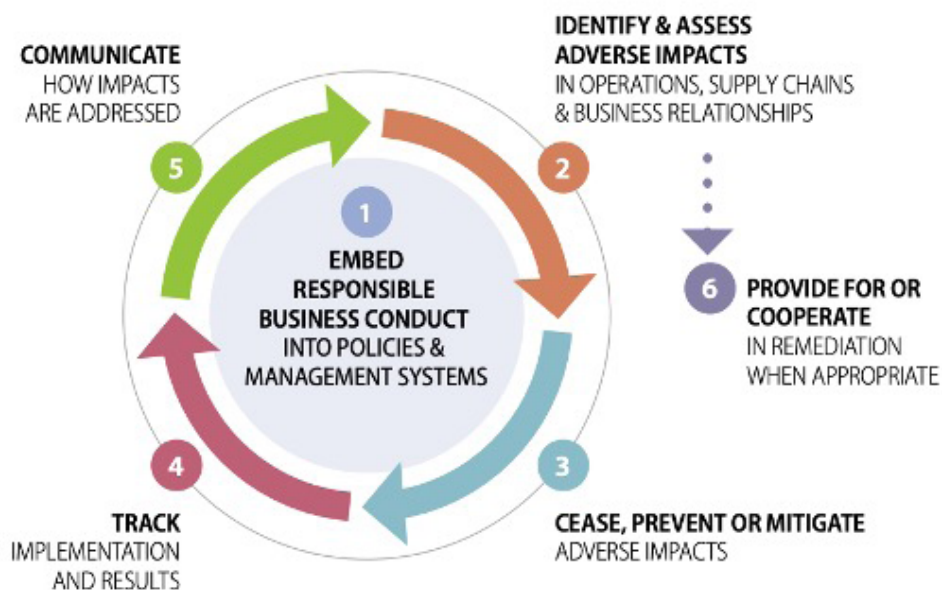
(5) The supply chain within the meaning of this Act refers to all products and services of an enterprise. It includes all steps in Germany and abroad that are necessary to produce the products and provide the services, starting from the extraction of the raw materials to the delivery to the end customer and includes:

 1. The actions of an enterprise in its own business area,
 2. The actions of direct suppliers and
 3. The actions of indirect suppliers

II. Due Diligence Obligations

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Intro. HREDD: Continuous Process



*Source: OECD Due Diligence Guidance

1. Establish HREDD Implementation Procedure

- Establish HREDD implementation policies (Art. 6-1-1)
- Establish HREDD committee in BoD (Art. 6-1-3)
- Designate HREDD officer (Art. 6-1-3)
- Establish a grievance mechanism (Art. 6-1-3)

1. Establish HREDD Implementation Procedure

- Responsibilities of Directors
 - Directors: persons who have authority and responsibility to represent the company and conduct the business of the company
 - Responsibility to establish HREDD implementation plans and report to the BoD (Art. 7)
 - **Supervisory responsibility** to implement HREDD, report and disclose the results (Art. 8-1)
 - If a director has intentionally or negligently neglected his/her supervisory duties and caused his/her company's violation of the Act, he/she shall be jointly and severally liable for damages suffered by a third party including stakeholders (Art. 8-2)

** Reference: Article 401-2 of the Commercial Act

2. Identification of Human Rights and Environmental Risks

- Duty to regularly identify risks:
 - At least once a year
 - Identify actual and potential adverse human rights and environmental impacts arising from their own operations or those of enterprises in their supply chain
 - Identify risks immediately when informed by stakeholders
- Duty to specifically identify risks:
 - In the event of concerns over involvement in war crimes, crimes against humanity and child labor
- Duty to identify risks before launching a business:
 - In the event of starting business activities in conflict and high-risk areas
- Prioritization: Based on the **severity and likelihood** of adverse human rights and environmental impacts

3. Establishment and Implementation of Measures to Address Human Rights and Environmental Risks

		Details
Company's own operations (Art. 11-2)		1. Temporarily suspend or modify business activities to mitigate human rights and environmental risks 2. Prevent recurrence of human rights and environmental risks 3. Provide access to remedies for victims
Direct suppliers' operations (Art. 11-3)*		1. Inform the supplier of human rights and environmental risks 2. Request the supplier to establish and implement measures to address human rights and environmental risks 3. Terminate the business relationship with the supplier if the adverse impacts continue despite the above measures undertaken
Indirect suppliers' operations (Art. 11-4)		Have the upper tier supplier establish and implement control measures including the measures prescribed by the Article 11-3 by utilizing available leverage
General (Art. 11-5)		If necessary, incorporate major items of human rights and environmental risks control measures into internal regulations or terms and conditions of a contract

* However, in the event where human rights and environmental risks of indirect suppliers are directly related to the company's own operations or when the company receives the products or the services from indirect suppliers as a way of avoiding the obligations under the Act, the rules in the Article 11-3 apply.

3. Establishment and Implementation of Measures to Address Human Rights and Environmental Risks - background

- Adverse Impacts Arising from the Company's Own Operations
 - OECD Due Diligence Guidance: Stop activities that are causing or contributing to adverse impacts on RBC issues, based on the enterprise's assessment of its involvement with adverse impacts. Develop and implement plans that are fit-for-purpose to prevent and mitigate potential (future) adverse impacts.
 - Commentary on UNGP 25
 - Unless States take appropriate steps to investigate, punish and redress business-related human rights abuses when they do occur, the State duty to protect can be rendered weak or even meaningless. (...) Remedies may take a range of substantive forms and it is critical to understand not only the corporate perspectives but also the affected people's perspectives in order to provide effective remedies. Remedy may include apologies, restitution, rehabilitation, financial or non-financial compensation, suspension of specific activities or relationships or any other forms of remedies agreed upon by the counterparts.

3. Establishment and Implementation of Measures to Address Human Rights and Environmental Risks - background

- Adverse Impacts Arising from Direct Suppliers' Business Activities
 - OECD Due Diligence Guidance:
 - In cases where the enterprise is contributing to adverse impacts or risks that are caused by another entity, it should take necessary steps to cease or prevent its contribution, also building and using leverage to mitigate any remaining impacts to the greatest extent possible.
 - Appropriate responses to risks associated with business relationships may at times include: continuation of the relationship throughout the course of risk mitigation efforts; temporary suspension of the relationship while pursuing ongoing risk mitigation; or disengagement with the business relationship either after failed attempts at mitigation, or where the enterprise deems mitigation not feasible, or because of the severity of the adverse impact. A decision to disengage should take into account potential social and economic adverse impacts.

3. Establishment and Implementation of Measures to Address Human Rights and Environmental Risks - background

- Adverse Impacts Arising From Indirect Suppliers' Business Activities
- An enterprise is required to exercise available leverage. In other words, whether an enterprise took appropriate steps is determined by the degree of its leverage.
 - Reference: The German Supply Chain Act
Section 3 Due diligence obligations (2) The appropriate manner of acting in accordance with the due diligence obligations is determined according to:
2. The ability of the enterprise to influence the party directly responsible for a risk to human rights or environment-related risk or the violation of a human rights-related or environment-related obligation.
- Differentiated due diligence obligations for direct suppliers and indirect suppliers
 - It may induce large companies to position major suppliers to lower-tier suppliers instead of maintaining direct and stable contractual relationships with their suppliers
 - Need to prevent such side effects by introducing a proviso clause

4. Assessment and Feedback of Human Rights and Environmental Risks Management Measures

- An enterprise shall regularly evaluate its steps to counter adverse human rights and environmental impacts to ensure the effectiveness of the measures. When the assessment finds the countermeasures are not sufficient, the enterprise shall establish and implement additional measures to complement them (Art. 12)
 - Reference: UNGP 20
In order to verify whether adverse human rights impacts are being addressed, business enterprises should track the effectiveness of their response. Tracking should:
 - (a) Be based on appropriate qualitative and quantitative indicators;
 - (b) Draw on feedback from both internal and external sources, including affected stakeholders.

5. Disclosure of HREDD Report

- An enterprise shall prepare and disclose its HREDD report. The report should include the following results (Art. 13)
 - Results of human rights and environmental risk identification (Art. 10)
 - Results of establishment and implementation of its responses to address human rights and environmental risk (Art. 11)
 - Evaluation results of its responses to address human rights and environmental risk (Art. 12)
- The proposed bill requires the preparation and disclosure of a report that contains certain items. However, the report does not have to be in a separate form. An enterprise may choose to include the items required by the Article 13 of the Act in its sustainability report or ESG disclosure.

6. Business Operations in Conflict and High-Risk Areas

- The HREDD Committee designates and disclose conflict and high-risk areas
- In cases of business operations planned in conflict and high-risk areas → the enterprise shall immediately identify human rights and environmental risks separately from conducting a regular due diligence activity (Art. 10-3)
→ SMEs are no exception
- An enterprise operating in conflict and high-risk areas shall submit its HREDD report to relevant supervisory authorities.

Presentation 3

Introduction to the Proposed Bill on Mandatory Human Rights and Environmental Due Diligence II

- Doona Kim(Lawyer, KTNC Watch / KLPH)

Introduction to the Proposed Bill on Mandatory Human Rights and Environmental Due Diligence II

Stakeholders' participation, administrative and criminal liability

Doona Kim(Lawyer, KTNC Watch / KLPH)

1

Communication and Cooperation with Stakeholders

■ Stakeholders

- 'Stakeholders' means any individuals or group of individuals (including families of the deceased) such as consumers, children, the youth, employees, communities, shareholders and investors whose rights or legal status are or could be affected by adverse human rights and environmental impact (Art. 2-8)

■ Background

- Engagement with stakeholders is critical for effective human rights and environmental due diligence
- In order to implement effective human rights and environmental due diligence by ensuring objectivity and neutrality of corporate due diligence practices, companies should listen to

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Communication and Cooperation with Stakeholders

■ International standards: UNGPs

- The process to identify and assess any actual or potential adverse human rights impacts should involve meaningful consultation with potentially affected groups and other relevant stakeholders (UNGP 18)
- In order to verify whether adverse human rights impacts are being addressed, business enterprises should track the effectiveness of their response based on feedback from affected stakeholders (UNGP 20)
- Business enterprises should be prepared to communicate on how they address their human rights impacts when concerns are raised by or on behalf of affected stakeholders (UNGP 21)

■ Duty to Communicate with Stakeholders in the Process of HREDD (Art. 14)

- Business enterprises have a duty to listen to stakeholders' opinions in the entire process of HREDD (Art. 14-1)
- Business enterprises can ask stakeholders for cooperation to ensure effectiveness of their HREDD (Art. 14-2)

3

Stakeholders' Right to Information

■ Background

- Information on HREDD should be disclosed to stakeholders for the full engagement with stakeholders
- Access to information can be limited unless business enterprises voluntarily disclose it because most of relevant information is in the hands of business enterprises
- Therefore, stakeholders' right to request access to information should be guaranteed by law

■ Model legislation: The Norway Transparency Act

- Any person has the right to information from an enterprise regarding how the enterprise addresses actual and potential adverse impacts such as:
 - Information on activities, systems and measures undertaken by an enterprise to prevent or mitigate adverse impacts
 - Information on actual and potential adverse impacts, prevailing risks of such adverse impacts,

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Stakeholders' Right to Information

■ Stakeholders' Right to Information (Art. 15)

- **Right to Information:** Stakeholders can request access to information on how business enterprises identify actual or potential adverse human rights and environmental impacts, establish and implement measures to address such identified impacts, and access the effectiveness of their responses (Art. 15-1)
- **Exception:** A request for information may be denied if the requested information concerns 'trade secrets', 'personal information' or other information that is classified by Presidential Decree (Art. 15-2)
- However, an enterprise shall not refuse to disclose information that is necessary to protect a person's life, integrity, health, property and livelihood from adverse impacts of business activities of its own or entities in its supply chain (Art. 15-2)
- **Appeal:** Any stakeholders whose request for information is denied can appeal to the HREDD

5

Administrative Regulations for Non-Compliance

■ Background

- To enforce HREDD implementation through administrative sanctions for failure to undertake HREDD obligations non-compliance

■ Model legislation: The German Supply Chain Due Diligence Act

- Administrative orders for an enterprise to submit a corrective action plan, including clear timelines for its implementation and to take specific action to fulfill its obligations in order to address and prevent its non-compliance with due diligence obligations
- Exclusion from winning public contracts
- Enforcement fines
- Administrative fines for failure to execute due diligence obligations

6**Administrative Regulations for Non-Compliance****■ Corrective recommendation (Art. 28-1)**

- The HREDD Committee can issue corrective recommendations for an enterprise to implement its obligations under the Act and take necessary measures to fulfill its HREDD obligations when the enterprise either violates the Act or fails to undertake its obligations under the Act (Art. 28-1)

■ Corrective order (Art. 29)

- The HREDD Committee shall report to the Ministry of Economy and Finance when an enterprise fails to execute its obligations under the Act without just cause (Art. 29-1)
- The Ministry of Economy and Finance can order an enterprise to implement HREDD, correct its HREDD report, disclose its HREDD report, take remedial measures for victims and take measures necessary to prevent adverse human rights and environmental impacts (Art. 29-2)

7**Administrative Regulations for Non-Compliance****■ Restriction on participation in a tendering procedure (Art. 32)**

- The HREDD Committee can request necessary measures including restrictions on qualifications for participation in tendering procedures by an enterprise against whom a corrective order was placed, prescribed by Presidential Decree in pursuant to Article 27 of the Act on Contracts to Which the State is a Party (Art. 32)

■ Fines (Art. 44-1)

- In the event of non-compliance with HREDD obligations, fines of up to KRW 10 million won can be imposed. Regulatory offenses include:
 - When an enterprise fails to report its HREDD implementation plan to the BoD (Art. 7-1)
 - When an enterprise fails to identify HRE risks (Art. 10-1)
 - When an enterprise fails to establish measures to address identified HRE risks (Art. 11)
 - When an enterprise reports false information in its HREDD report (Art. 13-1) and fails to consult with

Criminal Sanctions for Serious Violations of Obligations

■ Background

- Criminal sanctions can be imposed on business enterprises for serious HREDD violations as a means to enforce HREDD implementation


■ Penalty (Art. 42)

- A person or legal entity can be imposed of up to 5-year of imprisonment or up to KRW 50 million won of fines for serious violations
- When business activities are suspected to be directly or indirectly involved in war crimes, crimes against humanity or genocide that are prescribed by international law as crimes against humanity; are suspected to be directly or indirectly involved in child labor; or business enterprises fail to identify specific HRE risks when plan business activities in conflict and high-risk areas (Art. 10-3)
- When a business enterprise fails to implement corrective orders imposed by the Ministry of Economy and Finance (Art. 29-2)

Presentation 4

Introduction to the Proposed Bill on Mandatory Human Rights and Environmental Due Diligence III


- YoungAh Park(Lawyer, KTNC Watch / GongGam)



Introduction to the Proposed Bill on Mandatory Human Rights and Environ Due Diligence ③

YoungAh Park
Lawyer, KTNC Watch / GongGam

Remediation - Civil Liability (Articles 39~41)

- Civil liability (including compensation for damages) is a critical pillar of remediation for victims
 - Two main functions of civil liability
 1. Incentivizes effective prevention by business enterprises through internalization of adverse human rights and environmental impacts
 2. Provides effective remedy to victims affected by adverse human rights and environmental impacts due to business activities
- 

Elements of Civil Liability – Breaches of HREDD Obligations under the Act


- A duty not to cause, contribute or be involved in infringements on human rights and environment (Art. 3)
- HREDD Obligations
 - Integrate HREDD procedures in management systems and business operation (Art. 6, Art. 7)
 - Operate grievance mechanisms (Art. 9)
 - Identify human rights and environmental risks, establish and implement steps to address the identified risks, assess the HREDD responses, and reflect them in further responses (Art. 10, Art. 11, and Art. 12)
 - Prepare and disclose HREDD report and communicate and cooperate with stakeholders (Art. 13, Art. 14, and Art. 15)
- When an enterprise commissions parts or the entirety of its HREDD measures to a third party, any such activities by the third party should be considered as the enterprise's own activities

Elements of Civil Liability

- Damages (harm) resulted from breach of obligations
 - HREDD obligations are not to present a set of one size fit all procedures or standards that can be applied irrespective of specific context
 - Business enterprises are required to respond to specific circumstances and contexts
 - Damages means damages due to human rights and environmental harm that could have been either prevented or mitigated if human rights and environmental risks were identified and appropriate measures were established and implemented
 - Damages due to human rights and environmental harms caused or contributed to by the business enterprise
 - Damages due to human rights and environmental harms in the supply chain




Burden of Proof

- One of the key questions for civil claims under the Article 39 is whether an enterprise fulfilled its HREDD obligations
 - However, it is very difficult for a person who has no insider knowledge about the enterprise to prove when and who was aware of what, whether the enterprise had available leverages, which options were available in planning responses, how its supply chain is structured in terms of the forms and context of their business relationships, etc.
 - Because Korea's Civil Procedure Act does not have a discovery system, it is not likely to have relevant evidence become available in the civil proceedings.
- 



Assumption of Causation

- When a claimant proves that an enterprise's own activities or activities of entities in the supply chain are potentially responsible for the damages in his/her claim, it is assumed that the enterprise breached its HREDD obligations and that such breach caused the damage (Art. 40-1)
 - If an enterprise proves that it fulfilled its HREDD obligations or that the damage would have occurred notwithstanding fulfillment of all HREDD obligations, the enterprise can be exempted from liability (Art. 40-2)
- 




Exemption of Litigation Costs

- The court can exempt the claimant from part or all of the litigation costs if it considers the claim to have been brought in public interest.




HREDD Committee

- Mandates of HREDD Committee
 - Investigation and deliberation of HREDD-related issues upon complaints or ex officio
 - Support for HREDD efforts by business enterprises
 - Designation and removal of designations of conflict and high-risk areas
 - The competent authority governing the HREDD Act shall be the Ministry of Economy and Finance that is responsible for overall national economic policy. However, the HREDD Committee shall be located in the Prime Minister's Office, considering the importance of inter-ministerial consultation and coordination among different ministries, including the Ministry of Economy and Finance, the Ministry of Trade, Industry and Energy, the Ministry of Labor and Employment, the Ministry of Environment, the Ministry of Foreign Affairs, the Ministry of SMEs and Startups, and the Ministry of Justice.
- 



Victims Support Fund

- Creation of Victims Support Fund
 - Establish Victims Support Fund in the Ministry of Economy and Finance
 - The Fund shall be funded by contributions from the government and other funding sources as well as collected fines and operational profits
 - Purposes of the Fund
 - Projects to prevent human rights and environmental harms by business enterprises and provide remedies
 - Support for victims adversely affected by human rights or environmental harms due to breaches of HREDD obligations
 - Research, investigation, education, and promotion for enhancing victims rights and preventing harms
 - Other projects or activities prescribed by Presidential Decree for enhancing victims rights and preventing harms
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HREDD Committee

- Structure of the Committee (9 members)
 - Ex officio member: Minister of Economy and Finance
 - Non-ex officio members (nominated by the Minister of Economy and Finance and appointed by the Prime Minister):
 - Members shall be any of the following persons who have expertise and experience in business and human rights and are deemed capable of performing duties fairly and independently:
 - 2 members recommended by nation-wide trade unions
 - 2 members recommended by nation-wide employers' organizations
 - 2 members recommended by civil society organizations
 - Standing member
 - Chair person
 - A secretariat shall be established to handle the day-to-day operations of the Committee
- 