

JIPYONG REPORT

JIPYONG SUSTAINABILITY REPORT

SOCIAL VALUE MANAGEMENT REPORT



JIPYONG'S SOCIAL VALUE MANAGEMENT AND SUSTAINABILITY

The term "social value" derives from the pursuit of communal interests - as opposed to individual interests - by the society's constituents, i.e. the government, businesses, civil society and individual citizens. What then do members of a society need to do in order to pursue interests of the community? They need the right pattern of behavior. Would it be too big a leap to search for answers in the book "Non-Possession" by Buddhist monk Bopjong? I do not believe so. The meaning of "Non-Possession" probably does not mean possessing nothing. I believe it means "not to take possession alone but to share". The Bible verse that reads "it is easier for a camel to go through the eye of a needle, than for a rich man to enter into the kingdom of God" (Matthew 19:24) and the African proverb "If you want to go fast, go alone. If you want to go far, go together" also encapsulate the pattern of behavior realizing "social value".

"Social value management" is a collection of activities of management entities aimed at realizing social values. This 2019 JIPYONG Sustainability Report is the first by a Korean law firm prepared in accordance with the GRI Standards. It was somewhat a challenging journey but it was also rewarding as I was awakened to just how much there is to be done. There are parts I am not too proud of. But this is a genuine account of where we are and it took courage to prepare this report.

Your feedback and comments on this report will be pivotal to Jipyong's continued growth and development in social value management. A pat on the back with words of encouragement will be immensely appreciated. Thank you.

JIPYONG LLC
Managing Partner, Ji Hyung KIM

01 OVERVIEW

JIPYONG LLC (“JIPYONG” or the “Firm”) was established on April 3, 2000 and as of December 31, 2019, has approximately 230 legal professionals and certified public accountants. JIPYONG’s founding spirit and mission is dedication to its clients through the provision of genuine, top-class service in all major areas of law and contribution to society based on ethics, public interest and democracy. JIPYONG is a “community of legal experts” that values its members, community and strives for social justice and the preservation of human rights.

PROFILE

Name	JIPYONG LLC
Headquarters	10F, KT&G Seodaemun Tower, 60 Chungjeong-ro, Seodaemun-gu, Seoul 03740, Korea
Managing Partners	Kong Hyun LEE / Ji Hyung KIM Young Tae YANG / Sung Taek LIM
Foundation	April 3, 2000

GOVERNANCE

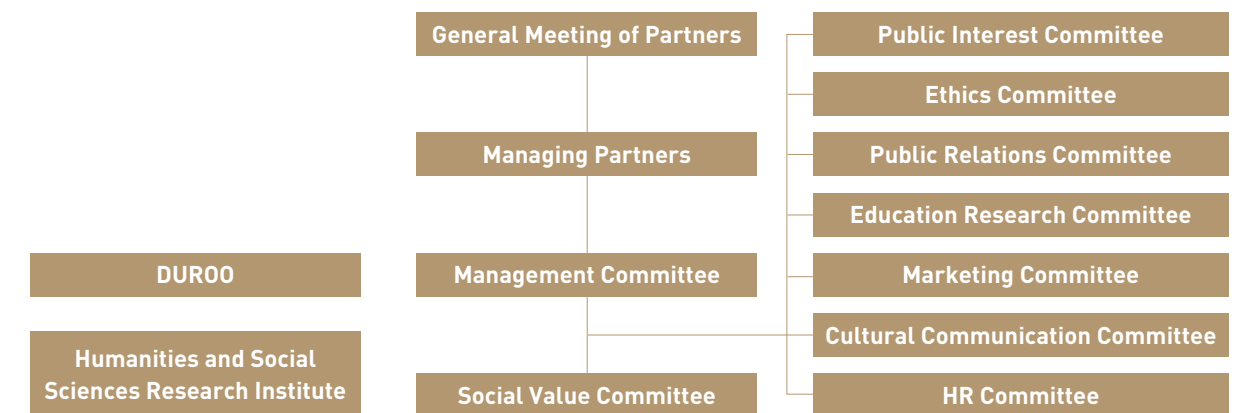
JIPYONG is a limited liability law firm incorporated under the Attorney-At-Law Act. The General Meeting of Partners resolves basic management policies and key management issues for the long-term growth and development of the Firm. JIPYONG’s Management Committee is composed of managing partners and members elected at the General Meeting of Partners. For efficient and faster decision-making, the Management Committee has been delegated the authority of the General Meeting of Partners to carry out responsible management. The Social Value Committee has been formed in order to more effectively pursue and achieve key social value management objectives.

Managing Partners	Kong Hyun LEE / Ji Hyung KIM / Young Tae YANG / Sung Taek LIM
Management Committee	Sang Jun KIM / Gee Hong KIM / Seung Hyun LEE / Won JUNG / Cheol JUNG
Social Value Committee	Ji Hyung KIM, Sung Taek LIM, Sang Jun KIM, Gee Hong KIM, In Young HWANG, Young Soo KIM, Poom JANG, Chun Mi CHEON, Yong Mi KIM, Joo Yeon KWON, Hyun Jung KIM

OVERVIEW

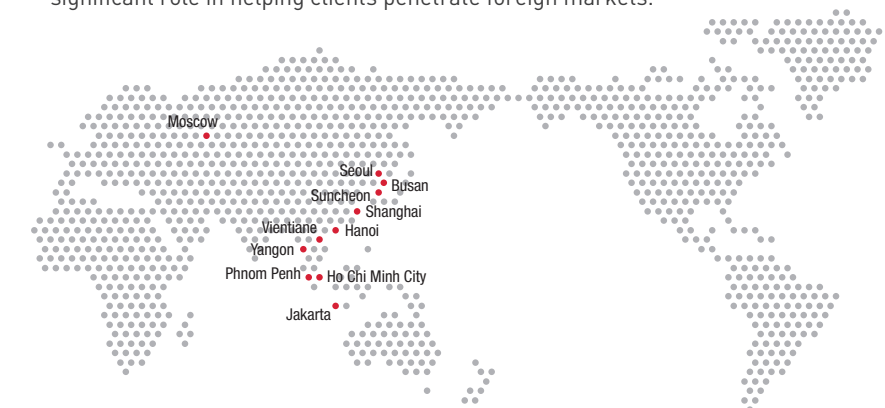
ORGANIZATION

Through its various committees, JIPYONG endeavors to reflect the opinions of its members in each area of management and also allows its members to participate directly in management. Currently, JIPYONG has the following committees: Public Interest Committee, Ethics Committee, Public Relations Committee, Education Research Committee, Marketing Committee, Cultural Communication Committee and HR Committee. Each committee comprises legal professionals and staff who actively express their opinions on management-related issues.



GLOBAL REACH

JIPYONG has been working to strengthen its overseas expertise from an early stage and has the largest number of overseas offices among Korean law firms. With 11 overseas and domestic offices, JIPYONG plays a significant role in helping clients penetrate foreign markets.



OVERVIEW

MEMBERS

JIPYONG is composed of professionals¹ and staff members. As of December 31, 2019, Jipyong has in total 405 members², 230 of whom are professionals and 175 of whom are staff members. In terms of partner-associate numbers, JIPYONG has 76 Korean partners and 87 Korean associates. In terms of jurisdiction of qualification, JIPYONG has 163 Korean attorneys and 47 foreign attorneys. Having the largest number of overseas offices among domestic law firms, JIPYONG is also composed of members of various nationalities and foreign attorneys qualified in various jurisdictions.

Total Members as of December 31, 2019 (Unit: Person)

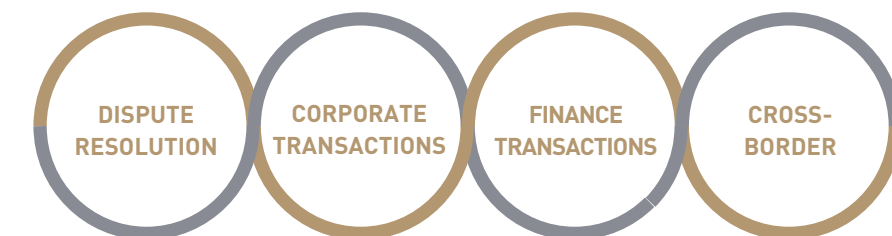
Professionals	Korean Attorneys	Partners	76	230
		Associates	87	
	Other Professionals	Foreign Attorneys	47	
		Korean CPAs	2	
		Foreign CPAs	3	
Expert Advisers	15			
Total Staff			175	
Total Members			405	

1. In this Report, "professionals" includes attorneys, foreign attorneys, certified accountants and advisers who have expert knowledge and capacity to undertake the Firm's work.
2. In this Report, "members" is used to refer to JIPYONG's professionals and staff collectively.

OVERVIEW

SERVICES AND SPECIALTIES

JIPYONG provides top-rated services in all major areas of law. Professionals in each practice area collaborate organically with other professionals, in teams, by practice area and industry in order to accurately diagnose the client's needs and to provide the best possible solutions.



Dispute Resolution Construction / Real Estate / Finance / Capital Markets · PE / IP · IT / Maritime / Criminal / Constitution / Administration / Inheritance / Housework / Family Business Succession / Tax / Labor / Insurance / Bankruptcy / Company Relations / Fair Trade / Media / International Dispute / Civil / Medical **Transaction (Corporate)** M&A / Corporate Law Business Advisory / Overseas Investment / International Transactions / Bankruptcy Restructuring / Taxation / Energy / Environment / Bio Pharmaceuticals/Healthcare / IT / IP / Entertainment / Fair Trade / Labor / Public Policy **Transaction (Finance)** Real Estate Finance / Project Finance / Structured Finance / Acquisition Finance / Overseas Finance / Financial Regulation / PE / IPO / Capital Markets

SOCIAL IMPACT

As of December 31, 2019, DUREO, a public interest organization established by JIPYONG for the purposes of fulfilling social responsibilities, is composed of nine full-time public interest attorneys. In addition, recognizing the importance of humanities in the development of a legal system, JIPYONG has established the Humanities and Social Sciences Research Center (the "Center"). Under the leadership of Mr. Seok Dong KIM, former Chairman of the Financial Services Commission, the Center conducts research and undertakes publication support projects in the areas of humanities, social studies, economics and history. The Labor Law Institute "Haemil", which JIPYONG helped establish in 2012, is expanding the scope of labor rights and raising the level of discussions around labor law practice by fostering expert labor lawyers and through civic education. "Haemil" continues to research practical solutions, particularly from a social integration perspective, to problems in the field of labor and human rights and also conducts education and research projects, such as the Haemil Academy, the Haemil Forum and labor case study research projects, for lawyers and trade union workers.

OVERVIEW

VISION

- Service Excellence
- Happy Workplace
- Champion of Public Interest and Community Service
- Asia's Premier Law Firm

VALUES

- People-focused
 - Genuine
 - Pioneering
 - Principled

MISSION

- Specialized law firm that provides top-rated services
- Law firm where everyone is an owner
- Law firm with structured training programs
- Global law firm
- Ethical law firm
- Law firm that is a champion of public interest
- Law firm that supports self-development
- Law firm that respects women
- Law firm that cares for minorities
- Law firm that considers the environment

OVERVIEW

2019 MANAGEMENT KEYWORDS



COMMUNICATION

internal communication, client communication, communication with the world

JIPYONG's members continually review and reflect on their communication skills and always strive to listen carefully and to respond in a timely manner, whether the communication is internal, with clients or with the world.



COOPERATION

team play, strong collaboration

We believe it is important to work together and not struggle alone. We strive for teamwork both within teams and between teams. Cooperation and collaboration is a key part of JIPYONG's culture.



CHALLENGE

ready to be challenged on a personal, team and Firm level

JIPYONG has always strived for and continues to strive for innovation. We believe in pushing boundaries and creating new frontiers and genuinely support all of our members' endeavors.



CHANGE

visible changes in competence, culture and habits

JIPYONG aims to achieve visible changes. JIPYONG and its members are not averse to change. We believe cultural change is important as well as development in competency. We will continue to challenge ourselves and others to change.

2020 marks JIPYONG's twentieth anniversary.

We will continue to make our members proud, to be a more than just a law firm and to become the world's "one and only".

OVERVIEW

STAKEHOLDERS

JIPYONG has expanded the scope of its stakeholders and collaborates with diverse interested parties. JIPYONG's stakeholders primarily include its members, its clients, the community, the government and public institutions. JIPYONG has strived to establish various communication channels with its stakeholders, to actively listen to their opinions and to reflect them in management operations. JIPYONG will continue to grow with its stakeholders and to build strong relationships of trust through active communication with its stakeholders.



OVERVIEW

DECLARATION OF SOCIAL VALUE MANAGEMENT

In September 2019, DUR00, which was established by JIPYONG to protect and serve the interests of underprivileged members of society, celebrated its fifth anniversary. In celebration of the same, JIPYONG issued a "Social Value Management Declaration" – a first amongst domestic law firms. Social Value Management, which pushes businesses to not only create economic value but also social value, is quickly becoming an important paradigm for domestic and foreign businesses. As a law firm's fundamental mission is to defend basic human rights and to implement social justice in accordance with the Attorney-At-Law Act, we believe that we must take the lead in implementing social values.

01

Establish a "social value committee" and establish a system or organization for social value management

02

Apply social values in recruitment, legal affairs, client relations and the legal society

03

As a firm, devise and complete at least one social values project every year

04

Provide support to businesses, public institutions and civil societies looking to implement social values

05

Provide long-term support to DUR00, which has been established to protect and serve underprivileged members of society and help DUR00 grow to approximately 20 public interest attorneys

06

Promote and implement a project creating an ecosystem for public interest attorneys to realize social values

02 BUSINESS

JIPYONG provides professional and comprehensive legal services in a variety of fields. At the same time, JIPYONG set the pursuit of social value as one of its important tasks and is thus building expertise and developing specialized fields to proactively create social value and is actively participating in the solving of social problems.

2019 BUSINESS PERFORMANCE

Item	Amount (Unit: KRW 1,000)	Note
Revenue	₩74,318,580	Seoul office only (Regional and overseas offices excluded)
Other profits	₩755,502	

2019 DISTRIBUTION OF ECONOMIC VALUE¹

Stakeholders	Item	Amount (Unit: KRW 1,000)
Members	Salaries	₩55,300,480
	Retirement pay ²	₩1,626,406
Partner companies	Operating expenses (inclusive of non-operating expenses such as rent and fixture purchases)	₩14,855,936
Government	Taxes such as corporate tax, and utilities	₩1,535,867
	(Income tax from salaries and retirement pay, and residence tax)	₩10,092,000 ³
Regional societies	Donations ⁴	₩623,690
Others	Interest costs	₩2,563

1. Seoul office statistics.
2. All employees are signed up to the Defined Contribution Retirement Pension Scheme.
3. This amount is included in the member salaries and retirement pay items.
4. This amount is inclusive of member donations under JIPYONG's 1-to-1 matching grant policy in which JIPYONG donates the same amount its members donate, to the same organization.

BUSINESS

JIPYONG'S CREATION OF SOCIAL VALUE

JIPYONG is creating social value while simultaneously providing legal services which respond to client needs. JIPYONG provides legal advice which facilitate transactions, from our client's perspective and from the basis of our legal knowledge and experience, and legal advice and assistance which enables clients to make proper decisions by understanding and complying with the laws and regulations. JIPYONG is also contributing to the protection of our clients' rights and interests and the solving of their problems by representing them in dispute processes such as litigation.

JIPYONG is also contributing to corporations' achievements of sustainable growth, efficient distribution of resources and realization of legalism. Further, JIPYONG is providing legal advice regarding social value-focused management to corporations, public institutions and civil societies, and is actively taking on cases which realize social value. JIPYONG has set the pursuit of social value as one of its major tasks. Thus, to proactively create social value and participate in the solving of social problems, JIPYONG has established new organizations such as its human rights management team and environment team, which have specialized expertise in tasks relating to social value. Further, JIPYONG provides support to social ventures which simultaneously pursue sustainable profits and social value and seeks to resolve society's many problems through innovative technologies or business models, and conducts legal research and advisory work to contribute to the development of our society's laws and systems.

JIPYONG operates practical training programs in the summer and winter for law school students. Its members also lecture at universities for the development of junior legal professionals, sharing in detail their practical experiences with them. Further, JIPYONG members also share their professional expertise with the public through various channels such as seminars and lectures.

03

EMPLOYMENT

A law firm's greatest asset is its people. JIPYONG's sincere, ethical and progressive personnel is its most important and irreplaceable asset, and JIPYONG especially views its people as one of its fundamental values.

FAIRNESS AND TRANSPARENCY IN THE RECRUITMENT PROCESS

JIPYONG's attorney recruitment process can essentially be summed up as the finding of business partners. JIPYONG views its associated attorneys as not only employees but also as future business partners. JIPYONG's HR Committee strives to implement the best employment policy suited to finding perfect business partners. In selecting its trainees and new attorneys, JIPYONG considers a variety of human elements such as diversity and in 2019, the Firm recruited practical trainees and new attorneys from a more diverse range of universities.

JIPYONG takes care not to allow the infringement of transparency and fairness in the employee selection process and prohibits discrimination due to unjust reasons such as gender, age, appearance and military service status.

DIVERSITY OF MEMBERS

JIPYONG strives to alleviate undue emphasis on educational background (particularly on the law schools attended by our attorneys) and continuously pursues a policy of employing social minorities, especially the disabled and North-Korean defectors.

A WORKING ENVIRONMENT FOR THE COEXISTENCE OF WORK AND FAMILY

JIPYONG strives to arrange and actively implement policies to construct a working environment in which work and family coexist, such as reducing working hours, expanding the scope of maternity and paternity leave and employing women with career breaks.

EMPLOYMENT

PROHIBITION OF DISCRIMINATION AGAINST MINORITIES

JIPYONG has been continuously pursuing a policy of employing social minorities such as the disabled and North Korean defectors to secure the diversity of JIPYONG members. Through such a policy, JIPYONG grants equal opportunity and leads in the realization of social value. JIPYONG was the first Korean law firm to hire a blind attorney. Further, JIPYONG implements and utilizes Braille name cards on a company-wide scale. JIPYONG continues its efforts to eliminate discrimination regarding the content of work and positions on the basis of disabilities by constructing a working environment that allows both disabled and non-disabled people to work together, going beyond just entrusting disabled people with support roles. It is because of these efforts that JIPYONG was awarded the Minister of Employment and Labor award at the 2019 E-Daily Good Employment ceremony. Notably, JIPYONG was the only Korean law firm to receive this award.

EDUCATION AND TRAINING

JIPYONG has been systematically implementing an education and training program for its members and is the first Korean law firm to have established an education committee in this regard. Firstly, JIPYONG established an education program called JIPYONG Academy, which invites various lecturers from both in and out of JIPYONG to educate our members. Secondly, JIPYONG has been implementing its "Friday Seminar" which educates new attorneys on the overall practice of law. JIPYONG also provides education opportunities in a variety of aspects through its various practical programs which include, among others, the "Brief Review" session in which a member of the Education Committee intensively reviews opinions and briefs written by JIPYONG attorneys, the "Precedent Seminar" in which participants analyze and research the latest precedents together, the "Specialist Field Seminar" for individual fields of expertise, writing programs, consulting technique programs, PowerPoint technique programs, and negotiation technique programs. Further, JIPYONG considers the long-term education and training of its attorneys to be an important part of the attorney's professional growth and is thus developing and recommending various long term training programs for our attorneys such as a LLMs at US law schools, working in one of our overseas offices, working in a foreign law firm and working in domestic corporations and/or government organizations.

04

ETHICS

Recognizing its ethical responsibility towards its clients, members, corporations, the state and society and in order to allow for management which systematically and actively abides by ethics and the law, JIPYONG enacted the JIPYONG LLC Ethics Charter (the "Ethics Charter") when it was first established in 2000. JIPYONG's Ethics Charter contains the criteria and principles by which all JIPYONG members carry out their work and their daily lives. All our members strive to fulfil and abide by the Ethics Charter diligently.

JIPYONG LLC ETHICS CHARTER

JIPYONG enacted the Ethics Charter in 2000 and obligates all its members to comply with the relevant legal regulations and ethics standards. The Ethics Charter is comprised of 13 provisions which concern, among others, duty of good faith towards the client, duty of disclosure, duty to work within legitimate scopes, duty to try one's best irrespective of the remuneration involved, prohibition of representing opposed parties, prohibition of pursuing self-interest and prohibition of discrimination.

ETHICS

JIPYONG LLC ETHICS CHARTER

1

JIPYONG LLC members must always understand and diligently comply with the rules and regulations governing their respective professions or governing the professionals they assist such as the Attorney-At-Law Act and Korean Attorneys' Code of Ethics, the Patent Attorney Act and related regulations, and the Certified Public Accountant Act and related regulations. Members must also maintain their dignity as JIPYONG constituents in carrying out their work or their daily lives.

2

JIPYONG members must always understand and diligently comply with the principles, agreements and rules agreed by the members.

3

JIPYONG members must not take on cases contravening conventional ethics or social justice, or unfairly prejudicing third parties. They must also not utilize their knowledge and skills to represent such interests.

4

JIPYONG members must give their upmost effort to protect the interests of their clients.

5

The activities of JIPYONG members in protecting the interests of their clients must not exceed legitimate scopes of ordinarily applicable regulations, social justice and professional conscience.

6

JIPYONG members must faithfully carry out all mandated work and must not act dishonestly or request unjust compensation for their work.

7

JIPYONG does not represent and work for opposed parties in the same case.

8

JIPYONG members must under no circumstances betray the client's trust.

9

JIPYONG member must not pursue personal gain, by for example purchasing securities, through information obtained through their work.

10

JIPYONG members must strive to be interested in and participate in activities advancing the public interest.

11

A JIPYONG member must immediately notify the company if it, he or she becomes aware while conducting work that (i) any damage or disadvantage might be or was in fact incurred by JIPYONG due to reasons such as a breach of duty of care or (ii) his or her interests and JIPYONG's interests might or in fact conflict.

12

JIPYONG members must take care not to speak or act in their social lives in a way that might defame the reputation of or disadvantage the company.

13

A JIPYONG member who has a duty to notify or obtain approval from the company pursuant to this Ethics Charter or has questions regarding the charter's interpretation or application must report or inquire either the Management Committee, the Ethics Committee or the professional he or she is assisting.

ETHICS

OPERATION OF THE ETHICS COMMITTEE

In line with the implementation of the Improper Solicitation and Graft Act from September 2016, JIPYONG enacted its Ethics Committee Rules and established the Ethics Committee (chairman: managing partner Ji Hyung Kim) on July 1, 2016. The Ethics Committee is comprised of the chairman who is appointed by the Management Committee, as well as three managing partners and three partner attorneys.

The Ethics Committee requires all JIPYONG members to comply with and realize their professional responsibility, anti-corruption and integrity obligations, and has the authority to investigate and deal with breaches of such obligations. Further, the Ethic Committee is also responsible for answering questions on attorney ethics and educating all JIPYONG members on ethics.

ETHICS COMPLIANCE INDEX

Item	Present?
Internal control procedure in the event of conflict of interests	Yes
Internal control procedure in the event of illegal activities	Yes
Compliance standards, education, regulations or guidelines on Improper Solicitation and Graft Act	Yes
Legal ethics policy regarding utilization of former judges, retired officers and non-attorney professionals	Yes
Internal control procedure regarding retainer by non-attorney professionals	Yes
Internal control procedure regarding excessive engagement or unethical representation	Yes

ETHICS REGULATION PROCEDURE

The Management Committee and practice team leaders discuss and decide on matters concerning ethics, integrity and anti-corruption on the basis of the Ethics Charter. The Ethics Committee investigates and decides on: matters reported to it, disciplinary actions requested to be made by the committee pursuant to internal disciplinary rules and matters requested

ETHICS

by the Management Committee or auditor. JIPYONG has enacted and implements a separate 'Disciplinary Rules for Professionals' to enhance the Ethics Charter's power to regulate. Further, a reporting procedure exists in the event illegal activities are discovered.

BAN AGAINST UNETHICAL REPRESENTATIONS

Article 3 of JIPYONG's Ethics Charter prohibits the taking on of cases which contravene ethics or social justice, or unfairly prejudice third parties. If a client requests work which exceed such legitimate scopes, the JIPYONG member must diligently explain such fact to the client and use reasonable efforts to have the client amend its request. If, despite good faith efforts, the matter cannot be resolved, the JIPYONG member must resign from the case. Also, JIPYONG members must immediately notify the company if they are of the opinion that their work might or in fact exceeds legitimate scopes even if carried out in compliance with the duty of good faith.

PREVENTING CONFLICT OF INTERESTS

Beyond simple compliance with the Attorney-At-Law Act, JIPYONG has implemented a strict compliance checklist and conflicts checks system in order to prevent conflict of interests between clients and interested parties.

The interests of our clients are our upmost concern. If we are unable to conduct work for a client due to conflicts of interest, such fact is diligently explained to the client and assistance is given to protect the client's interest by, for example, recommending other professionals.

TAKING ON PRO BONO CASES

JIPYONG does not discriminate against people seeking assistance on the basis of unjust reasons such as financial ability and social status. If a JIPYONG member is of the opinion that assisting the client is necessary for the public interest even though the client cannot pay according to JIPYONG's remuneration standards, he or she can notify the Pro Bono Committee of the same and conduct the case pro bono. In addition, JIPYONG members strive to do their utmost in all regardless of the remuneration received from the client or the size of the possible economic benefit obtainable from the case.

05

ENVIRONMENT

JIPYONG has implemented an 'Eco-friendly Green Office' policy as part of its efforts to preserve the environment for the next generation. Environmental issues are one of mankind's most urgent problems and can no longer be delayed or postponed. Besides its goal to be a profit-generating law firm, JIPYONG also has as its main goals the public interest and the wholesome growth of society, and the realization of a low-carbon and energy-efficient workplace. JIPYONG is actively implementing the latter by including policies such as the reduction of greenhouse gases in its management policies.

PAPERLESS OFFICE

JIPYONG has been actively implementing a paperless office policy to reduce paper usage and to increase document security. Reducing paper and printer usage leads to an improved working environment due to a reduction of carbons and heat generated from printing and reduction of toxic substances and fine dust from stacked documents. JIPYONG consistently promotes the benefits of a paperless work environment by, among others, informing members of air cleanliness measurements through the Firm's webzine. Such efforts have resulted in many JIPYONG members individually striving to reduce their usage of paper. The paper usage per person in 2019 was 4.13 boxes, a 23% reduction compared to 5.39 boxes in 2016.

ENERGY CONSUMPTION REDUCTION PROJECT

Since October 2019, JIPYONG has been collectively turning off the lights during lunch hours and after working hours. The "Lights-Off" campaign is JIPYONG's most representative company-wide environmental policy, and was started by the Environmental Small Action Group. JIPYONG's total electricity and water usage and carbon dioxide production increased with the Seoul office's continuous personnel expansion, and in 2017 and 2019, office space expansion. However, the electricity usage per person in 2019 was 2077.47 kWh, which is 125kWh lower (on a per person basis) or is a 5.7% reduction compared to 2016. The effect of this is the same as planting 8.8 pine trees. JIPYONG will continue to strive to reduce its electricity and water usage in 2020. The first step will be to continue implementing the "Lights-Off" campaign.

ECO-FRIENDLY VEHICLE POLICY

JIPYONG is currently in the process of replacing company vehicles with eco-friendly ones. Currently, 9 of the 41 vehicles registered under JIPYONG's name are eco-friendly and among them, 7 are hybrid cars and 2 are electric cars. When selecting company vehicles, JIPYONG actively highlights the benefits of eco-friendly vehicles and maximizes support for such vehicles. JIPYONG is also diversifying company support to continuously increase the usage of eco-friendly vehicles by, among others, pursuing the installation of an electric car charging station at the building it is leasing.