

**2016**

**United Nations  
Global  
Compact  
Communication  
on Progress**

**LEE INTERNATIONAL**

## Statement of Continued Support by the Chief Executive Officer

The importance of ethics compliance is widely recognized, not only in developed countries but also in the developing world as well. It has become essential, as companies expand their reach globally, to maintain the highest possible ethical standards. Undeniably, ethics compliance management has become the last hurdle for the survival and growth of companies in this era of global competition.

Lee International was founded by the late Dr. Yoon-Mo Lee, the first director of the Patent Bureau. Since its inception, our office has been a steadfast leader in protecting intellectual property in Korea. While maintaining traditional values and upholding a strong reputation, our office has continued to mature over the past five decades.

From the beginning our firm has assisted primarily foreign clients with their legal needs, recognizing the importance of globalization and its value for the future. Likewise, our firm has fostered a culture that promotes adherence to ethical standards and transparency in management.

One of our goals is to further advance the standards of ethical management and ensure that these standards are maintained industry-wide. In accordance with this principle, we have signed on to the United Nations Global Compact (UN Global Compact) and pledged to support the 10 principles it espouses including human rights, labor, environment and anti-corruption. We also promise to embody our catchphrase, "Happiness Creator," along with our compliance programs to promote our group's future and contribute to the flourishing of humanity.

March, 2016

Terry Taehong Kim, Chief Attorney at Lee International IP & Law Group



## 1. Human Rights Principles

**Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and**

**Principle 2: make sure that they are not complicit in human rights abuses**

### Our Commitment or Policy

Our system of laws basically originated from the norms brought about by social agreements to protect society and the rights and property of its members. As a member of the legal community, we, the employees of Lee International, have complied with the rules and have maintained our code of conduct both inside and outside of the firm.

### Implementation

The following measures are implemented for the improvement of rights within our office.

1. For female employees working late, we liaise with a taxi company to provide a safe means of returning home.
2. We serve light meals for employees in the morning on a first-come first-served basis.
3. We created a "Comment Box" to collect anonymous opinions as to work environment improvements. Those opinions are actively reviewed by management and reflected in our policies.
4. To protect the rights of female workers, we guarantee maternity leave for up to 1 year.
5. We have established in-house nurseries, have initiated a limit on pregnant workers' hours, and have designated a person to address sexual harassment incidents and provide education to prevent such incidents from occurring.
6. To promote member relations, we support the Alpine Club, bowling clubs, a social fraternity, and a company soccer team, both financially and socially.
7. To encourage teamwork among members of departments and to boost synergistic engagements, we provide fraternity funds to support private meetings.
8. To help each employee with personal development to improve his or her lifestyle, we conduct English, Japanese and Chinese language classes, flower arrangement classes, and reading clubs. We reward class progress with vouchers as a further incentive.
9. To improve work efficiency and quality of personal break time, we have provided an employees' lounge on each floor, equipped with a refrigerator, sofa, dining table, and heating equipment.

Members of our company have also been actively seeking opportunities to contribute to our community and have so far preformed the following activities:

1. Lee International IP & Law Group, along with Siemens Healthcare and Poongsan Group, co-hosted a blood drive on April 3, 2015.



2. Timothy J. O'Brien, a Senior Attorney of Lee International IP & Law Group, delivered a keynote speech, addressing that members of Global Children Foundation ("GCF"), advocating the need to do more acts of charity for more children in need all over the world. That speech was presented at the 17<sup>th</sup> regular general meeting in Chicago, GCF held on July 11, 2015. Global Children Foundation is an organization established in 1998 by a group of Korean-American mothers in the United States, to provide assistance to needy children in the aftermath of the economic crisis in Asia.



3. On December 9, 2015, Lee International IP & Law Group, along with Siemens Healthcare and Poongsan Corporation, held the "Santa Cloth" charity bazaar in commemoration of the Christmas Holiday. All proceeds from the event were donated to charity.



4. Talent donation: Our attorneys who are members of the KPAA (Korean Patent Attorneys Association) have done pro-bono work, representing inventors without charge, to promote small to mid-sized businesses and to support youth enterprises.
5. Many of our members make private donations which are gathered bi-monthly and delivered to three public charities, including an orphanage and a sanatorium.

#### **Assessment of outcomes**

Approximately 70 members from Lee International IP and Law Group and Siemens Healthcare participated in the blood donation event.

Members from Lee International IP and Law Group and Poongsan Group delivered coal briquettes to neighbors in need to help keep them warm during the winter.





Through the "Santa Cloth" charity bazaar in December 2015, Lee International IP and Law Group, with assistance from members of Poongsan Group and Siemens Healthcare as well as local residents, raised a remarkable amount of money. All proceeds of the event were delivered to a local welfare center.



## 2. Labor Principles

**Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;**

**Principle 4: the elimination of all forms of forced and compulsory labor;**

**Principle 5: the effective abolition of child labor; and**

**Principle 6: the elimination of discrimination in respect of employment and occupation.**

### **Our Commitment or Policy**

Our company established a strict, in-writing policy against discrimination in employment. All employees' rights, responsibilities, compensation, and benefits are clearly outlined in detail in our management system.

### **Implementation**

Our management is practicing the following activities to prevent unreasonable or unfair practices and labor rights violations throughout the workplace:

1. Collecting anonymous opinions from an open "Comment Box" in the lounge to encourage the reporting of acts of discrimination, coercion, harassment or other unfair acts perpetrated against others.
2. For the benefit of workers who have parental responsibilities, we have initiated a flexible attendance schedule and altered the closing hours selectively.
3. Biennially we offer all employees a number of free health-related programs including health screenings and flu shots.
4. We initiated a graduated bonus structure commensurate with length of service.

### **Assessment of outcome**

Our average employee's tenure since our founding is 6.2 years with a retention rate of over 12% of employees who remain with us 10 years or longer. We take great pride in those numbers as they symbolize that our working environment is highly satisfactory.

### 3. Environmental Principles

**Principle 7: Businesses should support a precautionary approach to environmental challenges;**

**Principle 8: undertake initiatives to promote greater environmental responsibility; and**

**Principle 9: encourage the development and diffusion of environmentally friendly technologies.**

#### **Our Commitment or Policy**

As a responsible member of our community, Lee International has initiated various energy conservation and renewable resources campaigns to support sustainable development and community stability.

#### **Implementation**

1. We have implemented an electronic library system in order to most efficiently utilize space and conserve resources. In accordance with this goal, our firm has digitized our archive dating back to the firm's inception. This has achieved much greater management effectiveness and hugely impacted our environmental footprint.
2. Concurrent with our digital archive, we have further initiated an E-documentation system throughout the administration and management to eliminate waste and allow for faster and more efficient company-wide communication.
3. Energy saving program: we regulate our environment so that it is kept to an appropriate temperature throughout the year. As an added bonus, in the warmer summer months male employees may elect not to wear ties if so inclined. Overtime or emergency workers are obligated to turn off all equipment that is not being used on current time.
4. We initiated a program to deter unnecessary printing and use recycled paper whenever possible.

#### **Assessment of outcome**

Implementation of our efficiency programs above led to an overall 25% increase in efficiency with an equal reduction in environmental impact and overhead costs.



## 4. Anti-Corruption Principles

**Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.**

### Our Commitment or Policy

Lee has a strict anti-corruption policy and is steadfastly opposed to the offering or solicitation of all bribes and/or favors. As employees engaged in law-related occupations we endeavor to comply with the highest ethical standards and conduct our own system wide audit to prevent fraud and corruption.

### Implementation

1. Disciplinary measures are in place for any act to offer and/or receive any bribes or favors.
2. If a supervisor gives instructions that are unfair or interfere with the purpose of a job (with or without the intention to interfere with a subordinate's duty), initially the subject supervisor will be required to discuss this with his/her supervisors or by firm management and required to correct the inappropriate action. However, if the firm discovers that such behavior is repeated, a penalty/punishment will be imposed on such supervisor.
3. Any team member found to be issuing repeated instructions or engaging in any behavior that may impair or impede the duties of another employee will be subject to disciplinary action from consultation up to and including termination.
4. No team member shall engage in any conduct or work on any cases with either a direct or indirect financial link to any relatives including spouses or lineal descendants so as to avoid any potential conflict of interest or perception thereof.

No employee shall be subject to discrimination or favoritism based upon acquaintance, relation, patronage, or religious affiliation

As noted above, if any conduct in violation of this anti-corruption policy is discovered, it will be reflected in the employees' performance evaluation.

The aforementioned anti-corruption policies were enacted in accordance with reviews received from our employees' performance appraisals.