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# Doing Business in South Korea

## Overview

by Ghil-Won Jo, Kwang-Chun Park and Kurt Gerstner, Dentons Lee

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# A Q&A guide to doing business in South Korea.

This Q&A gives an overview of key recent developments affecting doing business in South Korea as well as an introduction to the legal system; foreign investment, including restrictions, currency regulations and incentives; and business vehicles and their relevant restrictions and liabilities. The article also summarises the laws regulating employment relationships, including redundancies and mass layoffs, and provides short overviews on competition law; data protection; and product liability and safety. In addition, there are comprehensive summaries on taxation and tax residency; and intellectual property rights over patents, trade marks, registered and unregistered designs.

## Resource history

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## Overview

1. What is the general business, economic and cultural climate in your jurisdiction?

### Economy

South Korea is a developed nation with an economy largely focused on exports.

### Dominant Industries

South Korea is the fifth largest manufacturing country in the world. In particular, the South Korean semiconductor industry has maintained its place as the second largest in the world since 2013. South Korea is also the fifth largest automobile manufacturer in the world and has leading music and film entertainment industries.

### Population and Language

As of December 2021, the total population of South Korea was about 52 million, with a decreasing population. The primary language spoken is Korean. However, English is taught in schools and many South Koreans are proficient in English.

### Business Culture

Well-established relations are essential to doing business in South Korea. In-person meetings are generally preferred to telephone calls, teleconferences or emails. It is customary to carry and exchange business cards at the start of a business meeting.

Except for certain prescribed job categories, it is forbidden by law for employees to work for more than 52 hours per week. Generally, a work week is five days from Monday to Friday.

2. What are the key recent developments affecting doing business in your jurisdiction?

### Key Business and Economic Events

In 2021, the South Korean shipping industry experienced record-breaking highs marked by great increases in profitability due to high shipping rates. South Korea is also seeing a global expansion of its entertainment industry with successes in popular music, film and television.

Many South Korean businesses, including large conglomerates, have shown increased interest in environmental, social and governance (ESG) issues, resulting in the creation of ESG teams and the adoption of new ESG initiatives.

### Political Events

The presidential election took place on 9 March 2022 and was won by the opposition candidate Yoon Suk-yeol of the conservative People Power Party. The outcome of the election may have a significant impact on business and the regulatory environment in South Korea. President Yoon has made promises to support business and revitalise economic growth using new economic policies centred on the private sector, with government support such as through deregulation and lowering of corporate taxes. He has also pledged to promote R&D and provide other support for key industries, including AI, software, semiconductors, the metaverse, biotech and nuclear energy.

### New Legislation

The Serious Accidents Punishment Act (SAPA), came into force on 27 January 2022 and holds employers criminally liable in the event of serious industrial or public accidents.



## Legal System

### 3. What is the general legal system in your jurisdiction?

South Korea has a civil law system, which has been historically influenced by Japanese and European laws and common law principles. More recently, US law has become influential in South Korean commercial law.

South Korea is governed in large part by federal laws. However, local governments also have certain degrees of autonomy and can enact self-governing ordinances with binding power.



## Foreign Investment

4. Are there any restrictions on foreign investment, ownership or control?

### Government Authorisations

Foreigners intending to invest in South Korea must report certain investments to the Minister of Trade, Industry and Energy in advance. Foreign investment plans that must be reported in advance include:

- Investments in a South Korean corporation or enterprise resulting in the ownership of at least 10% of the total voting shares or total investment capital through acquisition of new or existing shares, with the total investment amount being at least KRW100 million.
- The making of loans with a maturity of at least five years to a South Korean company by:
  - an overseas parent company;
  - a company that has a capital investment relationship with an overseas parent company;
  - a foreign-invested company using unappropriated earned surplus for purposes such as the creation or extension of its factory facilities (where the foreign-invested company is deemed to be foreign and the amount of foreign investment is over a prescribed amount).
- Other contributions made by foreigners to non-profit corporations.

Foreign investors must pre-obtain permission from the Minister of Trade, Industry, and Energy to acquire shares and invest in companies engaged in the defence industry.

### Restrictions on Foreign Shareholders

In addition, certain industries are subject to restrictions on share acquisitions by foreigners (see below, [Specific Industries](#)).

Foreign investors for these purposes include:

- Foreign individuals.
- Foreign governments.

- Corporations, where at least 50% of their shares are owned by foreigners or foreign governments.
- Corporations, where a major shareholder is a foreign individual or foreign government with at least 15% of share ownership.

### Restrictions on Acquisition of Shares

Certain industries are subject to restrictions on share acquisitions by foreigners (see below, [Specific Industries](#)).

### Specific Industries

Under the Foreign Investment Promotion Act and its enforcement decree and rules, foreign investments are not permitted in:

- The postal service.
- The central bank.
- The pensions sector.
- The securities and futures exchange.
- The financial market management sector.
- The administrative business sector.
- Universities.
- Professional bodies.
- Religious entities.
- Certain types of grain cultivation.
- Only up to 49% foreign investment participation is permitted in industries involving:
  - Broadcasting supply.
  - Landline telephone and other wired communications.
  - Wireless communications.
  - Other telecommunication businesses.
- Foreign investment cannot be more than 50% in the following sectors:
  - Beef cattle breeding.
  - Newspaper, magazines and periodicals publishing.
  - Power generation.
  - Meat wholesaling.
  - Inbound passenger/freight transportation.
  - Regular/irregular air transportation.

## 5. Are there any restrictions or prohibitions on doing business with certain countries, jurisdictions, entities, organisations or individuals?

The South Korean government implements UN sanctions through domestic laws such as the Foreign Trade Act. Under the Inter-Korean Exchange and Co-operation Act, trade with North Korea can only occur with approval from the Minister of Unification.

Exports or imports of certain items (such as conventional weapons, weapons of mass destruction, software, technology and other items related to manufacturing missiles) with North Korea through third countries are prohibited without permission from the Minister of Trade, Industry and Energy. Relevant information may be found at [https://www.kosti.or.kr/kosti\\_eng/contents/sanAna.do](https://www.kosti.or.kr/kosti_eng/contents/sanAna.do) or <https://sanction.kosti.or.kr/home/nationHomeIndex.do>. Information on sanctioned countries and items are only available in Korean.

## 6. Are there any exchange control or currency regulations or any registration requirements under anti-money laundering laws?

Under the Foreign Exchange Transactions Act, the South Korean government supervises foreign exchange reserves and monitors foreign exchange markets to maintain stability. In general, payment or receipt of foreign currency between residents and non-residents must be reported to the Bank of Korea or a foreign exchange bank.

Under the Act on Reporting and Using Specified Financial Transaction Information, financial institutions must verify certain prescribed information when opening new accounts for customers.

If the immediate customer is ultimately governed or controlled by a natural person (the actual owner), financial institutions must verify the actual owner's real name and nationality. If the immediate customer is a corporation or an organisation, financial institutions must verify the actual owner's name, birthdate and nationality.



A financial institution must report to the Commissioner of the Korea Financial Intelligence Unit if it has reasonable grounds to suspect that either:

- An asset received in relation to a financial transaction is illegal.
- A party to a financial transaction has engaged in money laundering or financing of terrorism.
- An asset received in relation to a financial transaction consists of criminal proceeds, funds for terrorism, or funds for the proliferation of weapons of mass destruction.

Under a recent amendment to the Act on Reporting and Using Specified Financial Transaction Information, virtual asset service providers are now also considered to be financial institutions.

The Commissioner can also request information from financial institutions.

## 7. What grants or incentives are available to investors?

### Grants

Except as otherwise provided in certain laws, regulations and other statutes, foreign investors and foreign-invested companies are treated in the same manner as South Korean nationals or corporations in relation to grants and incentives.

Under the Foreign Investment Promotion Act, foreign investors can receive cash grants for land/building purchase costs or rents for the installation of factory facilities if they:

- Engage in new growth-driving businesses or materials/components industries.
- Engage in advanced technology and advanced products businesses
- Create a certain number of jobs.
- Make investments in research and development facilities for new growth-driving businesses.

However, the foreign investment must be through the acquisition of new stock, or have a foreign investment ratio of 30% or more, to qualify for such cash grants.

### Incentives

Eligible foreign investments (see above, [Grants](#)) may also receive:

- Reductions or exemptions from acquisition tax and property taxes.
- Exemptions from customs duties for certain capital goods.
- Exemptions from individual consumption taxes.
- Exemptions from value added taxes.

In addition, foreign investment zones that are designated to be exclusively leased or transferred to foreign-invested companies may offer sites at reduced rents and, depending on the circumstances, reductions or exemptions from applicable rents and taxes. Foreign-invested companies may also be allowed to lease land, factories or other property owned by the government and rental fees are reduced or exempted under certain circumstances.

### Foreign Investors

Foreign investments recognised under the Foreign Investment Promotion Act include:

- Foreigners investing in a Korean corporation or enterprise to establish a continuous economic relationship with the Korean corporation or enterprise, where the investment amount is KRW100 million or more, and either the shares owned by the foreigner are 10% or more of the shares with voting rights, or the foreigner has dispatched or appointed an executive officer to the corporation or enterprise.
- Loans with a maturity of at least five years made to a foreign-invested company by a company that has a capital investment relationship with the company, such as an overseas parent company.
- Contributions of at least KRW50 million constituting 10% or more of the total contributions made to non-profit corporations or enterprises that further academic study, the arts or education and that satisfy certain standards, or that are made to non-profit corporations and enterprises in the field of science and technology.
- Foreign-invested companies using unappropriated earned surplus for certain purposes such as the creation or extension of factory facilities.

## Business Vehicles

8. What are the most common forms of business vehicle used in your jurisdiction?

### Main Business Vehicles

The Commercial Act recognises the following business vehicles:

- General partnerships.
- Limited partnerships.
- Limited liability companies.
- Limited companies.
- Stock companies.

Companies can also be formed through joint ventures and investment trusts.

### Foreign Companies

Most foreign-invested businesses are stock companies or limited companies. Stock companies, which facilitate multiple subscribers and the transfer of shares, can also issue bonds and be publicly listed.

Limited companies have commonly been the preferred form for foreign-invested businesses because, as they are exempt from external audits, they can minimise public disclosures of certain company information. However, with the amendment of the Act on External Audit of Stock Companies, limited companies that meet certain criteria, such as having KRW50 billion or more in total assets or sales as of the end of the immediately preceding business year, have also become subject to external audit requirements.

9. What are the main formation, registration and reporting requirements for the most common corporate business vehicle used by foreign companies in your jurisdiction?

### Registration and Formation

The Commercial Act prescribes the incorporation process of stock companies as follows:



- Preparation of articles of incorporation containing required information.
- For incorporation by incorporators:
  - share subscription by incorporators;
  - payment of subscription price or performance of in-kind investment;
  - appointment of executive officers;
  - investigation of whether the incorporation was compliant with applicable laws.
- For incorporation by subscription:
  - share subscription by incorporators and invitation of subscribers;
  - application for subscription by subscribers;
  - payment of subscription price;
  - inaugural general meeting.
- Payment of registration and licence tax, and so on.
- Registration for incorporation. This involves providing:
  - articles of incorporation;
  - proof of share subscription;
  - proof of issuance of shares;
  - the report of investigation or information on appraisal;
  - proof of appointment of and acceptance by executive officers;
  - minutes of the inaugural general meeting;
  - proof of payment of the subscription price.
- Incorporation and business registration. This involves filing the application for business registration and report incorporation and other information to head of the applicable tax office within 20 days from the commencement of business.
- The processing of incorporation and business registration usually can be completed in one to two weeks. Notarisations/apostilles may be required for information on foreign shareholders and executive officers.

## Reporting Requirements

The official costs for incorporation of stock companies are as follows:

- Registration and licence tax: 0.4% of the paid subscription price, the amount of investment, or the value of investment in forms other than cash (or 1.2% if the company is registered in an over-concentration control region, as defined by the Seoul Metropolitan Area Readjustment Planning Act).
- Local education tax: 20% of the registration and licence tax.
- Notarisation fees for articles of incorporation: KRW80,000 if the total nominal value of issued shares is KRW50 million or lower. If the total nominal value exceeds KRW50 million, an additional 0.05% of the value in excess is levied in addition to the KRW80,000. However, the total fee cannot exceed KRW1 million.
- Incorporation registration cost: KRW20,000 to KRW30,000.

Foreign investments must be reported in advance to the Minister of Trade, Industry and Energy. Within 60 days of the payment of the investment, foreign investors must also file for registration as foreign-invested companies with the Minister of Trade, Industry and Energy. Foreign investment reports and registrations as foreign-invested companies are processed immediately (the entire process of incorporation including the report and registration usually takes two weeks), and there are no additional costs.

## Share Capital

In general, stock companies are not subject to maximum or minimum share capital limits, while limited companies' minimum amount per unit of investment must be KRW100 or more. However, businesses in regulated industries may be required to have a minimum share capital under the applicable statutes, and a minimum of KRW100 million capital investment is required to qualify as a foreign investment under the Foreign Investment Promotion Act (see [Question 7](#)).

## Non-Cash Consideration

For stock companies, accepted forms of in-kind investments include:

- Movables.
- Immovables.
- Credit or receivables.
- Securities.
- Intellectual property.

For in-kind investments, the articles of incorporation must expressly specify the:

- Name of the person who is to make the in-kind investment.
- Type, quality and value of the subject matter of the in-kind investment.
- Class and number of shares to be given in consideration.

On the directors' request, a court-appointed inspector must inspect and report to the court whether the in-kind investment has been made.

The same forms of in-kind investments are acceptable for limited companies. However, limited companies are not required to inspect and report to the court whether such in-kind investments have been made.

## Rights Attaching to Shares

Restrictions on Rights Attaching to Shares. Although shareholders are in principle free to transfer their shares to third parties, the articles of incorporation may require approvals from the board of directors. In such cases, share transfers without the board's approval are not enforceable against the company. In addition, courts have upheld restrictions on share transfers contained in shareholders' agreements.

The appointment of stock company auditors and appointments/dismissals of audit committee members of publicly listed companies usually require shareholder votes. For stock companies and publicly listed companies with total assets worth KRW2 trillion or more as of the end of most recent business year, shareholders holding more than 3% of the total issued and outstanding shares (excluding non-voting shares) cannot exercise

voting rights attached to those shares in excess of 3% in connection with these auditor or audit committee votes.

Automatic Rights Attaching to Shares. All shareholders are automatically entitled to:

- Receive dividends.
- Vote at shareholders' meetings (except for the shareholders who hold non-voting shares only).
- Receive distribution of surplus assets on liquidation.
- Pre-emptive rights to new shares.

Shareholders holding more than a certain portion of the total issued and outstanding shares automatically have the right to:

- Make proposals for agenda items at shareholders' meetings.
- Call extraordinary shareholders' meetings.
- Apply for injunctions against directors' actions.
- File derivative claims.
- Inspect the books of account.

10. What is the standard management structure and key liability issues for the most common form of corporate business vehicle used by foreign companies in your jurisdiction?

## Management Structure

In stock companies, the general meeting of shareholders must appoint:

- A minimum of three directors, one of whom will be the representative director.
- An auditor.

However, companies with less than KRW1 billion in total capital can appoint only one or two directors, and elect not to appoint an auditor.

For limited companies, a minimum of one director must be appointed by the articles of incorporation or at a general meeting of members. Limited companies can elect not to appoint an auditor.



## Management Restrictions

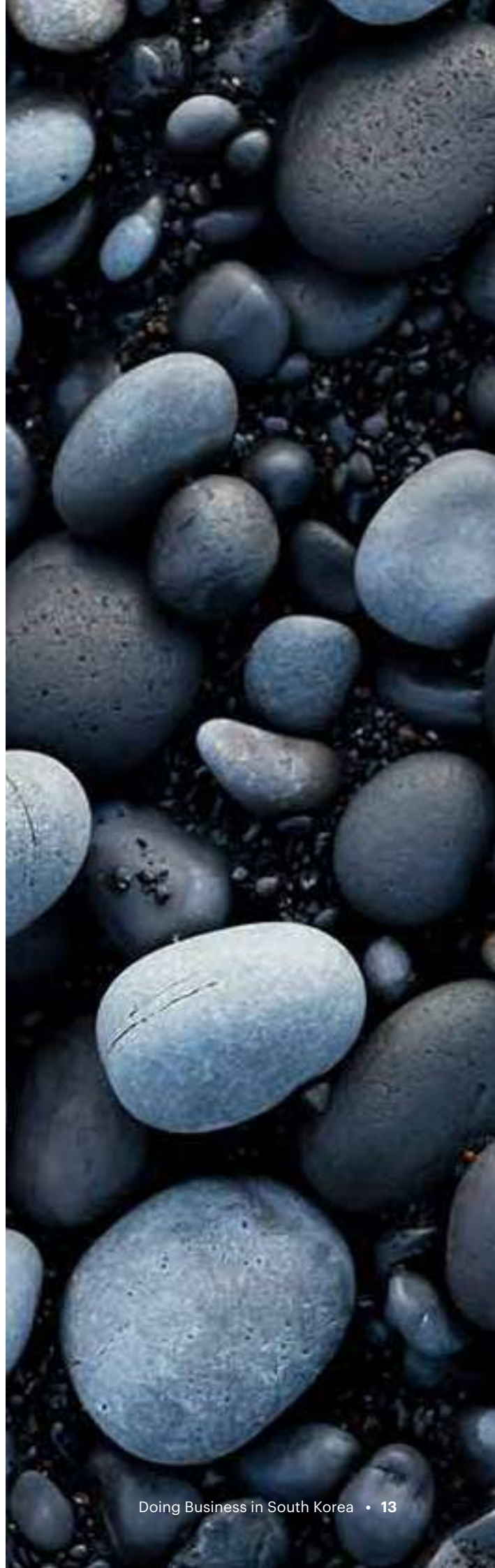
There are no residency requirements or restrictions on foreign managers or directors.

## Directors' and Officers' Liability

Directors subject to a duty of loyalty to the company can be held liable for damages caused to the company as well as to third parties if they intentionally or negligently act in violation of any statute or the articles of incorporation, or neglect their duties. If the violation or neglect was pursuant to board resolutions, the directors who consented to the resolutions can also be held liable. The company can limit the directors' liability to the company to six times their remuneration in its articles of incorporation, but this limitation will be invalid if the directors acted intentionally or caused damages through gross negligence. Liability insurance for executive officers is available.

## Parent Company Liability

A parent company is not liable for its subsidiary's liabilities except under special circumstances where a parent company participated in or directed unlawful activities by its subsidiary. However, Korean courts have held that in exceptional cases, where the independent status of the corporate form was abused, or when a parent company effectively was acting itself and the subsidiary's existence was merely a formality, the parent company may be held liable (known as "piercing the corporate veil").





## Environment

### 11. What are the main environmental regulations and considerations that a business must take into account when setting up and doing business in your jurisdiction?

Environmental laws and regulations are increasing in scope and importance. For example:

- The amended Water Environment Conservation Act has expanded the scope of discharge facilities subject to the application of an eco-toxin management system to include all industries.
- The amended Environmental Technology and Industry Support Act now requires listed companies with total assets worth KRW2 trillion or more to publicly disclose information on their environmental impact.
- The amended Act on Registration and Evaluation of Chemicals requires registration for the use of one ton or more per year of existing chemicals, and the use of 0.1 ton or more per year of new chemicals.

The primary sources of regulations concerning environmental issues include the:

- Clean Air Conservation Act.
- Water Environment Conservation Act.
- Soil Environment Conservation Act.
- Noise and Vibration Control Act.
- Wastes Control Act.
- Environmental Impact Assessment Act.
- Environmental Technology and Industry Support Act.
- Chemical Substances Control Act.
- Act on Registration and Evaluation of Chemicals.



## Employment

### Laws, Contracts, and Permits

#### 12. What are the main laws regulating employment relationships?

Employment in South Korea is primarily regulated by the Labour Standards Act (LSA). Other relevant laws include the:

- Act on the Guarantee of Employees' Retirement Benefits.
- Industrial Accident Compensation Insurance Act.
- Employment Insurance Act.
- Minimum Wage Act.

#### Foreign Employees

Foreign employees working in South Korea are also subject to the above laws.

#### Employees Working Abroad

In principle, unless the contract selects a governing law, employment contracts are governed by the laws of the nation where the employee ordinarily provides their services. If the employee does not ordinarily provide services within one nation, the laws of the nation where the employer's business office is located apply. The mandatory South Korean rules of law apply even when a foreign law governs the employment contract. As many provisions of South Korean labour laws are mandatory, employees working abroad while under the control or supervision of South Korean employers will also be governed by South Korean labour laws.

#### Mandatory Rules of Law

Under the Act on Private International Law, protections afforded to employees under mandatory rules of law in the countries where the employees ordinarily provide their services cannot be avoided by employment contracts designating the laws of another country as the governing law.

#### 13. Is a written contract of employment required?

## Main Terms

Although written contracts are not mandatory, employers must provide employees with written statements specifying:

- Wages (including calculations and payment methods).
- Required work hours.
- Holidays and annual paid leave.

As such, it is a common and recommended practice to execute written agreements that specify these elements.

## Implied Terms

As employees typically receive written statements specifying their terms of employment, it is unlikely that courts would find implied terms contradicting express terms in employment contracts. However, in some cases courts have found certain implied terms to be operative in employment relationships, based on the purpose of relevant laws and the need to protect employees.

## Collective Agreements

Collective agreements are permitted. In addition, employers who regularly employ ten or more employees must prepare Rules of Employment and report them to the Minister of Employment and Labour. Rules of Employment or employment contracts that contradict provisions of the relevant collective agreements are void.

14. Do foreign employees require work permits and/or residency permits?

## Work Permits

With some limited exceptions, employers must obtain work permits issued by employment security offices to hire unskilled foreign workers.

## Residency Permits

Skilled foreign workers do not require work permits, but they must have residency status. To obtain residency status, the employee must obtain a work visa, the type of which varies depending on the occupation. The processing fee for work visas is negligible. It usually takes three to four weeks for a visa to be approved. Employees intending to

stay in South Korea for more than 90 days must apply for alien registration at the local Immigration Office. The official processing fee is negligible and approvals usually take two to three weeks.

## Termination and Redundancy

15. Are employees entitled to management representation and/or to be consulted in relation to corporate transactions (such as changes in control, redundancies and disposals)?

If employment rules are to be modified in a manner unfavourable to employees, including in connection with corporate transactions, the employers must first obtain the employees' consent. There can also be other circumstances where employers must consult with a union regarding corporate transactions. For example, where consultation is required by a collective agreement, and the employers violate the agreement and proceed with transactions without consultation, fines (of up to a maximum of KRW10 million) can be levied against the employers under certain circumstances under the Trade Union And Labour Relations Adjustment Act. In addition, a labour union may obtain injunctive relief if management conducts a transaction without union consent where such consent is required under the applicable collective agreement.

16. How is the termination of an individual's employment regulated?

## Termination

Dismissal in South Korea is not "at-will" and an employee can only be dismissed for "just cause" under the LSA.

## Fair Dismissal

While there is no clear definition of "just cause", courts have held that a cause for dismissal is just if the employee's conduct renders continuation of the employment impossible under socially accepted norms. As it is often difficult to prove just cause for a termination, in many cases employers seek to reach a termination settlement agreement with employees.

Statutory Minimum Notice. Under the LSA, an employer must provide an employee with notice of dismissal at least 30 days in advance or pay compensation equivalent to at least 30 days' ordinary wages in lieu. However, employers are exempt from the duty of advance notice or payment of wages in lieu if either:

- The employee has worked continuously for less than three months
- The continuation of the business is impossible due to natural disasters, incidents or other unavoidable circumstances
- The ground for dismissal can be attributed to acts by the employee.

Severance Payment. In addition, on termination of employment, employers must provide statutory severance pay called a "retirement allowance" of approximately one month's pay for every year of employment to any employee who has worked for one year or longer.

### Unfair Dismissal

Grounds for Unfair Dismissal. If there is no valid cause for dismissal attributable to the employee, the dismissal will be considered unfair.

Remedies. An employee may choose to challenge a dismissal by:

- Filing a remedy request with the local Labour Relations Commission.
- Filing a civil lawsuit in the district courts.

Because it can be difficult to prove just cause for dismissals, it is common for employers to negotiate termination agreements when seeking to dismiss an employee.

### Class of Individuals

There are no specific laws or regulations aimed at protecting a particular class or group of individuals. However, under the LSA, an employer cannot dismiss:

- An employee during, or within 30 days immediately after, a period of suspension from work for medical treatment for an occupational injury or disease.
- A woman during a period of suspension of work under the LSA to give birth or within 30 days immediately thereafter.

However, these prohibitions may be relaxed if the employer pays the employee a negotiated lump sum settlement amount.

## 17. Are redundancies and mass termination regulated?

### Redundancies and Mass Termination

Under the LSA, dismissals for managerial reasons must arise from "urgent managerial necessity" such as organisational restructuring in response to economic, industrial and technical changes.

### Procedural Requirements

Employers can implement redundancies and mass terminations for managerial reasons under the LSA if the following four conditions are all satisfied:

- There is an urgent business necessity.
- The employer made efforts to avoid the dismissals.
- The employer established and applied reasonable and fair criteria for the selection of employees subject to dismissal.
- The employer gave 50 days' prior notice and consulted in good faith with the employee representatives.

In addition, employers must report to the Ministry of Employment and Labour at least 30 days before the intended date of dismissal if the redundancy or mass termination will include:

- 10 employees or more, for businesses with less than 100 employees.
- 10% of the employees or more, for businesses with 100 to 999 employees.
- 100 employees or more, for businesses with 1,000 employees or more.





## Tax

### Taxes on Employment

18. In what circumstances is an employee taxed in your jurisdiction?

#### Tax Residence

South Korean tax law and the Framework Act on National Taxes recognises the concept of tax residency. The Income Tax Act defines a tax “resident” as an individual who has their domicile or place of residence for at least 183 days in a tax year (January 1 to December 31) in South Korea. The term “domestic corporation”, which is equivalent to “resident” under the Income Tax Act, is similarly defined in the Corporate Tax Act as a corporation with its headquarters, main office or actual business management place in South Korea.

#### Other Methods to Determine Residency

Tax residency is determined both by the taxpayer’s:

- Domicile. This is determined by objective facts concerning the taxpayer’s general living circumstances, such as living together with a family in South Korea and the location of their property.
- Place of residence. This can be a place where a person has lived for a long time other than their domicile, and in which there are no general living circumstances similar to a domicile.

19. What income tax, social security and other tax or contributions must be paid by the employee and the employer during the employment relationship?

#### Tax Resident Employees

Tax resident employees are taxed on all domestic and foreign income under the Income Tax Act. There are progressive tax rates between 6.6% and 49.5% depending on the tax basis. In addition, South Korea operates a social security system comprised of:

- National pension.
- National health insurance.
- Employment insurance.
- Industrial accident compensation insurance.

Tax resident employees are mandatorily enrolled in this system and the premiums are paid by both employees and employers. The employees' premiums are based on the income tax basis amount and most of these premiums are withheld from monthly salaries.

### Non-Tax Resident Employees

Under the Income Tax Act, non-tax resident employees are taxed on income from domestic sources only. The same tax rates applied to tax resident employees are also applied to non-tax resident employees for this income, unless there are applicable tax treaties in place to prevent international double taxation of income and capital. Because South Korea does not tax capital, capital is excluded from such treaties' names and provisions. Where there are tax treaties, they take precedence and are applicable to residents of both signatory countries.

### Employers

Employers must pay:

- Withholding tax, which is generally withheld from an employee's salary.
- Premiums for the four social security insurance types.

### Business Vehicles

## 20. When is a business vehicle subject to tax in your jurisdiction?

### Tax Resident Business

The Corporate Tax Act distinguishes domestic corporations from foreign corporations. Domestic corporations are corporations with their headquarters, main office or actual business management location in South Korea. Domestic corporations must pay corporate taxes on all income whether generated in South Korea or overseas. Such corporate taxes are incurred on a yearly basis for income attributed to the corporation for each business year.

### Non-Tax Resident Business

Foreign corporations are organisations with their headquarters or main offices in a foreign country (and that do not have an actual business management location in South Korea) that are either:

- Incorporated under the laws of their home country.
- Organisations formed only with limited partners.
- Other foreign organisations similar to domestic corporate business types under the Commercial Act.

Even if the headquarters or main office of an organisation is in a foreign country, it will be considered to be a domestic corporation if it has a permanent establishment/branch in South Korea and this is regarded as a place for the actual management of its business.

Foreign corporations must pay corporate tax on income from domestic sources and income generated from the transfer of real estate.

Income is considered to be from a domestic source if it is generated by assets, business activities, the exercise of rights or performance of services located in South Korea.

Income generated from online sales by foreign corporations is also subject to corporate tax.

## 21. What are the main taxes that potentially apply to a business vehicle subject to tax in your jurisdiction?

Domestic corporations pay corporate taxes on:

- Income.
- Capital gains.
- Unappropriated earnings.
- Liquidation income.

The corporate tax rates applicable to different tax basis amounts are:

- 10% for KRW200 million or less.
- 20% for between KRW200 million and KRW20 billion.



- 22% for between KRW20 billion and KRW300 billion.
- 25% for more than KRW300 billion.

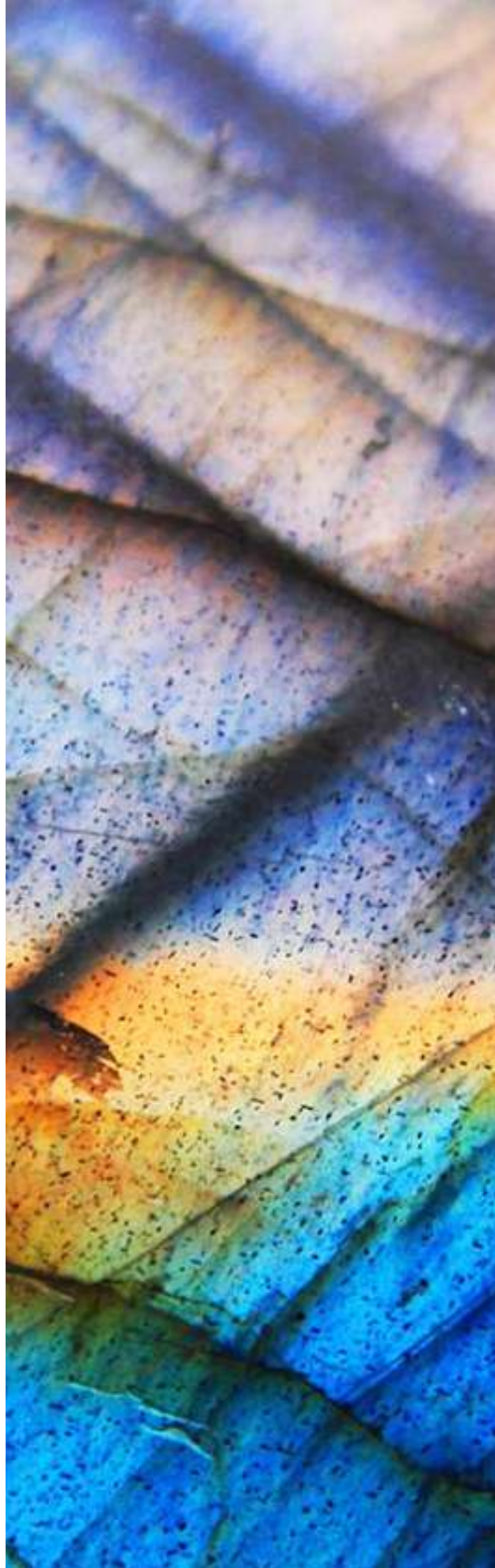
Foreign corporations only pay corporate taxes on:

- Income from domestic sources.
- Capital gains.

If a tax treaty is applicable, it takes precedence. Otherwise, foreign corporations pay the same corporate tax rates as domestic corporations.

Other national or local taxes applicable to corporations include:

- Registration and licence tax.
- Value added tax (at 10%).
- Property tax (at 0.1% to 0.4%, depending on the declared value of the property).
- Comprehensive real estate holding tax, which is levied on two types of real estate, residential property, and land. Land that is subject to real estate holding tax is classified into land that is subject to comprehensive aggregate taxation and land that is subject to special aggregate taxation. Land that is subject to special aggregate taxation is called “special aggregate land”, which includes the land annexed to a building, the land to be used for business purposes as vacant land or by installing facilities, and the land appurtenant to a demolished or destroyed building or houses. The land that is subject to comprehensive aggregate taxation is called comprehensive aggregate land, which means the land excluding special aggregate land. The comprehensive real estate holding tax is:
  - 3% for ordinary residential property;
  - 6% for two or more residential properties in areas subject to adjustment;
  - 1% to 3% for comprehensive aggregate land and 0.5% to 0.7% for special aggregate land.
- Stamp tax.





## Dividends, Interest and IP Royalties

### 22. How are the following taxed:

- Dividends paid to foreign corporate shareholders?
- Dividends received from foreign companies?
- Interest paid to foreign corporate shareholders?
- Intellectual property (IP) royalties paid to foreign corporate shareholders?

#### Dividends Paid

If a foreign corporation receives dividends as a shareholder and generates dividend income, the income constitutes income from domestic sources and is subject to income tax. If the foreign corporation is from a country that is a signatory to an applicable tax treaty, the limited tax rate of 0% to 15% applies. If the corporation is not from a signatory state, the withholding tax rate of 20% (local income tax 10% excluded) applies.

If the shareholding foreign corporation has a domestic place of business, the limited tax rate under the tax treaty does not apply to the dividend income attributed to the domestic place of business, and the dividend income is subject to taxation as part of the total income that must be reported and paid.

In contrast, dividend income not attributed to a domestic place of business is subject to separate taxation that will be automatically withheld, with a limited tax rate under the tax treaty.

If there is no domestic place of business, the obligation to pay tax is fulfilled when the taxes are withheld as separate taxation.

#### Dividends Received

Dividend income under the Income Tax Act includes dividends, shares of profits or surplus received from a foreign corporation by a South Korean resident who is a shareholder of the foreign stocks issued by the foreign corporation. The dividend income tax rate is 15.4%, consisting of a 14% general income

tax rate plus 1.4% of local income tax rate when the dividend is equal to or less than KRW20 million. If the dividend exceeds KRW20 million, it is included when calculating the tax base of global income tax and taxed at the global income tax rate based on the amount of the global income. However, if the income tax for dividend income has already been withheld by the source country and a person acts on behalf of the foreign corporation to make the payment in South Korea or is given the authority to make the payment, only the remaining tax amount after deducting the tax amount already withheld by the source country is withheld from that person, to avoid double taxation.

#### Interest Paid

If a foreign corporation, as a shareholder, receives interest and generates interest income, that income constitutes domestic income and is subject to income tax at the same rates as other income.

#### IP Royalties Paid

If a foreign corporation, as a shareholder, receives IP royalties and generates royalty income, that income constitutes domestic income and is subject to income tax at the same rates as other income.

#### Groups, Affiliates and Related parties

### 23. Are there any thin capitalisation rules (restrictions on loans from foreign affiliates)?

There are no regulations prohibiting borrowing funds from foreign affiliates, provided that a foreign exchange report is filed on borrowing. If the interest rate deviates from the market rate, the difference from the market rate amount may be included in gross income and be subject to corporate income tax.

Under the Monopoly Regulation and Fair Trade Act, a domestic company belonging to business groups subject to limitations on cross shareholding cannot guarantee debts.

Under the Financial Investment Services and Capital Markets Act, a financial investment business entity is not prohibited from granting credit to an overseas local corporation, the management of which is de facto under control of that entity by holding at least 50% of the total number of issued shares or having invested at least 50% of the total amount of the investment.

## 24. Must the profits of a foreign subsidiary be imputed to a parent company that is tax resident in your jurisdiction (controlled foreign company rules)?

Domestic corporations can only conduct business operations abroad by establishing either:

- A foreign branch. A foreign branch is, in principle, a part of the domestic corporation. As such, the financial statement of the foreign branch's income from foreign sources and business activities must be combined with that of the domestic principal office. The corporate tax paid by the foreign branch on foreign income can be deducted as tax paid overseas up to the deduction limit amount when the domestic corporate tax is levied.
- A subsidiary company. Where a subsidiary company is established under foreign law, the corporation is a separate and independent corporation from the domestic corporation. Therefore, the financial statement of the foreign corporation is not added to that of the domestic corporation when filing the corporate tax report. Therefore, the domestic corporation cannot deduct corporate tax paid by the overseas foreign subsidiary abroad, unless otherwise prescribed by law.

## 25. Are there any transfer pricing rules?

The Adjustment of International Taxes Act requires tax adjustments for transactions with foreign related parties. In an international transaction with a foreign related party in which the transfer price is lower or higher than an arm's length price, a resident may file a report on, or a rectification claim for, the tax basis or the amount of tax, as adjusted based on the arm's length price.

## Customs Duties

## 26. How are imports and exports taxed?

The South Korean government only imposes tariffs on imported goods. The tax basis is determined by the price or quantity of the imported goods. The tariff schedule classifies the goods into 21 parts and 97 categories, and the tariff rates are set differently for each category. Domestic taxes such as value added taxes are also levied alongside customs duties.

However, if the tariff rates in applicable multilateral treaties are lower than the default tariff rates, the treaties' rates take precedence.

## Double Tax Treaties

## 27. Is there a wide network of double tax treaties?

As of May 2022, South Korea has executed the Convention for the Avoidance of Double Taxation with 97 countries, of which 94 are in effect, two are not yet in effect, and one is suspended. The major counterparties include:

- 11 countries in the Americas, including the US.
- Four countries in Northeast Asia, including Japan and China.
- 34 countries in Europe, including Germany, the UK and France.



## Competition

28. Are restrictive agreements and practices regulated by competition law? Is unilateral (or single-firm) conduct regulated by competition law?

### Restrictive Agreements and Practices

Restrictive agreements and practices are regulated by the Monopoly Regulation and Fair Trade Act (MRFTA).

Competition-restricting practices and other conducts that have been identified as hindering fair trade under the MRFTA include:

- Abuse of market dominance, including:
  - unfairly determining, maintaining or changing prices;
  - unfairly controlling the sales of goods or provision of services;
  - unfairly interfering with others' business activities;
  - unfairly interfering with market entry; and
  - unfairly excluding competitors or undermining consumer interests.
- Illegal cartel conduct, when there is an agreement between business entities as to any of the following:
  - determining, maintaining or changing prices;
  - determining terms and conditions for transactions involving goods or services;
  - limiting the supply of goods or services;
  - limiting the areas for transactions or transaction partners;
  - hindering or limiting establishment or extension of facilities or equipment;
  - limiting categories or standards for goods or services;
  - jointly conducting and managing substantial business activities or establishing a company;



- agreeing on successful bidders, auctioneers or bidding prices;
- any other means of limiting others' business activities.
- Unfair trade practices, including:
  - unfairly refusing transactions;
  - unfairly discriminating against certain transaction partners;
  - unfairly excluding competitors;
  - unfairly soliciting customers of competitors;
  - unfairly coercing customers of competitors to engage in transactions;
  - unfairly taking advantage of its bargaining position;
  - transacting business under terms that unfairly restrict others' business activities;
  - unfairly disrupting others' business activities;
  - certain acts assisting a related party or other business entities.
- Maintenance of resale prices, that is, a business entity forcing a counterparty to maintain a certain pre-determined price when selling goods or providing services purchased from the first party.

The Korea Fair Trade Commission (KFTC) can order corrective measures or impose penalty surcharges. For serious violations, the KFTC can file criminal charges with the Prosecutor General and criminal punishment may be imposed.

The MRFTA is also applicable to acts occurring outside of South Korea, if those acts affect the domestic market. The Act on Private International Law provides that South Korea's mandatory rules of law (including a significant portion of the MRFTA) apply even when the governing law of the contract has been agreed to be foreign law.

### Unilateral Conduct

See above, [Restrictive Agreements and Practices](#).

## 29. Are mergers and acquisitions subject to merger control?

### Transactions Subject to Merger Control

The MRFTA requires business combinations (mergers and acquisitions) to be reported to the KFTC when they reach the relevant thresholds. Although such reporting is generally required after the transaction has occurred, it must be filed before the transaction takes place if one of the parties involved is a company with total assets or revenue of KRW2 trillion or more.

Transactions must be reported if they meet both the following conditions:

- A party (including its affiliates) had total assets or revenue for the immediately preceding business year of KRW300 billion or more.
- The counterparty (including its affiliates) had total assets or revenue for the immediately preceding business year of KRW30 billion or more.

On examining the restrictive effects of a merger or acquisition on competition, the KFTC may order corrective measures (including prohibitions or conditional approvals) or impose fines.

### Foreign-to-Foreign Acquisitions

Mergers or acquisitions between a domestic company and a foreign company or between foreign companies are also subject to the business combination reporting requirement if the transaction meets both the following conditions:

- The total assets or revenue for the immediately preceding business year for one party were at least KRW300 billion, and those of the other party were at least KRW30 billion.
- Each party's total domestic revenue for the immediately preceding business year was at least KRW30 billion.

### Specific Industries

There are no industry-specific reporting requirements.



## Anti-Bribery and Corruption

### 30. Are there any anti-bribery or corruption regulations affecting business in your jurisdiction?

The Improper Solicitation and Graft Act (ISGA) prohibits improper solicitations made to public servants, as well as public servants' acceptance of money or goods irrespective of whether such conduct was a part of any kind of reciprocal arrangement.

Public servants who improperly receive, request or promise money or goods in excess of KRW1 million in value per transaction (KRW3 million in aggregate per year) are criminally punishable. Even where the received money or goods do not exceed this value, public servants receiving money or goods exceeding the maximum values allowed for a particular purpose (such as to facilitate social relationships or rituals) may be subject to administrative fines. In addition, the Criminal Act prohibits improper solicitations to public servants, either directly or through third parties, and imposes administrative fines for violations.

## Intellectual Property

### 31. What are the main IP rights that are recognised in your jurisdiction?

#### Patents

**Definition and Legal Requirements.** Patents protect certain technical creations with industrial applicability, novelty and inventiveness. Patents grant the right to exclusively own or use an invention for a certain period of time.

**Registration.** Patents must be registered with the Korean Intellectual Property Office (KIPO), which provides guidelines on the application procedure and examination criteria.

**Enforcement and Remedies.** Patentees can seek injunctions or damages against infringers of their patent rights, in addition to other necessary measures such as disposal of goods and removal of equipment. Infringers also may be subject to imprisonment of up to seven years or a fine of up to KRW100 million.

**Length of Protection.** Patents are protected for 20 years from filing.

#### Trade Marks

**Definition and Legal Requirements.** Registration of a trade mark grants the right to use the registered mark for the designated goods. Trade marks must be distinguishable from those of goods or services of other persons and identifiable as an indication of the source of a specific person's goods or services.

**Protection.** Trade marks must be registered with KIPO, which provides guidelines on the application procedure and examination criteria. Unregistered trade marks, if widely recognised, may still be protected under the Unfair Competition Prevention and Trade Secret Protection Act (UCPTSPA).

**Enforcement and Remedies.** Trade mark right holders can seek similar remedies against infringers as those available to patentees (see above, [Patents](#)).

**Length of Protection and Renewability.** Trade marks are protected for ten years from registration and are renewable every ten years. However, if the trade marked goods are not used in commerce for a period of three years, the trade mark registration may be subject to cancellation.

#### Registered Designs

**Definition.** Registered designs are intended to protect the shape, pattern, colour, or any combination thereof, of articles with industrial applicability, novelty and creativity.

**Registration.** Registered design applications must be filed with KIPO, which provides guidelines on the application procedure and examination criteria.

**Enforcement and Remedies.** Design right holders can seek similar remedies against infringers as those available to patentees (see above, [Patents](#)).

**Length of Protection and Renewability.** Registered designs are protected for 20 years from the filing date and are not renewable.

#### Unregistered Designs

**Definition and Legal Requirements.** The UCPTSP effectively protects unregistered designs by prohibiting the transfer and lease of goods where the shapes of those items have been copied from the goods created by others.

**Enforcement and Remedies.** Anyone whose business interests have been damaged or are likely to be damaged can seek injunctions, damages and measures necessary to restore their business reputation.

**Length of Protection.** The protection lasts for three years from the date the shape of the goods was completed, including the production of the prototype.

#### Copyright

**Definition and Legal Requirements.** Copyrights are exclusive rights given to creative works or productions that express human thoughts and emotions.

**Protection.** Copyrights are protected without registration because a copyright occurs at the time of creation of the works. However, copyrights are better protected if the right is registered with the Korea Copyright Commission, because registration gives rise to a legal presumption as to the authorship.

**Enforcement and Remedies.** Copyright holders can seek damages and can request suspension of infringement, disposals of goods made through infringing acts, or other necessary measures. Copyright infringements are punishable by



imprisonment of up to five years or a fine of up to KRW50 million, or both.

**Length of Protection and Renewability.** Copyrights are protected for 70 years from the death of the author. Copyrights for works made for hire and cinematic works are protected for 70 years from the date the works were made public.

### **Other**

**Definition and Legal Requirements.** Utility model rights are granted for devices related to the shape, structure, or combination thereof, of industrially practicable articles. Such rights are formed on the registration with KIPO of devices with novelty and inventiveness.

**Enforcement and Remedies.** Owners of utility model rights can request prohibition or prevention of infringement against infringers. Infringers are punishable by imprisonment of up to seven years or a fine of up to KRW100 million.

**Length of Protection and Renewability.** Utility model rights are protected for ten years from filing and are not renewable.







## Marketing Agreements

### 32. Are marketing agreements regulated?

#### Agency

Marketing agreements are primarily governed by the Civil Act, the Commercial Act and the Act on the Regulation of Terms and Conditions.

The terms of agency agreements can be freely agreed by the parties unless they contravene the MRFTA and the Fair Agency Transactions Act.

#### Distribution

In addition to the MRFTA, the following regulations are also applicable to distribution agreements:

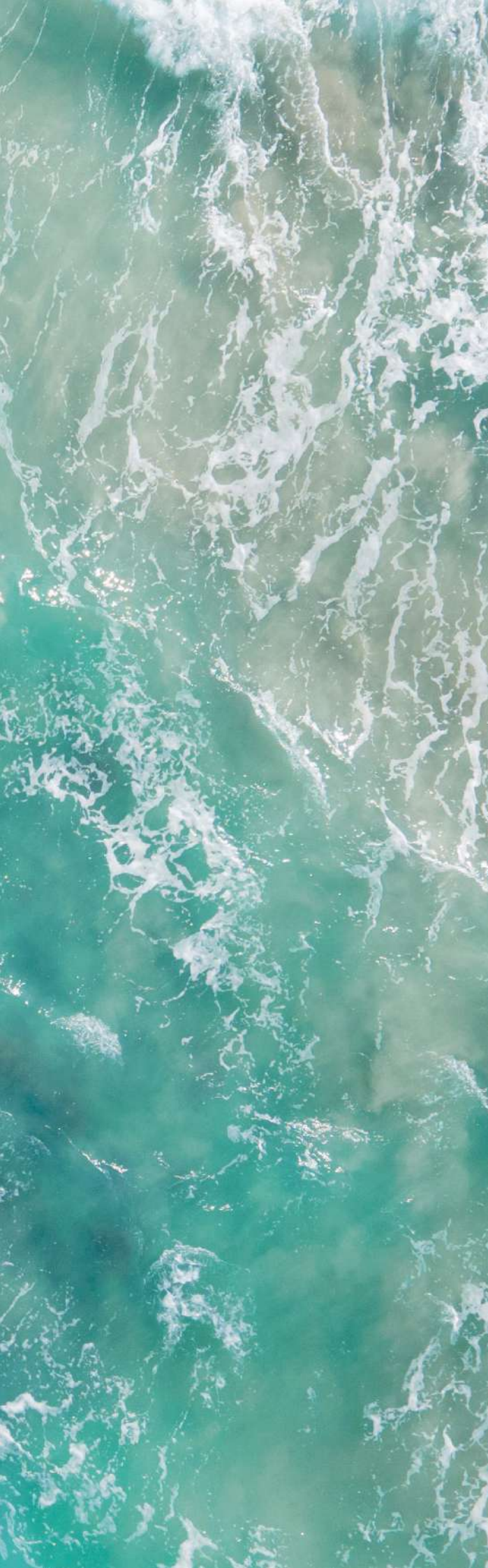
- The Distribution Industry Development Act, which allows heads of local governments to restrict business hours or designate dates for compulsory closedowns for superstores (Article 12-2 Paragraph 1).
- The Act on Fair Transactions in Large Retail Business, which regulates matters such as:
  - the timeframe for payment of sales proceeds;
  - the prohibition against the unjust shifting of the burden of sales promotional expenses by large retail business entities.

#### Franchising

Franchising agreements are governed by the Fair Transactions in Franchise Business Act, the primary requirements of which are:

- Franchisers must register documents related to franchise disclosure, revenues, list of franchisees and franchise agreement forms with the KFTC or local governmental organisations, and make them available to prospective franchisees.
- Franchisees can exercise their right to request renewal of franchise agreements only when the total term of the franchise agreement, including its initial period, does not exceed ten years.





## E-Commerce

### 33. Are there any laws regulating e-commerce?

The laws and regulations applicable to both B2B and B2C e-commerce businesses include the:

- Digital Signature Act, which applies to issues regarding e-signatures and/or related certificates.
- Electronic Financial Transactions Act, which regulates the use of payment gateway services and other electronic financial activities.
- Personal Information Protection Act (PIPA), which regulates the collection, use, provision, transfer and destruction of personal information.
- Act on Promotion of Information and Communications Network Utilisation and Information Protection, which governs matters related to sending advertising emails to consumers, and prohibits unsolicited SPAM mails.

The general terms and conditions and/or privacy statements displayed on websites may also be subject to the Act on the Regulation of Terms and Conditions, in which case the terms must be written in Korean.

E-commerce businesses providing goods and services to end-consumers are also subject to the Act on the Consumer Protection in Electronic Commerce (E-Commerce Act). The Framework Act on Consumers also may apply to related matters that are not otherwise specifically addressed in the E-Commerce Act.

### 34. Are online platforms regulated in relation to their use for marketing/sales purposes?

The E-Commerce Act is the primary source of regulation specifically applicable to online platform businesses. The E-Commerce Act sets out the responsibilities of online platform businesses in relation to consumers, but it does not expressly require online platform businesses to conduct due diligence on the traders using their platforms. If an online platform business fails to make clear



that the platform is not a party to the consumers' transactions, the platform business may be held jointly liable for any damages caused to the consumers by intentional or negligent actions of the traders using the platform.

The MRFTA, which regulates anti-competition activities, applies to online platform businesses. Online platform businesses giving preferential treatment to their own products compared to third-party products may constitute a violation of the MRFTA.

In addition, there are proposed legislative bills that are intended to further expand the regulation of online platforms, but those bills are currently on hold at the National Assembly.



## Advertising

### 35. How is advertising regulated in your jurisdiction?

#### Digital Advertising

The Act on Fair Labelling and Advertising is the principal law regulating all types of advertising activities.

The KFTC has established specific guidelines in accordance with the Act on Fair Labelling and Advertising, including the:

- Guidelines for Examination of Internet Advertisements, which regulates advertisements posted online, including banner ads, pop-up or pop-under ads and search ads, and the use of “fake” reviews or deleting negative reviews.
- Guidelines for Examination of Labelling and Advertising of Recommendations, Guarantees and so on, which regulates influencer marketing.

#### Direct Marketing

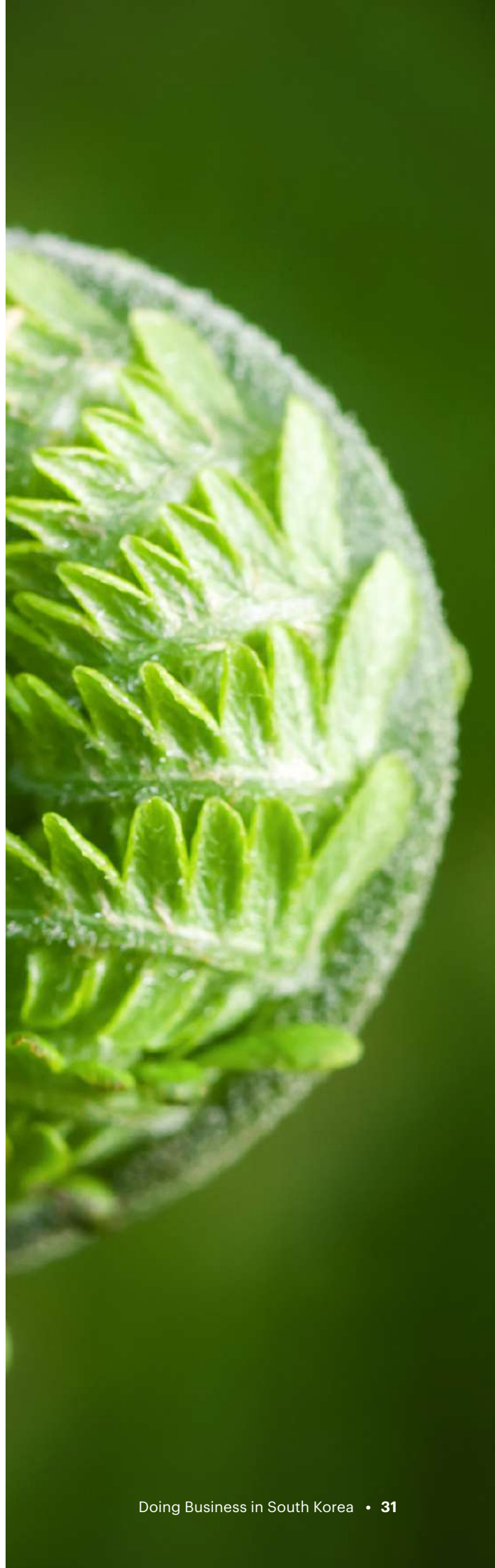
Under the PIPA and the Act on the Protection and Use of Location Information, businesses that wish to perform marketing activities to targeted individuals must obtain informed consent from the data subjects.

The Act on Door-to-Door Sales (DTDA) governs direct marketing activities.

### 36. How are sales promotions regulated in your jurisdiction?

The MRFTA prohibits unfair trade practices such as soliciting or coercing customers of competitors. However, this does not prohibit the use of promotional activities such as buy-one-get-one-free offers. In the Guidelines for Assessment of Unfair Trade Practices, the KFTC sets standards for determining the types of marketing or promotional activities that violate the MRFTA.

In addition to the MRFTA, there are statutes restricting particular promotion activities for select product categories. For example, the Medical Service Act prohibits businesses from providing economic benefits to medical personnel for the promotion of medical devices or pharmaceutical items.



## Data Protection

37. Are there specific data protection laws? If not, are there laws providing equivalent protection?

### Data Protection Laws

The laws addressing data protection include the:

- Act on the Protection and Use of Location Information.
- E-Commerce Act.
- Act on Real Name Financial Transactions and Confidentiality.
- Act on the Development of Cloud Computing and Protection of Its Users.
- Act on the Promotion of Data Industry and the Activation of Data Use.
- Unfair Competition Prevention and Trade Secret Protection Act.

### Consumer Privacy Laws

Although the South Korean government does not have one overarching regulation specifically aimed at protecting consumer privacy, the following Acts regulating personal information and data protection apply to consumers:

- The PIPA sets specific requirements for the collection, use, provision, disclosure, transfer and destruction of personal information.
- The Information and Communication Act includes requirements regarding data protection for internet service providers.
- The Credit Information Use and Protection Act regulates data portability and other topics related to the protection of personal financial information.





## Product Liability

### 38. How is product liability and product safety regulated?

Product liability and product safety are regulated primarily by the Product Liability Act (PLA). The PLA defines a “defect” as any shortcoming in the manufacturing, design or description of the product that results in a lack of the level of safety ordinarily expected of the product. The PLA imposes liability on manufacturers for damage and injury caused by defective products and includes provision for joint and several liability. Distributors and retailers of defective products can be held liable, but only when the consumers cannot identify the manufacturer.

The following laws also regulate product safety:

- The Framework Act on Consumers, which outlines the duties of manufacturers, importers, retailers and so on in relation to product safety.
- The Framework Act on the Safety of Products, which allows the government to directly recommend or order businesses to recall products with defects and, depending on the degree of harm, advise the public of such product defects to prevent further damage.

Other laws regulate recalls for specific product groups. For example:

- The Motor Vehicle Management Act and the Clean Air Conservation Act allow for automobile safety recalls.
- The Food Sanitation Act and the Framework Act on Food Safety set out measures in relation to safety for food items.

Recently, there have been discussions on allowing class actions in product liability suits, but no legislation has yet been enacted.



## Regulatory Authorities

39. What are some of the key regulatory authorities relevant to doing business in your jurisdiction?

### Competition

Main Activities. The Korea Fair Trade Commission (KFTC) performs the following roles under the MRFTA:

- Promoting competition.
- Restricting concentrations of economic power.
- Securing a foundation of competitiveness for small- and medium-sized enterprises.

[www.ftc.go.kr](http://www.ftc.go.kr)

### Environment

Main Activities. The Ministry of Environment oversees investigations and conducts research and evaluations related to environmental conservation and the prevention of environmental pollution, as well as imposing environmental regulations on various projects.

<http://me.go.kr>

### Financial Services

Main activities. The Financial Services Commission is responsible for the following matters:

- Supervision and inspections of financial institutions.
- Finance policies and systems.
- Management, supervision and surveillance of the capital markets.
- Supervision of the soundness of foreign exchange business management institutions.

[www.fsc.go.kr](http://www.fsc.go.kr)

### Other

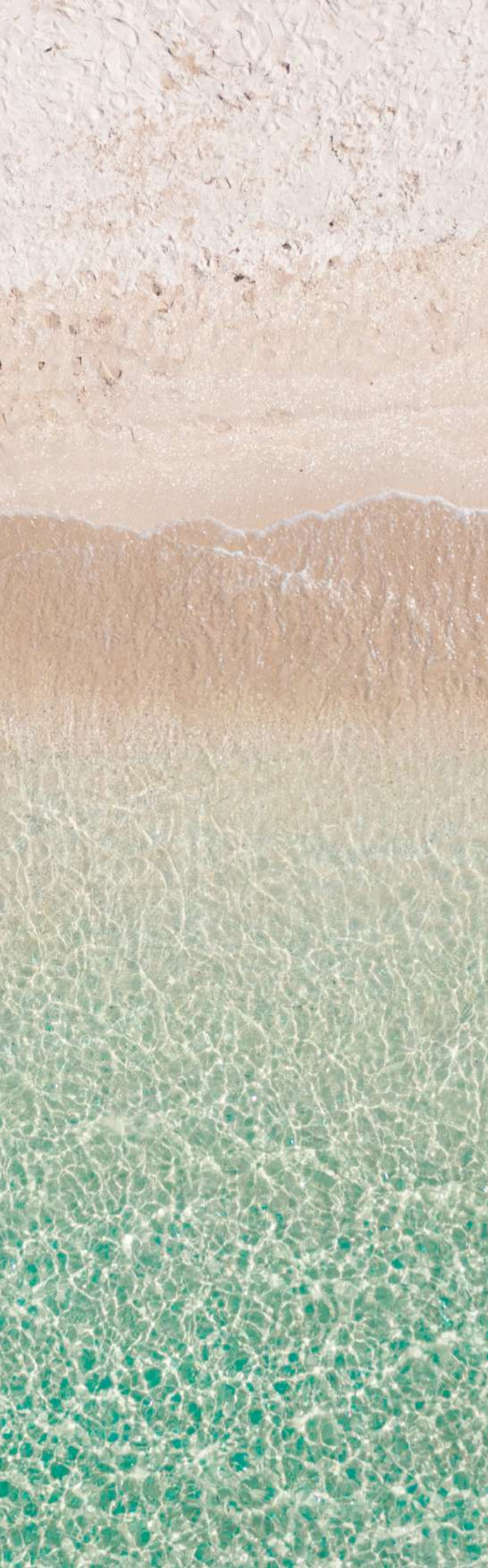
Main Activities. The Ministry of Trade, Industry and Energy oversees matters related to trade, industries, commerce, foreign investments, mid-sized enterprises, R&D of industrial technologies and energy resources.

[www.motie.go.kr](http://www.motie.go.kr)

Main Activities. The Ministry of Employment and Labour oversees matters related to:

- Employment policies.
- Employment insurance.
- Vocational skills development training.
- Standards of working conditions.
- Employee welfare.
- Labour-management relations.
- Occupational safety and health.
- Industrial accident compensation insurance.
- Other affairs related to employment and labour.

[www.moel.go.kr](http://www.moel.go.kr)



## Other Considerations

40. Is there anything else that is important relating to doing business in your jurisdiction?

A significant amount of business in South Korea is conducted through “*chaebols*”, which are conglomerates that are managed by families. Notable *chaebols* in South Korea include Samsung, Hyundai, SK, LG and Lotte. Most *chaebols* maintain control through changes in governance structures and holding companies. Since the IMF crisis in 1997, corporate governance structures have improved through the introduction of international financial reporting standards, outside directors and audit committee systems.



# Contributor profiles



## Ghil-Won Jo

Senior Managing Attorney

Dentons Lee

T +82 2 2262 6068

F +82 2 2279 5020

[ghilwon.jo@dentons.com](mailto:ghilwon.jo@dentons.com)

[www.dentonslee.com](http://www.dentonslee.com)

## Professional qualifications

Korea, Admitted to the bar, 2000; Washington, US, CPA, 2010

## Areas of practice

M&A; overseas investments; corporate restructuring/bankruptcy; capital markets; foreign Investments.

## Non-professional qualifications

MBA, University of Notre Dame, 2010; Judicial Research and Training Institute of the Supreme Court of Korea, 2000; BA, Business Administration, Seoul National University, 1998

## Recent transactions/activities

- Advising on M&A matters regarding German company acquiring several Korean companies.
- Advising on M&A matter for e-Sports company.
- Advising on M&A matter for global entertainment management company.
- Advising on general corporate matters for luxury brand companies.
- Advising on real estate development projects for asset management companies including overseas and domestic deals.
- Advising on overseas crypto-currency related projects for game company.

## Languages

Korean, English

## Professional associations/memberships

Korean Bar Association; Seoul Bar Association.

## Publications

- "Worker's compensation rights and Ordinary Wages," *Asian-Mena Counsel Magazine*, 2013



### **Kwang-Chun Park**

Attorney

Dentons Lee

T +82 2 2262 6025

F +82 2 2279 5020

[kwangchun.park@dentons.com](mailto:kwangchun.park@dentons.com)

[www.dentonslee.com](http://www.dentonslee.com)

### **Professional qualifications**

Korea, Admitted to the bar, 2012

### **Areas of practice**

**Capital markets; fair trade; finance; M&A; overseas Investment.**

### **Non-professional qualifications**

Financial Law, Seoul National University, 2018; JD, Yonsei University Law School, 2012; BA, Economics and Psychology, *cum laude*, Seoul National University, 2009

### **Recent transactions/activities**

- Assisting Lotte Hotels and Resorts on acquisition of a hotel in Chicago.
- Reporting on business combination of POSCO to the Fair Trade Commission on a overseas joint venture.
- Advising on domestic registration of an offshore fund.
- Advising on a hotel management contract between the client and a Korean hotel manager.

- Establishing internal guidelines on the EU General Data Protection Regulation and providing related training to client employees.
- Performing a company-wide compliance assessment and improvement project.

### **Languages**

Korean, English

### **Professional associations/memberships**

Korean Bar Association; Seoul Bar Association; International Bar Association.

### **Publications**

- **"Remotely Piloted Aircraft Systems: a comparative guide of the drone regulatory laws around the world, 2021,"** *Dentons Insights*, 15 December 2021
- "Legal Issues of KIKO Litigation," *Yonsei Global Business Law Review*, Vol. 2 no. 2
- "A Proposal for Legislative Improvement of Covered Bonds; a Focus on Amendment of the Trust Act and Enactment of the Act on Security over Movable Property, Receivables," *Korean Journal of Banking and Financial Law*, Vol. 4 no. 2
- "Amendment of Korean Fair Trade-related Laws," *Asian Mena Counsel Magazine*, October 2017
- "Notes to Foreign Financial Investment Corporations that are starting business in South Korea," *Asian Mena Counsel Magazine*, December 2019



# Contributor profiles



## Kurt B. Gerstner

Senior Attorney

Dentons Lee

T +82 2 2262 6078

F +82 2 2279 5020

[kurt.gerstner@dentons.com](mailto:kurt.gerstner@dentons.com)

[www.dentonslee.com](http://www.dentonslee.com)

## Professional qualifications

Admitted to New York, Massachusetts and DC Bars; Recognised by Who's Who Legal for product liability defence, 2019-2022; Recognised by Asia Business Law Journal at one of Korea's top 100 lawyers, 2021 and 2022.

## Areas of practice

[Litigation/international arbitration](#); [litigation discovery](#); [sports/entertainment](#); antitrust/competition; [intellectual property litigation/anti-counterfeiting](#); government investigations.

## Non-professional qualifications

Boston College Law School, JD, cum laude; University of Rochester, BA, History and Psychology

## Recent transactions/activities

- Assisting with discovery in US product liability litigation against a Korean manufacturer.
- Lead counsel in international arbitration obtaining a permanent injunction and approximately USD5 million in damages against a company that attempted to misappropriate bespoke aesthetic medical devices commissioned by the client.
- Advising on antitrust/competition laws related to various M&A and other business activities.
- Advising on the development of autonomous vehicles in Korea and Japan.
- Advising on measures to combat counterfeiting involving a major global fashion brand.
- Managing defence of litigation alleging misappropriation of IP in connection with K-Pop concert festival.
- Advising on an appeal to the Court of Arbitration for Sport in Switzerland which successfully overturned an adverse decision by an international global sports organisation against one of its governing officers.

## Languages

English





### Professional associations/memberships

International Association of Defence Counsel;  
DRI; Transportation Lawyers Association.

### Publications

- “Copyright and AI – the Korean View,” 25th issue of Dentons TMT bites Newsletter, April, 2022
- “Global Supply Companies Better Get Ready for the New German Supply Chain Act,” *The Transportation Lawyer*, Vol. 23, No. 4., February 2022
- “Remotely Piloted Aircraft Systems: a comparative guide of the drone regulatory laws around the world, 2021,” *Dentons Insights*, December 2021
- “New German Supply Chain Act – New challenges and exposure for companies doing business in Germany,” *International Association of Defense Counsel (IADC) Committee*, November 2021
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- “Korea Developments in Patent Practice,” *Asian Business Law Journal*, August 2018
- “Product Liability Defence 2018: Roundtable,” *Who’s Who Legal*, July 2018
- “Defending Against Economic Damages Claims,” *International Association of Defence Counsel (IADC) Trial Techniques and Tactics Committee Newsletter*, May 2018
- “Strategies for Keeping Foreign Defendants Out of ‘Discovery Trouble’,” *DRI*, April 2018



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