

National Pension Service
2021

National Pension for All People's Happiness

●
**To put a smile
on your face**



Enrollment Support
The National Pension Service
operates enrollment support business
to help all people prepare for a brighter future.



**DESIGNING
HAPPINESS**



Reliable pension scheme



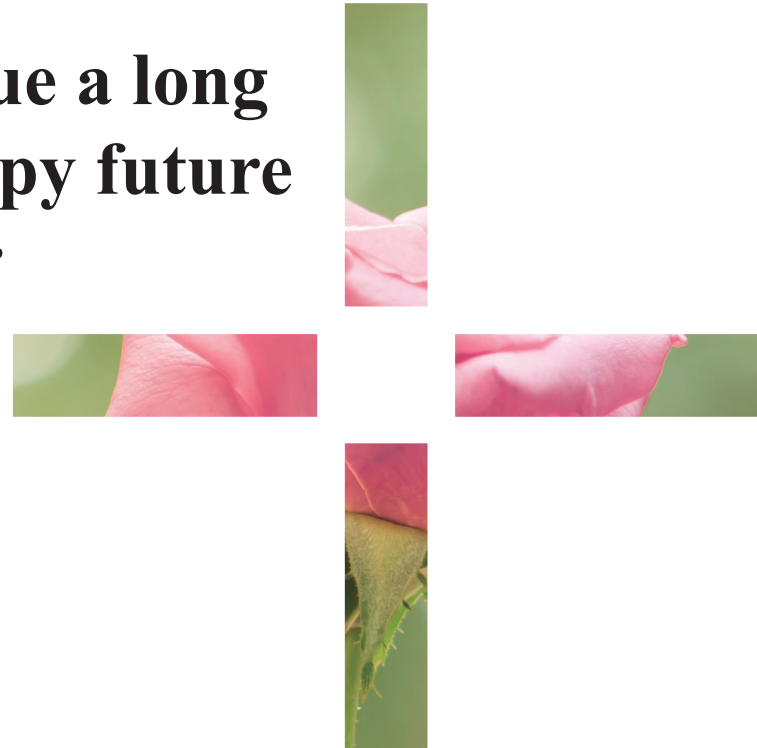
Fund Management

The National Pension Service manages the pension fund systematically and professionally in order to contribute to enhancing long-term stability



SAFEGUARD YOUR HAPPINESS

●
**To pursue a long
and happy future
together**



Benefit Payment

The National Pension Service provides lifetime pension benefits to all people so that everyone can pursue their dreams for a long time in an age of longevity.



●
**MESSENGER OF
HAPPINESS**

**National Pension Service
2021**

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National Pension Service
2021

**National
Pension for
All People's
Happiness**

The evolution of National Pension Service over the past 34 years represents the history of the Republic of Korea's welfare system

1987-1994



Establishment of the National Pension Service Launch of the National Pension Scheme

- Dec. 1986.** Promulgation of the National Pension Act
- Sep. 1987.** Establishment of the National Pension Corporation
- Jan. 1988.** Launch of the National Pension Plan (limited to workplaces with 10 or more full-time employees)
- Jan. 1992.** Compulsory coverage extended to workplaces with five or more full-time employees
- Jan. 1993.** Launch of payment of benefits for the special Old-Age Pension

1995-2000



Increased Competence and Nationwide Coverage

- Apr. 1995.** Establishment of the National Pension Fund Research Center
- Jul. 1995.** Compulsory coverage extended to individuals in rural areas
- Apr. 1999.** Coverage extended to the majority of the population in Korea (compulsory coverage in urban areas)
- Nov. 1999.** Launch of the National Pension Service Investment Management (NPSIM)
- Oct. 2000.** Launch of the first call center (1355)

2001-2010



Greater Public Confidence and Stability-Building Measures

- Oct. 2002.** Establishment of the Social Insurance Information System
- Jul. 2003.** Compulsory coverage gradually extended to workplaces with fewer than five full-time employees (~Jan. 2006)
- Jul. 2007.** National Pension Corporation renamed as the National Pension Service (in accordance with the Revised National Pension Act)
- Nov. 2007.** Entering into strategic partnerships with the World Bank and overseas pension funds
- Jan. 2008.** Launch of the Disability Assessment Center
- Apr. 2008.** Launch of Retirement Planning Service (Consulting on Successful Aging)
- Apr. 2009.** Opening of the Center for International Affairs (specialized for foreign nationals)

2011- Today



Evolution into a Comprehensive Welfare Service Provider and Relocation to Jeonju

- Jan. 2011.** Transferring the affairs in relation to collection to the National Health Insurance Service as per intergration of collecting social insurance contributions
- Apr. 2011.** Implementation of a system for the assessment and registration of the disabled (all grades) as per the Act on Welfare of Disabled Persons
- Oct. 2011.** Commencement of programs for assisting the disabled
- Dec. 2012.** Implementation of a system for assessing the work abilities of recipients of the National Basic Livelihood Security Program
- Jul. 2014.** Commencement of support for Basic Pension Service operations
- Jun. 2015.** Relocation of the NPS headquarters to Jeonju
- Dec. 2015.** Implementation of Retirement Planning Service for all citizens
- Feb. 2017.** Relocation of the National Pension Service Investment Management to Jeonju
- Jul. 2018.** Adoption of the stewardship code
- Apr. 2021.** Opening of the Global Fund Building

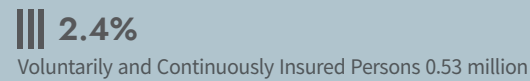
National Pension at a Glance

| As of End of Dec. 2020 |

22.11 million

Number of Insured Persons

The National Pension Service has grown into a reliable welfare plan serving a total of 22.11 million members.



5.39 million

Number of Beneficiaries

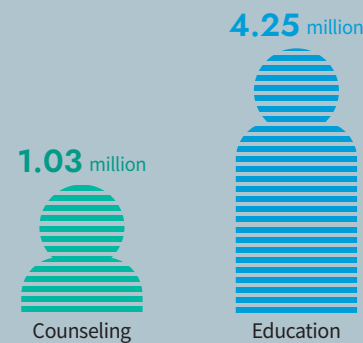
The National Pension Service offers the Old-age Pension for pensioners as people live longer, the Disability Pension in cases of unexpected disease or accident, and the Survivor Pension for bereaved family members in the event of a member's or beneficiary's death.



5.28 million

Services for the Post-retirement Life

Designated by the Act on Supporting Preparation for Later Life as the institution responsible for the services to help the insured persons prepare for the post-retirement life, the NPS provides a variety of services for the Korean people to prepare for their life after retirement in a systematic way.



KRW 833.7 trillion

Total AUM

The National Pension Fund is financed by collected contributions from the insured and investment returns, etc. The remainder after deducting the pension benefits and other expenses is reserved as asset under management.



KRW 72.1 trillion

Investment Returns from Fund Management in 2020

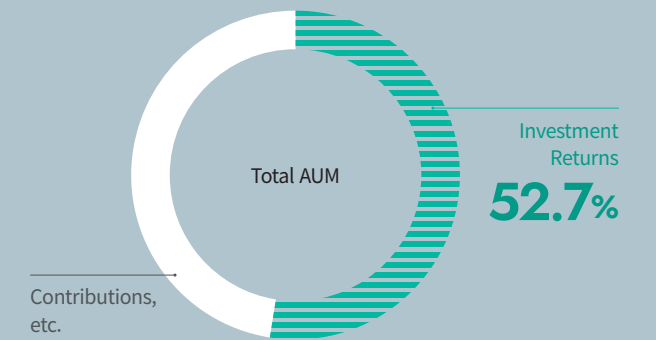
The NPS made KRW 72.1 trillion returns on investment last year.



KRW 439.6 trillion

Investment Returns from Fund Management

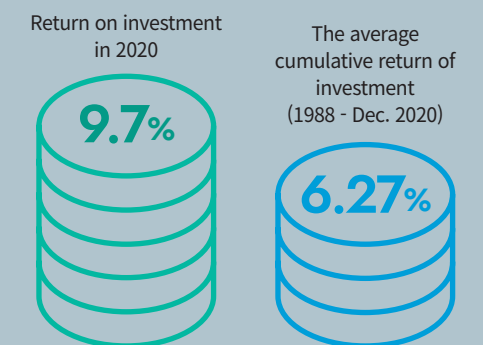
The NPS has earned KRW 439.6 trillion from its investment since 1988. The investment returns are roughly equivalent to 52.7% of the total AUM.



9.7%

Investment Returns of 2020

The rate of return in 2020 is 9.7% while the cumulative average return of investment is 6.27% over the period from 1988 to December 2020.



National Pension Throughout Life Cycle

The National Pension Accompanies You Through Different Life Stages, Starting From the Age of 18!

From the age of 18!

Enrollment in National Pension

- Enrollment is mandatory for those who have a paying job
- Students and housewives with no income can also enroll voluntarily

For those who are not subject to mandatory enrollment, such as housewives or students without income, they can still enroll in the National Pension through "Voluntary insured Program".



The NPS operates the Credit System where ones' insured period is extended for their social contributions, such as giving birth, military service, or job seeking! Make the best use of the credit you may receive.

If you have fulfilled military service!

Military Service Credit



When you have a job!

Employees and their employers contribute equally

When you are a job-seeking benefit recipient!

Unemployment Credit



When you want to extend the insured period!

Utilize the postponed contribution program

The Postponed Contribution program allows members to make contributions later for the period for which they stopped contributions due to exemption or exclusion from contribution payment caused by suspension of business or unemployment. As the duration of entitlement will increase as long as the period they pay premiums, members will receive benefits more in the future, too.



When you have more than two children!

Child Birth Credit



To the age of 60!

Mandatory contribution if you have a paying job

If you want to increase future benefits or the insured period is not long enough to meet the entitlement!

Apply for the voluntarily and continuously insured person

After age 60, you are no longer subject to mandatory subscription. But you can apply for the voluntarily and continuously insured person to the pensionable age to extend the duration of entitlement. If you have made contributions less than 10 years and thus are not eligible for entitlement, apply for the voluntarily and continuously insured person and make 10 years of contribution to receive pension.



Receive pension!

Monthly benefits for life time

If you want to receive more benefits, You can choose to defer pension for up to 5 years



“National Pension?
To be honest,
I’m not sure yet.”

The National Pension is a public pension scheme where you pay insurance contributions while working and receive monthly benefits by the government after you retire. The scheme aims at ensuring stable livelihoods and promoting the quality of life for all people.

For Everyone to Have a Happy Future, The National Pension Service Will Accompany You.

The National Pension Service Prepares for a Bright Future for All.

The National Pension is a social welfare policy run by the government.

While life expectancy is increasing with the improvement of living standards and the development of medical technology, birth rates are decreasing, driving rapid population aging. Unfortunately, not many can prepare for their life after retirement by themselves. If the situation is left unattended, most of the elderly may live in poverty and suffer from financial disadvantage. The NPS can play a role in preventing that from happening and that is why the Service is run by the government.

The National Pension Scheme benefits all.

The government helps all people to prepare for their lives after retirement by compulsory enrollment in the National Pension Scheme as post-retirement planning is a social issue, not an individual one, in aging society. Running the pension scheme for all increases operational efficiency, reduces administrative costs, and redistributes income.

Benefits are available as long as the country exists.





To young people, life after retirement seems far off. And they may feel anxious and think “Who would guarantee my pension benefits in the future?” However, the National Pension is a social contract between the government and people and benefits, therefore, must be paid. Benefits are available as long as the country exists.

For Who?

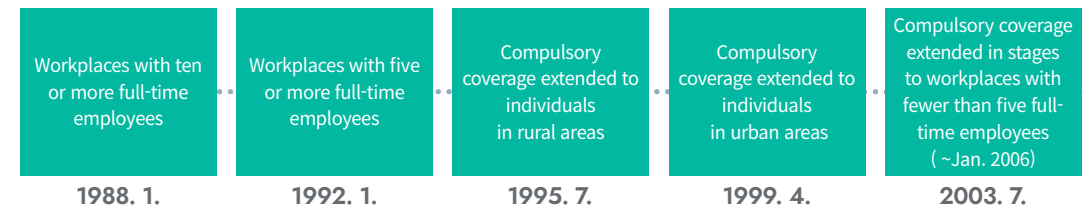
All citizens between the age of 18 and 59 reside in the Republic of Korea shall be covered under the National Pension scheme. (Members of other public pension schemes, such as government officials, military personnel, private school teachers and staff, and special post office employees are excluded.)

Type of Insured Persons

There are workplace-based insured, individually insured, voluntarily insured, voluntarily and continuously insured.

<p>Workplace-based insured</p> <p>Mandatory</p>  <p>Employees (including foreigners) and employers</p>	<p>Individually Insured</p> <p>Mandatory</p>  <p>Those who are not workplace-based insured such as the self-employed, farmers, and fishermen</p>	<p>Voluntarily Insured</p> <p>Optional</p>  <p>Those who are insured voluntarily although their subscription is not mandatory, such as full-time housewives and students under the age of 27</p>	<p>Voluntarily and Continuously Insured</p> <p>Optional</p>  <p>Insured persons or previous insured persons who wish to continue their pension contributions past the age of 60</p>
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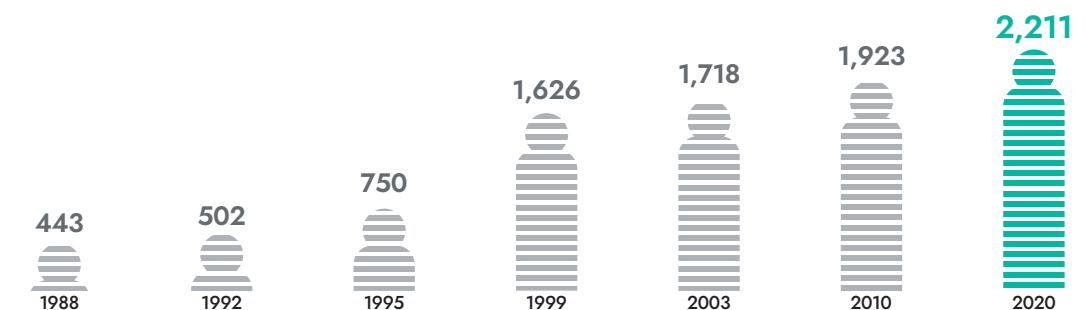
Expansion of the NPS Coverage



The NPS endeavors to remove national pension blind spots by extending coverage to temporary employees and day laborers, etc.

- **Temporary employees** : they can be workplace-based insured if they are hired for 1 month or for 1 month or longer and their monthly working hours exceed 60 hours.
 - * If the combined working hours for 1 month in more than 2 different workplaces are 60 hours or longer, the employee can enroll in the National Pension as a workplace-based insured of one of the workplaces without consent of the employer.
- **Day laborers** : they can be workplace-based insured if they are hired for 1 month or more and they work more than 8 days or 60 hours in 1 month.
 - From Aug. 1, 2018, construction day laborers can be workplace-based insured if they work 8 days a month for 1 month or more.

Number of Insured Persons



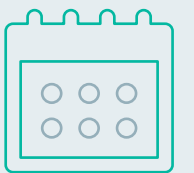
The more you know about the NPS, the better use you can make of it! My Pension, National Pension Service

Contribution Subsidy Program



- **Pension Contribution Subsidies for Farmers and Fishermen**
Individually Insured (including Voluntarily and Continuously Insured) persons whose occupations are in the fields of agriculture or fishery and who meet certain requirements are eligible to receive a pension contribution subsidy.
 - ↳ up to KRW 45,000 per month
- **The Durunuri Social Insurance Subsidy Program**
This is a system whereby a certain percentage of the contributions due to the National Pension and Employment Insurance is covered by the government for low-income workers employed at small workplaces with fewer than 10 employees.
 - ↳ Among workers whose average monthly income is less than KRW 2.2 million (as of 2021), new members* receive a subsidy amounting to up to 80% of contributions
 - * New members : Those who do not have history of the workplace-based enrollment within the past 1 year from the date of application for subsidy.

Extending the National Pension Insured Period



- **Return**
If you return the lump sum refund that you previously received with a certain amount of interest, the duration of entitlement is restored.
- **Postponed Contribution**
If you have not paid contribution for a certain period of time (exemption from contribution payment) due to unemployment or business suspension, have been excluded from the contribution payment due to career disruption, etc., after you started paying the National Pension premium, or have served in military after Jan. 1988, and apply for postponed contribution, you can pay contribution for less than 10 years and the duration of entitlement will be restored.
- **Credit**
If you have given birth to two or more children (Childbirth Credit), have fulfilled mandatory military service (Military Service Credit), and/or are job seeking benefit recipients and apply for credit, you are eligible for pension contribution credits which will later be added to their total period of pension contribution.
 - ↳ Extra contribution period : Childbirth (12 to 50 months), Military Service (6 months), Unemployment (maximum 12 months)
 - ↳ Applicable to childbirth and military service after 2008, and to those who are in receipt of unemployment benefits after August 1, 2016 following the amendment of the relevant laws.



“Can I trust the fund management of the National Pension Service?”

The National Pension Service established the National Pension Service Investment Management (NPSIM) in November 1999 in order to adopt a more systematic and professional approach to the fund management, which is an essential source of retirement income. The Fund is financed by collected contributions from the insured and investment returns, etc. The remainder after deducting the pension benefits and other expenses is reserved as asset under management for investments in stocks, bonds and alternative investments.

The NPSIM Manages the Fund Reliably For You to Rely On it.

Professionals Manage the Fund Transparently for Your Trust.

The Team Consists of Proven Investment Professionals.

The NPSIM is staffed with specialists experienced in financial market analysis, investment of financial products, and risk management, allowing the NPS to respond to the rapidly changing domestic and international investment environments, while achieving a higher rate of return on a long-term basis.

The Team Manages the Fund According to its Strict Principles.

The NPS manages assets according to the principles below, in order to meet its stated purpose and the objectives of managing the Fund.

| Principles of NPS' Fund Management |

- **Profitability** : To pursue the maximum possible investment returns, so as to ease the burden of insured persons, especially those of future generations
- **Stability** : To stably operate funds within the permitted volatility of returns and loss limits of each investment asset
- **Public Interest** : To consider the spillovers of investment activities across the national economy and financial markets
- **Liquidity** : To ensure the availability of funds so as to guarantee the continued payment of pension benefits and to proactively minimize the impact on the national financial market when liquidating the invested assets
- **Sustainability** : To fulfill the fiduciary duty of managing the Fund in consideration of environmental, social and governance factors, among others, to improve investment sustainability
- **Independence** : To comply with the aforementioned principles which should not be compromised for other purposes

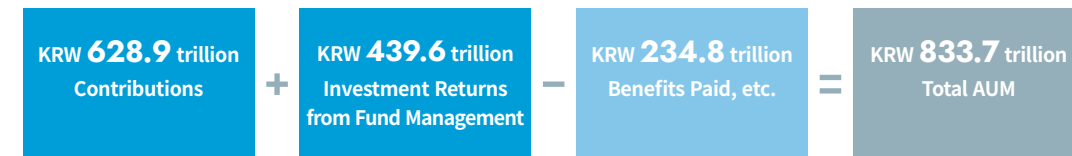
Decisions are made according to the National Pension Act.

According to the National Pension Act, the National Pension Management Commission of the NPS makes final decisions on major investment policies regarding the management and control of the National Pension Fund. In addition, the Commission distributes the Fund Management Guidelines to provide internal and external stakeholders with the Fund Management Principles and related key policies.

The NPS is seeking to diversify its investment in order to achieve higher investment returns in the long-term

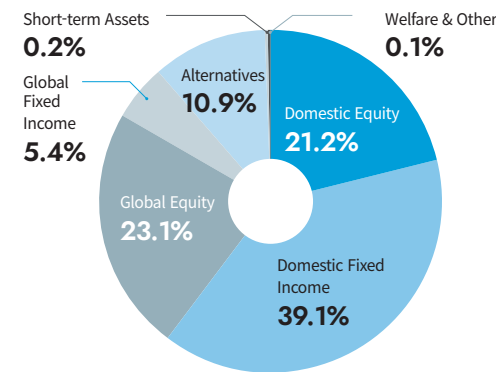
Total AUM

Since its launch in 1988, the National Pension Fund has earned a cumulative investment return of KRW 439.6 trillion through the end of Dec. 2020. This accounts for 52.7% of the total asset under management with the annual cumulative rate of return standing at 6.27%.



Asset Allocation Status

The Fund is managed under three sectors - Financial sector, Welfare sector and Other sector. In particular, the assets in the Financial Sector are broken down to equity, fixed income and alternative investment in domestic and global markets, and other financial products for management.



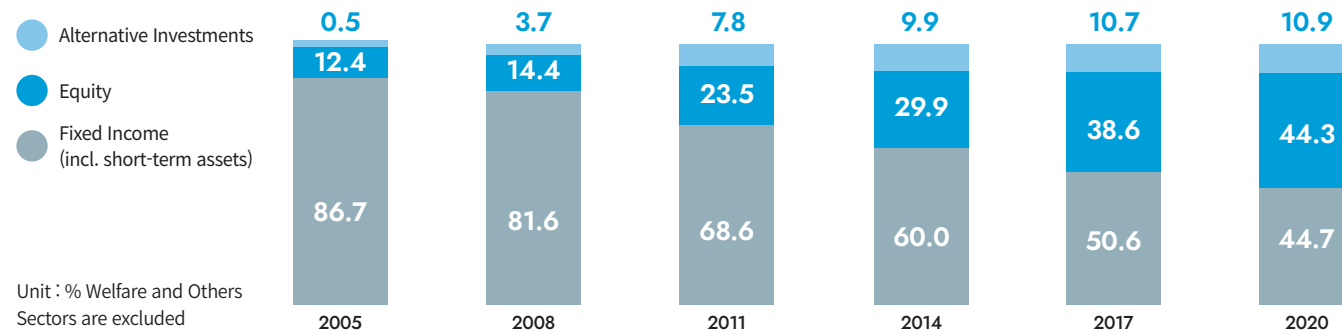
Sector	Amount	Weight
Total	833.7	100.0%
Financial Investment	833.1	99.9%
Domestic Equity	176.7	21.2%
Domestic Fixed Income	326.1	39.1%
Global Equity	192.8	23.1%
Global Fixed Income	44.9	5.4%
Alternatives	90.7	10.9%
Short-term Assets	2.0	0.2%
Welfare & Other	0.6	0.1%

* Note : The figures above might not add up due to rounding

As of the end of Dec. in 2020
Unit : KRW 1 trillion

Investment Diversification

As a long-term investor, the NPS has diversified its investment portfolios in order to increase long-term investment returns. Consequently, the share of fixed income fell from 86.7% of the Fund's total assets at the end of 2005 to 44.7% at the end of December 2020, while the share of stocks and alternatives increased from 12.4% to 44.3% and from 0.5% to 10.9%, respectively.

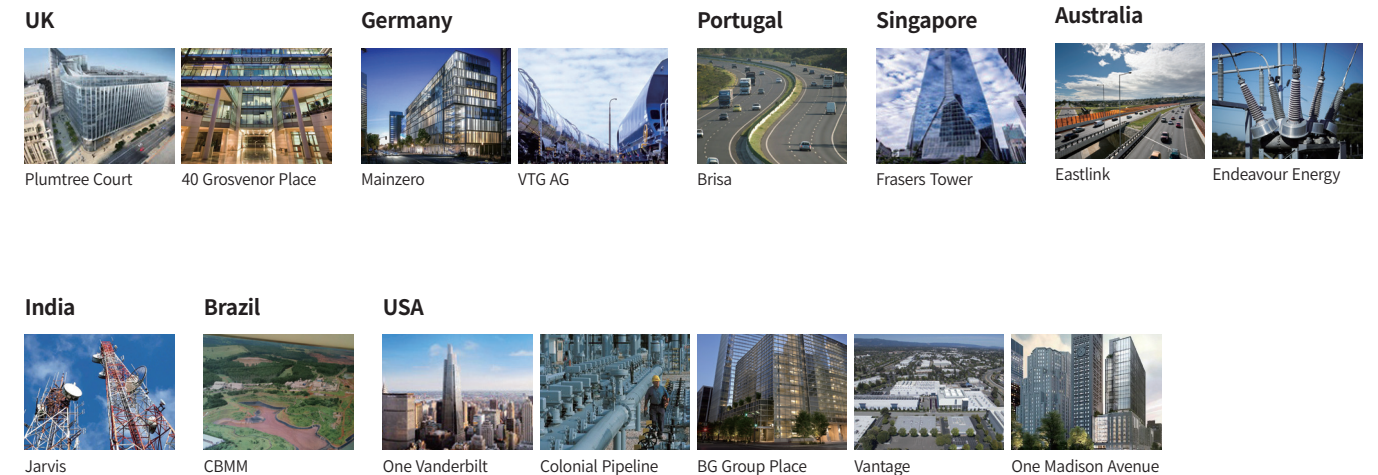
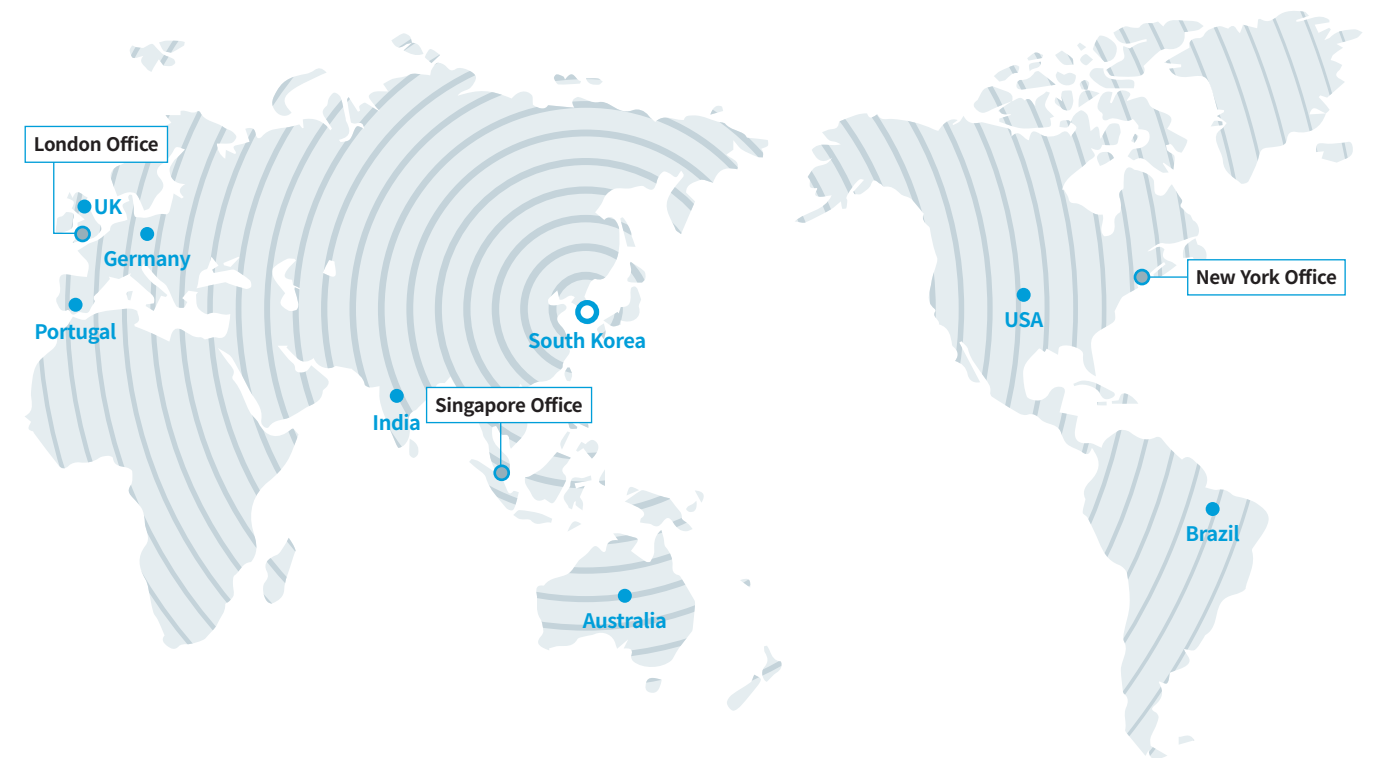


Unit : % Welfare and Others Sectors are excluded

NPS Embracing the World

The National Pension Fund is growing rapidly by expanding investments into global markets and capturing opportunities in global landmark properties and high-quality infrastructure assets, etc. in order to generate stable long-term earnings while overcoming the limits of the domestic market. By doing so, the NPS has become one of the world's leading pension funds.

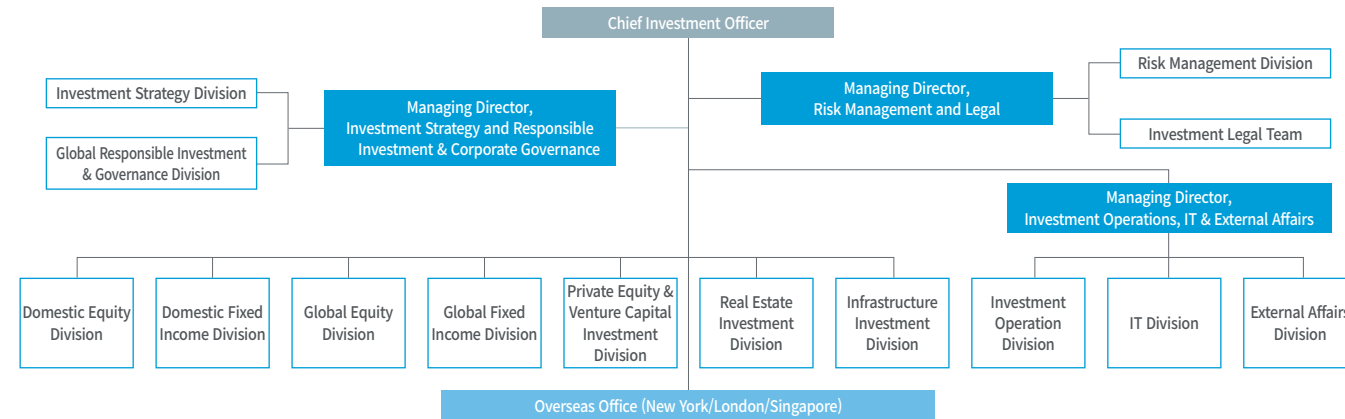
The NPS operates its overseas offices in London, New York, and Singapore to monitor the global financial markets, explore overseas investment opportunities, and build a network with its global counterparts.



Investment Organization

The National Pension Service Investment Management (NPSIM) consists of 3 managing directors, 13 divisions (12 divisions and one subdivision) and 3 overseas offices as of Jan. 2021. It is strengthening its global investment management expertise by hiring and expanding local talent.

Organizational Chart of National Pension Service Investment Management



Main Decision Making Body

In order to proactively understand and effectively manage any risks that may affect the stability and profitability of its fund, the National Pension Service monitors its investment process and manages risks from many different aspects. In addition, it operates a range of committees to facilitate prudent decision-making and transparent fund management.

Major Decision-Making Committees

Risk Management Committee	Organization	<ul style="list-style-type: none"> Chairman (CEO), Secretary (Managing Director, Risk Management and Legal), Members (Executive Fund Director & CIO of NPSIM, 5 to 7 outsourced specialists)
	Key Responsibilities	<ul style="list-style-type: none"> Establishment of risk management policies and guidelines, establishment and management of risk and loss limits Establishment and operation of a risk management system Management of risks involved in new assets or investment management methods
Investment Committee	Organization	<ul style="list-style-type: none"> Chairman (Executive Fund Director & CIO of NPSIM), Secretary (Director General of Investment Strategy Division), Members (1 person between Managing Director of Investment Strategy and Responsible Investment & Corporate Governance and Director General of Investment Strategy Division, 1 person between Managing Director of Risk Management and Legal and Director General of Risk Management Division, 1 person between Managing Director of Investment Operations, IT & External Affairs and head of Investment Operation Division and head of each division and related team managers)
	Key Responsibilities	<ul style="list-style-type: none"> Establishment of annual/monthly fund management plans and periodic review of fund management status by asset class Criteria for selection and management of counterparties and exercising of voting rights and passing of resolutions with regard to shares held by the NPS
Alternative Investment Committee	Organization	<ul style="list-style-type: none"> Chairman (Executive Fund Director & CIO of NPSIM), Secretary (head of the division subject to deliberation), three internal members (1 person between Managing Director of Investment Strategy and Responsible Investment & Corporate Governance and Director General of Investment Strategy Division, 1 person between Managing Director of Risk Management and Legal and Director General of Risk Management Division, 1 person among the heads of divisions), three external members (private sector specialists, etc.)
	Key Responsibilities	<ul style="list-style-type: none"> Decision-making on investment of certain alternative assets Adjusting key requirements for alternative investments

Disclosure of Fund Investment Information

The NPS discloses information on the status and direction of the fund's investments to ensure that its insured individuals, beneficiaries, and other stakeholders have easy access to and can develop an understanding of its activities. The NPSIM website (<http://fund.nps.or.kr>) offers a variety of such information: fund investment guidelines; fund investment plans; fund investment regulations; financial statements; portfolio investment status and investment returns; status of entrusted investments; types of investment assets; and details on voting rights exercised.

ESG+ with NPS, A new path to ESG with NPS

The NPS will continue to strengthen and expand our commitments to responsible investment where we integrate non-financial factors into our investment and management decisions.

Fiduciary Responsibility Policy

The National Pension Fund has established and disclosed policies such as the 「Principles on Fiduciary Duty of the National Pension Fund」 and the 「Principles on Responsible Investment of the National Pension Fund」 to enhance transparency and independence of trustees' responsible activities and to bolster the long-term investment profit.

The NPS added the "Sustainability Principle" to its 「Fund Investment Policy」 and created the 「Principles on Responsible Investment of the National Pension Fund」 to create an institutional environment where the National Pension Service can continue to responsibly manage its investment and exercise shareholder rights.

Fiduciary Responsibility Activities

The NPS upholds fiduciary duties by making responsible investments and exercising shareholders' rights according to the 「Guidelines on Fiduciary Responsibility Activities」 and 「Measures to Promote Responsible Investing」, etc.

Responsible Investing is an investment practice to incorporate non-financial factors that may affect investment targets, such as environmental, social and governance (hereinafter "ESG") considerations in investment decisions, and active ownership means engaging and exercising voting rights in the investee companies as an institutional investor.

Status and Plans on Responsible Investing – ESG integration strategy

The NPS revised and strengthened its ESG integration strategy for direct domestic equity management last year and is currently working on creating the ESG integration strategy for domestic fixed income management. It is planning to select the environmental and social aspects to be focused in managing domestic equity and establish fiduciary responsibility activity guidelines for global equity.



“National Pension keeps the story going for me and my family.”

The NPS pays pension benefits so that all people can dream of a happy future together. The Old-age Pension, the most basic pension, is provided to insured persons if they have made contributions for longer than 10 years and reach pensionable age. And the NPS offers other benefits, such as Disability Pension and Survivor Pension, etc. The NPS provides the strength that supports you and your family to have a stable life.

The National Pension Service provides a lifetime pension benefit to all people so that everyone can pursue their dreams for a long time in an age of longevity.

The National Pension is For You, Your Family, and Your Parents.

National Pension Benefits My Family.

The Republic of Korea is rapidly aging while its birth rates are quickly falling. The number of households supporting their parents is declining. Poverty in old age is becoming a major social issue. Solving the issues individually is difficult. That's why the government comes in with the National Pension. The National Pension benefits us, our family, our parents, and ultimately our children.

The National Pension offers a variety of benefits other than the Old-Age Pension.

It offers not only the Old-Age Pension, but Disability Pension and Survivor Pension. When a member is permanently disabled due to an illness or injury occurring during the contribution period, the Disability Pension is provided, depending on the level of disability. For a disability grade of 1 - 3, pension benefits are paid every month while benefits are paid in lump sum for grade 4 disability.

When a person who has been insured for a certain period of time or has been on the Old-age Pension or Disability Pension (grade 1 or 2) dies, the Survivor Pension, which is a certain percentage of the basic benefits, is paid to the bereaved family members depending on the contribution period.

Benefits go up in proportion to consumer price increases.

The National Pension always maintains its real value despite inflation. The benefits to be paid for the first time are calculated and evaluated in present value by applying annual revaluation rates to the premium contributions made in the past.

Also, the National Pension benefits are adjusted once a year according to the changes in the Consumer Price Index every January.

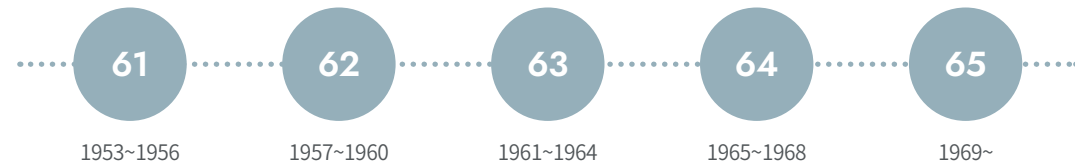
Types of National Pension Benefits

Old-age Pension

The Old-age Pension is paid monthly for lifetime to those whose insured period is 10 years or more when they reach pensionable age.

- **Old-age Pension Deferment** : Members can choose to defer all or a portion of their Old-age Pension for up to 5 years until the age of 67 (5 years after the pensionable age, which is different depending on the year of birth). Those who have deferred benefits will receive another 0.6% added to their pension for each month delayed.
- **Early Old-age Pension** : Members can claim Old-age Pension up to 5 years earlier than the pensionable age (the annual rate of pension will be reduced by 6% for each year if the pension is taken early (30% in case of the early receipt by 5 years)) if they have paid premiums for 10 years or more and are between the age of 58 to 61 (based on the year of birth) without income-earning activities*.
- * Income-earning activities refers to activities that pays monthly income above the average income of all members (KRW 2,539,734 as of 2021).
- **Divided Pension** : If a person who has been married to an insured person for five years or longer is divorced, the benefit will be divided by the fixed rate corresponding to the duration of the marriage (when the divorced spouse reaches the pensionable age).

The Pensionable Age for the Old-age Pension Depending on Birth Year



Disability Pension

The Disability Pension is provided to a person having a physical or mental disability even after being treated for the disease or injury whose first treatment came about during his/her insured period according to the level of disability.

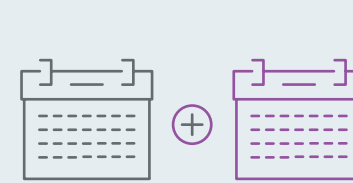


Survivor Pension

The Survivor Pension is provided to the bereaved family members when they meet requirements if the insured or beneficiary is deceased during his/her insured period.



**The More You Learn,
The More You See That the National Pension is For You**



Public Pension Linkage System

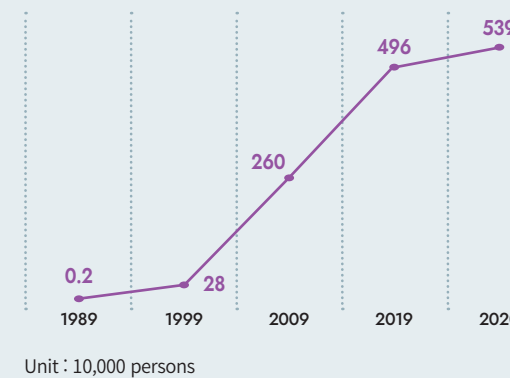
- If a person fails to reach minimum qualifying years* designated by respective pension acts and transfers his/her fund to another public pension scheme, the NPS used to provide a lump sum refund in the past. However, with the Public Pension Linkage System in place now, benefits are paid from each scheme according to the respective contribution period if the aggregated insured period is longer than 20 years.
- * Minimum qualifying (employed) years to meet the eligibility: 10 years for the National Pension, 10 years for Special Occupation Retirement Pension (20 years for Military Pension)



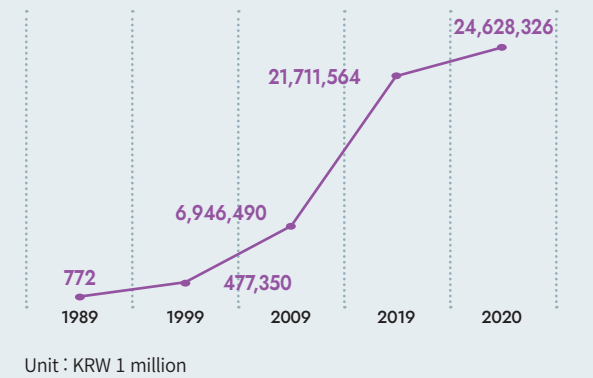
Urgent Pensioner Loan (Silver Loan)

- For the pension beneficiaries aged 60 or older, the NPS provides a low interest loan with the limit of 2 times of their annual benefits (up to KRW 10 million) if they need emergency loans for house rents, medical bills, funeral expenses for spouse, or natural disaster relief, in order to support stable life for the elderly.

Number of National Pension Beneficiaries



Benefits Paid By Year





“I didn’t know that the National Pension Service provides so much more diverse services.”

In addition to the national pension enrollment support, fund management, and benefit payment, the National Pension Service operates a variety of welfare services for the public including the Retirement Planning Service, Welfare Services for Persons with Disabilities, Basic Pension Service, National Pension Policy Research, Support for Koreans Abroad and Foreigners in Korea, National Pension ICT, etc. The NPS is exploring many ways to create a better tomorrow for the people.

The NPS explores more for a better tomorrow.

First Steps toward a Happy Retirement, Retirement Planning Service.

The NPS provides free retirement planning services to all citizens.

In accordance with the Retirement Planning Support Act enacted in December 2015, the National Pension Service established a Retirement Planning Service Center and is offering free retirement planning services at the 109 local offices designated as local retirement planning support centers.

Check Your Pension Information At a Glance With the NPS Website.

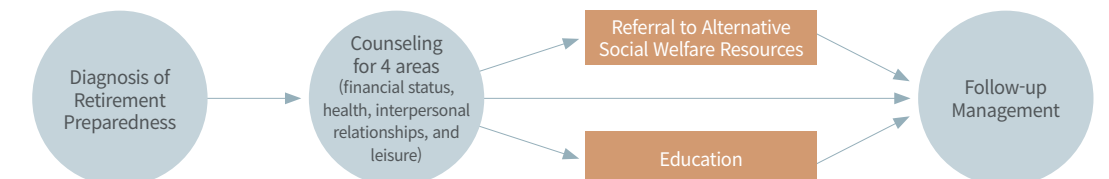
The NPS website (csa.nps.or.kr) offers a variety of services, such as the retirement planning diagnosis and counseling, financial planning, and retirement planning information, etc. It also allows you to get information of your prospective payouts from your National Pension, Retirement Pension, Private Pension, and Reverse Mortgage with just a few clicks.

Specialists in Retirement Planning Services

CSA (Consultant for Successful Aging)	CFP (Certified Financial Planner)	AFPK (Associate Financial Planner Korea)	Social Workers
4,565 persons	34 persons	921 persons	2,245 persons

* At the end of December 2020

Content of Retirement Planning Services



To Be Happy Together, Welfare Services for the Disabled

The NPS Takes the Lead in Protecting the People with Disabilities and the Beneficiaries of National Basic Livelihood Security Program.

On the strength of its 33-year experience and expertise in the assessment of the Disability Pension, the National Pension Service provides indispensable welfare services for the disabled by conducting a comprehensive examination for the provision of services, such as disability registration assessments and support for the activities of the disabled, as well as assessments of the ability to work of beneficiaries of the National Basic Livelihood Security Program. As such, the NPS offers welfare services tailored to those in need at the right time in order to protect the rights of the disabled and the beneficiaries of National Basic Livelihood Security Program.

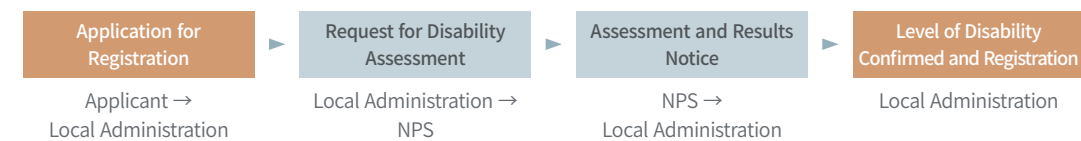
▶ More than 1,000 consulting doctors and 400 professional assessors (including nurses) conduct screening.

In accordance with the National Pension Act, the NPS conducts evaluation insured persons (or previous insured persons) to assess their eligibility for the Disability Pension (or Survivor Pension) benefits pursuant to the its Disability Evaluation Policy.

In order to provide welfare services for the disabled pursuant to the Act on Welfare for People with Disabilities, the NPS conducts evaluation disability degrees of those who wish to register as disabled with the Mayor of the Special Self-Governing City, Governor of a Special Self-Governing Province, Mayor, head of a Gun, Mayor of a Gu.

* With the abolition of disability ratings in July, 2019, "disability ratings" have been replaced by "disability degrees".

Disability Registration Assessment Procedure



With the abolition of the disability rating system in 2019, the "Comprehensive Survey for Personal Assistance Service" has been introduced to understand the overall functional conditions and social, housing, and household environment of the persons with disabilities in order to provide adequate welfare services. The NPS assists the persons with disabilities with their day-to-day activities and provides transportation services.

Assessment of the ability to work (medical assessment and daily activities assessment) is conducted for beneficiaries of the National Basic Livelihood Security Program in order to enhance their financial independence and self-sufficiency. To ensure a balanced and accurate assessment, medical assessments are conducted by healthcare professionals (medical doctors and nurses), while the assessment of daily activities is performed by designated staff at the NPS.

National Pension Disability (Survivor) Evaluation

Evaluation of Disability Registration

(since April 2007)

Comprehensive Survey for Personal Assistance Service for Persons of Disabilities

(since July 2019)

Work Ability Assessment Program for Beneficiaries of the National Basic Livelihood Security Program

(since December 2012)

Basic Pension Service, greater happiness for the elderly

The National Pension Service performs a variety of tasks to ensure a stable operation of the Basic Pension Plan.

The Basic Pension Plan offers a certain amount of benefits to the elderly in the bottom 70% income bracket. The NPS performs a variety of tasks, such as PR activities, application notice, and management of pension beneficiaries, to ensure that the Basic Pension Plan successfully contributes to the welfare and the lives of senior citizens.

Eligibility and Application for Basic Pension Benefits

If a person aged 65 or older makes recognized income¹⁾ below the threshold amount²⁾, he/she is able to receive up to KRW 300,000 a month (for a single-person household, as of January 2021)³⁾ on the 25th of every month.

1) The amount recognized as income : the sum calculated by aggregating the evaluated income and income converted from assets

2) The threshold for selection in 2021 : KRW 1.69 million for single-person households; KRW 2.704 million for married couples

3) When two persons of a married couple are eligible for the Basic Pension benefits at the same time, the amount is reduced by 20% from each. The benefits may partially be reduced for those with relatively high income or asset, or who receive relatively high national pension benefits.

The NPS provides a notification service to make sure everyone in need receive benefits from its services.

The NPS sends out personalized registration guidelines to potential recipients of the Basic Pension to make sure that every elderly citizen aged 65 years or older in need will have an opportunity to receive their Basic Pension.

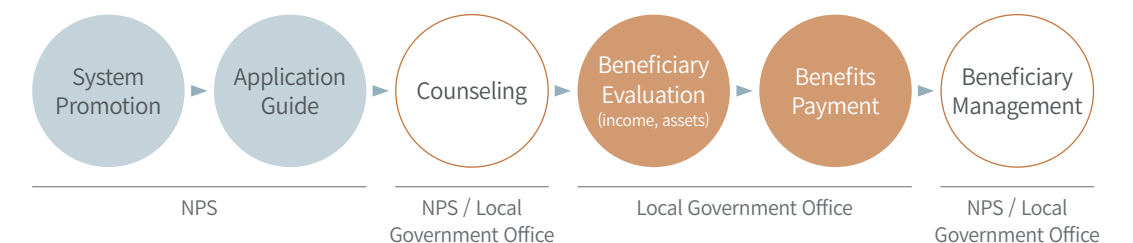
If you apply for "History Management for Potential Beneficiaries", you will be informed later when you are expected to be eligible for the Basic Pension even if your original application was rejected.

Status of Current Beneficiaries of the Basic Pension



*At the end of December 2020

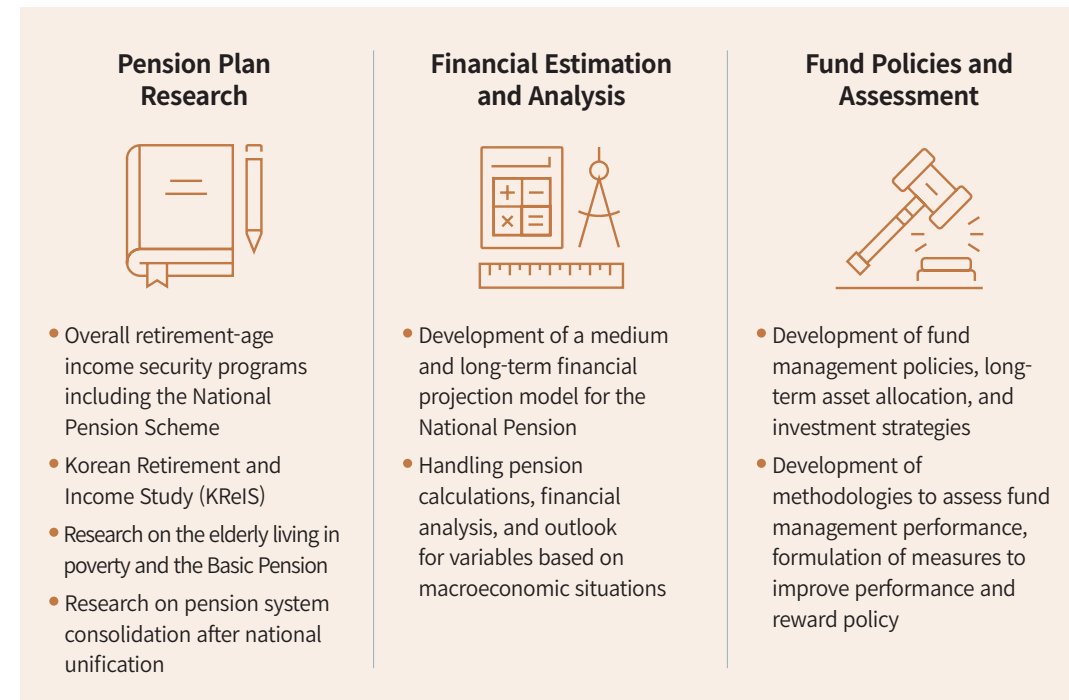
Basic Pension Work Flow



National Pension Policy Research, Guide to the National Pension

The NPS continues to dive deeper to find a better way.

The National Pension Research Institute engages in a range of activities that include research on policies for the security of retirement-age income, such as the National Pension Plan; the provision of support for fund management policies; and performance assessment and financial estimation, so that all pensioners can enjoy a stable post-retirement life.



The NPS Takes a Regular Check-up Every 5 Years.

The National Pension Research Institute conducts actuarial projection of National Pension every 5 years - a mission entrusted by the Korean government - in order to assess the financial soundness of the National Pension Scheme and to present the direction of development from a long-term perspective. Starting from 2003 when the first actuarial projection was carried out, the fourth projection took place in 2018. The actuarial projection every 5 years enables the NPS to predict when pension funds would be exhausted and how we can stabilize the funds for a sustainable pension scheme.

The Korean Retirement and Income Study (KReIS) has been conducted every two years since 2005 with the aim of contributing to policy development and academic research on income guarantees for the elderly through continuous research and data collection on the lifestyles and retirement planning of the middle-aged and the elderly.

- **Study Subject** : Households with members aged 50 or older and individuals aged 50 or older and members of their respective households
- **Study Coverage** : Economic status, status of employment and retirement-age income for each household with middle-aged and elderly individuals
- **Data Sharing** : Website of the Korean Retirement and Income Study (KReIS, <http://kreis.or.kr>)

Korean Retirement and Income Study
: KReIS

Global NPS, Support for Koreans Abroad and Foreigners

Our National Pension Scheme Goes Global.

The Center for International Affairs has built an extensive global network that befits the institution's international status through active exchanges with international organizations and exports the National Pension System abroad.

The NPS has signed and implemented Social Security Agreements with a total of 36 nations as of December 2020 to reduce social insurance costs for Korean companies operating overseas and protect the pension entitlements of Koreans living abroad and foreigners residing in Korea.

- **Contribution-Only Agreements (10 countries)**
Iran, UK, Netherlands, Japan, Italy, Uzbekistan, Mongolia, China, Switzerland, Chile
- **Totalization Agreements (26 countries)**
Canada, US, Germany, Hungary, France, Australia, Czech Republic, Ireland, Belgium, Poland, Slovakia, Bulgaria, Romania, Austria, Denmark, India, Spain, Turkey, Sweden, Brazil, Finland, Quebec, Peru, Luxembourg, Slovenia, Croatia

| Status of Social Security Agreements |



Global Services for Insured Foreign Nationals

To protect the rights of the increasing number of insured foreign nationals of the National Pension, the NPS provides a full range of global services from subscribing to the pension to filing a claim.

The NPS operates a Call Center for Foreign Nationals that provides counseling in the languages of highly represented countries, as well as Counseling Center for Foreign Nationals in Ansan City, Gyeonggi-do and Gimhae City, Gyeongsangnam-do which represent a high concentration of foreign residents.

In addition, the Incheon International Airport Service Center provides a Lump-sum Refund payment service to foreign nationals prior to their departure from Korea.

Exporting the Experience and Know-how of Operating a National Pension System

The NPS is keen to share its decades of experience and know-how with countries that are adopting public pension systems or planning to expand upon their already existing systems so that their national pension systems could be operated stably as soon as possible and offer the advantages of the Korean Pension System to a global audience.

- **Annual Training Course on Public Pensions** : The NPS invites government officials and pension experts from the Asia-Pacific region to Korea, so as to grant training courses on the operation of pension systems and to share its experiences related to the expansion of such systems.
- **Study Visits and On-Site Consulting** : Upon request of a country wishing to learn about the system, the NPS offers programs and consulting services customized to the individual country in terms of training period and curriculum, in Korea or overseas.

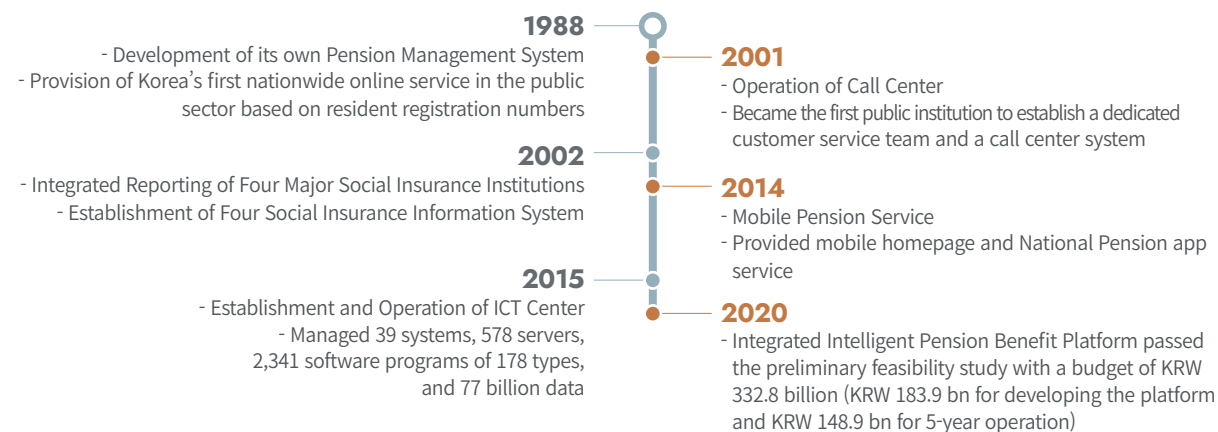
National Pension ICT, Reliable Support for the Operation of the National Pension System

State-of-the-Art System for secure and Accurate Management of the National Pension

The National Pension Information System runs 24/7 throughout the year to ensure secure and accurate management of information 22.11 million insured persons, 5.39 million pensioners, and an accumulated fund reserve of KRW 833.7 trillion (as of end-December 2020). The System provides the best service and contributes to administrative efficiency and cost savings through the utilization of ICT.

History of National Pension ICT Development

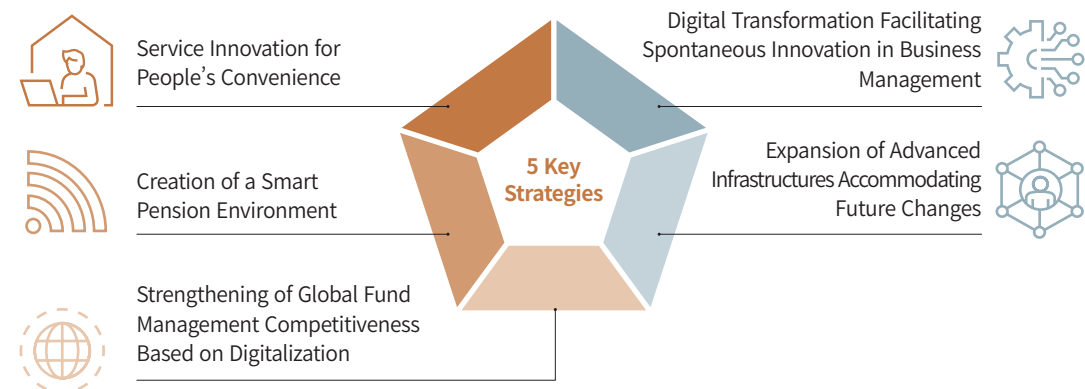
Starting with the establishment of Korea's first nationwide online computer network in the public sector in 1988, we have carried out numerous changes in the pension system and a variety of new welfare initiatives. With tireless development and innovation, we provide reliable support for the management of National Pension Scheme.



Establishment of Integrated Intelligent Pension Benefit Platform

Integrated Intelligent Pension Benefit Platform is NPS's first ultra-large scale digitalization project to integrate and completely transform the information systems (systems + funds) separately built over the last 30 years into a new advanced system. By combining new technologies such as big data and artificial intelligence with the existing system, the NPS will transform itself into a "Digital National Pension Service".

5 Key Strategies



Various services to enhance the convenience of the people

The National Pension has become more accessible through the one-stop Information Linkage System and enhanced non-face-to-face service infrastructures.

4 Social Insurance Information System

Real-time information sharing

The National Pension Service(NPS) provides 4 major social insurance information services. If you submit an application to any of the 4 major social insurance institutions(NPS, NHIC, MOEL, KCOMWEL AND HIRA), you can use one-stop service by linking it to each institution in real time.

Operation of Web portal and Social Insurance Information System(SIIS)

We operate web portal(www.4insure.or.kr) where people can conveniently handle the 4 major social insurance tasks online and SIIS where employees can handle 4 major social insurance jobs.

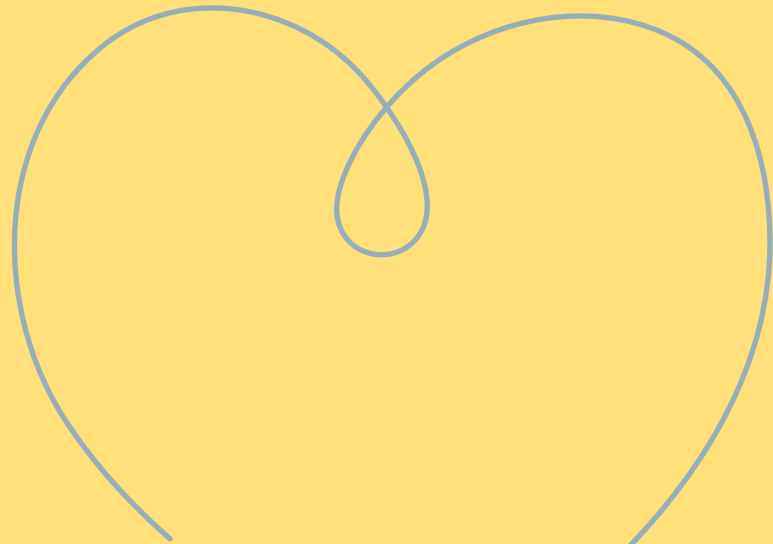
Type	No. of users	Complaint received	Certificate issuance
Web portal (www.4insure.or.kr)	9 million citizens	2.12 million	4.91 million
Social Insurance Information System(SIIS)	17,000 employees of the 4 major SIS	5.55 million	110 K

* as of 2020

Non face-to-face Services

Expansion of NPS's non face-to-face services for the post-COVID-19 era

- Tailored consulting services enabled by an AI chatbot system
- Non face-to-face pension services by building a video sign language consulting system
- Planning to offer a pension entitlement confirmation service using biometric authentication for foreign beneficiaries
- Creation of smart work environment independent of time and place
- Touchscreen equipped digital consulting-reception installed at the NPS counters across the nation
- Non face-to-face medical consulting meetings using video conferencing systems



NPS, Making the World a Better Place

사랑 +he하기

The world becomes more beautiful as we share our love and care for one another.
Striving to make the world a better place to live,
the NPS will continue to share our love and hope.



Insured persons 사랑 +he하기

The staff of the National Pension Service has raised funds for low-income workers, single parents, and debt-ridden members to cover their pension contributions, so that they may not lose hope and prepare for life after retirement even in difficult times. Through these efforts, we have supported 3,484 members from 2008 to 2020, 965 of which are now receiving pensions.

Beneficiaries 사랑 +he하기

The NPS has provided goods and conducted activities to support a stable life for the elderly, such as cleaning, lending a listening ear, and check-in calls, to 36,878 beneficiaries in need from 2012 to 2020. And it provided the donations from “Didim Ssiat Bankbook (or Seed Bankbook)” for the self-sufficiency of 5,795 underprivileged children receiving the Survivor Pension to help them grow to become responsible members of society. From 2015, the NPS has offered scholarship to 794 underprivileged pensioners and their grandchildren to provide a stable education opportunity while contributing to eradicating financial inequality. In addition, it has created 1,157 jobs for the elderly and promoted safety in the community by implementing a traffic safety initiative, along with other projects, that hired seniors.



People with Disabilities 사랑 +he하기

The NPS has created a “Happy Charity Fund” of KRW 294 million to support the rehabilitation costs of 124 children with disabilities since 2012 and helped unregistered people with disabilities who are in welfare blind spots and thus exposed to the risk of abuse to submit registration documents through the emergency support initiative for the rights of persons with disabilities. As such, the NPS is endeavoring to widen the coverage of welfare for people with disabilities.

Community 사랑 +he하기

The NPS has established sisterhood relationships with traditional markets, 39 farming and fishing villages (33 farming and 6 fishing villages), and the 35th Army Division and supported the communities by helping them with their farming and fishery work, organizing farmers markets, and supporting soldiers. More recently, the NPS donated COVID-19 response supplies to social welfare organizations to prevent the virus from spreading, made a blood donation to help the medical community overcome the crisis, and purchased goods from traditional markets and flower farmers to support the local communities.



“Mobile Car Wash” Service to Create Jobs for the Underprivileged

Since 2019, the NPS has supported the underprivileged to get back on their own feet and become financially independent by creating a stable car wash demand, together with other public agencies relocated to Jeonbuk innovation city. The initiative, creating a win-win effect for both buyers and sellers, has been introduced as a best practice to 10 innovation cities and 153 public agencies, and its business model has been adopted in 5 other local branches in Seoul-Incheon, Daejeon, Gwangju, Daegu, and Busan, as well other public agencies.



Self-sustaining Village Pension Project to Help Villages Generate Stable Income After Retirement

The NPS has been running a Self-sustaining Village Pension Project to help farming villages generate income. The project supports villages to install solar power generation facilities and combines the revenue from both the project and the village to provide approx. KRW 100K monthly pension benefits to the elderly aged 70 or over in the village. The initiative is the first-ever public sector corporate social responsibility project led by the NPS and jointly implemented by the resources of 7 municipal communities, public agencies, and private sector companies.

Pro Bono Teams in NPS

Starting from 2012, the NPS has been sharing our teams' talent in various areas, including social welfare, language, nursing, art, music, and sports, with the underprivileged. With our belief that “happiness grows by donating and sharing love”, the NPS will continue to donate and share love with those in need.



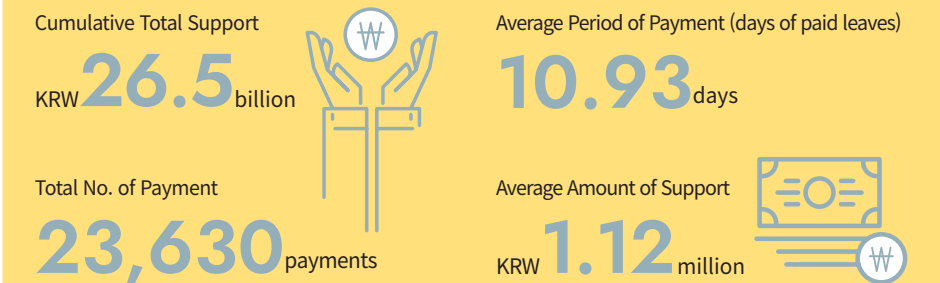
Overcoming the Covid 19 pandemic together the NPS will Support Your Life

The NPS has become an integral part of Korea's responses to the Covid 19 pandemic as it has dispatched staff (total 6,967 over the year) to the Central Disaster Management Headquarters and the Incheon Airport Quarantine Stations to fight the virus, provided 6 Community Treatment Centers, contributing to overcome the Covid 19 pandemic, and helped build the data of people arriving from overseas, fully supporting the government's response policies.

Easing the Burden for Those Suffering Income Loss due to COVID-19, Through Payment Exception, etc.



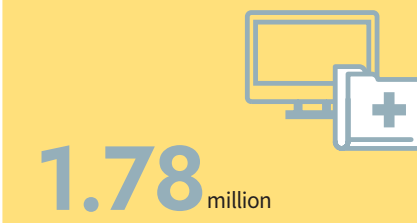
Support of Paid Leaves for Quarantined Employees



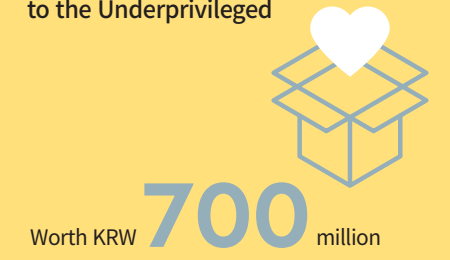
Number of Dispatched Staff to Central Disaster Management Headquarters and Community Treatment Centers, etc.



Provision of Detailed Data of Arrivals from overseas for COVID-19 Responses



COVID-19 Response Supplies Provided to the Underprivileged



Reduced Office Rents for Total 29 Companies in the building owned by NPS



Support to Help Seniors Living Alone Beat the COVID-19 Blues



* As of the End of December 2020

Anti
Bribery and
Corruption
Policy



The NPS is committed to making the world more transparent

The NPS is putting every effort to realize the goal of eradicating bribery and corruption and upholding integrity.

The Anti-Corruption and Integrity Promotion Group that Lives up to the Expectations of the Public and the Government's Policy

The Anti-Corruption and Integrity Promotion Group (led by the Standing Auditor), the highest decision making body on integrity, gathers opinions of the employees and outside experts to explore projects that satisfy expectations of the public and the government's anti-corruption policy, and coordinate and integrate a variety of integrity awareness activities.

"Citizen Auditor for Integrity" to Evaluate the NPS's Policies from an Expert's Point of View

The Citizen Auditors for Integrity are professionals equipped with expert knowledge in anti-corruption and integrity as well as extensive public and private sector experiences and improve unfair practices of the NPS from an outside perspective.

"Integrity Practice Group Meetings with Regional HQs and Regional Offices" to Create Integrity Policy with Employees

Every year, the 7 regional HQs and 102 regional offices hold an Integrity (Integration) Practice Meeting and have in-depth discussions on how to prevent corruption in HR and budget execution areas, one of the most vulnerable areas for corruption, and how to foster an organizational culture of integrity and enhance the level of integrity across the company.

"NPS HelpLine" to Foster a Clean and Transparent World

The NPS's HelpLine is open 24/7 for anonymous reporting of the employees' corruption/bribery, misconduct, corruption in recruitment, and sexual harassment, etc. Run by an outside specialist organization, the HelpLine strictly protects the identity of whistleblowers.

Honors and
Awards
Received by
the NPS



Leaving Footsteps with Passion

The NPS has won invaluable awards in a variety of sectors. We are dedicated to offering the best services to reciprocate the trust and support that our customers have shown us.

<p>President's Awards</p>	For contributions to the national and social development by promoting demographic policy / May 2020	Ministry of Health and Welfare
	For contributions to the national and social development by promoting the welfare of people with disabilities / Jul. 2020	Ministry of Health and Welfare
	For contributions to the national and social development by promoting SME products' purchase in the public sector / Nov. 2020	Ministry of SMEs and Startups
	For contributions to revitalization of the joint use of administrative information and thus promoting innovation in the government / Dec. 2020	Ministry of Public Administration and Security
	For contributions to creating the environment to spread the service by leading the introduction of a mobile electronic notification service / Jun. 2020	Ministry of Science and ICT
<p>Ministers' Awards</p>	For contributions to promoting the welfare of the elderly by protecting vulnerable seniors / Dec. 2020	Ministry of Public Administration and Security
	Awarded for implementation performance of green house gas emissions/energy targets in public sector / Dec. 2020	Ministry of Environment
	Awarded the Best Practice Award in government innovation by the Ministry of Health and Welfare / Dec. 2020	Ministry of Health and Welfare
	Awarded for the fair · blind hiring contributing to the promotion of an equal opportunity and fair process / Dec. 2020	Ministry of Employment and Labor
<p>Awarded the "Pension Fund of the Year"</p>	Pension Plan Sponsor of the Year / 2020. 3.	Asia Asset Management 誌
	Pension Fund of the Year, Asia / 2020. 10.	The asset 誌

About the National Pension Service

We Are the National Pension Service, the Guardian of People's Happiness

Purpose of Establishment

The National Pension Service was established in 1987 in an effort to contribute to the stabilization of livelihoods and the promotion of national welfare by providing pension benefits in the case of old-age, disability, and death.

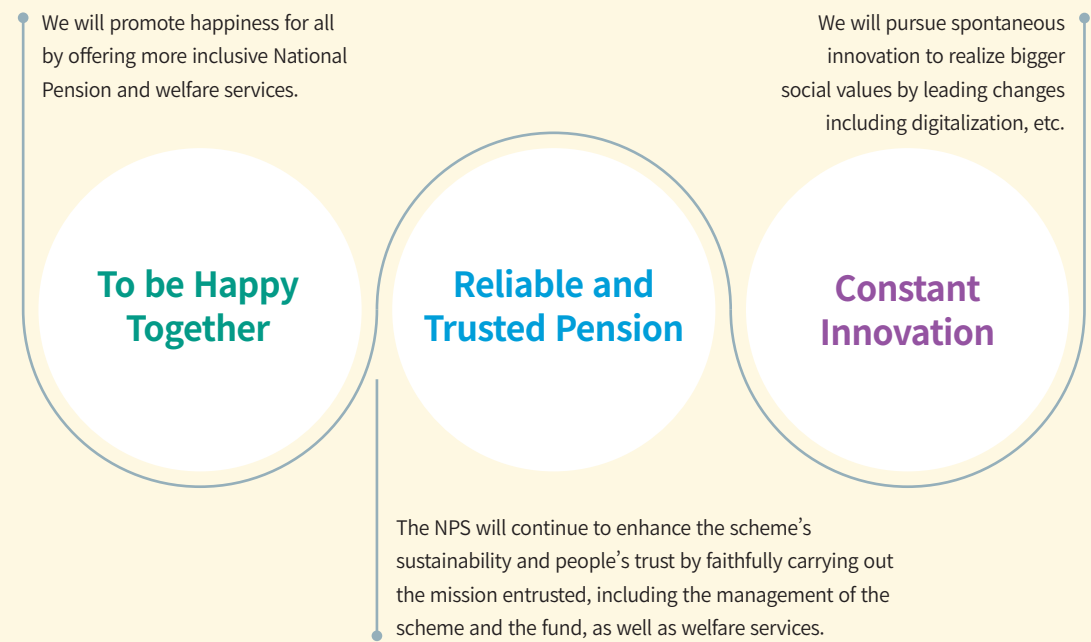
Value System

- Vision** A leading global pension service contributing to people's happiness over generations
- Mission** Contribution to the stable livelihood of insured persons with sustainable pension benefits and welfare services
- Core Value** Inclusion and happiness, responsibility and trust, fairness and innovation

Business Principle

“Pension for All that Makes Everyone Happy”

We will make the National Pension that benefits all and brings hope for the future.



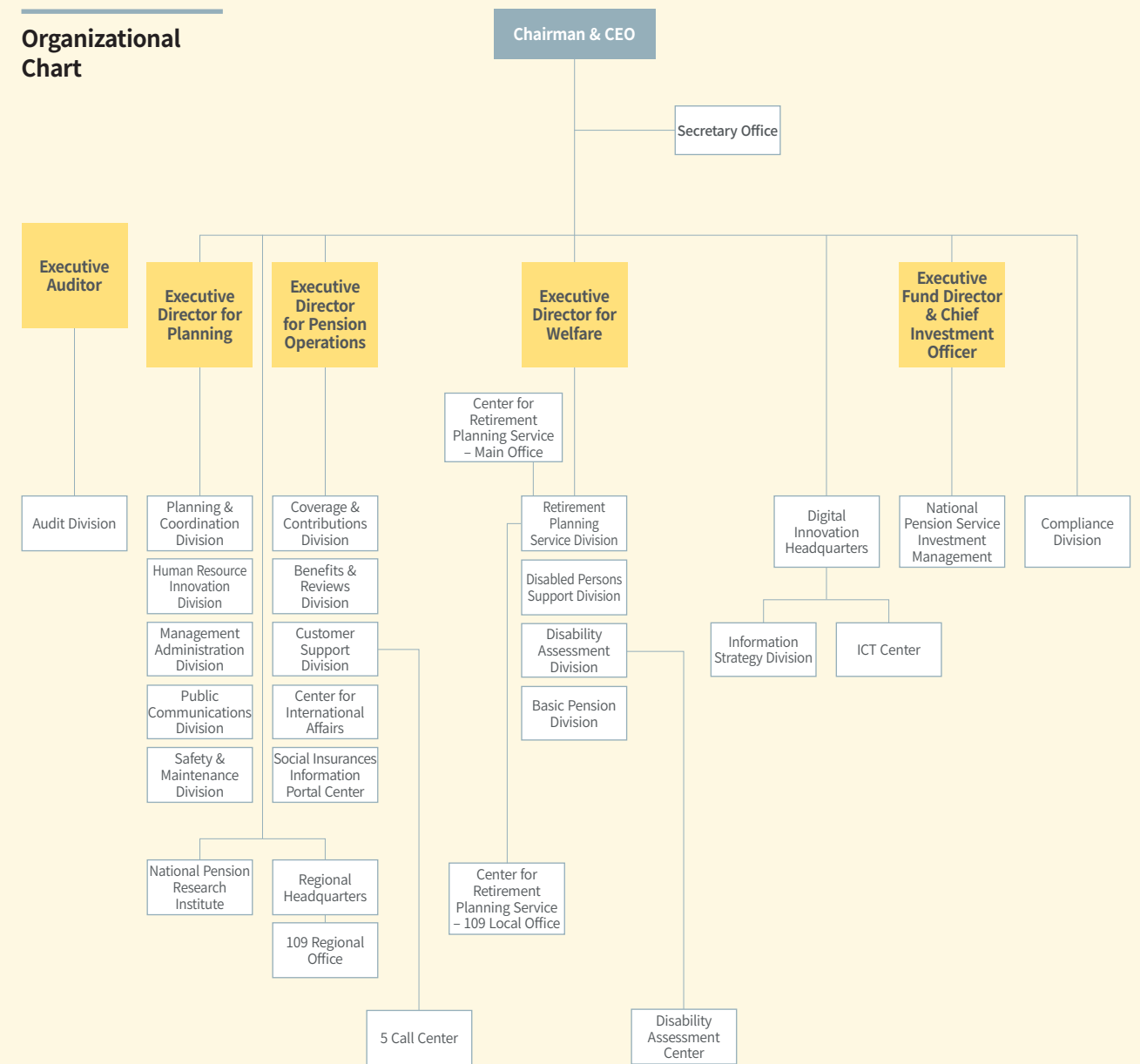
Strategic Objectives

- Pension welfare services embracing all
- Reinforced foundation for future growth
- Realization of social values that people can feel
- Continuous growth through spontaneous innovation

Organization

- Headquarters** 15 Divisions, and 3 Centers, Digital Innovation Division, National Pension Service Investment Management (NPSIM), and Compliance Office
- Offices/Centers** 109 Local Offices, Disability Assessment Center, National Pension Research Institute, and 5 Call Centers
- Number of Employees** 7,186 (as of January 1, 2021)

Organizational Chart



* The NPSIM consists of 3 managing directors, 12 divisions, 1 group and 3 overseas offices.



Hello. I am Yong-jin, Kim, Chairman and CEO of the NPS.

Since its inception 33 years ago, the NPS has become the world's third-largest pension fund with approximately 22.11 million insured persons, 5.39 million beneficiaries, and 834 trillion KRW in assets under management.

There have been challenges, great or small, but with your support and trust, the NPS was able to overcome them wisely.

The NPS will continue to serve as a social safety net that you can trust and rely on under any circumstances and contribute to your happy life by managing the fund stably and offering various welfare services.

The NPS will exert our best efforts so that "more people can receive more benefits", and be prepared to oversee the 1,000 trillion KRW in AUM, which will soon be a reality, becoming a global service fund leading innovation.

Building on such efforts, the NPS will endeavor to offer the "National Pension for All People's Happiness" so that everyone can rely on us and pursue happy long life.

CEO of the NPS

김영진

66 **The NPS will exert our best efforts to help people lead a happy life in a rapidly changing world.** 99



Regional and Overseas Offices

Closer to You, The NPS will Always Accompany You

Highly professional NPS staff are dedicated to offering quality welfare services. The NPS will continue to strive for perfection to make sure that we remain reliable and committed to the people we serve in the age of longevity.

Table with 3 columns: Regional Offices (Centers), Address, and Jurisdiction. Lists various regional offices across South Korea and overseas locations like New York, London, and Singapore.

Table with 3 columns: Regional Offices (Centers), Address, and Jurisdiction. Lists regional offices across South Korea and overseas locations like New York, London, and Singapore.

Communication Channels

Icons and text for communication channels: NPS OnAir, National Pension Service NPS, National Pension Service Instagram @npstagram, NPS Facebook On:NPS, NPS Naver Blog On:NPS, NPS On+.

Call Center for Foreign Nationals

Chinese 82-2-3416-6156
Thai 82-2-3416-6158
Indonesian 82-2-3416-6157

Ansan Center for Foreign Residents

Uzbek / Russian 82-31-365-3086
Filipino 82-31-365-3087
Indonesian 82-31-365-3089
Thai 82-31-365-3085



180, GIJI-RO, DEOKJIN-GU, JEONJU-SI, JEOLLABUK-DO, KOREA 54870

Customer Service & Inquiry 1355(paid call)

Homepage www.nps.or.kr

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