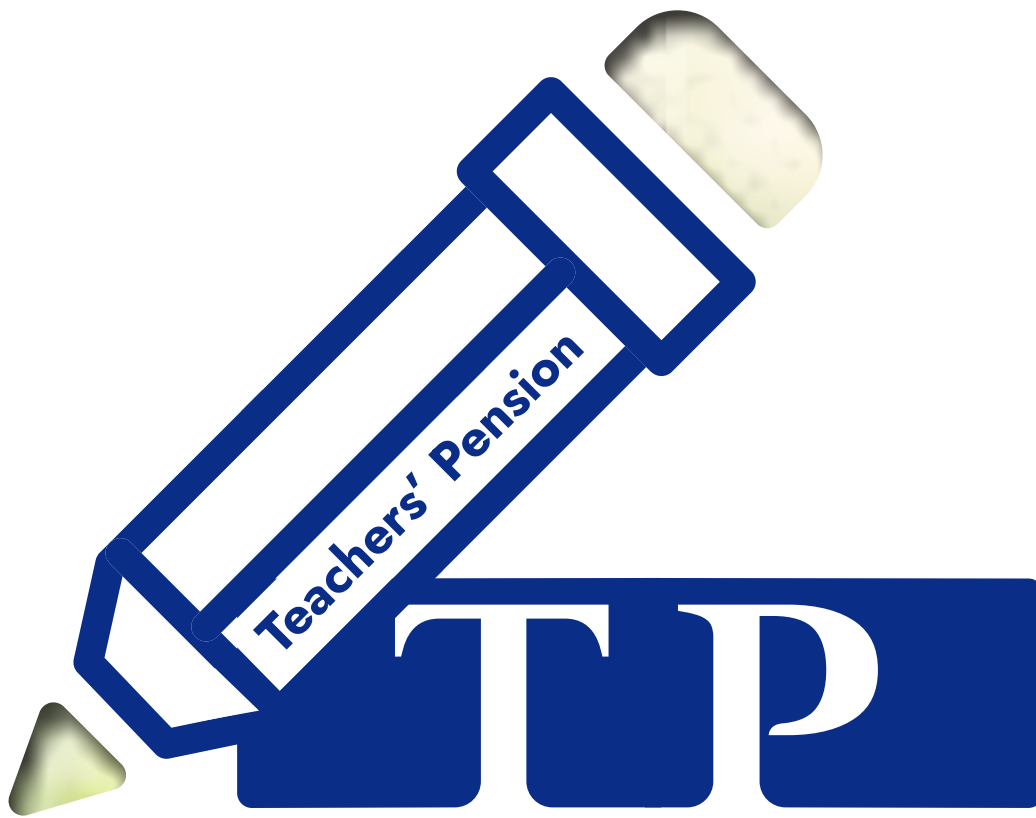


# Happiness of Tomorrow Pension for Tomorrow



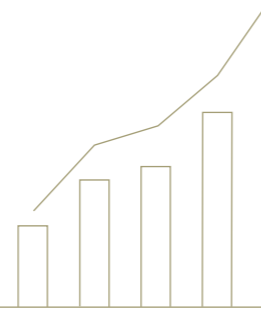
# 1974



Teachers' Pension(TP)  
began its journey in 1974,  
and it has been with approx.  
440,000 teachers and  
pensioners for 49 years.



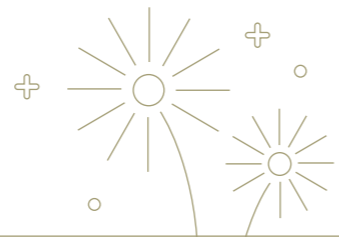
KRW **25** trillion



The total assets of Teachers' Pension at the end of 2022 amounted to KRW 25 trillion, and Teachers' Pension manages around KRW 21.5 trillion.



# 4.81%



Over the past 3 years, Teachers' Pension has produced an annual average return rate of 4.81% on its mid-to-long-term assets. In 2020 and 2021, it recorded high returns of 11.49% and 11.95%, respectively, demonstrating its ability to produce stable investment earnings. In 2022, however, due to financial market uncertainties such as rising interest rates and sluggish stock market, its return rate on its assets was -7.75%. Nevertheless, it was able to minimize loss through flexible crisis management measures.



KRW

# 1,004.3

billion



Over the past 4 years, Teachers' Pension increased the scale of its ESG investment from 314.4 billion won to 1,004.3 billion won. ESG evaluation criteria are taken into consideration when selecting fund management companies, and compliance with ESG is examined 100% when performing due diligence for overseas investments. Furthermore, Teachers' Pension works hard to realize environment-friendly management, including investing 201.7 billion won in carbon reduction themes such as SR(Sustainability Report) Shinansan Line, and new and renewable energy stocks in the overseas infrastructure asset category.



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Our passionate effort today is  
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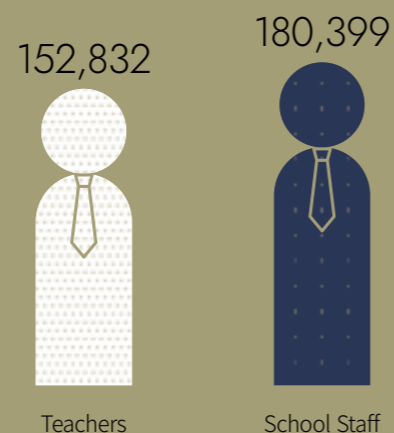
# Teachers' Pension at a Glance

As of End of December 2022

## Number of Insured Persons

**333,231** persons

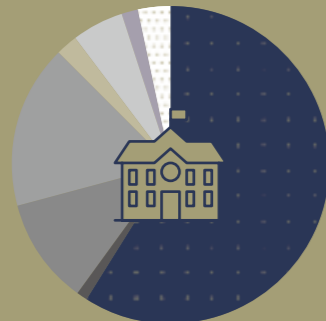
Teachers' Pension supports 333,231 school personnel



## School Organization Status

**5,689** institutions

Teachers' Pension supports 5,689 private schools (including public university corporation and hospitals).



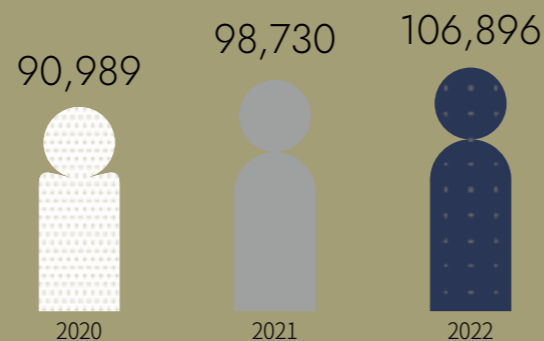
- Kindergarten 3,235
- Elementary School 76
- Middle School 649
- High School 993
- Junior College 140
- University/University Hospital 315
- Special-education School 93
- School Foundation 188

## Number of Beneficiaries

**106,896** persons

The number of beneficiaries as of the end of 2022 is 106,896 persons, including 94,086(6,813 ↑) retirement pensioners, 10,511(868 ↑) survivor pension beneficiaries, and 2,299(485 ↑) other pensioners.

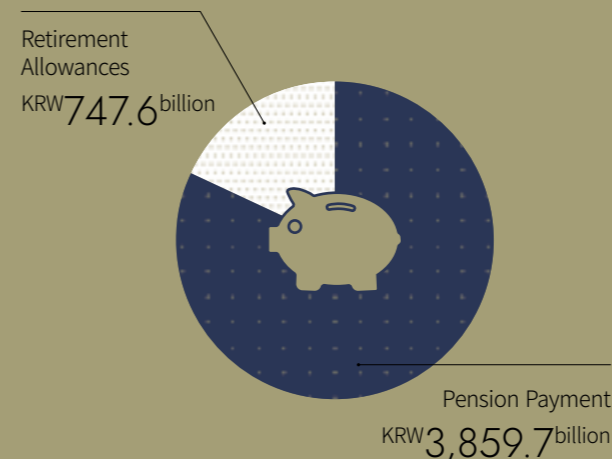
※ Increase or decrease compared to the number of recipients at the end of December 2021



## Pension Payment Record

KRW **4,607.3** billion

Retirement pension payouts in 2022 amounted to KRW 4,607.3 billion.



## Average Monthly Pension per Capita

KRW **28.1** million

The average monthly pension per person is KRW 28.1 million.



## Cumulative Investment Returns from Fund Management

KRW **13,876.6** billion

As of the end of 2022, the total accumulated earnings stood at 13,876.6 billion won.



## 3-year average return rate for mid- to long-term assets

**4.81%**

3-year average return rate for mid- to long-term assets is 4.81%.

2020	2021	2022
11.49%	11.95%	-7.75%



# Teachers' Pension throughout Life Cycle

Starting from employment, Teachers' Pension is always by your side for lifetime. You can prepare for a stable life after retirement through multiple Teachers' Pension services including wage during employment, work period extension, conversion to Survivor Pension, etc.

Employment



While in Service



Enrollment in Teachers' Pension

Personal contributions and school (national) contributions

When you need loan!



When you get injured or sick while on duty!



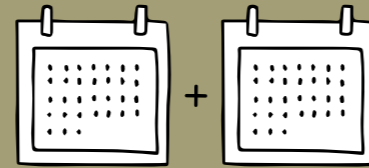
TP provides loan for livelihood, Happiness Sharing Loan, and loan for school expenses.

TP provides compensation for accidental damages (Medical Treatment Benefit, etc.) (Within 3 years from the date of accident)

**What is career summing-ups?**  
The enrollment period in the teachers' pension can be combined with enrollment periods in the government employee pension and the military pension for services provided before one's employment

**What is retroactive military service summing-ups?**  
Military service period is counted as part of the employment period

**What is the Public Pension Linkage System?**  
The enrollment periods of the national pension and regional pension can be combined (Securing pensionable right)



Want to extend your total work period?

TP gives you the options of career summing-ups, retroactive military service summing-ups, and the Public Pension Linkage System.

When your house is damaged or destroyed in disasters!



When yourself or your family pass away!



TP provides Accident Relief Money. (Within 3 years from the date of disaster)

TP offers Death Condolence Money. (Within 3 years from the date of death)



Retirement

Requesting for the Retirement Benefit (within 5 years from retirement)



Receipt of Pension

Pension is paid from the initial month eligible for receiving pension until death.

Protecting rights to receive the Survivor Pension



Transition of Survivor Pension



Preliminary report & registration of disabled children (Submitting a beneficiary change report)

The Survivor Pension is succeeded to the bereaved family members if the beneficiary is deceased

※ The eligible family members based on the Private School Teachers' Pension Act are : partners, children (less than 19 years old), parents, 19 year-old or older children with disability, etc.



# Teachers' Pension is taking a big leap forward based on its 40 years of heritage.

## 1970 - 1980s



## 1990 - 2000s



## 2010 - 2020s



## 2021 - Today



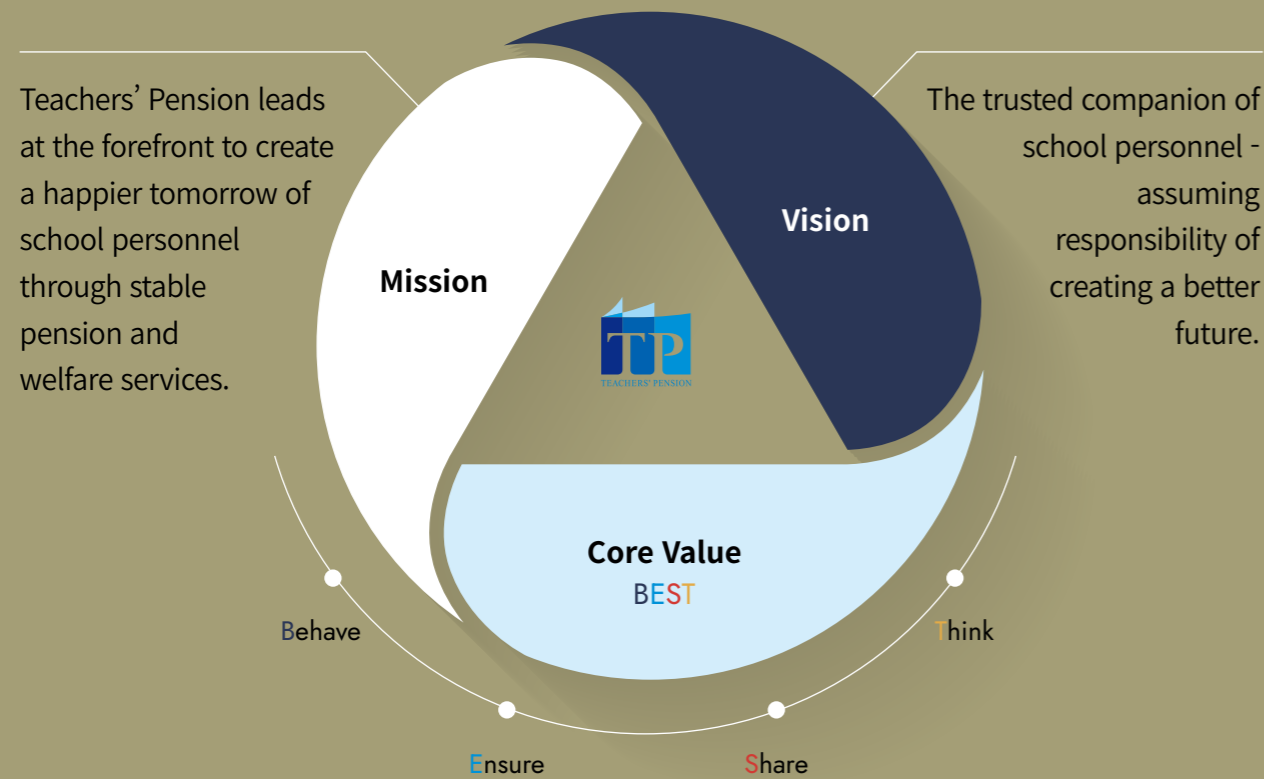
- 1973** The Private School Teachers Pension Act enacted and promulgated
- 1974** Korea Teachers' Pension Management Corporation founded
- 1975** Pension service for private school teachers started
- 1976** Loan service for private school teachers started
- 1978** Private school staff members also became eligible for teachers' pension benefits
- 1981** Started student loan service consigned by the government

- 1991** Started retirement allowance scheme
- 2000** Legislative title and official name changed (School teachers → School teachers and staff members)
- 2005** Contributions of persons eligible for retroactive military summing-ups are shifted to the government
- 2006** Philosophy and vision established
- 2007** Designated as a public institution
- 2009** Enacted the Act on Aggregation of National Pension and Occupational Pensions

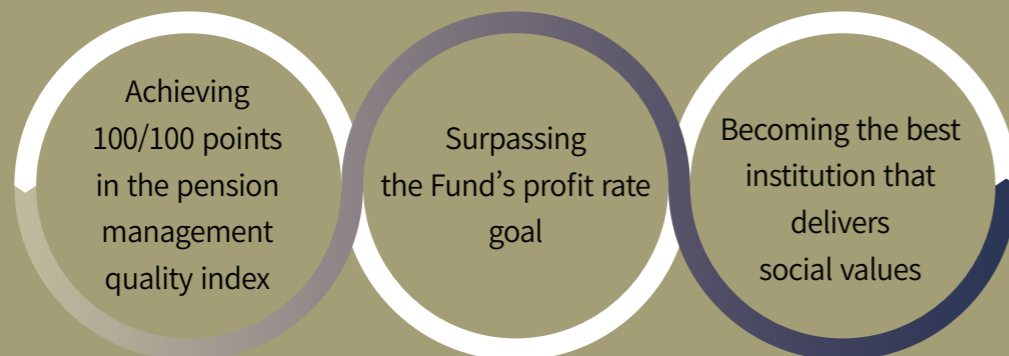
- 2010** Name of corporation changed (TEACHERS' PENSION)
- 2011** New Mid-to-Long-Term Development Plan TOP+ 2021 announced
- 2014** Headquarter is moved to Naju Innovation City
- 2016** Pension law revisions (increased personal contribution, reduced pension payment, etc.) implemented/ National university hospital employees became eligible for teachers' pension benefits
- 2019** National Pension Act amended (Simplified benefit claim process)
- Jan. 2020** Promulgated and enacted the Stewardship Code
- Oct. 2020** Held the groundbreaking ceremony of Teachers' Pension Building (Seoul) reconstruction

- May. 2021** Expanded mobile/electronic notification services (6 types to 13 types)
- Aug. 2021** Introduced and implemented ESG governance
- Dec. 2021** Concluded an MOU with Statistics Korea(KOSTAT) to promote data utilization and cooperation
- Feb. 2022** The minimum total career period to be eligible for the Public Pension Linkage System program was reduced(20 years →10 years)
- Sep. 2022** Kindergarten after-school course teachers become eligible to receive coverage of the Teachers' Pension Act
- Dec. 2022** First private school teacher perception survey is carried out
- Dec. 2022** Fiscal estimation system is set up

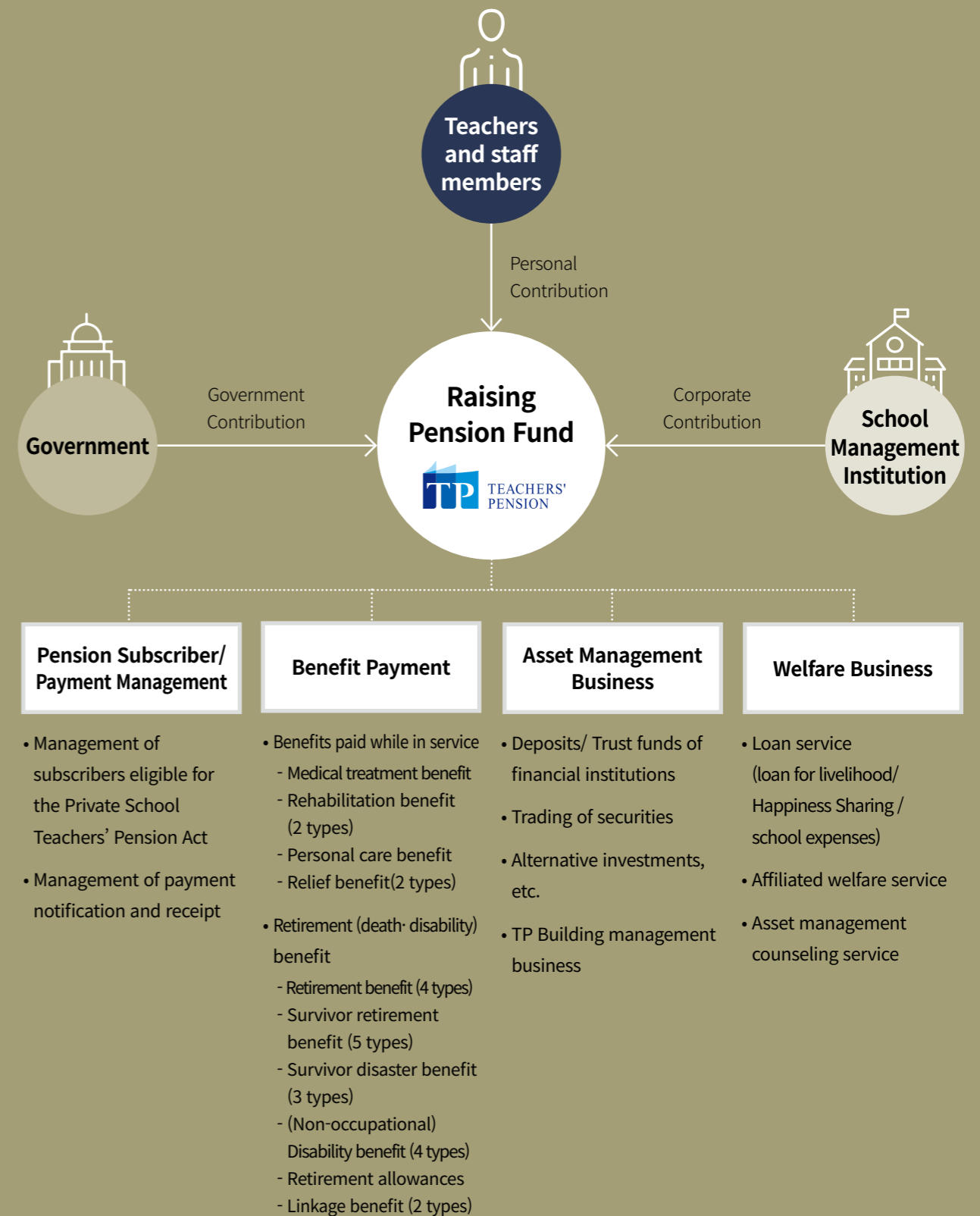
# Teachers' Pension puts our members' happiness first and foremost.



## Management Goal



## Structure of Teachers' Pension





Our passionate effort today is

for your happier tomorrow

**Today**

**Tomorrow**

## We systematically manage institutions and insured members.

- **Pension Scheme for Private School Personnel**

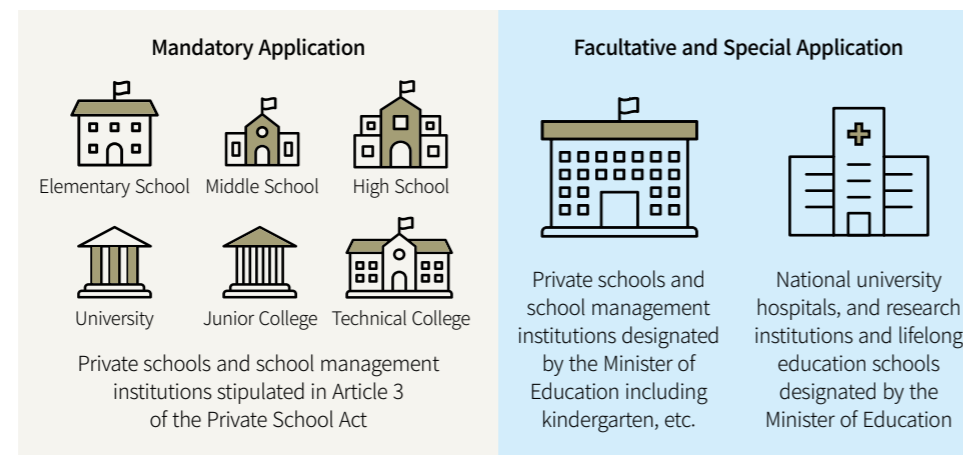
Established in January 1, 1975, Teachers' Pension was founded to improve financial stability and welfare of private school personnel by providing appropriate benefits against retirement, death, occupational disease, injury and disability. The contribution rate and details of benefits are the same as the Public Officials' Pension Scheme.

- **Eligibility of Pension Act**

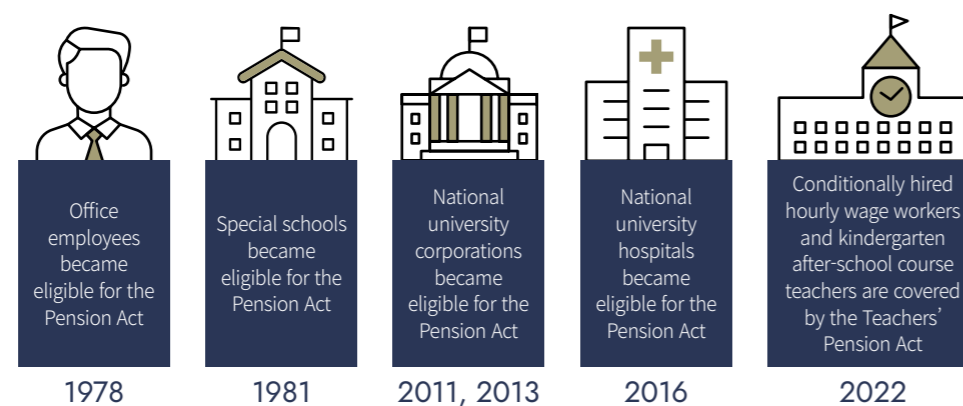
The scope of Teachers' Pension application covers all school personnel of private schools (from elementary school to university) that abide by Article 3 of the Private School Act. Teachers' Pension also applies to private schools designated by the Minister of Education including kindergarten and others; and school management institutions that establish and operate such schools.

※ Details on the appointment of teachers must be reported to competent authorities in accordance with Article 54 of the Private School Act. School personnel must be people who are hired in accordance with Article 70-2 of the Private School Act and the regulations of the school.

※ Temporarily employed person, one who is appointed on condition, and one who is not paid for his/her services are excluded.





- **Expansion of the Pension Act Application**



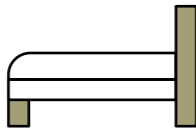
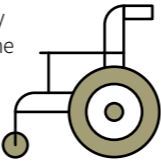



## TP has an accidental damage compensation system.

### • Compensation for Accidental Damages

TP runs a compensation system for accidental damages to improve financial stability and welfare of school personnel and bereaved family members in case of medical treatment or rehabilitation due to occupational disease or injury; or in case of disability or death from the aforementioned causes.

<p><b>Damage Compensation Benefit</b></p>  <p>In case of disease, injury, disability, and death due to occupational reasons.</p>	<p><b>Damage Relief and Death Condolence Money</b></p>  <p>When a property is damaged by disasters; or when a member of school personnel or his/her family members die.</p>
---	--

### • Types of Damage Compensation Benefits

<p><b>Convalescence Benefit</b></p> <p>When occupational Convalescence is approved</p> 	<p><b>Disability Benefit</b></p> <p>When a member of school personnel retires due to disability caused by occupational reasons or when one gets his/her disability confirmed after retirement to be caused by occupational disease or injury.</p> 
<p><b>Rehabilitation Benefit</b></p> <p><b>Rehabilitation Training Expense</b> When a member of school personnel who received medical opinion that disability will remain due to occupational accidents gets rehabilitation trainings</p> 	<p><b>Psychotherapy Expense</b> When one gets recognized for (or medical opinion approving) the need to get psychotherapy due to occupational accidents.</p> 
<p><b>Occupational Survivor Compensation Benefit</b></p> <p>When a member of school personnel dies during his/her service or dies after retirement due to a disease or injury related to the performance of his/her official duties.</p> 	<p><b>Occupational Survivor Pension</b></p> <p>When the bereaved family member designated as a beneficiary of the Survivor Benefit, chooses to receive the Occupational Survivor Pension instead of Survivor (Pension) Lump-sum or Survivor Pension when the insured person dies during his/her service or dies after retirement due to a disease or injury related to the performance of his/her official duties</p>

### • Types of Relief Benefit

#### Disaster Relief Benefit

• **Terms of payment** : When the residence of a school employee is lost, damaged, or destroyed by fire, flood, heavy rain, heavy snowfall, storm, tsunami, or other natural or man-made event of similar nature during his or her employment and he or she suffers loss or damage that costs more than 1/3rd of the property value.



#### • Amount Paid

Degree of Housing Damage	Amount Paid
When the house is completely damaged, swept away or destroyed	The average of standard monthly income amount of all public officials × 39/10
When more than 1/2 of the house is damaged, swept away or destroyed	The average of standard monthly income amount of all public officials × 26/10
When more than 1/3 of the house is damaged, swept away or destroyed	The average of standard monthly income amount of all public officials × 13/10

#### Death Condolence Money

##### • Terms of Payment

- ① When the spouse, parent (including a parent of the spouse), or child of a member of school personnel is deceased during his or her employment
  - Death Condolence Money is paid in the concerned year to the member of school personnel; and beneficiary can be a lineal descendent including second son or daughter of the deceased regardless of whether they actually supported the deceased.
  - In case another school personnel supported the deceased, Death Condolence Money is paid to him or her.
- ② When a member of school personnel dies
  - Death Condolence Money is paid to his/her spouse, but when no spouse exists, to one who is holding funeral for the deceased.



#### • Amount Paid

Payment provided according to deceased persons	Amount Paid
Death of a member of school personnel himself or herself	2 times of the standard monthly income amount (however, the standard amount is set between 50%-160% range of the average of standard monthly income amount of all public officials)
Death of the spouse of school personnel	0.65 times of the average of standard monthly income amount of all public officials
Death of the parent of school personnel	
Death of the child of school personnel	

## TP provides a retirement pension for a happy later life of school personnel.

### • Benefit Payment

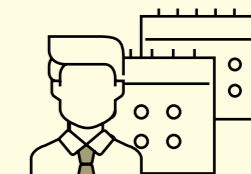
A member of school personnel who has served more than 10 years is entitled to receive his or her benefits, and the benefits are paid after retirement in either a pension or lump-sum according to his or her choice. Retirement Benefit is calculated based on service year and the standard monthly income amount, therefore the amount of retirement benefit increases when one's service year (maximum 36 years) gets longer and when the standard monthly income amount increases.

### • Types of Benefits

- **Definition** : Benefits that are paid after retirement when the ground for payment of such benefits occur including retirement, death and disability.
- **Retirement allowances** : When a member of school personnel dies or retires from office after serving for more than one year, retirement allowances are paid in addition to retirement benefits.

Types of Benefits	Terms of Payment
Retirement Pension	When a member of school personnel whose service length is more than 10 years wishes to receive a pension after his/her retirement or death.
Early Retirement Pension	When a retired member of school personnel whose service length is more than 10 years wishes to receive his/her pension early on before reaching to the age eligibility for receiving a retirement pension.
Retirement Pension Partial lump-sum retirement benefit	When a member of school personnel whose service length is more than 10 years retires and wishes to receive part of his/her retirement pension in lump-sum.
Survivor Pension	When a member of school personnel or who was once a member of school personnel (retirement/early retirement pension or disability pension beneficiary, etc.) dies.
Retirement (Survivor) Lump-sum	When a member of school personnel whose service length is less than 10 years retires or dies.
Retirement (Survivor) Benefit Lump-sum	When a member of school personnel whose service length is more than 10 years retires or dies, and chooses a lump-sum payout instead of monthly payments.
Divided Pension	When a person who has been married for at least five years and is divorced from his/her spouse, i.e. (Early) Retirement Pension beneficiary, he/she may be paid while equally dividing the amount (1/2) of pension corresponding to the period of marriage.

## Your pension gets increased through service year summing-up!

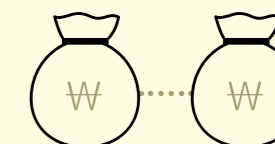


### Service Year Extension System

Service Year refers to the applicable period of the Pension Act (same as the period of one's personal contribution payment) and can be extended through the following systems.

- **Inclusion of the Military Service Period**  
The period in which one performed his or her military service before one's employment can be included in his or her tenure of office.
- **Aggregation of the Entire Service Periods**  
One can demand that the periods of his or her former service covered by Teachers' Pension, Public Officials Pension, and/or Military Personnel Pension, be added to the present period
- **Retroactive Career Summing-up**  
The service periods prior to the enforcement of Private School Teachers' Pension Act are recognized as the retroactive service periods and are added to the current tenure of office.

## Public Pension Linkage System that Links Multiple Pensions!



### Public Pension Linkage System

If a person fails to reach minimum qualifying years designated by the respective Pension Acts and transfers his/her fund to another public pension scheme, benefits are paid from each scheme according to the respective contribution period if the aggregated insured period satisfies the condition.

(Occupational Pension) Eligible Linkage Period	Before January 1, 2016	After January 1, 2016
Eligible condition	Eligible to receive pension when the sum of National Pension and concerned (Occupational Pension) period is more than 20 years	Eligible to receive pension when the sum of National Pension and concerned (Occupational Pension) period is more than 10 years

※If the military service period is included in the linked period, however, the pension benefits will be provided when the employment period exceeds 20 years.

- **Qualification for Linkage Application**
  - A person who has a National Pension service period and a Special Occupational Retirement Pension service period
  - One can apply for the Public Pension Linkage System instead of getting lump-sum retirement benefits or a lump-sum refund before his/her right to receive benefits expires according the relevant Pension Act.
- **Transferring from the Occupational Pension to the National Pension**
  - One must apply for a linkage benefit instead of getting a lump-sum retirement grant.
  - If one has already received a lump-sum retirement grant, he/she must pay back the lump-sum retirement grant already received to the pension corporation after transferring to National Pension. (Beneficiaries of Retirement Pension, Lump-sum Retirement Pension, Partial Lump-sum Retirement Benefit are not eligible.)
- **Transferring from the National Pension to the Occupational Pension**
  - One can apply for a linkage benefit as soon as he/she becomes an insured person under the Occupational Pension.

## TP monitors and manages the benefit payment status and operates it fairly and accurately.

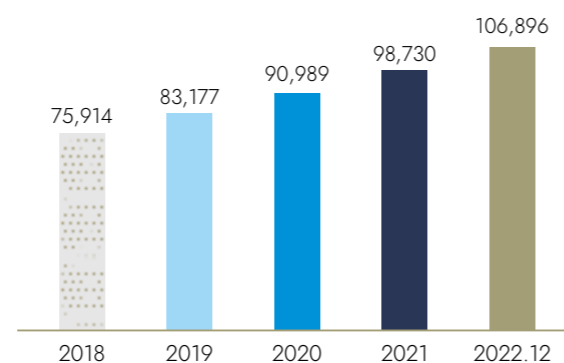
As of December 31, 2022

### • Status of Pension Beneficiaries

Classification	Pension Beneficiaries
Retirement Pension	93,872
Survivor Pension	10,511
Disability Pension	156
Linkage Pension	2,143
Split Pension	214
<b>Total</b>	<b>106,896</b>

(Unit : No. of persons)

| The trends of pension beneficiaries over the past 5 years |

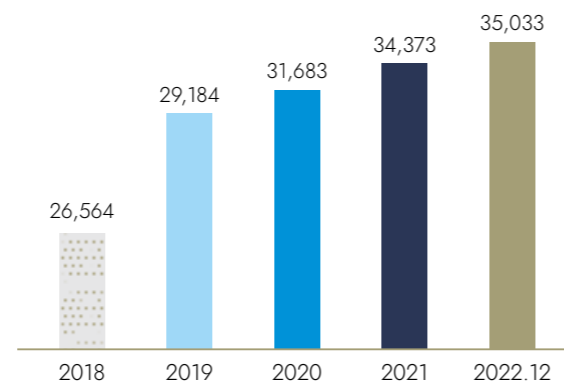


### • Annual Pension Payout Status

Classification	Total Payout Amount
Retirement Pension	32,867
Survivor Pension	1,964
Disability Pension	26
Linkage Pension	142
Split Pension	34
<b>Total</b>	<b>35,033</b>

(Unit : KRW 100 million)

| The trends of pension payout amounts over the past 5 years |

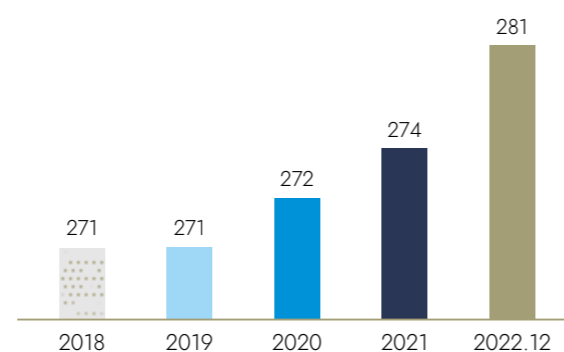


### • Average of the Monthly Pension Paid

Classification	Average Monthly Amount of Pension
Retirement Pension	300
Survivor Pension	161
Disability Pension	139
Linkage Pension	60
Split Pension	146
<b>Total</b>	<b>281</b>

(Unit : KRW 10,000)

| The trends of average monthly pension paid over the past 5 years |



## We ceaselessly endeavor to further advance the Teachers' Pension System.

### • Pension Research

**TP is continuously studying ways to advance the Teachers' Pension system together with our members.**

TP attentively listens to the voice of our members through holding an annual Research Project Contest and supporting various academic researches.

The research outcomes are shared through the periodic academic publications titled "Teachers' Pension Research" which is the only one among the Special Occupational Pensions.

In addition, TP performs various researches including policy R&D, financial analysis, fund management, etc. in order to improve the fund's sustainability and provide stable later life incomes for school personnel.

### • Financial Outlook

**TP continues to search for ways to strengthen sustainability through conducting objective financial assessments.**

TP performs a financial analysis once in every 5 years to have a clear long-term financial outlook in accordance with the TP Act.

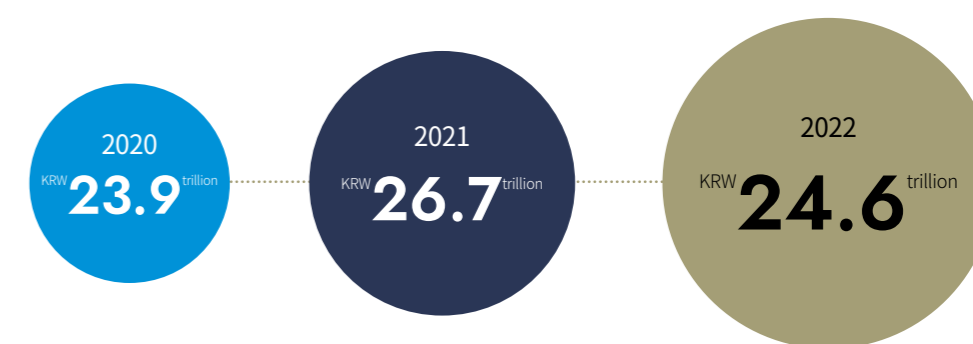
TP is working hard to promote healthy growth and financial sustainability of the Fund based on the assessment results.

### • System Improvement

**TP is keeping pace with the change of time.**

To suggest the most adequate TP Act that addresses the needs of the times, TP studies the relevant laws and regulations and makes amendments to protect school personnel's rights and improve their convenience.

| The trends of TP Fund reserve over the past 3 years |



We manage the fund

safely and reliably

**Trust**

**Responsibility**





## Sound fund management is crucial for a sustainable future.

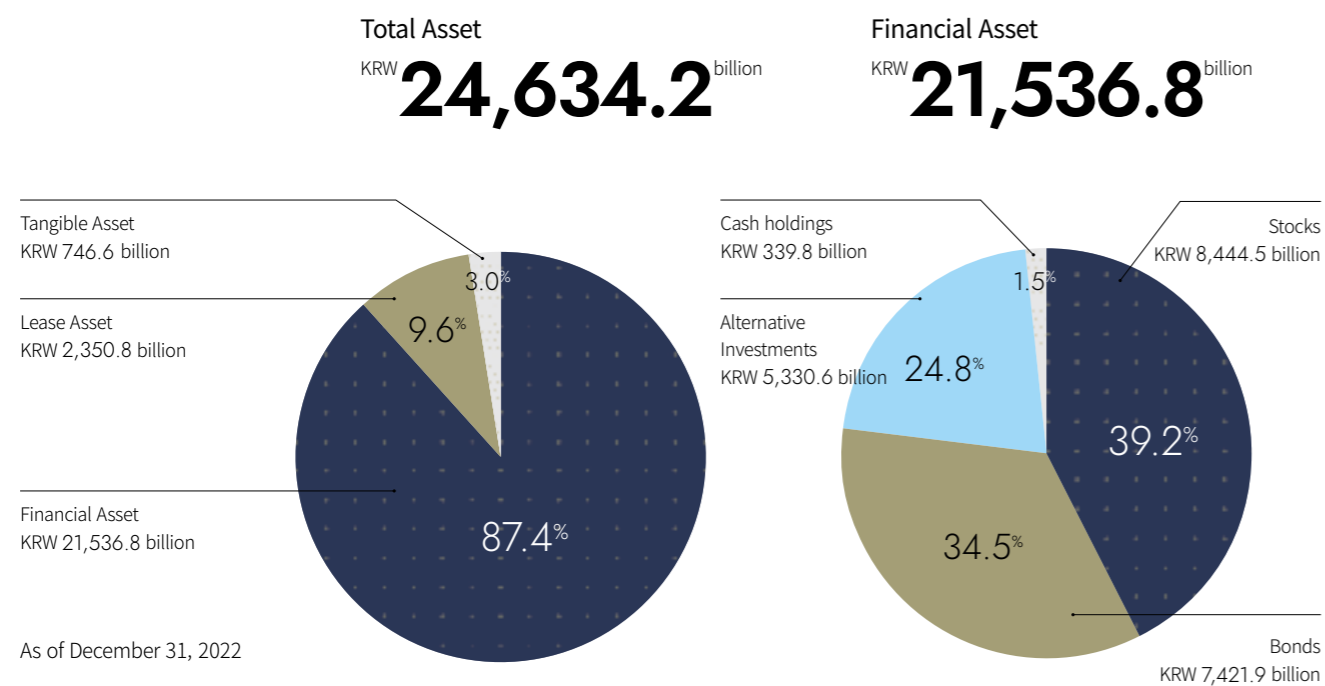
### • Purpose of Fund Management

Teachers' Pension was founded in accordance with the Teachers' Pension Act to improve financial stability and welfare of private school personnel and their bereaved family members by establishing a proper benefit payment system against retirement, death, occupational disease, injury and disability of school personnel.

### • Fund Management Portfolio

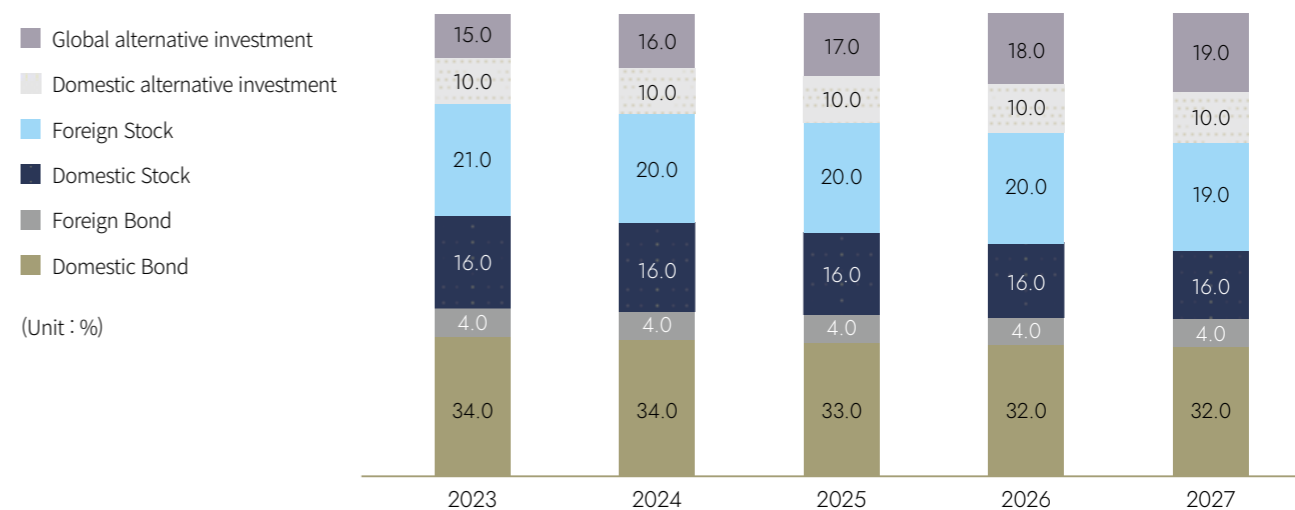
The Teachers' Pension Fund consists of various insurance contributions prescribed in the relevant laws and regulations, settlement surplus and returns on fund management. TP manages financial, lease, and real assets, etc. to provide stable benefit payouts, which is the main purpose of the fund, secure a liability reserve and increase the reserve's real value.

In addition, to achieve the Fund's ultimate goal, TP manages the Fund transparently and efficiently to maximize the returns on fund management within a permissible risk limit while considering stability, liquidity, profitability and public interest.



### • Mid-to-long Term Asset Allocation (2023~2027)

The goal of Teachers' Pension fund management is to maintain its real value and secure financial stability through financial growth. To achieve it, we take into account various parameters such as the financial market outlook, expected rate of return by asset category, balance between expected rate of return and risks. Based on such analyses, TP establishes our target execution portfolio by asset category for the next five years.

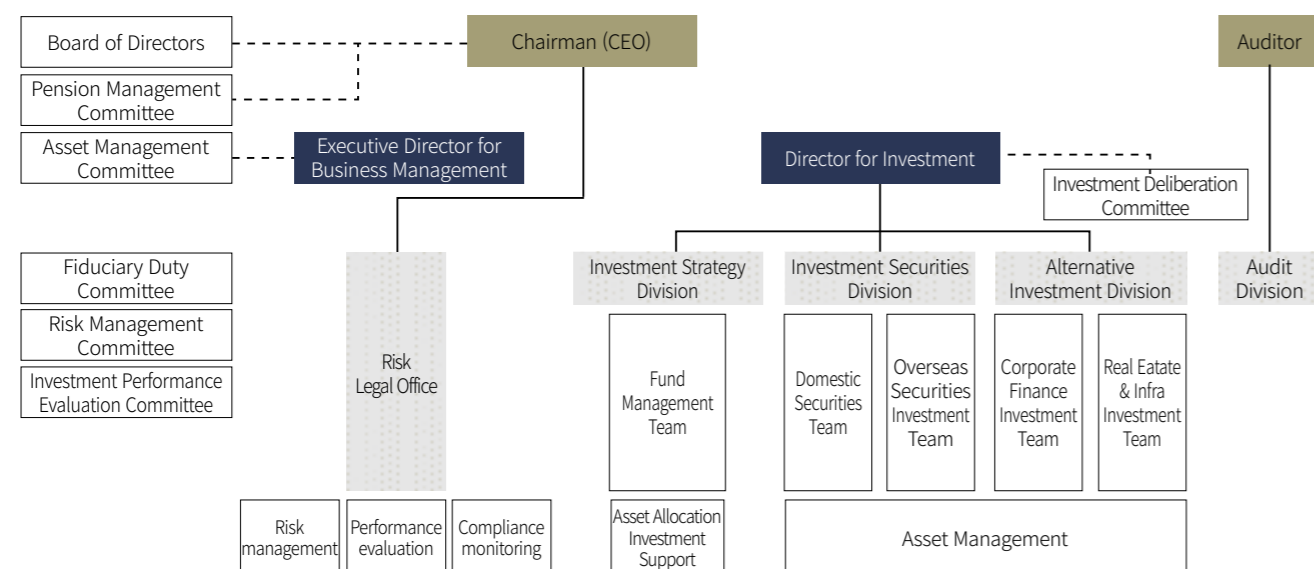


### • Fiduciary Activities

Teachers' Pension Fund is doing its utmost to fulfill its fiduciary responsibilities by maintaining and increasing the values of invested assets and protecting insured members' profits through sincerely performing shareholder activities for invested assets while sticking to its goal of maintaining a healthy pension scheme and promoting the Fund's financial stability. To that end, TP has established 7 principles on fiduciary liabilities and enacted fiduciary guidelines so that non-financial elements such as environment, society and governance (ESG) of portfolio companies can be monitored.

Principles of Fiduciary Liabilities	Guidelines on Fiduciary Liability Activities
(Principle 1) Fiduciary Liability Policy	Article 4 (Content of Fiduciary Duties)
(Principle 2) Prevention of Conflicting Interests	1. Chapter 3 Exercise of Voting Rights
(Principle 3) Periodic Inspection on Portfolio Company	2. Chapter 4 Fiduciary Duties for Companies of Priority Control, etc.
(Principle 4) Active Performance of and Guidelines on Fiduciary Duties	3. Inspection on Non-financial Risks and Opportunities of Non-financial Elements including ESG, etc.
(Principle 5) Open Voting Rights Policy and Exercise Details and Grounds to the public	4. Chapter 5 Compensation for Damages
(Principle 6) Periodic Reporting on the Exercise of Voting Rights and Fiduciary Duties	5. Other Factors that TP Deems Necessary
(Principle 7) Improving Fiduciary Capacity and Expertise	

• Fund Investment Organization



• Main Decision Making Body

Board of Directors	<b>Organization</b>	• Chairman (CEO), executive directors and non-executive directors
	<b>Major Deliberation</b>	• Issues related to TP operation • Establishment and amendment of the articles of association and relevant regulations, etc.
Pension Management Committee	<b>Organization</b>	• 15~20 committee members including the chairman (CEO)
	<b>Major Deliberation</b>	• Issues related to fund management plan and settlement • Issues related to establishment and amendment of Investment Policy Statement (IPS), etc.
Asset Management Committee	<b>Organization</b>	• 8~10 committee members including the chairman (Executive Director for Business Management)
	<b>Major Deliberation</b>	• Issues related to the establishment of dedicated teams for asset management • Issues related to establishment and amendment of Investment Policy Statement (IPS), fund investment policy, and relevant standards • Issues related to investment strategy, etc.
Investment Deliberation Committee	<b>Organization</b>	• 6~8 committee members including the chairman (Director for Investment)
	<b>Major Deliberation</b>	• Issues related to reviewing validity of alternative investment and investment decisions • Issues related to reviewing validity of new securities investment and investment decisions
Fiduciary Duty Committee	<b>Organization</b>	• 5~7 committee members including the chairman (elected from among external committee members)
	<b>Major Deliberation</b>	• Reviewing procedure, standards and disclosure of shareholder activities and fiduciary duties • Reviewing basic principles and detail standards on the exercise of voting rights and shareholder rights • Reviewing details of exercised voting rights and shareholder rights by the team in charge of fiduciary duty
Risk Management Committee	<b>Organization</b>	• 5~7 committee members including the chairman (elected from among external committee members)
	<b>Major Deliberation</b>	• Issues related to the basic policy on investment risk management • Issues related to the measurement of major risks • Issues related to the establishment and amendment of risk management related regulations
Investment Performance Evaluation Committee	<b>Organization</b>	• 5~7 committee members including the chairman (elected from among external committee members)
	<b>Major Deliberation</b>	• Issues related to an annual investment performance evaluation • Issues related to the establishment and amendment of an annual investment performance evaluation • Issues related to establishment and amendment of investment related personnel's performance evaluation and compensation standard, etc.

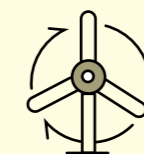
## ESG Investment - Healthy Growth of Fund!

Teachers' Pension is constantly expanding our ESG-related investment volume to improve the Fund's sustainability and fulfill our social responsibility as public pension.

As of the end of 2022, Teachers' Pension not only invested 482.1 billion won in ESG bonds but expanded SRI fund investments to 479.1 billion won, thereby expanding ESG investment for 4 consecutive years to record cumulative ESG investments worth 1004.3 billion won.

In addition, TP added ESG requirement as evaluation criteria when selecting institutions to invest and to outsource investment management. Likewise, TP is making efforts to promote ESG in the private sector.

### Expansion of ESG Investment

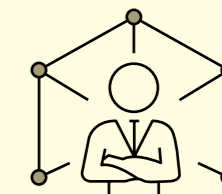


- (Public Interest) Expanding investment in ESG related funds  
Fulfilling social responsibilities and promote a healthy growth of the fund
- (Efficiency) Strengthening investments in sustainable industries  
Enhancing profits of stable long-term investments
- Investment Details
 

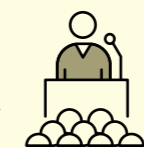
Direct	Energy industry, smart farm/hydrogen vehicle, green bond investment, etc.
Entrusted	Investments in new and renewable energy (wind, solar power), bio wood pallet manufacturing, EV battery, driving motor companies, etc.

### Implementation of Stewardship Code

- Establishment of the guidelines on fiduciary duties
  - Define standard, method and procedure of fiduciary duties
- Organization and Operation of Fiduciary Duty Committee
  - Review procedure, standard and disclosure of shareholder activities and fiduciary responsibilities
- Establishment of a TP fiduciary duty execution plan
  - Establish a detailed annual plan to actively implement Stewardship Code
  - Lead phased shareholder activities including holding closed door communications, selecting companies to be managed by priority, etc.



### Participation in ESG Forums



- Registered as a member of the National Assembly Forum on ESG
  - Support ESG policy task development and legislation
  - Prepared policy infrastructure of civil cooperation and communications

### Implementation of "Past Coal Investment Declaration"

- Increased investments in renewable energy and ensured transition into low-carbon economy
  - Made efforts to address climate change and deal with fine dust (PM 2.5); phased out or excluded new investments in coal power generation
  - Expanded investments in green industries (renewable energy, green bond, socially responsible investment)



We ceaselessly endeavor to



create higher values

**Create**

**Value**

## TP runs Life Stabilization Loan and Student Loan.

### • Life Stabilization Loan

#### Relevant Laws and Regulations

- Article 53-3 of Private School Teachers' Pension Act(Lending Money to School Personnel and Pensioners)
- Article 27 of the Articles of Association of Teachers' Pension(Promotion of Health and Welfare) & loan regulations

#### General Stabilization Loan

	School personnel(currently working)	Pensioners
Maximum amount	KRW 60 million within 1/2 of the retirement benefit amount (including the Happiness Sharing Loan amount)	Maximum KRW 10 million

#### Happiness Sharing Loan

Maximum amount	KRW 30 million within 1/2 of the retirement benefit amount(surety insurance covers the amount exceeding 1/2)
Loan eligibility	(Total 11 types) Newly-weds, Not yet enrolled in school, families with more than 3 children, disability, single parent households, families supporting aging parents, maternity/parental leave, sick leave, multi-cultural families, children's wedding, Job-related rehabilitation

### • Loan for School Expenses

#### Relevant Laws and Regulations

- Article 60-3 of Private School Teachers' Pension Act(Consignment of Government Program) and Article 96 of the Enforcement Decree of the Act
- Article 27 of the Articles of Association of Teachers' Pension(Promotion of Health and Welfare)
- Teachers' Pension Student Loan Consignment Management Rules(Education Ministry Ordinance No. 48)

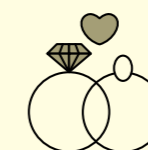
#### Loan Amount and Repayment Schedule

Loan Amount	<ul style="list-style-type: none"> <li>• University in Korea : The amount within actual university tuition and fees paid (admission fee, tuition fee, school support fee)</li> <li>• Foreign University : The actual amount required to pay for university tuition and fees within \$ 10,000 a year(converted and paid in Korean won)</li> <li>※ Excluding boarding expenses, transportation fee, practical training expense, scholarship, language training expense, etc.)</li> </ul>
Repayment method	<ul style="list-style-type: none"> <li>• Four-year-course universities and over : 2-year deferment after graduation, fixed principal payment over a 4-year period</li> <li>• Technical college(junior college) : 2-year deferment after graduation, fixed principal payment over a 3-year period</li> <li>※ When repayment schedules of 3 or more children overlap, the deferment period can be extended(repaysment beginning after one child's(out of 2 children) repayment ends.)</li> </ul>

## Happiness Sharing Loan: The pillar of hope to school personnel!

### Loan for the Newly-weds

- School personnel from 6-month prior to wedding to 2 years after marriage



### Loan for Childbirth

- School personnel of less than 3 years from child birth
- In case of adoption, less than 3 years from the adoption date



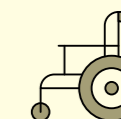
### Loan for Families with More than 3 Children

- School personnel with 3 or more children



### Loan for Disability (Support)

- A member of school personnel with disability or who supports disabled family member(s)



- ※ Eligibility : Himself/herself, spouse, children, lineal ascendants (of himself/herself and spouse)
- ※ Lineal ascendants that a member of school personnel has supported more than 6 months

### Loan for Single Parent Households

- Single mother or father currently living with his/her children



### Loan for Supporting Aging Parents

- When a member of school personnel or his/her spouse are supporting lineal ascendant(s) listed in his/her resident's registration for the latest 6 months or more continuously.



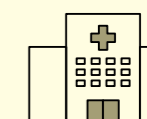
### Loan for Parental Leave

- School personnel on leave of absence due to childbirth or parenting



### Loan for Sick Leave

- School personnel on leave of absence due to disease



### Loan for Multicultural Family

- School personnel belonging to multicultural families



### Loan for Child's Wedding

- School personnel whose children get married in less than 6 months or got married for 6 months or less



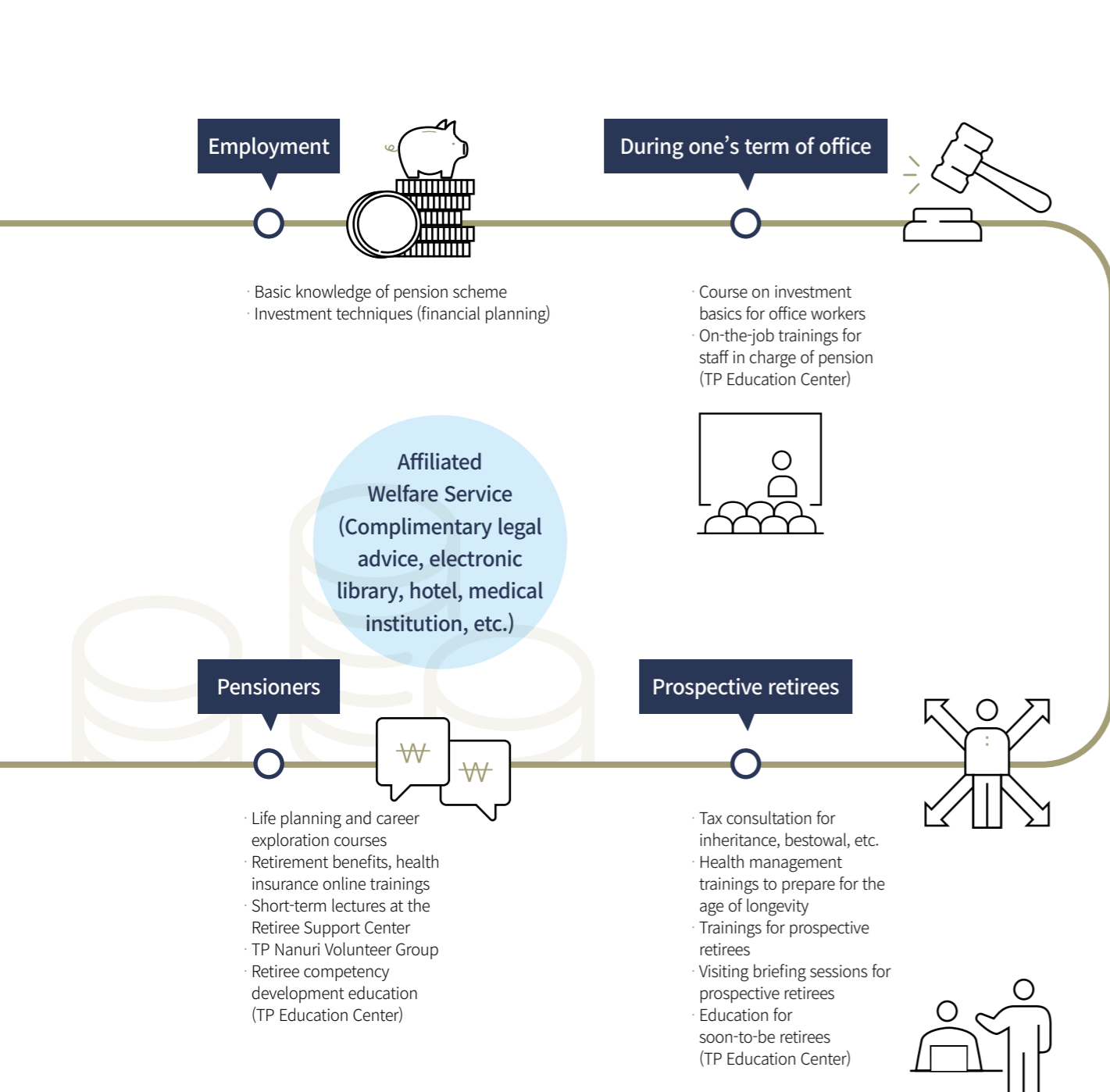
### Loan for Job-related rehabilitation

- School personnel who are convalescing for a period of more than 60 days with approval granted by Teachers' Pension



## TP established welfare services by life cycle to provide more values.

### Welfare Programs by Life Cycle

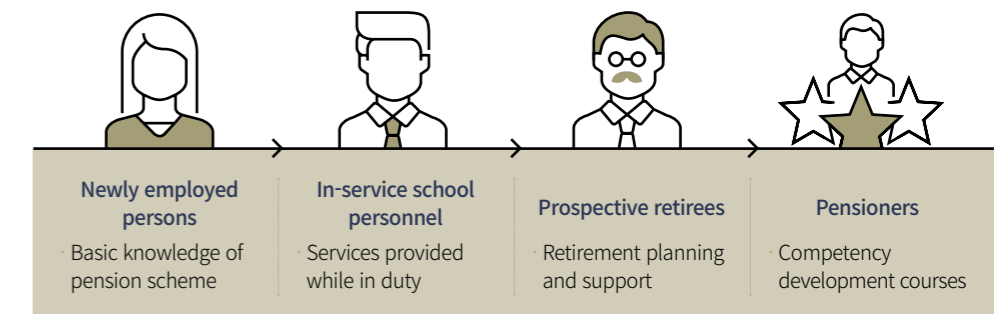


### Online/offline trainings by life cycle

TP not only provides visiting trainings but also offers customized courses by life cycle (the incumbent, staff in charge of pension, prospective retirees, and pensioners) by creating a dedicated platform.

#### Step-by-step training by life cycle

TP provides timely and user-customized welfare services for school personnel of all stages from those in-service to pension beneficiaries by creating various contents focusing on life cycle traits.



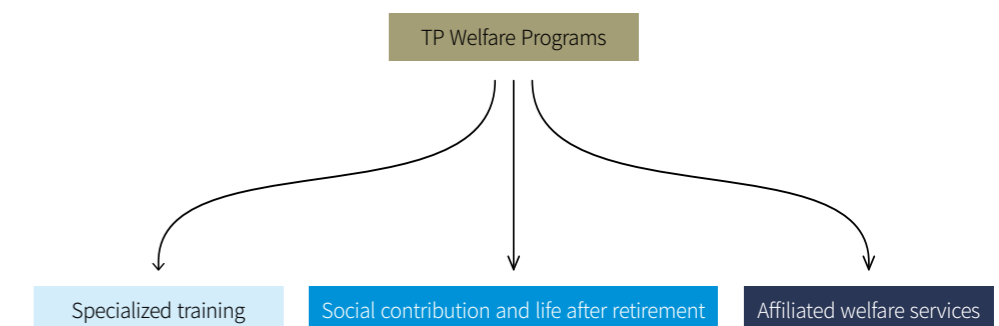
#### Professional trainings on improving the quality of life

TP conducts offline on-the-job trainings and creates new training videos by developing tailored training courses considering professional traits of school personnel.

Classification	Training Content
Pension Scheme	Retirement benefit online course, prospective retiree training, pension scheme briefing session for staff in charge of school institutions
Qualification course	Competency development courses, career counselor qualification course
Retirement planning	Life planning, preparatory courses for planning life after retirement, returning to farming or rural areas
Health insurance	Overview on the old-age Income Security System

#### Comprehensive Platform for Welfare Programs

TP operates the Social Edu+ Center to provide a regular learning system and offer one-stop services for education and training, social engagement, and affiliated welfare services with an aim to promote stable learning environments and enable users to conveniently and freely utilize various welfare services offered by TP.



## We have TP Buildings in Naju, Daejeon, and Busan, and operate various hall operation services.



### Real Estate Holding Status

Classification	Region	Naju Headquarters	Daejeon Center	Busan Center
Address		245 Munhwaro, Naju-si, Jeollanam-do	809 Hanbat-daero, Seo-gu, Daejeon	181 Beomil-ro, Busanjin-gu, Busan
Date of Opening		2014. 12. 15.	1998. 10. 23.	1996. 09. 04.
Building Size		11 ground floors / 1 basement floor	20 ground floors / 5 basement floors	19 ground floors / 6 basement floors
Site Area (㎡)		10,897	5,645	2,469
Floor Space (㎡)		9,917	46,310	31,711
Venue Rental		-	Assembly hall	Assembly hall
Usage		TP own offices and rental spaces (office, convenience facilities, etc.)		

### Seoul Center Reconstruction plan on-going

TP Seoul Center was constructed in 1982, therefore to improve leasing competitiveness of the old building and increase profitability, TP plans reconstruction with completion to take place in 2023.

#### Reconstruction Goal

Design and construct the building to represent the image of Teachers' Pension located in the International Finance Center of Seoul.

Contribute to maintaining stable pension services through profits earned by property leasing business.

#### Seoul Center Reconstruction Plan

Classification	Content	
Location	27 Yeouinaru-ro, Yeongdeungpo-gu, Seoul (Exit 1 or 2 of Yeouuido Station)	
Size	Site Area	10,142.00㎡(3,068 pyeong)
	Total Floor Space	141,668.98㎡(42,855 pyeong)
	Floor Area Ratio	999.43% (legal floor area ratio 800%)
	Building Size	6 basement floors / 42 ground floors (220m)
Project Period	2018-2023	

#### Aerial view of the Seoul Center reconstruction plan



AS-IS

TO-BE

Together with you,

**Share**

we create a brighter future

**Together**



## Lead local development through support for and collaboration with local communities

As a public institution located in the Innovation City, Teachers' Pension operates a social contribution fund for the mutual growth and development of the local economy using donations provided by the employees. With this fund, Teachers' Pension has been leading diverse regional development projects such as training and development of local human talents and building the mutual growth of local communities.



### Fostering of local human talents

- As a career experience center that provides free education, TP operates the TP Financial Knowledge Sharing program (5,754 people received this education during a 10-year period)



### Strengthened mutual growth with the local community

- Donated fund collected from employees to be used for overcoming damages inflicted by the mountain fire in the Gangwon and Gyeongbuk regions (approximately 2.3 million won)
- Project to build safety network in local communities, namely installation of CCTV for preventing crime, continuous donations to help poor families and local communities (donation of blood, ecobag, donation of tennis equipment)



### Support for local human talents

- Supported the education of 4 local children from low-income families for the past 3 years with scholarships(KRW 43.65 million).
- Signed an agreement with the Childfund Korean on identifying students with artistic talents for continuous support

## Operates 'Bitgaram Doran Doran Class', an iconic cultural program of Naju Innovation City

Started in 2019, the Bitgaram Doran Doran Class is an iconic cultural program in Naju Innovation City sponsored by Teachers' Pension. It was started with the aim of improving the living conditions of local residents who are marginalized from access to cultural programs hosted at venues and helping small retailers expand their sales channels. TP, in cooperation with Naju City and public institutions of Naju, is contributing to the development of the innovation city and improving the quality of life of residents by connecting cultural program lecturers with local residents and opening facilities where cultural programs could be held.





## We are making Korea a country of integrity, and a nation where humans come first.

### • Ethics Management

TP has set up our vision to be “fair and transparent Teachers’ Pension trusted by the people and members” and is making effort to achieve the goal.

#### Ethical Management System

Ethics Vision	Fair and transparent Teachers’ Pension trusted by the people and clients		
Strategic Goal	Class 1 in Comprehensive Integrity Index	Class 1 in Anti-corruption Policy Evaluation	ZERO Major Corruption Case
Strategic Direction	Systematic compliance and ethics management	Fair and transparent institution operation	Advancement and proliferation of human rights management

#### Eradication of 5 Major Corruptions

TP practices impeccable ethics management to eradicate 5 major corruptions including private use of fund management information, bribery and entertainment, recruitment corruption, sexual violence/drunk driving accident, and abuse of power.

### • Human Rights Management

TP introduced and operates human rights management to prevent and take actions on human rights violation and protect human rights of interested parties with an aim to become an institution that respects and realizes human rights internally and externally.

#### Human rights management system

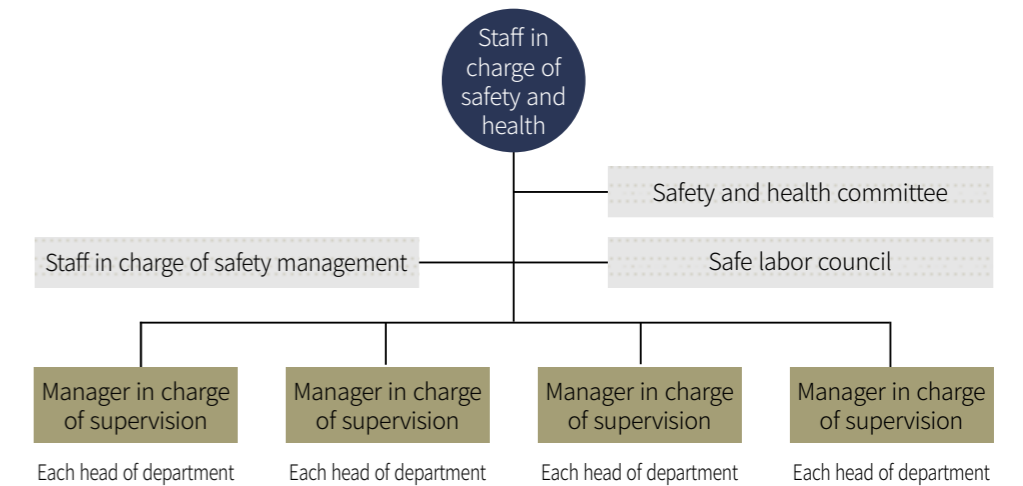
Human rights vision	The trusted companion of school personnel that assumes responsibility for creating a happy future		
Strategic Goal	Improved customer trust by becoming an agency where everyone works together to protect human rights at the highest level		
Strategic Direction	Strengthen the human rights management implementation system	Cultivate a culture that respects human rights	Carry out activities for improving human rights that produce tangible results

## We are doing our best to achieve “zero disaster·zero accident”.

### • Safety Goal

Achieving “zero disaster·zero accident” through operating a systematic safety management system

### • Safety and health management organization



### • Teachers’ Pension Safety and Health Management System (KOSHA-MS\*)

TP acquired a certification of the Safety and Health Management System (KOSHA-MS) by Korea Occupational Safety and Health Agency in 2020. After CEO’s declaration on management principles, TP has actively performed systematic safety and health activities based on the Plan-Do-Check-Act (PDCA) cycle for continuous improvement.



\*TP introduced an independent safety and health management system developed by Korea Occupational Safety and Health Agency which incorporates the advantages of the requirements stipulated in the Industrial Safety and Health Act and ISO45001 international standard.

# Major Achievements in 2022 at a Glance

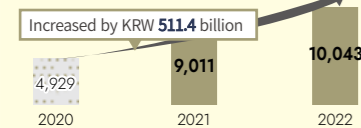
## Key Achievements in Business Management

### Leadership

A CEO who shows leadership in leading key outputs in business management. A CEO who leads the changes in the organization

- Prepare thoroughly for pension reform by rebuilding the fiscal estimation system.
- Realize savings of 14,232 million won through improved fund management system.
- Lead ESG management in the public sector by expanding investment in ESG, based on an ESG investment roadmap.

Teachers' Pension ESG investment amount (100 million won)



### Strategy Planning Management Innovation

Maximize management efficiency through ICT-based management innovation

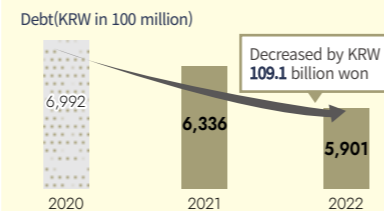
- Realized efficiency in organization and manpower through a 3.7% reduction in the workforce
- Workforce reduction exceeded the average workforce reduction rate of 2.8% reported by public agencies
- Introduction of a one-stop pension benefit application system using mobile phones
- Efficiency gains realized through the outsourced operation of the pension information system (realized cost savings of 211 million won)



### Fiscal Management

Sustain ability of Teachers' Pension fund was enhanced because debt was reduced for 3 consecutive years

- Windfall of 48.6 billion won in refunded budget for unexecuted national consignment projects.
- Among public agencies that submit mid- to long-term fiscal plan, Teachers' Pension achieved the lowest debt ratio (2.5%), which represents a debt reduction of 109.1 billion won.



### Safety and Environment

Teachers' Pension has emerged as a leading public agency in safety management and environment-friendly management

- Achieved ZERO safety accidents through 108 rounds of inspections
- Exceeded the greenhouse gas reduction target by 13.6%
- (Target) 34% → (Performance) 47.6% reduction



### Jobs and equal opportunity

Teachers' Pension delivered top results across several areas like jobs, hiring, and positions

- For 3 consecutive years, Teachers' Pension hired a record number of regular employees - 23 persons (2020) → 27 persons (2021) → 30 persons (2022)
- A woman was appointed Level 1 Director for the first time by Teachers' Pension
- Jobs for 11,813 persons were created by Teachers' Pension



### Human Resources, Labor Union, Compensation, Employee Benefits

Teachers' Pension operates human resources/compensation systems that all employees could agree with, based on labor-management cooperation

- Opened a workplace childcare center, a long-held dream of the labor union
- Introduced a team-level personnel job assignment system controlled by the director
- Completed construction of a foundation for a job-centered compensation system



### Regional development through mutual cooperation

Together with the region! Together with the company! A teachers' pension that gets better day by day

- Intensified platform-based cooperation to address problems in the region, e.g., coffee waste recycling project
- Donated 14.5 million won to help the lives of local youths
- Lowered rent fee by 50% (256 million won) for small business owners for 3 consecutive years



### Public Communication

Demand-driven information disclosure Active disclosure of public data

- Disclosures of original data increased by 13.9%p
- 66.4% (2021) → 80.3% (2022)
- Utilization of public data increased by 18.2%p
- 19,248 cases (2021) → 22,757 cases (2022)



### Ethics Management

Improved transparency in the operation of the agency through more extensive implementation of ethics management

- Deployment of integrated payment management system and embezzlement prevention system
- Introduction of a credible lawyer public reporting system
- Stricter control over the personal use of fund management data
- Carried out assessment of how the act on the prevention of conflict of interest related to the duties of public servants is being enforced.



# Major Performance of Key Businesses

## Key Achievements in Major Performance

### Management of subscribers

Systematic preparation for reforming the pension system based on public consensus

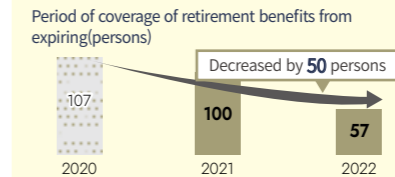
- Conducted a first-time subscriber survey as an occupational retirement pension
- Increased research on how to improve policies aimed at improving acceptability of pension reform
- Reinforced fiscal analysis capabilities through enhancements of the fiscal estimation system



### Management of pension benefits

Exceptional performance in protecting the rights of benefit recipients

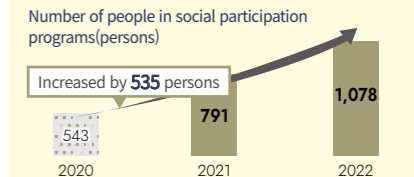
- (Retirees) Prevented the period of coverage of retirement benefits from expiring for 338 individuals, amounting to 2,548 million won
- (Pension recipients) Protected the pension reinstatement rights of 201 individuals, including those with physical disabilities who had not initiated their pension payments, totaling 273 million won
- (Employees) 52% increase in the number of cases where the expiration of period of coverage on death benefits was prevented



### Management of employee welfare

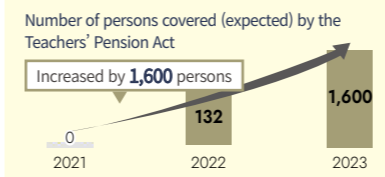
Provided record levels of welfare benefits to pension recipients

- Participation in the national return to farming program increased 38-fold!
- 7 individuals (2021) → 266 individuals (2022)
- 965 individuals were able to pay off their government education loans through installment repayment, totaling 19.2 billion won.
- Subscribers joining social participation programs reached record levels.
- Introduced 23 new social participation programs.



### Rectification of blind spots in pension entitlement rights

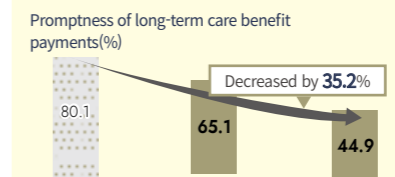
- Achieved the best performance ever on extending the employment period.
- 11,967 cases (2021) → 12,279 cases (2022)
- Protected the salary entitlement rights of 2,170 individuals by utilizing the system for negotiating the employment periods of those whose period of coverage has expired.
- Conditionally hired hourly wage workers and kindergarten after-school course teachers were included in the scope of the Teachers' Pension Act.



\* Based on conditionally hired hourly wage workers, kindergarten after-school course teachers

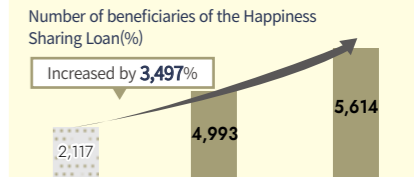
### Rational expansion of accident safety net

- Pilot operations of comprehensive compensation services for accidents.
- Strengthened tailored response systems for areas vulnerable to accidents (university hospitals, mental health).
- Examined the introduction of employment insurance-type benefits, such as unemployment benefits.
- Introduced a system for directly applying for compensations for work-related injuries.



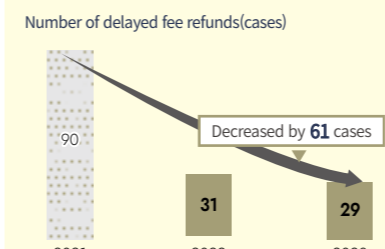
### Improved loan service in the era of high interest rates

- (Happiness Sharing Loan) Offering of even better preferential interest rates
- 0.52%p (2021) → 1.00%p (2022)
- (General Stabilization Loan) Introduced a service for applying for loan using mobile phones
- 0 cases (2021) → 4,108 cases (2022)
- (Loan for School Expenses) Execution rate increased 6.8%
- 90.2% (2021) → 96.3% (2022)



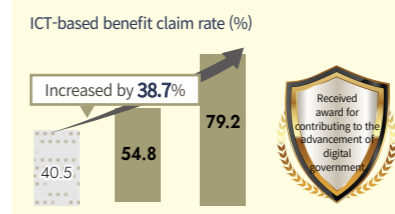
### Minimization of risks involved in the collection of pension contributions

- In 2022, 11.2 billion won in unpaid fees from closed universities was collected completely.
- Among the 4 major social insurance agencies, Teachers' Pension was the best in delinquency management.
- Recorded ZERO (0.001%) delayed fee refund rate.



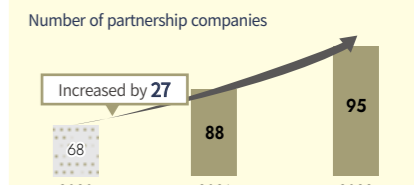
### Benefit service innovations using ICT

- (Pension benefits) Applications through mobile phone increased 911-fold
- 3 cases (2021) → 2,738 cases (2022)
- (Accident benefit) Online applications for death condolatory money increased 3.7-fold
- 1,745 cases (2021) → 7,633 cases (2022)
- Through the expanded use of mobile electronic notification service, 94.8% of postage fee costs were eliminated (650 million won)



### Increased the number of needs-based experiencing services through partnerships

- Number of electronic library users increased by 53.8%
- 9,469 persons (2021) → 14,569 persons (2022)
- Number of customers using free legal services increased for 2 consecutive years
- 593 persons (2020) → 639 persons (2021) → 649 persons (2022)
- Accommodation facility users increased by 108%
- 4,836 cases (2021) → 10,068 cases (2021)



“As a steady companion to members of the Teachers’ Pension family,  
**we will work hard and think hard to build a future where everyone could be happy.**”



Hello, I am Song Hah-Zoong, Chairman and CEO of Teachers’ Pension.

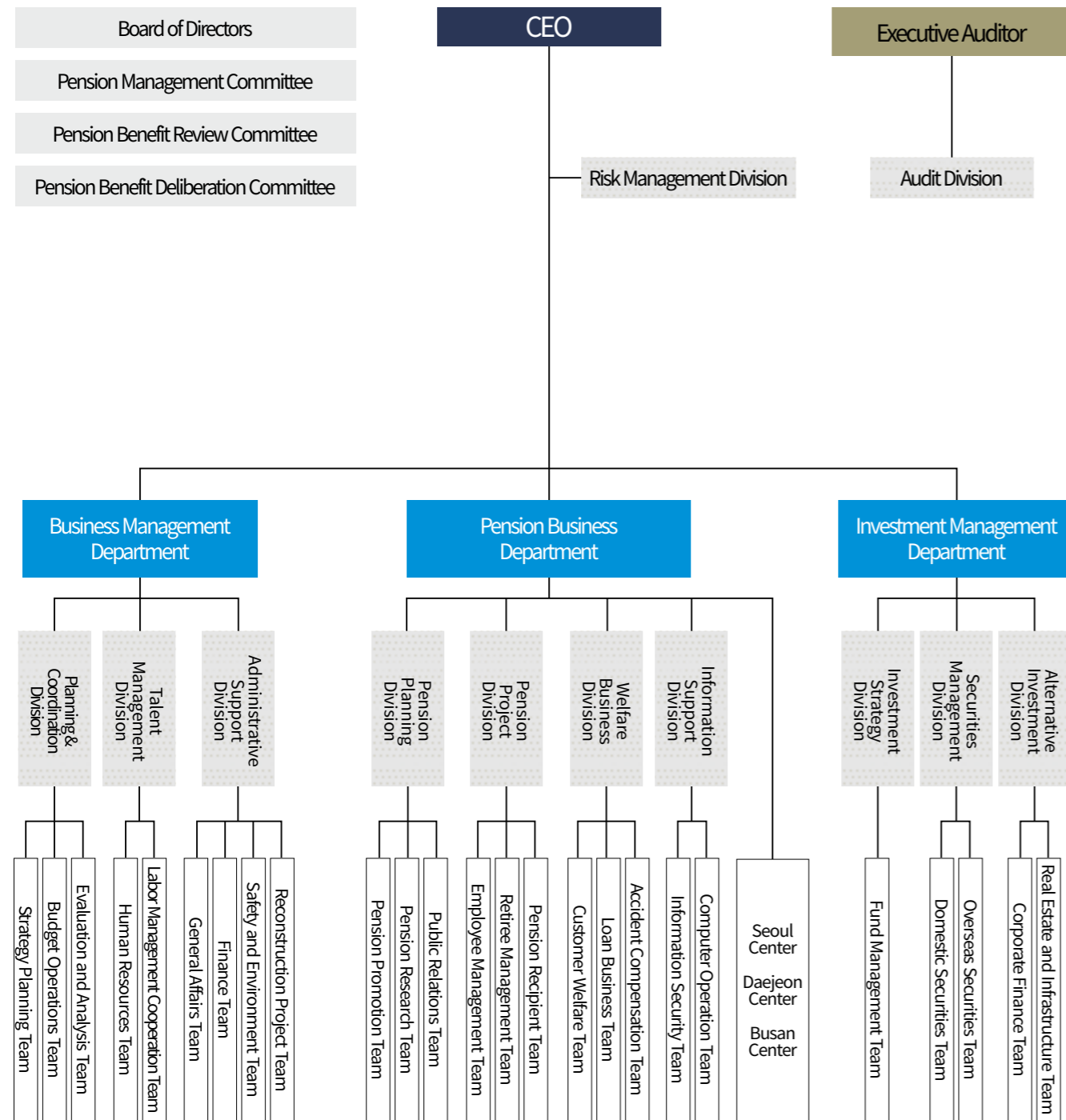
Teachers’ Pension was established for the purpose of instituting an appropriate compensation system for the retirement, death, and work-related illnesses or injuries and disabilities suffered by private school employees. Over the course of 50 years, Teachers’ Pension has been serving the needs of approximately 440,000 teachers and pension recipients.

Our most important mission at Teachers’ Pension is helping school employees realize happiness in their lives. From 2019 to 2021, Teachers’ Pension recorded a rate of return of 11% for 3 consecutive years. In 2022, despite a rate of return of -7.75%, Teachers’ Pension bounced back in 2023, recording a rate of return of 8.76% in June. In the future, we at Teachers’ Pension will continue to innovate and strive to complete our mission of providing stability in the lives of school teachers and their families as well as better welfare. We hope to achieve this goal through stable fund management and differentiated customer services based on ESG management and social responsibility fulfillment that will lead to the sustainability of the pension.

We look forward to your unwavering affection and interest and wish you good health and life filled with happiness. Thank you.

이사장 송 하종

We deliver customer-oriented services through our efficient organizational structure.



TP has various communication channels to actively communicate with and get closer to the people.



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