

 Celebrating  
the  
Precious   
 Value of Life

In 2007, life insurers in Korea came together to establish the Korea Life Insurance Social Contribution Committee by jointly contributing resources and assisting those most in need around the country.

The committee's joint CSR projects are now helping people lead happier, more fruitful lives.



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## Chairman's Message



As chairman of the Korea Life Insurance Social Contribution Committee, I am proud to announce that the life insurance industry in Korea has witnessed remarkable growth over its 60-year history. In fact, Korea now ranks 8th internationally in terms of total insurance premiums. I believe this feat can be attributed to the trust and respect people have for Korea's life insurance industry.

In December 2007, life insurers in Korea reached a consensus for joint corporate social responsibility to express our gratitude to people and to live up to the spirit of life insurance, which essentially comes down to two things: a profound respect for life and a sense of duty in helping others. Life insurers agreed to establish a USD 1,350 million fund over the next 20 years and subsequently organized a life insurance social contribution committee to carry out CSR activities in a systemized and professional manner. The committee has three roles: a life insurance philanthropic foundation, a life insurance social contribution fund, and designated partner social welfare centers with the aim of carrying out specifically tailored CSR activities.

Over the last five years, the committee has put together USD 172 million for various initiatives,

such as campaigns for addressing Korea's low birth rate, preventing suicide, supporting patients suffering from incurable diseases, creating respectable jobs, providing college scholarship funds, engaging in finance and insurance educational training, promoting more effective retirement preparation, and offering student loans for college.

It has been a tremendous honor to see firsthand how these life insurance CSR activities have affected other financial industries by promoting a spirit of sharing across society.

As we move forward, the Korea Life Insurance Social Contribution Committee will continue to work tirelessly to help and care for those most in need. Ultimately, this will contribute to bringing about a society where everybody can enjoy life to the fullest while helping others at every step of the way.

**Gyu-Bok Kim**  
Co-Chair, Korea Life Insurance  
Social Contribution Committee/  
Chairman & CEO, Korea Life Insurance Association

\*The KRW-USD exchange rate as of late March 2013 (1 USD = 1,111 KRW).

## Introduction to the Korea Life Insurance Social Contribution Committee

# The Korea Life Insurance Social Contribution Committee is playing an important part in creating a healthier, happier society.

Through the years, the Korean life insurance industry has been increasing social security by offering various guarantees that make people's lives more balanced and more stable. On November 20, 2007, Korean life insurers signed an agreement to cooperate on CSR projects before establishing the Korea Life Insurance Social Contribution Committee on December 28, 2007 in an effort to return profits back to society.

Members of the committee consist of the chairman of the Korea Life Insurance Association, executives from major life insurers, social welfare specialists, civic group representatives, public service agencies, and professors. Furthermore, the committee is made up of a life insurance philanthropic foundation, a life insurance social contribution fund (as part of the Korea Life Insurance Association), and designated partner social welfare centers.

As a steering committee, the life insurance social contribution committee supervises project directions and operations. The committee allocates resources to organizations on an annual basis, confirms and

assesses project results and financial settlements, determines project plans and budgets of the social contribution fund, establishes additional public service foundations, and designates partner social welfare centers.

Since its inception, the Korea Life Insurance Social Contribution Committee has achieved many of its goals both qualitatively and quantitatively. In addition, the committee's roles have evolved over this time. Initially, it offered basic social welfare support. Today, however, it is helping beneficiaries receive tangible, high-quality services by enabling operating agencies to plan and conduct projects on their own.

## History of Joint CSR Projects

- 2007 • *Apr.26* Implementation of joint CSR projects declared by Korea's life insurance industry  
*Nov.2* Agreement on life insurers' CSR projects signed  
*Dec.27* Life insurance philanthropic foundation established  
*Dec.28* First Korea Life Insurance Social Contribution Committee established

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- 2008 • *Mar.27* Life insurance philanthropic foundation designated an organization for public contributions by the Ministry of Strategy and Finance  
 • Effective period: Mar. 31, 2008 -Dec. 31, 2013  
*Apr.30* Life insurance social contribution fund made a public corporation as part of the KLIA  
*Aug.26* Eleven corporations certified as partner social welfare centers by the committee

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- 2009 • *Jul.27* Twenty-five corporations certified as partner social welfare centers by the committee  
*Dec.28* Second Korea Life Insurance Social Contribution Committee established

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- 2010 • *Mar.23* Fiscal year for life insurance CSR activities changed  
 • Jul. 1-Jun. 30 → Jan. 1-Dec. 31 (2010 fiscal year was Jul. 1, 2010-Dec. 31, 2010)  
*Jul.27* CI for the Korea Life Insurance Social Contribution Committee created  
 Thirty-one corporations certified as partner social welfare centers by the committee

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- 2011 • *Feb.1* Restructuring of committee affiliates  
 • Secretariat established  
*Nov.24* Sixty-two corporations certified as partner social welfare centers by the committee  
*Dec.27* Third Korea Life Insurance Social Contribution Committee established

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- 2012 • *Mar.28* NongHyup Life Insurance added to the agreement (bringing the total no. of life insurers to 19)  
*Dec.20* Seventy-seven corporations certified as partner social welfare centers by the committee

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- 2013 • *Jan.23* Signing ceremony for 2013 joint CSR projects

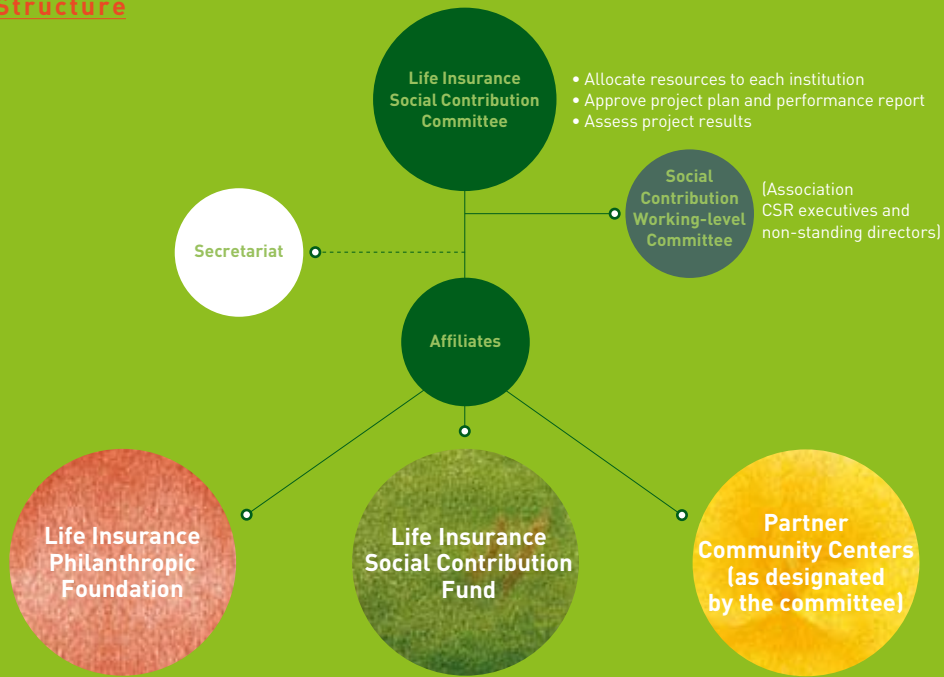
## Contribution Size by Year

(Unit: USD million)

Classification	Foundation	%	Funding	%	Partners	%	Total
FY2007	23.7	95.9	1.0	4.1	-	-	24.7
FY2008	10.8	33.4	12.7	39.5	8.7	27.1	32.2
FY2009	1.8	6.3	19.7	69.0	7.1	24.7	28.6
FY2010	3.5	26.0	5.0	36.7	5.1	37.3	13.6
FY2011	14.7	40.0	9.2	25.0	12.9	35.0	36.7
FY2012	12.0	33.2	11.4	31.5	12.8	35.3	36.2
<b>Total</b>	<b>66.6</b>	<b>38.7</b>	<b>59.0</b>	<b>34.3</b>	<b>46.5</b>	<b>27.0</b>	<b>172.1</b>

\*The KRW-USD exchange rate as of late March 2013 (1 USD = 1,111 KRW).

## Structure



- All decisions made by the foundation's BOD
- Projects implemented by the foundation's secretariat

- **Main projects:**
- Supporting patients with rare & incurable diseases
- Preventing suicide attempts
- Supporting low-income
- Supporting Alzheimer patients
- Supporting people and working for social justice
- Raising Korea's birth rate & supporting premature infants
- Establishing nurseries

Consolidate consumer trust

Total budget for 2013  
(Unit: USD million)

13.5

- All decisions made by the committee
- Projects implemented by the Korea Life Insurance Association's Social Contribution Center

- **Main projects:**
- Finance/Insurance/Education
- Academic research support
- Social welfare and public service activities
- Supporting consumer interests

Expand the culture of life insurance

Total budget for 2013  
(Unit: USD million)

19.7

- All proposals by life insurers that contribute resources
- As designated by the committee (e.g. social welfare centers)
- **Main projects:**
- Supporting the Disadvantaged
- Supporting Welfare for Children & Adolescents
- Supporting job creation
- Supporting other public welfare initiatives

Enhance the image of the life insurance industry

Total budget for 2013  
(Unit: USD million)

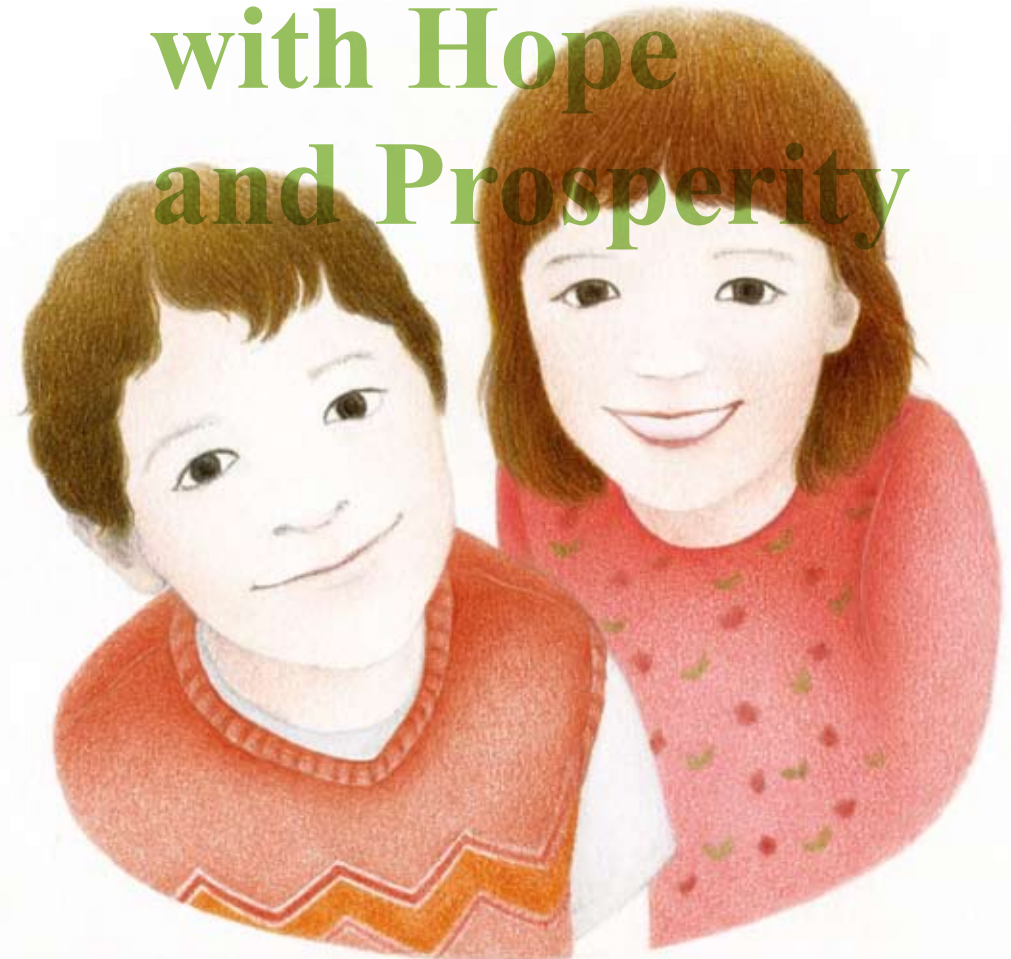
12.8

\*The KRW-USD exchange rate as of late March 2013 (1 USD = 1,111 KRW).

# Infusing People's Lives

Life Insurance Philanthropic Foundation

## with Hope and Prosperity





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The Korea Life Insurance Philanthropic Foundation carries out charity projects as a committee affiliate and one based upon an agreement reached under the Korea Life Insurance's CSR project initiatives. As part of the association's aim at raising people's awareness and trust in the industry, the foundation supports patients with rare and incurable diseases, helps to prevent suicide, supports low-income people with Alzheimer's, addresses the nation's low birth rate, assists premature infants, supports people working for social justice, and helps establish nurseries and childcare centers.

While the foundation carries out a wide range of CSR activities, since 2008 it has been especially focused on five specific projects. In 2012, it added one more main project, which was the establishment of nurseries and childcare centers. Up until now, the foundation has contributed USD 30 million to these six projects.

#### Establishing Nurseries and Childcare Centers

With a lack of childcare centers mainly attributable to Korea's low birth rate, the foundation is now helping to establish and operate public nurseries and childcare centers around the country. Today, the foundation is able to open roughly three childcare centers a year, with the goal of opening a total of 30 over the next decade.

#### Supporting Patients with Rare & Incurable Diseases

Through a number of different CSR activities, the foundation is enhancing the medical care patients with rare and incurable diseases have access to and the support their families receive, which falls directly in line with the "respect for life" premise that is the underlying principle of the life insurance industry. Specifically, the foundation supports patients with rare diseases by providing funds for medical fees. It is also operating rare disease treatment centers in general hospitals, offering special learning aid kits, providing support with medical aid, and conducting campaigns to change people's awareness on rare and incurable diseases.

#### Raising the Birth Rate & Supporting Premature Infants

In order to better address the low birth rate nationally, the foundation is trying to make it easier for parents to give birth and raise their young children. To this end, the foundation supports childcare service for those who do not receive government



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assistance and supports childcare training programs for grandparents. In addition, the foundation provides medical support for pregnant women with a high risk of giving birth to a premature infant.

#### Suicide Prevention

Suicide affects everybody, especially direct family members, but society as a whole as well, which is why the foundation is carrying out numerous activities for suicide prevention. One example of this is the hotline which the foundation operates in places widely known for people trying to commit suicide. It also supports the development of educational programs and adolescent education, while distributing agricultural chemicals boxes in rural areas to prevent suicides.

#### Supporting Low-income Alzheimer's Patients

By distributing handbooks on caring for people with Alzheimer's, operating centers to care for people with mild cases of Alzheimer's, and carrying out campaigns to change people's perception on the disease, the foundation is supporting low-income Alzheimer's patients and their families so that they can maintain a dignified quality of life.

#### Supporting People Working for Social Justice

On top of all this, the foundation provides economic and other means of support to people who make sacrifices for others. That is why the foundation supports the living expenses for firefighters and policemen, while also offering scholarships for their children. Furthermore, the foundation identifies and supports "the life insurance righteous," those individuals or groups that are exemplary role models when it comes to saving other people's lives and exhibiting a profound respect for life.

02 Support program for patients with rare and incurable diseases

03 Life Insurance Righteous Award given to Seok Hae-gyun, the heroic captain who helped free hostages trapped on a ship from Somali pirates

04 Support program for low-income Alzheimer's patients

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# Promoting Everlasting

Life Insurance Social Contribution Fund

# Hope throughout the World



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The Korea Life Insurance social contribution fund was established to promote the sustained growth of the life insurance business. Its main projects involve finance and insurance educational training, academic research support, heightened awareness for retirement preparation, scholarships for elementary/middle & high school/university students, and donations of specially designed cars for handicapped people to social welfare centers.

The fund is ceaselessly studying and implementing initiatives to promote the life insurance industry by ensuring people can lead more stable lives, while also changing the way many people think about insurance. Additionally, it is helping support finance and insurance educational training, as well as projects aimed at raising awareness and training for retirement planning as a main mid- to long-term project. From 2008 to 2012, the foundation contributed a total of USD 35.2 million, which by and large went to four key projects.

#### **Scholarships for Talent Training**

The foundation offers scholarships to low-income elementary, middle & high school students, as well as university students majoring in finance and insurance. This is helping nurture future leaders and reinforcing global competitiveness in the finance and insurance industry by supporting top students across the nation.

#### **College Student Loans**

With university students under increasing pressure to carry high-interest student loans, the foundation is helping low-income students take out loans at a low interest rate, while also offering new kinds of loan programs.

#### **Donating Specially Designed Cars to Social Welfare Centers**

Following through on the life insurance business's key principle of providing mutual help, the foundation is proactive in identifying and implementing projects to help those who need it most. This includes donating mobile bathtubs to social welfare centers for use by elderly people who live alone, vehicles outfitted with wheelchair lifts for the disabled, and mobile laundry vehicles for disaster relief activities.

01 A finance & insurance-inspired musical for children

02 Finance and insurance educational training for children

\*The KRW-USD exchange rate as of late March 2013 (1 USD = 1,111 KRW).



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#### Finance and Insurance Educational Training

The Korea Life Insurance social contribution fund is carrying out finance and insurance educational training for students and teachers to provide sensible financial advice and knowledge. To this end, we send representatives to schools and conduct training programs, host finance and insurance camps, produce children's finance & insurance-inspired musicals, publish and then distribute finance and insurance handbooks free of charge, operate teacher training programs, and nurture finance and insurance specialists.



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#### Academic Research Support

The fund supports academic research for the development of finance and insurance academia, including the organization of college essay contests and the support of research activities at university and academic institutions. Moreover, we support in-depth research activities that study various public services, while also making advanced research results accessible to people across society.

#### Raising People's Awareness about the Need for Retirement Preparation

Aging is inevitable, so the Korea Life Insurance social contribution fund is constantly hard at work conducting campaigns for retirement preparation in a bid to raise people's awareness about today's longer post-retirement periods and the lack of public pension schemes by encouraging them to prepare for retirement voluntarily and sensibly. To carry this out, we conduct lecture tours with financial specialists, and produce TV documentaries and public advertisements to promote smart retirement preparation.

#### TV Programs and Campaigns

In support of spreading a culture of donating and helping poor children around Korea and overseas, the fund produces public service TV programs such as SBS's *Hope TV*.

- 03 Scholarships for talent training
- 04 Donations of specially designed cars for the handicapped to social welfare centers

# Sharing a new found

Partner Social Welfare Centers

# sense of happiness across society





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The Korea Life Insurance Social Contribution Fund Committee designates and certifies professional, competent social welfare centers and public corporations as partners every year to help people around the country. The committee also assists disadvantaged people and promotes child, youth and public welfare through the inherent values present in the insurance business. Doing more than making simple cash contributions, life insurance executives and employees are continuously carrying out voluntary CSR activities on their own.

Partner social welfare centers have professional specialists in each sector to identify and subsequently help disadvantaged people across society. Since 2008, we have spent a total of USD 46.5 million on a wide range of CSR activities. In addition, we were partnered with 91 social welfare centers as of 2013.

#### Elderly and Disabled Support

Our partner social welfare centers carry out various CSR activities to address difficulties that the elderly and disabled face in their day-to-day lives. They run rehabilitation programs, distribute sophisticated rehabilitation equipment free of charge, support artistic performances and campaigns to eliminate society's prejudice against the disabled, and partner with volunteer community activities and cultural programs for elderly people who live alone.

#### Support for Multicultural Families

Certified social welfare center partners are supporting a number of projects to create environments where people from different cultural backgrounds can better understand each other. This is done through Korean language and computer training programs, occupational training and start-up support, production and distribution of childcare and healthcare guidebooks, and financial support for medical expenses.

#### Support for Social Welfare Centers

These partner social welfare centers assist in the renovation of their own infrastructure, while also operating social welfare programs for people in need. Specialized support is also offered, such as providing more sanitary kitchens and bathrooms in local childcare centers and supporting programs that reinforce the competencies of teachers.

01 Community activities for youth and organized by the Korean University Council for Social Service



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#### Child and Youth Social Welfare Support

Social welfare projects are underway to help children and youth grow up to become contributing members of society. Certified partners of Korea Life Insurance Social Contribution Committee offer medical support, morality training programs, programs to prevent sexual violence among children, and economic education to help children gain a better understanding of economics.

#### Job Creation support

A great deal of support is given to address issues such as unemployment, discrimination and the environment, as well as job creation initiatives for disadvantaged people such as the disabled and the elderly. Support is also offered for start-up businesses by people who lack the necessary financial resources. Also available are start-up loans with low interest rates and support for setting up social companies by youth and retirees.

#### Support of Public Social Welfare

With the aim of enhancing people's health and social welfare, designated partner social welfare centers carry out CPR training for students, health teachers and ordinary people. Furthermore, the centers provide automated external defibrillators (AED) in high-speed trains and railway stations across the country, conduct research in promotion of dietary guidelines for cancer prevention and treatment, and a host of other campaigns for illness prevention.

02 Med students providing medical services

03 Community services at Mapo's Elderly Social Welfare Center

04 Support for children and youth

Operation of designated partner welfare centers (as of late 2012) (Unit: Number of centers / USD million)

Approved year	FY2008	FY2009	FY2010	FY2011	FY2012	Total	
Number of centers (contribution size)	11 (8.7)	25 (7.1)	31 (5.1)	62 (12.9)	77 (12.8)	206 (46.5)	
Project status	Completed in 2011	10	25	30	1	-	66
	Completed in late 2012	-	-	1	48	-	49
	Ongoing in 2013	1	-	-	13	77	91

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