KOREAN INSURANCE INDUSTRY 2024



KiRi Korea Insurance Research Institute

Foreword

In 2023, the global economy demonstrated a resilient recovery despite interest rate hikes aimed at stabilizing prices. International growth registered at 3.2%, occurring at a slower pace compared to previous years.

The Korean Economy showed improvement in the second half of the year, led by exports, due to positive growth in the semiconductor industry and the US economy, with GDP growth recorded at 1.7% in 2023. Exports and imports are gradually recovering after having slowed down due to weak demand in both domestic and international markets. Influenced by the US Fed's prolonged high interest rate stance and the Israel-Hamas crisis, the Bank of Korea(BOK) maintained its tightening stance, raising the key interest rate from 3.25% to 3.5% in January 2023 and keeping it unchanged.

In 2023, premiums in the insurance industry decreased by 6% year-on-year. The life insurance premiums decreased by 15.3% year-on-year, mainly due to the slowdown in savings-type and variable insurance sales. On the other hand, non-life insurance premiums grew 4.2% year-on-year, driven by continued growth in long-term insurance, liability insurance, and retirement pensions.

In 2023, the Korean insurance industry faced an increase in the importance of the Contractual Service Margin(CSM) due to the implementation of IFRS17 and K-ICS. There were concerns about unbalanced growth of the insurance industry and a decline in consumer confidence due to excessive competition for new contracts. Therefore, providing products and services based on consumer needs is essential, as is exploring new insured risks and strengthening consumer confidence by expanding overseas businesses to achieve balanced growth. It is also necessary to prepare a plan for current issues in the insurance industry, such as the emergence of new channels, digital transformation, and revision of insurance laws. With the platform launch in 2024, insurers must create positive consumer relationships through product innovation and sales expertise. To strengthen the digital competitiveness of the insurance industry, it is necessary to address the challenges of enhancing digital transformation, promoting digital insurance, and protecting financial consumers. The computerization of P&C insurance claims need to be revised to enhance social benefits, and the revision of the Special Act on Insurance Fraud Prevention should be expedited.

"Korean Insurance Industry 2024" is intended to provide comprehensive information on recent trends in the Korean insurance industry, based on the global and domestic economic and financial environment of 2023. We hope that this book will be helpful to readers in understanding the Korean insurance industry.

Finally, I would like to express gratitude to the Financial Market Analysis team for their efforts in preparing this publication.



Chulkyung Ahn
President
Korea Insurance Research Institute

KOREAN INSURANCE INDUSTRY 2024

CONTENTS

- Economic trends
- Insurance market environment
- Life insurance industry
- Non-life insurance industry
- Insurance regulation and supervision
- Appendix





KOREAN
INSURANCE
INDUSTRY
2024

ECONOMIC TRENDS

- Global economy
- National accounts
- Employment
- Inflation
- Current account balance
- Interest rates
- Exchange rates
- Stock price

Global economy

In 2023, global economic growth was 3.2%, slightly slower than in 2022 but still in line with the previous year. The global economy has remained remarkably resilient, with growth showing signs of stabilization. The easing of financial conditions has spurred capital flows to emerging market economies, with economic growth in emerging economies increasing to 4.3%.

The Euro area[1)] continued to be negatively affected by the Ukraine-Russia war in 2023, posting economic growth of 0.4%. The US economy grew to 2.5% in 2023, an increase of 0.4%p from the previous year, which had experienced a significant decline. Japan also saw a rise in economic growth, with 1.9% growth in 2023, following 1.1% increase in 2022. China experienced the largest economic growth rate, rising from 3.0% in 2022 to 5.2% in 2023, driven by the expansion of the secondary and tertiary industries.

Table 1. Global real GDP growth

(Unit: %, YoY)

	2019	2020	2021	2022	2023
World	2.8	-2.8	6.3	3.4	3.2
Advanced	1.7	-4.2	5.4	2.7	1.6
Emerging	3.6	-1.8	6.9	4.0	4.3
United States	2.3	-2.8	5.9	2.1	2.5
Euro area	1.6	-6.1	5.4	3.5	0.4
Japan	-0.4	-4.3	2.1	1.1	1.9
China	6.0	2.2	8.4	3.0	5.2

Source: IMF

1) The Euro area consists of 19 countries: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovak Republic, Slovenia, and Spain.

National accounts

In 2023, the Korean economy improved in the second half of the year, led by exports, as the semiconductor industry rebounded and the US economy grew positively. In the fourth quarter of 2023, GDP growth was 2.2%, an increase of 0.8%p from the previous year, and this growth continued, reaching 3.4% in the first quarter of 2024.

In 2023, private consumption continued to be weak due to high inflation and high interest rates, decreasing by 2.3%p year-on-year to 1.8%. After declining through the third quarter of 2023, it rebounded in the fourth quarter and is expected to show a modest recovery due to higher wages and slower inflation.

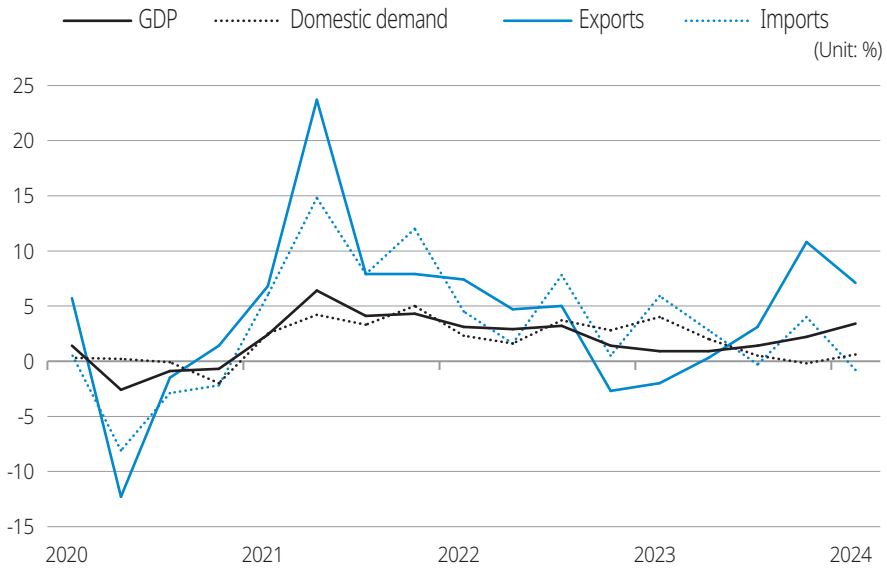
Fixed investment[2)] grew by 0.6%p year-on-year to reach 1.1%, with construction and equipment investments remaining strong through the first half of the year. Construction investment was 1.3%, exceeding expectations as supply disruptions eased through the third quarter. Equipment investment was 0.5%, with the slowdown eased by higher aircraft investment.

Exports in 2023 improved in the second half of the year, led by semiconductors, increasing from negative growth in the first quarter to 10.8% in the fourth quarter. The overall growth rate fell 0.3%p year-on-year to 3.1%, although the recovery is expanding as the global semiconductor slowdown eases and IT demand increases.

Imports are gradually recovering after a slowdown due to low demand in domestic and international markets, and fell by 0.4%p year-on-year to 3.1%.

2) Fixed investment encompasses construction investment, equipment investment, and intellectual property.

Figure 1. Economic Growth Trends



Note: Domestic demand excludes inventories.
Source: Bank of Korea(2024.5)

Table 2. GDP by Expenditure

(Unit: %, YoY)

	2022	2023				
		year	Q1	Q2	Q3	Q4
GDP	2.6	1.7	0.9 (-8.1)	0.9 (5.3)	1.4 (0.7)	2.2 (4.8)
Private consumption	4.1	1.8	4.6	1.6	0.2	0.9
Fixed investment	-0.5	1.1	3.2	3.0	0.4	-1.6
Construction investment	-2.8	1.3	1.9	1.7	3.8	-1.9
Equipment investment	-0.9	0.5	5.9	4.7	-4.2	-3.6
Intellectual property products investment	5.0	1.6	2.4	3.5	-0.9	1.4
Exports	3.4	3.1	-0.2	0.3	3.1	10.8
Imports	3.5	3.1	5.9	2.8	-0.3	4.0

Note: Domestic demand excludes inventories.
Source: Bank of Korea(2024.5)

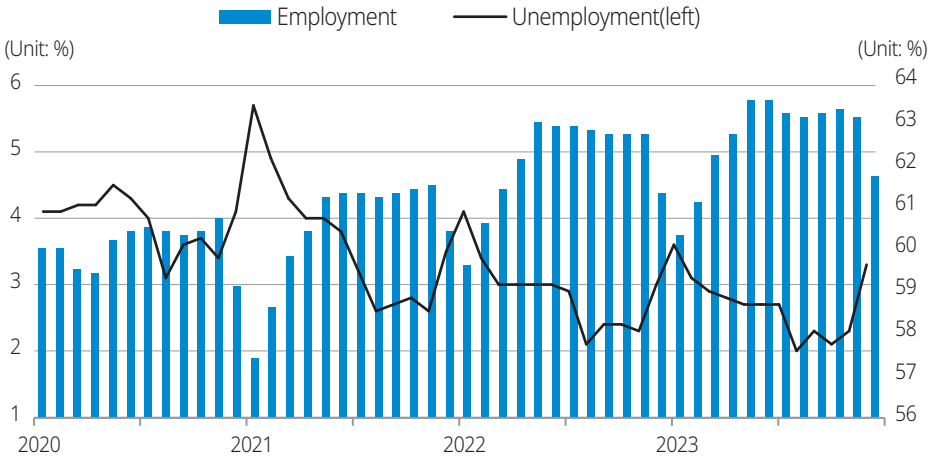
Employment

In 2023, employment rose 0.5%p year-on-year to 62.6%, driven by continued labor demand in the service sector. The unemployment rate decreased by 0.2%p year-on-year to 2.7%.

The total number of employed people in 2023 is 28.4 million, an increase of 327 thousand compared to 28.1 million in 2022.

By sector, the number of employed people increased, predominantly in the service sector, with a notable increase in the number of women and older adults. The unemployment rate is lower than before the pandemic, and the employment rate is higher.

Figure 2. Employment and unemployment rates



Source: Statistics Korea

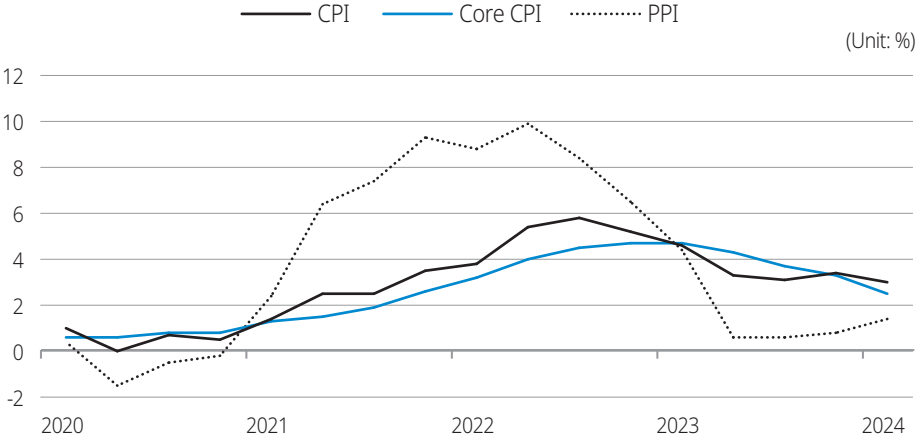
Inflation

In 2023, the inflation rate has been steadily declining since the second half of 2022.

In the first half of 2023, the Consumer Price Index (CPI) continued its slowing trend, declining to the low 3% range in the second quarter as oil prices decreased significantly from the previous year. CPI fell from 4.6% in the first quarter to 3.3% in the second quarter. In the second half of the year, the slowdown continued due to base effects, including the impact of heavy rains, and CPI fell to 3.1% in the third quarter. In the fourth quarter, it rose to 3.4% as international oil and agricultural prices remained high. However, in the first quarter of 2024, inflation slowed to 3% due to the decline in international oil prices.

The inflation rate indicated by the Core CPI[3)] remained stable throughout the first quarter of 2023 but began to decline in the second quarter. The Producer Price Index (PPI) fell sharply through the third quarter of 2023 and gradually picked up in the fourth quarter, reaching 1.4% in the first quarter of 2024.

Figure 3. Inflation by CPI and PPI



Source: Statistics Korea; Bank of Korea

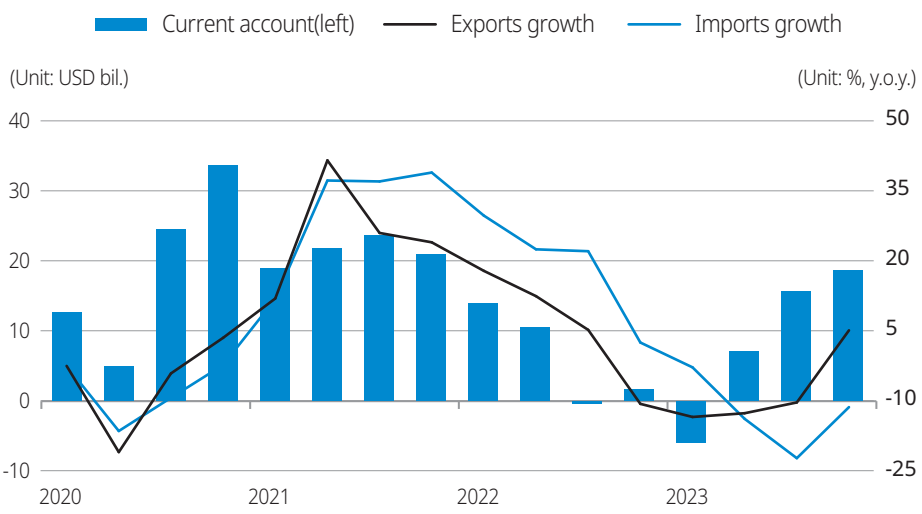
3) Core CPI measures the changes in the prices, excluding energy and food.

Current account balance[4)]

The current account balance in 2023 was $35.5 billion USD, an increase of $9.7 billion USD from $25.8 billion USD in 2022 as exports continued to improve. The goods accounts increased by $18.5 billion USD year-on-year to $34.1 billion USD, while the services accounts decreased by $18.4 billion USD to $25.7 billion USD.

Exports in 2023 have been growing at a negative rate since the first quarter, but the decline has been steadily slowing and improving, led by semiconductors. In the fourth quarter, the growth rate was positive, driven by strong growth in semiconductors and IT. Overall, the total export value fell by 7.5% from last year to $632.2 billion USD. Imports have also been slowly declining, with the total import value decreasing by 12.1% year-on-year to $642.6 billion USD.

Figure 4. Current account balance



Source: Bank of Korea(2024. 5)

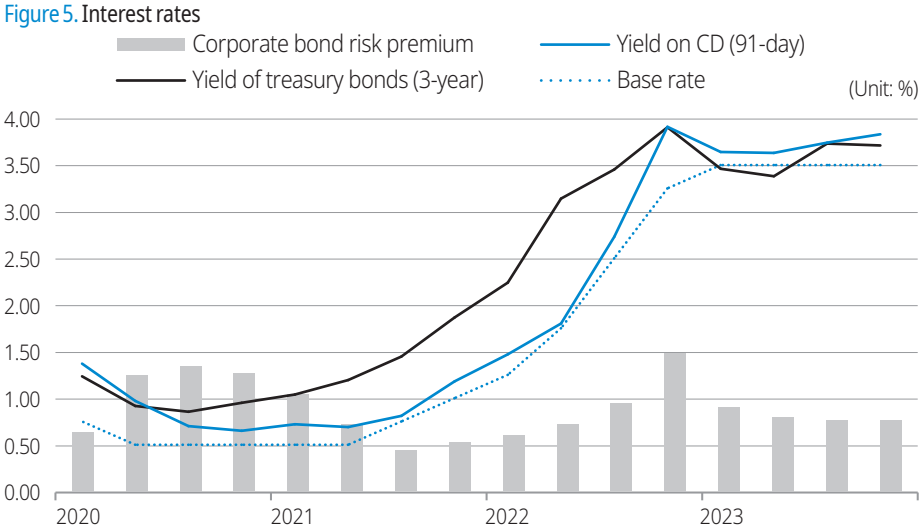
4) In this part, figures for imports and exports are the customs-clearance base, so these may differ from figures in the national accounts due to differences in statistical(or data) standards.

Interest rates

The Bank of Korea (BOK) raised its base rate by 25 basis points in January 2023 from 3.25% to 3.5% and kept it at 3.5% for the rest of the year with no additional increases. The bank deemed it appropriate to maintain a tightening stance due to the prolonged high policy rate of the US Fed and the Israel-Hamas conflict, which have significantly increased uncertainty regarding inflation and growth. The pace of inflation's slowdown is expected to be slower than anticipated.

The 3-year Treasury bond yield in 2023 significantly increased from 3.46% in the first quarter to 3.73% in the third quarter, influenced by changing expectations of a tighter monetary policy stance from the US Federal Reserve. The market yield on corporate bonds (91-day) continued to rise from the first quarter, reaching 3.83% in the fourth quarter. The risk premium on corporate bonds[5] has been declining since the second half of 2022.

Figure 5. Interest rates



Source: Bank of Korea(2024.5)

5) Corporate bond risk premium was computed as the difference between secondary market yields on 3-year AA-corporate bonds and yields on 3-year Korea treasury bonds.

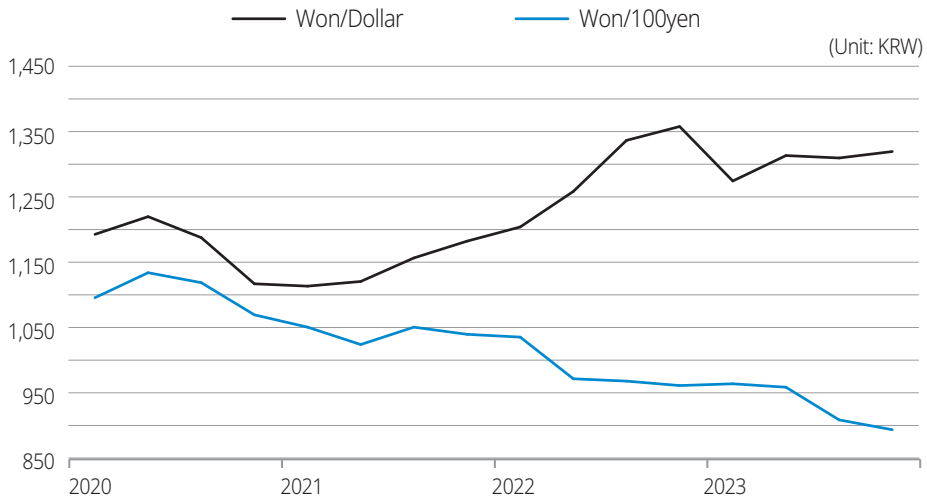
Exchange rates

The average KRW/USD exchange rate increased from 1,292 KRW in 2022 to 1,305 KRW in 2023 as the US dollar strengthened.

The KRW/USD exchange rate remained around 1,310 KRW until the third quarter of 2023, then rose sharply to 1,350 KRW in October due to the possibility of a prolonged tightening of monetary policy in the US following strong economic and employment data in September. In November, the USD weakened as US employment and slowing inflation data reinforced expectations of an end to interest rate hikes, reaching 1,321 KRW in the fourth quarter.

On the other hand, the average KRW/JPY exchange rate in 2023 was 931.2 KRW per 100 JPY, down 5.3% from 983.4 KRW per 100 JPY in 2022. In 2023, the yen depreciated rapidly as the Bank of Japan continued its expansionary monetary policy, causing the KRW/JPY exchange rate to decline.

Figure 6. Foreign exchange rates



Source: Bank of Korea(2024.5)

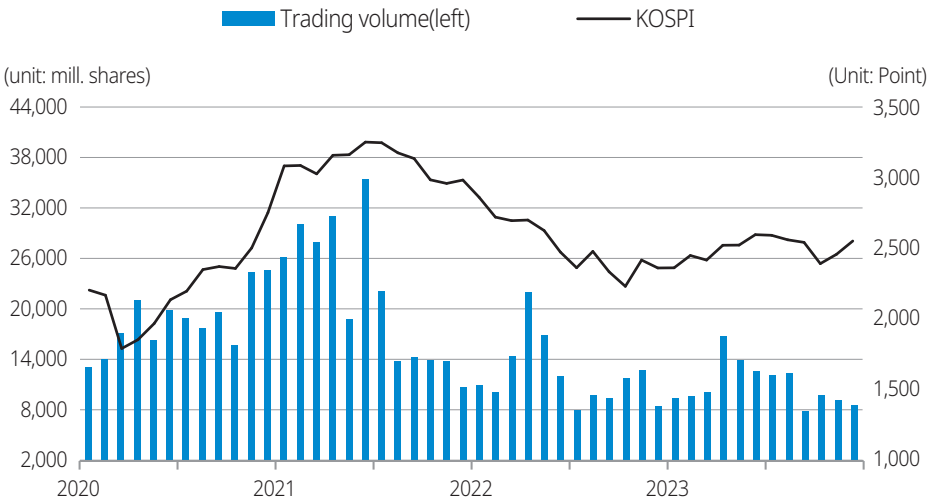
Stock price

In 2023, the Korea Composite Stock Price Index (KOSPI), one of South Korea's benchmark stocks, averaged 2,498 points.

The KOSPI fell in early 2023 due to the Fed's monetary tightening, including strong US employment data, but it has rebounded since mid-March due to factors such as the Fed's easing of monetary tightening expectations. The KOSPI rose from 2,364 points in the second half of 2022 to 2,479 points in the first half of 2023.

In September, the KOSPI fell to 2,392 points due to factors such as concerns about reigniting inflation due to the surge in international oil prices and the Israel-Hamas conflict. However, since November, slowing US inflation and employment data have eased concerns about the Fed's probability of raising interest rates further, and the KOSPI rebounded to 2,554 points in December.

Figure 7. KOSPI and trading volume



Source: Korea Exchange



KOREAN
INSURANCE
INDUSTRY
2024

INSURANCE MARKET ENVIRONMENT

- Overview
- Premium volumes and total assets
- Market landscape
- Status of foreign insurers
- Market concentration

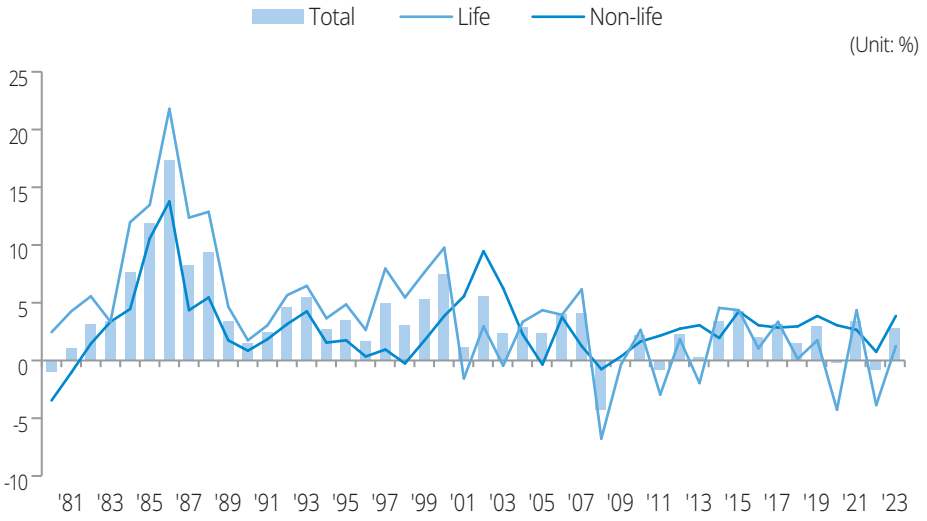
Overview

In 2023, global premium growth rebounded to 2.8% from the negative growth in 2022, with total premium income reaching 7.2 trillion USD.

The global premium growth rate in life insurance was 1.3% in 2023. Life insurance premiums in advanced markets decreased by 0.7% in 2023, while the life insurance premium income in emerging markets increased by 7.8%.

The global premium growth in non-life increased to 3.9% in 2023 from 0.8% in 2022. The non-life insurance premiums in advanced and emerging markets increased by 3.6% and 5.3% in 2023, respectively.

Figure 8. Global real premium growth rate since 1980



Source: Swiss Re, Sigma

Table 3. Global real premium growth

(Unit: %)

Classification	Life		Non-life		Total	
	2022	2023	2022	2023	2022	2023
World	-3.8	1.3	0.8	3.9	-0.8	2.8
Advanced markets	-5.2	-0.7	0.4	3.6	-1.9	2.0
Emerging markets	0.9	7.8	3.0	5.3	4.1	6.6
North America	1.2	1.5	1.0	4.3	1.1	3.7
Advanced EMEA	-12.5	-1.8	-1.3	2.1	-7.8	-0.1
Advanced Asia-Pacific	-0.4	-2.1	0.3	1.5	-0.1	-0.8

Note: 1) Advanced markets: U.S., Canada, advanced EMEA, advanced Asia-Pacific
2) Emerging markets: Latin America and the Caribbean, Emerging Europe, Central Asia, Emerging Middle East, Africa, Emerging Asia
3) North America: U.S. and Canada
4) Advanced EMEA: U.K., France, Germany, Italy, Netherlands, Spain, Ireland, Switzerland, Belgium, Sweden, Denmark, Luxembourg, Finland, Norway, Austria, Israel, Portugal, Liechtenstein, Malta, Greece
5) Advanced Asia-Pacific: Japan, South Korea, Taiwan, Australia, Hong Kong, Singapore, New Zealand
Source: Swiss Re(2024), Sigma, No 3

The U.S. had the highest share of 44.9% in the global insurance market in 2023. China was the second largest insurance market in the world, with a 10.1% share.

The total premiums in Korea were $186 billion USD in 2023, reflecting a 5.5% decline from the previous year in inflation adjusted terms. The Korean insurance market had a global market share of 2.6%, ranking 7th in total premium income worldwide.

Table 4. Total premium volume by country

(Unit: billion USD, %)

Ranking	Country	Premium volume		Changes, 2023		Share of world market
		2022	2023[1)]	Nominal[2)]	Inflation-adjusted	
1	United States	2,988	3,227	8.0	3.7	44.9
2	PR China	698	724	3.7	8.9	10.1
3	UK	337	375	11.3	3.2	5.2
4	Japan	361	363	0.6	4.1	5.0
5	France	259	283	9.2	1.5	3.9
6	Germany	237	245	3.6	-4.7	3.4
7	Korea	192	186	-3.2	-5.5	2.6
8	Canada	166	171	2.8	2.6	2.4
9	Italy	155	159	3.2	-4.9	2.2
10	India	130	136	4.8	2.4	1.9

Note: 1) Figures for 2023 are estimated values.
2) Nominal growth rates are adjusted for exchange rates and inflation.
Source: Swiss Re(2024), Sigma, No 3

The global insurance penetration ratio, which is the percentage of total premium income to GDP, was 7.0% in 2023. The global life insurance penetration ratio increased to 2.9% in 2023 from 2.8% in 2022. Likewise, the non-life insurance penetration ratio increased to 4.2% in 2023 from 4.0% in 2022.

The total insurance penetration of Korea was 11.0% in 2023, ranking 5th in the world. The life insurance penetration ratio of Korea fell to 5.0% in 2023 from 5.4% in 2022, while the non-life insurance penetration ratio increased to 6.0% in 2023 from 5.8% in 2022.

Table 5. Insurance penetration ratio

(Unit: %)

	2021			2022			2023		
	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
Korea	5.8	5.2	10.9	5.4	5.8	11.1	5.0	6.0	11.0
World	3.0	3.9	7.0	2.8	4.0	6.8	2.9	4.2	7.0

Source: Swiss Re(2024), Sigma, No 3

The global insurance density, defined as total premiums per capita, was $889 USD in 2023. The global life insurance density and non-life insurance density increased to $361 USD and $528 USD in 2023 from $354 USD and $499 USD in 2022, respectively.

The insurance density of Korea was $3,603 USD in 2023, ranking 15th in the world. The Korean life insurance density decreased to $1,635 USD in 2023 from $1,705 USD in 2022, while the non-life insurance density increased to $1,968 USD from $1,836 USD.

Table 6. Insurance density

(Unit: USD)

	2021			2022			2023		
	Life	Non-life	Total	Life	Non-life	Total	Life	Non-life	Total
Korea	1,971	1,764	3,735	1,705	1,836	3,541	1,635	1,968	3,603
World	382	492	874	354	499	853	361	528	889

Source: Swiss Re(2024), Sigma, No 3

Premium volumes and total assets

The total premium volumes of insurers in Korea were 237.6 trillion KRW in 2023, which decreased by 6.0% from the previous year.

The premium volumes of life insurers were 112.4 trillion KRW in 2023, which decreased by 15.3% from the previous year. This decline was attributed to the market's low demand for savings-type insurance and variable insurance.

Non-life insurers reported 4.2% premium growth in 2023, with a total premium volume of 125.2 trillion KRW, as the premium income from long-term insurance[6], liability insurance, and retirement pension plans increased.

Table 7. Premium volume of Korean insurers

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
Life	117,262 (5.8)	119,587 (2.0)	118,849 (-0.6)	132,684 (11.6)	112,407 (-15.3)
Non-life	95,586 (5.0)	102,315 (7.0)	107,687 (5.3)	120,109 (11.5)	125,202 (4.2)
Total	212,849 (5.4)	221,902 (4.3)	226,537 (2.1)	252,792 (11.6)	237,609 (-6.0)

Note: Figures in ( ) refer to year-on-year growth rates.
Source: KIDI, Monthly Insurance Report

The total assets of insurers in Korea decreased by 6.5% to 1,224.6 trillion KRW in 2023 after IFRS 17 became effective on January 1, 2023. The assets of life insurers contracted by 6.1% to 880.9 trillion KRW, while those of non-life insurers decreased by 7.6% to 343.7 trillion KRW in 2023.

6) Long-term insurance includes savings-type products with a maturity of 5~15 years, combined with health insurance to cover medical expenses.

Table 8. Total assets of Korean insurers

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
Life	918,166 (7.1)	977,284 (6.4)	992,404 (1.5)	938,270 (-5.5)	880,915 (-6.1)
Non-life	320,751 (7.6)	343,871 (7.2)	366,308 (6.5)	371,814 (1.5)	343,705 (-7.6)
Total	1,238,917 (7.2)	1,321,155 (6.6)	1,358,712 (2.8)	1,310,084 (-3.6)	1,224,620 (-6.5)

Note: Figures in ( ) refer to year-on-year growth rates.
Source: KIDI, Monthly Insurance Report

Market landscape

There were 53 insurers in the Korean insurance market in 2023, with 22 being life insurers and 31 being non-life insurers.

The total number of life insurers decreased to 22 in 2023 from 23 in 2022 as KB Life Insurance and Prudential Life Insurance were merged.

The number of non-life insurers was 31 in 2023, the same as the previous year. There has been no change since Kakao Pay Insurance and Factory Mutual Insurance entered the non-life insurance market, and Asia Capital Reinsurance Group withdrew from the Korean insurance market in 2022.

Table 9. Number of insurers in Korea (as of December 2023)

Classification		Domestic	Foreign	Total
Life Insurance		14	8	22
Non-Life Insurance	Primary	15	7	22
	Reinsurer	1	8	9
Total		31	22	53

Note: Foreign subsidiaries, branches, and joint ventures, in which foreign shareholders account for more than 50% of company shares, are regarded as foreign insurers.
Source: Financial Supervisory Service

As of December 2023, there were 11 listed insurance companies in Korea, including 4 life insurers and 7 non-life insurers. In 2023, Meritz Fire & Marine Insurance was delisted as it became a wholly owned subsidiary of Meritz Financial Group Inc.

Table 10. Listed insurers in Korea(as of December 2023)

Classification	Company	Listed date
Life Insurance (4)	Tong Yang Life insurance	2009.10.08
	Hanwha Life Insurance	2010.03.17
	Samsung Life Insurance	2010.05.12
	Mirae Asset Life Insurance	2015.07.08
Non-Life Insurance (7)	Korean Reinsurance	1969.12.22
	Lotte Non-life Insurance	1972.04.16
	DB Insurance	1973.06.28
	Heungkuk Fire & Marine Insurance	1974.12.05
	Hanwha General Insurance	1975.06.30
	Samsung Fire & Marine Insurance	1975.06.26
	Hyundai Marine & Fire Insurance	1989.08.25

Source: Korea Listed Companies Association

Status of foreign insurers

In the Korean life insurance market, foreign insurers' share increased by 2.3%p from 20.5% in 2022 to 22.8% in 2023.

The share of foreign insurers in the domestic non-life insurance market declined for the second consecutive year, from 2.1% in 2021 to 1.8% in 2023.

Table 11. Premium income and market share of foreign insurers

(Unit: billion KRW, %)

Classification	2019		2020		2021		2022		2023	
	Life	Non-life	Life	Non-life	Life	Non-life	Life	Non-life	Life	Non-life
Premium income	24,477	2,030	25,167	2,161	24,451	2,266	27,203	2,259	25,585	2,267
Market share	20.9	2.1	21.0	2.1	20.6	2.1	20.5	1.9	22.8	1.8

Source: KIDI, Monthly Insurance Report

Market concentration

The market share of the top three life insurers (Samsung, Kyobo, and Hanwha) increased to 52.1% in 2023 from 46.5% in 2020.

The market share of the top five non-life insurers (Samsung, DB, Hyundai, Meritz, KB) decreased by 1.7%p from 79.4% in 2022 to 77.7% in 2023.

Table 12. Market concentration

(Unit: %)

	Ranking	Company	Market share				
			2019	2020	2021	2022	2023
Life	1	Samsung Life	24.1	22.2	22.4	21.7	22.7
	2	Kyobo Life	10.6	11.9	13.3	15.6	16.9
	3	Hanwha Life	12.0	12.4	12.4	14.0	12.5
	4	Tong Yang Life	4.7	4.8	4.9	6.9	6.3
	5	Shinhan Life	4.5	4.8	5.5	5.8	4.8
	6	Heungkuk Life	3.8	3.9	4.1	4.4	3.7
	7	Mirae Asset Life	6.2	5.8	6.4	4.0	4.0
		Top 3	46.6	46.5	48.1	51.3	52.1
Non-life	1	Samsung Fire & Marine	23.9	23.9	22.3	20.3	21.7
	2	DB Insurance	15.5	15.6	16.6	16.0	16.7
	3	Hyundai Marine & Fire	15.7	16.1	15.3	15.1	14.7
	4	Meritz Fire & Marine	8.4	8.9	9.3	14.7	12.8
	5	KB Insurance	12.1	12.9	12.2	13.3	12.0
	6	Hanwha Non-Life	6.2	5.8	5.6	5.1	6.1
	7	Lotte Non-Life	5.8	4.2	6.2	4.0	5.0
		Top 5	75.6	77.5	75.8	79.4	77.7

Source: KIDI, Monthly Insurance Report



KOREAN
INSURANCE
INDUSTRY
2024

LIFE INSURANCE INDUSTRY

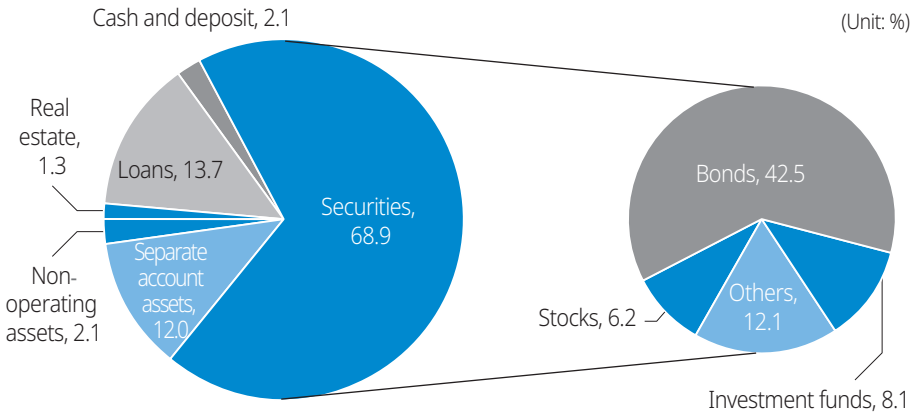
- Statement of financial position
- Income statement
- Investment rate of return
- Premium income
- Expenditures
- Management efficiency
- Distribution

Statement of financial position

The total assets of life insurers decreased by 6.1% in 2023 to 880.9 trillion KRW from 938.3 trillion KRW in 2022 due to a change in accounting principles. General account assets, excluding separate assets from the total, rose by 0.8% compared to 2022. Separate account assets fell by 37.4% from the previous year, amounting to 105.7 trillion KRW.

In the asset portfolio of life insurers, securities accounted for 68.9% in 2023. Of all securities, the share of bonds, stocks, and investment funds was 42.5%, 6.2%, and 8.1%, respectively. Assets held in separate accounts accounted for 12.0% of the total assets. The share of loans was 13.7%, and non-operating assets[7] were 2.1% of the total assets. Cash and deposits accounted for 2.1%, while real estate accounted for 1.3%.

Figure 9. Asset portfolio in 2023



Note: 'Others' include overseas securities.
Source: Financial Supervisory Service

7) Non-operating assets include the unamortized deferred acquisition cost.

Table 13. Summary of statement of financial position (as of December 2023)

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
Assets					
Cash and deposit	16,745 (1.8)	11,712 (1.2)	13,967 (1.4)	16,817 (1.8)	18,293 (2.1)
Securities	560,664 (61.1)	595,565 (60.9)	600,833 (60.5)	550,707 (58.7)	606,541 (68.9)
Stocks	40,565 (4.4)	53,781 (5.5)	52,943 (5.3)	40,680 (4.3)	54,987 (6.2)
Bonds	349,219 (38.0)	368,234 (37.7)	369,803 (37.3)	340,151 (36.3)	374,608 (42.5)
Investment funds	53,259 (5.8)	60,538 (6.2)	62,120 (6.3)	68,607 (7.3)	71,162 (8.1)
Others	117,621 (12.8)	113,012 (11.6)	115,966 (11.7)	101,268 (10.8)	106,476 (12.1)
Loans	141,995 (15.5)	149,639 (15.3)	155,187 (15.6)	157,456 (16.8)	120,640 (13.7)
Real estate	12,579 (1.4)	12,322 (1.3)	11,902 (1.2)	11,567 (1.2)	11,502 (1.3)
Non-operating assets	27,302 (3.0)	29,052 (3.0)	24,260 (2.4)	32,853 (3.5)	18,244 (2.1)
Separate account assets	158,881 (17.3)	178,988 (18.3)	186,241 (18.8)	168,873 (18.0)	105,694 (12.0)
Total asset	918,166	977,278	992,389	938,270	880,914
Liabilities					
Policy reserves	626,462	649,831	669,466	674,201	628,465
Policyholder equity adjustments	14,877	19,396	14,546	5,543	10,566
Other liabilities	23,443	27,031	26,939	31,402	32,624
Separate account liabilities	166,012	184,441	193,956	177,135	105,890
Total liabilities	830,794	880,699	904,907	888,280	777,545
Shareholders' equity					
Capital stock	11,173	11,514	12,368	12,530	12,365
Capital surplus	7,627	7,737	9,584	9,020	10,302
Retained earnings	34,713	36,307	37,324	40,978	51,888
Capital adjustment	-3,194	-3,291	-3,578	-3,802	-4,019
Other accumulative comprehensive income	33,515	40,091	27,095	-12,870	28,854
Total shareholders' equity	87,372	96,580	87,482	49,994	103,369
Total liabilities and shareholders' equity	857,198	918,166	977,278	992,389	880,914

Note: Figures in ( ) refer to the percentage share of the total assets.
Source: Financial Supervisory Service

In 2023, the total liabilities of life insurers decreased from 888.3 trillion KRW to 777.5 trillion KRW due to mark-to-market valuation adjustments. Under the new insurance contracts accounting standard, IFRS 17, insurance liabilities are measured at fair value, reflecting current risks and interest rates at the time of measurement rather than those at the time of sale.

The shareholders' equity increased to 103.4 trillion KRW in 2023 from 50.0 trillion KRW in 2022.

Income statement

The net income of life insurers increased significantly, rising by 37.5%, from 3.7 trillion KRW in 2022 to 5.1 trillion KRW in 2023. In particular, a better performance was attributed.

The net underwriting income turned positive at 4.9 trillion KRW in 2023, a significant increase from -21.9 trillion KRW in 2022, attributed to the growth in sales of protection-type insurance products. Under IFRS 17, business expenses decreased due to extended amortization periods for policy acquisition costs.

With the adoption of IFRS 9, financial assets measured at fair value through profit or loss have increased. Although the decline in interest rates has boosted valuation gains, reclassifying interest expenses on insurance liabilities from insurance profit to investment profit has resulted in higher costs.

Table 14. Summary of income statement

(Unit: billion KRW, %)

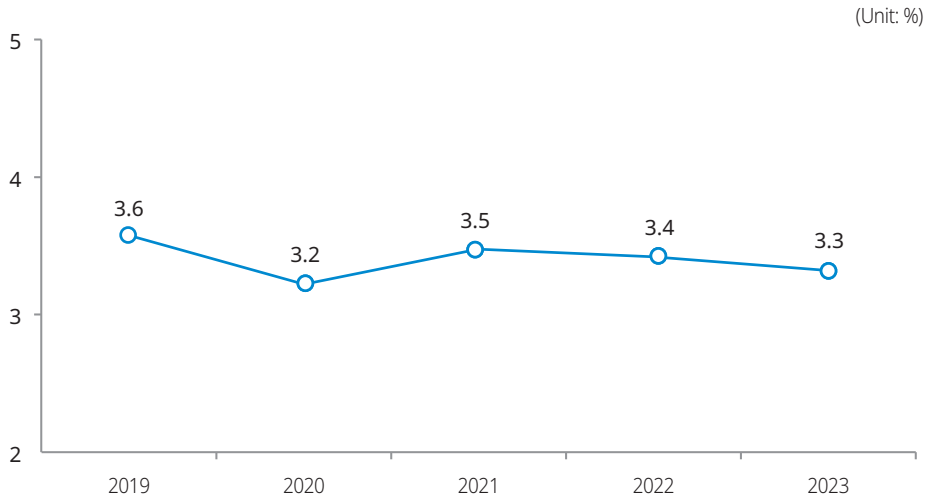
Classification		2019	2020	2021	2022	2023
Income	Underwriting	76,822	81,802	78,986	94,494	32,370
	Investment	33,633	37,667	37,428	43,700	60,061
	Other	5,177	5,117	4,939	4,803	340
	Total	115,633	124,585	121,353	142,998	32,370
Expenditure	Underwriting	101,242	104,204	101,796	116,366	27,496
	Investment	9,726	14,947	13,637	20,729	58,443
	Other	707	1,036	1,190	1,203	478
	Total	91,806	98,149	97,661	135,005	86,417
Net balance	Underwriting	-24,420	-22,402	-22,810	-21,871	4,874
	Investment	23,907	22,720	23,791	22,971	1,618
	Other	4,471	4,081	3,749	3,601	-138
	Total	3,958	4,399	4,730	4,701	6,354
Tax		839	944	1,004	995	1,259
Net income (loss)		3,118	3,454	3,726	3,705	5,095

Note: Net balance of underwriting includes the net balance of policy reserve.
Source: KIDI, Monthly Insurance Report

Investment rate of return

The rate of return for life insurers in 2023 decreased to 3.3% from 3.4% in 2022 due to worsened investment profit and loss caused by rising interest rates and fluctuations in exchange rates.

Figure 10. The yield on asset management



Source: KIDI, Monthly Insurance Report

Premium income

1. Trends in insurance contracts

The value of new business contracts in 2023 was 243.9 trillion KRW, down by 8.4% compared to 2022 due to a decrease in saving-type insurance sales. The number of lapses and surrenders increased by 1.3% to 219.7 trillion KRW. The value of the business in force, including existing and new policies but excluding those terminated due to maturities, lapses, and surrenders, fell by 2.1% to 2,374.0 trillion KRW.

Table 15. Insurance contracts

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
New business	300,287 (-0.8)	309,191 (3.0)	283,492 (-8.3)	266,443 (-6.0)	243,946 (-8.4)
Lapses & surrenders	249,939 (2.6)	237,963 (-4.8)	211,117 (-11.3)	216,932 (2.8)	219,690 (1.3)
Business in force	2,449,696 (-1.0)	2,448,368 (-0.1)	2,454,418 (0.2)	2,424,609 (-1.2)	2,374,029 (-2.1)

Note: Figures in ( ) refer to growth rates.
Source: KIDI, Monthly Insurance Report

2. Premium income by product type

- **Pure endowment insurance(annuity and new pension savings)**

  Premium income from pure endowment insurance was 22.0 trillion KRW in 2023, representing a 17.0% increase compared to the previous year.

- **Protection-type insurance(whole life, critical illness, term life and health insurance)**

  The premium income from protection-type insurance increased to 48.0 trillion KRW in 2023, a rise of 3.2% compared to 2022.

• **Endowment insurance(tax-favored savings type insurance, asset-linked insurance and foreign currency insurance)**

The premium income from endowment insurance was 5.9 trillion KRW in 2023, which decreased by 77.5% compared to 2022. This sharp decline is due to the revision of the insurance company's report. Another reason is the focus on the basic effect and strategy of selling protection-type insurance to earn contractual service margins. Additionally, the 2023 figures include asset-linked insurance and foreign currency insurance.

• **Group insurance(pension plans and general group insurance)**

The group insurance premium income decreased by 14.4% to 24.2 trillion KRW in 2023.

• **Variable insurance(variable annuity, variable whole-life insurance, variable universal life insurance and others)**

The variable insurance premium income fell by 4.0% to 12.2 trillion KRW in 2023 due to increased stock market volatility.

Table 16. Premium income by product type

(Unit: billion KRW, %)

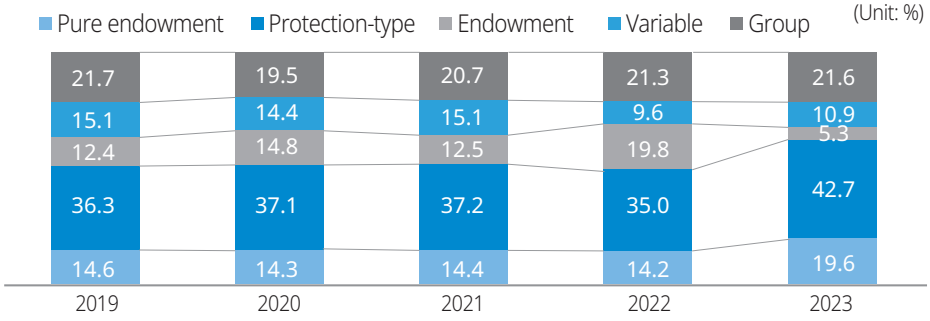
Classification		2019	2020	2021	2022	2023
Individual total		91,858 (-1.4)	96,285 (4.8)	94,240 (-2.1)	104,372 (10.8)	88,161 (-15.5)
	Pure endowment	23,359 (-4.4)	23,468 (1.6)	23,468 (1.6)	23,372 (-0.4)	22,021 (17.0)
	Protection type	44,447 (3.9)	45,838 (-0.7)	45,838 (-0.7)	47,909 (4.5)	47,999 (3.2)
	Endowment	24,052 (-7.4)	24,933 (-7.8)	24,933 (-7.8)	33,090 (32.7)	5,918 (-77.5)
	※Variable	17,687 (-6.1)	17,935 (4.1)	17,935 (4.1)	12,735 (-29.0)	12,224 (-4.0)
Group		25,405 (44.1)	23,303 (-8.3)	24,609 (5.6)	28,312 (15.0)	24,247 (-14.4)
Total		117,262 (5.8)	119,587 (2.0)	118,849 (-0.6)	132,684 (11.6)	112,407 (-15.3)

Note: 1) Figures in ( ) refer to growth rates.
2) In 2023, the insurance company's report was revised. To maintain continuity, the categories were adjusted as follows: Endowment insurance includes asset-linked insurance and foreign currency insurance. Additionally, pure endowment insurance encompasses new pension savings.
Source: KIDI, Monthly Insurance Report

3. Market share of premium income by product type

The market share of protection-type insurance, pure endowment, and variable insurance increased to 42.7%, 19.6%, and 10.9%, respectively, up by 7.7%p, 5.4%p, and 1.3%p from 2022. Meanwhile, the market share of endowment insurance decreased to 5.3% from 19.8% compared to the previous year.

Figure 11. Market share of premium income by insurance product type



Source: KIDI, Monthly Insurance Report

4. Premium income by company group

In 2023, the market share of the top three life insurers, other domestic insurers, and foreign insurers were 52.1%, 28.8%, and 19.1%, respectively. The market share of the top three insurers and other domestic insurers increased by 0.8%p and 0.6%p, respectively, from the previous year, while that of foreign insurers declined by 1.4%p.

Table 17. Premium income by company group

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
Top three companies	54,698 (46.6)	55,595 (46.5)	57,157 (48.1)	68,110 (51.3)	58,613 (52.1)
Other domestic companies	38,088 (32.5)	38,825 (32.5)	37,242 (31.3)	37,371 (28.2)	32,326 (28.8)
Foreign companies	24,477 (20.9)	25,167 (21.0)	24,451 (20.6)	27,203 (20.5)	21,469 (19.1)
Total	117,262 [5.8]	119,587 [2.0]	118,849 [-0.6]	132,684 [11.6]	112,407 [-15.3]

Note: The figures in ( ) and [ ] refer to percentage shares and growth rates, respectively.
Source: KIDI, Monthly Insurance Report

Expenditures

The claims paid by life insurers decreased by 11.8% to 118.6 trillion KRW in 2023.

The operating expenses of life insurers, consisting of acquisition costs, administration expenses, and deferred acquisition costs, totaled 18.5 trillion KRW in 2023, marking a 22.4% increase from 2022.

Table 18. Claims paid and operating expenses

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
Claims paid	92,069 (7.0)	95,247 (3.5)	99,173 (4.1)	134,368 (35.5)	118,558 (-11.8)
Operating expenses	15,317 (1.5)	15,376 (0.4)	14,686 (-4.5)	15,121 (3.0)	18,503 (22.4)

Note: Figures in ( ) refer to annual growth rates.
Source: KIDI, Monthly Insurance Report

Management efficiency

The ratio of claims paid, defined as claims paid per premium income, increased to 105.5% in 2023, which is up by 4.2%p compared to 2022.

The ratio of lapses and surrenders, calculated as the amount of contracts lapsing and surrendering divided by the total amount of business in force and new business value, was 8.2% in 2023, which represents an increase of 0.5%p compared to 2022.

The expense ratio for 2023 is 16.5%. The increase from the previous year is mainly because of changes in how we calculate it due to limits on how we use data.

Table 19. Management efficiency

(Unit: %)

Classification	2019	2020	2021	2022	2023
The ratio of claims paid	78.5	79.6	83.4	101.3	105.5
The ratio of lapses and surrenders	9.0	8.6	7.7	7.7	8.2
The ratio of operating expenses	13.1	12.9	12.4	11.4	16.5

Source: KIDI, Monthly Insurance Report

Distribution

1. Market share by distribution channel

In 2023, the market share of the direct writer's channel and bancassurance expanded due to increased sales of protection-type insurance. However, the share of the solicitors and agent channel decreased, primarily because of a decline in new sales of protection-type insurance following regulations by the Financial Supervisory Service in September 2023.

The direct writer's channel accounted for 25.4% of the total initial premium income. The market share of the bancassurance channel in 2023 increased by 6.5%p to 62.7% from the previous year, driven by increased sales of savings-type insurance. Meanwhile, the market share of the solicitors and agents channel decreased to 6.7% and 5.1%, respectively, marking declines of 5.2%p and 7.5%p from 2022.

Table 20. Market share indicated by initial premium income by distribution channel

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
Direct writers	4,686 (37.8)	5,747 (34.9)	5,290 (30.5)	6,125 (19.2)	4,811 (25.4)
Solicitors	1,379 (11.1)	1,796 (10.9)	1,495 (8.6)	3,785 (11.9)	1,278 (6.7)
Agents	753 (6.1)	917 (5.6)	1,595 (9.2)	4,014 (12.6)	962 (5.1)
Brokers	22 (0.2)	21 (0.1)	23 (0.1)	28 (0.1)	11 (0.1)
Bancassurance	5,548 (44.8)	7,974 (48.4)	8,937 (51.5)	17,933 (56.2)	11,887 (62.7)
Others	8 (0.1)	8 (0.0)	7 (0.0)	34 (0.1)	21 (0.1)
Total	12,395 (100.0)	16,461 (100.0)	17,346 (100.0)	31,919 (100.0)	18,970 (100.0)

Note: Figures in ( ) refer to percentage market share.
Source: KIDI, Monthly Insurance Report

2. Numbers of solicitors and insurance agents

In 2023, the number of solicitors accounted for 58,471, which was down by 0.9% from the previous year, continuing a decreasing trend since 2013.

The number of direct writers declined by 1.1%, from 22,415 in 2022 to 22,175 in 2023. The number of agents was 6,089, which decreased slightly by 0.3%.

Table 21. Number of direct writers, solicitors, and agents

(Unit: persons, %)

Classification	2019	2020	2021	2022	2023
Direct writers	25,362 (-0.3)	24,961 (-1.6)	23,256 (-6.8)	22,415 (-3.6)	22,175 (-1.1)
Solicitors	92,286 (-3.5)	93,707 (1.5)	66,161 (-29.4)	59,002 (-10.8)	58,471 (-0.9)
Agents	6,429 (3.3)	6,324 (-1.6)	6,060 (-4.2)	6,110 (0.8)	6,089 (-0.3)

Note: 1) Figures in ( ) refer to annual growth rates.
2) The figures of solicitors exclude cross-selling solicitors.
3) The figures of 'agents' indicate the number of agencies.
Source: KIDI, Monthly Insurance Report



KOREAN
INSURANCE
INDUSTRY
2024

NON-LIFE INSURANCE INDUSTRY

- Statement of financial position
- Income statement
- Investment rate of return
- Direct premiums written
- Expenditures
- Management efficiency
- Distribution

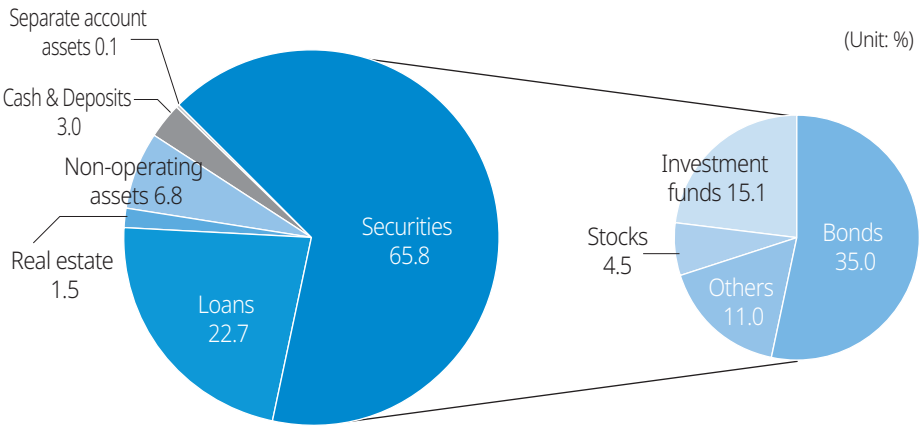
Statement of financial position[8)]

The total assets of non-life insurers in 2023 were 343.7 trillion KRW, a decrease of 7.6% from 2022. General account assets, excluding separate account assets grew by 1.9% over 2022. The assets in the separate account decreased by 99.5% to 173 billion KRW in 2022.

In 2023, the share of securities rose by 13.8%p over 2022 to 65.8%. Securities accounted for the largest portion of the total assets of non-life insurers in 2023, consisting of bonds (35.1%), stocks (4.5%), investment funds (15.1%), and other assets (11.1%).

Loans accounted for 22.7% of the asset portfolio in 2023. The share of non-operating assets decreased by 4.9%p in 2022 to 6.8%. The cash & deposits in 2023 increased by 3.0%, a 0.4% increase over 2022, while real estate in 2023 increased by 1.5%, which is a 0.1% increase over 2022.

Figure 12. Asset portfolio in 2023



Note: 'Others' include overseas securities.
Source: Financial Supervisory Service

8) As of December 31, 2023

Table 22. Summary of statement of financial position

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
Assets					
Cash and deposits	6,943 (2.2)	6,522 (1.9)	6,318 (1.7)	9,791 (2.6)	10,430 (3.0)
Securities	176,614 (55.1)	188,826 (54.9)	199,622 (54.5)	193,179 (52.0)	226,303 (65.8)
Stocks	8,754 (2.7)	11,704 (3.4)	12,471 (3.4)	9,791 (2.6)	15,310 (4.5)
Bonds	94,638 (29.5)	101,511 (29.5)	104,176 (28.4)	101,880 (27.4)	120,151 (35.1)
Investment funds	36,023 (11.2)	41,253 (12.0)	414,882 (12.3)	48,193 (13.0)	51,790 (15.1)
Others	37,226 (11.6)	34,358 (10.0)	38,094 (10.4)	33,315 (9.0)	37,698 (11.1)
Loans	71,042 (22.2)	76,985 (22.4)	81,590 (22.3)	85,925 (23.1)	78,144 (22.7)
Real estate	5,930 (1.8)	5,661 (1.6)	5,901 (1.6)	5,239 (1.4)	5,179 (1.5)
Non-operating assets	33,961 (10.6)	37,421 (10.9)	38,609 (10.5)	43,624 (11.7)	23,462 (6.8)
Separate account assets	26,134 (8.2)	28,681 (8.3)	34,267 (9.4)	34,600 (9.3)	176 (0.1)
Total assets	320,652	344,096	366,308	371,814	343,705
Liabilities					
Policy reserves	230,908	244,943	257,870	267,502	258,743
Other liabilities	20,595	21,568	25,126	24,693	21,564
Separate account liabilities	26,292	30,905	36,190	40,767	173
Total liabilities	277,796	297,416	319,186	332,962	280,480
Shareholders' equity					
Capital stock	3,108	3,459	3,471	4,151	4,487
Capital surplus	3,412	3,554	3,460	3,057	3,113
Retained earnings	27,822	29,503	33,221	37,668	50,172
Capital adjustment	-1,657	-1,892	-2,179	-2,044	-1,869
Other cumulative comprehensive Income	10,170	12,056	9,149	-4,000	7,322
Total shareholders' equity	42,856	46,680	47,122	38,852	63,225
Total liabilities and shareholders' equity	320,652	344,096	366,308	371,814	343,705

Note: Figures in parentheses indicate percentage share of total assets.
Source: Financial Supervisory Service

In 2023, the total liabilities of non-life insurers decreased to 280 trillion KRW from 333 trillion KRW in 2022. This decrease was attribute to the implementation of IFRS17, which changed the valuation standard for insurance liabilities from cost valuation to market-to-market valuation.

The total shareholders' equity rose to 63.2 trillion KRW in 2023 from 38.9 trillion KRW in 2022. This increase resulted from a decrease in assets due to the implementation of IFRS 17, combined with an even greater decrease in liabilities owing to the market-to-market valuation of insurance liabilities, leading to an overall increase in total shareholders' equity.

Income statement

The net income of non-life insurers in 2023 increased by 50.9% from 2022 to reach 8.3 trillion KRW. The underwriting of expenditure improved significantly in 2023, increasing to 8.3 trillion KRW from a deficit of 1.4 trillion KRW in 2022. This improvement was attributed to the extension of the amortization period for deferred acquisition costs following IFRS17, as well as an increase in long-term insurance contracts. The surplus from investment decreased to 2.7 trillion KRW in 2023 from 9.1 trillion KRW in 2022, mainly due to increased expenses resulting from reclassifying interest expense on insurance liabilities as investment gains.

Table 23. Summary of income statement

(Unit: billion KRW, %)

Classification		2019	2020	2021	2022	2023
Income	Underwriting	81,761	86,116	90,372	95,301	85,839
	Investment	12,665	12,859	12,634	14,159	17,431
	Other	460	444	536	641	149
	Total	94,886	99,419	103,541	110,101	103,419
Expenditure	Underwriting	87,772	90,482	92,942	96,717	73,751
	Investment	3,536	4,634	4,008	5,069	14,738
	Other	554	663	627	958	182
	Total	91,862	95,779	97,577	102,743	88,671
Net balance	Underwriting	-6,011	-4,366	-2,571	-1,415	8,321
	Investment	9,129	8,225	8,626	9,090	2,693
	Other	-94	-219	-91	-317	-33
	Total	3,023	3,640	5,964	7,358	10,981
Tax		790	1,021	1,639	1,882	2,720
Net income (loss)		2,233	2,619	4,326	5,476	8,261

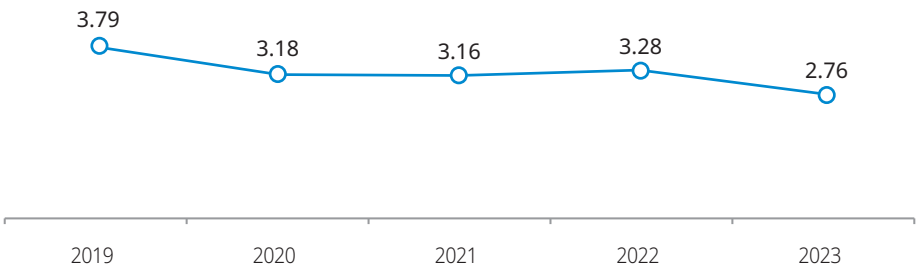
Source: Financial Supervisory Service

Investment rate of return

In 2023, the rate of return on non-life insurers' investments dropped to 2.76% from 3.28% in 2022. The return on investment of non-life insurers decreased due to the prolonged low interest rate environment worldwide, which made it difficult to improve yields on bonds purchased at low rates in the past.

Figure 13. The rate of return on asset management

(Unit: %)



Source: KIDI, Monthly Insurance Report, Issues

Direct premiums written

The direct premiums written[9] of non-life insurers[10] in 2023 amounted to 125.2 trillion KRW. The growth rate decreased to 4.2% in 2023 from 11.5% in 2022.

In particular, the growth rate of direct premiums written in marine insurance represented a 9.4% increase. The direct premiums written for long-term insurance, fire insurance and automobile insurance increased by 4.0%, 2.9% and 1.4% over 2023, respectively. On the other hand, the direct premiums written from individual annuities in 2023 fell by 10.7% from 2022.

Table 24. Direct premiums written by line

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
Fire	272 (-1.2)	276 (1.6)	318 (15.3)	320 (0.3)	329 (2.9)
Marine	600 (0.8)	704 (17.4)	744 (5.6)	876 (17.8)	959 (9.4)
Automobile	17,568 (5.1)	19,613 11.6)	20,347 (3.7)	20,840 (2.4)	21,121 (1.4)
Guarantee	1,934 (-1.0)	2,030 (5.0)	2,031 (0.0)	2,084 (2.6)	2,229 (7.0)
Casualty	6,517 (5.1)	7,077 (8.6)	7,824 (10.6)	8,517 (8.9)	9,294 (9.1)
Long-term	53,099 (5.0)	55,922 (5.3)	58,834 (5.2)	61,797 (5.0)	64,264 (4.0)
Annuities	3,291 (-6.4)	2,992 (-9.1)	2,593 (-13.3)	2,180 (-15.9)	1,948 (-10.7)
Pension plans[2)]	11,778 (9.3)	13,118 (11.4)	14,308 (9.1)	22,528 (57.4)	24,016 (6.6)
Overseas direct	528 (16.1)	582 (10.4)	688 (18.2)	968 (40.6)	1,042 (7.7)
Total	95,586 (5.0)	102,315 (7.0)	107,687 (5.3)	120,109 (11.5)	125,202 (4.2)

Note: 1) The figures in parentheses indicate growth rates.
2) Pension plans include retirement insurance.
Source: KIDI, Monthly Insurance Report, Issues

9) Direct premiums written are the total premiums before considering reinsurance ceded in non-life insurance.
10) Non-life insurance consists of fire, marine, automobile, guarantee, casualty insurances, and non-traditional business, such as long-term insurance, annuities, and retirement pension plans.

1. Lines of business

Fire insurance

The premium income from fire insurance in 2023 grew by 2.9% to 329 billion KRW. The low growth of fire insurance is attributed to a significant deceleration in growth due to the base effect.

Marine insurance

In 2023, marine insurance premium income was 959 billion KRW, which grew by 9.4% compared to 2022. This growth was driven by the increase in ship orders, import and export volumes, and the expansion of the liability insurance market.

Automobile insurance

The premium income from automobile insurance amounted to 21.1 trillion KRW in 2023, representing a 1.4% increase over the previous year. The growth of automobile insurance was subdued due to adjustments in automobile insurance premiums, a slowdown in the increase of registered automobiles, and the expansion of online channels.

Guarantee insurance

In 2023, the premium income from guarantee insurance amounted to 2.2 trillion KRW. This growth mainly stems from the gradual recovery of construction investment and the expansion of credit-related guarantee demand.

Casualty insurance[11)]

The premium income from casualty insurance in 2023 was 9.3 trillion KRW, representing a 9.1% increase from 2022. This growth was attributed to the expansion of the liability insurance market and the introduction of new coverage options, such as comprehensive insurance and other specialty insurance.

11) Casualty insurance consists of various types of insurances that cover the risks such as liability, accident, theft, and damage of objects.

Long-term insurance[12)]

In 2023, premium income from long-term insurance grew by 4.0% compared to 2022, reaching 64.3 trillion KRW. The increase was due to accident and sickness insurance as well as driver insurance. Accident and sickness insurance premium income in 2023 rose by 7.0% over 2022. The growth was a gradual increase driven by the steady demand for health coverage and the inflow of renewal premiums. Driver insurance premium income in 2023 grew by 6.1% over 2022, driven by increased new policies due to strengthened liability for traffic accident compensation and the continued inflow of insurance premiums. On the other hand, the premiums for savings-type insurance decreased by 43.5% in 2022. The decline in the attractiveness of savings-type insurance primarily resulted from the introduction of the new accounting standard (IFRS17), which significantly reduced the need to sell savings-type insurance products. IFRS17 treats savings-type insurance as a liability.

Annuities[13)]

In 2023, premium income from individual annuities decreased by 10.7% from 2022 to 1.9 trillion KRW, primarily due to reduced expectations of high returns from investing in safe bonds with lower interest rates compared to bond yields.

Pension plans[14)]

The premium income from retirement pension plans in 2023 increased by 6.6% over 2022 to 24.0 trillion KRW. Some companies have re-entered the retirement pension plans market, resulting in growth.

---

12) Long-term insurance includes savings-type products with a maturity of 5 to 15 years combined with health insurance coverage for medical expenses.

13) Non-life insurers are permitted to sell annuities qualified for tax breaks. Also, the premium income of annuities is usually associated with regulation changes for tax breaks.

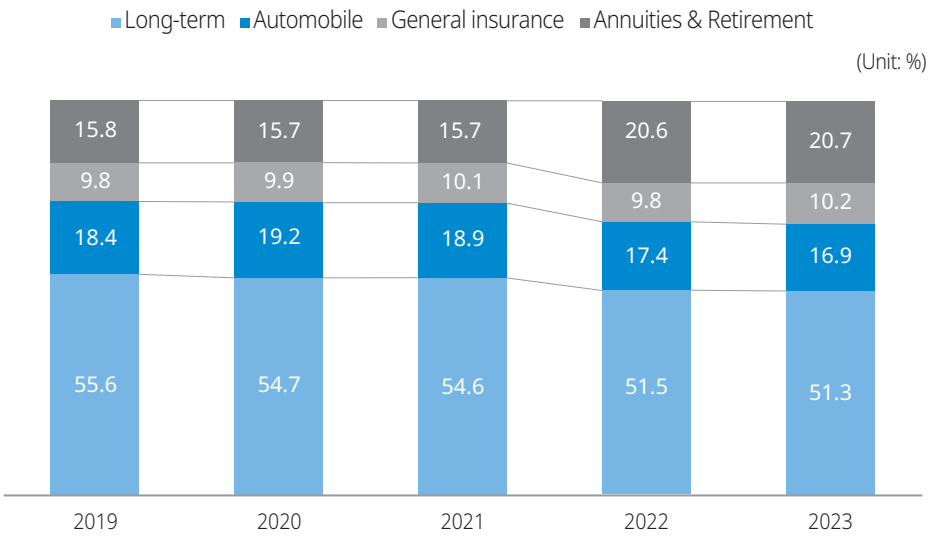
14) The retirement products include annuities and pension plans.

2. The share of direct premiums written by line

Overall, the shares of direct premiums in pension plans and general insurance increased. In contrast, the shares of the direct premiums in long-term insurance and automobile insurance decreased in the non-life insurance market in 2023.

The shares of pension plans and general insurance rose to 20.7% and 10.2% in 2023 from 20.6% and 9.8% in 2022, respectively. Meanwhile, long-term insurance accounted for 51.3% and automobile insurance accounted for 16.9% in 2023, indicating a decline of 0.2%p and 0.5%p compared to 2022, respectively.

Figure 14. Market share by line



Note: General insurance includes fire, marine, guarantee, casualty, and overseas direct insurance.
Source: KIDI, Monthly Insurance Report, Issues

Expenditures

1. Incurred losses by line

The incurred losses of non-life insurers increased to 75.1 trillion KRW in 2023 from 71.1 trillion KRW in 2022. The incurred losses increased in marine insurance, automobile insurance, guarantee insurance, casualty insurance, and long-term insurance.

Automobile insurance incurred losses rose to 15.9 trillion KRW in 2023 from 15.8 trillion KRW in 2022. The incurred losses from marine insurance, guarantee insurance, casualty insurance, and long-term insurance in 2023 increased to 232 billion KRW, 1.1 trillion KRW, 6.5 trillion KRW, and 51.2 trillion KRW, respectively. Meanwhile, fire insurance incurred losses declined to 164 billion KRW.

Table 25. Incurred losses by line

(Unit: billion KRW)

Classification	2019	2020	2021	2022	2023
Fire	155	187	144	170	164
Marine	198	243	154	229	232
Automobile	14,771	14,853	15,261	15,766	15,908
Guarantee	911	1,021	742	709	1,118
Casualty	4,402	4,799	4,907	6,040	6,476
Long-term	42,673	44,662	46,955	48,166	51,244
Total[1)]	63,110	65,765	68,163	71,080	75,143

Note: 1) Overseas direct insurance, reinsurance assumed overseas, annuities and pension plans are excluded.
Source: KIDI, Monthly Insurance Report, Issues

2. Net operating expenses by line

Net operating expenses of non-life insurers in 2023 amounted to 21.4 trillion KRW, which was 2.8 trillion KRW higher than 18.6 trillion KRW in 2022. The net operating expenses increased in all lines of business.

For automobile insurance and casualty insurance, net operating expenses in 2023 increased to 3.2 trillion KRW and 1.6 trillion KRW, respectively. In addition, the net operating expenses of fire insurance, marine insurance, and guarantee insurance in 2023 grew to 130 billion KRW, 130 billion KRW, and 328 billion KRW. In 2023, net operating expenses for long-term insurance increased to 15.9 trillion KRW from 13.3 trillion KRW in 2022.

Table 26. Net operating expenses by line

(Unit: billion KRW)

Classification	2019	2020	2021	2022	2023
Fire	113	114	121	124	130
Marine	101	92	103	113	130
Automobile	2,807	2,885	3,079	3,170	3,237
Guarantee	244	261	292	314	328
Casualty	1,246	1,257	1,365	1,504	1,638
Long-term	12,821	12,989	12,753	13,347	15,942
Total[1)]	17,331	17,599	17,713	18,572	21,406

Note: 1) Overseas direct insurance, reinsurance assumed overseas, annuities, and pension plans are excluded.
Source: KIDI, Monthly Insurance Report

Management efficiency

1. Loss ratios by line

The total loss ratio of non-life insurers was 80.1% in 2023, 0.6%p higher than 79.5% in 2022. Guarantee insurance, casualty insurance, and long-term insurance increased by 23.9%, 0.7%, and 0.4% in 2023 compared to 2022, respectively. On the other hand, the loss ratio of fire insurance in 2023 fell by 0.4%p compared to 2022, to 70.4%. The loss ratio of marine insurance and automobile insurance in 2023 decreased by 3.7%p and 0.9%p over 2022, respectively.

Table 27. Earned-incurred loss ratio by line

(Unit: %)

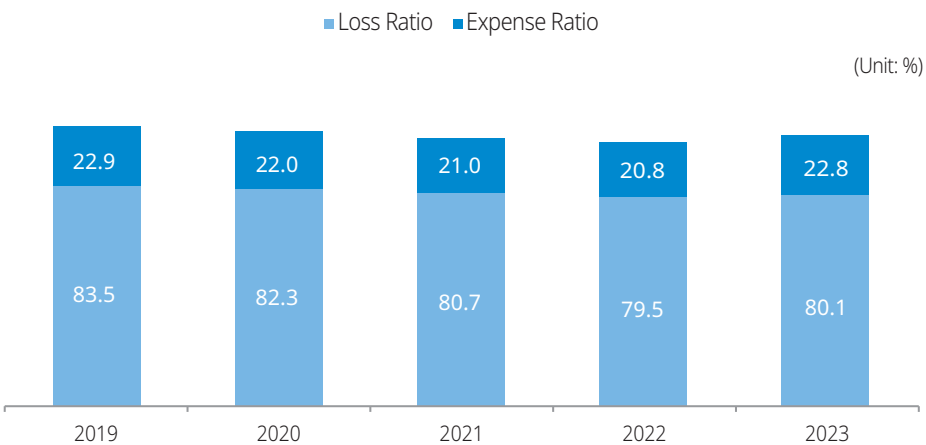
Classification	2019	2020	2021	2022	2023
Fire	64.4	82.8	60.4	70.4	70.0
Marine	71.6	82.3	47.1	58.9	55.2
Automobile	92.8	85.6	81.5	81.4	80.5
Guarantee	60.7	67.1	47.0	43.2	67.1
Casualty	73.3	78.6	74.1	78.3	79.0
Long-term	82.7	82.1	82.4	80.2	80.6
Total[1)]	83.5	82.3	80.7	79.5	80.1

Note: 1) Overseas direct insurance, reinsurance assumed overseas, annuities and pension plans are excluded.
Source: KIDI, Monthly Insurance Report, Issues

2. Expense and combined ratios

The loss ratio and the expense ratio of non-life insurers in 2023 increased by 0.6%p and 2.0%p over 2022, respectively. Consequently, the combined ratio of non-life insurers-the sum of the loss ratio and the expense ratio-was 102.9% in 2023, which was 2.6%p higher than 100.3% recorded in 2022.

Figure 15. Combined ratio



Note: Overseas direct insurance, reinsurance assumed overseas, annuities and pension plans are excluded.
Source: KIDI, Monthly Insurance Report, Issues

Distribution

1. Market share by distribution channel

As the largest distribution channel, the agents accounted for 42.9% in 2023. The market share of direct writers in 2023 was 34.2%. The market share of solicitors and brokers was 9.2% and 6.7% in 2023, respectively. The share of initial premium income from bancassurance in 2023 comprised 6.6%. The market share of others stood at 0.5% in 2023.

Table 28. Market share by distribution channel (total premium income)

(Unit: billion KRW, %)

Classification	2019	2020	2021	2022	2023
Direct writers	23,357 (24.5)	26,693 (26.3)	25,765 (24.8)	37,770 (31.6)	10,042 (34.2)
Solicitors	22,602 (23.7)	22,995 (22.6)	22,906 (22.1)	22,549 (18.9)	2,702 (9.2)
Agents	42,348 (44.3)	44,807 (44.1)	47,765 (46.1)	51,886 (43.4)	12,605 (42.9)
Brokers	1,234 (1.3)	1,331 (1.3)	1,639 (1.6)	1,910 (1.6)	1,982 (6.7)
Bancassurance	5,718 (6.0)	5,549 (5.5)	5,343 (5.2)	5,091 (4.3)	1,933 (6.6)
Insurance pool	240 (0.3)	293 (0.3)	293 (0.3)	228 (0.2)	138 (0.5)
Total	95,498 (100.0)	101,667 (100.0)	103,710 (100.0)	119,434 (100.0)	29,402 (100.0)

Note: 1) The market share by distribution channel was based on total premium income until 2022, but starting in 2023, it is based on initial premium income.
2) The premium income of pension plans is included.
3) Company employees include telemarketing (TM) and computer marketing (CM).
Source: KIDI, Monthly Insurance Report, Issues

2. Numbers of solicitors and insurance agents

The number of direct writers and solicitors in the non-life insurance market was 32,882 and 103,283 in 2023, respectively, representing a 0.5% and 3.9% increase from 2022. The number of agents fell by 0.7% from 2022 and was recorded at 28,299 in 2023.

Table 29. Number of direct writers, solicitors, and insurance agents

(Unit: persons, %)

Classification	2019	2020	2021	2022	2023
Direct writers	32,715 (0.1)	33,461 (2.3)	32,940 (-1.6)	32,709 (-0.7)	32,882 (0.5)
Solicitors	92,193 (15.1)	102,552 (11.2)	103,219 (0.7)	99,426 (-3.7)	103,283 (3.9)
Agents	27,769 (0.5)	28,247 (1.7)	29,109 (3.1)	29,197 (0.3)	28,999 (-0.7)

Note: 1) Figures in parentheses indicate annual percent changes.
2) The figures of solicitors exclude cross-selling solicitors.
3) The figures of agents indicate the number of agencies.
Source: KIDI, Monthly Insurance Report



KOREAN
INSURANCE
INDUSTRY

2024

INSURANCE REGULATION AND SUPERVISION

- Insurance regulation
- Supervision of insurance companies
- Changes in supervisory regulations of insurance business

Insurance regulation[15)]

1. Insurance business law and related laws

The 「Insurance Business Law」 and its relevant enforcement regulations constitute the Korean legal system for insurance. Since its promulgation on January 15, 1962, the 「Insurance Business Law」 has been revised numerous times to reflect the changes in the financial environment and international regulatory trends.

In 2010, the 「Insurance Business Law」 was amended to strengthen consumer protection. The explanation of the key provisions of insurance contracts and the consumers' acknowledgment became mandatory. Also, the amended law led insurers to be informed of their consumers' financial situation and recommended appropriate products that suited consumers' interests best. Besides, the product development process was simplified so that insurers could not have regulatory filing (use without file) for certain products that meet specific regulatory requirements.

In August 2010, as a preparatory measure to introduce risk-based capital (RBC) for insurers, the Financial Supervisory Service (FSS) began to conduct a pre-assessment of the internal models of several insurance companies. As of April 2011, the RBC regime was fully implemented. And in 2011, the enforcement decree of the 「Insurance Business Law」 was revised to enhance the risk management abilities of insurers.

In 2012, the enforcement decree of the 「Insurance Business Law」 was revised to reflect the change in 「Agricultural Co-operative Law」. As 「Agricultural Co-operative Law」 was revised to split the whole organization into farming business and financial service, a financial holding company was formed with banking, investment, and life and non-life insurance subsidiaries[16)].

15) This section is extracted from the publications of Financial Supervisory Service (FSS).
16) The insurance subsidiaries are called NongHyup Life Insurance Co., Ltd. and NongHyup Property & Casualty Insurance Co., Ltd.

The insurance section of the 「Korean Commercial Code」 was amended on March 11, 2014, and the amendment took effect on March 12, 2015. The amendment added new provisions on guaranty and health insurance, as well as clarification of the requirements for group insurance. Also, to protect disabled people and the family members of a decedent, subrogation against family members was prohibited. The amendment required an obligatory explanation of the terms of the insurance contract and indicated the responsibility of insurance agents.

On May 18, 2017, the Financial Supervisory Commission (FSC) announced the implementation of IFRS 17 in the Korean insurance market in 2021, but the introduction of IFRS 17 has been postponed to 2023. And 「Insurance Business Law」 was amended on June 11, 2021, for IFRS 17, and the amendment took effect on January 1, 2023. The FSS and the preparation committee of IFRS 17 released the final version of K-ICS introduced for the financial solvency of insurance companies on February 24, 2022. They amended the laws and the regulations related to K-ICS, and the amendment took effect on January 1, 2023.

2. Financial Investment Services and Capital Market Act

The 「Financial Investment Services and Capital Market Act」 (FSCMA) was initially enacted by the National Assembly in July 2007 and took into effect as of February 4, 2009. The act aimed to reformulate the legal framework of the Korean capital market, on which 「Securities and Exchange Act」 of 1962 had been the primary legislation.

The major changes for legislation:

- Shifting to functional regulation
- Introducing a comprehensive system
- Expanding the business scope
- Upgrading the investor protection mechanism

Shifting to functional regulation left financial products or services with the same function to become subject to the same regulatory treatment regardless of the financial sectors in which the products are provided. Financial investment companies can engage in multiple business areas, such as dealing, brokerage, and asset management, provided some information barrier requirements are satisfied.

The act provided measures to enhance investor protection by classifying investors into two groups, ordinary and professional; and the measures were more inclined to protect the former. In addition, the rules; such as the prohibition of unsolicited calls, the prohibition of misleading investors with uncertain matters, the adoption of a cooling-off period, and the duty to manage conflicts of interest; were both applicable to ordinary and professional investors.

On November 5, 2012, the Financial Services Commission (FSC) announced that the regulations on financial investment business would be amended as there had been ongoing concerns regarding the practice of fund distribution.

The amendment included provisions that prohibit insurance companies from outsourcing more than 50% of their variable insurance assets to affiliated asset managers within the same business group. The restriction on outsourcing to affiliated fund managers became effective as of January 1, 2014.

3. Entry Regulation

Only stock corporations, mutual companies, and licensed foreign insurers are permitted to enter the insurance market with appropriate regulatory permission granted by the FSC. There are three different insurance licenses life, non-life, and the so-called 'third insurance'[17].

17) The term the 'third insurance' refers to the gray zone of insurance business with characteristics and features of both life and non-life insurance policies.

(a) Minimum Incorporation Capital requirement

The minimum capital required for the insurance business is 30 billion KRW. Given that when an insurer intends to engage in a single-line insurance business, the amount of the paid-in capital or funds should be no less than 5 billion KRW.

- Life insurance: 20 billion KRW
- Annuity (including pension): 20 billion KRW
- Fire insurance: 10 billion KRW
- Marine insurance[18]: 15 billion KRW
- Automobile insurance: 20 billion KRW
- Guaranty insurance: 30 billion KRW
- Reinsurance: 30 billion KRW
- Liability insurance: 10 billion KRW
- Engineering insurance: 5 billion KRW
- Real-estate right insurance: 5 billion KRW
- Accident insurance: 10 billion KRW
- Sickness insurance: 10 billion KRW
- Long-term care insurance: 10 billion KRW
- Other insurance business: 5 billion KRW

However, suppose insurers subscribe to over 90% of total contracts or premiums using telephone, mail, or electronic communications. In that case, they can enter an insurance market with two-thirds of the paid-in capital or funds amount above.

(b) Business funds to be paid by foreign insurers

When foreign insurers aim to engage in the insurance business in Korea, the amount of paid-in funds should be no less than 3 billion KRW.

18) Including aviation and transportation insurance

(c) Other requirements for permission

Insurers are required to have adequate professional manpower and physical facilities, including computer equipment, to carry on the intended insurance business.

The insurer's business plan is required to be feasible and sound.

Significant owners are required to possess the financial capability to carry on the business and have financial soundness and social credit.

(d) Maintenance of manpower and physical facilities

Insurers should maintain adequate professional manpower and physical facilities, which can be waived only by the approval of the FSC with proper measures to protect policyholders and maintain the financial soundness of insurers.

4. Product Regulation

Insurance companies may offer certain types of insurance products without supervisory review ("discretionary insurance products") if the product complies with the basic documentation and the contract provision requirements are met for an insurance product. If any of the documentation or contract provision requirements are subject to reporting for supervisory review, the product is deemed nondiscretionary ("nondiscretionary insurance product") and subject to reporting.

Supervisory review of an insurance product consists of an ex-ante pre-sale review for nondiscretionary insurance products and an ex-post after-sale review for discretionary insurance products. Documentation for the sale of a nondiscretionary insurance product must be submitted to the FSS for supervisory review at least 30 days prior to the expected date of the sale.

Discretionary insurance products may be offered to consumers without FSS supervisory review in principle. To mitigate the risk of consumer harm from discretionary insurance products, the FSS conducts an ex-post supervisory review each quarter to focus on defective discretionary insurance products. Under the intensive review regime, insurance companies submit a list of insurance products sold until the last day of the following month from the end of each quarter.

5. Distribution Regulation

Solicitation is the act of soliciting, negotiating, or procuring the purchase of an insurance product from consumers. For consumer protection, the Insurance Business Act limits individuals and entities that may engage in insurance solicitation to the following:

(a) Insurance company executives and employees (excluding the company's chief executive officer, outside directors, auditor, and members of the board's audit committee);

(b) Insurance solicitors who are registered with insurance associations and employed by an insurance company; an insurance solicitor must be employed by only one insurance company except where an insurance solicitor employed by a life insurance company solicits a buyer for a non-life insurance company (and vice versa);

(c) Independent insurance agents (also called insurance agencies) that sell insurance products from multiple insurance companies and conclude an insurance contract on behalf of an insurance company; and

(d) Insurance brokers who are FSS-registered independent intermediaries for insurance buyers and sellers; unlike independent insurance agents, insurance brokers may negotiate insurance premiums and contract terms with insurance companies.

Bancassurance, enabling banks, FISPs, and other authorized financial services companies to sell insurance products as independent insurance agents, was introduced in May 2003. The authorized bancassurance sellers may solicit insurance buyers from their Internet homepage or face-to-face within designated spaces within their branches.

Supervision of Insurance companies[19)]

1. Prudential standards

In 2023, Korea insurance capital standard (K-ICS) replaced risk-based capital (RBC)[20)], which was a capital regime for insurance companies for 12 years. The Insurance Business Act, the governing legislation with K-ICS, has set the minimum capital ratio of 100 percent for the financial solvency of insurance companies. The capital ratio of K-ICS functions as a minimum regulatory capital for insurance companies, which is determined on the basis of the risks to which an insurance company is exposed. It is expressed as a ratio of available capital to required capital. In principle, available and required capital must be calculated on a consolidated basis, excluding non-insurance companies, non-financial entities, and foreign insurance companies if their data consistency, sufficiency, and objectivity are not satisfactory where there is no entity to be consolidated, available, and required capital may be calculated on a stand-alone basis. For insurance supervision, the capital ratio of K-ICS provides the basis for the supervisory rating of insurance companies and any prompt follow-up correction action needed.

(a) Available capital

Available capital is the risk buffer available to cover any unpredicted losses that insurance companies may sustain; it is similar to the solvency margin under the solvency margin regime. Available capital is calculated by first aggregating an insurance company's core capital, which primarily consists of capital stock (paid-in capital and capital surplus), retained earnings, accumulated other comprehensive income, and supplementary capital such as subordinated debt and loan loss reserves, then deducted from the aggregate capital items including prepaid expenses, deferred acquisition cost, and goodwill, and any capital shortfalls of the insurance company's subsidiaries.

19) This section is extracted from the publications of Financial Supervisory Service; FSS Handbook 2014, 2019, and 2022.
20) The RBC regime is in line with the international trend and enables a proper measurement of insurance risk, market risk, interest rate risk, credit risk, and operating risk.

Subordinated debt is deemed as capital to a certain extent; it may be included in tier 2 capital within 50 percent of the capital. A 20-percent haircut is applied per annum where the remaining maturity is five years or less. Subordinated debt must meet strict requirements to be treated as tier 2 capital. For instance, it must be unsecured and non-redeemable without FSS approval and mature at least five years later. Insurance of subordinated debt must be within 400 percent of the capital. The purpose of the issuance is also limited to avoiding losses caused by maturity mismatch or ensuring financial soundness.

(b) Required capital

Required capital measuring the insurance company's total risk is capital calculated from the insurance company's underlying exposures to insurance risk, interest rate risk, market risk, credit risk, and operational risk considering correlation coefficients.

Except for some risks, most of the risk amounts are calculated using the shock scenario method. With the implementation of K-ICS, five sub-risks have also been added as risk amounts.

2. Supervisory evaluation

The supervisory evaluation and rating regime was changed from CAMEL to RAAS—short for risk assessment and application system—in September 2012 for the transition to risk-based supervisory evaluation and rating. Under RAAS, each insurance company receives from the FSS a composite rating on the basis of the evaluation and rating of seven components of the insurance company's overall financial soundness and business operations.

The seven components are: (1) management risk; (2) insurance risk; (3) interest rate risk; (4) investment risk; (5) liquidity risk; (6) capital adequacy; and (7) earnings. For each of the seven components, quantitative and non-quantitative factors comprising the component are analyzed for a component rating on a 1 to 5 numerical scale (1 the highest rating and 5 the lowest). The component ratings are then aggregated for the insurance company's composite rating on a 1 to 5 numerical scale with three levels (+, 0, or -) for each numerical scale, meaning a total of 15 possible level assignments.

Composite rating is used as the basis for prompt corrective action, which can vary from management improvement recommendation (MIR) and management improvement demand (MID) to management improvement order (MIO). MIR is the least adverse supervisory action, and MIO is the most adverse. MIR is issued when (1) the composite rating is 3, 2, or 1, and (2) the capital adequacy component rating is 4 or 5, or at least two of the ratings for insurance risk, interest rate risk, and investment risk are 4 or 5. MIO is made for insurance companies that are assigned a composite rating of 4 or 5.

3. Restrictions on investments of insurers

Premiums paid by the policyholders make up the bulk of insurers' assets, which are mostly appropriated as reserves to meet the insurers' future liabilities and benefit obligations. Prudent and sound management of insurers' assets is essential to protect the policyholders. Asset management is important to ensure the safety, liquidity, profitability, and public interest of the assets. According to the insurance-related laws and regulations, the regulations on the asset management of insurance companies prohibit certain types of asset operation. Insurance companies are restricted from the following activities:

- Acquisition of non-business-purpose real estate holdings
- Lending intended for speculation in securities
- Lending intended for acquisition of its own shares
- Lending intended to fund political activities
- Lending to the officers or employees
- Any activity that undermines the safety and soundness of the company assets

In order to prevent the extension of disproportionate support by an insurer to its own business group and the spread of investment risks, there are investment limits and investment categories for insurers(see Table 30). On the other hand, amendments to the Insurance Business Act to enhance the autonomy of asset management in the insurance industry passed the Cabinet Council on 2nd May 2017. The purpose of amendments is to abolish items for real estate holdings, foreign currency holdings, and a sum of security deposits.

Table 30. Restriction ratios of asset management

Items	Limits - General account	Limits - Separate account
Credit extension to a single person or company	3% of total assets	5% of each separate asset account
Stock and bond investment in any single company	7% of total assets	10% of each separate asset account
Credit extension or stocks and bond investments to a person or a company (including related persons or companies)	12% of total assets	15% of each separate asset account
Sum of credit extension and stocks and bond investments in excess of 1/100 of the insurer's total assets (applicable to the same person, company, or principal shareholders)	20% of total assets	20% of each separate asset account
Credit extension to a principal shareholder or a subsidiary of the insurance company under the Presidential enforcement decree	Lower of either (1) 2% of the total assets or (2) 40% of the capital	2% of each separate asset account
Credit extension to a principal shareholder or a subsidiary of the insurance company under the Presidential enforcement decree	Lower of either (1) 3% of the total assets or (2) 60% of the capital	3% of each separate asset account
Credit extension to the same subsidiary of the insurance company	10% of the capital	4% of each separate asset account
Real estate holdings	25% of total assets	15% of each separate asset account
Foreign currency holdings or real estate holdings overseas in accordance with the 「Foreign Exchange Transactions Act」	50% of total assets	50% of each separate asset account
Sum of security deposits for domestic and overseas futures trading	6% of total assets	6% of each separate asset account

Note: Total assets are those of general account or those of separate account.
Source: Financial Supervisory Service (FSS), HANDBOOK 2014

4. Corporate governance

• Outside directors[21)]

The board of directors of insurance companies whose assets exceed 5 trillion KRW must appoint three or more outside directors, and more than half the number of board members must be outside directors. The board of directors of insurance companies whose assets do not exceed 5 trillion KRW but exceed 300 billion KRW must appoint at least one-fourth of outside directors.

• Audit committee

Insurance companies whose assets exceed 5 trillion KRW must establish an audit committee. The audit committee must comprise at least three directors, and at least two-thirds of the number of its members must be outside directors. And at least one of the members should possess expertise in accounting or finance.

• Compliance officer & risk manager

Insurance companies must appoint a compliance officer and a risk manager who possess the knowledge and expertise to fulfill their duties. The board must approve the appointment and dismissal of the compliance officer and risk manager of directors, and dismissal requires at least two-thirds of the votes of board members in order to ensure independence from the management of the company.

• Internal controls and compliance

Together with the outside director and audit committee regimes, internal controls and compliance constitute the core of the corporate governance structure. Whereas outside directors and audit committees are particularly applicable to large financial institutions, internal control standards and compliance regimes apply to all financial services companies irrespective of the size, the types of business, and the listed status. For compliance, at least one compliance officer must be appointed to monitor internal control compliance, investigate any cases of noncompliance, and report them to the audit committee. A vote by the board of directors is required to appoint or discharge a compliance officer. Foreign bank branches may appoint a compliance officer without satisfying the board approval requirement.

---

21) By the 「Korean Commercial Code」, a listed company should appoint at least one-fourth of its board members as outside directors and a listed company with assets exceeding 2 trillion KRW should appoint three or more outside directors, and more than a half the number of board members must be outside director.

5. Consumer protection

• **Dealing with insurance fraud**

(a) Overview

The insurance policy was created with the positive purpose of sharing the losses incurred by various risks among insurance associations to help individuals sustain a stable life. However, because of its nature of paying money for unexpected future events, some try to illicitly exploit the policy. Indeed, insurance fraud cases are steadily on the rise globally.

The primary victim of insurance fraud is insurance companies. However, given that any loss caused by insurance fraud is compensated by insurance premiums, the ultimate victim is insurance policyholders. Speaking more broadly, we all fall victim to such fraud because we pay the social cost that is spent on the inspection, identification, and punishment process. Therefore, developing effective measures is crucial for the sound growth of the insurance market.

(b) Investigation process

The FSS takes the following investigation process for cases suspected of insurance fraud: i) reports from informants; ii) initial assessment; iii) data collection and analysis; and iv) notification of the charges. Evidence is generally collected through reports from insurance companies or tips from the general public. Next is an initial assessment phase to examine the suspect's insurance policy and accident records, and then previous claims, copies of documents, and other material evidence related to the allegations are collected. Various data, including the type of the accident, statements of the at-fault driver, the degree of property damage, the hospital length of stay, and medical records from the hospital regarding the accident, are analyzed, and based on the analysis, the FSS draws up a report on the fraud and refers it to the law enforcement authorities with supporting materials.

Generally, insurance fraud investigation is investigated in collaboration among insurance companies, the FSS, and law enforcement authorities (prosecutors and police). The FSS operates the Insurance Fraud Analysis System (IFAS), which conducts data collection, off-site monitoring, and identification of suspects, as well as the insurance fraud reporting center.

The IFAS is an information processing system that can automatically identify suspects by managing and analyzing databases on contracts and accident information. The system was developed to escape from the old-fashioned analog-style investigation process that depended on the intuition and experience of investigators. The major functions of the IFAS are suspect identification, link analysis, social network analysis (SNA), verification of allegations, case management, and statistical analysis. Here, the SNA is a method of detecting the presence of organized fraud rings by visualizing networked structures based on the mass of data on contracts and accidents. The FSS also reflects insurance companies' fraud prevention activities in supervisory ratings to raise their awareness.

Changes in supervisory regulations of insurance business

1. Reinforcement of financial consumer protection[22)]

• **Implementation of System Improvements to Prevent Unjust Policy Twisting [2023. 10. 23]**

The FSS(Financial Supervisory Service) announced some ways to prevent claims leakage related to cataract surgery. With cataract surgery on the rise, consumers should be wary of claims being denied after surgery. It is important to remember that cataract surgery is not covered for non-therapeutic purposes. The evidence to confirm the presence of cataracts will help to make claims paid.

• **Pre-Announcement of Amendments to the Insurance Business Supervision Regulations [2023. 12. 22]**

The FSC has issued a legislative notice amending the Insurance Business Supervision Regulations, effective from December 22, 2023, to January 2, 2024. The amendment includes rationalizing Happy-Call procedures for insurance sales through the Cyber Mall (CM), accepting electronic documents, and adjusting the system for new accounting standards. The Happy-Call ensures important information is conveyed to new policyholders to prevent incomplete sales. However, for Cyber Mall, where policyholders subscribe directly, the Happy-Call will be excluded for all members except those aged 65 and older, who will still receive it.

• **Promoting Reasonable Improvements in Insurance Terms and Conditions [2024. 1. 2]**

The FSS has identified insurance terms and conditions that are disadvantageous or difficult for consumers to understand during the oversight of insurance products and the handling of disputes. To protect consumer rights and prevent disputes, improvement measures have been devised. These include clarifying the meaning of additional inspections for pre-contract disclosure obligations, specifying the conditions for lifting exclusions in exclusion clauses, and defining the criteria for topography and the timing of cancer diagnoses.

22) Financial Supervisory Services, (2023.10.23); (2023.12.22); (2024.1.2); (2024.4.4). Press Release

• **Preparing Guidelines for Insurers' Settlement Agreement [2024. 4. 4]**

The FSS has established effective guidelines for settlement agreements to enhance consumer protection. The FSS has identified several instances of unreasonable business practices, such as limiting future insurance claims through the use of unfair terms in settlement contracts. These guidelines will be integrated into the bylaws and systems of insurance companies, with immediately applicable elements such as settlement agreement forms being implemented starting in April.

2. Improvement of insurance products and services[23)]

• **Enhancement of the Joint Underwriting System for Fire Insurance [2023. 9. 13]**

The FSC approved the amendment to the "Mutual Agreement for Joint Underwriting of Special Building Fire Insurance with Special Conditions" on September 13th. This will allow multi-unit housing complexes, previously unable to obtain fire insurance due to fire incidents, to secure coverage through the joint underwriting system. The scope of risks will be expanded to include wind and flood damage, building collapse, and pipe leakage, offering policyholders a broader range of coverage options.

• **Improving Unreasonable Insurance Product Structures [2023. 7. 19]**

Concerns have been raised about the financial stability of insurers and potential consumer harm due to the development and sale of unreasonable insurance products to increase the Contractual Service Margin (CSM). To address this issue, we are implementing rational improvements to driver insurance, children's insurance, and short-pay whole life insurance. Driver insurance terms will be capped at 20 years, and the name of the children's insurance product will be restricted if the insured child is over 15 years old to prevent consumer confusion. Additionally, short-term life insurance policies prohibit the inclusion of excessive maintenance benefits such as savings products.

23) Financial Supervisory Services, (2023.9.13); (2023.7.19); (2023.10.16); (2024.3.31) Press Release

• **Measures to Improve the Pet Insurance System [2023. 10. 16]**

To promote the activation of pet insurance, efforts will be made to enhance the relevant infrastructure, including pet registration, standardization of medical treatment items, and issuance of medical records. Furthermore, customized insurance products will be offered, taking into account the needs of pet owners and the characteristics of pets. To provide differentiated insurance products and services, the entry of specialized pet insurance companies will be allowed.

• **Revision of the Detailed Regulations on the Implementation of Insurance Business Supervision [2024. 3. 31]**

The FSS has improved insurance products to enhance consumer options and ensure reasonable contract management. Firstly, the range of pet insurance products available in animal hospitals and pet shops has been expanded. Additionally, the guidelines for additional inspections have been clarified to prevent contract termination due to the non-notification of routine health check-ups and follow-ups. Finally, a new system allows military personnel to suspend and resume loss insurance, avoiding premium payments during their service periods.

3. Korea Insurance Capital Standard (K-ICS)

• **Progress of K-ICS**

The Financial Supervisory Service (FSS) and the preparation committee of IFRS 17 discussed improvement plans for financial reporting standards that will apply to insurance supervision after the implementation of IFRS 17.

In addition, On April 10, 2018, they prepared criteria for evaluating the profit and loss of insurance contracts held at the time of the adoption of IFRS 17 and the allocation of business expenses (K-ICS 1.0[24]). And they conducted an impact assessment to facilitate the practical application of the improvement plans (QIS 1[25]).

---

24) Financial Services Commission (2019.4.5)

25) The initials QIS stand for Quantitative Impact Assessment.

Meanwhile, on July 10, 2019, the FSS and the preparation committee prepared K-ICS 2.0[26], which was revised from K-ICS 1.0, and conducted the second impact assessment (QIS 2). And on June 22, 2020, they released K-ICS 3.0 and conducted the third impact assessment (QIS 3).

On November 30, 2020, FSS and the preparation committee of IFRS 17 discussed the way to introduce amendments to the law to implement IFRS 17 in 2023 to the National Assembly in the first half of 2021. In addition, they released K-ICS 4.0 on May 21, 2021, and announced that K-ICS will be implemented from 2023 on February 24, 2022.

Since the FSS and the preparation committee released the final version of K-ICS on February 24, 2022, they conducted several impact assessments (QIS 4 ~ QIS 9). They amended the laws and the regulations related to K-ICS and announced the implementation of K-ICS on December 6, 2022[27].

IFRS 17 became effective on January 1, 2023. The insurers' liabilities were valued at fair value, and the method of recognizing profit and loss changed. And with the implementation of IFRS17, K-ICS, which assesses the financial strength of insurance companies, has finally been introduced.

• A revised solvency system in line with IFRS 17, K-ICS 1.0[28]

By introducing K-ICS, it is possible to improve the quality of insurance companies' capital and intensify risk management by calculating the available capital and required capital corresponding to the real economic conditions, moreover, secure consistency with the global insurance capital standard and ensure reliability.

• Major changes of K-ICS 2.0[29]

The long-term target interest rates have to be recalculated annually, and the calculation method of volatility adjustment was improved under K-ICS 2.0. Also, the level of the shock scenario in life insurance risk and long-term non-life insurance risk changed as it is possible to use statistics for all insurers, and the calculation methods become sophisticated. Available capital is divided into basic capital (Tier 1), and supplementary capital (Tier 2), and the limit of recognition of supplementary capital changed to 50% of the required capital.

---

26) Financial Services Commission (2019.7.10)
27) Financial Services Commission (2022.12.6)
28) Financial Services Commission (2020.6.22)
29) Nof.Geonyoup (2019.9.23), Main contents and tasks of K-ICS 2.0, KIRI

• **Announcement of K-ICS 3.0**

On June 22, 2020, FSS and the preparation committee announced K-ICS 3.0, which revised K-ICS 2.0. They revised the risk margin, one item that makes up the insurance liability. Also, they changed judgment criteria about the boundaries of contracts.

• **Announcement of K-ICS 4.0**

On May 21, 2021, the FSS and the preparation committee announced K-ICS 4.0. They revised the system to measure life(long-term non-life) insurance risk and market risk in a shock and scenario method rather than a risk parameter method.

Table 31. Comparison of solvency systems

		Current RBC System	K-ICS
Available Capital	Asset Valuation	Fair value and Lock-In (Loan financial instrument held to maturity)	Fair Value
	Liability Valuation	Lock-In (Liability Aptitude Test)	
Rquired Capital	Types of Risk	① Insurance Risk	① Life and Long-Term Non-Life Insurance Risk
		② Interest rates Risk	② General Insurance Risk
		③ Market Risk	③ Market Risk (including Interest rate risk)
		④ Credit Risk	④ Credit Risk
		⑤ Operational Risk	⑤ Operational Risk
	Risk Assessment	Risk Parameter Method (Parameter x Risk Exposure)	Shock and Scenario method and Risk parameter method for ②, ④, ⑤
	Confidence Level	99%	99.5%
Solvency		Percent of Available to Demanded Capital is more than 100%	

Source: Financial Services Commission

• **Announcement of the final version of K-ICS**[30)]

On February 24, 2022, the FSS and the preparation committee of IFRS 17 announced the final version of K-ICS, followed by plans for transitional measures for the smooth transition to K-ICS.

The FSS elaborated in the transitional measures that the scope of the 'available capital' would be expanded, allowing hybrid and subordinated bonds to be recognized as 'available capital' if they were issued before K-ICS implementation. Furthermore, insurers will be allowed to apply TMTP (Transitional Measure on Technical Provision), which permits increased values of the insurance liabilities calculated based on market values to be deducted gradually from the available capital.

As for the 'required capital', insurance companies are permitted to use TMIR (Transitional Measure on Insurance Risk), meaning that the newly included insurance risks in the K-ICS regime can be recognized gradually over ten years. The effect of risks related to stock and interest rates brought by the changes in risk calculation methods can also be recognized gradually during the transitional periods.

In addition, the FSS mentioned that the corrective measures would be deferred if the current RBC ratio exceeds 100%, even if the K-ICS ratio is less than 100%, in a bid to prevent the occurrence of insolvent insurance companies during the regulation transition periods.

• **Amendments of Regulations on Supervision of Insurance Business for K-ICS**

The FSS revised the Regulations on Supervision of Insurance Business for the implementation of K-ICS in 2023. The amendments seek to improve 'available capital' and 'required capital' announced in the final version of K-ICS in 2022. The K-ICS ratio, which is the percent of available to required capital, is more than 100% in a bid to prevent the occurrence of insolvent insurance companies.

• **Establishment of IFRS17 Actuarial Assumption Guidelines for K-ICS**

With the implementation of IFRS17 in 2023, which requires the assessment of insurance liabilities at fair value, insurers must evaluate their Best Estimate Liabilities (BELs) using optimal and unbiased assumptions based on their own empirical statistics, reasonable grounds, and methods. However, due to recent concerns about potential confusion, such as the use of arbitrary actuarial assumptions by insurers during the initial implementation of IFRS17, the FSC, and the FSS have established reasonable guidelines for key actuarial assumptions that significantly impact financial statements.

30) Financial Supervisory Services(2022.2.24)

• **Improvement of the Policy Reserve and K-ICS Policy**

Following the announcement of the actuarial assumption guidelines, detailed standards for calculating policy reserves were supplemented to address supervisory accounting issues raised during subsequent meetings. Additionally, to enhance the operational efficiency of insurers, standards for applying simplified methods were introduced. The K-ICS was also updated to improve risk measurement methods, ensuring that the K-ICS more accurately reflects the specific risks of each company.



KOREAN
INSURANCE
INDUSTRY
2024

APPENDIX

- Standards for classification of types of insurance products
- Profiles of insurance companies
- Websites

Standards for classification of types of insurance products

1. Life insurance

Types of insurance products	Standards for classification
Life insurance	Insurance receiving the price by commitment of payment of money and other benefits agreed concerning survival or death of a man: provided that annuity insur ance and retirement insurance shall be excluded
Annuity insurance (including retirement insurance)	Insurance receiving the price by commitment of payment of money and other benefits agreed concerning survival or retirement of a man by annuity or lump sum allowance (only applicable to a retirement insurance)

2. Non-life insurance

Types of insurance products	Standards for classification
Fire insurance	nsurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by fire
Marine insurance (including aviation, transport insurance)	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by an accident concerning marine business. In such cases, aviation, transport insurance compensating for damage incurred by an accident concerning airplane, land transported goods, artificial satellite, etc. shall be deemed a marine insurance
Automobile liability insurance	nsurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by an accident in connection with possession, use and management of an automobile. Commitment of payment of money and other benefits concerning damage incurred by an accident in connection with possession, use and management of an automobile
Guarantee insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by failure to pay one's financial debt under the contract or failure in duty under the Acts and subordinate statutes

Types of insurance products	Standards for classification
Reinsurance	Insurance by which an insurance company transfers the whole or part of liabilities for other benefits, such as payment of insurance proceeds, etc. under the insurance contract that it has underwritten to another insurer
Liability insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by an insured person's taking the responsibility for compensation to a third party owing to an accident
Technical insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by an accident related to machinery and equipment, electronic appliances, erection work, construction work and other objects similar thereto
Right insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by defects in the rights to movable property or real estate
Theft insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by theft
Glass insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by breakage of glass
Animal insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by an accident to animal
Nuclear insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by taking the responsibility for compensation under the Nuclear Damage Compensation Act
Expense Insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by an accident generating prize money, prize, expenses for litigation, other expenses. In such cases, legal expense insurance compensating damage incurred by an accident generating legal service or expenses for legal service
Weather insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning damage incurred by weather

3. Third insurance

Types of insurance products	Standards for classification
Casualty insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning risks, such as expenses incurred in treatment on bodily injury of a man and death, etc. resulting from injury
Disease insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning risks (excluding death owing to a disease), such as a disease of a man or hospitalization, operation, etc. owing to a disease
Nursing insurance	Insurance receiving the price by commitment of payment of money and other benefits concerning a state requiring other's tending or risks of treatment, etc. resulting there from, such as dementia or disability in daily life, etc.

Profiles of insurance companies

1. Life insurance companies

(Unit: billion KRW, persons)

Company	Date of establishment	Paid-in capital	Premiums	Total assets	Number of employees
Hanwha	Sep. 1946	4,343	14,079	114,793	2,764
ABL	Dec. 1954	16	2,311	17,385	765
Samsung	May. 1957	100	25,546	279,474	5,101
Heungkuk	Jan. 1950	80	3,453	24,266	470
Kyobo	Aug. 1958	103	18,987	115,080	3,809
LINA	Apr. 1987	35	3,097	5,727	731
iM Life	Feb. 1988	302	897	6,038	206
Mirae Asset	Mar. 1988	991	4,069	33,046	796
KDB	Apr. 1988	199	2,053	17,457	603
DB Life	Apr. 1989	253	1,995	10,231	206
Tong Yang	Apr. 1989	807	5,424	32,896	914
MetLife	Jun. 1989	142	3,325	23,186	617
KBI	Jun. 1989	162	4,116	31,634	734
Chubb Life	Jul. 1990	285	176	1,556	95
Shinhan	Jan. 1990	578	7,032	58,508	1,622
Hana	Nov. 1991	207	1,545	6,218	200
AIA	Mar. 1997	603	2,468	17,001	630
BNP Paribas Cadif	Oct. 2002	201	851	2,934	156
Fubon Hyundai	Jul. 2003	1,525	3,817	18,150	459
IBK	Jul. 2010	490	1,867	11,353	201
NongHyup	Mar. 2012	699	5,088	53,331	1,009
Kyobo Life Planet	Sep. 2013	244	211	650	126

Note: The insurance companies are listed in order of establishment date, and the figures in entries are as of December 31, 2023.
Source: Financial Supervisory Service, Korea Life Insurance Association

2. Non-life insurance companies

(Unit: billion KRW, persons)

Company	Date of establishment	Paid-in capital	Direct premiums	Total assets	Number of employees
Meritz	Oct. 1922	60.3	11,279	39,404	2,891
Hanwha	Apr. 1946	773.7	6,274	17,998	3,064
Lotte	May. 1946	310.3	2,476	14,843	1,264
MG	Feb. 1947	124.8	1,162	3,978	619
Heungkuk	Mar. 1948	325.8	3,156	12,022	940
Samsung	Jan. 1952	26.5	20,397	83,617	5,518
Hyundai	Mar. 1955	44.7	16,916	43,758	3,991
KB	Jan. 1959	33.3	12,749	37,661	3,032
DB	Mar. 1962	35.4	17,019	48,514	4,602
AIG	Apr. 1968	61.8	663	1,014	355
Seoul Guarantee	Feb. 1969	174.6	2,217	9,098	1,475
ACE American K.B.	Nov. 1999	31.1	669	1,014	305
First American K.B.	Jul. 2001	8.9	10	26	18
AXA	Sep. 2001	250.9	879	974	1,691
Mitshui Sumitomo K.B.	Oct. 2002	35.5	22	104	47
Hana	Nov. 2003	461.1	571	1,583	770
Shinhan EZ	July. 2022	106.2	60	261	125
NongHyup	Mar. 2012	100.9	4,245	10,991	834
Allianz Global Corporate & Specialty SE, K.B.	Jan. 2017	102.7	20	220	20
Carrot	Jan. 2020	298.3	412	392	352
Kakao Pay	Sep. 2021	200.0	7	146	158

Note: The insurance companies are listed in order of establishment date, and the figures in entries are as of December 31, 2023.
Source: Financial Supervisory Service

3. Reinsurance companies

(Unit: billion KRW, persons)

Company	Date of establishment	Paid-in capital	Assumed R/I Premium	Total assets	Number of employees
Korean Re	Mar. 1963	82.7	8,483	12,001	417
Munich Re K.B.	Nov. 1988	121.7	536	804	53
Swiss Re K.B.	May. 1995	249.4	1,209	1,327	53
Gen Re K.B.	Dec. 1996	17.0	74	159	12
Scor Re K.B.	Apr. 2004	161.3	1,445	1,130	0
RGA Re K.B.	Mar. 2005	52.0	416	275	81
Hannover Re K.B.	May. 2008	25.0	62	68	10
Tokio Marine & Nichido Fire K.B.	Dec. 2004	18.0	17	100	9
RGA Re K.B	Jan. 2022	16.2	3	22	18

Note: The insurance companies are listed in order of establishment date, and the figures in entries are as of December 31, 2023.
Source: Financial Supervisory Service

Websites

1. Life insurance companies

Company	Homepage
Hanwha Life Insurance Co., Ltd.	www.hanwhalife.com
ABL Life Insurance Co., Ltd.	www.abllife.co.kr
Samsung Life Insurance Co., Ltd.	www.samsunglife.com
Heungkuk Life Insurance Co., Ltd.	www.hungkuk.co.kr
Kyobo Life Insurance Co., Ltd.	www.kyobo.co.kr
LINA Life Insurance Company of Korea, Ltd.	www.lina.co.kr
iM Life Insurance Co., Ltd.	www.dgbfnlife.com
Mirae Asset Life Insurance Co., Ltd.	www.miraeassetlife.com
KDB Life Insurance Co., Ltd.	www.kdblife.co.kr
DB Life Insurance Co., Ltd.	www.idblife.com
Tong Yang Life Insurance Co., Ltd.	www.myangel.co.kr
MetLife Insurance Company of Korea., Ltd.	www.metlife.co.kr
KB Life Insurance Co., Ltd.	www.kblife.co.kr
Chubb life Korea Co. Ltd.	www.chubblife.co.kr
Shinhan Life Insurance Co., Ltd.	www.shinhanlife.co.kr
Hana Life	www.hanalife.co.kr
AIA Life Insurance Co., Ltd	www.aia.co.kr
BNP Paribas Cardif Life Insurance	www.cardif.co.kr
Fubon Hyundai Life Insurance Co., Ltd	www.fubonhyundai.com
IBK Insurance Co., Ltd.	www.ibki.co.kr
NongHyup Life Insurance Co., Ltd.	www.nhlife.co.kr
Kyobo Life Planet Life Insurance Company	www.lifeplanet.co.kr

2. Non-life insurance companies

Company	Homepage
Meritz Fire & Marine Insurance Co., Ltd.	www.meritzfire.com
Hanwha General Insurance Co., Ltd.	www.hwgeneralins.com
Lotte Insurance Co., Ltd.	www.lotteins.co.kr
MG Non-Life Insurance Co., Ltd.	www.mggeneralins.com
Hungkuk Fire & Marine Insurance Co., Ltd.	www.heungkukfire.co.kr
Samsung Fire & Marine Insurance Co., Ltd.	www.samsungfire.co.kr
Hyundai Marine & Fire Insurance Co., Ltd.	www.hi.co.kr
KB Insurance Co., Ltd.	www.kbinsure.co.kr
DB Insurance Co., Ltd.	www.idbins.com
Seoul Guarantee Insurance Co., Ltd.	www.sgic.co.kr
AIG, Inc.	www.aig.co.kr
ACE American Insurance Company K.B.	www.chubb.com
First American Title Insurance Company K.B.	www.firstam.co.kr
AXA General Insurance Co., Ltd.	www.axa.co.kr
Mitshui Sumitomo Insurance Co., Ltd. K.B.	www.ms-ins.co.kr
Hana Insurance Co., Ltd.	www.educar.co.kr
Shinhan EZ General Insurance	www.shinhanez.co.kr
NongHyup Property & Casualty Co., Ltd.	www.nhfire.co.kr
Allianz Global Corporate & Specialty SE, K.B.	www.agcs.allianz.com
Carrot General Insurance	www.carrotins.com
Kakao Pay Insurance	www.kakaopayinscorp.co.kr

3. Reinsurance companies

Company	Homepage
Korean Re	www.koreanre.co.kr
Munich Re K.B.	www.munichre.com
Swiss Re Asia Pte, Ltd, K.B.	www.swissrekorea.com
Gen Re K.B.	www.genre.com
Scor Reinsurance Asia Pacific Pre. Ltd. K.B.	www.scor.com
RGA Reinsurance Company K.B.	www.rgare.com
Hannover Re K.B.	www.hannover-re.com
Asia Capital Re K.B.	www.siacapitalre.com
Tokio Marine & Nichido Fire Insurance Co., Ltd. K.B.	www.tokiomarine.seoul.kr

4. Related organizations

Organization	Homepage
Ministry of Economy and Finance	www.moef.go.kr
Financial Supervisory Commission	www.fsc.go.kr
Financial Supervisory Service	www.fss.or.kr
Korea Deposit Insurance Corporation	www.kdic.or.kr
Korea Trade Insurance Corporation	www.ksure.or.kr
Korean Fire Protection Association	www.kfpa.or.kr
Korea Life Insurance Association	www.klia.or.kr
General Insurance Association of Korea	www.knia.or.kr
Korea Insurance Development Institute	www.kidi.or.kr
Korea Insurance Institute	www.in.or.kr
Korean Insurance Academic Society	www.kinsurance.or.kr
The Institute of Actuaries of Korea	www.actuary.or.kr
Korea Risk Management Society	www.krms.org
Korea Federation of Banks	www.kfb.or.kr
Korean Insurance Brokers Association	www.ikiba.or.kr
Korea Financial Investment Association	www.kofia.or.kr
Credit Counseling and Recovery Service	www.crss.or.kr