

A hand holding a gold pen is drawing a white outline of a house on a blue sky background with clouds. Inside the house outline, there is a white silhouette of a family consisting of two adults and two children. The background is a blue sky with white clouds, and there are curved lines in orange, green, and blue at the top and bottom edges.

KHFC Social Covered Bond 2020 Annual Reporting

Strictly Private & Confidential



KHFC Activities Update



KHFC Activities Update

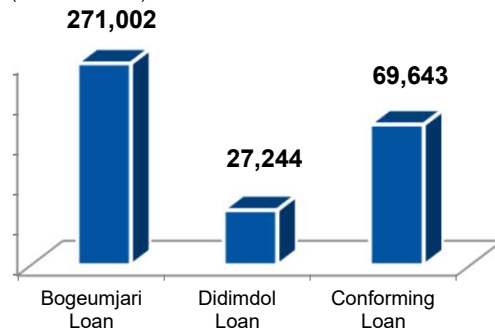


KHFC Securitization Business

- KHFC supports homeownership of the people by providing long-term • fixed-rate • amortizing mortgage loans – Bogeumjari Loans and Conforming Loans – and also procures funding for public mortgage loans in the capital markets through its issuance of MBS and Covered Bonds, thereby supporting housing welfare for the public

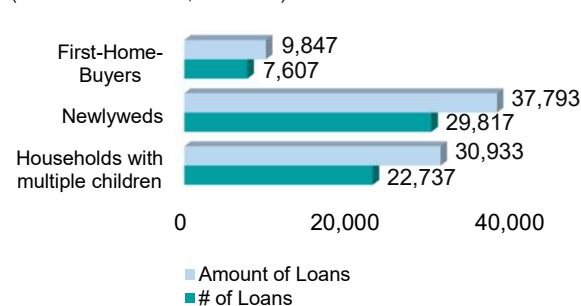
KHFC Securitization Business Overview*

(Unit: # of Loans)



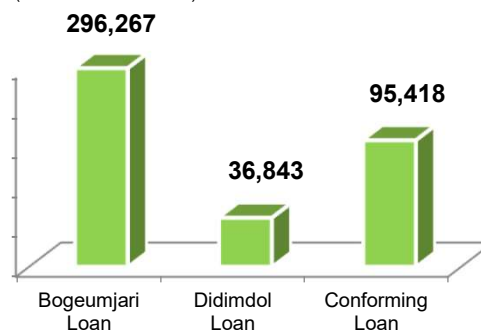
**Provided housing finance for
c.368,000 households**

(Unit: KRW 100 million, # of Loans)



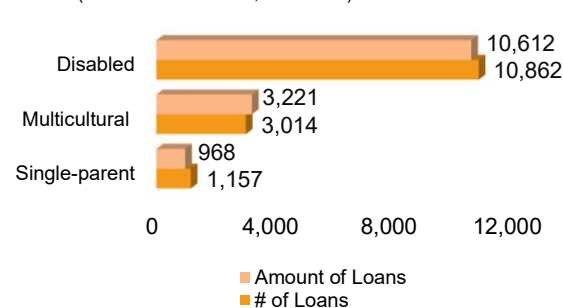
**Expanded housing finance supports for
c. 60,200 policy support targets**

(Unit: KRW 100 million)



**Financed KRW c.42.9 trillion
for homeownership**

(Unit: KRW 100 million, # of Loans)



**Enhanced housing stabilization for
15,000+ vulnerable groups**

<Proceeds allocation>

(Unit: # of Loans, KRW 100 million)

Type	# of Loans	Amount
Bogeumjari Loan	271,002	296,267
Didimdol Loan	27,244	36,843
Conforming Loan	69,643	95,418
Total	367,889	428,527

<Loans to Policy Support Targets>

(Unit: # of Loans, KRW 100 million)

Type	# of Loans	Amount
First-Home-Buyers	7,607	9,847
Newlyweds	29,817	37,793
Households with multiple children	22,737	30,933
Total	60,161	78,573

<Loans to Vulnerable Groups>

(Unit: # of Loans, KRW 100 million)

Type	# of Loans	Amount
Single-parent	1,157	968
Multicultural	3,014	3,221
Disabled	10,862	10,612
Total	15,033	14,801



KHFC Social Covered Bond Allocation & Impact Reporting Summary



KHFC Social Covered Bond Issuance



KHFC 2020 Social Covered Bond

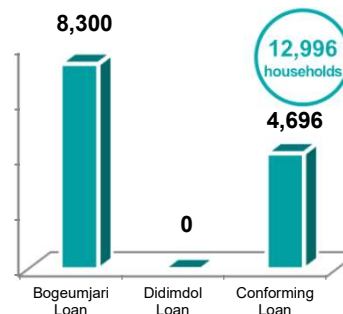
1st Negative Yielding
Covered Bond out of Asia

KHFC
EUR 1 billion
0.010% due 2025
Social Covered Bond
Feb 2020

Social Covered Bond	Amount
Proceeds	EUR 1 billion
Allocated Proceeds	EUR 1 billion

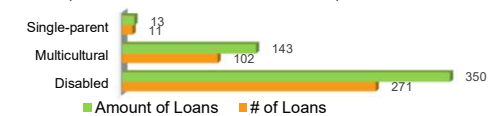
Type	Amount (KRW 100 million)	# of Loans
Bogumjari Loan	12,306	8,300
Didimdol Loan	-	-
Conforming Loan	5,174	4,696
Total	17,481	12,996

of Supported Households



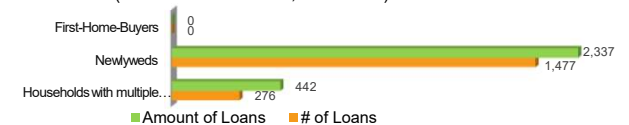
Loans to Vulnerable Groups

(Unit: KRW 100 million, # of Loans)



Loans to Policy Support Targets

(Unit: KRW 100 million, # of Loans)



KHFC 2019 Social Covered Bond

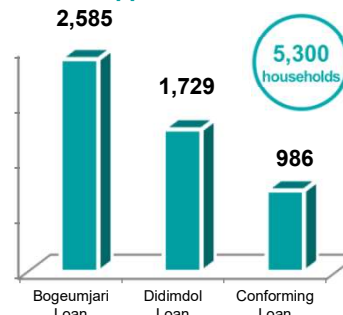
1st AAA EUR Social
Covered Bond out of Asia

KHFC
EUR 500 million
0.100% due 2024
Social Covered Bond
Jun 2019

Social Covered Bond	Amount
Proceeds	EUR 500 million
Allocated Proceeds	EUR 500 million

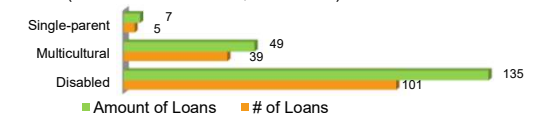
Type	Amount (KRW 100 million)	# of Loans
Bogumjari Loan	3,698	2,585
Didimdol Loan	2,385	1,729
Conforming Loan	1,680	986
Total	7,763	5,300

of Supported Households



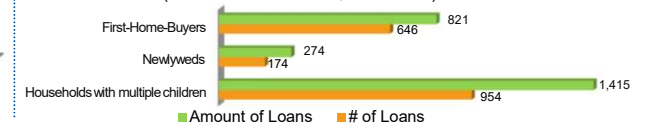
Loans to Vulnerable Groups

(Unit: KRW 100 million, # of Loans)



Loans to Policy Support Targets

(Unit: KRW 100 million, # of Loans)



KHFC 2018 Social Covered Bond

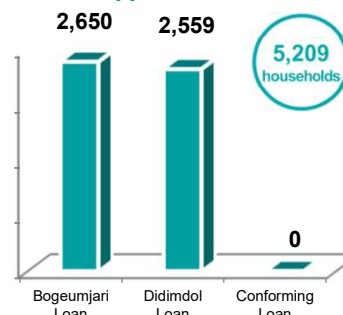
1st EUR Social
Covered Bond out of Asia

KHFC
EUR 500 million
0.750% due 2023
Social Covered Bond
Oct 2018

Social Covered Bond	Amount
Proceeds	EUR 500 million
Allocated Proceeds	EUR 500 million

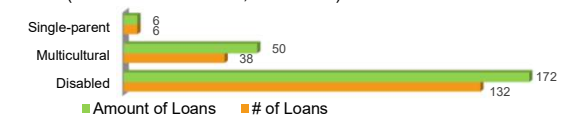
Type	Amount (KRW 100 million)	# of Loans
Bogumjari Loan	3,847	2,650
Didimdol Loan	3,412	2,559
Conforming Loan	-	-
Total	7,259	5,209

of Supported Households



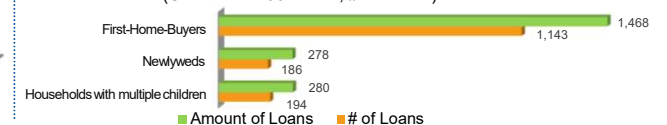
Loans to Vulnerable Groups

(Unit: KRW 100 million, # of Loans)



Loans to Policy Support Targets

(Unit: KRW 100 million, # of Loans)





KHFC 2020 Social Covered Bond Allocation & Impact Reporting

2020 Social Covered Bond Allocation Reporting

Post-issuance Reporting for KHFC's 2020 Social Covered Bond



Allocation of Net Proceeds

Social Covered Bond	Amount
Proceeds	EUR 1 billion
Allocated Proceeds	EUR 1 billion
Unallocated Proceeds	-

*1st Negative Yielding
Covered Bond out of Asia*

KHFC
KOREA HOUSING-
FINANCE CORPORATION

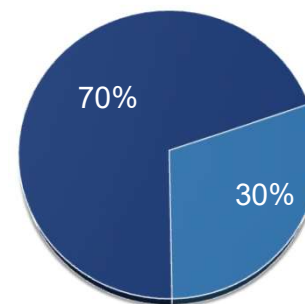
KHFC
EUR 1 billion
0.010% due 2025
Social Covered Bond
Feb 2020

On February 5, 2020, KHFC successfully issued EUR 1 billion Social Covered Bonds. With the 1st mega-size Social Covered Bonds issuance, KHFC again solidified its position as a leading and frequent Social issuer out of Asia and highlighted its contribution to realizing social values including stable supply of housing finance for low- to moderate income population

On the day of KHFC's inaugural AAA Social Covered Bond issuance, 100% of the net proceeds were exclusively used to purchase KHFC's public mortgage loans which support sustainable housing finance for low- to moderate income households in accordance with KHFC's Social Financing Framework

Breakdown of Allocated Proceeds by Loan Product

Loan Product	Allocated Proceeds (KRW 100 million)	Number of Loans
Bogeumjari Loan	12,306	8,300
Didimdol Loan	-	-
Conforming Loan	5,174	4,696
Total	17,481	12,996



Bogeumjari Loan & Didimdol Loan:

Long-term, fixed rate, amortizing mortgage loans provided to help ordinary people realize the dream of owning a home

Conforming Loan:

Long-term, fixed rate, amortizing mortgage loans designed to improve the structure of the mortgage market

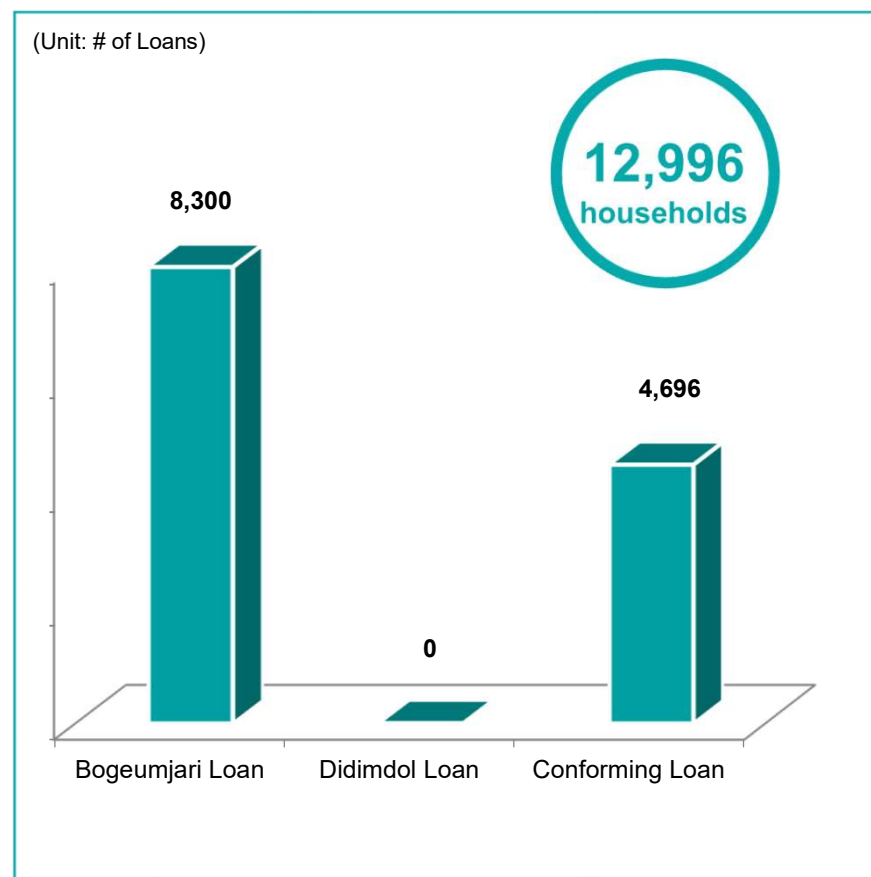
2020 Social Covered Bond Impact Reporting



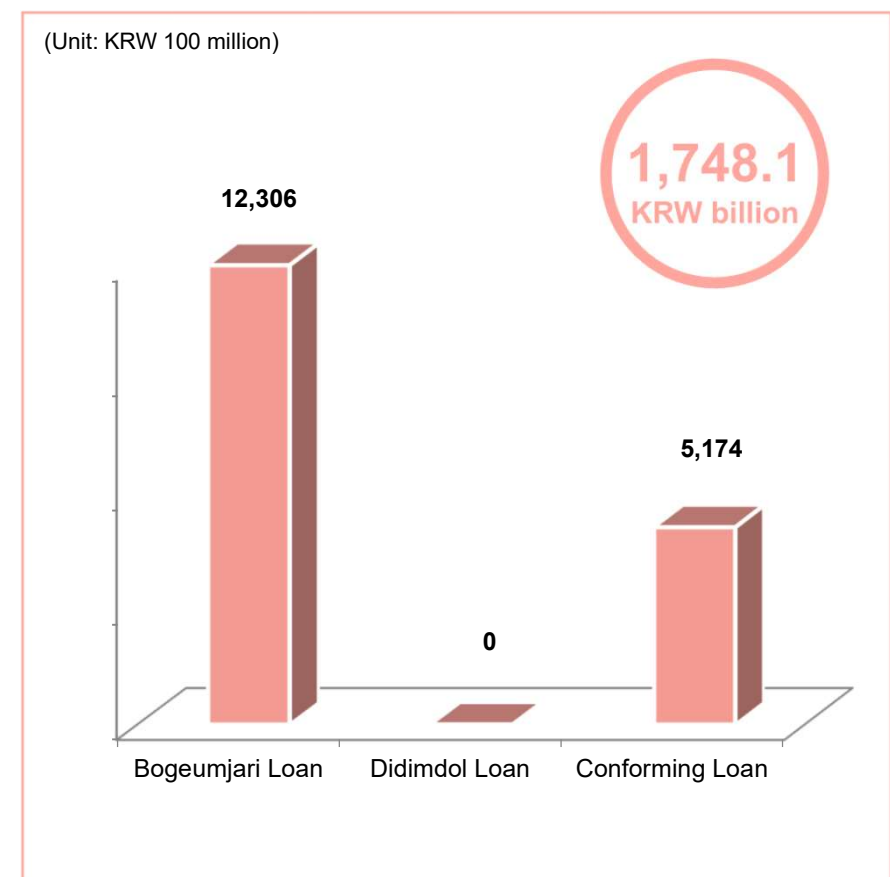
Funding for Realization of Social Values

- With the proceeds (EUR 1 billion) from KHFC's 2020 Social Covered Bond issuance, KHFC supplied KRW 1,748.1 billion of public mortgages, contributing to meeting demand from real home buyers and supporting 12,996 households

Households supported by KHFC's 2020 Social Covered Bond



Loan amount provided by KHFC's 2020 Social Covered Bond



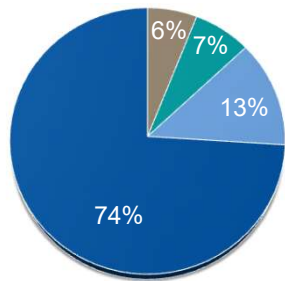
2020 Social Covered Bond Impact Reporting

KHFC's contribution to stable housing finance market



- KHFC has endeavored to improve the structure of the domestic mortgage loan market by actively supplying long-term (10yrs~) • fixed rate • amortizing mortgage loans

Tenor



■ ~10yrs ■ 10yrs~15yrs ■ 15yrs~20yrs ■ 20yrs~30yrs

Tenor	# of Loans	Amount (KRW 100 million)
~10yrs	1,253	1,008
10yrs~15yrs	1,208	1,270
15yrs~20yrs	1,877	2,183
20yrs~30yrs	8,658	13,020
Total	12,996	17,481

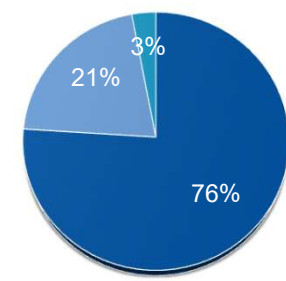
Interest Rate Type



■ Fixed Rate

Type	# of Loans	Amount (KRW 100 million)
Fixed Rate	12,996	17,481
Variable Rate	-	-
Total	12,996	17,481

Repayment Type



■ Equal P&I ■ Equal P ■ Incremental Installment

Type	# of Loans	Amount (KRW 100 million)
Equal P&I	9,796	13,368
Equal P	2,964	3,655
Incremental Installment	236	457
Total	12,996	17,481

2020 Social Covered Bond Impact Reporting

Contribution to housing welfare of low- to moderate income households

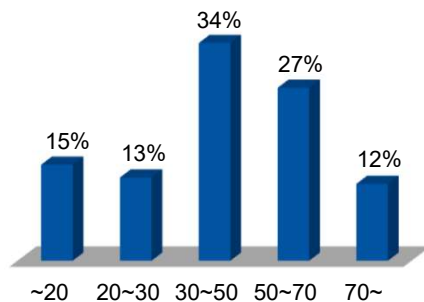


- KHFC has actively provided financial support for low-income households with public mortgage loans including Bogeumjari, Didimdol and Conforming Loans
- KHFC's mortgage loans included in the cover pool for its 2020 Social Covered Bond were provided to low to moderate income households with an average age of 44.1 years and an average annual income of KRW 41.4 million

Customer Information

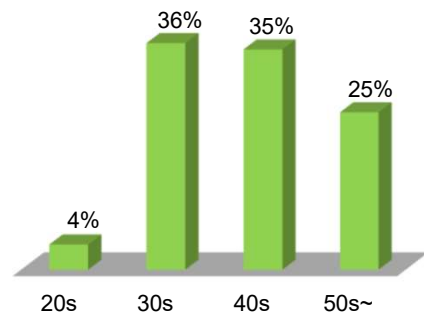
Income

(Unit: KRW million)



Income (KRW million)	# of Loans	Amount (KRW 100 million)
~20	2,980	2,582
20~30	1,720	2,222
30~50	4,064	5,910
50~70	2,951	4,657
70~	1,281	2,110
Total	12,996	17,481

Age

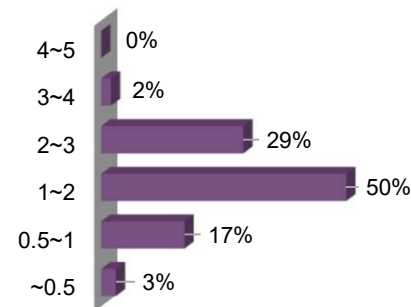


Age	# of Loans	Amount (KRW 100 million)
20s	592	783
30s	4,290	6,320
40s	4,524	6,082
50s~	3,590	4,296
Total	12,996	17,481

Loan Information

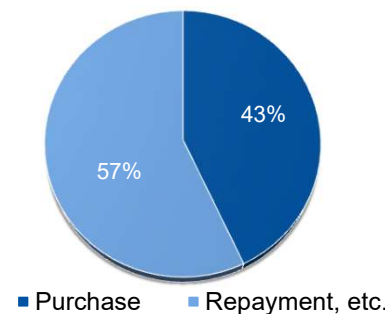
Loan Amount

(Unit: KRW 100 million)



Loan Amount (KRW 100 million)	# of Loans	Amount (KRW 100 million)
~0.5	1,384	536
0.5~1	3,646	2,906
1~2	5,859	8,717
2~3	2,026	5,045
3~4	81	277
4~5	-	-
Total	12,996	17,481

Purpose



Purpose of Loan	# of Loans	Amount (KRW 100 million)
Purchase	5,583	7,587
Repayment, etc.	7,413	9,894
Total	12,996	17,481

2020 Social Covered Bond Impact Reporting

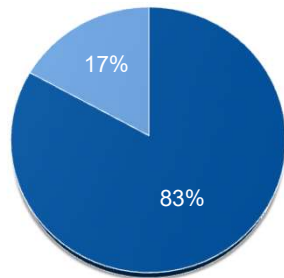
Contribution to housing welfare of low- to moderate income households



- KHFC constantly aims to improve the housing welfare for the underprivileged population and eligible targets of policy support by providing stable housing finance, especially recognizing the low birth rate and increase in single families in Korea
- Public mortgage loans mainly target low- to moderate income households and real home buyers. The average housing price is KRW 261.4 million and the average housing area of 78.74m² which is less than the size of the national housing (85m²)

Collateral Information

Size

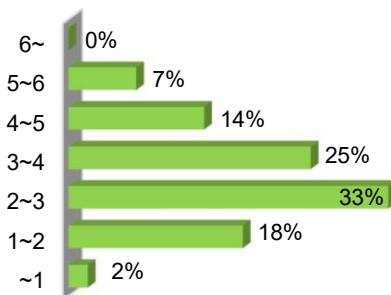


■ ~85m² ■ 85m²~

Type	# of Loans	Amount (KRW 100 million)
~85m ²	11,360	14,563
85m ² ~	1,636	2,918
Total	12,996	17,481

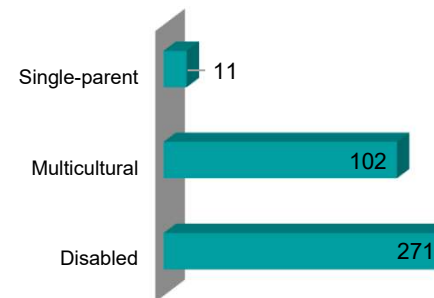
House Price

(Unit: KRW 100 million)



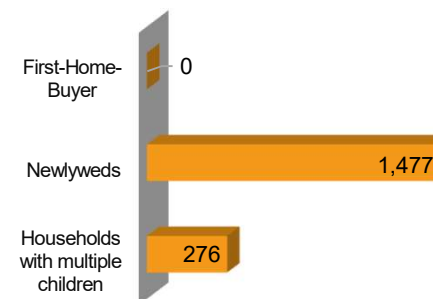
House Price (KRW 100 million)	# of Loans	Amount (KRW 100 million)
~1	855	399
1~2	3,650	3,199
2~3	4,303	5,735
3~4	2,455	4,356
4~5	1,176	2,521
5~6	557	1,271
6~	-	-
Total	12,996	17,481

Loans to Vulnerable Groups



Type	# of Loans	Amount (KRW 100 million)
Single-parent	11	13
Multicultural	102	143
Disabled	271	350

Loans to Policy Support Targets



Type	# of Loans	Amount (KRW 100 million)
First-Home-Buyer	0	0
Newlyweds	1,477	2,337
Households with multiple children	276	442



KHFC 2019 Social Covered Bond Allocation & Impact Reporting

2019 Social Covered Bond Allocation Reporting

Post-issuance Reporting for KHFC's 2019 Social Covered Bond



Allocation of Net Proceeds

Social Covered Bond	Amount
Proceeds	EUR 500 million
Allocated Proceeds	EUR 500 million
Unallocated Proceeds	-

1st AAA EUR Social Covered Bond out of Asia

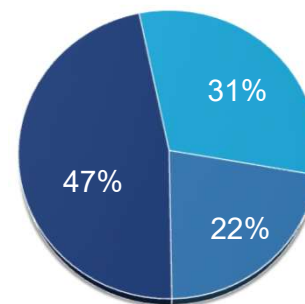


On June 18, 2019, KHFC successfully printed its inaugural “AAA” rated Social Covered Bonds which marked the first-ever AAA EUR Social Covered Bonds from a non-European issuer. KHFC’s contribution to social values was once again internationally acknowledged and KHFC solidified its presence as one of the leading Social Covered Bond issuers in Asia

On the day of KHFC’s inaugural AAA Social Covered Bond issuance, 100% of the net proceeds were exclusively used to purchase KHFC’s public mortgage loans which support sustainable housing finance for low- to moderate income households in accordance with KHFC’s Social Financing Framework

Breakdown of Allocated Proceeds by Loan Product

Loan Product	Allocated Proceeds (KRW 100 million)	Number of Loans
Bogeumjari Loan	3,698	2,585
Didimdol Loan	2,385	1,729
Conforming Loan	1,680	986
Total	7,763	5,300



Bogeumjari Loan & Didimdol Loan:

Long-term, fixed rate, amortizing mortgage loans provided to help ordinary people realize the dream of owning a home

Conforming Loan:

Long-term, fixed rate, amortizing mortgage loans designed to improve the structure of the mortgage market

2019 Social Covered Bond Impact Reporting



Funding for Realization of Social Values

- With the proceeds (EUR 500 million) from KHFC's 2019 Social Covered Bond issuance, KHFC supplied KRW 776.3 billion of public mortgages, contributing to meeting demand from real home buyers and supporting 5,300 households

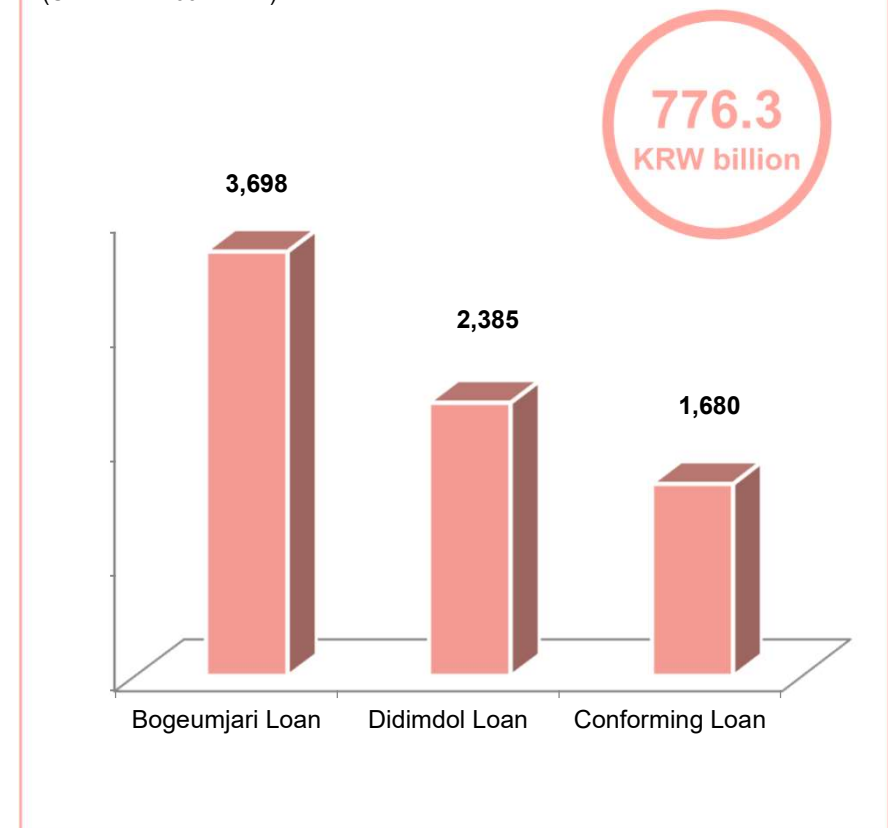
Households supported by KHFC's 2019 Social Covered Bond

(Unit: # of Loans)



Loan amount provided by KHFC's 2019 Social Covered Bond

(Unit: KRW 100 million)



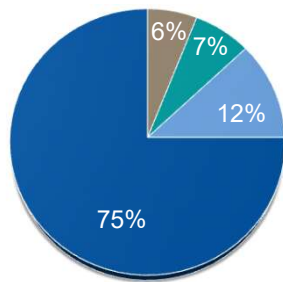
2019 Social Covered Bond Impact Reporting

KHFC's contribution to stable housing finance market



- KHFC has endeavored to improve the structure of the domestic mortgage loan market by actively supplying long-term (10yrs~) • fixed rate • amortizing mortgage loans

Tenor



■ ~10yrs ■ 10yrs~15yrs ■ 15yrs~20yrs ■ 20yrs~30yrs

Tenor	# of Loans	Amount (KRW 100 million)
~10yrs	505	462
10yrs~15yrs	480	577
15yrs~20yrs	689	899
20yrs~30yrs	3,626	5,825
Total	5,300	7,763

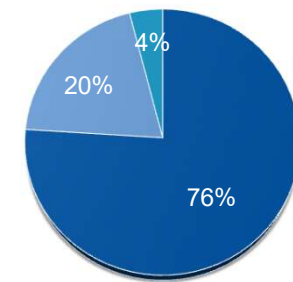
Interest Rate Type



■ Fixed Rate

Type	# of Loans	Amount (KRW 100 million)
Fixed Rate	5,300	7,763
Variable Rate	-	-
Total	5,300	7,763

Repayment Type



■ Equal P&I ■ Equal P ■ Incremental Installment

Type	# of Loans	Amount (KRW 100 million)
Equal P&I	3,972	5,905
Equal P	1,181	1,582
Incremental Installment	147	276
Total	5,300	7,763

2019 Social Covered Bond Impact Reporting

Contribution to housing welfare of low- to moderate income households

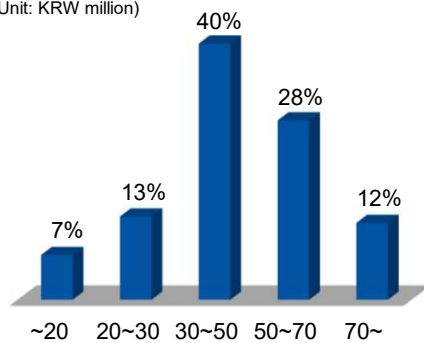


- KHFC has actively provided financial support for low-income households with public mortgage loans including Bogeumjari, Didimdol and Conforming Loans
- KHFC's mortgage loans included in the cover pool for its 2019 Social Covered Bond were provided to low- to moderate income households with an average age of 40.3 years and an average annual income of KRW 44.5 million

Customer Information

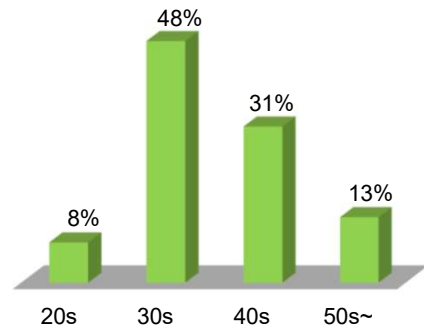
Income

(Unit: KRW million)



Income (KRW million)	# of Loans	Amount (KRW 100 million)
~20	535	564
20~30	812	1,035
30~50	2,073	3,117
50~70	1,351	2,141
70~	529	905
Total	5,300	7,763

Age

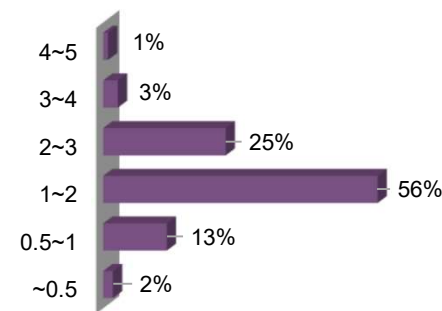


Age	# of Loans	Amount (KRW 100 million)
20s	447	632
30s	2,435	3,730
40s	1,625	2,385
50s~	793	1,015
Total	5,300	7,763

Loan Information

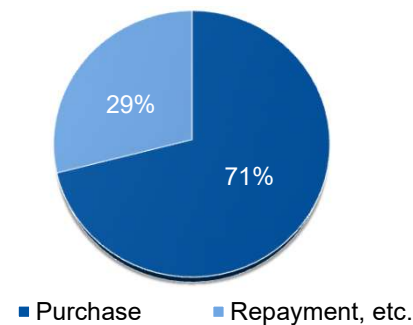
Loan Amount

(Unit: KRW 100 million)



Loan Amount (KRW 100 million)	# of Loans	Amount (KRW 100 million)
~0.5	330	130
0.5~1	1,237	1,008
1~2	2,842	4,374
2~3	802	1,938
3~4	77	259
4~5	12	53
Total	5,300	7,763

Purpose



Purpose of Loan	# of Loans	Amount (KRW 100 million)
Purchase	3,790	5,477
Repayment, etc.	1,510	2,286
Total	5,300	7,763

2019 Social Covered Bond Impact Reporting

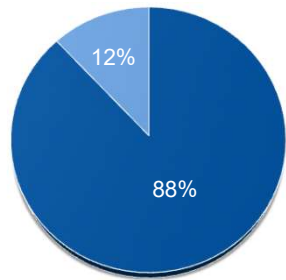
Contribution to housing welfare of low- to moderate income households



- KHFC constantly aims to improve the housing welfare for the underprivileged population and eligible targets of policy support by providing stable housing finance, especially recognizing the low birth rate and increase in single families in Korea
- Public mortgage loans mainly target low- to moderate income households and real home buyers. The average housing price is KRW 270.4 million and the average housing area of 76.88m² which is less than the size of the national housing (85m²)

Collateral Information

Size

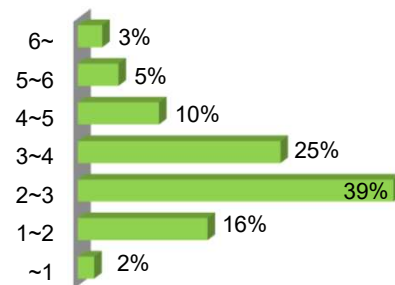


■ ~85m² ■ 85m²~

Type	# of Loans	Amount (KRW 100 million)
~85m ²	4,830	6,850
85m ² ~	470	913
Total	5,300	7,763

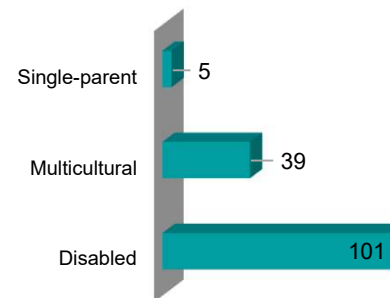
House Price

(Unit: KRW 100 million)



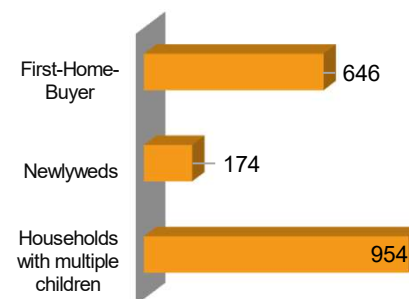
House Price (KRW 100 million)	# of Loans	Amount (KRW 100 million)
~1	230	113
1~2	1,330	1,267
2~3	2,069	3,016
3~4	1,042	1,914
4~5	355	790
5~6	171	420
6~	103	244
Total	5,300	7,763

Loans to Vulnerable Groups



Type	# of Loans	Amount (KRW 100 million)
Single-parent	5	7
Multicultural	39	49
Disabled	101	135

Loans to Policy Support Targets



Type	# of Loans	Amount (KRW 100 million)
First-Home-Buyer	646	821
Newlyweds	174	274
Households with multiple children	954	1,415



KHFC 2018 Social Covered Bond Allocation & Impact Reporting

2018 Social Covered Bond Allocation Reporting

Post-issuance Reporting for KHFC's 2018 Social Covered Bond



Allocation of Net Proceeds

Social Covered Bond	Amount
Proceeds	EUR 500 million
Allocated Proceeds	EUR 500 million
Unallocated Proceeds	-

1st EUR Social Covered Bond out of Asia



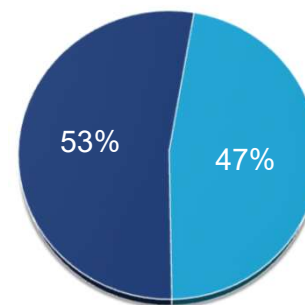
KHFC
 EUR 500 million
 0.750% due 2023
 Social Covered Bond
 Oct 2018

With solid international recognition that KHFC's public mortgages and securitization have contributed to the realization of social values, KHFC successfully issued the first-ever EUR Social Covered Bonds out of Asia on October 30, 2018

On the day of KHFC's inaugural Social Covered Bond issuance, 100% of the net proceeds were exclusively used to purchase KHFC's public mortgage loans which support sustainable housing finance for low- to moderate income households in accordance with KHFC's Social Financing Framework

Breakdown of Allocated Proceeds by Loan Product

Sector of Activity	Allocated Proceeds (KRW 100 million)	Number of Loans
Bogeumjari Loan	3,847	2,650
Didimdol Loan	3,412	2,559
Conforming Loan	-	-
Total	7,259	5,209



■ Bogeumjari Loan
 ■ Didimdol Loan

Bogeumjari Loan & Didimdol Loan:

Long-term, fixed rate, amortizing mortgage loans provided to help ordinary people realize the dream of owning a home

Conforming Loan:

Long-term, fixed rate, amortizing mortgage loans designed to improve the structure of the mortgage market

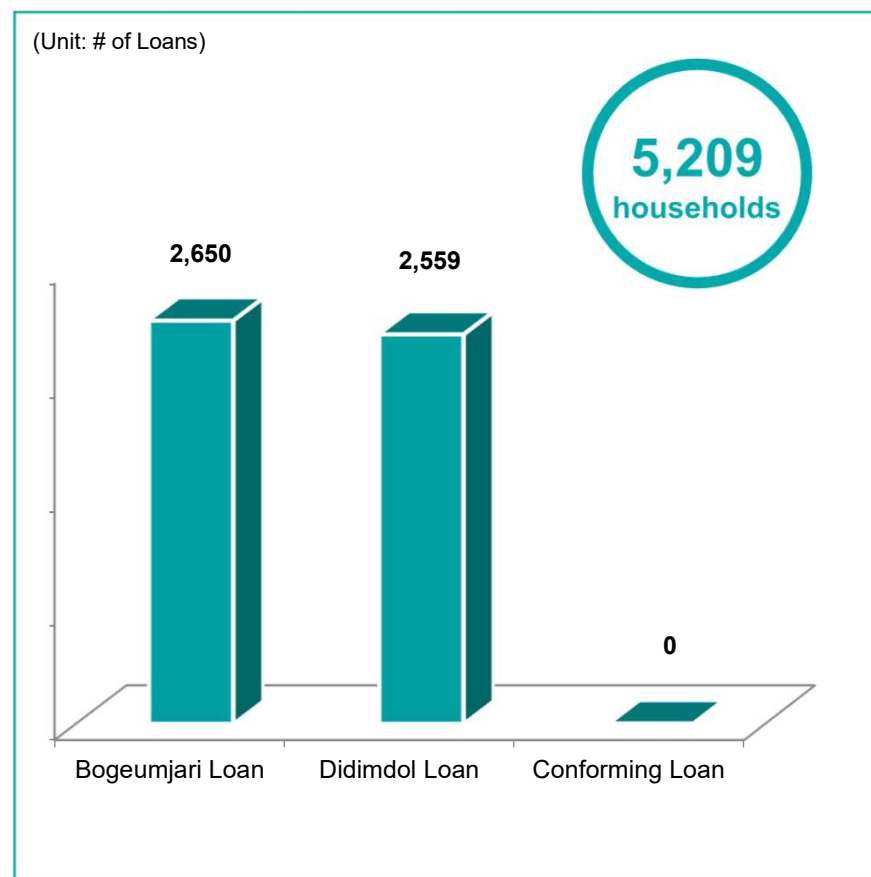
2018 Social Covered Bond Impact Reporting



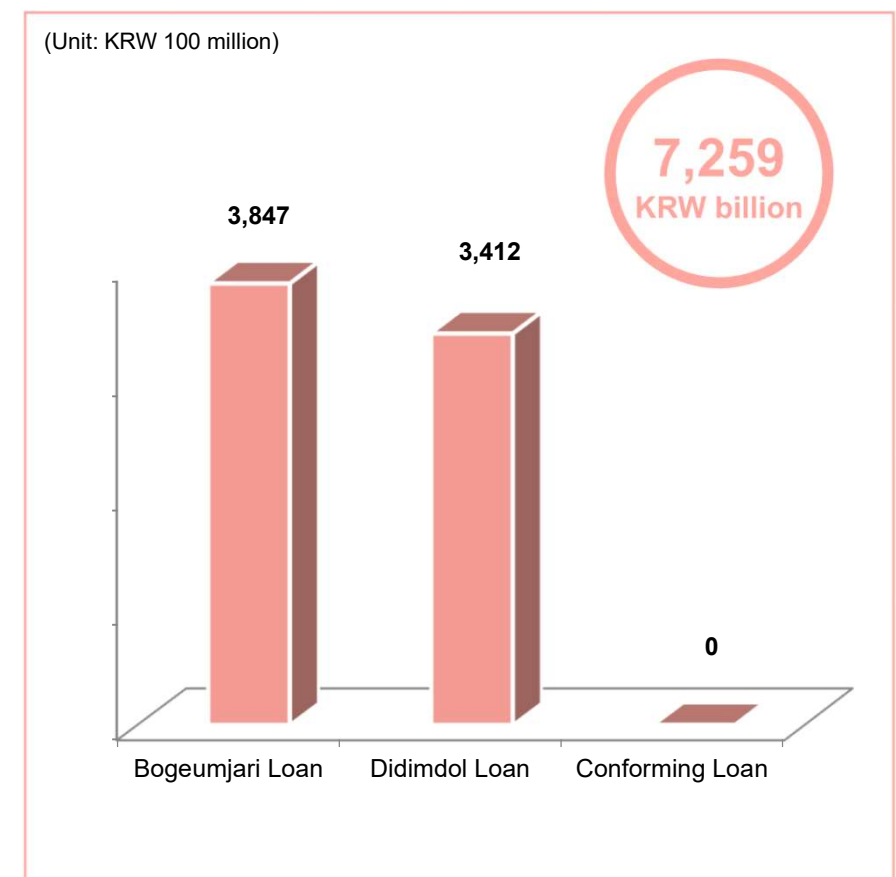
Funding for Realization of Social Values

- With the proceeds (EUR 500 million) from KHFC's 2018 Social Covered Bond issuance, KHFC supplied KRW 725.9 billion of public mortgages, contributing to meeting demand from real home buyers and supporting 5,209 households

Households supported by KHFC's 2018 Social Covered Bond



Loan amount provided by KHFC's 2018 Social Covered Bond



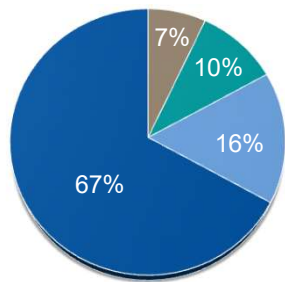
2018 Social Covered Bond Impact Reporting

KHFC's contribution to stable housing finance market



- KHFC has endeavored to improve the structure of the domestic mortgage loan market by actively supplying long-term (10yrs~) • fixed rate • amortizing mortgage loans

Tenor



■ ~10yrs ■ 10yrs~15yrs ■ 15yrs~20yrs ■ 20yrs~30yrs

Tenor	# of Loans	Amount (KRW 100 million)
~10yrs	577	512
10yrs~15yrs	617	735
15yrs~20yrs	868	1,156
20yrs~30yr	3,147	4,856
Total	5,209	7,259

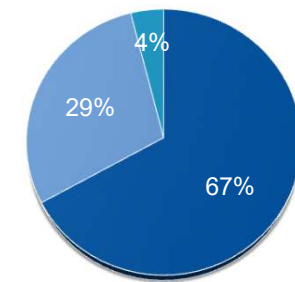
Interest Rate Type



■ Fixed Rate

Type	# of Loans	Amount (KRW 100 million)
Fixed Rate	5,209	7,259
Variable Rate	-	-
Total	5,209	7,259

Repayment Type



■ Equal P&I ■ Equal P ■ Incremental Installment

Type	# of Loans	Amount (KRW 100 million)
Equal P&I	3,454	4,861
Equal P	1,591	2,108
Incremental Installment	164	290
Total	5,209	7,259

2018 Social Covered Bond Impact Reporting

Contribution to housing welfare of low- to moderate income households

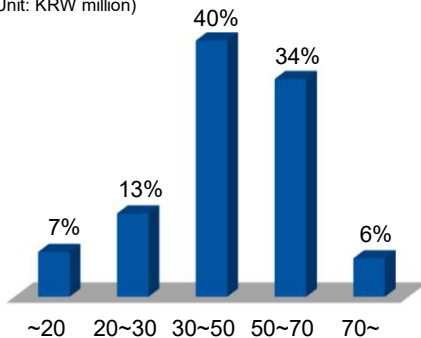


- KHFC has actively provided financial support for low-income households with public mortgage loans including Bogeumjari, Didimdol and Conforming Loans
- KHFC's mortgage loans included in the cover pool for its 2018 Social Covered Bond were provided to low- to moderate income households with an average age of 38.1 years and an average annual income of KRW 44.0 million

Customer Information

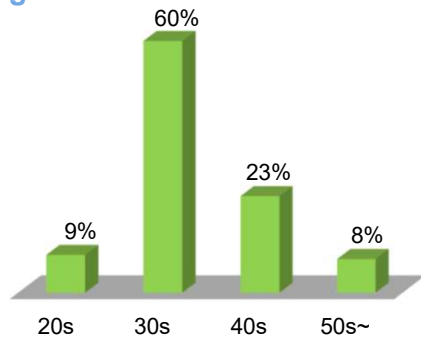
Income

(Unit: KRW million)



Income (KRW million)	# of Loans	Amount (KRW 100 million)
~20	465	492
20~30	745	921
30~50	2,082	2,895
50~70	1,627	2,502
70~	290	449
Total	5,209	7,259

Age

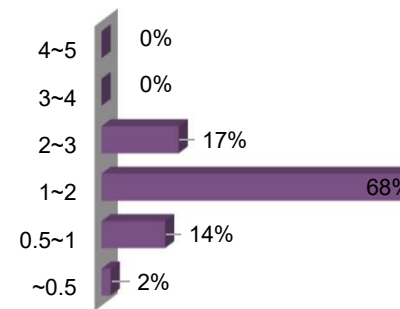


Age	# of Loans	Amount (KRW 100 million)
20s	514	680
30s	2,942	4,333
40s	1,275	1,687
50s~	479	559
Total	5,210	7,259

Loan Information

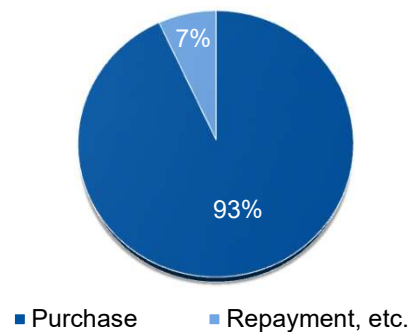
Loan Amount

(Unit: KRW 100 million)



Loan Amount (KRW 100 million)	# of Loans	Amount (KRW 100 million)
~0.5	350	143
0.5~1	1,233	991
1~2	3,137	4,918
2~3	487	1,200
3~4	2	7
4~5	-	-
Total	5,209	7,259

Purpose of Loan



Purpose of Loan	# of Loans	Amount (KRW 100 million)
Purchase	4,780	6,752
Repayment, etc.	429	507
Total	5,209	7,259

2018 Social Covered Bond Impact Reporting

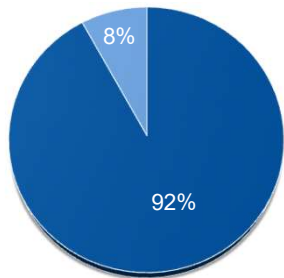
Contribution to housing welfare of low- to moderate income households



- KHFC constantly aims to improve the housing welfare for the underprivileged population and eligible targets of policy support by providing stable housing finance, especially recognizing the low birth rate and increase in single families in Korea
- Public mortgage loans mainly target low- to moderate income households and real home buyers. The average housing price is KRW 258.0 million and the average housing area of 74.91m² which is less than the size of the national housing (85m²)

Collateral Information

Size

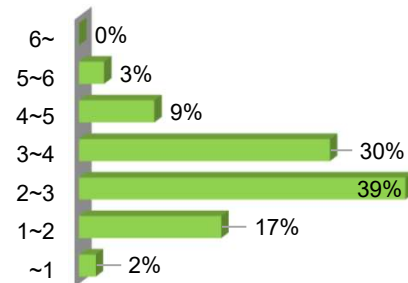


■ ~85m² ■ 85m²~

Type	# of Loans	Amount (KRW 100 million)
~85m ²	4,876	6,680
85m ² ~	333	579
Total	5,209	7,259

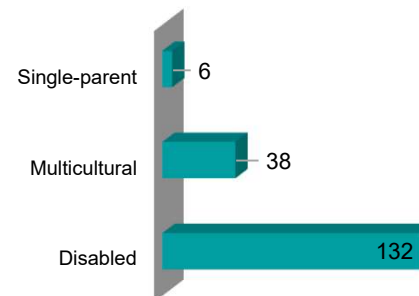
House Price

(Unit: KRW 100 million)



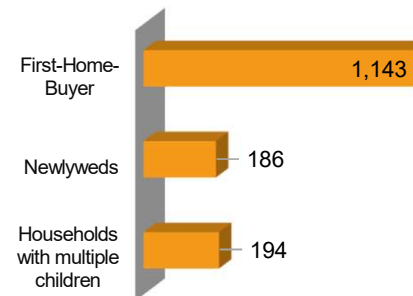
House Price (KRW 100 million)	# of Loans	Amount (KRW 100 million)
~1	258	131
1~2	1,309	1,238
2~3	1,986	2,827
3~4	1,233	2,163
4~5	332	690
5~6	91	210
6~	-	-
Total	5,209	7,259

Loans to Vulnerable Groups



Type	# of Loans	Amount (KRW 100 million)
Single-parent	6	6
Multicultural	38	50
Disabled	132	172

Loans to Policy Support Targets



Type	# of Loans	Amount (KRW 100 million)
First-Home-Buyer	1,143	1,468
Newlyweds	186	278
Households with multiple children	194	280



THANK YOU

