



South Korea's Labour Law and Employment Regulations (EN)

Presenter: Ashley Park and Hailey Kim

Organiser: **BIPO** | Make Life Easier.

Your Webinar Experience

Housekeeping Notes

01

Presentation slides will be shared.

02

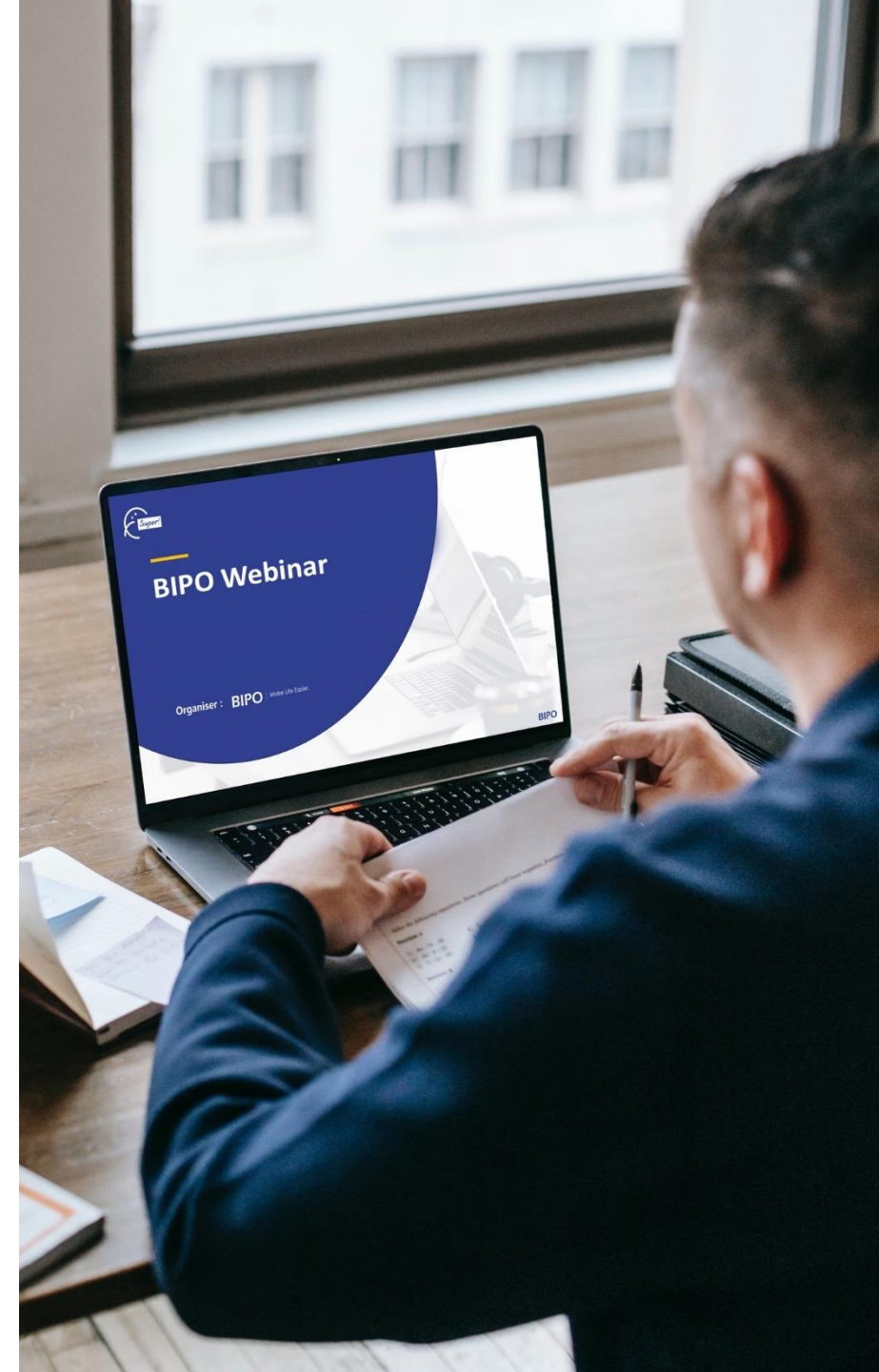
Q&A session is at the end.

03

Use the **CHAT** function to ask us your questions.

04

Give us your feedback through the form!



Speakers



Ashley Park

Deputy General Manager, South Korea

- Prior working experience in Dassault Systèmes, Accenture, Hewlett Packard and Illinois Department of Public Health
- MBA Degree in University of Illinois, USA
- Certificates/Licences: AICPA (Certified Public Accountant), PHR (Professional in Human Resources), People Manager, People & Organisation Partner



Hailey Kim

Business Development Executive, South Korea

- Handled full cycle entire recruitment process, ensuring the seamless onboarding and offboarding of employees as a HR manager in tech startups.
- Several years of experience in finance and asset management, with a focus on contract management and deal closure.



Objectives

01

To help your understanding in Korea and Korea Market

02

To help your understanding of Korea Labour Law and Regulations

03

To help your business operation in Korea



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01. About BIPO Global and BIPO Korea

02. About Korea and Korea Labour Standards

2.1. General Employment Rules

2.2. Wage

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2.5. Retirement Pension

2.6. Leave

2.7. Disciplinary Action

2.8. Termination

2.9. Mandatory Training

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About BIPO Global & BIPO Korea

About Us

Established in 2010 and headquartered in Singapore, BIPO is a **global payroll and people solutions provider**.

Trusted by companies across **150+ global markets**, we offer a total workforce solution that includes our Human Capital Management (HCM) suite, Global Payroll Outsourcing (GPO) and Employer of Record (EOR) service.

At BIPO, we understand the power of technology in building the best-in-class solutions. That's why we leverage our award-winning HR Management System (HRMS), Athena BI, Global Payroll Outsourcing and Employer of Record technology platform to deliver customised services and scalable solutions that automate HR processes, simplify workflows, and generate actionable insights.

40+

Global Offices

3,300+

Clients

460,000+

Users



Global Footprint

Legend

○ BIPO Offices (41)

◆ BIPO Business Partners (155)

Coming Soon (12)

Argentina
Bosnia and Herzegovina
Egypt
France
Italy
Ivory Coast
Nigeria
Portugal
Romania
Rwanda
Saudi Arabia
Switzerland



An **Asia-Based** Global HR Tech & Service Provider.

BIPO

Awards & Accolades



Centuro INT-X Awards – UK

- Most Inspirational Global Expansion



Gold

- Best Employee Experience Platform - **Hong Kong**
- Best HR Management System (Enterprise) - **Malaysia**
- Best HR Management System (SMB) - **Malaysia**
- Best Attendance Automation System - **Malaysia**



Human Capital & Performance Awards 2022 - Indonesia

- Best HC Technology Strategy (System Provider Industries)
- Best Overseas Strategy (System Provider Industries)



HRM Asia Readers' Choice Awards 2022 Best HR Tech

- Cloud Solution - **Gold**
- Time & Attendance Management System - **Gold**
- Human Resource Information System - **Silver**
- Payroll Solution - **Silver**



Best of the Best Awards – Indonesia

- HR Tech - HR Outsourcing

Our Strategic Advantage

1. Scalable solutions for each stage of the business lifecycle



Cloud & Mobile based solutions offers the flexibility of customisation to cater to every stage of your business growth.

2. Single, secure platform



Single, secure platform with world-class integration capabilities to manage your global workforce from anywhere in the world.

3. Global practice & localised support



Expertise across 30+ local offices to support your global payroll and people solutions needs.

4. Compliance at the core of our business



Compliant with local regulations and global standards. ISO-27001 and SOC certified.

5. Complete range of integrated solutions



Robust technology platform, combined with global payroll outsourcing and EOR services deliver a complete range of integrated solutions

6. Access to data and insights

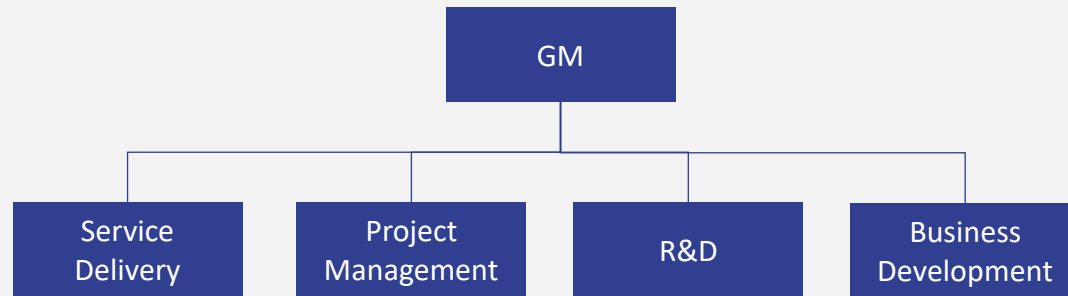


Global data and actionable insights to build the best employee experience, and drive business results.

Award-winning Solutions



BIPO Service Korea

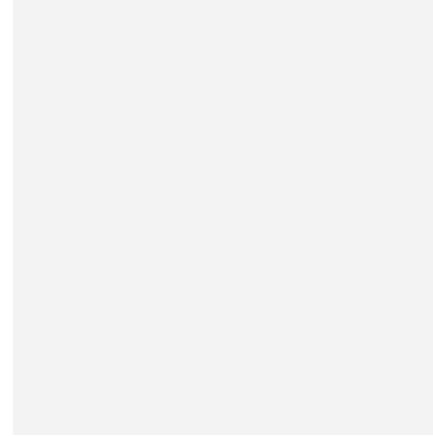


BIPO Service Korea

- Established in Gasan Digital Complex Area in 2021
- 16 employees support +70 clients

Service Offerings

- HCM (Personnel, Payroll, Leave, Time & Attendance, Claim, Appraisal modules, etc)
- Global Payroll Outsourcing service
- Employer of Record (EOR) service
- HR Consulting service
- HR Admin service





About Korea and Korea Labour Standards

Republic of Korea (South Korea)




Introduction to Republic of Korea

- Language : Korean
- Currency : KRW
- Population : 51.55 Million PPL (29th in the world)
- GDP : 181 Billion USD (10th in the world)
- GDP per capita : 34,984 USD (24th in the world)
- Capital : Seoul



GDP USD 1.8 T (2021)	Trade Volume USD 1259.5 B (2021)	Trade Balance USD 29.3 B (2021)	Sovereign Credit Rating (2022)	Foreign Exchange Reserves USD 438.6 B (2022.7)
10 th	8 th	18 th	AA, Stable	9 th

 Korea ICT Penetration Rate 1st place (2018~2021)	Households with Broadband Internet Access at Home (2021)		High-Speed Internet Penetration Rate (2021)		5G Download Speed (2022)	
	1 st	Korea 99.9%	1 st	Korea 86.6%	1 st	Korea 432.7Mbps
	3	Norway 98.9	3	Spain 79.0	2	Malaysia 382.2
	5	Netherlands 98.6	4	Sweden 78.0	3	Sweden 333.9

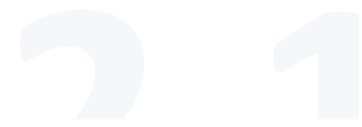
Summary of Statutory Conditions

Retirement age	60 years old	
Min Hourly Wage	9,620 KRW per hour ★	
Max working hours in week	52 hours a week max (40 regular hours + 12 OT)	
Annual Leave for 1 st year	1 st year: 1 day per month (11 days max)	2 nd year: 15 days
Rest Day	One paid rest day per week - SUNDAY	
Sick Leave	No statutory paid sick leave	
Social Insurance	4 Social Insurance (NP, NHI, EI, WCI)	
Retirement/Severance Pension Scheme	Severance Payment, DB, DC	
Taxation	Personal Income Tax (Progressive) + Local Income Tax (10% of Personal Income Tax)	



**Ministry of Employment
and Labour of Korea**

<https://www.moel.go.kr/english/>



General Employment Rules

General Employment Rules

Labor Standards Act (“LSA”)

LSA is the most important piece of legislation governing conditions of employment in South Korea.

This legislation provides the fundamental protection to employees including payment of wages, restrictions on wages deductions, provision of public holidays and other rules of employment that applies to all employees in Korea.



General Employment Rules

The Employment Contract

Employment contract is an agreement on the employment conditions should be made in written format with both employer and employees keeping one copy for reference. An employment contract usually includes:

- Legal name and Resident Registration[#]
- Employment period (start date & end date - if Fixed term contract)
- Contractual work hours with break and Location
- Holidays
- Annual Leaves
- Wages (Basic salary, Allowances, Overtime Rate and other payment items – Performance Bonus, Incentive, if applicable) and Pay Day.
- Probationary period
- Employee benefits (4 Social insurance, medical check, if any)
- Duly signed by employer and employees with the company stamp affixed

**Underlines are mandatory*

General Employment Rules

Probationary Period

There is no statutory requirement of having a probationary period.

Market Practice: probationary period **between 3-6 months**.

No notice period is required **under a probationary period of 3 months** or less.

General Employment Rules

Working hour (40 regular Working hours + 12 Overtime Working hours)

- Working hours shall not exceed 40 hours per week and 8 hours per day, excluding rest hours.
- Working hours may be extended to a limit of 12 hours per week only if there is an agreement between the parties (employer and employee).

Time	Sun	Mon	Tue	Wed	Thu	Fri	Sat
Regular work		40 Hours in Max					
Extended work	12 Hours in Max						

Recess/M Meal Hours


- At least **30 min recess per 4 working hours**, or at least **1 hour in 8 working hours**, during work hours (**no pay** and will be excluded from the actual working hours).

General Employment Rules

Retirement Age

- The legal retirement age is 60. Majority of companies set retirement on last day of the year employee become 60 years old in legal age.

What happens to 4 social insurance after reaching 60?

National Pension	Not mandatory to join. Employees can voluntarily subscribe to the plan until 65. (employees contribute 100%)
Health Insurance	Regardless of age, contribution will remain the same.
Employment Insurance	Regardless of age, employees are obligated to join. (For new joiner of 65 or above, they are exempted from ① 0.9% of unemployment insurance) 
Industrial Accident Compensation Insurance	Regardless of age, contribution is the same.

General Employment Rules

Rules of Employment (ROE)

- Employer employs **10 or more** must prepare ROE that includes the calculation of wages, the timing and method of payment, hours of work, paid leave, training, maternity care, workplace health and safety, the measures to prevent workplace harassment and the measures to be taken in cases of workplace harassment, disciplinary procedure and other work conditions.
- The followings should be reported to the Ministry of Employment and Labor:
 - New rules of employment
 - Any changes of content, documents including a comparison of the content before and after the change shall be resubmitted for approval
 - Proof of hearing from more than half of all workers/ labor unions that represents **more than half of all workers** (with consent and approval)
 - It can be **major key point when labor conflict gone to court.**

”
Wage

Wage

Minimum Wage

Minimum Wage committee review the minimum wage every year to fit the market needs.

The minimum wage per hour is KRW9,620 won from 1 January 2023.

Wage

Contractual bonus/ annual incentive / unused AL payment should be added back to get Average Wage
(Respective annual amount*3months/12months)

Average Wage

- 'Average wages' = {Total wages for the three months prior to the date of occurrence (retirement date)} / {Total number of days in the three months prior to the date of occurrence (retirement date)}
- Following is an example of retirement date on 15 January 2023 (date of occurrence) which is **used for calculation of Severance Payment (A person who retires after working continuously for more than one year under an employer shall receive severance pay)**

Average Wage Period	15 Oct – 31 Oct	1 Nov – 30 Nov	1 Dec – 31 Dec	1 Jan – 14 Jan	Total
Total Days	17	30	31	14	92
Basic Salary	1,700,000	3,000,000	3,000,000	1,400,000	9,100,000
Overtime Allowance	200,000	270,000	90,000	200,000	760,000
Total Wage Received	1,900,000	3,270,000	3,090,000	1,600,000	9,860,000

*Average Daily Wage : 9,860,000KRW/92d =107,174 KRW

Wage

Ordinary Wage

- **Ordinary wage** refers to wages that are **ordinarily/regularly paid to employees** and are **used as the basis for calculating statutory allowance**, such as additional pay for overtime work. It is the hourly, daily, weekly or monthly wages or contract wages which are determined to be paid periodically to a worker for his/her prescribed or entire work.
- Following is an example of monthly salary at KRW5,000,000 which is used for calculation of **Annual Leave Allowance, Overtime, Night time, Holiday work Allowance, etc.**

Monthly Working Hours Calculation	Ordinary Hourly Wage
$(8 \text{ hours} * 5 \text{ days} + 8 \text{ hours}) * 52 \text{ weeks} / 12 \text{ months}$ = 209 hours	$KRW5,000,000 / 209 \text{ hours}$ = KRW 23,923 (hourly wage)

Wage

Monthly Salary

- There is no statutory regulation regarding to the pay date.
- Regular pay date shall be written in the employment contract
- Market Practice of Pay Date: **21st, 25th, last day of the current month or 5th, 10th of the following month**
- For cases of **termination, the final payment must be settled within 14 days** from the last working day.
- For monthly salary, it will be paid in arrears and pro-rated according to the actual employment days in that month if employees served an incomplete month.

Rule	Monthly Salary	+	Allowance	-	4 Social Insurances	-	Income Tax + Local Income Tax	=	Net Pay
Example	5,000,000	+	400,000	-	600,000	-	200,000 +20,000	=	4,580,000

Wage

Overtime, Night, Holiday Work Allowance

- Extended Work after 8 hours per day.
- Night work refers to work performed between 10PM and 6AM

Standard work hours: 9AM-6PM OT application for over 8 hours work	Wage Premium	Example: Hourly wage (KRW20,000)
Workday 18:00-22:00 Workday 06:00-09:00 Weekend/Holiday 09:00-18:00	150%	KRW30,000
Workday 22:00-06:00 Weekend/Holiday 18:00-22:00 Weekend/Holiday 06:00-09:00	200%	KRW40,000
Weekend/Holiday 22:00-06:00	250%	KRW50,000

Wage

Statutory Allowances and Non-taxable Allowances

Allowances	Descriptions	Statutory	Non-Taxable
Shutdown Allowances	Business closure due to the employer	✓	
Unused Annual Leave Allowances	Encash unused annual leave to Leavers	✓	
Severance Allowances	> 1 year of service upon end of employment	✓	
*Transportation Allowances	Tax Free for KRW200,000/month		✓
*Meal Allowances	Tax Free for KRW200,000/month		✓

**Note: Transportation allowance & Meal allowance are non-taxable*

Employer can arrange 2 non-taxable items in Employee's Monthly salary for Employee's tax benefit

The total amount of monthly salary employer pay is NOT changed.

*e.g.: **KRW5,000,000** monthly salary → Fixed : KRW4,600,000*

Meal Allowance: KRW200,000

Transportation Allowance KRW200,000

TOTAL: KRW5,000,000



Taxation

Taxation

General Information

- **The general rule is that a person who is a resident of Korea is assessable on their worldwide income.**
- Non-residents are only assessable on income sourced in Korea.
- A resident is an individual who resident in Korea for 183 days or more. A non-resident is an individual other than a resident.
- Tax Year: **1 Jan to 31 Dec in the following year.**
- Employers should file an application and withhold the tax on a **monthly basis(based on Simplified Tax Rate)** and perform year-end tax adjustment.
- Tax amount is always rounded down to nearest 10KRW.

Taxation

Simplified Tax Withholding

- Monthly Income Tax is withheld by employer in accordance with Simplified Tax Withholding Table, updated by NTS(National Tax Service) on a yearly basis.
- The tax amount is determined, considering the amount of monthly taxable income & the number of tax dependents ; *“the more one has tax dependent(s), the less the tax amount is”*.

Monthly taxable Income (K KRW)		Number of dependents (KRW)									
Over	Less than	1	2	3	4	5	6	7	8	9	10
3,200	3,220	91,460	73,960	38,540	33,290	28,040	22,790	17,970	14,590	11,220	7,840
3,220	3,240	93,170	75,670	40,120	33,950	28,700	23,450	18,390	15,020	11,640	8,270
3,240	3,260	95,430	77,380	41,770	34,610	29,360	24,110	18,860	15,440	12,070	8,690
3,260	3,280	97,880	79,100	43,420	35,270	30,020	24,770	19,520	15,870	12,490	9,120
3,280	3,300	100,320	80,810	45,070	35,920	30,670	25,420	20,170	16,290	12,910	9,540
3,300	3,320	102,770	82,520	46,720	36,580	31,330	26,080	20,830	16,710	13,340	9,960
3,320	3,340	105,210	84,230	48,370	37,240	31,990	26,740	21,490	17,140	13,760	10,390
3,340	3,360	107,660	85,940	49,940	37,870	32,260	27,370	22,120	17,540	14,170	10,790

Taxation

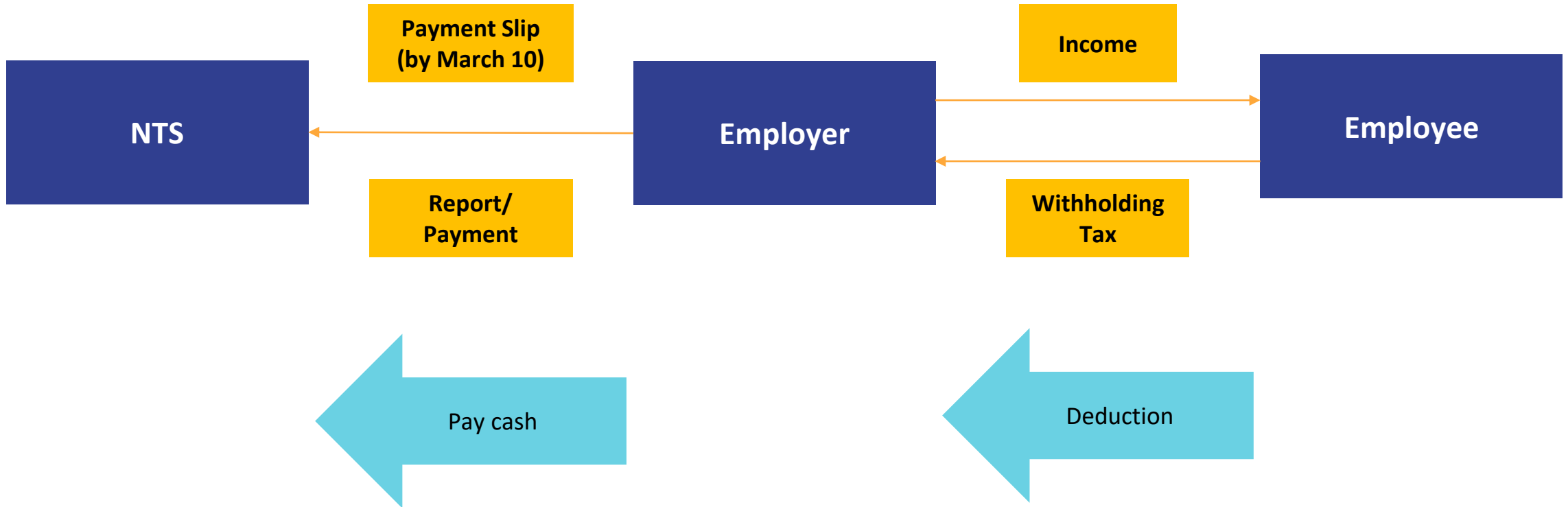
Progressive Income Tax

- **Net taxable income of resident individuals is taxed at progressive tax rates ranging from 6%-45%** (excluding 10% local income surtax).
- Tax rates for non-residents are the same as those for residents. Individuals liable for payment of income tax in Korea are levied an **additional 10% local income surtax of the income tax amount**.

Annual taxable Income (K KRW)		Progressive Tax Rate
Over	Less than	Personal Income Tax
0	14,000	6%
14,000	50,000	15%
50,000	88,000	24%
88,000	150,000	35%
150,000	300,000	38%
300,000	500,000	40%
500,000	1,000,000	42%
1,000,000		45%

Taxation

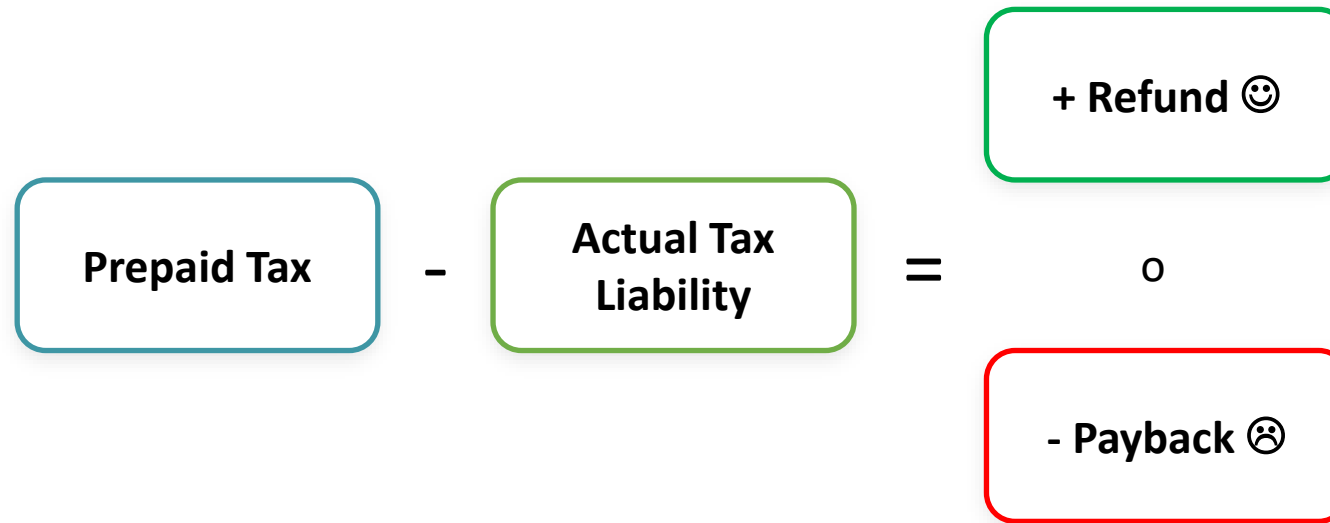
Withholding Tax Flow

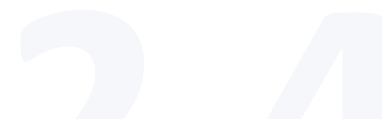


Taxation

Concept

- Year end settlement is to find out the difference between prepaid tax and actual/ final tax liability (January to December of last year)
- The final tax liability varies due to tax rebate scheme from personal expenditures (**e.g. credit card expense, personal pension savings, qualified donation, medical expenses, education expense etc**)





Social Insurance

4 Social Insurance

- 4 social insurances are insurance programs that employees are required to be enrolled under the relevant laws.
- Korea has implemented **4 schemes of social insurance, which are:** [National Pension, National Health Insurance, Employment Insurance and Industrial Accident Compensation Insurance](#) Schemes.
- All employers must enroll their employees into the schemes and contribute their prescribed portions to the insurance authorities in accordance with the relevant laws.
- The social insurance payment is per the percentage of the employee's gross monthly earnings.
- **Common practice is to fix a contribution according to contracted salary and do adjustment in March-April.**

4 Social Insurance

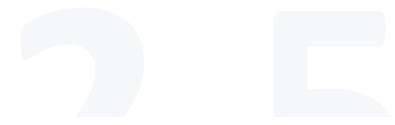
Item	Paid by employee	Paid by employer	Insurance premium rate (employee + employer)
National pension	4.5%	4.5%	9%
Health Insurance (Long-Term Care Insurance for the Elderly)	3.545% (12.81% of health insurance premium) total %: 3.9991145%	3.545% (12.81% of health insurance premium) total %: 3.9991145%	7.09% (12.81% of health insurance premium) total %: 7.998229%
Employment Insurance	① Unemployment benefit = total remuneration × 1.80%		
	0.90%	0.90%	1.80%
	Employee no need to support the ②	② Employment stability and vocational competency development = total remuneration × rate for each section (paid by employer only)	
		Less than 150 full-time workers	Total remuneration × 0.25%
		150 or more full-time workers (priority support)	Total remuneration × 0.45%
		Between 150 and 999 full-time workers	Total remuneration × 0.65%
		1000 or more full-time workers	Total remuneration × 0.85%
Industrial Accident Compensation insurance	Varies by industry / Full company burden		Commuting Disaster 1.0/1000

4 Social Insurance

Employers Obligations

- **Employer should report to the government and the related parties in order to enroll employees into the various types of insurance in Korea.** Electronic Data Interchange (EDI) service has been introduced since 2012 for employers to report the 4 social insurances of employees online. Employers can report commencement, termination and amendment of employment in the system for the use of reporting insurance.

4 Major Social Insurance	Notification of Hiring	Notification of Termination	Contribution Period Starting from
Health Insurance	Within 14 days of commencement	Within 14 days of commencement	The month after the commencement month.
National Pension	Before 15th of the next month of the commencement month	Before 15th of the next month of the commencement month	(employees join on the 1 st – can elect contribute 1 st month or not)
Employment Insurance			The commencement month (pro-rata to working days)
Industrial Accident Compensation Insurance			



Retirement Pension Scheme

Retirement Benefit System

1. Retirement/Severance Allowance (Employer's Liability)

- Retirement Allowance is paid immediately by Employer when Employee who has worked for more than a year leave the company.
- It has the advantage of having the liquidity of assets as in-house reserves because Retirement Allowance is accrued in Accounting Book of Employer as a liability until actual payment.
- However, there is a disadvantage that employee's right to receive retirement benefits is unstable when it comes to Employer's business uncertainty or difficulty.
- Thus, Retirement Pension System has been introduced to compensate for these problems.

2. Retirement/Severance Pension (Employer's Cost)

- Retirement pension refers to a system in which Employer accumulates funds for retirement benefits to a financial company during Employee's working period, and either Employer or Employee operates the funds and Employer pays when Employee retires.
- It has the disadvantage of less asset liquidity than Retirement Allowance system because it accumulates Retirement Pension in financial institutions, not in Employer's Accounting Book, but has the advantage of stable retirement benefits.

Retirement Benefit System

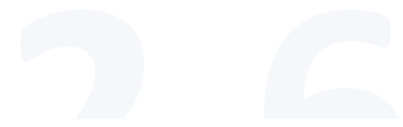
2. Retirement/Severance Pension (Employer's Cost)

A. Defined Benefits Retirement Pension (DB)

- DB Retirement Pension Scheme is operated and managed by Employer and the **damage and risk to the operation of the pension are borne by the employer.**
- Employee receives the pre-determined Retirement Benefits upon retirement

B. Defined Contribution Retirement Pension (DC)

- DC Retirement Pension Scheme is operated and managed by Employee and the **damage and risk to the operation of the pension are borne by the employee.**
- Employee receives reserves and operating gains and losses upon retirement



Leave Policies

Leave Policies

Annual Leave

- Every employer shall grant any employee who has worked not less than 80 percent of one year a paid leave of more than 15 days.
- From the 4th year of service, 1 additional paid leave for every 2 years will be granted on top of 15 days.
- Total # of Annual leave shall be limited to 25 days.

1 st year	2 nd year	3 rd year	4 th year	5 th year	6 th year	...
Max: 11 (1 day per month)	15	15	16	16	17	25

Leave Policies

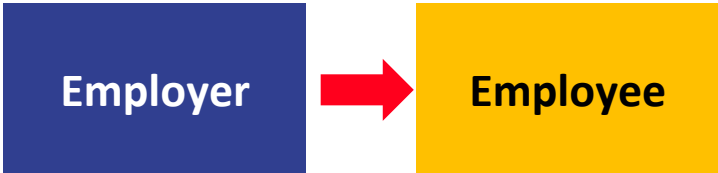
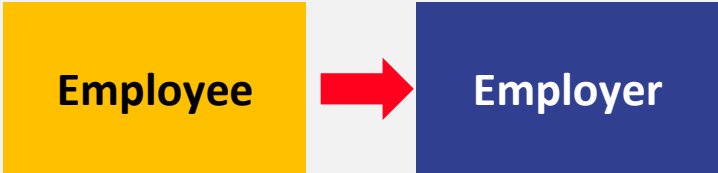
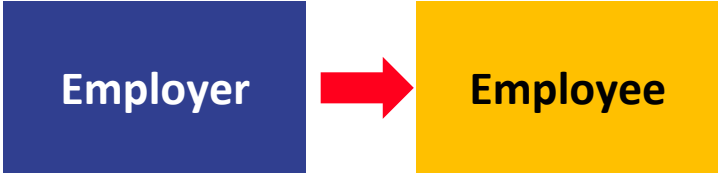
Other Leave Types

Leave Type	Statutory required	Optional	Common in market practice
Monthly Menstrual Leave	✓ (Not paid leave)		
Maternity Leave	✓		
Paternity Leave	✓		
Childcare Leave	✓		
Reduction of working hours for parents	✓		
Fertility Treatment Leave	✓		
Family Care Leave	✓		
Official Leave (Military training)	✓		
Additional Special Leave (Congratulations & Condolences)			✓
Marriage Leave, Birthday Leave, Anniversary Leave			✓
Compassionate Leave			✓
Sick Leave		✓	
Compensation Leave		✓	
Summer Leave		✓	
Exam Leave		✓	
COVID Vaccination Leave		✓	

Leave Policies

<Measures to urge the employees to take annual paid leaves>

1. Urging procedures for employees whose consecutive work period is more than 1 year

Steps	Notice Period	Action	Process
First urging	July 1 – July 10 (6 months left, for 10 days)	<ul style="list-style-type: none">- Send a written notice for use of annual paid leave• Content of the notification letter: notify the number of the unused annual paid leave and urge the employee to decide when to use them	
-	within 10 days from step 1	<ul style="list-style-type: none">- Submit the plan for annual paid leave• Content of the annual paid leave plan: the dates he/she desires to take the leave	
Second urging	By October 31 (if step 2 is not taken)	<ul style="list-style-type: none">- Send a written notice for use of annual paid leave• Content of the notification letter: decides the dates of annual paid leave for the employee	

*For business that operate on a fiscal year (Jan.1-Dec.31) basis

Leave Policies

<Measures to urge the employees to take annual paid leaves>

2. Urging procedures for employees whose consecutive work period is less than 1 year

Steps	Notice Period		Action
	9 days of annual paid leave	2 days of annual paid leave	
First urging	October 1-10 (3 months left, for 10 days)	December 1-5 (1 month left, for 5 days)	(Employer → Employee) <ul style="list-style-type: none">- Send a written notice for use of annual paid leave• Content of the notification letter: notify the number of the unused annual paid leave and urge the employee to decide when to use them
-	within 10 days from step 1		(Employee → Employer) <ul style="list-style-type: none">- Submit the plan for annual paid leave• Content of the annual paid leave plan: the dates he/she desires to take the leave
Second urging	By November 30 (1 month left)	By December 21 (10 days left)	(Employer → Employee) <ul style="list-style-type: none">- Send a written notice for use of annual paid leave• Content of the notification letter: decides the dates of annual paid leave for the employee

*For new hires with a Jan. 1st start date

Leave Policies

2023 Public Holiday

Date	Public Holiday	Remark
January 1 st	New Year's Day	
January 21-24 th	Seollal (Korean New Year's Day)	Based on Lunar Calendar, dates are changing
March 1 st	Independence Movement Day	
May 1 st	Workers' Day	Designation of Workers' Day Act
May 5 th	Children's Day	
May 27	Buddha's Birthday	The eighth day of April according to the lunar calendar
June 6 th	Memorial Day	
August 15 th	Liberation Day	
September 28-30 th	Chuseok (Korean Thanksgiving Day)	Based on Lunar Calendar, dates are changing
October 3 rd	National Foundation Day	
October 9 th	Hangeul (the Korean Alphabet) Day	
December 25 th	Christmas Day	

27 **Disciplinary Action**

Disciplinary Action

Types of Disciplinary Action

(decided in Personnel Committee in accordance with the level of violation)

- Written Warning
- Salary Reduction: Not exceeding the amount of 1/2 of the average daily wage and the total amount of 1/10 of the monthly salary at a time.
- Suspension: No payment for 3 months max
- Dismissal



Termination

Termination

Restriction on Dismissal

- The Korean Labor Standards Act places the burden on the employer to prove a “justifiable reason to terminate.”
e.g. **Stealing, missing an excessive number of days of work, and violating laws related to the job**
- Managerial Reasons for Laying off an Employee in Korea: a company should prove that **without the layoff, the company would have extreme difficulty in maintaining operations**. The standard is interpreted strictly.
- Prior to layoffs the company should prove that it has exhausted all other remedies including offering voluntary retirements. The layoffs, also, must be conducted based on a “**fair and reasonable**” standard.

Termination

Notice Period or Payment in Lieu of Notice

- **Employer shall give the employee a notice of dismissal in advance (employer shall pay such employee a 30 days' ordinary wage at the least if they fail to provide) for any kinds of dismissal except the following:**
 - Where the period during which the employee has worked continuously is less than three months;
 - Where continuation of the business is impossible due to natural disasters, incidents or other unavoidable circumstances;
 - Where the employee has intentionally caused serious damage to the business or property loss, which falls under the reasons prescribed by Ordinance of the Ministry of Employment and Labor.
- **No regulation on employee voluntarily resigning.**

Termination

Final Payments

According to the LSA, the final payment must be paid within 14 days after the termination day.

Final payment usually includes:

- unpaid wages;
- annual leave encashment or deduction;
- payment in lieu of notice (if any);
- pro-rated bonus, commission and double pay (if any);
- other leave deduction (such as no pay leave, etc.);
- severance payment.



Mandatory Training

5 Mandatory Training

Subject	Target	Frequency & Training Hour	Penalty
Industrial Safety and Health	All employees (for a company with 5 or more employees)	Once a quarter (3~6 hours)	Up to 5 Million KRW
Personal Information Protection	The person in charge	Once a year (1 hour)	Up to 500 Million KRW in the event of security accident
Improvement of Awareness of the Disabled at workplace	All employees	Once a year (1 hour)	Up to 3 Million KRW
Retirement Pension	All employees	Once a year (1 hour)	Up to 10 Million KRW
Prevention of Sexual Harassment at Workplace	All employees	Once a year (1 hour)	Up to 5 Million KRW

Q&A

THANKS



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