



The Korea Fund, Inc.

June 30, 2021

This report contains the following two documents:

- Chairman's Letter to Stockholders
- Annual Report to Stockholders—June 30, 2021

Dear Fellow Stockholders

We have much pleasure in providing the Annual Report of The Korea Fund Inc. (the "Fund") covering its full fiscal year, that is from July 1st 2020 to June 30th 2021, otherwise referred to herein as the "Period".

The Stock Market and Fund Performance

This Period has provided investors in the South Korean equity markets exceptional opportunities. As mentioned in my February Letter with the Half Year Report the Korean stock market came to life following the sharp global market falls on the back of the COVID-19 global pandemic in 1Q20. Asian markets, particularly those of China and South Korea on the back of each's rapid response to the pandemic, showed greater resilience with lesser economic slowdowns to their Western counterparts and rapidly assumed the leadership in the subsequent economic and market recoveries. In Korea this was provided as much through the country's development of 'new economies', as well as a large government stimulus package. Further I referred at that time to the then-recent development of a Covid vaccine which has clearly done much to slow the problem, particularly in the more advanced economies.

Translating this into stock market returns through the full fiscal Period, your Fund has provided stockholders an increase in Net Asset Value ("NAV") of 76.9% – broken between its first and second half-year periods by 53.2% and 15.5% respectively. This NAV return to stockholders through its full fiscal year compares with a 66.5% increase in our benchmark, the MSCI 25/50, thereby providing stockholders an excess return or positive alpha of 10.4%. Further, through the Period the stock price increased 80.7% reflecting a marginal narrowing of the share price discount relative to its NAV.

These investment returns place your Fund in the first quartile of our consultant's peer group, made up of 13 funds and indices covering the South Korean market, over all periods up to and including 5 years and in the second quartile in the 10-year period.

Investment Manager Transition

The transition to our newly appointed Investment Adviser, JPMorgan Asset Management (Asia Pacific), progressed most satisfactorily on January 1st 2021, thanks to the strong support of both the retiring and incoming managers as well as your Board of Directors.

JPMorgan is maintaining a bottom-up investment approach with a contrarian philosophy within a long-term time horizon yet with sensitivity to valuations, growth prospects and earnings' quality.

The Report of our Investment Adviser follows and whilst it does not under estimate the threats of the pandemic it provides a degree of optimism in its outlook on the back of both above trend – and

even accelerating growth for the coming period, continued supportive fiscal and monetary policies as well as an improving semiconductor cycle.

Share Discount to NAV

Through the adviser transition your Board has constantly monitored the Fund's share price relative to NAV which through the Period has traded in a range of 17.0 to 12.6 percent. With the transition behind us your Board will look to prevent the discount reaching excess levels.

Expenses

Your Board continues to closely monitor expenses and is encouraged that the total expense ratio is presently running at very marginally over 1 percent, albeit having been aided by the increased meetings held by virtual means.

Board Diversity

As the above paragraph demonstrates since my appointment as your Chairman, I have endeavoured to lead the Fund in a prudent manner. As part of this strategy, we have maintained a small Board of Directors but not at the expense of experience: indeed, your present Board has well in excess of 100 years combined experience across front, middle and back office procedures in both the domestic US and international markets making it, possibly, one of the most experienced within the investment company's space.

I am well aware, and fully supportive of the worldwide move towards increased board diversification and so in this regard we are proposing expanding the Board by one member. Madam Hu Yan has almost 40 years' experience within the global financial services industry having worked across Northern Asia – particularly China and South Korea, and North America – in the US and Canada, with the major international financial services groups as well as the Chaebols of South Korea. Based between Beijing and Vancouver I believe Madam Hu will provide valuable further diversification of your Board and I trust that stockholders will support this proposal together with the reappointment of the chair of our Audit Committee, Rich Silver.

I thank all stockholders for their support through the Period and wish you continued prosperity and safety from the global pandemic.

Yours very sincerely



Julian Reid

For and on behalf of The Korea Fund Inc.

July 28, 2021

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The Korea Fund, Inc. Investment Adviser's Report

June 30, 2021 (unaudited)

Overview

In the 12 months to June 30, 2021, the total return of the Korea Fund, Inc.'s Net Asset Value (NAV) was 76.9% in USD terms, outperforming the MSCI Korea 25/50 Index (Total Return) by 10.4%. The KOSPI index rose 56% during the fiscal year from July 1, 2020 to June 30, 2021 to finish at 3296.68. In USD terms, the index rose 67% as the Won strengthened along with the global economic recovery.

During the fiscal year, retail investors bought ₩70Tn (USD 62Bn) of KOSPI listed stocks – more than offsetting sell pressures from both local and foreign institutional investors who sold ₩51Tn and ₩17Tn, respectively.

The government announced Korea's own "New Deal" – ₩160Tn (\$130Bn) investment program set to run through 2025 to create 1.9 million new jobs. The government's portion of this investment plan is ₩114Tn. The New Deal is broken down to 1) Digital New Deal: ₩58.2Tn investment – on data, network, AI, digital education, support "un-tact" businesses, and SOC digitalization; 2) Green New Deal: ₩73.4Tn investment – on green infrastructure, green growth (low/no carbon energy), and green environment; and 3) enlargement of the social safety net: ₩28.4Tn support for job transition, creation, and re-education.

Korea's National Assembly passed the Fair Economy Three Laws in December. These laws are designed to improve corporate governance by 1) tightening regulations on inter-group transactions involving family owned companies; 2) limiting influence (voting rights) of the controlling shareholder on election of audit committee members and 3) increase accountability of (ease legal action against) listed companies for wrongdoings of its unlisted subsidiaries.

During 2Q21, the Bank of Korea materially raised 2021 GDP growth to 4% vs. previous 3% and CPI to 1.8% vs. previous 1.3%. Governor Lee commented that the Bank of Korea would maintain the accommodative stance "for a while" but went on to state that there is a need to normalize extraordinary measures in line with the economic recovery. Previous thinking was that the policy rate would be raised sometime in the middle of 2022. The latest upward revision for GDP/Inflation has pulled forward the rate hike expectation to 2H21.

Discussion of Fund Performance

July 1 to December 31, 2020 (Provided by Allianz Global Investors U.S. LLC)

The Fund's overweight position in Hyundai Motors, a global auto manufacturer, contributed positively to performance. The strong sales performance of its luxury brand, Genesis, led to an improvement in operating margins despite the headwinds from declining volumes caused by COVID-19. In addition, increasing footprint in the European EV markets contributed to an

The Korea Fund, Inc. Investment Adviser's Report

June 30, 2021 (unaudited) (continued)

appreciation in Hyundai Motors' share price. The Fund's overweight position in Kumho Petrochemical, a maker of downstream chemical products, also helped our performance. The ongoing COVID-19 pandemic resulted in strong demand for latex, while input costs remained favorable as a result of low crude oil prices, leading to very strong margins. Lastly, the Fund's performance was helped by an overweight position in Hyundai Glovis, a captive logistics company for Hyundai Motor group. The company's share price rebounded on prospects of volume recovery for Hyundai Motor and Kia Motors. Negative contributors over the reporting period include AfreecaTV, an e-sports live streaming platform. The company's share price underperformed as continuing strict social distancing measures in Korea resulted in forced shutdown of its offline PC Café network. Also, the Fund's overweight position in Seoul Viosys, a LED chip producer, detracted from performance. The company's share price corrected on delayed adoption of its UV LED chips by home appliance manufacturers and news of COVID-19 vaccine developments. The Fund's overweight position in CJ Logistics, a logistics service provider, also contributed negatively to our performance. Despite faster than expected growth in parcel delivery volumes, the company's share price was weak on concerns over entrance of new competitors, as well as the company's announcements of additional support measures for its parcel delivery personnel which may dilute margins.

January 1 to June 30, 2021

The Fund's positive contributions came from exposures sensitive to the economic recovery, such as consumer discretionary, financials, energy and industrials. We manage the portfolios using a contrarian style with a value tilt. As for our contrarian strategy, this involves us having a longer term investment horizon. We look for companies that are out of favor now but retain qualities that would enable the stock to outperform when conditions change in a 12 to 18 month investment horizon.

AfreecaTV positively contributed as the streaming platform's economics improved on rising advertising revenue. Daewoo Engineering & Construction and Samsung Engineering outperformed on improving order outlook. Dentium and Hugel outperformed as demand for dental implants and Botulinum toxin returned on receding risk from COVID-19. Hyundai Motor and KIA performed well as they were able to monetize improving demand from North American and European markets thanks to strong model offerings. Not owning Celltrion and Celltrion Healthcare due to lower valuation merit contributed positively to the Fund's performance.

The main detractors came from positions in Samsung Electronics and SK Hynix as investors questioned the longevity of a DRAM/NAND price recovery with the likely slowing of demand for PCs and consumer electronics. Other notable detractors included Hanall Bio which suffered from its US partner, Immunovant's, decision to pause dosing in its clinical trials for an eye-disease drug IMVT1401 on elevated cholesterol. Please see the Overview section above for a discussion of broader market factors that affected Fund performance.

The Fund declares dividends from net investment income and distributions of net realized capital gains, if any, at least annually. For further details see Note 1 (f) of the Notes to Financial Statements. In the year to June 30, 2021 the distribution of \$0.53 per share was made from net investment income. For further details, including per share net asset value in the previous fiscal year, please see the section on Dividends and Distributions to Stockholders in the Financial Highlights of this Annual Report.

Outlook

The 1Q21 earnings season was the strongest in recent memory – with some 63% (MSCI Korea) of the companies reporting better than expected earnings. Strong results came from sectors sensitive to an economic recovery such as financials, materials and energy. Earnings disappointments came from healthcare and internet services – the latter on wage inflation. In summary, Korean earnings growth is expected to grow +100% this year vs. ~47% in the beginning of this year. We anticipate that earnings volatility for the remainder of this year will come from cost inflation and the unevenness of demand recovery. We think that the majority of Korean manufacturers retain sufficient global competitiveness to soften the impact from these challenges.

Exports in 1H21 were better than expected on the back of the strengthening global economy. 1Q21 saw a recovery in cyclically sensitive products followed by broad-based gains across key goods in 2Q21. Exports bound for the US and EU outperformed. Korea's manufacturing prowess across many products and diversified global exposure, are expected to help smooth over an uneven recovery from COVID-19.

Seoul and Busan mayoral elections on April 7, 2021, saw the opposition party win landslide victories. This outcome is likely to exert greater urgency on Moon's economic boosting measures ahead of the presidential election in March 2022. Possible downside risks come from the rising temptation to deploy populist policies that are often viewed as disruptive and short sighted.

The Korean government announced a second supplementary budget for 2021 in June worth ₩31.8Tn, equivalent to 1.6% of GDP. This was two-times larger than the first budget announced in March 2021. The latest budget aims to support areas most impacted by the COVID-19. This includes ₩15.7Tn in cash handouts to individuals and smaller business owners. The strong financial position of the Korean government will allow timely fiscal stimulus to support the domestic economy.

2H21 is expected to see a bumper crop of large IPOs, such as Kakao Bank, Krafton and LG Energy Solutions. Success of these IPOs will serve as a key barometer of retail sentiment in 2H21.

The Korea Fund, Inc. Investment Adviser's Report

June 30, 2021 (unaudited) (continued)

While the near term outlook is clouded by a bumpy recovery from COVID-19 and geopolitical uncertainties, we continue to think positively for the Korean equity market thanks to 1) accelerating and above trend growth for 2021; 2) continued supportive fiscal and monetary policies, and 3) an improving global demand for Korean manufactured goods.

The information contained herein has been obtained from sources believed to be reliable but the investment adviser and its affiliates do not warrant the information to be accurate, complete or reliable. The opinions expressed herein are solely those of the Fund's Investment Adviser and are subject to change at any time and without notice. Past performance is not indicative of future results. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. Investors should consider the investment objectives, risks, charges and expenses of any mutual fund carefully before investing. This and other information is contained in the Fund's annual and semi-annual reports, proxy statement and other Fund information, which may be obtained by contacting your financial adviser or visiting the Fund's website at www.thekoreafund.com.

This information is unaudited and is intended for informational purposes only. It is presented only to provide information on investment strategies and opportunities. The Fund seeks long-term capital appreciation through investment in securities, primarily equity securities, of Korean companies. Investing in non-U.S. securities entails additional risks, including political and economic risk and the risk of currency fluctuations, as well as lower liquidity. These risks, which can result in greater price volatility, will generally be enhanced in less diversified funds that concentrate investments in a particular geographic region. The Fund is a closed-end exchange traded management investment company. This material is presented only to provide information and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. After the initial public offering, shares are sold on the open market through a stock exchange, where shares may trade at a premium or a discount. Holdings are subject to change daily.

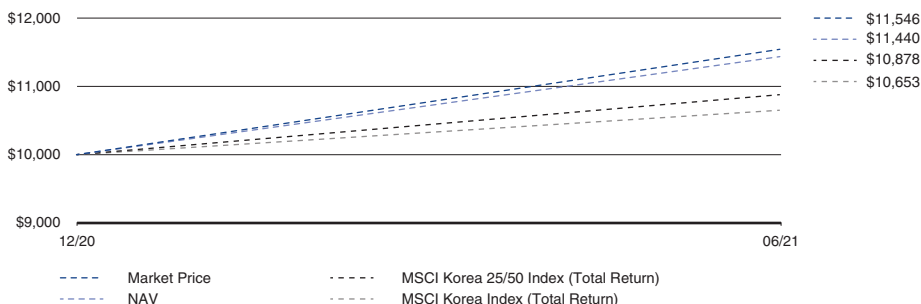
Due to the change of Investment Adviser effective January 1, 2021, the above report was written by the JPMorgan Asset Management (Asia Pacific) Limited, notwithstanding that Allianz Global Investors U.S. LLC was the Fund's investment manager up until December 31, 2020, except that the section of the above Performance Attribution Review relating to the first half of the reporting period was provided by Allianz Global Investors U.S. LLC.

The Korea Fund, Inc. Performance & Statistics

June 30, 2021 (unaudited)

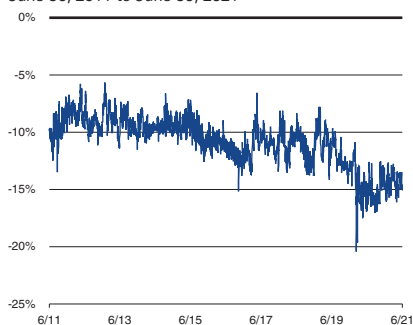
| Total Return ⁽¹⁾ | 1 Year | 5 Year | 10 Year |
|--|--------|--------|---------|
| Market Price | 80.66% | 13.94% | 5.13% |
| Net Asset Value ("NAV") | 76.93% | 13.98% | 5.15% |
| MSCI Korea 25/50 Index (Total Return) ⁽²⁾ | 66.51% | 14.86% | 5.85% |
| MSCI Korea Index (Total Return) ⁽²⁾ | 66.20% | 16.16% | 6.43% |

Fund Performance Line Graph⁽³⁾



Premium (Discount) to NAV:

June 30, 2011 to June 30, 2021



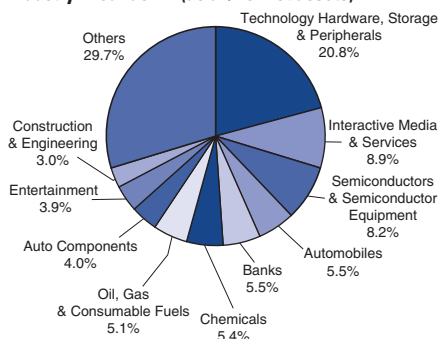
Market Price/NAV:

| | |
|--------------------|---------|
| Market Price | \$46.16 |
| NAV ⁽⁴⁾ | \$54.37 |
| Discount to NAV | -15.10% |

Ten Largest Holdings (as a % of net assets):

| | |
|--------------------------------|-------|
| Samsung Electronics Co. Ltd. | 20.8% |
| SK Hynix, Inc. | 8.2 |
| NAVER Corp. | 4.9 |
| LG Chem Ltd. | 4.2 |
| SK Innovation Co. Ltd. | 3.6 |
| Hana Financial Group, Inc. | 3.3 |
| Kia Corp. | 3.1 |
| Kakao Corp. | 2.7 |
| Hyundai Mobis Co. Ltd. | 2.5 |
| Hyundai Motor Co. (Preference) | 2.5 |

Industry Breakdown (as a % of net assets):



The Korea Fund, Inc. Performance & Statistics

June 30, 2021 (unaudited) (continued)

Notes to Performance & Statistics:

- (1) **Past performance is no guarantee of future results.** Total return is calculated by determining the percentage change in NAV or market price (as applicable) in the specified period. The calculation assumes that all dividends and distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares. Total return for a period of more than one year represents the average annual total return.

Performance at market price will differ from results at NAV. Although market price returns typically reflect investment results over time, during shorter periods returns at market price can also be influenced by factors such as changing views about the Fund, market conditions, supply and demand for the Fund's shares, or changes in the Fund's dividends.

An investment in the Fund involves risk, including the loss of principal. Total return, market price and NAV will fluctuate with changes in market conditions. This data is provided for information purposes only and is not intended for trading purposes. Closed-end funds, unlike open-end funds, are not continuously offered. There is a one-time public offering and once issued, shares of closed-end funds are traded in the open market through a stock exchange. NAV is equal to total assets less total liabilities divided by the number of shares outstanding. Holdings are subject to change daily.

- (2) Morgan Stanley Capital International ("MSCI") Korea Index is a market capitalization-weighted index of equity securities of companies domiciled in Korea. The index is designed to represent the performance of the Korean stock market and excludes certain market segments unavailable to U.S. based investors. The MSCI Korea Index (Total Return) returns assume reinvestment of dividends (net of foreign withholding taxes) and, unlike Fund returns, do not reflect any fees or expenses. Effective July 1, 2017, the Board approved The MSCI Korea 25/50 Index (Total Return) as the primary benchmark for the Fund. The MSCI Korea 25/50 Index (Total Return) is designed to measure the performance of the large and mid cap segments of the Korean market. It applies certain investment limits that are imposed on regulated investment companies, or RICs, under the current US Internal Revenue Code. One requirement of a RIC is that at the end of each quarter of its tax year no more than 25% of the value of the RIC's assets may be invested in a single issuer and the sum of the weights of all issuers representing more than 5% of the fund should not exceed 50% of the fund's total assets. The index covers approximately 85% of the free float-adjusted market capitalization in Korea. The returns assume reinvestment of dividends (net of foreign withholding taxes) but do not reflect any fees or expenses. It is not possible to invest directly in an index. Total Return for a period of more than one year represents the average annual return.
- (3) Having met the necessary requirements, the period covered by the Fund Performance Line Graph above commences on January 1, 2021, being the date that JPMorgan Asset Management (Asia Pacific) Limited became the Fund's Investment Adviser. Periods prior to January 1, 2021, when the Fund was advised by Allianz Global Investors U.S. LLC, are not shown.
- (4) The NAV disclosed in the Fund's financial statements may differ from this NAV due to accounting principles generally accepted in the United States of America.

The Korea Fund, Inc. Schedule of Portfolio Investments

As of June 30, 2021

| Shares | | Value |
|--|---|-------------------|
| COMMON STOCKS—99.4% | | |
| Air Freight & Logistics—1.4% | | |
| 20,850 | Hyundai Glovis Co. Ltd. | \$ 3,868,532 |
| Auto Components—4.0% | | |
| 86,400 | Hankook Tire & Technology Co. Ltd. | 3,964,399 |
| 26,450 | Hyundai Mobis Co. Ltd. | 6,859,311 |
| | | <u>10,823,710</u> |
| Automobiles—5.5% | | |
| 66,700 | Hyundai Motor Co. (Preference) | 6,811,441 |
| 104,600 | Kia Corp. | 8,335,875 |
| | | <u>15,147,316</u> |
| Banks—5.5% | | |
| 219,000 | Hana Financial Group, Inc. | 8,974,929 |
| 118,900 | KB Financial Group, Inc. | 5,901,012 |
| | | <u>14,875,941</u> |
| Biotechnology—2.7% | | |
| 24,855 | Hugel, Inc.* | 5,299,001 |
| 14,200 | SK Bioscience Co. Ltd.* | 1,998,579 |
| | | <u>7,297,580</u> |
| Capital Markets—1.9% | | |
| 56,100 | Korea Investment Holdings Co. Ltd. | <u>5,132,430</u> |
| Chemicals—5.4% | | |
| 63,900 | Dongjin Semichem Co. Ltd. | 1,624,418 |
| 15,100 | LG Chem Ltd. | 11,401,860 |
| 12,600 | SKC Co. Ltd. | 1,775,667 |
| | | <u>14,801,945</u> |
| Construction & Engineering—3.0% | | |
| 221,600 | Daewoo Engineering & Construction Co. Ltd.* | 1,563,129 |
| 20,800 | DL E&C Co. Ltd.* | 2,619,694 |
| 26,000 | DL Holdings Co. Ltd. | 1,846,735 |
| 100,000 | Samsung Engineering Co. Ltd.* | 2,119,742 |
| | | <u>8,149,300</u> |
| Electric Utilities—0.4% | | |
| 44,700 | Korea Electric Power Corp. | <u>986,590</u> |
| Electronic Equipment, Instruments & Components—1.7% | | |
| 29,900 | Samsung Electro-Mechanics Co. Ltd. | <u>4,688,842</u> |
| Entertainment—3.9% | | |
| 2,700 | HYBE Co. Ltd.* | 700,843 |
| 110,500 | JYP Entertainment Corp. | 3,977,741 |
| 8,100 | NCSoft Corp. | 5,893,743 |
| | | <u>10,572,327</u> |
| Food & Staples Retailing—1.3% | | |
| 6,300 | E-MART, Inc. | 894,290 |
| 76,800 | GS Retail Co. Ltd. | 2,634,435 |
| | | <u>3,528,725</u> |
| Food Products—0.8% | | |
| 5,600 | CJ CheilJedang Corp. | <u>2,292,234</u> |

The Korea Fund, Inc. Schedule of Portfolio Investments

As of June 30, 2021 (continued)

| Shares | | Value |
|---------|---|----------------------|
| | Health Care Equipment & Supplies—1.7% | |
| 51,200 | Dentium Co. Ltd. | \$ 2,950,596 |
| 32,100 | Suheung Co. Ltd. | 1,575,792 |
| | | <u>4,526,388</u> |
| | Hotels, Restaurants & Leisure—2.0% | |
| 136,200 | Kangwon Land, Inc.* | 3,251,595 |
| 504,000 | MOM'S TOUCH&Co* | 2,071,404 |
| | | <u>5,322,999</u> |
| | Household Durables—1.0% | |
| 29,100 | Zinus, Inc. | 2,662,174 |
| | Industrial Conglomerates—1.3% | |
| 14,500 | SK, Inc. | 3,634,376 |
| | Insurance—1.3% | |
| 18,700 | Samsung Fire & Marine Insurance Co. Ltd. | 3,662,604 |
| | Interactive Media & Services—8.9% | |
| 33,300 | AfreecaTV Co. Ltd. | 3,518,768 |
| 51,600 | Kakao Corp. | 7,473,876 |
| 36,100 | NAVER Corp. | 13,395,581 |
| | | <u>24,388,225</u> |
| | Life Sciences Tools & Services—1.9% | |
| 7,050 | Samsung Biologics Co. Ltd.* (a) | 5,252,913 |
| | Machinery—1.1% | |
| 25,000 | Korea Shipbuilding & Offshore Engineering Co. Ltd.* | 2,973,493 |
| | Media—0.7% | |
| 34,000 | Innocean Worldwide, Inc. | 1,993,034 |
| | Metals & Mining—1.6% | |
| 14,500 | POSCO | 4,481,220 |
| | Multiline Retail—0.8% | |
| 29,700 | Hyundai Department Store Co. Ltd. | 2,304,918 |
| | Oil, Gas & Consumable Fuels—5.1% | |
| 48,000 | GS Holdings Corp. | 1,973,547 |
| 37,300 | SK Innovation Co. Ltd.* | 9,780,384 |
| 23,000 | S-Oil Corp. | 2,094,406 |
| | | <u>13,848,337</u> |
| | Personal Products—1.9% | |
| 3,300 | LG Household & Health Care Ltd. | 5,163,255 |
| | Professional Services—0.8% | |
| 102,740 | NICE Information Service Co. Ltd. | 2,289,767 |
| | Semiconductors & Semiconductor Equipment—8.2% | |
| 197,500 | SK Hynix, Inc. | 22,291,556 |
| | Technology Hardware, Storage & Peripherals—20.8% | |
| 793,950 | Samsung Electronics Co. Ltd. | 56,835,829 |
| | Tobacco—1.2% | |
| 43,800 | KT&G Corp. | 3,282,472 |
| | Wireless Telecommunication Services—1.6% | |
| 15,300 | SK Telecom Co. Ltd. | 4,347,992 |
| | Total Common Stocks (Cost \$156,305,559) | <u>271,427,024</u> |
| | Total Investments—99.4% (Cost \$156,305,559) | 271,427,024 |
| | Other Assets Less Liabilities—0.6% | 1,518,679 |
| | Net Assets—100.0% | <u>\$272,945,703</u> |

Percentages indicated are based on net assets.

The Korea Fund, Inc. Schedule of Portfolio Investments

As of June 30, 2021 (continued)

Notes to Schedule of Investments:

- Preference A special type of equity investment that shares in the earnings of the company, has limited voting rights, and may have a dividend preference. Preference shares may also have liquidation preference.
- (a) Security exempt from registration pursuant to Regulation S under the Securities Act of 1933, as amended. Regulation S applies to securities offerings that are made outside of the United States and do not involve direct selling efforts in the United States and as such may have restrictions on resale.
- * Non-income producing security.

| | Level 1 Quoted prices | Level 2 Other significant observable inputs | Level 3 Significant unobservable inputs | Total |
|--|--------------------------|--|--|---------------|
| Total Investments in Securities (a) | \$— | \$271,427,024 | \$— | \$271,427,024 |

- (a) Please refer to the schedule of portfolio investments for specifics of portfolio holdings.

The Korea Fund, Inc. Schedule of Portfolio Investments

As of June 30, 2021 (continued)

The following is a summary of investments for which significant unobservable inputs (level 3) were used in determining fair value:

| | Balance as of June 30, 2020 | Realized gain (loss) | Change in net unrealized appreciation (depreciation) | Net accretion (amortization) | Purchases ¹ | Sales ² | Transfers into Level 3 | Transfers out of Level | Balance as of June 30, 2021 |
|----------------------------------|--------------------------------------|-------------------------|---|---------------------------------|------------------------|--------------------|------------------------------|------------------------------|--------------------------------------|
| Investments in Securities | | | | | | | | | |
| Common Stocks | \$214,576 | \$732,134 | \$— | \$— | \$— | \$(946,710) | \$— | \$— | \$— |

1 Purchases include all purchases of securities and securities received in corporate actions.

2 Sales include all sales of securities, maturities, paydowns and securities tendered in corporate actions.

The Korea Fund, Inc. Statement of Assets and Liabilities

As of June 30, 2021

| | |
|---|----------------------|
| Assets: | |
| Investments, at value | \$271,427,024 |
| Cash | 401,328 |
| Foreign currency, at value | 1,480,318 |
| Prepaid expenses and other assets | 110,573 |
| Receivables: | |
| Investment securities sold | 666,537 |
| Dividends (net of withholding taxes) | 332,388 |
| Total Assets | 274,418,168 |
| Liabilities: | |
| Payables: | |
| Investment securities purchased | 1,057,922 |
| Accrued expenses and other liabilities | 414,543 |
| Total Liabilities | 1,472,465 |
| Net Assets | \$272,945,703 |
| Net Assets: | |
| Common Stock: | |
| Par value (\$0.01 per share, applicable to 5,019,976 shares issued and outstanding) | \$50,200 |
| Paid-in-capital in excess of par | 127,230,727 |
| Total distributable earnings (loss) | 145,664,776 |
| Net Assets | \$272,945,703 |
| Net Asset Value Per Share | \$54.37 |
| Cost of investments | \$156,305,559 |
| Cost of foreign currency | 1,477,639 |

The Korea Fund, Inc. Statement of Operations

For the Year Ended June 30, 2021

| | |
|--|----------------------|
| Investment Income: | |
| Interest income | \$ 655 |
| Dividend income | 4,263,018 |
| Income from securities lending (net) (See Note 1.H.) | 14 |
| Foreign taxes withheld (net) | (725,790) |
| Total investment income | 3,537,897 |
| Expenses: | |
| Investment management (See Note 3) | 1,602,748 |
| Interest | 207 |
| Legal | 139,636 |
| Directors | 193,130 |
| Custodian and accounting agent | 219,632 |
| Insurance | 109,216 |
| Audit and tax services | 101,076 |
| Stockholder communications | 35,082 |
| Transfer agent | 37,071 |
| New York Stock Exchange listing | 10,132 |
| Other | 55,206 |
| Total expenses | 2,503,136 |
| Net Investment Income (Loss) | 1,034,761 |
| Realized/Unrealized Gains (Losses): | |
| Net realized gain (loss) on transactions from: | |
| Investments | 43,276,141 |
| Foreign currency transactions | 116,790 |
| Net realized gain (loss) | 43,392,931 |
| Change in net unrealized appreciation/depreciation on: | |
| Investments | 75,114,228 |
| Foreign currency translations | 4,393 |
| Change in net unrealized appreciation/depreciation | 75,118,621 |
| Net realized/unrealized gains (losses) | 118,511,552 |
| Change in Net Assets Resulting from Operations | \$119,546,313 |

The Korea Fund, Inc. Statements of Changes in Net Assets

For the Periods Indicated

| | Year Ended June 30, 2021 | Year Ended June 30, 2020 |
|--|-----------------------------|-----------------------------|
| Change in Net Assets Resulting from Operations: | | |
| Net investment income (loss) | \$1,034,761 | \$816,176 |
| Net realized gain (loss) | 43,392,931 | (8,261,211) |
| Change in net unrealized appreciation/depreciation | 75,118,621 | (1,131,640) |
| Change in net assets resulting from operations | 119,546,313 | (8,576,675) |
| Distributions to Shareholders: | | |
| Distributable earnings | (2,637,997) | (360,257) |
| Common Stock Transactions: | | |
| Cost of shares repurchased | (707,632) | (2,410,552) |
| Net Assets: | | |
| Change in net assets | 116,200,684 | (11,347,484) |
| Beginning of period | 156,745,019 | 168,092,503 |
| End of period | \$272,945,703 | \$156,745,019 |
| Shares Activity: | | |
| Shares outstanding, beginning of year | 5,040,949 | 5,128,007 |
| Shares repurchased | (20,973) | (87,058) |
| Shares outstanding, end of year | 5,019,976 | 5,040,949 |

The Korea Fund, Inc. Financial Highlights

For a share of stock outstanding throughout each year[^]:

| | Year ended June 30, | | | | |
|--|---------------------|-----------|-----------|-----------|-----------|
| | 2021 | 2020 | 2019 | 2018 | 2017 |
| Net asset value, beginning of year | \$31.09 | \$32.78 | \$42.39 | \$44.65 | \$36.68 |
| Investment Operations: | | | | | |
| Net investment income (1) | 0.21 | 0.16 | 0.22 | 0.20 | 0.16 |
| Net realized and change in unrealized gain (loss) | 23.58 | (1.85) | (4.76) | 1.13 | 7.75 |
| Total from investment operations | 23.79 | (1.69) | (4.54) | 1.33 | 7.91 |
| Dividends and Distributions to Stockholders from: | | | | | |
| Net investment income | (0.53) | (0.07) | (0.61) | (0.23) | (0.28) |
| Net realized gains | — | — | (4.62) | (3.80) | (0.05) |
| Total dividends and distributions to stockholders | (0.53) | (0.07) | (5.23) | (4.03) | (0.33) |
| Common Stock Transactions: | | | | | |
| Accretion to net asset value resulting from share repurchases and tender offer | 0.02 | 0.07 | 0.16 | 0.44 | 0.39 |
| Net asset value, end of year | \$54.37 | \$31.09 | \$32.78 | \$42.39 | \$44.65 |
| Market price, end of year | \$46.16 | \$25.85 | \$28.84 | \$38.26 | \$40.04 |
| Total return: (2) | | | | | |
| Net asset value | 76.93% | (4.96)% | (9.92)% | 3.39% | 22.83% |
| Market price | 80.66% | (10.15)% | (10.97)% | 4.41% | 25.09% |
| RATIOS/SUPPLEMENTAL DATA: | | | | | |
| Net assets, end of year (000s) | \$272,946 | \$156,745 | \$168,093 | \$227,318 | \$259,976 |
| Ratio of expenses to average net assets | 1.12% | 1.22% | 1.25% | 1.13% | 1.18%(3) |
| Ratio of net investment income to average net assets | 0.46% | 0.52% | 0.62% | 0.43% | 0.40%(3) |
| Portfolio turnover rate | 81% | 42% | 27% | 69% | 67% |

[^] A "—" may reflect actual amounts rounding to less than \$0.01 or 0.01%.

(1) Calculated on average common shares outstanding during the period.

(2) Total return is calculated by subtracting the value of an investment in the Fund at the beginning of the specified year from the value at the end of the year and dividing the remainder by the value of the investment at the beginning of the year and expressing the result as a percentage. The calculation assumes that all dividends and distributions, if any, have been reinvested. Total return does not reflect broker commissions or sales charges in connection with the purchase or sale of Fund shares. Total return on net asset value may reflect adjustments to conform to U.S. GAAP.

(3) Inclusive of tender offer expenses of 0.05%.

1. Organization and Significant Accounting Policies

The Korea Fund, Inc. (the "Fund") is registered under the Investment Company Act of 1940 and the rules and regulations thereunder, as amended, as a closed-end, non-diversified management investment company organized as a Maryland corporation, and accordingly, follows the investment company accounting and reporting guidance of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification Topic 946 *Financial Services—Investment Companies*. Effective January 1, 2021 JPMorgan Asset Management (Asia Pacific) Limited (the "Investment Adviser") serves as the Fund's investment manager. Until 31st December 2020, Allianz Global Investors U.S. LLC ("AllianzGI U.S.") served as the Fund's investment manager. AllianzGI U.S. is an indirect, wholly-owned subsidiary of PFP Holdings, Inc. and is a member of Munich-based Allianz Group. The Fund has authorized 200 million shares of common stock with \$0.01 par value.

The Fund's investment objective is to seek long-term capital appreciation through investment in securities, primarily equity securities, of Korean companies. There can be no assurance that the Fund will meet its stated objective.

The preparation of the Fund's financial statements in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires the Fund's management to make estimates and assumptions that affect the reported amounts and disclosures in the Fund's financial statements. Actual results could differ from those estimates.

Like many other companies, the Fund's organizational documents provide that its officers ("Officers") and the Board of Directors of the Fund (the "Board" or the "Directors") are indemnified against certain liabilities arising out of the performance of their duties to the Fund. In addition, both in some of its principal service contracts and in the normal course of its business, the Fund enters into contracts that provide indemnifications to other parties for certain types of losses or liabilities. The Directors' maximum exposure under these arrangements is unknown as this could involve future claims against the Fund.

The following is a summary of significant accounting policies consistently followed by the Fund:

(a) Valuation of Investments

Portfolio securities and other financial instruments for which market quotations are readily available are valued at market value. Market values for various types of securities and other instruments are determined on the basis of closing prices or last sales prices on an exchange or other market, or based on quotes or other market information obtained from quotation reporting systems, established market makers or independent pricing services. For foreign equity securities (with certain exceptions, if any), the Fund fair values its securities daily using modeling tools provided by a statistical research service. This service utilizes statistics and programs based on historical performance of markets and other economic data (which may include changes in the value of U.S. securities or security indices). Investments in mutual funds are valued at the net asset value ("NAV") as reported on each business day.

Portfolio securities and other financial instruments for which market quotations are not readily available (including in cases where available market quotations are deemed to be unreliable), are fair valued, in good faith, pursuant to procedures established by the Board, or persons acting at their discretion ("Valuation Committee") pursuant to procedures established by the Board. The Fund's investments are valued daily and the Fund's NAV is calculated as of the close of regular trading (normally 4:00 p.m. Eastern Time) on the New York Stock Exchange ("NYSE") on each day the NYSE is open for business using prices supplied by an independent pricing service or broker/dealer quotations, or by using the last sale or settlement price on the exchange that is the primary market for such securities, or the mean between the last bid and ask quotations. In unusual circumstances, the Board or the Valuation Committee may in good faith determine the NAV as of 4:00 p.m., Eastern Time, notwithstanding an earlier, unscheduled close or halt of trading on the NYSE.

Short-term investments having a remaining maturity of 60 days or less are valued at amortized cost unless the Board or its Valuation Committee determines that particular circumstances dictate otherwise.

Investments initially valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from pricing services. As a result, the NAV of the Fund's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the NYSE is closed.

The prices used by the Fund to value securities may differ from the value that would be realized if the securities were sold and these differences could be material to the Fund's financial statements.

1. Organization and Significant Accounting Policies (continued)

(b) Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (*i.e.*, the “exit price”) in an orderly transaction between market participants. The three levels of the fair value hierarchy are described below:

- Level 1—unadjusted quoted prices in active markets for identical investments that the Fund has the ability to access
- Level 2—valuations based on other significant observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities, interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates or other market corroborated inputs
- Level 3—valuations based on significant unobservable inputs (including the Investment Adviser’s or Valuation Committee’s own assumptions and securities whose price was determined by using a single broker’s quote)

The valuation techniques used by the Fund to measure fair value during the year ended June 30, 2021 were intended to maximize the use of observable inputs and to minimize the use of unobservable inputs.

An investment asset’s or liability’s level within the fair value hierarchy is based on the lowest level input, individually or in aggregate, that is significant to the fair value measurement. The objective of fair value measurement remains the same even when there is a significant decrease in the volume and level of activity for an asset or liability and regardless of the valuation techniques used.

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities. The following are certain inputs and techniques that the Fund generally uses to evaluate how to classify each major category of assets and liabilities within Level 2 and Level 3, in accordance with U.S. GAAP.

An asset or liability for which market values cannot be measured using the methodologies described above is valued by methods deemed reasonable in good faith by the Valuation Committee, following the procedures established by the Board, to represent fair value. Under these procedures, the Fund generally uses a market-based approach which may use related or comparable assets or liabilities, recent transactions, market multiples, book values and other relevant information. Fair value determinations involve the consideration of a number of subjective factors, an analysis of applicable facts and circumstances and the exercise of judgment. As a result, it is possible that the fair value for a security determined in good faith in accordance with the Fund’s valuation procedures may differ from valuations for the same security determined by other funds using their own valuation procedures. Although the Fund’s valuation procedures are designed to value a security at the price the Fund may reasonably expect to receive upon the security’s sale in an orderly transaction, there can be no assurance that any fair value determination thereunder would, in fact, approximate the amount that the Fund would actually realize upon the sale of the security or the price at which the security would trade if a reliable market price were readily available.

Equity Securities (Common and Preferred Stock)—Equity securities traded in inactive markets and certain foreign equity securities are valued using inputs which include broker-dealer quotes, recently executed transactions adjusted for changes in the benchmark index, or evaluated price quotes received from independent pricing services that take into account the integrity of the market sector and issuer, the individual characteristics of the security, and information received from broker-dealers and other market sources pertaining to the issuer or security. To the extent that these inputs are observable, the values of equity securities are categorized as Level 2. To the extent that these inputs are unobservable, the values are categorized as Level 3.

(c) Investment Transactions and Investment Income

Investment transactions are accounted for on the trade date. Realized gains and losses on investments are determined on an identified cost basis. Interest income on uninvested cash is recorded upon receipt. Dividend income is recorded on the ex-dividend date. Korean-based corporations have generally adopted calendar year-ends, and their interim and final corporate actions are normally approved, finalized and announced by their boards of directors and stockholders in the first and third quarters of each calendar year. Generally, estimates of their dividends are accrued on the ex-dividend date principally in the prior December and/or June period ends. These dividend announcements are recorded by the Fund on such ex-dividend dates. Any subsequent adjustments thereto by Korean corporations are recorded when announced. Presently, dividend income from Korean equity investments is earned primarily in the last calendar quarter of each year, and will be received primarily in the first calendar quarter of the following year. Certain other dividends and related withholding taxes, if applicable, from Korean securities may be recorded subsequent to the ex-dividend date as soon as the Fund is informed of such dividends and taxes. Dividend and interest income on the Statement of Operations are shown net of any foreign taxes withheld on income from foreign securities.

1. Organization and Significant Accounting Policies (continued)

(d) Federal Income Taxes

The Fund intends to distribute all of its taxable income and to comply with the other requirements of Subchapter M of the U.S. Internal Revenue Code of 1986, as amended, applicable to regulated investment companies. Accordingly, no provision for U.S. federal income taxes is required. The Fund may be subject to excise tax based on distributions to stockholders.

Accounting for uncertainty in income taxes establishes for all entities, including pass-through entities such as the Fund, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. In accordance with provisions set forth under U.S. GAAP, the Investment Adviser has reviewed the Fund's tax positions for all open tax years.

As of June 30, 2021, the Fund has recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions they have taken. The Fund's U.S. federal income tax returns for the prior three years, as applicable, remain subject to examination by the Internal Revenue Service.

(e) Foreign Investment and Exchange Controls in Korea

The Foreign Exchange Transaction Act, the Presidential Decree relating to such Act and the regulations of the Minister of Strategy and Finance (formerly known as Minister of Finance and Economy) issued thereunder impose certain limitations and controls which generally affect foreign investors in Korea. Through August 18, 2005, the Fund had a license from the Ministry of Finance and Economy to invest in Korean securities and to repatriate income received from dividends and interest earned on, and net realized capital gains from, its investments in Korean securities or to repatriate from investment principal up to 10% of the NAV (taken at current value) of the Fund (except upon termination of the Fund, or for expenses in excess of Fund income, in which case the foregoing restriction shall not apply). Under the Foreign Exchange Transaction Act, the Minister of Strategy and Finance has the power, with prior (posterior in case of urgency) public notice of scope and duration, to suspend all or a part of foreign exchange transactions when emergency measures are deemed necessary in case of radical change in the international or domestic economic situation. The Fund could be adversely affected by delays in, or the refusal to grant, any required governmental approval for such transactions.

The Fund relinquished its license from the Korean Ministry of Finance and Economy effective August 19, 2005. The Fund had engaged in negotiations with the Korean Ministry of Finance and Economy concerning the feasibility of the Fund's license being amended to allow the Fund to repatriate more than 10% of Fund capital. However, the Ministry of Finance and Economy advised the Fund that the license cannot be amended as a result of a change in the Korean regulations. As a result of the relinquishment of the license, the Fund is subject to the Korean securities transaction tax equal to 0.25% of the fair market value of any portfolio securities transferred by the Fund on the Korea Exchange and 0.45% of the fair market value of any portfolio securities transferred outside of the Korea Exchange. The relinquishment did not otherwise affect the Fund's operations. For the year ended June 30, 2021, the Fund incurred \$787,818 in transaction taxes in connection with portfolio securities transferred by the Fund on the Korea Exchange. Net realized gain (loss) on investments on the Statement of Operations is shown net of the transaction taxes incurred by the Fund.

Certain securities held by the Fund may be subject to aggregate or individual foreign ownership limits. These holdings are in industries that are deemed to be of national importance.

(f) Dividends and Distributions

The Fund declares dividends from net investment income and distributions of net realized capital gains, if any, at least annually. The Fund records dividends and distributions on the ex-dividend date. The amount of dividends from net investment income and distributions from net realized capital gains is determined in accordance with U.S. federal income tax regulations, which may differ from U.S. GAAP. These "book-tax" differences are considered either temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal income tax treatment; temporary differences do not require reclassification. To the extent dividends and/or distributions exceed current and accumulated earnings and profits for federal income tax purposes, they are reported as dividends and/or distributions to stockholders from return of capital.

(g) Foreign Currency Translation

The Fund's accounting records are maintained in U.S. dollars as follows: (1) the foreign currency market values of investments and other assets and liabilities denominated in foreign currencies are translated at the prevailing exchange rate at the end of the period; and (2) purchases and sales, income and expenses are translated at the prevailing exchange rate on the respective dates of such transactions. The resulting net foreign currency gain (loss) is included in the Fund's Statement of Operations.

1. Organization and Significant Accounting Policies (continued)

The Fund does not generally isolate that portion of the results of operations arising as a result of changes in foreign currency exchange rates from the fluctuations arising from changes in the market prices of securities. Accordingly, such foreign currency gain (loss) is included in net realized and unrealized gain (loss) on investments. However, the Fund does isolate the effect of fluctuations in foreign currency exchange rates when determining the gain (loss) upon the sale or maturity of foreign currency denominated debt obligations pursuant to U.S. federal income tax regulations; such amount is categorized as foreign currency gain (loss) for both financial reporting and income tax reporting purposes.

At June 30, 2021, the Korean WON ("W")/U.S. dollar ("\$") exchange rate was W 1,126.15 to \$1.

(h) Securities Lending

The Fund may engage in securities lending. The loans are secured by collateral at least equal, at all times, to the market value of the loaned securities. During the term of the loan, the Fund will continue to receive any dividends or amounts equivalent thereto, on the loaned securities while receiving a fee from the borrower and/or earning interest on the investment of the cash collateral. Securities lending income is disclosed as such in the Statement of Operations. Income generated from the investment of cash collateral, less negotiated rebate fees paid to borrowers and transaction costs, is allocated between the Fund and securities lending agent. Cash collateral received for securities on loan is invested in securities identified in the Schedule of Investments and the corresponding liability is recognized as such in the Statement of Assets and Liabilities. Loans are subject to termination at the option of the borrower or the Fund.

Upon termination of the loan, the borrower will return to the lender securities identical to the loaned securities. The Fund may pay reasonable finders', administration and custodial fees in connection with a loan of its securities and may share the interest earned on the collateral with the borrower. The Fund bears the risk of delay in recovery of, or even loss of rights in, the securities loaned should the borrower of the securities fail financially. The Fund also bears the risk of loss in the event the securities purchased with cash collateral depreciate in value.

The Fund did not have any securities on loan at June 30, 2021.

2. Principal Risks

In the normal course of business, the Fund trades financial instruments and enters into financial transactions where risk of potential loss exists due to, among other things, changes in the market (market risk) or failure of the other party to a transaction to perform (counterparty risk). The Fund is also exposed to other risks such as, but not limited to, foreign currency risk.

To the extent the Fund directly invests in foreign currencies or in securities that trade in, and receive revenues in, foreign currencies, or in derivatives that provide exposure to foreign currencies, it will be subject to the risk that those currencies will decline in value relative to the U.S. dollar, or, in the case of hedging positions, that the U.S. dollar will decline in value relative to the currency being hedged. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including economic growth, inflation, changes in interest rates, intervention (or the failure to intervene) by U.S. or foreign governments, central banks or supranational entities such as the International Monetary Fund, or the imposition of currency controls or other political developments in the United States or abroad. As a result, the Fund's investments in foreign currency-denominated securities may reduce the returns of the Fund. The local emerging market currencies in which the Fund may be invested may experience substantially greater volatility against the U.S. dollar than the major convertible currencies in developed countries.

The Fund is subject to elements of risk not typically associated with investments in the U.S., due to concentrated investments in foreign issuers located in a specific country or region. Such concentrations will subject the Fund to additional risks resulting from future political or economic conditions in such country or region and the possible imposition of adverse governmental laws or currency exchange restrictions affecting such country or region, which could cause the securities and their markets to be less liquid and prices more volatile than those of comparable U.S. companies.

The Fund may be subject to increased risk to the extent it allocates assets among investment styles and certain styles under-perform relative to other investment styles.

The market values of securities may decline due to general market conditions (market risk) which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, adverse changes to credit markets or adverse investor sentiment. They may also decline due to factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity securities and equity-related investments generally have greater market price volatility than fixed income securities, although under certain market

The Korea Fund, Inc. Notes to Financial Statements

June 30, 2021 (continued)

2. Principal Risks (continued)

conditions fixed income securities may have comparable or greater price volatility. Credit ratings downgrades may also negatively affect securities held by the Fund. Even when markets perform well, there is no assurance that the investments held by the Fund will increase in value along with the broader market. In addition, market risk includes the risk that local, regional or global events, including geopolitical and other events may disrupt the economy on a national or global level. For example, events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the economy or the markets for financial instruments and, as a result, could have a significant impact on the Fund and its investments. As a further example, an outbreak of respiratory disease caused by a novel coronavirus designated as COVID-19 was first detected in China in December 2019 and subsequently spread globally, being designated as a pandemic in early 2020. The transmission of COVID-19 and efforts to contain its spread have resulted in, among other things, border closings and other significant travel restrictions and disruptions; mandatory stay-at-home and work-from-home orders in numerous countries, including the United States; significant disruptions to business operations, supply chains and customer activity, as well as mandatory business closures; lower consumer demand for goods and services; event cancellations and restrictions; cancellations, reductions and other changes in services; significant challenges in healthcare service preparation and delivery; public gathering limitations and prolonged quarantines; and general concern and uncertainty. These effects have exacerbated the significant risks inherent in market investments, and the COVID-19 pandemic has meaningfully disrupted the global economy and markets, causing market losses across a range of asset classes, as well as both heightened market volatility and increased illiquidity for trading. Although the long-term economic fallout of COVID-19 is difficult to predict, it has the potential to continue to have ongoing material adverse effects on the global economy, the economies of individual countries, and the financial performance of individual issuers, sectors, industries, asset classes, and markets in significant and unforeseen ways. Health crises caused by the outbreak of COVID-19 may also exacerbate other pre-existing political, social, economic, market and financial risks. The effects of the outbreak in developing or emerging market countries may be greater due to less established health care systems. The COVID-19 pandemic and its effects may last for an extended period of time, result in significant market volatility, exchange trading suspensions and closures, declines in global financial markets, higher default rates, and a substantial economic downturn or recession. Furthermore, the ability of the Investment Adviser or its affiliates to operate effectively, including the ability of personnel to function, communicate and travel to the extent necessary to carry out the Fund's investment strategies and objectives, may be materially impaired. All of the foregoing could impair Fund's ability to maintain operational standards (such as with respect to satisfying redemption requests), disrupt the operations of the Fund's service providers, adversely affect the value and liquidity of the Fund's investments, and negatively impact the Fund's performance and your investment in the respective Fund.

The Fund is exposed to counterparty risk, or the risk that an institution or other entity with which the Fund has unsettled or open transactions will default. The potential loss to the Fund could exceed the value of the financial assets recorded in the Fund's financial statements. Financial assets, which potentially expose the Fund to counterparty risk, consist principally of cash due from counterparties and investments. The Investment Adviser seeks to minimize the Fund's counterparty risk by performing reviews of each counterparty and by minimizing concentration of counterparty risk by undertaking transactions with multiple customers and counterparties on recognized and reputable exchanges. Delivery of securities sold is only made once the Fund has received payment. Payment is made on a purchase once the securities have been delivered by the counterparty. The trade will fail if either party fails to meet its obligation.

3. Investment Adviser

The Fund has an Investment Advisory Agreement (the "Advisory Agreement") with the Investment Adviser. Subject to the supervision of the Fund's Board, the Investment Adviser is responsible for managing, either directly or through others selected by it, the Fund's investment activities, business affairs, and other administrative matters. Effective January 1, 2021 the investment adviser receives an annual fee, payable monthly, at the annual rate of 0.70% of the value of the Fund's average daily net assets up to \$250 million and 0.65% of average daily net assets in excess of \$250 million. Until 31st December 2020, AllianzGI U.S. received an annual fee, payable monthly, at the annual rate of 0.75% of the value of the Fund's average daily net assets up to \$250 million; 0.725% of the next \$250 million of average daily net assets; 0.70% of the next \$250 million of average daily net assets; 0.675% of the next \$250 million of average daily net assets and 0.65% of average daily net assets in excess of \$1 billion.

4. Investments in Securities

For the year ended June 30, 2021, purchases and sales of investments, other than short-term securities were \$174,146,831 and \$176,874,803, respectively.

5. Income Tax Information

For the year ended June 30, 2021, the tax character of the dividends and distributions paid was \$2,637,997 from ordinary income. For the year ended June 30, 2020, the tax character of dividends and distributions paid was \$360,257 from ordinary income.

The Korea Fund, Inc. Notes to Financial Statements

June 30, 2021 (continued)

5. Income Tax Information (continued)

At June 30, 2021, the Fund had distributable earnings of \$24,244,157 from ordinary income and \$12,105,155 from long-term capital gain.

As of June 30, 2021, the Fund utilized capital loss carryforwards in the amount of \$5,629,749, of which \$3,140,492 was short-term capital loss and \$2,489,257 was long-term capital loss.

At June 30, 2021, permanent "book-tax" differences were primarily attributable to the differing treatment of gains and losses from foreign currency transactions and reclass of gain on sale of Passive Foreign Investment Companies ("PFICs"). These adjustments were to increase dividends in excess of net investment income by \$6,228,453 and decrease accumulated net realized gain by \$6,228,453. Net investment income, net realized gains or losses and net assets were not affected by these adjustments.

At June 30, 2021, the cost basis of portfolio securities for federal income tax purposes was \$162,114,432. Gross unrealized appreciation was \$109,813,453; gross unrealized depreciation was \$497,992; and net unrealized appreciation was \$109,315,461. The difference between book and tax cost basis was attributable to wash sale loss deferrals and Passive Foreign Investment Companies ("PFICs") mark-to-market.

6. Discount Management Program

The Fund has a share repurchase program under which the Fund will repurchase in each twelve month period ended June 30, up to 10% of its common stock outstanding as of the close of business on June 30 the prior year, but will permit shares to be repurchased at differing discount trigger levels that will not be announced. The Fund will repurchase shares at a discount, in accordance with procedures approved by the Board. Subject to these procedures, the timing and amount of any shares repurchased will be determined by the Board and/or its Discount Management Committee in consultation with the Investment Adviser.

For the year ended June 30, 2021, the Fund repurchased 20,973 shares of its common stock on the open market, which represented approximately 0.4% of the shares outstanding at June 30, 2020 at a total cost, inclusive of commissions (\$0.015 per share), of \$707,632 at a per-share weighted average discount NAV of 14.19%. For the year ended June 30, 2020, the Fund repurchased 87,058 shares of its common stock on the open market, which represented approximately 2% of the shares outstanding at June 30, 2019 at a total cost, inclusive of commissions (\$0.015 per share), of \$2,410,552 at a per-share weighted average discount to NAV of 11.75%.

7. Fund Ownership

At June 30, 2021, the City of London Investment Group PLC, Lazard Asset Management LLC, 1607 Capital Partners and the Gates William Henry held approximately 37%, 17%, 11% and 7%, respectively, of the Fund's outstanding shares. Investment activities of these stockholders could have a material impact to the Fund.

To the Board of Directors and Stockholders of The Korea Fund, Inc.

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities, including the schedule of portfolio investments, of The Korea Fund, Inc. (the "Fund") as of June 30, 2021, the related statement of operations for the year ended June 30, 2021, the statement of changes in net assets for each of the two years in the period ended June 30, 2021, including the related notes, and the financial highlights for each of the five years in the period ended June 30, 2021 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Fund as of June 30, 2021, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period ended June 30, 2021 and the financial highlights for each of the five years in the period ended June 30, 2021 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. Our procedures included confirmation of securities owned as of June 30, 2021 by correspondence with the custodian and brokers. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
New York, New York
August 25, 2021

We have served as the auditor of the Fund since 1984.

The Korea Fund, Inc. Additional Information Regarding the Fund

June 30, 2021 (unaudited)

Changes in the Fund's Investment Objective, Policies and Risks During the Most Recent Fiscal Year

The following information in this annual report is a summary of certain changes in the Fund's Investment Objective, Policies and Risks during its most recent fiscal year. This information may not reflect all of the changes that have occurred since you purchased shares of the Fund.

None.

The Fund's Current Investment Objective, Policies and Risks

Investment Objective and Policies

The investment objective of the Fund is to seek long-term capital appreciation through investment in securities, primarily equity securities, of Korean companies. This objective is a fundamental policy and may not be changed without the approval of a majority of the Fund's outstanding voting securities. As used in this report, a "majority of the Fund's outstanding voting securities" means the lesser of (i) 67% of the shares represented at a meeting at which more than 50% of the outstanding shares are represented or (ii) more than 50% of the outstanding shares. While current income from dividends and interest may be a consideration in selecting portfolio securities, it is not an objective of the Fund. It is the policy of the Fund normally to invest at least 80% of its net assets in securities listed on the Korea Exchange (the "Exchange"). As of June 30, 2021, 99% of the Fund's net assets were invested in securities listed on the Exchange. It is expected that the balance of the Fund's net assets normally will be invested in debt securities of the government (the "Government") of the Republic of Korea ("Korea" or the "Republic") and Korean corporations and in recognized Korean money market instruments.

For purposes of the Fund's investment policy, equity securities include common and preferred stock (including convertible preferred stock), bonds, notes and debentures convertible into common and preferred stock, stock purchase warrants and rights, equity interests in trusts, partnerships, joint ventures, or similar enterprises and depositary receipts. Not all of these investment types may be available for investment in Korea at all times. To the extent permitted by applicable law, the Fund reserves the right to invest in any of the above listed equity securities, and may use its assets to enter into foreign currency exchange contracts, currency and stock index futures contracts, covered call options, repurchase agreements, delayed delivery transactions and futures contracts.

The Fund may invest its assets in a broad spectrum of Korean industries, including, as conditions warrant from time to time, automobiles, cement, chemicals, construction, electrical equipment, electronics, finance, food and beverage, international trading, machinery, shipbuilding, steel and textiles. In selecting industries and companies for investment, the Investment Manager considers overall growth prospects, competitive position in export markets, technology, research and development, productivity, labor costs, raw material costs and sources, profit margins, return on investment, capital resources, government regulation, management and other factors. The Fund has invested principally in securities of established companies, although investments may be made, to the extent permitted by Korean law, in securities of new or little-known companies. To the extent permitted by law, the Fund may also invest in stocks of securities-related businesses listed on the Exchange.

For defensive purposes, the Fund may vary from its investment policy. During periods in which, in the opinion of the Investment Manager, changes in Korean market conditions, or other economic conditions or Korean political conditions warrant, the Fund may reduce its position in equity securities and, subject to any applicable restrictions under Korean law, increase its position in debt securities or in short-term indebtedness or hold cash. The Fund may also at any time invest funds as reserves for dividends and other distributions for shareholders in U.S. dollar-denominated money market instruments such as those described above. However, once invested in won-denominated securities, the Fund's investment principal may not be converted into U.S. dollar-denominated securities except for payment of expenses in excess of Fund income or in connection with the termination of the Fund.

Although the Fund is a non-diversified company under the Investment Company Act of 1940, as amended (the "1940 Act"), it is subject to portfolio diversification requirements that are contained (i) in its investment restriction pertaining to concentration, which generally prevents it from purchasing a security that would result in more than 25% of the Fund's net assets being invested in a single industry; and (ii) in the diversification requirements applicable to regulated investment companies under the U.S. Internal Revenue Code of 1986, as amended (the "Code"). The Fund, as a non-diversified company under the 1940 Act, is permitted to hold a relatively greater concentration in securities of particular companies. This flexibility reduces diversification of risk and could result in greater fluctuation in the Fund's net asset value. However, it also reflects the composition of the Korean securities markets, in that securities of relatively few companies account for a greater share of the total capitalization of such markets than is the case in the United States.

The Korea Fund, Inc. Additional Information Regarding the Fund

June 30, 2021 (unaudited) (continued)

The Fund intends to purchase and hold securities for long-term capital appreciation and does not expect to trade in securities for short-term gain. The Fund will adjust its portfolio as it deems advisable in view of prevailing or anticipated market conditions. A higher rate of portfolio turnover generally involves correspondingly greater brokerage commission expenses than a lower rate, which expenses must be borne by the Fund and its shareholders. The Fund's portfolio turnover rate for the twelve months ended June 30, 2021 was 81%. The portfolio turnover rate is calculated by dividing the lesser of sales or purchases of portfolio securities by the average monthly value of the Fund's portfolio securities. For purposes of this calculation, portfolio securities exclude all securities having a maturity when purchased of one year or less.

Consistent with provisions of the 1940 Act and any administrative exemptions that may be granted by the U.S. Securities and Exchange Commission (the "Commission"), the Fund may invest in the securities of other investment companies that invest in Korean securities. Absent special relief from the Commission, the Fund may invest up to 10% of its assets in the aggregate in shares of other investment companies and up to 5% of its assets in any one investment company, as long as that investment does not represent more than 3% of the voting stock of the acquired investment company. As a shareholder in any investment company, the Fund will bear its ratable share of such company's expenses, and will remain subject to payment of the Fund's advisory and administrative fees with respect to assets so invested.

Principal Risks

The Fund is a closed-end investment company designed for long-term investment, and investors should not consider it a trading vehicle. Historically, shares of closed-end investment companies have frequently traded at a discount from net asset value, but have also traded at premiums. Investing in securities of Korean companies and of the Government involves certain considerations not typically associated with investing in securities of United States companies or the United States government, including (1) political and economic risks, including the potential for military conflict with North Korea, (2) potential price volatility and lesser liquidity of the Korean securities markets, due in part to their relatively small size and to competition from alternative investment opportunities in Korea, (3) governmental involvement in and influence on the economy and the private sector, (4) restrictions imposed by the Government on foreign investment, which may limit investment opportunities available to the Fund, (5) fluctuations in the rate of exchange between the won and the U.S. dollar, (6) restrictions on, and costs associated with, currency conversions and on the repatriation of principal, income or gains and (7) Korean taxes. Additional considerations when investing in securities of Korean companies and of the Government include the risk of nationalization or expropriation of assets or confiscatory taxation, delays in settlement and the risk that it may be more difficult to obtain or enforce a judgment in a court outside the United States.

Korean accounting, auditing and financial reporting standards are not equivalent to United States standards and, therefore, less information may be available with respect to investments in Korea than in the United States. Supervision by governmental agencies and self-regulatory organizations with respect to the securities industry in Korea differs from, and in some respects may be less than, such supervision in the United States. Accordingly, the Fund's investment in Korean securities should be considered more speculative than investments in securities of U.S. companies.

Political and Economic Risks

The value of the Fund's assets may be adversely affected by political, economic or social instability in Korea. The heightened tensions between the Republic and North Korea have from time to time depressed new foreign investment in the Republic and the availability of foreign financing for Korean companies. The uncertainty surrounding the situation may adversely affect the economic climate in the Republic. The tensions between the Republic and North Korea also may adversely affect the prices of the Fund's portfolio securities and the Fund's share price.

Korean companies may be substantially more leveraged than U.S. and European companies. The high degree of leverage increases the risk of business failures should adverse business conditions develop.

Korean accounting, auditing and financial reporting standards and practices are not equivalent to those in the United States. Therefore, certain material disclosures (including disclosures as to off-balance sheet financing loan guarantees) may not be made, and less information may be available with respect to investments in Korea than with respect to those in the United States.

In general, the Fund is subject to elements of risk not typically associated with investments in the U.S., due to concentrated investments in Korea. Such concentrations will subject the Fund to additional risks resulting from future political or economic conditions in the region the possible imposition of adverse governmental laws or currency exchange restrictions, which could cause the securities and their markets to be less liquid and prices more volatile than those of comparable U.S. companies.

The Korea Fund, Inc. Additional Information Regarding the Fund

June 30, 2021 (unaudited) (continued)

The Korean Securities Markets

The Korean securities markets are still relatively small in comparison to the United States, Japanese and major European securities markets. In addition, market capitalization and trading volume in Korea are concentrated in a limited number of companies within a small number of industries as compared to other markets. As a result, the Korean securities markets may be subject to greater price volatility and lesser liquidity than other securities markets. Because of these liquidity limitations, it may be more difficult for the Fund to purchase and sell portfolio investments than would otherwise be the case. Many companies traded on Korean securities markets are smaller, newer and less seasoned than companies traded on United States securities markets. Investments in smaller companies involve greater risk than are customarily associated with investments in larger companies.

The Korean securities markets have in the past been influenced by large investors trading significant blocks of securities, and by the relative attractiveness of alternative investment vehicles such as real estate and the unofficial money market lending to business borrowers.

Currency Fluctuations

The Fund has significant exposure to won, insofar as its Korean securities may be traded in won and the issuers of the Fund's portfolio securities may derive substantially all or all of their income in won. Reductions in the won relative to the U.S. dollar will therefore tend to adversely impact the Fund's net asset value. Although the Fund may enter into forward currency exchange contracts and may (subject to receipt of requisite regulatory approvals) purchase and sell options on currencies in an effort to protect the Fund's portfolio holdings against currency fluctuation risks, the Fund does not intend fully or partially to hedge, on an ongoing basis, its portfolio holdings in such a manner.

Currency Conversion and Repatriation

Conversion of won into U.S. dollars or other foreign currencies, transfer of funds from Korea to foreign countries and repatriation of foreign capital invested in Korea are subject to certain regulatory approvals pursuant to foreign exchange management laws and regulations. Such conversions and transfers of funds often entail significant transaction costs.

The repatriation by foreign investors of principal, income or gains that arise from holding and disposing of Korean equity securities that are traded on the Exchange is subject to regulations issued by the Minister of Finance and Economy. Such repatriation is generally permitted to foreign investors that have made a report to their designated foreign exchange bank for each repatriation. Unlike other foreign investors, however, the Fund is, in general, currently permitted, with the report to its designated foreign exchange bank, to repatriate only income and gains.

If, because of restrictions on conversion or because of repatriation problems, the Fund were unable to distribute substantially all of its net investment income (including short-term capital gains) and long-term capital gains within applicable time periods, the Fund could be subject to U.S. Federal income and excise taxes which would not otherwise be incurred and might cease to qualify for the favorable tax treatment afforded to regulated investment companies under the Code, in which case it would become subject to U.S. Federal income tax on all of its income and gains.

Non-Diversified Status

The Fund is classified as a "non-diversified" investment company under the 1940 Act, which means that the Fund is not limited by the 1940 Act as to the percentage of its assets that may be invested in the securities of a single issuer. As a non-diversified investment company, the Fund may invest a greater proportion of its assets in a smaller number of issuers, and, as a result, may be subject to greater risk with respect to its portfolio securities.

Transaction Costs

The Fund's transaction costs are higher than the transaction costs for the typical investment company investing in U.S. securities.

Discount From Net Asset Value

The shares of the Fund may trade at a discount from net asset value. This is characteristic of shares of a closed-end fund and is a risk separate and distinct from the risk of a decline in the net asset value as a result of a fund's investment activities.

The Korea Fund, Inc. Tax Information/Stockholder Meeting Results/ Changes to the Board of Directors/ Proxy Voting Policies & Procedures

(unaudited)

Tax Information:

As required by the Internal Revenue Code, stockholders must be notified regarding certain tax attributes of distributions made by the Fund.

Under the Jobs and Growth Tax Relief Reconciliation Act of 2003, the following percentages of ordinary dividends paid during the fiscal year ended June 30, 2021, are designated as "qualified dividend income": 38%.

Corporate stockholders are generally entitled to take the dividend received deduction on the portion of a Fund's dividend distribution that qualifies under tax law. The percentage of the following Fund's ordinary income dividends paid during the fiscal year ended June 30, 2021, that qualify for the corporate dividend received deduction is 0%.

Foreign Tax Credit: The Fund has elected to pass-through the credit for taxes paid to foreign countries. The gross foreign dividends and foreign tax per share paid during the fiscal year ended June 30, 2021 is \$0.849211 and \$0.144574, respectively.

Since the Fund's tax year is not the calendar year, another notification will be sent with respect to calendar year 2021.

In January 2022, stockholders will be advised on IRS Form 1099-DIV as to the federal tax status of the dividends and distributions received during calendar year 2021. The amount that will be reported will be the amount to use on the stockholders 2021 federal income tax return and may differ from the amount which must be reported in connection with the Fund's tax year ended June 30, 2021. Stockholders are advised to consult their tax advisers as to the federal, state and local tax status of the dividend income received from the Fund.

Stockholder Meeting Results

The Fund held a meeting of stockholders on October 21, 2020. Stockholders voted as indicated below:

| | Affirmative | Against | Abstain |
|--|-------------|---------|---------|
| Election Matthew J. Sippel who serves as a Class II Director | 4,201,826 | 195,647 | 18,621 |

Mr. Julian Reid, who serves as a Class I Director and Mr. Richard A. Silver, who serves as a Class II Director, continue to serve as Directors of the Fund.

Changes to the Board of Directors:

Christopher B. Brader did not stand for re-election, and was no longer a Director of the Fund, effective October 21, 2020. Matthew J. Sippel was appointed as a Director of the Fund, effective August 24, 2020.

New Investment Advisory Agreement

The Fund held a meeting of stockholders on December 11, 2020. Stockholders voted as indicated below:

| | Affirmative | Against | Abstain |
|---|-------------|---------|---------|
| Approval of a new Investment Advisory Agreement between The Korea Fund, Inc. and JPMorgan Asset Management (Asia Pacific) Limited | 3,630,588 | 57,006 | 3,551 |

Proxy Voting Policies & Procedures:

A description of the policies and procedures that the Fund has adopted to determine how to vote proxies relating to portfolio securities and information about how the Fund voted proxies relating to portfolio securities held during the most recent twelve month period ended June 30 is available (i) without charge, upon request, by calling the Fund's stockholder servicing agent at (866) 706-0510; (ii) on the Fund's website at www.thekoreafund.com; and (iii) on the Securities and Exchange Commission website at www.sec.gov.

| FACTS | WHAT DOES THE KOREA FUND, INC. DO WITH YOUR PERSONAL INFORMATION? |
|--------------|---|
| Why? | Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do. |
| What? | The types of personal information we collect and share depend on the product or service you have with us. This information can include: <ul style="list-style-type: none"> ▪ Social Security number and account balances ▪ transaction history and account transactions ▪ checking account information and wire transfer instructions When you are <i>no longer</i> our customer, we continue to share your information as described in this notice. |
| How? | All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons The Korea Fund, Inc. chooses to share; and whether you can limit this sharing. |

| Reasons we can share your personal information | Does The Korea Fund, Inc. share? | Can you limit this sharing? |
|---|---|------------------------------------|
| For our everyday business purposes — such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus | YES | NO |
| For marketing purposes — to offer our products and services to you | YES | NO |
| For joint marketing with other financial companies | NO | WE DON'T SHARE |
| For our affiliates' everyday business purposes — information about your transactions and experiences | NO | WE DON'T SHARE |
| For our affiliates' everyday business purposes — information about your creditworthiness | NO | WE DON'T SHARE |
| For nonaffiliates to market to you | NO | WE DON'T SHARE |

| | |
|-------------------|---|
| QUESTIONS? | Call 1-866-706-0510 or go to www.thekoreafund.com |
|-------------------|---|

Who we are

Who is providing this notice?

The Korea Fund, Inc.

What we do

How does The Korea Fund, Inc. protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings. We authorize our employees to access your information only when they need it to do their work and we require companies that work for us to protect your information.

How does The Korea Fund, Inc. collect my personal information?

We collect your personal information, for example, when you:

- open an account or provide account information
- give us your contact information or pay us by check
- make wire transaction

We also collect your personal information from others such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- sharing for affiliates' everyday business purposes — information about your creditworthiness
- affiliates from using your information to market to you
- sharing for nonaffiliates to market to you

State laws and individual companies may give you additional rights to limit sharing.

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- **The Korea Fund, Inc. does not share with affiliates.**

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- **The Korea Fund, Inc. does not share with nonaffiliates so that they can market to you.**

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- **The Korea Fund, Inc. does not jointly market.**

Dividend Reinvestment Plan

The Fund has adopted a Dividend Reinvestment Plan (the "Plan") which allows common stockholders to reinvest Fund distributions in additional common shares of the Fund. American Stock Transfer & Trust Company, LLC (the "Plan Agent") serves as agent for common stockholders in administering the Plan. Participants in the Plan have the option of making additional cash payments to the Plan Agent, semi-annually, in any amount from \$100 to \$3,000, for investment in the Fund's shares. The Plan Agent will use all such cash payments received from participants to purchase Fund shares on the open market on or shortly after the 15th of February and August of each year, and in no event more than 45 days after such dates except where temporary curtailment or suspension of purchases is necessary to comply with applicable provisions of federal securities law. Any voluntary cash payments received more than 30 days prior to the 15th of February or August will be returned by the Plan Agent. Participants may withdraw their entire voluntary cash payment by written notice received by the Plan Agent not less than 48 hours before such payment is to be invested. It is important to note that participation in the Plan and automatic reinvestment of Fund distributions does not ensure a profit, nor does it protect against losses in a declining market.

Automatic enrollment/voluntary participation.

Under the Plan, common stockholders whose shares are registered with the Plan Agent ("registered stockholders") are automatically enrolled as participants in the Plan and will have all Fund distributions of income, capital gains and returns of capital (together, "distributions") reinvested by the Plan Agent in additional common shares of the Fund, unless the stockholder elects to receive cash. Registered stockholders who elect not to participate in the Plan will receive all distributions in cash paid by check and mailed directly to the stockholder of record (or if the shares are held in street or other nominee name, to the nominee) by the Plan Agent. Participation in the Plan is voluntary. Participants may terminate or resume their enrollment in the Plan at any time without penalty by notifying the Plan Agent online at www.amstock.com, by calling (800) 254-5197, by writing to the Plan Agent, American Stock Transfer & Trust Company, LLC, at P.O. Box 922, Wall Street Station, New York, NY 10269-0560, or, as applicable, by completing and returning the transaction form attached to the Plan statement. A proper notification will be effective immediately and apply to the Fund's next distribution if received by the Plan Agent at least three (3) days prior to the record date for the distribution; otherwise, a notification will be effective shortly following the Fund's next distribution and will apply to the Fund's next succeeding distribution thereafter. If you withdraw from the Plan and so request, the Plan Agent will arrange for the sale of your shares and send you the proceeds, minus a transaction fee and brokerage commissions.

How shares are purchased under the Plan.

For each Fund distribution, the Plan Agent will acquire common shares for participants either (i) through receipt of newly issued common shares from the Fund ("newly issued shares") or (ii) by purchasing common shares of the Fund on the open market ("open market purchases"). If, on a distribution payment date, the net asset value per common share of the Fund ("NAV") is equal to or less than the market price per common share plus estimated brokerage commissions (often referred to as a "market premium"), the Plan Agent will invest the distribution amount on behalf of participants in newly issued shares at a price equal to the greater of (i) NAV or (ii) 95% of the market price per common share on the payment date. If the NAV is greater than the market price per common share plus estimated brokerage commissions (often referred to as a "market discount") on a distribution payment date, the Plan Agent will instead attempt to invest the distribution amount through open market purchases. If the Plan Agent is unable to invest the full distribution amount in open market purchases, or if the market discount shifts to a market premium during the purchase period, the Plan Agent will invest any un-invested portion of the distribution in newly issued shares at a price equal to the greater of (i) NAV or (ii) 95% of the market price per share as of the last business day immediately prior to the purchase date (which, in either case, may be a price greater or lesser than the NAV per common shares on the distribution payment date). No interest will be paid on distributions awaiting reinvestment. Under the Plan, the market price of common shares on a particular date is the last sales price on the exchange where the shares are listed on that date or, if there is no sale on the exchange on that date, the mean between the closing bid and asked quotations for the shares on the exchange on that date. The NAV per common share on a particular date is the amount calculated on that date (normally at the close of regular trading on the New York Stock Exchange) in accordance with the Fund's then current policies.

Fees and expenses.

No brokerage charges are imposed on reinvestments in newly issued shares under the Plan. However, all participants will pay a pro rata share of brokerage commissions incurred by the Plan Agent when it makes open market purchases. There are currently no direct service charges imposed on participants in the Plan, although the Fund reserves the right to amend the Plan to include such charges. The Plan Agent imposes a transaction fee (in addition to brokerage commissions that are incurred) if it arranges for the sale of your common shares held under the Plan.

Shares held through nominees.

In the case of a registered stockholder such as a broker, bank or other nominee (together, a "nominee") that holds common shares for others who are the beneficial owners, the Plan Agent will administer the Plan on the basis of the number of common shares certified by the nominee/record stockholder as representing the total amount registered in such

The Korea Fund, Inc. Dividend Reinvestment and Cash Purchase Plan

(unaudited) (continued)

stockholder's name and held for the account of beneficial owners who are to participate in the Plan. If your common shares are held through a nominee and are not registered with the Plan Agent, neither you nor the nominee will be participants in or have distributions reinvested under the Plan. If you are a beneficial owner of common shares and wish to participate in the Plan, and your nominee is unable or unwilling to become a registered stockholder and a Plan participant on your behalf, you may request that your nominee arrange to have all or a portion of your shares re-registered with the Plan Agent in your name so that you may be enrolled as a participant in the Plan. Please contact your nominee for details or for other possible alternatives. Participants whose shares are registered with the Plan Agent in the name of one nominee firm may not be able to transfer the shares to another firm and continue to participate in the Plan.

Tax consequences.

Automatically reinvested dividends and distributions are taxed in the same manner as cash dividends and distributions — i.e., automatic reinvestment in additional shares does not relieve stockholders of, or defer the need to pay, any income tax that may be payable (or that is required to be withheld) on Fund dividends and distributions. The Fund and the Plan Agent reserve the right to amend or terminate the Plan. Additional information about the Plan, as well as a copy of the full Plan itself, may be obtained from the Plan Agent, American Stock Transfer & Trust Company, LLC, at P.O. Box 922, Wall Street Station, New York, NY 10269-0560; telephone number: (800) 254-5197; website: www.amstock.com.

The Korea Fund, Inc. Board of Directors (unaudited)

Name, Year of Birth, Position(s) Held with the Fund, Length of Service, Other Trusteeships/ Directorships Held by Director, Number of Portfolios in Fund Complex/Outside Fund Complexes Currently Overseen by Director

Principal Occupation(s) During Past 5 Years:

The address of each director is 383 Maddison Ave. 11th Floor, New York, NY 10179

Julian Reid

Year of Birth: 1944

Director, Chairman of the Board and Chairman of the Governance, Nominating and Remuneration and the Executive Committee

Directors since: 2004

Director of 1 fund in the Fund Complex

Director of The China Fund, Inc. outside of the Fund Complex

Director and Chairman of 3a Funds Group (since 1998); and Director & Chairman of The China Fund, Inc. (since 2018). Formerly Director and Chairman of JM Properties Ltd. (from 2012 to 2015); Director of JP Morgan China Region Fund, Inc. (from 1997 to 2017); and Director and Chairman of Prosperity Voskhod Fund Ltd. (from 2006 to 2015).

Richard A. Silver

Year of Birth: 1947

Director and Chairman of the Valuation and the Audit and Compliance Committee

Director since: 2006

Director of 1 fund in the Fund complex

Director of The China Fund, Inc. outside the Fund Complex

Director of The China Fund, Inc. (since 2018).

Matthew J. Sippel

Year of Birth: 1964

Director and Chairman of the Contracts and the Investment Committee

Director since: August 24, 2020

Director of 1 fund in the Fund Complex

Director of no funds outside of the Fund Complex

Managing Director & Senior Partner of Indus Capital Partners LLC (since 2004).

The Fund holds annual stockholder meetings for the purpose of electing Directors, and Directors are elected for fixed terms. The Board of Directors is currently divided into three classes, each having a term of three years.

Each year the term of one class expires. Each Director's term of office expires on the date of the third annual meeting following election to office of the Director's class. Each Director will serve until next elected or his or her earlier death, resignation, retirement or removal or if not re-elected, until his or her successor is elected and has qualified.

The Korea Fund, Inc. Fund Officers (unaudited)

| Name, Year of Birth, Position(s) Held with the Fund | Principal Occupation(s) During the Past 5 Years: |
|---|--|
| Simon J. Crinage <i>Year of Birth: 1965</i> <i>President & Chief Executive Officer: Since 2021</i> | Head of J.P. Morgan Asset Management's closed-end fund business. Until its liquidation in 2017, Simon was both a Director and President of JPMorgan China Region Fund, Inc. (NYSE: JFC) and between 2014 and 2019 President of The Taiwan Fund Inc. (NYSE: TWN). An employee of J.P. Morgan since 1984 |
| Neil S. Martin <i>Year of Birth: 1971</i> <i>Treasurer, Principal Financial and Accounting Officer since: 2021</i> | Executive Director, is a Client Director in J.P.Morgan Asset Management's closed end fund business and work has included JPMorgan China Region Fund, Inc. An employee of J.P. Morgan since 1990. |
| Paul F. Winship <i>Year of Birth: 1964</i> <i>Vice President and Secretary : 2021</i> | Vice President, is a Company Secretary in J.P. Morgan Asset Management's investment trust business and work has included The Taiwan Fund, Inc. |
| Steve M. Ungerman <i>Year of Birth: 1953</i> <i>Chief Compliance Officer since: 2020</i> | Managing Director and Chief Compliance Officer. An employee of J.P. Morgan since 2000. |
| Carmine Lekstutis <i>Year of Birth: 1980</i> <i>Chief Legal Officer since: 2021</i> | Executive Director and Assistant General Counsel, JPMorgan Chase since February 2015; formerly Vice President and Assistant General Counsel, JPMorgan Chase from 2011 to February 2015 |

Officers hold office at the pleasure of the Board and until their successors are appointed and qualified or until their earlier resignation or removal.

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Directors

Julian M.I. Reid
Chairman of the Board of Directors
Richard A. Silver
Matthew J. Sippel

Chief Legal Officer

Carmine Lekstutis

Investment Adviser

JPMorgan Asset Management (Asia Pacific) Limited
21st Floor, Charter House, 8 Connaught Road Central
Hong Kong

Fund Services Provider

JPMorgan Funds Limited,
60 Victoria Embankment
London EC4Y 0JP
UK

Custodian & Accounting Agent

JPMorgan Chase Bank N.A.,
383 Madison Avenue, 11th Floor
New York, NY 10179
USA

Transfer Agent, Dividend Paying Agent and Registrar

American Stock Transfer & Trust Company, LLC
6201 15th Avenue
Brooklyn, NY 11219
USA

Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, NY 10017
USA

Legal Counsel

Ropes & Gray LLP
Prudential Tower
800 Boylston Street
Boston, MA 02199
USA

This report, including the financial information herein, is transmitted to the stockholders of The Korea Fund, Inc. for their information. It is not a prospectus, circular or representation intended for use in the purchase of shares of the Fund or any securities mentioned in this report.

The financial information included herein is taken from the records of the Fund without examination by an independent registered public accounting firm, who did not express an opinion herein.

Notice is hereby given in accordance with Section 23(c) of the Investment Company Act of 1940, as amended, that from time to time the Fund may purchase shares of its common stock in the open market.

The Fund files its complete schedule of portfolio holdings with the Securities and Exchange Commission ("SEC") for the first and third quarters of its fiscal year on Form N-PORT. The Fund's Form N-PORT is available on the SEC's website at www.sec.gov. The information on Form N-PORT is also available on the Fund's website at www.thekoreafund.com.

Information on the Fund is available at www.thekoreafund.com or by calling the Fund's stockholder servicing agent at (866) 706-0510.

Officers

Simon J. Crinage
President and Chief Executive Officer
Neil S. Martin
Treasurer, Principal Financial and Accounting Officer
Paul F. Winship
Vice President and Secretary
Steve M. Ungerman
Chief Compliance Officer



THE NEW YORK STOCK EXCHANGE

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