



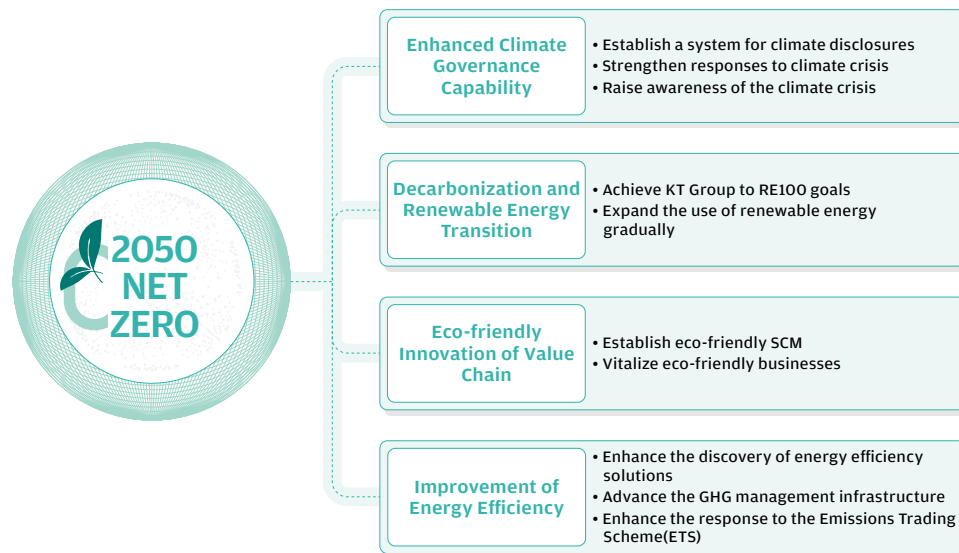
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Environmental Management and Carbon Neutrality

Environmental Management Vision and Strategies

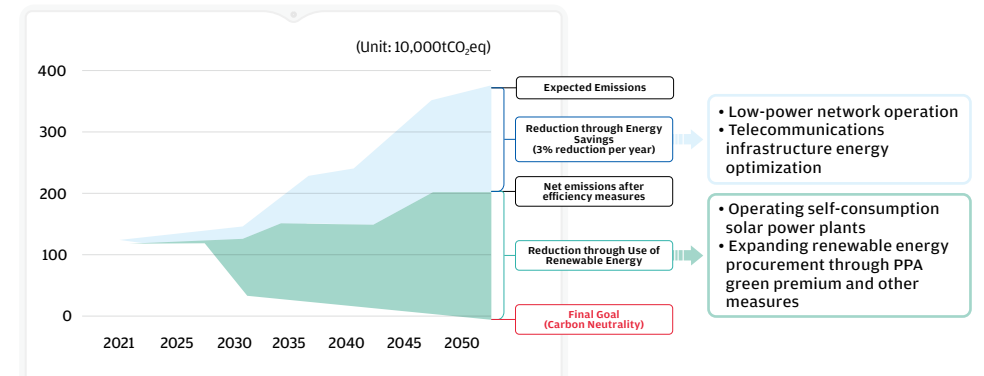
KT aims to achieve carbon neutrality by 2050 by leveraging AICT technologies. To this end, we have established a carbon neutrality strategy and greenhouse gas emissions reduction roadmap, which we are implementing systematically. Additionally, we are collaborating with various partner companies to build a low-carbon supply chain and enabling customer carbon footprint reduction through the development of eco-friendly services. For our employees, we are internalizing environmental management by conducting not only environmental management education but also various eco-friendly campaigns.

Four areas of KT's Environmental Management Vision and Carbon Neutrality Strategy



Carbon Neutrality by 2050

KT aims to reduce greenhouse gas emissions by 51.7% by 2030 and 75.8% by 2040 compared to 2021 levels, and achieve carbon neutrality by 2050. Additionally, we aim to achieve RE100 by 2050 through continuous transition to renewable energy. To achieve carbon neutrality by 2050, we have identified four key areas(Decarbonization and Renewable Energy Transition, Eco-friendly Innovation of Value Chain, Improvement of Energy Efficiency, Enhanced Climate Governance Capability) by incorporating current and future climate-related risks and opportunities, and we are implementing detailed action plans that are developed annually for each area.



Climate Change Response

Climate Change Response Governance

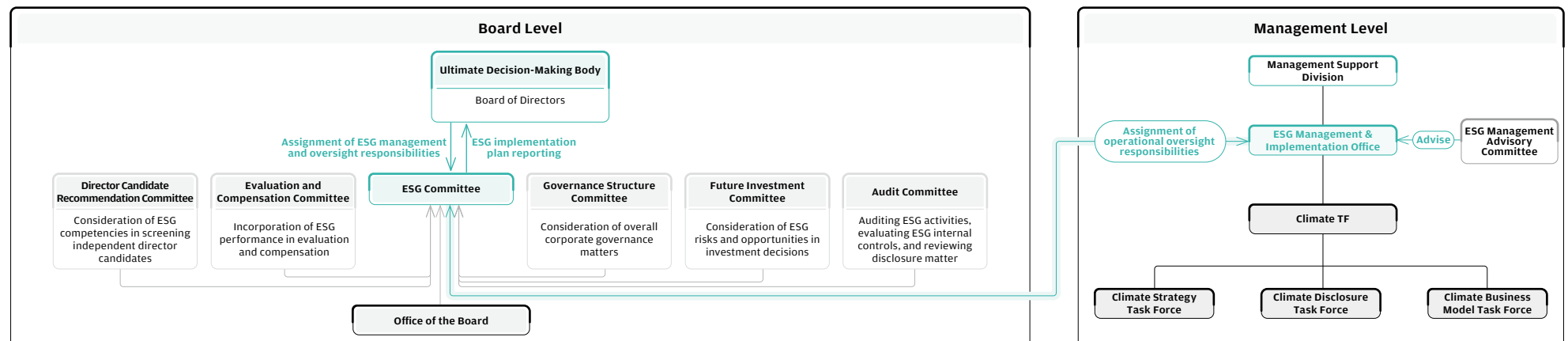
Role of the Board

KT's Board of Directors serves as the ultimate decision-making body for sustainability management plans of KT and its consolidated subsidiaries. The Board has the role and responsibility to integrate climate-related risks and opportunities into the company-wide risk management process, approve related targets, and oversee response strategies. To enhance expertise and efficiency in sustainability management including climate issues, KT operates an ESG Committee under the Board. The ESG Committee, delegated by the Board, approves mid-to-long-term strategies and implementation plans for climate change response, and oversees and monitors the progress of greenhouse gas reduction targets and energy transition strategies. In particular, the ESG Committee is responsible for rigorously assessing response strategies for climate change risks and opportunities and approving the allocation of necessary resources. The ESG Committee may request the company to submit relevant materials and reports when necessary for agenda review. Through this process, we continuously adjust our climate strategies in line with changing environments and ensure effective climate change response.

Role of Management

KT's ESG Management & Implementation Office is responsible for the operational climate action responsibilities, including assessment of climate-related risks and opportunities, establishment of response strategies, and monitoring. The ESG Management & Implementation Office evaluates major climate-related risks and opportunities with advice from the ESG Management Advisory Committee comprising external specialists, and reports on target setting including carbon neutrality and RE100 goals, as well as implementation progress to the Board and ESG Committee. As the working organization for climate change response, the ESG Management & Implementation Office oversees the implementation of KT's four key areas for carbon neutrality (Transition to renewable energy, Improvement of energy efficiency, eco-friendly innovation of value chain, and Stronger climate management capability) and collaborates with relevant departments such as the NW Operation Division, SCM Strategy Office, and Finance Office to establish and execute detailed implementation plans for each area. Additionally, it regularly reports climate change response performance and major issues to the ESG Committee, supporting continuous performance monitoring and improvement.

Climate Change Response Organization Chart

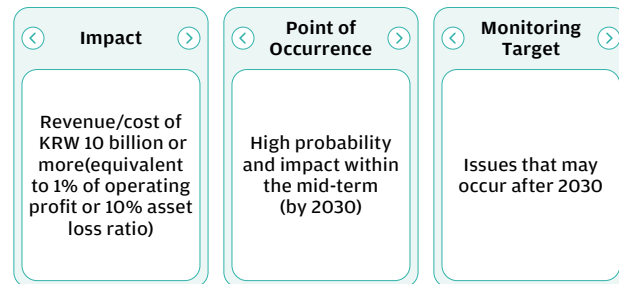


Climate Change Risk and Opportunity Management

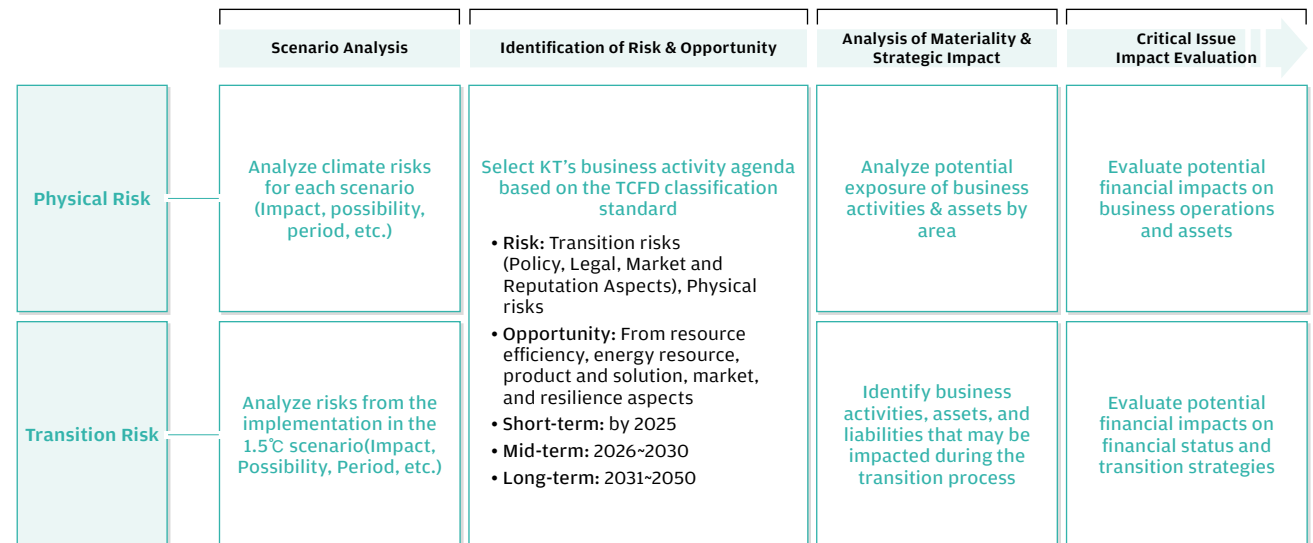
Climate Change Issue Response Process

KT effectively identifies, evaluates, and establishes response priorities climate-related risks and opportunities by considering industry trends, KT's business strategy, greenhouse gas emissions, climate change scenarios, government policies and regulations. Considering the interdependence and impact between business operations and climate change, we manage climate change risks and opportunities not limited to KT but by expanding the assessment scope to KT's entire value chain encompassing upstream and downstream. KT identified potential physical climate risks such as extreme temperatures, heavy rain, floods, and typhoons for major buildings and telecommunications infrastructure nationwide using S&P Global Climonomics® based on IPCC climate scenarios. We also identified potential transition risks and opportunities linked to mid-to-long-term growth strategies by reviewing IEA energy scenarios, domestic greenhouse gas emission regulations, and telecommunications and AI industry outlook.

Criteria for Identifying Material Climate Change Issues



Climate Change Issue Response Process

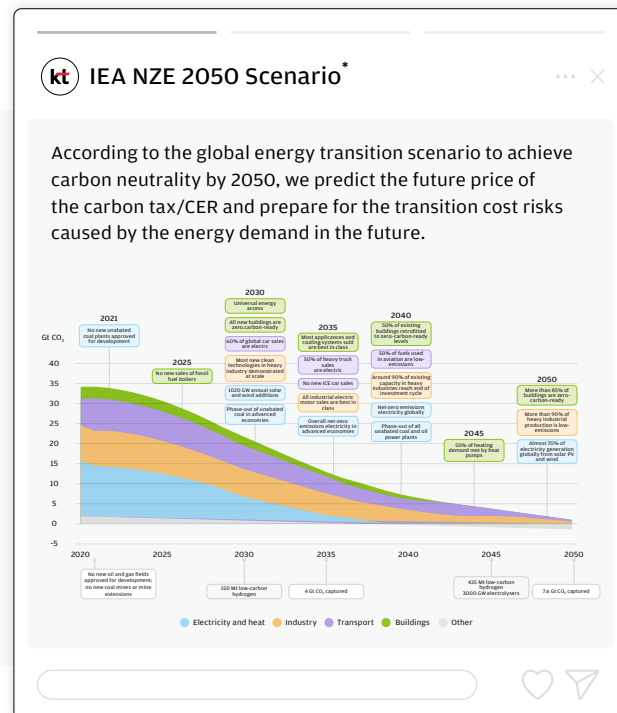


Climate Change Risk and Opportunity Management

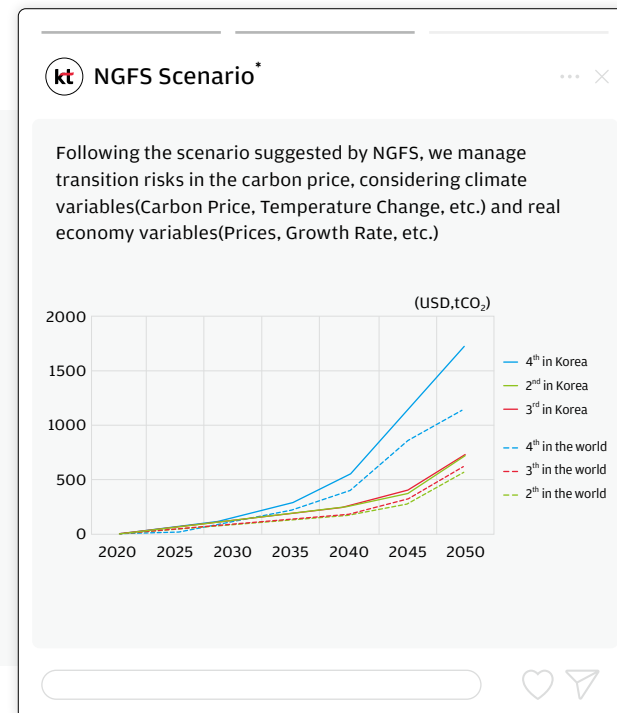
Climate Scenario Analysis

To manage practical risks, KT considers the various climate change scenarios presented by authoritative institutions, including the IEA¹⁾, NGFS²⁾, and IPCC SSP³⁾. Based on these scenarios, we analyze potential financial impacts of the transition, as well as physical risks, and establish and implement resilient environmental management strategies. We strive to be resilient to a range of future climate scenarios by using climate scenario analysis to examine anticipated future risks and develop strategies to minimize impacts.

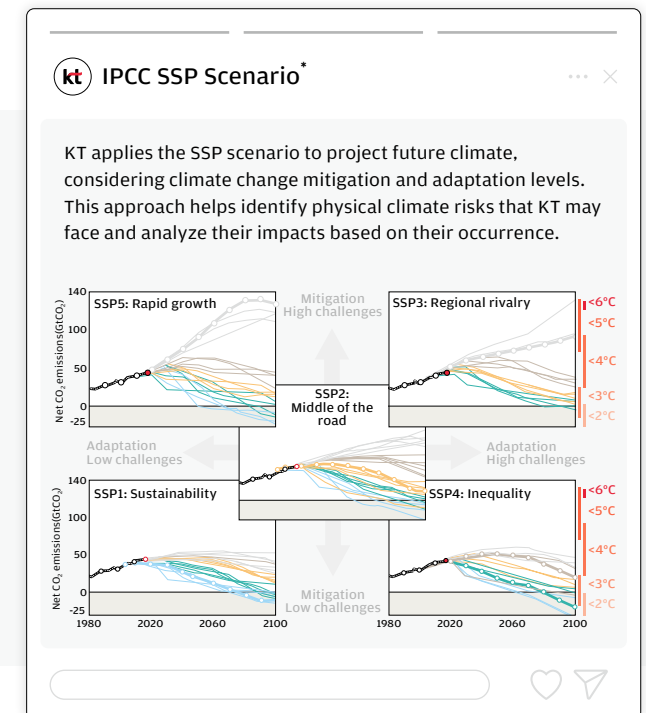
1) IEA: International Energy Agency 2) NGFS: Network for Greening the Financial System 3) SSP: Shared Socioeconomic Pathways



* IEA, [Net Zero by 2050], [https://www.iea.org/reports/net-zero-by-2050], [CC BY 4.0]



* Picture 3 in the Bank of Korea NGFS's 4th Climate Change Scenario



* https://www.carbonbrief.org/explainer-how-shared-socioeconomic-pathways-explore-future-climate-change

Climate Change Risk and Opportunity Management

Climate Change Risk and Opportunity Type Analysis

KT conducted a materiality assessment based on the TCFD guidelines to identify climate change risks and opportunities. We prioritize these risks and opportunities based on their impact severity and probability of occurrence, and develop strategies and tasks to address them.

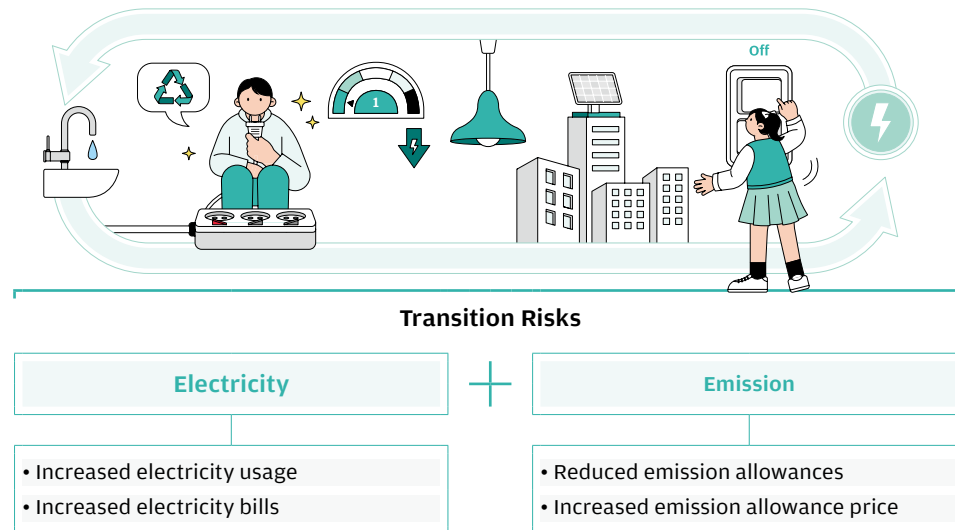
Risk and Opportunity Factor Analysis

Category	Description(Potential Impact)	KT's Response and Plan	Onset			Potential Financial Impact	Size of Impact
			Short-term	Mid-term	Long-term		
Risk	Current regulation	- Establish and implement GHG reduction strategies (Energy Savings, Renewable Energy Expansion) - Enhance company-wide GHG management capabilities (Management System Establishment)	•	•	•	Increase in operational costs	High
	New regulation	Participate in new regulatory adoption councils to continuously monitor regulatory adoption approaches		•	•	Increase in operational costs	High
	Legality	- Manage data to meet disclosure standards - Ensure the reliability of data with third-party verification		•	•	Increase in operational costs	High
	Technology	Continuously identify and implement network power consumption reduction measures(Network Optimization)	•	•	•	Increase in operational costs	High
	Market	Expansion of high-efficiency products and services development		•	•	Decline in sales	Medium
	Reputation	- Reduce GHG emissions continuously by saving energy and using renewable energy - Strengthen communication with external stakeholders, including responding to ESG assessments and publishing ESG reports	•	•	•	Decline in sales	High
	Physical environmental change(short-term)	- Inspection of vulnerable assets and relocation of disaster-risk facilities - Establish rapid response system for service disruptions - Improve response capabilities through disaster-type-specific simulation training	•	•	•	Increase in operational costs	High
	Physical environmental change(Long-term)	Promote cooling efficiency through introduction of high-efficiency chillers, cooling automation, etc.		•	•	Increase in operational costs	High
Opportunity	Resource efficiency	- Reduce operational costs by maximizing recycling of network equipment - Produce eco-friendly terminals by recycling telecommunications terminals	•	•	•	Decline in sales	Medium
	Energy source	Achieve GHG reduction and carbon neutrality through increased renewable energy utilization	•	•	•	Increase in operational sales(Short-term) Decline in operational sales(Long-term)	High
	Product and services	Revitalize eco-friendly business(Paperless Business, etc.)	•	•	•	Increase in Sales	Medium
	Market	Revitalize smart energy business(Renewable Energy-related Business, etc.)	•	•	•	Increase in Sales	Medium
	Resilience	Reduce the risk of long-term energy cost increases through PPA	•	•	•	Increase in operational sales (Short-term) Decline in operational sales(Long-term)	High

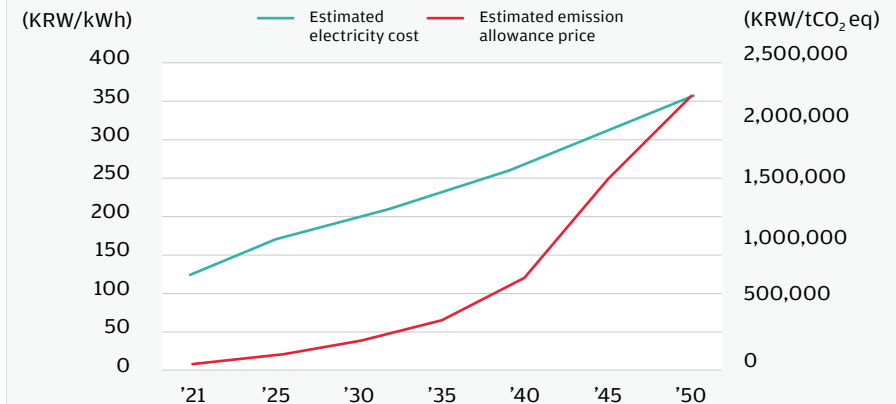
Climate Change Risk and Opportunity Management

Climate Change Risk and Opportunity Management

Since more than 97% of KT's total greenhouse gas emissions come from electricity use, the biggest transition risks for us are rising electricity rates and increasing emission allowance prices. Upon large-scale deployment of next-generation network technologies such as 6G and 7G in the future, telecommunication equipment is expected to be expanded and installed nationwide, and electricity demand is also expected to continue to increase accordingly. Meanwhile, electricity rates are expected to rise steadily due to the effects of rising energy costs and increasing climate and environmental charges. In addition, to achieve the national GHG reduction target(NDC), the government's free emission allowance allocation will be continuously reduced, and the proportion of paid allocation will gradually expand, which is likely to drive up emission allowance prices. In response, KT is strengthening its efforts to reduce electricity consumption to mitigate the financial burden from transition risks, and is pursuing various renewable energy introduction strategies including PPAs. Through these strategies, KT aims to achieve carbon neutrality while minimizing the financial impact of climate change response.



Outlook for rising electricity rates¹⁾ and emission allowance²⁾ prices



1. Reflecting the trend of Korea Electric Power Corporation(KEPCO) rates

2. Reflecting the NGFS Net-Zero scenario

Climate Change Risk and Opportunity Management

Transition Risk Response

AI-Driven Energy Optimization

Optimization Solution of Cooling Temperature in Communication Rooms(AI TEMS)

KT has introduced AI TEMS(Temperature of Equipment Management System) for efficient cooling temperature management in telecommunications facilities. AI TEMS is a system that automatically sets optimal temperatures for communication rooms and efficiently operates cooling systems by collecting and analyzing temperature big data from each equipment in the communication room through AI. By considering temperature characteristics by equipment and location, AI TEMS has improved cooling efficiency by up to 24% compared to existing systems.

Energy-saving Orchestrator

The Energy Saving Orchestrator is a solution that optimizes radio output generated from base stations using AI. By analyzing traffic patterns of base stations in real-time and automatically adjusting necessary radio output, it can optimize energy efficiency. When the Energy Saving Orchestrator is applied to base stations nationwide, an estimated 5% reduction in energy consumption versus conventional operations.

Server Power Optimization Solution

KT has introduced eco-friendly cooling technology utilizing outdoor air to its network infrastructure to reduce cooling power consumption. This method utilizes cold air from outside when the external temperature is lower than the internal set temperature. Additionally, to improve cooling efficiency in communication rooms, KT has adopted Computational Fluid Dynamics(CFD) techniques and is modeling optimal thermal airflow dynamics to enhance overall cooling efficiency.

Energy Saving R&D

Network Energy Saving Technology Research

KT has developed energy saving technology enabling selective antenna element control of 5G base stations and applied it to commercial equipment. As a result, power consumption of base station radio units was reduced by up to 33%. In recognition of these efforts, KT won the 'Future of Digital Infrastructure' category at the IDC Future Enterprise Awards in 2023, organized by IDC, a global IT market analysis institution. The IDC Future Enterprise Awards recognizes organizations that have demonstrated excellence in business innovation through cost-effective and sustainable operational strategies.

5G-Advanced Energy Saving Technology Standardization

KT is conducting research and standardization work to reduce excessive power consumption in 5G network facilities. In 2021, KT participated in the 5G-Advanced workshop hosted by 3GPP and proposed 5G network power saving technologies. Additionally, KT contributed to the publication of a research report(TR38.864) and made efforts to reflect international standards. As a result, standard technologies such as Cell DTX/DRX technology and channel state information-based power saving technology were developed. At the 102nd 3GPP Technical Plenary meeting in 2023, KT proposed new standard tasks for advancing base station power saving technology and emphasized the necessity of standardization for low-power terminal control signal technology, highlighting the importance of carbon emission reduction and ESG management. Through these efforts, the base station energy saving technology advancement and LP WUS/ WUR(Low Power-Wake Up Signal/Wake Up Receiver) tasks were approved as new tasks for Release-19 in 2024, and standardization is currently in progress. KT aims to advance environmental stewardship through sustainable innovation, including standard technology development for energy saving technologies of base stations and terminals in preparation for next-generation 6G networks.

Green SCM

Energy Saving through Eco-Friendly Equipment Sourcing

KT has established and implemented eco-friendly policies at all procurement stages company-wide for proactive response to enterprise-wide ESG initiatives and carbon emission disclosure obligations. KT's Procurement Division encourages supplier development of eco-friendly equipment, supports consulting for ESG capability enhancement, and operates an evaluation process that favors eco-friendly products by establishing eco-friendly equipment procurement guidelines. Additionally, KT discovers various ideas with suppliers for eco-friendly improvement of construction methods and materials, and shares the results. Particularly, given the characteristics of the telecommunications and IT industry, KT is strengthening eco-friendly technology specifications to enable energy efficiency improvement and low-power technologies to be applied to newly introduced communication equipment and power and cooling facilities in order to reduce power consumption, which accounts for most carbon emissions. 5G base station equipment is being converted to integrated low-power equipment with 30-40% reduced power consumption, and high-efficiency equipment achieving energy loss reductions of up to 50% has been developed to replace old equipment. Additionally, the expanded introduction of eco-friendly cooling systems to communication rooms that require cooling even in winter is underway. Beyond this, KT is actively introducing low-power solutions across all procurement equipment, including developing low-power adapters to reduce energy consumption of equipment used by customers.



Climate Change Risk and Opportunity Management

Physical Risk Analysis

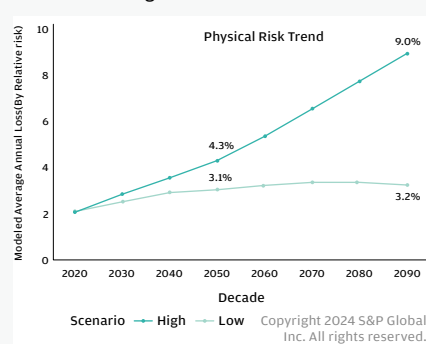
KT manages physical risks by utilizing analysis models to measure the potential financial impact of physical risks according to climate change scenarios. In accordance with TCFD recommendations and guidelines, physical risks were classified into chronic risks caused by long-term climate pattern changes and acute risks caused by extreme weather events, and IPCC SSP scenarios were applied. To assess the possibility of climate change affecting KT Group's major assets by 2050, KT analyzed the risks posed by eight extreme weather risk factors (Wildfires, Heavy Rain/Floods, Extreme Temperatures, River Flooding, Coastal Inundation, Drought, Water Shortage, Tropical Cyclones) which are major physical risk factors, targeting KT Group's telecommunications core assets and office buildings with high asset values. According to the analysis results, when applying the SSP1-2.5 scenario by 2100, the climate-related cost increase rate for KT's major assets is expected to be approximately 3.2% annually on average, and is projected to be at the 3.1% level as of 2050. Additionally, based on the SSP5-8.5 scenario, the climate-related cost increase rate is expected to reach approximately 9%, and is anticipated to be at the 4.3% level as of 2050. However, the financial impact of physical risks and the actual scale of asset risk exposure may fluctuate based on inherent climate modeling uncertainties factors related to climate change. Moving forward, KT plans to continuously enhance the analysis model by reflecting scientific data and the specificities of the domestic environment.

Hazard-specific Modeled Average Annual Loss(MAAL)

	0.1% or less	1% or less	2% or less	3% or less	3% or more	
Category	2020-2029		2030-2039		2040-2049	
	SSP1-2.6	SSP5-8.5	SSP1-2.6	SSP5-8.5	SSP1-2.6	SSP5-8.5
Extreme Temperature(Heat Wave)						
River Flooding						
Inland Flooding						
Coastal Flooding, Drought, Wildfires, Tropical Cyclones, Water Stress						

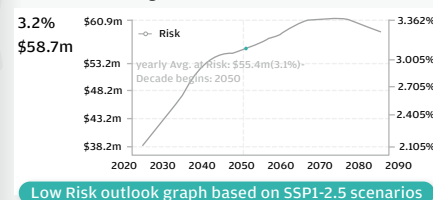
For extreme temperatures(heat waves), the loss rate shows a gradual increasing trend progressing from the 2020s through the 2030-2040s, reaching up to 3.02% under the SSP5-8.5 scenario in 2040-2049, representing the most significant physical risk factor. River flooding and inland flooding were analyzed as the second-highest risks after extreme temperatures, with loss rates below 1%. In contrast, coastal flooding, drought, tropical cyclones, wildfires, and water stress showed relatively very low loss rates, with limited impact of less than 0.1% across the entire assessment period.

Modeled Average Annual Loss 2020s-2090s*

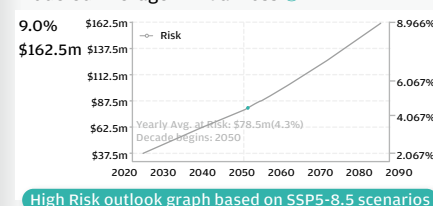


* S&P Global's Climonomics analysis tool results.

Modeled Average Annual Loss ① over 2090-2099



Modeled Average Annual Loss ① over 2090-2099



Physical Risk Response Plan

	Category	Identified Risk	Response Plan
Acute	Precipitation-related Extreme Climate Risks	Damage to telecommunications equipment and base stations caused by heavy rain, coastal flooding, water shortages, etc.	• Adopt a company-wide risk response system, such as the telecommunications disaster response system, to prevent telecommunications failures and respond to large-scale telecommunications disasters that require a company-wide response
	Temperature-related Extreme Climate Risks	Forest fires, extreme temperatures(heat waves), drought, etc.	• Manage telecommunications facilities to prevent forest fire damage, prepare firefighting facilities, and implement remote control by introducing CATMS • Manage the communications room's temperature efficiently using AI TEMS
Chronic	Average temperature rise	Risk of loss of telecommunications facility assets or business interruption	• Operate the cooling system optimally using the AI-powered power-saving technology • Replace telecommunications equipment with high-efficiency devices, and expand energy saving solutions
	Sea level rise	Asset losses caused by damage to nearby equipment, or a reduction in sales caused by business interruption	• Establish standards for the application of telecommunications equipment through monitoring sea level rise trends in coastal areas

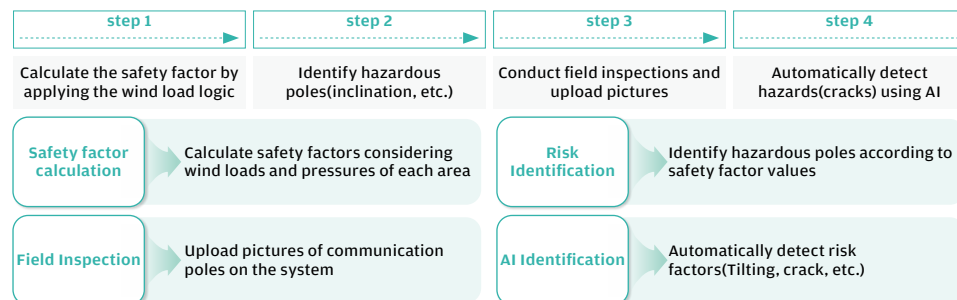
Climate Change Risk and Opportunity Management

Physical Risk Response

Prevention	Disaster Recovery System Development	Disaster Response Capability Enhancement
- Seasonal inspection/ improvement of vulnerable assets - Relocation of high-risk facilities and equipment - AI-based safety assessment of telecommunications pole - Optical sensor installation in cable tunnels(Vibration, Crack Detection) - Complete fire suppression system installation	- Development of disaster response manuals - Rapid restoration of communication equipment in case of disaster damage	- Assignment of disaster management personnel per facility and external professional training - Enhanced crisis response capabilities through disaster-specific simulation exercises

AI-powered Wind Hazard Safety Evaluation System for Communication Poles

KT utilizes AI technologies to respond to climate change risks and prevent natural disasters in each region. According to the Ministry of the Interior and Safety, damage costs from typhoons, heavy rain, storm surges, and strong winds in Korea over the past 10 years have reached approximately KRW 3.5 trillion, increasing social demand for systematic disaster information system development. In response, KT conducts regional wind hazard risk evaluation and proactively prevents facility damage based on these evaluations.



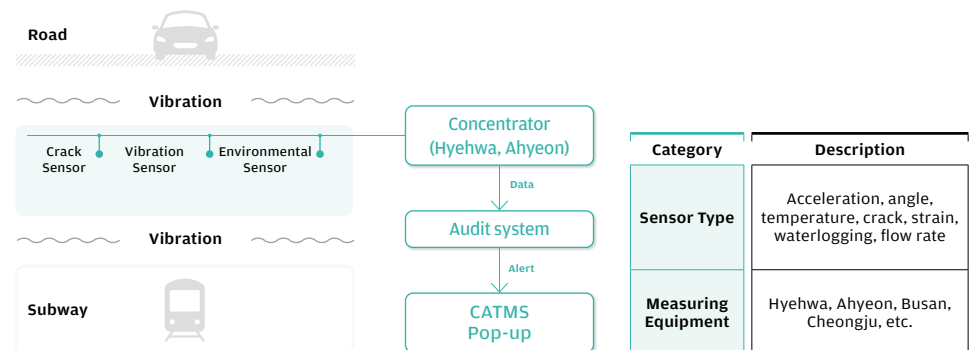
AI-Driven Energy Optimization Solutions

KT is developing and applying AI technologies to reduce power consumption in the process of providing telecommunications services, and is promoting the transition to energy-efficient facilities in response to climate change. Furthermore, beginning in 2024, we plan to fully implement AI technologies in network system operations to manage power usage more efficiently.

Server Power Optimization Solution	Energy-saving Orchestrator	Server Power Optimization Solution
AI analyzes server CPU loads to optimize power consumption control	AI automatically controls base station radio frequency output	AI collects and analyzes equipment characteristics and location-specific temperature data for temperature optimization

Detection of Vibration and Cracks in Cable Tunnels Using Optical Sensors

For the safety monitoring of telecommunications of cable tunnels, KT monitors possible structural cracks caused by external vibration to prevent damage from natural disasters.

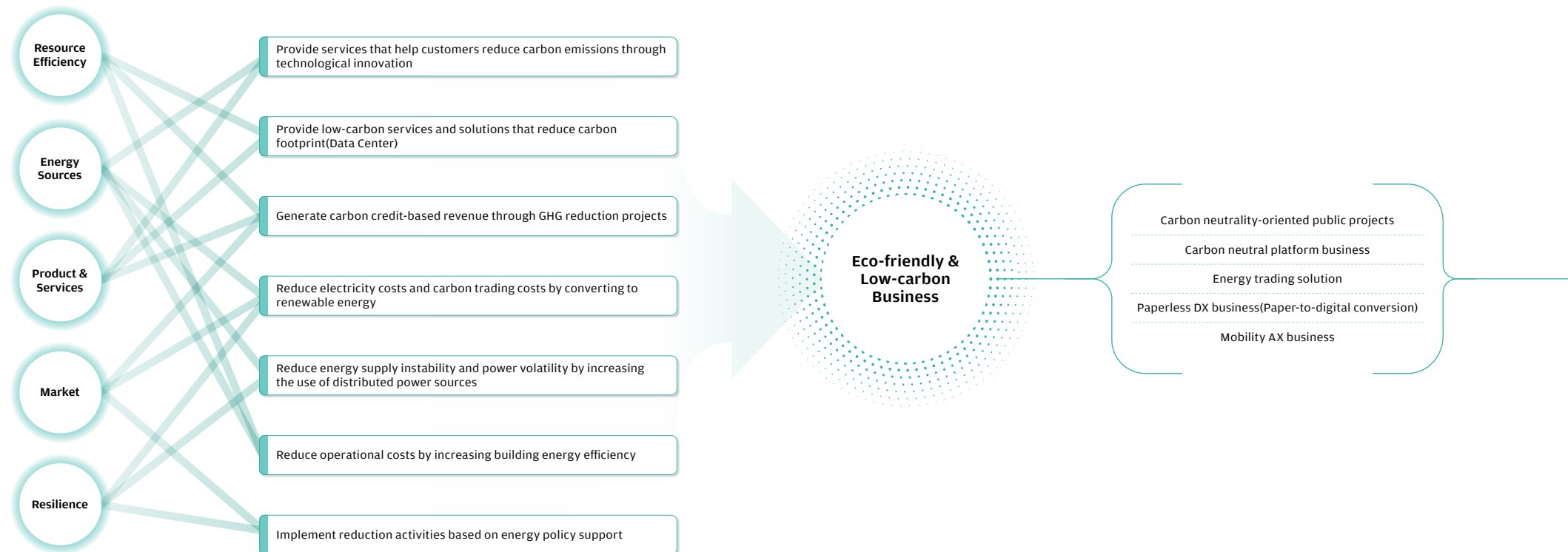


Climate Change Risk and Opportunity Management

Climate Change Opportunity Analysis

KT analyzes and continuously monitors opportunity factors arising from climate change across all corporate activities. Key opportunity factors include cost reduction through improved resource efficiency, expansion into emerging markets based on technology development and innovation for carbon reduction, and the provision of eco-friendly services. Furthermore, we expect to mitigate risks associated with rising electricity costs and establish a more stable energy supply system through the transition to eco-friendly energy sources and the adoption of renewable energy.

Climate Change Opportunity Factor



Climate Change Risk and Opportunity Management

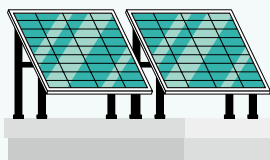
Climate Change Opportunity Response Status

CASE

Carbon Neutral Business

Competitions for Carbon Neutrality

KT continuously participates in carbon neutrality government-sponsored initiatives organized by the Ministry of Trade, Industry and Energy and the Ministry of Environment to address strengthened industrial supply chain regulations resulting from global carbon reduction efforts. To this end, KT provides various emission reduction infrastructure modernization through the KT Carbon Neutral Platform, utilizing AI technology called 'KT AI Net Zero Agent'. Key services include support for greenhouse gas emission reduction through carbon reduction facility replacement, external carbon offset program support, Digital Product Passport(DPP), and Product Carbon Footprint(PCF) analysis. Moving forward, KT will integrate carbon data from five key industries that urgently need carbon regulatory response(Batteries, Automobiles, Home Appliances, Steel/Aluminum and Textiles) to develop as an integrated cross-industry data platform.



RE100-Integrated Renewable Energy Electricity Supply Business

KT has been continuously expanding renewable energy since joining RE100 in 2022, participating in the Green Premium program in 2023, and signing PPA contracts in 2024. Based on this RE100 implementation capacity, KT obtained official authorization from the Ministry of Trade, Industry and Energy in September 2024 for the status of 'Entity engaged in the Renewable Energy Electricity Supply Business' as stipulated in the Electric Utility Act, and is preparing for the renewable energy electricity supply business(Direct PPA). As an entity engaged in the renewable energy electricity supply business, KT will strive to accelerate the growth of Korea's renewable energy sector.

KT Carbon Neutral Platform(KT-Net Zero)

Based on years of greenhouse gas management and reduction capabilities, KT plans to launch the KT Carbon Neutral Platform in the second half of 2025. The Carbon Neutral Platform is a comprehensive environmental management system designed to respond to climate change and achieve sustainable development, which will provide various functions to accurately calculate and monitor greenhouse gas emissions. Through this platform, companies will be able to clearly identify their carbon footprint and establish effective reduction strategies. Additionally, it will support real-time greenhouse gas monitoring and data analysis to provide visual emission tracking, contributing to companies' ability to simultaneously achieve environmental protection and sustainable growth.



Climate Change Risk and Opportunity Management

Climate Change Opportunity Response Status

CASE

Driven Carbon Abatement Solutions

Energy Trading Solutions

KT has participated in the government's Demand Response(DR)* pilot project since its launch in 2012, leading the expansion of the domestic DR business. We provide energy diagnostics and demand management simulation, and utilize our self-developed Demand Response Management System(DRMS) to monitor customer power data in real time. This enables us to support responses to demand reduction orders from the Korea Power Exchange(KPX). Our key service, GiGAenergy DR, analyzes customers' energy consumption patterns to reduce energy usage and registers the saved power

with the KPX to support power reduction implementation. This also contributes to the nation's power reserves and supply-demand stabilization. GiGAenergy Trade is a service that mediates power and REC trading for renewable energy generation resources of 20MW or less. Based on an integrated power plant management platform, we participate in the energy trading brokerage market and support additional revenue generation through the 'renewable energy generation forecasting system.' KT has actively promoted resource inflow into the brokerage market, establishing itself as a

major player in the market. In June 2024, as the renewable energy wholesale bidding system was piloted in Jeju Island, we built a new platform called KT Grid to participate, demonstrating our swift response to government policy changes. Moving forward, KT will continue to closely monitor market changes, lead the future energy industry ecosystem, and work persistently to resolve uncertainties in the national power grid system.

* A system where the government compensates companies contracted with the Korea Power Exchange for reducing electricity usage upon national request

Paperless

KT is leading digital transformation based on AICT, transforming through data integration, process automation, and mobile-enabled solutions. Through these efforts, KT also contributes to social carbon reduction. Furthermore, KT is the only company that has obtained all three certifications from the Ministry of Science and ICT: certified electronic document intermediary, certified electronic document center, and digitization certification. KT ensures stability and reliability throughout the entire process of electronic document creation, distribution, and storage. Through the introduction of paperless systems, companies can reduce paper resources while enhancing operational efficiency and effectively realizing digital transformation.



Mobility AX Business

KT's Mobility AX business is a future-oriented AX platform business that reduces social costs through traffic flow improvement and builds an eco-friendly transportation system by reducing carbon emissions. KT has selected the Cooperative-Intelligent Transport Systems(C-ITS) as a core area of this business and is accelerating the development of related technologies. C-ITS can reduce traffic accidents and improve traffic flow by providing drivers with hazard information such as black ice and sudden stops through real-time bidirectional communication between vehicles and road infrastructure. It also contributes to enhancing the driving stability and efficiency of autonomous vehicles. Based on AICT technology, KT developed traffic signal optimization and intelligent traffic signal optimization and computer vision-based traffic analytics and demonstrated them in cooperation with Bucheon City, achieving improved traffic flow by 4.6% on average and up to 8%.

Climate Change Response Performance and Goals

GHG Emissions Management System

KT has established a greenhouse gas emissions management system to systematically manage greenhouse gases in response to climate change. Since establishing the first greenhouse gas inventory(Scope 1, 2) in 2011, we have continuously enhanced our management capabilities, and starting from the second half of 2024, we are promoting the advancement of an AI-based greenhouse gas management platform for systematic Scope 3 emissions management. KT's greenhouse gas management scope covers all facilities under operational control, including office buildings nationwide, regional network centers, forward-deployed business sites, base stations, repeaters, and business vehicles.

Scope 1 Emissions Management

KT's Scope 1 emissions mainly come from heating of office buildings nationwide, operation of company vehicles, emergency generators, and fuel cell operations. In 2024, our Scope 1 emissions stood at 36,178tCO₂ eq, a 6.2% reduction from 2023, and we exceeded our emission reduction target by 2,387tCO₂eq.To reduce Scope 1 emissions, KT actively promoted heating energy optimization through intelligent temperature control and invigorated videoconferences to reduce vehicle usage.

Scope 2 Emissions Management

KT's Scope 2 emissions are those from electricity used in corporate buildings nationwide and telecommunications equipment, and the heat(Hot Water) used to heat corporate buildings. In 2024, our Scope 2 emissions stood at 1,101,407tCO₂eq on a location-based approach and 1,079,356tCO₂eq on a market-based approach*, representing a 1.1% increase from 2023 on a location-based basis and a 0.9% decrease on a market-based basis. To reduce Scope 2 emissions, KT carried out programs including network optimization, cooling facility efficiency enhancement in telecommunications rooms for electricity reduction, and renewable energy transition through PPA and green premium, thereby reducing greenhouse gas emissions by 47,982tCO₂eq in 2024.

* Market-based Scope 2 emissions: Emissions including green premium renewable energy purchases

Scope 3 Emissions Management

Scope 3 emissions refer to the greenhouse gases indirectly emitted throughout the entire value chain of a company's operations. Since 2013, KT has developed and managed an estimating methodology for Scope 3 emissions. In 2023, we developed an estimating methodology for emissions occurring in both upstream(pre-service stage) and downstream(post-service stage) based on KT's consolidated standards to monitor and manage greenhouse gas emissions throughout all corporate activities. KT will reduce Scope 3 emissions by building eco-friendly supply chains and enhancing waste recycling and virtual meetings.

Scope 1,2 GHG Emissions Details¹⁾

(Unit: tCO₂eq, tCO₂eq/KRW 100 million)

Category		2022	2023	2024	Target in 2024
Scope 1	Fixed Fuel	18,114	18,558	18,365	38,565
	Mobile Fuel	14,025	14,531	12,655	
	Fuel Cells	5,746	5,476	5,159	
	Subtotal	37,885	38,565	36,178	
Scope 2	Electricity	1,068,675	1,087,099	1,099,599	1,110,700
	Heat(Hot Water)	2,098	1,812	1,808	
	Subtotal	1,070,773	1,088,911	1,101,407	
Scope 1 + Scope 2 Total		1,108,658	1,127,476	1,137,586	1,149,265
Scope 1 + Scope 2 Intensity ²⁾		6.062	6.137	6.123	

1) Subtotal differences may occur due to decimal rounding

2) Based on separate revenue

Scope 3 GHG Emissions Details

(Unit: tCO₂eq)

Category		2022	2023	2024
Up Stream	C1(Product & service procurement)	978,114	987,722	670,104
	C2(Purchase of capital goods)	527,135	474,709	240,018
	C3(Energy)	120,220	126,175	87,691
	C5(Operational waste)	5,303	6,674	4,699
	C6(Employee business trip)	6,463	6,672	6,490
	C7(Commute)	19,759	18,427	15,599
	C11(Use of product)	40,103	37,379	32,011
Down Stream	C12(Disposal of product)	1,584	1,530	1,331
	C13(Use of rental products)	78,706	78,497	65,633
	C14(Franchise)	90,346	83,122	36,164
	C15(Investment)	17,939	33,406	21,207
Total		1,885,673	1,854,314	1,180,948

Climate Change Response Performance and Goals

Expansion of GHG Management Scope

KT expanded the GHG management scope to KT consolidated Scope 1, 2, and 3 to respond to global mandatory climate disclosure and achieve carbon neutrality at the KT Group level. The organizational boundary was established by applying the operational control approach, and Scope 3 emissions were calculated in compliance with global calculation guidelines such as ‘GHG Protocol Corporate Value Chain(Scope 3) Accounting and Reporting Standard(2011)’, ‘Technical Guidance for calculating for scope3 Emissions’, ‘Scope 3 Guidance for Telecommunication Operators’, and ‘PCAF The Global GHG Accounting and Reporting(2022)’. In addition, we set the organizational boundary based on the operational control approach to ensure optimal compliance with the GHG Emissions Trading Scheme(ETS)’s reporting regulations.

(Unit: tCO₂eq)

		Scope 3 ⁴⁾														
Category		Total	Scope 1	Scope 2	Subtotal	C1	C2	C3	C5	C6	C7	C11	C12	C13	C14	C15 ⁵⁾
2022	KT separate standard	2,994,331	37,885	1,070,773	1,885,673	978,114	527,135	120,220	5,303	6,463	19,759	40,103	1,584	78,706	90,346	17,939
	KT consolidated standard ¹⁾²⁾	4,027,254	74,064	1,516,925	2,436,265	1,166,595	607,455	194,064	7,615	11,600	55,288	46,564	1,815	229,571	91,795	23,902
2023	KT separate standard	2,981,790	38,565	1,088,911	1,854,314	987,722	474,709	126,175	6,674	6,672	18,427	37,379	1,530	78,497	83,122	33,406
	KT consolidated standard ¹⁾²⁾	4,055,271	66,134	1,546,601	2,442,536	1,200,408	592,700	181,895	10,448	12,738	55,042	41,990	1,775	219,760	84,564	41,216
2024	KT separate standard ³⁾	2,318,533	36,178	1,101,407	1,180,948	670,104	240,018	87,691	4,699	6,490	15,599	32,011	1,331	65,633	36,164	21,207
	KT consolidated standard ¹⁾²⁾³⁾	3,279,120	63,695	1,527,964	1,687,461	869,914	280,589	127,978	8,235	12,105	52,208	38,051	1,496	230,709	36,164	30,012

1) Calculations were based on companies for which operational control was maintained as of the end of the reporting period. Companies excluded from the consolidation due to liquidation or sale during the reporting period and investment target companies for which calculation guidelines are not covered by the PCAF (Partnership for Carbon Accounting Financials) 2022 are excluded.

2) For internal transactions among consolidated companies, the companies are excluded from the calculation of scope 3 emissions.

3) Emission changes due to the updating of emission factors for C1 and C2(US EPA Supply Chain Emission Factor v1.2 → v1.3)

4) According to the company's scope 3 calculation rule Article 2. Category Screening by Company, highly-significant categories are selected as C1, C2, C11, and C13.

C4(Upstream Transportation and Distribution) and C9(Downstream Transportation) are included in C1, C2, C10(Processing of Goods for Sale) are excluded due to low relevance to the company's business model, C8(Upstream Leased Assets) is included in scope 1 and 2 calculations.

5) C15 is calculated according to the PCAF(Partnership for Carbon Accounting Financials) guidelines. The calculation is limited to KT and its subsidiaries operating in the financial business. However, among the subsidiaries operating in non-financial business, KT Studio Genie was included in the C15 calculation due to the significant size of its financial assets.

- KT separate standard: other comprehensive income - financial assets measured at fair value

- KT consolidated standard: KT, BC Card, KT Investment, KT INM, KT Studio Genie.

※ Applied Emissions Factor: US EPA Supply Chain Greenhouse Gas Emission Factors(v1.2 by NAICS-6), Environmental Product Declaration LCI DB emission factors, domestic electricity emission factors, IEA Emission Factors 2022, etc.

Climate Change Response Performance and Goals

Implementation of RE100

KT joined the global RE100(Renewable Electricity 100%) to achieve its Net Zero 2050 target. RE100 is a global initiative led by The Climate Group and CDP, where companies voluntarily participate to respond to the global climate crisis with the goal of converting 100% of their electricity usage to renewable energy. Since electricity usage accounts for more than 97% of KT's greenhouse gas emissions, the adoption of renewable energy is a key element in achieving Net Zero. KT plans to continuously expand on-site solar installations, PPAs, and green premium purchases targeting 56% by 2030, 84% by 2040, and 100% by 2050.

Solar Power Plants Utilization

KT is building and operating solar power plants at available sites nationwide to expand the use of renewable energy. Since first introducing 0.1MW solar power plants at the Hwaseong Transmission Station and Sinnae National Office in 2008, KT has been operating a total of 8MW of solar power plants in 103 locations nationwide(88 for self-consumption, 15 for sale) as of the end of 2024. The annual generation of the company's solar power plants in 2024 was 8,392MWh, of which 1,286MWh was for our own consumption.

Solar Power Plants and Generation (Unit: Plants(Accumulate), MWh)			
Category	2022	2023	2024
PV Power Plants*	100	103	103
Annual Power Generation	9,526	9,530	8,392

* 2023 data revised due to consolidated reporting of solar power plants(for sale and self-consumption)

Renewable Energy Usage			(Unit: %, MWh)	
Category		2022	2023	2024
Ratio of Renewable Energy*		0.03	1.1	2.1
Renewable Energy Usage	Self-generation	755	1,376	1,286
	PPA	0	0	604
	Green Premium	0	25,000	48,000
	Total	755	26,376	49,890

* Total renewable energy usage/Total energy usage

Fuel Cell Power Plant Operation

KT operates fuel cell power generation facilities with a total capacity of 1.9MW across four buildings: Daedeok Research Center 2, Daegu Logistics Center, Pyeongchang Daegwallyeong Training Center, and Songpa Building. Fuel cells can generate electricity through electrochemical reactions between hydrogen and oxygen, enabling 24/7 power generation. The annual power generation output of the fuel cell power plants in 2024 was approximately 14,258MWh, which is equivalent to the annual electricity consumption of approximately 3,800 four-person households. KT is expanding operations based on safe and clean hydrogen fuel cells in line with the government's five major energy policy initiative. To achieve this, in 2024, KT introduced a real-time monitoring and remote response enhancement system at the KT Daegu Fuel Cell Power Plant site utilizing Green DX technologies such as AI Patrol Robots. We plan to continuously strengthen the safety and health system for workers by transitioning from the existing periodic face-to-face electrical safety and industrial safety management system to a remote monitoring system and detecting risk situations through AI algorithms.

The Green Premium Program Participation

In 2024, KT signed a Green Premium Electricity Purchase Agreement with KEPCO and purchased a total of 48,000MWh of renewable energy. This amount is approximately 9.6 times more than the annual electricity consumption of KT's Gwanghwamun building and corresponds to about 2% of KT's total electricity consumption. KT plans to continuously utilize green premiums to increase its use of renewable energy.

Climate Change Response Performance and Goals

Water Management

KT regularly measures water consumption at its offices and data centers nationwide and strives for efficient water management by installing water-saving devices suitable for each facility's characteristics, such as water-efficient automated bidets, foam faucets, and water purification systems. In 2024, KT's total water consumption was 1,322 thousand tons, which was approximately 4.6% less than the annual consumption target of 1,386 thousand tons. Along with this, KT continues its efforts to expand water reuse, with a reuse volume of 7 thousand tons as of 2024. KT aims to conserve water resources by enhancing water recycling rates and contribute to improving water circulation and establishing a sustainable water management system.

Water Withdrawal

(Unit: 1,000 tons)

Category	Source	2022	2023	2024
HQ in Bundang	Water Supply	73	79	77
Mokdong Information Center		25	-	-
Umyeon Research Center		9	10	28
EAST Gwanghwamun Building		28	36	37
Daedeok Research Center 2		22	24	20
Songpa Building		30	30	28
KT Telecommunications Building	Under-ground Water	1,195	925	1,033
Umyeon Research Center		10	8	5
KT Telecommunications Building		81	101	87
Total		1,473	1,213	1,315

Water Reuse Volume

(Unit: 1,000 tons)

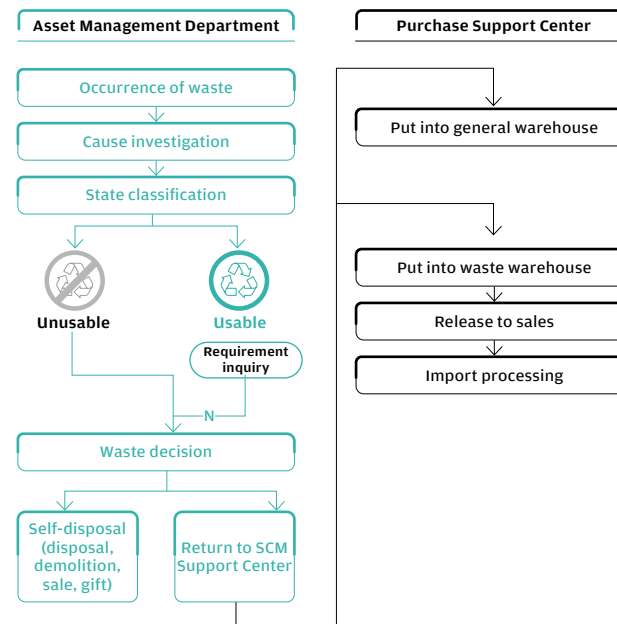
Category	2022	2023	2024
Songpa Building	-	-	7

Waste Management

KT operates waste processing processes and has established a platform for recycling internal surplus equipment within the company to reduce greenhouse gas ensuring waste minimization from corporate activities. KT does not engage in illegal landfilling or incineration, and there were zero violations of environmental laws and regulations in 2024.

Waste Processing Process

KT operates waste processing processes for general waste, designated waste, and construction waste. When telecommunications equipment waste is generated, rather than direct disposal, KT makes it available for use by other regions(other departments) to maximize recycling and strives to minimize waste generation through measures such as using reusable cups in office buildings.



Waste Emission¹⁾ and Recycling Rates²⁾

(Unit: tons, %)

Category		2022	2023	2024
Waste Generation	General Waste	9,830	8,227	8,276
	Designated Waste	4,180	4,310	2,852
	Construction Waste	161	73	111
	Total	14,171	12,610	11,238
Recycling Amount		5,652	4,793	7,222
Recycling Rate		39.9	38	64.3

1) Total differences may occur due to decimal rounding

2) Starting from 2024, recycling volume includes the amount of designated waste that is recycled.

Environmental Laws and Regulations Violation

(Unit: Cases)

Category	2022	2023	2024
Environmental Laws and Regulations Violations	0	0	0

Climate Change Response Performance and Goals

Energy consumption Management

KT uses nine types of non-renewable energy sources for corporate buildings, network, fuel cells, vehicle operations, and others: LNG, byproduct fuel, kerosene, diesel, gasoline, LPG, electricity, district heating, and propane. KT also uses renewable energy through self-generated solar power, green premium, and PPA. In 2024, KT's total energy consumption was 23,574 TJ, which was 1% less than the 2024 target of 23,816 TJ. Of the total energy, renewable energy accounted for 479 TJ, representing 2% of the total energy consumption.

Energy Consumption and Intensity

(Unit: TJ, TJ/KRW 100 million)

Category		2022	2023	2024
Non-renewable Energy	LNG	330	306	294
	Propane	-	-	2
	Byproduct Fuel	12	25	31
	Kerosene	-	1	1
	Diesel	169	181	138
	Gasoline	41	47	58
	LPG for Vehicles	-	-	3
	Electricity*	22,331	22,476	22,516
	Heat(Hot Water)	56	50	52
Subtotal		22,939	23,086	23,095
Renewable Energy	PPA	-	-	6
	Self-Generated(Solar)	7	13	12
	Green Premium	7	240	461
	Subtotal	-	253	479
Energy Total		22,946	23,339	23,574
Energy Intensity		0.125	0.127	0.127

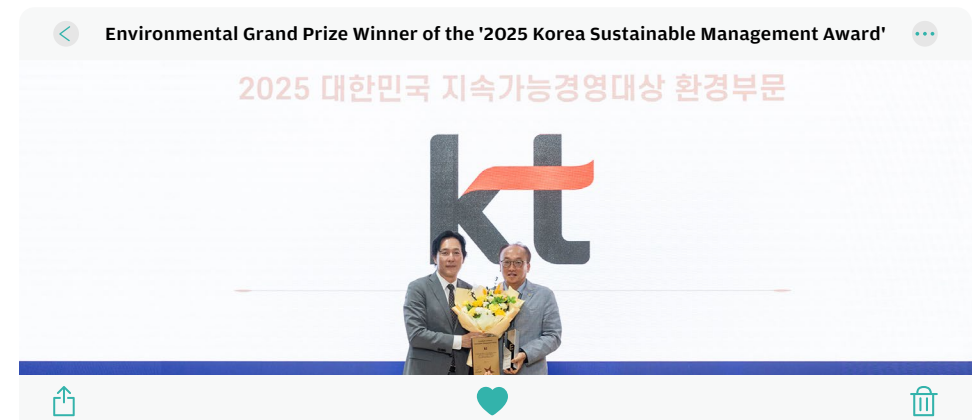
* Non-renewable electricity is calculated by excluding green premium purchases from actual consumption.

Environmental Management Training

KT regularly conducts training on major environmental issues, including online ESG education and distribution of eco-friendly card news, to internalize environmental management awareness among employees. In 2024, KT enhanced employees' job expertise through 'Corporate Response Strategies in the Climate Crisis Era' training conducted directly by in-house environmental specialists. A total of 134 employees participated in environmental management training in 2024, and KT will continue to provide ongoing environmental education so that employees can work together to realize the essential environmental management vision.

Awarded the Korea Sustainable Management Award

KT is contributing to the realization of carbon neutrality by 2050 and broader societal carbon reduction through its digital-driven sustainability strategy. In recognition of these ESG management initiatives, KT received the Grand Prize in the Environmental Category at the '2025 Korea Sustainable Management Award', hosted by the Korea Productivity Association and sponsored by the Ministry of Employment and Labor. This award recognizes companies that create sustainable future value, and serves as external validation of KT's environmental leadership and implementation capabilities.



Circular Economy

Circular Economy Promotion Direction

Eco-friendly Sourcing

Eco-friendly(Recycled) Bobbins for Cables



KT is replacing wooden bobbins for cables with eco-friendly plastic bobbins made from recycled plastic. Most bobbins are manufactured from wood, which causes environmental issues due to logging and has the disadvantage of being recycled only about twice on average before disposal. In contrast, the eco-friendly plastic bobbins (low-density polyethylene) used by KT are certified by the Ministry of Trade, Industry and Energy and can be recycled more than ten times. When one wooden bobbin is replaced with an eco-friendly plastic bobbin, it can reduce carbon dioxide emissions by 9.1kg (based on 30-year-old trees, according to research by the Gyeonggi Research Institute in 2009), and because they are made from recycled plastic, they also circular resource utilization benefits. KT piloted eco-friendly plastic bobbins from May to December 2023. A cumulative total of 138 units were supplied to sites by 2024, and in March 2025, for full-scale commercial deployment, KT supplemented the pilot application results and facilitated rental contracts between five fiber optic cable partners including LS Cable & System and Asia Platec (bobbin supplier). KT aims to apply eco-friendly plastic bobbins more actively, targeting the supply of approximately 2,500 units to sites by March 2026, which is expected to reduce approximately 22.7 tons of carbon dioxide.

Eco-friendly Set-top Boxes Made with Recycled Plastic



KT, Skylife, and HCN signed a business agreement with LG Chem, Kaon Group, and Marusys to establish an 'Eco-Friendly Rental Terminal Production System' and created a circular resource management process to utilize plastic waste. This process recycles approximately 300 tons of plastic waste generated by KT Group from set-top boxes and other devices through LG Chem's recycling process and eco-friendly raw material extraction process to reproduce them into eco-friendly set-top box terminals. In 2024, KT manufactured 500,000 units of Genie TV Set-top Box A as eco-friendly set-top boxes, bringing the cumulative total to 1 million units. In recognition of these efforts, the Genie TV Set-top Box A became the first domestic set-top box to be selected as an 'E-Cycle Excellent Product' certified by the E-Cycle Governance in August 2024. In 2025, KT plans to manufacture 500,000 units of Genie TV Set-top Box A as eco-friendly set-top boxes, bringing the cumulative total to 1.5 million units, and will continue to expand, produce and supply eco-friendly terminals made from recycled plastic waste.



Recycling Program

Reducing Paper Use

Digital Billing Statements Conversion

KT has reduced carbon emissions by 12,330 tons over the past 10 years by switching from postal statements to digital statements. This is equivalent to planting about 98,000 pine trees. Since 2024, KT has been supporting customers opting out of paper billing to switch to digital statements through comprehensive advance communication. The number of customers using digital statements has exceeded 20 million to date, and KT will continue to expand digital statements that can reduce paper usage to minimize resource waste.

Electronic Application Usage

KT has digitized application forms for wired and wireless service subscriptions to reduce paper usage for environmental protection. Electronic application forms are provided via text message or email, reducing carbon emissions.

Electronic Certificates Usage

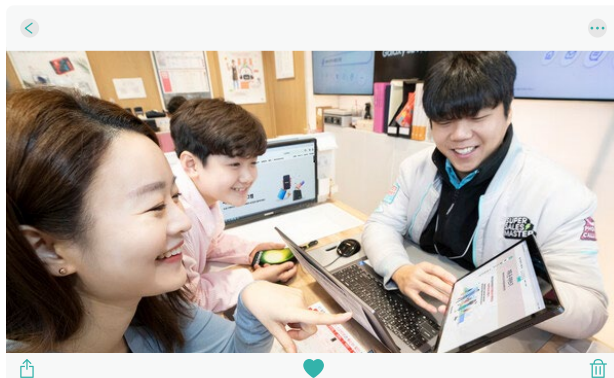
KT has streamlined the required documents that customers must submit for wired and wireless service subscriptions and service modifications so that they can be authenticated using electronic certificates through the PASS app, thereby reducing paper usage. In 2024, we linked with the Ministry of the Interior and Safety's Public My Data to further reduce required documents, enhancing customer convenience while minimizing resource waste and contributing to carbon emission reduction. In 2025, we plan to expand document simplification by utilizing Public My Data for document submission for telecommunications service subscriptions by for self-employed individuals and foreign nationals as well.

Circular Economy Promotion Direction

Recycling Program

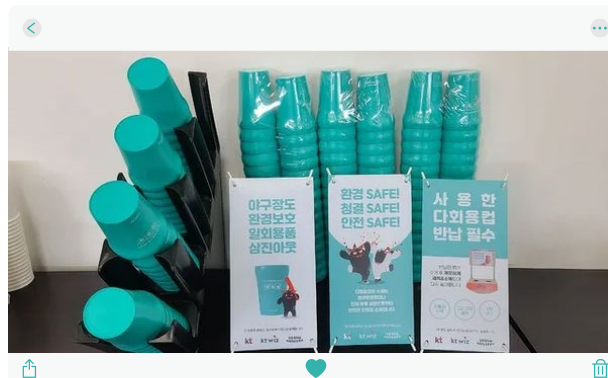
Galaxy Family Phone Program

KT is promoting Galaxy device recycling through the 'Galaxy Family Phone Program' in collaboration with Samsung Electronics. This program is available to customers who purchased Galaxy S, Z Flip, and Z Fold series devices (for customers who purchased between January 16 and December 31, 2024). Customers can pass down their existing Galaxy devices to their children under 14 years old who use KT mobile services, transferring them in like-new condition. Battery replacement and screen protection protector application vouchers are also provided. Through this program, KT is contributing to reducing device waste and alleviating customers' household financial burden.



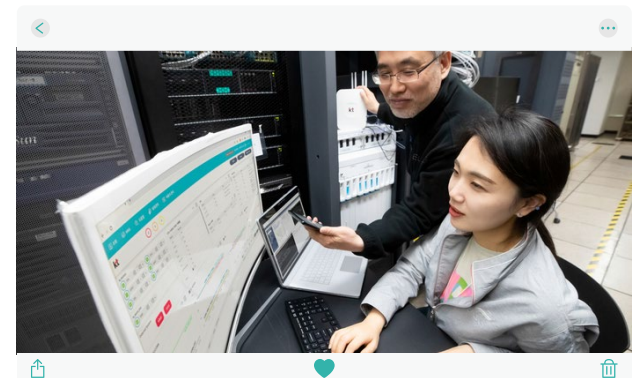
Popularizing the Use of Reusable Cups

KT is expanding a disposable-free office environment campaign to spread the culture of using reusable containers in our daily lives. We have introduced reusable cups in the Sky Box, Press Room, and KT Sports Office at KT Wiz Park baseball stadium. In 2023, as a pilot project, we supported the introduction of reusable containers in 8 food and beverage stores within Wiz Park. Additionally, LX International, LINA Life Insurance, and LX Pantos, which participate in the Gwanghwamun One Team, a regional collaborative council, joined KT's reusable cup campaign and introduced reusable cups in their respective office buildings.



Carrot(Recycling) Facility

KT operates the Carrot Facility platform, a surplus equipment reallocation platform, providing recycling opportunities for over 9.7 million pieces of machinery. Through this initiative, we are enhancing asset value and reducing carbon emissions by minimizing waste. In 2023, we introduced the Carrot Facility on our internal network, enabling the system to automatically register usable equipment. This allows all employees to freely reuse idle equipment. As a result, we have reduced unnecessary investments and minimized waste from equipment obsolescence. KT plans to continue strengthening recycling promotion measures by advancing the platform system and providing field incentives to encourage recycling.



Circular Economy Promotion Direction



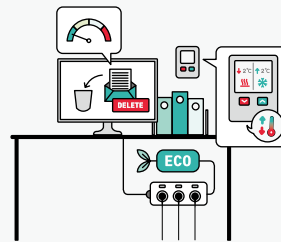
Environmental Campaign, Jiugae*

As part of collaborative labor-management ESG initiatives, KT is implementing an environmental campaign called 'Jiugae.' Jiugae signifies small actions to protect the earth, communities, and individuals. This campaign identifies eco-friendly habits that can be easily practiced in the workplace and encourages employee participation. Through this campaign, employees are internalizing environmental consciousness by sharing carbon emission reduction habits and recycling practices.

* Campaign Period: April 2021-December 2024

Email Jiugae

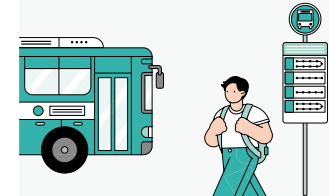
A total of 2.77 million emails were deleted, resulting in a carbon emission reduction of approximately 11.08 tons.



When a spam email is deleted, about 4g of carbon emissions are reduced.

Carbon Footprint Jiugae

We are conducting footstep donation campaigns for employees and application users through the social sharing platform application 'Share Affection.' We have launched a total of 14 internal footstep donation challenges for KT employees and stakeholders since 2022, walking a cumulative total of 8.1 billion steps together and delivering donations to those in need.

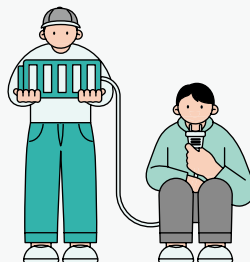


Donation Targets & Amounts

The Korean Committee for UNICEF: Ukrainian children relief fund of KRW 60 million
Helping farmers affected by floods: KRW 20 million in goods
Miral Welfare Foundation: Support project for visually and hearing impaired people of KRW 10 million

Phantom Load Jiugae

KT employees have been voluntarily participating in the One Day 1kWh Jiugae campaign in their daily lives. For example, they turn off their PCs when leaving the office and unplug their unused devices.



After the campaign, 2,170 activities(accumulate) were posted on the ESG portal.

Single-use Cup Jiugae

KT is conducting a single-use cup reduction campaign by introducing reusable cups in office cafes and pantries at our Gwanghwamun, Songpa, Bundang, Umyeon, and Pangyo office buildings to reduce single-use cup usage. In 2024, we operated a 'mobile reusable cup coffee truck' visiting 16 KT regional headquarters nationwide to encourage employees to use reusable cups and tumblers.



As of 2024, cumulative total of approximately 2.46 million single-use cups have been replaced.

Biodiversity

Biodiversity Impact Diagnosis and Analysis

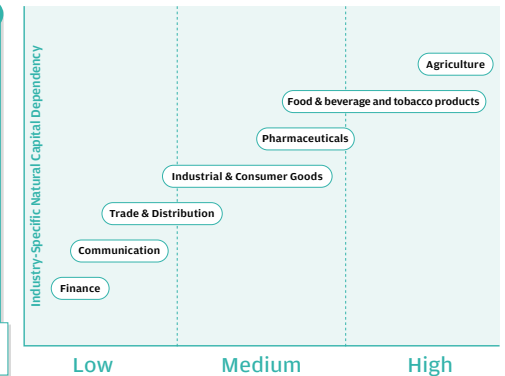
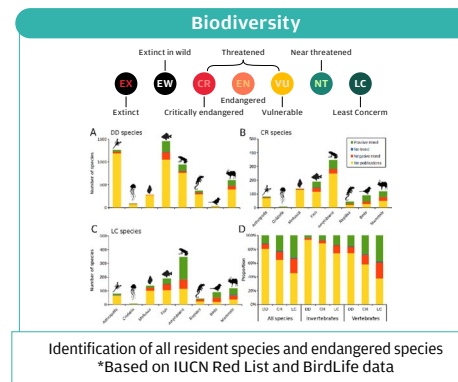
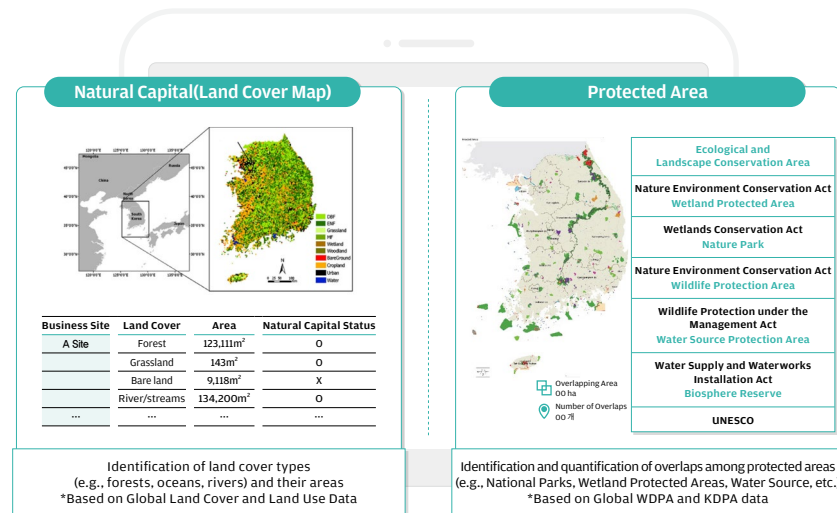
Species interact with each other and contribute to maintaining and restoring the structure and function of ecosystems, making biodiversity an essential element for maintaining ecosystem stability. However, biodiversity is rapidly declining due to climate change, environmental pollution, habitat destruction, and other factors. KT recognizes the severity of this issue and has conducted an analysis based on environmental data including land, water resources, and greenhouse gas emissions to diagnose the potential impact of our core business operations on biodiversity. This analysis was conducted as a pilot program targeting representative telecommunications facilities among major telecommunications infrastructure nationwide, including KT office buildings and facilities in Jeju and Gangwon. We applied the TNFD's LEAP approach to analyze the internal and external environment of the telecommunications industry and completed the L(Locate) and E(Evaluate) stages.

The Locate analysis comprehensively examined natural capital(land cover map), protected areas, and biodiversity within the impact assessment category(2km) based on KT infrastructure, with particular focus on endangered species from the IUCN Red List. In the Evaluate analysis stage, we collected specific internal environmental data including land use, water use, air pollution, and waste discharge, and analyzed dependencies and impacts based on ENCORE¹⁾ and the WWF Biodiversity Risk Filter Tool²⁾.

1) A tool for assessing industry-specific dependencies and impacts on ecosystem services

2) A tool for assessing biodiversity-related risks at business sites

As a result, while the telecommunications industry has relatively low dependency on and impact on biodiversity compared to other industries, KT recognizes the importance of biodiversity and has set conservation priorities focusing on areas near telecommunications infrastructure.



Comprehensive Analysis Results

Evaluation using a 1-5 point scale by category

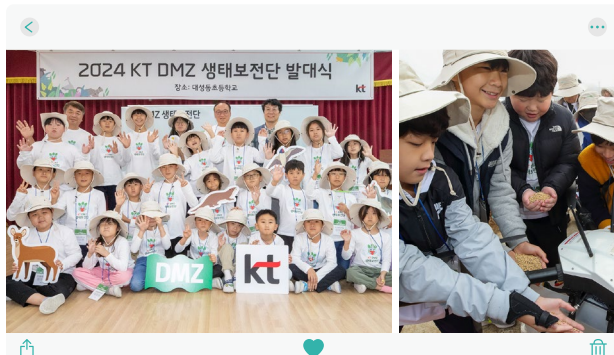
Business Site	Score		Priority
	Locate	Evaluate	
Gochang Radio Base Station	4.53	1.17	1
Wonju Training Center	2.67	0.82	2
Jeju Transmitter Station	2.82	0.67	3

Through this analysis, KT has systematically analyzed the impact of telecommunications infrastructure on biodiversity and plans to develop strategies to minimize environmental impact and gradually expand biodiversity conservation activities based on these findings.

Biodiversity Conservation Activities

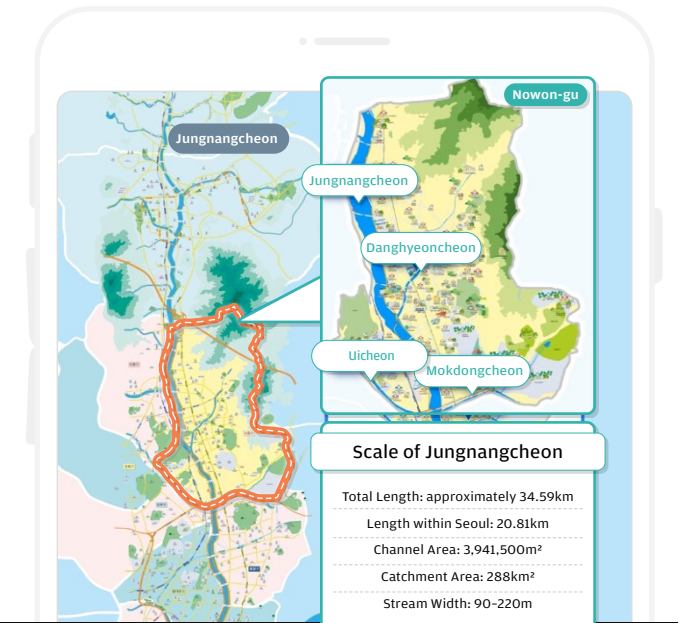
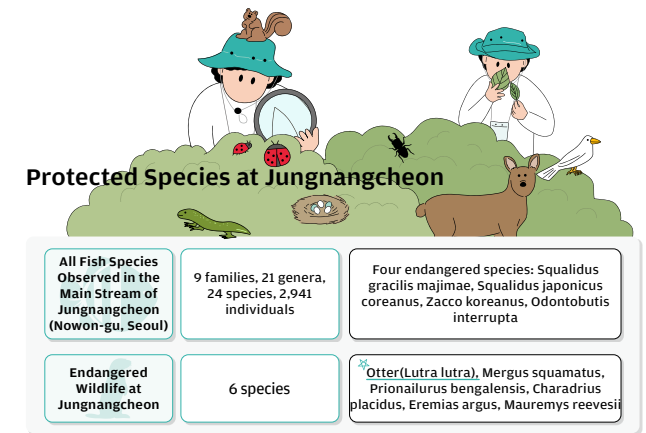
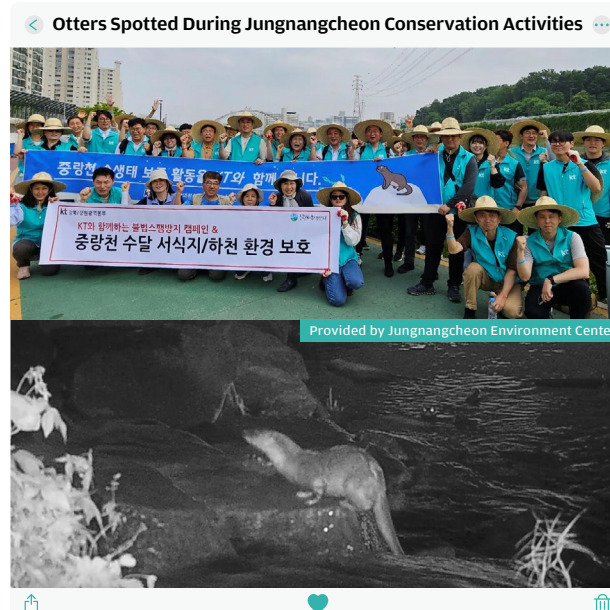
KT DMZ Ecological Conservation Group

The DMZ is home to more than 3,000 species and is recognized globally for its biodiversity. KT formed the 'KT DMZ Ecological Conservation Group' with students from Daeseongdong Elementary School in 2024, based on its cooperative relationship with the Daeseongdong area near the DMZ that has continued since 2001, and carried out practical ecological conservation activities over a total of 3 sessions. This activity began with a lecture on biodiversity in the DMZ area and continued with bioblitz activities that involved exploring ecologically significant locations such as wetlands and ponds together with ecological experts. In addition, to commemorate World Migratory Bird Day, participants observed migratory birds from the Jangsan Observatory, provided bird feed using drones, and engaged in bird feeding activities. Through these initiatives, participants deepened their understanding of the DMZ ecosystem and experienced firsthand the importance of biodiversity conservation. KT remains committed to continuing sincere efforts to preserve biodiversity in the DMZ and other ecologically valuable areas.



Biodiversity Conservation Activities at Jungnangcheon

In February 2024, KT collaborated with the Jungnangcheon Environmental Center to carry out biodiversity conservation activities at Seoul's Jungnangcheon. Starting in May, KT organized four sessions of relay volunteer activities to maintain otter habitats and remove invasive and harmful plants, along with an environmental protection camp for employees and their families. The program included basic education on freshwater fish, an urban fishing experience, and a river ecosystem exploration, offering participants an opportunity to appreciate the importance of the environment. KT also continues to conduct related environmental protection campaigns.





Information Protection	054
Service Stability	061
Quality Management	068
Social Contribution	072
Talent Management	080
Human Rights Management	089
Safety and Health	094
Supply Chain	100

Information Protection

Information Protection Governance

Roles of ISSC

The KT ISSC(Information Security Strategy Committee) is an organization that efficiently deliberates, decides, and consults on key information protection matters within KT for swift decision-making on on important information protection matters. As sophisticated cyber threats and information asset protection become increasingly critical, we elevated the Information Security Division from under the CTO to the Information Security Office directly under the CEO. This change recognizes information protection as a core business risk beyond a technical domain and strengthens security governance across the organization.

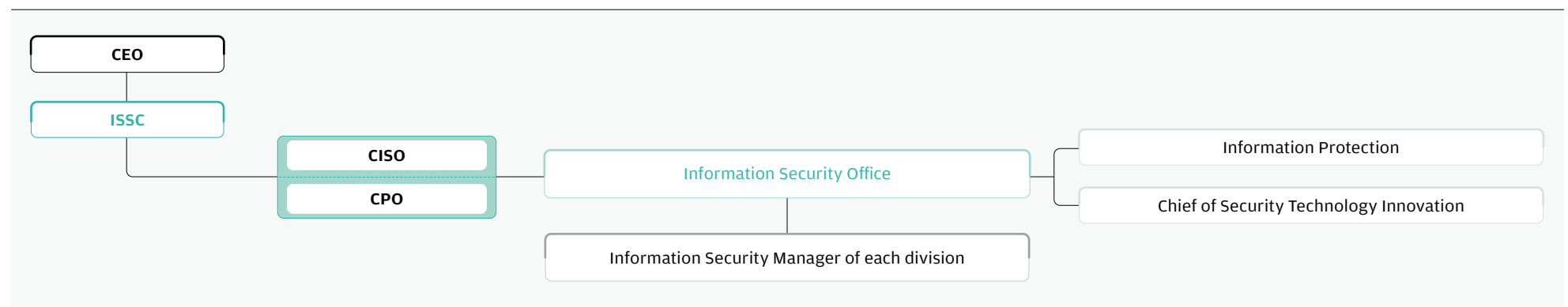
Roles of Management

KT appoints a Chief Information Security Officer(CISO) and Chief Privacy Officer(CPO) directly under the CEO, with one person serving both roles, selecting individuals with expertise in information and personal information protection. The CISO is responsible for overseeing information security organization operations, plan development, risk management, auditing, education, and simulation training. Also, the CPO handles personal information protection internal planning personal information processing management, complaint handling, and damage relief to build a sustainable information protection system.

Roles of Supervising Department

The KT Information Security Office systematically operates the company-wide information protection system under CISO/ CPO leadership. The Information Protection Department establishes and manages corporate and personal information protection policies, creating a stable protection environment through legal and regulatory compliance, organization-wide security policy development, and implementation monitoring. The Chief of Security Technology Innovation proactively identifies security threats and establishes response systems within rapidly evolving technology environments like AI and Cloud, solidifying the foundation for digital transformation where innovation and security harmonize. Through this, the Information Security Office realizes integrated enterprise-level information protection and maintains sustainable security level.

Organizational Chart of Information Protection



Establishing Information Protection Foundation

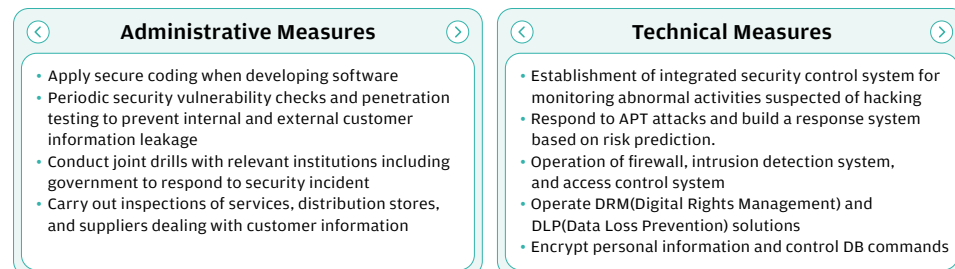
Establishing Information Security Regulations

KT considers customer information protection as our top management priority and strives to provide secure services to customers. Based on domestic and international relevant laws, Information Business Handling Guidelines, and Personal Information Protection Guidelines, we continuously enhance our customer information protection system to adapt to IT environment changes, including establishing Cloud standard security manuals, and comply with relevant laws to protect customers from annually increasing security threats.

Customer Information Protection Process

KT systematically analyzes the entire process from personal information collection to disposal, applying optimal technical and administrative protection measures at each stage to prevent loss, theft, and leakage. When introducing or modifying information systems, we conduct security approval processes to review protection measures in advance and immediately improve necessary items. We regularly perform vulnerability assessments and penetration testing on web and app services, conduct periodic simulation training for breach incidents to enhance practical response capabilities, maintain personal information liability insurance, enabling swift and responsible response when incidents occur. Furthermore, KT strengthens protection measures against increasingly sophisticated threats like APT and supply chain attacks, operating a comprehensive response system covering all areas from terminals to networks to servers through Korea's first integrated IT/network cyber security center to respond to security threats 24/7 year-round.

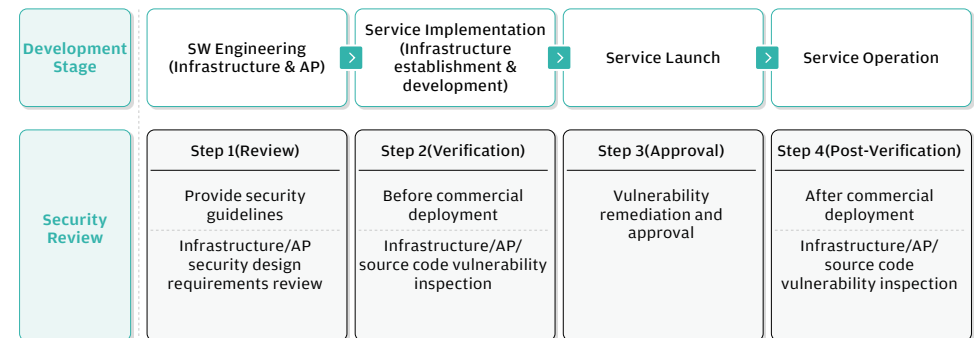
Customer Information Protection Measures by Type



Security Approval Process

KT operates a thorough security approval process before launching new services such as applications and web pages to pre-verify protection against external attacks. This process comprehensively reviews the overall service structure as well as technical and administrative information protection measures across all stages from collection, storage, use, provision, to disposal of critical information including personal data. Furthermore, we continuously strengthen response capabilities against new threats through post-verification during service operation. Through this security approval process, KT proactively identifies and improves security vulnerabilities and continuously strives to provide customers with safer and more reliable services.

Security Approval Process during System Development



Establishing Information Protection Foundation

Responding to Cyber-attack

KT has established a multi-layered defense system by introducing and implementing multiple information security solutions to respond to breach incidents and security threats. KT operates an integrated security control system 24 hours a day to monitor hacking attempts and malicious activities. Employees who detect breach incidents report to the departmental Information Security Manager through various channels. The manager then promptly implements emergency responses through specialized information protection organizations such as the Information Security Office. KT will strengthen its incident response system to counter increasingly sophisticated hacking and keep pace with technological advances such as AI and the Cloud.

Cyber-attack Response Process



Information Security Certification

Since acquiring the nationally-recognized ISMS(Information Security Management System) certification in 2013, KT has been recertified every year. In 2020, we converted to ISMS-P(Personal Information Security Management System) certification and have maintained this certification ever since.



Information Protection Investment

KT considers customer information protection as our top management priority and strives to provide secure services to customers. To achieve this, we continuously invest in information protection systems and infrastructure. KT invested KRW 1,250 billion in 2024, representing 6.3% of our IT investment budget, and maintains a dedicated information protection workforce of 290 employees.

Information Protection Investment and Personnel Status over Past 3 Years

(Unit: KRW 100 million, %, Persons)

Category	2022	2023	2024
Investment in information protection	1,035	1,218	1,250
Ratio compared to IT investment budget	5.4	6.4	6.3
Personnel dedicated to information protection	304	337	290
Ratio compared to IT personnel	6.6	5.6	4.7

Establishing Information Protection Foundation

Information Protection Education

KT conducts company-wide information protection training twice a year to enhance employees' security awareness levels. Through this training, we are establishing a security practice culture in daily work. In particular, to proactively respond to various cybersecurity threats arising from digital environment changes such as AI and cloud, we also conduct specialized security training in parallel for security-related personnel. This educational system serves as a foundation for further elevating company-wide information protection levels by strengthening not only technical security but also human-centered security capabilities.

2024 Information Protection Education Status

Target	Training Program
All Employees (First half: 18,690 persons, Second half: 18,603 persons)	Understanding personal information protection
Persons in Charge of Security-Related Work (75 persons)	- Cloud security - Vulnerability analysis, attacks, and security - Strengthen network security - AI-enhanced security strengthening - Understanding secure coding and practices - Web & mobile attack simulation measures and practice
Supplier Employees of Customer Information Processing Distributors (3,163 locations)	- Understanding personal information protection - Major violations by type when processing personal information at distribution stores

Fostering a Culture of Information Protection

KT is committed to fostering a security-focused organizational culture that encourages all employees, affiliates, and partners to engage in information protection activities voluntarily. Leveraging various internal communication channels, such as in-house broadcasting, KT continuously raises awareness among employees about the importance of information protection and practical measures for its implementation. KT also implements effective security practices, including the signing of information protection pledges, operation of an in-house security reporting center, a Bug Bounty program, security level assessments, and phishing email response training. Such company-wide efforts not only enhance employees' awareness of personal data protection but also contribute to improve KT's overall security standards, ultimately laying the foundation for providing trusted digital services.

2024 Key Activities for Fostering Information Protection Culture

Category	Main Activities
Employees	- Sign information protection pledge - Participate in bug bounty program - Assess employee security level - Response to phishing email training
Group Companies	- Checklist-based security level assessment - Participate in the bug bounty program
Suppliers	Checklist-based security level assessment



Customer Information Protection

Customer Information Collection and Usage Status

We disclose the personal information items that we collect, as well as the purpose of their collection and the retention period to all our subscribers, as required by personal information protection laws including the Personal Information Protection Act, and collect such information with prior consent. Collected personal information is not used for purposes other than those consented to and is provided to third-party institutions only with customers' prior consent. Furthermore, we disclose these overall personal information protection matters through our company's privacy policy so users can easily check them at any time. When government agencies request data under the Telecommunications Business Act(Article 93, Paragraph 6) and the Protection of Communications Secrets Act(Articles 2 and 13), KT cooperates in providing relevant data according to legal provision standards and methods, and annually reports statistical data on provision details to the Ministry of Science and ICT. Communication data refers to information that information investigative agencies can request with approval from prosecutors, Grade 4 or higher government officials, or senior superintendents of the police force, as per the Telecommunications Business Act(phone number, ID, and other subscriber information). Communication confirmation data refers to information that investigative agencies can request with court permission, as per the Protection of Communications Secrets Act(call records, logs, IP addresses, etc.).

Government’s use of Customer Information

KT cooperates in providing relevant data in accordance with legal provision criteria and procedures when government agencies request data under the Telecommunications Business Act(Article 93, Paragraph 6) and the Protection of Communications Secrets Act(Article 2 and Article 13). We also report statistical data on provision details to the Ministry of Science and ICT annually.

Government’s Requests for Customer Information (Unit: Cases)

Category	2022	2023	2024
Communication subscriber information ¹⁾	262,843	282,978	231,795
Communication confirmation data ²⁾	60,621	69,381	69,529

1) The data that can be requested by an information investigation agency based on permission prosecutors, government officials ranked grade 4 or higher, or senior superintendents of the police force, as per the Telecommunications Business Act (phone number, ID, or other subscriber information)
2) The data that can be requested by an investigating agency with court permission, as per the Protection of Communications Secrets Act(records of calls, logs, IP addresses, etc.)

Data Subject’s Rights Guarantee

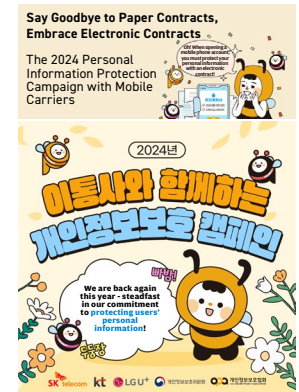
KT discloses and regularly updates its privacy policy on its website(kt.com) to enable users to easily check the entire process from collection to destruction of personal information, and provides the privacy policy through infographics for easy user understanding. Additionally, KT provides a service that allows customers using KT products and services to check the usage and provision details of their personal information.

Protection of Children and Youth Customer Information

KT operates a systematic protection system to ensure children and youth can safely use our services. When collecting personal information from children under the age of KT strictly adheres to personal information protection principles by obtaining legal representative consent and collecting only minimal necessary information. Additionally, KT has established procedures and systems allowing legal representatives to request rights such as access, correction, deletion, and processing suspension on behalf of children, effectively ensuring children's rights as data subjects.

Public Personal Information Protection Campaign

KT collaborates with other mobile carriers(SKT, LGU+) annually to conduct various personal information protection campaigns for user awareness. In 2024, we selected reducing the use of paper forms and encouraging electronic contracts(service activation through tablet devices) as our main promotional themes and conducted promotional activities through various media including IPTV, YouTube, public transportation, and movie theaters. In addition, KT regularly publishes personal information protection content through social media to address questions that users might have and enhance awareness so that users can take greater interest in personal information protection.



Customer Information Protection

Customer Information Protection Service

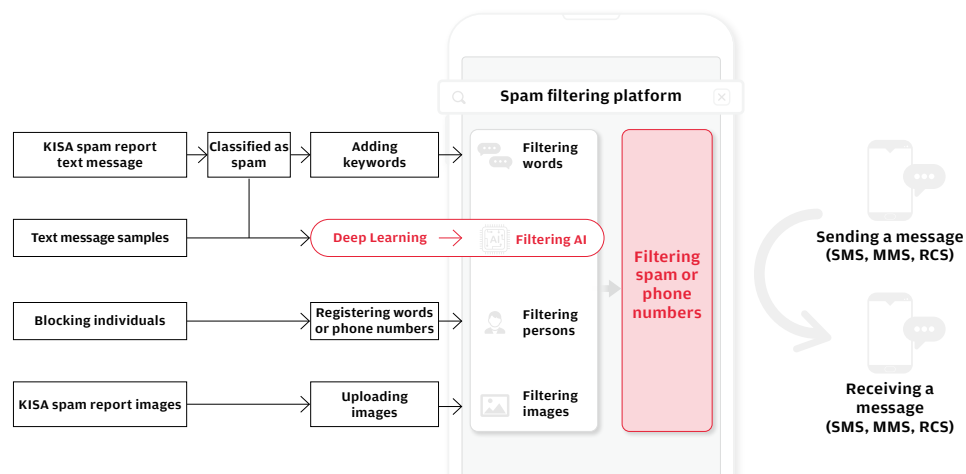
Voice Phishing Prevention and Response

KT has developed comprehensive anti-phishing services to prevent phishing crimes including spam and smishing, featuring real-time AI voice phishing detection service, Smishing Guardian service that identifies illegal URLs in spam messages and provides blocking notifications to customers, and Safe QR service to prevent QR codes designed for personal information theft purposes(known as Qshing), protecting customers from phishing crimes.

Key Customer Information Protection Services

KT provides various information protection services to safeguard customers' valuable information and strives to protect customers from increasingly sophisticated cyber threats such as hacking, ransomware, and phishing. KT offers diverse information protection services including information protection notification KT Safety Box, Whowho spam notification, and USIM protection service, creating an environment where customers can feel safe while using their digital services.

KT AI-powered Spam Blocking Platform



KT Customer Information Protection Services

Category	Details
Information Protection Notification	A service jointly operated by Korea Internet & Security Agency(KISA) and KT that sends text messages about internet threats such as hacking, worms, and viruses, together with response methods
KT Safety Box	Automatic blocking of harmful websites/apps
Whowho Spam Notification	Displays shared information such as spam/safe status on the incoming call screen
Usim Protection Service	Limits device change and overseas roaming
MyOTP	Provides information protection by preventing the leakage of personal information through OTP verification using a MyOTP affiliated company and sending notifications on ID verification
Total Security Internet	Provides security services including malware blocking, harmful website blocking, premium antivirus, and expert remote consultation(for customer PCs/smartphones)
050 Virtual Phone Number	Protects mobile phone numbers in unwanted situations

Customer Information Protection

Customer Information Protection Activities

Customer Information Protection Education

KT conducts continuous personal information protection education by implementing biannual online personal information protection training for all employees. Particularly for customer information handlers with high personal information protection risks, KT provides customized specialized training by job function and duties to enhance training efficiency. Additionally, KT requires supplier company employees and staff engaged in customer information processing work to complete online personal information protection training. For agency employees, KT conducts regular on-site training to implement MyOTP suited to their job characteristics.

3-year Customer Information Protection Education Status

(Unit: Persons, %)

Category	Activity	2022	2023	2024
Employee Personal Information Protection Mandatory Education*	No. of employees who completed training			
	First-Half	20,355	19,639	18,690
	Second-Half	20,156	19,369	18,603
	Employee training completion rate	100	100	100

* Mandatory education for all employees (excluding those on leave, secondment, transfer, etc.)

Customer Information Protection Inspection

To strengthen customer information protection, KT conducts annual personal information protection status inspections of customer information protection services, telecom distribution stores, and suppliers, and implements security inspections at least once per year for customer information processing systems.

3-Year Customer Information Protection Inspection Status

(Unit: Persons, %)

Category	Activity	2022	2023	2024
Personal Information Protection Review*	Service inspection cases	356	391	396
	Inspection rate of total services	100	100	100

* Carrying out a security review of customer information processing system at least once a year

Legal/Regulatory Compliance for Customer Information Protection

KT collects personal information in accordance with the Personal Information Protection Act and related laws by providing advance notice to all subscribers regarding personal information collection items, collection purposes, and retention periods, and obtaining consent. Collected personal information is used minimally only within the scope of purposes agreed to by customers, and provision to third parties is also conducted only with customers' prior consent. Additionally, KT transparently discloses comprehensive personal information protection content through its 'Privacy Policy' for seamless customer access at any time. In particular, KT processes collected personal information using the opt-in* method, and strictly ensures it does not use this information for secondary purposes without customer's explicit consent. Our company guarantees customers' substantial consent rights as data subjects and adheres to the principle of not using personal information for any purpose other than those customers have agreed upon.

* Opt-in: A system that prohibits collection of personal data until the individual permits such collection

3-year Personal Information Protection Legal/Regulatory Violations Status

(Unit: Cases)

Category	2022	2023	2024
Personal Information Protection Legal/Regulatory Violations	1	0	0

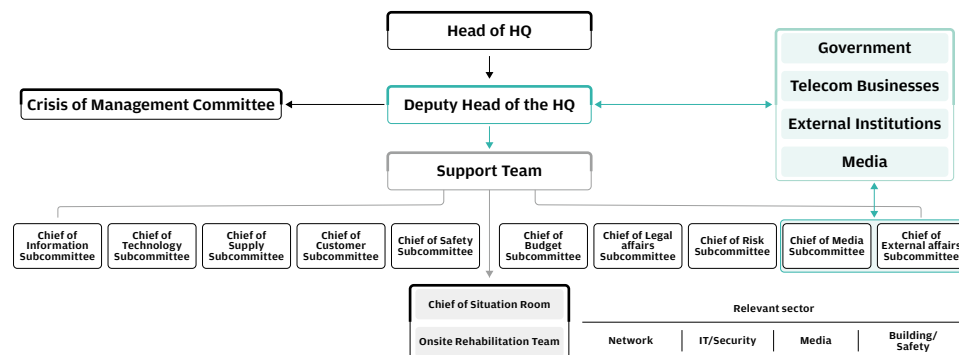
Service Stability

Disaster Risk Management

Telecom Disaster Response

KT makes multifaceted efforts to protect critical telecom facilities from natural disasters, social disasters, and major failures, and to minimize while minimizing damage through rapid and systematic response when telecommunication disasters occur. During normal times, the Network Control Center provides 24-hour comprehensive monitoring of nationwide telecommunications services, and when failures or telecommunication disasters occur, adaptively operates the Disaster Countermeasures Headquarters and comprehensive/regional situation rooms according to crisis severity and scale to strengthen response systems. Additionally, KT has established a company-wide crisis response system to prevent telecom failures in advance and enable integrated response when large-scale telecommunication disasters occur. In a crisis, under the leadership of the Crisis Management Committee chairperson, discussions are held to quickly determine whether to activate the company-wide Disaster Countermeasure HQ, which coordinates organic, company-wide response once activated. Furthermore, to minimize damage from disasters, KT conducts periodic inspections and improvements of disaster-vulnerable facilities, secures alternative communication routes, operates 24-hour emergency duty systems, making thorough advance preparations. In addition, KT continuously strengthens response capabilities through collaboration with the Ministry of Science and ICT and major telecommunications operators.

Organizational Chart of KT Telecommunication Disaster Response



Roles of KT Telecommunication Disaster Countermeasure Headquarters

Category		Roles
Chief of HQ		Company-wide crisis response management
Deputy Head of Disaster Countermeasures HQ(Chief of the Countermeasure Team)		Establishes/operates company-wide crisis response system and serves as crisis response control tower
Crisis Management Committee		Decides on establishment/dissolution of company-wide Disaster Countermeasures HQ and makes important operational decisions
Support Team	Chief, Information Subcommittee	Assesses disaster situations, shares information with government/relevant organizations, and builds collaborative systems
	Chief, Technology Subcommittee	Provides technical/personnel support(KT's subsidiaries and manufacturers) to Onsite Rehabilitation Team
	Chief, Supply Subcommittee	Provide deployment for emergency rehabilitation
	Chief, Customer Subcommittee	Check details of losses/damages and inform customers of the situation, situation, provide customer care, review customer compensation
	Chief, Safety Subcommittee	Safety management, first-aid steps(calling 119, etc.), and welfare support
	Chief, Budget Subcommittee	Compile an emergency disaster budget and allocate it in a timely manner
	Chief, Legal Affairs Subcommittee	Judicial review/support concerning rehabilitation/compensation
	Chief, Risk Subcommittee	Manage of(expected) companywide/outside risks in a timely manner
	Chief, Media Subcommittee	Interact with mass media(broadcast, internet, social media, etc.); establish a reporting center and designate/manage a spokesperson
Chief, External Affairs Subcommittee		Interact with the government, the National Assembly and those handling matters related to outside cooperation
Chief, Situation Room		Check on the magnitude of loss/damage and the expected time required for rehabilitation; command/control of the situation of rehabilitation Create relevant information and convey the information to the Disaster Countermeasures HQ
Chief, Onsite Rehabilitation Team		Emergency rehabilitation of damaged facilities

Disaster Risk Management

Telecom Disaster Response

Compliance with Telecommunications Disaster Management Laws

KT strictly complies with relevant laws and government guidelines, including the Framework Act on Broadcasting and Communications Development, the Telecommunications Business Act, and the Framework Act on Sustainable Infrastructure Management. We systematically manage critical telecommunications facilities, national core infrastructure, and cable tunnels. Following the Basic Plan for Telecommunications Disaster Management National Core Infrastructure Protection Plan, and Cable Tunnel Management Plan, we conduct facility safety inspections, and enhance security, ensure service continuity, and strengthen telecom disaster response capabilities to provide stable services to our customers. We will continue to comply with relevant laws and guidelines while taking proactive measures to prevent telecommunications disasters and minimize damage.

Training and Education for Telecommunications Disaster Personnel

To ensure expertise in disaster management and stable service operations, KT provides training for HQ disaster management personnel and disaster response staff at critical telecommunications facilities through external professional training institutions such as the Korea Institute of Industrial Relations. New personnel must complete training within one year, while existing personnel must complete training every two years. In 2024, Total 155 personnel completed the training program. To strengthen enterprise-wide telecom disaster response capabilities, we conduct crisis response simulations twice annually with group company employees. Major telecom stations(Grade A-B) perform situation-specific simulation exercises twice a year, with at least one joint exercise every two years involving fire departments, military, local governments, Korea Electric Power Corporation, and lower-grade stations. Furthermore, to enhance on-site recovery response capabilities, we conduct practical emergency recovery training using blind testing methods that incorporate 'chaos engineering' techniques to simulate complex emergencies. Throughout 2024, we conducted a total of 20 training sessions across various fields including wireless, IP, transmission, switching, power, and cable, with approximately 500 field personnel participating.

Disaster Prevention Activities

KT designates and manages telecommunications stations as major telecommunications facilities, conducting regular safety management inspections to prevent disasters. We have completed dual power supply systems for major stations, installed CCTV for access control and security management in cable tunnels, and equipped fire response facilities. We have also implemented the cable tunnel management system(CATMS) for remote monitoring. For Outside Plant(OSP) facilities, we continuously improve sections with safety risks such as cracks, damage, tilting, and surface protrusions to ensure field safety. We strengthen telecommunications facility stability through duplex/dualized system linking major telecom equipment. During equipment operations, we control and manage the entire process through work management systems that include preliminary preparation, work execution, and monitoring procedures. Particularly in the IP field, we apply simulation systems that use virtual router simulations before work to improve procedures and prevent errors, while expanding error prevention functions such as routing redistribution quantity limitation functions to minimize service impact. We also conduct preliminary facility inspections to prepare for vulnerable periods such as winter, summer, and flood seasons, immediately addressing any identified issues. For critical telecommunications facilities of Grade B or higher with insufficient seismic performance, we implement reinforcement measures based on evaluation results. We regularly update our telecommunications disaster crisis response manual for major disaster types for major disaster including natural disasters, social disasters, power outages, software errors, traffic congestion, and infectious diseases. HQ and station-level disaster management personnel regularly receive training through external professional institutions and continuously improve crisis response capabilities through type-specific simulation exercises. We also manage traffic during large-scale events or gatherings to prevent service disruptions. To prevent card payment interruptions for small business owners during wired network failures, we have developed functionality that enables smartphone USB tethering through Wi-Fi routers. In preparation for disasters, we have established disaster-roaming systems through cooperation with other telecom companies and developed functionality allowing other carriers' customers to immediately access KT's disaster Wi-Fi services. Throughout 2024, KT invested approximately KRW 2.3 trillion for continuous service stability.

Disaster Risk Management

Emergency Recovery from Core Network Failure

KT established a dedicated Emergency Recovery(ER) organization to prompt and systematic responses to network failures. Based on this foundation, we modeled failure cases and conducted situational response training, achieving an 82% reduction in failure response time through rapid situation assessment and measures by failure response specialists. In 2025, we plan to strengthen response capabilities by systematizing the entire failure response process and introducing AI to advance the ER system. In particular, we are adding quality-based indicators to the existing system alarm-centered failure detection approach and applying detailed analysis for each network layer to estimate failure occurrence sections more quickly. KT automates all procedures from failure recognition to assessment and response through our failure analysis system, continuously advancing our network failure response system. In the future, we plan to evolve the ER system into an AI-based failure response system thus realizing more intelligent and efficient network operations.

AI-based Spam/Voice Phishing Protection

KT has commercialized AI-based protection systems to safeguard customers from spam messages and voice phishing. Our technology identifies spam through malicious URL detection and contextual analysis, and we plan to introduce advanced technology that analyzes text-format images to block spam messages attempting to bypass telecommunications carrier blocking systems through special characters or images. We also plan to implement functionality that provides customers with advance warnings when calls originate from numbers where risk is detected through AI's preemptive analysis of voice phishing line characteristics, even before such numbers are reported to the National Police Agency. Through these AI-based technologies, KT continues to create a safer communication environment and drive technological innovation for customer protection.

SMILE TF Operations

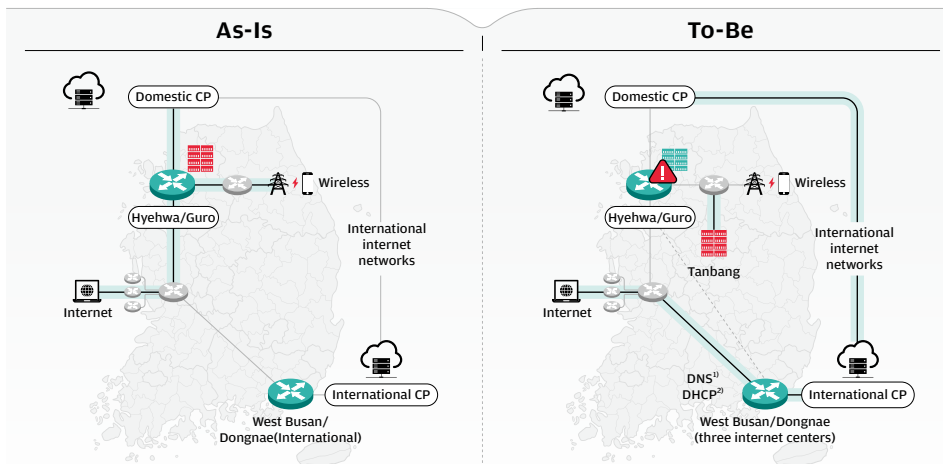
Based on our 'Customer-First Management' vision, KT continuously strives and contemplates ways to provide the best customer experience. To ensure all KT customers can smile with satisfaction, we established the SMILE TF in 2024, working to deliver customer experiences that meticulously satisfy even hidden needs. Through SMILE TF activities, KT is making enterprise-wide efforts to improve comprehensive user experiences encompassing call quality, data quality, and overall customer service. We focus on customer-centered simple, convenient, and satisfying experiences while providing consistent and reliable service experiences, transforming customer inquiry and problem-solving processes to be faster and more convenient, thereby realizing higher customer satisfaction. As a result of these efforts, KT secured No.1 in the 'Excellent Self-Resolution of Consumer Complaints' category by the Korea Consumer Agency for two consecutive years. KT will continue striving endlessly to provide the best customer experience until the day when all customers can smile with satisfaction.

Strategy for Stable Service

Enhancing Network Infrastructure

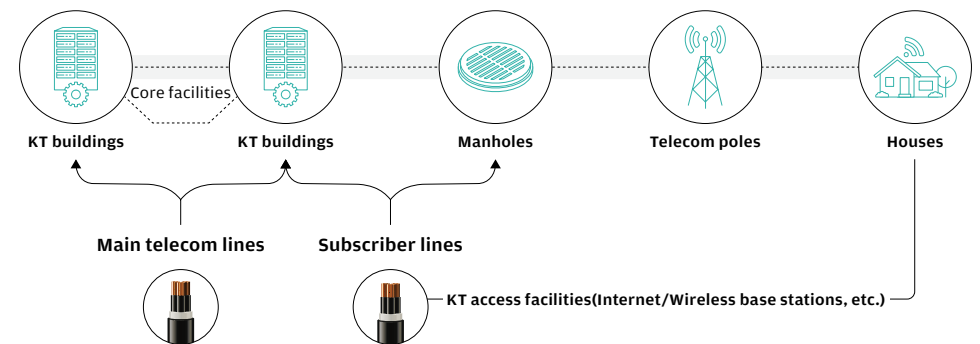
KT continuously strives to advance network infrastructure to provide customers with the best telecommunications services. We have integrated the previously Seoul metropolitan area-concentrated LTE core into a dual 5G core system spanning the metropolitan area(Guro) and regional areas(Tanbang), ensuring service continuity through regional hub stations during emergencies and disasters, and thereby strengthening operational stability. We are also comprehensively replacing all aging LTE cores with 5G cores to configure LTE and 5G as a single integrated network, enhancing operational and management efficiency. Additionally, we are preparing differentiated IP-CATV services based on premium IP network-based differentiated by integrating group companies' media platforms. Furthermore, we are accelerating improvements in media service quality through network advancement that replaces core equipment with high-capacity systems in our nationwide premium networks and expands line capacity to 100G.

Improving Telecommunications Network Infrastructure



- 1) Domain Name System, A System that allows you to translate domain names into IP addresses
2) Dynamic Host Configuration Protocol, A protocol that provides an IP address to a terminal

Facility Status



(Unit: Unit)

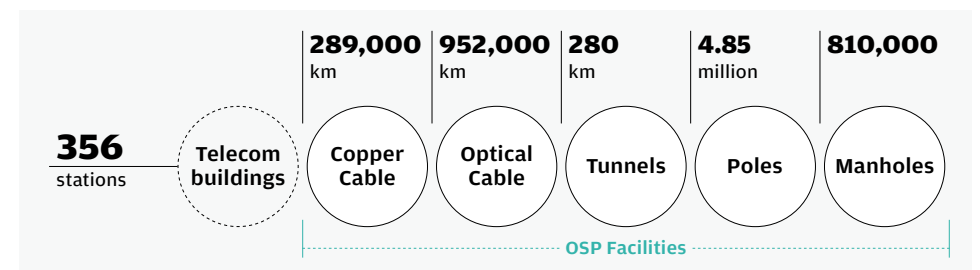
Category	Wireless ¹⁾	Internet ²⁾	Transmission ³⁾	Switchboard
Quantity	1,040,858	604,619	274,080	408,990

1) 1,814 cores, 1,039,044 accesses

2) 744 cores, 603,845 accesses

3) 7,820 telecom transmissions, 266,260 subscriber transmissions

OSP Facility Status



* Outside Plant, basic communications infrastructure such as cable tunnels, poles, manholes, other than communications equipment like base stations, servers, etc.

Strategy for Stable Service

Next-Generation SDN Controller

To further enhance the stability of network operations, KT developed its unique next-generation Software Defined Networking(SDN) controller and applied it to IP and transmission areas. This next-generation SDN controller is designed to increase work efficiency by automating control commands for network equipment while preventing errors in advance and minimizing human errors through pre-execution validation procedures. Additionally, when problems occur during operations, the recovery function enables rapid transition to a stable state. Furthermore, KT is developing W-SDN(Wireless SDN)* to strengthen the flexibility and detailed control of wireless networks. Through this technology, we plan to further improve overall work efficiency by minimizing operator manual intervention and establishing an advanced autonomous network-based operational system.

* Software Defined Networking, software-based network operation automation system

Network Automation and Intelligence

Beyond traditional telecommunications business, KT systematically leverages AI technology and big data with the goal of making a leap toward becoming into an 'AICT' company that combines AI(Artificial Intelligence) and ICT(Information and Communication Technology). In particular, we are strengthening big data analysis capabilities and providing AI-based data solutions in preparation for data economy activation. We are also securing momentum for data-based new business development through collaboration with global companies. Additionally, KT leads technological innovation through continuous investment in various future industry sectors including AI-based services, 5G networks, cloud, robotics, and smart mobility, aiming to establish ourselves as a global AI & ICT leader based on these efforts.

Network Automation

KT is actively pursuing a full-scale AX strategy to transform into an AICT company. By doing so, we aim to modernize IT systems and provide various services more stably. We are also improving processes so that OSS(Operational Support System), which handles key functions such as subscription, after-sales service, and network operations, can respond flexibly and rapidly to changing environments. In particular, we seek to innovate system architecture through network operation fundamentally innovate that minimizes operator intervention using AI and transition to Cloud Native architecture, and based on this, we aim to realize OSS Transformation. Through OSS Transformation, KT will build autonomous networks and provide customers with even more stable and differentiated services.

Intelligence of Network Quality Management

We are developing a 'Network Fault Pre-Detection System' using advanced AI technology to proactively prevent customer inconveniences caused by network failures. This system aims to implement an autonomous operation system that not only detects faults early but also automatically analyzes detected faults and suggests optimal countermeasures. KT is establishing the foundation for network big data analysis using MS Azure-based infrastructure and advancing data-based fault pre-detection models through AI analysis models. Ultimately, we aim to complete an AI-based autonomous operation system by developing AI agents for automated fault detection, cause analysis, and response measures, thereby automating the entire process. Through this, KT expects to secure technological capabilities that will enable the provision of more rapid and stable network services by automating the entire fault detection-analysis-response measures.

Strategy for Stable Service

Network Traffic Demand Response

Since commercializing 5G services in 2019 centered on Seoul, metropolitan areas, 85 cities and districts, and major transportation routes, KT began shared 5G services in rural and fishing areas in 2021 and completed nationwide 5G service deployment in April 2024. As of 2024, KT's total number of subscriber lines is 26.1 million, and wireless network traffic reached 3,763PB*, increasing by 7.8% compared to the previous year(3,488PB). KT continuously monitors traffic growth trends and actively pursues equipment investment and infrastructure advancement to improve wireless network quality. Through this, we plan to provide customers with more stable and high-quality communication services.

* Petabyte(1,024 Terabyte)

3-Year Status of Wireless Network Capacity

(Unit: 1,000 lines)

Category	2022	2023	2024
LTE	15,700	15,000	15,300
5G	8,340	9,920	10,800
Total	24,040	24,920	26,100

3-Year Status of Wireless Network Traffic

(Unit: PB)

Category	2022	2023	2024
Wireless Network Traffic	3,078	3,488	3,763

Leading Quantum Cryptography

Quantum cryptographic communication, recognized as next-generation secure communication technology, features exceptional security capabilities. KT has successfully developed and launched commercial quantum cryptographic communication equipment using proprietary technology. We became the first in Korea to create high-speed quantum cryptographic communication equipment, securing the longest-distance wireless quantum cryptographic communication technology in the country. We also implemented comprehensive channel recovery and integration technology, enabling uninterrupted service provision and cost reduction. KT goes beyond technology development by establishing quality evaluation standards for commercial quantum cryptographic communication services and obtaining their approval as international standards. Consequently, we are simultaneously pursuing technology development and international standardization efforts. As a result, KT became the only domestic telecommunications company to demonstrate the longest-distance global hybrid quantum cryptographic communication service in Korea. Additionally, KT continues efforts to standardize quantum cryptographic communication as a pure domestic technology. While quantum cryptographic communication standardization has traditionally been led by global equipment manufacturers, future international standards led by telecommunications companies will enable a stable supply of equipment meeting telecommunications companies' requirements and contribute to creating a low-cost service environment by inducing competition among equipment manufacturers. This will positively affect domestic quantum cryptographic communication technology companies' global market entry as well. Despite securing technology capabilities within a short period we are leading the Korean quantum industry by hiring excellent human resources, continuously developing technologies, and transferring the largest number of technologies to Korean small and medium-sized businesses. The recently launched dedicated quantum cryptographic line service is a representative B2B service based on KT's quantum cryptographic communication technology. KT will continue to develop various technologies using quantum networks to secure leadership in the quantum internet field and lead the expansion of quantum technologies in the global market.

KT's Differentiation Points

Other Companies	KT
Equipment replacement	No equipment replacement required
Flexible No need to replace existing equipment/multi-vendor compatible	
Channel division	Channel sharing
Low Cost Key + Data optical cable sharing < 1/5 deployment cost	
6kbps(Wed-based)	20kbps
High Key Rate Capable of supplying 4,000 encryption devices simultaneously	
Suspension of service	Auto-switchover no-suspension service
Seamless Service In the case of optical fiber failure/hacking < 1 min. auto switchover	
External quantum key distribution device	E2E Korean solution
100% Korean Technology Technology transfer/domestic production after in-house technology development	

Strategy for Stable Service

Development and Application of Next-generation Networks

First 5G SA-based VoNR Enhancement in Korea

In October 2024, KT became the first mobile carrier in Korea to commercialize VoNR(Voice over New Radio), a voice service based on 5G, by deploying a standalone(SA) 5G network that enables customer services using a pure 5G network network. Starting with the stable commercial network of commercial network VoNR services on three models of the Samsung Galaxy S23 series, KT has been expanding the service to all flagship devices since the second quarter of 2024. Through continuous technological innovation based on 5G SA, KT plans to actively lead the development of next-generation network technologies, including 5G-Advanced and the sixth-generation mobile communication(6G).

Securing Core Technologies for 6G: Satellite, Quantum, and AI networks

To lead the upcoming 6G era, KT has designated satellite, quantum, and AI networks as core technologies and is building capabilities in these areas. As Korea's only satellite communications operator, KT is establishing multi-layered Non-Terrestrial Networks(NTN) using geostationary orbit(GEO) satellites, low Earth orbit(LEO) satellites, and high-altitude platform stations(HAPS), thereby securing 3D coverage extending over sea and airspace. Through this, we plan to provide stable and uninterrupted communication services even during disasters and emergencies. Furthermore, KT is accelerating the development of 'quantum internet' technology, which enables direct data transmission beyond traditional encryption key exchange, leveraging quantum technology. The company has successfully increased quantum key generation speed to 150 kbps—the highest level in Korea—aiming to establish a security network that fundamentally prevents data breaches. In addition, KT is focusing on developing AI-based network technologies that can learn and solve problems autonomously by leveraging its AICT capabilities. KT has implemented customer protection services such as spam and voice phishing detection and blocking by applying AI to various data collected from networks, and plans to create additional synergy through integration with AI application areas such as autonomous vehicles. To preemptively secure these core 6G technologies, KT presented its technology development progress at the 'MWC25 Smart Mobility Summit' in March 2024, actively continuing to demonstrate strong technological leadership on the global stage.

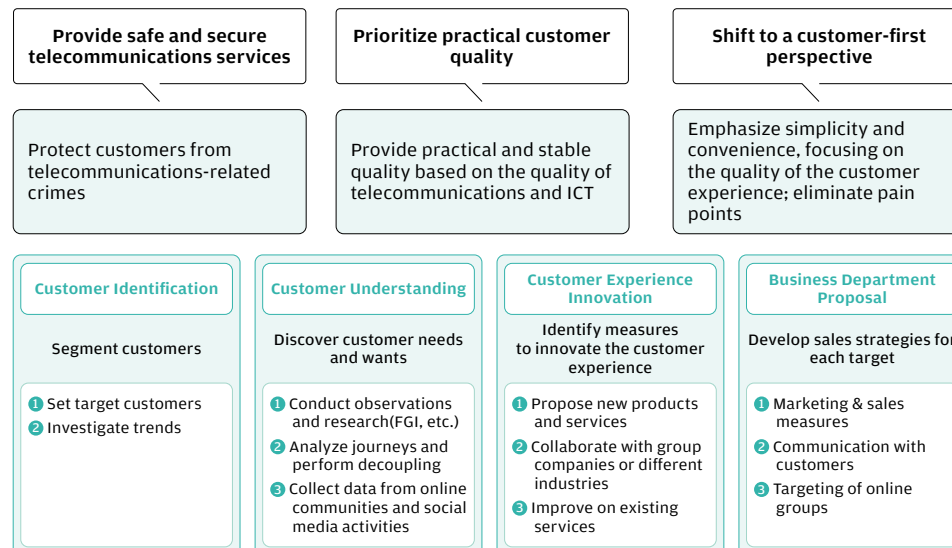
Quality Management

Quality Management Strategy

Enhancing Customer Satisfaction

KT places 'customers' as its core value and rigorously examines their needs and resolves issues to present new customer experiences. To minimize customer inconveniences and provide new customer experiences, KT actively collects a wide range of VOCs. All VOC(Voice of Customer) data is visualized and managed in real time through KT's AI systems, allowing everyone from field managers to the CEO and executive team to listen to customers and strive to provide best-in-class customer experiences through improvements. To proactively respond to service quality disruptions such as network failures, handle internal and external VOC promptly, and resolve issues like incomplete sales, KT is building a comprehensive platform called the AI VOC Portal.

Total CS from a Customer-first Perspective



Customer-oriented Product Development

KT segments its customers by type based on their life cycles to provide optimal telecommunications benefits tailored to their specific needs. Through continuous customer-centric product development, KT aims to meet customer expectations and implement customer satisfaction-oriented management.

Households with children	'Kidsland' an English playground where babies and toddlers can learn while playing 'Cinnamoroll Kids Phone'(2024) for kids entering elementary school '5G Junior Plan' and 'Our Child Discount' reduce the mobile costs for households with elementary school children, with additional discounts when parents subscribe together 'Premium Family-package Youth Discount' to alleviate the cost of telecommunications for teenagers
Households Living Apart from Senior Parents	'Mompyeonhan(Peace of Mind) Phone 3' solves the worries of parents through remote support, safety check(Missed Call Alerts, Door Locks, etc.), video widget functions, and Smart Tag 2
Young Adults(Ages 20-30) Preparing for Independence	'Y-dom' extended benefits for data and smart devices for youth up to age 34. 'Y-kkiri Wireless package' discounted wireless service for customers aged 19-34 who are friends 'Premium Single package' lets you use unlimited 5G data for individual use at half the price 'Galaxy Premium Y Edition' offers benefits tailored to customers in their 20s, including multi-purpose device cases, accessory coupons, and the Raon Package.
Engaged Couples in Their 30s	'Pre-Marriage package' Offers a 50% discount on telecom bills simply by presenting a wedding invitation.
Seniors Aged 65 and Above	'5G Senior Plan' Unlimited 5G service with no financial burden 'Premium WhoWho' Helps protect seniors from voice phishing scams.
Pet Households(Over 5 Million Nationwide)	'Dog Device Pack' offers a wearable device and an automatic feeder for dogs' diet and health management, with financial assistance services that can help with veterinary treatment expenses
International Customers in Korea(1.8 million and growing)	'Chingusai Wireless package' for friends of the same nationality(offered only by KT) 'Operation of a four-language customer service center: English, Chinese, Vietnamese, and Russian '5G Welcome Plan' A plan for foreign customers that includes benefits like 001 Free calls and Hanpass coupons.

Quality Management Strategy

Enhancing Customer Satisfaction

Customer Communication

AI-First Customer Center

KT's customer center uses AI technologies to improve the customer experience while reducing agent workload. Implemented solutions include AI chatbots, voice authentication, real-time agent support, voice bots, and AI call mapping. These tools free agents from repetitive tasks, allowing them to focus on personalized customer service. As of 2024, the AI voice bot handles 1.4 million calls monthly-32% of all inbound inquiries-across 189 categories and 12,000 FAQ scenarios. This enables 24/7 consultation services even during nights and weekends, supporting customer issue resolution, fault reporting, and billing inquiries. Additionally, KT has enhanced customer convenience by applying AI voice bots to outbound calls, such as pre-confirming technician dispatch before A/S visits. Starting in 2024, KT integrated MS Azure, ChatGPT, and large language models(LLMs) into real-time agent support, introducing a higher-performance AI Contact Center(AICC) solution. As a result of these efforts, KT was named the top mobile communications company in the 2024 Call Center Quality Index by the Korean Standards Association—for the 10th consecutive year-and was honored with induction into the Hall of Fame.

2024 AI First Customer Center Achievement

- AI voice bots handled 970,000 customer inquiries monthly
- AI chatbots processed 1.52 million sessions per month(780,000 users with four or more interactions)
- AI consultation quality measurement automation: Streamlined instructor/staff operations (Manual sampling-based consultation quality measurement → AI automated measurement of all calls)
- AI self-learning: AI role-plays as customers during consultation practice sessions to help new call center agents adapt quickly to their duties(by task type)
- AI call mapping: Improved customer complaints and sales success rates through personalized customer ⇄ Agent call connections rather than agent queue order

AICC Service

KT's AICC is a representative AICT service that enhances both consultation efficiency and customer satisfaction by utilizing AI technology. By handling repetitive inquiries quickly through voice bots and chatbots, AICC improves operational efficiency while reducing wait times and delivering high-quality service to customers. KT was the first to implement AICC at Korea's largest customer center-the '100' call center(approximately 7,000 seats)-successfully validating the solution. Since then, KT has expanded its deployment to large financial institutions, offering highly reliable on-premises services. Building on this experience, KT launched a SaaS-based* AICC solution, 'A'Cen Cloud', in 2022, allowing businesses to adopt the service without high upfront costs. As of March 2025, AICC is being used by around 400 companies across industries such as retail, manufacturing, public services, healthcare, and brokerage. In terms of agent support, speech-to-text(STT) technology is used to automatically transcribe customer conversations. AI then summarizes and classifies the content, reducing post-call workloads. The adoption of large LLMs has further improved the accuracy and speed of these summaries, helping new agents adapt quickly and enhancing manager coaching efficiency. Based on the AICC platform, KT is integrating various customer channels—including contact centers, chatbots, voicebots, live chat, and mobile apps-into a unified system. We continue to enhance AI quality to ensure that digitally vulnerable and senior customers can also use the service without inconvenience.

* SaaS(Software as a Service): A cloud-based service that allows users to access software on demand.

Core Services and Functions of KT's AICC

Service and Functions	A'Cen On-Premise	A'Cen Cloud
Target	• Large corporate	• Small and medium-sized enterprises
Key features	• Build a company's unique AICC infrastructure • Support client-tailored functions • Support optimized integration sync with internal systems • Enable internalization of consultation data	• SaaS AICC services • Low initial installation costs • Flexible infrastructure expansion depending on call traffic
Main functions	• Automatic solution: AI provides verbal or chat support instead of human representatives • Consultation support solution recommends relevant product knowledge and answers, and conducts AI-based automatic consultation quality assessment • Voice authentication: a solution that automates identity authentication based on customer voice data analysis technologies • Mis-selling prevention solution: monitors mis-selling based on STT/TA and reads policies based on TTS	• Omnichannel: enables consistent and efficient consultation through the integration of diverse customer channels • Consultation Assist: supports representatives' work by recording conversations, summarizing and categorizing consultations, and creating automatic recommendations • AI-powered Representative(Voice Bot & chatbot) AI responds to simple inquiries such as reservation, application, and FAQ • A'Cen AP: It provides a valid STT/TA API to the existing call infrastructure • AI-Manage: performs AI-powered quality management, monitoring, and operation

Quality Management Strategy

Enhancing Customer Satisfaction

Customer Communication

Improving Accessibility for the Disabled

KT offers the ‘Visual ARS’ service to ensure hearing-impaired customers can access the customer center without difficulty, providing chat support, sign-language consultation, email, and appointment scheduling. Sign-language consultation is available for Android users as well as iPhone users via FaceTime For visually impaired customers, KT offers a ‘Direct Connect Service’ that links them directly to an agent without navigating ARS menus. A dedicated center for disabled customers operates with 120 trained consultants who provide tailored communication based on disability type. KT also conducted a customer-friendly language improvement project, analyzing consultation language, auditing its website, selecting 145 difficult telecom terms from the customer perspective, and producing a simplified-to-understand telecom glossary. KT remains committed to improving service quality and consultation accessibility, ensuring that all customers—without exception—can enjoy the best possible experience.

VOC Innovation and Service Improvement

KT recognizes VOC as a core asset for enhancing service quality and customer satisfaction. Leveraging VOC, the company continuously improves products, services, and processes from the customer’s perspective. KT’s VOC Portal system is based on service quality and customer complaint VOCs related big data. For key services, it compares the average daily VOC volume over the past 12 weeks with real-time daily data, categorizing trends into anomaly occurrence points(Alert) caution stages, or normal states. This enables early detection of anomalies and proactive response. An automated system ensures that complaint VOCs are instantly forwarded to responsible personnel for prompt resolution and stronger preventive measures. If a consumer complaint can be resolved at the call center, it is handled immediately. If it requires further review, the product owner is informed to verify facts, and the customer is updated within 9 hours. The KOS(KT’s customer service system) allows internal sharing of similar cases for fast and consistent company-wide response. Thanks to this structured VOC management system, complaint VOCs have steadily declined, and KT has ranked first in the Ministry of Science and ICT’s complaint handling satisfaction survey for nine consecutive years since 2016.

Compensation System for Service Disruptions

KT operates a compensation system for service disruptions to ensure service reliability and strengthen customer trust. This system is designed to protect customer rights and reinforce accountability for service quality by providing appropriate compensation when mobile or internet services are unavailable for a certain duration due to reasons not attributable to the customer. For mobile services, if a disruption lasts for more than two consecutive hours or accumulates to six hours or more in a month, KT compensates customers with an amount equivalent to 10 times the basic monthly rate and additional service charges for the affected duration. For internet services under the same conditions, under which compensation is based on 10 times the billed amount per line. Through these compensation standards, KT seeks to minimize customer inconvenience and will continue to invest in technology and enhance its operational systems to ensure the continuity and reliability of its telecommunications services.

Complaint VOC Risk VOC*

(Unit: Monthly VOC cases per 1 million customers)

Category	2022	2023	2024
Complaint VOC	8,393	7,594	6,396
Risk VOC	506	420	237

* Figures for 2023 were revised due to missing data

Quality Management Performance

Integrated Customer Satisfaction

KT continues to enhance service quality and customer satisfaction scores through close group-level collaboration and strong executive support. As a result, the company achieved triple first place status for five consecutive years in the KS-QEI(Korea Quality Experience Index) organized by the Korean Standards Association, accomplishing the remarkable feat of ranking first in internet services for nine years, IPTV for eight years, and telecommunications for five. Our differentiated, customer-centric services have also earned us recognition as the top company in the KS-CQI(Korea Call Center Quality Index), placing first for 10 consecutive years in mobile services and 11 consecutive years in high-speed internet and IPTV. In 2024, KT received the KS-CQI Contact Center Innovation Award for delivering innovative customer experiences, including a large-scale AI-based consultation advisory system and voicebot services, leading the way in customer service innovation.

Awards Received for Service Quality and Customer Satisfaction

	KS-CQI(Korea Standards Association)	KSQI(Korea Management Association)
2022	Ranked first as the best call center	Selected as Korea's best call center
2023	Ranked first as the best call center	Selected as Korea's best call center
2024	Ranked first as the best call center	Selected as Korea's best call center

Survey Results(KS-QEI)

(Unit: Points)

Category	2022	2023	2024
Mobile	67.8	72.5	70.7
High-speed internet	65.6	66.9	67.1
IPTV	66.2	67.4	66.6

Winning Global Awards

In 2024, KT further solidified its global presence in the telecommunications industry by consecutively winning two prestigious international awards.

First, at the Leading Lights Awards 2024 held in the U.S., KT was named Company of the Year. This prestigious award is jointly hosted by global ICT research firm INFORMA and telecom media outlet Light Reading, annually recognizing top-performing telecom operators and services. KT earned this honor for its nationwide 5G SA rollout and transformation into an AICT company, including its development of dual 5G/LTE small cell technology and Reconfigurable Intelligent Surface(RIS) technology, which enhances wireless service quality by controlling signal reflection and penetration.

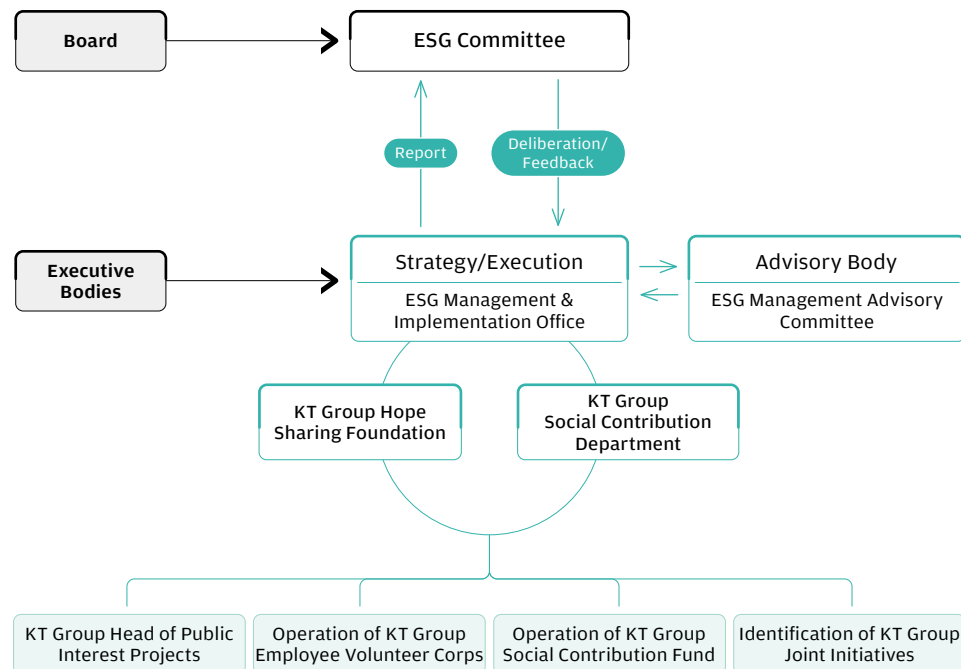
KT also won in the Mission Critical Excellence category at the Global Telecom Awards 2024. The company's intelligent cable protection system was highly praised for using big data from Korea's largest wired infrastructure to prevent cable break incidents caused by roadwork, contributing significantly to both service stability and safety. KT remains committed to technological innovation and service quality to continue leading the global telecom industry.

Social Contribution

Social Contribution Governance

Social Contribution Organization Structure

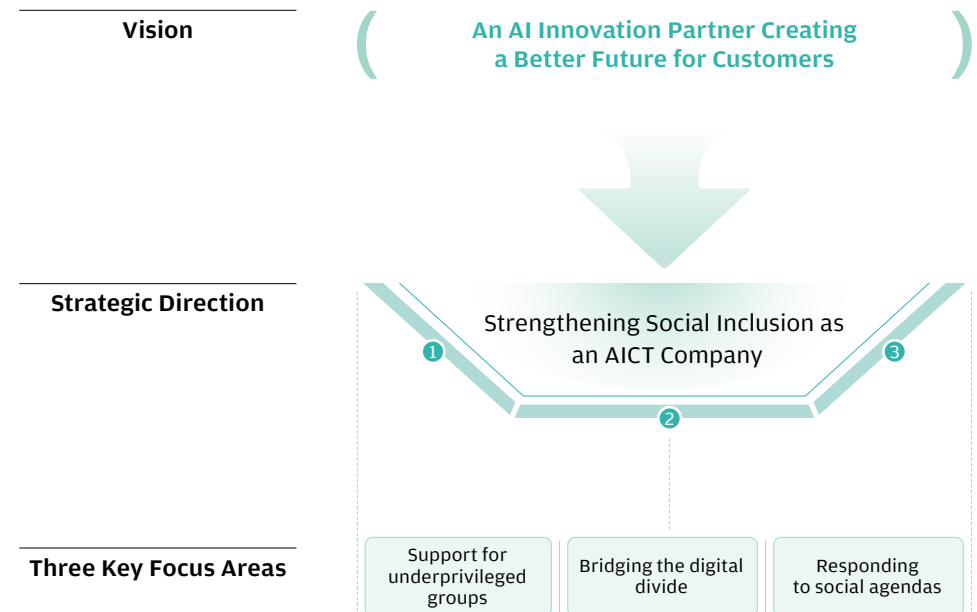
The ESG Management & Implementation Office works in collaboration with the KT Group Hope Sharing Foundation and Group CSR Departments to plan group-wide public welfare projects. It coordinates systematic and integrated social contribution efforts, including managing employee volunteer groups and operating the KT Group Social Contribution Fund.



Social Contribution Strategy

Core Value of Social Contribution

As an AICT company, KT promotes social contribution initiatives focused on supporting underprivileged groups, bridging the digital divide, and addressing key social agendas to strengthen social inclusion.



Social Contribution Activities

Communication with Local Community

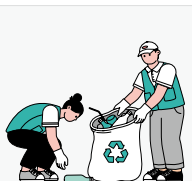
Gwanghwamun One Team

Gwanghwamun One Team is a joint social contribution project based on the expertise and each institution's expertise and capabilities in pursuit of a 'Warm-hearted society where we live together' Launched in 2021 by 14 organizations, including corporations, local governments, and NGOs near Gwanghwamun, the initiative has grown to 21 member organizations as of December 2024. Its leading ESG collaboration efforts have inspired the launch of other regional alliances such as Sejong One Team, Bonguisan One Team, and Dalgubeol One Team, driving nationwide expansion. The team holds monthly working-level meetings to identify new collaborative opportunities, with one flagship program being the Gwanghwamun One Team Volunteer Group. This group began by taking care of shrubs and flowering plants donated to the Four Seasons Garden at Gwanghwamun Square and now runs monthly volunteer activities. In response to disasters such as wildfires, the team supported local economic recovery by organizing 'Sharing Markets' and the 'Nanwojeong(Share Affection)' campaign to promote products from small businesses and local specialties. Employees from member organizations also engage in 'Guardian Activities' to preserve national heritage, including plogging and clean-up campaigns around Gyeongbokgung Palace. Additionally, the team leads ESG efforts through campaigns addressing social issues, such as the promotion of reusable cups and a relay blood donation drive, fostering sustainable value in partnership with the local community.

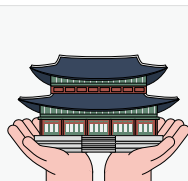
Gwanghwamun One Team's Activities in 2024



Employee blood donation campaign



Joint plogging event in the Gwanghwamun Area



National heritage preservation activity (Gyeongbokgung Palace)



Tree planting at Noeul Park in Sangamdong

Local Love Market

Since 2021, KT has been supporting regional economic revitalization by collaborating with small business owners in the local agricultural and fisheries sectors through the 'Nanwojeong(Share Affection)' sharing platform app. In 2024, KT collaborated with approximately 30 small businesses nationwide to provide a free of charge online marketplace via the Nanwojeong app. During the promotional period, around 2,000 local specialty products were sold, helping to increase substantial sales for participating vendors. KT plans to continue leading efforts in regional coexistence and social value creation through its digital platform.

Damage Recovery Support

In 2024, KT provided timely support to residents and rescue personnel affected by various disasters, contributing to recovery efforts in impacted regions.

2024 Damage Recovery Support Summary

August Cheongna Apartment Fire Response

3 Smartphone charging stations
2 Mobile base station vehicles
Sarang coffee truck service

December Support for Muan Airport Passenger Aircraft Disaster Site

3 Smartphone charging stations
2 Mobile base station vehicles
Free internet and Wi-Fi service



Social Contribution Activities

Growing Together

Biz Collaboration

KT operates the Biz Collaboration program in partnership with the Gyeonggi Center for Creative Economy and Innovation to promote practical joint ventures with startups. Aimed at invigorating the startup ecosystem, this shared growth program discovers promising startups and supports their businesses 1:1 matching with KT's business departments providing funding of up to KRW 100 million. To date, 117 startups have been selected and supported in areas such as product and service development, refinement, and pioneering markets. In 2024, 10 new startups joined the program: PIAspace(multimodal AI-based CCTV solution), PYLER(AI-powered video-based safety protection service), VESSL AI(LLM Ops solution), VISIONSPACE(integrated logistics center management service), Superb AI(AI video analysis system), 10kM.ai(AI-based automated document creation), Wesop(HR and Store management solutions), KLCube(AI-based sign language translation), 3DLabs(satellite image collection, processing, and distribution), Dobby Canvas(AI-powered news short-form content platform).

Performance of Startup Support (Units: No. of Companies)

Program	2022	2023	2024
Startups selected under Biz Collaboration	18	4	10

Venture & Startup Collaboration Program

KT actively supports the growth of high-potential ventures and startups through its in-house incubation programs. In 2024, KT launched the 'Open Innovation Center' at its R&D hub in Pangyo and introduced a new incubation brand, 'KT FutureWave', to enhance its startup support framework. Sixteen startups specializing in promising technologies—such as AI, cloud, mobility, and quantum computing—were selected as resident companies and provided with at no cost office space. We supported their growth through tailored initiatives including business unit matching, overseas exhibition opportunities(e.g., MWC), and expert mentoring. Through these programs, KT achieved tangible results, including 4 PoC projects, 3 commercialization cases, and 1 investment deal. Going forward, KT will strengthen these incubation efforts to enhance the business competitiveness of resident companies and expand substantial collaboration opportunities with KT. The company also plans to provide systematic support for capacity building, external partnerships, and investment attraction, while actively facilitating the design and execution of PoC projects to enable the sustainable growth of high-potential startups. In this way, KT operates a variety of programs to support venture and startup companies, with 60 companies participating in these programs as of 2024. KT aims to expand this number to 110 by 2025, 160 by 2026, and 170 by 2027*, thereby contributing to regional development and fostering mutual growth.

* cumulative total

ESG Fund

In 2022, KT collaborated with the other two major telecom providers to establish a joint ESG fund totaling KRW 40 billion to invest in promising startups with ESG-related technologies while identifying collaboration items opportunities between the invested companies and KT's Business Departments. To date, 27 startups have received investment. KT plans to continuously support the ESG startup ecosystem with the three telecommunications companies and enhance synergy between this fund and its in-house ESG startup programs.

Social Contribution Activities

Warm-hearted Companions

Sarang Volunteer Corps

Since 2001, KT has operated the 'KT Sarang Volunteer Group', a hands-on social contribution program led by employees. In the event of national disasters or emergencies, we collaborate with national aid agencies such as the Korea Disaster Relief Association and the Red Cross and conduct field-centered relief activities. KT has established a disaster response manual and a region-specific support system to ensure swift action when needed. In 2024, KT implemented one-day volunteer programs to enhance employee engagement and strengthen its community-based volunteer activities through partnerships with regional governments and volunteer centers for each regional headquarters. During major holidays such as Lunar New Year and Chuseok, we delivered 'Sarang Gifts' to vulnerable groups, providing both emotional and practical support.

Volunteer Work by Employees

(Unit: Persons, KRW 100 million, Hours)

Category	2022	2023	2024
No. of volunteers*	3,838	3,303	5,039
No. of beneficiaries	115,904	61,691	72,360
Expenditure	13.5	14.9	14.3
Volunteer hours	13,629	12,369	15,745

* Cumulative number of participants per activity

Reverse Hearing Loss

Since 2003, KT has operated the 'Reverse Hearing Loss' program, a flagship social contribution initiative that supports children with hearing impairments in regaining their hearing and pursuing their dreams. Through its 'Dream Classroom' program, KT provides customized language rehabilitation following surgery, highlighting the importance of post-operative therapy. In addition to working with major university hospitals across Korea, KT also collaborates with the National Hospital of Cambodia to assist children both domestically and abroad. Beyond therapy, the Dream Classroom serves as a space for peer interaction. Since 2023, former program beneficiaries have participated as mentors, fostering a virtuous cycle that supports the next generation of children in their rehabilitation and personal development.



Reverse Hearing Loss Operation Status



(Units: Persons)

Category	Cumulative beneficiaries
Hearing rehabilitation(Dream Classroom)	32,208
Support for hearing rehabilitation surgery and treatment costs	528

Mind-Talk

KT developed the Mind-TALK app as a communication support program to provide practical assistance for individuals with communication difficulties. Based on KT's AI voice technology(speech recognition and synthesis) and KT cloud platform, the app collects and analyzes personal physical characteristics—such as age, gender, and oral structure—and family voice data to reproduce a deaf individual's 'own' voice. With Mind-TALK, users can engage in real-time conversations and even remote voice calls using their personalized, AI-generated voice. The app has expanded beyond deaf users to include individuals with speech impairments due to conditions such as ALS or brain lesions, facilitating smoother everyday communication. In South Korea, approximately 300,000 individuals(0.6% of the population) are deaf, and among them, those who use sign language often face difficulties in face-to-face or remote communication without an interpreter. Mind-TALK helps overcome these barriers enabling natural social integration supporting users in reintegrating into society, and enabling greater participation in economic activities and enjoy a more fulfilling daily life.

Social Contribution Activities

Warm-hearted Companions

Digital Talent Scholarship

The KT Digital Talent Scholarship is a flagship social contribution initiative that supports the development of students aspiring to lead innovation in IT and AI. Launched in 1988, the program has provided approximately KRW 18.2 billion in scholarships to 12,077 students as of 2024, marking over three decades of sustained support. In 2025, the program will focus on fostering AI talent through team-based projects aimed at solving local community issues using generative AI, helping students enhance their practical skills and build strong peer networks. KT remains committed to nurturing talent that can transform AI capabilities into social value by offering long-term, structured support and continuously evolving educational programs aligned with societal changes.



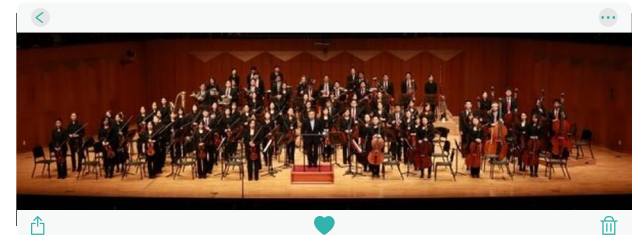
KT Heroes Day

KT operates the 'KT Heroes Day' program to honor Korean War veterans and national merit recipients promoting a culture of remembrance through digital care services and various recognition activities. In five major cities—Seoul, Daejeon, Daegu, Busan, and Gwangju—we provided tailored services to 300 veterans, including digital device training (e.g., kiosk usage), smart brain activation programs using VR, and commemorative portrait photography services. Looking ahead, KT plans to expand its collaboration with the Ministry of Veterans Affairs to expand intensive IT education and voice phishing prevention programs for persons of national merit across the country. The company will also continue to enhance its recognition efforts through services such as hearing tests and sports experience activities, ensuring sustained support and respect for national heroes.



Heartfelt Classical Music

Heartfelt Classical Music is KT's flagship cultural sharing program for employees, running for 17 years since 2009 with the mission of spreading beautiful sound to society. As a unique corporate Mecenat initiative in Korea, KT is the only company in Korea to directly operate an orchestra and manages the entire performance process to promote classical music and support the arts. Through guided commentary, the program offers an engaging cultural experience that brings audiences closer to music. Over 46 performances, approximately 1,000 artists have participated, and about 45,000 attendees have enjoyed the events. Outstanding employees and their families are invited monthly, fostering pride and loyalty. Since 2014, KT has expanded inclusivity by inviting visually impaired individuals, and was re-certified in 2021 as an excellent culture and arts support organization. Additionally, KT leads new corporate cultural trends through Mobile Lunch Concerts and Kids' classical concerts at regional headquarters. Looking ahead, the company plans to invite a broader range of audiences, including those with hearing impairments and national meritorious persons further fulfilling its social responsibility through cultural outreach.



Social Contribution Activities

Digital Inclusion

IT Supporters

KT operates the IT Supporters program, a pro bono initiative where current and former employees utilize their ICT expertise to bridge the digital divide. As part of a public-private partnership, KT signed an MOU with the Seoul Metropolitan Government to provide digital literacy education to underprivileged children, including AI coding, cyberbullying prevention, and digital ethics education. In collaboration with Korea's three major telecom companies, KT also offers digital device training for seniors, promoting a more digitally inclusive society. These efforts earned recognition from the Ministry of Science and ICT with a commendation, and the program was consecutively re-certified by the Ministry of Education as an excellent institution for its continued delivery of AI and metaverse education to future generations. By sharing IT knowledge with society, KT contributes to narrowing the digital gap, job creation, and supporting dementia prevention among seniors. The company will continue to expand social contribution efforts aligned with its business expertise.

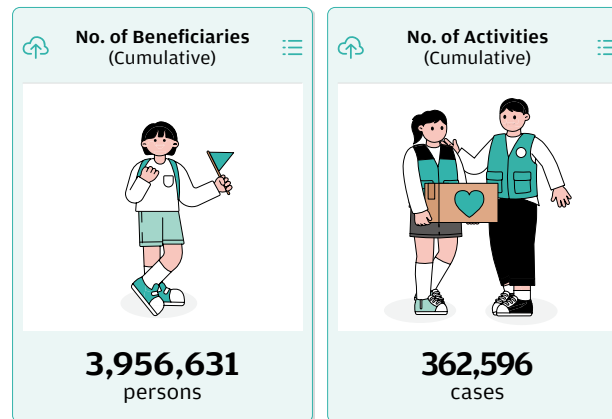
Nationwide IT-sharing Activities in 2024

(Unit: Persons, Sessions)

Category	No. of Beneficiaries*	No. of Activities
Elderly	22,303	1,251
Persons with Disability	3,840	300
Children and Adolescents	92,827	4,264
Career-break Women & General Public	3,117	251
Total	122,087	6,066

* Number of beneficiary institutions: 882

Activities of IT Supporters(Cumulative)



KIT(KT University Student IT Supporters)

KIT is a 'Traveling AI coding and mentoring volunteer group' made up of university students, launched in 2024 to bridge the digital divide across regions. Composed mainly of students majoring in IT-related fields, KIT develops AI coding curricula and conducts on-site education under the coaching of KT employees and experts. In 2024, KIT visited remote middle schools in areas such as Baengnyeongdo Island and Iksan to provide education on digital ethics and AI coding. Moving forward, KIT aims to continue its growth-driven volunteer activities to help both university mentors and middle school mentees grow into well-rounded digital talents.



Social Contribution Activities

Digital Inclusion

AIVLE School

KT AIVLE School is a practical digital talent development program operated by KT in collaboration with the Ministry of Employment and Labor's K-Digital Training initiative. It contributes to strengthening the capabilities of Korean youth and creating employment opportunities. The program spans six months and 840 hours, combining theory, hands-on training, and industry-focused practical projects, enabling participants to acquire practical digital skills applicable in the field. The training is provided free of charge and is offered both offline—through regional KT headquarters in Daejeon, Gwangju, Daegu, Busan, etc.—and online via AIVLE-EDU, a high-quality real-time digital learning platform accessible anytime, anywhere. In addition, participants receive employment support, including opportunities to earn AI-related certifications, participate in various competitions, and engage in job fairs and mock interviews. KT AIVLE School alumni actively compete in external contests based on their strong capabilities and have achieved outstanding results, such as winning the grand prize for four consecutive years at the K-DT Hackathon hosted by the Ministry of Employment and Labor. The program is now recognized as a leading national initiative for nurturing digital talent.

E-mentoring

In October 2020, we signed an agreement with the Seoul Office of Education to tackle middle school students' learning deficits and university students' job shortages by launching the online mentoring program, e-mentoring. Now in its fifth year, it has served a cumulative total of 10,000 beneficiaries and provided 200,000 mentoring hours, becoming a leading online mentoring initiative in Korea. Notably, 2020's middle school mentees have returned as mentors after entering university, creating a virtuous cycle. In 2024, we advanced customized mentoring projects reflecting regional traits through cooperation with local governments. In Jeonnam Province, we mentored late learners with Mokpo Jeil Information Middle and High School, and with the Incheon Office of Education, we expanded mentoring for island-area students to improve accessibility. We also extended KT's AI competency test AICE training to the e-mentoring program, running 80 AI-specialized groups (80 university students and 189 elementary to high school students), resulting in 123 successful AICE (Future Level 2 and 3) certifications.

2024 E-mentoring Operation Status	
Beneficiaries 627 college students 1,640 middle & high schoolers Total 10,000 (Cumulative)	Mentoring 18,666 hours (14,961 sessions) Total 200,000 hours (Cumulative)
Customized Cooperation with Local Governments	
Projects tailored to regional needs and characteristics: 'Mokpo-Education for Adult Learners,' 'Incheon-Island Area Specialization' and 'Seoul-Focus on Basic Academic Support.'	
KT AICE Training Official Application	
80 AI-specialized education groups (80 university students and 189 elementary, middle, and high school students)	Total 123 KT AICE certifications (Future Level 2 and Level 3) achieved

Social Contribution Activities

Digital Inclusion

Rate Discount Programs for Vulnerable Social Groups

KT operates welfare discount benefits for vulnerable groups, including persons with disabilities, people on living, medical, housing, education benefits, near-poverty group basic pension recipients, and national meritorious persons. Various benefits are provided according to the welfare type. The scale of welfare discounts has increased annually, reaching KRW 381.1 billion in 2024.

Discount Program for People on Welfare

Category	Description
Persons with disabilities & Persons of national merit	• 50% discount on monthly local and internet call charges • 50% discount on monthly long-distance call charges(limited to KRW 30,000) • 35% discount on basic phone bill and call charges • No charge for 114 service • 30% discount on monthly high-speed internet bill
Living & medical beneficiaries among basic livelihood recipients	• No charge for local calls, internet call subscription fee, and basic fee • No per-call charge for 75 long-distance calls • No per-call charge for 150 internet, local, and long-distance calls • No charge for basic phone bill(limited to KRW 26,000) and 50% discount on call charges • No charge for 114 service • 30% discount on monthly high-speed internet bill
Housing & education beneficiaries among basic livelihood recipients	• No charge for basic phone bill(limited to KRW 11,000) and 35% discount on call charges exceeding KRW 11,000
Near-poverty group	
Basic pension recipient	• 50% discount on the sum of basic phone bill or fixed monthly bill and call charges(limited to KRW 22,000)

Digital for Good(Digital Citizen) Project

Alongside AI and digital technology advances, KT launched the ‘Digital for Good(Digital Citizenship) Project’ with 22 organizations across business, education, healthcare, and law to address and prevent digital side effects. In collaboration with Ewha Womans University Institute of Future Education, we developed a digital citizenship curriculum for elementary students and, with the Seoul and Gyeonggi-do Offices of Education, selected pilot schools for implementation. In 2024, a new middle school curriculum was created, expanding education to about 70,000 elementary and middle school students nationwide through cooperation with seven local governments. The ‘Digital Citizenship Exploration’ content for upper elementary students was officially certified by the Ministry of Education as an outstanding character education program. The full curriculum is freely accessible on a platform for institutions, schools, and parents. KT, together with Severance Hospital and the Seoul and Gyeonggi-do Offices of Education, hosted the inaugural ‘Digital Detox Camp’ to prevent digital addiction, selecting 110 middle school students nationwide. With over 3,000 applicants and coverage by more than 90 major media outlets, the camp gained significant attention. In 2025, the second camp solidified its role as a flagship campaign against digital overuse. KT is exemplifying global collaboration by translating and delivering digital citizenship education at the Preah Ang Duong National Hospital, which is working with us through the ‘KT Reverse Hearing Loss’ program. KT also formed the ‘Law and System Improvement Working Group’ with top law firms(Kim & Chang, Shin & Kim, and BKL) to draft bills protecting youth from sex crimes, enhancing online stalking education, and legislating digital citizenship education. These efforts led to KT receiving the Champion award in the ITU-hosted 2024 WSIS Prize in the ‘Ethical dimensions of the Information Society category’-the first domestic recipient-gaining global recognition for promoting digital ethical awareness.

Talent Management

Recruitment

Ideal Employee

KT seeks talented individuals who diligently contemplate to meet customer needs and solve problems, as well as those with expertise to deliver new customer experiences and innovations. We value those who create tangible results and real value over superficial appearances. Furthermore, if our employees embrace their differences, respect each other, and harmonize together, they will be able to contribute to realizing KT's vision and goals.

Respect for Diversity and Equity

KT respects employee diversity and equity, strictly prohibiting discrimination in recruitment, promotion, and training processes. All employees strive to foster an inclusive organizational culture that prevents inequality based on factors unrelated to job performance, such as age, gender, or disability. Through 'KT Hope Builder', our subsidiary-type standard workplace for persons with disabilities, we engage in tasks such as printing, store cleaning, car washing, work support, and video production. This initiative not only fulfills legal obligations for employing persons with disabilities but also promotes stable employment and enhanced job satisfaction and organizational commitment. We also consistently discover new project areas that can employ people with disabilities. KT is expanding female workforce recruitment to promote women's social participation and actively supports working mothers through programs like HiBaby. The company aims to increase the parental leave utilization rate among female employees to 75% by 2026 and remains committed to enhancing the quality of life and growth opportunities for its diverse workforce.

Recruitment Process

KT's talent acquisition process aims to secure and retain high-performing AX professionals. To this end, KT has shifted from reactive recruitment approach to proactively sourcing suitable candidates in a timely manner and resolving pain points that delay recruitment. To enhance recruitment efficiency, KT established the Tech Recruiting Center to enable dedicated tech recruiters to identify top-tier talent. The company also introduced designated full-day interview sessions on a pilot basis to minimize delays in the screening process, and launched a 'fast-track' system for critical roles, thereby streamlining its hiring procedures. Entry-level hiring has been refocused from marketing/sales to AX roles. Support for new hires now centers on experienced employees, with a phased care system reflecting recruitment trend shifts.

2024 New Hires and Voluntary Resignation Status

(Unit: Persons, %)

Category		2022	2023	2024
New Hire	Total	669	254	379
	Female	297	104	134
	Person with disability		1	23
	Intern	323	216	0
Voluntary Resignation	Voluntary resignation rate	1.43	0.65	0.61
	No. of voluntary resignees	294	128	104

* Total no. of voluntary resignees during year/Total no. of employees at year-end

Status of Employment over the Last 3 years

(Unit: Persons, Persons(%), Years)

Category		2022	2023	2024
Total		20,544	19,737	16,927
Gender	Male	16,577(80.7)	15,716(79.6)	13,144(77.6)
	Female	3,967(19.4)	4,021(20.4)	3,783(22.4)
Types of Employee	Regular	19,823(96.5)	19,026(96.4)	15,812(93.4)
	Non-regular ¹⁾	721(3.5)	711(3.6)	1,115(6.6)
Age Group	20-30s	3,814(18.6)	3,744(19.0)	3,800(22.0)
	40 or above	16,730(81.4)	15,993(81.0)	13,127(78.0)
Positions ²⁾	Lower-level managers	2,100(10.2)	1,506(7.6)	1,278(7.6)
	Male	1,477	1,024	809
	Female	623	482	469
	Middle-level managers	14,482(70.5)	14,006(71.0)	11,268(66.6)
	Male	11,729	11,167	8,695
	Female	2,753	2,839	2,573
	Upper-level managers	2,617(12.7)	2,976(15.1)	2,578(15.1)
	Male	2,398	2,734	2,348
	Female	222	242	230
	Other ³⁾	1,345(6.6)	1,249(6.3)	1,803(10.7)
Executives	Unregistered executives	98	77	99
	Female executives	10	9	11
Diversity	Employment of persons with disabilities	513	490	509
	Veterans	882	809	592
	Non-koreans	13	13	8
Average Years of Continued Service ⁴⁾		22	22	21

1) Non-registered executives, Executive, Executive Directors, Professional Employees, General/Project Contractors

2) Positions: Lower-level Manager(Assistant Manager), Mid-level Manager(Manager, Deputy General Manager), Upper-level Manager(General Manager Executive)

3) Other: Contract Workers, Security Officers, Expert Members, Professional Career Personnel, Staff, Common Employees, etc.

4) Only years of service for regular employees are considered

Securing and Talent Development

Digital Training Platform(KT Genius)

KT provides an optimal digital learning experience across all its affiliates through its digital learning platform, 'KT Genius'. Based on individual HR data, 'KT Genius' offers personalized learning recommendations, integrated online/offline training, and curriculum and content search features. With regular content updates, the platform delivers around 10,000 online courses covering AX, job skills, leadership, and more. In 2024 alone, the platform recorded over 1.2 million learning sessions. The platform also supports managers by providing an 'HRD-Index' which enables visibility into employees' training history and competency levels, fostering a culture where department heads lead talent development efforts. As part of KT's transformation into an AICT company, long-term programs like the AX Degree course are offered as core enterprise training. These programs aim to improve company-wide IT literacy and are linked with competitions and certification training to enhance real-world skills. In addition, KT runs the Biz Degree program to strengthen business capabilities in areas such as finance and B2B/PMP. To boost learning motivation, KT provides financial support for obtaining external professional certifications and offers self-improvement rewards for acquiring AX-related technical qualifications. In 2024, KT piloted the 'Master's Class' system to identify in-house experts and promote a culture of shared learning. This initiative led to the identification of 1,436 experts who opened 1,488 classes, with 19,037 participants. KT continues to offer diverse training programs aligned with the changing business environment, driving employee development and growth.

Educational Program and Performance

Education		No. of graduates	Performance
Future Talent Development Program	AX Degree in 2024	4,179	- Expansion of AX education across the organization due to increased interest(sixfold increase compared to 1,630 participants in 2023) - Expand foundation and enhance basic competencies in AI, DATA, Cloud, trends, etc. - The AX Degree is an internal degree program that builds AI, DATA, Cloud cloud skills through a step-based, survival-style format. In 2024, six courses(digital literacy, data analysis, AI modeling, cloud infrastructure, KT data analysis) were offered with 9,734 employees participating. - Published 'Tech-NewLearn' to strengthen foundational AX capabilities and which will be integrated as AX Degree content in 2025. The program is enhanced with practical training using MS Power Platform and Copilot Studio, and reorganized into a three-tier structure(literacy, fundamental, and mastery) linked to company-wide competency assessments
		KT 3,789	
		Group companies 390	
		By training program	
B2B Competence Strengthening Program	Up-Skilling for consulting/proposal/execution	242	- Support for KT/Group companies' B2B proposal and execution workforce shortage(242 participants). - Enhanced understanding of AICT business and improved basic customer communication skills(1,395 participants). - Support business acquisition by enhancing practical skills of B2B sales, proposal, and execution personnel(532 participants). - Establish foundation for cultivating professionals capable of selling AICT products and services based on NW/IT/AICT technologies (1,145 participants). - Secure basic competencies for new B2B personnel(234 participants). - AICT certification(1,605 participants) / B2B job qualification (84 participants) / Technical handbook recipients(86 participants).
	Up-skilling foundational competencies for AICT business.	1,395	
	Up-skilling practical competencies for AICT business(e.g., bid proposal practice, sales simulation).	532	
	Up-skilling for AICT technology	1,145	
	Securing basic B2B job competencies(for new hires and transfers).	234	
Information and Communication Supervisor-accredited Education	Elementary and intermediate level education for Information and Communications Supervisor (ICT Polytech institute of Korea)	111	- Ensure quality and expertise in Information and Communications Contractors 210 employees completed certified training for Information and Communications Supervisors(34 elementary, 77 intermediate, and 99 advanced level-certified)
	Advanced level education for Information and Communications Supervisor (ICT Polytech institute of Korea)	99	

Securing and Talent Development

Meister System

KT selects high-performing employees with outstanding job expertise as ‘Meister’ and officially recognizes and rewards their capabilities. These Meisters actively engage in knowledge-sharing activities beyond their departments, creating synergies across various teams and job functions. They also contribute to enhancing colleagues’ skills and driving performance by directly sharing their expertise and know-how through diverse channels.

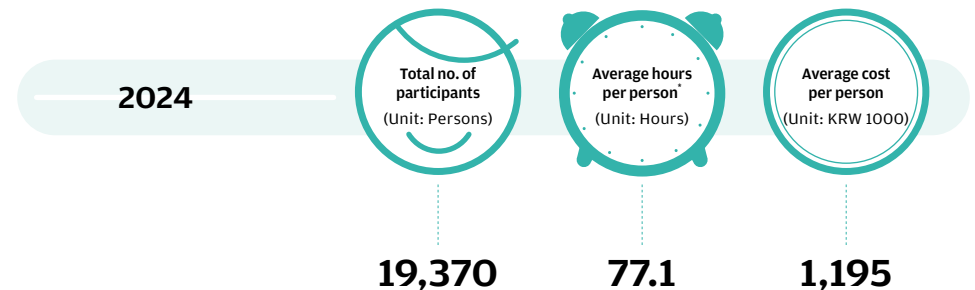
Key Competency Activities of Meisters

Company-wide Lectures	Learning Groups	Mentoring	Mini Courses	Specialized Fields
 Online and offline lecture activities targeting all employees.	 Learning group activities targeting peers and departments.	 Mentoring activities for new and junior employees.	 Creation of online mini-course content.	 Support for contests, patents, and expert review in recruitment and other specialized areas.

Network Expert(N.EX.A) Development Program

KT operates the N.EX.A(Network Expert Academy), a specialized program designed to enhance the capabilities of network personnel. This program focuses on core network domains, including IP, wireless core, wireless access, and transmission functions. It provides tailored, step-by-step training for both new hires and experienced professionals to enhance secure operations and response capabilities in the event of faults. Starting in 2025, AX training will be integrated into the program to support KT’s transition to an AICT company. The curriculum emphasizes practice-based learning rooted in expertise, aiming to discover and expand practical applications that reduce workload, enable proactive fault management, and improve customer-perceived quality. Through in-depth discussions among trainees, urgent topics for improvement are identified. Utilizing internal and external experts, a 2-3 month training and feedback cycle is conducted to enhance the quality and satisfaction of the program. Going beyond traditional technical skill enhancement, KT pursues synergy in stable network operations by securing AX competencies.

2024 Learning Hours and Cost



* In-house Education System(Genius) Learning Hours

Performance Evaluation and Compensation

Performance Evaluation and Compensation System

To enhance operational effectiveness, KT operates a performance evaluation process that involves setting individual goals for all employees and providing continuous growth coaching and monitoring to drive improvements in both performance and capabilities. Evaluation criteria and procedures are transparently disclosed in advance, and fairness is reinforced through evaluator training, evaluation interviews, and appeal processes. Based on evaluation results, fair compensation is provided through salary increases, promotions, and role assignments according to performance and capabilities.

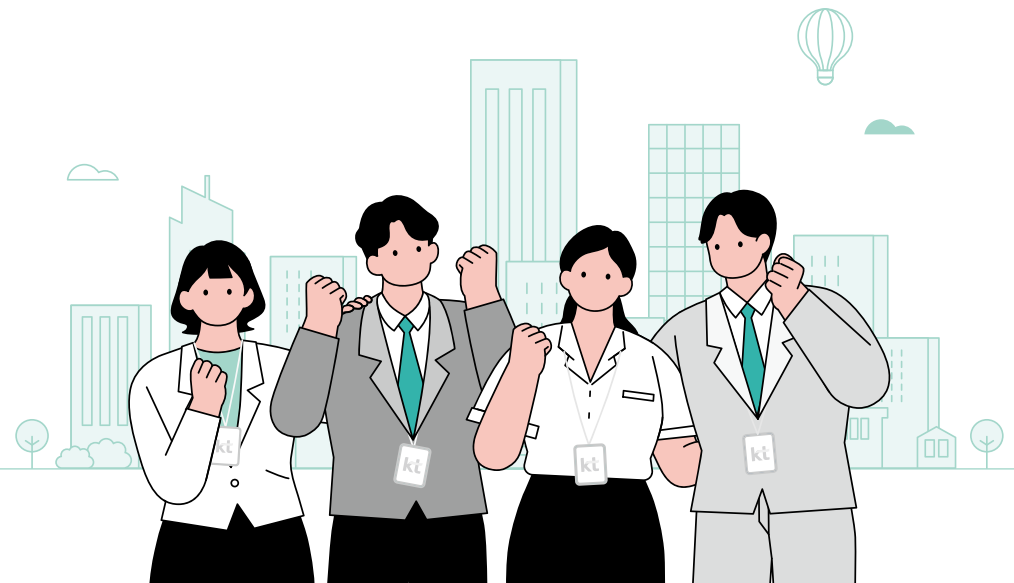
Performance Evaluation and Compensation Process

01	02	03	04
Setting Objectives	Performance Coaching	Performance sharing	Evaluation*
Set specific and measurable objectives in line with organizational goals through agreement with team members of the organization	Listen to the feedback from members of the organization; lead performance and capability enhancement by giving specific feedback on what they did well and what needs improvement	Share achieved results relative to goals with employees and document the annual performance outcomes	Clearly share the basis of the evaluation in interviews before and after the evaluation; provide coaching to help improve performance * For fairness, a peer evaluation is performed in parallel.

Three-Year Status of Female Salary Ratio

(KRW million, %)

Category	2022	2023	2024
Average Salary per Person Across the Organization	103	107	110
Average Salary per Female Employee	94	97	101
Female Average Salary as a Percentage of the Average Salary	91	91	92



Welfare System

Customized Welfare Benefits

KT offers a variety of welfare benefits tailored to employees' life stages-including marriage, childbirth, home ownership, child education, and retirement preparation-to help employees focus on work without worries. To combat declining birth rates, KT has established a dedicated task force and introduced various programs that provide practical support for child rearing, such as pregnancy congratulatory gifts, postpartum care allowances, and a newborn first-visit loan program. In the second half of 2025, KT plans to open a state-of-the-art daycare center in the remodeled KT Gwanghwamun Building West. Additionally, KT operates diverse welfare programs including medical expense support, education subsidies, and recreational facilities to ensure that hardworking employees and their families enjoy a better quality of life.

Major Welfare Systems

Category	Description
Welfare points	• All employees(additional future-fostering points given to employees in their 20th year of employment, and employees younger than 50)
Employee loan	• Housing loans, newborn first-visit loans • Interest support for loans from financial institutions
Resorts	• Training centers and employee facilities, private resorts, hotels, and global training programs
Livelihood support	• Self-development expenses • Communications expenses(Mobile, Landline, TV) • Family events(Marriage, 60th Birthday, Children, death, etc.) • Medical expenses, medical check-ups, group insurance, pension savings, etc.
Child-rearing	• Workplace childcare centers • Support for children's school tuition fees(Children aged 0-18) • Aid for the education of children with disabilities(Children aged 0-18) • Support for children's school tuition fees(High school and University)
Residential stability	• KT employee dormitories(Seoul), rent subsidy for employees living alone away from on remote single assignments
Employee ownership	• Allowing employees to acquire company stocks at any time

Welfare Expenses over the Past 3 Years

(Unit: KRW million, Persons)

Category	2022	2023	2024
Total expense¹⁾	353,276	308,369	315,549
Total no. of employees²⁾	20,899	20,105	18,500
Expense per employee	16.9	15.3	17.1

1) Includes legally required labor cost(4 primary insurances), meal/commuting allowances(meal and commuting cost support), workplace group insurance premiums(group insurance subscription support), medical expense support, etc.

2)Based on annual average

Hi-Baby TF

To expand support for employees' work-life balance, KT established the Hi-Baby TF in 2024. The Hi-Baby TF provides practical welfare support throughout the entire pregnancy, childbirth, and childcare process. For pregnant employees, we expand shortened work hours and provide prenatal examination leave and medical expense support, while guaranteeing 90 days of maternity leave and up to 20 days of spousal childbirth leave. We provide birth congratulation allowance and postpartum care support, along with up to two years of childcare leave, shortened working hours and a hybrid work arrangement combining remote and in-office work, during childcare periods. We also alleviate childcare burdens through workplace daycare operations, elementary school childcare leave, family care leave, and support for child-rearing and education expenses.

(Unit: Persons, %)

Maternity and Parental Leave

Category	2022	2023	2024
No. of maternity leave users	299	205	246
No. of parental leave users	191	198	202
Female parental leave usage rate	64	81	70
Parental leave return-to-work rate	94	97.2	94.6
12-month retention rate after parental leave return	97.4	97.7	97.2
No. of Parental leave returnees	156	174	176
12-month retained employees after parental leave return	152	170	171

Welfare System

Flexible Work Work Assignments

KT operates various flexible work arrangements to ensure work-life balance for employees. Employees using the total working hours system can autonomously adjust their working hours within a total of 160 volume autonomous work system four weeks. This means they can work longer hours in certain weeks, and reduce their work hours or take leave in other weeks. Employees in research and development, as well as IT design and analysis positions, can freely adjust their working hours considering their job characteristics to enhance creativity and engagement. Additionally, when it is challenging to meet the 52-hour weekly work limit due to variations in the weekly workload, the flexible work system can be utilized. By adjusting working hours in specific weeks and reducing them in other weeks, the weekly working hours can be adjusted to maintain an average of 50 hours per week. Furthermore, KT introduced the PC-Off system to block PC usage outside work hours, minimizing overtime work and creating an environment that enhances employee concentration by encouraging work completion within business hours.

Employee Stock Ownership Program

KT operates an employee stock ownership program to share development achievements gained through corporate growth with employees and foster a sense of ownership. The Employee Stock Ownership Association holds a 3.2% stake, with the majority of employees participating as members of the association.

Retirement Pension

KT operates a retirement pension system to enable employees to prepare for a stable life and secure retirement after leaving the company. The retirement pension system covers all employees, and related education is provided to enhance employee understanding of the system and support its active utilization. Retirement pension reserves are safely protected through external funding.

Flexible Work Arrangement Program Status

Program	Description	Average number of monthly users in 2024
Total working hours system	Work 160 hours in four weeks from Monday to Saturday(minimum of four hours in the office per day) (Time: 6 am to 10 pm)	5,540 employees
Weekday break	Take a day off by allocating work hours(0 work hours on a weekday); taking Friday off for a long weekend is recommended	2,565 employees (46% of those under the total working hour system)

Welfare System

Retiree Programs

Senior Consultant

KT has operated the Senior Consultant system since 2018, to leverage the extensive work capabilities and expertise accumulated by retirees. Employees with excellent job expertise who are scheduled for mandatory retirement may be re-employed for up to two years after mandatory retirement, with the re-employment period extended for high performers. Since its introduction, 816 Senior Consultants have been selected, and these selected Senior Consultants perform roles that transfer their proven expertise and knowledge to junior staff, creating a virtuous cycle of mutual growth.

Number of Senior Consultants over Past 3 Years (Unit: Persons)

Category	2022	2023	2024
No. of senior consultants	154	128	175

Career Transition Support for Prospective Retirees

KT has operated an Outplacement Support Center since 2018 to help prepare for second careers after retirement through qualification acquisition support, outplacement education, and re-employment assistance. One year before retirement, qualification course enrollment support is provided to facilitate certification acquisition in promising career fields for middle-aged re-employment, such as housing management technician and electrical engineer. This support includes quarterly outplacement education to aid in career planning and achieving their second-life goals. Post-retirement follow-up programs operate through connections with Tomorrow Center for the Middle-aged and Seniors under the Ministry of Employment and Labor, polytechnic universities, and field-specific outplacement agencies to provide employment education, information, and job connections.

Gap Year for Future Planning

KT operates the Gap Year for Future Planning program to support outplacement and re-employment for middle-aged employees aged 50 and above. Operating for middle-aged employees aged 50-58, they can apply for leave up to 4 years(48 months). During leave, they receive education cost support to prepare for career transitions through qualification acquisition, vocational training, business starting, farming education, and expert consulting services. As of 2024, a total of 405 employees have used the program.By participating in qualification acquisition, business starting, and farming education programs, they can prepare for a career change by utilizing the qualifications they acquired or by experiencing different industries during their leave. The Gap Year for Future Planning functions as a stepping stone, enabling middle-aged employees to face the world anew during their leave and reorganize to plan and prepare for second careers in an aging and rapidly changing society.

Organizational Culture

Organizational Culture Development Programs

KT operates various organizational culture enhancement programs to foster a growing organizational culture and pride-filled workplace, based on its management philosophy. Cohesion-strengthening programs enable employees to enjoy and feel a sense of belonging through various sports/cultural sharing activities, such as sports team support, foundation anniversary week events, and Heartfelt Classical Music. In addition, KT operates various family-friendly programs to promote work-life balance and foster a sense of pride and belonging among employees. These include premium sports viewing opportunities for families, school entrance gifts for elementary school children, and experiential programs for employees and their children(Dream Tour). Furthermore, town hall meetings led by department heads aim to foster communication and empathy regarding management direction, encourage growth among employees, and provide customized education for AICT-centered change and innovation. These initiatives are designed to establish a cultural foundation for KT's growth as an AICT Company.



Blue Board System

Blue Board is an internal organization composed of young leaders who will lead KT's future, which has been operating for 25 years for 25 years since its launch in 2001. As a next-generation leadership group, Blue Board serves as a communication bridge within the organization, connecting opinions between management and members and contributing to the promotion of change and innovation. Particularly, various activities are developed around strategic tasks such as discovering management insights and spreading AX work methods by department. It identifies and implements improvement ideas across key management areas—such as business models, corporate image, and work practices—by incorporating the perspectives and sensibilities of the younger generation. At the same time, Blue Board plans various programs to enhance employee engagement and satisfaction. In 2025, work method innovation tasks based on the AX capabilities of the employees in their 20s and 30s fully implemented, and roles expanded to external ESG value enhancement activities, contributing to KT's sustainable management.

Blue Board Operation Status

2022	Discover management insights Generation gap resolution programs Activities to boost morale and synergy Onboarding program for newcomers Communication program between management and the MZ generation	41 participants
2023	Discover management insights Corporate culture programs by department Management-to-employee communication programs	50 participants
2024	Discover management insights Corporate culture programs by department Generative AI image contest	63 participants

No.1 Workshop

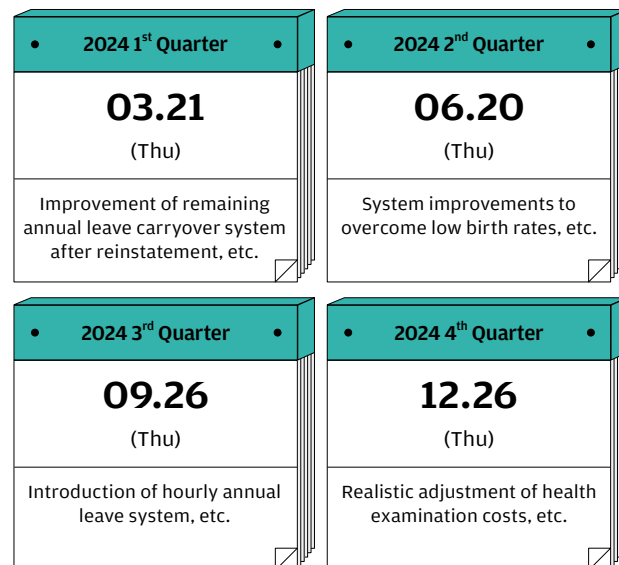
The No. 1 Workshop is KT's unique innovation platform that derives problem-solving and implementation solutions through communication and collaboration based on the collective intelligence of its employees. Since its introduction in 2014, 110,000 discussants have participated in 7,000 tasks, sharing opinions and engaging in mutual exchanges. In the No.1 Workshop, internal and external experts gather to conduct horizontal discussions on topics such as customer and field problem-solving and idea discovery, with task sponsor executives making immediate decisions and implementing proposed improvements. KT's innovation activities have been recognized externally, including the Prime Minister's Award at the 2017 Business Innovation section and the Presidential Award at the 2018 Korea Top Enterpriser Award. Additionally, KT was selected by the Association for Talent Development as a best practice in the change management area in 2019. Recently, we have been actively involved in establishing customer-focused innovation measures and AI-driven core business growth strategies. This year, in particular, the No.1 Workshop is enhancing its value as KT's AX innovation platform by leading internal AX expansion through AX workshops.

Labor-Management Relations

Labor-Management Council

KT regularly holds Labor-Management Council meetings in accordance with relevant laws. In addition to the Central Labor-Management Council, Regional Councils are held for each regional headquarters nationwide. In the Labor-Management Council, various matters related to employee morale and welfare enhancement, such as employee benefits, in-house convenience facilities, and work systems, are presented as agenda items. There, labor and management freely communicate and discuss ways to improve working conditions.

2024 KT Central Labor-Management Council Meeting Status



Labor Union

KT guarantees employees' free union membership and formation in accordance with Article 5 of the Trade Union and Labor Relations Adjustment Act and Articles 2, 3, and 4 of the Collective Agreement. Additionally, KT engages in Collective Bargaining with labor unions in good faith, and the results of this process apply equally to all union members. As of January 2025, KT's labor union membership rate is 77.97%.

3-Year Status of Labor Union

(Unit: Persons)

Category	2022	2023	2024
No. of eligible employees	19,823	19,927	13,974
No. of joined employees	15,582	14,818	10,895
Union membership rate	78.61	74.40	77.97

Employee Protection

KT collaborates with professional mental health counseling organizations to support mental health care for employees, who are key stakeholders of KT. In 2024, approximately 300 employees and their immediate family members utilized individual counseling. KT conducts annual stress tests for all employees to analyze their mental health comprehensively and connects those with high scores to professional psychological counseling to help alleviate stress. Additionally, in-house psychological counseling specialists visit worksites to conduct employee teamwork enhancement programs using psychological tests such as the MBTI, and provide sexual harassment and suicide prevention education.

Handling of Employee Complaints(KT119)

KT operates various channels, including the Committee for Handling Employee Complaints and Grievances at nationwide branches and the online grievance system KT119 to resolve employee grievances and facilitate smooth communication. Employees can access the system at any time, from anywhere, through internal bulletin boards, mobile apps, email, and more. Since 2022, KT119's functions have been expanded to an integrated life consultation platform, providing expert consultation in six areas: legal, financial, tax, debt, college admissions, and psychological counseling. Through this initiative, KT has enhanced the professionalism and effectiveness of its grievance handling system, processing approximately 34,000 grievances since its launch. In 2024, KT119's user satisfaction was 4.54 out of 5 points, maintaining consistently high levels.

3-Year KT119 Usage Satisfaction*

(Unit: Points)

Category	2022	2023	2024
Satisfaction	4.58	4.59	4.54

* Out of 5 points

Human Rights Management

Human Rights Management Strategy

[Human Rights Policy](#)

Human Rights Policy

In June 2017, KT established the KT Human Rights Policy to fulfill our social responsibility for protecting and promoting human rights, preventing violations within our business and value chain, and fostering sustainable growth. KT officially supports global standards, including the 'UN Universal Declaration of Human Rights', the 'ILO Conventions', the 'OECD Guidelines for Multinational Enterprises', and the 'UN Guiding Principles on Business and Human Rights'. Since joining the UN Global Compact in May 2008, we have actively implemented the 10 principles across four key sectors: human rights, labor, environment, and anti-corruption. KT respects internationally recognized human rights, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights(right to freedom covenant), the International Covenant on Economic, Social and Cultural Rights(social covenant), and the eight core ILO conventions(freedom of association, prohibition of forced labor, prohibition of child labor and discrimination). We comply with internationally recognized human rights standards(hard and soft) and prioritize human rights protection throughout all our corporate activities.

Definition of Human Rights at KT

	Category	Goal	Major Content
Basic Human Rights	Guarantee of equality and prohibition of discrimination	Average wage level 94% by 2030(mid-term)	KT prohibits all forms of discrimination based on gender, age, nationality, race, religion, education level, and physical challenges.
	Guarantee of freedom and prohibition of forced labor		KT prohibits all forms of involuntary work and services.
	Human dignity and prohibition of child labor		KT prohibits the employment of minors under 18 years of age in all forms.
Human Labor Rights	Freedom of assembly and right to collective bargaining		KT guarantees employees' rights to form or join a union to protect the rights of individuals or groups of employees.
	Fair compensation and observance of labor standards		KT guarantees fair compensation and observes the Labor Standards Act for work conditions, including work hours and wages.
	Guarantee of health and safety	Encourage annual health checkups and maintain participation rate Current 100% → 2030: 100%(mid-term), 2050: 100%(long-term)	KT guarantees the observance of laws related to workplace health and safety.
Promotion of Human Rights	Freedom of expression		KT guarantees and encourages the right of customers to freely express and share their opinions with others and have access to information. We protect children from harmful content on communication services.
	Protection of personal information and privacy	Expand proportion of information security investment(ratio to IT investment budget) Current 6.3% → 2030: 6.4%(mid-term), 2050: 6.5%(long-term)	KT respects the privacy of its customers and protect their personal information. To this end, we strive to minimize the recording and storage of personal information, take technical and administrative measures to protect information and guarantee the rights of data subjects.
	Pursuit of happiness through innovation		KT promotes the convenience and happiness of our customers by leading innovation and technological development based on our GIGA network and ICT services. We will ensure that our customers can enjoy innovative services and pursue happiness regardless of their origin, class or physical challenges.

Human Rights Management Strategy

Human Rights Education

KT mandates human rights education through company-wide training programs. In 2024, we conducted human rights education sessions twice for all employees, once in the first half and once in the second half of the year, and all employees completed the training. Human rights education encompasses training in sexual harassment prevention, workplace bullying prevention, and disability awareness improvement.

Human Rights Education Status

(As of 2024, for all employees)

Preventing sexual harassment	Understanding the concept and criteria for sexual harassment cases at the workplace and learning how to respond to and prevent them	Twice a year (1st and 2nd half)
KT compliance	Understanding the laws and regulations on public bidding, human resources, industrial safety and health, and accounting and tax	Once a year (2nd half)
Protecting personal information	Understanding the latest trends related to the protection of personal information and relevant laws and regulations; understanding the basic rules to follow to protect personal information	Twice a year (1st and 2nd half)
Preventing workplace bullying	Learning the types of bullying and how to respond based on multiple cases	Once a year (1st half)
Enhancing awareness of disability	Understanding different types of disability to eliminate prejudices against people with disabilities, and learning manners and etiquette to build an organizational culture in which such understanding and communication takes place effectively	Once a year (2nd half)

Stakeholder Human Rights Protection

Protecting Rights of Local Residents

KT has established and implemented procedures to prevent potential violations of local residents' rights that may occur during the construction of base stations and network infrastructure. We pay careful attention to ensure that issues affecting residents' safety and rights, such as land, property, and electromagnetic radiation concerns, do not occur during the construction of domestic business sites, base stations, and network infrastructure. Additionally, we strive to prevent adverse impacts that may arise during overseas business expansion, such as potential risks arising from economic, social, and cultural differences, business delays and cancellations, and civil complaints within local communities.

Regulation for Human Rights Violations

KT actively takes proactively addresses cases that violate human rights policies and principles within its value chain. We monitor domestic and international legal and regulatory trends related to human rights and actively work to prevent human rights risks.

Human Rights Risks Management

Proactive Identification of Human Rights Risks

Based on the 'UN Guiding Principles on Business and Human Rights', KT identifies major human rights issues through a diagnostic analysis of the entire value chain, encompassing operations, manufacturing and supply, and sales and distribution, and prioritizes them according to the degree of risk exposure. KT's human rights risk exposure assessment framework considers three aspects—policy declaration, policy implementation, and human rights remedy—to identify potential human rights risks.

Material Human Rights Issues

Protection of Emotional Labor Workers

KT Customer Service representatives are highly vulnerable to various forms of human rights violations due to the nature of their jobs. Accordingly, KT regularly conducts healing programs and operates related psychological assessments to protect counselors' rights and support their emotional stability through continuous collaboration with Customer Center subsidiaries.



Managing Potential Human Rights Issues

Employee Human Rights

KT mandates human rights-related education to ensure all employees receive protection of their fundamental human rights, labor rights, and safety rights. To this end, we conduct various educational programs at least once annually, including sexual harassment prevention training, disability awareness training, and personal information protection training.

Harmful Content

KT blocks harmful content to ensure children can safely access information online and use responsible content. In the kids-only UI, we operate harmful content blocking features through 'Kids Mode'. On GIGA Genie devices, we provide only safe content appropriate for users under 15 years old as search results through the 'Kids Safe Search' feature.

Conflict Minerals

The four major minerals—tin, tantalum, tungsten, and gold—mined in African conflict zones have become international human rights concerns due to instances of civilian forced labor during the mining process. Given that these minerals are used in key components of electronic devices such as mobile phones and laptops, heightened vigilance is required regarding labor exploitation issues related to conflict minerals. Accordingly, KT recognizes this matter as a potential human rights issue and continues to pay attention to related risks.

Human Rights Risks Management

Human Rights Risk Assessment

Human Rights Risk Assessment Process and Scope

Based on the human rights management process grounded in the 'UN Guiding Principles on Business and Human Rights', we identify and manage human rights risks at KT business sites and throughout the entire supply chain. KT's human rights risk identification procedures are conducted based on pre-launch risk assessment, emotional labor worker stress assessment, personal data protection measures review, supply chain sustainable management evaluation, and business risk assessment results according to the review target.

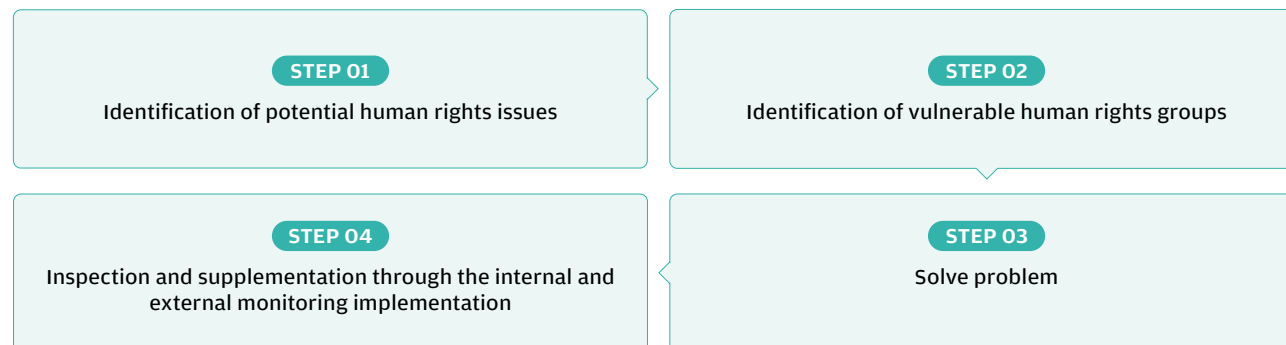
Human Rights Risk Assessment Results

KT analyzed major corporate activities across the entire value chain to select key human rights risks. The selected significant risks include supply chain labor rights and safety issues in the manufacturing and labor rights and safety concerns in the manufacturing and supply chain stages, potential infringement of indigenous rights during business development, personal information protection issues in sales and distribution processes, and protection issues for public-facing workers such as customer service counselors. KT conducts due diligence inspections to understand the current status of high-priority human rights issues and implements improvement initiatives to mitigate human rights risks in cooperation with relevant departments.

Human Rights Risk Mitigation Measures

KT quantifies risks by category and manages 44 key risk indicators, continuously monitoring their likelihood and deriving remedial actions to mitigate or eliminate them. One of the key human rights issues identified is the protection of public-facing laborers. Acknowledging the potential for various human rights violations due to the nature of the work performed by customer service agents, KT systematically protects representatives' rights and welfare by implementing related assessments and healing programs. Through diagnostics and analysis across the entire value chain, KT has identified potential human rights issues, including employee rights, harmful content, and conflict minerals. To address these concerns, KT has made human rights training mandatory to ensure that employees' fundamental rights, labor rights, and safety are protected. Additionally, KT conducts annual training sessions on major social issues, including 'sexual harassment prevention', 'awareness of persons with disabilities', and the 'protection of personal information'. Concerning harmful content, KT implements various filtering measures to help children access online information more safely and experience responsible content. For example, harmful content is blocked through the dedicated children's interface, 'Kids Mode' The GIGA Genie device also offers a 'Safe Search for Kids' feature, which provides search results limited to content suitable for users under the age of 15. Moreover, with the international spotlight on human rights violations such as civilian labor exploitation in the mining of the four major minerals-tin, tantalum, tungsten, and gold-in conflict zones in Africa, KT is aware of and pays close attention to related labor issues in the production of electronic devices such as mobile phones and laptops to help prevent the use of conflict minerals.

Process of Human Rights Risks Assessment



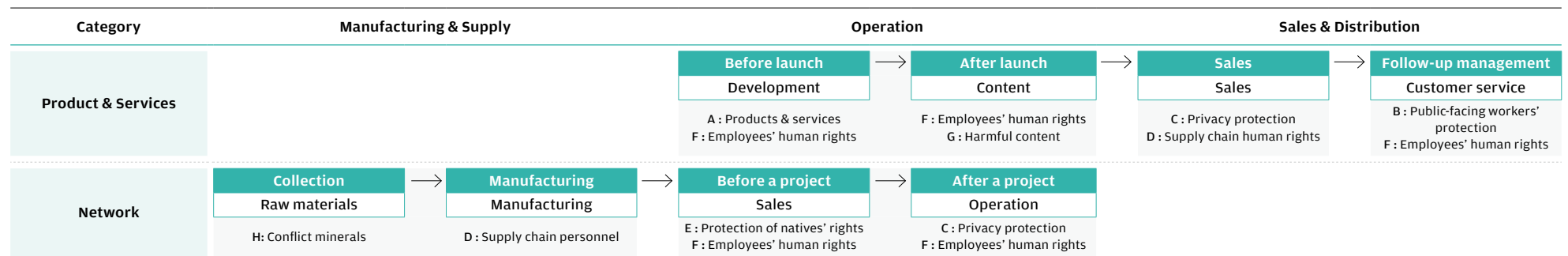
Human Rights Risks Management

Human Rights Risk Assessment

Management by Type of Human Rights Risk

Major Human Rights Issues	Vulnerable Group	Subject of Review	Definition of Issue	Management	Assessment System
A Products & Services	Children, general public	KT	Potential human rights infringements that may occur due to goods and services	Due diligence	Assessment of risk before introduction to the market
B Protection of Public-facing Workers	Customer service representative	Subsidiaries	Protection of CS personnel exposed to unreasonable behaviors(abusive language, sexual harassment, insults, threats) or excessive demands	Due diligence	Monitoring of public-facing workers
C Protection of Personal Information	General public	KT, subsidiaries, suppliers	Protection of personal information and privacy, which are closely related to the telecommunication business	Due diligence	Inspection of protection of private information
D Supply Chain Human Rights	Suppliers, employees, migrant workers	Suppliers	Infringements of the basic human rights, labor rights and right to safety of supplier employees	Due diligence	Assessment of sustainable management of the supply chain
E Protection of the Indigenous Rights	Residents, local communities	Local communities	Direct infringement on resident rights, including land and property due to business expansion	Due diligence	Assessment of business risks
F Employee Human Rights	Employees	KT	Basic human rights, labor rights, and safety rights violation issues in employee working environment	Due diligence	-
G Harmful Content	Children, general public	KT	Protection of children from access to harmful content, and protection of universal access to information	Precautions	-
H Conflict Minerals	Residents, children	Material suppliers	Exploitation of child labor in the Congo and neighboring countries in the production of tin, tungsten and tantalum used in electronic devices	Precautions	—

Identification and Assessment of Value Chain-related Human Rights Issues



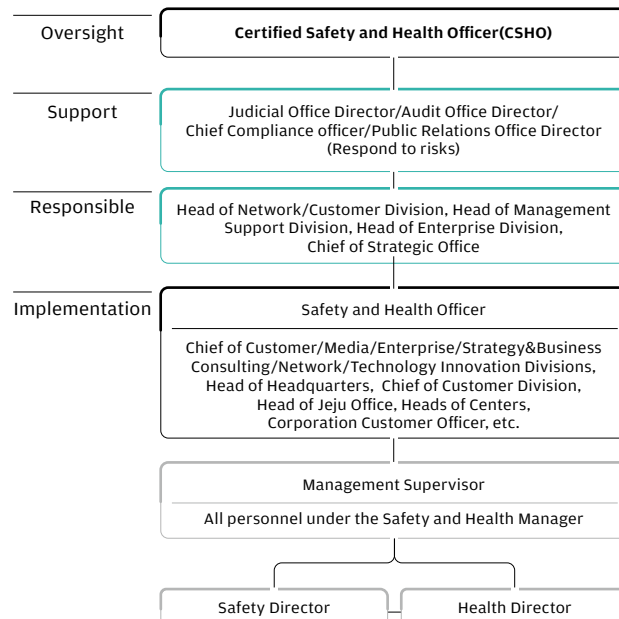
Safety and Health

Safety and Health Governance

Certified Safety and Health Officer(CSHO)

KT's Certified Safety and Health Officer serves as KT's Chief Safety Officer, responsible for overseeing company-wide safety and health organization, personnel, budget, and safety and health risk response.

Safety and Health Management Organization Chart

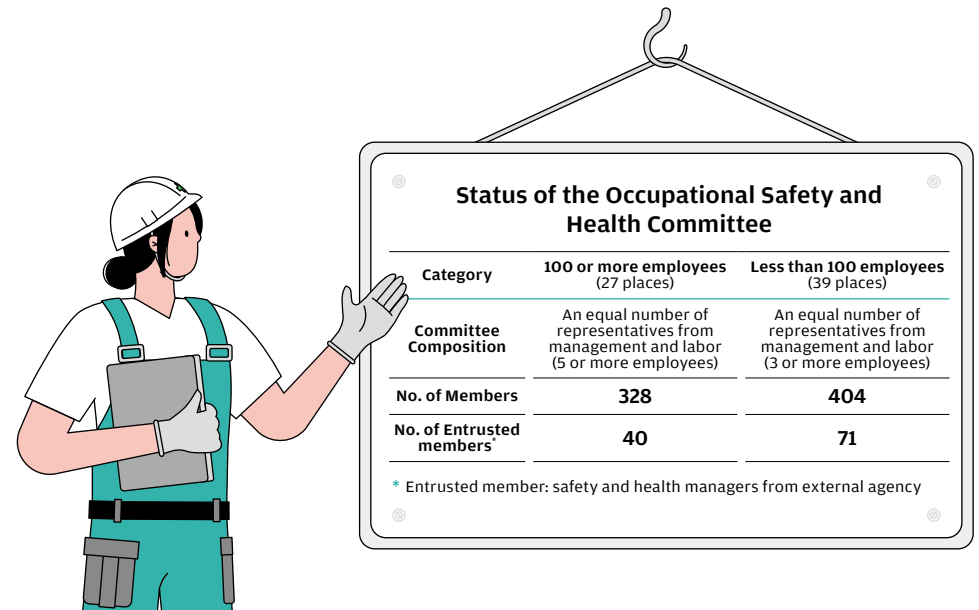


Roles of Dedicated Departments

KT's dedicated safety and health organization performs roles including establishing company-wide safety and health plans, fulfilling legal safety and health obligations, operating safety and health management in by sector, inspecting field safety implementation, conducting risk assessments and deriving improvement activities, and responding to accidents and applying recurrence prevention measures.

Occupational Safety and Health Committee

KT operates an Occupational Safety and Health Committee to protect workers from risks or industrial accidents in the workplace, where labor and management jointly deliberate on and decide major matters related to industrial safety and health. A total of 732 members from 66 business sites nationwide constitute the Committee.



Safety and Health Strategy

Safety and Health Management Policy

KT establishes and implements an annual industrial safety and health basic plan to achieve the goal of accident-free workplaces. Following our policy of 'Establishing a comprehensive accident safety net through creating a safety-first corporate ecosystem', we have built a comprehensive safety management organizational system aligned with each organization's functions and responsibilities. We are securing field safety by strengthening management responsibility down to the field level. KT aims to achieve zero workplace accidents through systematic safety and health policies.

Management Policy on Safety and Health



All employees shall work to establish a corporate ecosystem that prioritizes safety, creating a thorough safety net. Based on a strong sense of ownership, they shall proactively address safety and health risks to ensure a workplace in which safety comes first. To this end, we have set and are actively implementing the following safety and health policies.

- 1 Identify and address blind spots, potential hazards and risk factors to prevent accidents.
- 2 Improve employees' safety awareness by instilling a strong sense of ownership.
- 3 Reinforce management responsibilities to ensure safety is a priority at all levels in the field.
- 4 Strengthen comprehensive organizational structures and infrastructure for proactive responses to safety and health risks.
- 5 Support the independent safety and health management of suppliers to prevent accidents in subcontracted projects.
- 6 Enhance safety and health management of facilities to prevent accidents for both employees and the public.
- 7 Comply with safety and health-related laws and regulations, and realize a safe and healthy workplace through the establishment and implementation of a safety and health management system.

Top 4 Areas and Goals of Safety and Health

1 Establishment of Safety and Health Management System through Advanced AICT-based Management System



- 1 Transition of company-wide safety and health management system to Azure-based AICT platform
- 2 Standardization of unstructured internal and external safety and health data
- 3 Application of Copilot to safety and health tasks including safety diagnosis, risk assessment, and legal compliance documentation
- 4 Management of hazardous and dangerous field factors and safety work using Azure Custom Vision Tool

2 Construction of Safe Workplace through Improved Management System for Hazardous and Risk Factors



- 1 System-based management and continuous improvement of aged/vulnerable facilities
- 2 Real-time provision of workplace hazardous and risk factors, aged/vulnerable facility information for pre-work measures
- 3 Establishment and implementation of practical recurrence prevention measures through root cause analysis of industrial accidents using Copilot/AI analysis
- 4 Implementation of continuous hazardous and risk factor identification activities with participation by all group company employees

3 Strengthening Win-Win Cooperation with Group Companies and Partners for Safe Working Environment for AI



- 1 Strengthening compliance inspection activities for construction site safety rules to transform field workers' safety mindset
- 2 Unification of KT-Group Company-Partner evaluation system to achieve common safety goals
- 3 Improvement of budget allocation/execution system for timely and appropriate use of the safety and health budget
- 4 Support for securing group company/partner capabilities and promoting communication for establishing independent safety and health management system

4 Establishment of Safety and Health Management System through Advanced AICT-based Management System



- 1 Strengthening rewards and encouragement to enhance employee safety awareness and induce participation in accident prevention
- 2 Promotion of KT safety and health management system and enhancement of corporate image through external awards/certifications in the safety and health field
- 3 Regularization of employee safety management awareness level diagnosis and strengthening education to improve safety capabilities
- 4 Strengthening employee health care and occupational disease prevention activities

Safety and Health Strategy

Mid-to-Long-term Safety and Health Plan

2025

AI/Data-based Group-level Safety and Health Management System Establishment(37,600 aged/vulnerable facilities improved)

- Foster a safety health management system through advanced AICT-based management
- Construct safe workplace through discovery and elimination of hidden hazardous and risk factors, and improvement of management system
- Strengthen win-win cooperation with group companies and partners for safe working environment for all
- Establish safety culture through autonomous prevention activities

01

2026

Safety and Health Management System Advancement and Optimization (37,400 aged/vulnerable facilities improved)

- Advance AICT-based safety and health management system
- Construct safe workplace through continuous discovery and elimination of hazardous and risk factors, and expansion of worker safety management capabilities
- Expand win-win cooperation for zero accidents in group companies and partners
- Autonomous prevention-centered safety culture

02

2027

Completion of KT Group Autonomous Safety and Health Management System (34,500 aged/vulnerable facilities improved)

- Complete AICT-based autonomous safety and health management system
- Continuous discovery of hazardous and risk factors and completion of elimination of identified high-risk factors
- Safety and health win-win cooperation system with group companies and partners
- Safety culture awareness among all employees encompassing group companies

03

Compliance with Safety and Health Laws and Regulations

KT maintains a dedicated safety and health organization to respond to the Serious Accidents Punishment Act and strives to prevent industrial accidents and promote health for all employees. We are promoting various safety and health activities, including the expanded operation of the Safety Strengthening Council and the piloting and development of construction site safety measures and equipment through cooperation with safety professional organizations. We are strengthening our safety management system with 16 specific initiatives focused on four major safety-first sectors to ensure the safety of all employees.



Implementing Safety Education

KT conducts regular safety education to ensure all employees naturally acquire a safety inspection and management culture. We designate a Safety Check Day monthly to encourage voluntary safety practice and implementation at the departmental level, while carrying out various activities to enhance safety awareness. Additionally, we offer biannual online training on industrial safety and accident prevention and have developed checklists covering the office environment, electrical safety, vehicle management, protective equipment, and work tools for field use. We conduct unscheduled inspections of vehicle and protective equipment management, facility security, and fire prevention, taking immediate corrective measures for non-compliance. Furthermore, we have developed and distributed a dedicated safety education app to suppliers to promote a safety management culture and provide systematic educational support.

3-Year Employee Safety Education Status (Unit: Persons)

Category	2022	2023	2024
Job training	169	123	182
Employee* education	18,017	17,071	17,077
Recruitment training	395	415	375
Special education	7,201	1,048	485

* Office and non-office workers

Safety and Health Risk Management

Certification for Occupational Safety and Health Management System

Based on continuous efforts to prevent industrial accidents and create a safe working environment, KT has obtained ISO 45001 certification in October 2023, an international standard for safety and health management. ISO 45001 is the highest-level international certification in the field of occupational safety and health, established by the International Organization Standardization(ISO) in 2018. It evaluates and certifies industrial accident prevention, the creation of a safe working environment, and the establishment and implementation of a systematic safety and health management system. KT obtained ISO 45001 certification across all business areas by having our existing safety and health management system for serious accident prevention objectively verified through external professional certification institutions and actively addressing identified gaps during the certification process. Moving forward, KT will continue to prioritize safety and health as a core management policy and continually enhance related management systems to create a safer and more reliable working environment, thereby providing stable services to our customers.

Certification for Occupational Health and Safety Management Systems(ISO 45001) Description

Scope of Certification Category

Wireless communication, High-speed internet, IPTV, IDC, Cloud, AI/DX service development and provision, Integrated design, Construction and Maintenance of information communication systems and networks

Validity Period

31 Oct. 2023 ~ 30 Oct. 2026

Certification Institution

Korea Management Registrar Inc.

Risk Assessment Implementation

KT systematically identifies hazards and risks in occupational safety and health through risk assessments and continuously takes follow-up measures to improve them. The assessment results include assessment procedures, identified risk hazards and risks, and reduction measures. Items requiring improvement are addressed according to risk reduction plans, followed by continuous monitoring of implementation status and risk levels. Additionally, on Safety Check Day, we conduct employee education based on assessment results and share assessment insights to KT group companies and partners that share similar risks, thereby contributing to company-wide risk mitigation.

Risk Assessment Results

(Unit: Cases)

Category		2022	2023	2024
Investigation Cases	Business support department	225	247	241
	Regional head offices	1,980	3,757	1,929
	Total	2,205	4,004	2,170
Immediately Improved	Business support department	160	211	221
	Regional head offices	1,597	3,216	1,751
	Total	1,757	3,427	1,972
Improved Future Improvement	Business support department	65	35	20
	Regional head offices	383	541	178
	Total	448	576	198

Safety and Health Risk Management

Supply Chain Safety and Health

Supply Chain Safety and Health Management Policy

KT places significant emphasis on safety and health risk management throughout the entire value chain. We also evaluate safety and health performance when selecting suppliers. Based on partner codes of conduct and implementation guidelines, we apply KT's safety and health policies, procedures, and standards. Additionally, we plan to provide regular support, including consulting on serious accident management systems and safety management education, to help suppliers establish independent safety and health systems.

Supply Chain Safety Enhancement Support

KT operates various support programs to help suppliers independently establish safety and health management systems and proactively prevent accidents. We have established a collaborative system with external specialized institutions to assess and enhance the safety and health status of our suppliers, thereby strengthening safety and health management systems through evaluation and consultation. We identified and eliminated risk factors through understanding the actual conditions of storage yards with high serious accident risks. Through monthly safety newsletters, we provided guidance on material seasonal safety work and actively supported accident prevention by distributing safety equipment, such as smartwatches and lifts.

2024 Supply Chain Safety Enhancement Support Status

Category	Support Status
Evaluate Risk Factors in Open Storage Yards	7 areas, 23 items total consulting: 127 companies
Supply and Support Safety Equipment	Smartwatch support: 160 units for 13 companies Lift support: 33 units for 40 companies
Provide Consulting Services for the Serious Disaster and Safety Accidents Management System	Hierarchical education for CEOs, safety executives, management supervisors, etc.: 527 people from 190 companies
Support Safety Education	Monthly customized safety and health newsletter provision

Supply Chain Safety Education

KT conducts safety and health education activities for suppliers through various channels. We share safety and health promotion strategies through safety and health meetings and councils, review major safety management issues for each supplier, and engage in active communication, including addressing grievances and discussing solutions. We support safety awareness improvement education courses tailored to each business owner, safety and health directors and managers, and construction workers of information and communication construction companies.



Industrial Accidents

Status of Industrial Accidents

Analysis of a total of 8 industrial accidents that occurred in 2024 revealed that the accident types were as follows: caught/cut(38%), falls(25%), other(including traffic accidents, illnesses, commuting accidents, etc.)(25%), and falling(12%). The leading causes of accidents showed equal ratios of worker negligence(50%) and accidental incidents(50%). By region, the Gangbuk/Gangwon area recorded the highest incidence rate at 37.5% of the total, followed by the Chungnam/Chungbuk area(25%), and the Busan/Gyeongnam, Daegu/Gyeongbuk, and Jeonnam/Jeonbuk areas, each at 12.5%. Through this analysis of industrial accident types and causes, KT has secured a foundation for preparing more sophisticated response measures and continues improvement efforts to minimize the occurrence of industrial accidents and create a safer working environment.

3-Year Industrial Accident Occurrence Status

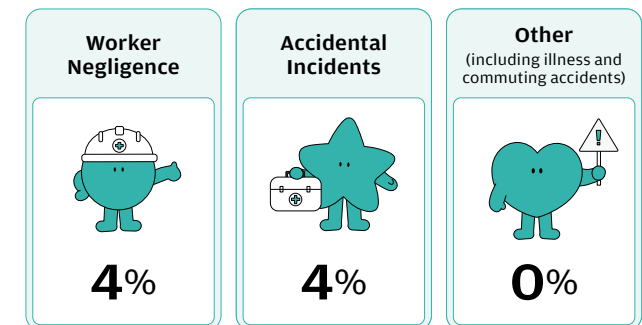
(Unit: Cases, %)

Category		2022	2023	2024
KT	Accident	12	17	8
	Industrial Accidents Rate ¹⁾	0.1	0.1	0.1
Supplier ²⁾		7	11	6

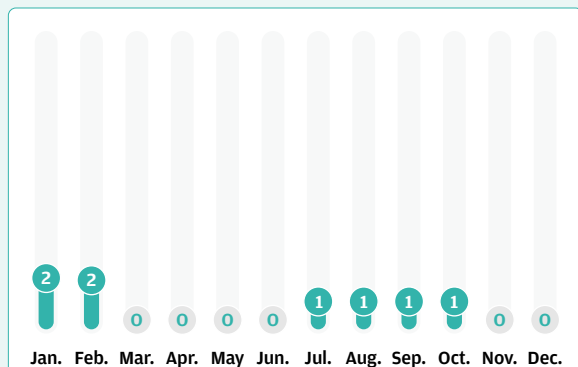
1) Number of accident victims / Annual average number of workers × 100

2) Based on industrial accident approval cases by year(Targeting 200 major supply companies in OSP/wireless/transmission & power supply fields)

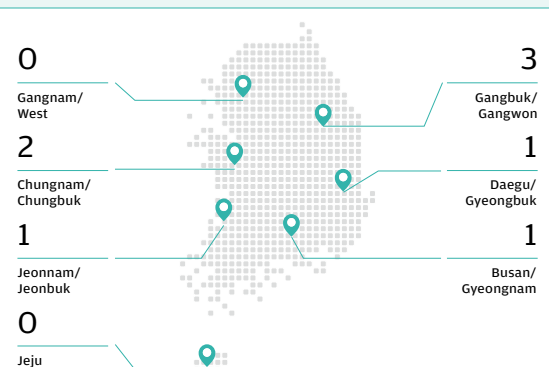
Industrial Accident Occurrence Rate by Cause



Monthly Industrial Accident Occurrence Rate



Industrial Accident Occurrence Rate by Region



Supply Chain

Supply Chain Governance

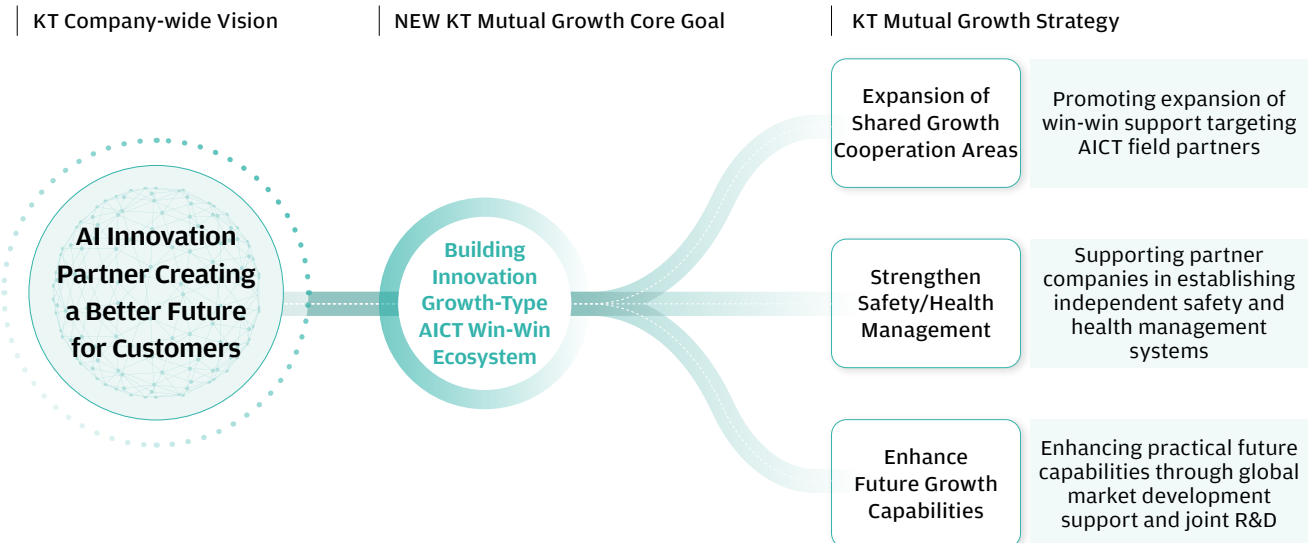
Supervising Department Role

KT has been continuously conducting multifaceted activities for mutual cooperation with suppliers since establishing a dedicated win-win growth organization in 2010. The dedicated organization complies with relevant laws including the Fair Transactions in Subcontracting Act(Subcontracting Act) and the Act on the Promotion of Mutually Beneficial Cooperation Between Large Enterprises and Small and Medium Enterprise(hereinafter referred to as the 'Mutual Cooperation Act') and handles the entire process of new supplier registration, supplier selection and evaluation fairly and transparently. Additionally, we establish supply chain management goals that create mutual benefits for both KT and its partners.

Supply Chain Management Strategy

Mutual Growth Strategy

KT has presented 'Building Innovation Growth-Type AICT Win-Win Ecosystem' as the new core goal of mutual growth. Based on this, KT has expanded supplier support targets to companies that contribute to securing AICT competitiveness and actively supports sustainable supply chain construction. To build competitiveness to lead future technologies and provide differentiated services, KT has established a mutual growth system for win-win cooperation with partners based on communication and collaboration. Since establishing the dedicated mutual growth organization in 2010, we have been steadily conducting various activities for continuous win-win cooperation with partners. In particular, we have expanded partner win-win cooperation support from the existing CT field to the AICT field, newly introduced AICT-specialized win-win cooperation programs, and are making multifaceted efforts together to support suppliers' business stability and enhance their future competitiveness.



Supply Chain Management Strategy

Mutual Growth Program

New Technology Development Cooperation Support

KT is actively supporting partners in the development of new technologies and solutions for mutual growth within the domestic ICT industry ecosystem. In 2020, we signed a business agreement with the Ministry of SMEs and Startups and established a fund totaling KRW 4 billion to participate in the collaborative SME technology development and innovation project. Based on this, we are jointly developing new technologies with partners and achieving practical results such as cost reduction, quality improvement, and localization of network equipment through joint equipment and service development. KT shares these achievements with partners through a performance-sharing system, embodying the principles of mutual growth. Additionally, we are actively responding to the Fourth Industrial Revolution era, together with our partners, by transferring excellent patents owned by KT free of charge to help partners overcome technological barriers.

3-Year Supplier Support Status

(Unit: Cases, KRW million, Persons, Companies)

Category		2022	2023	2024
Joint R&D and New Product Development with SMEs	Count	255	284	302
	Cost	47,923	49,701	67,657
Technology Support and Protection	Performance sharing system Count	31	18	22
	Cost	463	1,748	900
	No. of technical data verification and supervision cases	86	86	85
	No. of trade secret original certification supervision cases	3,369	3,348	3,314
	Free patent assignment Count	28	17	22
	Cost	234	178	147
	No. of technology transfer support cases	12	15	20
Workforce Support	No. of SBC Plan participants	23	23	23
	No. of online recruitment participants	231	247	220

National Human Resources Development Consortium

Since 2003, we have been participating in the National Human Resources Development Consortium project, continuously working to strengthen the job competencies of small and medium enterprise(SMEs) and enhance their competitiveness. As a leading company in Korea's telecommunications market, KT operates practical job-oriented training programs essential for field work, such as wireless facility construction management and transmission line facility construction management, based on our accumulated technology and experience. Through these programs, we are enhancing the field response capabilities of SME personnel. As a result of these efforts, we were selected as the Best Institution in 2021 and Excellent Institution in 2022, and were honored to be designated as an Autonomous Joint Training Center for two consecutive years in 2021 and 2022. KT plans to continue expanding not only telecommunications technology and safety education but also training programs to strengthen AI capabilities of SMEs, and to provide ongoing support for enhancing competitiveness in the digital field. To this end, we are actively participating not only in the National Human Resources Development Consortium but also in the government's digital talent development policies such as K-Digital Training, helping to bridge the gap between large corporations and SMEs through these activities.

Support for Market Development

We are conducting various activities to support our partners' sales expansion and global market entry, including joint participation in renowned international exhibitions and participation in the Ministry of SMEs and Startups' Large-Small Business Joint Global Market Entry Support Program. In 2024, we operated dedicated KT Suppliers Pavilion at three overseas exhibitions including MWC and IFA, supporting their participation. We expanded our support targets beyond existing Telco suppliers to include promising AI venture startups that KT directly discovered, nurtured, and invested in. Through this, we established a foundation for small and medium venture partners to effectively promote their technologies and services to overseas buyers and investors, substantially contributing to enhancing our suppliers' global competitiveness.

Joint Participation in Global Exhibitions in 2024

MWC Barcelona 2024

Supported five companies

2024 CommunicAsia Singapore

Supported eight companies

2024 IFA Berlin

Supported ten companies

Large, Medium, and Small-sized Joint Market Development Project 2024

2024 IFA Berlin

73 investment matching cases, 2 MOUs

Supply Chain Management Strategy

Mutual Growth Program

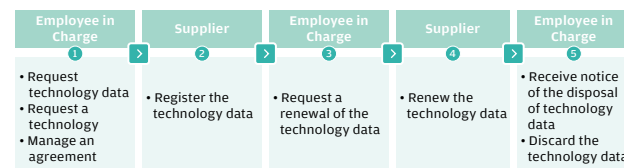
KT Eco:N

KT Eco:N KT has established and operates the partner cooperation platform 'Eco:N' to strengthen platform-based business collaboration with suppliers. Eco:N serves to discover promising suppliers in the AICT field and support smooth collaboration by providing KT employees with various corporate information including partners' solutions, credit ratings, financial status, and intellectual property rights. As of 2024, a total of 2,911 companies are registered on Eco:N, and based on this foundation, various forms of collaboration are taking place including service launches and order proposal collaboration(Commercialization), business cooperation agreements and technical verification(MOU/PoC), and technical document reviews and cooperation meetings(Collaboration Discussions). Through the introduction of Eco:N, lead time has been significantly reduced compared to the existing human network-centered cooperation method, and a more proactive and efficient cooperation system has been established, contributing to creating a healthy business ecosystem. Partners can expand opportunities for collaboration with KT and investment attraction by proactively sharing their information through Eco:N, while KT can continue sustainable win-win cooperation with competitive partners. In 2025, we plan to newly open 'KT Group Eco:N' to expand this platform-based cooperation model throughout the KT Group. Additionally, KT operates the KT Partner Portal(<http://partner.kt.com>) as a grievance handling channel, and when disputes occur with partners, the responsible committee reviews the content and provides oversight. (Dispute mediation application email: subcontract@kt.com)(1 case occurred as of 2024, with details disclosed in February 2025 DART announcement)

KT TechCare

KT has established the KT TechCare system to safely protect partners' technical materials and activate business cooperation proposals. The KT TechCare system issues technical document request forms and NDAs, allowing only authorized KT users whose access aligns with the intended purpose to view the relevant materials, and applies DRM(Digital Rights Management) functions to automatically delete of technical materials after the agreed retention period. To date, approximately 3,800 companies have joined and are safely conducting technical material transactions, and all external idea proposal channels have been unified into the TechCare system for systematic management. Additionally, business departments conduct proposal reviews under the leadership of directors, and the review results are communicated to proposing companies within 30 days, improving the process to enable transparent and rapid feedback. Through these system and process improvements, 31% of externally received ideas have been adopted, achieving success with collaboration discussions proceeding with KT business divisions. In 2025, we plan to enhance system functions to increase partner convenience and strengthen promotion and communication to activate external idea proposals, further expanding opportunities for mutual growth with suppliers.

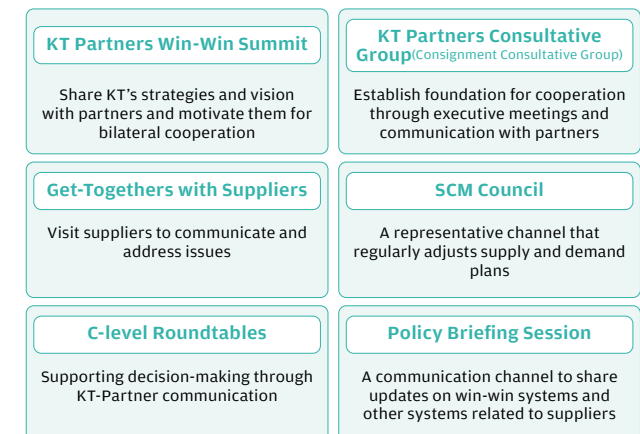
Technical Document Control Process



Communication with the Supply Chain

KT has established an annual win-win communication roadmap and is promoting systematic communication based on this roadmap for smooth cooperation with partners who will join us in our leap toward becoming an AICT company. We host the 'KT Partners Win-Win Summit' to share KT's strategy and vision and provide key business information, thereby enhancing mutual cooperation commitment with partners. Additionally, we operate regular communication programs to help partners make more effective management decisions and provide comprehensive practical support. Furthermore, at year-end, we encourage partners who have achieved outstanding performance in various cooperation fields through an excellent supplier awards ceremony, establishing a foundation for continuous communication and strengthening the cooperation system.

Supply Chain Communication Channels



Supply Chain Risk Management

Sustainable Supply Chain Policy

KT established the Supplier Sustainability Guidelines in 2012 as the first domestic telecommunications company to minimize risks within the supply chain and realize mutual growth with partners in the long term. Through these guidelines, KT clearly presented our commitment to extending responsible and sustainable management throughout the entire supply chain, established standards for governance management principles, environmental management principles, and social responsibility across the supply chain. In 2020, we revised the Supplier Sustainability Guidelines into the Supplier Code of Conduct and Practice Guidelines. The key feature is the redefinition of core areas such as human rights, environment, occupational safety and health, and ethics, reflecting global trends including the UN Global Compact.

Supply Chain Pre-Screening

We execute written contracts based on electronic contract systems with newly registered suppliers annually, clearly incorporating compliance with supply chain policies and the implementation of related requirements throughout this process. In 2016, we revised the Special Agreement on Ethics require the execution of separate commitment statements, including ethical management and fair trade compliance, when concluding contracts with suppliers, ensuring that suppliers thoroughly comply with KT's ethical management policies. These special terms clearly include provisions prohibiting unethical conduct, such as acceptance of money and gifts during contract implementation. In 2021, we further amended and supplemented the Special Agreement on Ethics to enhance transparency in bidding and contract processes, thereby strengthening the institutional foundation for third parties including suppliers to comply with KT's reinforced ethical management policies.

Four Guidelines for Mutual Growth

Partner Selection and Operation Guidelines	>	The purpose is to establish evaluation criteria, evaluation items, and procedures for new material and construction partners.
Subcontracting Transaction Contract Execution Operational Guidelines	>	The contract regulations aim to establish matters related to contracts for purchasing goods(including manufacturing and procurement), construction, services, sales, and leasing at KT.
Subcontracting Transaction Internal Review Committee Operation Guidelines	>	The Subcontracting Transaction Internal Review Committee aims to conduct prior reviews of the fairness and legality of company subcontracting transactions per Article 53 of the contract regulations.
Written Issuance and Preservation Guidelines	>	To establish written issuance and preservation in subcontracting transactions, guidelines for written issuance and preservation are introduced and implemented.

Supply Chain Risk Management

Supply Chain Risk Assessment

KT introduced external ESG evaluation in 2021 to objectively assess suppliers' non-financial risks and make efforts to improve them. In 2023, we implemented ESG assessments for suppliers across all fields including materials and construction, and operated consulting programs considering the evaluation results of material/construction field suppliers to provide comprehensive ESG improvement opportunities. In 2024, we plan to conduct consulting for key suppliers based on ESG evaluation results to implement initiatives to reduce non-financial risk levels within the supply chain. In particular, through ESG consulting in collaboration with the Korea Commission for Corporate Partnership, we aim to elevate suppliers' ESG ratings uniformly and ultimately realize ESG internalization in the supply chain. The supply chain ESG evaluation criteria assess partners' environmental management capabilities and social areas including human rights, education, customer management and working conditions, and safety management, while governance areas assess ethical management, management stability and transparency. Additionally, KT conducts qualified contractor evaluations to assess safety and health levels in the supply chain, managing worksites with high potential for industrial accidents. We encourage and support safety-recognized suppliers to secure safety certifications (Such as SH certification), and verify safety certifications when concluding contracts with partners.

Supply Chain Risk Assessment Process and Indicators

KT operates supply chain ESG risk assessment indicators, considering industry characteristics and international initiatives, objectively assess and improve suppliers' non-financial risks. Additionally, we evaluate and select suppliers based on evaluation criteria by field, including materials, construction, software development, services, and stores. We conduct management evaluations and RMI(Risk Management Index) monitoring twice a year, in the first and second halves, through external credit rating agencies.

On-Site Due Diligence

KT selects suppliers for on-site Due Diligence through comprehensive consideration of risk predictions based on supply chain risk pre-identification results and ESG risk written diagnostic assessment results.

2024 Supply Chain Risk Assessment Result* (Unit: Companies, %)

Category		2022	2023	2024
Registered Suppliers	No. of suppliers	468	388	420
	Rate	100	100	100
Suppliers subject to Assessment	No. of suppliers	468	388	420
	Rate	100	100	100
Suppliers subject to ESG Assessment	No. of suppliers	395	381	368
	Rate	84	98	88
Suppliers subject to On-Site Due Diligence	No. of suppliers	395	381	418
	Rate	84	98	99

* Reflects voluntary mergers and acquisitions among construction suppliers due to changes in supplier management systems and exclusion of duplicate suppliers by field

Risk Improvement Plan Development

KT immediately provides corrective measures during on-site due diligence for suppliers with potential significant risk factors or those expected to face risks, and recommends establishing improvement plans for risk factors that cannot be immediately addressed. Additionally, we monitor whether the relevant suppliers are appropriately implementing risk improvement activities according to their improvement plans. When difficulties or challenges are identified in the process, we provide additional support, such as revising and supplementing improvement plans and providing necessary materials.

ESG Training and Consulting Support

KT provides ESG consulting and training support to enhance ESG management levels for suppliers that fail to meet requirements or have significant risk factors identified through ESG risk written diagnosis and on-site due diligence results. ESG consulting derives improvement tasks for each significant risk element faced by partners, subsequently providing specific task implementation guides along with best practices.



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Board of Directors

Composition of the Board of Directors

Current Status of BOD Members

KT separates the CEO and Chairman positions to ensure the Board of Directors can make independent decisions from management and faithfully perform its supervisory function. Additionally, KT appoints the Board Chairman from among Independent Directors to strengthen the Board's independence and accountability.



As of March 2025, KT's Board of Directors consists of 10 members, with Independent Directors comprising 80%, exceeding the majority requirement stipulated in Article 542-8, Paragraph 1 of the Commercial Act. KT strives to ensure that committees within the Board can provide objective oversight of management.

BOD Member Status

(As of March 2025)

No.	Name	Position	Gender	Date of Birth	Expertise	Date Appointed	Career Experience
1	Young-Shub Kim	CEO & Executive Director	M	Apr. 1959	ICT & Management	Aug. 2023	Current CEO of KT
							Former CEO of LG CNS, CFO of LG U+
2	Chang-Seok Seo	Executive Director	M	Jul. 1967	ICT & Management	Aug. 2023	Current Senior Executive Vice President of KT Network Group
							Former Executive Vice President of KT Jeonnam & Jeonbuk Regional Headquarters, Senior Vice President of Network Strategy Unit, KT Network Group
3	Seong-Cheol Kim	Chairman of BOD, Independent Director	M	Jun. 1964	ICT, Risk & Regulation	Jun. 2023	Current Professor of Korea University School of Media and Communication, Outside Senior Director of KCA, Director of International Telecommunications Society(ITS)
4	Yong-Hun Kim	Independent Director	M	Mar. 1955	Legal, Risk & Regulation	Mar. 2022	Current Partner Lawyer of DR & AJU, Independent Director of the Community Chest of Korea
							Former Secretary General of the Constitutional Court of Korea
5	Yang-Hee Choi	Independent Director	M	Jul. 1955	Future Technology & ICT	Jun. 2023	Current President of Hallym University, Vice-president of the Presidential Advisory Council on Science and Technology
							Former Minister of Science, ICT and Future Planning, Professor of Computer Engineering at Seoul National University

No.	Name	Position	Gender	Date of Birth	Expertise	Date Appointed	Career Experience
6	Woo-Young Kwak	Independent Director	M	Sept. 1956	ICT & Management	Jun. 2023	Former Visiting Professor of Seoul National University Graduate School of Engineering Practice, Chairman of Steering Committee of the Vehicle IT Fusion & Innovation Center under the Ministry of Science, ICT, and Future Planning, Head of Hyundai Motor Vehicle IT Development Center(Vice President)
7	Jong-Soo Yoon	Independent Director	M	Aug. 1958	ESG, Risk & Regulation	Jun. 2023	Current Full-time Advisor of Kim & Chang, Member of the Presidential Commission on Carbon Neutrality and Green Growth
							Former Vice Minister of Environment
8	Yeong-Kyun Ahn	Independent Director	M	Feb. 1959	Accounting & Finance	Jun. 2023	Current Board Member of IFAC
							Former Vice President of Research and Administration of the Korean Institute of Certified Public Accountants, Member of the International Accounting Education Standards Board
9	Seung-Hoon Lee	Independent Director	M	Dec. 1962	Finance & Management	Jun. 2023	Current Operating Committee Member of Korea Investment Corporation(KIC), Director of Kyung Hee University System
							Former Executive Managing Director of SK/SK Telecom/SK Gas New Growth/M&A, Head of JP Morgan Korea Research Center
10	Seung-Ah Cho	Independent Director	F	Oct. 1967	Management & ESG	Jun. 2023	Current Professor of Seoul National University Business School, Director of Harvard Alumni Association
							Former Vice President/Director of International Affairs of Seoul National University Vice President of Korean Society of Strategic Management

Composition of the Board of Directors

Process for the Election of Directors

The CEO is appointed through a shareholder resolution after a final recommendation by the Board of Directors, following the formation and examination of a candidate pool by the Director Candidate Recommendation Committee, which is composed entirely of Independent Directors. In particular, by raising the shareholder voting thresholds for CEO appointment proposals, we have institutionalized the recommendation of CEO candidates who garner majority shareholder support. Executive Directors, other than the CEO, are appointed at the shareholder meeting by the CEO from among the company's executive officers, with the consent of the Director Candidate Recommendation Committee and approval by the Board. All directors are appointed individually, rather than collectively, to ensure protection of shareholder rights.

Board Independence

KT ensures the independence of Independent Directors by specifying related requirements in the Articles of Incorporation and codifying that their total tenure cannot exceed 6 years, thereby preventing independence from weakening due to long-term service. Additionally, in 2023, we established the 'Independent Director Selection Procedure Improvement Plan', introducing a shareholder recommendation system for Independent Directors and further strengthening transparency and fairness through the formation of an advisory committee for Independent Director candidate evaluation and the exclusion of Executive Directors from the Independent Director appointment process.

Board Diversity

Through the 2018 Corporate Governance Charter revision, we ensured that directors with diverse perspectives and experiences would be appointed to flexibly respond to changing business environments, and that diversity in gender, age, nationality, race, cultural background, and professional complementarity in duties, experience, expertise, and educational background is secured during director appointments. When appointing Independent Directors, the Director Candidate Recommendation Committee thoroughly reviews and screens impartial candidates who are preeminent specialists in fields capable of providing professional advice for our company's development, have no legal disqualifications, and have no specific conflicts of interest before recommending them to the shareholder meeting.

Board Expertise

KT forms its Board by carefully evaluating not only fundamental corporate governance competencies such as finance, accounting, and management, but also broad risk management capabilities, including legal and regulatory expertise. It also evaluates the level of understanding of advanced telecommunications technology industries represented by AICT, and ESG capabilities for sustainable management practices. KT's Board selects top experts in fields capable of providing professional advice for our company's development and performs decision-making functions and management oversight functions to enhance corporate competitiveness.

2024 Board Education Status

Date	Independent Directors Attendance	Education Topic
Jan. 18	All Members	Major Technology Trends - CES 2024 Review
Mar. 5	All Members	Major Technology Trends - MWC 2024 Review
Apr. 9	All Members	KT Global Business Progress Status
Apr. 11	All Members	2024 KT Group Management Direction
Jun. 11	All Members	Corporate Value-up Guideline Finalization and Response Plan
Jun. 20	All Members	KT Group Real Estate Status
Sep. 24	All Members	Internal Accounting Control System Education
Nov. 5	All Members	KT Corporate Value Enhancement Plan

Operation of the Board of Directors

Board Convening and Meetings

KT held a total of 15 Board meetings during 2024, deliberating upon and resolving a total of 66 agenda items, including the 'Sustainable management implementation plan' for differentiated ESG activities. Board resolutions are, in principle, passed by the attendance of a majority of directors with voting rights and the approval of a majority of those present. However, if the Commercial Act or Articles of Incorporation stipulate otherwise, such provisions shall take precedence. The average attendance rate for KT's Board in 2024 was 99.3%, with Executive Directors recording an attendance rate of 96.7% and Independent Directors achieving 100% attendance. Among these, Independent Directors presented amendments, supplements, or opposing opinions on a total of 4 agenda items, representing 6.1% of all agenda items. Additionally, KT actively supports independence and expertise by holding exclusive independent director sessions at least once monthly on a regular basis, enabling Independent Directors to perform rational decision-making and management oversight roles representing shareholders faithfully.

Board Evaluation

KT regularly evaluates the activities of the Board, committees, and directors to enhance Board operational efficiency. Evaluations are divided into Board evaluation and individual evaluation(Self-evaluation) with the Board evaluation including assessments of the Board's roles and responsibilities, Board efficiency, and the appropriateness of committee activities. Individual evaluation consists of assessing directors' fulfillment of their duty of care and loyalty, active participation as fiduciary managers, and contribution to corporate value enhancement. The 2024 Board evaluation score averaged 4.9 out of 5 points, showing a slight increase compared to the previous year's evaluation. This results from improving Board operations through annual feedback on Board activities. We continue to enhance operational efficiency of the Board.

Compensation for Directors

KT aligns compensation for executive directors, including the CEO, with management performance outcomes. The Board establishes compensation payment standards and methods, reports them to the annual shareholder meeting, and secures approval for compensation caps through a shareholder resolution. Additionally, part of the compensation is paid in company shares, with transfer restrictions applied for a specific period, encouraging responsible management and long-term corporate value enhancement, rather than focusing on short-term performance.

Board of Directors Compensation Summary*

(Unit: Persons, KRW Million)

Compensation Category	No. of Directors	Total Amount	Average Compensation per Person
Executive Directors	2	1,651	826
Independent Directors	8	782	98

* CEO-to-Employee Average Compensation Ratio: 8.19 times

Result of BOD Evaluation

(Unit: Score)

Category	Evaluation Area	2022		2023		2024	
		Average Score	Total Average Score	Average Score	Total Average Score	Average Score	Total Average Score
Roles and responsibilities of the BOD	Development of long-term strategy, monitoring of management, evaluation of financial results, fair treatment of shareholders, decisions considering shareholders' long-term interests, CEO evaluation and compensation, succession and training of CEO candidates	4.7		4.8		4.9	
Efficiency of the BOD	Adequacy of the frequency of BOD sessions and agenda items submitted, sufficiency and adequate explanation of data provision of sufficient time to review documents, active discussions, collection of information required for decisionmaking, monitoring follow-up measures, education of newly elected directors, adequacy of the composition of the board	4.8	4.7	4.8	4.8	4.8	4.9
Adequacy of the Committees' activities	Expertise of the committees' composition, delegation of authority to committees, organic connection between the BOD and the committees, adequacy of the composition of the committees, adequate use of expertise, efficient operation of the committees	4.7		4.9		4.9	

Board Responsibility

KT directors must faithfully perform their duties to the company and are covered by directors' and officers' liability insurance to protect against economic damages resulting from legal compensation liability to the company or third parties during the performance of their duties. As of 2024, the total coverage limit is KRW 50 billion.

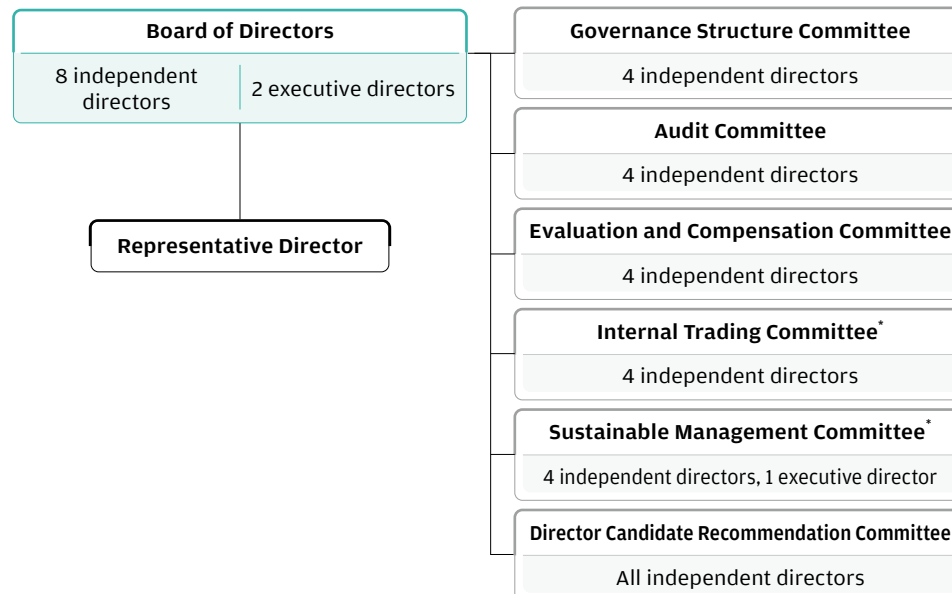
Committees within the Board

Board Committee Composition

KT operates a total of six committees under the Board to support efficient decision-making by utilizing the expertise of its directors. These include the Governance Structure Committee, Audit Committee, Evaluation and Compensation Committee, Internal Trading Committee, Sustainable Management Committee, and Director Candidate Recommendation Committee, with committee composition following each committee's operating regulations.

Organizational Chart of the BOD and BOD Committee

(As of March 2025)



* Integrated into the ESG Committee in May 2025

Governance Structure Committee

The Governance Structure Committee is established and operates to improve KT's overall governance structure. The Governance Structure Committee reviews and evaluates measures related to Board size and Independent Director ratios, as well as the composition and roles of the Board and its committees, and operational efficiency and the activation of functions within the Board and its committees. It deliberates upon and determines various matters, including amendments to governance-related regulations such as KT's Articles of Incorporation, Board-related regulations, and Corporate Governance Charter, as well as Board and Independent Director evaluation plans. The Governance Structure Committee comprises four independent directors to ensure independence.

Governance Structure Committee Composition

(As of March 2025)

Name	Yang-Hee Choi	Woo-Young Kwak	Seung-Hoon Lee	Seong-Cheol Kim
Category	Independent Director (Chairman)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)

2024 Governance Structure Committee Operations

Date	Agenda Item	Review Result
1st Feb. 6, 2024	Partial Amendment to Articles of Incorporation	Accepted with Amendments
2nd Apr. 9, 2024	Amendment to Board-Related Regulations	Accepted as Proposed
3rd Aug. 6, 2024	Amendment to Board-Related Regulations	Accepted as Proposed
4th Dec. 19, 2024	Amendment to Board-Related Regulations	Accepted as Proposed

Committees within the Board

Evaluation and Compensation Committee

The Evaluation and Compensation Committee deliberates and resolves matters related to the CEO's management objectives and evaluation. The committee resolves CEO management objectives and assess achievement of management objectives, and deliberates on compensation standards and payment methods for the CEO and Executive Directors. The committee must consist of at least three independent directors to enhance objectivity and transparency in the compensation and evaluation process for the CEO and Executive Directors.

Evaluation and Compensation Committee Composition

(As of March 2025)

Name	Seong-Cheol Kim	Yang-Hee Choi	Jong-Soo Yoon	Seung-Ah Cho
Category	Independent Director (Chairman)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)

2024 Evaluation and Compensation Committee Operations

Date	Agenda Item	Review Result
1st Mar. 5, 2024	2023 CEO Management Objective Implementation Achievement Report	Accepted as Proposed
2nd Mar. 7, 2024	2023 CEO Management Objective Evaluation Results	Evaluation Results Finalized
3rd Apr. 9, 2024	2023 Long-Term Incentive and Stock Compensation Payment with Treasury Stock Disposition	Accepted as Proposed
4th Jun. 11, 2024	CEO and Executive Director Compensation Criteria and Disbursement Methods	Accepted as Proposed
	2024 Long-Term Incentive Compensation Limit and Stock Compensation Standards	Accepted as Proposed
5th Jun. 20, 2024	2024 CEO Management Objectives	Approved as Proposed

Internal Trading Committee*

The Internal Trading Committee is a committee within the Board established to create basic policies for internal transactions between affiliates and monitor internal transactions. The Internal Trading Committee must consist of at least three independent directors, independent of the company, and perform roles including reviewing and approving internal transactions above a certain scale stipulated in the Fair Trade Act and its enforcement decree, as well as monitoring and supervising legal violations such as illicit support transactions.

Internal Trading Committee Composition Status

(As of March 2025)

Name	Woo-Young Kwak	Yong-Hun Kim	Jong-Soo Yoon	Yeong-Kyun Ahn
Category	Independent Director (Chairman)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)

2024 Internal Trading Committee Operations

Date	Agenda Item	Review Result
1st Aug. 13, 2024	Subsequent Matters(Assignment of Claims) for B2C USIM Business Transfer to kt M mobile	Approved as Proposed
2nd Nov. 5, 2024	KT-kt cloud Related Party Transaction Implementation	Conditionally Accepted

* Integrated into ESG Committee in May 2025

Committees within the Board

Sustainable Management Committee*

The Sustainable Management Committee is a committee within the Board that provides comprehensive oversight and decision-making on all matters related to KT's sustainable management. It performs roles including sustainable management mid-to-long-term strategy, Board reporting on sustainability initiatives and risk management, and is composed of Independent Directors comprising a majority of the total committee members.

Sustainable Management Committee Composition

(As of March 2025)

Name	Yang-Hee Choi	Woo-Young Kwak	Jong-Soo Yoon	Seong-Cheol Kim	Chang-Seok Seo
Category	Independent Director (Chairman)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)	Executive Director (Member)

2024 Sustainable Management Committee Operations

Date	Agenda Item	Review Result
1st Jan. 18, 2024	KT Win-Win Cooperation Fund Extension	Approved as Proposed
	2023 ESG Management Implementation Performance Report	Accepted as Proposed
2nd Apr. 9, 2024	2024 ESG Management Implementation Plan	Accepted as Proposed

Director Candidate Recommendation Committee

The Director Candidate Recommendation Committee discovers CEO and Independent Director candidates and deliberates and resolves the entire process from evaluation to nomination. It has fair and reasonable processes for CEO succession and Independent Director candidate recommendation, and performs the role of systematically verifying candidates' professional expertise and recommending them to the Board. The Director Candidate Recommendation Committee consists of all Independent Directors, thereby ensuring both committee independence and procedural objectivity.

Director Candidate Recommendation Committee Composition Status

(As of March 2025)

Name	Seong-Cheol Kim	Yong-Hun Kim	Yang-Hee Choi	Woo-Young Kwak	Jong-Soo Yoon	Yeong-Kyun Ahn	Seung-Hoon Lee	Seung-Ah Cho
Category	Independent Director (Chairman)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)

2024 Director Candidate Recommendation Committee Operations

Date	Agenda Item	Review Result
1st Mar. 28, 2024	Director Candidate Recommendation Committee Chairman Election	Chairman Elected
2nd Nov. 12, 2024	Director Candidate Recommendation Committee Operation Plan	Operation Plan Resolved
	Report on Ongoing Management of Independent Director Candidate Pool	Accepted as Proposed
3rd Dec. 19, 2024	Advisory Committee Formation	Advisory Committee Formed
	Independent Director Candidate Pool Report	Accepted as Proposed

* Integrated into ESG Committee in May 2025

Committees within the Board

Audit Committee

The Audit Committee is responsible for auditing overall matters related to KT's accounting and business operations. The duties of audit committee members are explicitly stipulated to be performed independently of the company, and the committee is composed of Independent Directors appointed through shareholder resolution, with at least one accounting and finance expert included. The Audit Committee can request reports on business operations, examine the company's financial status, and review the legality of KT's business activities and the accuracy of its financial reporting.

KT Audit Committee Expertise

Name	Expert Type	Career History
Yeong-Kyun Ahn (Chairman)	Certified Public Accountant(Type 1)*	- Basic Qualification: Possess Korean Institute of Certified Public Accountant(KICPA) and American Institute of Certified Public Accountant(AICPA) qualifications - Work Experience: Over 5 years at Samil PwC(1987-2014)

* Article 37, Paragraph 2, Item 1 of the Enforcement Decree of the Commercial Act: A person who holds the qualification of a certified public accountant and has at least 5 years of experience in work related to that qualification

Audit Committee Composition

(As of March 2025)

Name	Yeong-Kyun Ahn	Yong-Hun Kim	Seung-Hoon Lee	Seung-Ah Cho
Category	Independent Director (Chairman)	Independent Director (Member)	Independent Director (Member)	Independent Director (Member)

Non-audit Service Fees*

(Unit: KRW million)

Contract Date	Service Period	Content	Service Fee
Jul. 2024	Jul. 2024 ~ Oct. 2024	Electronic Signature Certification Authority Assessment	185
Aug. 2024	Aug. 2024 ~ Feb. 2025	ISAE 3402 Certification Report issuance	220
Sept. 2024	Sep. 2024 ~ Oct. 2024	Comfort Letter Preparation	180
Feb. 2025	Feb. 2025	Comfort Letter Preparation	100

* As of March 2025

2024 Audit Committee Operation Details

Date	Agenda Item	Review Result
1st Feb. 6, 2024	Report on results of external recruitment of Executive Officers for second half of 2023	Accepted as Proposed
	Approval of audit and non-audit services provided by external auditors to the company and consolidated subsidiaries	Approved as Proposed
2nd Feb. 20, 2024	Report on operation status of internal accounting control system for FY2023	Accepted as Proposed
	Report on 2023 audit results and 2024 audit plan	Accepted as Proposed
	Report on 2023 compliance implementation performance	Accepted as Proposed
	Audit Committee's 2023 evaluation of compliance officer and internal audit manager	Evaluation Grade Determined
3rd Mar. 5, 2024	Report on FY2023 financial statement audit results	Accepted as Proposed
	Audit Committee's evaluation results on operation status of internal accounting control system for FY2023	Approved as Proposed
4th Mar. 14, 2024	Report on 2024 compliance implementation plan	Accepted as Proposed
	Audit Committee's evaluation opinion on internal monitoring system operation status	Approved as Proposed
	Investigation Results of Agenda Items and Documents for 42nd Annual General Meeting	Approved as Proposed
	42nd Annual General Meeting Audit Report	Approved as Proposed
5th Mar. 28, 2024	Selection of Audit Committee Chairman	Chairman Selected
	Delegation of authority for prior approval of external auditor non-audit services	Approved as Proposed
6th Apr. 9, 2024	Report on FY2023 US Disclosure Consolidated Financial Statement Audit Results	Accepted as Proposed
	Report on FY2023 external auditor audit performance status	Accepted as Proposed
7th May. 7, 2024	FY2024 Q1 Financial Statements (separate and consolidated)	Accepted as Proposed
8th Aug. 6, 2024	Report on results of External Recruitment of Executive Officers for first half of 2024	Accepted as Proposed
	FY2024 first half financial statements(separate and consolidated)	Accepted as Proposed
	Report on FY2024 first half financial statement audit results	Accepted as Proposed
	Report on first half 2024 audit results and second half audit plan	Accepted as Proposed
9th Nov. 5, 2024	FY2024 Q3 financial statements (separate and consolidated)	Accepted as Proposed
	Approval of external auditor audit fees for FY2025	Approved as Proposed
10th Dec. 19, 2024	Approval of audit services provided by external auditors to consolidated subsidiaries	Approved with Modifications

Shareholders' rights

Exercising Shareholder Rights

Share Issuance Status

As of March 2025, KT is authorized to issue a total of 1,000,000,000 shares, with 312,899,767 common shares issued at KRW 5,000 per share. As of December 31, 2024, the shareholder composition consists of treasury shares at 2.46%, employee stock ownership at 3.20%, the National Pension Service at 7.77%, domestic individuals/institutions/corporations at 37.58%, and foreign investors at 49.00%.

Shareholder Composition

(As of December 31, 2024)

Shareholder Name	No. of shares(shares)	Shareholding ratio(%)
Treasury Stocks	6,188,739	2.46
Foreign Entities	123,485,566	49.00
National Pension Service	19,572,583	7.77
Employee Stock Ownership Association	8,057,639	3.20
Institutions and Corporations	94,717,158	37.58
Total	252,021,685	100.00

Convening General Meeting of Shareholders(GMoS)

The Annual General Meeting of Shareholders is convened within three months for shareholders recorded on the shareholders' register as of December 31 each year. Extraordinary general meetings are convened by the CEO upon Board resolution as needed. Notice of shareholder meetings is sent to shareholders in writing or via electronic documents at least two weeks before the meeting date, specifying the date, location, and agenda items. However, for shareholders holding 1% or less of the total voting shares, meeting notices may substitute by written notice through publication at least twice each in Seoul Shinmun, Maeil Business Newspaper, and Korea Economic Daily published in Seoul, or through announcement on the DART operated by the Financial Supervisory Service or Korea Exchange.

Considerations for Selecting the General Meeting of Shareholders(GMoS) Date

1. Financial year-end closing and audit report completion dates
2. Annual business plan and management schedule
3. Opinions of major stakeholders, including pension funds and institutional investors
4. Opinions of small shareholders and other stakeholders
5. When most GMoS will take place

Voting Rights System

KT has implemented a proxy voting system to enable shareholders to exercise their voting rights more conveniently, without the need to directly attend the Annual General Meeting of Shareholders by utilizing direct delivery and electronic proxy methods. We have also implemented a absentee ballot system to protect the voting rights of minority shareholders. Written voting forms are enclosed with shareholder meeting notices to enable minority shareholders to express their opinions on individual agenda items in writing. Shareholders can exercise written voting rights by indicating their vote for or against each agenda item and sending it to the company by the day before the meeting. Additionally, we introduced an electronic voting system starting from the 38th general meeting, and we provide guidance on electronic voting options in shareholder meeting notices and announcements.

Protection of Shareholder Rights

Communication with Shareholders

[KT IR Materials](#)

KT protects shareholders' right to information prior to investment decisions by providing sufficient and fair corporate information. We actively utilize website and the DART system to disclose major IR materials, managing information about our website and business status so shareholders can easily and conveniently understand it. We annually disclose the compliance status of our compliance control standards and the applicability of voluntary/inquiry disclosures in our business reports. IR materials are provided in both Korean and English to enhance convenience for foreign shareholders. We hold quarterly, semi-annual, and annual earnings conference calls around January, April, July, and October following quarterly financial closings and regularly conduct corporate briefings for domestic and international institutional investors. We also actively communicate with the market through analyst briefings and executive meetings as needed. In May 2025, following the previous year, we held our Corporate Day to present the CEO's strategic direction and business growth strategies with capital market participants. At the 43rd Annual General Meeting of Shareholders in 2025, we introduced online broadcasting and added management strategy presentation sessions to strengthen communication with shareholders.

Shareholder Return Policy

KT strives to expand shareholder returns, including cash dividends, to enhance shareholder value. We announced our mid-term shareholder return policy in 2023, conducting cash dividends and treasury stock purchases/cancellations using 50% of adjusted net profit for the term on a separate basis as a funding source. At the 42nd Annual General Meeting, we amended our articles of incorporation to introduce quarterly dividends starting from 2024, with funding determined based on the dividend profit limit from the previous fiscal year. To provide predictability for quarterly dividends, we amended our articles of incorporation at the 43rd Annual General Meeting to enable flexible setting of quarterly dividend record dates after the determination of the dividend amount. Additionally, KT disclosed its 'Corporate Value Enhancement Plan' in November 2024, and as part of this plan, decided on treasury stock purchases/cancellations totaling KRW 250 billion in February 2025 and entered into a trust agreement with Shinhan Investment Corp.

Recent 3-Year Shareholder Return Status

(Unit: %, KRW)

Category	2022	2023	2024
Cash Dividend Yield	5.5	5.5	5
Cash Dividend per Share	1,960	1,960	2,000

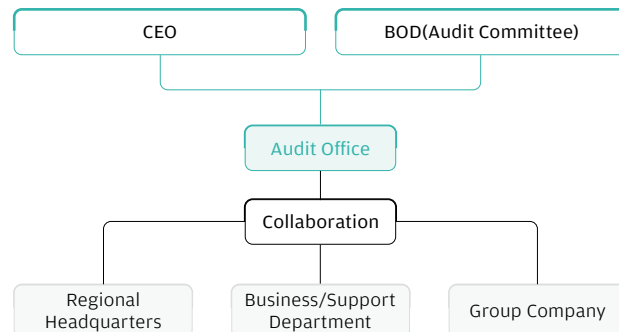
Ethical Management

Ethical Management Governance

Roles of Audit Committee and Audit Office

KT's ethical management plans and implementation direction are determined by the CEO, with the Audit Committee, which ensures expertise and independence, confirming audit and corrective actions. The Audit Office supports the Audit Committee in strengthening group-wide and enterprise-level ethical management initiatives and organizational integrity. This is achieved by conducting management improvement diagnostics and audit activities to take action when ethical violations are detected.

Ethical Management Organizational Chart

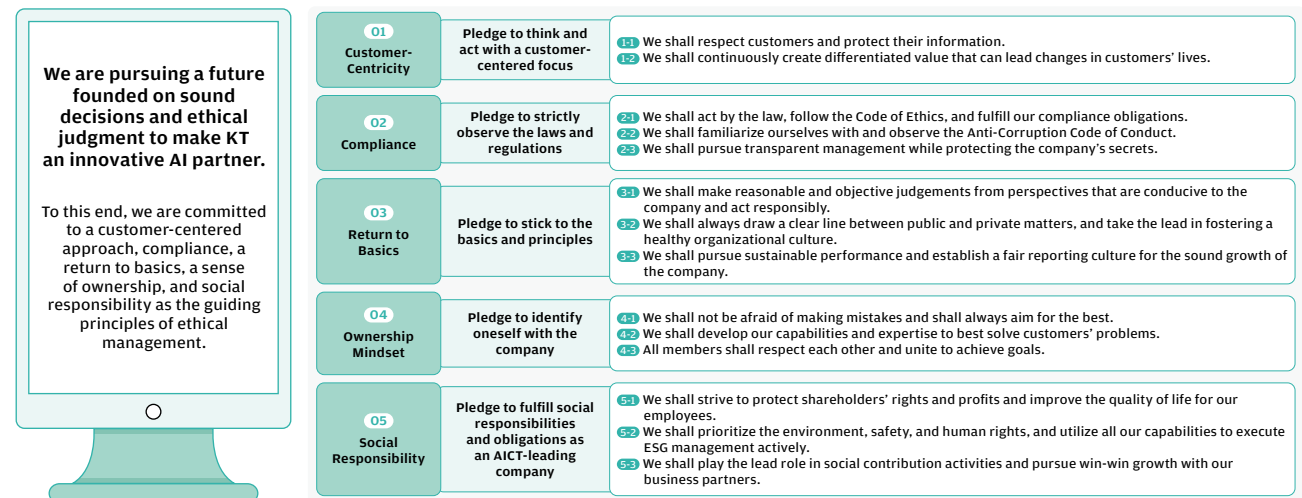


Ethical Management Strategy

Ethical Management Principles

KT has established ethical management principles to support employees' ethical judgment and sound decision-making, conducting annual compliance pledges for all employees to commit to compliance. The ethical management principles consist of five behavioral principles: 'Customer-Centricity, Compliance, Return to Basics, Ownership Mindset, and Social Responsibility'. In 2021, we incorporated anti-corruption code compliance and ESG management activities into our 'Ethical Management Principles', and starting from 2024, we have been building a foundation for sustainable growth by reflecting our AICT Company management direction and four core values(Customer, Competence, Genuineness Harmony). We have also established 'Ethical Management Principles Implementation Guidelines' as employee behavioral principles to be observed in their interactions with customers, the company, and stakeholders, guiding employees in making informed decisions on ethical issues encountered in their work. In 2025, we are conducting ethical issue identification and improvement, as well as issue identification for management improvement to contribute to substantial corporate value enhancement.

Ethical Management Principles



Ethical Management Strategy

Ethical Management Internal Audit

KT conducts both planned and ad-hoc audits internally to ensure the proper implementation of ethical management. We annually select and announce priority audit areas for all employees, highlighting matters that must be observed in accordance with changes in the business environment. We also share major audit cases with executive officers through executive meetings to enhance awareness. Planned audits focus on preventing revenue and cost leakage, preventing quality deterioration, and organizational audits, recommending improvements for detected unethical conduct. Additionally, we conduct ad-hoc audits and rigorous investigations of fraud and misconduct to establish internal discipline and promote system improvements to prevent the recurrence of repetitive misconduct. Furthermore, we provide 'Ethical Management Principles Implementation Guidelines' on the company website, company-wide bulletin boards, and compliance repositories to prevent employees from violating company regulations or guidelines.

Internal Audits	Planned audit	Prevent leakage of profits and expenses; Conduct an inspection to prevent deterioration in service quality Organizational audit and improvement recommendations
	Ad-hoc audit	Strengthen organizational integrity by investigating cases of fraud and misconduct cases Improve the system to prevent the recurrence of anomalies
Criteria Establishment		Amend the ethical management principles, implement employee pledge to observe the principles, and notify employees of priority audit areas

Ethical Management Training and Campaigns

KT conducts various training and campaign activities to enable all employees to internalize ethical management principles and apply them in their daily operations. We conduct regular and ad-hoc ethical management training for senior leadership, personnel including newly appointed executive managing directors/managing directors, group company CEOs, and team leaders, and continuously promote activities to embed ethical awareness into daily practices through 'Clean-365 Campaign' and 'Holiday Clean KT Campaign' for all employees. Through these efforts, KT aims to cultivate a culture where ethical management takes root throughout the organization, thereby strengthening the foundation for sustainable management.

Com- muni- cation	Preventive activities	Ethical Management FAQ, Clean365 Center, Major Audit Case Notification Risk Consultation Channels for Employees
	Channels	Ethics Violation Reporting, Audit Committee Chairman Hot-Line in Operation
Training/ Cam- paigns	Training	Ethical Management Training and On-site Conferences for Newly Appointed Executive Managing Directors, Managing Directors, Group Company CEOs, and Team Leaders
	Campaigns	Employee Clean-365 Campaign, Holiday Clean KT Campaign Implementation, etc.

Actions against Unethical Conduct

To create a sound and transparent corporate culture, we operate ethics violation reporting channels. These channels are available to all employees as well as external stakeholders, enabling the reporting of job-related irregularities, misconduct, and conduct detrimental to dignity, bribery, and the receipt of improper gifts or benefits, embezzlement, breach of trust, and all other acts that violate ethical management principles. All reports received are processed transparently, and the identity and content of whistleblowers are strictly protected under our Whistleblower Protection Policy. Additionally, we operate a separate hotline that allows external stakeholders to directly report misconduct by KT and group company executives to the Audit Committee Chairman. Starting in 2025, we are also accepting reports on business improvement matters and have introduced a reward system that provides Audit Committee Chairman when such reports lead to substantial financial improvements. Furthermore, KT conducts regular surveys targeting 5,000 suppliers and distribution channels annually. Since 2024, we have also conducted surveys at contract or business termination points.

2024 Ethical Management Violations and Actions Taken

Type	Cases	Results
Business regulation violations	6	Suspension 1, Salary reduction 3, Reprimand 2
Financial regulation violations	0	
Duty to maintain sincerity violations	6	Suspension 2, Salary reduction 2, Reprimand 2
Duty to maintain dignity violations	1	Reprimand 1
Duty of integrity violations	5	Dismissal 4, Salary reduction 1
Information protection violations	0	
Sexual harassment and workplace bullying violations	3	Suspension 1, Reprimand 2
Organizational order violations	0	
Abuse of authority and job-related deception	0	

Compliance

Compliance Governance

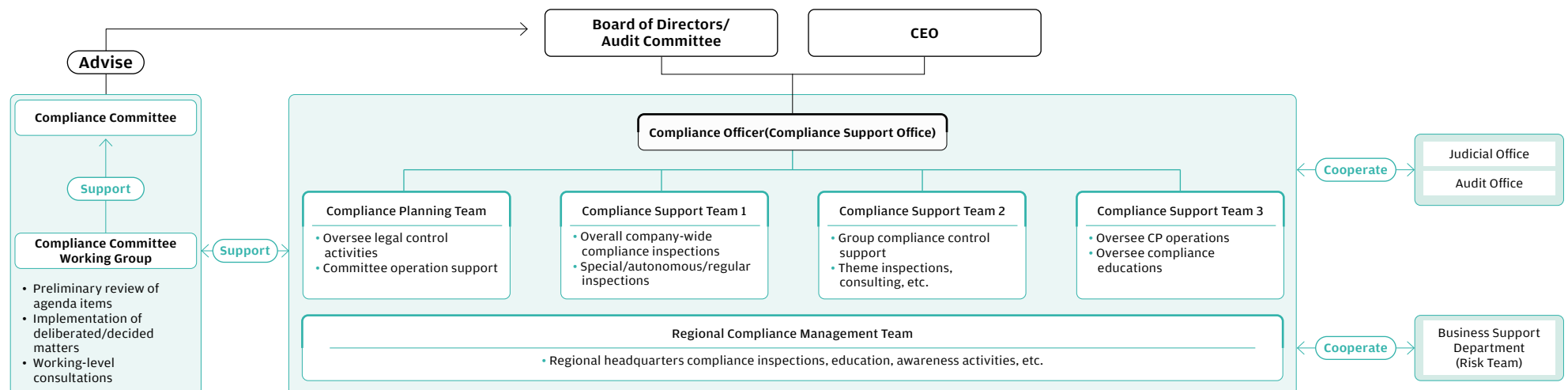
Roles of the Compliance Support Office

KT has established a company-wide compliance system by identifying nine key areas of compliance management, centered around the Compliance Committee and Compliance Office. The Compliance Committee serves as the body that deliberates and decides on significant compliance matters within the company, with an external legal expert appointed as chairperson to strengthen the committee's independence and expertise. Additionally, we support the Compliance Committee through the Compliance Committee Working Group, which comprises the Compliance Officer(chairperson) and senior management executives. This group provides a preliminary review of Compliance Committee agenda items, implements deliberated and decided matters, and conducts operational coordination. Through this systematic compliance governance, KT enhances internal control and ethical management standards.

Appointment of the Chief Compliance Officer

The Compliance Officer serves as the chief compliance officer within KT, supervising compliance training and oversight monitoring. The officer performs the role of identifying key initiatives for compliance management, sharing compliance prevention, inspection, and response plans among group companies, sharing best compliance practices, and discussing recognition programs.

Compliance Organizational Chart

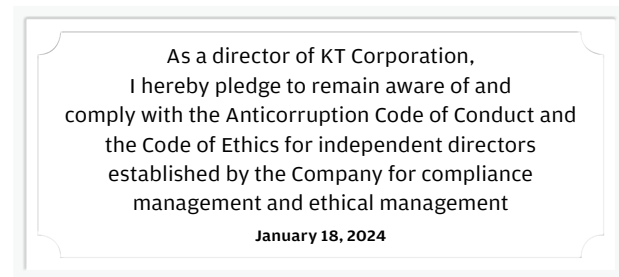


Compliance Strategy

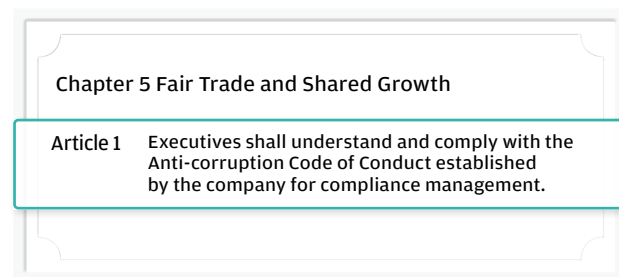
Compliance Operation System

KT has established a systematic compliance foundation to prevent corruption and strengthen compliance management through implementing codes of conduct, providing education and compliance pledges for all employees, and introducing third-party corruption risk prevention systems. We have clarified our commitment to compliance at the board level by establishing the 'Code of Ethics for Independent Directors' and are comprehensively strengthening ethical management practices and compliance systems through corruption prevention reviews for donations and sponsorships, as well as preliminary reviews of major contracts, investments, M&A, and other management issues. Furthermore, we systematically share our compliance activities externally through the 'Compliance Management' section of our official website, which covers compliance organization, programs, group-level compliance management strategies, and significant activities, thereby enhancing transparency and credibility. In 2024, through Board initiative, we appointed a majority of external personnel as members of the Compliance Committee to further strengthen independence and objectivity. Additionally, we have established a Fair Trade Compliance Program(CP) to prevent violations of fair trade regulations and appointed Compliance Officers to ensure company-wide responsibility and implementation effectiveness for fair trade compliance.

Employee Anti-corruption and Ethical Management Pledge Status



Pledge on the Code of Business Conduct for Executives



Nine Key Compliance Control Areas

01 Anti-corruption Establish/inspect the anti-corruption system, inducing the FCPA and anti-graft laws	02 Fair Trade Prevent fair trade-related risks such as unfair trading, price collusion, etc	03 Subcontracts Prevent violation of the Subcontract Act and extortion of technology/ideas from suppliers
04 Information Protection Prevent personal information risks and leakage of business information	05 Contracts Prevent procurement debarment risks and violations of contractual procedures subcontracting restrictions	06 HR Prevent risks related to the Labor Standards Act, the Act on the Protection of Dispatched Workers and the Employment Equity Act
07 Industrial Safety and Health Preventing risks related to industrial accidents/disasters/fire prevention	08 Accounting & Tax Strengthening/inspecting internal controls and preventing tax-related risks	09 User Protection Strengthening user protection measures reflecting the Telecommunications Business Act and preventing related risks

Compliance Strategy

Strengthening Compliance Capabilities

KT strives to establish a enterprise-wide compliance framework by conducting compliance assessments and advisory services for group companies. In particular, KT examines the legal risks associated with each company's business operations, derives improvement measures through data analysis and on-site interviews, and presents optimal compliance systems and improvement plans tailored to each company. To enhance execution capability, we provide references(Best practices from KT and group companies), conduct briefings for group company management and working-level staff, and provide coaching on implementation tasks.

Incubation of New Group Companies

KT supports the establishment of compliance operational frameworks for new(newly formed or acquired) group companies. New group companies typically face situations where they need to establish their overall management infrastructure or experience uncertainty regarding comprehensive regulatory obligations, necessitating guidance for compliance framework development. KT provides support in the form of 'coaching' rather than 'inspection', considering the needs and business characteristics of newly established group companies, facilitating rapid establishment of optimal compliance frameworks.

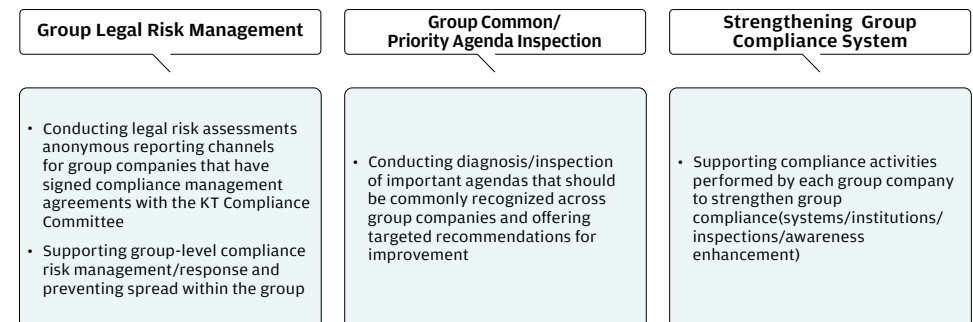
Coaching Process



Compliance Consulting

KT minimizes group risks by conducting inspections across all group companies on common and critical compliance agendas(collection of sensitive information without consent, discrimination against non-regular employees, etc.). Additionally, we implement improvement measures, including providing guidance on vulnerabilities and establishing recurrence prevention systems by inspecting resource operation standards, fund expenditure operation processes, and subcontracting written delivery practices. In 2024, we reviewed the funding operations and contract adequacy of our overseas subsidiaries. In addition, through the operation of a legal risk-sharing system, we are promptly implementing improvement measures to prevent the transfer or spread of risks from KT and its affiliates to other group companies.

Compliance Consulting Implementation Method



Compliance Strategy

Strengthening Compliance Capabilities

Operating Compliance Training Contents

We operate systematic and effective educational programs to strengthen employees' compliance capabilities. We provide customized education tailored to each department's work characteristics for all employees, and maximize educational effectiveness by distinguishing between mandatory and elective courses. Additionally, we conduct in-person special education for departments with high potential for compliance-related issues, focusing on major violation cases and latest legal trends with content directly applicable to practical work.



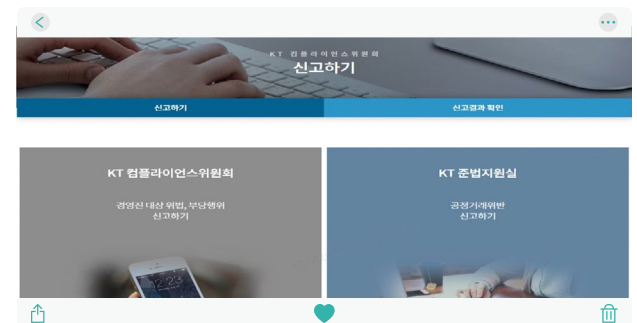
On-site Compliance Engagement and Recognition Programs

KT conducts on-site dialogues where the Compliance Officer directly engages with field executives and compliance department staff to listen to inconveniences and difficulties experienced during work performance, supporting swift improvements and measures. Furthermore, we conduct annual compliance evaluations to select and reward high-performing departments, thereby raising the organization's compliance level. We also provide separate rewards to top-performing units by function, collaboration and support departments, and outstanding personnel, motivating field practitioners to participate more actively in compliance work.



Utilizing the Compliance Platform as a Strategic Tool for Autonomous and Ongoing Compliance

KT continuously advances the compliance platform established in 2020, actively utilizing it as a core tool to support autonomous compliance practices. This platform provides guidelines and manuals for compliance key management areas, audit case sharing, and inquiry functions for Improper Solicitation and Graft Act and FCPA target organizations to prevent legal violations in field operations. Additionally, we introduced a mobile version to make sure that field employees and on-site staff can access it anytime, anywhere. Starting in 2024, we operated an anonymous reporting center under the supervision of the Compliance Committee, allowing the anonymous reporting of illegal or improper business practices by KT group management. We conduct thorough investigations of received cases and take appropriate measures when necessary. Furthermore, in 2025, we established a dedicated channel for reporting fair trade violations, further strengthening the group-level fair trade and compliance management system.



Compliance Risk Management

Compliance Self-Inspection

KT's compliance self-inspection is an autonomous verification system that allows each department to independently examine and improve the efficiency and effectiveness of overall compliance implementation, encompassing system execution, employee awareness enhancement, and infrastructure utilization. This goes beyond simply checking compliance with laws and regulations as a checklist, aiming to enable individual employees to self-diagnose and enhance ethical behavior. KT operates a systematic inspection process based on the PDCA (Plan-Do-Check-Act) model, continuously advancing a virtuous cycle inspection system. Each department establishes annual plans at the beginning of the year, implements self-inspections, conducts operational status evaluations, and addresses deficiencies. Through this, a compliance culture naturally takes root within the organization, and employees can internalize related knowledge and capabilities. In 2024, we conducted division-level corruption prevention risk assessments and selected self-inspection items based on department characteristics to further strengthen department-led self-inspection activities. In 2025, we continue to operate customized awareness-raising activities and inspection activities that reflect each division's work characteristics. We have also introduced special inspections led by the Regional Compliance Management Team under the Compliance Office for regional headquarters, thereby strengthening prevention activities to eliminate legal violation risks.

Compliance Inspection Process

Plan		Do		Act/Check	
Establishment of the Inspection System	Creation of Inspection Plans	Execution of Inspection		Evaluation/Improvement	
January	February	February ~ December		June/December	
Fixing and Announcing the Annual Investigation Plan	Self-assessment of Risk Level by Department	Setting the investigation plan by department	Self Review of Compliance		Regular Inspection Evaluation/Improvement
Selection of employees in charge at each division/ regional HQ and department	Decided the compliance office based on the risk map in the self-checkout table (Company-wide necessities + Department's characteristics) + Selecting the department's autonomous management targets	Make an annual plan for autonomous review activities by department	Raising Awareness	Raising awareness for each month and field (Compliance Day, etc.) (Utilizing the awareness-raising package provided by the Compliance Office)	Autonomous inspection results evaluation Regular Inspection and operational improvement derivation Online/Offline Opinion Collection, Personnel Interviews, etc
Improvement of the review package including department-level review methodologies			Check Departments	Conducting field inspections, including data analysis and field visits, and making improvements (any methods, including the basic methodology)	
	Reporting, Recording/ Storing		Getting feedback from and reporting to the department heads on review results/a ctions to be taken, Documentation of activity processes/results (Platform Registration)		

Compliance Risk Management

Establishing a Fair Trade Foundation

KT continuously conducts systematic compliance activities in the fair trade sector, aiming to minimize violations of fair trade-related laws. In the medium to long term, we strive to maintain a 100% preliminary review rate for all matters by advancing the initial review process, thereby preventing potential legal violations in advance. Additionally, we plan to develop fair competition compliance experts in each department to strengthen field-centered compliance capabilities and establish a practical risk prevention system.

Fair Trade Key Objectives and Detailed Activities

Category	Activity Details
Enhancement and Advancement of Preliminary Review Process	The aim of this process is to have a legal review of fair competition conducted before the release, change or termination of any business or services. Over the past three years, we have met 100% of our review goals. We have also supplemented our fair competition manual and introduced user-friendly processes.
Implementation of Fair Competition Training for Employees	All employees have taken online/offline courses on fair competition covering the Monopoly Regulation and Fair Trade Act, Subcontracting Act, Fair Agency Transactions Act, Telecommunications Business Act, etc.
Departmental Risk Management Personnel Designation and Professional Competency Development	Each department designates compliance managers.To strengthen their professional competencies, risk officers have also been appointed within each business unit's risk team and each regional compliance team. To strengthen their capabilities, these individuals undergo external training related to fair trade and the recent trends and practices of the regulatory body. They are informed of newly enacted or revised laws that affect our compliance risk.

Fair Trade Preliminary Review and Results

KT has operated the Fair Competition Pre-Review Center since 2005, preventing unfair practices through preliminary reviews for new service launches and contract conclusions. In 2024, we conducted a total of 312 fair trade preliminary reviews. In 2024, KT received a penalty surcharge from the Fair Trade Commission for violating the Fair Trade Act related to collusion on mobile communication facility installation site floor space rental fees; however, the penalty was waived through the voluntary reporting system. Additionally, we received a warning for omitting affiliate company status when submitting the materials for the designation of Business Groups Subject to Limitations on Cross Shareholding. and we were penalized with a surcharge from the Korea Communications Commission for false, exaggerated, and misleading advertising of high-speed internet bundled products. KT takes these cases seriously and plans to completely reorganize related systems and work procedures to prevent similar legal violations in the future, continuously strengthening internal controls and education to reinforce fair trade and compliance management systems. Going forward, KT will continue to do its best as a responsible company to contribute to establishing a transparent and fair market order and practice management based on laws and principles.

3-Year Fair Trade Pre-review Status

(Unit: Cases, %)

Category	2022	2023	2024
Number of fair competition pre-reviews	382	271	312
Fair competition pre-review rate	100	100	100

Compliance Risk Management

Foundation for Fair Trade

Fair Trade Training

KT operates company-wide educational programs to enhance employees’ awareness of fair trade compliance. We provide practice-based training for all employees, while separately conducting specialized training for compliance officers at headquarters and regional headquarters to strengthen both practical skills and legal understanding. In 2024, we enhanced department-specific customized training by conducting special education on related laws such as the Fair Agency Transactions Act, Telecommunications Business Act, and Subcontract Act for distribution network management and subcontracting-related departments, and implementing anti-collusion training for facility and asset management departments, thereby improving employees’ compliance capabilities through practice-focused education. Additionally, we conducted case studies and discussions on potential risks through company-wide fair competition practice workshops, further strengthening compliance officers’ practical response capabilities. At the group level, we encourage all employees to strictly comply with fair trade-related laws and regulations, and enhance affiliates’ capabilities through Fair Trade Commission disclosure training to subsidiaries.

Fair Trade Training Details

Category	Trainees	Details
Practical Training	All Employees	Compliance with fair competition laws (price collusion, Fair Agency Transactions Act, Subcontracting Act, Telecommunications Business Law, etc.) and cases of violation
Specialized training	HeadquartersRegional Compliance Departments	Dissemination of latest trends and violation cases related to Fair Competition Laws, virtual case studies, Fair Trade Commission disclosure training, and completion of external professional training (Seoul National University, Fair Competition Federation, etc.)

3-Year Fair Trade Training Status

(Unit: Persons)

Category	2022	2023	2024
Practical Training	13,087	23,735	16,998
Specialized training	112	708	291
Total	13,199	24,443	17,289

Strengthening of the Internal Accounting Management System

As a US-listed company, KT has been evaluating the design and operation of our internal accounting management system annually since 2006, reporting and disclosing the results. In response to the introduction of the domestic consolidated audit system, we improved relevant systems by the end of 2024 and strengthened the organizational structure responsible for internal accounting management, continuing our efforts to enhance the integrity and effectiveness of the system. In particular, we present and implement consistent policies and standards across all group companies to improve the consolidated internal accounting management system. We also conduct targeted financial risk assessments for each group company, aiming to establish a global-level consolidated internal accounting management framework. KT's systematic and advanced operation and improvement of the internal accounting management system will serve as a key element in enhancing corporate value by preventing potential risks in future business development and securing reliability and transparency in financial reporting. Moving forward, KT will continue our efforts to improve internal accounting management system operations and provide higher levels of trust and confidence for customers and markets.

Risk Management

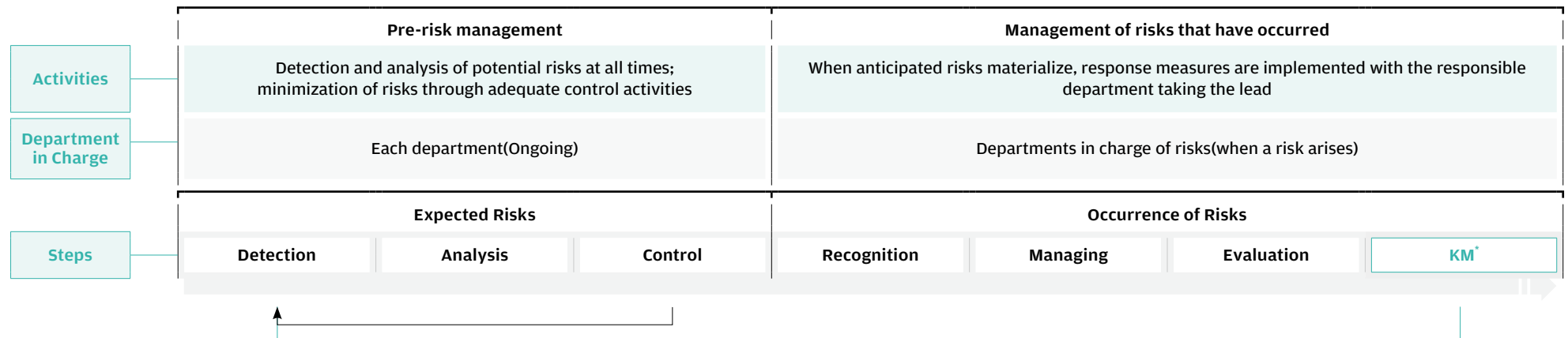
Risk Management Governance

Risk Management Dedicated Department

KT has established and operates a risk management system centered on the ERM(Enterprise Risk Management) team, which is the company's dedicated department for risk management. We have established risk-dedicated departments under each business division to create a rapid response system, led by the respective business departments, thereby minimizing gaps in risk management. Additionally, we maintain closer management of risks occurring in the field through risk-dedicated departments directly under regional headquarters directors. In 2024, we established a new Risk Assessment Department to focus on analyzing root causes of high-risk issues and develop fundamental prevention measures. In 2025, plan to strengthen more integrated and systematic group risk management system by stably operating the continuous cycle of [Risk Collection - High-Risk Identification - Response and Improvement Measures] across KT and group companies, and linking high-risk issues to audits or diagnostics. KT systematically

accumulates long-term risk management experience in company-wide risk management principles and secures agility in risk response through immediate reporting systems between risk-dedicated departments of each business division and regional headquarters. Each department conducts weekly reviews of risk response status and prevents crisis escalation through thorough monitoring of high-risk issues, including fact verification and setting response directions. Furthermore, all employees proactively detect risks related to their work responsibilities and share them with risk management departments to prevent risk occurrence. When risks occur, we effectively block risk escalation through the process of immediate reporting → initial response → risk scale assessment → response direction setting according to KT's level of responsibility. KT plans to continue strengthening proactive risk response capabilities to create a sustainable management environment with predictability and resilience.

Risk Management Process



* Knowledge database utilization of information generated throughout the entire process of risk identification, response, and evaluation for risk management and response

Risk Management Governance

Strengthening Risk Management Capabilities

KT is solidifying group-level risk management systems through regular operational coordination bodies with regional headquarters, business divisions, and group companies. Additionally, we are strengthening company-wide risk response and recognition capabilities by internalizing a culture of immediate risk reporting among employee through the operation of a system that strictly holds employees accountable for issue escalation due to non-reporting/delayed reporting of risks, while providing responsibility reduction or exemption for immediately reported risks. In 2023, KT established a strengthened risk response system for high-risk issues of group companies through company-wide TF formation when necessary, support from risk response specialists, and collaboration among legal/PR/CR departments. In 2024, we expanded and reorganized KT's risk management principles to encompass group companies, and transplanted KT's risk management capabilities to these companies through education for their risk management departments. In 2025, we are operating a more effective risk control system by establishing new KPIs related to group companies' risk management activities.

Risk Management Training

KT conducts annual training on the importance of risk management for newly appointed executives and new employees, disseminating this information to all employees through priority audit target notifications, the implementation of ethical management principles, and departmental communication channels. Additionally, we provide customized training for strengthening risk management capabilities of regional headquarters and business divisions, and produce and share response guidelines and case studies for major risk types.

Operating the Crisis Response System

KT thoroughly prepares proactive response systems to minimize damage to all stakeholders, including customers, when company-wide crisis situations such as telecommunications fires occur. We minimize damage and maintain service continuity by enabling rapid and systematic response immediately upon crisis occurrence. In 2019, we completely reorganized the company-wide crisis response system, including crisis response manuals, to respond more systematically to company-wide crises such as large-scale network and IT failures and personal information leaks. Since then, we have continuously strengthened practical response capabilities by conducting crisis response simulation training by field annually based on these manuals. Furthermore, we operate the system so that everyone from management to working-level staff clearly understands their roles through simulation training and the immediate response system can operate when crises occur. We are also advancing sophistication of the crisis response system by continuously identifying and supplementing manual deficiencies and improvement areas.

Major Risk Management

Company-wide Risk Management

KT is advancing company-wide risk prevention and management by systematically identifying and controlling major risk types that could lead to damage to corporate value. We analyzed past risk cases to identify 19 total risk types and selected 10 high-risk categories based on impact and frequency. Major high-risk categories improper proposal/bidding misconduct, customer information leakage, network failures, and safety accidents. For these high-risk categories, we minimize the occurrence and spread of risk by applying effective monitoring methods, including direct diagnosis by risk management departments, management status checks by control departments, and regular monitoring, taking into account the management level of relevant control departments. The remaining 9 general risk types are managed through self-inspection by control departments. From 2024, we established group company management diagnostic functions and dedicated organizations to identify potential risk factors, conduct field inspections, and perform in-depth diagnostics for target group companies. In 2025, we are further solidifying the intensive control and prevention-centered management system for high-risk categories by fully implementing business auditing systems for major risk management departments.

Risk Type

	Type	Definition
1	Poor business execution	Lack of feasibility in business(new business, poor investment and acquisition, etc.), inadequate business operation, delays in rationalization
2	Accounting fraud	Abnormal fund management (e.g., providing political funds), accounting fraud (overstating revenue, understating liabilities, etc.)
3	Fabricated transactions	Issuing false tax invoices, falsifying telecommunications infrastructure work, etc.
4	Asset loss	Bad debts from agencies, theft, arbitrary disposal of unused assets, etc
5	Billing/Settlement errors	Customer billing errors, settlement errors with agencies/suppliers, rental cost omission, etc.
6	Proposal/Bid misconduct	False proposals, collusion, bribery/entertainment during bidding/contracting/execution process of public projects
7	Customer information	Mass customer information leakage/breach (1,000+ cases, etc.), illegal telemarketing and other customer information misuse
8	Network disruptions	Major(Over 1,000 VOC cases, etc.) wire/ wireless/IPTV service interruptions, service interruptions due to external constructions, etc.
9	Safety accidents	Safety accidents during work (including by suppliers), employee deaths (illness, suicide, etc.)
10	IT disruptions	IT service interruptions including cloud, sales systems, IDC, etc.
11	Telecommunication misuse	Abuse of wire/wireless communication services such as illegal spam, voice phishing, etc.
12	Sales quality	Incomplete sales such as unauthorized subscription/ identity theft, arbitrary subscription to additional services, inadequate customer service, etc.
13	Unfair support for affiliates	Improper support to subsidiaries via inflated private contracts and contract amounts
14	Inappropriate conduct with stakeholders	Unfair transactions with suppliers/dealerships, favoring certain businesses, abuse of superior position, technology theft, etc
15	Poor facility management	Poor management of telecommunications stations/facilities (base stations, etc.), suppliers warehouse fires, etc.
16	HR misconduct	Employment fraud, illegal dispatch, unfair dismissal, etc.
17	Employee misconduct	Bribery, company asset embezzlement (public fund embezzlement, personal use of company vehicles/ corporate cards, etc.)
18	Bullying/Sexual harassment	Workplace bullying, sexual harassment, etc
19	Corporate security	Leakage of corporate secrets to competitors, media, etc.

Major Risk Management

Tax Risk Management

KT manages tax risks by faithfully fulfilling tax reporting and payment obligations in accordance with the company's strict tax policies. KT values integrity and transparency, and does not tolerate illegal activities under any circumstances, even for short-term performance gains. We have established business processes that require tax experts to review compliance with tax laws and regulations for all agenda items of the Sustainable Management Committee, which is the company's primary decision-making body. We also include tax areas in compliance items and conduct regular training and management for relevant employees. Additionally, when regulations are unclear, we prevent unintended illegal activities through tax ruling requests. Through these systems and processes, KT strives to prevent tax-related risks, including illegal tax avoidance, illicit activities, and false reporting. Tax-related disclosures are conducted in strict compliance with applicable laws. We separately explain necessary information in disclosure materials regarding temporary differences between accounting and tax, which is essential for stakeholders, including investors and tax authorities.



KT Tax Policy Key Items



- 1 Prohibition of all forms of illegal tax avoidance
- 2 Prohibition of transferring created value to low-tax countries
- 3 Prohibition of tax law abuse for tax avoidance
- 4 Prohibition of manipulative transfer pricing
- 5 Prohibition of using tax havens
- 6 Prohibition of illegal activities under tax law
- 7 Prohibition of false reporting and other tax evasion activities

Identification and Response to Strategic Risks

Potential Business Impact and Response Strategies by Major Risk Type

KT minimizes risks by proactively recognizing potential risks based on management environment forecasts and analyses, and preparing strategic response measures for reflection in business strategies.

	Risk and Potential Impact on Business	Response
Need for 'Responsible AI'	- As AI technology and services become widespread, social concerns about risks that may arise from AI are spreading, including hallucinations, biased/unethical content generation, intellectual property rights infringement, and inappropriate storage/management of AI training data - Service reliability decline and corporate image damage when AI with good performance lacks safety and responsibility assurance - The European Union(EU) enacted the world's first AI law 'AI Act', followed by Korea as the second country to enact basic AI legislation, indicating a trend toward national-level regulations	- Appointed Chief Responsible AI Officer(CRAIO), established 'Responsible AI Center' - Established AI utilization ethical principles and developed KT's unique 'Responsible AI Framework' to ensure ethical and trustworthy AI - Developing 'Korean AI' aimed at safe AI services compliant with domestic systems and regulations
Increasing Importance of Protecting Customer Information	- Personal information theft or leaks lead to lower telecommunications service reliability and corporate reputation. - Diversification of personal information leakage methods such as smishing through text messages, and increasing abuse of sophisticated technologies like voice modulation/replication - Email-based hacking attacks evolving into attacks targeting specific companies and employees	- Developed and applied 'AI Voice Phishing Detection Service' that detects suspected voice phishing calls and alerts customers - Detecting and blocking malicious spam messages through filtering systems using AI technology such as 'AI Clean Messaging System(AI CMS)' - Applying AI analysis and detection technology to corporate email solutions to proactively detect and block new and variant email hacking attacks
Increasing Social Importance of Telecommunications/ IT Services	- Wired/wireless telecommunications traffic continues to increase due to the spread of video content(YouTube, Netflix, etc.) consumption - Expanded demand for stable telecommunications and IT services due to digitalization of socially essential services such as public and financial services - Concerns about national-level losses and damages when telecommunications service failures occur due to physical risk factors(Typhoons, Heavy Rain, Earthquakes, etc.)	- Enhancing perceived service quality through nationwide commercialization of Korea's first 5G standalone mode(SA) network and NW intelligence using AI for traffic management. - Strengthening network stability by configuring redundant major wired/wireless network routes and facilities - Continuously strengthening network survivability by establishing wireless/internet 3 centers distributed in non-metropolitan areas in preparation for telecommunications network disasters
Cost Increases Due to Rising Energy Prices	- Increased power cost burden due to continuous increases in domestic industrial electricity rates following international energy cost rises - Power-intensive GPU usage is expected to continue expanding due to increased importance and utilization of AI - Wired/wireless telecommunications traffic continues to increase, requiring continuous investment in NW servers and equipment to respond	- Priority sourcing of low-power/high-efficiency equipment across all areas including power, transmission, and cooling equipment starting with newly introduced base stations - Continuous development and expanded application of AI- and data-based energy saving solutions such as telecommunications room temperature management and base station output control - Actively introducing PPA(Power Purchase Agreement) to simultaneously promote renewable energy use expansion and power cost reduction