KT Corp reinvents sustainable living with ABC (AI, BigData and Cloud)

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> KT has announced that we will innovate and grow as a DIGICO and adopt first-rate management focusing on compliance and transparency as part of our strategy to promote ESG. And that we will strive to find solutions to environmental/social issues using our differentiated ABC (AI, BigData, Cloud) technology.
>
> Hee-Yol Yu,
> Board Chairperson

Committed to solving environmental and social issues, KT Corp supports various infrastructure and service-based areas with ABC (AI, Big Data and Cloud) innovation. Because of KT Corp and its efforts, Korea remains the ICT powerhouse, becoming a global DX leader for many in today's digital world.

KT Corp's DIGICO (digital platform company) vision is closely related to the goal of ESG management that Korea wants to achieve. Thus, the company will pursue a better life for its customers through the synergy of AI, BigData and cloud technology.

Exhibit 1
ESG score according to the twimbit framework

Overall ESG Score		6.66
Environmental		5.0
Social		6.5
Governance		8.5

Average score of our leaders
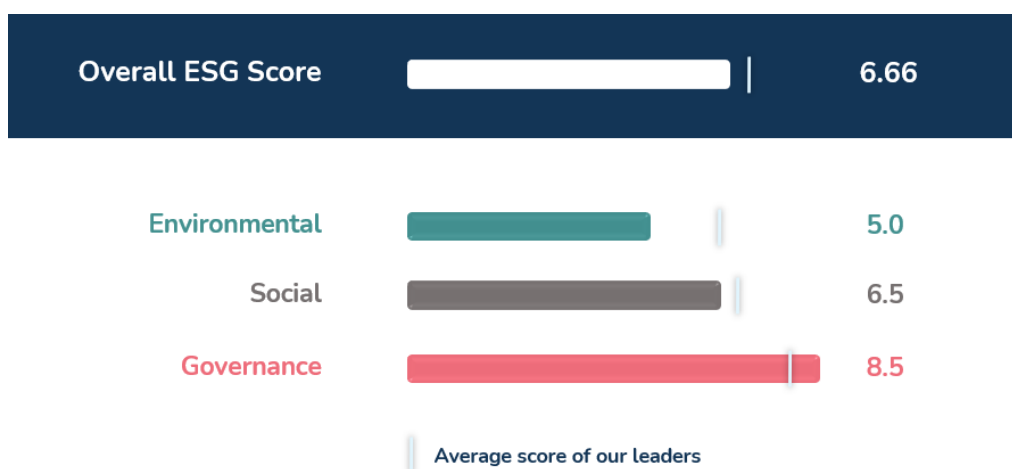
Environment: KT-MEG, an integrated energy management platform

The first of its kind, the KT-MEG (Micro Energy Grid) is an integrated energy management platform operated by KT Corp. It is a platform that controls energy generation, consumption and trading through "e-brain" across 13,000 sites.

It collects real-time energy data to identify energy status and predict energy generation and consumption, allowing KT Corp to create a guide for optimal energy generation and utilisation. Now, users can save costs and create revenue by carrying out activities to generate new renewable energy. In addition, energy data analysis for renewable solutions and efficient energy consumption has also significantly reduced GHG emissions.

- **e-DNA (Diagnosis):** Automatic customer energy use pattern
- **enerCast (Forecast):** Automate consumption/production forecasts
- **Robo-operator (Optimal Control):** Optimal control of AI-based energy facilities

Social: VOC (Voice of the customer)

The VOC is vital to service quality and ultimate customer satisfaction through its ability to improve products, services and processes. AU KDDI measures its customer voices to reward well-performing employees, boost morale and build a healthy work culture. Meanwhile, complaints about its service quality are transmitted to the extensive data-based VOC alert system,

The system classifies cases into 'alert situation', 'precautionary situation', and 'normal situation'. Thus, to ensure prompt responses, prevent recurrences and avoid undesirable situations, AU KDDI always immediately ensures its customer complaints reach relevant employees.

Exhibit 2

Big Data-based VOC Alert system designed to immediately communicate customers' complaints to relevant employees
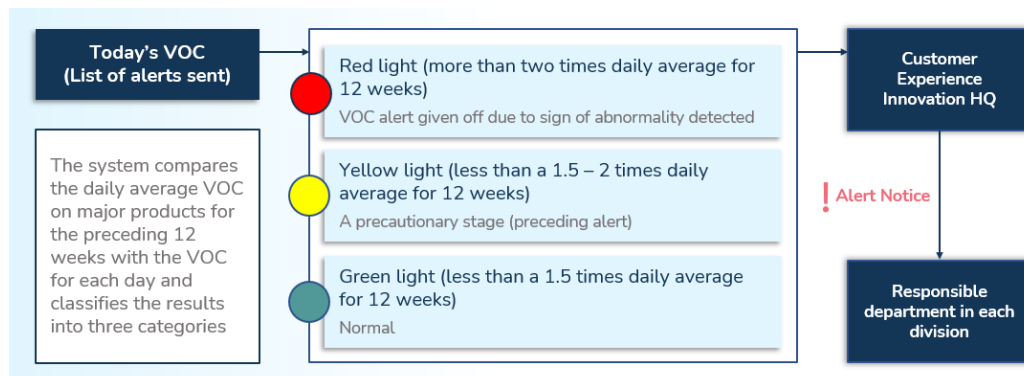
Governance: Fostering a system-based culture of self-compliance

KT Corp is the leader in fair trade and transparency, implementing compliance policies and group consulting. In 2021, the telco provided consulting on strengthening industrial safety and preventing risks.

It achieved its goals by enacting 3 key steps.
1. Review compliance risks related to the group company's business
2. Visit the respective companies to conduct thorough interviews
3. Experience their interactions with customers.

Based on this, the company could identify its potential improvements and propose an optimal compliance system with detailed ways to improve each group company. KT also coaches on the weaknesses found in risk management to ensure companies adopt the compliance management system early.

Exhibit 3

Self-compliance system at KT Corp
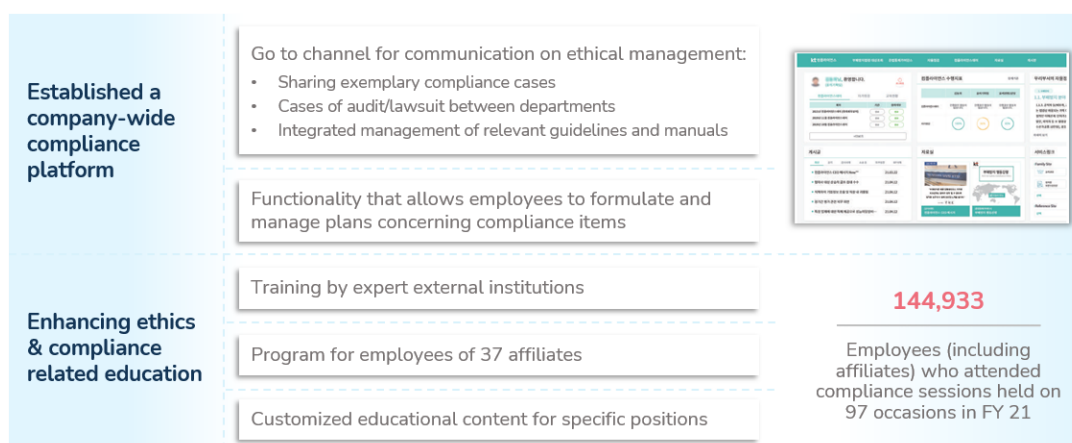
Reinvent sustainability solutions using ABC (AI, Big Data, Cloud) technologies

In line with its ESG visions, KT Corp and its digital innovation have contributed to Korea's advancement, establishing a higher sense of competition across all sectors of society. Furthermore, the telco continues to find ways to contribute to resolving environmental and social issues with DIGICO technology and realising a better future.

- Use AI solutions to manage and analyse energy needs
- Implement 'preemptive tech-based real-time solutions' for customer problems
- Develop an internal compliance platform and customise it as per requirements