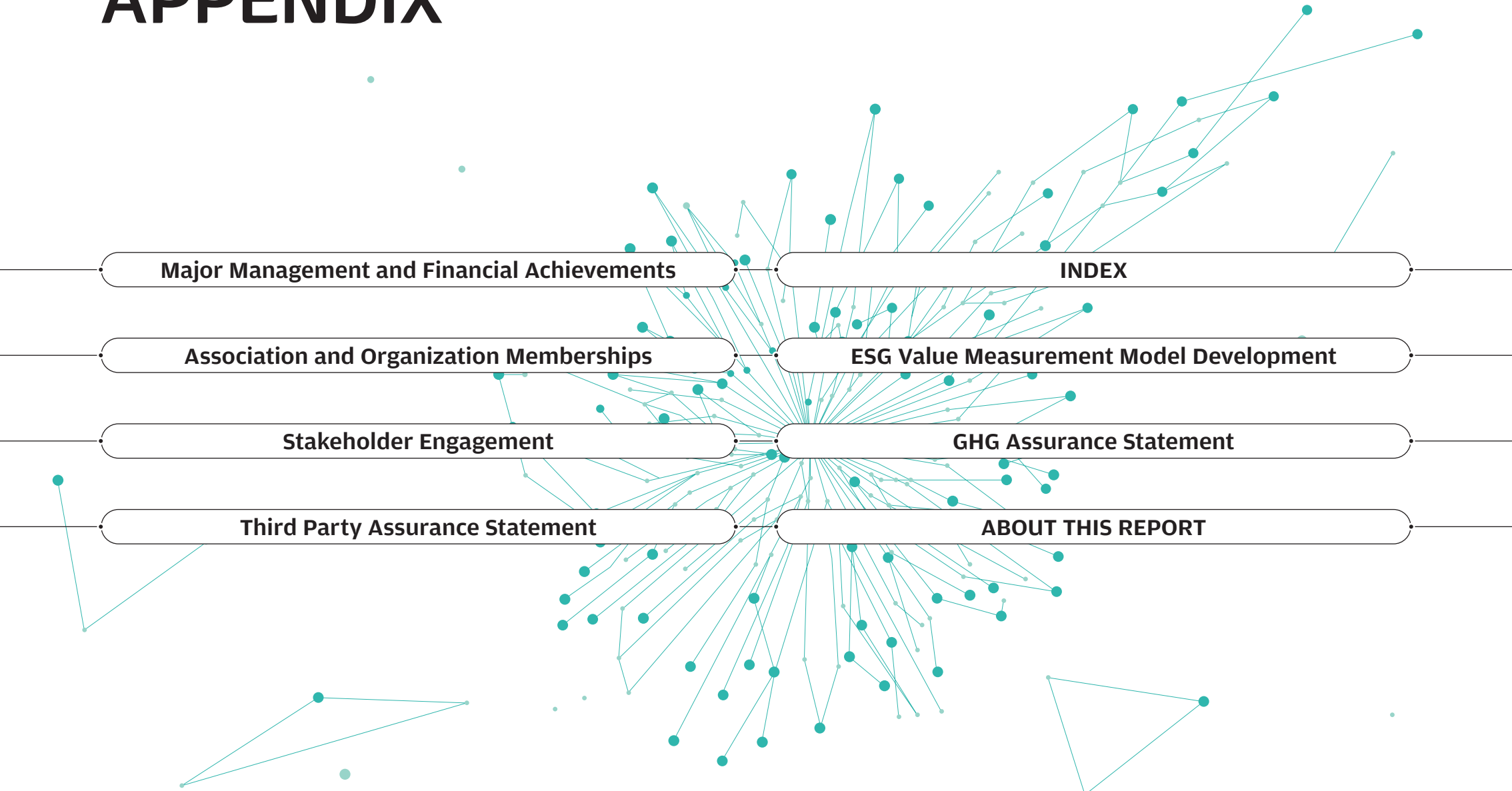


# APPENDIX



# Major Management and Financial Achievements

## Creation and Allocation of Economic Value

(Unit : KRW million)

Category			2021	2022	2023
Creation of economic value	Operating revenue		24,898,005	25,650,011	26,376,273
	Allocation of economic value	Shareholder allocations	713,783	795,698	839,315
Allocation to shareholders and creditors		Cash dividends	450,394	501,844	482,970
		Interest expenses	263,389	293,854	356,345
	Subcontractors	Expenses for purchase of goods and services	15,134,083	15,531,197	16,116,308
	Employees	Salary	4,215,810	4,495,885	4,549,409
	Government	Income tax and other tax	787,667	783,366	586,018
		Income tax	519,016	506,404	335,367
		Tax and dues (including radio waves)	268,651	276,962	250,651
	Local communities	Donation	10,981	15,642	24,664

## Operating Revenue by Business

(Unit : KRW million)

Business	2021		2022		2023	
	Revenues	%	Revenues	%	Revenues	%
ICT*	18,387,434	63.0	18,289,243	59.4	18,371,437	58.3
Finance*	3,525,211	12.1	3,613,981	11.7	3,720,859	11.8
Satellite broadcasting*	655,354	2.2	704,928	2.3	708,217	2.2
Real estate	335,373	1.1	485,056	1.6	583,504	1.9
Other*	6,283,023	21.5	7,708,737	25.0	8,118,542	25.8
Subtotal*	29,186,395	100.0	30,801,945	100.0	31,502,559	100.0
Consolidated adjustment	(4,288,390)	-	(5,151,934)	-	(5,126,286)	-
Total	24,898,005	-	25,650,011	-	26,376,273	-

ICT : Wired and wireless communication, convergence business, B2B Operations  
Finance : Credit cards, etc. Satellite : Satellite broadcasting  
Other : Information technology, security, global business and other businesses carried out by subsidiaries

## Number of Subscribers by Service

(Unit : 1,000 persons)

Service	2021	2022	2023
Wired phone	13,096	12,581	12,035
IPTV	9,143	9,432	9,409
High speed internet	9,455	9,727	9,827
Wireless communication*	22,799	24,062	24,897

Wireless communication : 5G, 4G (LTE), MVNO

## Shareholder Composition

Shareholders	No. of shares (shares)	Shareholding ratio (%)
Treasury stocks	11,447,338	4.44
Foreign entities	111,523,712	43.25
National Pension Service	20,843,859	8.08
Employee Stock Ownership Association	10,184,803	3.95
Domestic individuals, institutions, corporations	103,861,048	40.28
Total	257,860,760	100

## Status of Patent Management

(Unit : Cases)

Category	2021	2022	2023
Patent registration in Korea	269	236	198

## Consolidated Statement of Financial Position

(Unit : KRW million)

Category		2021	2022	2023
Assets	Current assets	11,858,350	12,681,532	14,518,157
	Non-current assets	25,300,991	28,299,149	28,191,825
	Total assets	37,159,341	40,980,681	42,709,982
Liabilities	Current liability	10,072,432	10,699,268	13,147,409
	Non-current liability	10,519,748	11,866,690	11,001,436
	Total liabilities	20,592,180	22,565,958	24,148,845
Stockholders' equity	Capital stocks	1,564,499	1,564,499	1,564,499
	Paid-in capital in excess of par value	1,440,258	1,440,258	1,440,258
	Retained earnings	13,287,390	14,257,343	14,494,430
	Other accumulated comprehensive gain/loss	117,469	-77,776	52,407
	Other capital components	-1,433,080	-572,152	-802,418
	Net income attributable to non-controlling interests	1,590,625	1,802,551	1,811,961
	Total stockholders' equity	16,567,161	18,414,723	18,561,137
<b>Total liabilities and stockholders' equity</b>		<b>37,159,341</b>	<b>40,980,681</b>	<b>42,709,982</b>

## Consolidated Comprehensive Income Statement

(Unit : KRW million)

Category	2021	2022	2023
Operating revenues	24,898,005	25,650,011	26,376,273
Operating expenses	23,226,181	23,959,923	24,726,499
Operating income	1,671,824	1,690,088	1,649,774
Other profits	307,654	595,351	308,044
Other expenses	280,081	314,607	507,904
Financial income	726,283	690,428	486,277
Financial expenses	563,330	749,908	568,682
Net income equity interests in associates and joint ventures	116,061	-17,285	-43,424
Income before income tax	1,978,411	1,894,067	1,324,085
Income tax expenses	519,016	506,404	335,367
Net profit for the term	1,459,395	1,387,663	988,718
Other comprehensive gain/loss	165,567	-2,194	7,447
<b>Total comprehensive gain/loss for the term</b>	<b>1,624,962</b>	<b>1,385,469</b>	<b>996,165</b>

# INDEX

## GRI Content Index

### Universal Standards

#### General Disclosures 2021

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The organization and its reporting practices	2-1	Organizational details	8	
	2-2	Entities included in the organization's sustainability reporting	146	
	2-3	Reporting period, frequency and contact point	146	
	2-4	Restatements of information	-	Separate notation on each page
	2-5	External assurance	144~145	
Activities and workers	2-6	Activities, value chain and other business relationships	8	
	2-7	Employees	8, 96	
	2-8	Workers who are not employees	96	
Governance	2-9	Governance structure and composition	109~111	
	2-10	Nomination and selection of the highest governance body	112	
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	2-14	Role of the highest governance body in sustainability reporting	21	
	2-15	Conflicts of interest	109~113	
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#### GRI 2

Classification	Disclosure	Indicators	Page	Remarks
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	2-23	Policy commitments	4~7, 20, 24~25	
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	2-26	Mechanisms for seeking advice and raising concerns	115~116	
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	2-29	Approach to stakeholder engagement	141	
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#### Material Topics 2021

#### GRI 3

Classification	Disclosure	Indicators	Page	Remarks
Disclosures on material topics	3-1	Process to determine material topics	28	
	3-2	List of material topics	28	
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# GRI Content Index

## Topic-specific Standards

### Economic Performance

GRI 200

Classification	Disclosure	Indicators	Page	Remarks
Economic Performance	201-1	Direct economic value generated and distributed	127	
	201-2	Financial implications and other risks and opportunities due to climate change	37~45	
	201-3	Defined benefit plan obligations and other retirement plans	-	Applied 100% to regular workers
	201-4	Financial assistance received from government	-	Business report P.85
Indirect Economic Impacts	203-1	Infrastructure investments and services supported	66~69, 72~78	
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Procurement Practices	204-1	Proportion of spending on local suppliers	127	
Anti-corruption	205-1	Operations assessed for risks related to corruption	117~121	
	205-2	Communication and training about anti-corruption policies and procedures	117~121	
	205-3	Confirmed incidents of corruption and actions taken	116	
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	116, 121	
Tax	207-1	Approach to tax	125	
	207-2	Tax governance, control, and risk management	125	
	207-3	Stakeholder engagement and management of concerns related to tax	125	

### Environmental Performance

GRI 300

Classification	Disclosure	Indicators	Page	Remarks
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Energy	302-1	Energy consumption within the organization	59	
	302-3	Energy intensity	59	
	302-4	Reduction of energy consumption	46, 48, 50~51	
	302-5	Reductions in energy requirements of products and services	43~45, 50~51	
	303-3	Water withdrawal	59	
Emissions	305-1	Direct(Scope 1) GHG emissions	48~49	
	305-2	Energy indirect(Scope 2) GHG emissions	48~49	
	305-3	Other indirect(Scope 3) GHG emissions	48~49	
	305-4	GHG emissions intensity	48~49	
	305-5	Reduction of GHG emissions	48	
	305-6	Emissions of ozone-depleting substances(ODS)	-	N/A
	305-7	Nitrogen oxides(NOx), sulfur oxides(SOx), and other significant air emissions	-	N/A
Effluents and Waste	306-2	Waste by type and disposal method	55	
	306-3	Significant spills	55	
	306-4	Transport of hazardous waste	55	
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	86	
	308-2	Negative environmental impacts in the supply chain and actions taken	86	

## GRI Content Index






### Social Performance




					<b>GRI 400</b>					
Classification	Disclosure	Indicators	Page	Remarks	Classification	Disclosure	Indicators	Page	Remarks	
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	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	100			Forced or Compulsory Labor	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	86, 94~95	
	401-3	Parental leave	102				Security Practices	410-1	Security personnel trained in human rights policies or procedures	93
Occupational Health and Safety	403-1	Occupational health and safety management system	87~89		Rights of Indigenous Peoples	411-1		Incidents of violations involving rights of indigenous peoples	93	
	403-2	Hazard identification, risk assessment, and incident investigation	90			Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	72~75, 140	
	403-3	Occupational health services	90~91		413-2		Operations with significant actual and potential negative impacts on local communities	-	None	
	403-4	Worker participation, consultation, and communication on occupational health and safety	90~91		Supplier Social Assessment		414-1	New suppliers that were screened using social criteria	86	
	403-5	Worker training on occupational health and safety	90			414-2	Negative social impacts in the supply chain and actions taken	86		
	403-6	Promotion of worker health	90~91, 94		Public Policy	415-1	Political contributions	-	None	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	90~91			Customer Health and Safety	416-1	Assessment of the health and safety impacts of product and service categories	66~68	
	403-8	Workers covered by an occupational health and safety management system	87~91		416-2		Incidents of non-compliance concerning the health and safety impacts of products and services	-	None	
	403-9	Work-related injuries	91		Marketing and Labeling	417-1	Requirements for product and service information and labeling	121		
Training and Education	404-1	Average hours of training per year per employee	98			417-2	Incidents of non-compliance concerning product and service information and labeling	121		
	404-2	Programs for upgrading employee skills and transition assistance programs	97~98			417-3	Incidents of non-compliance concerning marketing communications	121		
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	96, 111		Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	104		
	405-2	Ratio of basic salary and remuneration of women to men	102							
Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	116							
Freedom of Association and Collective Bargaining	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	86, 99							

## UN-SDGs

The UN-SDGs(Sustainable Development Goals) announced by the UN in September 2015 are composed of 17 goals and 169 sub-targets that the international community should attain between 2016 and 2030(over 15 years). We at KT strongly support them as they

are designed to turn the world into a better place to live in. We plan to contribute to realization of these goals by facing challenges, getting a grasp of future business opportunities, and strengthening our sustainability value.

SDGs	KT's Major Activities
	<p><b>GOAL 3</b>   Ensure healthy lives and promote wellbeing for all at all ages</p> <ul style="list-style-type: none"> <li>• Operation of the Occupational Safety and Health Committee for the prevention of industrial disasters</li> <li>• Operation of a psychological counseling center for the mental health management of employees</li> </ul>
	<p><b>GOAL 4</b>   Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <ul style="list-style-type: none"> <li>• Operation of e-mentoring, which is an untact learning mentoring program (middle school students-college students)</li> <li>• Promoting scholarship programs to foster future digital talent</li> <li>• Operation of AIVLE School to nurture AI/DX human resources and improve the employment competitiveness of the young adults</li> </ul>
	<p><b>GOAL 5</b>   Achieve gender equality and empower all women and girls</p> <ul style="list-style-type: none"> <li>• Operation of seven workplace childcare center, one each in Mokdong/Hyehwa-dong/Umyeon-dong in Seoul and three in Bundang</li> <li>• Education for the prevention of sexual harassment in workplaces</li> <li>• Election of a female independent director in a bid to expand diversity among the members of the board of directors</li> </ul>
	<p><b>GOAL 7</b>   Ensure access to affordable, reliable, sustainable and modern energy for all</p> <ul style="list-style-type: none"> <li>• Completion of RE100 enrollment and establishment of implementation roadmap</li> <li>• Operation of PV power plants which can generate 8 MW at 101 places in Korea</li> <li>• Construction and operation of 1.9 MW fuel cell power plants in four buildings including the Daegu Logistics Center</li> <li>• Promoting smart energy business and social carbon reduction business based on digital technology</li> <li>• Participated in the Green Premium Scheme and purchased 25,000 MWh of renewable energy</li> </ul>
	<p><b>GOAL 8</b>   Promote sustained, inclusive and sustainable economic growth</p> <ul style="list-style-type: none"> <li>• The first ICT business to sign an agreement for a Business Engaging in Voluntary Win-Win Cooperation</li> <li>• Operation of "Local Love Markets" to help local communities damaged from disasters</li> <li>• Work with the Central Labor-Management Council to boost employees' morale and improve their welfare</li> <li>• Warm-hearted Technology Plus Challenge to foster social ventures that create social value</li> </ul>

SDGs	KT's Major Activities
	<p><b>GOAL 9</b>   Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p> <ul style="list-style-type: none"> <li>• Highest grade in the accompanied growth index for Shared Growth for Large and Small Companies for nine straight years</li> <li>• Cooperation with subcontractors in new technology and solutions development</li> <li>• Provision support for the smooth fund operation of subcontractors through agreements with the Win-Win Cooperation Fund and financial institutions</li> </ul>
	<p><b>GOAL 10</b>   Reduce inequality within and among countries</p> <ul style="list-style-type: none"> <li>• Development of the Mind-Talk app to make it possible for hearing-impaired persons to communicate with others using their own voice</li> <li>• IT Supporters work to address new inequalities created by the digital divide</li> <li>• Bridging the digital divide to create jobs for the elderly and training for smart care managers</li> <li>• Price discount for underprivileged persons</li> <li>• Developing a 'goodwill shop' app to increase access to services for malnourished children</li> </ul>
	<p><b>GOAL 12</b>   Ensure sustainable consumption and production patterns</p> <ul style="list-style-type: none"> <li>• Implementation of an eco-friendly campaign, 'JIUGAE' (small actions to protect the earth, us, and individuals) to spread an in-house eco-friendly culture</li> <li>• Utilize wires made from recycled plastic bobbin material</li> <li>• Reproduction of eco-friendly set-top boxes by recycling discarded set-top boxes</li> <li>• Galaxy Family Phone Program to encourage recycling of mobile phone handsets</li> <li>• Operated the idle equipment recycling platform 'Carrot Facility'</li> </ul>
	<p><b>GOAL 13</b>   Take urgent action to combat climate change and its impacts</p> <ul style="list-style-type: none"> <li>• Expanded GHG inventory on a consolidated basis</li> <li>• ESG online education for employees to improve environmental management awareness and distribution of eco-friendly card news</li> <li>• Contributing to GHG reduction through research and service provision utilizing AI/digital technology</li> </ul>

## UN Global Compact

UN asks businesses to support the ten principles of UN Global Compact(UNGC), fulfill the ten universal principles in four sectors, i.e. human rights/labor/environment/anti-corruption, and provide comprehensive support UNDP. UN also sophisticated the Communication on Progress(COP) to Advanced Level to encourage businesses to fulfill their social responsibility and promote dialogues with stakeholders. Since joining the UN Global Compact in May 2008, we have made it a rule to put the ten principles in the said four sectors into action in our overall operation and will continue to strive to fulfill our social responsibility.

NO	UNGC ADVANCED CRITERIA	Page in the report
1	Describe mainstreaming into corporate functions and business units.	8
2	Describe value chain implementation.	81, 92
3	Describe robust commitments, strategies or policies in the area of human rights.	92
4	Describe effective management systems to integrate the human rights principles.	92-95
5	Describe effective monitoring and evaluation mechanisms of human rights integration.	92-95
6	Describe robust commitments, strategies or policies in the area of labour.	92-95
7	Describe effective management systems to integrate the labour principles.	79-86, 99
8	Describe effective monitoring and evaluation mechanisms of labour principles integration.	79-86, 99
9	Describe robust commitments, strategies or policies in the area of environmental stewardship.	33-35
10	Describe effective management systems to integrate the environmental principles.	33-35
11	Describe effective monitoring and evaluation mechanisms for environmental stewardship.	33-35, 37
12	Describe robust commitments, strategies or policies in the area of anti-corruption.	115-121
13	Describe effective management systems to integrate the anti-corruption principle.	115-121
14	Describe effective monitoring and evaluation mechanisms for the integration of anticorruption.	115-116, 119
15	Describe core business contributions to UN goals and issues.	132
16	Describe strategic social investments and philanthropy.	72-78
17	Describe advocacy and public policy engagement.	92, 132-133
18	Describe partnerships and collective action.	46, 81, 92
19	Describe CEO commitment and leadership.	4-7
20	Describe Board adoption and oversight.	21
21	Describe stakeholder engagement.	141



# TCFD

In December 2015, the FSB(Financial Stability Board\*) established the TCFD(Task Force on Climate-related Financial Disclosures) to proactively address climate change. Recognizing the importance of economic decision-making in addressing climate change, the TCFD has developed an international disclosure framework that requires companies to disclose climaterelated financial information in four areas: governance, strategy, risk management, and indicator and target setting systems. KT actively pursues in these international requirements and will make further efforts to respond to climate change.

\* FSB(Financial Stability Board) :

An international organization under the G20 created in 2009 to strengthen its role in international financial regulation and supervision.

Category	TCFD Recommendations	Answer	Page in the report
Governance	a Describe the board's oversight of climate-related risks and opportunities	The ESG Management Promotion Team is in charge of environmental management, including climate change. It regularly reports the carbon neutrality strategy and detailed implementation plans by field to the ESG Promotion Committee and the Sustainability Management Committee. The Sustainability Management Committee is a committee within the BOD that approves KT's environmental management strategy and action plans and oversees performance management to ensure that the plans are being implemented.	34
	b Describe management's role in assessing and managing climate-related risks and opportunities	The CEO is driving climate change initiatives through the ESG Promotion Committee to achieve net-zero. In addition, the overall responsibility for climate change response is assigned to the CSO, who evaluates major climate change risks/opportunities and reports to the BOD and the Sustainability Management Committee.	34
Strategy	a Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	We analyze potential impacts based on the climate change-related risk/opportunity factors provided by the TCFD Guidelines.	38
	b Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Responsible departments establish response strategies and implementation plans for each risk and opportunity related to climate change.	38
	c Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	We analyzed the likely risks by considering IEA and NGFS Net-Zero scenarios and IPCC SSP scenarios.	39~41
Risk management	a Describe the organization's processes for identifying and assessing climate-related risks	The ESG Management Promotion Team identifies risks related to climate change through scenario analysis and selects issues that pose a significant risk to financial resources or reputation as material issues.	37~45
	b Describe the organization's processes for managing climate related risks	For risks selected as material issues, we establish response strategies and detailed implementation plans, which are reported to and approved by the ESG Promotion Committee, Sustainability Management Committee, and the BOD.	37~45
	c Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Establish response strategies and detailed implementation plans for risks identified from an enterprise-wide perspective that have medium- to long-term significance, and report to the BOD for approval.	37
Indicator and reduction target	a Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	We use indicators such as GHG emissions(Scope 1, 2, and 3), energy usage, and GHG/energy source units to assess risks and opportunities related to climate change.	48~49, 59
	b Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas(GHG) emissions and the related risks	We disclose our Scope 1, 2, 3 emissions through its annual ESG report.	48~49
	c Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	We set a goal of reducing emissions by 51.7% by 2030 and 75.8% by 2040 compared to 2021 emissions to achieve Net-Zero by 2050 and discloses its emissions data every year.	36

# SASB

## Sustainability Disclosure Topics & Accounting Metrics

The SASB(Sustainability Accounting Standards Board) Standards are industry-specific sustainability accounting standards issued by the U.S. Sustainability Accounting Standards Board in 2011. For the first time, the SASB Standards systematize financially material sustainability information for 77 industries in 11 areas according to the CICS(Sustainable Industry Classification System), taking into account the specificity of each industry. KT belongs to the Technology & Communications (Telecommunication Services) industry group and reports on its major activities through this report.

Topic	Item	Category	Unit	Code	Answer	Page in the report	
Environmental Footprint of Operations	(1) Total energy consumed	Quantitative	TJ	TC-TL-130a.1	23,326	KT is expanding renewable energy activities by joining the global initiative RE100, and providing solutions and services for energy saving and expansion of new and renewable energy by participating in various eco-friendly energy projects.	
	(2) Percentage of grid electricity		%		98.9		
	(3) Percentage of renewable energy		%		1.1		
Data Privacy	Description of policies and practices relating to behavioral advertising and customer privacy	Qualitative	n/a	TC-TL-220a.1	KT considers the protection of customer information to be the first principle of its corporate value, and is committed to protecting customer information through the systematization of customer information protection management and various customer information protection services.		
	Number of customers whose information is used for secondary purposes	Quantitative	Person	TC-TL-220a.2	None	All personal information collected by KT is processed on an 'opt-in' basis, so there is no chance of using it for secondary purposes.	
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Quantitative	KRW ten thousand	TC-TL-220a.3	None	There have been no violations of laws related to customer information protection.	
	In relation to customer information	(1) Number of law enforcement requests	Quantitative	Case	TC-TL-220a.4	None	KT cooperates with government agencies' requests for data under the Telecommunications Business Act(Article 93, Paragraph 6) and the Telecommunications Secrets Protection Act(Articles 2 and 13) to provide relevant data in accordance with the statutory provision standards and methods.
		(2) Number of customers whose information was requested		282,978			
(3) Percentage resulting in disclosure	%	100					
Data Security	(1) Number of data breaches	Quantitative	Case	TC-TL-230a.1	None	There have been no violations of laws related to data security.	
	(2) Percentage involving personally identifiable information PII (personally identifiable information)		%		None		
	(3) Number of customers affected		Case		None		
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Qualitative	n/a	TC-TL-230a.2	As the use of data information such as big data becomes more active, the importance of the utilization and management of data information is growing. KT has identified major risks and potential business impacts and is preparing countermeasures.		
Product End-of-life Management	(1) Resources recovered through take back programs	Quantitative	ton, %	TC-TL-440a.1	4,793	KT systematically manages telecommunication waste and designated waste, which constitute the largest portion of waste generated by KT, and strives to maximize recycling.	
	(2) Percentage of resources that were reused				0		
	(3) Percentage of resources that were recycled				38.0		
	(4) Percentage of resources that were landfilled				0		

## SASB

Topic	Item	Category	Unit	Code	Answer	Page in the report
Competitive Behavior & Open Internet	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Quantitative	KRW	TC-TL-520a.1	In 2023, we were fined by the Korea Fair Trade Commission for violating the Display Advertising Act. We will do our best to strengthen our fair trade system, including overhauling related systems and business procedures to prevent future violations from occurring.	Business report p.488
	(1) Company owned and commercially-associated content	Quantitative	Mbps	TC-TL-520a.2	KT does not disclose download speed data broken down by content type(proprietary, commercial, etc.).	-
	(2) Average download speed of irrelevant content					-
Description of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices	Qualitative	n/a	TC-TL-520a.3	KT complies with the 'Guidelines on Net Neutrality and Internet Traffic Management'.*	-	
Managing Systemic Risks	(1) System average interruption frequency	Quantitative	Frequency per customer	TC-TL-550a.1	In 2023, there was a total of 1 communication service failure that is subject to user notification under the Enforcement Decree of the Telecommunications Business Act revised in 2019. (2023.1.3 DNS traffic increased beyond the switches for Domain Name System (DNS) access in the Busan area, causing some customers to be unable to connect smoothly.)	66~68
	(2) Customer average interruption duration		Downtime per customer			
Technology Disruptions	Response system to provide normal service in case of service interruption	Qualitative	n/a	TC-TL-550a.2	KT strives to provide the highest level of communication services based on measures to strengthen network stability and secure network survivability. We are organizing various systems such as traffic diversion routes, emergency recovery solutions(OPR), and a response system for power outages and fires at telephone service stations, and we will continue to develop these systems through active responses.	66~68

\* Guidelines : Revised by the Ministry of Science and ICT(Dec 28, 2020)

## Activity Metrics

Topic	Category	Unit	Code	Answer	Page in the report
Number of wireless subscribers	Quantitative	Thousand persons	TC-TL-000.A	24,897	127
Number of wireline subscribers			TC-TL-000.B	12,035	
Number of broadband* subscribers			TC-TL-000.C	19,236	
Network traffic		PB (Petabytes)	TC-TL-000.D	3,488	69

\* Broadband : High-speed Internet and IPTV subscribers

## K-ESG

Category	Scope	Classification number	Indicators	Page in the report
Information disclosure <b>P</b>	Form of information disclosure	P-1-1	ESG information disclosure method	146
		P-1-2	ESG information disclosure frequency	146
		P-1-3	ESG information disclosure scope	146
	Disclosed information	P-2-1	ESG core issues and KPI	28~29
	Verification of disclosed information	P-3-1	Verification of disclosed ESG information	144~145

Category	Scope	Classification number	Indicators	Page in the report
Environment <b>E</b>	Environment management goal	E-1-1	Environment management goal setting	33, 36
		E-1-2	Environment management promotion system	34
	Raw materials	E-2-1	Use of raw materials	Not relevant considering nature of the industry
		E-2-2	Percentage of renewable raw materials	Not relevant considering nature of the industry
	GHG	E-3-1	GHG emissions(Scope 1 & Scope 2)	48
		E-3-2	GHG emissions(Scope 3)	48
		E-3-3	GHG emissions verification	140
	Energy	E-4-1	Energy consumption	59
		E-4-2	Percentage of renewable energy	46
	Water	E-5-1	Water use	59
		E-5-2	Percentage of renewable energy	59
	Waste	E-6-1	Disposal of waste	55
		E-6-2	Percentage of waste recycle	55
	Pollutants	E-7-1	Emission of air pollutants	Mere considering nature of the Industry
		E-7-2	Emission of water pollutants	Mere considering nature of the Industry
	Violation of environmental laws and regulations	E-8-1	Violation of environmental laws and regulations	59, None
	Environment labeling	E-9-1	Percentage of products and serviced certified as eco-friendly	Not relevant considering nature of the industry

## K-ESG

Category	Scope	Classification number	Indicators	Page in the report	Category	Scope	Classification number	Indicators	Page in the report
<b>S</b> Society	Goal	S-1-1	Goal setting and disclosure	22-23	<b>G</b> Governance	Composition of Board of Directors	G-1-1	Putting ESG agenda in Board of Directors	21, 34
	Labor	S-2-1	New hiring and maintenance of employment	96			G-1-2	Percentage of independent directors	113
		S-2-2	Percentage of regular workers	96			G-1-3	Separation of CEO and chairperson	111
		S-2-3	Percentage of voluntary turnover	96			G-1-4	Diversity of gender in board members	111
		S-2-4	Education and training cost	98			G-1-5	Expertise of independent directors	111~112
		S-2-5	Cost of employee benefits	102		Activities of Board of Directors	G-2-1	Percentage of presence by all board members	113
		S-2-6	Ensuring freedom of association	99			G-2-2	Percentage of presence by independent directors	113
	Diversity and gender equality	S-3-1	Percentage of female members	96			G-2-3	Committees under Board of Directors	110
		S-3-2	Percentage of female salary (compared to average salary)	102			G-2-4	Processing of board agenda	110
		S-3-3	Percentage of employment of the disabled	96		Shareholders right	G-3-1	Announcement of convocation of general meeting of shareholders	114
	Industrial safety	S-4-1	Safety and health promotion system	87-91			G-3-2	A general meeting of shareholders held other than the concentrated days	114
		S-4-2	Percentage of industrial disasters	91			G-3-3	Intensive/Electronic/Written Voting System	114
	Human rights	S-5-1	Establishment of human rights policy	92			G-3-4	Dividend Policy and Implementation	114
		S-5-2	Human rights risk assessment	94-95		Ethical management	G-4-2	Disclosure of code of ethics violation	116
	Win-win growth	S-6-1	ESG management of subcontractors	81		Audit organization	G-5-1	Installation of internal audit department	110, 116
		S-6-2	ESG support for subcontractors	81~86			G-5-2	Expertise of audit body (accounting and financial experts in audit organizations)	110~111, 113
		S-6-3	ESG agreement for subcontractors	81~86		Violation of governance laws and regulations	G-6-1	Violation of governance laws and regulations	Business report
	Local community	S-7-1	Strategic social contribution	72-78					
		S-7-2	Participation in volunteer works by members	74, 76					
	Information protection	S-8-1	Establishment of information protection system	103					
S-8-2		Personal information violation and relief	103~107						
Violation of social laws and regulations	S-9-1	Violation of social laws and regulations	Business report						

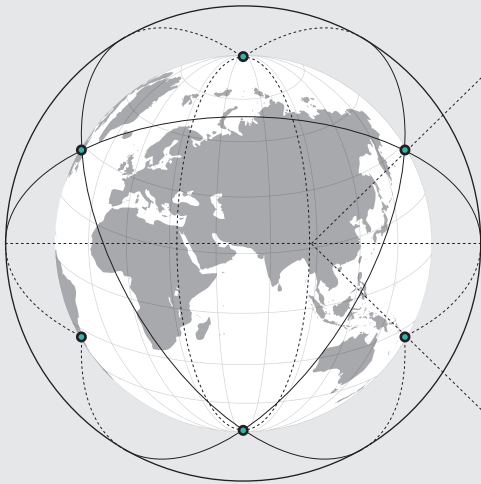
# Association and Organization Memberships

## Domestic Associations and Academies

Korean Association for Supporting the SDGs for the UN	Korea IPTV Broadcasting Association	KTOA (Korea Telecommunications Operations Association)
Korea Enterprises Federation	TTA (Telecommunications Technology Association)	Mobile Authentication Standards Association
5G Forum	K-META (Korea Metaverse Industry Association)	MEC Forum
SDN/NFV Forum	Korea Digital Content Association	Korea Association of Smart Homes
Korea Air Environment Association	Korea Smart Grid Association	

GSMA	3GPP	O-RAN Alliance
UN Global Compact	GCF	UNWTO
International Telecommunication Union	CSA	The Climate Group
WBA		

## Associations and Academies Outside the Country



# ESG Value Measurement Model Development

Since 2022, KT has been conducting research with Yonsei University's ESG/Corporate Ethics Research Center to analyze the environmental and social impacts of its major businesses and measure their performance. In the first year, we laid the theoretical groundwork for value measurement. In 2023, our efforts centered on improving and advancing the measurement model. KT's ESG value measurement model is designed not just for recognition of our ESG efforts, but as a practical tool to support decision-making in ESG management. To this end, KT has established a robust ESG value measurement model as follows:



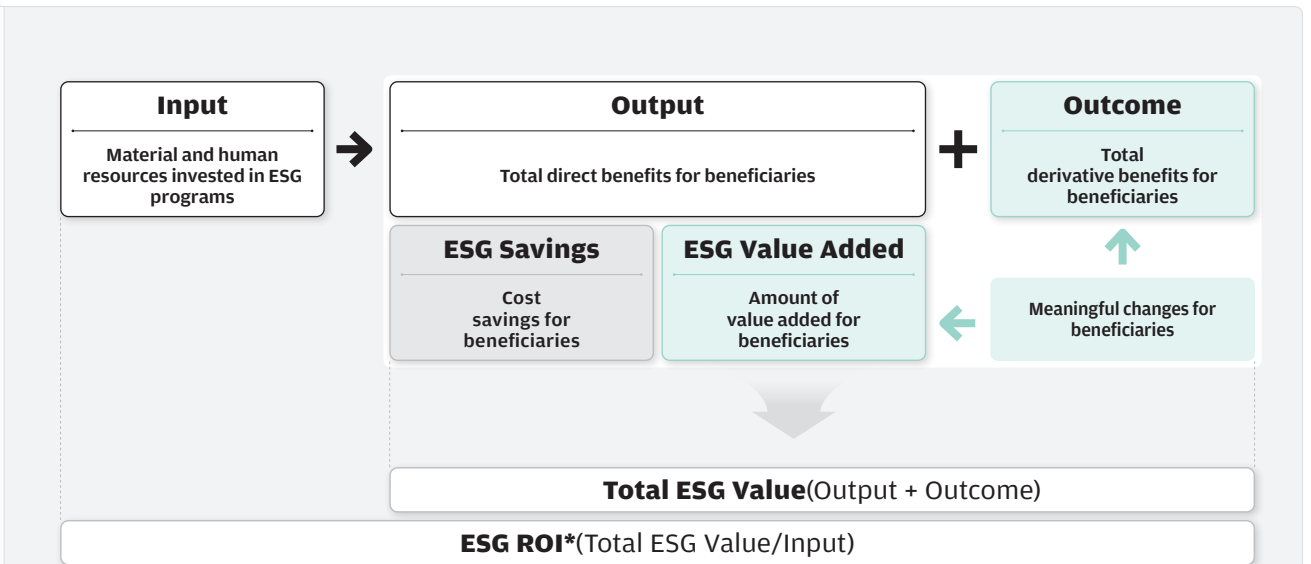
Q Characteristics of KT's ESG Value Measurement
✕

**First,** we aim to apply the unified standard for ESG management activities to measure values objectively and consistently. The financial report's cycle is applied to value measurement; we defined the concept structure for value measurement while recognizing and measuring our ESG activities as economic events. In addition, The strong comparability resulting from measuring each year's monetary value is another feature of KT's value measurement. For example, regarding the financial proxy used to monetize GHG reduction, we applied the current value and presented the trading price of the year, while other companies display identical social costs every year. It is for providing practical information about the impact of financial performance using market value.

**Second,** we continue to manage ESG ROI (Return on Investment) to monetize human and material resource investment to present ESG activities with qualitatively high social value and quantitative performance. Other companies utilize their performance of ESG activities, focusing on measured values. However, KT utilizes the ESG investment returns to support decision-making regarding ESG management activities. This allows the limited resources to be used more efficiently and is expected to strengthen ESG competitiveness in the long term.

**Third,** we pursue to enhance the positive impact of employ experience through ESG value measurement. The measurement is the study to replace the activities considered to be non-financial with accounts information. The awareness of value creation and the evaluation of relevant data allow our employees to understand the meaning of ESG management they practice. The achievement of ESG management is also an essential goal of value measurement. For instance, the employees who engaged in the first ESG value measurement have increased awareness and interest in ESG management.

We will continuously develop tools for ESG management and support our employees in enhancing their ESG capabilities.



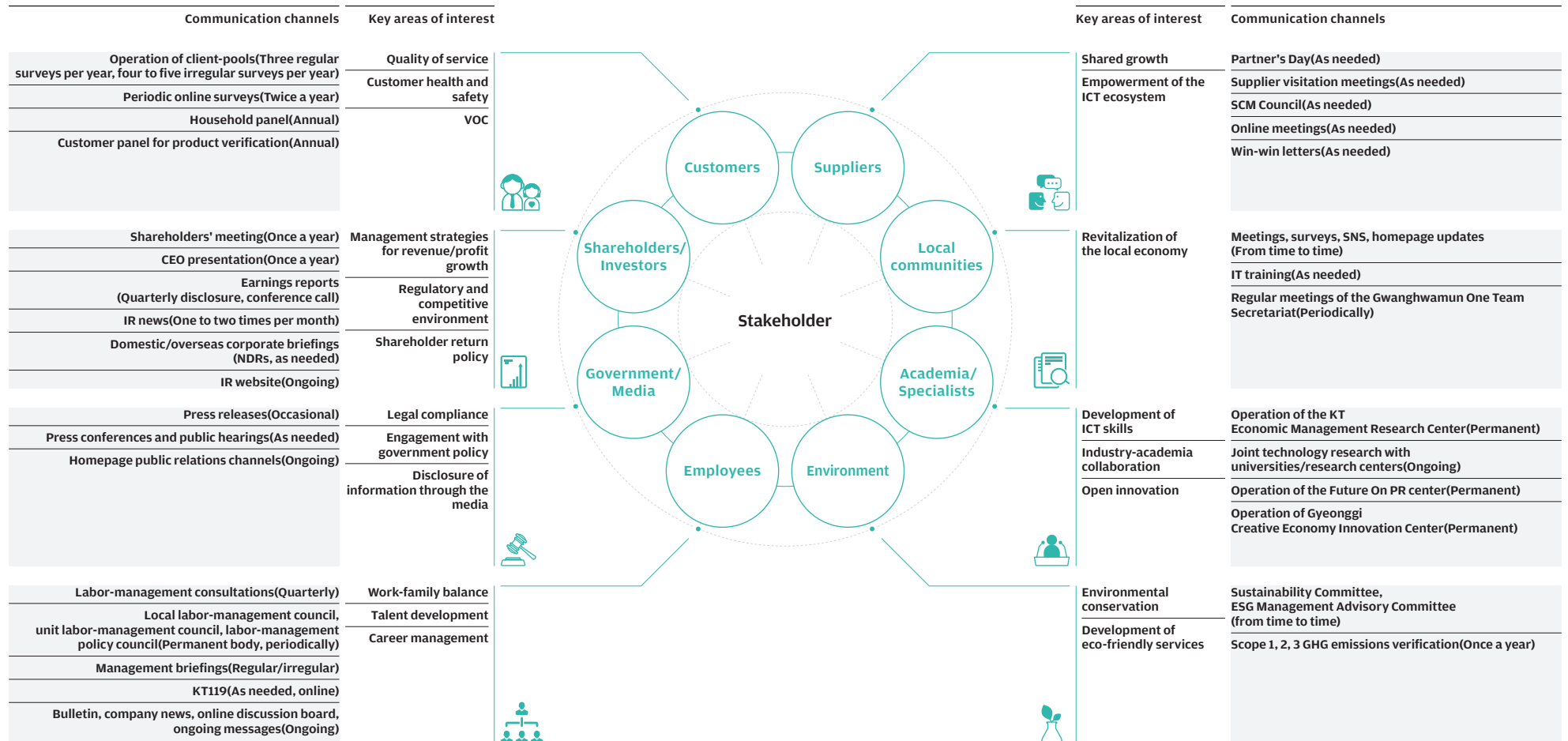
ESG ROI (ESG Return on Investment) : Represents the value created compared to the input costs of ESG activities.

## Measurement Principles

- |           |         |                  |                 |                |               |
|-----------|---------|------------------|-----------------|----------------|---------------|
| 01        | 02      | 03               | 04              | 05             | 06            |
| Sincerity | Reality | Conservativeness | Standardization | Simplification | Measurability |

# Stakeholder Engagement

Engaging in smooth communication with various stakeholders and reflecting their collected opinions in management activities are crucial to promoting corporate sustainability management. Therefore, KT has defined eight major stakeholder groups and established participation processes for each group to identify stakeholder expectations and requirements, and is striving to strengthen transparent governance.





GHG Assurance Statement

# Verification Statement



Verification No  
Company name  
Representative  
Business Registration No  
Address

KQA-T2424  
KT Corporation  
Kim Yeong-Sup  
102-81-42945  
90, Buljeong-ro, Bundang-gu, Seongnam-si,  
Gyeonggi-do, Republic of Korea



Verification No  
Company name  
Representative  
Business Registration No  
Address

KQA-T2422  
KT Corporation  
Kim Yeong-Sup  
102-81-42945  
90, Buljeong-ro, Bundang-gu, Seongnam-si,  
Gyeonggi-do, Republic of Korea



KQA confirms that under the reasonable level of assurance, the verification of the above company's collected, prepared and reported amount of energy usage/GHG emissions is appropriate.

KQA confirms that under the limited level of assurance, the verification of the above company's Scope 3 greenhouse gas emissions is appropriate. Based on verification according to relevant standards, We did not identify any inappropriate calculations or errors for the emissions of major emitting facilities.

Verification Standards

Guidelines for Reporting and Certification of Emissions in the Greenhouse Gas Emissions Trading Scheme

Verification Standards

ISO 14064-1:2006, ISO 14064-3:2006  
WRI/WBCSD GHG Protocol  
IPCC Guidelines for National Greenhouse Gas Inventories (2006)  
Guidelines for Reporting and Certification of Emissions in the Greenhouse Gas Emissions Trading Scheme

Verification Scope

Business locations and emission facilities included under the separate standards of KT Corporation of the year 2023 (Scope 1&2)

Verification Scope

Verification guidelines for the operation of emissions trading schemes  
Business locations and emission facilities included under the separate standards of KT Corporation of the year 2023.

Total GHG Emissions	1,127,476 ton CO <sub>2</sub> -eq
Scope 1	38,565.201 ton CO <sub>2</sub> -eq
Scope 2	1,088,910.71 ton CO <sub>2</sub> -eq
Total Energy Usage	23,255 TJ
Scope 1	559,224 TJ
Scope 2	22,695.265 TJ

Scope 3 emissions	1,854,314 ton CO <sub>2</sub> -eq
Social reduction	288,884 ton CO <sub>2</sub> -eq

Appendix 1: Other Indirect Greenhouse Gas Emissions (Scope 3) by Category

Category	Emissions(tCO <sub>2</sub> -eq)	Percentage(%)
1. Purchased Goods and Services	987,721.698	53.27
2. Capital Goods	474,709.112	25.60
3. Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	126,174.811	6.80
5. Waste Generated in Operations	6,674.084	0.36
6. Business travel	6,672.399	0.36
7. Employee Commuting	18,426.853	0.99
11. Use of Sold Products	37,378.815	2.02
12. End-of-Life Treatment of Sold Products	1,530.421	0.08
13. Downstream leased assets	78,497.489	4.23
14. Franchises	83,122.410	4.48
15. Investments	33,405.624	1.80
Total amount	1,854,314	100.0

21 June 2024

Korea Quality Assurance

21 June 2024

Korea Quality Assurance

(GHG · Energy verification body '2011-3rd,' accredited by the ministry of environment.)

※The details regarding the range of this Verification Statement and requirement of the GHG and Energy target scheme guidelines can be obtained by requesting to the relevant organization.

KQA Address : 2Fl., Hojeong Bldg., 49, Manan-ro, Manan-gu, Anyang-si, Gyeonggi-do, 14034, Republic of Korea

GHG Assurance Statement

Verification Statement



Verification No  
Company name  
Representative  
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Gyeonggi-do, Republic of Korea



Verification No  
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Kim Yeong-Sup  
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Gyeonggi-do, Republic of Korea



KQA confirms that under the limited assurance, the verification of the above company's Scope 1 & 2 greenhouse gas emissions is appropriate. Based on verification according to relevant standards, We did not identify any inappropriate calculations or errors for the emissions of major emitting facilities.

KQA confirms that under the limited assurance, the verification of the above company's Scope 3 greenhouse gas emissions is appropriate. Based on verification according to relevant standards, We did not identify any inappropriate calculations or errors for the emissions of major emitting facilities.

Verification Standards

ISO 14064-1:2006, ISO 14064-3:2006  
WRI/WBCSD GHG Protocol  
IPCC Guidelines for National Greenhouse Gas Inventories (2006)  
Guidelines for Reporting and Certification of Emissions in the Greenhouse Gas Emissions Trading Scheme

Verification Scope

Verification guidelines for the operation of emissions trading schemes  
Business locations and emission facilities included under the consolidated standards of KT Corporation of the year 2023

Total GHG Emissions

1,612,735 ton CO<sub>2</sub>e<sub>q</sub>

Scope 1

66,134.264 ton CO<sub>2</sub>e<sub>q</sub>

Scope 2

1,546,600.825 ton CO<sub>2</sub>e<sub>q</sub>

Verification Standards

ISO 14064-1:2006, ISO 14064-3:2006  
WRI/WBCSD GHG Protocol  
IPCC Guidelines for National Greenhouse Gas Inventories (2006)  
Guidelines for Reporting and Certification of Emissions in the Greenhouse Gas Emissions Trading Scheme

Verification Scope

Verification guidelines for the operation of emissions trading schemes  
Business locations and emission facilities included under the consolidated standards of KT Corporation of the year 2023

Scope 3 emissions

2,442,536 ton CO<sub>2</sub>e<sub>q</sub>

Social reduction

288,884 ton CO<sub>2</sub>e<sub>q</sub>

Appendix 1: Other Indirect Greenhouse Gas Emissions (Scope 3) by Category

Category	Emissions(tCO <sub>2</sub> e <sub>q</sub> )	Percentage(%)
1. Purchased Goods and Services	1,200,407.602	49.15
2. Capital Goods	592,700.187	24.27
3. Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	181,894.832	7.45
5. Waste Generated in Operations	10,448.282	0.43
6. Business travel	12,738.116	0.52
7. Employee Commuting	55,042.384	2.25
11. Use of Sold Products	41,990.005	1.72
12. End-of-Life Treatment of Sold Products	1,774.828	0.07
13. Downstream leased assets	219,760.017	9.00
14. Franchises	84,563.807	3.46
15. Investments	41,215.910	1.69
Total amount	2,442,536	100.0

21 June 2024

Korea Quality Assurance

21 June 2024

Korea Quality Assurance

(GHG · Energy verification body '2011-3rd', accredited by the ministry of environment.)

※The details regarding the range of this Verification Statement and requirement of the GHG and Energy target scheme guidelines can be obtained by requesting to the relevant organization.

KQA Address : 2Fl., Hojeong Bldg., 49, Manan-ro, Manan-gu, Anyang-si, Gyeonggi-do, 14034, Republic of Korea

To readers of KT ESG REPORT 2024

# Independent Assurance Statement

## Introduction

Korea Management Registrar (KMR) was commissioned by KT to conduct an independent assurance of its ESG REPORT 2024 (the “Report”). The data and its presentation in the Report is the sole responsibility of the management of KT. KMR’s responsibility is to perform an assurance engagement as agreed upon in our agreement with KT and issue an assurance statement.

## Scope and Standards

KT described its sustainability performance and activities in the Report. Our Assurance Team carried out an assurance engagement in accordance with the AA1000AS v3 and KMR’s assurance standard SRV1000. We are providing a Type 2, moderate level assurance. We evaluated the adherence to the AA1000AP (2018) principles of inclusivity, materiality, responsiveness and impact, and the reliability of the information and data provided using the Global Reporting Initiative (GRI) Index provided below. The opinion expressed in the Assurance Statement has been formed at the materiality of the professional judgment of our Assurance Team.

Confirmation that the Report was prepared in accordance with GRI standards 2021 was included in the scope of the assurance. We have reviewed the topic-specific disclosures of standards which were identified in the materiality assessment process.

- GRI Sustainability Reporting Standards 2021
- Universal standards
- Topic specific standards
  - GRI 205 : Anti-corruption
  - GRI 206 : Anti-competitive Behavior
  - GRI 305 : Emissions
  - GRI 417 : Marketing and Labeling

As for the reporting boundary, the engagement excludes the data and information of KT’s partners, suppliers and any third parties.

## KMR’s Approach

To perform an assurance engagement within an agreed scope of assessment using the standards outlined above, our Assurance Team undertook the following activities as part of the engagement :

- 1 reviewed the overall Report;
- 2 reviewed materiality assessment methodology and the assessment report;
- 3 evaluated sustainability strategies, performance data management system, and processes;
- 4 interviewed people in charge of preparing the Report;
- 5 reviewed the reliability of the Report's performance data and conducted data sampling;
- 6 assessed the reliability of information using independent external sources such as Financial Supervisory Service’s DART and public databases.

## Limitations and Recommendations

KMR’s assurance engagement is based on the assumption that the data and information provided by KT to us as part of our review are provided in good faith. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied. To address this, we referred to independent external sources such as DART and National Greenhouse Gas Management System (NGMS) and public databases to challenge the quality and reliability of the information provided.

To readers of KT ESG REPORT 2024

## Independent Assurance Statement

### Conclusion and Opinion

Based on the document reviews and interviews, we had several discussions with KT on the revision of the Report. We reviewed the Report's final version in order to make sure that our recommendations for improvement and revision have been reflected. Based on the work performed, it is our opinion that the Report applied the GRI Standards. Nothing comes to our attention to suggest that the Report was not prepared in accordance with the AA1000AP (2018) principles.

### Inclusivity

KT has developed and maintained different stakeholder communication channels at all levels to announce and fulfill its responsibilities to the stakeholders. Nothing comes to our attention to suggest that there is a key stakeholder group left out in the process. The organization makes efforts to properly reflect opinions and expectations into its strategies.

### Materiality

KT has a unique materiality assessment process to decide the impact of issues identified on its sustainability performance. We have not found any material topics left out in the process.

### Responsiveness

KT prioritized material issues to provide a comprehensive, balanced report of performance, responses, and future plans regarding them. We did not find anything to suggest that data and information disclosed in the Report do not give a fair representation of KT's actions.

### Impact

KT identifies and monitors the direct and indirect impacts of material topics found through the materiality assessment, and quantifies such impacts as much as possible.

### Reliability of Specific Sustainability Performance Information

In addition to the adherence to AA1000AP (2018) principles, we have assessed the reliability of economic, environmental, and social performance data related to sustainability performance. We interviewed the in-charge persons and reviewed information on a sampling basis and supporting documents as well as external sources and public databases to confirm that the disclosed data is reliable. Any intentional error or misstatement is not noted from the data and information disclosed in the Report.

### Competence and Independence

KMR maintains a comprehensive system of quality control including documented policies and procedures in accordance with ISO/IEC 17021:2015 - Requirements for bodies providing audit and certification of management systems. This engagement was carried out by an independent team of sustainability assurance professionals. KMR has no other contract with KT and did not provide any services to KT that could compromise the independence of our work.

June 2024 Seoul, Korea

CEO *E. J. Hwang*

# ABOUT THIS REPORT

## Overview

This report is the 19th ESG report published by KT. Through the publication of this report, KT intends to transparently disclose its ESG(environmental, social, governance) activities and performance in 2023. Furthermore, we hope that this report will serve as a communication channel to share information on KT's sustainability management strategies and direction. In addition, we will actively collect stakeholders' opinions and reflect them in our ESG management.

## Reporting Frequency

Every year (latest publication: July 2023)

## Reporting Period and Scope

This report covers KT headquarters and the branch offices nationwide from January to December 2023, includes some major business activities in the first half of 2024. Major quantitative data were created based on data from the last three years to report trends according to time series.

## Reporting Standards and Verification

This Report complies with the GRI(Global Reporting Initiative) Standards 2021, which are guidelines for international reports on sustainable management, in order to disclose the results of our sustainable management more transparently. As prescribed by the GRI, this Report reflects the major agenda items of the UN Global Compact Principles and ISO 26000. Financial results have been compiled based on the consolidated financial statements according to the K-IFRS(Korean International Financial Reporting Standards). We have had the contents of the report verified by a third party to secure reliability and fairness, and the results are stated in the verification opinion.

## Report distribution and feedback

Interested parties can download our ESG Report, which is published in the pdf format in both Korean and English. Please feel free to contact the address below if you wish to express your opinion or ask questions about our sustainable management or the contents of this Report.

## Contact

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**Planning** Tae-Sung Oh, Hee-Yeoul Kim  
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