



KT

RESPONSIBLE AI

REPORT

KT Responsible AI Center

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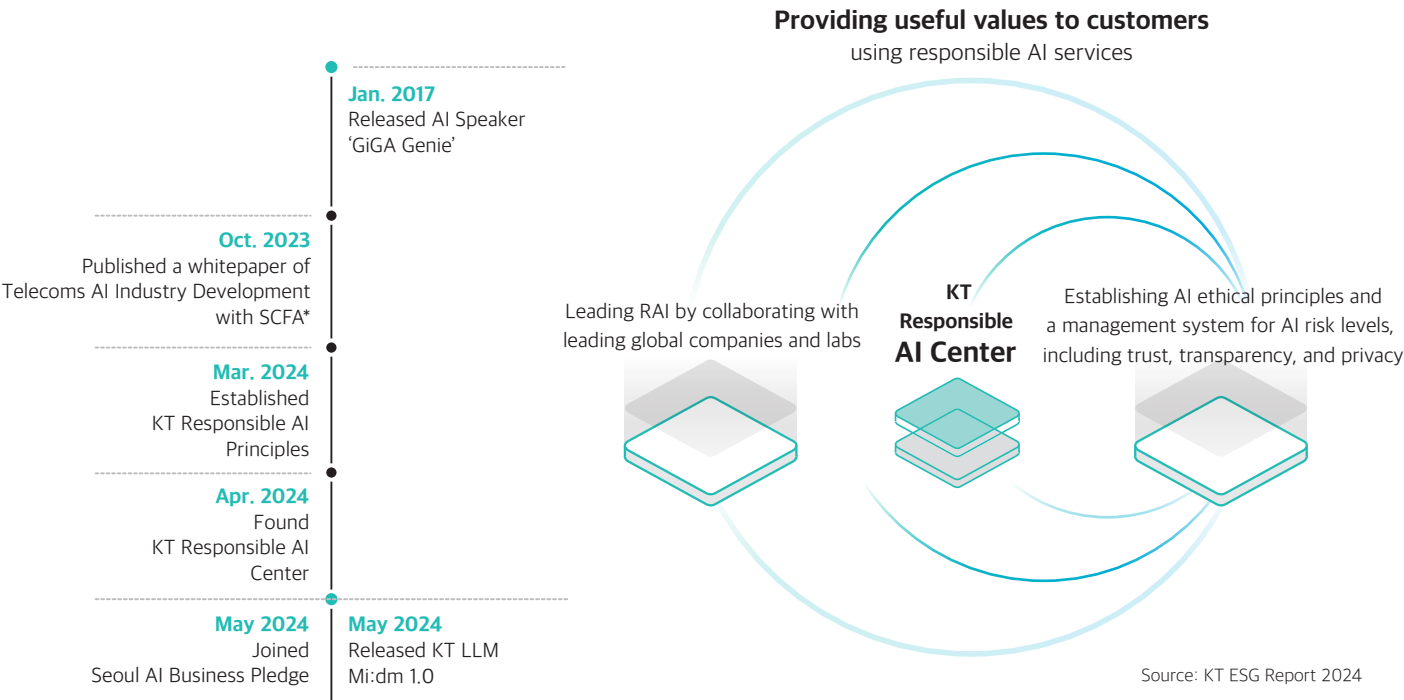
Responsible AI

| Responsible AI Journey

In the era of AI transformation, KT is working to accelerate our transformation to an AICT (AI+ICT) company. To become an innovative AI partner, one of the most critical goals for KT is to establish the Responsible AI (RAI) system so that AI can be used in a beneficial and responsible way in line with social ethics and public values.

This can be seen through KT’s footsteps so far. As a leading AI company with its own Large Language Model (LLM), ‘Mi:dm,’ KT has deepened our efforts into joining the global wave of responsible AI.

In 2024, KT established its Responsible AI Principles based on the values of promoting human dignity and public interests (Mar. 2024). Furthermore, at the recent AI Seoul Summit 2024 in May, which was the second AI Safety Summit, we joined the ‘Seoul AI Business Pledge’, a voluntary commitment that outlines the direction that companies will pursue in the areas of responsibility, development, and benefits of AI, along with major domestic and global companies such as Microsoft, Samsung Electronics, and Antropic.



# Responsible AI

## | Responsible AI Center (RAIC)

Playing a pivotal role in ensuring that AI is utilized in line with social values and goals, KT's Responsible AI Center (RAIC) researches the field and establishes KT's own Responsible AI Framework to provide ethical and reliable AI.

We believe that KT should take the lead in improving human-centered values and dignity and the sustainability of society, providing safe and reliable AI services. In addition, KT aims to lead domestic and international policies and agendas on AI ethics and trustworthiness. Ultimately, we strive to be an innovative AI partner that enables our customers to utilize AI with confidence.

KT's RAIC conducts research to minimize the risks associated with AI technology regarding safety, transparency, and personal information based on an effective risk management system.

### VISION

To become an AI partner that all customers can trust

### MISSION

To lead the responsible AI policies and agendas



Minimize AI risks



Establish AI governance



Establish RAI Guidelines

# Responsible AI Framework

## | Responsible AI Framework

A responsible AI framework is crucial to provide secure and reliable AI services. AI technology continues to advance at an accelerating rate, and artificial general intelligence (AGI)\*, a general-purpose AI system exceeding human intelligence, is expected to emerge in the near future. On the other hand, the development of AI is also raising concerns about ethical and social side effects. KT has developed the Responsible AI Framework to prepare for the future of AI, understanding the complexity and unpredictability of AI technology.

### **Responsible AI Governance**

We are working to create an internal decision-making system to implement the responsible AI at the organizational level, raise employee awareness, and cooperate with domestic and overseas AI ethics research institutes and public and regulatory agencies. Furthermore, KT will spread the values of responsible AI to its partners, creating a sustainable responsible AI ecosystem.

### **Responsible AI Principles**

KT's Responsible AI Principles are based on KT's core values and ethical management principles, as well as domestic and international regulations. KT's discussions on responsible AI will be built upon these principles.

### **Responsible AI Process**

We create guidelines for responsible AI, reflecting domestic and international AI ethics policies and laws. Our Responsible AI Guidelines consist of the development process for AI models and services, risk assessment methodology and criteria, risk analysis and mitigation processes.

\* AGI (Artificial General Intelligence): The field of AI research aiming to create AI with human-like intelligence and the ability to learn on its own.

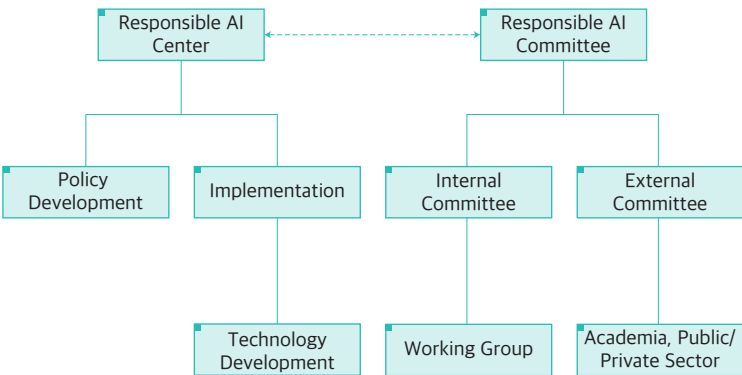
# Responsible AI Framework

Responsible AI Governance

## | Responsible AI Governance

### Responsible AI Governance

RAIC plays a key role in responsible AI implementation and is the centerpiece of the company’s responsible AI governance, collaborating with internal departments and external stakeholders. It also disseminates policies and guidelines on responsible AI to ensure that responsible AI is implemented throughout the entire process of AI services and operates an evaluation and management system for continuous evaluation and feedback.



### External Collaboration

KT’s Responsible AI Framework requires continuous improvement and modification as AI technology advances and regulatory requirements change. To this end, we are building an external collaboration system and conducting periodic workshops and seminars to identify global trends in the field and reflect regulations to make the KT’s Responsible AI Framework robust and stable. We will continue to maintain our leadership in the responsible AI field and make continuous progress.

We are also collaborating with global partners on AI technology and policy. Microsoft has been making continuous efforts to internalize responsible AI since 2016 and is recognized as a global leader in the field. KT and Microsoft are collaboratively sharing its knowledge and best practices. Through this cooperation, we aim to play a leading role in the field of responsible AI.

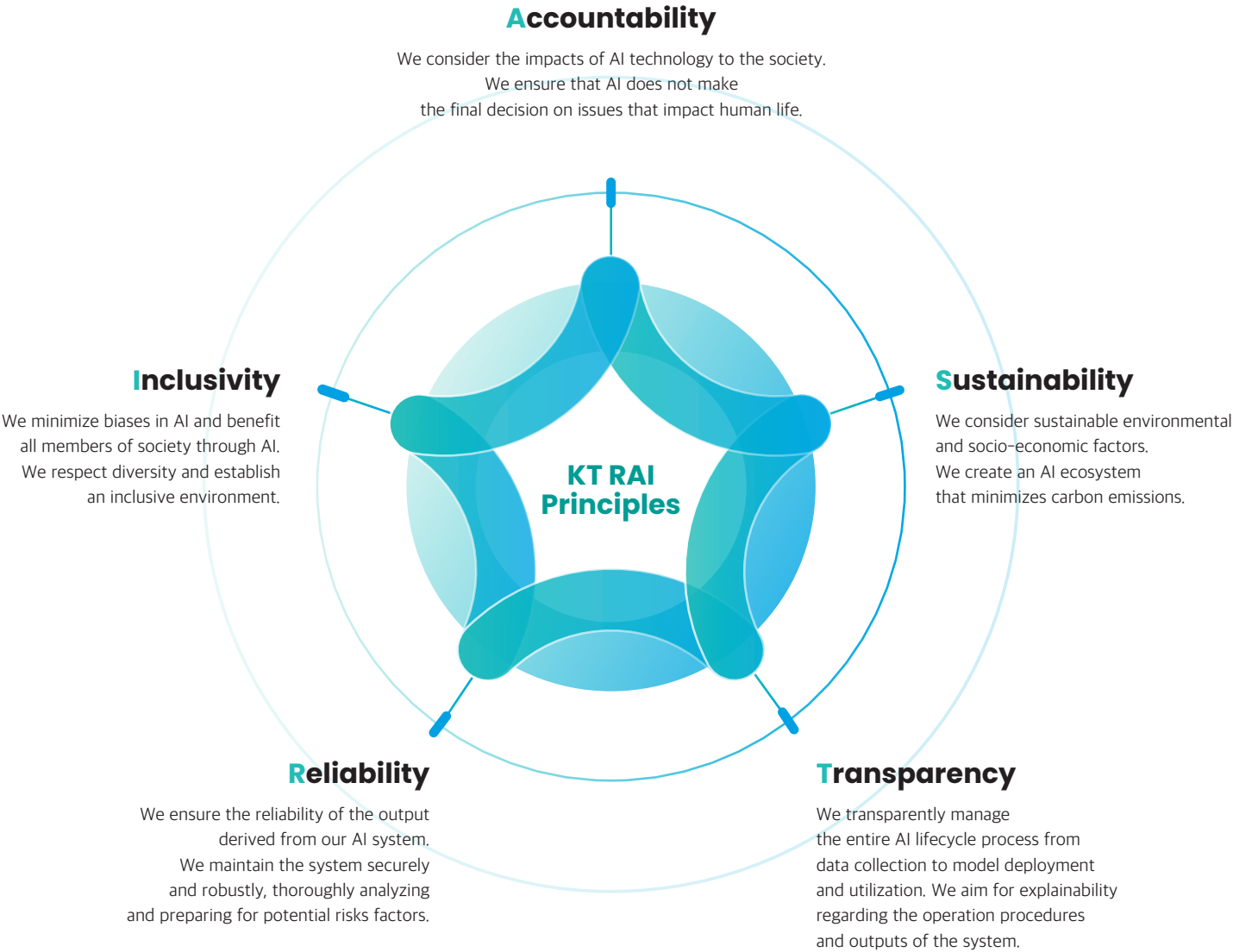
Together with academic partners, we have been conducting joint research and development of AICT-applied technologies. KT will lead the advancement of AI technology and work closely with academia to practice responsible AI.

# Responsible AI Framework

Responsible AI Principles

## | Responsible AI Principles

KT has established **five core principles (ASTRI)** in terms of ethics and technology to secure responsible AI. These principles serve as a compass guiding the direction of all KT’s responsible AI discussions, like the North Star (ASTRI) pointing the way. These principles were selected to reflect the global trend of responsible AI as well as the social and cultural values prevailing in Korea. We also considered previous commitments made by KT, such as the Declaration of AI Ethics and Trustworthiness Principles jointly declared by major telecommunications companies in Korea, Japan, and China.

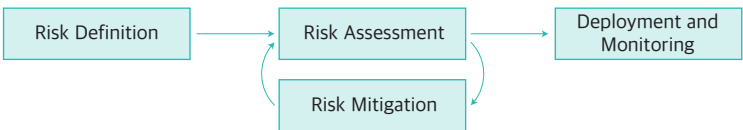


# Responsible AI Framework

Responsible AI Process

## | Responsible AI Process

KT is in the process of establishing an internal evaluation process to ensure that all AI products and services comply with the requirements during the entire AI lifecycle. We define potential risks at each stage of our AI lifecycle and take actions to mitigate those risks. KT operates the following process for AI risk analysis and mitigation.



### Risk Definition

This is a stage of defining the risks and potential issues of AI systems. We define and categorize potential issues that users may encounter when using AI models and guide internal teams to provide various safety measures to minimize damage.

### Responsible AI Guidelines

KT developed the Responsible AI Guidelines aligned with domestic and international laws, regulations, and policies to help AI developers and users implement and practice responsible AI. We are planning to improve the guidelines based on our external committee’s review.

### Risk Assessment

This is a stage of assessing the identified risks. If we decide that the risk of the AI model or service is low, there will be continuous monitoring after release. On the other hand, if the risk is high and there is a high potential for misuse, the release will be postponed. The system can only be released after mitigating the risks and it is sufficiently safe. One of the methods to assess AI risks is red teaming.

### Red Teaming

Red Teaming refers to the activity of identifying vulnerabilities and evaluating the safety of AI models using various adversarial tests. KT collaborates with an independent AI red team for a more diverse and objective diagnosis.



# Responsible AI Framework

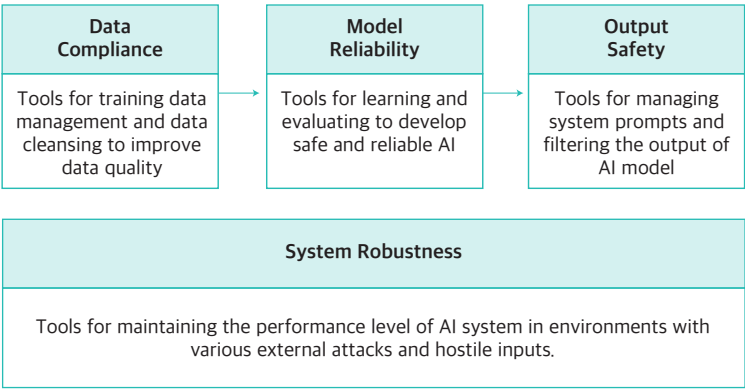
Responsible AI Process

### Risk Mitigation

This is a stage of technical improvements to mitigate AI risks through a comprehensive and sequential approach. AI development includes pre-training, fine-tuning, testing, and deployment. To minimize potential risks in each step, KT established a pipeline for risk mitigation.

#### Pipeline for Risk Mitigation

The pipeline includes internal management controls for training data, model design processes considering model risk identification and explainability, and tools to manage output from AI models.



### Deployment and Monitoring

This is the stage of deploying the AI system to users after the completion of the troubleshooting process. KT will be releasing AI Model Card in this step for improved transparency. We monitor the AI system intensively after deployment to ensure that no issues occur.

#### AI Model Card

We provide the information about AI models to encourage appropriate use, enhance transparency and accountability by helping users understand potential risks and limitations of the model. AI Model Card includes the intended and inappropriate use cases, expected risks and risk mitigation strategies, and limitations of the AI model.

# Future of **Responsible AI**

Recently, concerns about the risks and side effects of rapidly advancing AI technology have been growing, and there have been many discussions on how to safely and conveniently utilize it. KT has built the Responsible AI Framework to provide AI that all customers can trust and safely use. We aim to continuously consider various potential issues in advance and prevent them through ongoing discussions with diverse stakeholders.

KT's Responsible AI Principles will serve as the basis for decision-making in developing and operating AI, and responsible AI governance and process will act as a management system to uphold these ethical principles. This will enable us to create safe and useful AI and contribute to creating a more advanced future.

## **| Invitation to KT's Responsible AI Journey**

We would like to express our gratitude to everyone who has paid attention to KT's responsible AI journey. One of the substantial aspects of creating responsible AI is that it should be created by a diverse group of people. Responsible AI should be discussed and reflected by people from various groups' sociotechnical perspectives.

KT invites everyone, whether they are companies, institutions, or customers, to join the journey of creating KT's responsible AI.

As an innovative AI partner, KT has been leading digital innovation and contributing to industrial development of the society. To implement responsible AI, KT aims for external collaboration in an open ecosystem, working with various partners to achieve innovation. The participation of various stakeholders will enrich the open ecosystem, and the collective endeavor will be fruitful. We look forward to advancing KT's responsible AI and achieving sustainable innovation.



# KT Responsible AI Report

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