KT Stakeholder Engagement Guidelines

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1. Summary

We at KT strive to form and maintain comprehensive, sincere, and mutually beneficial relationships with our stakeholders. "Stakeholders" refers to individuals and groups of people who can influence, and are influenced by, our business operations. We believe that such relationships are clearly valuable assets that will bring success to our business operations. In setting up any business plan, we strive to identify and understand the values, demands, and interests held by our stakeholders and to have them reflected in our internal decision-making and project execution processes.

2. Purpose

KT intends to win trust and respect from our stakeholders by faithfully adhering to these Guidelines. We expect that we will be able to engage in more efficient and customer-oriented business operations and attain management objectives by focusing on mutual benefits for both our stakeholders and our company, and on creation of long-term values through such efforts.

3. Range of Policy

KT stakeholder engagement policy applies to our domestic and overseas operations. We strive to ascertain and analyze our stakeholders adequately on a company-wide basis to ensure efficient communication among all relevant groups of people and their participation in our operations. The level and methods of their participation are decided according to the detailed outline stated in the relevant guidelines.

4. Definition of Stakeholders

KT defines and classifies our stakeholders based on the level of impact of our operations on our stakeholders and on their relevance and influence on our operations. Such process is called stakeholder mapping, and the company officially goes through this process every year. In such a process, KT also takes into account future generations not directly voicing their opinions yet, as well as environmental factors, as potential stakeholders.

KT's stakeholder matrix is used as an important management tool in providing information to our stakeholders and communicating with them. The said matrix includes stakeholders, i.e. the government, customers, employees, cooperative companies, local community, shareholders/investors, government and mass media, academic experts and scholars, and workers in environmental sectors, all deemed to

be important stakeholders in our business operations.

[KT's Stakeholders]

- **Customers:** clients registered for our services, potential customers, etc.
- **Employees:** all employees of KT Group
- **Cooperative companies:** product suppliers, businesses working with KT in contractual work and services, etc.
- **Local community:** government, local government, media, NGO, etc.
- **Shareholders/investors:** individual and group investors, analysts, etc.
- **Government/media:** regulatory agencies, relevant policy-related departments, media corporations, etc.
- **Academic experts and scholars:** college professors of relevant majors; ICT industry experts (research organizations, societies, associations, etc.)
- **Workers in environmental sectors:** animals, plants, nature, environmental groups working to preserve nature, future generations, etc.

5. Guidelines for Stakeholder Partnership

- **Opinion coordination with stakeholders**

We reflect our stakeholders' opinions on a variety of issues related to our operations in coordinating the agenda and priorities.

- **Consultation with stakeholders**

We strive to achieve optimal results by considering all relevant aspects and possibilities in consultation with stakeholders.

- **Cooperation with stakeholders**

We strive to establish partnerships with individual and group stakeholders willing to share and develop future visions with the company. In making important decisions or carrying out important activities in our business operations, we strive to take a balanced position between conflicting demands of stakeholders, and conflicts regarding benefits which may arise from among the parties.

- **Encouragement of creativity**

We strive to run creative and innovative programs designed to develop meaningful and differentiated partnerships with stakeholders.

- **Open communication**

We place great value in open-minded and genuine communication with stakeholders.

- **Ascertainment of our obligations**

We aim to achieve substantial and unfailing results from opportunities and challenging issues, and we make devoted and continuous efforts to reach mutual agreements with stakeholders.

6. Approaches to Stakeholder Communication

Stakeholder engagement is reflected in our business strategies and decision-making process. We do our best to research our stakeholders, understand the motives of their participation, accommodate their criticism in a positive way, and develop common objectives while making efforts to understand their expectations. We think that such efforts will help us take a balanced position in dealing with conflicting demands of stakeholders, responding to their interests, and managing issues at hand more effectively.

[Our approaches to stakeholder engagement]

- **Questionnaire-based surveys and focus group interviews**
- **Maintaining channels for access to customers' interests at any time**
- **Wide-ranging online communication and feedback**
- **Communication through KT website**
- **Maintaining partnerships with local government and organizations**
- **Participation in various stakeholder forums and meetings**

7. Stakeholder Communication Channel

Classification	Areas of interest	Major communication channels
Customers	▪ Service quality ▪ Customers' health and safety ▪ VOC (Voice of Customers)	▪ Operation of offline customer survey (periodic surveys of 3 times a year, non-periodic surveys of 4~5 times a year) ▪ Operation of periodic online customer surveys (twice a year) ▪ Operation of a team of undergraduates engaging in hands-on experience of goods (in operation for 8 months a year) ▪ Household panels ▪ Operation of a team of customers for product verification (throughout the year) ▪ Operation of a team of undergraduate mobile futurists (MFs) (about 20 occasions a year)
Employees	▪ Maintaining balance between work and family ▪ Human resources development ▪ Career management	▪ Labor-management consultation meetings (quarterly) ▪ Local labor-management consultations, win-win labor-management consultations ▪ Complaint registration committees (252 committees) ▪ Management information sessions (monthly) ▪ KT119 Win-Win Labor-Management Collaboration Center (Online) ▪ 2030-informal meetings with management (frequently) ▪ Meeting for communication (monthly) ▪ In-house broadcasting (KBN) (3 times a week) ▪ Operation of in-house on/offline communication space (throughout the year) : Background images for PCs, toilet messages, posters, in-house portals, idea Wiki, etc. ▪ Operation of Opinion Leader Group (throughout the year) : Blue Board, Culture Leader, EFT, etc.
Cooperating Companies	▪ Shared growth ▪ Invigoration of ICT-related ecological system	▪ Partner's Day (annually) ▪ KT Partners Consultation Meeting (half-yearly) ▪ Supply Chain Management (SCM) consultative group by items (monthly/quarterly) ▪ Equipment quality consultations (quarterly)

		▪ Visiting consultations for local citizens (weekly)
		▪ Invitational meetings, luncheon meetings; business practice exchanges (frequently)
Local Community	▪ Invigoration of local economy ▪ Communications welfare ▪ Social contribution	▪ Informal meetings, questionnaire-based surveys, SNS, homepage ▪ Provision of support for local centers for children (by KT's Kkumpum Center) ▪ IT education (frequently)
Shareholders/investors	▪ Management strategy for growth in sales/profits ▪ Regulatory and competitive environment ▪ The return to shareholders policy	▪ General Meeting of Shareholders (annually) ▪ Management information sessions with the CEO (annually) ▪ Announcement of performance results (quarterly public announcement, conference call) ▪ IR news (once or twice a month) ▪ Domestic/overseas corporate information sessions (NDR, frequently) ▪ Operation of IR homepage
Government/Media	▪ Observance of laws ▪ Active participation in government policies ▪ Disclosure of information through mass media	▪ Press release (frequently) ▪ Informal meetings with journalists and public hearings (frequently) ▪ Operation of online public relations channels
Academic Experts and Scholars	▪ ICT technology development ▪ Cooperation between universities and businesses ▪ Open innovation	▪ Operation of KT Digieco (at all times) ▪ Operation of 'DigiEco,' an ICT research site (at all times) ▪ Joint research with universities/research institutes ▪ Operation of PR Hall, 'Future On' (at all times) ▪ Operation of GCCEI, Gyeonggi Center for Creative Economy & Innovation (at all times)
Workers in environmental sectors	▪ Environment conservation ▪ Development of environment-friendly services	▪ Environmental Management Committee (frequently) ▪ Verification of greenhouse gas emission (twice a year, scope 1, 2, 3) ▪ Coping with CDP and public announcements (annually)

8. Detailed Guidelines for Stakeholder Engagement

I. Grasping and analyzing stakeholders

KT strives to provide appropriate tools and frameworks to get a grasp of and analyze stakeholders, keeping in mind that such process becomes the basis of strategy for stakeholder engagement.

① Matters pertaining to priorities and for getting a grasp of and analyzing stakeholders shall be carried out based on the stakeholder analysis framework. Stakeholder analysis shall be carried out at all sites to get a grasp of priorities and stakeholders fit for specific operational environment.

II. Engagement of Stakeholders

KT shall set up a communication strategy for stakeholder engagement fit for our overall operation.

① The level and methods of communication for stakeholder engagement shall be designed around each stakeholder in consideration of the impact of KT on each shareholder and vice versa.

② We shall inform stakeholders of the purpose, scope, objective, and procedure of the activities, along with the list of participants, in advance of a stakeholder engagement-related event.

③ Relevant tools such as social network, mass media, and email shall be utilized adequately to encourage stakeholders' participation.

III. Provision of information to participants

We shall increase trust and reliability by providing participants with relevant information in advance regarding the results of stakeholder engagement.

① The relevant information provided to participants in advance shall include specific information on important current issues.

② Information provided in advance shall include in detail how KT is to manage and deal with the important current issues.

IV. Basic principles

The following basic principles shall be observed.

① All participants shall be allowed to present their opinions freely.

② All participants shall be given equal opportunities.

③ Anonymity shall be respected where such has been agreed upon among participants.

④ Separate film footages or written records shall be made concerning matters agreed upon by all participants.

⑤ The major purpose of the procedure for stakeholder analysis and participation is to prevent the worsening of relationships with stakeholders.

Participants shall not engage in any acts associated with the following.

    ① Distrust

    ② Threatening or bluffing

    ③ Unnecessary competition among participants based on personal relationships

    ④ Inactivity (very low participation)

V. Documentation

Results of events held for stakeholder participation shall be made into documents with a focus on the following.

    ① Objective and purpose of participation

    ② Tools used

    ③ List of participants

    ④ Time (duration)

    ⑤ Stakeholders' interests, expectations, and opinions

    ⑥ Summarized content of major points of discussion

    ⑦ Results (questions, suggestions, recommendations, and opinions/behaviors shared by participants)

VI. Plan for putting results into practice

Results of events carried out for stakeholder participation shall be analyzed by KT, and the company shall prepare methods of putting them into practice with specific information and details.

    ① The said methods shall include stakeholders' interests, expectations, and opinions as well as major content of discussions and arbitration.

    ② The said methods shall clearly indicate the role and responsibility of each participant.

VII. Report to stakeholders

The said results and specific methods of putting them into practice shall be communicated to participants through written reports, one-on-one conversations, follow-up phone calls, and provision of information via websites.