







Advantage of Making the First Move K-water All First Strategy

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Contents

- K-water's DX and AI Transformation Journey
- Al First Strategic Task Force Operation
- K-water AX Vision 2030

IV Ripple Effects of Al First



Strategy







Global water companies are taking action, but K-water is different

Leveraging the world's only end-to-end water management expertise with Al to secure No.1 leadership in the global water industry

Competitive Edge of K-water

Distinctive Business Scope

National authority responsible for integrated water management across the entire water cycle







Aligned with government Al policies

Achieving economy of scale at the national level

AX Core Assets

Backed by 60 years of data, know-how, and expert talentfrom managing 200+ infrastructures





Open Innovation

Saining global first-mover advantage via startup partnerships and venture investments





Timely Investment Capability

- >>> Proactive investments aligned with government policies
 - * Reflecting mid- to long-term financial plans





Expanding Infrastructure to Fully Implement the AI Strategy

K-water: Driving Continuous Expansion of Proprietary Al Infrastructure through Digital and Al Transformation Expertise

K-water Innovation Center

K-water Smart Work Environment

K-water Digital Platform Implementation

Board Resolution - '24. 8

Board Resolution - '23. 9

Establishing and Operating a State-ofthe-Art Data Center in Sejong





Implementing Cloud & Data Hub,

Driving SaaS Adoption



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All First Strategic Task Force Operation

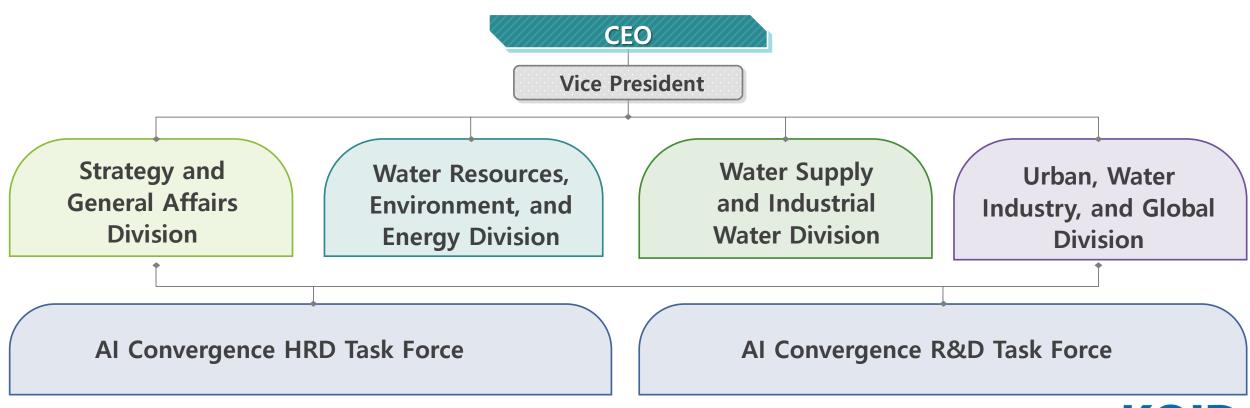




Formation of Task Forces for K-water's Enterprise-wide Al Transformation

Al-Driven Transformation as a Company-wide Challenge Involving Management and Business Changes,

Managed by a CEO-led Planning Committee





Company-wide Capability Mobilization for K-water's AI Transformation

In order to consolidate dispersed Al integration capabilities and ensure enterprisewide execution capabilities



Formulating an Al-first strategy

- ➤ Technology Roadmap Development:
 Applying AI to Business, Water Management Lifecycle
- ➤ Establishing Al Transformation Foundations: Technical, Human & Institutional Infrastructure through Al-First Strategy Team

P 1 Focus and Prioritization

- Focusing on Key Water Management Processes with Al Effectiveness
- Strategically Advancing Proofs of Concept (PoCs) in Fields with High Potential for Al Integration



Securing AI+Water Convergence Solutions

- Full-Cycle Water Management Al Solutions& Leading Korea's Water Al Ecosystem
- Building Global Foundations for Al-Based Water Management Standardization and Expansion

STEP 2 Identification of Al-related Tasks

- ✓ Discovering Unique Areas for Al Integration with Key Water Management Strengths
- ✓ Identifying Technology-Business Integrated Projects with a Global Expansion Focus



Achieving Global Leadership in Alfor Water Management

- ➤ Completion of Al-Based Autonomous Water Management System
- ➤ Reversing the Technological Gap with Global Water Companies to Secure Global Market Leadership

STEP 3 Implementation Roadmap

- Establishing a Stage-wise Implementation System for Technology, Field, Expansion
- Designating Responsible Organizations for Each Al Convergence Area / Strengthening Enterprise-wide Governance Integration









Compressing 60 Years of Experience into 1 Second

From Infrastructure To Intelligence

01

Revolutionizing the Work Environment

Integrating Distributed Systems and
Maximizing Efficiency through Al-Driven
Workflows

02

Self-learning and Self-optimizing Facility

Implementation and Expansion of Al Solutions Across the Water Management Lifecycle, Leading the Domestic Water Al Ecosystem 03

Emergence of Collective Intelligence Surpassing Personal Expertise

Transforming Decision-Making with Al Integration of Organizational Data and Knowledge



1) Revolutionizing the Work Environment

Introducing Physical AI, which integrates AI decision-making with on-site operations, is essential for driving productivity innovation in water management

"From Fragmentation to Integration: Transforming the Work Experience with AI"

01

Al Learns Accumulated Work Expertise for Instant Use Through Natural Language Conversations 02

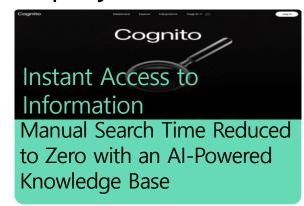
Integrating Disparate Work
Systems into a Unified
Conversational Platform

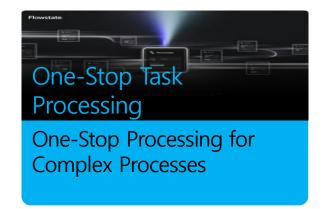
03

Intuitively Handling Complex
Business Processes Through
Question-and-Answer Interactions

Perceived Impact on Employees











2 Self-learning and Self-optimizing Facility

"Al That Learns On-Site Experience: The Moment Facilities Become Veterans "

01

Intelligent Water Management
Throughout the Entire Cycle, Enabled
by DT-Based Water Management and
Completion of Al-Powered Water
Treatment Plants

02

Transitioning from Response-Based to Al-Driven Predictive
Optimization

03

Stepwise Expansion of Unmanned Autonomous Operations through Physical AI Sensors and Automated Control

Perceived Impact on Employees











3 Emergence of Collective Intelligence Surpassing Personal Expertise

" From Operations to Strategy: A New Dimension of Employee Capability Expanded by AI "

01

Enterprise-wide Data Literacy Training
Turns Every Employee into an Al
Collaboration Expert

02

Transforming Organizational DNA from Experience-Based to Data-Driven Decision-Making 03

Establishing a Data- and Al-Driven
Work Environment from Policy
Planning to Design

Perceived Impact on Employees











IV

Ripple Effect of K-water Al First Strategy





Ripple Effect of K-water Al First Strategy

Enhancing Employee Work Environments and Facility Safety at the K-water Level

— A Breakthrough Toward **Becoming a Global Tech Company**

Infrastructure Improvement and

water Leap to Become a Global Tech Company

Transforming into an Al-Driven
Tech Company
by Combining Innovative and
Water Management Technologies

Accident Prevention and Stability Improvement

Becoming a great place to work

Transforming into a Preferred Workplace through a Safe and Smart Work Environment



Water Industry

Activating the Innovative A

Activating the Innovative Al Water Industry Ecosystem through Active Collaboration with SMEs and Startups

Promoting the Domestic

Expansion of AI and Digital Services

Fostering Talent for the Water Industry

Increasing Preference for University Water-Related Majors with Al, Data, and Water Management Integration

Smart Work Environment Establishment





