Gwangju,
Championing Your Business!
Gwangju
Mecca for High Technology Industries!
A Global City Powering the World Economy

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Gwangju opens up infinite business opportunities for companies.
Gwangju, Championing Your Business!

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GWANGJU
Area : 501.18㎢ (5 districts)
Population : 1,490,000

An energetic city of 「Hi-tech Science & Industry」
- Promotion of Gwangju R&D Special District and the establishment of the GIST Campus of International Science Business Belt
- Promotion of regional strategic industries including digital appliance industry, photonics convergence industry, & molding, etc.
- Dynamic development of new growth engine industries such as bio-compatible materials industry, and ICT convergence industry, etc.

A City of the 「Futuristic Eco-friendly Automobiles and Energy Valley」
- Creation and development of the eco-friendly automobile parts cluster
- Establishment of Next-generation Energy Hub City, collaborating with Korean Electric Power Corporation (KEPCO)
- Creation of the new energy industry platform and new & renewable energy ecosystems

「Hub City of Asian Culture」 where culture and arts live and breathe
- 'Asia Culture Center', the nation’s largest complex culture facility, opened in September 2015
- The nation’s one and only ‘Culture Industry Investment Promotion District’ was designated for attracting and promoting cultural contents companies
- Gwangju's diverse global culture & arts festivals such as Gwangju Biennale, Gwangju Design Biennale, and World Kimchi Culture Festival, etc.

A 「City of Democracy, Human Rights, and Peace」 that led the democratization of Korea
- A sacred place that led the democratization of Korea through Gwangju Students' Independence Movement and the May 18 Democratization Movement
- Gwangju was designated as 'UN Human Rights City'; the Gwangju Human Rights Charter adopted and the human rights ordinances enacted.
- The archives of the May 18 Democracy Movement included in the "UNESCO Memory of the World Register"
Gwangju, the Central Economic City of Northeast Asia

Gwangju is at the heart of Northeast Asia, one of the world’s top 3 economic blocs and a region whose population of 1.5 billion makes up 21% of the global population.
- Gwangju is within 1,500 km of 61 cities with a population of more than 1 million including Tokyo, Beijing, Shanghai, etc.

A City Welcoming the Entry of Global Companies

- A global economic city where globally well-reputed companies, including KIA Motors, Samsung Electronics, LG Innotek, and Kumho Tires, are located.

Gwangju is now making a new leap forward to be a bigger city in the world.

Gwangju, Home to Global Companies

- KIA MOTORS
- HYUNDAI MOBIS
- Armos Electronics
- LG Innotek
- KUMHO ELECTRIC, INC.
- Carrier
- OTECH CARRER CO., LTD.
- ALPS
- Dongbu Daewoo Electronics
- KUMHO TIRES
- DAYOU
- SEBANG SEBANG GLOBAL BATTERY
- ILSHIN SPINNING
- CHONBANG
- Grundfos Korea
- CNH Industrial Korea LLC
Gwangju, becoming more powerful as a global city

A City of Export-oriented Manufacturing Businesses

Exports
- USD 14.7 billion in 2016
  - Major export items: Automobiles, digital appliances, photonics, semiconductors, & tires

Major Export Destinations
- U.S.A. (30.4%), Southeast Asia (21.5%), China (7%), Mexico (3.6%), Canada (2.9%), Japan (2.7%), Australia (2.3%), Others (29.6%)

Optimal Place for 「Science to Business」

Development of R&D Special District
- The 「Science to Business」 is being realized by developing the largest global open-type cooperation complex in Northeast Asia and by linking R&D results to commercialization.
- Formation of a virtuous cycle: Basic science research → R&D application → Commercialization

Promotion of Specialized Fields
- Eco-friendly automobile components and materials
- Smart Grids
- Next-generation photonics-based convergence
- Bio-materials
- Design & Cultural Contents

GIST (Gwangju Institute of Science & Technology) Campus of 「International Science Business Belt」
- Support for basic research connecting with R&D Special District
- Investment Amount: USD 600 million from 2011 through 2021
Gwangju is an innovative leader in a wide range of industries which brighten the future of companies.

Automobiles

Project to create the ‘Automobile Industry Valley’
- Creating an Eco-friendly Automobile Cluster for Electric & Hydrogen Cars
  - USD 267 million to be invested by 2021
  - Establishment of the Auto-Industrial Complex in Bitgreen National Industrial Complex
  - Eco-friendly Innovation Cluster to be established with supporting organizations including ‘Support Center for Converged Automotive Electronic Components’
  - Technology development for eco-friendly automotive parts for SUVs, diesel hybrid and electric vehicles
  - A hub city for futuristic automobiles such as electric and hydrogen vehicles
- Creating Gwangju’s model of job creation through social agreements in community
  - Establishing cooperative partnerships and business environment for creating new jobs

Hub city for Fuel Cell Electric Vehicles (FCEV)
- Gwangju Creative Economy and Innovation Center launched on January 27, 2015 (FCEV-focused project)
- Starting the technology localization project for hydrogen and electric vehicles charging station from November 1, 2016
- South Korea’s first hydrogen and electric car sharing program launched on April 13, 2017 (15 hydrogen-powered cars and 27 EVs)

Kia Motors (Korea’s 2nd largest automobile manufacturing city)
- Its manufacturing system of 620,000 cars per year (Ranked top in manufacturing labor productivity nationwide) - 79 vehicles per manufacturing personnel
Gwangju’s leading industries

**Energy industry**

- **Establishment of Next-generation Energy Hub City (A joint project of Gwangju, Jeonnam, & Korean Electric Power Corporation (KEPCO))**
  - To attract 500 power and energy related enterprises and create 30,000 new jobs by 2020
  - Preparing the 200 million fund for the relocation of energy-related companies
  - Establishment of Energy Valley with the Gwangju Branch of Korea Electrotechnology Research Institute (KERI), HVDC (High Voltage Direct Current) Field Test Center, etc.

- **New Energy Industry Projects**
  - To establish the New Energy Industry Research Infrastructure
    - Gwangju Branch of Korea Institute of Energy Research, Research Institute for Solar & Sustainable Energies at Gwangju Institute of Science & Technology (GIST)
    - Solar City Center & International Geothermal Research Center (Southwestern Regional Division of the Korea Institute of Industrial Technology (KITECH))
  - Industry 4.0 and Smart Energy City Creation
    - Promoting smart grid & micro grid technology and establishing the infrastructure for artificial intelligent meter development based on Advanced Metering Infrastructure (AMI)
    - Convergence and substantiation of technology packages related with zero-energy buildings

**Photonics Industry**

- **Establishment of a Global Photonics Industry Cluster**
  - World’s finest technology in the field of optical communication and optical information equipments
  - Many organizations clustered to develop photonics industry: Research & supporting organizations such as KOPTI (Korea Photonics Technology Institute), ETRI (Electronics and Telecommunications Research Institute), KITECH (Korea Institute of Industrial Technology), APRI (Advanced Photonics Research Institute), & KAPID (Korea Association for Photonics Industry Development), etc.

- **Korea’s one and only Photonics Industry Cluster**
  - A wide range of projects are in progress including the development of Photonics Industry Clustered Complex & LED Test-bed
  - 273 photonics companies including LG Innotek, Kumho HT, OE Solution, & GOC are located in Gwangju
    - Korea’s biggest photonics industry cluster generating approximately USD 1.8 billion in sales annually
Digital Home Appliance Industry

- The Nation’s Largest Hub of Digital Home Appliances
  - Major home appliance companies
    - Samsung Electronics, Dayou Winia, Dongbu Daewoo Electronics, LG Innotek, Carrier, Alps
  - About 700 component suppliers are clustered

- Promotion focused on future-oriented information electronic appliances including smart home appliances
  - Establishment of R&D support infrastructure such as the Korea Electronics Technology (KETI) and Home Robot Support Center at Gwangju Technopark
  - Promotion of home robot specialization and the establishment of Micro Medical Robot Center
    - Provision of total services including application technology development, manpower training, corporate supports, etc.

Mold Industry Cluster

- Establishment of Mold Industry Cluster
  (169,704 m² / Pyeongdong Industrial Complex)
  - Samsung Electronics Precision Mold Center, Try-out Center, and High-tech Mold Center established in Gwangju
Gwangju’s leading industries

Cultural Industry

- Optimal location for cultural industry cluster (Creation of Asian Cultural Hub City)
  - Over USD 5.3 billion to be invested until 2023, drastically expanding cultural industry infrastructure
  - Korea’s only ‘Cultural Industry Investment Promotion District’ where various incentives are being provided for moved-in companies

  01 Cultural Industry Investment Promotion District
  - Asia Culture Center Zone, CGI Center Zone, KDB Bldg. Zone, Daewon Bldg. Zone

  02 Korea Creative Contents Agency
  - Supporting the production of broadcasting images, games, animated cartoon characters, etc.

  03 Digital Contents Industry Cluster
  - Advanced Contents Production Support Center, Creative Contents Plaza

  04 CGI Center
  - 3D Converting, Post-production, HD upgrading, Advanced imaging contents

New Growth Engine Industry

- Bio-medical materials and components industry
  - Clustered Infrastructure for Dental Materials & Components Industry

- 3D convergence industry
  - Establishment of 3D Commercialization Support Center and support for technology development
  - Creating a new industrial field by combining 3D technology with medicine, automobiles, & robots

- ICT Convergence Industry
  - Creation of integrated cluster for new energy industry
  - Establishment of software industry infrastructure in the region and industry development support
Gwangju has an attractive business environment which gives companies a competitive edge.

Abundant Skilled Workers and R&D Support

Abundant Skilled Workers

- 50,000 trained workers join the workforce every year (8 universities, 5 technical colleges, and 13 vocational high schools)
- Standing at the national-top level of college examination performance for the past 10 years
- Gwangju Institute of Science & Technology (GIST) ranked 1st in the number of citations per faculty in the world (Based on QS World University Rankings)

Formation of Research & Supporting Organization Cluster
Creating the best environment for business success

Low-priced and Urbanized Industrial Complexes

- Providing abundant and low-priced factory sites

  - 13 urbanized industrial complexes with fast accessibility
  - Lowest industrial land price, far less than that of other major cities in Korea
  - Providing the best business environment with fast accessibility, sharing city infrastructure

Industrial Complexes

- 14 complexes in total (Total Area: 30,428,000 m²)
  - 8 Completed Industrial Complexes (26,673,000 m²), 3 under construction (3,510,000 m²)
  - 3 planned industrial complexes (2,245,000 m²)

### Industrial Complexes

<table>
<thead>
<tr>
<th>Name</th>
<th>Area (1,000 m²)</th>
<th>Development Period</th>
<th>Sale Initiation</th>
<th>Project Operator</th>
<th>Developers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pyeongdong Industrial Complex (3rd)</td>
<td>1,178</td>
<td>2011 - 2019</td>
<td>In the latter half of 2017</td>
<td>Gwangju Metropolitan City</td>
<td>SPC</td>
</tr>
<tr>
<td>Energy Valley (National Industrial Complex)</td>
<td>485</td>
<td>2015 - 2019</td>
<td>In the latter half of 2017</td>
<td>Ministry of Land, Infrastructure and Transport</td>
<td>Gwangju Metropolitan City Corporation</td>
</tr>
<tr>
<td>Energy Valley (Local Industrial Complex)</td>
<td>944</td>
<td>2016 - 2020</td>
<td>In the first half of 2018</td>
<td>Gwangju Metropolitan City</td>
<td>Gwangju Metropolitan City Corporation</td>
</tr>
<tr>
<td>Chumdan National Industrial Complex (3rd)</td>
<td>1,101</td>
<td>2011 - 2025</td>
<td>In 2018</td>
<td>Gwangju Metropolitan City</td>
<td>Gwangju Metropolitan City Corporation</td>
</tr>
<tr>
<td>Urbanized High-tech Industrial Complex in Buk-gu (National)</td>
<td>200</td>
<td>2015 - 2019</td>
<td>In 2018</td>
<td>Ministry of Land, Infrastructure and Transport</td>
<td>Korea Land &amp; Housing Corporation (LH)</td>
</tr>
<tr>
<td>Bitgreen National Industrial Complex</td>
<td>1,847</td>
<td>2009 - 2018</td>
<td>In the latter half of 2017</td>
<td>Ministry of Land, Infrastructure and Transport</td>
<td>Korea Land &amp; Housing Corporation (LH)</td>
</tr>
</tbody>
</table>
Convenient Transportation & Logistics Infrastructure

- KTX, SRT (93 mins. from Seoul to Gwangju) & 5 highways
- Gwangju Airport located at the center of the city and Muan International Airport located within 30-minute driving distance
- Gwangyang Port and Mokpo Port located within 1 hour distance
Creating the best environment for business success

**Investment Support**
- Subsidies for factory site purchase, facilities, & working environment improvement, etc.

**Management & Operation Support**
- Workforce Support
  - Operation of Gwangju Job Information Center
  - Support of Customized and Trained Workforce (Composite molds, parts industry, new & renewable energy industry, optical convergence, optical technology, cultural contents, etc.)
- Financing Support
  - Corporate development financing, credit guarantee support, bank loan support, etc.
- Support for Technology Development
  - R&D infrastructure support (Carrying out joint R&D projects with research institutes and supporting organizations)
  - R&D funding (Support for commercialization of photonics converged technology, development of industry-university-institute collaborative technology, etc.)

**Sales Support**
- Export support
  - Export promotion funds, trade insurance and credit guarantee, etc.
  - Logistics cost support, support of fostering global trade experts for promising export companies, supporting on-site consultations, etc.
- Marketing Support
  - Dispatching overseas market exploration mission and supporting overseas exhibitions & fairs as well as advertising manufactured goods via media
Gwangju is committed to creating the best environment for business success!

| Incentives for foreign-Invested Companies |

**Tax Exemption**

<table>
<thead>
<tr>
<th>Classification</th>
<th>Contents</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Tax</td>
<td>Corporate Tax, Income Tax</td>
</tr>
<tr>
<td></td>
<td>100% exemption for 3-5 years according to foreign investment amount</td>
</tr>
<tr>
<td></td>
<td>50% exemption for the following 2 years</td>
</tr>
<tr>
<td>Local Tax</td>
<td>Acquisition Tax (Municipal Tax)</td>
</tr>
<tr>
<td></td>
<td>100% exemption when moving into industrial complex (in cases where factories are newly built)</td>
</tr>
<tr>
<td></td>
<td>Property Tax (District Tax)</td>
</tr>
<tr>
<td></td>
<td>100% exemption for 15 years according to foreign investment rate</td>
</tr>
</tbody>
</table>

※ Based on Foreign Investment Promotion Act, Gwangju Metropolitan City Ordinance on Investment Promotion and Enforcement Regulations of Gwangju Metropolitan City Ordinance on Investment Promotion
Land Lease (Foreign Investment Zone)

- Companies with more than 1 million USD of investment in high technology businesses: Full exemption of rental fee
- Companies with more than 5 million USD of investment in general manufacturing industries: 75% exemption of rental fee

Subsidies

- Qualification: In case where FDI rate is above 30% or a foreigner is the 1st shareholder
  - Investment amount of more than 2 billion KRW & more than 20 employees
  - More than 50 employees
  - Venture or inno-biz certified companies with investment amount of more than 1.5 billion KRW and more than 15 employees
  - Headquarters, research institutes or cultural industries with investment amount of more than 1 billion KRW and 10 or more employees
### Classification

<table>
<thead>
<tr>
<th>Classification</th>
<th>Condition &amp; Extent of Support</th>
</tr>
</thead>
</table>
| Land Purchasing Subsidy | When a foreign-invested company purchases industrial site for building or expanding factory facilities, up to 20% of land purchase price that exceeds 2 billion KRW can be granted after the deliberation.  
※ Up to 30% of land purchase price that exceeds 2 billion KRW can be granted to energy-related companies. | |
| Facility Subsidy        | When building or expanding factory facilities costs over 2 billion KRW, up to 5% of investment in facilities [(Total cost - 2 billion KRW)×5%] can be granted after the deliberation.                                               | |
| Site Selection Subsidy  | Up to 10% of FDI amount can be granted when foreign investment exceeds 1 million USD (Limit: 200 million KRW per company) after the deliberation.                                                                           | |

※ The subsidy amount will be determined within the municipal budget.

### Large-scale special investment

- **Special support for large scale investment companies (companies with more than 50 billion KRW in investment or 300 employees):** Grant amount to be decided upon the determination of the city council.
Creation of 3 Future-oriented Industrial Valleys in Gwangju

**Automobile Industry Valley**
- Establishing a national industrial complex for automobiles
- Eco-friendly parts & components cluster
- Promising technology development

**Energy Valley**
- Attracting energy-related companies with leading technologies
- Promoting energy specialized projects
- Attracting smart energy research institutes

**Cultural Contents Valley**
- Creation of contents production cluster
- Attracting cultural contents businesses
- Supporting cultural contents production

**Tenant Agencies of the Bitgaram Innovation City**

- Korea Electric Power Corporation
- KEPCO KDN Co.Ltd
- KEPCO KPS Co.Ltd
- Korea Power Exchange
- KEPCO
- Korea Rural Community Corporation
- Korea Agro-Fisheries & Food Trade Corporation
- Korea Rural Economic Institute
- Korea Institute of Planning & Evaluation for Technology in Food, Agriculture, Forestry & Fisheries
- Korean Post
- Korea Post Information Center
- Korea Internet & Security Agency
- Korea Communications Agency
- Korea Creative Content Agency
- Arts Council Korea
- Arts Council Korea
- National Radio Research Agency
- Korea Teachers Pension
Gwangju will shine hope for the future of all of us. Your efforts lead to a success in the city of Gwangju. Come to Gwangju!