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Check out status of each district and tenant companies in details



AI Convergence Industry Hub
Gwangju
Free Economic Zone

AI Convergence Industry Hub

Gwangju Free Economic Zone

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GJFEZ?

GJFEZ is Gwangju Free Economic Zone with total area of 4.37km² and it is associated with Labor-Management Co-Prosperity Gwangju-Type Job Model- Future Automotive Industry District, New Energy Industry Cluster – Smart Energy Industry District, New Industry Ecosystem Creation- AI Convergence District.



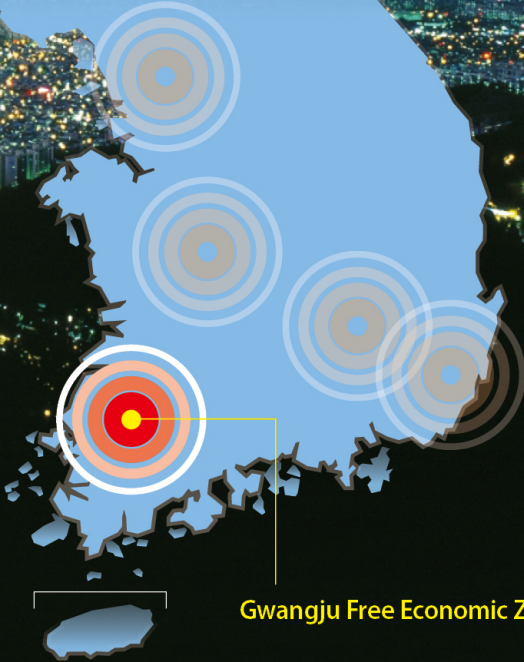
Investment Environment

A Venue for opportunities and new possibilities,
Gwangju Free Economic Zone



1.5 Billion Populations
Huge Market of
the World's Top 3 Trade Blocs
Central city in Northeast
Asian Economy
Gwangju
Metropolitan City

61 Cities Including
Beijing, Shanghai, and Tokyo
with Populations over
One Million
Within 1,500 km



501.13km ²	1,471,385	21,323	72.4%	KRW 41 Trillion	51	13	141	Three major Industries	18	22	14.7°
Area	Populations	Foreigners	Working age populations (15~64)	GRDP(Gross Regional Domestic Product)	Foreign Companies	Industrial Complexes	Medium-sized and large enterprises	Automotive, Energy, AI Convergence	Universities (1 foreign school)	General Hospitals	Average Temperature (Highest : 37.8°, Lowest : -5.9°)

Investment Competitiveness

1 A brand new car manufacturing line launched in 23 years having Gwangju-Type Labor-Management Co-Prosperity model

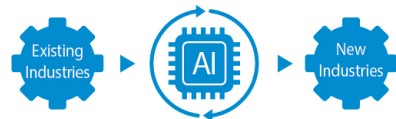
Gwangju-type automobile manufacturing plant named Gwangju Global Motors, the world's first labor-management co-prosperity model, solving issues on high wage, low efficiency.

GGM + Gwangju-type job model = Breakthrough in Korean Economy
Gwangju Global Motors



2 The first nationwide AI convergence complex in Korea to establish Gwangju for AI hub city

AI convergence technology with petaflops level super computing system will provide unlimited growth.



3 Fostering talents in AI convergence area, accelerating the establishment of the start-up ecosystem

AI School, GIST (Gwangju Institute of Science and Technology), and local universities participating to foster AI talents and creating the AI investment fund worth KRW 100 billion build up the AI start-up ecosystem.

AI School + GIST Institute for Artificial Intelligence + Local Universities



4 Providing the best investment environment in connection with KEPCO, KIA, GGM, NHN, and Samsung Electronics

Leading companies representing in AI, automobile, and energy fields provide the foundation of mutual growth.



5 GJFEZ supports the innovative growth of companies by 1:1 one-stop business support

GJFEZ has an organization to support companies by specialized team in investment promotion, innovative ecosystem, and business support for each industry.

One-Stop Service

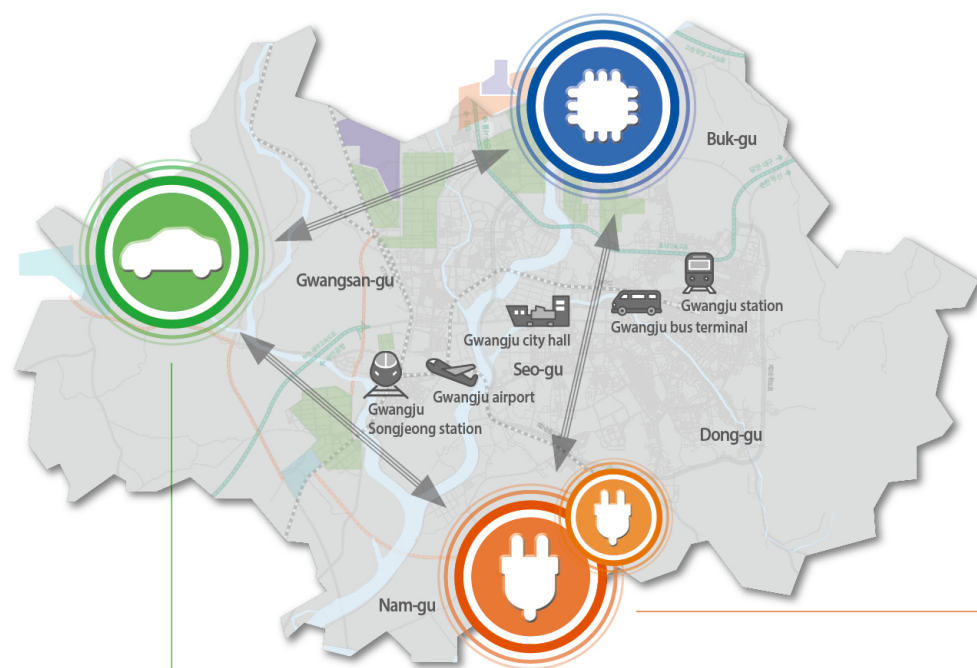
- ✓ Business Consulting
- ✓ Providing Information & Consulting
- ✓ Administrative support

6 GJFEZ provides convenient logistics infrastructure

Having easy transportation infrastructure, reaching Seoul in 90 min, Muan International airport in 40 min, Gwangju airport in 15 min, Mokpo port in 60 min, and Gwangyang port in 80 min.



Status of GJFEZ Investment District (4 Districts : 4.37km²)



700,000 units manufacturing capacity by GGM and KIA
Symbolic industrial complex in Gwangju



Future Automotive Industry District

【Bitgreen national Industrial complex】

Location Samgeo-dong, Gwangsan-gu area

Area 1,845,000m²

Period of Sale 2018. 10.

Development Direction Automobile manufacturing plant, Automobile R&D center, Eco-friendly future automobile, High-tech parts and material manufacturing cluster

Leaping up Gwangju, as a central city of AI with the world-class super computing system



AI Convergence District

【Cheomdan 3rd R&D specialized zone】

Location Oryong-dong, Buk-gu area

Area 1,106,000m²

Period of Sale Begin in 2025

Development Direction AI-based Industrial Convergence and Integration Complex Research Institute, Bio-medical, etc

Smart Energy Cluster for the new energy Industry ecosystem
Cooperation with KEPCO and KERI

Smart Energy Industry District I

【Energy Valley General Industrial Complex】

Location Daechon-dong, Nam-gu areas

Area 932,000m²

Period of Sale Begin in May 2020

Development Direction Energy Innovation Companies High-tech Energy Cluster

Smart Energy Industry District II

【Energy Valley National Industrial Complex】

Location Daechon-dong, Nam-gu area

Area 486,000m²

Period of Sale Begin in Dec 2017

Development Direction Energy Research Institute, Energy-Specialized R&D Complex



GJFEZ Core Strategic Industries

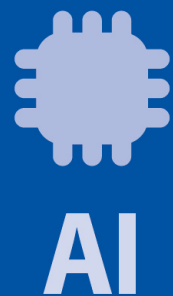
AI Convergence District _ AI, Healthcare
[Cheomdan 3rd R&D specialized Zone]

Future Automotive Industrial District _ Eco-Friendly Automotive
[Bitgreen national Industrial Complex]

Smart Energy Industry District I _ New Energy Industry
[Energy Valley General Industrial Complex]

Smart Energy Industry District II
[Energy Valley national Industrial Complex]





AI Convergence District [Cheomdan 3rd R&D Specialized Zone]

Location Oryong-dong, Buk-gu area

Area 1,106,000m²

Project Period 2011 ~ 2025

Project Budget KRW 312.3 billion

Begin sales in 2025

Cost of Sale TBD

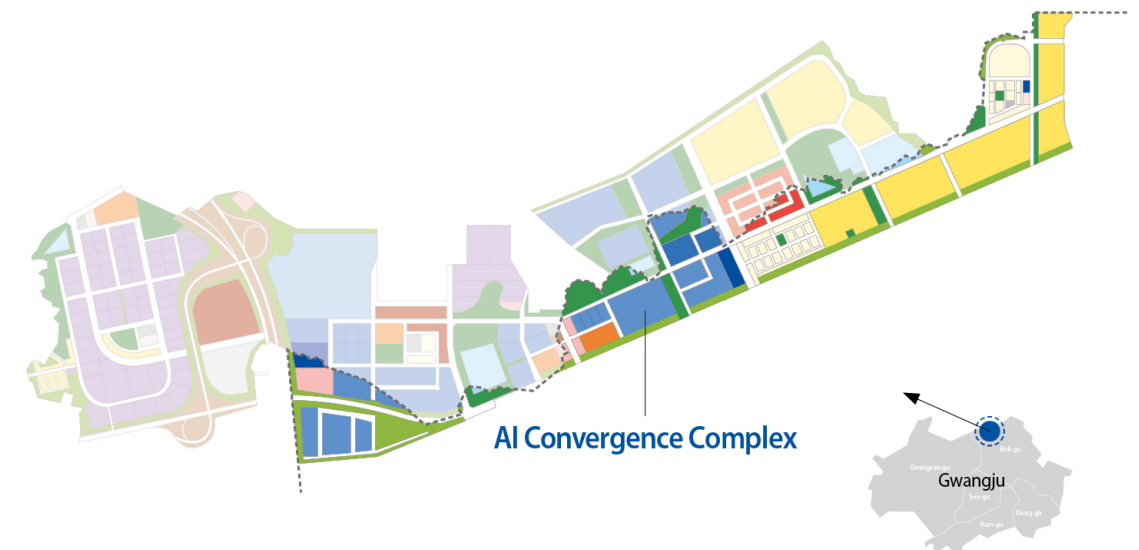
Project Owner Gwangju Metropolitan City

Project Manager Gwangju Metropolitan City Corporation

Target Industry Research Institute, Biomedical, etc

 **Inquiry** : AI Convergence Industry Team, Gwangju Free Economic Zone Authority +82-62-613-6051~4

GJFEZ opens up the era of AI Gwangju by establishing the world-class national AI data center for leading the 4th industrial revolution era



Developing the first national AI convergence complex in Korea

- '20.~'24 (5 Years), Area of 47,256m², KRW 411.6 billion
- Establishment of Core Infrastructure, R&D on Industrial Convergence, Supporting Start-ups in AI
- Establishment of National AI Data Center with the world-class super computing system
- Global IT Company, NHN, Participates in Establishment and Operation of the Data Center

KRW 100 Billion size AI Investment Fund

- Plan to Invest over KRW 20 billion on AI Start-ups and Small and Medium-Sized Ventures in Gwangju
- Establishment of AI Start-up Ecosystem

Fostering AI Convergence Talents

- Fostering Highly Qualified M.D and Ph.D talents by GIST AI Graduate School during 2019~ 2023 with KRW 12.8 billion
- Fostering talents in convergence with Key Industries and AI Education in Chonnam National University, Chosun University, and Honam University
- Fostering talents in AI Academy



AI Industry Convergence Complex



GIST AI Graduate School



AUTOMOTIVE

Future Automotive Industry District [Bitgreen National Industrial Complex]

Location Samgeo-dong, Gwangsan-gu area
Area 1,845,000m²
Project Period 2009 ~ 2020
Project Budget KRW 295.2 billion
Price KRW 248,000/m²
Project Owner Ministry of Land, Infrastructure and Transport
Project Manager Korea Land & Housing Corporation
Target Industry Automobile, High-tech parts and material, optics Industry, Digital Information appliance, etc

 **Inquiry** : Automotive Industry Team, Gwangju Free Economic Zone Authority +82-62-613-6061~4

Launching completed car manufacturing plant having Gwangju-Type Job model in 23 Years

- Gwangju Global Motors having manufacturing scale of 100,000 units per year
- Area : 604,338.90m², Investment : KRW 575.4 billion, No. of Employee : 1,000 Employees

Gwangju-Type Job model with Joint Welfare Program

- Joint Labor-Management Co-growth Support Center to enhance welfare of workers (KRW 45 billion)
- Sports and culture complex facilities and gymnasium (KRW 10 billion)
- Public · Joint workplace nursery schools (KRW 7.7 billion)

Eco-Friendly Automotive Part Cluster

- 2016~2022 (7 Years), Area of 32,989m², KRW 303 billion
- Establishing the industrial ecosystem and infrastructure for eco-friendly automobile to advance the automotive part industry's structure and supporting, promoting leading technology development

The First Eco-Friendly Automotive Parts Certification Center in Korea

- 2019~2022 (4 Years), Area of 29,916m², KRW 39 billion
- Securing the next-generation national certification foundation respond to global standards in eco-friendly auto industry

Foundations for demonstration Project for autonomous vehicles

- Designating a special regulation-free districts on unmanned low-speed purpose built vehicles. (7 districts, KRW 20 billion)
- Demonstrating contactless service for unmanned autonomous vehicles : 2021~2024 (4 Years), KRW 41 billion)
- Developing eco-friendly autonomous shuttle and demonstrating contactless healthcare service



GGM Gwangju Global Motors



Labor-Management Co-growth Support Center



Eco-friendly automotive parts cluster

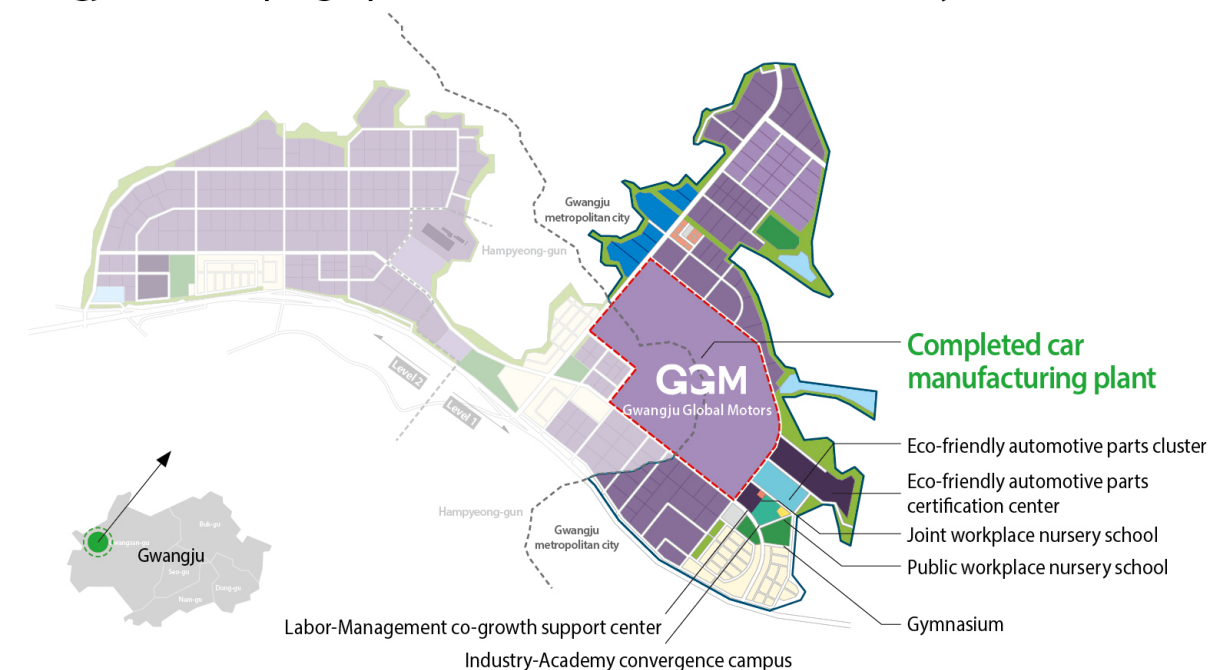


Eco-friendly automotive parts certification center



The first mass-production model of Gwangju Global Motors (GGM), CASPER

With automobile plants manufacturing capacity of 700,000 units an year, Gwangju aims leaping up the future autonomous vehicle city



Global energy company, KEPCO, and the world's top 3 test certification agency, KERI, lead the energy industry ecosystem



ENERGY

Smart Energy Industry District I

[Energy Valley General Industrial Complex]

Location Daechon-dong, Nam-gu area

Area 932,000m²

Project Period 2016~2022

Project Budget KRW 297.8 billion

Price KRW 453,000/m²

Project Owner Gwangju Metropolitan City

Project Manager Gwangju Metropolitan City Corporation

Target Industry Electronic Parts, Electric Equipment, Machinery, Automobile, R&D, etc

Smart Energy Industry District II

[Energy Valley National Industrial Complex]

Location Daechon-dong, Nam-gu area

Area 486,000m²

Project Period 2015~2022

Project Budget KRW 133.2 billion

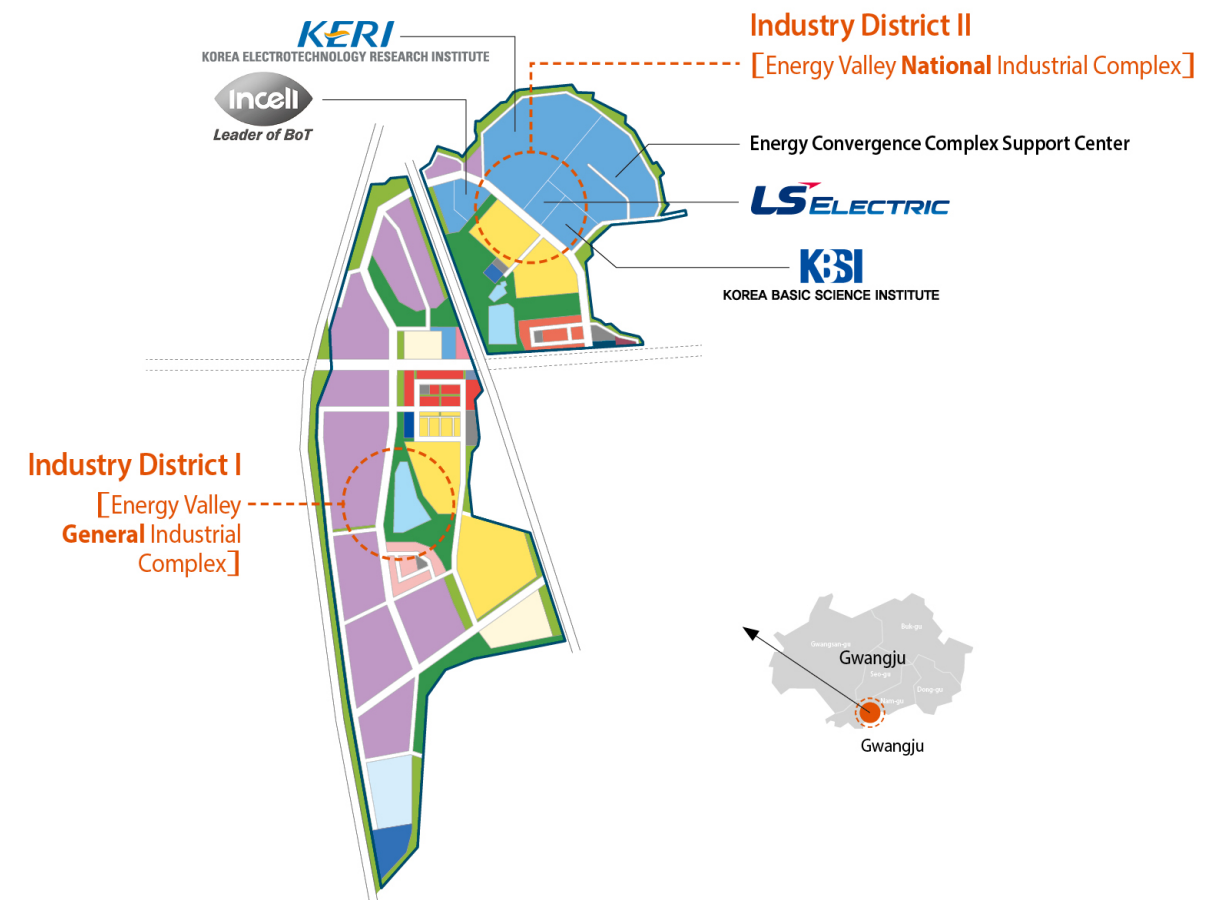
Price KRW 411,000/m²

Project Owner Ministry of Land, Infrastructure and Transport

Project Manager Gwangju Metropolitan City Corporation

Major Industry R&D, Electronic Parts, Electric Equipment, Electric Equipment, Machinery, etc

Inquiry : Energy Team, Gwangju Free Economic Zone Authority +82-62-613-6071~4



The First Energy Industry Convergence Complex in Connection with KEPCO

- Global smart energy company, LS Electric, and the energy-specialized company, INCELL
- KRW 22.7 billion for "Energy Convergence Complex Support Center" supporting the energy-specialized companies

Commencement of the global top 3 test certification agency, KERI

- 2015~2022 (8 Years), Area of 49,587m², KRW 74.2 billion
- Developing the new energy convergence technology

Test and Certification Center for The Next-Generation high-capacity battery, Redox flow battery

- 2019~2022 (4 Years), Area of 10,000m², KRW 25 billion
- Fostering next-generation high-capacity rechargeable battery industry

Korea Institute of Energy Technology

- The world's first university for energy-specialized research and start-ups (opening in Mar 2022)



KERI / Redox flow battery test and certification center



Korea Institute of Energy Technology

① Special Support on Free Economic Zone(Foreign Invested Company)

• Cash Grant

Cash Grant	Through negotiation, Foreign investments made by the acquisition of new stocks and with ratios of foreign investment 30% or greater are eligible for cash grants - Purchase costs and rental fees for land and buildings; construction costs for leased facilities; purchase costs for capital goods and research equipment; installation costs for infrastructure - Support on employment subsidy, education and training subsidy, etc.	- Industries including new growth engines and source technologies - High value added industries including high tech, material and parts - Job creation Industries - R&D centers that are engaged in new growth engine technologies, high technologies and high-tech products, and parts and materials businesses - Regional offices, etc.
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• Tax reduction and support on business activities

National Tax (Tariffs)	100% exemption of imported capital goods for 5 years	- Manufacturing : Over \$ 10 million - Tourism : Over \$ 10 million
Local Tax	Exemption of acquisition tax and property tax for 15 years (Exempted Amount : Calculated tax amount x foreign investment ratio)	- Logistics : Over \$ 5 million - Medical Institute : Over \$ 5 million - R&D : Over \$1 million
Infrastructure Support	Support on infrastructures including Road, rail, airport, port, sewage, waste disposal, etc.	Support on 50% national expenditure Support on whole expenses upon resolution of the Free Economic Zone Committee
Foreign education, research institution	Preparation, initial operation, and construction expenses for foreign education and research institutions	Meet evaluation elements, such as reputation and contribution to Korea's development
Rental fees	Lease government-owned land for 50 years	Foreign-Invested Company
Reduction of Rent	Reduction by 50~100% upon the ordinance by the local government	Foreign-Invested Company

• Support on Deregulations

Labor Deregulation	- Exclusion from applying mandatory clauses to hire people subject to protection of employment, such as people with disabilities, men of national merit, and seniors, etc. - Exclusion from regulations on the period and duties for dispatched workers and permission of unpaid leave, etc.
Free foreign exchange transaction	Permission of direct current transaction of USD \$20,000 or under

※ Qualification may change on amendment (Companies investing in advanced technology, advanced product, core strategy industries)

 **Inquiry** : Corporate Support Team, Gwangju Free Economic Zone Authority +82-62-613-6081~4

② Subsidy on Local Investment Promotion


• **Legal basis** Article 11 and Article 19 of the Special Act on balanced national development, Criteria of national subsidy for Investment company promotion by local Governments

• **Provided to** Companies relocating from the Capital area, new and expanding companies, companies returning to Korea, local job co-creation companies, etc.

• **Subsidy types** Land subsidy, facilities including equipment(Additional 2% support on companies in free economic zone)

• Standards by Criteria


Classification	Qualification	Type	Provision
Companies relocating from the Capital area	- Operated a business in the Capital area for more than 3 consecutive years - 30+ full-time employees - Relocation of independent business establishment such as HQ, factories, labs, etc. - Maintains 30+ full-time employees after relocation	Land subsidy	- Up to 30% of land purchase price for SMEs - Up to 10% of land purchase price for MMEs - Not applicable to conglomerates
		Equipment subsidy	- Up to 9% of equipment investment for SMEs - Up to 7% of equipment investment for MMEs - Up to 5% of equipment investment for conglomerates
New/ expanding companies	- Operated a business in Korea for more than 3 consecutive years - 10+ full-time employees - New investment of KRW 1 billion (KRW 30billion+ for conglomerates) - Post-investment job creation must exceed 10% of existing full-time employment(min. 10 persons)	Land subsidy	N/A
		Equipment subsidy	- Up to 9% of equipment investment for SMEs - Up to 7% of equipment investment for MMEs - Up to 5% of equipment investment for conglomerates
Local Job co-creation companies	- 10+ full-time employees - New investment of KRW 1 billion (KRW 30billion+ for conglomerates) - The existing business place needs to be maintained. Provided, business place in over-concentrated regions and new corporates recognized by Co-Prosperity Type Local Job Committee shall be exceptional	Land subsidy	- Up to 30% of land purchase price for SMEs - Up to 10% of land purchase price for MMEs - Not applicable to conglomerates
		Equipment subsidy	- Up to 9% of equipment investment for SMEs - Up to 7% of equipment investment for MMEs - Up to 5% of equipment investment for conglomerates * Ratio can be additionally added by 3~10%
Companies Returning to Korea	- Companies designated as those eligible to receive provision for returning to Korea	Land subsidy	- Up to 24 % of the land purchase amount
		Equipment subsidy	- Up to 24% of the facility investment(incl. construction, mechanical, equipment, etc) • Subsidy on land shall not exceed 50% of equipment subsidy ※ Relocation subsidy : up to KRW 400 million

 **Inquiry** : Corporate Support Team, Gwangju Free Economic Zone Authority +82-62-613-6081~4


③ Investment Promotion Subsidy

- **Legal Basis** Gwangju Metropolitan City Ordinance and Enforcement rules on the promotion of investment attraction
- **Provided to**
 - **Domestic companies**
 - ① Relocation/expansion of companies that have operated for 3+ consecutive years in the jurisdiction
 - ② Relocation/establishment of out-of-jurisdiction companies to/within the jurisdiction
 - ③ Relocation/establishment of out-of-jurisdiction companies to/within industrial complexes through start-up incubators
 - ④ Establishment/expansion of core businesses deemed necessary by the Mayor
 - **Foreign companies** - When foreign investment ratio is 30%+ or when a foreign entity is the biggest shareholder
- **Application Qualification**
 - ① Investment of KRW 2 billion+, 20+ full-time employees
 - ② 50+ full-time employees
 - ③ Ventures, INNOBIZ certified business, etc. with Investment of KRW 1.5 billion+ and 15+ full-time employees
 - ④ HQ, labs, companies in cultural or IT industries with investment of KRW 1 billion+ and 10+ full-time employees.
 - ※ New full-time employees hired by companies in the jurisdiction : 10% of full-time employees in prior workplace(min.10 persons)
- **Support details** Location subsidy, facility investment subsidy, employment, education and training subsidy, subsidy for moving employees

Classification	General	Venture, Innobiz, mining, components and materials, nanotechnology, industrial design, energy	Headquarter, research institute, culture industry, and information and communication
Location subsidy	Up to 20% of the investment * Up to an additional 10% for energy companies(must apply by Dec. 31, 2020) ※ Companies within the jurisdiction are not eligible to apply.		
Facility investment subsidy	Up to 5% of the investment exceeding 2 billion won * Up to additional 2% for automotive companies	Up to 5% of the investment exceeding 1.5 billion won	Up to 5% of the investment exceeding 1 billion won
Employment subsidy	If the number of full-time employees exceeds 20 → 600,000 won per exceeding employee per month (up to 12 months) * cultural industry and information and communications industry are eligible for support if their number of employees exceeds 10		
Education and training subsidy	If the number of full-time employees exceeds 20 → 600,000 won per exceeding employee per month (up to 6 months)		
Subsidy for moving employees	Where 50 or more employees of the company outside of the jurisdiction moves to locations within the jurisdiction, 600,000 won per employee for those who reside within the jurisdiction for one year or longer (2 million for those who move with their families)		

- **Provision Capacity** Maximum KRW 5 billion, caps based on new employment
 - * Monthly average wage per employee X no. of full-time employees X 6 months
-  **Inquiry** : Corporate Support Team, Gwangju Free Economic Zone Authority +82-62-613-6081~4

④ Special Support on Large-Scale Investment companies

- **Provided to**
 - Domestic** KRW 50 billion of Investment or 300+ full-time employees
 - Foreign** USD 50 million of Investment or 300+ full-time employees
 - Other*** KRW 40 billion of Investment or 200+ full-time employees
 - * Other : Venture, INNOBIZ certified companies, companies in photonics,parts/material, energy, cultural or IT industries, etc.
 - **Provision amount** Up to 10% of total investment amount
 - **Provision capacity** Monthly average wage per employee X no. of full-time employees X 12 months
-  **Inquiry** : Corporate Support Team, Gwangju Free Economic Zone Authority +82-62-613-6081~4

⑤ One-Stop Service for foreign Invested companies in Korea

Consulting services and financial services necessary from early stage of business expansion

- **Support on early stage for business expansion**
 - ① Discovery and Connection with Investment Targets : Introduce investment targets in Korea and arrange cross-border M&A
 - ② Support on Foreign Direct Investment(FDI): FDI Notification / Remittance and exchange of Investment Funds / FX consulting
 - **Financial solution for foreign Invested companies**
 - ① Special finance programs for foreign invested companies : Working fund loan for foreign investment companies / business card for newly established foreign investment companies
 - ② Special finance service for foreign invested companies : Loan for executives and employees / retirement pension / consulting on foreign exchange (consulting on import/export in connection with Korea Trade Insurance Corporation) / accounting and tax consulting for running foreign investment companies
-  **Inquiry** : Business Ecosystem Team, Gwangju Free Economic Zone Authority +82-62-613-6041~4