DAEJEON
KOREA
New Investment
THE CHARMING HUB CITY OF KOREA
SPECIAL CITY OF THE 4th INDUSTRIAL REVOLUTION
The Best Place For Investment

As a special city of the 4th Industrial Revolution in Korea, Daejeon is the center for R&D, knowledge industry, transportation, logistics, hi-tech industry, and national administration. It is also a future city with an optimal environment for business.

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Imagination becomes a start-up

We will establish a privately led autonomous startup ecosystem to create 2,000 startups that will last for five years.

<table>
<thead>
<tr>
<th>Building 5 startup towns by 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Startup Town: Space for starting a business with start-up assistance, networking, housing, and welfare</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Establishment of a privately led startup environment</th>
<th>Startups Support for growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>At the time of transfer, opening, and extension Support of various grants</td>
<td>Rebuilding full-cycle support projects from item development to marketing</td>
</tr>
</tbody>
</table>

2,000 lasting startups

- Startup, research companies
- Increasing incentives

Convergence of advanced science and industry

Daedeok Innopolis, Korea’s Silicon Valley

rebirths as a testbed from now on

Supporting Business and Industry Development

Building an Innovation Center of Fusion Research

Solving Social Problems

<table>
<thead>
<tr>
<th>45-Year History · Korea’s No. 1 Research and Development Special Zone, Daedeok Innopolis</th>
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<tbody>
<tr>
<td>(Statistical Survey of R&amp;D Special Zone in December 2016)</td>
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<table>
<thead>
<tr>
<th>Number of Agencies</th>
<th>Number of Companies</th>
<th>Sales Amount</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>91</td>
<td>4194</td>
<td>17.1 (trillion KRW)</td>
<td>69,613</td>
</tr>
<tr>
<td>1000</td>
<td>60,000</td>
<td>10.2</td>
<td>27,901</td>
</tr>
<tr>
<td>1500</td>
<td>40,000</td>
<td>8.3</td>
<td>33,337</td>
</tr>
<tr>
<td>2000</td>
<td>20,000</td>
<td>6.3</td>
<td>29,663</td>
</tr>
<tr>
<td>2500</td>
<td>10,000</td>
<td>2.5</td>
<td>17,770</td>
</tr>
<tr>
<td>3000</td>
<td></td>
<td>6.3</td>
<td></td>
</tr>
<tr>
<td>3500</td>
<td></td>
<td>2.5</td>
<td></td>
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<tr>
<td>4000</td>
<td></td>
<td>6.3</td>
<td></td>
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<table>
<thead>
<tr>
<th>Introduction of TIPS Program</th>
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<tr>
<td>Building a University (Youth) Innovation Startup Town</td>
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<table>
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<tr>
<th>Support Social Venture Startup with Old Downtown</th>
</tr>
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<tbody>
<tr>
<td>Building a Social Venture Startup Platform</td>
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<table>
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<tr>
<th>Support in Overcoming the death valley</th>
</tr>
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<tbody>
<tr>
<td>Building a Post-Bi Center of startup growth</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Focusing on the City’s Strategic Business Development</th>
</tr>
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<tbody>
<tr>
<td>Global Startup Innovative Town</td>
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<table>
<thead>
<tr>
<th>Promoting Private Investment-centered Businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angel Investment Town</td>
</tr>
</tbody>
</table>

| 04 | 05 |
Next-Generation Medical Science Technology Leader

As a world-class large facility, The Heavy-ion accelerator is utilized for the treatment of serious illnesses and genetic research, providing preventive healthcare.

Creating a Support System for Gene Medicine Companies
Developing a Support Platform for R&D and Commercialization

Building a Promotion Center for the Gene Medicine Industry
Creating a Control Tower for the Gene Medicine Industry

Bio Medicine Industry
Suggesting a New Road Map

Building a RAON Bio Convergence Medical Research Center
Bio Medical Research Center
[RAON] Accelerator Cancer Treatment Center
Commercialization Center for Medical Radiology

Smart Zero Energy City

Achieving 50% Self-Sufficiency in New Renewable Energy by 2030

Achieving 17.7% Self-Sufficiency in Electricity by 2022

Support Center for Full Cycle Product Safety of the Hydrogen Industry
Building the Infrastructure of the Hydrogen Industry and Supporting the Localization of Hydrogen

Creating a Business System of New Renewable Energy
Fostering Energy Prosumers in the Era of Decentralized Power Supply System

Building an Energy Self-sufficient Village
Improving the Community’s Energy Self-sufficiency (1 per District)

City with Optimal Environment for Business

Excellent Human Resources

- 19 Universities including KAIST, UST, Chungnam National University
  32,000 Graduates Every Year

International Credit Ratings

- "Investment Grade" for the 15th Consecutive Year
- Moody’s International Credit Ratings: Aa2 Grade [2015]

Selection of Support for Funding and Employment

- Funding Support for Start-up, Competitiveness, and Production Funding Support with an Option for Purchase
- Job Support Center, Operation of Job Fairs

Korea’s Largest R&D Cluster
Advanced Research Industrial Park with Global Research Environment

- Creating a New Industrial Ecology Combined with Basic Science and Business
- Challenging for a Nobel Prize by realizing a strong country supported by basic science
- Providing autonomous and stable research environment; attracting overseas outstanding science and technology manpower
- Improving manpower interchange by providing opportunities for advanced research with world-class scholars
Livable City for Foreigners

Optimal Education, Medicare, and Cultural Infrastructure for Foreigners and Foreigner-friendly Citizen

Korea's Highest Level of Foreign School
Customized Medical Service for Foreigners
Livable Green City
High-Quality Culture and Art City

2 International Science & Business Belt

As a hi-tech city, Daejeon has an international science and business belt housing science and business as an advanced-concept future growth base.

Strategic Center for Transportation, Logistics, and Administration in Korea

Access to National Major Cities and Airports within 90 Minutes

- Highways · KTX
- Seoul (50 minutes)
- Busan (90 minutes)
- Incheon Airport (90 minutes)
- Pyeongtaek-Dangjin Port (90 minutes)

Center for Korean Administration

- 11 Central Administrative Agencies
  / Daejeon Government Complex
- One-Stop Service Support for Investment Company Licensing
Network Center for Advanced Science

Hub for Central District with World-Class Basic Research Environment and Function District
Designed for Application, Development, and Commercialization

I Central District
• Main Office of Institute for Basic Science and Heavy-ion accelerator / Function as a Base for Basic Research
• Center for International Science Interchange and Research with Global Basic Research Base

I Function District
• Connecting and Distributing Research Performance from the Central District
• Joint Research, Applied Research, Development Research, Manpower Interchange, and Commercialization in Close Cooperation with Central District

I Business Plan
• Period: 2012 ~ 2021
• Location: Sindong, Dungok, Doryong in Yuseong-gu
• Area: 3,705,000㎡
• Working Expenses: KRW 5.7 trillion
World-Class Large Facility (RAON)

The Heavy-ion accelerator (RAON) is a core research facility of future technology, dreams come true.

Heavy-ion accelerator

Multi-purpose research facility utilized in many different science and technology fields, such as nuclear physics, astrophysics, nuclear power, biology, medical science, and atomic and solid physics

- The Heavy-ion accelerator is a device for accelerating the ions of all elements on earth heavier than hydrogen and helium at close to the speed of light.
- A large number of rare radioactive isotopes can be created by smashing an accelerated Heavy-ion into a target atomic nucleus.
- Using these particles, a femto-unit of an atom can be explored, enabling the creation of new elements and research on the nature of material.

RAON aims to be the best in the world.

- For the first time in the world, RAON combines a circular accelerator and a linear accelerator, creating much rarer isotopes.

RAON is the beginning of the highest level of advanced research.

- Its research supports the evolutionary process of the universe and stars, symmetry energy of nucleus, development of cancer treatment technology, life science, and DNA structure.

RAON opens an endless number of new markets.

- The accelerator activates a variety of industries and markets, such as cancer treatment, daily necessities, precision control, superconductivity, MRI, and new material development.

<table>
<thead>
<tr>
<th>Business Plan</th>
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<tbody>
<tr>
<td><strong>Period</strong></td>
</tr>
<tr>
<td><strong>Location</strong></td>
</tr>
<tr>
<td><strong>Area</strong></td>
</tr>
<tr>
<td><strong>Total Lot Area</strong></td>
</tr>
<tr>
<td><strong>Working Expenses</strong></td>
</tr>
</tbody>
</table>
Mecca for Basic Science, IBS

With the best global human resources infra system, the Institute for Basic Science (IBS) opens a new horizon for future science.

Institute for Basic Science

It is a core research center for the science belt, performing the world’s highest level of basic science research and opening a new horizon for Korean science and human knowledge.

- Established in 2011, IBS will be developed as a research center with 50 research groups and 3,000 full-time workers by 2021.
- Based on the researchers’ curiosity, IBS performs creative and innovative research and actively supports the dream and enthusiasm of scientists from around the world.

Foreign Investment Zone

As an innovative future city, Daejeon provides complex-type and service-type exclusive investment zones for foreign investment.
Complex-type Foreign Investment Zone

In the international science & business belt, the center of Korea’s future, it offers an optimal location.

- Location: Central District of the International Science & Business Belt (Dungok)
- Area: 150,063㎡
- Working Expenses: 67.3 billion won (Government 40.4 billion won, City 26.9 billion won)
- Period: 2016~ (to be completed)
  *scheduled to designate foreign investment zone in 2020*

Business Plan
- Development Method: Land lease after land purchase
- Types of Business: 8 major industries (chemicals, medical material, metal processing, electronic parts/medical care, precision and optical instrument, other machines & equipment/electrical equipment, professional & science/technology service)

Dungok District

Service-type Foreign Investment Zone (Global R&D Center)

It supports foreign investment for research & development and high-value service.

- Location: 199, 187, Techno 2-ro, Yuseong-gu, Daejeon
- Operation Method: Building Lease
- Types of Business: 8 major industries (chemicals, medical material, metal processing, electronic parts/medical care, precision and optical instrument, other machines & equipment/electrical equipment, professional & science/technology service)

Business Plan
- Development Method: Land lease
- Types of Business: 8 major industries (chemicals, medical material, metal processing, electronic parts/medical care, precision and optical instrument, other machines & equipment/electrical equipment, professional & science/technology service)
Support for successful investment in the form of tax cut, rent reduction and cash grant

❖ Tax Cut

<table>
<thead>
<tr>
<th>Classification</th>
<th>Subject</th>
<th>Details and Rate of Reduction (acquisition tax property tax)</th>
</tr>
</thead>
<tbody>
<tr>
<td>New growth engine industry</td>
<td>Over $2 million</td>
<td></td>
</tr>
<tr>
<td>Industrial Foreign Investment Zone</td>
<td>Manufacturing over $20 million</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Logistics/DCC over $10 million</td>
<td></td>
</tr>
<tr>
<td></td>
<td>R&amp;D over $2 million with 10 full-time workers</td>
<td>100% for 15 years</td>
</tr>
</tbody>
</table>

❖ National Government’s Cash Grant

<table>
<thead>
<tr>
<th>Classification</th>
<th>Details of Support</th>
<th>Standard for support</th>
<th>Support Conditions</th>
<th>Support Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard for support</td>
<td>Over 30% of foreign investment rate</td>
<td>Facility subsidy</td>
<td>If the expense of factory or research facility opening or extension is over 3 million won</td>
<td>Less than 5% of the amount exceeding 3 million won</td>
</tr>
<tr>
<td></td>
<td>Factory opening or extension for industry support service / new growth engine industry / parts and material industry</td>
<td>Support for large-scale investment companies</td>
<td>Manufacturing over $20 million</td>
<td>Less than 10% of the investment amount</td>
</tr>
<tr>
<td></td>
<td>Opening or extension of factory creating new employment exceeding the number of current full-time workers</td>
<td>Employment subsidy</td>
<td>In case of new employment of over 20 Daejeon residents (for 5 years)</td>
<td>Less than 100,000 won every month per person in case of exceeding 20 people</td>
</tr>
<tr>
<td></td>
<td>R&amp;D facility related to new growth engine industry</td>
<td>Tracking subsidy</td>
<td>In case of new employment and training of over 20 Daejeon residents (for 5 years)</td>
<td>Less than 100,000 won every month per person in case of exceeding 20 people</td>
</tr>
</tbody>
</table>

❖ City Government’s Cash Grant

<table>
<thead>
<tr>
<th>Classification</th>
<th>Support Conditions</th>
<th>Support Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard for support</td>
<td>Over 30% of foreign investment rate or of the foreigner is a single / major shareholder</td>
<td>Employment subsidy</td>
</tr>
<tr>
<td></td>
<td>Factory opening or extension for industry support service / new growth engine industry / parts and material industry</td>
<td>Tracking subsidy</td>
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Invest in Daejeon, and we will be with you.

13 masterpiece commercial complexes will help you maximize your R&D and commercialization.
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