

YOUR
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FOR GREEN BUSINESS

December 2017,
The 98th KC Newsletter

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News left out in November 2017,

KC Cottrell & KC Enviro Services Selected as a good environmental company



KC Cottrell and KC Enviro Services was selected as one of 14 good environment companies in terms of technology and employment performance at the '18th Environment Industry New Job Expo' held by the Ministry of Environment and the Korea Environmental Industry and Technology Institute. The awarding ceremony for the designated certificate was held on November 24 at SETEC.

This award began from 2012 and its intention was to grow the domestic environmental industry and to support companies to grow as a pioneer of global environmental markets.

To be an eligible candidate, the company must

engage in the environment related industry for more than 3 years with less than 500% of the liabilities ratio. The designated term is 5 years. Once designated as a good environmental company, the company receives government incentives such as technical development, finance, commercialization and export.

KC Cottrell was awarded in the air area and KC Enviro Services was selected in the resource recycling area. Except for KC affiliates, total 12 environment companies were designated. It is expected that KC Cottrell and KC Enviro Services would contribute to the growth of environment industry and job creation. (End)

The first news
in December 2017,

Nol-Tec Korea Workshop

Nol-Tec Korea held 2017 workshop for 2 days from December 1 at a hotel in Wolmido, Incheon with all officers and employees of Nol-Tec Korea.

At the opening address, the CEO Younghee Choi congratulated on the achievement of the 2017 business plan and asked efforts and passion to achieve the 2018 business plan.

The CEO announced the achievement of the 2017 business plan and 2018 business plan. It was followed by an earnest discussion on the

mindset to achieve the goal by each individual and the cooperation plan inside the company. And, a revised HR appraisal was explained to motivate the employees and the direction of the company to grow personnel was suggested to get consensus.

In the next place, there was a free discussion to present the 10-year plan to grow with the company by individuals. They presented plans including acquisition on business related certificate, improvement of language proficiency, accumulation of field experience and plan for personal development and shared their plan to achieve personal goals. In doing so, they thought of future of officers and employees.

It was followed by a dinner banquet at another place where they developed friendship among various team members. It was an opportunity to find Nol-Tec Korea to focus on one goal through team building time to be one team in Nol-Tec Korea. (End)



The second news
in December 2017

KC Glass & Materials Metallic Material Division's Workshop

Last December 1, a strategic workshop of Metallic Material Division was held at Workforce of Small Businesses Development Institute in Yongin focusing on copper foil plate and GFC business report and promotion plan. 15 officers including CEO Jeongwan Kim and vice president Kisuh Park attended the workshop.

The first session began in 9 AM presenting status and future promotion plan of copper foil plate business and GFC business. They presented business promotion status by division, difficulties in promotion and future promotion plan. They made up mind to achieve the goal through specification of strategic plan, quality improvement and effective marketing.

The second session was presentation on new business ideas. Active discussion was made on "oxygen-free electrolytic copper" material production and Clad Metal business proposal. The CEO said that "the challenging spirit of metallic business division was encouraging as it challenges and explores new businesses and items ceaselessly for business stability and profit improvement of the copper foil plate" and also proposed "to develop an idea after accurate market analysis and business feasibility survey."

Finally, a discussion and debate on activation plan of GFC business was carried out to share and discuss various beneficial information such as new business advancement strategy and marketing strategy such as "cooperation with partners to expand businesses" which were not discussed in GFC business presentation session.

After the workshop, all participants had a dinner together to develop friendship. They relaxed and enjoyed dinner and shared the expectation of the development of the Metallic Business Division and also KC Glass & Materials. It is expected to finish the passing year well and to develop the Metallic Material Business Division in 2018. (End)





The third news
in December 2017

KC GreenHoldings 2017 Year-end event

On December 6, the 2017 Year-end event of KC GreenHoldings was held by all officers and employees of 3 divisions (Financial management team, strategy & management team, sustainable management team and computer team).

With a mind to prevent any excessive drinking at the year-end event, the event consisted of cultural meeting and dinner. For the cultural meeting, they watched a cheerful performance

to expand the width of cultural life of employees and to relieve stress from everyday life. Then, they moved to an adjacent restaurant to continue the year-end event. At the dining table, they did not force drinking but had fun events such as selecting best dresser who fit the designated dress code. As such, the year-end event was full of joy and smiling. The event was finished with the dinner and it was cheerful and joyful event.

Employees of 3 divisions of KC GreenHoldings had a little opportunity of communication due to different work assignments. They felt relaxed at the year-end event and made up mid to finish 2017 well and to encounter 2018 with joy and delight. (End)

From December 15 to 16, a workshop of the strategy & management team was held at Sokcho, Gangwon-do, Korea.

In the 2016 workshop, the strategy & management team set a 1~3 mid and long-term plan of KC GreenHoldings including 'expansion and transformation, response to the 4th industrial revolution and reestablishment of KC culture. This workshop reviewed if 1-3 mid and long-term plans are appropriate and valid and also discussed strategic plans to realize such plan. On this basis, the strategy & management team will coordinate a mid and long-term plan

The forth news
in December 2017

KC GreenHoldings Strategy & Management Team Workshop

with suitable contents for changed environment and resources.

The CEO Taeyoung Lee discussed the reestablishment of KC culture and stressed that "we have to figure out our culture and reflect if we have any stereotype 'rigid' culture. In order to improve such culture, we need to make a new model cases and spread out them effectively."

The strategy & management team will change the team operation structure in 2018. Based on it, they will perform strategy and assignments focusing on the specialty and efficiency of operation and investment. (End)



The fifth news
in December 2017

KC Solar Energy Constructed ESS at KC Cottrell Anseong Factory



On the last 18th day, KC Solar Energy developed an energy saving system (ESS) with PCS 250 kW, Battery 1.1MWh at KC Cottrell Anseong Factory.

KC Solar Energy participated as EPC to complete the whole system. The overall project cost was 600 million won. It is invested by a loan from the 'Energy use rationalization project' of the Energy Management Corporation with lower interest rate. And, the repayment of project cost is made by using the saved electric cost through the ESS.

The ESS system installed in KC Cottrell Anseong

Factory had the electricity cost discount effect of 120 million won per year by the benefit of charging and discharging per time zone, by saving the maximum consumption power and by using the ESS electricity cost discount system of KEPCO. And, it contributes an efficient power usage and national peak reduction and power quality improvement.

KC Solar Energy has a plan to lay a foundation of the ESS market such as peak reduction ESS and solar connected type ESS through basic references of the project. (End)



The sixth news
in December 2017,

KC GreenMaterials Advanced into recycling business of fly ashes

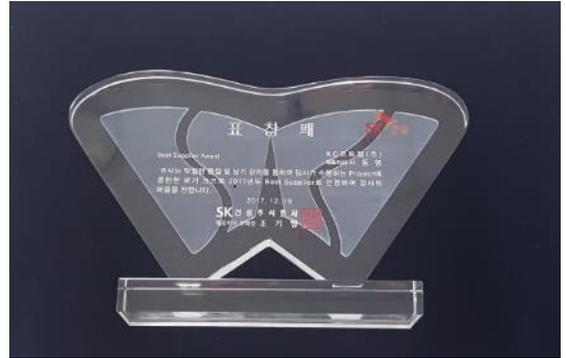
Last December 18, KC Green Energy was renamed to KC GreenMaterials. And, they advanced into the recycling business of the fluidized bed boiler fly ashes produced from Samcheok Power Division of the Korea Southern Power Co.

Unlike fly ashes from existing dust coal boiler, the fluidized bed boiler fly ashes had high contents of free-CaO and could not be recycled, but mostly land-filled. Thus, in December 2014, the Korea Southern Power Co. established a SPC corporation called Samcheok Eco Dry Materials Co., Ltd. for the recycling of fly ashes.

Since then, instead of equipping fly ash landfill site, Samcheok Power Division has constructed a facility that produced fly ashes with aggregate and concrete admixture through a hydration and purification process for the purpose of full recycling of fly ashes. Now, it is about to complete. KC GreenMaterials acquired 6.85% of the share of Samcheok Eco Dry Materials Co., Ltd. at 2 billion won in order to carry out a commissioned business of Samcheok Eco Dry Materials Co., Ltd. In doing so, they advanced into the recycling of the fluidized bed boiler fly ashes with 400,000 ton per year. (End)

The seventh news
in December 2017,

KC Cottrell Best Partner Award Winning



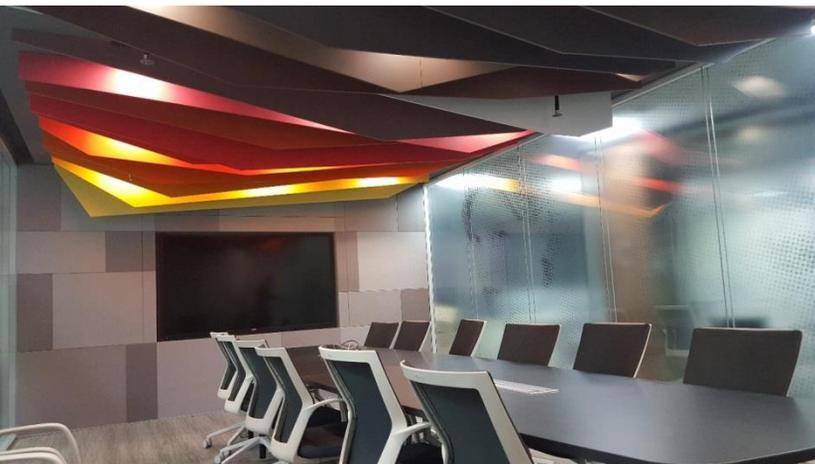
The purchase division of SK E&C constituted "Happy Wing Committee (outsourcing/procurement)" for the mutual growth with the partners. And they select "Best Partner Award Companies" every year among partners.

In 2017, KC Cottrell won the bidding of the desulfurizer facility of Goseong Green Power by accepting the requirements of SK E&C strategically. And, the company was recognized its contribution to share hardship of SK E&C in the finish of the Tufanbeyli project in Turkey, whose billing was won in 2011. For the recognition, the company received the Award from SK E&C at Grand Walkerhill Hotel on December 19.

The CEO Dongyoung Seo of KC Cottrell attended the event to receive the award with the Appreciation Plaque and 2 million of SK Gift Card. Accordingly, the company had a surprise event to present Christmas cakes to all employees.

The Tufanbeyli project was ordered in 2011 and completed in 2016 for desulfurization and dust collection facility project. It is a project that was a foundation to advance into the Turkish market by KC Cottrell. (End)

Conference room, cozy and comfortable community place



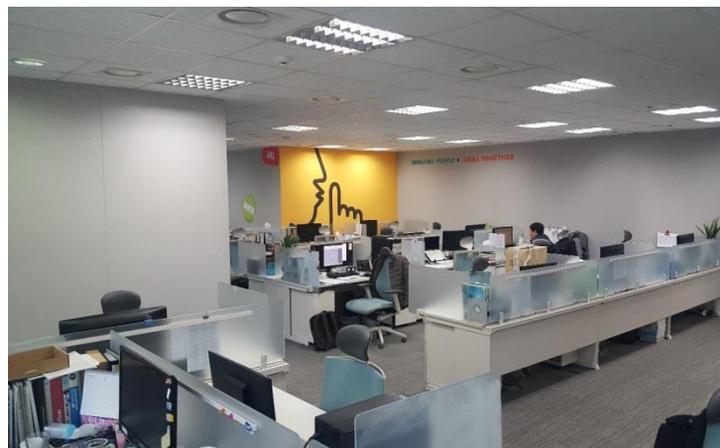
IRYS, another office in office.



Executive suite, Introduction of Various Partition



Office, working space of employees



The eighth news
In December 2017,

CLESTRA HAUSERMAN Office relocation

Since its foundation in 1985 in Korea, CLESTRA HAUSERMAN had its head office at Yeouido for 33 years. On December 27, it was moved to Digital Cube Building in Sangam-dong where KC GreenHoldings, KC Cottrell, KC Enviro Services Seoul Office, Nol-Tec Korea, KC Thermal and KC Solar Energy are located.³

CLESTRA HAUSERMAN is exhibited and it has a new interior design to share and collect ideas by all employees.

It is hoped to reinforce the good relation with partners in a new office and to grow CLESTRA HAUSERMAN further. (End)

In the new office, IRYS, a new product of

“
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”

; KC Green Holdings proposed a new vision of group in June 2017. The new vision of KC Green Holdings contains the intention of growing globally as a partner for green business by applying Open Communication and Mutual Respect, the key values of KC Green Holdings for employees, to the relation with partners and customers.