

To our valued shareholders,

Thank you for your continued interest and support in Samsung C&T.

2019 was a difficult period to do business: Trade disputes between the US and China sparked a rise in volatility in the global market and the Korean economy experienced a downturn throughout the year. Nevertheless, we, at Samsung C&T, achieved net profits amounting to 1 trillion Korean won by strengthening our core business capacities at each business group to improve profitability.

Especially, we have been recognized for our efforts in establishing an integrated safety management system at E&C Group and have been awarded the CIO 100 awards, which is the first time ever for a Korean domestic construction company to win this award. The T&I group has acquired the Roundtable on Sustainable Palm Oil (RSPO) certification for our palm plantation in Indonesia, a first for a foreign company conducting business locally. The Resort Group has received certification from the Association of Zoo and Aquarium (AZA) is the first ever to be received by an Asian zoo, these being a few of the recognitions of our business competence that we have achieved from international evaluation agencies.

We also achieved positive evaluations from various agencies in Korea and abroad: We raised our international credit rating by a notch to “A”, was selected as a top performer in terms of ESG by Korea Corporate Governance Service, and was included in the prestigious Dow Jones Sustainability Index for the third consecutive year.

Valued shareholders,

In 2020, uncertainty in the global economy is expected to grow with the Covid 19 virus pandemic hitting major economies and Korea resulting in sluggish growth and increased commodity price volatility.

With this in mind, Samsung C&T will continue to pursue profitable and long-term growth so that it may establish itself as a company unencumbered by external conditions.

First, the Trading & Investment Group will build upon its expertise in chemicals and steel trading, enhancing profitability through upgrading business models and expanding into new markets. It will foster businesses in renewable and bio energy and developing new business to secure additional growth drivers.

The Engineering & Construction Group will focus on establishing a foundation for sustainable growth based on profitable projects and engineering competitiveness. It will leverage its marketing and execution abilities to deliver innovative services and values while maintaining upholding the values of safety and compliance.

The Fashion Group will focus on enhancing business efficiency through restructuring low-performing brands and offshoring production, designing products in line with customer preference and consumption trends, and expanding its online retail channels.

The Resort Group will seek to utilize differentiated content and marketing to provide customers with an unforgettable experience. It will realize steady profits by improving operational efficiency and service quality, all the while placing top priority on customer and employee safety.

The company as a whole will strive to enhance shareholder value by establishing transparent and board-centric governance and increasing shareholder returns.

The board of directors, meanwhile, will focus on bolstering diversity and professionalism by means of measures such as implementing a lead independent director system and appointing additional shareholder advocates. It will also continue to monitor the company's compliance to laws through the newly formed Compliance Team.

Valued shareholders,

2020 is expected to be another difficult year, but we will do our best to become a trusted company. To achieve this we will enhance shareholder value by realizing board-centric management and engage in open and sincere communication with stakeholders.

We know very well that fulfilling our responsibility to our many stakeholders which include shareholders, customers, and business partners, is essential to sustainable management. And that is why we will always do our best to uphold social and environmental values such as labor/human rights, environment/safety, co-prosperity, social contribution.

We ask for your continued support.

Youngho Lee
President & CEO
Samsung C&T Corporation