



# ANNUAL AND SUSTAINABILITY

REPORT 2018



Here To  
Make Lives  
Better

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FairPrice senior management and staff joined by kindergarten students from My First Skool, volunteering their time at Ren Ci @ Ang Mo Kio.

# Social Mission

To moderate the cost of living in Singapore.

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## Vision

To be Singapore's leading world-class retailer with a heart.

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## Mission

To provide customers with the best value, quality products and excellent service, be a preferred employer, to moderate the cost of living in Singapore, and to serve the needs of our members, the Labour Movement, and the community.

# Core Values

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Customer Focus

Deliver a distinct customer experience

Professionalism

Competent retailer

Teamwork

Support each other to reach our goals

Trustworthy

Conduct ourselves honestly and responsibly

Caring

Genuine concern for colleagues, customers, and community

Empathy

Putting ourselves in the shoes of others

# Joint Message From Chairman And Chief Executive Officer

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FairPrice Chairman, Mr Bobby Chin and Chief Executive Officer, Mr Seah Kian Peng

## **We Are Here to Make Lives Better**

Last year, NTUC FairPrice celebrated our 45<sup>th</sup> anniversary. Formed with a social objective, FairPrice continues to affirm our commitment in providing quality products at affordable prices.

As a testimony to this commitment, in March this year, we pledged to hold prices of 100 essential FairPrice housebrand products for a period of 15 months, up to end June next year. In general, our Housebrands are priced at least 10 per cent cheaper than comparable leading brands.

In this Annual and Sustainability Report, we are pleased to share with you more of the Do Good initiatives that we have embarked on. We are also making an effort to preserve our environment by going paperless and have discontinued printing hardcopies. This report is now available on our website as an electronic copy instead. We remain committed to champion sustainable practices, and thank you for your understanding and support on this sustainability effort.

## **Making Every Day Better**

2018 has been a year of making continuous improvements. We revamped FairPrice On to make it easier, friendlier and faster for customers to shop with us online. We also enhanced our online fulfilment capabilities by utilising robotics to increase order picking productivity by four-fold.

To empower the community to live healthier lives, a Unity store-in-store concept was introduced at our revamped FairPrice Xtra store at AMK Hub. The store not only offers customers beauty, health and wellness products all under one roof, it also provides them with pharmacist counselling and telemedicine consultation on medication and healthcare matters.

Seniors and the Pioneer Generation (PG) continue to enjoy savings with FairPrice. Last year, we gave out close to \$7 million to help seniors stretch their dollar through both the Seniors and PG discount schemes. This year, Merdeka Generation members will be able to enjoy a three per cent discount on Wednesdays from 1 July 2019. This will save them about \$2.7 million in groceries annually.

## **Giving Back for the Better**

Last year, we also continued to support charitable initiatives. Our signature FairPrice Food Voucher Scheme helps more than 20,000 low-income families with their daily groceries expenses through the grassroots organisations. Since 2008, FairPrice has also donated about \$129 million to FairPrice Foundation, which has in turn given out over \$97 million to fund various causes for the poor and needy, nation building and community bonding, and workers' welfare.

Beyond financial sponsorships, we galvanise our staff and the community to volunteer for meaningful causes such as our Share-A-Textbook project. We collected and distributed over half a million textbooks to needy students in 2018 - the highest number of books collected in the project's 36 years history. Over the Lunar New Year, our Board of Directors, along with senior management staff also volunteered at our stores to raise funds for charity as part of the 'One FairPrice Family' initiative. In addition, the FairPrice Volunteers Programme contributed over 4,300 volunteer hours through more than 30 activities, reaching out to more than 1,000 beneficiaries.

## **Better for Our Planet**

To protect our environment, FairPrice implemented the new 'FairPrice Plastic Bag Management Programme', which focuses on reducing plastic bag waste holistically through internal processes, public education, partnerships, and sponsorships. This includes advocating the use of reusable bags for grocery shopping and educating customers to reduce single-use plastics. We target to save 30 million plastic bags per annum by 2030 through this programme.

We are also the first supermarket retailer in Southeast Asia to be awarded the Roundtable on Sustainable Palm Oil (RSPO) membership – a global multi-stakeholder initiative promoting the production and use of sustainable palm oil.

## **A Better Place to Work**

Our inclusive hiring practices means we have in our employ persons with disabilities, mature workers as well as people from diverse social backgrounds and ethnicities.

Since 2016, the One FairPrice Family Programme has promoted camaraderie by allowing corporate staff from headquarters to experience frontline operations at our retail stores.

To empower and encourage employees to identify issues, streamline processes, reduce wastage, and improve performance, we introduced a structured improvement programme. Called the 'LEAN programme', it aims to enhance productivity and efficiency.

## **Financial Performance**

On the financial perspective, 2018 continued to present challenges to our operations due to increased competition and a softer retail market. Despite strong headwinds, we remain resilient and adaptable, achieving double digit growth on our e-commerce platform as well as pursuing new revenue streams whilst building and investing in both capabilities and talent to future proof the organisation.

Our group revenue increased marginally to \$3.45 billion, while the group profit from operations decreased by 47.7 per cent to \$49.1 million. In line with these competitive pressures, management responded with appropriate and prudent cost management measures, including operational headcount freeze. Staff compensation was reduced in line with the decline in operational profit.

Profit before tax amounted to \$152.5 million. After contributions to the Central Co-operative Fund and Singapore Labour Foundation as required under the Co-operative Societies Act, the group's net profit was \$128.7 million.

Despite the lower group profit from operations, the Board has proposed a total patronage rebate of 4 per cent, amounting to \$53.9 million. It is also proposing a dividend of 6 per cent, comprising a usual dividend of 5 per cent and a special dividend of 1 per cent, amounting to \$26.3 million.

Total distributions from patronage rebates and dividends, will thus amount to \$80.2 million. During the year, Link Cardholders also received \$30.3 million worth of LinkPoints. Collectively, the total payout to our members and Link Cardholders would amount to \$110.5 million.

## Challenges Ahead

The retail business landscape will remain challenging. Regardless, we will continue to drive productivity improvement through optimising manpower complemented by the use of automation and technology. We also have strategies in place to invest in staff development and growth, and to attract and retain talent.

As a retailer, customer-centricity remains a key strategic driver. Our investment in data analytics will enable us to better understand the changing needs and preferences of our customers, and at the same time, help deepen our engagement with them. Ultimately, we look to provide customers with a seamless omni-channel experience.

## In Appreciation

Finally, we express our gratitude to our Board members for their contributions and counsel, and are appreciative of our dedicated staff for their hard work. We also thank our stakeholders, business partners and customers for their support all these 45 years and for continuing their journey alongside with us.

Together, we look forward to serve our members and customers and fulfil our brand promise to be Here To Make Lives Better.

Thank you.



**Mr Bobby Chin**  
Chairman



**Mr Seah Kian Peng**  
Chief Executive Officer



# Making Every Day Better

## Responsible Retailing

As a social enterprise, we remain resolute in our commitment to moderate the cost of living, by providing good value and quality at affordable prices. We continue to expand our range of Housebrand products to provide greater savings for a wider range of daily essentials to cater to the changing tastes of our customers.

To ensure we remain relevant to evolving lifestyle needs and expectations, we overhauled our e-commerce grocery platform, FairPrice On, to enhance the online shopping experience and launched a new Unity store-in-store concept to empower the community to live healthier lives. We continue to honour our Pioneer Generation (PG) members and seniors, and help them save more in their twilight years through our PG and Seniors Discount. As a homegrown retailer, we also support locally made products by helping to nurture local food brands. Supporting locally made products also helps the business to maintain a shorter and efficient supply chain.

These customer and community focused initiatives further reaffirm our commitment to fulfilling our social goals.



## BRAND NEW ONLINE SHOPPING PORTAL: FAIRPRICE ON

As part of our digital transformation strategy, we overhauled our e-commerce grocery platform. The new FairPrice On shopping portal and mobile app offer a more robust and intuitive user interface, with processes streamlined at every step of the customers' shopping experience.

At the back-end, we enhanced our online fulfilment centre with the "Autostore" system, an automated goods-to-man storage and retrieval system that utilises robotics to provide high-density storage, optimise manpower and boost productivity. As part of the revamp, FairPrice On also offers customers a convenient platform to donate groceries to the less fortunate supported by 55 social service organisations. In addition, FairPrice On is a partner of MumsTruly, the e-commerce platform by OCBC Bank that offers all parents access to a wide variety of products and services, greater savings and convenience through a one-stop marketplace.

## NEW HEALTH FOCUS AT REVAMPED HYPERMARKET

In order to further empower the community to lead healthier lives, the revamped FairPrice Xtra store at AMK Hub incorporates a Unity store-in-store concept, offering customers close to 5,600 beauty, health and wellness products all under one roof. The store also offers pharmacist counselling and telemedicine consultation services where customers can seek advice from pharmacists on medication and healthcare matters.





## CELEBRATING 45 YEARS OF PARTNERSHIP WITH VIETNAM

FairPrice launched a two-week long Vietnam Fair in November 2018 at all stores island-wide to celebrate 45 years of diplomatic relations, in conjunction with the fifth anniversary of strategic partnership between Singapore and Vietnam. New products were introduced and customers had the opportunity to enjoy discounts of up to 45 per cent off on popular Vietnamese products. Forging strong partnerships with other countries enable FairPrice to diversify our food sources, and customers get to enjoy a wider range of Vietnamese products available at good value. FairPrice currently offers about 650 products from Vietnam across 40 product categories.



## GO CASHLESS WITH EASE

FairPrice, Cheers and EZ-Link entered into a strategic partnership to provide customers with the convenience to top-up their EZ-Link directly with the change from purchases when they pay with cash at Cheers stores. This service helps optimise business operations to boost productivity and empower frontline staff to focus on providing better customer service by reducing the need to handle cash.



## SCORE BETTER VALUE

To offer even better value, the SCORE subscription programme was introduced to allow customers to enjoy more savings, additional rebates, and greater convenience. SCORE is a collaboration between FairPrice and Grab that offers an exciting range of members-only benefits for subscribers. Since its launch, Cheers, GrabFood, OCBC Bank, Qoo10, and Zalora have also come on board to offer subscribers exclusive deals. Plans are underway to expand the offerings with more merchants and offer subscribers savings on a wider range of products and services to meet their lifestyle needs.



## YUMSING! FOR LOCAL BRANDS

Together with Enterprise Singapore and Nanyang Polytechnic (NYP), FairPrice supports food companies with 'YumSing!', a food-retail incubator initiative that aims to help local enterprises accelerate the growth of local brands in the market. The initiative provides Small & Medium Enterprises (SMEs) with the opportunity to have dedicated retail spaces in our stores to test new products with the market and a platform to gather customer insights on their products. Participating companies were also exempted from product assessment and listing fees.

This initiative comes as an extension of our continued support for local SMEs under the SME Suppliers Support and Development Programme (SSDP). The SSDP aims to help our SME partners better manage cash flow and enhance their capabilities for business growth. In 2018, we invested \$1.75 million in the SSDP which benefitted over 360 SME partners.



- Invested \$1.75 million to benefit more than 360 SME partners.



## ENSURING HIGH STANDARDS OF FOOD SAFETY AND QUALITY

Food safety and quality are of paramount concern to FairPrice. Our team of Food Safety and Quality professionals conduct regular food safety audits, and work closely with Agri-Food & Veterinary Authority Singapore (AVA) to ensure all products meet stringent quality and safety standards. Since 2004, we have been awarded with the Certificate of Commendation by AVA for attaining 'A' grade for excellence in food hygiene, sanitation and processing.



- FairPrice complies with international standards such as ISO 22000 and ISO 9001.
  - Food safety breaches: No significant monetary fines for the three incidents relating to food products past expiry and consignment of food items sold without AVA inspection<sup>1</sup>.
- <sup>1</sup> Significant monetary fines are defined by no more than \$500 charge per incident.



## EXPANSION OF HOUSEBRAND PRODUCTS

One important strategy to moderate the cost of living is through our Housebrands, where we forge strategic partnerships to make available high quality daily essentials that are cheaper than leading brands. We have a range of over 2,000 Housebrand products which include fresh produce and groceries, toiletries and household items. In 2018, about 60 new Housebrand products were launched, which included an assortment of healthier choice products like brown rice and sugar free beverages to promote healthier eating.



- 200 FairPrice housebrand products carry the Healthier Choice Symbol.
- Over 200 FairPrice housebrand products are trans fat free.
- Over 40 types of Pasar Organic produce can be found at FairPrice stores.

## APPRECIATING OUR PIONEER GENERATION

To appreciate our Pioneer Generation (PG) and ensure that they continue to reap savings on daily essentials, the PG Discount Scheme was extended for another six months, until 30 June 2019, allowing pioneers to enjoy a three per cent discount on Mondays and Thursdays. Introduced in 2014, the scheme had been extended three times and disbursed more than \$16 million in discounts to PG members. The PG Discount Scheme complements the Seniors Discount scheme, which sees all shoppers above the age of 60 enjoy a two per cent discount on Tuesdays.



## SUSTAINABLE SOURCING

FairPrice continues to make steady progress in our commitment to source products from socially and environmentally responsible suppliers. In listing new products, we give preference to products from sustainable sources. In addition, we were the first supermarket retailer in Southeast Asia to attain the Roundtable on Sustainable Palm Oil (RSPO) membership in 2018. Beyond sourcing from sustainable palm oil sources, all 30 FairPrice housebrand paper products - including toilet rolls, kitchen towels, and facial tissues have received certification from the Forest Stewardship Council (FSC) since 2017.

- 100% of FairPrice housebrand paper products are FSC certified.
- Over 40 sustainable seafood products are certified by the Marine Stewardship Council, Aquaculture Stewardship Council and Friend of the Sea.

## CUSTOMER PRIVACY

FairPrice seeks to ensure all customer data is protected. Since the Personal Data Protection Act (PDPA) took effect in 2014, the Co-operative has complied with the law that governs the collection, use, and disclosure of personal data. To maintain proper procedures and practices related to data protection and customer privacy, 28 of our risk champions representing all departments in FairPrice attended the PDPA for non-legal personnel training course conducted by NTUC Learning Hub. The risk champions are responsible for ensuring that the processes for handling personal data within their respective departments are updated and adhered to.

- Zero cases of substantiated complaints regarding breaches of customer privacy and loss of customer data.

## SUSTAINABILITY PERFORMANCE IN 2018

### TARGETS SET FOR 2018

Offer a minimum 5% increase of healthier products against a 2017 baseline.

Maintain at least 96% rating for internal quality audit, which governs the stores' level of hygiene, food safety and housekeeping.

### 2018 PERFORMANCE

About 9% increase in healthier products against a 2017 baseline.

The biannual internal quality audit rating is 95.3%.



# Giving Back For The Better

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## Community Care

FairPrice's social commitment to do good for the community is part of our DNA. We continue to reach out to different segments of the community through various initiatives every year. In 2018, we held our signature FairPrice Share-A-Textbook project to assist needy students, provided assistance to low income families through the FairPrice Food Vouchers Scheme, organised the FairPrice Walk for Rice @ South East to galvanise the community to walk for a good cause, and more. While we continue to provide financial aid through FairPrice Foundation, we also encourage the community to do more through volunteerism. Our partnership with Youth Corps Singapore aims to spur more youths to volunteer their time and effort to create a positive impact for society.

## DOING GOOD BY SELLING MANDARIN ORANGES

During the Lunar New Year festive period in 2018, FairPrice's Chairman, board of directors, and senior management team participated in the 'One FairPrice Family' initiative, where they supported frontline operations and sold more than 9,000 boxes of mandarin oranges. FairPrice Foundation pledged to donate \$38 for every box of mandarin oranges sold by the senior management team. In total, the Foundation donated \$200,000 to Ren Ci Hospital and Thye Hua Kwan Moral Society to support the good work that they do for the less fortunate.



## ENGAGING MORE YOUTHS IN VOLUNTEERISM

The FairPrice Volunteers Programme is designed to encourage our staff and the community to volunteer for various charitable causes. In 2018, we continued to focus our attention on creating more volunteering opportunities for youths to serve the community. We partnered NTUC Health and Youth Corp Singapore (a division of National Youth Council) for its community service event 'Shop for A Cause'. This initiative allowed youths to interact with seniors as they facilitated grocery shopping trips in stores. Additionally, the young volunteers educated the seniors on making healthier food choices. Besides fostering a culture of giving among youths, the joint partnership also promotes multi-generational bonding within the community. The FairPrice Volunteers Programme contributed over 4,300 community hours and reached out to more than 1,000 beneficiaries through 32 activities at various organisations.



- 2,297 hours contributed by staff volunteers.
- 2,006 hours contributed by public volunteers.

- Reached out to 1,025 beneficiaries.
- 32 volunteering activities organised.



## FAIRPRICE SHARE-A-TEXTBOOK BREAKS NEW RECORD

With continued support from the community, the 36<sup>th</sup> instalment of FairPrice Share-A-Textbook project attained our target by collecting more than half a million textbooks for needy students. More than 170 FairPrice stores across different retail formats served as drop-off points for the public to donate their used textbooks in good condition. Close to 1,100 volunteers, from community partners and schools, together with FairPrice staff and members of the public helped to collect, sort, and organise donated textbooks. The textbooks were available for collection at the joint event with NTUC U-Care Back to School held at Our Tampines Hub. More than 24,000 beneficiaries between the ages of seven to 16 from the FairPrice Share-A-Textbook priority scheme and about 30,000 NTUC U-Care Fund beneficiaries were invited to collect donated textbooks and school supplies. Since the project's launch in 1983, more than five million books have been collected. Aside from serving the educational needs of the less fortunate in the community, this event contributes to environmental efforts by reducing paper waste.



- Over 500,000 books collected and redistributed to underprivileged families.



## FOOD VOUCHER DONATION TO COMMEMORATE OUR 45<sup>TH</sup> ANNIVERSARY

In celebration of our 45<sup>th</sup> Founders' Day, FairPrice donated a total of \$1.2 million worth of food vouchers to 20,000 low-income families through the grassroots organisations. Since the launch of the FairPrice Food Voucher Scheme in 2002, we gave \$16.8 million worth of food vouchers to low income families and individuals to help them with the daily cost of living. The donation was announced at an event graced by Mr Ng Chee Meng, Secretary-General, NTUC, Mr Bobby Chin, Chairman, NTUC FairPrice, and Mr Desmond Tan, Chief Executive Director, People's Association. As part of the event, they prepared breakfast and distributed goodie bags to beneficiaries of the scheme.

## POCKET MONEY FOR NEEDY CHILDREN

Cheers, FairPrice Foundation, and Yeo Hiap Seng marked their fifth year of collaboration with a joint donation of \$30,000 to 'The Straits Times School Pocket Money Fund'. For every purchase of Yeo's beverages at any Cheers and FairPrice Xpress stores island-wide during the campaign period, 20 cents was donated to the fund. This annual initiative provides 10,000 low income students with school pocket money, and helps ease their parents' financial burden.



## CELEBRATING THE SPIRIT OF GIVING

As part of the Hari Raya celebrations, we distributed \$15,000 worth of FairPrice housebrand daily essentials to 300 low-income families in Tampines. We also distributed dates and beverages to Muslim customers during Ramadan. This is a community effort we have been practising at selected stores since 2009. In 2018, we expanded this initiative to 40 stores - 10 more than in the previous year.

## FOOD DONATION DRIVES

In line with the United Nations Sustainable Development Goal Two on Zero Hunger and Goal 12 on Responsible Consumption and Production, FairPrice has been actively engaging the community to feed the needy and reduce food waste. Apart from donating unsold but still wholesome groceries to Food from the Heart to reach out to more than 40 benefitting charities, we also partnered nine organisations to run food donation drives throughout the year. In 2018, over \$48,000 worth of food was collected through various food drives organised in 75 FairPrice stores.



## A DECADE OF WALKING TOGETHER

The FairPrice Walk for Rice @ South East is in its tenth year. In 2018, the event brought corporate and community partners together to raise white rice and brown rice for vulnerable families in the South East District. Since 2009, participants of the event have walked about 1,150,000km collectively and raised about 5 million bowls of rice for needy residents. FairPrice pledged to continue the partnership for three more years and plans are underway to increase our sponsorship and include more nutritious products in future editions.



## CHARITY CAR WASH FOR SENIORS

Cheers, ExxonMobil and Hock Cheong Group partnered with the Lion Befrienders to raise funds through a charity car wash to help vulnerable seniors in the community live rich and meaningful lives. More than 50 members of the Cheers and FairPrice senior management team and staff, including volunteers from Lions Befrienders, rolled up their sleeves to wash cars for a good cause. Drivers donated \$15 or more for each car wash and almost \$14,000 was raised from this meaningful initiative through both corporate and public donations. All proceeds will be used to support Lions Befrienders in community engagement activities.



## BOYS' BRIGADE SHARE-A-GIFT

The Boys' Brigade Share-A-Gift (BBSG) initiative, one of the signature community projects we support, has galvanised the community to do good for the past 17 years. Beyond financial sponsorship, we extended our support by providing our physical stores and digital channel, FairPrice On, as convenient platforms for the collection and distribution of groceries to beneficiaries. For 2018, the initiative collected more than \$2.9 million worth of donations and groceries to benefit an estimated 40,000 beneficiaries.

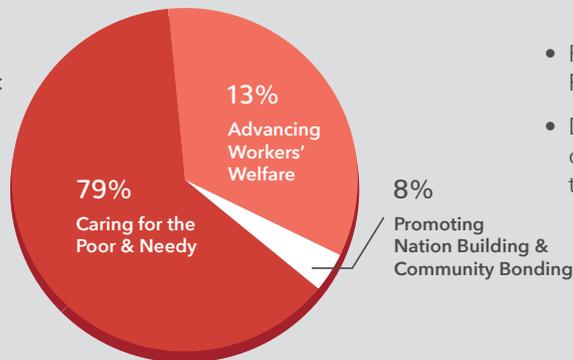


## FAIRPRICE FOUNDATION

Since 2008, our philanthropic arm, FairPrice Foundation, has been giving back to the community. It does so by adopting a structured approach based on three strategic thrusts: the poor and needy, workers' welfare, nation building and community bonding. Since 2008, the Foundation has given out more than \$97 million to support the community.



Breakdown of giving for the three strategic thrusts



- FairPrice donated \$10 million to FairPrice Foundation.
- Disbursed funds to more than 240 charity organisations that reach out to the less fortunate.

## CREATING SOCIAL IMPACT THROUGH PARTNERSHIPS

As a social enterprise, we are committed to creating a positive impact on the community we serve, while remaining sustainable. We work closely with community partners and social service organisations to further our outreach efforts and deepen our social impact. In 2018, we worked with over 10 SSOs to support various charitable causes.



## SUSTAINABILITY PERFORMANCE IN 2018

### TARGETS SET FOR 2018

Commit \$20 million to FairPrice Foundation to reach out to the community.

Pledge 5,000 volunteer hours from employees and 500 hours annually from the public under the FairPrice Volunteers Programme.

### 2018 PERFORMANCE

FairPrice donated \$20 million to FairPrice Foundation between 2017 to 2018.

Contributed 2,297 volunteer hours from employees and 2,006 hours from the public.



# Better For Our Planet

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## Sustainable Environment

As a socially responsible retailer, FairPrice takes pride in caring for the environment and nurturing a green and sustainable Earth. As we grow our business, we continue to look for ways to reduce our carbon footprint and engage customers in our efforts to protect the environment. We continue to tackle the issue of food waste on multiple fronts. Last year, we launched the FairPrice Plastic Bag Management Programme to promote greater awareness and community participation in reducing plastic bag usage.

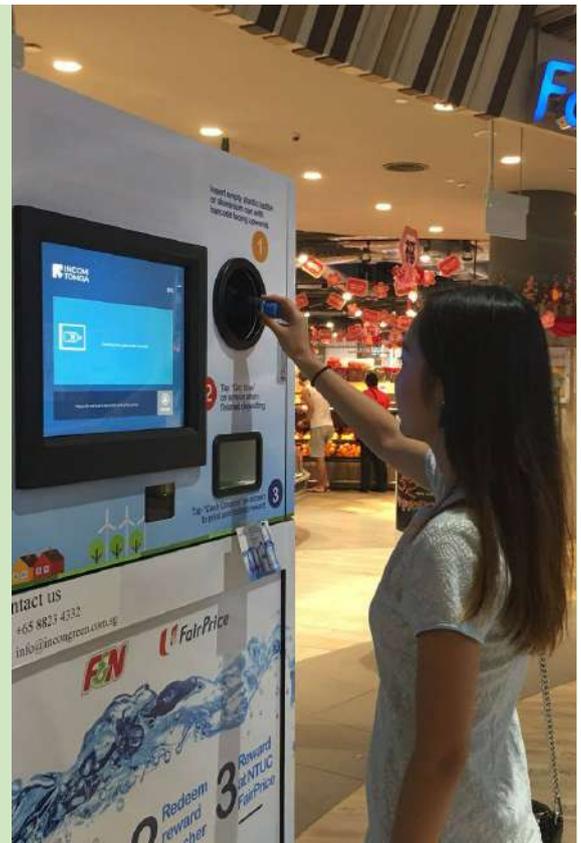
## ADOPTING SUSTAINABLE PRACTICES

To increase the energy and water efficiency within our operations, we apply the five eco-friendly design guidelines in renovating old stores and the setup of new ones. These five eco-friendly design guidelines include:

- All lighting used are LED;
- Energy efficient refrigeration system using automated temperature monitoring and energy saving system, EC fan motor, electronic expansion valves, variable speed compressor, etc;
- Zonal lighting circuit design;
- Motion sensor installed for office, preparation rooms, and storerooms;
- Use of water-efficient fittings.

To promote the recycling habit, we collaborated with F&N, Frasers Centrepoint Malls, and Incon Green Singapore on a 'reverse vending machine' initiative to encourage customers to recycle used bottles or cans. The machines are currently located at Yew Tee Point, Waterway Point Shopping Mall, and Nee Soon South Community Club. In all, they identify, sort, and collect about 1,700 used bottles and cans monthly, which are then sent to recycling plants.

We have also commenced the installation of localised energy management systems in some of our stores to monitor and manage the energy consumed by our operations.



- 30 BCA Green Mark stores.



- 64% of stores implemented the five eco-friendly guidelines.



- The total energy consumed by FairPrice is 184,025,194 kWh.<sup>1</sup>



- 337,120 m<sup>3</sup> of water consumed by FairPrice's operations.<sup>2</sup>



- 160,305,311 kWh electricity consumed by FairPrice's operations.<sup>3</sup>



- 77,107 tonnes CO<sub>2</sub> emissions generated by FairPrice's operations.<sup>4</sup>



- 182,953 kWh solar energy generated from FairPrice Hub.<sup>5</sup>



- 2,364,106 litres of diesel fuel consumed by FairPrice's fleet.



- 6,327 tonnes of CO<sub>2</sub> emissions generated by FairPrice's fleet.<sup>6</sup>

<sup>1</sup> Conversion of diesel fuel to kWh is based on CDP's Technical Note - Conversion of fuel data to MWh.

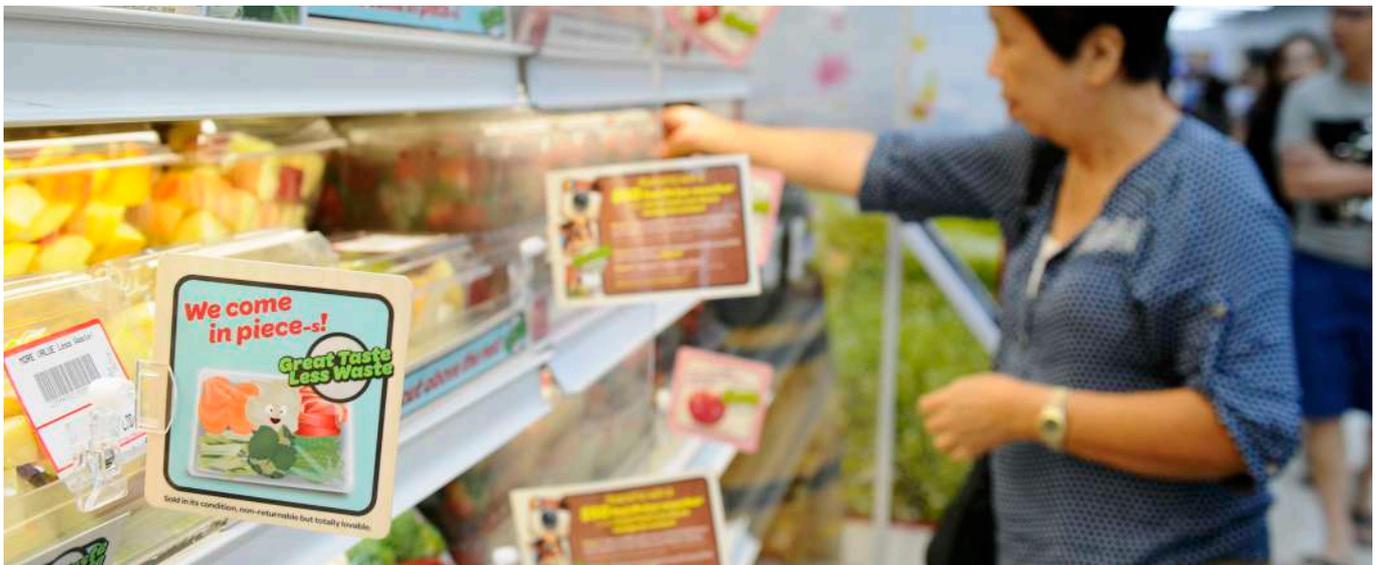
<sup>2</sup> Water consumed is from public utilities and data was obtained through utility bills.

<sup>3</sup> Data for electricity consumption was obtained through the utility bills.

<sup>4</sup> FairPrice's Scope 2 emissions are derived from our electricity consumption. Only carbon dioxide was considered in the calculation. It was calculated using the electricity grid emission factor (0.419 kg CO<sub>2</sub> / kWh) reported in 2017 by the Energy Market Authority.

<sup>5</sup> Data obtained by own meter reading.

<sup>6</sup> FairPrice's Scope 1 emissions are derived from our own fleet fuel consumption. It was calculated using the GHG Protocol Transport Tool which provided the quantity of carbon dioxide emissions.



## ADDRESSING FOOD WASTE

Another key priority in our sustainability agenda is addressing the perennial issue of food waste. The FairPrice-CSR Food Waste Reduction Framework was launched in 2015 to tackle the issue of food waste on multiple fronts. Through the Great Taste, Less Waste programme, blemished but still wholesome fruits and vegetables are repacked and sold at marked down prices at all FairPrice stores island-wide. In 2018, more than 734,000 kilogrammes of fruits and vegetables have been saved to date. FairPrice has also established a food donation programme that allows our stores to donate unsold but still wholesome canned food products to the community on a regular basis. In addition, our partnership with Food from the Heart sees over \$200,000 worth of food donated every year.



- FairPrice donates unsold but wholesome food to Food from the Heart



**2018**

\$233,000

- Food saved through Great Taste Less Waste



**2018**

734,000 kg

- Total food waste generated by stores



**2018**

3,170 tonnes

1,000 tonnes = 

- FairPrice Food Waste Index



**2018**

15.7 kg/sqm



## HOLISTIC FRAMEWORK TO REDUCE PLASTIC BAGS

Being the largest supermarket retailer in Singapore, we inevitably contribute to the material waste generated in the country. With growing awareness and interest around waste reduction, FairPrice takes responsibility to create effective and impactful change in society through sustained public education and active participation.

We implemented the new 'FairPrice Plastic Bag Management Programme' - a holistic framework that focuses on reducing plastic bag waste holistically through four main fronts: internal processes; public education; partnerships; and sponsorships. Some of our efforts include enhancing environmentally-friendly bagging practices, working with various organisations on public education campaigns, and creating partnerships with schools to advocate the use of reusable bags. In 2018, FairPrice Foundation also made a sponsorship of \$50,000 to support programmes by the Singapore Environment Council and Zero Waste SG. Through this framework, we aim to save 30 million plastic bags annually by 2030.



- Within our operations, we engage waste contractors to recycle the key material waste that is generated.



Over 12,800 tonnes of carton materials recycled.<sup>1</sup>



Over 52 tonnes of styrofoam boxes recycled.<sup>2</sup>



Over 54 tonnes of stretch film recycled.<sup>3</sup>

<sup>1,2,3</sup> Data obtained from waste contractors for all stores and our fresh food distribution warehouse.

## SUSTAINABILITY PERFORMANCE IN 2018

### TARGETS SET FOR 2018

Achieve BCA Green Mark certificate for six more stores.

Set up energy management system that measures store operations emissions.

### 2018 PERFORMANCE

Three more stores received BCA Green Mark certification, bringing a total number of certified stores to 30.

17 stores have an energy management system implemented.



# Better Place To Work

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## Wonderful Workplace

As one of the largest employers in Singapore with a workforce of over 10,000 people from all walks of life, we pride ourselves on being able to provide a positive and caring work environment, having structured and robust staff development programmes and strong leaders of integrity who can motivate and drive change. Beyond salary and benefits, what sets FairPrice apart is that we are a social enterprise – our social goals, commitment to do good and sustainability efforts shape our policies and provide a higher sense of purpose for our staff. Our Human Resource (HR) philosophy looks to enhance long-term employability through ongoing capability development. We have a core group of capable leaders who drive innovation and empower their teams to achieve excellence.

## WE ARE ONE FAIRPRICE FAMILY

The One FairPrice Family programme, which started in 2016, aims to promote solidarity and camaraderie among staff from different departments, while also facilitating better understanding of customers' needs. The structured initiative gives all FairPrice management, including FairPrice board members, and corporate employees the opportunity to engage in operational activities to foster inter-department integration among our 10,000 strong workforce and sharpen our focus on being a customer-centric retailer. The additional in-store support also seeks to alleviate heightened manpower needs required to manage increased customer traffic during the festive peak season. Under this initiative, corporate staff are requested to commit a minimum of three days annually to support key operational functions. Corporate staff contributed over 4,800 hours working at stores through the programme in 2018.



## WORKPLACE SAFETY AND STAFF WELFARE

Staff welfare and safety are of utmost importance to us. FairPrice's workplace safety and health policy outlines our promise to provide a safe and conducive environment to all individuals working or shopping in our premises. FairPrice was certified bizSAFE level 2 by the Workplace Safety and Health Council. The bizSAFE programme is designed to support the key principles of the Workplace Safety and Health Act (WSHA) which aims to reduce risks at source, increase industry stakeholders' ownership and enable good workplace safety outcomes. Getting voluntarily certified is part of our commitment to be compliant with the Workplace Safety and Health Act (risk management) regulations.

FairPrice conducts risk assessments that are in compliance with the requirements of the WSHA throughout our operations. Employees are consulted during the development of risk assessments and safe work procedures. The outcomes of the risk assessments will be documented and communicated to the relevant employees on the identified hazards and risks, along with the control measures to be implemented. All employees are also required to report any hazards and unsafe conditions to their reporting officers for immediate intervention. They should also highlight safety risks during operation briefings and daily tool box meetings. All work related incidents will be investigated by registered workplace safety and health officers from the workplace safety and health department to establish the root causes and corrective actions to prevent any future recurrences. These incidents and learning outcomes will be shared among relevant departments for parallel deployment of the recommended measures.

Relevant occupational health and safety information are made available on the Co-operative's intranet, and shared through various channels including weekly operation bulletins and monthly Workplace Safety Committee (WSC) meetings. The WSC comprises 50 per cent worker representatives and 50 per cent management representatives as stipulated in the WSHA. The responsibility of the WSC includes carrying out site inspections, reporting of unsafe incidents, ensuring corrective actions are implemented and organising activities to promote workplace safety. FairPrice also requires our suppliers to observe safe work procedures in our premises. A penalty will be imposed if there were any safety violations committed.

All new employees will receive training on our workplace safety and health policies and procedures. They will also undergo occupational first aid training. In 2018, 143 risk management champions and team leaders attended a course on managing health and safety risks.

We also have in place various healthcare benefits including free annual basic health screening, dental and medical benefits covering both outpatient and inpatient medical expenses. All employees can also access the gym at FairPrice's Headquarters to upkeep their fitness.

Employee engagement and communication are also crucial to the success of our business. We have in place various platforms for discussion and feedback with staff, and to review corporate strategies and HR policies. We gather feedback from staff and interact with them through regular town hall meetings, staff dialogues with management and through our whistleblowing channel. Information is also shared with staff through online and physical channels such as Intranet, email circulars, social media and in-house newsletters.



- Workplace safety breaches: No significant monetary fines for three incidents relating to mosquito breeding, pest control, and fire safety.<sup>1</sup>
- 100% of the workforce is represented by our Workplace Safety Committee.

<sup>1</sup> Significant monetary fines are defined by no more than \$500 charge per incident.



## FAIR AND INCLUSIVE WORKPLACE

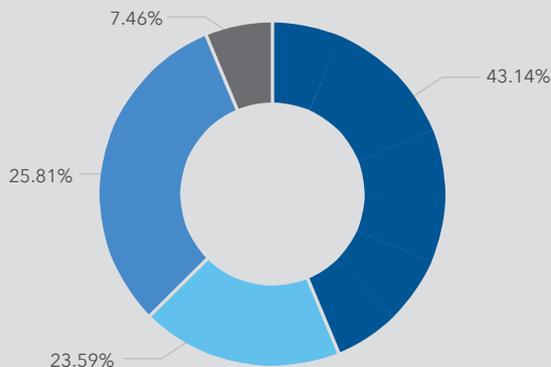
We employ over 10,000 staff from various age groups, ethnicity, religion, and social background. Since 2015, we have been working with SG Enable for the Train and Place Programme. To date, we have employed persons with disabilities, where jobs are redesigned to fit their abilities. We also hire ex-offenders to support their re-integration to the society. With such diversity and inclusivity, amidst a large workforce, we have the advantage of being able to tap on the collective wisdom, experience and expertise of all.



**Aged 62 years or more**

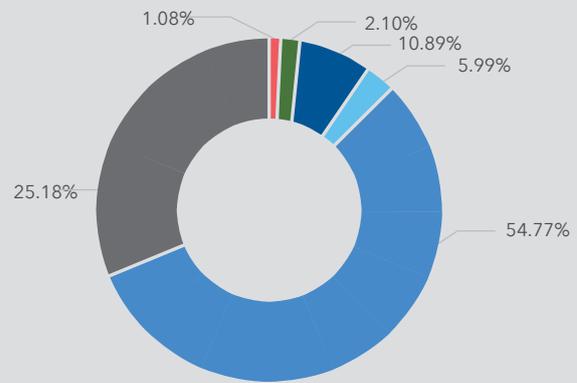
- 14.9% of employees who reach 62 years and beyond stay in active employment with FairPrice.
- 56 employees hired through SG Enable, Voluntary Welfare Organisations, Special Schools and Singapore Corporation of Rehabilitative Enterprises (SCORE).

**Composition of Employees by Employment Type and Gender**



- Part-Time, Female
- Part-Time, Male
- Full-Time, Female
- Full-Time, Male

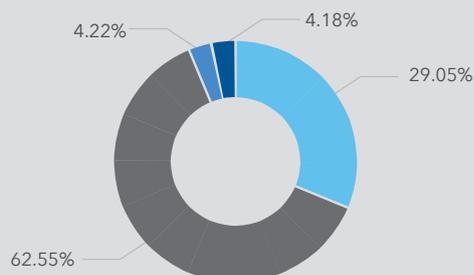
**Composition of Employees by Employment Contract and Gender**



- Contract Male
- Contract Female
- Regular Male
- Regular Female
- Temporary Male
- Temporary Female

**Composition of Employees by Employee Category and Gender**

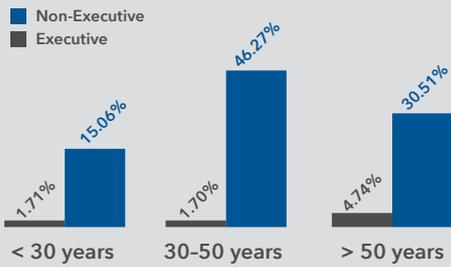
- Non-Executive, Male
- Non-Executive, Female
- Executive, Female
- Executive, Male



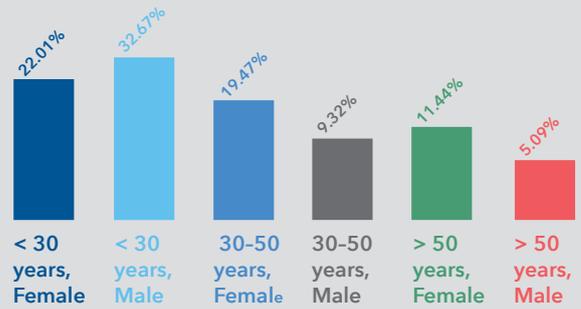
\*Figures shown in the pie charts have been rounded to two decimal places for clarity.



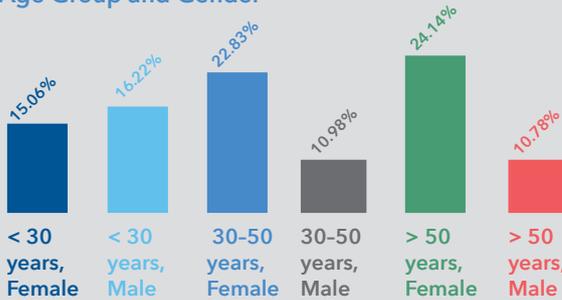
### Composition of Employees by Employee Category and Age



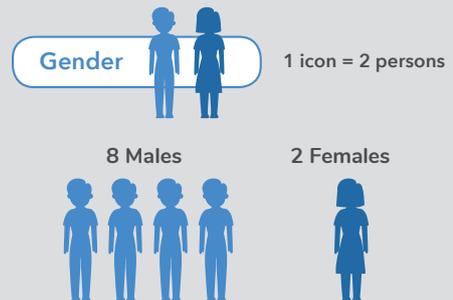
### Rate of New Employee Hires by Age Group and Gender



### Rate of Employee Turnover by Age Group and Gender



### Composition of Board of Directors



\*Figures shown in bar graphs have been rounded to two decimal places for clarity.

## LABOUR RELATIONS

All FairPrice's employees are represented by the Food, Drinks and Allied Workers Union, an affiliate of the National Trades Union Congress.

- 92.2% of total employees are covered by the collective bargaining agreements.
- Our current term of collective agreement is in force for three years where employee wages, benefits, employment terms and grievance procedures are covered.
- On average, our Board and senior management have monthly meetings with the union leaders to discuss matters concerning policy changes, employee remuneration, grievance matters and projects to keep the workforce competitive and relevant.

## LEARNING AND DEVELOPMENT

Regardless of age, staff are sent to training programmes on topics such as food safety, cleanliness and customer service, to encourage lifelong learning and equal learning and growth opportunities for all. In 2018, we introduced 'LEAN', a structured process improvement programme that boosts productivity and efficiency by encouraging employees to reduce waste and improve performance in systematic ways. In addition, we have in place a structured Management Trainee Programme to attract young talents to pursue a career in retail.

- 100% of employees receive regular performance feedback and career development reviews.
- Close to 114,000 training hours invested.
- 30 training hours per year per executive.
- 10 training hours per year per non-executive.

# SUSTAINABILITY PERFORMANCE IN 2018

## TARGETS SET FOR 2018

Every non-executive and executive employee should achieve at least 25 hours and 50 hours of training respectively each year.

Establish competency frameworks and training roadmaps for core, leadership, and functional areas in FairPrice.

## 2018 PERFORMANCE

Non-executives and executives received 10 and 30 training hours.

Completed the establishment of competency frameworks and training roadmaps for our workforce.

# FairPrice's Approach To Sustainability

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As a social enterprise with a mission to moderate the cost of living in Singapore, FairPrice acknowledges that it has an important role to play in contributing to sustainable development. We have been making steadfast efforts to advance our sustainability goals through four strategic Corporate Social Responsibility (CSR) pillars. They are Responsible Retailing, Community Care, Sustainable Environment and Wonderful Workplace. Each of these pillars demonstrate our commitment to leaving a positive impact in the marketplace, the community, the environment and the workplace.

As part of our efforts to becoming a more sustainable organisation, consultations are currently underway to develop long-term sustainability goals which we hope would be meaningful both to the business and its stakeholders. We look forward to communicating more details on them in our next Annual and Sustainability Report.

## FAIRPRICE'S SUPPLY CHAIN

In 2018, FairPrice worked with more than 1,600 active product suppliers in our supply chain. Within which, over 80 per cent were locally registered companies representing over 90 per cent of our total spend. We have always placed importance on supporting locally registered companies and we complement these efforts with our continued strategy of diversified sourcing. This ensures that we can offer a stable supply of products at affordable prices for our customers.

## CORPORATE GOVERNANCE

FairPrice is committed to upholding high standards of corporate governance and business ethics to ensure continued fulfilment of our social mission and the sustainable development of our business. Starting from the top, the FairPrice Board is the highest governance body consisting of the Chairman, and nine Non-Executive Directors who have expertise in the fields of accountancy, business management, technology, finance, communications and law. Together they provide direction on strategy formation, risk mitigation, technology and innovation advisory, FairPrice Foundation funds disbursement, reviewal and approval of annual budgets, as well as the Co-operative's approach on economic, environmental and social aspects.

Reporting to the Board, the Executive Management Team led by the Chief Executive Officer (CEO), charts the strategic goals that FairPrice will undertake. The CEO is supported by the CSR Committee who is responsible for establishing sustainability policies, executing sustainability initiatives and monitoring the progress of sustainability targets. The CSR Committee comprises business leads from the management team specialising in human resource (HR), operations, procurement and corporate communications. FairPrice's management of its material sustainability issues is evaluated against set goals and targets approved by the CEO who monitors and reviews our progress, as well as identify areas for improvement as we continue our journey on being a sustainable and responsible organisation.

## CORPORATE VALUES AND BUSINESS ETHICS

FairPrice's six core values serve as the foundation of our conduct and our business relationships. The core values are: customer focus, professionalism, teamwork, trustworthy, caring, and empathy. The Co-operative observes high standards of business ethics and works closely with authorities to ensure that we are compliant with relevant legislations and regulations.

FairPrice has an Employee Code of Conduct that broadly defines the standards of integrity and business conduct that all employees must adhere to. Employees are required to make an annual declaration on possible conflict of interests and indebtedness. The Category Manager Code of Practice serves to guide the procurement team on maintaining high levels of conduct in our trading relationships with suppliers. In managing product suppliers, FairPrice requires the supplier to sign the Master Agreement which comprises of the terms and conditions when dealing with us. They will also be given a corporate supplier kit which outlines the policies and guidelines in maintaining proper trading relations.

FairPrice's Whistleblowing Policy, championed by our internal audit department, aims to demonstrate our commitment to integrity and ethical behaviour. It helps to foster and maintain an environment where employees can act appropriately without fear of retaliation. There are established procedures for reporting, receipt, and treatment of complaints regarding fraudulent or unethical behavior, misconduct, or irregularities. Employees can access the Codes as well as the Whistleblowing Policy on FairPrice's intranet. Posters detailing the whistleblowing procedures and hotlines are also displayed

around our premises. Our values and standards of behaviour are championed at the highest level, with the Board taking a proactive role in setting the tone at the top for the rest of the organisation to follow. Our code and supporting policies are reinforced through communication, training, monitoring and enforcement. The Audit and Risk Management Committee involving the Board and Senior management meets at least three times a year to discuss issues concerning corporate governance and initiatives to ensure FairPrice continues to operate fairly. In 2018, there were zero cases of non-compliance with the Singapore Prevention of Corruption Act.

## **BENCHMARKS OF EXCELLENCE AND MEMBERSHIPS**

FairPrice subscribes to ISO 9001 for quality management as well as ISO 22000 and HACCP for its food safety and cold chain management. FairPrice is certified by the Singapore Quality Class by SPRING Singapore. FairPrice is a signatory to the Global Compact Network Singapore and Tripartite Alliance for Fair and Progressive Employment Practices. We are also a member of the Consumer Goods Forum where our CEO, Mr Seah Kian Peng, is one of the global Board of Directors.

## **MATERIALITY REVIEW**

As we progress along our sustainability journey, we continue to sharpen our focus on key issues that matter to FairPrice and our stakeholders. This year, we reviewed our material sustainability issues based on industry trends and feedback from key stakeholders. As a result of the materiality review, the issue of 'Senior Friendly Retailer' has been removed as a stand-alone issue but remains an important part of our approach to being a responsible retailer. We will continue to serve all ages and remain relevant to their needs, particularly in our pursuit of providing affordable, healthy and safe products. In addition, 'Caring for local community' and 'Extending partnerships' have now been brought together as a consolidated material issue under the pillar of Community Care, which will cover FairPrice's holistic approach towards contributing to the community. Lastly, to strengthen our pursuit to bring in and retain the best candidates, we have broadened the material issue of 'Learning and development' to 'Employee development'.

The final list of issues has been endorsed by the CEO and are in the table below.

CSR Pillar	Material Issue	Topic Boundary	Page Reference
Responsible Retailing	Affordable, healthy and safe products	FairPrice, Suppliers, Customers	<ul style="list-style-type: none"> <li>• New health focus at revamped hypermarket, pg 9</li> <li>• Ensuring high standards of food safety and quality, pg 12</li> <li>• Expansion of Housebrand products, pg 12</li> </ul>
	Support for local suppliers	FairPrice, Suppliers	<ul style="list-style-type: none"> <li>• Yumsing! for local brands, pg 11</li> </ul>
	Sustainable sourcing	FairPrice, Suppliers	<ul style="list-style-type: none"> <li>• Sustainable sourcing, pg 13</li> </ul>
Community Care	Caring for local community and extending partnerships	FairPrice, Community	<ul style="list-style-type: none"> <li>• Giving back for the better, pg 14 - 19</li> </ul>
Sustainable Environment	Energy and greenhouse gas emissions	FairPrice	<ul style="list-style-type: none"> <li>• Adopting sustainable practices, pg 21</li> </ul>
	Food waste	FairPrice, Suppliers, Customers	<ul style="list-style-type: none"> <li>• Addressing food waste, pg 22</li> </ul>
	Material waste	FairPrice, Suppliers, Customers	<ul style="list-style-type: none"> <li>• Holistic framework to reduce plastic bags, pg 23</li> </ul>
Wonderful Workplace	Employee development	FairPrice	<ul style="list-style-type: none"> <li>• Learning and development, pg 27</li> </ul>
	Inclusive workplace	FairPrice	<ul style="list-style-type: none"> <li>• Fair and inclusive workplace, pg 26</li> </ul>
	Employee health, safety and well-being	FairPrice, Customers	<ul style="list-style-type: none"> <li>• Workplace safety and staff welfare, pg 25</li> </ul>

## STAKEHOLDER ENGAGEMENT

FairPrice maintains a consistent approach in responding to our stakeholders' feedback where possible. We identified our key stakeholders based on an assessment of the impact we have on them, the impact they have on our business, and their level of interest in our business. In addition to regular channels we use to engage with our key stakeholders, we also conducted a stakeholder engagement survey between December 2018 and March 2019 to solicit feedback on a broad range of topics of concern to FairPrice's sustainability practices. The stakeholder groups surveyed have direct influence on our business and were made up of customers, employees, suppliers, government, non-governmental organisations, and media.

The results of our survey reveal that customers and employees are generally aware of our ongoing initiatives. Respondents of the survey had greater awareness of issues that had an impact on their priorities, which tend to include affordable pricing, ensuring the safety and quality of products, and promotion of healthy eating. Feedback from the survey will also help to inform FairPrice's approach towards the management of its material issues going forward.

FairPrice's Stakeholders	Mode and Frequency of Engagement	Stakeholders' Concerns	FairPrice's Efforts
Customers	<ul style="list-style-type: none"> <li>Feedback through Customer Relations Officers and CSR email</li> <li>Social media</li> <li>Participation in volunteering activities</li> </ul>	<ul style="list-style-type: none"> <li>Ensure affordable pricing of products</li> <li>Offer safe and quality products</li> <li>Promote healthy eating</li> </ul>	<ul style="list-style-type: none"> <li>Continue to moderate the cost of living in Singapore</li> <li>Ensure products sold are compliant with local regulations</li> <li>Offer a variety of fresh and healthier options at affordable prices</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Regular staff meetings and dialogues</li> <li>Townhalls and engagement events</li> <li>Internal communication platforms in digital as well as print</li> <li>Participation in staff volunteering activities</li> </ul>	<ul style="list-style-type: none"> <li>Ensure affordable pricing of products</li> <li>Offer safe and quality products</li> <li>Food waste reduction</li> </ul>	<ul style="list-style-type: none"> <li>Continue to moderate the cost of living in Singapore</li> <li>Ensure products sold are compliant with local regulations</li> <li>Continue to mitigate food waste through the FairPrice-CSR Food Waste Reduction Framework</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Regular business meetings</li> <li>Participation in the SME Suppliers Support and Development Programme (SSDP)</li> <li>Participation in annual supplier seminar</li> </ul>	<ul style="list-style-type: none"> <li>Provide wider range of products to cater to consumer needs</li> </ul>	<ul style="list-style-type: none"> <li>Continue to cater to different consumer needs with our wide range of Housebrand products and offerings in the various retail formats</li> </ul>
Government	<ul style="list-style-type: none"> <li>Participation in dialogue sessions organised by the authorities</li> </ul>	<ul style="list-style-type: none"> <li>Support more local produce and businesses</li> </ul>	<ul style="list-style-type: none"> <li>Continue to support local produce and businesses through the SSDP and partnerships on relevant projects</li> </ul>
Non-Governmental Organisations	<ul style="list-style-type: none"> <li>Participation in their projects and volunteering activities</li> <li>Philanthropy efforts and in-kind sponsorships</li> </ul>	<ul style="list-style-type: none"> <li>Receive regular donations and volunteer support</li> </ul>	<ul style="list-style-type: none"> <li>Enable FairPrice Foundation to support causes that are aligned to its three key strategic thrusts through consistent funds disbursement</li> <li>Make positive social impact in the community through the FairPrice Volunteers Programme</li> </ul>
Media	<ul style="list-style-type: none"> <li>Feedback through media relations email</li> <li>Annual media networking</li> </ul>	<ul style="list-style-type: none"> <li>Take leadership in sustainability matters</li> </ul>	<ul style="list-style-type: none"> <li>Participate in relevant industry forums</li> </ul>

# FAIRPRICE AND THE SUSTAINABLE DEVELOPMENT GOALS

The 17 UN Sustainable Development Goals (SDGs) were launched in 2015 as a universal call to action for the public and private sectors, as well as civil society to collaborate and work towards tackling global challenges faced as we head towards 2030. Through an assessment against business priorities, we have identified five goals which we believe we can make the biggest contributions to. While we remain committed to mitigating the effects of climate change, our activities in doing so are mainly through increasing energy efficiency as well as the use of renewable energy within our operations. As a result, we have replaced SDG 13 on Climate Action with SDG 7 on Affordable and Clean Energy. Going forward, we will continue to identify opportunities and report on our contributions towards the realisation of these goals. The following illustrates how we have supported the SDGs through the individual CSR pillars in the past year.



## GOAL 2

End hunger, achieve food security and improved condition, and promote sustainable agriculture.

FairPrice commits to make lives better by moderating the cost of living in Singapore and supporting the poor and needy.

### Efforts Taken

#### *Responsible Retailing*

- Offers affordably priced food and daily essentials through Everyday Low Price items, FairPrice housebrand products and FairPrice Shop provisions.
- Provides safe and healthy food.

#### *Community Care*

- Supports the poor and needy through FairPrice Foundation's philanthropic giving e.g. FairPrice Walk for Rice @ South East and FairPrice Food Voucher Scheme.



## GOAL 7

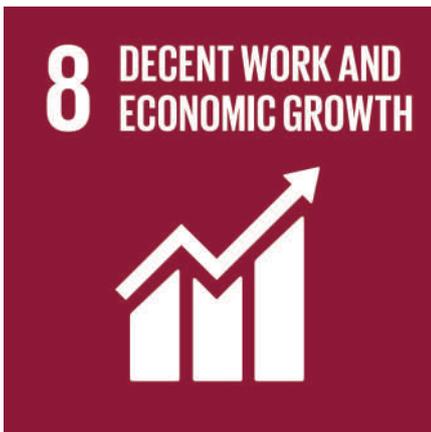
Ensure access to affordable, reliable, sustainable and modern energy for all.

FairPrice takes a proactive stance on managing our environmental impact by implementing eco-friendly infrastructure and processes.

### Efforts Taken

#### *Sustainable Environment*

- Continues subscription to BCA Green Mark stores and buildings.
- Incorporates eco-friendly features for new and renovated stores.



## GOAL 8

Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all.

FairPrice strives to be the 'Best Place to Work' and actively seeks ways to improve productivity.

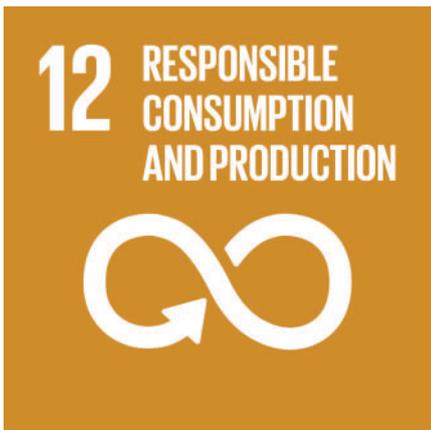
### Efforts Taken

#### *Responsible Retailing*

- Leverages latest retail technologies to enhance productivity and efficiency.

#### *Wonderful Workplace*

- Provides employment to more than 10,000 people including persons with disabilities and ex-offenders.
- Serves as signatory to the UN Global Compact since 2005, as well as the Tripartite Guidelines on Fair Employment Practices of Singapore.
- Obtains bizSAFE certification to provide a safe and conducive environment for employees.



## GOAL 12

Ensure sustainable consumption and production patterns.

FairPrice takes responsibility for our environmental footprint by taking consistent measures to minimise our use of natural resources and promote a circular economy.

### Efforts Taken

#### *Sustainable Environment*

- Implements FairPrice-CSR Food Waste Reduction Framework.
- Monitors FairPrice Food Waste Index to benchmark progress.
- Runs Plastic Bag Management Programme.



## GOAL 17

Strengthen the means of implementation and revitalise global partnership for sustainable development.

FairPrice identifies opportunities to work with like-minded organisations to further our agenda for sustainable development in the local community.

### Efforts Taken

#### *Community Care*

- Works closely with grassroots and social service organisations to reach out to people in need.

#### *Sustainable Environment*

- Works with Food from the Heart to channel unsold but wholesome food to the needy.
- Collaborates with the Singapore Environment Council, Zero Waste SG, and Nanyang Polytechnic students to encourage the public to use fewer plastic bags.

# Board Of Directors

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## **Mr Bobby Chin**

Chairman

Joined 2013

Mr Bobby Chin is a member of the Council of Presidential Advisers. He is Chairman of the Housing & Development Board and Frasers Commercial Asset Management Limited; Deputy Chairman of NTUC Enterprise Co-operative Limited. Mr Chin sits on the boards of the Singapore Labour Foundation, Temasek Holdings Private Limited, and several listed companies including Yeo Hiap Seng Limited, Ho Bee Land Limited, Singapore Telecommunications Ltd, and AV Jennings Limited.

Mr Chin was the Managing Partner of KPMG Singapore from 1992 until his retirement in September 2005. He was also the former Chairman of Singapore Totalisator Board and the Urban Redevelopment Authority.

Mr Chin holds a Bachelor of Accountancy from the University of Singapore. He is an associate member of the Institute of Chartered Accountants in England and Wales.



## **Mr Wahab Yusoff**

Joined 2010

Mr Wahab is the Vice President and General Manager of Forescout Inc, Asia. He previously held similar posts at CyberSecurity Firms, Palo Alto Networks, and McAfee.

He is currently a Board Director at EZ-Link Pte Ltd and Workforce Singapore (WSG). Apart from being the founding Board member of local venture capital fund, Rekanext, he was previously a Board Member of the Association of Muslim Professionals as well as a Board Director of the Land Transport Authority.



### **Mr Stephen Lim**

Joined 2012

Mr Lim is the Chief Executive Officer and Managing Director of SQL View Pte Ltd. He chairs the Advisory Board of NTUC Link Private Limited.

Mr Lim is a member of Board of Director of Housing & Development Board and also a member of SCCCI's 60<sup>th</sup> Council's Technology Committee.



### **Mr Ronald Ong**

Joined 2015

Mr Ong is the Chairman and Chief Executive Officer of ASEAN at Morgan Stanley. He is also the Chairman of NTUC Income; Advisory Board member of Lee Kong Chian School of Business and Sim Kee Boon Institute for Financial Economics at the Singapore Management University. He sits on the Listings Advisory Committee of Singapore Stock Exchange and Investment committee of the Roman Catholic Archdiocese in Singapore.



### **Ms Lim Sau Hoong**

Joined 2016

Ms Lim is currently the Vice Chairperson of the Singapore Note and Coin Advisory Committee, the Independent Director of the Board of Ascendas Reit, Director of the Hyfluxshop Holdings Limited, Group Head for the Committee to Promote Chinese Language Learning, as well as Chairperson of the Chinese Development Assistance Council Stakeholders Communications Committee.

She previously served as the Chief Executive Officer and Executive Creative Director of 10AM Communications Private Limited Singapore. She was also Chairperson for the Public Education Committee of the National Council for Problem Gambling, Chairperson for the Promote Mandarin Council, Member of the National Parks Board, Director of the Singapore Chinese Orchestra Board, Appointed Member of the Singapore50 Culture and Community Committee, Visual advisor of the 2008 Beijing Olympics Opening Ceremony and Chairperson of the Advisory Committee of Singapore Pavilion, 2010 World EXPO.

# Board Of Directors

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**Mr Kathikeyan Krishnamurthy**

Joined 2016

Mr Karthikeyan is the General Secretary of the United Workers of Petroleum Industry, Vice-President of the NTUC Central Committee, and Vice-President of the Consumers Association of Singapore. He is the Chairman of the Workplace Safety and Health Council (Chemical Industries) Committee, Board of Director for the Institute of Human Resource Professionals, and member of the Workplace Safety & Health Council. He continues to serve the Industrial Arbitration Court panel as well as on the Board of Trustees in Shell Thrift and Loan.



**Mr Albert Cheng**

Joined 2016

Mr Cheng has been serving as Board Member of NTUC First Campus Co-operative Limited (First Campus) since 2007. He is the Group Managing Director of both Lion Industries Corporate Berhad and Lion Diversified Holdings Berhad. He is also the President Director of P.T. Lion Metal Works Tbk.



**Ms Kristy Tan**

Joined 2017

Ms Tan spent 13 years as a litigation and dispute resolution lawyer in private practice, eight of which as a Partner, in one of Singapore's largest and leading law firms. She then joined the Attorney-General's Chambers, serving as Senior Director (Advocacy) in the Attorney-General's Office. She is also a Board Member of the Casino Regulatory Authority and the Bone Marrow Donor Programme.



### **Mr Lee Seow Hiang**

Joined 2018

Mr Lee is the Chief Executive Officer of Changi Airport Group. He is concurrently the Deputy Chairman of Changi Airports International Pte Ltd, Director of Jewel Changi Airport Holding Pte Ltd and Chairman of Changi Foundation Board. He holds the appointment of President of Airports Council International (ACI) Asia-Pacific Regional Board and a Member on the ACI World Governing Board. He also sits on the Board of SMRT Corporation Ltd.



### **Mr Ho Wah Lee**

Joined 2019

Mr Ho is a Director at Amusic, a group of music companies with operations in Singapore and China. He is also a Director at SNP International Pty (Pte) Ltd, a consumer credit company based in Australia. Mr Ho retired as a partner from KPMG in 2017 after a 25-year tenure, where he served in various roles including Head of IT Advisory, Head of ASEAN Management Consulting, Head of Advisory in KPMG Singapore and President Director of PT KPMG Siddharta Advisory in Indonesia. At KPMG Singapore and KPMG Indonesia, he was responsible for developing and implementing strategy for Management Consulting, Risk Consulting, and Financial Advisory services (covering Restructuring, Corporate Finance, Mergers and Acquisitions, Transaction Services and Forensic). Prior to joining KPMG in 1988, Mr Ho was the Head of Computer Audit in MINDEF. He has more than 30 years of experience in providing IT audit, IT security, management consulting and financial advisory services.

# Principal Officers



**Mr Gerry Lee**

Deputy Chief Executive Officer  
CEO Office



**Mr Seah Kian Peng**

Chief Executive Officer



**Mr Tng Ah Yiam**

Deputy Chief Executive Officer  
Head of Products



**Ms Elaine Heng**

Deputy Chief Executive Officer  
Head of Channels



**Mr Lim Kok Guan**

Managing Director  
Head of Integrated  
Infrastructure and Support



**Mr Johnny Wong**

Managing Director  
Digital and Technology



**Ms Grace Chua**

Managing Director  
Chief Strategy Officer  
Head of Customers  
Deputy Head of Products



**Ms Lian Lay Yong**

Chief Integrated Support Officer



**Mr Joshua Lye**

Chief Financial Officer



**Ms Theresa Soikkeli**  
Chief Human Resource Officer



**Ms Toh Hui Leng**  
Chief Supply Chain Officer



**Mr Qian Xiao Dong**  
Chief Analytics Officer



**Mr Jonas Kor**  
Director  
Corporate Communications



**Ms Cheah Yee Hooi**  
Director  
Internal Audit



**Mr Yeo Soon Hock**  
Union Branch Secretary

**Mr Poh Leong Sim**  
Group Company Secretary and Advisor (Legal & Secretariat)

**Mr Raphael Zennou**  
General Manager (FairPrice On)

**Mr Edmund Lam**  
Head of Legal

**Mr Trevor Ng**  
General Manager (Finest/ Warehouse Club)

**Ms Ang Sor Teng**  
General Manager (Health and Wellness)

**Mr Traves Tan**  
General Manager (Supermarket/FairPrice Shop)

**Mr Victor Cheong**  
General Manager (Convenience)

# Corporate Information

For the year ended 31<sup>st</sup> December 2018

## Board Of Directors

Mr Bobby Chin (Chairman)  
Mr Wahab Yusoff  
Mr Stephen Lim  
Mr Ronald Ong  
Mr Kathikeyan Krishnamurthy  
Ms Lim Sau Hoong  
Mr Albert Cheng  
Ms Kristy Tan  
Mr Lee Seow Hiang  
Mr Ho Wah Lee (effective 1 January 2019)

## Exco

Mr Bobby Chin (Chairman)  
Mr Albert Cheng  
Mr Stephen Lim  
Mr Lim Kok Guan (Secretary)

## Nominating & Remuneration Committee

Mr Bobby Chin (Chairman)  
Ms Lim Sau Hoong  
Mr Ronald Ong  
Ms Theresa Soikkeli (Secretary)

## Audit & Risk Management Committee

Mr Ronald Ong (Chairman)  
Mr Wahab Yusoff  
Mr Karthikeyan Krishnamurthy  
Ms Kristy Tan  
Mr Ho Wah Lee  
Ms Cheah Yee Hooi (Secretary)

## Technology & Innovation

### Advisory Committee

Mr Wahab Yusoff (Chairman)  
Mr Stephen Lim  
Mr Lee Seow Hiang  
Ms Lim Sau Hoong  
Mr Ho Wah Lee  
Mr Johnny Wong (Secretary)

## FairPrice Foundation

Mr Bobby Chin (Chairman)  
Mr Seah Kian Peng  
Mr Karthikeyan Krishnamurthy  
Ms Lim Sau Hoong  
Ms Kristy Tan  
Mr Poh Leong Sim (Secretary)

## Secretariat and Corporate Office

Mr Poh Leong Sim, Group Company Secretary

## Union:

### Food, Drinks and Allied Workers' Union

Ms Cheong Ai Hung Julie (President)  
Mr Tan Hock Soon (General Secretary)  
Ms Toh Hwee Tin (Executive Secretary)

### FairPrice – Union Branch Committee

Mr Raymond Koh (Chairman)  
Mr Yeo Soon Hock (Secretary)  
Mr Kee Yew Chye (Treasurer)

## Advocates & Solicitors

KhattarWong  
Allen & Gledhill

## Auditor

KPMG LLP

## Bankers

Development Bank of Singapore  
Oversea-Chinese Banking Corporation

## Registered Address

NTUC Fairprice Co-operative Limited

### Headquarters

No. 1 Joo Koon Circle  
#13-01 FairPrice Hub  
Singapore 629117  
Main: 6888 1888  
Fax: 6397 4001  
Website: [www.fairprice.com.sg](http://www.fairprice.com.sg)

## Number of Stores

FAIRPRICE SUPERMARKETS – 108  
FAIRPRICE XTRA – 7  
FAIRPRICE FINEST – 23  
FAIRPRICE SHOP – 7  
FAIRPRICE XPRESS – 26  
CHEERS – 134  
WAREHOUSE CLUB – 1  
UNITY – 68  
TOTAL - 374

# Founder, Institutional And Ordinary Members

No. of Shares of S\$1 each

## Founder Member

National Trades Union Congress	100,000
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## Institutional Members

Citiport Credit Co-operative Limited	55,236
Customs Credit Co-operative Society (S) Limited	127,591
National University of Singapore Multi-Purpose Co-operative Society Ltd	25,100
NTUC Enterprise Co-operative Limited	157,966,368
NTUC Income Insurance Co-operative Ltd	1,762,695
SATU Multi-Purpose Co-operative Society Ltd	226,270
Singapore Association of the Visually Handicapped	5,523
Singapore Labour Foundation	155,805,649
Singapore Mercantile Co-operative Society Ltd	199,543
Singapore Shell Employees' Union Co-operative Ltd	304,766
SSE Multi-Purpose Co-operative Society Ltd	22,199
Telecoms Credit Co-operative Limited	88,511
The Singapore Co-operative Housing & Agencies Society Ltd	20,262
The Singapore Government Staff Credit Co-operative Society Ltd	74,242
The Singapore Teachers Co-operative Society Ltd	55,236

<b>Ordinary Members (747,394 members)</b>	121,025,185
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<b>Balance as at 31 December 2018</b>	<b>437,864,376</b>
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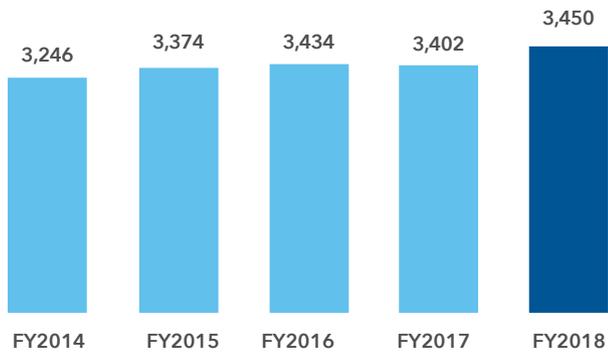
# Awards And Accolades 2018

- Topped the supermarket/online retailer category for the fourth consecutive year at **Asia's Top Influential Brands 2018** by Brand Alliance.
- Awarded the **Reader's Digest Trusted Brand (Platinum)** accolade for the Supermarket Chain category in Singapore (11<sup>th</sup> year).
- Clinched **Reader's Digest Trusted Brands Gold** awards for Cooking Oil, Rice, and Tissue Paper categories in 2018.
- Awarded the **May Day Award 2018 (Innovative Breakthrough Award)** by the Kampung Admiralty Silver Community Initiative.
- Ranked third in **Campaign Asia-Pacific's 2018 Top 100 Singapore Brands**.
- FairPrice supermarket at SingPost Centre awarded the prestigious **Green Mark Platinum Award** by the Building and Construction Authority (BCA).
- FairPrice supermarkets at Orchard Grand Court and Punggol Oasis Terraces attained **Green Mark Gold Awards** by BCA.
- Accorded the **Agri-Food and Veterinary Authority (AVA) Food Safety Partnership Award** for the eighth time in recognition of our sustained efforts in ensuring safe food for consumers. Awarded the **Certificate of Commendation** for attaining 'A' grade for excellence in food hygiene, sanitation and processing for 15 consecutive years.
- FairPrice Foundation awarded the **Community Chest Corporate Platinum Award** for our significant partnership with Community Chest in reaching out and impacting the lives of the less fortunate.
- FairPrice Foundation awarded the **People's Association (PA) Community Spirit Award** for the sixth consecutive year.

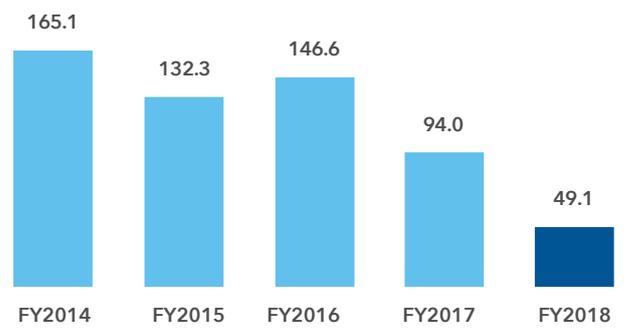


# Group Financial Highlights 2018

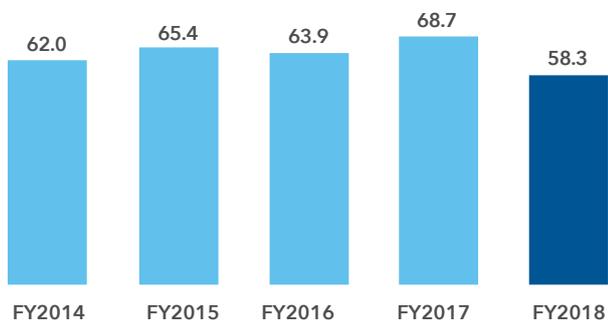
### Revenue (\$'m)



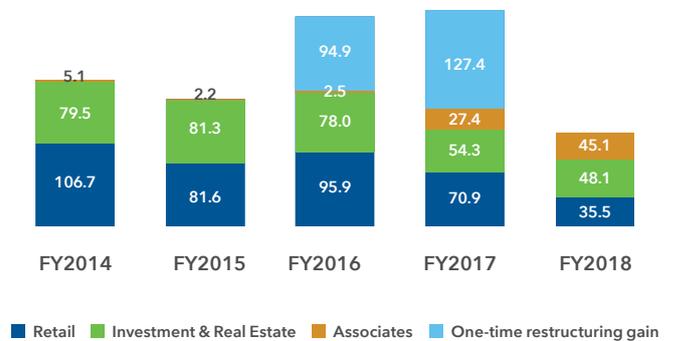
### Profit from Operations (\$'m)



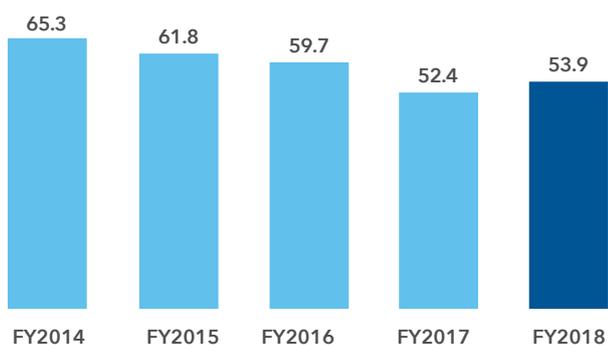
### Investment Income (\$'m)



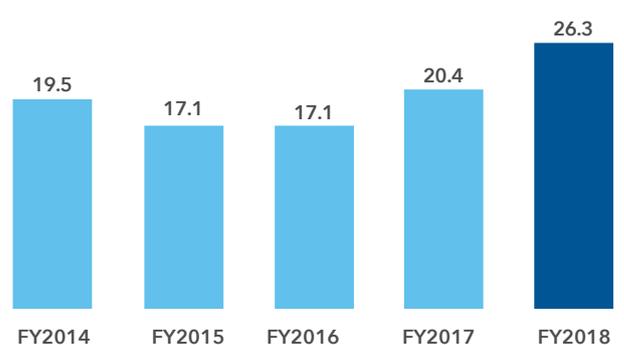
### Net Profit for the Year (\$'m)



### Patronage Rebates (\$'m)



### Dividends Declared (\$'m)



# Making Lives Better At A Glance 2018



Over **\$6.9 million** given in discounts to senior and pioneer shoppers.



FairPrice's management and headquarters staff, contributed **over 4,800 hours** working at stores, through the 'One FairPrice Family Programme'.



Donated **\$10 million** to FairPrice Foundation to benefit 240 charity organisations.



Contributed **more than 4,300 volunteer hours** through an array of activities at various organisations.



Contributed **\$1.2 million to the FairPrice Food Voucher Scheme** to benefit 20,000 low-income families.



Invested **close to 114,000 hours** towards learning and development, with **30 training hours per year** per executive.



**First locally owned supermarket retailer** in Southeast Asia to attain Roundtable on Sustainable Palm Oil (RSPO) membership.<sup>1</sup>



Donated **\$233,000 worth of food** and saved **734,000 kilograms worth of food** through the FairPrice Food Waste Reduction Framework.



**More than half a million textbooks** collected in the 36<sup>th</sup> edition of the FairPrice Share-A-Textbook project, benefiting over 24,000 beneficiaries.

<sup>1</sup> Check our progress at [www.rspo.org](http://www.rspo.org)

# Global Report Initiative (GRI) Content Index

FairPrice adopted GRI Standards: Core option as a basis in developing the report. The GRI Content Index is as follows:

Disclosure Number	Disclosure Title	Page Reference/Comment/Reason for Omission
<b>General Standard Disclosures</b>		
<b>Organisational Profile</b>		
102-1	Name of the organisation	pg 40
102-2	Activities, brands, products, and services	pg 40. For more information, please refer to our About NTUC FairPrice Webpage.
102-3	Location of headquarters	pg 40
102-4	Location of operations	pg 51
102-5	Ownership and legal form	pg 14 of FairPrice's Financial Report 2018
102-6	Markets served	pg 4 - 5, 51
102-7	Scale of the organisation	pg 26, 40, 43 and pg 12 of FairPrice's Financial Report 2018
102-8	Information on employees and other workers	pg 26
102-9	Supply chain	pg 28
102-10	Significant changes to the organisation and its supply chain	pg 51
102-11	Precautionary Principle or approach	FairPrice does not explicitly refer to the precautionary principle or approach in its risk management principles. Please see our approach to materiality on page 29 - 30.
102-12	External initiatives	pg 29
102-13	Membership of associations	pg 29
<b>Strategy</b>		
102-14	Statement from senior decision-maker	pg 4 - 7
102-15	Key impacts, risks, and opportunities	pg 29 - 30
<b>Ethics and Integrity</b>		
102-16	Values, principles, standards, and norms of behavior	pg 28 - 29
102-17	Mechanisms for advice and concerns about ethics	pg 28 - 29
<b>Governance</b>		
102-18	Governance structure	pg 28
102-19	Delegating authority	pg 28
102-20	Executive-level responsibility for economic, environmental, and social topics	pg 28
<b>Stakeholder Engagement</b>		
102-40	List of stakeholder groups	pg 31
102-41	Collective bargaining agreements	pg 27
102-42	Identifying and selecting stakeholders	pg 30
102-43	Approach to stakeholder engagement	pg 30 - 31
102-44	Key topics and concerns raised	pg 30 - 31

Disclosure Number	Disclosure Title	Page Reference/Comment/Reason for Omission
<b>Reporting Practice</b>		
102-45	Entities included in the consolidated financial statements	pg 51
102-46	Defining report content and topic Boundaries	pg 29 - 30
102-47	List of material topics	pg 29 - 30
102-48	Restatements of information	pg 51
102-49	Changes in reporting	pg 29 - 30
102-50	Reporting period	pg 51
102-51	Date of most recent report	pg 51
102-52	Reporting cycle	pg 51
102-53	Contact point for questions regarding the report	pg 51
102-54	Claims of reporting in accordance with the GRI Standards	pg 51
102-55	GRI content index	pg 45 - 49
102-56	External assurance	pg 51
<b>Topic Specific Disclosure: Economic</b>		
<b>Economic Performance</b>		
201-1	Direct economic value generated and distributed	pg 6, 43 and pg 7, 12, 69 and 70 of FairPrice's Financial Report 2018
<b>Procurement Practices (Material Issue: Support for Local Suppliers)</b>		
103-1	Explanation of the material topic and its Boundary	pg 8
103-2	The management approach and its components	pg 11
103-3	Evaluation of the management approach	pg 28
204-1	Proportion of spending on local suppliers	pg 28
<b>Topic Specific Standards: Environment</b>		
<b>Energy (Material Issue: Energy &amp; GHG Emissions)</b>		
103-1	Explanation of the material topic and its Boundary	pg 20
103-2	The management approach and its components	pg 21
103-3	Evaluation of the management approach	pg 28
302-1	Energy consumption within the organisation	pg 21
305-1	Direct (Scope 1) GHG emissions	pg 21
305-2	Indirect (Scope 2) GHG emissions	pg 21

Disclosure Number	Disclosure Title	Page Reference/Comment/Reason for Omission
<b>Water and Effluents</b>		
303-5	Water Consumption	pg 21
<b>Effluents and Waste (Material Issue: Material Waste)</b>		
103-1	Explanation of the material topic and its Boundary	pg 20
103-2	The management approach and its components	pg 21, 23
103-3	Evaluation of the management approach	pg 28
306-2	Waste by type and disposal method	pg 23. FairPrice is currently unable to obtain waste data of adequate quality to report for stores that are located in shopping malls and establishments where waste is centrally managed and consolidated by the landlord.
<b>Material Issue: Food Waste</b>		
103-1	Explanation of the material topic and its Boundary	pg 22
103-2	The management approach and its components	pg 22
103-3	Evaluation of the management approach	pg 28
Non-GRI indicator	Quantity of food waste generated per sqm of retail space	pg 22
Non-GRI indicator	Total food waste generated by stores	pg 22
Non-GRI indicator	Amount of unsold food donated	pg 22
<b>Topic Specific Standards: Social</b>		
<b>Occupational Health and Safety (Material Issue: Employee Health, Safety and Well-Being)</b>		
103-1	Explanation of the material topic and its Boundary	pg 25
103-2	The management approach and its components	pg 25
103-3	Evaluation of the management approach	pg 28
403-1	Workers representation in formal joint management – worker health and safety committees	pg 25

Disclosure Number	Disclosure Title	Page Reference/Comment/Reason for Omission
<b>Training and Education (Material Issue: Employee Development)</b>		
103-1	Explanation of the material topic and its Boundary	pg 24
103-2	The management approach and its components	pg 25, 27
103-3	Evaluation of the management approach	pg 28
401-1	New employee hires and employee turnover	pg 27
404-1	Average hours of training per year per employee	pg 27. FairPrice does not track training by gender as the same training courses are available to all employees at the same level.
404-3	Percentage of employees receiving regular performance and career development reviews	pg 27
<b>Diversity and Equal Opportunity (Material Issue: Inclusive Workplace)</b>		
103-1	Explanation of the material topic and its Boundary	pg 26
103-2	The management approach and its components	pg 26
103-3	Evaluation of the management approach	pg 28
405-1	Diversity of governance bodies and employees	pg 26 - 27
<b>Local Communities (Material Issue: Caring for Local Communities and Extending Partnerships)</b>		
103-1	Explanation of the material topic and its Boundary	pg 14
103-2	The management approach and its components	pg 15 - 19
103-3	Evaluation of the management approach	pg 28
Non-GRI indicator	Number of books collected and redistributed to underprivileged families	pg 16
Non-GRI indicator	Number of hours contributed by the staff and public on volunteering activities organised by FairPrice	pg 15
Non-GRI indicator	Number of beneficiaries reached	pg 15
Non-GRI indicator	Number of volunteer activities organised	pg 15

Disclosure Number	Disclosure Title	Page Reference/Comment/Reason for Omission
<b>Customer Health and Safety (Material Issue: Healthy and Safe Products)</b>		
103-1	Explanation of the material topic and its Boundary	pg 8, 12
103-2	The management approach and its components	pg 12
103-3	Evaluation of the management approach	pg 28
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	pg 12
Non-GRI indicator	Number of products that carry the healthier choice symbol and organic products	pg 12
Non-GRI indicator	Rating for internal quality audit, which governs the stores' level of hygiene, food safety and housekeeping.	pg 13
<b>Material Issue: Affordable Products</b>		
103-1	Explanation of the material topic and its Boundary	pg 8
103-2	The management approach and its components	pg 4, 12 - 13
103-3	Evaluation of the management approach	pg 28
<b>Material Issue: Sustainable Sourcing</b>		
103-1	Explanation of the material topic and its Boundary	pg 13
103-2	The management approach and its components	pg 13
103-3	Evaluation of the management approach	pg 28
Non-GRI indicator	Percentage of FairPrice housebrand paper products certified by the Forest Stewardship Council	pg 13
Non-GRI indicator	Number of seafood products certified by Marine Stewardship Council, Aquaculture Stewardship Council and Friend of the Sea	pg 13
<b>Customer Privacy</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	pg 13

# Notice Of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the 37<sup>th</sup> Annual General Meeting of NTUC FAIRPRICE CO-OPERATIVE LIMITED will be held at Seminar Rooms 1 - 3, FairPrice Hub (10<sup>th</sup> level), 1 Joo Koon Circle, Singapore 629117 on Thursday, 23 May 2019 at 2.30 p.m. for the following purposes:

1. To confirm the Minutes of the 36<sup>th</sup> Annual General Meeting held on Thursday, 17 May 2018.
2. To consider and, if approved, to adopt the Directors' Report and the Audited Accounts for the period 1 January 2018 to 31 December 2018.
3. To declare a first and final dividend of 5% + 1% and a patronage rebate of 4% for the period 1 January 2018 to 31 December 2018.
4. Amendments to By-laws, consequential to 2018 amendments to the Co-operative Societies Act (Cap 62).
5. Re-election and election of Directors.
  - i) Mr Bobby Chin
  - ii) Mr Albert Cheng
  - iii) Mr K Karthikeyan
  - iv) Ms Lim Sau Hoong
  - v) Mr Ho Wah Lee
6. To consider and determine \$750 million as the maximum amount the Society may borrow subject to the provisions of By-law 12.5.
7. To approve the payment of honoraria to Directors for the period 1 January 2018 to 31 December 2018.
8. To re-appoint KPMG LLP as Auditor and to authorise Management to fix their remuneration.
9. To transact any other ordinary business of the Society of which at least ten days' notice in writing shall have been given to the Secretary.

By Order of the Board of Directors

## **Poh Leong Sim**

for Secretary  
30 April 2019

### Note:

1. Registration of attendance at the meeting will be from 1.30 p.m. to 2.15 p.m. Members are advised to be early.
2. Annual Report 2018 is available for viewing at [www.fairprice.com.sg](http://www.fairprice.com.sg) from 30 April 2019.
3. AGM pack (comprising Minutes of 36<sup>th</sup> AGM and Resolutions to be passed) will be available for inspection and/or collection at Head Office or all FairPrice supermarkets.

## About This Report

This is FairPrice's third sustainability report in conjunction with the annual report for financial year 2018, which runs from 1 January to 31 December 2018. The previous annual sustainability report was published in May 2018.

This report has been prepared in accordance with the GRI Standards: Core option. The GRI Content Index can be found on pages 45 - 49 of this report, which can be accessed from our corporate website. There are no restatements of information for this year's report. We have not sought external assurance for this report.

For any questions or comments on this report, please address them to [csr@fairprice.com.sg](mailto:csr@fairprice.com.sg)

## Reporting Scope

This sustainability report covers all of FairPrice's Singapore operations with the exception of Unity and its convenience arm (FairPrice Xpress and Cheers Convenience stores). FairPrice does not have any major operations overseas. There were no significant changes to the organisation and its supply chain within the reporting period. The financial statements of the organisations include all the activities of the Co-operative relating to supermarket, department store and convenience store retailing and investment holding.

FairPrice has reassessed its material topics, as described on pages 29 - 30 of this report.