

FairPriceGroup

Always,

Here To Serve



ANNUAL AND SUSTAINABILITY
REPORT 2022

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FairPrice Group at a Glance

Serving Our Customers



Over **S\$11.5 million** in savings delivered to our Pioneer Generation, Merdeka Generation, Seniors and CHAS Blue customers.



Launched Trust Bank, a partnership between Standard Chartered Bank and FairPrice Group. Acquired over **500,000** customers in seven months.



Over **one million** customers use the enhanced FairPrice Group app to dine and shop online every month.



Announced discounts on **500** basic essential items to cushion the impact of the GST hike.

Supporting Livelihoods and Well-Being



Provided more than **90,000** hours of training to employees, up from 55,000 hours in 2021.



Donated more than **S\$178 million** to the FairPrice Foundation to benefit over 200 organisations.



First in the retail sector to implement Progressive Wage Model across our entire business network for over **10,000** non-executive staff.

Promoting A Circular and Low Carbon Economy



Saved over **57 million** plastic bags in 2022 through the 'No Plastic Bag' initiative.



Collected and redistributed over **725,000** pre-loved textbooks to the underprivileged students through the 40th edition of FairPrice Share-A-Textbook Project.



Saved about **1,119 tonnes** of fruits from going to waste.



We started as Singapore's first co-operative supermarket, NTUC Welcome. From one outlet in Toa Payoh, we have grown to become a multi-faceted enterprise with the purpose of nourishing generations and making life better for all.



Dear Singapore,

What a journey it's been these past 50 years. From the day we were born, our mission has been unchanging: to safeguard our way of life and make every day a little better. Every day since, we've worked hard to fulfil that promise. Not always perfectly, but always thoughtfully. Not only in good times or bad, but all of the time. Moderating the cost of living, sourcing far and wide for the freshest, most important essentials. Along the way, we've become a familiar face. A neighbour. And to some, even a friend who's been looking out for you since 1973. Or as the kids say these days ...

"We've got your back."

Our retail and food services formats have evolved to meet our customers' diverse and changing needs and preferences. But one thing stays the same: our social mission to moderate the cost of living for everyone in Singapore.



Always,
FairPrice



ASPIRE TO BUILD

Today for the future!



FairPriceGroup
Everything Food Made Easy

FAIRPRICE GROUP TOWNHALL

Aspire to Build



Business Philosophy

EVERYTHING FOOD

PURPOSE
Nourish generations and make life better for all

EVERYTHING GOOD

VISION
To be recognised as the leader in Everything Food

MISSION
A trusted & preferred provider for Everything Food
A progressive corporate citizen
A valued partner
A great place to work

SOCIAL MISSION
To moderate the cost of living

EVERYONE

VALUES
Act for Community
Service
Pioneering
Integrity
Relate like family
Excellence

LEADERSHIP COMPETENCIES
Brave and courageous
United for greater good
Innovative and inspiring
Learning agility
Develop talents and capabilities

EVERY DAY

BUSINESS PHILOSOPHY
Customer First
Better value for all
Everything Food made easy

As we celebrate 50 years of serving the community this year, we will continue our efforts to moderate the cost of living, nourish generations and make life better for all.

**GROUP CHIEF
EXECUTIVE
OFFICER**

Mr Vipul Chawla

CHAIRMAN

Mr Kee Teck Koon

Joint Message from Chairman and Group Chief Executive Officer

In 2022, the world emerged from the global pandemic and life as we knew it started to normalise. However, the global economy entered a new period of uncertainty, anxiety and complexity. Not since the last few decades has the world faced such threats from geopolitical conflict, inflationary pressures, rising interest rates and volatile energy prices. The ensuing supply chain disruptions and climate-related challenges have brought about one of the greatest tests of our generation. The confluence of these factors has resulted in a sharp rise in business costs.

Against these defining challenges of our time, FairPrice Group (FPG) has stayed steadfast to our mission to help moderate the cost of living.

This commitment, a key strategic intent for FPG, is our differentiating factor.

EVERY CHAPTER, TOGETHER

Over the last five decades, the meaning of moderating the cost of living has evolved. Beyond providing affordable and essential goods at supermarkets, FPG's mission now encompasses delivering quality and economical food services as well. As Singaporeans lead busier lives and look for fast and convenient ways to fuel up, the food and beverage business has become an integral part of FPG's strategy. The Group has grown to become the largest supermarket retailer and F&B operator in Singapore with more than 10 brands across various formats. These include FairPrice and FairPrice Finest supermarkets, FairPrice Xtra hypermarkets, FairPrice Xpress and Cheers convenience stores, Kopitiam and Cantine coffeeshops, food courts and food halls, Heavenly Wang cafes, Unity pharmacies and FairPrice online.

Our multi-year digital transformation is also starting to bear fruit. We now serve over one million customers through our digital ecosystem for Everything Food—from grocery shopping to paying for meals at Kopitiam outlets.

FINANCIAL PERFORMANCE

As Singapore exited the pandemic, the normalisation of sales coupled with other external pressures contributed to increased operational costs, specifically in manpower and utilities. Nevertheless, we continued to reinforce our commitment to our social mission. To cushion the impact of inflation for our customers, we continued to offer special discounts on essential items.

To deliver more upfront and immediate value to our members, we took the decision to issue a two per cent membership benefit in the form of Linkpoints at the point of purchase for our members.

To tackle inequality and uplift the livelihoods of our most vulnerable employees, FPG took the lead to set the industry standard and improve the welfare of our employees by implementing the Progressive Wage Model (PWM) initiative. We implemented PWM not only in the retail sector, but also extended the initiative across our group of businesses. This initiative is projected to cost over S\$90 million (before government subsidies) over three years. To complement the uplift in wages, we are also committed to developing an engaged and future-confident employee base so that they will be equipped with the necessary skills to adapt to the fast-changing, omnichannel retail landscape and deliver the best experience for our customers.

Despite cost pressures, the Group doubled down on our commitment to be future ready by offering a more seamless omnichannel experience for our customers. We opened our first fully self-serve outlet at Sengkang Grand Mall in March 2023. FairPrice Finest at Sengkang Grand is completely served by 12 self-checkout (SCO) counters for faster and more convenient shopping. The reception has been positive so far, with customers highlighting that the SCOs were an added convenience that helped them save time by skipping long queues.

To enhance our food supply resilience, we included a new source of eggs from Brunei, as having diverse sources to draw from enables us to protect customers from potential supply shocks and price fluctuations. The social impact that we have created would not have been possible without the strong support of our loyal customers, employees and partners.

Despite the many challenges we faced, our group revenue for the year rose to S\$4.3 billion. We also maintained pole position for our Retail Business market share in Singapore and saw a 0.8 percentage point increase year-on-year.

We saw the normalisation of our Retail Business revenue while our Food Services business showed gradual recovery. Despite increased revenue, our bottom-line was impacted by necessary investments to fortify our supply chain resiliency, protect our most vulnerable employees, invest in continued digital transformation and deliver more upfront value to our customers. In addition, we were impacted by inflationary pressures on our operating expenses especially in utilities and the easing of Covid-19 related government grants.

As we celebrate FPG's 50th anniversary, we remain grounded on our founding social mission to moderate the cost of living in Singapore, nourish generations and make life better for all. We are truly appreciative of the support that our loyal customers and members (individuals and institutional) have given us. As a show

of our appreciation and to commemorate our 50th anniversary, the board has proposed for approval at the Annual General Meeting, that in addition to declaring a two per cent patronage rebate worth S\$27 million and a dividend of five per cent (S\$22 million), we have decided to upsize the distribution of payout to our members via a one-off additional special dividend of five per cent (S\$22 million) and one-off bonus certificates (S\$108 million), amounting to a total of S\$179 million.

Going forward, we are preparing and investing for a period of intensified competition against a backdrop of prolonged economic uncertainty. We are charting our way forward cautiously and will continue to make it our mission to keep daily essentials and food available and affordable. We do this while striving for productivity efficiencies to better manage the rising cost of doing business.

OUR BUSINESS PRIORITIES

Over the last few years, we have been executing our strategy through six strategic pillars: Everything Food made easy; Better value for all; Win in ease and value; Supply resilience; Food services reinvention; and Sustainability and well-being.

EVERYTHING FOOD MADE EASY

Consumer tastes and consumption patterns have changed as a result of the pandemic. Our FairPrice Group app and online store platform have gained tremendous traction and popularity with Singaporeans.

More than one million customers connect with us monthly digitally through the enhanced FairPrice Group app. Other than the convenience of grocery shopping anytime and anywhere, users can now enjoy the convenience of paying at Kopitiam outlets and save on meals by redeeming Linkpoints seamlessly via the app. This is in line with our efforts to integrate the app with about 570 touchpoints islandwide. To help customers transition from physical cards to the app smoothly, Kopitiam deployed Digital Buddies to its outlets from March to June 2023.

Another milestone in FY2022 was the launch of Trust Bank. Trust is integrated into the FairPrice Group ecosystem and brings greater value to users for their everyday spending at the Group's touchpoints. These benefits come at a time when consumers are facing increasing pressure on everyday costs due to global inflation. We believe every cent counts and will continue to actively ensure that we help moderate the cost of living for people living in Singapore through our ecosystem.

BETTER VALUE FOR ALL

During the year, we strengthened and broadened our programmes targeted at helping Singaporeans stretch their dollar. In view of the Goods and Services Tax increase, we committed to a one per cent discount on 500 essential items for the first six months of 2023. We currently have over 2,000 own brand products across more than 10 Housebrands and private labels. These products are priced 10 to 15 per cent lower than those of other leading brands but are comparable in quality.

We launched the 'Greater Value Every Day' initiative. Its cost-saving measures included a price freeze on 50 popular daily essentials every month and a 50 per cent price drop for selected items. And as if that was not enough, we also offered special

discounts on essentials such as eggs, rice, and cooking oil.

Pioneer Generation, Merdeka Generation, seniors and Community Health Assist Scheme Blue cardholders were also provided with over S\$11.5 million of savings. These discount schemes have been extended until the end of 2023 across all FairPrice supermarkets and Unity pharmacies.

WIN IN EASE AND VALUE

To offset inflationary and cost pressures, we are continuing our longstanding approach of being as agile and productive as we can be.

In the coming year, even as we make much-needed investments to prepare ourselves for the future, we will continue to focus on driving greater value for all stakeholders. We will do this by executing the basics well and tapping into our many unique advantages across the Group to enhance our competitiveness and accelerate the execution of our strategy.

FOOD SECURITY AND SUPPLY CHAIN RESILIENCE

In managing the different pandemic-related supply chain challenges over the last three years, we have ensured that essentials remained available and accessible to Singaporeans. We employ various strategies to protect our customers from supply disruptions, including stockpiling, forward buying and diversifying import sources. Currently, we import our goods and products from over 100 countries and markets.

We continue to work closely with suppliers and various government agencies to increase supplies while exploring alternative sources from more markets. We complement our diversification strategy by supporting local food production and this is aligned with Singapore's '30 by 30' goal to raise local food production and enhance Singapore's food supply resiliency.

In 2022, we pledged S\$2.1 million to the Small and Medium Enterprise (SME) Suppliers Support and Development Programme to help our SME partners cope with rising costs and enhance their business capabilities. Partnering with the Singapore Food Agency (SFA), we piloted the SFA Retail Incubation Initiative for selected local farms to retail their produce at our supermarkets.

We have invested in a new state-of-the-art Fresh Food Distribution Centre (FFDC) to complement our existing facility to manage fresh products. The FFDC will use new technologies to help boost our cold chain capacity and capabilities—in support of Singapore's food security goals. The facility is expected to be fully operational in 2024.

FOOD SERVICES REINVENTION

As an Everything Food organisation, we constantly reinvent ourselves to meet our customers' changing needs and expectations. Following our revamp of the Kopitiam brand, we launched the Kopitiam Food Hall concept at Jurong Point and Jem, which has become hugely popular with residents and shoppers in the West. We continue to serve up refreshing, unique and seamless dining experiences that will get our diners coming back for more.

At the same time, we want to ensure that eating out stays affordable for Singaporeans. At Senja Hawker Centre, which

is operated by our Food Services business, diners can get inexpensive meals for as little as S\$2 at Warong Rice Garden, a new halal concept under the Rice Garden Community Programme. We also offer budget meals for as low as S\$1.50 at 40 Rice Garden stalls around Singapore. The hawker centres we operate will continue to be among Singaporeans' favourite go-to places for eating out affordably.

OUR SUSTAINABILITY COMMITMENTS

A great disrupter that will link this generation to the next is climate and social change. The pandemic has revealed socio-economic faultlines and climate change is already changing ecological systems and weather patterns, impacting agricultural production.

FPG's approach to sustainability is based on four pillars—Serving our customers, Supporting livelihoods and well-being, Promoting a circular and low carbon economy and Upholding responsible business practices.

It is aligned with the United Nation Sustainable Development Goals and the Singapore Green Plan 2030—a whole-of-nation movement to advance the national agenda on sustainable development.

As FPG continues to grow as a social enterprise, we will strive to deliver on our sustainability targets, such as doubling the number of affordable and healthy food options for our customers and halving our food waste by 2030. Our goal is also to ensure strong compliance, transparency and responsible business practices in our value chain.

In 2008, we set up the FairPrice Foundation to focus our giving efforts on three strategic thrusts: the poor and needy; nation building and community bonding; and advancing workers' welfare. To date, FPG has donated S\$178 million to the community through the Foundation.

As we move forward, Environmental, Social and Governance (ESG) will be a key priority. This year, we appointed a Chief Sustainability Officer, a tenured leader within FPG's ecosystem, with three decades of experience in business transformation and management to help the Group navigate new developments and legislations. We established the Sustainability Board Committee, which is supported by the Group CEO and our newly appointed Chief Sustainability Officer. The Chief Sustainability Officer, supported by the Sustainability Office, is responsible for establishing sustainability policies, executing sustainability initiatives and monitoring the progress of our sustainability targets. Read more in the Sustainability Report on page 38.

AWARDS AND ACCOLADES

2022 saw FairPrice Group winning a slew of prestigious accolades, affirming our belief in our social mission. The awards included the following:

- Top Influential Brands Awards: three awards under the Supermarket, Online Grocery Retailer, and Supermarket Private Label categories
- Retail Asia Awards: Supermarket of the Year, Brand Transformation of the Year (Own Brands), Specialty Store of the Year (Marketplace), O2O Customer Experience of the Year (for the rebranded Kopitiam Food Hall)
- FMCG Asia Awards: Home Brand of the Year and Product Launch of the Year, for Delicato, our meat and delicatessen brand

- Singapore Business Review Awards: Design in Singapore Award, for Delicato
- Supply Chain Asia Awards: Supply Chain Innovator of the Year (Grocery Supply Chain Innovation), for our Supply Chain Business
- Excellent Service Award (EXSA): 3 STAR, 11 Gold and 40 Silver Awards for staff members from Cheers outlets and Esso Stations

OUR HEARTFELT APPRECIATION

We wish to thank our Board, unions, business partners and customers for their continued support.

We are also deeply appreciative to all our employees for their hard work and contributions, which have been critical in helping us drive our Everything Food strategy. It is our strong belief that if we look after our people, they will look after our customers and the business will take care of itself.

While challenges may lie ahead, we are grateful for our community, who have shown enduring trust in what we do.

LOOKING AHEAD

Geopolitical tensions, supply chain disruptions and repercussions from the pandemic continue to reverberate around the globe as we navigate the new normal. In line with our social mission, FairPrice Group will continue to set the benchmark for prices and keep food and daily essentials available and affordable. We will also continue to use technology and data to understand our customers' needs so as to provide seamless convenience and accessibility.

Above all, our commitment to delivering value and helping our customers moderate the cost of living will continue to be front and centre in all that we do.



Mr Kee Teck Koon
Chairman



Mr Vipul Chawla
Group Chief Executive Officer

KOPITIAM Food Hall

Serving Better Food



Everything Food made easy

We are constantly innovating—from optimising our supply chain to improving our customer experience—to make food affordable and accessible for everyone. In today's digital world, we leverage technology and data to nourish generations and better the lives of those we serve.

KOPITIAM
GOES
DIGITAL
10% DISCOUNT 折扣

NO MORE TOP-UPS
停止充值服务
FROM 2 MARCH 2023 起

USE UP YOUR KOPITIAM
用完您的

WHAT
CONVE
FAIRPP
通过
FAIR

1 March

WORTH
COP

Empowering Food Makers Easy
Hi!
KOPITIAM
KOPITIAM
GOES
DIGITAL
10% DISCOUNT 折扣





Helping over 500 SMEs

increase their business capabilities and growth



Supporting local to strengthen Singapore's supply chain resilience

S\$2.1 million pledged to fund the SME Suppliers Support and Development Programme

We pledged S\$2.1 million to support the Small and Medium Enterprise Suppliers Support and Development Programme (SSDP). This commitment was renewed in October at the 11th Made in Singapore Fair, an annual initiative to raise awareness of local producers and locally produced items. Since 2009, we have invested over S\$15 million in SSDP, helping over 500 SMEs increase their business capabilities and building Singapore's supply chain resilience.

We also joined the Singapore Food Agency's Retail Incubation Initiative to provide selected local farms with the opportunity to gain hands-on experience selling produce in supermarkets. Equipping these businesses with the skills and knowledge to overcome the challenges they may encounter when they enter the retail market, the initiative goes a long way towards contributing to Singapore's '30 by 30' food security goal.

Digital payments at Kopitiam

Diners can now enjoy fuss-free payments and discounts at participating Kopitiam outlets with the FairPrice Group app

The FairPrice Group app was enhanced in July 2022 to enable customers to pay, order, and use Linkpoints at more than 70 Kopitiam formats including food courts, coffee shops and hawker centres.

With this improvement, diners can now benefit from the convenience of paying via the app—saving them time from having to queue to top up their physical Kopitiam cards. The Click & Collect service is also available at 26 Kopitiam outlets where diners can skip the queue, browse and order from multiple stalls with just a few clicks.

Since this digital payment mode was introduced, more than 400,000 diners have enjoyed a 10 per cent discount on regular-priced food items and redeemed over S\$600,000 in Linkpoints to offset their meals through the app. Kopitiam also deployed Digital Buddies at 15 high traffic outlets around the island from March to June 2023 to help customers transition to the app smoothly.



Seamless customer experience at Heavenly Wang made possible with digitalisation

The largest, open-kitchen and multi-concept Heavenly Wang outlet opened at Changi Airport Terminal 2 with a suite of digital solutions that enhances productivity and delights customers

In October 2022, Heavenly Wang launched its largest, open-kitchen and multi-concept outlet, hosting four halal brands, at Changi Airport Terminal 2. The outlet serves a combined menu of 62 dishes, including Heavenly Wang's familiar toasts and local mains, Wang Nasi Lemak Kukus' traditional nasi lemak, Spaggie & Mee's Mod-Sin noodle dishes, and The Salad Fork's salad and wraps.

Outfitted with a suite of digital solutions, the outlet was designed to facilitate cross-functional staff training, improve productivity and enable them to focus on food preparation, order fulfilment and customer service. Customers can order from any of the concepts at self-ordering kiosks or place orders from the comfort of their seats as the same multi-concept menu is also available for mobile QR ordering.



Service Delivery Robots were also introduced, and they run between the back and front kitchen, eliminating the need for employees to transport heavy food trays and crockery. The use of the 'KopiMatic' machine also ensures consistency with every cup of coffee or tea brewed, improving staff productivity and freeing them up to focus on value-added services such as customer service.

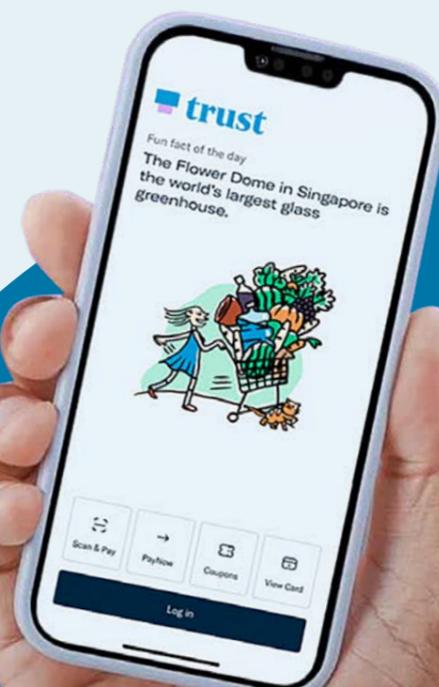
Backed by a unique partnership between Standard Chartered Bank and FairPrice Group, Trust Bank enables significant savings on everyday expenses through the FairPrice Group ecosystem

Trust Bank launched as the digital bank for Singapore

Trust Bank was launched in September 2022, backed by a unique partnership between Standard Chartered Bank and FairPrice Group. Trust offers best-in-market rewards of up to 21 per cent savings on groceries and food at FairPrice supermarkets, Kopitiam, Cheers and Unity. These benefits are especially timely as consumers are facing increasing cost pressures.

Trust's savings account offers customers a market-leading base rate of 1.5% per annum on their deposits with bonus rates of up to 1% per annum. NTUC union members also enjoy the highest tier of savings and benefits.

As a digital-native bank, its app has been designed to be transparent and offers users easy access to their rewards. The app features an in-app spend tracker for real-time tracking of Linkpoints earned. Trust also brings several market-first innovations to Singapore that provide better service and convenience to its customers. This includes a numberless credit card for greater security and flexible repayment dates of customers' choice. Trust is also the first to offer a card that functions as both a credit and a debit card, thus removing the need for users to carry multiple cards.





Serving Better Value Every Day

Better value for all



Our customers count on us to help them moderate the cost of living. We keep the costs of essentials stable amid economic uncertainty. We have put together a comprehensive programme that helps customers save more on groceries and daily necessities. Our holistic approach includes price freezes on staple items and dedicated discounts for specific customer segments. We also share shopping tips and information that help consumers stretch their dollar. In all that we do, we continue to provide excellent value, quality and service.

Always here to set benchmarks for prices of daily essentials

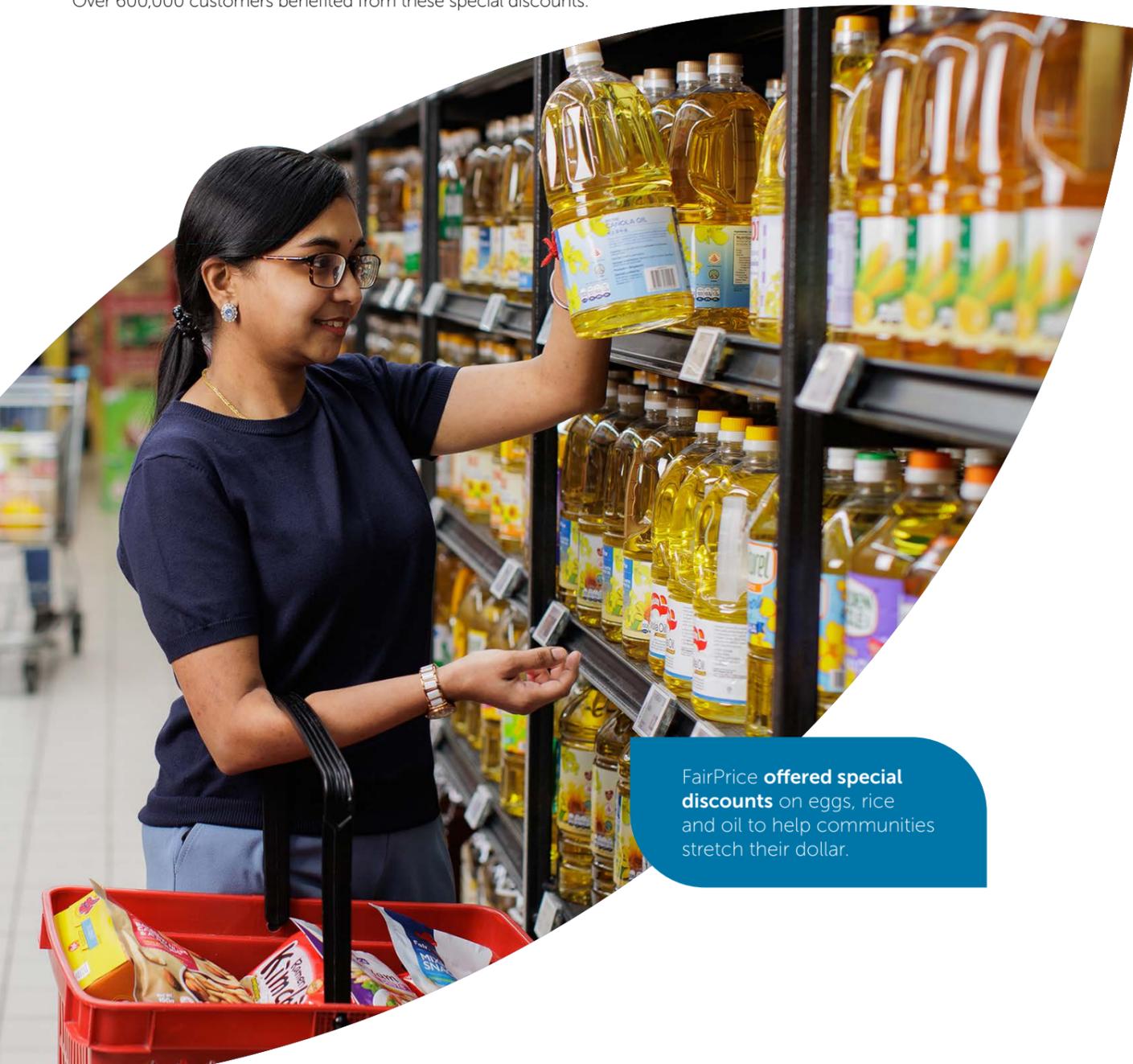
As inflationary pressures drove up the costs of daily essentials, FairPrice offered special discounts on eggs, rice and oil to help communities stretch their dollar

As a leading supermarket retailer, FairPrice plays a key role in setting benchmark prices for daily essentials in Singapore. As the prices of essentials continued to trend upwards, we took the lead in providing special discounts on daily essentials such as eggs, oil and rice.

For a week in April 2022, Pasar Fresh Eggs (30s) were offered at S\$6.95 (discounted from S\$7.50). In December, we further absorbed rising costs by offering Pasar Fresh Eggs (30s) at S\$6.85, available as a Purchase with Purchase promotion.

Four popular cooking oil products were offered at a special 10 per cent discount for a week in May. In October, we offered a special 15 per cent discount on three popular rice products, including Thai Hom Mali grade rice and a healthier brown rice option.

Over 600,000 customers benefited from these special discounts.



FairPrice offered special discounts on eggs, rice and oil to help communities stretch their dollar.

FairPrice Group offers the following discounts and other initiatives to help seniors and underprivileged families:

MONDAY	PG Discount Scheme 3% discount*
TUESDAY	Seniors Discount Scheme 2% discount*
WEDNESDAY	PG & MG Discount Scheme 3% discount*
THURSDAY	CHAS Blue Discount Scheme 3% discount*
DAILY	Special GST discount on 500 essential items (1 January to 30 June 2023) 1% discount*

*Discounts are applicable at all FairPrice supermarkets, FairPrice Shop stores, FairPrice Finest outlets, FairPrice Xtra hypermarkets, FairPrice On Wheels and Unity pharmacies.



Even more savings for seniors and underprivileged families

FairPrice extended the Pioneer Generation, Merdeka Generation and CHAS Blue discount schemes for another 12 months at all FairPrice stores and Unity pharmacies

We extended the ongoing discount schemes for Pioneer Generation (PG) and Merdeka Generation (MG) members and Community Health Assist Scheme (CHAS) Blue cardholders for another year until 31 December 2023. The extension helps seniors and less privileged families save even more on daily essentials. In 2022, the PG, MG, Seniors and CHAS Blue discount programmes helped customers save over S\$11.5 million.



Four main discount and value schemes: Everyday Low Price, Price Drop Buy Now, Save Even More and New & Exclusive.

Bringing greater value closer to you daily

FairPrice offers greater savings and empowers customers to be smarter shoppers

The 'Greater Value Every Day' initiative was launched in October 2022 to address consumers' concerns over the rising cost of living. A key feature is a price freeze on 50 popular daily essentials every month and a 50 per cent price drop for selected items.

The initiative encompasses four main discount and value schemes: Everyday Low Price, Price Drop Buy Now, Save Even More and New & Exclusive.

	<ul style="list-style-type: none"> Features a curated basket of over 500 popular daily essentials priced low to give the best value to the community. These items comprise popular grocery items such as fresh fruits, vegetables and meats, staples, dairy products, paper products, detergents and household cleaners. To provide even greater savings, FairPrice freezes the prices of 50 items every month selected from a pool of over 500 popular daily essential items. The 50 items are announced every last Thursday of the month.
	<ul style="list-style-type: none"> Offers weekly discounts of up to 50 per cent on specially selected items.
	<ul style="list-style-type: none"> Consists of the existing discount schemes for PG, MG, Seniors and CHAS Blue cardholders between Monday and Thursday, in addition to FairPrice Member rebates and Linkpoints. NTUC Union and Link Members also periodically enjoy discounts of 50 per cent for specially selected items.
	<ul style="list-style-type: none"> A new section in stores featuring specially curated products of good value that are exclusive to FairPrice.

Helping our customers stretch every dollar

Our customers enjoyed a total of S\$700,000 in savings during the 'Stretch Your Dollar' campaign from March to December. The ongoing campaign features weekly grocery discounts, capped beverage prices and an expanded budget meal programme

To help consumers cope with the rising cost of living exacerbated by the protracted COVID-19 situation, we launched the 'Stretch Your Dollar' programme across our supermarkets, food courts and coffee shops.

On Fridays between March and December 2022, we offered a five per cent discount on over 100 key essentials such as rice, fresh produce and household items across all FairPrice stores and FairPrice online. In addition, despite ongoing cost pressures, the Group held the prices of our signature breakfast sets and kept prices for reduced-sugar and no-sugar hot coffee and tea at 90 cents at over 80 Kopitiam and NTUC Foodfare outlets throughout 2022.

To facilitate more concessionary meals for the needy, seniors and union members, Kopitiam expanded the Rice Garden subsidised meal programme from 19 stalls to 40 stalls.

- Customers saved S\$700,000 from the five per cent Friday discount on more than 100 key essentials
- Served over 2.7 million cups of 90-cent coffee and tea at Kopitiam and Foodfare

Cushioning our customers from the GST hike

To help customers cushion against the impact of the GST hike, FairPrice offered discounts for 500 essential items for six months

To help Singaporeans cope with the Goods and Services Tax (GST) increase in 2023, FairPrice announced in November 2022 that a discount would be offered on 500 basic essential items for the first half of 2023.

The basket of 500 essential items was chosen based on consumer preferences and top-of-mind necessities. They included national brand and Housebrand fresh produce, meat, dairy, basic necessities, paper products, detergents and household cleaners.

The discount to offset the GST hike is one of several measures to keep staples affordable for the community.



Always rewarding with the Link Rewards Programme

Plus! rebranded as Link Rewards and diversified its offerings, benefitting over 2.4 million members

NTUC Link rebranded its Plus! Rewards Programme as the Link Rewards Programme from April 2022. The refreshed rewards programme aims to bring value and savings through everyday spend and lifestyle categories, and has enabled Linkpoints across more redemption channels, including FairPrice online and the FairPrice app.

To help members save more and provide reward options beyond groceries, Link Rewards expanded its partnership list, which consists of over 1,000 participating partners' outlets, covering everyday essentials, retail, lifestyle, financial institutions, and food and beverages. Link members earn Linkpoints when they shop in FairPrice Group or partner outlets, such as Caltex, ZTP and Skechers; they earn an accelerated rate when paying with their Trust Card. Linkpoints can be redeemed for instant savings, used to unlock extra discounts on rewards on the FairPrice Group app or exchanged across other point programmes such as KrisFlyer.

Serving the Community Better



Customers first, always

Even after five decades of providing the best quality, value and service to our customers, we continue to make ourselves relevant. FairPrice Group is more than just moderating the cost of living. We are also constantly reinventing and pushing the boundaries of retail by trailblazing unique retail concepts, and spurring exciting new ways to delight with exclusive partnerships and innovations.





An exclusive partnership between FairPrice and Coles features over 140 popular made-in-Australia products from Coles.

Catering to the next generation of hawkers and diners

The launch of Warong Rice Garden



Fernvale Hawker Centre and Market (FNVHC) was officially launched by Prime Minister Lee in September 2022. FNVHC features famous hawkers, Michelin Bib Gourmand recipients and stalls under the HawkerBoss programme, FairPrice Group's flagship initiative that helps hawkers with rent and salary subsidies, in addition to marketing and supply support. Diners can also have their fresh or marinated produce bought from two of the market stalls cooked on the spot at affiliated cooked-food stalls, a first in any hawker centre.

Launched in December 2022, Senja Hawker Centre is the first to feature Warong Rice Garden, a halal concept developed under the Rice Garden Community Programme. It offers customers the popular dish called nasi campur or "mixed rice" in Malay—priced from as little as S\$2. On top of Warong by Rice Garden, the Rice Garden's Mixed Rice stall and Budget Meals ranging from S\$2.80 to S\$3.50 are other ways where we aim to deliver affordable meals to our customers.

Senja Hawker Centre debuted Warong Rice Garden, a halal concept developed under the Rice Garden Community Programme.

Expanding our grocery range

An exclusive partnership with Coles expands our international offerings with over 140 popular Australian products

Thanks to a partnership with Coles Group, a leading Australian retailer, our customers now enjoy access to an exclusive range of over 140 Coles products at FairPrice stores.

Coles is a familiar brand to many Singaporeans who have travelled, worked or studied in Australia. This partnership is part of our strategy to diversify our offerings at affordable prices. With more product diversity on our shelves, it complements our existing stable of grocery products while catering to our customers' evolving needs and preferences.

The Coles products include those from the retailer's private labels, such as Australian wines from Cleanskin, and flour, grains and noodles from Wellness Road.



Keeping abreast of lifestyle changes with The Grocer Bar

FairPrice Finest reimagines the retail experience with in-store bars at two outlets

FairPrice Finest at Ang Mo Kio 712 and The Centrepoint, launched in the second half of 2022, serve up unique experiences with a new in-store concept, The Grocer Bar. Apart from shopping for groceries, our customers can unwind and relax at the bar, savour craft beer and wine with local delicacies, ready-to-eat roasts, cheese platters and fresh oysters.



HawkerBoss stalls and budget options star alongside Michelin Bib Gourmand fare at the new Senja Hawker Centre.





New Kopitiam Food Hall @ Jem delights customers

The new outlet serves freshly shucked oysters, locally farmed live fish and restaurant-quality food at family-friendly prices

Residents and shoppers in the West are spoilt for choice when they dine at the new Kopitiam Food Hall @ Jem. Featuring restaurant-quality food and drinks from 26 stalls at pocket-friendly prices, the food hall offers popular food brands in a chic and spacious setting. There are all-time favourites such as Royal Rojak, Sedap Wok, What The Fish, Hennessy Duck, Togi Korean Kitchen, Yu Zhong Bu Tong Fish Soup, Haven Teppanyaki, A-One Super Porridge and Ma La Fu Mala Hotpot, to name just a few. Diners can also try out new food concepts like DOB (Donburi. Oyster. Beer) and Toasties & Cream.

Foodies are spoilt for choice with a wide variety of food and drinks from 26 stalls at Kopitiam Food Hall @ Jem.



'Take A Break' at Kopitiam

A red roving karaoke booth gave diners a fun after-meal treat at participating Kopitiam outlets

Kopitiam's 'Take A Break' campaign, which ran from 1 November to 15 January 2023, treated over 1,000 diners to a free singing session in a roving karaoke booth each time they spent at least S\$6. The booths were available at participating Kopitiam outlets at Jem, FairPrice Hub, Jurong Point, Hougang One and Yew Tee Square.



Board of Directors

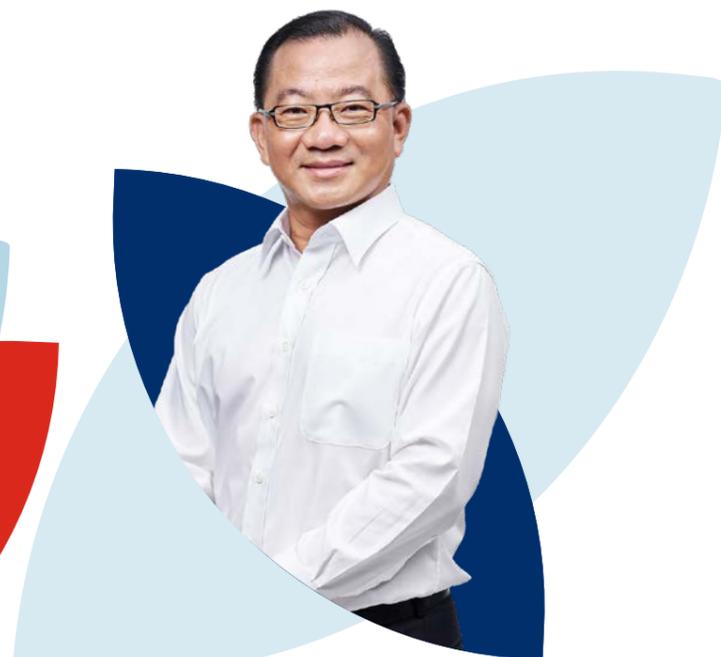


MR KEE TECK KOON
Chairman (Appointed on 17 May 2022)
Joined 2019

Mr Kee is the Deputy Chairman of NTUC Enterprise Co-operative Limited. He also holds directorships in Income Insurance Limited, NTUC Income Insurance Co-operative Limited, Trust Bank Singapore Limited, CapitaLand Investment Limited, Changi Airport Group (Singapore) Pte. Ltd. and Mandai Park Holdings Pte. Ltd. He is also a member of the Angsana Fund Investment Committee of the Singapore Labour Foundation.

Mr Kee started his career in 1979 with the Singapore Armed Forces and was with the Ministry of Defence until 1991. Thereafter, he held senior management appointments with several organisations before joining, in 1996, the then Pidemco Land, which had since been merged to be part of today's CapitaLand Group. After holding several senior positions, he retired as the Chief Investment Officer of CapitaLand Limited in July 2009.

Mr Kee was awarded the Public Service Star (BBM) by the Singapore Government and Meritorious Service Award by the National Trades Union Congress.



MR SEAH KIAN PENG
Deputy Chairman (Appointed on 5 April 2022)
Joined 2022

Mr Seah is the Group CEO of NTUC Enterprise Co-operative Limited ("NE"), which has a group asset value of more than S\$50 billion, an annual turnover in excess of S\$9 billion, and a workforce of 20,000 employees.

He sits on the boards of various entities in the NE group including NTUC FairPrice, Income Insurance Ltd, Mercatus Co-operative Ltd, NTUC First Campus, NTUC Health, NTUC Learning Hub and MoneyOwl Pte Ltd. He is also a board director of The Consumer Goods Forum and the founding Chairman of the Harvard Business School Club of Singapore before stepping down in 2018.

Mr Seah is active on the community front and chairs FairPrice Group's philanthropic arm, NTUC FairPrice Foundation as well as the Marine Parade Leadership Foundation, and is a director of Singapore Olympic Foundation.

Mr Seah is also a Member of Parliament. First elected in 2006, he was subsequently re-elected in 2011, 2015 and most recently in 2020. From 2011 to 2015, he was concurrently, the Deputy Speaker of Parliament.

Mr Seah is a Fellow of the Singapore Institute of Directors and also a Fellow of the Chartered Institute of Marketing. He was awarded the Outstanding CEO of the Year 2019/2020 at the Singapore Business Awards.

Mr Seah was awarded a Colombo Plan Scholarship to study at the University of New South Wales in Sydney, Australia where he graduated with a First Class Honours degree in Building.



MR RONALD ONG
Board Member
Joined 2015

Mr Ong is the Chairman for Morgan Stanley's South East Asia's business, Income Insurance Limited and NTUC Income Insurance Co-operative Limited. He is also a Board Member of NTUC Enterprise Co-operative Limited and Next50 Limited and a member of the Listings Advisory Committee of the Singapore Stock Exchange. Mr Ong has been with Morgan Stanley for over 20 years and has more than 30 years of experience as a banker with substantial experience in mergers and acquisitions and financing as well as extensive client relationships in Singapore, Malaysia, Indonesia and Thailand. He was a council member of the Securities Industry Council and committee member of the 1st Capital Markets Committee of the Monetary Authority of Singapore and also served on the Advisory Boards of the Lee Kong Chian School of Business and Sim Kee Boon Institute for Financial Economics, Singapore Management University. Mr Ong was a Naval Officer with the Republic of Singapore Navy.



MR ALBERT CHENG
Board Member
Joined 2016

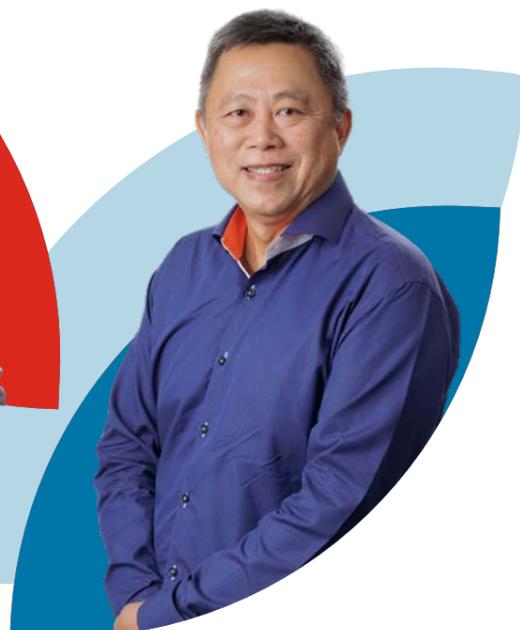
Mr Cheng is the Senior Advisor of Lion Industries Corporation Berhad, a Malaysia-based company listed on the Main Market of Bursa Malaysia Securities Berhad. He is also the Chairman of the Finance Committee of the Federation of Malaysian Manufacturers ("FMM"), Council Member of the FMM, President Director of P.T. Lion Metal Works Tbk and Vice Chairman of the International Chamber of Commerce Malaysia. He also holds directorships in ICC Malaysia Berhad, Malaysia Steel Institute and GS1 Malaysia Berhad. He has more than 40 years of experience in the business operations of the Lion Group encompassing steel, property development, retail, credit financing, tyre manufacturing, motor, agriculture and computer industries. He is Chairman of LTC Corporation Group Singapore and also serve as member of Advisory Board of EDPR Sunseap Pte Ltd. He served as a Board Member of NTUC First Campus Co-operative Limited from 2007 to 2016.

Ms Lim is currently an Independent Director of Multi Water Holdings Limited, a Director of Shaofen Labs Pte. Ltd. and the Chinese Development Assistance Council ("CDAC") and Chairperson of the Stakeholders Communications Committee of the CDAC. She was previously the Chief Executive Officer and Executive Creative Director of 10AM Communications Private Limited Singapore. She was also Group Head for the Committee to Promote Chinese Language Learning, Chairperson for the Public Education Committee of the National Council for Problem Gambling; Promote Mandarin Council and Advisory Committee of Singapore Pavilion, 2010 World EXPO; Vice Chairperson of the Singapore Note and Coin Advisory Committee; the Independent Director of the Board of Ascendas Reit; Member of the National Parks Board; Director of the Singapore Chinese Orchestra Board; Appointed Member of the Singapore50 Culture and Community Committee; and Visual Advisor of the 2008 Beijing Olympics Opening Ceremony.



MS LIM SAU HOONG
Board Member
Joined 2016

Board of Directors



MS KRISTY TAN Board Member Joined 2017

Ms Tan serves as Head (Advocacy Group) and Deputy Chief Counsel (Civil Division) in the Attorney-General's Chambers ("AGC"). Prior to joining AGC, she spent more than a decade in private practice, and was an Equity Partner at Allen & Gledhill LLP. She was appointed Senior Counsel in 2021. She is also a Board Member of the Gambling Regulatory Authority ("GRA"), serving also on the GRA's Board EXCO and as Chairperson of its Disciplinary Committee; as well as a Board Member of the Bone Marrow Donor Programme.

MR LEE SEOW HIANG Board Member Joined 2018

Mr Lee is the Chief Executive Officer of Changi Airport Group (Singapore) Pte. Ltd. He is concurrently the Chairman of Changi Airports International Pte. Ltd., Changi Foundation Limited, Jewel Changi Airport companies and National Library Board. Mr Lee also holds the appointment of Immediate Past President Airports Council International (ACI) Asia-Pacific Regional Board and is a Director on the Airports Council International World Governing Board. From 1989 to 2005, Mr Lee held various appointments in the Republic of Singapore Airforce ("RSAF") and the Ministry of Defence, with his last appointment being Deputy Head of Air Operations in HQ RSAF. From 2005 to 2008, he was the Principal Private Secretary to the late Minister Mentor Lee Kuan Yew in the Prime Minister's Office.

MR HO WAH LEE Board Member Joined 2019

Mr Ho Wah Lee is an Independent Director of ALPS Pte. Ltd. and Non-Executive Director of SNP International Pty Ltd (Australia), Amusic Rights Management Pte Ltd, Amusic Creative Team Pte Ltd, One Asia Music Inc (Taiwan) and a director of Armoire Ante Pte. Ltd. Mr Ho was a member of the KPMG Global IT Advisory Executive Council and he retired as a partner from KPMG in 2017 with more than 30 years of experience in Management Consulting, Risk Consulting and Financial Advisory services. He was the Head of Advisory in KPMG Singapore from October 2010 to May 2013 and the President Director of PT KPMG Siddharta Advisory from October 2014 to September 2017. He is currently a member of the Infocomm Technology Projects Advisory Panel to assist in the evaluation of complex and high-value public sector IT projects. He was appointed a member of the Public Sector Data Security Review Committee on 31 March 2019 to review data security practices across the entire Public Service.

MS TAN HWEE BIN Board Member Joined 2020

Ms Tan is the Executive Director of Wing Tai Holdings Limited. She is the Chairperson of the Centre for Seniors, a Director of NTUC Enterprise Co-operative Limited and the Singapore Labour Foundation, a member of the Angsana Fund Investment Committee and Corporate Governance Advisory Committee of the Monetary Authority of Singapore. Ms Tan is the Honorary Treasurer of Singapore National Employers Federation. She was the immediate past Chairperson of NTUC Health Co-operative Limited and also served in the Chinese Development Assistance Council and the Central Singapore Community Development Council. Ms Tan was awarded the Meritorious Service Award by the National Trades Union Congress. She was also awarded Public Service Medal (PBM) and the Public Service Star (BBM) by the Singapore Government in 2011 and 2018 respectively.

MR ONG HWEE LIANG Board Member Joined 2020

Mr Ong is currently Vice President of the National Trades Union Congress ("NTUC") Central Committee, the planning, policy and executive organ of NTUC that makes the decisions and takes action to further NTUC's objectives. He also chairs the Labour Movement's Aerospace and Aviation Cluster, and serves as the General Secretary of the SIA Engineering Company Engineers and Executives Union, a post he has held since 2007. Within the Labour Movement, Mr Ong is the Chairman of the NTUC Audit, Risk and Governance Committee, NTUC International Participation Selection Committee and NTUC Workplace Safety and Health Committee. He is a member of NTUC's Industrial Relations Council, Membership Council and Training Council. He also represents NTUC as a Member of the Workplace Safety and Health Council and Tripartite Alliance Ltd.

MR ROBERT YAP Board Member Joined 2020

Mr Yap is the Chairman of the Advisory Board and Independent Director for EDPR Sunseap Asia Pacific, a subsidiary of EDPR SA listed on Euronext. He is also the Chairman of Swan & Maclaren and Skylab Holding; Independent Director of Jurong Port, IMDA, Alexandra Health Fund Limited; and Council member of the Corporate Governance Advisory Committee under MAS. In 2020, Mr Yap was conferred SMU Distinguished Fellow and the inaugural Dean's Fellow of Information Systems. He was a member of IBM Corporation Global Advisory Board in New York, US. His past board directorships of SGX-listed companies included supply chain and technology companies. He was also a Council member for the ASEAN Business Advisory Council and served as Deputy Secretary for Singapore National Employers Federation.

Principal Officers



MR VIPUL CHAWLA
Group Chief Executive Officer



MS ELAINE HENG
Deputy Group Chief Executive Officer
Chief Executive Officer, Retail Business



MR HENRY CHU
Chief Executive Officer
Food Services Business



MS GRACE CHUA
Chief Executive Officer, Own
Brands & Food Solutions Business



MR RAPHAEL ZENNOU
Chief Executive Officer,
Digital Business
Chief Omnichannel Officer



MR DENNIS SEAH
Chief Digital & Technology Officer



MS CHIA CHEY HUI
Chief Financial Officer



MR ALVIN NEO
Chief Customer & Marketing Officer



MR CHAN TEE SENG
Chief Sustainability Officer



MS THERESA SOIKKELI
Chief Human Resource Officer



MS ZENG QIAO JIA
Chief Supply Chain Officer



MR TNG AH YIAM
Chief Procurement Officer



MR KENNETH TAN
Chief Strategy & Transformation Officer

Awards And Accolades 2022



Influential Brands Awards

Supermarket	Online Grocery Retailer	Supermarket Private Label Awards
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Retail Asia Awards

Supermarket of the Year	Brand Transformation of the Year (Own Brands)	Specialty Store of the Year (Marketplace)	O2O Customer Experience of the Year (Kopitiam Food Hall @ Jurong Point)
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Singapore Tourism Board Award

Outstanding Retail Store Experience Award (FoodFolks @ Lau Pa Sat)

Loyalty & Engagement Awards by Marketing-Interactive

3 Golds, 2 Silvers and 1 Bronze for Best Omnichannel Strategy, Best Loyalty Programme–eCommerce and Retailer, Best Use of Social Media, Best Employee Engagement Strategy and Best Use of Content Marketing.

Marketing Excellence Awards 2022 by Marketing-Interactive

Excellence in Viral Marketing Everywherealsoseefood	Excellence in Customer Engagement For Mr Men, Little Miss Kopitiam marketing campaign
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FMCG Asia Awards 2022

Home Brand of the Year Award–Singapore FairPrice	Product Launch of the Year–Singapore Delicato
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Singapore Business Review Awards 2022

Designed in Singapore Delicato

NTUC FairPrice Foundation

Charity Platinum Award

Supply Chain Asia Awards

Supply Chain Innovator of the Year (Grocery Supply Chain Innovation)	Supply Chain Woman of the Year
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Singapore Retailers Association Excellent Service Awards (EXSA) 2022

3 STAR awards	11 Gold awards	40 Silver awards
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2022 National Awards (COVID-19)

President's Certificate of Commendation

Event Marketing Award 2022 by Campaign Asia

Innovative Use of Virtual Platform (Bronze)

Asia eCommerce Awards 2022

6 Golds and 1 Silver for eCommerce Marketplace / eRetailer of the Year, Best in eCommerce Brand–Supermarkets/Hypermarkets, Best Covid-19 Related Campaign, Best eCommerce Team of the Year –Brand, Best eCommerce Loyalty Programme, Best eCommerce Campaign–Mobile and Best Integrated eCommerce Campaign.	Recognised as part of the Top 25 eCommerce Marketers in Southeast Asia
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Building and Construction Authority - Green Mark certification

Gold
FairPrice Finest at Artra

Founder, Institutional and Ordinary Members

31 December 2022

No. of Shares of S\$1 each

Founder Member

National Trades Union Congress 37,662,688

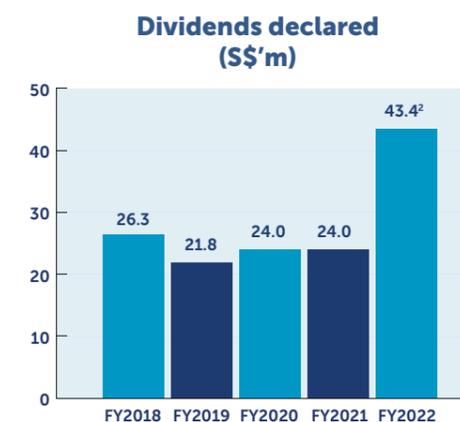
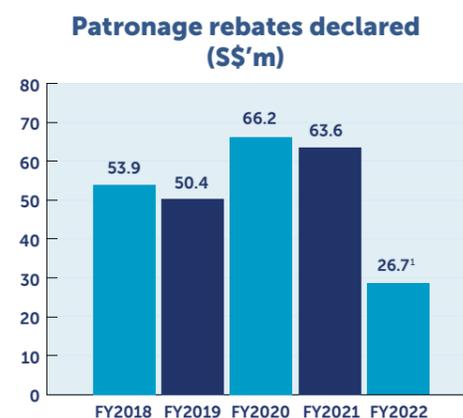
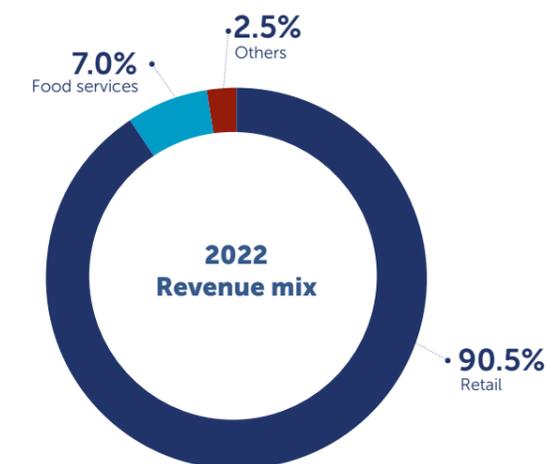
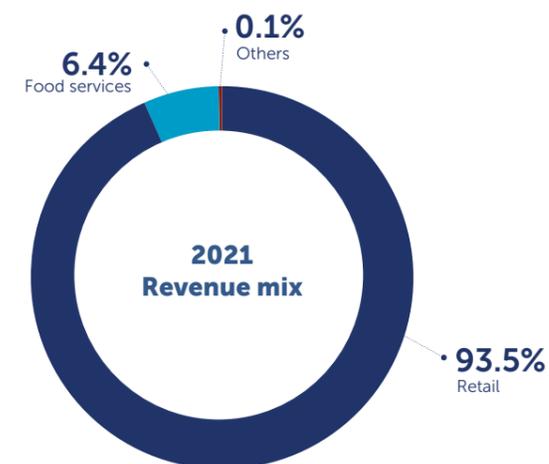
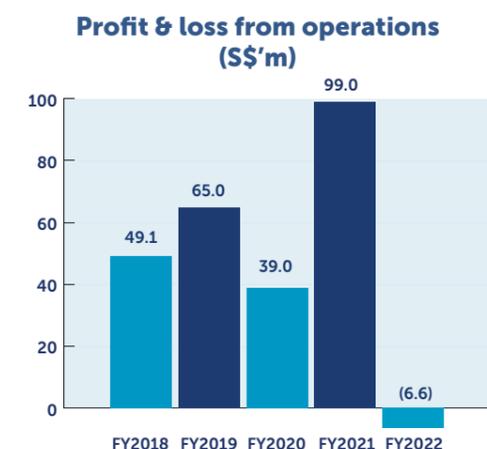
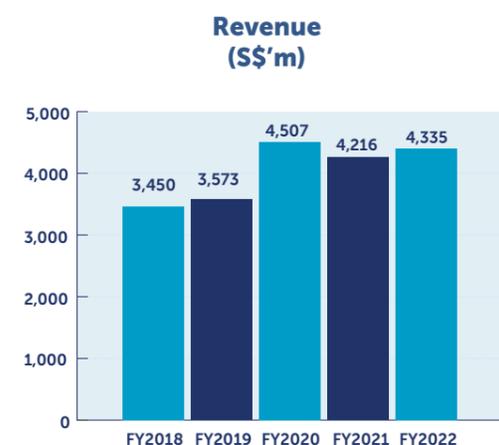
Institutional Members

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	277,972,024
SATU Multi-Purpose Co-operative Society Ltd	226,270
Singapore Association of the Visually Handicapped	5,523
Singapore Mercantile Co-operative Society Ltd	199,543
Singapore Shell Employees' Union Co-operative Ltd	304,766
TCC 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

Ordinary Members (790,706 members) 117,176,058

Balance as at 31 December 2022 433,993,050

Group Financials 2022



¹As part of our ongoing efforts to deliver better and more immediate value to our members, the member benefits for 2022 include an upfront component of 2% issued in Linkpoints, subject to a spending cap of S\$6,000 per annum. Collectively a total of 4% member benefits.

²Inclusive of a one-off special dividend of 5%

Group Formats

FairPriceGroup
Everything Food Made Easy

 **FairPrice**

 **FairPrice** **FairPriceXtra** **FairPrice finest** **FairPrice xpress**
FairPriceShop **Cheers** **Unity**

KOPITIAM

KOPITIAM **KOPITIAM corner** **KOPITIAM Food Hall**
Cantine by **KOPITIAM** **Cantine corner** by **KOPITIAM** **Lau Pa Sat** FESTIVAL MARKET **FOOD FOLKS** @ LAU PA SAT
 **HEAVENLY WANG**  **Foodfare**

 **Link**

Linkpoints

GLS



Sustainability Report 2022



Always for Our Customers



Always for the Community



Always for a Greener World



**Upholding Responsible
Business Practices**



With no time to lose, we are fast-tracking our sustainability agenda to find better and greener solutions to drive long-term value for our stakeholders.

**GROUP CHIEF
EXECUTIVE
OFFICER**

Mr Vipul Chawla

Message from Group Chief Executive Officer

In the latest Intergovernmental Panel on Climate Change (IPCC) AR6 Synthesis Report released this March, we read with concern that climate change has continued to progress and global warming will likely exceed 1.5°C during the 21st century. With no time to lose, we are fast-tracking our sustainability agenda to find better and greener solutions to drive long-term value for our stakeholders. We established our Board Sustainability Committee to provide added governance and oversight of material topics. We also welcomed onboard our first Chief Sustainability Office as a firm testament to our green efforts amid fulfilling our mission to moderate the cost of living for our customers.

SERVING OUR CUSTOMERS

Globally, inflation concerns dominated the headlines. Many Singaporeans were challenged by the rising cost of living and worried about the Goods and Services Tax (GST) increase in 2023. True to our social mission, we continued to moderate the cost of living in Singapore.

In 2022, we brought back the 'Stretch Your Dollar' programme, which comprises four initiatives to help seniors and low-income families. We also strengthened it with a new component, where a five per cent discount will be applied to a basket of over 100 daily essential items across all supermarkets and hypermarkets every Friday. This initiative complemented our existing discount schemes for the Pioneer Generation, Merdeka Generation, seniors and CHAS Blue cardholders, through which we provide various discounts weekly from Mondays to Fridays. Additionally, we shared tips with the community on how to stretch their dollar further, such as highlighting 'Shiok Savings', which offers two key items on 50 per cent discount over four days every week.

As a homegrown business, we are committed to supporting local companies through difficult times. We extended our support for the small and medium enterprise (SME) partners through the Suppliers Support and Development Programme (SSDP) for an additional year with an estimated S\$2.1 million. This initiative helps SMEs

build better capabilities and mitigate rising business costs while building a sustainable food supply for our shoppers.

We also expanded platforms for local farmers to gain exposure. Through the Singapore Food Agency's Retail Incubation Initiative, we gave local farmers the opportunity to experience selling produce in supermarkets. At the 11th Made in Singapore Fair, we spotlighted local producers and locally produced items.

To promote a healthier lifestyle among our customers, we increased the number of items with the Healthier Choice Symbol by 20 per cent across our stores. At Kopitiam and NTUC Foodfare outlets, we froze the prices of lower-sugar and no-sugar hot coffee and tea.

SUPPORTING LIVELIHOODS AND WELL-BEING

Our customers and employees contribute to the Group's growth and success. In 2022, we made it a point to focus on supporting the livelihoods and well-being of those who continued to put their faith in us.

We achieved an industry first when we launched our Progressive Wage Model (PWM) framework in September 2022. Our PWM rollout was six months in advance of the mandated deadline because we wanted our people—our most valuable asset—to benefit from the upskilling and reskilling opportunities as soon as possible. The PWM covers not only our retail staff, but all of our 10,000 non-executive staff, at a projected cost of S\$90 million over three years. Guided by the PWM, we map out clear paths for our employees to receive training, improve their productivity and increase their wages.

The 40th edition of our signature Share-A-Textbook (SAT) project was a huge success. Over 2,700 volunteers collected over 725,000 textbooks donated by the community. Over six weeks, the volunteers collected and distributed textbooks to about 25,000 students, contributing to a sustainable reuse of the books as well as helping the underprivileged.

In conjunction with SAT, we held our second edition of the Food, Innovation and Technology (FIT) Hackathon. The event saw youths presenting innovative ideas on sustainability, waste reduction and retail innovation in teams to win cash prizes totalling S\$20,500.

CHARTING A GREENER FUTURE

As an extensive business with about 570 touchpoints, we recognise the imperative to reduce our carbon footprint and create a more circular economy. By optimising consumption and production, and eliminating waste, we are working towards a more regenerative business model that creates more value in the long run.

In November, we introduced the first fleet of electric vehicles and charging stations to green our logistic operations. This move was in line with Singapore's goal of cleaner and more sustainable vehicles. The programme will also yield cost savings, which can be channelled to develop other capabilities.

Apart from the electrification of our fleet, we collaborated with partners to deploy rooftop solar systems and electric vehicle chargers at FairPrice Hub. Our solar rooftops located at our two distribution centres are expected to generate a combined power of 5.8 million kWh annually, boosting our efforts towards decarbonisation.

In 2019, we launched the 'No Plastic Bag' initiative to encourage a shift towards a more sustainable lifestyle. This programme greatly surpassed our expectations last year. With 57 million plastic bags saved, we exceeded our initial target of 30 million bags annually. This would not have been possible without our customers' strong support.

PROMOTING RESPONSIBLE BUSINESS PRACTICES

To provide better value to our customers and maintain supply chain resiliency, we work closely with suppliers to source from more than 100 countries and markets. We must uphold the highest level of social, ethical and environmental conduct in our business practices. Our latest Supplier Code of Conduct aims to communicate our expectations of responsible business practices to our suppliers and reinforce our stance against unethical and unacceptable conduct. We will continue to review our governance policies to ensure fair and responsible business practices.

HEARTFELT APPRECIATION

As a social enterprise, we have the responsibility to shape the future of the environment and our society. I would like to thank all our employees, partners and stakeholders who help us realise our sustainability goals as we continue to make lives better.

Our Sustainability Approach

Materiality Approach and Process

During the year, we conducted a materiality reassessment in line with the Global Reporting Initiative (GRI) 2021 standards. The 2022 reassessment sought to identify the most significant impacts arising from our business activities on the economy, environment and people.

The reassessment was informed by peer benchmarking, a review of retail industry environment, social and governance (ESG) trends, as well as engagement with internal and external stakeholders such as customers and key suppliers. Material topics were prioritised based on expected severity and likelihood of associated actual and potential impacts. The results were then validated with the FairPrice Group Board Sustainability Committee, from which we finalised the list of material ESG topics to inform our business and sustainability strategies.

Based on the reassessment results, the material topics identified in 2021 remain relevant. The resulting reprioritised list of material topics is shown in the table below.

Pillars	Key Material Topics	Material Sub-Topics
Social – Serving our customers	Safety, product quality and service quality	<ul style="list-style-type: none"> • Safety and product quality • Customer service and satisfaction • Store hygiene
	Affordability for customers	-
	Customer health and nutrition	-
Social – Supporting livelihoods and well-being	Health and safety	<ul style="list-style-type: none"> • Occupational health and safety • Public health and safety
	Employee engagement, well-being, and development	<ul style="list-style-type: none"> • Employee engagement and well-being • Development of workforce
	Diversity and inclusion	-
	Local communities	<ul style="list-style-type: none"> • Economic impact on the society • Local communities
Environmental – Promoting a circular and low carbon economy	Energy use and greenhouse gas (GHG) emissions	-
	Waste management	<ul style="list-style-type: none"> • Food waste • Material waste • Circular economy
	Water use	-
Governance and Economy – Responsible business practices	Cyber security and data protection	-
	Ethical business conduct	<ul style="list-style-type: none"> • Ethical business conduct • Responsible selling
	Sustainable procurement (supply chain management)	<ul style="list-style-type: none"> • Supply chain resiliency • Sustainable procurement

Notes: Changes to list of FY2022 material topics as compared to FY2021 are as follows:

1. FY2021 topic *Product quality and safety* has been renamed as *Safety, product quality and service quality* to also address the impact of customer service. Accordingly, *Customer service and satisfaction* has been added as a new sub-topic.
2. *Store hygiene* has been incorporated as a sub-topic under *Safety, product quality and service quality* since maintaining good store hygiene is essential to managing product health and safety.
3. Since they share the same management approach, *Supply chain resiliency* has been grouped with *Sustainable procurement* to form an overall *Sustainable procurement* (supply chain management) topic under Responsible business practices pillar.
4. FY2021 topic *Talent management* has been renamed as *Employee engagement, well-being and development* to better articulate the impacts of FairPrice Group's talent management initiatives.
5. FY2021 topic *Workplace health and safety* has been renamed as *Health and safety* covering both occupational as well as public health and safety as sub-topics.
6. *Local communities* topic now addresses our community contributions through our volunteering, donations and support for the underprivileged (Local communities sub-topic), as well as our business contribution to the economy such as through the jobs we sustain (*Economic impact on society* sub-topic).
7. *Material waste* and *food waste* have been combined under one *Waste material* topic since they share similar management approach, with a new sub-topic on *Circular economy* added to recognise the positive impacts of reduction and reuse measures on waste.
8. New sub-topic on *Responsible selling*, which addresses the impact of responsible marketing and labeling practices, has been added as part of *Ethical business conduct*.

Our Sustainability Framework

FairPrice Group's sustainability framework comprises four core pillars. The pillars work in tandem towards enabling Healthier Lives and a Healthier Planet. The framework provides a sound blueprint for planning and managing our sustainable practices in everything we do.



Serving our customers

Ensure affordable-healthy food and maintain food resiliency



Our Goal: Double the number of affordable-healthy food options by 2030

Responsible business practices

Uphold ethical business integrity and responsible governance practices in our daily operations



Our Goal: Ensure strong compliance, transparency and responsible business practices in our value chain

Supporting livelihoods and well-being

Enable the underprivileged and maintain a supportive workplace



Our Goal: Provide less fortunate communities with access to daily essentials and a decent work environment for employees

Promoting a circular and low carbon economy

Reduce our environmental footprint, promote sustainable production, consumption and product sourcing



Our Goal: Halve our carbon footprint and food waste, and save 60 million plastic bags per annum by 2030

The United Nations launched the Sustainable Development Goals (SDGs) as a rallying call on both corporate and private citizens of the world to address the complex challenges facing humanity. Our sustainability framework aligns with the SDGs at the target level. Through the lens of the four core pillars, we have mapped our sustainability goals and business initiatives to the SDG targets and strive to contribute towards promoting a more sustainable future for all.

SDGs	Material Topics	SDG Targets	Our 2022 efforts
 <p>Zero Hunger</p>	<ul style="list-style-type: none"> Affordability for customers Customer health and nutrition 	<p>Target 2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations including infants, to safe, nutritious and sufficient food all year round</p>	<ul style="list-style-type: none"> Offered affordable food pricing through Everyday Low Price items, Housebrand products, and FairPrice Shop Launched Stretch Your Dollar programme to address cost of living concerns Partnered The Food Bank Singapore, Food from the Heart and other community partners to run food donation drives to provide food aid to the underprivileged Sustained philanthropic giving through FairPrice Foundation such as in initiatives like 'FairPrice Walk for Rice+ @ South East'
 <p>Good Health and Well-being</p>	<ul style="list-style-type: none"> Safety, product quality and service quality 	<p>Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p>	<ul style="list-style-type: none"> Provided affordable and quality products and services through our pharmacies Trained pharmacists offered professional advice to address customers' needs including detection of family violence
 <p>Affordable and Clean Energy</p>	<ul style="list-style-type: none"> Energy use and greenhouse gas (GHG) emissions 	<p>Target 7.2: Increase substantially the share of renewable energy in the global energy mix by 2030</p> <p>Target 7.3: Double the global rate of improvement in energy efficiency by 2030</p>	<ul style="list-style-type: none"> Generated electricity through solar panels installed at two of our distribution centres Continued to increase the number of BCA Green Mark certified stores Implemented the five eco-friendly design guidelines at all new and renovated supermarkets Introduced the use of electric vehicles in our supply chain fleet Funded the retrofitting of LED lights at two nursing homes
 <p>Decent Work and Economic Growth</p>	<ul style="list-style-type: none"> Employee engagement, well-being, and development Diversity and inclusion Human rights Cyber security and data protection 	<p>Target 8.5: By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p>Target 8.8: Protect labour rights and promote safe and secure working environments of all workers, including migrant workers, particularly women migrants, and those in precarious employment</p>	<ul style="list-style-type: none"> Provided employment to over 13,000 people, including people hired through inclusive employment programmes Subscribed to the UN Global Compact and the Tripartite Guidelines on Fair Employment Practices of Singapore Implemented the Progressive Wage Model for all our businesses to benefit over 10,000 non-executive employees
 <p>Responsible Consumption and Production</p>	<ul style="list-style-type: none"> Water use Waste management Sustainable procurement (supply chain management) 	<p>Target 12.3: By 2030, halve per capita global food waste at the retail and consumer level, and reduce food losses along production and supply chains including post-harvest losses</p> <p>Target 12.5: By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse</p>	<ul style="list-style-type: none"> Implemented the FairPrice-CSR Food Waste Reduction Framework to mitigate food wastage in the supply chain Onboarded all convenience stores to the 'No Plastic Bag' initiative Collected e-waste in the push for a Zero Waste nation
 <p>Partnerships for the Goals</p>	<ul style="list-style-type: none"> Local communities 	<p>Target 17.17: Encourage and promote effective public, public-private, and civil society partnerships, building on the experience and resourcing strategies of partnerships</p>	<ul style="list-style-type: none"> Collaborated with A*STAR to launch BINgo to address incorrect recycling practices and low recycling rates in the community

Stakeholder Engagement

Engagement with Our Stakeholders

FairPrice Group regularly engages with our key stakeholders to gather their feedback, which helps us prioritise issues and develop programmes that address issues critical to them and the Group. Our key stakeholders are identified based on our business' impact on them and their impact on our operations.

Stakeholders	Mode and Frequency of Engagement	Stakeholders' Concerns	FairPrice Group's Efforts
 <p>Customers</p>	<ul style="list-style-type: none"> Feedback through Customer Relations Officers and CSR email Social media Market research channels 	<ul style="list-style-type: none"> Affordability and value of our products Convenience and accessibility of our retail outlets 	<ul style="list-style-type: none"> Strengthened our sourcing strategies and supply chain network to fulfil our social mission Enhanced digitisation in our retail experience to improve convenience
 <p>Employees</p>	<ul style="list-style-type: none"> Regular staff meetings and dialogues Quarterly town halls at Group-wide and business-unit levels Internal communication via digital and print platforms Staff volunteering activities 	<ul style="list-style-type: none"> Harmonisation of benefits across business units Provision of flexible work arrangements 	<ul style="list-style-type: none"> Launched a new benefits programme that provides a total rewards approach to compensation and benefits for all full-time employees Continued to offer hybrid work arrangements
 <p>Suppliers</p>	<ul style="list-style-type: none"> Regular business meetings SME Suppliers Support and Development Programme (SSDP) Supplier town halls 	<ul style="list-style-type: none"> Support for product listing and promotion Partnership opportunities to further sustainability causes 	<ul style="list-style-type: none"> Continued to support suppliers through SSDP Adopted a collaborative approach to review and participate in suitable sustainability initiatives
 <p>Government</p>	<ul style="list-style-type: none"> Industry consultation 	<ul style="list-style-type: none"> Support for local produce and businesses Support for and promotion of sustainable practices 	<ul style="list-style-type: none"> Continued to support local produce and businesses through SSDP; spotlighted local produce in Made in Singapore Fair; and joined the Singapore Food Agency's Retail Incubation Initiative Participated in engagements on the implementation of various legislations under the Resource Sustainability Act
 <p>NGOs</p>	<ul style="list-style-type: none"> Participation in their projects and volunteering activities Philanthropy efforts and in-kind sponsorships 	<ul style="list-style-type: none"> Regular donations and volunteer support 	<ul style="list-style-type: none"> Supported causes aligned with FairPrice Foundation's three key strategic thrusts through sustained financial or in-kind assistance Made a positive social impact in the community through the FairPrice Volunteers Programme
 <p>Media</p>	<ul style="list-style-type: none"> Feedback through media relations email Annual media networking 	<ul style="list-style-type: none"> Take leadership in sustainability matters 	<ul style="list-style-type: none"> Scaled up the 'No Plastic Bag' initiative to include all convenience stores



Memberships and Associations

FairPrice Group's affiliations include the following:



Global Compact Network Singapore (signatory)



Tripartite Alliance for Fair and Progressive Employment Practices (signatory)



The Consumer Goods Forum (member)

Sustainability Governance

Our sustainability governance framework helps us manage the risks and opportunities on our Environmental, Social and Governance (ESG) journey for long-term and sustainable progress.

A strong corporate governance enables us to deliver on sustainability goals and continue to fulfil our social mission. We have a robust process for nominating and selecting our Board of Directors. They are nominated for election at the annual general meeting (AGM) under the Co-operative's by-laws. Directors are assessed based on their professional qualifications, experience and fields of expertise, amongst others, to ensure that the Board provides a diverse spectrum of skills and competencies that help drive the Group's success.

The independence of each director is determined before their appointment and annually before every AGM. Their directorships are also disclosed to the Board for transparency and to assist the Board in anticipating potential conflicts of interest. Directors with conflicts of interest must disclose them and may be required, under the Co-operative's by-laws, to recuse themselves from discussions and decisions where they are conflicted.

The FairPrice Group Board is the highest governance body consisting of the Chairman and ten Non-Executive Directors as at 31 December 2022. Board committees include the Audit

and Risk Committee, Executive Committee, Nominating and Remuneration Committee, and the newly formed Sustainability Committee. The Nominating and Remuneration Committee of the Board oversees remuneration matters for the Board and senior executives. The remuneration of the Board and senior executives is determined based on the Group's and individual performance, the long-term interests of the Group as well as market considerations. The effectiveness of the Board as a whole and individual directors is reviewed annually.

Up until the last quarter of the year, ESG issues were tabled and reviewed by the Board and Board Sub-Committees. The Board Audit and Risk Committee, for instance, met minimally three times a year to discuss issues concerning corporate governance and initiatives to ensure the Group continued to operate responsibly. The Management Risk Committee discussed sustainability risks and legislations three times a year. However, with the increasing importance of ESG, the sustainability and well-being pillar was formed as part of our strategic business priorities. An independent Sustainability Office was set up to steer the pillar, and a Chief Sustainability Officer was appointed to demonstrate our commitment to the agenda. In addition, a Sustainability Board Committee was formed to provide guidance and oversight on sustainability focus areas, sustainability strategy, targets, sustainability performance, risks, impacts and emerging issues in the

landscape. The Board is also responsible for reviewing and approving FairPrice Group's sustainability report with our materiality assessment results annually. Independent judgement and good faith are expected to be exercised in the best interest of the company and our stakeholders.

The Sustainability Board Committee is supported by the Group CEO and our newly appointed Chief Sustainability Officer. The Chief Sustainability Officer, supported by the Sustainability Office, is responsible for establishing policies, executing sustainability initiatives and monitoring the progress of our sustainability targets to manage our risks and impacts.

FairPrice Group's sustainability performance is evaluated against targets proposed by the Chief Sustainability Officer and approved by the Group CEO. The Chief Sustainability Officer and Group CEO report back the results of their review of our sustainability progress and strategy regularly to the Sustainability Board Committee. To further enhance our knowledge and skills in sustainable development, sustainability workshops for the Board, senior executives and all employees are in the pipeline.

Always for Our Customers

Serving our customers

OUR GOAL

By 2030, we will double the number of affordable and healthy food options for our customers.

Strengthening our food resiliency will lay the foundation for us to continue providing affordable and healthy food options to our customers. It underpins our commitment towards our social mission of moderating the cost of living in Singapore.



Upholding Safety, Product Quality and Service Quality



Our supermarkets, fresh food distribution centre, central kitchen, central butchery, institutional catering, and camp operations have received **various certifications, including ISO 9000 for quality management and ISO 22000 and HACCP for food safety**



97%

of our retail stores conformed to internal quality audit for hygiene, food safety and housekeeping

As one of Singapore's major supermarket and food retailers, we provide access to food, daily essentials, as well as healthcare items to half a million customers daily. We strive to provide a wide range of products and services to meet our customers' differing needs and preferences, while keeping affordability, health and safety at the forefront of our considerations.

This year, we entered into a partnership with Coles Group to bring their products into our stores (see AR page 22). We are also constantly on the lookout to improve our service to our customers. In 2022, we enabled digital payment via the FairPrice app at Kopitiam outlets (see AR page 12).

We safeguard the health and well-being of our customers by maintaining a high standard of safety and quality for all the products we carry. We seek to do this by establishing strict quality assurance procedures in compliance to food and product safety regulations, keeping our stores clean and instilling good hygiene practices in our employees who handle and prepare food.

To reassure our customers of the highest levels of safety and product quality, we implemented rigorous quality assurance programmes across our supply chain involving audits, testing, hygiene checks, supplier controls and monitoring. We help fresh produce suppliers ensure that their supplies to FairPrice are of the best quality by providing guidance to help strengthen their quality controls. Customers may reach out to our customer service counters in stores or contact us through our customer service hotline and online form to provide feedback or seek assistance with regard to the products and services offered.

Through our product verification programme that evaluates the quality of products from our suppliers against agreed product specifications, we observed a four per cent improvement in the quality conformance of fresh produce in 2022 compared with 2021. For all Housebrand products, we continually check for anomalies against product specifications through our post market monitoring programme. The programme was effective in reducing negative customer feedback on Housebrand products from 300 valid cases in 2021 to 140 cases in 2022.

In our retail stores, we continue to maintain a frequent cleaning regime in stores, especially for high-contact surfaces such as railings, trolleys, baskets and checkout counters. All our retail stores undergo internal audit annually for hygiene, food safety and housekeeping standards. We are pleased to report that 97 per cent of our stores conform to our internal quality audit standards. For stores that did not conform, internal auditors would revisit the sites to check on their progress and provide guidance to rectify the gaps.

For the Food Services business, we implemented clear operating procedures to guide our employees and tenants on proper housekeeping, food handling and personal hygiene. Our in-house food safety professionals conduct regular hygiene audits, swab tests on surfaces as well as food handlers' hands, and send food for laboratory tests to ensure we upkeep our food safety and hygiene standards. Periodically, we engage third-party accredited laboratories for enhanced food testing. Our employees also receive refresher training on food safety practices minimally once a year.

In 2022, FairPrice received two warnings and four penalties¹ for various incidents, one of which resulted in a significant monetary fine². The total fines amounted to S\$1,500. In the four incidents associated with a fine, the cases involved the sale of a product past its expiry date, sale of a product without a proper label in English, a pre-packed product that did not meet the quantity stated on the package or label, and a labelling lapse for a product.

¹ Out of the two warning and four penalty incidences, one warning and three penalties were associated with labelling issues.

² A significant monetary fine is defined as a fine of more than S\$500 per incident.



Affordability for Customers



Launched the 'Stretch Your Dollar' programme to holistically moderate the cost of living with discounts and price freezes on everyday items



Disbursed over
S\$11.5M

worth of discounts through weekday schemes for seniors and the underprivileged

Despite global economic uncertainties and supply chain disruptions, FairPrice has remained steadfast in our social mission of moderating the cost of living in Singapore. Through our Housebrand products and targeted programmes to aid our lower-income customers, we aim to improve the affordability of essential food and household products in the communities we serve.

Our customers can access a wide range of daily essentials that are priced 10–15 per cent lower than comparable national brands. We also introduced more products under SmartChoice, an exclusive product line that offers core essential items such as eggs at budget friendly prices. There are now 30 products under the SmartChoice label, a 25 per cent increase from the year before.

With rising costs of living, we rolled out a series of initiatives to help our customers cope with increased costs. Our efforts include implementing price freezes and special discounts on daily essentials including eggs, oil and rice across several periods throughout 2022.



'Stretch Your Dollar' programme

The programme provides special discounts, holds the prices of essentials and shares tips to help consumers save more. It was first introduced in 2007 during the financial crisis and returned in 2010 during the economic downturn.

As part of the 2022 edition, customers enjoyed an additional five per cent discount every Friday on a basket of over 100 essential items across all FairPrice retail outlets.

We also held the prices on breakfast sets served at Kopitiam and Foodfare, and expanded the Rice Garden³ programme to more locations.

Please refer to pages 14 to 19 for more initiatives and details of our efforts in driving affordability for our customers.

³ Rice Garden is the economy rice stall brand that provides a subsidised meal comprising one meat and two vegetable dishes to ComCare cardholders.



'Greater Value Every Day' initiative

The initiative comprises an enhanced Everyday Low Price (EDLP) scheme that freezes prices of 50 selected popular daily essential items every month. It also offers weekly discounts of up to 50 per cent under a new programme called 'Price Drop Buy Now'.



Weekday discount schemes for seniors and underprivileged families

We continued to help seniors and underprivileged families stretch their dollar through discount schemes for the Pioneer Generation (PG), Merdeka Generation (MG), senior citizens and Community Health Assist Scheme (CHAS) Blue cardholders. Over S\$11.5 million worth of discounts were disbursed under these schemes in 2022.

In view of the GST increase, we also committed to a one per cent discount on 500 essential items for the first six months of 2023. We will actively monitor the effectiveness of the initiatives and review our measures accordingly.



Customer Health and Nutrition



Housebrand products have been **100 per cent free of partially hydrogenated oil (PHO)** since 2020



Over **180 Housebrand products** with Healthier Choice Symbol on shelves

FairPrice Group is committed to play our role in promoting good health among our customers. We provide a wide range of healthier food when they shop or dine with us.

At over 80 Kopitiam and NTUC Foodfare outlets, the prices of coffee and tea without milk and with less or no sugar was held at 90 cents. This was 16 per cent lower than the average market price. By keeping prices low, despite rising business costs, we sought to encourage our customers to make healthier choices.

We also supported the Health Promotion Board 'Eat, Drink, Shop Healthy' Challenge. Every stall in Kopitiam food courts offers at least one dish with the Healthier Choice symbol. We also increased the number of Housebrand products with the Healthier Choice symbol from 150 in 2021 to 180 in 2022. For customers who purchase healthier items in supermarkets, they can accumulate healthpoints to unlock rewards.

The mandatory measure to label beverages with the Nutri-Grade mark came into effect on 30 December 2022. We introduced the label for some Housebrand beverages ahead of the deadline, so consumers could make healthier and more informed choices sooner. 63 per cent of our Housebrand beverages are graded A or B.



Always for the Community

Supporting livelihoods and well-being

OUR GOAL

Our goal is to help less fortunate communities access daily essentials and provide a decent work environment for employees.

As a social enterprise, our community and employees are at the heart of everything we do. We enable communities to have better access to daily essentials and create a positive workplace for our employees to thrive. Hand in hand, we lift spirits and improve lives.

Health and Safety

FairPrice Group aims to maintain a safe environment across our operations to protect the health and safety of our employees, contractors and customers. We have adopted the bizSAFE programme supported by the Ministry of Manpower as our workplace safety and health (WSH) framework and achieved bizSAFE Level 3 certification by WSHC across our retail business, warehouses, central kitchen, institutional catering and camp operations. The bizSAFE Level 3 certification requires a risk management audit at least once every three years.

Risk assessments in line with WSH regulations are carried out in our operations. Contractors working at our premises also have to complete risk assessments and safe work procedure prior to commencement of their work, including ensuring that their workers are adequately trained to safely perform the work. The risk assessments are documented and communicated to employees and contractors while appropriate control measures are tailored to specific work activities.

To build our risk management competencies, appointed risk management champions and risk assessment team leaders undergo training by a Ministry of Manpower-accredited bizSAFE-approved training organisation. First aiders in their respective workplaces also attend occupational first-aid training and refresher courses regularly. All new hires at FairPrice stores are required to complete a mandatory one-hour compliance to workplace safety and health policy and procedure e-learning session developed by NTUC Learning Hub and FairPrice Retail Business WSH Committee, in addition to the usual WSH induction training.

FairPrice Group has a standard operating procedure for workplace incident reporting and investigation. All employees and contractors working at our premises are to report any hazard and unsafe action or condition to their reporting officers for immediate intervention. All near-misses and incidents reported are also registered in the on-line incident report submissions. Our registered in-house WSH officers aim to prevent accidents and quickly implement

corrective and preventive actions based on timely reviews of risks to avert future recurrences. Alternatively, under FairPrice Group's whistleblowing policy, employees and contractors may report incidents to escalate their concerns while removing themselves from hazardous situations without fear of reprisal.

The FairPrice WSH Committee is composed of an equal number of employees and management representatives, as stipulated in the Workplace Safety and Health Act. The committee convenes monthly to discuss matters relating to the safety and health of persons at work and recommend improvements to promote a safe workplace. Since July 2022, FairPrice Union representatives are also invited to participate in the WSH committee meeting to collaborate on improvements to workplace safety and reduction of work injury cases. All WSH issues and improvements are shared with employees through daily work briefings, weekly operation bulletins and on the intranet.

There were no work-related fatalities in 2022. However, despite our best efforts to prevent workplace injuries⁴, we saw four major injuries and 217 minor injuries. The work-related injuries were mainly attributed to slips, trips and falls, but no incident warranted a significant monetary fine⁵. These incidents resulted in a major injury rate of 3.4 and a minor injury rate of 187.8⁶; both were lower than the overall national rates and the retail trade industry rates reported by the Ministry of Manpower in 2022.

Public health & safety

We aim to provide a safe shopping and dining environment for our customers. We have thus established a regular maintenance schedule for our in-store lifts and travellers. In addition, through daily work briefings and weekly operations bulletins, employees keep health and safety best practices front of mind. These practices include good housekeeping to prevent fall hazards, ensuring obstruction-free pathways and preventing mosquito breeding.



Certified bizSAFE Level 3 by Workplace Safety and Health Council (WSHC)



Recorded below-industry workplace injury rates

⁴ The scope of workplace injury data covers FairPrice Group's retail business only.

⁵ A significant monetary fine is defined as a fine of more than S\$500 per incident.

⁶ Major and minor injury rates are calculated per 100,000 workers employed for benchmarking with industry results reported by the Ministry of Manpower. We will review additional metrics such as the number of hours worked to inform injury rate per million hours worked for future reporting.

Employee Engagement, Well-Being and Development

Our employees are our most important asset. We are invested in engaging, developing and promoting the well-being of our workforce. This includes providing them with a decent livelihood and enhancing their ability and motivation to serve our customers better and fulfil our social mission.

Making FairPrice group a better place to work

In line with our mission to make FairPrice Group a Great Place to Work, we introduced flexible working arrangements, such as working from home and flexible working hours, for office-based employees. Within the workplace, we optimised workspaces to encourage collaboration and agile working. Food and beverage options through vending machines and coffee machines were introduced to the office spaces.

Our total rewards approach to our employees' remuneration covers both compensation and benefits. In September 2022, we introduced an enhanced benefits programme for all full-time FairPrice Group employees. The new benefits programme was developed in consultation with our leadership team, the union, and our employees through surveys and focus groups.

The programme consists of two components:



Flexible Benefits – Cash allowance that can be used for general well-being, such as health screenings, dental visits, and optical, fitness and leisure needs. This allowance is split into monthly payments via payroll and does not require receipts, claims or approval processes.



Core Benefits – Employees' healthcare needs like visits to the doctor, life insurance and personal accident insurance are covered.

Furthermore, employees may opt to enrol their dependents into coverage under the core benefits.

Full-time employees can now have early release on the eves of public holidays of their choice under enhanced paid time-off benefits. This is in addition to the benefits of family leave and study leave.

We also introduced the 'One FPG Fairfamily' programme to promote functional collaboration between corporate and operational staff members. The programme provides employees in corporate functions with the opportunity to support frontline employees anytime throughout the year.



Supporting the health and wellness of our people

We recognise the importance of our employees' physical and mental well-being and have put in place several programmes to help them become healthier and find more balance between work and life.

We reopened the gym facilities at FairPrice Hub and encourage our employees to exercise and stay active. The facilities are open daily to accommodate different work schedules.

We support the national initiative 'Eat with Your Family Day' and encourage our employees to leave work an hour early once every three months to enjoy dinner with their families. Friday afternoons at FairPrice Group are meeting-free, so that employees have the space to complete their work and enjoy more peace of mind during the weekends.

We also organised a week-long FairPrice Group Wellness Bazaar, where employees participated in wellness workshops, fitness workouts and on-site health screenings. For employees who need professional support for their mental well-being, the 'Care Angel' programme offers confidential counselling services.



Developing our workforce

As a responsible employer with a workforce of over 13,000 employees, FairPrice Group ensures that staff welfare and benefits stay competitive and are in line with economic and market conditions.

In September 2022, we took the lead in setting industry standards and uplifting lives by implementing the Progressive Wage Model (PWM) across the Group. The PWM benefits over 10,000 non-executive employees across all our businesses and corporate functions.

With the PWM framework in place, our non-executive employees can upgrade their skills and improve their productivity, leading to potentially higher wages, and take better ownership of their career paths. By covering all our full-time and part-time workers under the PWM regardless of their nationalities, we create opportunities for all, going above and beyond the national PWM requirements. We will invest about S\$90 million to roll out the PWM over three years.

The PWM complements the Group's holistic approach to developing our workforce by promoting our employees' lifelong learning to strengthen their

skills, enhance their productivity and foster fulfilling careers. Through this initiative, we also support the government's transformation plan to develop a future-ready retail sector that can adapt to changing trends, technological advances and ever-changing consumer needs.

In addition, FairPrice Group conducts regular performance and career development reviews for all our employees. Overall, 99 per cent⁷ of our employees received regular performance and career development reviews in 2022.

⁷All employees including part-time workers receive performance reviews. 1 per cent of our employees are not part of the performance review due to attrition or new hires who are not part of the performance review cycle.



First in the retail sector to implement Progressive Wage Model (PWM) across our entire business network for over 10,000 non-executive staff



99% of our employees received regular performance and career development reviews

Learning and development

FairPrice Group believes in continuously investing in employees by enhancing their skills and career development through various learning and development opportunities. Training includes digital literacy, productivity optimisation and people management. In 2022, we provided more than 90,000 hours of training to our employees, as compared to more than 55,000 hours in 2021.



More than **90,000 hours** of training provided to employees in 2022

Average number of training hours FairPrice Group employees have undertaken:



Our staff are our most important asset and we value their dedication and service. As a provider of Everything Food, we want to move forward as one team and are therefore going the extra mile and extending the initiative beyond our retail business to include employees across all our various businesses in FairPrice Group.

Vipul Chawla, Group CEO, FairPrice Group





35

employees were hired through inclusive employment programmes



87%

of our employees over the age of 63 remained employed in 2022, up from 81 per cent in 2021

A diverse and inclusive workforce

FairPrice Group is committed to being an equal-opportunity employer. We strive to create and promote a fair, inclusive and progressive work environment. We value the varied experience and perspectives of a diverse workforce and uphold our employees' rights to be free from discrimination. Therefore, our Code of Conduct prohibits any form of discrimination in the workplace based on gender, age, race, religion, marital status, political beliefs, sexual orientation, disability or nationality.

Employees experiencing discrimination at the workplace can report their grievance through our grievance procedure for remediation.

87 per cent of our employees are covered by collective bargaining agreements with the Food, Drinks and Allied Workers Union, an affiliate of the National Trades Union Congress. Employees have access to the collective bargaining agreement on the intranet, the terms of which govern wages, benefits, employment terms and grievance procedures. As a people-focused employer, we offer fair and comparable working conditions and terms of employment for all our employees based on their job scope

and skills, regardless of whether they are covered by the collective bargaining agreements.

FairPrice Group's workforce is diverse in terms of age, gender, race, nationalities and abilities. In 2022, 87 per cent of our employees over the age of 63 years remained employed, compared to 81 per cent in 2021.

We are also committed to creating and maintaining a supportive work environment where female employees can succeed in their careers. Women make up 63 per cent of our total workforce, and they also accounted for 53 per cent of our new hires in 2022. On our Board, we have three female Directors out of 11 Board Directors. The female representation on our Board is 27 per cent.

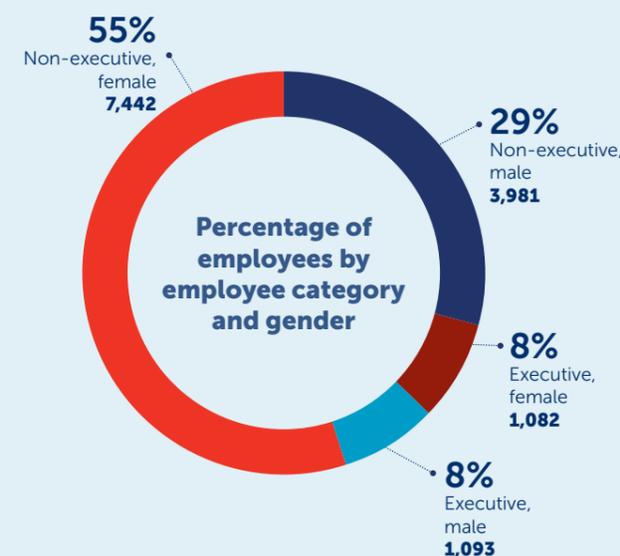
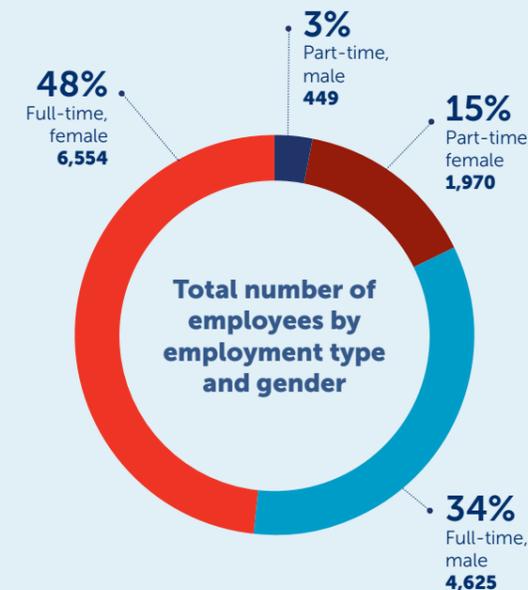
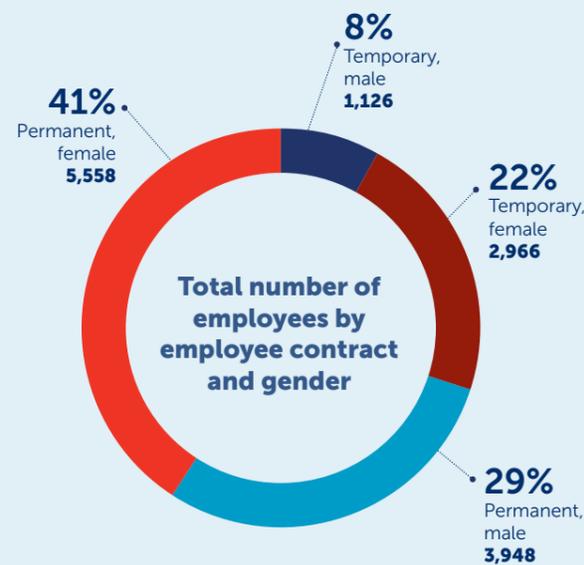
We partner with SG Enable and special education schools to train and hire people with special needs and/or disabilities. Currently, 35 of our employees were hired through our inclusive employment programmes.

The Group does not hire casual workers; instead we engage 4,092⁸ temporary employees through third-party firms in frontline roles such as delivery personnel.

⁸ Figure is based on head count accounted at the end of the reporting year of 2022. There are no significant fluctuations of employees during this period.



Figures shown in the charts are based on headcount at the end of the reporting year.



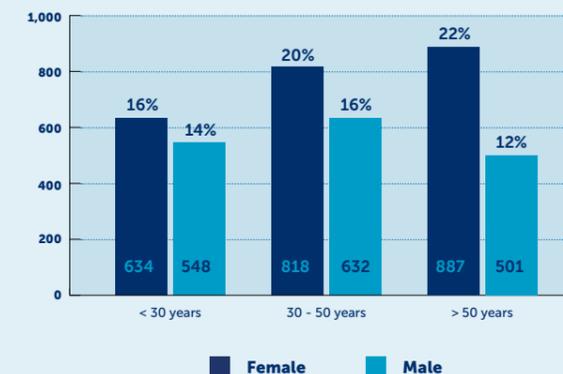
Percentage of employees per employee category and age group



Total number and rate of new employee hires by age group and gender



Total number and rate of employee turnover by age group and gender



SUPPORTING LOCAL COMMUNITIES

As a social enterprise, we support local communities through all that we do. Apart from the social benefits of our products and services, FairPrice Group also gives back to the society through FairPrice Foundation. We sustain the livelihoods of over 13,000 staff members and provide business to more than 3,000 local suppliers.

Doing Good

Registered as a charity in 2008, FairPrice Foundation is our philanthropic arm. In 2022, donations were directed to three strategic thrusts: supporting the poor and needy (84.3 per cent); advancing workers' welfare (8.5 per cent); and promoting nation-building and community bonding (7.2 per cent). FairPrice Foundation donated over S\$6.3 million to the community, and here are the highlights for the year.

Nourishing lives through the 'Singapore Red Cross–FairPrice Meals with Love' programme

FairPrice Foundation donated S\$1.2 million to kickstart the 'Singapore Red Cross–FairPrice Meals with Love' programme. The programme aims to provide nutritious and healthy meals to an estimated 2,400 individuals from 600 low-income families over a three-year period. In addition, 30 FairPrice Group employees volunteered to work with the beneficiaries as befrienders.



S\$1.2 million
donation from FairPrice Foundation to the Singapore Red Cross

Supporting disadvantaged youth

Cheers, FairPrice Foundation and Yeo Hiap Seng partnered for the eighth year running to donate S\$20,000 to children from disadvantaged families. This year, TOUCH Community Services has been selected as the recipient to support its efforts to empower children and youth from disadvantaged backgrounds.



S\$20,000
donation to TOUCH Community Services



S\$40,000
donation to the Singapore Indian Development Association (SINDA) to support the educational needs of its beneficiaries



Celebrating the Festival of Light and marking the season of giving

During Deepavali, FairPrice Foundation donated S\$40,000 to the Singapore Indian Development Association (SINDA) to support the educational needs of its beneficiaries. This was double the amount donated in 2021.



S\$40,000
donation to provide academic support to low-income families in the Muslim community

Uplifting the lives of children from disadvantaged families with MENDAKI

FairPrice Foundation donated S\$40,000 to Yayasan MENDAKI to provide academic support to children from low-income Muslim families through its Ramadan outreach initiative. This was double the amount donated in 2021.



Over 100,000kW
of energy saved

Adding energy-saving lights to two nursing homes

FairPrice Foundation donated S\$178,000 to support the replacement of 2,681 fluorescent lights with LED lights and the installation of 340 motion sensor lights at the Geylang East and Chai Chee Nursing Homes operated by NTUC Health.

The energy savings at the two nursing homes is estimated to be over 100,000kW annually. Given rising energy costs, these savings would enable the two nursing homes to redeploy their funds to other purposes to benefit their residents.



Raising funds for the Children's Aid Society through a charity car wash

FairPrice Group hosted our annual charity car wash event, held in partnership with Cheers and ExxonMobil to support children and youth in need. Volunteers, which included our senior leadership team, raised a total of S\$16,546 for the Children's Aid Society from washing cars.

Enriching lives through the President's Challenge 2022

FairPrice Foundation donated S\$300,000 to the President's Challenge 2022, supporting over 80 social service agencies to help low-income families.



Image credit: The President's Challenge



S\$16,546 raised for the Children's Aid Society



S\$300,000 donated to the President's Challenge 2022



7,000 needy families received donations from 'FairPrice Walk for Rice'



S\$198,000 worth of food donations contributed by our customers



S\$520,000 donated from FairPrice Group and business partners through the 'Heartstrings Buy' initiative



Promoting an active lifestyle among Singaporeans for a good cause

Into its 14th year, the 'FairPrice Walk For Rice+ @ South East' encourages Singaporeans to stay active by walking or running for a worthy cause. As part of this initiative, FairPrice Foundation donated 500,000 bowls of white and brown rice and 50,000 bowls of instant oats to 7,000 needy families in the South East District. From 3 November 2022 to 31 January 2023, over 43,500 participants contributed more than 1,443,400 km mileage to the cause.

Supporting the Boys' Brigade 'Share-A-Gift' Project

For 22 years, FairPrice has supported the Boys' Brigade 'Share-A-Gift' Project. To kickstart the initiative in 2022, FairPrice Foundation donated S\$75,000 to the cause. After a six-week campaign, our customers donated S\$198,000 worth of food to help the less fortunate.

Supporting those in need through the ComChest's 'Heartstrings Buy' initiative

FairPrice Foundation, FairPrice Group and our business partners donated S\$520,000 to the ComChest's 'Heartstrings Buy' initiative. The funds support more than 100 social service agencies and over 200 critical programmes empowering the lives of those in need, including children with special needs and youth-at-risk, adults with disabilities, persons with mental health conditions, as well as seniors and families in need of support.





Promoting a culture of volunteerism

With the relaxation of safe management measures, FairPrice Group employees increased their in-person volunteer efforts, ranging from befriending beneficiaries to packing and distributing goodie packs and rations. We also extended volunteering opportunities to employees' family members so they too could join us in doing good for the community and participate in our sustainability efforts, such as planting trees.



Employee volunteers contributed 743 hours in 2022, up from 222 hours in 2021



An additional 8,791 volunteer hours were contributed through the public and community partners

Reuse and recycle for a worthy cause

Our flagship FairPrice Share-A-Textbook Project marked its 40th anniversary in 2022. The edition drew a record-breaking number of volunteers; more than 2,700 volunteers from community partners schools, the public and FairPrice Group sorted and organised over 725,000 textbooks collected from FairPrice outlets islandwide. The volunteers contributed over 16,200 hours to the project.

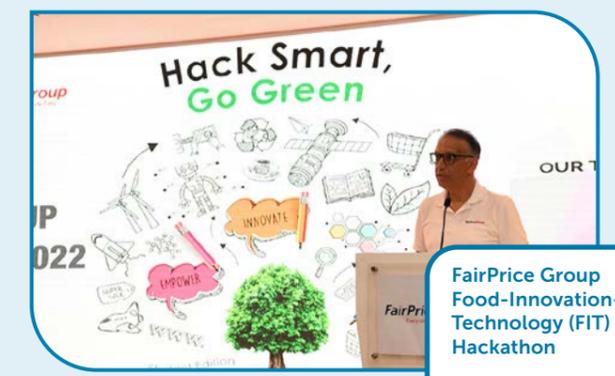
Held in conjunction with the Share-A-Textbook Project, the second edition of the FairPrice Group Food-Innovation-Technology (FIT) Hackathon was launched. The FIT Hackathon aims to encourage youths to positively impact the environment and promote sustainable living. Over 55 teams signed up for the programme. The top 10 finalists had the opportunity to refine and develop their solutions under the guidance of industry practitioners over two days before presenting their proposals for a more sustainable future to a panel of industry experts. S\$20,500 in prize money was given out to the winning teams.



More than **2,700** volunteers responded to collect, sort and organise textbooks



Collected over **725,000** textbooks from the community to benefit 25,000 students from low-income families



Always for a Greener World



Promoting a circular and low carbon economy

OUR GOAL

Halve our carbon footprint and food waste, and save 60 million plastic bags by 2030

To build a sustainable future, we embrace eco-friendly practices to reduce our environmental footprint, promote sustainable production and consumption, source responsibly, and provide opportunities for young minds to co-create new possibilities for our community.



Embracing Eco-Friendly Practices for Climate Action



76%

of stores were designed with five eco-friendly guidelines



43 stores

achieved Building and Construction Authority (BCA) Green Mark certification

FairPrice Group is mindful of our environmental impact as a major food retailer in Singapore.

As we continue to fulfil our social mandate of moderating the cost of living in Singapore, we strive to reduce our impact on the environment and promote a low carbon and circular economy. One priority area is to reduce emissions from our direct operations and supply chain.

In 2022, FairPrice Group partnered with Cycle & Carriage Singapore to add ten electric vans to our supply chain fleet. FairPrice Group also refitted two NTUC Health nursing homes with LED lights, saving an estimated over 100,000kW of energy per year.

The number of BCA Green Mark-certified retail stores has increased to 43, and 76 per cent of our stores are designed according to the five eco-friendly guidelines⁹.

As symbolic support for climate action, we participated in Earth Hour, during which non-essential lights in all FairPrice retail stores, distribution centres and FairPrice Hub were turned off between 8:30 pm and 9:30 pm.

Our energy consumption was 269,523,943 kWh¹⁰ coming from purchased electricity. The amount of solar power generated was 1,630,602 kWh¹¹, which was used to power common facilities like lighting in FairPrice Hub. Additionally, our fuel consumption was 3,869,196 litres of diesel fuel.

To realise our target to halve our carbon emissions by 2030 from the 2021 baseline, we have started working on more complete energy use reporting



and undertaking a year-long effort to baseline our Scope 1 and 2 emissions. These exercises were critical for us to understand our emission hotspots and therefore identify strategic carbon reduction levers to complete our decarbonisation roadmap.

As part of the exercise, we have in 2022 for the first time included emissions from back-up generator stationary combustion and refrigerant top-ups in our reported Scope 1 emissions of 71,371 tonnes¹² of carbon dioxide equivalent (tCO₂e). Our reported 2022 Scope 2 emissions of 109,355 tCO₂e¹³ also now account for previously excluded emissions from our Corporate Cheers stores, Unity stores, camps operations, Institutional Catering sites, and stores operated by Shiook Retail Concept.

In addition, FairPrice Group is currently working to quantify Scope 3 emissions from our value chain. We aim to share the established baseline for our greenhouse gas target, as well as our decarbonisation roadmap with our stakeholders once ready in future reporting.

⁹ The five eco-friendly guidelines are: (1) All lighting used are LED; (2) Energy-efficient refrigeration system using automated temperature monitoring and energy-saving system, EC fan motor, electronic expansion valves, variable speed compressor, etc.; (3) Zonal lighting circuit design; (4) Motion sensor installed for office preparation rooms, and storerooms; and (5) Use of water-efficient fittings.

¹⁰ Data for electricity consumption was obtained from utility bills. Data now includes electricity consumption from Corporate Cheers stores, Unity stores, camp operations, Institutional Catering sites, and stores operated by Shiook Retail Concept previously excluded in 2021.

¹¹ Data was obtained from FairPrice's own meter reading.

¹² Scope 1 emissions consist of fuel consumption from the fleet supporting our logistics movement, stationary combustion from back-up generators as well as refrigerant top-ups. They were calculated using the GHG Protocol tool, which provides the quantity of carbon dioxide emissions in CO₂e. FairPrice Group uses the operational control approach based on the GHG Protocol to calculate Scope 1 and 2 emissions.

¹³ Scope 2 emissions are derived from electricity consumption and cooling purposes. They were calculated using the electricity grid emission factor reported by the Energy Market Authority in 2021.

FairPrice Group partnered with Cycle & Carriage Singapore to add ten electric vans to our supply chain fleet. FairPrice Group also refitted two NTUC Health nursing homes with LED lights, saving an estimated over 100,000kW of energy per year.

Conserving Water

Water is a crucial but limited resource that must be protected, especially for water-stressed countries like Singapore. We recognise our responsibility to contribute to water conservation efforts in Singapore. Our business operations mainly use water for sanitisation and product preparation. We installed water-saving fixtures to reduce water consumption in 76 per cent of our retail outlets. In 2022, a total of 1,142,468m³ of water¹⁴ purchased from Public Utilities Board of Singapore was used for our operations.

¹⁴ Water used is from public utilities and data was obtained through utility bills.



Reducing Material Waste



57.9m

plastic bags were saved through bring-your-own-bag (BYOB) transactions in supermarkets and convenience stores

From sourcing to retailing, packaging and food waste are the two main waste streams that flow through our value chain.

Packaging protects the integrity of products, prevents food waste, communicates essential product information and facilitates logistics, among other purposes. However, the irresponsible use and disposal of packaging can adversely affect our environment.

Across our extensive retail and online network, we looked for opportunities to influence more environmentally-friendly consumer behaviour. We created a series of social media posts on ideas for repurposing packaging, which resonated with over 100,000 people.

In collaboration with the National Environment Agency (NEA) and Viddsee, we lent our support to Road to Zero, a sustainability film programme that offered young filmmakers the opportunity to make short films about waste reduction. Mentored by experienced filmmakers, the three winning youth filmmakers inspired a rethink of habits with their views on waste.

We also expanded the 'No Plastic Bag' initiative to all our convenience stores to encourage more customers to use their own bags for shopping. With all these

initiatives in place, we saved 57.9 million plastic bags in 2022.

In terms of tertiary packaging, we recycled an estimated 13,033 tonnes of carton material, 167 tonnes of styrofoam boxes and 34 tonnes of stretch film. In line with the Resource Sustainability Act, we exercised our responsibility as retailers of regulated consumer products by setting up more than 120 sites to collect e-waste, such as ICT equipment, batteries and lamps, for recycling.

In partnership with the Agency for Science, Technology and Research (A*STAR), we launched BINGo—a smart bin designed to correct recycling practices and improve recycling rates. BINGo was funded by FairPrice's Sustainability Fund and developed by A*STAR's Singapore Institute of Manufacturing Technology (SIMTech). BINGo uses artificial intelligence (AI), the Internet of Things (IoT) and sensors to sort recyclables from waste, while its interface educates the public on recycling facts. BINGos were deployed successfully at AMK Hub, NEX and FairPrice Hub.

Moving forward, we will continue to establish strategic partnerships to explore solutions and opportunities to reduce material waste as part of our efforts to support Singapore's Zero Waste Masterplan.



The 'Great Taste Less Waste' initiative received a refresh. Now known as 'Imperfect Fellas', it further reduced fruit waste by offering blemished but otherwise wholesome fruit for S\$2 per pack. This initiative prevented about 1,119 tonnes of fruit from going to waste.



Addressing Food Waste

FairPrice Group continues to support The Food Bank Singapore and Food from the Heart. In 2022, we donated over S\$243,000 worth of unsold food to more than 5,400 beneficiaries. The refreshed 'Great Taste Less Waste' initiative (see page 72) prevented 1,119 tonnes of food waste, an improvement from 1,033 tonnes diverted under this initiative last year.

We also implemented other solutions that helped reduce the amount of food waste going to the landfill. More than 10 retail outlets participated in food waste segregation activities to digest or compost food waste on site. Meanwhile, the Institutional Catering Management and Food Manufacturing Division

diverted about 46.6 tonnes of bread trimmings to partners that process them into animal feed.

In 2022, our supermarkets and pharmacies generated 3,374 tonnes of food waste, which measured 14.9 kg/sqm on the FairPrice Food Waste Index. Our convenience stores contributed 118 tonnes of food waste, recording 8.2 kg/sqm on the index.

To meet our food waste reduction goals, we will continue to sharpen our inventory management and improve our handling processes to minimise waste.



More than **S\$243,000** worth of unsold, wholesome groceries was donated to The Food Bank Singapore and Food from the Heart

Upholding Responsible Business Practices

Always for responsible corporate citizenship

OUR GOAL

Ensure strong compliance, transparency and responsible business practices in our value chain

Strong governance and responsible business practices are the bedrock to ensure the success of our environmental and social efforts. We seek to work hand-in-hand with our supply chain partners to accomplish our social mission in an environmentally and socially sustainable manner.



Maintaining Cyber Security and Customer Privacy

While we continue to improve our digital capability and transform our customers' experiences with digital solutions, we also take a proactive approach to mitigate cyber security risks and protect customer privacy.

Our NTUC Enterprise (NE) Digital team regularly disseminates information to educate our employees on cyber security and its importance. Topics on recognising and avoiding scams, phishing and ransomware, for example, are covered through monthly quizzes, tips and a cyber security awareness newsletter circulated via email and our internal chat platform. In addition, 439 employees received role-based training to be equipped with the knowledge to keep our cyberspace secure.

In 2022, we achieved a 6.95 per cent median phishing failure rate against our goal of no more than a 20 per cent median phishing rate.

FairPrice Group has stringent measures to ensure that customer data remains safe. In addition to complying with the Personal

Data Protection Act, we have multi-disciplinary specialists in our Data Protection Office to prevent data breaches.

FairPrice Group also has a robust incident response framework in place that ensures a quick, effective and orderly response to cyber security threats and suspicious activities. In 2022, we assisted 51 customers who were unaware of a leak of their credentials from a third-party (non-FairPrice Group) source and the stolen credentials have been used to amend their customer profiles and make purchases. Our incident response procedure was activated with reports made to the Singapore Police Force and the Personal Data Protection Commission, and we advised the affected customers to do the same.

In 2022, we did not have any substantiated complaints concerning breaches of customer privacy or identified leaks, thefts, or losses of customer data resulting from breach of FairPrice Group's own database. We are committed to continuously improve our system to maintain the performance of our cyber security defences going forward.

Observing Ethical Business Conduct

FairPrice Group maintains a high standard of responsible business conduct with employees, suppliers and affiliates. Upholding the highest standards of business ethics and corporate governance is essential for us to eliminate corruption and protect our ability to continue serving our customers with affordable and quality food and products in compliance with applicable rules and regulations. To safeguard the interests of FairPrice Group and our affiliates, we put in place a whistleblowing programme governed by the Whistleblowing Policy.

The Whistleblowing Policy provides a safe environment for internal and external parties to raise genuine concerns about potential fraudulent and unethical misconduct and irregularities in its employees, suppliers or third parties relating to FairPrice Group. The Internal Audit department governs the whistleblowing policy and manages the whistleblowing program. Where relevant, cases and investigation results will be presented to the Audit and Risk Committee and the Board. FairPrice Group is guided by the Employee Code of Conduct, Supplier Code of Conduct, Fraud Risk Management Policy, Anti-Corruption Policy and other governance policies to ensure responsible business operations. We carry out compliance checks including fraud risk assessment for operations annually.

FairPrice Group has processes in place to ensure that all products and its labels are in compliance with regulations. Proper labelling and marketing of the products we offer is important to enable customers to make informed choices with regards to nutritional value, food ingredient or chemical compositions, origins, price,

usage, disposal options, and sustainability certifications. Despite having systems in place, we had non-compliance incidents involving product labeling which has been detailed on page 51. We reviewed our processes and took remedial actions to prevent future recurrences.

In 2022, two of our former employees were formally charged in court for conspiring to corruptly obtain bribes from fish suppliers¹⁵. FairPrice Group has zero tolerance for any behaviour that violates its Code of Conduct. The FairPrice Group Code of Conduct lays down principles of personal and professional conduct, and we require all our employees to hold themselves to these standards. All our employees are required to make annual acknowledgment to be in compliance with the Code of Conduct. Since this incident, we have also conducted thorough reviews of our procurement processes and where needed have implemented actions to strengthen our controls and governance. FPG remains committed to moderating the cost of living for all Singaporeans.

There were no legal actions for anti-competitive behaviour, antitrust and monopoly practices in 2022. In the area of marketing communications, there were also no violations that resulted in a penalty.

The communication channels for reporting whistleblowing:

Email: whistleblow@fairprice.com.sg

Phone number: 9846 3830 / 6888 1882

Address by mailing: 1 Joo Koon Circle, #13-03, Singapore 629117. Attention to Head of Internal Audit.

Website: <https://www.fairpricegroup.com.sg/contact-us/#whistleblowing>

¹⁵ As of 10 April 2023, two former employees were served with a jail sentence and monetary penalty. We also terminated our business relations with the suppliers offering bribes.

Supply Chain Management

Our network of business partners spans more than 100 countries and markets worldwide, working hand in hand with us to strengthen the resiliency of our global supply chain. Our suppliers range from farmers to manufacturers in various product categories that are retailed in our stores. Our strict Supplier Code of Conduct is governed by clear guidelines that define good business practices to protect the interests of our customers and stakeholders. These guidelines are communicated to all our existing suppliers and to our new suppliers during onboarding. They establish expectations on:



Laws and regulations

Suppliers to comply with relevant laws and regulations in the jurisdictions they operate in



Ethics and integrity

Suppliers to uphold ethics and integrity in their business conduct in alignment with FairPrice Group's ethical business standards including our anti-corruption stance



Occupational safety and health; product safety and quality

Suppliers to observe applicable laws for product safety, as well as occupational safety and health in their activities



Sustainability

Suppliers to adopt sustainable business practices and support our efforts towards a circular and low carbon economy



Human rights and employment practices

Suppliers to respect labour rights such as those established in the International Labour Organisation's Labour Standards



Confidentiality and data protection

Suppliers to honour terms of non-disclosure and confidentiality



Business continuity planning

Suppliers to implement policies to mitigate exposures to incidents that may threaten business continuity



Implementation and compliance

Suppliers to demonstrate that their policies and procedures comply with our Supplier Code of Conduct

To drive greater impact on our sustainability journey, we need our suppliers to come on board. Preference is given to suppliers that adopt sustainable practices such as obtaining relevant sustainability certifications for their products and not using hazardous materials or practices that cause pollution. Apart from compliance with applicable laws, suppliers can also be assessed on their environmental impact.



FairPrice Group carries over 40 seafood products accredited by the **Marine Stewardship Council (MSC)**, **Aquaculture Stewardship Council (ASC)** and **Friends of the Sea**. FairPrice has also been a member of the Roundtable on Sustainable Palm Oil (RSPO) since 2018



The **Supplier Code of Conduct** was refreshed to include greater emphasis on sustainable practices



All 49 Housebrand dry paper products are 100 per cent certified by the **Forest Stewardship Council (FSC)**. All national brand paper products must be certified by FSC or an equivalent organisation

Furthermore, in 2022, we invested S\$2.1 million to support our local small and medium enterprise (SME) partners through the SME Suppliers Support and Development Programme (SSDP). The SSDP was first introduced in 2009 to help our SME partners overcome restructuring challenges and tide over the global financial crisis. The assistance takes the form of accelerating payments with shorter payment terms, discounts on listing fees, sharing industry insights and much more.

We also held the 11th edition of the Made in Singapore Fair, which aims to spotlight local food manufacturing companies. Over 40 locally made products across different product categories were featured with discounts of up to 46 per cent.

In addition, FairPrice has come on board Singapore Food Agency's Retail Incubation Initiative as part of our support to the nation's '30 by 30' food security goal. This initiative gives local farms the opportunity to gain hands-on experience selling produce at supermarkets, which helps businesses tackle teething challenges when entering the retail market.

89 per cent of our product suppliers are locally registered companies. They represent 94 per cent of our total spend.

GRI Content Index

FairPrice Group is transitioning our sustainability reporting disclosures to GRI 2021 standards this year and is committed to progressively improve our disclosures and alignment to GRI 2021 standards.

Statement of use	FairPrice Group has reported the information cited in this GRI content index for the period from 1 January 2022 to 31 December 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GENERAL DISCLOSURES

The Organisation and its reporting practices		
2-1	Organisational details	FairPrice Group is headquartered in Singapore and has operations in Singapore. "About this report" section, page 82
2-2	Entities included in the organisation's sustainability reporting	"About this report" section, page 82
2-3	Reporting period, frequency and contact point	"About this report" section, page 82
2-4	Restatements of information	No restatements of information from previous reporting periods have been made in this report.
2-5	External assurance	No external assurance was sought for this report.
Activities and workers		
2-6	Activities, value chain and other business relationships	FairPrice Group is active in the retail trade industry primarily for food and consumer goods. For more information on our business activities, please refer to our corporate website at: https://www.fairpricegroup.com.sg/our-businesses/ . FairPrice Group has a network of suppliers spanning over 100 countries and markets worldwide that supply the food and consumer goods sold at our stores. Through the FairPrice Foundation, our registered charity arm that is mainly funded by FairPrice Group, we share our profits with the community for good (please refer to the FairPrice Foundation website for more information: https://www.fairpricefoundation.org/index.html).
2-7	Employees	We have a total of 13,598 employees based on headcount as of the end of 2022. Please refer to pages 60 and 61 for more details.
Governance		
2-9	Governance structure and composition	Annual Report (pages 26 to 30), pages 46 to 47, 83
2-10	Nomination and selection of the highest governance body	Pages 46 to 47
2-11	Chair of the highest governance body	Annual Report (pages 26, 30)
2-12	Role of the highest governance body in overseeing the management of impacts	Pages 46 to 47
2-13	Delegation of responsibility for managing impacts	Pages 46 to 47
2-14	Role of the highest governance body in sustainability reporting	Pages 46 to 47

GRI 2: General Disclosures 2021

	2-15	Conflicts of interest	Please refer to pages 46 to 47 for measures to prevent and mitigate conflicts of interest at the Board. Information on the Board of Directors' cross-board memberships are provided in AR pages 26-29. Related party transactions are provided in our separate Financial Report pages 77 to 79. Please refer to Annual Report page 34 for Founder, Institutional, and Ordinary members shareholdings and the Financial Report for share capital information.
	2-16	Communication of critical concerns	Page 76
	2-17	Collective knowledge of the highest governance body	Pages 46 to 47
	2-18	Evaluation of the performance of the highest governance body	Pages 46 to 47
	2-19	Remuneration policies	Pages 46 to 47 Financial Report page 79
	2-20	Process to determine remuneration	Pages 46 to 47
Strategy, policy and practices			
	2-22	Statement on sustainable development strategy	Page 41
	2-23	Policy commitments	Pages 60, 76 and 77
	2-24	Embedding policy commitment	Pages 76 to 77
	2-25	Processes to remediate negative impacts	Pages 51, 60, 76
	2-26	Mechanisms for seeking advice and raising concerns	Page 76
	2-27	Compliance with laws and regulations	Instances of non-compliance with laws and regulations resulting in significant fines are reported in page 51. FairPrice Group does not have any incidence of non-compliance with laws and regulations resulting in significant non-monetary sanctions in FY2022.
	2-28	Membership associations	Page 46
Stakeholder engagement			
	2-29	Approach to stakeholder engagement	Page 45
	2-30	Collective bargaining agreements	Page 60
Material topics			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Page 42
	3-2	List of material topics	Page 42
Serving our customers			
Upholding safety, product quality and service quality			
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 45, 50 to 51
GRI 416: Customer health and safety 2016	416-1	Assessment of the health and safety impacts of products and service categories	Page 51
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Page 51
Affordability for customers			
GRI 3: Material Topics 2021	3-3	Management of material topics	Annual Report (pages 14 to 19), pages 45, 49, 52
GRI 203: Indirect economic impacts 2016	203-2	Significant indirect economic impacts	Annual Report (pages 14 to 19), page 52

Customer health and nutrition			
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 49, 53
Supporting livelihoods and well-being			
Health and safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 55, 56
GRI 403: Occupational Health and Safety 2018	403-1	OHS Management system	Page 56
	403-2	Hazard identification, risk assessment & incident investigation	Page 56
	403-3	Occupational health services	Page 56
	403-4	Worker participation, consultation, and communication on occupational health and safety	Page 56
	403-5	Worker training on OHS	Page 56
	403-9	Work-related injuries	Page 56
Employee engagement, well-being, and development			
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 55, 57 to 59, 61
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Page 61
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 57
GRI 403: Occupational Health and Safety 2018	403-6	Promotion of worker health	FairPrice Group provides healthcare to all employees as required by law. Please refer to page 57 for enhanced benefits for full time employees.
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Page 59
	404-2	Programs for upgrading employee skills and transition assistance programs	Page 59
	404-3	Percentage of employees receiving regular performance and career development reviews	Page 58
Diverse and inclusive workforce			
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 55, 60
GRI 405: Diversity & Equal Opportunity	405-1	Diversity of governance bodies and employees	Pages 60 to 61
Supporting local communities			
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 45, 55, 62 to 67
Promoting a circular and low carbon economy			
Energy use and greenhouse gas emissions			
GRI 3: Material topics 2021	3-3	Management of material topics	Pages 68, 70
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Page 70
GRI 305: Emissions 2016	305-1	Direct GHG emissions (Scope 1)	Page 70
	305-2	Energy indirect GHG emissions (Scope 2)	Page 70

Water			
GRI 3: Material topics 2021	3-3	Management of material topics	Pages 68, 71
GRI 303: Water and Effluents 2018	303-3	Water Withdrawal	Page 71
Waste management			
GRI 3: Material topics 2021	3-3	Management of material topics	Pages 68, 71 to 73
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Pages 71 to 73
	306-2	Management of significant waste related impacts	Pages 71 to 73
	306-3	Waste generated	Pages 71 to 73
	306-4	Waste diverted from disposal	Pages 71 to 73
Responsible business practices			
Cyber security and data protection			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 76
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Page 76
Ethical business conduct			
GRI 3: Material Topics 2021	3-3	Management of material topics	Page 76
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	Page 76
	205-2	Communication and training about anti-corruption policies and procedures	Pages 76 to 77
	205-3	Confirmed incidents of corruption and actions taken	Page 76
GRI 206: Anti-competitive behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Page 76
GRI 417: Marketing and labelling 2016	417-1	Requirements for product and service information and labelling	Page 76
	417-2	Incidents of non-compliance concerning product and service information and labeling	Pages 51, 76
	417-3	Incidents of non-compliance concerning marketing communications	Page 76
Supply chain management			
GRI 3: Material Topics 2021	3-3	Management of material topics	Pages 45, 77
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Page 77
GRI 403: Occupational Health and Safety 2018	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 77
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	FairPrice Group screens supplier products using relevant sustainable certifications, where applicable. Please refer to page 77 for examples of sustainable certifications considered for selected products.

Corporate Information

BOARD OF DIRECTORS

Mr Kee Teck Koon (Chairman)
Mr Seah Kian Peng (Deputy Chairman)
Mr Ronald Ong
Mr Albert Cheng
Ms Lim Sau Hoong
Ms Kristy Tan
Mr Lee Seow Hiang
Mr Ho Wah Lee
Ms Tan Hwee Bin
Mr Ong Hwee Liang
Mr Robert Yap

Mr Vipul Chawla (Secretary)

SENIOR ADVISOR

Mr Bobby Chin

AUDIT & RISK COMMITTEE ("ARC")

Mr Ho Wah Lee (Chairman)
Ms Kristy Tan
Ms Tan Hwee Bin
Mr Robert Yap

Ms Cheah Yee Hooi (Secretary)

NOMINATING & REMUNERATION COMMITTEE

Mr Kee Teck Koon (Chairman)
Mr Seah Kian Peng
Mr Albert Cheng
Mr Ronald Ong
Ms Tan Hwee Bin

Ms Theresa Soikkeli (Secretary)

EXECUTIVE COMMITTEE

Mr Kee Teck Koon (Chairman)
Mr Seah Kian Peng
Mr Albert Cheng
Mr Lee Seow Hiang
Mr Ong Hwee Liang
Mr Ronald Ong

Mr Edmund Lam (Secretary)

SUSTAINABILITY COMMITTEE

Mr Robert Yap (Chairman)
Mr Seah Kian Peng
Mr Ho Wah Lee
Mr Lee Seow Hiang
Ms Lim Sau Hoong

Mr Edmund Lam (Secretary)

NTUC FAIRPRICE FOUNDATION LIMITED

Mr Seah Kian Peng (Chairman)
Ms Lim Sau Hoong
Ms Kristy Tan
Mr Ong Hwee Liang

Mr Edmund Lam (Secretary)

SECRETARIAT

Mr Edmund Lam, Head (Legal)

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 Lim Wen Sheng (Chairman)
Mr Yeo Soon Hock (Secretary)
Mr Kee Yew Chye (Treasurer)

REGISTERED ADDRESSES

HEADQUARTERS

NTUC Fairprice Co-operative Ltd
No. 1 Joo Koon Circle
#13-01 FairPrice Hub
Singapore 629117
Tel: (65) 6888 1888
Fax: (65) 6397 4001
Website: www.fairpricegroup.com.sg

Kopitiam Investment Pte Ltd

No. 1 Joo Koon Circle
#13-01 FairPrice Hub
Singapore 629117
Tel: (65) 6888 1888
Fax: (65) 6397 4001
Website: www.kopitiam.biz

NTUC Foodfare Co-operative Ltd

10 Senoko Way Singapore 758031
Tel: (65) 6550 6500
Fax: (65) 6752 8411
Website: www.foodfare.com.sg

NTUC Link Pte Ltd

Robinson 77
77 Robinson Road #02-01
Singapore 068896
Tel: 6380 5858
Website: <https://link.sg>

ABOUT THIS REPORT

NTUC Fairprice Co-operative Limited and our subsidiaries (FairPrice Group) are pleased to present our sustainability report. Published on 21 April 2023 and aligned with the Group's financial reporting period, this report covers the period 1 January to 31 December 2022. The scope of the report focuses on the sustainability activities of the Group's core Singapore operations, which include NTUC Fairprice Co-operative Limited and the following subsidiaries: NTUC Foodfare Co-operative Limited, Kopitiam Investment Pte Ltd, Cheers Holdings (2004) Pte Ltd, NTUC Link Private Limited, Grocery Logistics of Singapore Pte Ltd, Origins Healthcare Pte Ltd, NTUC Enterprise Nexus Co-operative Limited and Cleaning Concept Pte Ltd.¹⁶

This report was prepared with reference to GRI Standards 2021. No external assurance was sought for this report. We welcome feedback from our stakeholders to help us further our sustainability journey. Please contact us at csr@fairprice.com.sg.

¹⁶ No adjustment to account for ownership interest has been made in consolidating the information. For the full list of entities included in our financial report, please refer to our financial report page 43 to 45.

FairPriceGroup
Everything Food Made Easy

