



# ENRICHING **LIVES**

NTUC ENTERPRISE **ANNUAL REPORT**

PERIOD ENDED 31 MARCH 2013



## ENRICHING **LIVES.**



NTUC Enterprise was set up to sharpen the Do Good efforts of the Social Enterprises – to meet core and enduring needs of working families. Needs that are basic and fundamental, just like water is to the earth; enriching lives and charting new paths of growth.

# TABLE OF **CONTENT**

## **P03.**

WHO WE ARE

## **P06.**

MESSAGE FROM THE CHAIRMAN

## **P10.**

BOARD OF DIRECTORS

## **P12.**

GROUP MANAGEMENT COMMITTEE

## **P14.**

WHY CO-OPERATIVES?

## **P18.**

FAMILY OF NTUC SOCIAL ENTERPRISES

## **P21.**

MAKING A DIFFERENCE

## **P25.**

CARING FOR LIFE'S BASIC ESSENTIALS

## **P35.**

OFFERING PEACE OF MIND

## **P41.**

PROVIDING HOPE FOR THE FUTURE

## **P49.**

ENABLING FULFILLING LIVES

## **P55.**

THE NTUC SE DIFFERENCE

## **P61.**

SHAREHOLDERS' LISTING



## WHO **WE ARE**



NTUC Enterprise is the holding entity of the labour movement Social Enterprises (SEs). Collectively owned by the NTUC, SLF and their affiliated Unions, NTUC Enterprise guides the development of the SEs to meet the evolving needs and aspirations of working families in Singapore.



WHO WE ARE

NTUC Enterprise was set up by the Labour Movement in July 2012 as the holding entity of the family of NTUC Social Enterprises (SEs). NTUC Enterprise was formed to sharpen the Do Good of the SEs and to support them to scale up sustainably.

NTUC Enterprise was formed by a transfer of shares from NTUC, SLF and their affiliated unions to NTUC Enterprise. With this share swap, NTUC Enterprise institutionalises the strategic partnership between NTUC, SLF and the unions to support the NTUC SEs to do even more for working families.

As the single largest shareholder of the 12 NTUC SEs, NTUC Enterprise will steward their long-term development by focusing on two key areas. First, it will work closely with individual NTUC SEs to do more good in existing areas of needs and to identify new areas. For instance, it will be looking closely at the area of health and community care which is a concern for many working families.

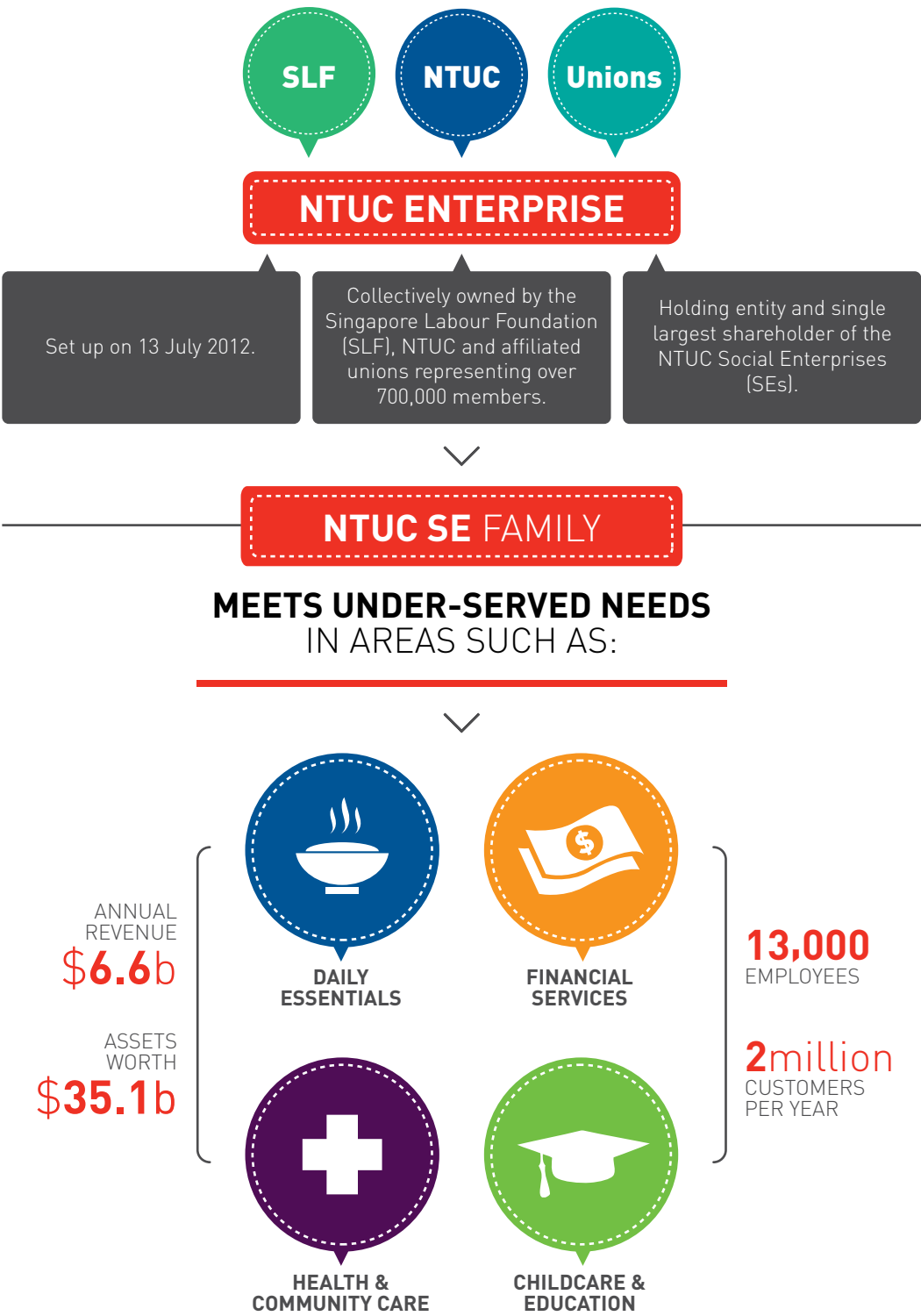
A group-wide task force has been set up to explore how we can do more to support the elderly, and also ensure that the rest of the population is well cared for in the areas of primary care, chronic-condition management and rehabilitative care.



NTUC Enterprise Chairman, Lim Boon Heng said, “When we started each SE, there was much to be done. Now there is still much to be done because the core needs we set out to meet are enduring ones.”

Apart from health and community care, NTUC Enterprise also seeks to do more to address cost-of-living issues in the areas of cooked food and childcare services.

Second, it will lead group-wide efforts to increase financial resilience and develop talent, essential for the long-term development of the NTUC SEs.



# MESSAGE FROM THE CHAIRMAN

*“Co-operatives are set up to help improve lives, and to achieve certain social goals. This gives us our right to exist, and our place in society. We must never forget that.” – Chairman of NTUC Enterprise*



It has been more than 40 years since the NTUC, in partnership with unions and the Singapore Labour Foundation (SLF), embarked on the journey of setting up co-operatives. Today the NTUC Social Enterprises serve some 2 million people a year. With the formation of NTUC Enterprise as the holding entity of the family of 12 NTUC Social Enterprises, it is timely to reflect on our beginnings and our purpose.

From the start, NTUC Social Enterprises were meant to be economic ventures with a difference. They were to serve as a social leveller to protect workers from the excesses of a free market economy, helping them to stretch their hard-earned dollar. Over the years, the NTUC set up various social enterprises; each with a specific social role - a unique Do Good mission to improve the lives of working families.

This Do Good mission is captured in the very structure of NTUC Social Enterprises as co-operatives designed to serve collective rather than individual interests. Unlike commercial companies whose main objective is to maximise profit, co-operative principles explicitly call for a cap on the gains distributed to members so that these can instead be channelled towards

more collective good. Further, while members can withdraw from the co-operative at any time, the value of the shares they can redeem is again capped at what was originally invested (par value) or net asset value, whichever is lower. Should the co-operative be wound up, residual assets are not distributed among the individual members but are used to further the objectives of the larger co-operative community. All this is obviously very different from commercial companies where shareholders are entitled to both dividends and surplus assets of the company, in proportion to how much has been invested. The co-operative structure continues to be the best safeguard for the Do Good mission of the NTUC Social Enterprises.

NTUC, SLF and the unions affiliated to NTUC and SLF have set up NTUC Enterprise Co-operative to steer the long term development of the NTUC Social Enterprises. NTUC Enterprise will focus on two key areas: First, it will work closely with individual NTUC Social Enterprises to sharpen their Do Good. Second, we will lead group-wide efforts to increase financial resilience and develop talent, essential for sustainable, long-term development of the Social Enterprises.

First, NTUC Enterprise will work closely with individual NTUC Social Enterprises to sharpen their Do Good. Second, we will lead group-wide efforts to increase financial resilience and develop talent, essential for sustainable, long-term development of the Social Enterprises.

## SHARPENING OUR DO GOOD

Since its formation, NTUC Enterprise has scaled up the work previously done in NTUC to review and shape the portfolio to maximise our collective Do Good in the medium term, expanding in areas of new needs and exiting from areas where there is less relevance.

NTUC Enterprise has identified the health and community care sector as a key area where we will focus efforts to make a substantial difference in the years ahead, in view of needs by

NTUC Enterprise has scaled up the work previously done in NTUC to **review and shape the portfolio to maximise our collective Do Good in the medium term**, expanding in areas of new needs and exiting from areas where there is less relevance.

working families for affordable healthcare and eldercare services. An NTUC Enterprise, NTUC Eldercare and NTUC Unity Healthcare joint task force made up of independent directors and management has mapped out our collective strategic direction and implementation plan to offer comprehensive and integrated health and community care services.

As part of the overall portfolio review, NTUC Enterprise made the difficult decision to wind down NTUC Thrift & Loan in view of a better alternative offered by our on-going partnership with OCBC Bank, which has the scale and network to offer better returns and service to members.

NTUC Enterprise is also glad to note that the SEs have been stepping up their effort to expand their social impact in the past year.

**MODERATING COST OF LIVING**

Cost of living remains a key concern for many working families. With its scale, NTUC FairPrice continues to play a key role in moderating the prices of daily essentials.

NTUC FairPrice continued to expand its housebrand offerings, which include up to 2,600 products including fresh and processed foods, toiletries and household items. FairPrice housebrand items are priced at least 10 percent lower on average compared to national brands.

NTUC Unity Healthcare introduced its 'Unity' housebrand of essential supplements and vitamins which are at least 20 per cent cheaper than national brands, to encourage more families to care for their health. NTUC Foodfare opened its first foodcourt in the city at the Marina Bay Financial Centre to offer more affordable meal options to workers in the area.

**INNOVATING IN NEW AREAS OF SOCIAL IMPACT**

NTUC Income stepped up efforts to make insurance simple, honest and different. Through their Honest Insurance initiative, they overhauled their contracts into plain English to make it easier for customers to understand their insurance policies and enable them to make informed decisions. In undertaking this effort, NTUC Income became the first insurance company in Asia to undertake a major Crystal Mark initiative – a globally-recognised standard for plain English, used by many leading institutions globally.

NTUC Eldercare is piloting, in partnership with the government, a new model of Senior Care Centres to offer a higher level of elderly care which includes nursing and rehabilitation, as well as dementia management. NTUC Foodfare is pioneering a new operating model for the Bukit Panjang Hawker Centre, the first of the next-generation hawker centres that will be set up to keep cooked food affordable in the HDB heartlands.

NTUC Enterprise will also focus on **strengthening financial resilience and talent development** across the portfolio.

**FINANCIAL RESILIENCE AND TALENT DEVELOPMENT**

In order to scale up social impact and meet needs over the long term, NTUC Enterprise will also focus on strengthening financial resilience and talent development across the portfolio.

NTUC Enterprise has put in place policies on portfolio-wide asset allocation and return on equity that will enable us to invest boldly in Do Good initiatives, while maintaining financial discipline. NTUC Enterprise has also developed a group-wide framework on talent development, with the three strategic imperatives of unleashing the potential of our existing talent to fulfill core management roles; expand our talent pool; and retain our talent. To succeed in these imperatives, the SEs will need to be grounded in a collective set of core values that are purposeful and inspiring, as well as a sound compensation philosophy and framework.

**FINANCIAL PERFORMANCE**

With the share swap completed only after the end of the financial year, contributions from the Enterprise Group and its subsidiaries have not been incorporated into the financials. However, had this been done, I am happy to share that the NTUC Enterprise Group continues to perform well. The revenue of the group came up

to \$6.6 billion with a net surplus of \$306 million for the financial year ended 31 March 2013. The Group's total assets as at 31 March 2013 also grew from \$31.0 billion in the previous financial year, to \$35.1 billion this year, contributed in large part by NTUC FairPrice and NTUC Income. I am also heartened to share that despite a challenging business environment, the SEs in the health and community care, education and cooked food sectors delivered strong financial growth, doubling their revenues from five years ago.

**IN APPRECIATION**

I would like to express my appreciation to my fellow board members, especially Bobby, Teck Koon and Chee How, who chair the Audit, Establishment and Nominating Committees respectively. I would like to thank the Group Management Committee and pioneering team in NTUC Enterprise for the hard work in the start-up phase of NTUC Enterprise. I would also like to thank the boards and management of the SEs, for their commitment to our collective cause, and support for NTUC Enterprise. On behalf of the family of SEs, I would also like to thank our shareholders, customers and partners for their unwavering support and encouragement. I would like to invite all our stakeholders to continue to walk alongside us on this journey of making a difference to the lives of workers and their families.

**MR LIM BOON HENG**  
CHAIRMAN

## BOARD OF DIRECTORS

# ON BEING A PART OF NTUC ENTERPRISE...



### MR LIM BOON HENG

CHAIRMAN  
CHAIRMAN, TEMASEK HOLDINGS



“ My reason for taking up this role is simple – to sharpen the good that each of our Social Enterprises was set up for. ”



### MR BOBBY CHIN

DEPUTY CHAIRMAN  
BOARD MEMBER, SINGAPORE LABOUR FOUNDATION



“ Given my background and experience, I felt I could make a contribution to the Social Enterprises. To be able to help the Labour Movement and the Social Enterprises to do more good was a strong factor in my decision to join the Board of NTUC Enterprise. ”



### MS DIANA CHIA

BOARD MEMBER  
PRESIDENT, NTUC



“ Together with the Labour Movement, I am happy to be part of NTUC Enterprise and its family of Social Enterprises to serve the enduring needs of our fellow workers and members. Only by pressing on to deliver our common purpose, can we look forward to a better Singapore for workers and their families. ”



### MR HENG CHEE HOW

BOARD MEMBER  
DEPUTY SECRETARY-GENERAL, NTUC



“ NTUC will always be on the side of workers and employees of all levels, fighting for a better future for all. In the workplace, our unions stand up for fairness and push for progressive labour practices. In the community, NTUC's Social Enterprises must continue to stay focused and work together to help workers and their families live and enjoy a better life. NTUC Enterprise will sharpen that effort, and strengthen us as a force for good. ”



### MR KEE TECK KOON

BOARD MEMBER  
CHAIRMAN, NTUC FIRST CAMPUS



“ NTUC Enterprise's purpose is ordinary: making everyday life better for working families in Singapore. Yet, it is no ordinary organisation – having to harness the best of capitalism (Do Well) and socialism (Do Good) without the excesses of each. I am really glad to be able to join NTUC Enterprise in helping to chart an arguably new field of organisational endeavour. ”



### MR STEPHEN LEE

BOARD MEMBER  
PRESIDENT, SINGAPORE NATIONAL EMPLOYERS FEDERATION



“ I see the role of Board of Director at NTUC Enterprise as an extension of my existing involvement in the Singapore Labour Foundation (SLF) Board to support the Labour Movement and the NTUC Social Enterprises in fulfilling their Do Good objectives. I am happy for this opportunity to play a greater role in helping working families live meaningful lives. ”



### MR LIM KUANG BENG

BOARD MEMBER  
SECRETARY FOR FINANCIAL AFFAIRS, NTUC



“ As a representative of NTUC-affiliated unions, my role is to care for the interests and enhance the welfare of workers in Singapore. Being part of the NTUC Enterprise family to grow our Social Enterprises allows me to support the Labour Movement to do even more good and make a difference to the lives of our union members. ”



## GROUP MANAGEMENT COMMITTEE



- 1 > **MR LIM BOON HENG**
- 2 > **MR TAN SUEE CHIEH**
- 3 > **MR KEE TECK KOON**
- 4 > **MR TAN KIAN CHEW**
- 5 > **MS ADELINE SUM**
- 6 > **MR DAVID POH**

Together with the Board, the Group Management Committee, chaired by NTUC Enterprise Chairman Mr Lim Boon Heng, provides oversight on strategic matters relating to the Group.

### 1. MR LIM BOON HENG

Mr Lim is the Chairman of NTUC Enterprise Co-Operative Ltd and Deputy Chairman of Singapore Labour Foundation. He is also the Chairman of Temasek Holdings Pte Ltd. He held several Cabinet positions in the Singapore Government from 1993 to 2011. He was also Secretary-General of the NTUC from 1993 to 2006.

### 2. MR TAN SUEE CHIEH

Mr Tan takes up the position of Group CEO of NTUC Enterprise Co-Operative Ltd on 1 October 2013. He joined the Labour Movement in 2003 as a director, NTUC Income, and was NTUC Income's CEO from February 2007 until 2013. Before this, he held senior regional positions in Prudential plc and SHL Group plc – a human resource consulting company.

### 3. MR KEE TECK KOON

Mr Kee is a member of the Board of Directors of NTUC Enterprise Co-Operative Ltd. He is also a Non-Executive Chairman of NTUC First Campus Co-Operative Ltd, CapitaCommercial Trust Management Ltd, Changi Airport International Pte Ltd, Alexandra Health Endowment Fund, and Lien AID Ltd. He also holds directorship positions in NTUC LearningHub Pte Ltd, Ascendas Pte Ltd and Raffles Medical Group Ltd.

### 4. MR TAN KIAN CHEW

Mr Tan is the Group Chief Executive Officer of NTUC Fairprice Co-operative Ltd, Director of NTUC Fairprice Foundation and Chairman of NTUC Foodfare Co-operative Ltd.

### 5. MS ADELINE SUM

Ms Sum is the Chief Development Officer of NTUC Enterprise Co-operative Ltd. She is concurrently the Chief Executive Officer of Singapore Labour Foundation and NTUC Choice Homes Co-operative Ltd.

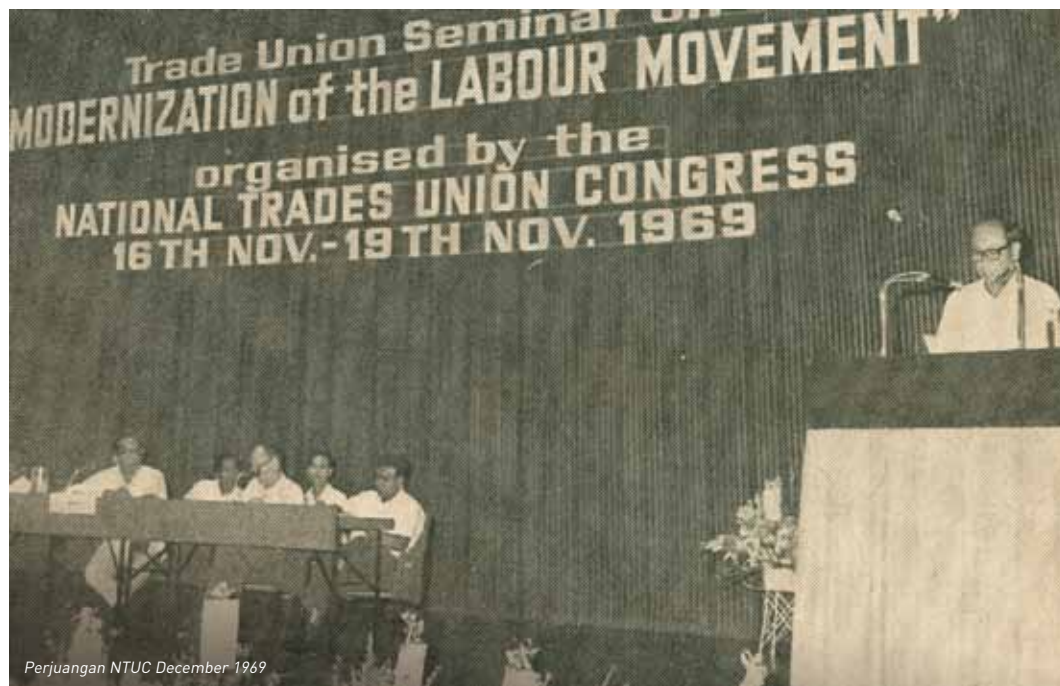
### 6. MR DAVID POH

Mr Poh is the Chief Financial Officer of NTUC Enterprise Co-Operative Ltd. He is also Chief Financial Officer and Deputy Chief Executive Officer of Singapore Labour Foundation.



## WHY CO-OPERATIVES?

NTUC Social Enterprises are organised as co-operatives. This means that they operate along certain principles and structures recognised by the international co-operative movement.



Perjuangan NTUC December 1969

At the same time, NTUC co-operatives are different in some ways from traditional co-operatives. Benefits are not confined to members alone but are extended to touch the lives of all in society.

The international co-operative movement started during the 19th century Industrial Revolution in Europe. Many workers and small farmers were exploited and left behind as they were increasingly replaced by machines which could do the same jobs. In the midst of hardship, workers and farmers came together to use their collective strength to drive a better bargain – as consumers, producers or borrowers. Among these were a group of weavers in Rochdale, England who decided to pool resources to purchase basic goods at a cheaper price.

The Rochdale Society of Equitable Pioneers was founded in 1844 and the principles they set out eventually became the founding model of co-operative societies. Today, the international co-operative sector is estimated to have more than one billion individual members and account for more than 100 million jobs.

In its simplest form, a co-operative is a business that is jointly owned by its members to meet their common needs through the very services provided. In such an entity, the objective is to meet collective and not individual interests. Members can withdraw from the society at any time. However, the value of the shares they can redeem is capped at what was originally invested (par value), or net asset value, whichever is lower. Where there are surpluses,

A co-operative is a business that is jointly owned by its members to meet their common needs through the very services provided. In such an entity, the objective is to **meet collective and not individual interests**.

these are to be distributed to members in proportion to how much they have spent on co-operative products or services, for example, through rebates. Should a co-operative be wound up, residual assets are not distributed among the individual members but are used to further the objectives of the larger co-operative community. This is obviously very different from commercial companies where shareholders are entitled to both dividends and surplus assets of the company, in proportion to how much has been invested, and where profit maximisation is the primary objective. In fact, international co-operative principles place a limit on the dividends paid to members. Many of these time-honoured principles dating back to the Rochdale Pioneers are incorporated in co-operative legislation around the world, including the Singapore's Co-operative Societies Act; as well as NTUC co-operatives.

### NTUC CO-OPERATIVES

In Singapore, the co-operative movement began in the 1920s, with the formation of the Singapore Government Servants' Co-operative Thrift & Loan Society. The defining moment in the Singapore co-operative movement,

however, was the 1969 Modernisation Seminar organised by the NTUC. The Labour Movement came to the conclusion that it had to be more than a bargaining institution if it were to be a significant force in helping to better the lives of Singapore's workers. In particular, it could set up co-operatives to provide services to workers, especially in areas where their needs were underserved by commercial companies, and help workers stretch their hard-earned dollars by operating efficiently and keeping prices low.

In a sense, it was a natural extension of the work of the trade unions – to use collective strength to first secure fair wages for workers through industrial relations and thereafter to help protect the standard of living that could be attained by those wages through co-operative businesses. As Mr Lim Chee Onn, a former Secretary-General of the NTUC reiterated at an NTUC delegates' conference in 1980, "Our collective bargaining role is insufficient to ensure that the labour movement grows in significance as a constructive force in the overall development of Singapore. Workers have personal needs other than job-oriented ones. Their dependants too, have needs of their

"Workers have personal needs other than job-oriented ones. Their dependants too, have needs of their own. **We want to be associated with the meeting of these needs, and with improving their quality of life.**" said Mr Lim Chee Onn, a former Secretary-General of the NTUC.



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own. We want to be associated with the meeting of these needs, and with improving their quality of life.”

NTUC’s plans to establish co-operatives were strongly supported by then Finance Minister Dr Goh Keng Swee. The NTUC accepted Dr Goh’s suggestion to start off with an insurance co-operative, followed by a consumer co-operative. NTUC Income met a genuine need for financial protection among low-wage earners in whom private insurers were uninterested. NTUC Welcome, now known as NTUC FairPrice, followed in 1973, to help stabilise the price of rice and other essential commodities during the oil crisis.

Since then, NTUC Social Enterprises have led the growth of the co-operative sector in Singapore, shaping the development of co-operative enterprises and establishing the influence of the co-operative movement in the nation’s social and economic landscape. NTUC played a key role in the drafting and enactment of the 1979 Co-operative Societies Act that replaced pre-independence co-operative legislation. In fact, NTUC co-operatives were pioneers not just in Singapore, but in the international co-operative movement as a whole.

## BEYOND MEMBERS

Unlike traditional co-operatives, NTUC co-operatives served not only the interests of their own members but also the broader Singapore community. This Do Good is the NTUC co-operative’s reason for existence. Reflecting on the larger role of NTUC co-operatives on Singapore, Dr Goh Keng Swee noted how the labour movement had charted a new course which would bring ripe and tangible benefits to the labour movement as well as to the

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citizens of Singapore, “...the labour movement has decided to take on a positive role in the development of the Republic’s economy. It will cease to be a narrow sectional pressure group whose interests and advancement are to be promoted at the expense of others. On the contrary, the labour movement has now recognised that it is only where there is growth and prosperity that its members can get the improvements they want.” And as Mr. C.V. Devan Nair, then-Secretary-General of the NTUC illustrated so graphically during the debate on the Co-operative Societies Bill in 1979, “Denticare is ready to pull out the teeth of members and non-members alike, with equal impartiality”!

## DOING GOOD AND DOING WELL

Another important principle that NTUC co-operatives recognised from the start is the need to Do Well in order to deliver the maximum Do Good. This requires them to be both professionally excellent and financially sustainable. NTUC co-operatives therefore need to earn enough profit to be self-sustaining, such that they are able to reinvest and provide a reasonable (but not maximum) return to shareholders. They also need to strive to be

as, if not even more, efficient than commercial competitors. They have to achieve scale as soon as possible so that they can maximise value to customers, set benchmark prices and reach more working families.

NTUC FairPrice has been able to moderate the prices of essentials in normal times and to curb profiteering during difficult ones, for example, during the SARS crisis in 2003 and high commodity inflation in 2007-2008, because it had sufficient scale. NTUC Income is today an industry leader redefining best practices for the insurance industry, including honest insurance and fair claims settlement.

As Mr Lim Swee Say, Secretary-General of the NTUC once commented, “Our NTUC co-operatives are not business enterprises seeking to maximise profits for the benefits of

Mr Lim Swee Say, Secretary-General of the NTUC once commented, “Our NTUC Co-operatives are not business enterprises seeking to maximise profits for the benefits of shareholders. **We are social enterprises seeking to do well so that we have the resources to do good. To us, measurement of greatness is how much social impact we have created, and not how much profit we have generated.**”

The structure, legislation and charter of the co-operative to **always put customers, members and the public before profits**, continue to be the best safeguard for the Do Good mission of the NTUC social enterprises.

shareholders. We are social enterprises seeking to do well (competitive and making profit) so that we have the resources to do good (maximise social impact). To us, measurement of greatness is how much social impact we have created, and not how much profit we have generated.”

Going forward, NTUC Social Enterprises will strive to continue to meet a wide range of social needs, from stabilising prices of essential goods and services; to enhancing basic financial security; and caring for families with both young and old dependents. The structure, legislation and charter of the co-operative to always put customers, members and the public before profits, continue to be the best safeguard for the Do Good mission of the NTUC social enterprises. Mr Lim Boon Heng, former Secretary-General of the NTUC and now Chairman of NTUC Enterprise said at a meeting of the International Co-operative Alliance in 1999, “Co-operatives are set up to help improve lives, and to achieve certain social goals. This gives us our right to exist, and our place in society. We must never forget that.” Such are co-operatives, Singapore-style, NTUC-style.

## FAMILY OF **NTUC** **SOCIAL ENTERPRISES**

# OUR JOURNEY. OUR HISTORY.



### 1970

To provide affordable insurance to workers.



### 1973

To moderate the cost of living for workers.



### 1977

To provide quality early childhood care and education services that are affordable and accessible to families.



### 1992

To provide affordable, quality healthcare and wellness products and services.



### 1995

To stabilise cooked food prices in Singapore.



### 1995

To deliver affordable, quality housing.



### 1997

To provide affordable, quality eldercare services.



### 1998

To unite NTUC's broadcasting and publishing operations and to be the voice for workers in Singapore.



### 1998

To help working families get more value from everyday expenditures through a rewards and loyalty programme.



### 1998

To encourage the values of savings and thrift among workers and provide affordable financing.



### 2004

To enhance the life-long employability of workers.



### 2011

To enable families to benefit from products and services offered by the family of NTUC SEs and to promote bonding under one roof.







## MAKING A DIFFERENCE



Since the 1970s, the NTUC SEs have been working to make life better for working families in Singapore.



## MAKING A DIFFERENCE

NTUC SEs set out to make a difference for working families. They focus on a few key areas: Caring for life's basic essentials, offering peace of mind, providing hope for the future and enabling fulfilling lives.

In caring for life's basic essentials, we recognise the growing concern over the rising costs of living in areas such as healthcare, cooked food and other daily essentials. Our mission is to moderate the cost of living for working families to ensure that the most basic necessities will always be available to them at affordable prices.

In offering peace of mind, we understand the uncertainty of life and the need to prepare for unforeseen circumstances. Insurance coverage is a key form of financial security we provide to protect the long-term interests of working families.

In providing hope for the future, we view education as a key social leveller for working families; whether it is for a young child whose parents desire the best headstart for them in life, or for a mid-career employee seeking to enhance his relevance in a fast-changing job market.

In enabling fulfilling lives, we strive to care for families and in particular those with elderly parents, to add life to their golden years.

Today, the NTUC SEs continue to touch the lives of more than two million customers every year. Collectively, they also employ some 13,000 staff.



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## CARING FOR **LIFE'S BASIC ESSENTIALS**



A key social mission of the NTUC SEs is to stretch every hard-earned dollar so that working families can always afford life's basic essentials.



## CARING FOR LIFE'S BASIC ESSENTIALS

NTUC Social Enterprises (SEs) strive to ensure that the basic needs of working families are met. These basic needs include daily essentials, cooked food and healthcare. Our social mission is to stretch every hard-earned dollar for the working family so that they can afford life's basic essentials.



Through **NTUC FairPrice**, we ensure that working families have access to basic food staples at affordable prices. With **NTUC Foodfare**, we answer the public's call for inexpensive and accessible cooked meals. At **NTUC Unity**, working families are assured of quality, affordable healthcare. Finally, through

**NTUC Link**, we create a reward system where every cent spent is a cent saved.

By providing affordable access to life's basic essentials, we hope to make an impact on the lives of working families in Singapore.

## KEY MILESTONES



### 1985

NTUC FairPrice introduces housebrand products to offer better value and savings to customers.

NTUC Link launches enhanced Loyalty Programme with Plus!VISA to offer greater savings.

### 1994

NTUC FairPrice introduces a basket of Everyday Low Price (EDLP) essential items to ensure affordability. At least 90 per cent of EDLP items are among the lowest priced in the market.

### 2011

NTUC FairPrice celebrates the opening of its 100th store.

NTUC Foodfare launches its first family-friendly foodcourt at the Clementi Mall to foster family bonding over affordable dining options.

### 1999

NTUC Link launches LinkPoints Loyalty Programme to reward members for everyday purchases.

### 2012

NTUC Foodfare officially launches the Rice Garden community project, and plans to make it available at all 24 heartland areas.

NTUC Foodfare opens its first flagship outlet in the city at Marina Bay Financial Centre to extend its presence beyond the heartlands.

### 2002

NTUC FairPrice implements a 2% discount for Senior Citizens on Tuesdays at all stores.

### 2007

NTUC FairPrice introduces the "Stretch Your Dollar" programme with a 5% discount on 500 essential FairPrice house brands to help consumers cope with rising inflation. NTUC FairPrice brings the programme back for the third time in 2012.

NTUC Foodfare is appointed to run the first of 10 new hawker centres that the Government is building over the next decade.

NTUC Link introduces instant LinkPoints redemption at participating merchants to provide greater convenience.

NTUC Unity launches its house brand of essential supplements and vitamins, priced at least 20% cheaper than national brands.

### 2008

NTUC FairPrice launches about 200 "Yellow Dot" basic items, representing the lowest priced in their respective product categories.

NTUC Link rolls out "LinkPoints-Better-Than-Cash" Rewards programme to help members further stretch their dollar.

### 2009

NTUC Foodfare pilots its Rice Garden community project at Aljunied Hawker Centre to ensure affordability of cooked food, for those most affected by the rising cost of food and inflation. Meals are available from \$1.99.

### 2013

NTUC Unity opens its 50th store, marking its commitment to extend its reach to serve the needs of the community.

NTUC Foodfare introduces Budget Pick, a basic entry-priced meal from as little as \$2, at its next-generation coffeeshops to ensure affordability in the heartlands. An additional 10% discount is provided to Public Assistance cardholders as part of its wider "Community Goodness" initiative to help the needy.

### 2010

NTUC Foodfare extends its popular NTUC Value Meals to all its 50 outlets islandwide including coffeeshops and Wang Café.

### LEGEND >>

NTUC FairPrice

NTUC Foodfare

NTUC Link

NTUC Unity Healthcare

## STRETCHING EVERY HARD-EARNED DOLLAR

With rising costs of living, food prices and medical costs, working families need to be able to stretch their dollars. That's what NTUC SEs have set out to do.

NTUC FairPrice was the first consumer co-operative set up in 1973 to check profiteering amid rising food prices due to a global oil crisis. Likewise, NTUC Unity and NTUC Foodfare were set up in 1992 and 1995 respectively to moderate the rising prices of medical and healthcare products, and cooked food.

Today, these SEs continue to serve as a stabilising force in their respective industries to ensure that working families have access to essential items at affordable prices. Families can now enjoy savings on basic essentials with house brands and a basket of staples offered at everyday low prices at FairPrice's outlets islandwide; enjoy a warm, hearty meal from just \$1.99 at NTUC Foodfare's Rice Garden outlets and purchase vitamins and supplements at up to 30% discounts from NTUC Unity.

NTUC Link was incorporated in 1998 to help working families get more value from their daily expenditures through a rewards and loyalty programme. Today, the Plus! loyalty programme has 1.5 million members enjoying LinkPoints and other savings at over 1,000 participating merchant outlets in Singapore.

## SCALING UP TO PROVIDE BETTER VALUE

In order to maximise social impact, the NTUC SEs need to scale up their operations rapidly in a financially sustainable way. Only by improving capabilities, enhancing productivity and attaining economies of scale can they achieve greater cost advantages, which can be passed on to working families in the form of lower prices and better quality. In a bid to combat fluctuating food supply and prices, NTUC FairPrice diversifies its food sources, imports from over 70 countries worldwide and engages over 80 contract farms to ensure consistent supply at pre-agreed prices. With a network of over 270 outlets in multiple retail formats, NTUC FairPrice serves more than half a million customers daily.

Rice Garden is a social outreach project initiated by NTUC Foodfare to help cushion the impact of rising food price on consumers, especially the elderly and lower income groups. With the opening of its first outlet in the Central Business District at Marina Bay Financial Centre and the first of Singapore's next-generation coffee shops in Clementi, NTUC Foodfare is set to have a greater presence to stabilise the prices of cooked food so consumers will always have a quality and affordable alternative.

NTUC Unity equips its pharmacists with the necessary expertise to help customers self-manage their chronic diseases, enabling them to take charge of their own health, while NTUC Link is constantly expanding the number of participating merchant outlets so as to generate greater cost savings for its members.



## CONTINUING TO EXTEND OUR SOCIAL REACH

While NTUC FairPrice, NTUC Foodfare, NTUC Unity and NTUC Link have delivered quality and affordable living to Singaporeans over the years, there is still much to be done. Moving forward, the NTUC SEs will be looking to increase their social reach so as to touch more lives.

NTUC FairPrice will increase accessibility of its stores with 10 more stores including a hypermart in Jurong East. In keeping with its mission to grow its social reach, NTUC Foodfare will be increasing the presence and accessibility of its Rice Gardens islandwide so that more Singaporeans can enjoy healthy, affordable cooked food. NTUC Unity will expand to more locations to make its services accessible to even more working families while NTUC Link will continue to increase its number of participating merchant outlets so that working families can further stretch their dollar.

Together, we will continue to make a difference that will impact the lives of working families in Singapore, because everyone deserves the right to life's basic essentials.

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In order to maximise social impact, the **NTUC SEs need to scale up their operations rapidly in a financially sustainable way.** Only by improving capabilities, enhancing productivity and attaining economies of scale can they achieve greater cost advantages, which can be passed on to working families in the form of lower prices and better quality.

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## QUICK FACTS OF NTUC FAIRPRICE



OVER  
**270**  
OUTLETS  
ISLANDWIDE



**24/7**  
SUPERMARKETS  
OPEN  
ROUND-THE-CLOCK  
(24 X 7)



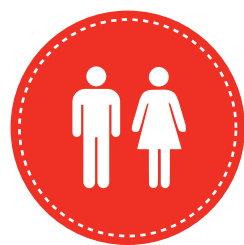
**40**  
YEARS OF  
PROVIDING  
QUALITY,  
AFFORDABLE  
PRODUCTS



OVER  
**2,600**  
HOUSEBRANDS  
TODAY PRICED  
AT LEAST 10%  
LOWER THAN  
COMPARABLE  
NATIONAL BRANDS



**9,000**  
STAFF



MORE THAN  
**500K**  
CUSTOMERS  
DAILY

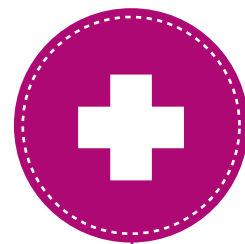


SERVES AN  
AVERAGE  
**90K**  
SENIORS ON  
TUESDAYS



**\$45.6M**  
REBATES GIVEN  
TO SHAREHOLDERS  
(CUSTOMERS)  
IN 2012

## QUICK FACTS OF NTUC UNITY HEALTHCARE



**50**  
PHARMACIES



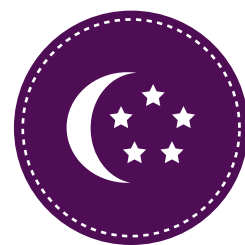
**13**  
DENTICARE  
CLINICS



**5**  
SELF-HELP  
HEALTH CHECK  
STATIONS



**100**  
MR VALUE  
ESSENTIAL  
PRODUCTS AT  
AFFORDABLE  
PRICES



SERVES  
**3.3M**  
SINGAPOREANS  
YEARLY



**\$1M**  
DISCOUNTS  
AND  
SAVINGS TO  
LINKPOINTS  
MEMBERS



## QUICK FACTS OF NTUC **FOODFARE**



**45**

FOODFARE  
OUTLETS



**17**

YEARS OF  
PROVIDING  
HEALTHY,  
QUALITY MEALS



**425K**

RICE GARDEN  
SET MEALS AT  
\$1.99 SERVED  
SINCE 2009



**780K**

VALUE MEALS  
SERVED  
LAST YEAR –  
RESULTING IN  
SAVINGS OF  
OVER \$380K



**3.3M**

CUPS OF  
COFFEE OR  
TEA SOLD  
A YEAR STARTING  
FROM 80 CENTS  
A CUP



OVER  
**20K**

SENIOR CITIZENS  
ENJOY  
10 % DISCOUNT  
OFF MEALS  
ANNUALLY  
(EVERY TUESDAY)

## QUICK FACTS OF NTUC **LINK**



**1.5M**

MEMBERS



**NO.1**

LOYALTY  
PROGRAMME  
IN SINGAPORE  
(BASED ON  
MEMBERSHIP)



OVER  
**1,000**

PARTICIPATING  
MERCHANT  
OUTLETS



REWARDS  
UP TO  
**80%**

DISCOUNTS  
AND SAVINGS



**150**

LINKPOINTS  
FOR  
EVERY  
DOLLAR



**\$40M**

IN MEMBERS'  
SAVINGS  
OR BENEFITS  
ANNUALLY



## OFFERING **PEACE OF MIND**



We serve to protect the financial future of working families in Singapore so that they can have peace of mind.



## OFFERING PEACE OF MIND

NTUC SEs care for the financial needs of working families especially during life's critical contingencies. Working families need to be assured of their financial security to have peace of mind.



In line with our social mission to protect the financial future of working families in Singapore, two NTUC SEs were established to help low-income workers and their dependents in two areas: insurance and savings.

Through **NTUC Income**, we bring essential insurance within the reach of the lower-income groups so that everyone can be protected from

life's uncertainties. With **NTUC Thrift & Loan**, we helped union members to save for rainy days by offering attractive interest rates so that they can grow to be financially independent.

By enhancing financial protection and instilling the habit of saving to safeguard their financial future, we help to provide peace of mind for working families.

## KEY MILESTONES



### 2003

NTUC Thrift & Loan launches the voluntary Taxi Operators' Savings Scheme in partnership with the Taxi Operators' Association to help taxi drivers tide over bad times during the SARS outbreak.

### 2006

NTUC Thrift & Loan launches the Retrenched Workers' Fixed Deposit Scheme to offer better protection for union members who have been retrenched.

### 2007

NTUC Thrift & Loan lowers the Senior Citizen Fixed Deposit's qualifying age to 50 years so that more elderly can enjoy an additional 0.2% per annum over the board rate.

### 2008

NTUC Income launches the IncomeShield Assistance Scheme at the height of the global financial crisis to help low-income and elderly patients cope with premium revisions.

### 2010

NTUC Income launches a free insurance policy, Income Family Micro-Insurance Scheme, to provide financial help for lower-income families with young children in the event a main breadwinner passes away or becomes totally and permanently disabled.

### 2011

NTUC Income introduces Orange Force, its in-house 24/7 accident response team that provides accident-scene assistance to distressed customers.

### 2012

NTUC Income launches the Value Pack, a special medical and term insurance package, to meet the long-term health and protection needs of lower-income Singaporeans.

NTUC Income overhauls its contracts into plain English to make it easier for customers to understand its insurance policies so as to make informed decisions.

NTUC Income implements the SilverCare plan, in the face of a rapidly ageing population, to cover the most basic accidental risks faced by the elderly on a daily basis.

### 2013

NTUC Thrift & Loan exits the thrift and loan business after faithfully serving the financial needs of union members effectively for 15 years.

### LEGEND >>



NTUC Income



NTUC Thrift & Loan



NTUC Income was the first co-operative set up by NTUC in 1970 to provide affordable insurance for blue-collar workers in Singapore. As a social enterprise, its mission is to make essential insurance affordable, accessible and sustainable for customers.

### PROVIDING PROTECTION FROM LIFE'S UNCERTAINTIES

In Singapore, where the cost of living is high, financial security is a key concern of many working families. However, with life's uncertainties, ensuring that one's future is financially secure can be difficult. Over the years, NTUC Income and NTUC Thrift & Loan have worked to enhance the financial security of Singapore's working families. With higher interest rates on savings, lower premiums and robust insurance plans, working families can be secure in the knowledge that they and their finances are in good hands.

NTUC Income was the first co-operative set up by NTUC in 1970 to provide affordable insurance for blue-collar workers in Singapore. As a social enterprise, its mission is to make essential insurance affordable, accessible and sustainable for customers. Today, NTUC Income is a leader in Singapore's insurance industry, serving more than two million customers with almost 3.8 million policies.

In 2010, in line with its commitment to deliver positive social impact, NTUC Income launched a free insurance scheme for low-income households that are unable to afford insurance. Called the Income Family Micro-Insurance Scheme, it is expected to benefit more than 20,000 families, and will pay out \$5,000 in the event the main caregiver passes away or becomes disabled.

To address the needs of an ageing society, NTUC Income introduced its SilverCare plan in 2012 to cover the most basic accidental risks that seniors aged 50 years and above are prone to encounter on a daily basis. That same year, NTUC Income also launched the Value Pack, which offers health and term insurance at

heavily discounted premiums to lower-income workers; underscoring its commitment to address the needs of the uninsured and the under-insured population in Singapore as part of its social purpose.

NTUC Income has truly exemplified what it means to put people before profit and, in the road ahead, it will continue in its social mission to offer peace of mind for Singapore working families.

### DELIVERING THRIFT THROUGH PARTNERSHIPS

Since its inception in 1998, NTUC Thrift & Loan and its affiliated partners have worked to instil the habit of saving and to help workers financially manage different stages of their lives such as renovating their homes and building a retirement nest egg. Over the years, union and non-union members have benefited from various savings products that earned attractive interest rates.

In 2004, NTUC partnered OCBC Bank to jointly develop a suite of basic banking products, which included the NTUC-OCBC Starter Account. Unlike similar commercial bank accounts, it had no fall-below fee and was, therefore, well received by union members. At its height, the Starter Account had 150,000 union member customers. When more members started saving through OCBC Bank rather than NTUC Thrift & Loan, NTUC made the logical but difficult decision to exit the thrift and loans business, after faithfully serving the financial needs of union members effectively for 15 years.

## QUICK FACTS OF NTUC INCOME

ntuc  
income



43

YEARS OF  
PROTECTING  
POLICYHOLDERS  
FROM LIFE'S  
UNCERTAINTIES



3.8M

POLICIES



1,228

INSURANCE  
AGENTS



\$2.5B

AMOUNT OF  
CLAIMS  
IN 2012



24/7

ACCIDENT  
RESPONSE  
TEAM



REACHES AN  
ACCIDENT  
LOCATION  
WITHIN

15MIN



TOUCHED  
THE LIVES OF  
MORE THAN

2M\*

CUSTOMERS  
IN SINGAPORE

\* No. of policyholders as at 31 Dec 2012.



## PROVIDING **HOPE FOR** **THE FUTURE**



We provide education and lifelong learning  
so that working families have hope for a  
better future.

## PROVIDING HOPE FOR THE FUTURE

NTUC First Campus believes that every child deserves a good start in life. Its social mission is to ensure that every child, regardless of family background, can receive quality and affordable early childhood care and education. Meanwhile, NTUC LearningHub equips adult Singapore workers with the skills they need to remain relevant to the job market.



By providing affordable education throughout various life stages, **NTUC First Campus** and

**NTUC LearningHub** help level the playing field for all.

## KEY MILESTONES



**1977**

NTUC took over its first childcare centre in Kallang Bahru from the Singapore Industrial Labour Organisation (SILO) with the aim of supporting mothers who wished to enter and remain in the workforce to supplement the family income.

**1982**

NTUC Computer Training Centre, the first iteration of NTUC LearningHub, is set up.

**1988**

NTUC Childcare, now known as NTUC First Campus, becomes the first private organisation to gain accreditation for the Fundamental Course in Childcare and Child Development from the Ministry of Community Development.

**1989**

NTUC Childcare establishes its training and consultancy arm, Regional Training and Resource Centre in Early Childhood Care and Education for Asia (RTRC Asia).

**1994**

NTUC Childcare sets up its first subsidiary, The Little Skool-House International Pte Ltd, to meet the changing and diverse needs of parents.

**2004**

NTUC Childcare introduces infant care services to help new mothers return to work with peace of mind.

NTUC LearningHub is incorporated, moving from offering computer skills training to introducing Pilot Employability Skills Systems, as well as providing other training.

**2006**

NTUC Childcare launches the Bright Horizons Fund so that children from low-income families can attend pre-school education and level up with their peers.

NTUC LearningHub pioneers the WSQ Security Course. In support of the Ministry of Manpower, NTUC LearningHub also pioneered Workplace Safety and Health training.

**2007**

NTUC LearningHub launches the Vocational & Technical Training to upskill blue collar workers in technical skills.

**2009**

NTUC Childcare rebrands itself as NTUC First Campus, with its centres renamed My First Skool. RTRC Asia renames itself as SEED Institute.

**2010**

NTUC LearningHub launches Next U to meet the needs of professionals, managers, executives and technicians, offering courses in collaboration with Disney Institute, Microsoft and other best-in-class partners from around the world.

**2011**

NTUC First Campus opens its 100th childcare centre.

**2012**

NTUC LearningHub launches one of Singapore's largest indoor training centres for trade skills, the 400 pax LHUB Industry Skill Centre @ Benoi, to offer training for the construction and marine industries, along with Workplace Safety and Health courses.

**2013**

NTUC LearningHub launches LearningHub Global Institute to offer specialised programmes in partnership with leading institutions such as ACCA.

NTUC First Campus' SEED Institute achieves National CET Institute status, an accreditation accorded by the Singapore Workforce Development Agency to only the top Continuing Education Training centres in Singapore.

### LEGEND >>

NTUC First Campus

NTUC LearningHub



## ENRICHING LIVES FOR A BETTER TOMORROW

Over the years, NTUC First Campus and NTUC LearningHub have offered working families greater peace of mind and a more secure future.

NTUC took over its first childcare centre in Kallang Bahru from the Singapore Industrial Labour Organisation (SILO) in 1977 to support mothers who wished to enter or remain in the workforce to supplement their household income. Subsequently, it took over nine other crèches from the Government. Between 1982 and 1983, three new centres were set up at Ang Mo Kio, Bedok and Clementi to meet the increasing demand for childcare services. In 2004, NTUC Childcare (now known as NTUC First Campus) introduced infant care services at its first centre in Compassvale to help mothers with infants return to work with peace of mind.

NTUC Childcare also launched the Bright Horizons Fund in 2006 so that children from low-income families can attend pre-school education through financial assistance and various support programmes that help them level up with their peers. To date, over 3,000 children have benefited from this scheme with some families paying as little as \$5 a month in childcare fees after various subsidies and assistance schemes from the Government. With 111 centres island-wide, NTUC First Campus is today the largest provider of childcare services and trusted by parents of some 11,000 pre-schoolers in Singapore.

Tommy Lim Wei Meng, who spent his formative years happily in the NTUC Childcare centre at Guillemard Road, is seeing his four-year-old son Lim Jing Yang find similar joy in the same centre, now renamed My First Skool (MFS) at Guillemard Crescent. He shared, "My most vivid

memory of being a student at the then NTUC Childcare centre was of the fun times I had in the centre's swimming pool. Today, my youngest son enjoys swimming in it as well. What is even better than the swimming pool is the team of dedicated and passionate teachers at the centre, who did their best to help Jing Yang overcome his initial separation anxiety and to comfortably integrate. I like how they constantly introduce the element of learning through creative methods of play. In addition, the teachers take time to explain their lesson plans and practices to me during the parent-teacher sessions."

"I like how they constantly introduce the element of learning through creative methods of play. In addition, the teachers take time to explain their lesson plans and practices to me during the parent-teacher sessions." said a parent.

Initially established in 1982 as the NTUC Computer Training Centre, NTUC LearningHub was corporatised in 2004 with the mission to enhance the lifelong employability of Singapore's workforce by providing high-quality, innovative products and affordable learning. Since its incorporation, NTUC LearningHub has trained close to 1.4 million executives and working adults, and has worked with more than 14,000 companies to identify training needs, define curriculum roadmaps and deliver customised training programmes. In 2009,



NTUC LearningHub boosted employability and reduced structural unemployment by helping retrenched and older workers update their skills, training over 14,000 retrenched workers and nearly 340,000 older employees. Senior low-wage workers were also given training that furnished them with basic English language and vocational (cleaning) skills through the Skills Upgrading Initiative for Low Wage Cleaners, a joint project set up by NTUC LearningHub and the Ministry of Education.

To help companies in selected industries develop their workforce and enhance staff advancement and retention, NTUC LearningHub has developed a set of skills-upgrading roadmaps and certification pathways that assist employers and employees in determining appropriate career advancement paths together.

## BREAKING NEW GROUND, MEETING NEW NEEDS

Good quality pre-school education and care can have a lasting impact on children's development and learning, and also play a big part in social mobility. As such, NTUC First Campus is committed to continuing to invest in improving its curriculum and programmes.

To reach out to more families, and to enable more children from low-income families to access quality education, NTUC First Campus set up a 'Child Enabling Unit' to step up engagement efforts with parents to ensure children attend school regularly and to better cater to children's developmental needs. Last year, together with the Ministry of Social and Family Development (MSF) and other



NTUC LearningHub has trained close to 1.4 million executives and working adults, and has worked with more than 14,000 companies to identify training needs, define curriculum roadmaps and deliver customised training programmes.

community partners, NTUC First Campus piloted the Development Support Programme (DSP) at 35 My First Skool centres. DSP provides learning support and therapy intervention to children with mild developmental delays. A resounding 98 per cent of the children in the programme achieved their individualised goals after intervention in 2012.

NTUC LearningHub will continue to refine its training programmes to serve the changing profile of Singapore's workforce. To address the demand among local professionals, managers, executives and technicians (PMETs) for industry-recognised certifications such as Project Management Professional (PMP), Next U is aggregating best-in-class-programmes from around the world, collaborating with leading organisations such as Disney Institute to offer quality training at affordable fees. Next U is also introducing new training delivery modes to make upgrading more accessible, innovative and fun for busy PMETs, while its e-shop ([www.courseandexam.com](http://www.courseandexam.com)) offers special rates on hardware and software to further support learners.

# QUICK FACTS OF NTUC FIRST CAMPUS



10X

GROWTH  
IN NUMBER  
OF CENTRES  
SINCE SET UP  
IN 1977



OVER  
35

YEARS OF  
INSPIRING  
YOUNG  
LIVES



111

CENTRES  
ISLANDWIDE



CHILDCARE FEES  
AS LITTLE AS

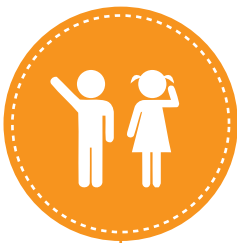
\$5

A MONTH  
AFTER SUBSIDY  
FOR SOME  
LOW-INCOME  
FAMILIES



2,300

STAFF



11,000

CHILDREN  
ENROLLED IN  
2012

# QUICK FACTS OF NTUC LEARNINGHUB



2,513

COURSES



950

NUMBER OF  
TRAINERS



IMPACTED

14,632

ORGANISATIONS  
SINCE 2004



CHANGED  
THE LIVES OF  
MORE THAN

1.4M

SINGAPORE  
WORKERS



HELPED  
TRAIN

14,427

RETRENCHED  
WORKERS



HELPED  
TRAIN

339,481

OLDER  
WORKERS



## ENABLING **FULFILLING LIVES**



We believe in building an inclusive community and strengthening family bonds so that three-generation families can care for their young and old.



## ENABLING FULFILLING LIVES

The NTUC SEs uphold their social mission by developing initiatives that build an inclusive community and strengthen family bonds so three-generation families can care for their young and old.



Through **NTUC Eldercare**, we provide affordable and quality care services for the elderly so they get the best out of their golden years. With **NTUC Choice Homes**, we help the sandwiched middle class meet their aspirations of owning private property by delivering quality housing at fair and affordable prices. Through **Mercatus**, we create an environment where working


families can enjoy the offerings of the NTUC SEs under one roof. With **NTUC Media**, we provide affordable, quality media service so the voice of every Singaporean can be heard.

Collectively, these SEs aim to make a difference so working families can enjoy meaningful, fulfilling lives.


## KEY MILESTONES




### 1999


 NTUC Eldercare sets up ElderCare Trust to raise funds and defray costs of activities organised for seniors.


### 2007

 NTUC Eldercare launches two new programmes: Care@home service, an ensuite homecare service, and the Wellness Programme, a pilot initiative working with grassroots to promote active ageing and preventive care through social interest groups.


### 2010

 NTUC Eldercare takes over management of the Henderson Home from the Chinese Women's Association, a unique 3-in-1 facility comprising a sheltered home, day care centre and senior activity centre.


 NTUC Eldercare launches the "Together We Care" caregivers training programme to equip caregivers with basic knowledge and skills to care for their elderly.

 NTUC Eldercare opens its first integrated day care facility, Silver Circle Dakota, which features an accredited rehabilitation gym, and now includes a dementia care programme.

### 2011

 NTUC Eldercare opens its first Silver ACE senior activity centre in Redhill to provide various social activities to under-privileged elderly residents living in rental flats.

#### LEGEND >>

 NTUC Eldercare



### UPLIFTING THE LIVES OF THE ELDERLY AND WORKING FAMILIES

With an ageing population and a rise in number of working families in Singapore, the need for affordable, quality eldercare services is more crucial than ever before. That is what NTUC Eldercare set out to provide when it was established in 1997 in response to the rapidly ageing population of Singapore. Over the years, the SE has helped seniors lead happy, meaningful and dignified lives through the services it provides.

As a social enterprise, its mission was to make quality eldercare services affordable and accessible to everyone. Today, NTUC Eldercare has grown from one daycare centre in Marsiling to eight Silver Circle centres providing full day care services, six Silver ACE centres offering social and recreational programmes to keep the under-privileged elderly mentally and physically fit, and Henderson Home; serving a total of more than 3,000 seniors.

Last year, NTUC Eldercare piloted the Train-and-Place project to encourage locals to take on part-time work as therapists, befrienders or caregivers in the eldercare sector. In March this year, NTUC Eldercare, in collaboration with NTUC Unity Healthcare, set up self-service stations at five Silver ACE centres across the island to enable the elderly staying in the neighbourhood to enjoy free checks on their blood pressure and body mass index. This complimentary service is estimated to benefit 1,200 senior citizens.

Looking ahead, NTUC Eldercare will continue to promote active ageing by improving the quality of life for the elderly. In support of the ageing-in-place initiative, Henderson Home will adopt an integrated service model, which brings

NTUC Eldercare has grown from one daycare centre in Marsiling to eight Silver Circle centres providing full daycare services, six Silver ACE centres offering social and recreational programmes to keep the under-privileged elderly mentally and physically fit, and Henderson Home; **serving a total of more than 3,000 seniors.**

together the social, healthcare and support elements to promote assisted and independent living amongst senior citizens. NTUC Eldercare will be expanding its range of services to offer not only social care but also nursing and rehabilitation care as well as dementia management. There are also plans to open two new Senior Care Centres in Serangoon and Toa Payoh, which will include additional nursing components, and another Silver ACE Centre in the Bukit Merah area. These new centres are targeted to be operational by early 2014.

## QUICK FACTS OF NTUC ELDERCARE



8

SENIOR  
DAY CARE  
CENTRES

6

SENIOR  
ACTIVITY  
CENTRES

166

FULL-TIME  
STAFF  
AND

70

PART-TIMERS

ELDERCARE  
DAY CARE  
FEES FROM  
AS LITTLE AS  
**\$153**  
PER MONTH\*IMPROVING  
THE LIVES OF  
**3,000**  
ELDERLY  
ANNUALLY

114

ELDERLY  
SERVED VIA  
HOME CARE  
SERVICE  
PER MONTH

\* After eligible subsidies.





## THE NTUC SE **DIFFERENCE**



We focus on doing good, and it is our unique DNA that sets us apart and drives us to do things differently.



## THE NTUC SE DIFFERENCE

In the history of the NTUC Social Enterprises (SEs), we have seen new industries created, new benchmarks set for existing industries and new solutions developed to meet core needs. Over time, many of the NTUC SEs have become household names. Not everyone, however, is aware of the role they have played and continue to play in many aspects of life for Singapore's working families.



Doing good is the unique DNA and the singular purpose of the NTUC SEs. This focus on meeting needs is what drives the NTUC SEs to do things differently. Our social enterprise model and guiding principles set us apart from both commercial entities as well as voluntary welfare organisations, allowing us to make a unique difference to the social arena.

### LIVING OUT OUR UNIQUE DNA

Doing well, or being financially sustainable, is what makes it possible for the social impact of the NTUC SEs to continue to grow. However, unlike commercial entities that seek to maximise profits, doing well is a means for the NTUC SEs to deliver on their primary objective of doing even more good.

This principle is in fact hard-coded into the DNA of the NTUC SEs. Governed by the Co-operative Societies Act, investor returns are not maximised but are, instead, re-invested to satisfy the social needs of the broader community.

Doing well, or being financially sustainable, is what makes it possible for the **social impact of the NTUC SEs to continue to grow.**

Beyond their charter, the SEs are designed by structure to always focus on the customers, members and the public first, before the shareholders. The majority of NTUC SEs' shareholders comprise other not-for-profit co-operatives and trade unions, which

The SEs are **designed by structure to always focus on the customers, members and the public first, before the shareholders.**

receive minimal dividend payouts. As such, shareholders' claim on the economic value of the co-operative is limited, with payable dividends capped at 10% of the par value of share capital.

The SEs' by-laws also stipulate that shares cannot be transferred and are redeemable at par or net asset value, whichever is lower. This allows the SEs to retain more earnings to build up reserves and capital to fund their growth and capability to deliver greater social impact.

In short, in order to be effective, the NTUC SEs have to be able to operate and compete within prevailing market conditions. They have to exercise sound management and commercial discipline to achieve cost efficiency. While they do not seek to maximise profits, they need to be profitable to cover operating costs, fund investment and growth, and provide for business risks. This balance is not always easy, but the NTUC SEs will continue to persevere so as to fulfil their social mission of doing good.

## PIONEERING WORK

The relentless drive to meet new and emerging needs has seen the NTUC SEs taking on leadership or first-mover position in many areas.

The very first NTUC SE to be formed was NTUC Income. It was set up with a specific purpose – to provide low-wage workers and their families with financial protection. At that time, insurance companies were not interested to serve this segment of the population in view of the unattractive returns. This, however, meant that many families were left vulnerable should sole breadwinners be unable to continue providing for them upon the loss of jobs or lives.

With a firm belief that everyone, rich or poor, should be able to afford financial protection for their family, NTUC Income set out to meet this need. This remains the core mission of NTUC Income some 40 years later. Today, NTUC Income is an industry leader in redefining how insurance is bought and sold. In 2011, NTUC Income was the first in the industry to launch an in-house, rapid response 24-by-7 accident-scene assistance team, a service typically outsourced by insurers in Singapore. Since its inception, Orange Force has assisted more than 15,000 motorists.

Last year, it again revolutionised the industry by overhauling its contracts from complex legalese into plain English to help customers make more informed decisions. This Honest Insurance initiative propelled NTUC Income to become the first insurance company in Asia to undertake a major Crystal Mark initiative, a globally recognised standard for plain business English.

In the mid-1970s, NTUC again saw a need – this time, it was to support mothers who wished to join the workforce in order to contribute to the

With a firm belief that everyone, rich or poor, should be able to afford financial protection for their family, NTUC Income set out to meet this need. This remains the core mission of NTUC Income some 40 years later. Today, NTUC Income is an industry leader in redefining how insurance is bought and sold.

family income. At that time, many were unable to do so as there were inadequate facilities to care for their children. Once again, the NTUC SEs stepped into the fray, forming NTUC Childcare, now known as NTUC First Campus, and taking over the management of ten crèches from the government in 1977 as well as investing in both the quality and reach of its services. The business remained unprofitable for many years until awareness and appreciation of childcare services grew to a point where private sector players saw commercial viability in the 1990s. Today, NTUC First Campus is not only a leader in providing childcare services, but also in training early childhood professionals for the industry through SEED Institute. Last year, the institute trained over half of the qualified pre-school educators who graduated in Singapore.

By the end of 2013, NTUC First Campus would have taken a further leap forward in setting new benchmarks in designing childcare spaces that are environmentally friendly and conducive for



learning through a model heartland centre in Serangoon Central.

NTUC Foodfare will be pioneering an operating model to manage the new Bukit Panjang Hawker Centre, the first of a series of hawker centres to be built by the Government over the next decade. Slated to open in 2015, this new outlet will enable NTUC Foodfare to continue to deliver on its social mission to bring affordable cooked food into the heartlands.

Today, NTUC First Campus is a leader, not only in childcare and pre-school services, but also in early childhood development.

NTUC Foodfare also opened its first outlet at Marina Bay Financial Centre last year so that, beyond the heartlands, office workers in the Central Business District can have affordable food options.

The health and community care sector, which will become increasingly prominent because of Singapore's ageing population, positions NTUC SEs; namely NTUC Eldercare and NTUC Unity Healthcare, to do more in this area. NTUC Eldercare is working on a pilot project for the government's new model of Senior Care centres to offer a higher level of elderly care. Over the next few years, more eldercare centres and pharmacies will also be set up to cater to the growing demand.

NTUC Foodfare will be pioneering an operating model to manage the new Bukit Panjang Hawker Centre, the first of a series of hawker centres to be built by the Government over the next decade.



## KEEPING THE FREE MARKET IN CHECK IN TIMES OF CRISIS

One of the key roles of the NTUC SEs is to set price benchmarks and moderate prices so that basic essentials are always affordable for working families. At no time is the importance of price stabilisation seen more clearly than in moments of crises.

NTUC FairPrice was formed during the oil crisis in the 1960s-70s, where basic essentials such as rice, flour and sugar were in short supply and profiteering was rampant. Driven by its social mission, NTUC FairPrice, then known as NTUC Welcome, kept the prices of basic essentials affordable so that working families would not be held to ransom by unethical merchants. More recently, during the SARS crisis in 2003, NTUC FairPrice again came to the forefront to hold the supply and prices of eggs and vegetables stable, thus discouraging panic buying.

During 2008, when inflation soared, NTUC FairPrice was the last to raise the price of rice even when many suppliers had done so. Similarly, when major floods hit Thailand in 2011 and threatened to impact rice prices yet again, it initiated a price freeze on all its Housebrand Thai and Vietnamese rice.

NTUC Foodfare also played its part, maintaining the prices of its cooked food and beverages and keeping prices stable during the 2011 downturn.

In times of health emergencies such as the recent haze season, NTUC FairPrice and NTUC Unity worked to ensure sufficient supplies of essential items such as face masks were accessible to the public at affordable prices, thus effectively discouraging profiteering.

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## SHAREHOLDERS' LISTING

### A

- Air Transport Executive Staff Union (AESU)
- Amalgamated Union of Public Daily Rated Workers (AUPDRW)
- Amalgamated Union of Public Employees (AUPE)
- Amalgamated Union of Statutory Board Employees (AUSBE)
- Attractions, Resorts & Entertainment Union (AREU)

### B

- Building Construction and Timber Industries Employees' Union (BATU)

### C

- Chemical Industries Employees' Union (CIEU)

### D

- DBS Staff Union (DBSSU)
- dnata Singapore Staff Union (DSSU)

### E

- Education Services Union (ESU)
- ExxonMobil Singapore Employees Union (EMSEU)

### F

- Food, Drinks and Allied Workers' Union (FDAWU)

### H

- Healthcare Services Employees' Union (HSEU)
- Housing and Development Board Staff Union (HDBSU)

### I

- Inland Revenue Authority of Singapore Staff Union (IRASSU)

### K

- Keppel Employees Union (KEU)
- Keppel FELS Employees' Union (KFEU)

### M

- Metal Industries Workers' Union (MIWU)

### N

- National Taxi Association (NTA)
- National Trades Union Congress (NTUC)
- National Transport Worker's Union (NTWU)
- Natsteel Employees' Union (NEU)
- Ngee Ann Polytechnic Academic Staff Union (NPASU)

### P

- Port Officers' Union (POU)
- Public Utilities Board Employees' Union (PUBEU)

### R

- Reuters Local Employees Union (RLEU)

### S

- Sembawang Shipyard Employees Union (SSEU-sembawang)
- Shipbuilding and Marine Engineering Employees' Union (SMEEU)
- SIA Engineering Company Engineers & Executives Union (SEEU)
- Singapore Airlines Staff Union (SIASU)
- Singapore Airport Terminal Services Workers' Union (SATSWU)
- Singapore Bank Employees' Union (SBEU)
- Singapore Bank Officers' Association (SBOA)
- Singapore Chinese Teachers' Union (SCTU)
- Singapore Industrial & Services Employees' Union (SISEU)
- Singapore Insurance Employees' Union (SIEU)
- Singapore Interpreters' and Translators' Union (SITU)
- Singapore Labour Foundation (SLF)
- Singapore Malay Teachers' Union (SMTU)
- Singapore Manual & Mercantile Workers' Union (SMMWU)
- Singapore Maritime Officers' Union (SMOU)
- Singapore National Union of Journalists (SNUJ)
- Singapore Organisation of Seamen (SOS)
- Singapore Port Workers Union (SPWU)
- Singapore Press Holdings Employees' Union (SPHEU)
- Singapore Refining Company Employees' Union (SRCEU)
- Singapore Shell Employees' Union (SSEU-shell)
- Singapore Stevedores' Union (SSU)
- Singapore Tamil Teachers' Union (STTU)
- Singapore Teachers' Union (STU)
- Singapore Technologies Electronics Employees' Union (STEEU)
- Singapore Union of Broadcasting Employees (SUBE)
- Singapore Urban Redevelopment Authority Workers' Union (SURAWU)
- SPRING Singapore Staff Union (SSSU)
- Staff Union of NTUC-ARU (SUN)

### T

- Times Publishing Group Employees' Union (TPGEU)

### U

- Union of ITE Training Staff (UITS)
- Union of Power and Gas Employees (UPAGE)
- Union of Security Employees (USE)
- Union of Telecoms Employees of Singapore (UTES)
- United Workers of Electronics & Electrical Industries (UWEEI)
- United Workers of Petroleum Industry (UWPI)





*A Member of the Labour Movement*

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***Making a Difference***