

ntuc
Enterprise

always by your side

because you matter

Annual Report 2018

Who we are



NTUC Enterprise is the holding entity and single largest shareholder of the NTUC social enterprises which serve the interests of workers and their families. As a group, we aim to meet a wide range of social needs, from moderating prices of essential goods and services to enhancing basic financial security and caring for three-generational families.

The NTUC social enterprises aspire to provide a suite of integrated services throughout the lifecycle of our population. Our areas of focus are the major concerns amongst people in Singapore, namely, cost of living, ageing, health and social mobility.

2018 Numbers at a glance



More than
600,000
customers served daily



96 million
meals served



20,000
children cared for



More than
100,000
patient visits
9,000
seniors cared for

2018 Numbers at a glance



More than
2 million
policy holders supported



Delivered over
189,000
training places



More than
2.1 million
members benefitted



155 million
shoppers served

In 2018, the group of NTUC social enterprises was expanded to include Kopitiam Investment Pte Ltd and MoneyOwl Pte Ltd.

KOPITIAM *True Singapore Taste*

In September 2018, NTUC Enterprise announced its intention to acquire home-grown food court, coffee shop and hawker centre operator, Kopitiam Investment Pte Ltd and its subsidiaries (Kopitiam). In January 2019, this acquisition was completed.

With this acquisition, NTUC Enterprise aims to leverage the combined footprint of NTUC Foodfare and Kopitiam to make affordable cooked food more widely accessible to all, thereby fulfilling its social mission of delivering affordable and value-for-money services and products to workers and their families.

MoneyOwl

MoneyOwl Pte Ltd, a joint venture between NTUC Enterprise and Provident Holding Private Limited, was launched in November 2018. As Singapore's first bionic financial adviser, MoneyOwl combines a robo-advisory platform, which uses algorithms to analyse needs and provide automated financial planning, with a team of advisers, to deliver fit-for-purpose products. As the advisers are fully salaried and not compensated by commissions or incentives, MoneyOwl aims to provide working families conflict-free, cost-effective and customised solutions.

MoneyOwl has a suite of services covering budgeting, protection, wealth accumulation and use of Central Provident Fund (CPF) and other schemes for retirement planning; as well as modular services in each of the areas of insurance, portfolio investments and will-writing.



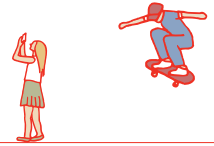
always by your side

because you matter

NTUC Social Enterprises are committed to our collective mission to meet the needs of people in Singapore so that they can live better and live more meaningfully. In 2018, we continued to provide a suite of integrated services and products to cater to the needs of our population, from young children to working adults and seniors.



Caring for our children and youth



Over 43,000 families with babies born between 2016 and 2018 have benefitted from the NTUC Good Start Bundle that provides over \$300 worth of baby essentials. They include FairPrice's FairMily Kit comprising milk powder and diapers, Income's one-year health insurance coverage, NTUC First Campus' parent-child activity book, Plus!s lifetime membership and other practical goodies to give parents a boost in their parenthood journey.

The NTUC Good Start Bundle families also enjoy more member benefits, such as exclusive offers at FairPrice On's Baby Fairs, NTUC First Campus' parenting tips and contest giveaways. The NTUC Good Start Bundle has helped families understand more about the NTUC social enterprises - 62% indicated that they have learnt more about the NTUC social enterprises through this flagship initiative.



The fourth My First Skool centre to be opened in 2018 was within Zhenghua Nature Park. The 'Every Singaporean a Naturalist' programme at this centre equips children and teachers with knowledge of local plants and animals, enabling them to develop a sense of awareness and deeper appreciation

of nature. This is the first such educational initiative by a pre-school operator in Singapore in partnership with the Nature Society of Singapore.



Another first-of-its-kind initiative by NTUC First Campus was its joint research with National Institute of Education. The three-year research studies the effect of the Child Support Model on the well-being and learning of pre-schoolers from low-income families, and evaluates the before-and-after outcomes. To date, the Child Support Model has served 15,000 beneficiaries. In 2019, NTUC First Campus targets to serve 3,000 beneficiaries through \$7.3m worth of assistance.

NTUC First Campus launched an industry-first partnership with Singapore University of Social Sciences for credit recognition for its pre-school teachers pursuing early childhood care and education degree programmes. This means a reduction of up to four courses, or six months. This is in line with its commitment to the professional development of its teachers and sustained high quality programmes at its centres.



More than 500,000 textbooks were collected at over 170 FairPrice stores for the Share-A-Textbook project. Close to 1,100 volunteers, together with FairPrice staff and members of the public, collected and sorted the donated textbooks. At the joint event with NTUC U-Care Back to School, more than 24,000 beneficiaries from FairPrice's Share-A-Textbook priority scheme and about 30,000 NTUC U-Care Fund beneficiaries were invited to collect the donated textbooks and school supplies. Since the project's launch in 1983, more than 5 million books have been collected. Aside from serving the educational needs of the less fortunate, this event helps to reduce paper waste.



Income OrangeAid disbursed \$1.02 million in bursaries to 400 tertiary students from low-income families supported by the Income OrangeAid Future Development Programme (FDP). Besides receiving financial assistance, the students benefitted from financial literacy workshops and over 90% of them said they had more time for school work and the know-how to better manage their finances.

The FDP also launched an Alumni Initiative to expand the horizons of past and current FDP beneficiaries about alternative career choices. Comprising a coaching programme and facilitator training, the beneficiaries are able to gain industry knowledge and exposure, and the necessary skills to become an effective trainer to return and support their peers at FDP workshops.



Partnering workers and their families every step of the way



NTUC Foodfare is the first in Singapore to provide diabetic-friendly, low-glycemic index (low-GI) ready meals. These low-GI ready meals are the first to be endorsed by the Health Promotion Board. Priced affordably between \$3.90 and \$5.90 each, these ready meals are launched under the Chef's Finest Low-GI label. To develop these low-GI ready meals, NTUC Foodfare leveraged the expertise of Temasek Polytechnic's School of Applied Science, the first accredited GI research unit in this region.



NTUC Foodfare opened Pasir Ris Central Hawker Centre, bringing affordable meals to residents in the vicinity. Pasir Ris Central Hawker Centre is a duo-concept hawker centre housing all-time local hawker favourites and modern hipster fare under one roof.

At the official opening, NTUC Foodfare launched Gift-A-Meal, kick-starting it by donating 1,000 meals. The first-of-its-kind in a hawker centre, Gift-A-Meal encourages patrons to gift meals to low-income residents for them to enjoy meals at any Foodfare outlet. At \$3.50 per meal, patrons can donate at the Pasir Ris Central Hawker Centre hawker stalls or through the NTUC Foodfare mobile app.

In 2018, NTUC Foodfare made the commitment not to increase prices of its hot beverages despite the increase in water tariffs. By doing so, it aimed to curb price fluctuations and help Singaporeans manage the cost of essential beverages like coffee and tea.

As part of its digital transformation strategy, NTUC FairPrice overhauled its FairPrice On shopping portal and mobile app to offer a more robust and intuitive user interface, and a streamlined shopping experience. FairPrice On also offers customers a convenient platform to donate groceries to the less fortunate supported by 55 social service organisations.

At the back-end, it enhanced its online fulfilment centre with the "Autostore" system, an automated goods-to-man storage and retrieval system that utilises robotics to provide high-density storage, optimise manpower and boost productivity.



NTUC FairPrice and Grab launched the SCORE subscription programme to offer customers more savings, additional rebates and greater convenience. Since its launch, Cheers, GrabFood, OCBC Bank, Qoo10 and Zalora have come on board to offer subscribers exclusive deals. Plans are underway to onboard more merchants and offer subscribers savings on a wider range of products and services.



In celebration of its 45th Founders' Day, NTUC FairPrice donated \$1.2 million worth of food vouchers to 20,000 low-income families. Since FairPrice Food Voucher Scheme began in 2002, \$16.8 million worth of food vouchers has been donated to help low-income families and individuals with the daily cost of living.



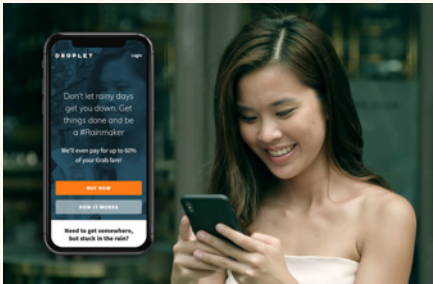
NTUC FairPrice's Walk for Rice@Southeast, which was into its 10th year in 2018, brought corporate and community partners together to support vulnerable families in the South East District. Since 2009, participants of the event have walked more than 1,150,000km together to raise about 5 million bowls of white and brown rice for needy residents. FairPrice has pledged to continue the partnership for 3 more years with plans to increase its sponsorship and include more nutritious products in future editions.



Partnering workers and their families every step of the way

NTUC Income is the first and only insurer to offer Integrated Shield Plans online, offering heightened accessibility, convenience and speed. New customers with no pre-existing health conditions enjoy instant approval and coverage within minutes of their application. Claiming a hospitalisation bill can also be completed by submitting a photograph of the bill online, eliminating the hassle of paper submissions.

NTUC Income introduced the Prolonged Medical Leave Insurance to mitigate loss of income, particularly during long periods of illness, injury or hospitalisation, for self-employed persons. More significantly, the plans offer pay-out on top of other insurance plans and apply the same premium rate regardless of occupation types.



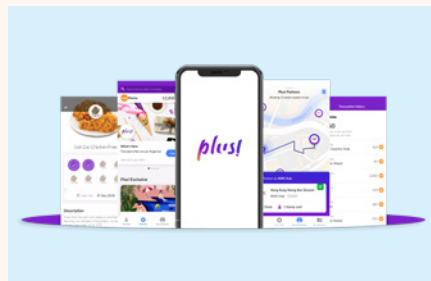
To address modern lifestyle needs, NTUC Income launched Singapore's first "rainsurance", Droplet, to offer consumers insurance protection against surge pricing on ride-hailing platforms when it rains.

NTUC LearningHub is the leading training provider of the national SkillsFuture for Digital Workplace (SFDW), training over 10,000 people in fundamental digital skills in 2018. This has helped more Singaporeans benefit from the oncoming digital wave.

NTUC LearningHub continued to make best-in-class content accessible to Singaporeans, launching new partnerships including cloud computing courses with Amazon Web Services, change leadership courses with Kotter International and courses with renowned publisher Wiley. It was also awarded top partner by Microsoft and ICDL for its commitment to strong partnerships.

NTUC LearningHub deepened its links with the Labour Movement and tripartite partners to roll out the Industry Transformation Maps. Focusing on Worker 4.0, the three skillsets of Adaptive Skills, Technology Skills and Technical Skills required to be Industry 4.0 ready were formulated.

In support of the Progressive Wage Model, NTUC LearningHub enabled 17,000 security trainees to upskill and earn higher salaries. During the year, it trained over 60,000 new Workplace Safety and Health personnel. It also helped IT workers learn new skills and brought in new workers into the growing ICT sector through IT Professional Conversion Programmes.



NTUC Link's digital transformation delivered two key outcomes. First, the new Plus! app was launched to offer members added convenience and benefits, such as checking of LinkPoints

balance and searching for Plus! partners and offers within close proximity. Members can also collect digital stamps and LinkPoints without the need for the physical Plus! card.

Second, a campaign management platform was developed in-house with recommendation, acquisition, retention and other customer relationship management capabilities to serve partners' marketing needs. To date, over 97% of Plus!'s partner campaigns are run using this platform.

Plus! celebrated its 20th anniversary in 2018 and gave back to its members \$140,000 worth of rewards, deals and giveaways. Plus! members were rewarded with additional LinkPoints, special deals and weekend freebies.

Mercatus launched an app-based loyalty programme, M Privileges, in May 2018. At their convenience, shoppers can access digital vouchers, redeem gifts and enrol in lucky draws.

Mercatus continued to support NTUC U-Care Fund with a donation of \$400,000. It also availed its malls as venues to promote causes that support the needy and elderly, as well as charitable events such as animal adoption drive and Salvation Army donation drive.





Supporting our silver communities



NTUC Health operates Singapore's first Active Ageing Hub at Kampung Admiralty, a one-stop retirement village. Members of the Active Ageing Hub do not pay fees but volunteer their time and skills to participate in activities that promote active ageing. This has resulted in a vibrant community where the senior volunteers develop ownership of the shared space, grow meaningful friendships, learn new skills, pick up new hobbies and give back to society.

At Kampung Admiralty, the NTUC social enterprises leverage their capabilities to offer services and programmes to help seniors stay physically fit, mentally active and socially engaged. These include group exercises, community cook-outs and gardening. The Active Ageing Hub also provides senior day care and rehabilitation services. Together with NTUC First Campus' My First Skool, which has a centre there, NTUC Health develops programmes to encourage inter-generational bonding. The NTUC FairPrice and NTUC Foodfare outlets at Kampung Admiralty feature senior-friendly facilities to cater to the seniors' needs.

NTUC Health launched a pilot programme, Tango, with the Ministry of Health to offer services to encourage seniors in the Braddell Heights area to live an active lifestyle and age well in the community. Tango is a one-stop service solution providing home care services, elder-friendly fitness programmes and social activities for individuals aged 50 and above.



At Jurong West Nursing Home, NTUC Health worked with NParks to develop the first therapy-based garden in a nursing home using science-based principles to facilitate seniors' interactions with nature in a way that may improve their mental and psychosocial well-being. Apart from the design of the garden and plant palette which are customised for seniors, NTUC Health has also developed regular programmes with volunteers to bring a variety of garden-related activities to the residents.

NTUC Health understands that nursing homes are seldom the preferred choice for families or seniors themselves. It therefore invests significant resources in intensive rehabilitation to help nursing home residents regain as much of their functional abilities as possible, enabling them to be discharged back to their own homes. To date, more than 40 nursing home residents have been successfully rehabilitated and discharged. Through these efforts, NTUC Health aims to reduce the stigma of nursing homes being the end point of one's life.

NTUC Foodfare offers a 10% discount every Tuesday to NTUC Union members aged 55 and above. In 2018, these U-Live members enjoyed more than 113,000 discounted meals, amounting to about \$28,600 in savings.



Senior citizens and the Pioneer Generation (PG) continued to enjoy savings at FairPrice with discounts on selected days. In 2018, FairPrice helped seniors and the PG save close to \$7 million.

NTUC FairPrice partnered Youth Corps Singapore for 'Shop for A Cause', an initiative that enables youths to interact with seniors as they facilitate grocery shopping trips in stores, while educating the seniors on making healthier food choices. Besides fostering a culture of giving among youths, the joint partnership promoted multi-generational bonding. Through the FairPrice Volunteers Programme, 4,303 community hours have been clocked and over 1,000 beneficiaries have benefitted.

NTUC Income recalibrated underwriting requirements for seniors by minimising excessive request for information and streamlining health declarations that are most relevant to seniors. Seniors have reacted positively to this new process citing greater ease and more confidence in applying for insurance.



To empower seniors to be creative digitally, NTUC LearningHub launched the new Silver Digital Creators course in conjunction with the Info-communications Media Development Authority and National Library Board. The courses range from digital photography to movie-making and coding.

From the desks of our leaders



"At the NTUC Modernisation Seminar in 1969, the concept of cooperatives was first mooted to provide Singapore's workers and their families access to affordable essential products and services. 50 years on, in spite of the vastly different environment in which we operate, our NTUC social enterprises remain deeply committed to making our products and services more accessible and affordable to all Singaporeans. The group has since stepped up our efforts to transform our social enterprises into tech and data-driven organisations to deliver good value products and services in a cost-effective way – all these to retain our relevance and effectiveness in fulfilling our social mission for the next 50 years and beyond."



Lim Boon Heng
Chairman, NTUC Enterprise

"In 2018, our NTUC social enterprises continued to partner workers and their families in every stage of their lives. From delivering affordable products and services, to enhancing care and financial protection for our seniors, encouraging healthy living and eating, and giving all ages access to opportunities for social mobility, our social enterprises have continued to strive and innovate to stay ahead of the competition.

In line with our mission of enhancing accessibility to affordable products and service, the group added two new social enterprises – Kopitiam and MoneyOwl. The acquisition of Kopitiam enables us to make affordable cooked food more widely accessible to Singaporeans, and MoneyOwl will scale up to provide the masses access to fit-for-purpose and cost-efficient financial advisory and solutions.

We have made good progress on our digital transformation journey, but much hard work still lies ahead for us to be digitally future-ready. We will continue to invest in talent, technology and infrastructure, and to focus on operational excellence so as to continue to assure our collective ability to achieve greater social impact."



Kee Teck Koon
Executive Director, NTUC Enterprise



"Competition in the retail industry will continue to grow with intensity. To address this, NTUC FairPrice needs to constantly innovate and embrace technology to augment and improve our business and operations. In fact, we have to move faster in this aspect. And as our customers' lifestyle and preferences evolve, we are investing more in data analytics so that we can be more targeted in serving them. Ultimately, FairPrice seeks to deepen our engagement with all stakeholders and provide them with a seamless omni-channel experience. Notwithstanding, we remain rooted to our social mission to ensure that daily essentials remain affordable and available."



Seah Kian Peng
CEO, NTUC FairPrice



"NTUC First Campus crossed the significant enrolment landmark of 20,000 children in 2018, up from 18,000 in the previous year. As part of our pledge to serve all Singaporeans and the pre-school needs of their children, we have put aside 15% of enrolment places for families with a household income of less than \$3,500. As part of our digital transformation, we will continue to leverage technology to improve customer experiences, boost productivity and grow new opportunities to respond to the learning needs of the children under our care. We aspire to be an Employer of Choice in the ECCE sector. Underlined by our Happy Yay movement which is into its second year, we are committed to empowering our staff through purpose, mastery, trust and respect to unleash their full potential."



Chan Tee Seng
CEO, NTUC First Campus

From the desks of our leaders



"The food & beverage sector has seen dynamic shifts towards off-site dining with the advent of aggressive food delivery platforms. While we leverage our real estate footprint to serve our customers, we need to adopt an omni-channel strategy to bridge online and offline consumption. At Foodfare, we have embarked on the transformation. With the further tightening of the labour market, it is pertinent that we augment automation in our business practices so that we may continue to amplify our social purpose in a sustainable manner."



Perry Ong
CEO, NTUC Foodfare



"The lifestyle and needs of our customers are changing in an increasingly digital economy. Income, too, must change and adapt to ensure that we remain relevant to offer sustainable insurance to our customers. We are challenging the norm and traditional way of doing things to innovate and improve accessibility to insurance. As we progress in our digitalisation journey, Income continues to invest in our capabilities that will grow our strength as a digital insurer and social enterprise."



Ken Ng
CEO, NTUC Income



"NTUC Health has grown over the last few years to become one of the largest providers of eldercare and dental services in Singapore. Our clinics saw more than 100,000 patient visits last year. In addition, our home care services which deliver nursing, personal care and rehabilitation services in the home, maintenance and dementia day care centres, nursing homes and active ageing activity centres support more than 9,000 seniors every year. Our market presence and leadership make us a preferred partner in the community, allowing us to serve even more seniors and their families. Our goal is to enable individuals to age well within their communities and homes, empowering them to keep in good health, build social networks and continue to do the things they enjoy. Through our partnership with the government, community partners and the labour movement, we will continue to explore better and more effective ways to provide care and bring dignity, joy, and peace of mind to seniors and their families."



Chan Su Yee
CEO, NTUC Health



"Since 1988, Kopitiam has been providing good quality, affordable cooked food, round the clock to all Singaporeans. Being part of the NTUC Enterprise family further reinforces Kopitiam's social mission of helping to manage the cost of living. Kopitiam has been constantly innovating to cater to the changing needs of the community and adapt to shifts in the industry to achieve our social goals. At Kopitiam, we continually emphasize on customer-centric practices to accelerate our digitalisation and e-payment transformation journey. In 2019, KopiTech, the new food court at Funan, will showcase a full suite of self-ordering and e-payment solutions to enable an effortless 'order, pay & collect' dining experience."



Alden Tan
CEO, Kopitiam

From the desks of our leaders



"2018 was a good year for NTUC LearningHub. We continued our journey in LEAN transformation, digital and people transformation, and achieved the Singapore Quality Class Star in Innovation and Service, a hallmark of quality in Singapore. Powered by data analytics, our transformation centred on the use of data for business tracking and decision making. We started the year with the 'Paperless, Wireless and Cashless' campaign and this has brought about better services for our customers and at reduced cost. Moving forward, we will leverage technologies such as Robotic Process Automation to take care of routine tasks, so that we can focus on creating greater value for our customers. People are our most important asset, and we have strengthened our bench strength and reorganised to better focus on helping each industry cluster grow and face the challenges ahead, in line with the Industry Transformation Maps and the vision of generating Worker 4.0. 2019 marks a key milestone as we celebrate our 15th Anniversary and we hope to forge ahead towards the Industry 4.0 benchmark like the rest of Singapore."



Kwek Kok Kwong
CEO, NTUC LearningHub



"In the last two years of digital transformation, we have had many learnings. We are still in growth mode and pivoting to capitalise on our new capabilities in tech and digital. Being a well-loved rewards programme for the last twenty years, we will work harder to bring more value and benefits to our consumers and our partners. Our staff value the opportunities to serve the broader community in Singapore by delivering our vision of enhancing life every day for our members, our partners and their businesses. Putting our consumers at the heart of all that we do, we are confident that together with our valued partners, we will make it easy, exciting and rewarding for the everyday things in life."



Khoo Swee Lan
Acting CEO, NTUC Link



"Despite a challenging retail environment, Mercatus' portfolio has proven resilient, continued to draw healthy traffic and delivered positive results. Mercatus continued to invest in digital solutions to enhance customer touch points and bring forth greater labour productivity. An improved version of M Malls app will provide a wider array and more personalised digital services to our shoppers. The planned rollout of the Intelligent Building Management Systems will improve energy efficiency, building performance and labour productivity. While e-commerce continues to grow its share of consumers' wallet, we firmly believe that physical retail plays a vital role in providing meaningful and delightful shopping experience and a gathering place for social interactions."



David Poh
CEO, Mercatus



"MoneyOwl is excited to be a new NTUC social enterprise, even if we look a little different. We are Singapore's 1st Bionic Financial Adviser – with both a robo platform and fully salaried human advisers – and we operate from a shop house in Keong Saik Road in true start-up style! MoneyOwl is a JV between NTUC Enterprise and Providend, a homegrown and best-in-class independent financial advisory firm. Our social mission is to help working families make the best possible financial decisions, so that all Singaporeans can achieve greater financial security, better retirement adequacy and be empowered to live fulfilling lives. We do so by providing comprehensive, competent and conflict-free advice that integrates national schemes, through a combination of human advisers and robo technology. Yes, we are a fintech, but we will be one with a human touch that lives up to MoneyOwl's namesake of being watchful, wise and with you all the way."



Chuin Ting Weber
CEO & Chief Investment Officer, MoneyOwl

 FairPrice

 FairPrice Xtra

 FairPrice finest

 FairPrice xpress

 FairPrice on

 FairPrice Shop

 Cheers

 Unity Pharmacy

 Warehouse Club

 **ntuc Social Enterprises**
ALL FOR GOOD

 **ntuc Enterprise**

 **FairPrice**

 **ntuc First Campus**

 **Foodfare**

 **ntuc Health**

 **Income**
made different

 **KOPITIAM**
True Singapore Taste

 **ntuc LearningHub**

 **Link**

 **Mercatus**

 **MoneyOwl**
Making Wise Decisions Easy

 **my first skool** My First Skool

 **Little Skool-House International**

 **The Caterpillar's Cove**
Child Development and Study Centre


 **after school** by NTUC First Campus

 **SEED Institute**
An RMIT Training Institute

 **Foodfare** Foodfare

FOOD EMPORIUM Food Emporium

 **Wang Café**


 **Heavenly Wang**

VANDA TERRACE by Foodfare Vanda Terrace

 **Rice Garden**
an NTUC Social Enterprise

KITCHEN LOFT Kitchen Loft

 **Chef's Finest**

 **Healthy Kopitiam**

 **Bagus**

 **Cantine**


 **Lau Pa Sat**
FESTIVAL MARKET

KOPITIAM CITY Kopitiam City

 **KOPITIAM Square**

 **The Dessert Shop**

 **Korean Bingsu**
WHERE TASTE MEETS ART


 **Bubble Tea**
Joy Up Tea

Services

- Senior Day Care
- Care at Home
- Nursing Home
- Active Ageing
- Rehabilitation and Wellness
- Dental
- Family Medicine

Community Support and Programmes


- Senior Activity Centres
- Cluster Support
- CREST
- Community Befriending/ CAN Carer
- Care Close to Home
- Henderson Home
- Senior Group Home

 **plus!** Plus! LinkPoints

 **AMK HUB**
It's all about you

 **JURONGPOINT**
love the life!

 **NEX**

 **One Marina Boulevard**

 **Thomson Plaza**