

FairPriceGroup

Every Day, Made A Little Better

Disposable Carrier Bag Charge Report 2023

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About the Disposable Carrier Bag Charge (DCBC)

At FairPrice Group (FPG), our mission to keep daily essentials within reach goes hand in hand with our commitment to sustainability. As Singapore's largest retailer, we recognise the pressing need to address climate change and its impact on the communities we serve.

Under the Resource Sustainability Act 2019, all supermarket operators in Singapore with an annual turnover exceeding S\$100 million are required to implement a minimum charge of 5 cents for each disposable carrier bag¹ provided to customers at physical stores since 3 July 2023. This charge applies to all types of disposable bags, including those made of plastic, paper, or biodegradable materials. For further details on the DCBC, please refer to the [National Environment Agency \(NEA\) website](#).

Our Responsibilities as a Retailer

As Singapore's leading retailer, FPG is committed to implementing the Disposable Carrier Bag Charge with transparency and accountability. All DCBC proceeds will be directed towards sustainability initiatives that support environmental and social causes. To uphold this commitment, we will publish annual updates that detail:

- The total number of disposable carrier bags issued,
- The total DCBC proceeds collected, and
- How these proceeds have been utilised to drive positive impact.

FPG fully supports the DCBC as a practical step towards encouraging mindful consumption and advancing Singapore's sustainability goals. Together, we can make every day a little better—for our people, our communities, and our planet.

¹ Disposable carrier bags are bags with handles, such as t-shirt bags or die-cut/punched handle bags. Disposable non-carrier bags, such as flat top plastic bags for bagging fresh produce or meat/seafood, are not subject to the mandatory charge.

About This Report

This report marks FPG's first update on DCBC implementation and showcases how its proceeds have been channelled into sustainability initiatives that strengthen our environmental stewardship commitments and deepen our community engagement and welfare with a focus on nutrition and sustainability education.

Published on 20 December 2024, it covers the period from 3 July 2023 to 31 December 2023 and complies with the requirements under the Resource Sustainability Act 2019 and the Resource Sustainability (Disposable Carrier Bag Charge) Regulations 2023.

The following entities are covered in this report:

- NTUC FairPrice Co-operative Ltd
- Cheers Holdings (2004) Pte Ltd

We welcome any feedback or suggestions on FPG's 2023 DCBC Report. Please address your feedback to the FPG Sustainability Office at sustainability@fairpricegroup.sg.

External assurance

We have engaged an external auditor to provide limited assurance on the statement of accounts, which comprises the total number of disposable carrier bags provided to customers, total amount of charge collected for the disposable carrier bags and the application of its proceeds that are paid or payable to the identified recipients from 3 July 2023 to 31 December 2023.

FPG's Sustainability Journey

Since our founding, FPG has embraced our role as a retailer to go beyond delivering better value by keeping daily essentials within reach, to support communities and do what's right for present and future generations.

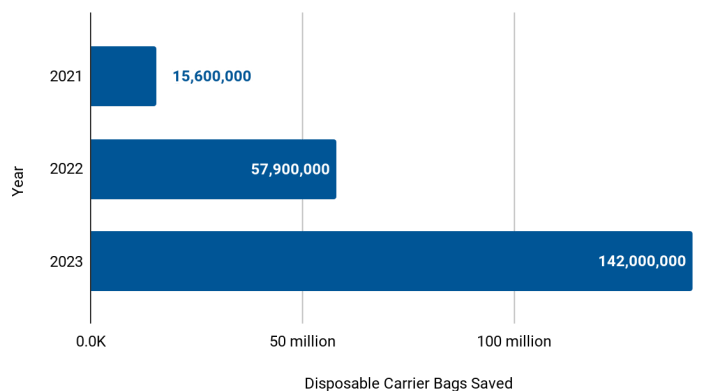
In 2023, we took a meaningful step forward by appointing our first Chief Sustainability Officer and forming a Sustainability Committee within our Board of Directors. We also integrated Climate Change Strategy into our Environmental, Social, and Governance (ESG) pillars, reflecting the vital role of climate resilience in building stable, sustainable food supply chains.

A Measurable Impact on Waste Reduction

The DCBC builds on FPG's long-standing sustainability journey. In 2019, we became the first local supermarket to introduce a plastic bag charge through a [pilot programme at seven FairPrice and Cheers outlets](#), with proceeds supporting [charities](#) and [environmental initiatives](#). By 2022, this initiative expanded to 178 Cheers and FairPrice Xpress outlets and 11 supermarkets.

These early efforts paved the way for the successful implementation of the DCBC. In 2023, we achieved a significant milestone—**saving 142 million disposable bags**, a 77% reduction in usage after the DCBC took effect, compared to the same period in 2022.

Disposable Carrier Bags Saved in Retail Stores



To complement national DCBC efforts, we also introduced community bag racks at 37 stores, encouraging customers to share or pick up reusable bags. We've further strengthened this initiative through partnerships with schools and community groups on upcycling projects, reflecting our belief in customers as active partners in sustainability. Today, [over 90% of shoppers bring their own reusable bags](#), compared to 61% before the DCBC was implemented—a heartening sign of our community's growing environmental awareness and dedication to positive change.

Responsible Use of DCBC Proceeds

Between 3 July 2023 and 31 December 2023, NTUC FairPrice Co-operative Ltd and Cheers Holdings (2004) Pte Ltd collected a total of S\$1,684,420.65 through the DCBC initiative. The proceeds have been directed towards sustainability initiatives to create a meaningful, long-term impact on our environment and community.

\$556,961.30 has been channelled towards environmental sustainability initiatives. We will prioritise environmental initiatives, programmes and causes that support FPG's environmental stewardship commitments in taking climate action through decarbonisation, as well as food waste and packaging reduction. This includes promoting awareness of sustainable practices and consumption, building capabilities to enable action, and finding scalable solutions that will bring about quantifiable change and impact.

S\$1,002,902.45 has been donated to [FairPrice Foundation](#), the philanthropic arm of FPG. This donation of the DCBC funds is over and above the annual donation which FPG makes to the Foundation, which since 2008, has amounted to over \$178 million to support the vulnerable and benefit the community.

The Foundation focuses on three strategic thrusts:

- Food security for the poor and needy;
- Community engagement and welfare with a focus on nutrition and sustainability education; and
- Championing workers' welfare.

The DCBC proceeds have been specifically earmarked for the Foundation's sustainability-focused programmes, ensuring that they deliver enduring benefits to communities across Singapore. *(Read more on pages 7-9 of this report.)*

Our Approach to Sustainability

We believe that sustainability isn't just about what we do—it's about how we do it together, with care and commitment to the people and communities we serve.

Guided by our principles of **Doing Good**, **Being Fair**, and **Acting Right**, FPG develops sustainability initiatives in collaboration with our stakeholders, such as customers, employees, suppliers, government agencies, and charities, to understand their evolving needs and priorities.

To ensure that our efforts remain relevant and effective, we regularly analyse internal data and market trends to identify emerging opportunities and challenges, align our strategies to prioritise material sustainability topics that significantly impact our operations and stakeholders, and have the Sustainability Committee conduct periodic reviews to refine our long-term business and sustainability strategies.

Stewarding the United Nations Sustainable Development Goals (UN SDGs)



As a founding signatory of the Singapore network of the United Nations Global Compact, FPG is committed to advancing the UN SDGs. Our priority goals are:



Proceeds from the DCBC will play a vital role in funding programmes that align with these goals, further strengthening our contribution to a sustainable and resilient future.

Key Sustainability Programmes and Initiatives

Supporting Social Causes

Empowering Children to Make Healthier Choices, For Themselves and the Planet



The **Start Strong, Stay Strong** programme by FairPrice Foundation is Singapore's first preschool programme integrating nutrition and sustainability education. Developed in partnership with Terra SG, My First Skool, and supported by nutrition knowledge partner, KK Women's and Children's Hospital, it is designed to educate children and their families to make informed food choices that are better for their health, and for the planet.

Through a comprehensive curriculum and interactive activities beyond the classroom, children aged 4 to 6 years old gain a deeper understanding of nutrition and learn how their daily habits impact the world around them. They are encouraged to take an active role in shaping their household's eating habits, creating ripple effects of positive change.

The programme is currently being piloted at My First Skool campuses across Singapore, with plans to expand to more preschools in 2025.

[Click here](#) to find out more about Start Strong, Stay Strong.



Bringing Nutrition and Sustainability Education to Life



As part of the Start Strong, Stay Strong initiative, FairPrice Foundation has also launched the **Start Strong Explorer's Quest** at FairPrice City Square Mall — the first digitally-enabled, self-directed learning trail across FairPrice stores, designed to inspire healthier and more sustainable habits among children aged 6 to 12 years old.

Through the Explorer's Quest, children are encouraged to explore green features in our most sustainable store yet and discover easy, innovative eco-friendly practices and products. The quest also engages children to identify food labels, practice mindful consumption, and learn to make better choices every day for their health, wallet, and the planet.

[Click here](#) to find out more about Start Strong Explorer's Quest.



Investments Into the Environment

Partnering with World Wide Fund for Nature (WWF) Singapore for a Greener Future



FPG has entered into a multi-year partnership with WWF Singapore to inspire and empower shoppers to make more sustainable choices.

As the Sustainability Knowledge Partner for FairPrice City Square Mall, WWF Singapore is helping us create in-store educational tools and engaging social media content for our flagship sustainable supermarket. These efforts aim to help shoppers understand the importance of buying responsibly sourced products and adopting circular habits to reduce waste. FPG has also commissioned studies to better understand consumer behaviour and identify ways to promote more sustainable shopping habits.

Funds from the DCBC will also support WWF Singapore's vital work in nature and biodiversity conservation, extending the impact of this partnership far beyond the supermarket aisles.

[Click here](#) to find out what makes FairPrice City Square Mall our most sustainable supermarket.



Building Charging Points for Electric Vans (EVs)



FPG is dedicated to **helping our contractors adopt more sustainable practices** while maintaining operational efficiency. Through feedback sessions, contractors have highlighted that the limited availability of external charging services is a hurdle deterring them from adopting EVs. To address this, FPG plans to offer dedicated EV charging services on our premises and allocate priority loading bays for EVs—providing both convenience and incentive for contractors to make the switch from diesel vehicles.

As a proof-of-concept, **we've installed fast-speed EV charging points for industrial use at our distribution centres**. These charging points enable contracted delivery EVs to recharge their batteries during loading without impacting operational productivity. Building on this initiative, FPG is actively encouraging contractors to transition to EVs, aiming to convert at least 10% of our contracted fleet to create a more sustainable and efficient delivery network.



Future Sustainability Initiatives

Scaling Circularity and Sustainability Education for Singapore's Youth and the Heartlands

Beyond its current portfolio of sustainability education initiatives, FairPrice Foundation will be looking to utilise FPG's DCBC proceeds to fund **circularity and sustainability programmes** targeted at Singapore's youth and the heartlands. More details will be shared in due course.



Application of DCBC proceeds by NTUC FairPrice Co-operative Ltd

Period: 3 July 2023 to 31 December 2023

Total number of disposable carrier bags issued	33,630,364 units
Total amount of charge collected	\$1,681,518.20
Total amount of charge collected excluding GST²	\$1,556,961.30





Application of DCBC proceeds

GST		
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Description	Recipient	Amount
Goods and Service Tax (8%)	Inland Revenue Authority of Singapore	\$124,556.90

² The Goods and Services Tax in Singapore for 2023 was 8%.

SOCIAL

Goal	Description	FairPrice Group's efforts	Recipient	Amount
 <p>1 NO POVERTY</p>	End poverty in all its forms everywhere	Support FairPrice Foundation's programmes especially those relating to improving social welfare, health and nutrition among vulnerable groups.	FairPrice Foundation	\$1,000,000
 <p>2 ZERO HUNGER</p>	End hunger, achieve food security, improve nutrition and promote sustainable agriculture			
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Ensure healthy lives and promote well-being for all at all ages			
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	Strengthen the means of implementation and revitalise the global partnership for sustainable development			

ENVIRONMENT

Goal	Description	FairPrice Group's efforts	Recipient	Amount
	Ensure access to affordable, reliable, sustainable and modern energy for all	Implement proof-of-concept of fast-speed EV charging infrastructure for industrial use at our distribution centres, so delivery EVs can recharge their batteries during loading with minimal downtime. This POC hopes to reduce industrial EV conversion barriers due to lack of charging points, and encourage more fleet contractors to convert to EVs. We aim to encourage the conversion of 10% of our contracted fleet to EVs. The fund is used to pay for the infrastructure, and the service provider is Lim Kim Hai Electric Co (S) Pte Ltd.	Lim Kim Hai Electric Co (S) Pte Ltd	\$292,648.65
	Promote sustainable consumption and production patterns	Implement a multi-year consumer education programme on sustainable food production and consumption, as well as contribute towards WWF Singapore's Conservation Fund.	WWF-World Wide Fund for Nature (Singapore) Limited	\$204,312.65
	Strengthen the means of implementation and revitalise the global partnership for sustainable development			
	Promote sustainable consumption and production patterns	Implement a multi-year consumer education programme to champion the reduction of food waste - the third largest waste stream in Singapore.	Zero Waste SG	\$60,000
	Strengthen the means of implementation and revitalise the global partnership for sustainable development			

Application of DCBC proceeds by Cheers Holdings (2004) Pte Ltd

Period: 3 July 2023 to 31 December 2023





Total number of disposable carrier bags issued	58,049 units
Total amount of charge collected	\$2,902.45
Total amount of charge collected excluding GST ³	\$2,687.45

Application of DCBC proceeds

GST		
Description	Recipient	Amount
Goods and Service Tax (8%)	Inland Revenue Authority of Singapore	\$215

³ The Goods and Services Tax in Singapore for 2023 was 8%.

SOCIAL

Goal	Description	FairPrice Group's efforts	Recipient	Amount
	End poverty in all its forms everywhere	Support FairPrice Foundation's programmes especially those relating to improving social welfare, health and nutrition among vulnerable groups.	FairPrice Foundation	\$2,687.45
	End hunger, achieve food security, improve nutrition and promote sustainable agriculture			
	Ensure healthy lives and promote well-being for all at all ages			
	Strengthen the means of implementation and revitalise the global partnership for sustainable development			