

Global Compact Annual Communication on Progress of

NTUC THRIFT AND LOAN COOPERATIVE LTD

Address #15-08, One Marina Boulevard
Singapore

Date 31 May 2011

Number of Employees : Fifteen

Sector : Financial

Contact : Daniel Tseng, CEO
: +65-62303128

Business

Credit cooperative. Provide financial services and products including savings and loans to individual and institutional members who belong to the Labour Movement under the National Trades Union Congress.

As of March 2011, over 97,000 individuals have joined as ordinary members.

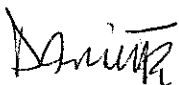
STATEMENT OF SUPPORT

NTUC Thrift and Loan's primary social mission is to promote and support financial security building to individuals who are Ordinary members of the cooperative.

Our social enterprise was established by the NTUC, the founder member, to promote and support individuals who are members of unions and cooperatives affiliated to the NTUC in their quest to nurture and build financial security to tide workers over financial challenges arising from joblessness due to changes in the job market and rising structural unemployment.

Board and Management fully support and commit resources and actions which complement the work of the Labour Movement to help workers live better lives, work and play. We support all collars, ages and nationalities.

Specifically, we promote the good habit of regular savings amongst our individual members. We stretch the financial investments of our members by paying higher interest premiums on their savings and term deposit investments. On lending, we promote loans, in particular education loans at competitive rates to help individuals equip and upgrade their skill levels to enable workers to gain a better job and enhance employability.



Signature

CEO

Position

Principle 1. Support and respect the protection of internationally proclaimed human rights

Our Policy

Our organization supports and implement HR policies, work ethics and national policies on wage and compensation, portable insurance etc that are aligned with national policies on employment fair practices. We continue to embrace good labour relations and embrace regular meetings between management, staff and unions.

We continue to support processes and practices explained in COP 2010 submission. We will strengthen our dialogue with the union to ensure fair compensation and reward system for our staff.

Actions implemented last year / planned for next year.

New guidelines and restrictions introduced by the regulators vide the Ministry for Community Development, Youth and Sports subjects the business to new financial challenges. The adverse impact arising from the global financial crisis in 2008/9 and the new challenges has impacted the ability of the organization to deliver greater impact in delivering our social mission goals. Nevertheless, Thrift remains committed to supporting the Labour Movement in its goal to care for the welfare of the less fortunate.

Measurable outcomes

On-going program to support regular savings amongst our members has achieved a record high enrolment of over 43,000 members from the seafaring community of union members. This is an increase of over 3,000 new members compared to 40,000 individuals in 2010.

Due to the decline in market interest rates and handicap by our limited revenue source (from lending and investments), the amount paid out on our en-bloc savings program and the Seafarers Provident Fund savings scheme have reduced significantly from the \$1.2million paid out in the year ago period in FY 2010.

Principle 2. Business should ensure they are not complicit in human rights abuse

Our Commitment or Policy

Thrift up-holds that business should ensure they are not complicit in human rights abuse.

Management adopts fair and transparent staff policy practices and actions in-line with the practice codes supported by the union, the Singapore Mercantile and Manual Workers' Union.

Frequent dialogue sessions with management and staff are conducted with officers from SMMWU to ensure practices do not complicit human rights abuses

Measurable outcomes

No record of outstanding issues of unresolved matters or disputes with staff or union.

Principle 3. Business should uphold freedom of association and the effective recognition of the right to collective bargaining.

We fully support and uphold freedom of association and effective recognition of the right to collective bargaining.

Management continues to work closely and in consultation with SMMWU and strongly uphold the freedom of association and support the rights of staff to collective bargaining as championed by SMMWU.

Measurable outcomes

Save for staff on contract terms who have the choice whether to join the union, over 90% of staff are members of SMMWU. We continue to support the collective bargaining process.

Principle 4. Business should support the elimination of all forms of forced and compulsory labour

Our policy

We do not support and reject all forms of forced and compulsory labour.

Over time work conducted by our staff are compensated either with over-time pay or off-in-lieu of work done outside of official work hours. Compensation for work done outside of official work hours are compensated at market rates for over-time work.

Principle 5. Business should support the effective abolition of child labour.

We support the abolition of child labour.

Principle 6. Business should support the elimination of discrimination in respect of employment and occupation.

We support and share our HR policy guidelines with SMMWU and call for support of fair employment practices and do not discriminate against religion, race, age or child bearing workers.

Our hiring and employment practices are founded on competency, experience, qualification and ability. Reward system is based on appraisal of individual achievements and job competency and advancement is based on merit and industry.

Principle 10. Business should work against corruption in all its forms, including extortion and bribery

We do not condone nor support corruption in all its forms including extortion or bribery.

Policy support on corporate governance requires at least 3 independent price quotes from service providers/vendors. Declaration of interest in business or personal relationship is mandatory for officers handling requisitions for service from service providers or suppliers.

Appropriate levels of authority have been defined and complied with by officers of the organization in the discharge of their duties to procure services or acquire items from suppliers. This will help eliminate potential avenues for staff to commit bribery or extortion.

Measurable outcomes

SOP for procurement and Level of Authority policy statement including SOP for whistle blowing in place.