

# NCSS launches inaugural Sustainable Philanthropy Framework

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MANY companies have shared that it remains challenging to concretise their contributions, particularly to social needs, Masagos Zulkifli, minister for social and family development and second minister for health, said on Wednesday (Jul 24).  
Speaking at the Singapore Apex Business Summit, he noted that when he met Singapore Exchange-listed companies as well as small and medium-sized enterprises last year, a common question was: "What exactly is the 'S' in ESG (environmental, social and governance)? How do I know I am doing it, and how do I measure it?"

He said: "For if there are no common handholds, then each corporate has to put language to the 'S' in the ESG in (its) own way. There would be no common language to track and demonstrate value to (the) shareholders and... stakeholders."

The Sustainable Philanthropy Framework now plugs that gap by laying out guidelines.

Launched on Wednesday at the summit held at the Sands Expo & Convention Centre, the framework was initiated by the National Council of Social Service (NCSS), in part-

### Sustained social impact

TOPIC	CORE METRICS	EXPANDED METRICS
Giving	Total donation amount in dollar value (\$) / equivalent dollar value (\$)	% of dollar value (\$) as a component of total revenue / profit
Volunteering	Number of volunteer hours in the year	<ol style="list-style-type: none"> <li>Total number / percentage (%) of employees that participated in volunteering / giving programmes</li> <li>Breakdown of hours by roles</li> <li>Does your business have any sustained volunteering commitments or practices?</li> </ol>
Socially responsible business practices	List down the socially responsible business-related practices and commitments your business has implemented (e.g., inclusive hiring of persons with disabilities)	Number of diverse and inclusive suppliers incorporated as part of a business's procurement network
General (across three modes of philanthropy)		<ol style="list-style-type: none"> <li>Number of beneficiaries impacted as a result of a business's sustainable philanthropy</li> <li>Positive % change in beneficiaries' condition</li> </ol>

SOURCE: NCSS. GRAPHIC: HANNAH KWAH, ET

nership with the National Volunteer and Philanthropy Centre; it was developed in collaboration with the Singapore Centre for Social Enterprise, the Ministry of Social and Family Development and the SG Cares Office.

Organisations such as the Institute of Singapore Chartered Accountants and the Singapore Business Federation helped spread the message among their members to encourage adoption.

More than 100 organisations and players in the philanthropy

and social service space were consulted on the metrics.

The guideline is expected to help corporates measure, monitor and benchmark their efforts in three areas: giving, volunteering and socially responsible business practices.

Tan Li-San, chief executive of NCSS, said: "The Sustainable Philanthropy Framework enables businesses to direct their giving, by aligning philanthropic efforts with corporate purpose... This creates a stronger social compact and

stronger social outcomes for Singapore."

Work started on the framework around a year ago. Tan hopes that, with it in place, the social aspect of things will be taken as seriously as the environmental area.

The "S" of ESG right now is probably where the "E" was about 10 years ago, noted the CEO. So the hope, with the introduction of this framework, is that voluntary disclosure among corporates is encouraged. NCSS will also continue to fine-tune, track and monitor the

adoption of the framework, to see how companies use it and how useful it is for them, she added.

The framework aims to provide a robust mechanism for businesses to adopt and measure the outcomes of their existing philanthropic practices. It also acts as a guide for businesses to align their business and social goals so that they can build social capital through a culture of sustained and long-term giving.

Novita, which makes home appliances, adopted the framework about two months ago. The company's manager of marketing and business, Wilmond Lim, said that using the guideline has allowed for the development of a clear implementation road map and to have more defined milestones.

"It is still a work in progress, but we are looking to weave philanthropy efforts into our giving efforts," he added.

Tan of NCSS said: "Every company is at a different stage (in its) philanthropic journey. One of the challenges in coming up with the framework was to have something that was suitable for everyone."

That is why there are two main types of metrics in the framework. Core Metrics are meant for a company that is just starting out,

and Expanded Metrics are for those ready to shift towards adopting a more sustained and longer-term approach in corporate philanthropy.

This includes a breakdown of total volunteering hours by skills-based volunteering and service-based volunteering, and the percentage of dollar value as a component of the company's total revenue or profit.

FairPrice Group is an adopter of the Expanded Metrics framework.

Vipul Chawla, group CEO of FairPrice, said: "One of our most consistent challenges as a business, and as a social enterprise, is maintaining the balance between profit and purpose. We are committed to maintaining this balance... (and) since 2019, we have returned over S\$900 million to Singaporeans in the form of rebates, discounts, promotions and donations."

He added that the framework aligns closely with the company's guiding corporate value of balancing profit with purpose.

"It challenges us to evaluate the way we do good in the community and review our methods for measuring impact and desired outcomes, to improve how we deliver this impact more effectively," he noted.