

SME standards must include disability in the workplace, in alignment with the CSRD

The ONCE Social Group welcomes the opportunity to provide feedback on the EFRAG's Draft ESRS Standards for Listed SMEs (ESRS LSME ED) under the Corporate Sustainability Reporting Directive (CSRD).

Having contributed to the development of the Directive and of the standards, we welcome the Commission's adoption of the recommendations by EFRAG which **ensures that companies are required to report on the employment and inclusion of persons with disabilities in a mindful way**, in full coherence with the disability-related provisions of the final CSRD text.

To that end, we would like to commend EFRAG for preserving and including in the draft delegated act disclosure requirements related to employment, social inclusion and accessibility for persons with disabilities in the LSME Exposure Draft, in line with the ESRS 1.

Listed SMEs should be granted access to an easy-to-use, inclusive and thorough sustainability reporting framework, which mirrors the established ESRS 1 framework for larger companies. This would allow them to have constructive and transparent investor relations, regulatory certainty, public visibility and access to capital. Thus, ensuring that listed SMEs report on disability metrics is crucial not only to ensure that the objectives of the CSRD are met, but also to allow the new framework to create enabling conditions for SMEs, which provide [two-thirds of total private sector employment in the EU](#).

Taking into account the aforementioned, the ONCE Social Group strongly recommends that EFRAG maintains, in the final LSME ED Set, the references to disability:

- Primarily, we commend the inclusion of Application Requirements under the headings of **Own Workforce and Workers in the Value Chain**, both of which include the employment and inclusion of persons with disabilities.
- Explicitly, the ONCE Social Group commends EFRAG for maintaining mentions to disability similar to that of the ESRS, under the **S1-10 Disclosure Requirement (Diversity Metrics)**, mandating the disclosure of **the company's percentage of persons with disabilities, as well as the percentage of employment and accessibility measures for employees with disabilities, as well as the policies to enhance accessibility (Appendix A1 and A2)**.
- The ONCE Social Group further supports the requirement for SMEs to "provide any contextual information necessary to understand the data and how the data has been compiled (methodology). For example, information about the impact of different legal definitions of persons with disabilities in the different countries in which the undertaking has operations".

The ONCE Social Group congratulates EFRAG for maintaining the application requirements under S4 – Consumers and end-users, with a focus on non-discrimination, access to products and services, and access to quality information.

On the other hand, the ONCE Social Group understands that the inclusion of phase-ins is critical to enabling SMEs to transition smoothly within the new reporting framework set forward by the CSRD. However, the phase-ins maintained in the ESRS 1, and carried through to the LSME ED Draft allow undertakings to omit the information prescribed by **all disclosure requirements related to own workforce** for companies not exceeding the average number of 50 employees during the financial year, for the first year of reporting.

The ONCE Social Group would like to reiterate that the proposed delays in the implementation of the disability-related provisions, also upheld in the ESRS, hinder the sharing of information between SMEs and their investors/stakeholders about their own workforce, which instead should be accessible regardless of the companies' size. While the proposed standards and related disclosure requirements set a promising framework for the inclusion of disability and social inclusion within the scope of sustainability legislation, the proposed phase ins put at risk its effectiveness undermining the overall implementation of the Directive.

Including information on persons with disabilities in corporate sustainability reports is not new; many companies already include this type of information in their own statements, so ensuring dedicated standards from the outset will come to consolidate and harmonise a practice that is spreading across companies. This is particularly relevant for SMEs, who can utilize their sustainability reports as unique identifiers of innovation and market value for investors.

With this in mind, we count on EFRAG to maintain a healthy balance between reduced administrative burden and necessary reporting requirements to achieve the CSRD's objectives. Standards and indicators related to disability are crucial in that regard, without unjustified delays or exemptions.

The ONCE Social Group would like to once again emphasize its commitment to work with EFRAG to advance on establishing the employment and inclusion of persons with disabilities as an element of corporate sustainability.

Should you have any questions, do not hesitate to contact Carla Bonino at cbonino@fundaciononce.es.

About the ONCE Social Group

The ONCE Social Group is a Spanish corporation under public law whose main mission is the social inclusion of blind and partially sighted people in all areas of life. In 1988 ONCE, the Spanish National Organisation of the Blind, set up the ONCE Foundation, thus extending its commitment to solidarity to include people with disabilities in general. To achieve this, ONCE Foundation delivers actions focusing on training, employment and universal accessibility by and for people with disabilities, more than four million Spanish citizens.



The ONCE Social Group's main sources of income, which is reinvested in the development of our social services in its entirety, is the sale of our responsible lottery products, as well as the revenues obtained from the activity of ILUNION, the group's socially-conscious business, created with the goal of employing persons with disabilities.

In addition, the ONCE Foundation's training and employment programmes for persons with disabilities, developed in partnership with the European Social Fund since 2000, are considered an example of best practice by the European Union; more than 600 million Euros have been invested and almost 130.000 jobs for persons with disabilities have been created – 44% of them being women with disabilities, and near 25% youngsters. Furthermore, the ONCE Foundation has been awarded by the European Commission to implement the European Accessibility Resource Centre – “AccessibleEU”, as the common European one-stop-shop on accessibility offering cutting edge experience, knowledge and practical skills for a wide range of actors.

Overall, the ONCE Social Group (formed by ONCE, the ONCE Foundation and ILUNION) has a joint workforce of near 73.000 employees, 61% of whom have a disability. We are, as a group, the fourth biggest private employer in Spain, as well as the biggest employer of persons with disabilities worldwide.

The ONCE Social Group is subject, since 2019, to the elaboration of non-financial reporting statements, following the national transposition of Directive 2014/95/EU by national Law 11/2018 and will be subject to the implementation of the CSRD and the ESRS.