

Voluntary 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 Voluntary Standards for non-listed SMEs (ESRS VSME ED) in accordance with the objectives set out by the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS).

Having contributed to the development of the Directive and of the ESRS, 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 ensuring that non-listed SMEs in their sustainability reporting journey can acquire all the tools necessary to remain competitive in the Union market, via a voluntary reporting framework tailored to their abilities.

Non-listed SMEs should be granted access to an easy-to-use, inclusive and thorough sustainability reporting framework, which is closely aligned with the established ESRS 1 framework and allows them to have constructive and transparent investor relations, regulatory certainty, public visibility and access to capital.

Thus, ensuring that SMEs can voluntarily 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 all SMEs (listed and non-listed).

As such, the ONCE Social Group urges EFRAG to ensure that the VSME ED preserves and includes already-established disclosure requirements related to employment, social inclusion and accessibility for persons with disabilities, similarly to the ESRS 1 and the LSME ED.

In the draft VSME, disability **is not mentioned as a topic to be reported on under the Basic module**. Instead, it is listed as part of the Narrative and Business Partner modules, and contingent to a materiality analysis to define whether a list of topics listed in Appendix B are material enough to report on. The **employment and inclusion of people with disabilities** is a broad sub-topic listed under Workers in the Value Chain. Accessibility (to quality information and to products and services) is also included similarly, under 'Consumers and end-users).

The ONCE Social Group strongly believes that non-listed SMEs play a crucial role in the employment of people with disabilities – and should therefore receive specific guidance as to how they can account and report on, for instance, the percentages of employees with disabilities, the workers in their own workforce and value chain, as well as the percentage of employment and accessibility measures for employees with disabilities, as well as the policies to enhance accessibility, similarly to the detailed requirements laid out in the LSME ED.

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

Primarily, ONCE Social Group supports more detailed mentions to disability similar to that of the ESRS 1 and LSME ED, such as specific diversity metrics with a minimum requirement to at least disclose the **percentage of persons with disabilities in own workforce and among business partners**. ONCE Social Group strongly believes that further guidance on social metrics shall be provided in the Basic Module of the VSME, to account for the impact of employees in own workforce in non-listed SMEs (e.g. such as in social enterprises).

ONCE Social Group further appreciates EFRAG's efforts to assimilate requirements of the ESRS 1 and LSME ED regarding consumers and end-users, with a focus on accessibility to products and services, and access to quality information, to the Narrative and Business Partners Modules.

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.