



Fundación ONCE
para la Cooperación e Inclusión Social
de Personas con Discapacidad

Fundación ONCE's answers to the Consultation Questions in the IIRC's Discussion Paper:

TOWARDS INTEGRATED REPORTING Communicating Value in the 21st Century



Q1. (a) Do you believe that action is needed to help improve how organizations represent their value-creation process? Why/why not?

- › Commitment to sustainable value creation involves organizations managing opportunities and risks, not only linked to economic or environmental issues, but also to social aspects that must include diversity, social inclusion of disadvantaged groups, equal opportunities and non discrimination.
- › Integrated reporting is a useful tool to enable the organization's commitment to sustainable value creation. It would help organizations' internal participants and external constituents (customers, partners, and other stakeholders) to understand and influence on how the organization assures its long-term viability.
- › In this regard, Fundación ONCE stresses that the inclusion of the disability, as material topic to be considered in a sustainable-oriented strategy and in integrated reporting, is important for the following reasons:
 - It involves the recognition of people with disabilities, who comprise a large population group: over 1.000 million worldwide (World report on Disability, UN and World Bank 2011), and in Europe 80 million (16% of the population). Consequently, people with disabilities are a legitimate stakeholder that needs to be taken into account in sustainability strategies, policies and integrated reporting from a number of angles: as employees, as users/customers/consumers of public and private goods and services, as possible suppliers, as investors and as members of the community.
 - It also involves meeting and overcoming the increasing legislation on non-discrimination, equal opportunities and human rights. The United Nations Convention on the Rights of Persons with Disabilities (2006). In the legislative sphere, the United Nations Convention on the Rights of Persons with Disabilities was signed in 2006 and has been ratified by more than 100 countries, which will therefore have to enforce it. The Convention considers non-discrimination, equal opportunities and social inclusion of people with disabilities a matter of human rights and mentions several fields in particular, including, employment, accessibility and education. Evidently, all this impinges on the activities of companies which, through CSR, are prompted to comply with the regulations related to equal opportunities, non discrimination and human rights, to go further and even to move ahead of them.
 - Also, companies and organizations cannot allow the talent and potential of this significant sector of the population to go to waste. Disability is part of diversity, which is increasingly seen as a source of talent, creativity and innovation.
 - People with disabilities and their families are a very important group from a business point of view (potential customers). Unlike in the past, more and more people with disabilities achieve higher levels of education and training, are employed and participate in society and culture. Therefore they became consumers to pay attention to. We also should not forget that universal accessibility and designing surroundings, goods and services for everyone benefits and attracts the entire population, particularly in an increasingly ageing society.
- › Not considering people with disabilities as relevant stakeholders, and as a community to be taken in account in the sustainable value creation process, could obscure the holistic picture that company executives need to see in order to effectively manage the sustainable performance of their business.
- › In this context, it is also important to remark that the recent Communication of the European Union on CSR (25th October 2011) includes a reference to Disability as part of the CSR agenda.

b) Do you agree that this action should be international in scope? Why/why not?

- › We agree that this action should be international in scope. The case for globally consistent financial reporting standards is well understood and accepted. It is appropriate to apply the same global approach to other aspects of corporate reporting, such as social aspects (in particular, Disability).
- › In particular since Disability is a global issue, and an integrated reporting framework will help progress in the development of consistent reporting and benchmarking by organizations.



- › Legislation and social inclusion policies are sometimes different in the different countries, as it happens with many other sustainability topics. In such context, the international integrated report framework should help to meet and overcome Human Rights considerations, including the legislation on non-discrimination, equal opportunities and human rights, such as The United Nations Convention on the Rights of Persons with Disabilities (2006).
- › Taking into account the complexity associated to an international scope approach, it is important to enhance relevant stakeholder participation (such as organizations representative of people with disabilities) and to get the support of intergovernmental organizations. The participation of different stakeholders should be considered since the initial phases, such as the pilot one.

Q2. Do you agree with the above definition of Integrated Reporting? Why/why not?

- › We agree definition of Integrated Reporting give in the Discussion Paper, stressing that Disability should be included within the material topics.

Q3. Do you support the development of an International Integrated Reporting Framework? Why/ why not?

- › Fundación ONCE supports the development of an Integrated Reporting Framework and stresses that Disability should be among the topics that need to be present in order to achieve a comprehensive report of relevant, consistent, quality internal and external information that helps managing the business's sustainable performance effectively.
- › An Integrated Reporting Framework facilitates a broader explanation of performance than traditional reporting. And related to social cohesion this would help building up a broader view of the interconnections between long-term performance, sustainability and, among others, the mainstreaming of disability related issues in the organization agenda.
- › GRI is currently developing the next generation of its Guidelines (G4) and it would be key that the G4 Guidelines provide companies with a stepping stone towards integrated reporting and, in the context of the IIRC's framework, help users formulate content for integrated reports, including disability as a material topic. Fundación ONCE is working to progress in that direction by participating in the different consultation made by GRI G4 (and also in all the previous GRI consultations since 2009). As a result Disabled People has been added in the GRI G4 consult closed last 14 November as one of the topics to consider in the next generation of GRI.
- › The mention of disability in an International Integrated Reporting framework would make an immense contribution to the development of corporate practice in this respect and to improving the quality of life of people with disabilities and their families, contributing to their social inclusion
- › Fundación ONCE offers the support of organization in the promotion and development of such an initiative. Hopefully the IIRC's emphasis on stakeholder engagement will result in greater consultation with organizations representing people with disabilities.

Q5. Are: (a) the organization's business model, and (b) its ability to create and sustain value in the short, medium and long term, appropriate as central themes for the future direction of reporting? Why/why not?

- › A reporting framework centered around an organization's business model provides the organisation's management with the basis to explain what really matters, bringing reporting closer to the way the business is run.
- › Reporting policies and procedures based on a sustainable value-creation strategy that takes in account relevant social issues (such as disability) are enablers of organization's performance



excellence. In this regard, the more sustainability consistent and integrated this reporting is, the more powerful the reporting and therefore the greater the outcomes.

- › Furthermore, the process of putting together an integrated sustainability report itself may allow executives to uncover hidden business opportunities or risks that were not previously obvious to the organization and that might not have become apparent otherwise. Examples of hidden opportunities include the possibility of working with sheltered workplaces as partners, developing accessible products that cover the particular needs of people with disabilities or elderly people, among others. And examples of hidden risks include the no compliance of legal quota for employment of people with disabilities, or risks linked to human rights as enablers or inhibitors of license to operate and reputation.

Q6. Do you find the concept of multiple capitals helpful in explaining how an organization creates and sustains value? Why/why not?

- › The concept of multiple capitals can be very helpful in explaining the organization's value creation process. Therefore, KPIs and KRIs should be well developed to identify and explain these capitals taking into account that a company will have to monitor performance indicators related to each of the capitals defined and their interdependencies.
- › In this regard, the concept of Human Capital is of particular interest in relation to sustainable value-creation. The relevance and potential impact of investing and developing Human Capital has been widely stated.
- › People with disabilities, as part of the organization's Human, Intellectual and Social Capitals (as employees, customers, investors), could play a very significant role contributing to the success of the organization.

What Will Integrated Reporting Mean for Me? (Civil society perspective)

Q9. From your perspective: (a) Do you agree with the main benefits as presented in the Discussion Paper? Why/why not

- › Integrated Reporting could play a key role in improving social inclusion of people with disabilities (80 million, 16% of EU population, and more than 1 billion worldwide), fundamentally by shifting existing managerial practices. Through broader disclosure of disability issues, managers are held accountable for multiple dimensions of performance. Consequently, that could help to:
 - The labour integration of people with disabilities as a group with talent, and the compliance of their employment quota fixed by law;
 - Consider and give visibility to relations established with sheltered work centres among their usual suppliers;
 - Enhance the importance of accessibility and design for all environments, goods and services as business opportunities, particularly relevant in the EU increasingly aging society;
 - The sharing of best practices related to any of the issues listed above, that also help to sensitize organizations to consider the disability dimension as a relevant social subject and a material issue to mainstream in an integrated report;
 - Greater consultation with the organizations representative of people with disabilities.
- › The European Disability Strategy 2010-2020 adopted by the European Commission and the EU ratification of the United Nations Convention on the Rights of Persons with Disabilities, as well as the inclusion of disability as a subject to be considered in the CSR agenda in the last 25th Oct EU Communication on CSR provide a unique framework and ask for commitment to support the inclusion of disability issues in the IIRC framework.



**(b) Do you agree with the main challenges as presented in the Discussion Paper?
Why/why not?**

- › The identification of the challenge that “The integration of environmental and social issues with financial issues could result in a reduction in focus on some issues of concern to particular civil society interest groups” would apply to Disability related issues.
- › The engagement of IIRC with key civil society interest groups (such as the groups representative of People with Disabilities) and the **utilization of best practices and already existing guidelines** that take into account Disability issues would help to overcome that important challenge.
- › Fundación ONCE, with the support of the European Social Fund, has published a Guide on Corporate Social Responsibility and Disability (CSR-D) applicable at European level. This Guide, that was presented in Brussels in April 2009, includes a self-diagnosis questionnaire, disability-related reporting guidelines and monitoring indicators in relation to aspects, such as: integration at work and human resources management; relations with customers/users; accessibility of physical spaces, goods and services; relations with suppliers and subcontractors; social action; communication. (<http://rsed.fundaciononce.es/en/index.html>).

Q10. (a) Do you agree that the actions listed in the Discussion Paper should be the next steps undertaken by the IIRC? Why/why not? Are there other significant actions that should be added?

- › In the context of the actions listed in the Discussion Paper, it is important that they take into account organizations representatives of people with disabilities, in particular the Pilot Programm as well as the Outreach actions (which should provide accessible services and infrastructures that facilitate the participation of people with disabilities).

Q11. Do you have any other comments that you would like the IIRC to consider?

- › In view of the importance of incorporating the Disability topic into the future relevant reporting International Integrated framework, Fundación ONCE asks IIRC working group members to look into possibilities to include the disability dimension into the mentioned framework and offers the organization’s support in the promotion and development of this initiative.
- › Fundación ONCE is also currently promoting the European Network for Corporate Social Responsibility and Disability (CSR-D European Network). This project, co-financed by the ESF, includes a main objective related to the inclusion of disability issues in CSR reporting, through the definition and development of key indicators.
- › Mentioning disability in integrated reporting guidelines would have worldwide impact in the near future and would make an immense contribution to the development of CSR, to improving corporate best practices in this respect and to improving the quality of life of people with disabilities and their families, and to their social inclusion.