

# REPORT ON CORPORATE SOCIAL RESPONSIBILITY

GREDOS SAN DIEGO COOPERATIVE

2011 • 2012





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April 4th 2013

H.E. Ban Ki-moon  
Secretary-General  
United Nations  
New York, NY10017  
USA

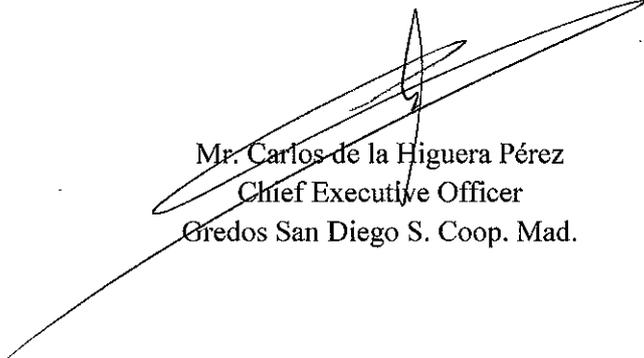
Dear Mr. Secretary-General,

Almost a year after the company I represent, Gredos San Diego S.Coop.Mad. (GSD), joint to Global Compact, it is the moment to present our progress report about the principles we assume and Global Compact takes on, related to respect to human and labor rights, environment, and against corruption.

We have considered that GSD Corporate Social Responsibility Report, that you can find attached, is our best and clearest documentation of the compromise with these principles. It was approved by unanimity at our Members Yearly Assembly (maximum decision organization in our cooperative) last February 28th.

Besides, I would like to take this opportunity to reaffirm our compromise with the maintenance of social responsible corporate policies and our commitment with Global Compact, as its principles are the values we want to follow in our daily practices.

Thanks in advance for your attention and kind regards,



Mr. Carlos de la Higuera Pérez  
Chief Executive Officer  
Gredos San Diego S. Coop. Mad.

GREDOS SAN DIEGO  
*A SOCIALLY  
RESPONSIBLE  
ENTERPRISE*

Gredos San Diego Report on Corporate  
Social Responsibility

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Gredos San Diego's Declaration as a  
Socially Responsible Enterprise

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Gredos San Diego: Quality Education  
and Social Responsibility

Gredos San Diego, S. Coop. Mad., (GSD) is committed to socially responsible company management and to providing quality education founded on the premise transmitting social and environmental values to promote education for socially responsible citizenship.

These two aspects of Gredos San Diego's commitment to corporate social responsibility are integral parts of our identity as a cooperative enterprise.

**Regarding the first of these two aspects, we assume the obligation to implement socially responsible management in close connection with the participatory principles of a cooperative enterprise based on associated labor, remaining dedicated to excellence in corporate governance, transparency in management and dealing with different stakeholders, improving working relationships between employees, providing equal opportunities, gender equality, and equality with regard to diversity and the socio-labor integration of handicapped individuals and those at risk of social exclusion, as well as supporting social projects for environmental stewardship and for improving the lives of those most in need.**

In accordance with our strategy as a cooperative enterprise, our mission, vision, and values match with the idea of being a socially responsible company.



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Regarding the second aspect of our commitment, we strive to cultivate socially responsible citizenship through education based on social and environmental values. Therefore, we are strongly identify with the recommendations made by the European Commission in its latest Communication on CSR on October 25th when in "An agenda for action 2011-2014" it states:

*"The further development of CSR requires new skills as well as changes in values and behaviour. Member States can play an important role by encouraging education establishments to integrate CSR, sustainable development and responsible citizenship into relevant education curricula, including at secondary school and university level. European business schools are encouraged to sign the UN Principles for Responsible Management Education."*

As a cooperative enterprise based on associated labor and fundamentally dedicated to education, we swear a commitment before ourselves and our stakeholders to implement socially responsible management and to educate on the values of socially responsible citizenship.

Signed by the President of the board of regents and by the CEO.

D. Javier Cuaresma Martínez  
President of the board of regents

D. Carlos de la Higuera Pérez  
Chief Executive Officer

## 1. GSD profile as a Social Responsible Enterprise

### 1.1. GSD is a Worker's Company

Gredos San Diego, GSD, sets forth in its Social Statutes that it "aims to maintain, improve, and continue, above all for its members, to create jobs on a cooperative basis in its own educational centers".

GSD is a cooperative of educational workers in which the vast majority of teachers, as well as administrative and service personnel are cooperative members, so therefore partners of the company.

Its organization as a cooperative enterprise based on associated labor allows GSD to achieve the highest possible level of employee participation in the corporate decision-making process.

The General Assembly, the highest decision-making body of the cooperative society, is composed of the cooperative members themselves, who also elect and serve as Directors of the board of regents, the executive and representative body of the cooperative.

The General Assembly also includes a CEO appointed by the board of regents and who, as a member of the cooperative, oversees the company's strategic plan.

All non-member employees enjoy their own representational bodies, unions, company committees, and union delegates. After a certain period of time and given the approval of the board of regents, they may decide to become members of the cooperative.

*847 out of  
1215 employees  
at GSD are  
cooperative  
members.*

*70% of  
employees are  
company owners.*





## 1.2. Teaching and providing services to 13,300 young people

GSD is focused on education. The cooperative is equipped to provide educational services ranging from pre-primary, primary, and secondary levels to professional training, both formal and informal, as well as vocational and job training.

The GSD Schools are secular with a vision of fostering tolerance and freedom of thought while instilling educational values based on respect for human dignity. GSD Schools also seek to promote interest in scientific and humanistic researches and discoveries, all with the aim of advancing in the social responsible citizenship values.

*GSD Invests Its Efforts in Quality Education*

The GSD centers encompass all levels of education from pre-primary school through secondary school. Regarding educational financing, the Educational Subsidy system is employed from 3 to 16 years of age, whereas the first cycle of pre-primary school and Bachillerato are both private. The GSD Schools are bilingual starting from 3 years of age and strongly emphasize the role of new technologies in the teaching process. Furthermore, the Las Suertes, Las Rozas, and Guadarrama schools offer vocational training in cooperation with the Department of Education.

All schools are equipped with language and science labs, computer classrooms, a library, swimming pool, indoor gym, and outdoor fields and courts. They also offer extracurricular activities as well as canteens closely managed by the cooperative and serving food cooked in cooperative-owned kitchens, thereby allowing the schools to satisfy diverse dietary needs including those of students with allergies and coeliac disease. Nutritional education is a priority for Gredos San Diego, where faculty and students regularly share the same lunch table.



The School Nutrition Plan addresses the issues of obesity and high-cholesterol and takes into account issues of equality and gender as follows:

- Health related: services are provided for all health conditions requiring modified diet, such as coeliac disease or any sort of allergy, as well as for other intolerances or diseases such as diabetes.
- Financial: services are provided to families in need through the provision of allowances or payment options adapted to their needs. Pricing policies are designed to facilitate family access to canteen services.
- Gender: nutritional awareness programs are implemented for various age groups in order to address issues such as bulimia and anorexia, which constitute serious health concerns for young women. Students between 12 and 18 years of age seen to be at risk of these disorders are continually monitored and those displaying symptoms receive attention.

A Medical Service staffed with pediatricians is available to students, families, and employees in every school to handle minor medical conditions. By taking advantage of the services of the School Medical Clinic, which can, if necessary, diagnose and prescribe relevant treatment, the student is spared the need to miss class for medical appointments and parents do not need to seek external medical services. If the Medical Clinic determines that the condition prevents the student from attending class normally or that more specialized medical attention is needed, parents are notified.

Issues of both Health and Nutrition are fully integrated in educational activities for parents and students.

The Psychological Guidance Center is also included in an ever growing range of services available for students, families, faculty, and the entire GSD educational community.





### 1.3. Growing and Creating Jobs

GSD actively pursues various business activities, among which education is the most outstanding representing 77% of total income. The rest of its activity is linked to the sale of books and educational materials, uniforms and athletic ware, canteens and cafés, a music school, nature classrooms, and cultural and language learning travel abroad programs, as well as educational management consulting services for other cooperative enterprises.

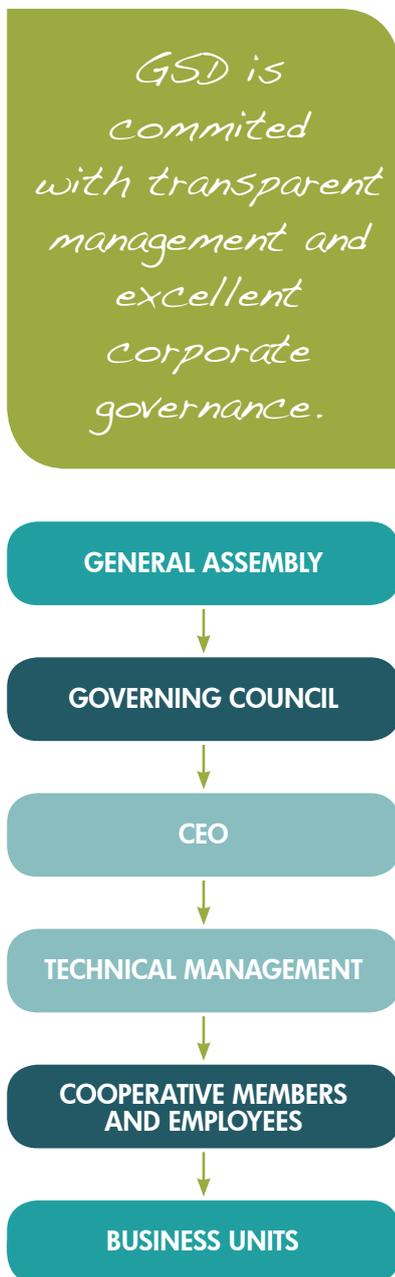
Gredos San Diego's income in 2012 reached 64 million euros (fiscal year ends August 31<sup>st</sup>). Taking into account the GSD Cooperative Group, this level of income rises to 77 million euros.

It is important to point out the evolution that the company has experienced from 1995 to 2012. In the last 17 years, GSD has gone from a cooperative of 18 members with a single school to a cooperative enterprise with 847 member employees, 368 non-member employees, six schools, and two rural living centers with nature classrooms.

In spite of the current economic crisis, Gredos San Diego's determined commitment to education with its construction of new schools and pursuit of related secondary activities linked to these schools has improved financial results and generated employment.

We have seen a rise in profits from 38,459 euros in the year 2007 to 759,849 euros in 2012, or in other words, close to 20 times the results obtained in 2007. Furthermore, while from 2008 to 2012 the Spanish economy suffered the destruction of 17.2% of jobs (fourth quarter Economically Active Population data comparing 2007 and 2012), GSD increased employment by 40% reaching 1,215 employees on average during the 2011-2012 academic year.

## 2. Excellent Corporate Governance and Transparent Management



### 2.1. Participative Governance

One noteworthy aspect of Gredos San Diego's corporate governance is the configuration of the cooperative bodies: the General Assembly, the board of regents, and CEO.

The General Assembly is composed of all the cooperative members and it is the supreme decision-making body through which the corporate will is expressed. It approves company strategy and annually reviews of financial accounts and the management report, as well as the CSR report.

The board of regents is the cooperative's governing and managing representative body. It permanently and directly supervises the management of the cooperative. It is influenced by the will of and confined to the powers bestowed upon it by the General Assembly. It comprises 12 cooperative members, both faculty and non-faculty, appointed by the General Assembly.

The CEO, elected by the board of regents and with the assistance of his management team, is responsible for with developing the company's strategic plan and coordinating necessary measures at all levels of the cooperative to ensure socially responsible management.

### 2.2. Equal and Transparent Compensation

Compensation policies for governing and managing members of GSD are founded on prudence and reflect the relative importance of these members' contributions to the cooperative. The highest earner in the organization is compensated in only 4 times the level of the average employee.

Directors of the the board of regents receive a salary for the position they hold within the cooperative while also



receiving an amount for their representative duties calculated from the base module of compensation applied to all cooperative members. The sum of these two figures does not exceed the highest level of compensation.

Members of Management and the the board of regents receive no privileges over the rest of cooperative members, nor any severance grants or retirement benefits differing from those indicated by regulatory standards for employees insured within the General Social Security System.

Information regarding compensation for cooperative members, serving or not in Management or as Representatives, is defined in the Internal Rules of Procedure and in the Remuneration System Guide, both already accessible to all cooperative members.

## 2.3. Proper Oversight of Governing and Managing Bodies

GSD declares in its Social Statues the necessary provisions to facilitate effective oversight of the Governing and Managing Bodies, as well as deal with conflicts of interest that may arise among the members of these bodies.

In this regard, it is important to highlight that which is laid down in article 41 .bis of the Statutes in the section referring to the duties of the Directors of the board of regents, and which also applies to the CEO:

### Duty of care and sound administration

- a) The Directors of the Governing Council should perform their duties with the diligence of organized businessmen and loyal representatives.
- b) Each Member should diligently inform himself of the progress of the Company.

### Duty of fidelity

The Directors should carry out the duties imposed by the Law and Bylaws according to the interests of the Company, also understood to be the interests of Society.

### Duty of loyalty

- a) Directors may not use the name of the cooperative, or their position in guiding it to carry out transactions on their own or related persons.



b) No Director may carry out, for his own benefit or that of related persons, investments or whatsoever type of transaction linked to the Company's assets, of which he may have become aware in the exercise of his position, when the investment or transaction has been offered to the Company or is of interest to the Company, provided that the Company has not rejected said investment or transaction without influence from the Administrator. The Directors should notify the Governing Council about any situation of direct or indirect conflict which they might have with the interests of the Company.

In the case of conflict, the affected Director should abstain from taking part in the activity to which the conflict pertains. Any situation of conflict of interest involving the Directors of the Company should be disclosed in the annual corporate governance report.

c) The Directors must report any participation they may have in the capital of a Company with the same, analogous or complementary corporate object, as well as the positions or roles they exercise in the same, as well as the exercise, either personally or for another party, of the same, analogous or complementary activity to that which constitutes the corporate objective. Said information shall be included in the above-mentioned report.

#### Duty of secrecy

The Directors, even after their duties have ceased, shall not disclose any confidential information, should be bound to keep secret any information, data, reports or antecedents of which they may have become aware in the exercise of their position, and should be responsible for the custody of such information and prevent its divulging to third parties when the consequences might damage the corporate interests.

Those cases where the Law permits communication or divulging of information to third parties or, where appropriate, said information is required or must be transmitted to relevant supervisory authorities, should be exempt from the obligations referred to in the previous paragraph and all disclosures of information shall comply with the Law.





## 2.4. Stakeholders Involvement

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With the aim of maintaining transparent and participatory management, we foster an attitude of active participation among students and families to remove communicational barriers between school administrators and the communities they serve.

GSD encourages students, families, teachers, and the entire educational community to take part in a wide range of cooperative activities.

The GSD Foundation is the cooperative's primary channel for engaging the educational community in cultural, athletic, and social activities.

Over 500 people including teachers and coaches, participate side-by-side with students and parents in the Gredos San Diego Athletic Club, which offers both group and individual sports including Swimming, Track & Field, and Trampoline Gymnastics. Another key link between the cooperative and the community is the Gredos San Diego Cultural Association, which holds numerous workshops and activities throughout the year and organizes the Spring Festival, from which proceeds are contributed to UNHCR to strengthen support for refugees.

Also worth mentioning is the GSD School of Music and Dance which, with over 1,000 students, has put together numerous musical groups, a multi-school choir, and an impressive Big-Band program. Together with the Artemus cooperative (also part of the GSD group), the School Music and Dance supports the GSD Professional Music Center. Already authorized by the Community of Madrid, the Professional Music Center is merely a prelude to the future Higher School of Music.

The effect of these programs extends far beyond the doors of the schools to enrich and engage entire neighborhoods in athletics and cultural activities.

It is vital for GSD to establish permanent and transparent mechanisms of dialogue and communication between all stakeholders in order to quickly identify and adequately respond to doubts and worries within the community. This goes hand-in-hand with maintaining close ties with social organizations and public institutions operating in the communities where the cooperative has a presence.

## 2.5. Promoting Gender Equality and Welcoming Diversity

As of August 31st 2012, 73% of GSD employees were women. It is also noteworthy that 53% of management positions are held by women (management, directors, and administrators).

The Integra Plan was recently launched with the aim of integrating people with cognitive disabilities into the GSD schools. The plan seeks to improve these individuals' quality of life by allowing them to share their abilities rather than feeling constrained by their disability. Furthermore, students learn valuable lessons of comprehension and tolerance by experimenting these individuals' everyday example of courage. Thanks to this project, the Gredos San Diego Cooperative was awarded the XVI edition of the Stela Prize on April 12th 2012.





### *3. Education with social and environmental values for responsible citizenship*

The Gredos San Diego Project is based on the “Cooperative School Model”, which inspires democratic values of **collaboration, cooperative management, and solidarity**.

These values allow Gredos San Diego to commit to educate with a focus on **responsible citizenship**, a central proposal of the October 25th 2011 Communication by the European Commission on CSR, which speaks of “**further integrating CSR into education, training and research**”.

Specifically, the GSD Educational Project is based on values and principles such as:

- Secular culture.
- Teamwork and cooperative learning as basic principles of education and teaching methodology.
- Education in the development of human relationships and of a social sense of responsibility.
- Well-rounded education instilling a love of the arts, culture, and athletics, as well as respect for the environment.

#### **3.1. Families involvement, a main actor into our educational system**

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A main element of the GSD Educational Project is the participation of the educational community, students, teachers, administrative and maintenance personnel, suppliers, and public administrations. We feel that it is especially important to **involve families in the education of their children** and have put procedures in place attend to the complains, claims, and suggestions of both students and parents.

We maintain open communication with families, both face-to-face and online, in order to identify practical needs and answer by offering services such as after-school programs, extracurricular activities, and canteens.

### 3.2. Fostering Values of Socially Responsible Citizenship

The education of a GSD student is a process of personal enrichment achieved through the full realization of the student's academic and social potential with the aim of creating a well-rounded and contributing member of society.

We emphasize ecological responsibility and encourage our students to see themselves as actively involved in safeguarding and improving our world.

Students are given the opportunity to examine hands-on the concept of social diversity through the wide lens of culture, athletics, and nature.

Gredos San Diego provides students with the gift of knowledge and the understanding that it is intended to be shared with the rest of society.

We feel that improving job satisfaction, elevating self-esteem, and fostering a sense of belonging among all GSD employees is an integral part of creating a more enriching and dynamic educational environment for students.

We believe that the very **cooperative** nature of GSD serves not only to reinforce the organizational structure of the company and the schools it operates, but also to strengthen participation among the educational community in all aspects of the socially responsible education that GSD delivers.

Our educational project also seeks to instill an entrepreneurial spirit within the framework of a social economy.

### 3.3. Education in terms of respect to diversity

Diversity awareness, as well as the prevention of inequality within the school, is another aim for GSD. To achieve this goal, GSD schools incorporate compensatory education programs aimed to prevent and counteract inequalities in access as well as maintaining a stable student body.

In this sense, the GSD schools are **pioneers in the implementation of Linked Classrooms** that strive to incorporate



foreign students without knowledge of Spanish into everyday class activities. All schools are equipped to provide specific support for students with social disadvantages in an effort to guarantee equality of academic and social opportunities regardless of the student's personal, social, financial, or cultural circumstances, as well as national origin.

### 3.4. Integrating Students with Disabilities

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Through the creation of PDD Classrooms (pervasive developmental disorders), the schools have also take into account the necessary steps to **integrate students with any physical, mental, or sensory disability**. Schools are adapted to suit the needs of these students by eliminating structural barriers and assembling teams specializing in tending to their specific educational needs.

It is also necessary to point out the positive results that that GSD has observed from interactions between students and school employees with Down Syndrome.

### 3.5. Instilling Initiative and Cooperative Spirit

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GSD is a cooperative based on associated labor whose primary function is education and the transmission of participatory and cooperative values while promoting an entrepreneurial spirit among students. As a result, the GSD community enjoys access to a wide range of initiatives and activities jointly developed by educational staff and students.

#### School Cooperatives

This activity introduces the concept of entrepreneurship starting from an early age by allowing students to design and manage miniature companies of their own creation. It also allows students to put values of solidarity into practice as all proceeds from the sale of company products is donated to UNHCR.

Initiatives such as the following are also the product of school cooperatives:

### AMIGAS Schools

This entrepreneurial initiative for young students is carried out in collaboration with Telefónica..

### Cooperation between School Cooperatives

In the pursuit of global learning for a global world, the sharing of ideas between cooperatives allows GSD students to meet students from different locations around the world.

### Entrepreneurial Initiative

The following activities are carried out between teachers and students in their 4<sup>th</sup> year of General Secondary Education (ESO) as a way to spark entrepreneurship:

- Creation of cooperative companies.
- Construction of toys using recycled material for donation to UNHCR.
- A Solidarity Market organized with products from student companies from which all proceeds are donated to UNHCR.
- Social volunteer work. Bachillerato level students and 4<sup>th</sup> year ESO students receive information on social volunteer programs in collaboration with UNHCR.

## 3.6. Education with Values of Respect for The Environment

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An important part of responsible citizenship is the education of our young people about the defense and preservation of the environment.

GSD addresses this topic on two fundamental levels:

- Educating students at all levels with hands-on activities on environmental issues geared improving environmental awareness
- Engaging the educational community, teachers, school staff, students, and families, as well as the surrounding community, in environmental preservation.

As an exemplary action in the field of environmental education, on September 19th the City of Madrid awarded the Gredos San Diego Moratalaz School the distinction of



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**Move Green (“Muévete Verde”)** in the Schools category for measures taken to promote sustainable mobility.

GSD Moratalaz has developed a wide range of projects encouraging sustainable mobility, including participating with a mobility project in the ADEAC’s Environmental Innovation Competition (2005-2007), in which the school took 3rd Prize. GSD Moratalaz also developed the “Pedaling Eco-school” project (2007-2008), participated in the program Madrid on Foot: The Safe Way to School (2008-2009), and launched the “Saving The Planet on My Bike” campaign (2012-2011).



## *4. Gredos San Diego cares about the environment*

Since the beginning, the cooperative has been committed to the environment and environmental education. This commitment has manifested itself in recent years in the Milky Way Nature Classroom project in Casavieja (Ávila), the Albergue Sendas del Riaza project, and the Eco-schools program within the Gredos schools. The cooperative's commitment is also apparent from its increased publication of educational materials on this topic.

These activities go beyond the officially established limits of the educational curriculum. Their added value is representative of a social and environmental commitment by GSD to foster socially responsible citizenship through education.

### 4.1. Milky Way Nature Classroom Program

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The Milky Way Nature Classroom is an environmental education facility located in Casavieja (Ávila) in a pristine natural environment which lends itself to the development of educational programs in which students learn about components of natural ecosystems, their interconnectedness, the benefits they provide, and the environmental problems they face.

The Milky Way Nature Classroom program is included in the curriculum to provide a dynamic experience of Environmental Education in a classroom setting to pre-primary and primary school students.

The project was designed in collaboration with the Gredos schools teaching staff to offer added value beyond the minimum curriculum requirements. The project remains active throughout the year by linking activities both prior to and after the students' on-site experience in the Nature Classroom.

The Environmental Education Program at the Milky Way Nature Classroom has the following objectives:

- Foster personal independence, team-work, and participation among students.



- Allow students to enjoy, understand, and appreciate different ecosystems, their interconnectedness, the benefits they provide, and the environmental problems they face.
- Encourage students to reflect on environmental problems and develop a proactive, problem-solving attitude.
- Incorporate environmental education into the school setting and everyday life.
- Actively engage faculty and staff in solving environmental problems and integrating environmental issues into the curriculum.

The project makes use of three camp notebooks containing information on the area and activities for 2<sup>nd</sup>, 4<sup>th</sup>, and 6<sup>th</sup> year primary school students.

Since the project was initiated in 2004, around 3,000 students from the seven Gredos schools ranging from pre-primary to 2<sup>nd</sup>, 4<sup>th</sup>, and 6<sup>th</sup> year primary school level, along with formal and non-formal groups participate every year.

We also extend an open invitation to other schools, associations, families, and all nature-lovers who wish to participate in this program.

## PROGRAM DETAILS

<http://www.gredossandiego.com/NuestroProyecto/EducacionAmbiental/LaViaLactea.aspx>



## 4.2. Environmental Education Program at Sendas del Riaza Refuge

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The cooperative operates the Sendas del Riaza Nature Retreat in Valdevacas de Montejo (Segovia) in the Hoces del río Riaza National Park.

The educational program at the Retreat is a project within the academic curriculum and linked to various elements of secondary education. The primary objective of the project is for students to enjoy, understand, and appreciate the natural, historical, artistic, social, and cultural value of this protected area.

The principal objectives of the project are to:

- Foster personal independence, team-work, and participation among students.
- Allow students to enjoy, understand, and appreciate different ecosystems, their interconnectedness, the benefits they provide, and the environmental problems they face.
- Encourage students to reflect on environmental problems and develop a proactive, problem-solving attitude.
- Incorporate environmental education into the school setting and everyday life.
- Promote the use of new technologies as a way to discover and appreciate the area.
- Encourage creativity through nature photography and video creation.
- Stimulate interest among students in outdoor physical activities.
- Actively engage faculty and staff in solving environmental problems and integrating environmental issues into the curriculum.

The program methodology is based on cooperative learning, specifically the use of new technologies (digital cameras, GPS, walkie-talkies) under the supervision of experts to explore the area.

As with our Milky Way Nature Classroom, we extend an open invitation to other schools, associations, families, and all nature-lovers to share in this program.



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The project was initiated in 2011 and every year some 1,000 secondary students from the six Gredos San Diego schools as well as formal and non-formal groups and associations participate.

We would like to point out several programs financed by the GSD Foundation in the Valdevacas de Montejo Municipality that have yielded social and environmental returns for our students as well as for the community and its residents. These programs include the arrangement of an exposition for the "Wood Classroom" and the restoration and conversion of the old Valdevacas de Montejo washhouse into a "Water Classroom". Various exposition elements will be displayed in these rooms such as posters, sections of wood, jugs, and washboards to explain their uses and connection with these two spaces.

More information:

[www.sendasdelriaza.es](http://www.sendasdelriaza.es)



### 4.3. Eco-schools Program

The Eco-schools Program is an international campaign involving the entire educational community (students, parents, faculty and staff) with the objective of streamlining the environmental management of schools. The program is supported by ADEAC (Association for Environmental Education and Consumer Affairs), which is responsible for the “Blue Flag” beach program in Spain, and by UNEP (United Nations Environment Program).

Completing an environmental audit and the designing and implementing an action plan are key components of the program.

The students themselves are at the forefront of this process organizing environmental awareness activities for fellow students of all ages.

#### PROGRAM INFORMATION



<http://www.gredossandiego.net/ecoescuelas>

This program has been incorporated into all of the Gredos San Diego schools. The GSD El Escorial, Moratalaz, and Vallecas schools are currently honored with the Green Flag award recognizing their commitment to the environment.

Within the Eco-schools Program, we would like to draw attention to three specific activities that stand out thanks to their impact and involvement with other GSD stakeholders and local administrations:

- The City of Las Rozas provides support and materials for the Eco-schools program at the GSD Las Rozas school through the LIFE project (Las Rozas for The Environment), which is also supported by the European Union. Collaborating with the city allows the school to more effectively implement environmental management decisions.
- The GSD Moratalaz school participated in the Madrid on Foot: The Safe Way to School program organized by the City of Madrid. The program is designed for pre-primary students and aims to teach children to safely and independently walk to school while simultaneously building sustainable mobility habits. The entire educational community joins in to analyze and identify barriers to student mobility to and from the



school. Proposals drafted by program participants are presented to City technicians who in turn implement those they consider to be feasible.

- In order to encourage dialogue between students and professors participating in the Eco-schools program, an Eco-encounter takes place every year, during which students share experiences, ideas, and proposals. Once again, the students themselves lead this event and are responsible for presenting their most noteworthy accomplishments during the year.

## 4.4. Other Environmental Education Programs

### 4.4.1. Educational Materials

Several publications and educational materials have been produced in recent years, among which we highlight the following:

#### Professor Reciclus.

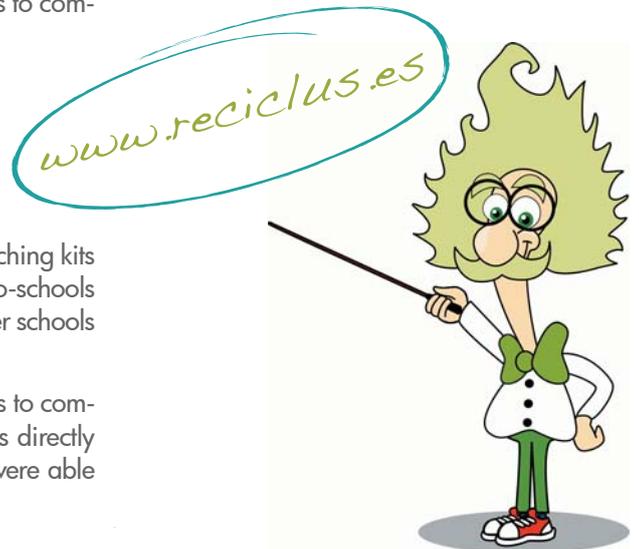
This program deals with the recycling and reuse of solid urban waste. It was financed by the General Secretariat for the Prevention of Pollution and Climate Change of the Ministry of Environment and intended for 1st year primary school students.

The kit contains all materials necessary for students to complete the program activities and workshops:

- Teacher handbook.
- Student activity cards.
- CD containing all program information.
- Workshop materials.

These materials were edited in 2006 and 1,500 teaching kits were distributed among 750 schools within the Eco-schools network, the Agenda 21 Escolar networks, and other schools specializing in environmental education.

Every kit includes the necessary materials for a class to complete the activities. Approximately 45,000 students directly benefited from this program and countless others were able to download the program materials from the web.





### Kirima's Journey

This program creates awareness of the issue of climate change and is designed for students in the second cycle of pre-primary school. The materials were financed by the General Secretariat for the Prevention of Pollution and Climate Change of the Ministry of Environment, Rural and Marine Affairs.

The program consists of a kit with the following elements:

- Teaching guide.
- Student activity cards.
- The story of Kirima.
- The Kirima game.
- Kirima post cards and posters.
- Interactive CD.

This material was edited in 2008 and, as was the case with the Professor Riciclus program, 1,500 teaching kits were distributed among 750 schools within the Eco-schools network, the Agenda 21 Escolar networks, and other schools specializing in environmental education.

Every kit includes the necessary materials for a class to complete the activities. Approximately

45,000 were students directly benefited from this program and countless others were able to download the program materials from the web.

### 4.4.2. Environmental Education, Eco-schools, and Accessibility

Between 2004 and 2011, numerous courses on environmental education, Eco-schools, disability, and accessibility have been organized and delivered to various entities through the Gredos San Diego Cooperative and the GSD Foundation, among which we highlight the following:

- Courses and conferences on environmental education and Eco-schools (CENEAM, City of Las Rozas, Guadalajara "Cap", etc.).
- Courses on accessibility, adaptability, and environmental education equipment in natural areas (CENEAM).
- Sessions on accessibility (Ordesa National Park, Picos de Europa National Park, Tablas de Daimiel National Park, Natural Spaces of Castilla y León, Aragonese Mountaineering Federation, etc.).
- Conferences on environmental education without barriers in protected natural areas (The Environmental Department of the Castilla y León Regional Government).



#### 4.4.3. Projects To Improve Accessibility in Protected Natural Areas

The GSD Environmental Department has carried out various studies and projects to improve accessibility in the following protected natural areas:

- Picos de Europa National Park.
- Protected Natural Spaces of Castilla y León:
  - Lago de Sanabria Natural Park and surrounding area.
  - Valle de Iruelas Nature Reserve.
  - Sierra de Gredos Regional Park.
  - Hoces del Río Riaza Natural Park.
  - Las Batuecas / Sierra de Francia Natural Park.
  - Hoces del Río Duratón Natural Park.

#### 4.4.4. International Cooperation on Environmental Education

The following joint international projects on environmental education have been developed through the Gredos San Diego Cooperative:

- Coordination of a thematic framework for methods of generating environmental awareness during the URB-AL program's effective practices workshops on integrated and sustainable management of urban residues (Surco, Lima, 26-30 March 2012).
- The cooperative signed agreements with the Municipality of San Miguel de Tucumán and with the Province of Buenos Aires to organize a teacher training program on environmental education, specifically focusing on urban residues, during the month of August 2012.

According to the conditions of this agreement, the GSD Foundation would defray the cost of transportation and supply the GSD Environmental Department with experts in this field while, for their contribution, the local Argentinean authorities would assume accommodation and subsistence expenses, as well as all costs associated with organizing the training sessions.

#### 4.4.5. Collaboration Agreement between WWF Spain and GSD

Gredos San Diego's work in promoting education in social and environmental values for responsible citizenship is not confined merely to the organization itself. GSD actively seeks out new experiences and opportunities for protecting and conserving our world while forging alliances that reinforce proposed objectives. Indeed, as recently as May 31st 2012, GSD signed a framework partnership agreement with WWF Spain (formerly ADENA) for the development and dissemination of environmental education programs designed for children and adults interested in environmental conservation. This agreement holds true to the goals of both organizations.

As the first step in this relationship, the 2012 Hoces del Río Riaza Nature Camp was organized at the Albergue Sendas del Riaza site in Valdevacas de Montejo from July 1st-12th. The camp was operated by Gredos San Diego in collaboration with WWF Spain. The camp serves kids between 10-14 years of age and strives to capture the spirit of the conservation camps founded by ADENA in 1974 at the Sanctuary for Birds of Prey at Montejo de la Vega de la Serrazuela (Segovia).

## 5. *Gredos San Diego takes care of its clients*

*Quality  
Education and  
Social  
Responsibility*

GSD is mainly a provider of educational services, however, it also provides catering (breakfast and lunch), extracurricular activities, sports, and cultural activities.

Both the quality of services provided and the results they affect within the student body are reflected as positive results obtained through performance appraisal systems.

It is important to emphasize Gredos San Diego's incorporation of socially responsible values in the educational process, including respect for human rights, gender equality, respect for diversity, and respect for the environment. This commitment to socially responsible education is inherent in Gredos San Diego's cooperative nature.



In order to provide quality education in a socially responsible manner, it is important to hear the opinions of our clients, especially those of students and families given that education is Gredos San Diego's primary line of business.

There are several ways to measure the level of satisfaction among our main clients. These range from listening to opinions during school delegate meetings and family conferences, as well as those expressed by the AMPA, and the School Board. Carrying out a satisfaction survey also allows us to obtain vital individual and collective information.

The satisfaction survey was first distributed during the 2004-2005 academic year and included questions directed at both families and students. The results in recent years have been significant enough to conclude that clients are highly satisfied with GSD.

In the latest survey carried out for the 2011-2012 academic year 5,512 questionnaires were sent to families and 1,494 answered, representing a 27% response rate. As for students, 1,247 questionnaires were sent out and 862 completed, representing a 69% response rate.

The survey results confirm a high overall level of satisfaction of 71% with parents leading at 76.6% and students close behind at 65.3%.



## *6. People are the central focus of GSD labor policies*

Thanks to Gredos San Diego's characteristic organization as a cooperative enterprise based on associated labor, the Gredos San Diego schools enjoy a high level of participation among employees. Of the average 1,215 individuals who worked for GSD during the 2011-2012 academic year, 847 were cooperative members. In other words, 70% of employees also have ownership in the company. However, these already high figures are no impediment to those 368 employees whose labor rights are clearly set forth in the Workers Statute and in various related regulations. GSD always leaves the door open so that employees who wish to become further involved in the cooperative may do so by becoming cooperative members. In fact, in the before mentioned period a total of 43 employees elected this path.

### **6.1. Employee Participation and Freedom of Association**

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As a cooperative enterprise based on associated labor, GSD enjoys a high level of participation among its employees in company affairs. The vast majority of these employees are cooperative members.

All cooperative members participate in the General Assembly, the highest decision-making body of the company, as well as in Gredos San Diego's representative body, the Governing Council.

The position of CEO also exists to oversee the strategic growth of the company with the aid of management teams both at the Administrative Offices and at each school. All of these positions are held by cooperative members.

A system of personnel delegates is in place to facilitate participation among all employees that are not members of the cooperative.



## 6.2. Policies of equality, non-discrimination, and inclusion of disabled people and people at risk of exclusion

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In a move to further equality among employees, The CEO, Carlos de la Higuera, has signed a declaration in which Gredos San Diego makes a commitment to develop policies of equal treatment and opportunities between men and women, and to apply measures to make this commitment a reality within the cooperative.

In an effort to achieve this environment of equal opportunities, the GSD Human Resources Department is taking steps to implement an Equality Plan relating to the hiring process, employee promotions, wage policies, training programs, working conditions, health and safety, and working time and vacations.

Gredos San Diego made significant progress in its commitment to disabled individuals when in March and April it incorporated seven individuals with Down Syndrome into the GSD workforce. These actions resonate with the cooperative's socially responsible policy of inclusion of disabled individuals.

These social action policies of equality of treatment and non-discrimination also constitute an opportunity for students to learn valuable lessons of tolerance, thereby cultivating socially responsible citizenship.

Each of these individuals is employed in one of the six Gredos schools and at the Administrative Offices.

Gredos San Diego was also honored by the Madrid Down Syndrome Foundation with an award for hiring two individuals with Down Syndrome from this Foundation.

## 6.3. Balancing Work with Personal and Family Life

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Gredos San Diego is committed to developing policies of equal treatment and opportunities between men and women, and to apply initiatives to make this commitment a reality within the cooperative.

Achieving a balance between work, personal and family life is another main part of the Equality Plan being developed by the GSD Human Resources Department. This involves:

#### Flexible working hours

Gredos San Diego strives to accommodate its employees' personal circumstances in assigning work hours insofar as the position permits, and keeping in mind the clearly determined daily school schedule.

#### Benefits for employees 60 and over

In addition to two months of vacation time, cooperative members age over 60 years enjoy the right to reduce weekly work hours by 20% without any reduction in compensation.

#### Maternity benefits

Whenever the circumstances permit, the vacation cycle is modified to provide two months of continuous vacation time to female employees with babies.

Unpaid leave is granted between the end of breastfeeding and the beginning of summer vacations.

A place is reserved in the schools starting from 4 months after birth.

Initiatives are in place to reduce the risk of occupational hazards during pregnancy for women employed in canteens, cleaning, pre-primary education, physical education, environmental teaching, and as coaches in the Athletic Club.

#### Attentiveness to employee health and well-being

GSD takes the following steps to take care of the health and well-being of its employees:

- Access to the Medical Service located in every school free of charge.
- Organization of employee health activity days.
- Mother-baby swimming, hiking, and skiing.
- Canteen programs for persons with allergies and coeliac disease.
- Lodging discounts provided at El Corralón and Sendas del Riaza for employees (cooperative members and non-members), as well as their families and friends.
- Competitive pricing on private medical insurance.



### “Emotional Benefit”

With a focus on the idea of “emotional benefit”, GSD designs its employee benefits policy to create a quality working environment to help them balance work with personal and family life. This is especially important in a collective made up of many young employees in the process of starting families.

In this regard, GSD provides a space in its schools absolutely free of charge for the children of full-time employees, and tuition discounts for the children of part-time employees.

GSD employees also enjoy full access to the canteens at no charge, and discounts on extracurricular activities. Couples and spouses especially stand to benefit from this arrangement.

Other advantages of employment with GSD include employee summer courses offered at discounted rates or free of charge, as well as school parking spaces, for which employees with children receive priority.

### Services and benefits for students and families

Policies of added benefits exist not only for GSD employees but also for students and their families. We believe that such benefits should be extended to the entire educational community. Students and families form an integral part of this community and play a crucial role in the collective pursuit of social responsibility.

Taking it into account, GSD provides the following::

- During school breaks parents of children in the second cycle of pre-primary school (3-6 years of age) may take advantage of day care services.
- Another service that has received excellent feedback from parents is the option to leave strollers at the school during the day. This makes drop-off and pick-up much more convenient.
- In addition to a large offering of summer courses, both students and parents may participate in year round activities such as hiking, skiing, and mother-baby swimming. Families also have the option of a weekend getaway at facilities in El Corralón or Sendas del Riaza.



## 6.4. Prevention of Occupational Risk

Gredos San Diego's Occupational Risk Prevention Policy has been approved by the Governing Council and Management and is applied to every aspect of operations in all GSD facilities. The policy is based on a fundamental consideration for the health and safety of cooperative members, employees, and students.

The Occupational Risk Prevention Policy is based on the following principles:

- Safe and healthy employees are more productive and contribute on a greater level to smooth operations. It is vital to maintain and develop human resources while reducing losses and legal liability associated with the materialization of risk.
- Preventative action is the most effective manner of avoiding risk and of evaluating those risks which cannot be fully eliminated.
- Preventative measures must be implemented to address risk sources.
- The selection of teams and work methods must be done with a view of attenuating monotonous and repetitive work, thereby reducing its negative effect on employee health.
- Risk prevention planning must employ a consistent approach that takes into account methodology, work organization, working conditions, social relationships, and environmental factors.
- Tasks must be assigned with proper instructions to employees based on their capabilities and ensuring that only those employees having received sufficient and adequate training may access areas that containing risks or danger. Special attention must be paid to employees with special physical, mental, and sensory circumstances.
- Information and training relating to risks inherent in certain jobs must be made available to cooperative employees. Measures must be taken to guard against such risks.
- The prevention of occupational risk is a prerequisite for achieving quality. A job well done may only be considered as such if it is performed under the proper safety conditions.



Adhering to these principles is the task of the entire GSD organization including the CEO, the Steering Committee for Prevention, internal and external risk prevention services, area managers, middle-management, collaborators, risk prevention resources, and the employees themselves.

All of these principles are embodied in a series of procedures, rules, and instructions, thereby adhering to the primary goal of “integrating occupational risk prevention at every level and in every aspect of the cooperative”.

The following are noteworthy aspects of the Occupational Risk Prevention System:

- ORP auditing
- Employee health campaigns
- Installation of defibrillators
- Investment in training

## 6.5. A Unified and Balanced Compensation Plan

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GSD uses its own fixed and variable compensation plan with the following objectives:

- Upholding cooperative values based on a participative process providing the organization with a form of self-regulation.
- Compensating every person as a direct function of their contribution to the cooperative.
- Referencing sectoral, cooperative, and geographic factors.
- Maintaining the possibility of varying compensation for employees subject to the quality of the work they perform and always within reason.

This compensation plan is founded on the principals of:

- Legality, GSD always compensates its employees in accordance with legal norms.
- Solidarity, in the case of positions with high levels of responsibility, compensation is below market value, while compensation for positions with lower levels of responsibility is above market value, thereby resulting in a smaller wage disparity within the cooperative.
- Internal consistency, all cooperative members are assigned to a categorized position and compensation levels are systematically established in accordance to corresponding guidelines.

- External competitiveness, relative market rates of compensation are taken into account in the process of establishing compensation levels for corresponding positions at GSD.
- Professional development, the compensation structure reflects the varying contributions of every GSD cooperative member as a result of professional development.

Though some GSD social policies have already been explained in the section on balancing work and private life, the following are also worth mentioning:

- Paid leave is offered for 4 days in the event that a minor children or other family member under the care of the employee is hospitalized.
- 100% compensation is provided in the event that the cooperative member is in a state of Temporary Invalidation due to either a common or occupational illness or occupational accident.
- Leaves of absence with job security.
- Transfers to other Gredos schools for reasons of commuting distance whenever possible.
- Consultation services regarding employment and financial issues, as well as benefit management, processing of the one-time-payment of unemployment benefits for employees who wish to join the cooperative, and assistance with Social Security retirement pension procedures.
- Payroll advances.





## 6.6. Professional Training

Gredos San Diego's ongoing training of its employees, both cooperative members and hired employees, is a strategic element for the cooperative as well as a social responsibility.

The importance of ongoing employee training is emphasized in Madrid Cooperative Law which states that cooperatives must allocate a certain amount of resources, specifically no less than 5% of profits, to the **Education and Promotion Fund**, which is intended for the **professional training of cooperative members and employees, and the promotion of cooperative values and principles.**

Building on this premise, GSD took various steps in training its employees during the 2011-2012 academic year, some of which included:

- Providing employees with the knowledge and skills necessary to carry out their professional duties at GSD, thereby promoting career and personal development.
- Contributing to the productivity and competitiveness of GSD as an organization.
- Promoting accreditation for GSD employees of work experience as well as of professional skills acquired through formal training.
- Evaluating and controlling training quality to ensure the efficient management of funds, whether provided by the cooperative itself or by public training programs.

GSD has also participated in public training programs managed by the **Tripartite Foundation**, allowing the development of an additional **15 training programs**, including the "Expert in Cooperative Learning" program, which is carried out in collaboration with the University of Alcalá.

Public funds have also been put to good use with the implementation of inter-sectoral training plans from:

- **UCETAM** (Union of Educational Cooperatives and Associated Labor of Madrid), developed **2 training programs.**
- **MAFOREM** (CCOO Training and Employment Madrid), developed a total of **15 training programs.**

As a result, **818 GSD employees participated in 78 training programs throughout the 2011-2012 academic year.**

According to the cooperative's strategy and given its teaching needs, Gredos San Diego plans to develop a Training Plan, which aims to achieve the following:

- Define multiannual training guidelines based on company strategy.
- Maintain awareness of the situational challenges GSD faces: demographic developments, emerging competitors, a declining economy, gender equality, etc.
- Identify the needs of and integrate projects from all Gredos entities and employees in a global training plan.

## *7. A Social Commitment to Human Rights*

### *7.1. Supporting UNHCR in Assisting Refugees*

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Gredos San Diego is committed to growing as a cooperative enterprise whose mission, vision, and values fit the model of a socially responsible enterprise. These values should be reflected both in the company's internal management and in its relationship with its clients and other key players. This is above all a social commitment to tackle the toughest issues of our time and to actively help those most in need.

This commitment is most readily apparent from Gredos San Diego's eight years of cooperation with UNHCR (Office of the United Nations High Commissioner for Refugees). During this period of time GSD has organized various solidarity campaigns, all of which have received an excellent response from the entire educational community. Gredos San Diego's contribution to this relationship is to promote education for these refugees who are repeatedly denied access to the basic human right of education. These campaigns also serve to raise awareness among our students about socially responsible citizenship.

Gredos San Diego's partnership of solidarity with UNHCR, which engages parents, students, and cooperative employees, is specifically organized through a cooperation agreement between the GSD Foundation and the Spanish Committee for UNHCR, signed on November 29th 2006.



The Spanish Committee for UNCHR has recognized GSD with a diploma symbolizing the Committee's gratitude for contributions that made possible the construction of a school in the Democratic Republic of the Congo and a youth cultural center and home for the elderly in Kenya, as well as assistance for refugees in Mali, Somalia, and other regions of Africa.

The 2011 UNHCR Global Report on operations and donations lists Gredos San Diego as a "Major Donor". In addition to contributing 45,316 USD in funds for refugees, GSD played a key role in raising awareness and promoting cooperation with UNHCR in its efforts to assist and protect refugees.

During the 2011-2012 academic year, the entire Gredos San Diego educational community also raised 33,235 euros in scholarship funds for young refugees in Uganda.

These activities organized by the GSD Foundation draw from the support and collaboration of the Gredos San Diego Cultural Association, the GSD Athletic Club, the Madrid Gospel Choir, cooperative members and employees, and the rest of the educational community. We would like to extend a warm thanks to families for their magnificent and unwavering support of these initiatives, as well as to the School Cooperatives, an educational initiative fostering entrepreneurship and solidarity.

## 7.2. Adherence to the United Nations Global Compact

The governing bodies of GSD feel that the commitment to social responsibility should not only manifest itself through the everyday actions of the organization, but also adhere to the ten principles embodied in the United Nations Global Compact.

To this effect, the Gredos San Diego Governing Council convened on April 25th 2012 to approved the submission of a membership application expressing adherence to the ten principles of the United Nations Global Compact.

On the 15th of May, the United Nations Global Compact Office responded by informing GSD that the cooperative already adheres in its commitment to the 10 principles on human rights, labor rights, environmental issues, and anti-corruption.

The United Nations Global Compact Office's communication reads: "Thank you for joining our initiative for corporate responsibility - the largest of its kind in the world with over 8,000 companies and other non-business entities participating in 135 countries.

Gredos San Diego commits to:

- Make changes to commercial operations in order to integrate the Ten Principles of the United Nations Global Compact into company strategy, culture, and day-to-day operations, as well as into company subsidiaries and supply chain decisions.
- Advocate for the Ten Principles of the United Nations Global Compact through all possible channels.
- Communicate annually with stakeholders on efforts to put the Ten Principles of the United Nations Global Compact into practice. To this ends, a Progress Report will be published on the United Nations Global Compact website.

### 7.3. International Cooperation with Social Commitment

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Of the international cooperation projects developed with other countries, the most important is the importation of Fair Trade coffee from Costa Rica through the Cocafé cooperative. This superb quality coffee is imported both in large catering-size packages to be consumed in the GSD school cafés, as well as in consumer-size packages available for sale to the public.

A portion of sales proceeds is set aside and redirected toward other international cooperation projects including the “niños testigo” program which organizes exchange trips for children from various countries. Scholarships are also financed for the Children of the Field Foundation for the sons and daughters of coffee farmers without the financial means to send their children to the University of San Jose in Costa Rica. Gredos San Diego has also helped finance a residential dormitory for Sons of The Field Scholarship recipients.



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[www.gredossandiego.com](http://www.gredossandiego.com)