

EFRAG UPDATE



Europe's voice in
corporate reporting

September 2025

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The EFRAG Update is published on a monthly basis to inform constituents about due process publications, public technical discussions and decisions taken that month.



1.1 EFRAG Administrative Board

The EFRAG Administrative Board had its first meeting after the holidays on 16 September 2025. The Board discussed the EC grant developments and received progress reports on the FR and SR workplans for 2025. The EFRAG Administrative Board considered the 30 June 2025 closing and agreed on a recommendation on the ending date of the mandate of the EFRAG SRB Chair. Furthermore, the Board agreed to combine the next main corporate reporting conference with the celebration of EFRAG's 25th anniversary in Spring 2026 and to have early December a half day conference addressing the technical advice on draft Simplified ESRS which EFRAG has to submit to the European Commission by 30 November 2025.

It has been decided that the conference ["EFRAG unveils Draft Simplified ESRS: A European Milestone for Sustainability Reporting"](#) will take place on 4 December 2025. This event will bring together European stakeholders to mark a key moment in the evolution of sustainability reporting. It will also provide an opportunity to pay tribute to Patrick de Cambourg, EFRAG Sustainability Reporting Board Chair, as his mandate concludes, and to welcome the incoming EFRAG SRB Chair.

EFRAG Administrative Board Due Process Committee (DPC)

On 26 September 2025 the EFRAG Administrative Board DPC met to discuss the request from the EFRAG SRB to issue EFRAG's contribution to the ISSB SASB Standards Enhancement consultation without public consultation as a deviation from best practice and the possible deviation from the EFRAG Internal Rules which require that all technical positions are approved by the EFRAG SRB. The EFRAG Administrative Board will hold [a public session on 9 October 2025](#) to discuss and agree on the deviation from best practice. An extension of the deadline of 30 November 2025 with two weeks was obtained from the ISSB which will allow for formal approval of the EFRAG contribution by the EFRAG SRB.

1.2 EFRAG July Podcast Highlights

Tune into the new episode of the EFRAG Update podcast to learn about the latest developments in sustainability and financial reporting.

Highlights of this episode include:

- The public consultation on the **Exposure Drafts of the revised European Sustainability Reporting Standards (ESRS)**
- The adoption of the **Voluntary Sustainability Reporting Standards for non-listed Micro-, Small, and Medium-sized Enterprises (VSME)** by the European Commission
- The request for feedback on EFRAG's **Draft Comment Letter on the Post-Implementation Review of IFRS 16 Leases**
- The public consultation on EFRAG's **Draft Endorsement Advice on IFRS 19 Subsidiaries without Public Accountability: Disclosures**

Sustainability Reporting Podcast Episode #7

This month's sustainability reporting episode is hosted by **Chiara Del Prete**, *EFRAG SR TEG Chair*.

- [Spotify](#)

Financial Reporting Podcast Episode #7

The Financial reporting episode is hosted instead by **Vincent Thomas Papa**, *FR Director*, and features guest speaker **Juan José Gómez de la Calzada**, *FR Senior Technical Manager*.

- [Spotify](#)

Prefer reading instead?

Download our [EFRAG Update of July](#).

1.3 Joint EFRAG Financial Reporting Technical Expert Group (EFRAG FR TEG) & EFRAG Sustainability Reporting Technical Expert Group (EFRAG SR TEG)

Webcast meeting 4 September 2025

The EFRAG FR TEG and EFRAG SR TEG jointly held a webcast meeting on [4 September 2025](#) and discussed the following topic:

EFRAG RESEARCH PROJECT: CONNECTIVITY BETWEEN FINANCIAL REPORTING AND SUSTAINABILITY REPORTING

Members provided views on the updated chapters and illustrations of EFRAG's upcoming Discussion Paper on connectivity, expressing support for the content. EFRAG's Discussion Paper is expected to make a valuable contribution to the body of knowledge about issues pertaining to the connection between information reported in an entity's sustainability statement/disclosures with that reported in its financial statements.

EFRAG FR TEG INITIAL REACTION ON THE EDS ON AMENDED ESRS

EFRAG FR TEG also expressed their initial reactions on the revised ESRS in a closed session.

EFRAG'S FINANCIAL REPORTING ACTIVITIES



2

EFRAG'S FINANCIAL REPORTING ACTIVITIES



2.1 EFRAG to Assess Interest in potential New EU Voluntary Reporting Template for SMEs and Start-Ups

EFRAG is set to explore the development of a voluntary, KPI-based reporting template for SMEs (Small and Medium-sized Enterprises) that could be made accessible via the European Single Access Point ('ESAP'). The request, [outlined by the European Commission in a letter to EFRAG on 29 July 2025](#), aims to meet a twofold objective:

- **enhancing the accessibility and comparability of financial information** for SMEs and start-ups within the European Union;
- **attracting investors and facilitating better access to finance** for these businesses, especially innovative and fast-growing ones.

Next Steps

EFRAG will assess stakeholders' interest in this initiative, considering the potential costs and benefits for both SMEs and investors. Specifically, EFRAG will evaluate:

- the views of both potential preparers (e.g. SMEs) and users (e.g. investors, banks, etc.) regarding such a disclosure;
- the possible content and structure of the proposed template.

By June 2026, EFRAG will submit its assessment, in the form of a report, to the European Commission.

2.2 EFRAG to Hold Workshops on Users' Needs for Intangibles Reporting

For users of financial information EFRAG is organising a **series of online private workshops in November 2025** which will bring together users, EFRAG, and IASB representatives to **discuss specific intangibles, how they create value, and the information users need to understand**. The aim is to explore the root cause of the information needs.

The **workshops have been grouped by the below type of intangible** to identify differences in how information is analysed, adjusted, and the economic reasons behind these practices across industries and sectors.

- **4 November, 10:00-12:00 CET – focus on software, AI, data resources, algorithms, digital platforms.**
- **12 November, 10:00:12:00 CET – focus on R&D, patents and unpatented technology.**
- **17 November, 10:00:12:00 CET – focus on marketing and customer/supplier related intangibles** (brands, trademarks, internet domains, customer lists or relationships).

- **18 November, 10:00:12:00 CET – focus on intellectual property** (copyrights, broadcast rights and other IP not covered in the other workshops).

This initiative contributes to the [IASB's Intangible Assets project](#), which is assessing users' information needs on intangible assets and related expenditure.

For additional information and/or registration, please see EFRAG dedicated [news item](#).

2.3 Past Events

26 SEPTEMBER 2025: JOINT OUTREACH EVENT ON THE IASB'S POST-IMPLEMENTATION REVIEW OF IFRS 16 LEASES

EFRAG, together with the German Accounting Standards Committee (ASCG), the International Accounting Standards Board (IASB), the Austrian national standard-setter (AFRAC), and Swiss GAAP FER, held a [joint outreach event](#) in German on the IASB's **Post-Implementation Review of IFRS 16 Leases**.

The workshop aimed to **gather feedback on the matters included in the IASB's Request for Information (RFI)**, published in June 2025, and to **discuss how IFRS 16 has been functioning in practice**. It also provided stakeholders with an opportunity to exchange experiences and views on the practical application of the standard and to consider relevant academic evidence.

As part of the IASB's due process, post-implementation reviews are designed to assess whether a new IFRS Accounting Standard is operating as intended for preparers, users, auditors, and regulators. This event will therefore play an important role in shaping the IASB's assessment of IFRS 16.

For more information, please see the [EFRAG website](#).

2.4 Publications

FINAL ENDORSEMENT ADVICE

IFRS 19 SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

EFRAG has [submitted its final endorsement advice](#) to the European Commission on IFRS 19 *Subsidiaries without Public Accountability: Disclosures*, concluding that the standard meets all [technical endorsement criteria](#) and is conducive to the European public good. **EFRAG, therefore, recommends its endorsement in the EU.**

In reaching this conclusion, EFRAG also assessed how IFRS 19's reduced disclosure requirements interact with the Directive 2013/34/EU and whether a corresponding carve-out could be made to IFRS 19. Finally, EFRAG conducted an in-depth cost-benefit assessment of the effects of IFRS 19 through extensive outreach activities and through desktop research to estimate the number of entities potentially impacted by the implementation of the standard in the EU.

ABOUT IFRS 19

Issued by the IASB on 9 May 2024, [IFRS 19 Subsidiaries without Public Accountability: Disclosures](#) aims to **simplify financial reporting for eligible subsidiaries** by allowing them to prepare IFRS-compliant financial statements with reduced disclosure requirements. This approach decreases the reporting burden on companies by simplifying the reporting, reducing the costs of preparing eligible subsidiaries' financial statements, while maintaining the usefulness of information to users.

[View the endorsement advice letter](#)

DRAFT ENDORSEMENT ADVICE

Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures

EFRAG has issued its [draft endorsement advice letter](#) and a separate **invitation to comment** on the proposed EU adoption of [Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures](#), issued by the IASB on 21 August 2025.

Amendments to IFRS 19 complete the reductions and provide reduced disclosure requirements for new or amended IFRS Accounting Standards issued between February 2021 and May 2024.

As noted above, on 25 September 2025, EFRAG published its [final endorsement advice](#) on IFRS 19 *Subsidiaries without Public Accountability: Disclosures*, recommending its endorsement in the EU.

EFRAG's overall preliminary assessment is that Amendments to IFRS 19 satisfy the criteria for endorsement for use in the EU and therefore recommends their endorsement. To this end, EFRAG has also [updated its Endorsement Status Report](#).

Submit Your Comment

Download the invitation to comment in [Word](#) or [PDF](#) and submit it to EFRAG by Friday 28 November 2025.

[View draft endorsement advice](#)

[Submit your comment](#)

FEEDBACK STATEMENT

EFRAG ISSUES FEEDBACK STATEMENT ON THE IASB'S EXPOSURE DRAFT PROVISIONS—TARGETED IMPROVEMENTS

[The Feedback Statement](#) provides a summary of the feedback received from stakeholders, including comments on EFRAG's draft comment letter. It also explains how this input was used to inform the final position in EFRAG's [Final Comment Letter \('FCL'\)](#), submitted to the IASB on 1 April 2025 in response to the IASB's Exposure Draft IASB/ED/2024/8 [Provisions—Targeted Improvements](#) (the ED).

For more information, please see the [EFRAG website](#).

2.5 Open consultations

TITLE AND DESCRIPTION	CLOSING DATE
EFRAG's Draft Endorsement Advice on the <i>Amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures</i>	28 November 2025

For more information, please see [EFRAG's consultations page](#).



2.6 Meetings

2.6.1 EFRAG FINANCIAL REPORTING BOARD (EFRAG FRB)

[Webcast meeting 25 September 2025](#)

The EFRAG FRB held a webcast meeting on [25 September 2025](#) and discussed the following topics:

IFRS 19 SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

EFRAG FRB members discussed and approved the Final Endorsement Advice ('FEA') for submission to the European Commission and publication.

AMENDMENTS TO IFRS 19 SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

EFRAG FRB members expressed their support and approved the Draft Endorsement Advice ('DEA') on the Amendments to IFRS 19.

DUE PROCESS PROCEDURES FOR FINANCIAL REPORTING

Members discussed the feedback received from the public consultation and the EFRAG Secretariat recommendations on the draft due process procedures.

TECHNICAL WORKPLAN

EFRAG FRB members provided their regular review on the technical workplan for October 2025 – March 2026.

NEXT MEETING

The next public EFRAG FRB meeting will be held on [14 October 2025](#), jointly with the EFRAG FR TEG. A joint EFRAG FRB and EFRAG SRB meeting will be held on [14 October 2025](#).

2.6.2 JOINT EFRAG FINANCIAL REPORTING TECHNICAL EXPERT GROUP (EFRAG FR TEG) & EFRAG CFSS Webcast meeting 18 September 2025

EFRAG FR TEG-CFSS jointly held a webcast meeting on [18 September 2025](#) and discussed the following topics:

IASB PROJECT: STATEMENT OF CASH FLOWS AND RELATED MATTERS

EFRAG FR TEG-CFSS members considered and provided comments on a few fact patterns that might contribute to the inconsistent application of the IAS 7 *Statement of Cash Flows* requirements related to classification of cash flows as operating, investing or financing. In general, members observed that particular fact patterns of more broadly defined types of transactions could change how consistently the transactions would be reflected in the statement of cash flows.

INTANGIBLE ASSETS

EFRAG FR TEG-CFSS members provided views on the selected test cases by the IASB for potential changes to the definition of an intangible asset, related guidance and some aspects of recognition to make IAS 38 *Intangible Assets* more suitable for newer types of intangibles items. Members generally supported cloud computing arrangements (Saas) and agile software development as test cases. Members also agreed with considering AI and data resources either as subcases of cloud computing arrangements and agile software development or as specific test cases. It was suggested that the IASB analyses if AI and data resources are fully covered by the features of cloud computing arrangements and agile software development and if not, the IASB should analyse their specific features.

Members were also informed about some workshops with users (jointly held with the IASB) the EFRAG Secretariat intends to organise in November to gather feedback on users' needs on information about intangibles.

IASB PROJECT: BUSINESS COMBINATIONS —DISCLOSURES, GOODWILL AND IMPAIRMENT

EFRAG FR TEG-CFSS members broadly supported refining the wording of the proposed exemption (exempting entities from providing some information when undertaking a business combination) so that an entity would be exempted from disclosing the information if doing so can be expected to breach statutory legal/regulatory requirements or expose the entity to social or operational risks. It was also supported to have examples to illustrate the application of the exemption. Some members suggested including examples that would illustrate when information could be aggregated/ provided at a higher level rather than applying the exemption. A few members cautioned against over-broadening the exemption. Members reiterated that EFRAG does not support the inclusion of synergy and expected performance disclosures that contain a lot of forward-looking information in the financial statements.

Members also agreed with having examples to illustrate which restructuring and asset enhancement cash flows to include when determining value-in-use when performing an impairment test. Members noted that the aim of removing the current restriction should be to include only those cash flows that were supportable and part of a concrete plan included in company budgets and forecasts. Members suggested including more complex examples involving goodwill within multiple CGU's and changes in business sustainability plans.

IASB PROJECT: EQUITY METHOD

EFRAG FR TEG-CFSS members discussed the recent developments, IASB recent tentative decisions and IASB staff proposals on the project related to acquisition of investee transaction costs and dilution gains and losses. Members supported the IASB's staff proposal to add the application question to clarify the accounting treatment of acquisition costs to the scope of the project and reaffirmed their preference to have these costs capitalised. With regard to the dilution gains and losses, members expressed their preference for the IASB's alternative focused on the simplification of the accounting treatment and encouraged the IASB's resolution of anti-dilution gains.

EC IFRS IC SUPPORT AND MONITORING IFRS IC DELIBERATIONS

EFRAG FR TEG and EFRAG CFSS members were provided with a summary of the main open issues that were discussed by the IFRS Interpretations Committee. With regard to IFRS 18 topics, members addressed a certain degree of urgency.

AGENDA TOPICS FOR NEXT EFRAG FR TEG-CFSS AND ASAF MEETINGS

EFRAG FR TEG and EFRAG CFSS members did not identify any additional topics to be discussed at the December 2025 ASAF meeting.

NEXT MEETING

The next EFRAG FR TEG – CFSS meeting will be held on [26 November 2025](#).

2.6.3 EFRAG FINANCIAL REPORTING TECHNICAL EXPERT GROUP (EFRAG FR TEG)

[Webcast meeting 19 September 2025](#)

EFRAG FR TEG held a webcast meeting on [19 September 2025](#) and discussed the following topics:

IFRS 19: SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

IFRS 19 *Subsidiaries without Public Accountability: Disclosures* aims to simplify financial reporting for eligible subsidiaries by allowing them to prepare financial statements under IFRS Accounting Standards with the reduced disclosure requirements under specific conditions.

EFRAG had published its Draft Endorsement Advice ('DEA') on 21 May 2025 with the deadline for comments by 3 September 2025. EFRAG had preliminarily assessed that IFRS 19 meets all technical endorsement criteria of the IAS Regulation and is conducive to the European public good and, therefore, recommends its endorsement in the EU.

During the consultation period EFRAG received 6 comment letters and all respondents expressed support for the endorsement of the reduced disclosure standard in Europe and agreed with EFRAG conclusions. One respondent highlighted the importance of considering disclosure reductions for IFRS 17 during the upcoming PIR of IFRS 19.

In the EFRAG FR TEG meeting the members expressed their support for the Final Endorsement Advice ('FEA'), providing no additional comments and agreed to recommend the FEA for approval to the EFRAG FRB.

IASB PROJECT: AMENDMENTS TO IFRS 19 SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES

EFRAG FR TEG members expressed their support and agreed to recommend the DEA to the EFRAG FRB for approval.

IASB PROJECT: DYNAMIC RISK MANAGEMENT

In May 2025, EFRAG launched a survey to collect input on the current dynamic interest rate risk management practice and capabilities of banks, insurers, financial conglomerates and other entities in the context of the upcoming DRM model. EFRAG FR TEG members were provided with the EFRAG Secretariat's first impressions of the survey

results. Members in general were supportive of the results of the survey. Some members indicated that banks were awaiting the Exposure Draft before deciding on whether to participate in the field-test or not.

IASB PROJECT: RATE-REGULATED ACTIVITIES

EFRAG FR TEG received an educational session on some of the key requirements in the prospective IFRS Accounting Standard on Regulatory Assets and Regulatory Liabilities (prospective IFRS Standard). This was the second of several planned educational sessions, following the session in June 2025, and these are being done in preparation for the endorsement of the prospective IFRS Standard.

The educational sessions complement the updates provided to EFRAG FR TEG on the IASB's tentative decisions during the IASB's redeliberations of the proposals included in the 2021 Exposure Draft *Regulatory Assets and Regulatory Liabilities*. Further educational sessions will be provided on the remaining requirements in future EFRAG FR TEG meetings.

EFRAG RESEARCH PROJECT: THE STATEMENT OF CASH FLOWS—OBJECTIVES, USAGES AND ISSUES

EFRAG FR TEG discussed the feedback received in response to EFRAG's Discussion Paper *The Statement of Cash Flows — Objectives, Usages and Issues*. It was noted that most respondents considered that: 1) the IASB's project on the statement of cash flows and related matters should be limited to targeted improvements; 2) the IASB should focus on improving the statement of cash flows (and related disclosures), and not on developing alternatives to the statement of cash flows; 3) the statement of cash flows should be useful for assessing an entity's ability to generate cash and cash equivalents; 4) the indirect method of presenting cash flows from operating activities should be maintained; 5) the IASB should not try to define measures such as free cash flows; and 6) the statement of cash flows is not useful for most financial institutions.

The feedback showed that for users, further disaggregation of the information in the statement of cash flows is important, and users request more information about non-cash items and payments made on behalf of the entity. In addition, the feedback showed that there is diversity in practice, and different views exist on issues such as: what is/should be included in 'cash' and 'cash equivalents', and the classification of cash flows. EFRAG FR TEG noted that the IASB plans to consider these issues as part of its project on the statement of cash flows and related matters. The EFRAG FR TEG therefore decided not to issue a set of formal recommendations based on the comments received. In that regard, it was also noted that the feedback had been communicated to the IASB.

NEXT MEETING

The next EFRAG FR TEG meeting will be held on [22 October 2025](#).



EFRAG'S SUSTAINABILITY REPORTING ACTIVITIES



3

EFRAG'S SUSTAINABILITY REPORTING ACTIVITIES

3.1 EFRAG Outreach Events on the Revised ESRS Exposure Drafts

Stakeholders were invited to join EFRAG's public outreach events in September 2025. The sessions aimed to gather feedback on the Revised ESRS Exposure Drafts and complement the outcome of the public consultation survey, which was open until 29 September 2025.

EFRAG experts presented the main amendments to the revised ESRS while collecting feedback and discussing the changes with stakeholders. To ensure broad and balanced input, the sessions were jointly organized by EFRAG with national standard setters, business associations, financial institutions, investors and users, and civil society organisations. Across all events organized, the final number of participants was 3193 people. The following table illustrates a general overview of those outreach events.

OUTREACH	MEETING DATE
Online outreach with Financial Executives International	26 August 2025
Online outreach with the Confederation of Danish Industries	1 September 2025
Online outreach with a focus on preparers (jointly organised with EFAA & CSR Europe)	10 September 2025
Hybrid outreach in Paris (jointly organised with the Autorité des Normes Comptables - ANC).	12 September 2025
In-person outreach in the Netherlands (jointly organised with NBA en Raad voor de Jaarverslaggeving-RJ).	15 September 2025
Hybrid outreach in Madrid (jointly organised with ICAC).	15 September 2025
Online outreach with a focus on financial institutions and investors (organised jointly with EBF, Eurosif, Insurance Europe, EFFAS, EFAMA).	17 September 2025
Online outreach with World Business Council for Sustainable Development	17 September 2025
Online outreach with a focus on civil society organisations (jointly organised with EDF & Better Finance)	18 September 2025
Online outreach (jointly organised with the Accounting Standards Committee of Germany-ASCG/DRSC).	18 September 2025
Online outreach (jointly organised with the Swedish Council for Sustainability and Financial Reporting).	22 September 2025
Online outreach in Dublin (jointly organised with the Chartered Accountants Ireland).	23 September 2025
Online outreach (jointly organised with European Accounting Association-EAA).	24 September 2025
Hybrid outreach in Brussels with a focus on all stakeholders and with the participation of the Friends of EFRAG.	24 September 2025

Hybrid outreach in Milan (jointly organised with Organismo Italiano di Contabilità-OIC).	24 September 2025
In-person outreach in the Netherlands with Dutch preparers and other observers.	25 September 2025
Online outreach with VDMA (German Mechanical Engineering Industry Association)	25 September 2025
Online outreach with European Issuers	26 September 2025
Online outreach with BusinessEurope	26 September 2025
Hybrid outreach in Luxembourg (jointly organised with the Luxembourg Chamber of Commerce and FEDIL).	30 September 2025
Online outreach with European Round Table for Industry	2 October 2025
Online outreach with Association for Financial Markets in Europe	2 October 2025

3.2 EFRAG Videos to Support Consultation on Simplified ESRS

EFRAG's 60-day public consultation on the simplified Exposure Drafts of the European Sustainability Reporting Standards (ESRS) was complemented by five new informative sessions on EFRAG's [Youtube Playlist](#). These sessions related to ESRS 1, ESRS 2, Environment, Social and Governance were prepared to provide constituents with additional resources and to inform them on the main changes applied when responding to the public consultation survey.

3.3 Field Test on Gross Net and Adequate Wages

In August and September EFRAG conducted a series of interviews with preparers that confirmed their interest in testing the proposed Amendments to the ESRS. The areas in focus of this test are (1) the new guidance on how to consider mitigation, prevention and remediation actions when assessing materiality – Gross Net; (2) the approach to calculate the adequate wages metric outside the EU. These are two areas where the Amendments introduce new approaches or methodologies. Prior to the interviews, preparers have been invited to simulate the results of the Amendments and report the results responding to a questionnaire. The EFRAG SRB and EFRAG SR TEG will consider the outcome of this field test as part of the deliberations leading to the finalization of the simplified ESRS.

3.4 Public consultation on the Amended ESRS Exposure Drafts

EFRAG issued the Exposure Draft for consultation on the 31 July 2025 and the consultation was open for comments until 29 September 2025. EFRAG received 678 submissions from respondents via the online survey or comment letters. The EFRAG Secretariat is analysing the feedback and will update the EFRAG SRB and EFRAG SR TEG on 14 October 2025 (based on a sample of responses) and at the beginning of November (complete analysis).

3.5 EFRAG VSME Adopted by the European Commission as a Recommendation

PRESS RELEASE - EFRAG WELCOMES EUROPEAN COMMISSION'S RECOMMENDATION ON VSME

The European Commission has adopted VSME as a recommendation on 30 July 2025. EFRAG welcomes the [European Commission's adoption in the form of Recommendation](#) for the Voluntary Sustainability Reporting Standard for non-listed Micro-, Small-, and Medium-sized Enterprises (VSME) in all EU languages delivered by EFRAG to the European Commission in December 2024.

For updates on the event and to access **explainer videos, guidance, and digital tools**, please visit EFRAG's [VSME webpage](#).

Access also the [European Commission's dedicated Q&A and related materials](#).

UPDATE ON THE VSME SUPPORTING GUIDES

Following the release of the Commission Recommendation, the Digital Template is intended to be translated in all official EU languages as per the EC Recommendation. This will ensure increased user-friendliness among European users and increased market acceptance. The [VSME Digital Template](#) has been updated for full alignment with the new EC Recommendation in September 2025.

The three Supporting Guides on C2, C3 and C7 are currently being redrafted based on the feedback gathered during the **Targeted Consultation** held with members of the SME Forum and VSME Community, which concluded on 5 September 2025.

UPDATE ON OUTREACH EVENTS AND EDUCATIONAL MATERIAL ON VSME

On 27 May 2025, EFRAG released a series of 10 educational videos focused on the Voluntary Sustainability Reporting Standard for non-listed SMEs (VSME). Following the European Commissions' Recommendation, EFRAG has now updated and AI-translated the educational videos. [These videos](#) offer a deep dive into the Environmental, Social and Governance disclosures and guidance of the VSME's Basic and Comprehensive modules. These videos are a great opportunity to get a deeper understanding of the disclosure requirements of the VSME Standard, ultimately helping in the drafting and implementation of sustainability reporting.

During the month of August and September, EFRAG has continued with the organisation of outreach events to raise awareness on the VSME Standard and on the VSME Ecosystem.

On 6 October 2025, EFRAG hosted the joint outreach event "The VSME Standard in Action: From the European Commission's Recommendation to Digital Solutions" co-organised with the European Commission. The event provided valuable insights into EFRAG's mapping of platforms and tools supporting SME sustainability reporting, as well as the latest developments in the VSME Ecosystem. The objective of the event is to present the EC's Recommendation, to raise awareness of the mapping work through panel discussions featuring diverse testimonials and to present the latest updates on the VSME Digital Template and Knowledge Hub.



EFRAG MAPPING OF INITIATIVES, TOOLS AND PLATFORMS FOR SME SUSTAINABILITY REPORTING

EFRAG has completed the mapping report of initiatives, tools, and platforms. The mapping aims to compare the consistency of the platforms, tools, and other initiatives with EFRAG's VSME to stimulate and ensure coordinated adoption in Europe.

EFRAG has identified a number of national or international tools that can help SMEs calculate their GHG emissions and the list can be found on the EFRAG's [VSME webpage](#).

The [reports](#) of the findings were published on 25 September 2025.

UPDATE ON VSME MARKET ACCEPTANCE

EFRAG is currently working in the development of a survey with the aim to measure the use and acceptance of the VSME Standard. The [questionnaire](#) has been released on 2 October 2025.

EFRAG LAUNCHES MULTI-LANGUAGE VSME DIGITAL TEMPLATE FOR SMES SUSTAINABILITY REPORTING ACROSS EUROPE

Following the release of the European Commission’s [VSME Recommendation in July 2025](#), on 3 October 2025, EFRAG updated the VSME Digital Template and XBRL Taxonomy released in May 2025 to reflect the European Commission’s minor changes and further improvements.

Responding to market demand, EFRAG enables today a translation feature to the VSME Digital Template. Users can now switch the display language and generate Inline XBRL reports in four additional languages. **The VSME Digital Template and Digital Template to XBRL Converter now support Spanish, Polish, Lithuanian and Portuguese, additionally to English.** The translations have been prepared by EFRAG and reviewed by National Standard Setters. Other National Standard Setters (Germany and Austria, Netherlands, Denmark, Ireland, France, Italy) are currently finalising their translations. Once complete, EFRAG will publish them in a new release expected to occur at the beginning of November 2025.

EFRAG expresses its sincere appreciation to all National Standard Setters contributing to the translation project and encourages other national standard setters to join this initiative. This aims to enhance accessibility and facilitate the use of the VSME template by SMEs across all EU Member States.

Alongside the multi-language feature, several enhancements and fixes have been implemented. All resources, including the template, an Explanatory Notes, a detailed change log and the source code and demo files, are now available on the [VSME Digital Template and XBRL Taxonomy webpage](#).

For more information, please see the [EFRAG website](#).

NEXT STEPS ON THE VSME ECOSYSTEM

EFRAG also aims to release the Supporting guides by the end of November.

3.6 EFRAG Joint Meeting: EFRAG Sustainability Reporting Board (EFRAG SRB) & EFRAG Sustainability Reporting Technical Expert Group (EFRAG SR TEG)

TOPICS COVERED	MEETING DATE
Feedback from outreach events (interim report)	29 September 2025

On 29 September 2025, the EFRAG SRB and EFRAG SR TEG members received an initial preview of the feedback received in the outreach events on the Revised ESRS Exposure Drafts, up to the ones of 24 September 2025. The Amendments have in general been well received and the key levers of simplifications implemented in the Exposure Draft are supported. Areas of improvements in the standards have also been identified aiming at further burden reduction for companies.

3.7 EFRAG Sustainability Reporting Board (EFRAG SRB)

TOPICS COVERED	MEETING DATE
VSME update (closed) ESRS simplification (closed):	3 September 2025

• Outreach activities plan for Amended ESRS • Workplan Amended ESRS until November 2025 • Amended calendar of SRB meetings	
SASB Standards Enhancement consultation (closed) IFRS ESRS interoperability (closed) ESRS simplification workplan (public)	16 September 2025

On 16 September, the EFRAG SRB was presented with the simplification workplan until the end of 2025.
The next EFRAG SRB meeting will be held on [9 October 2025](#).

3.8 EFRAG Sustainability Reporting Technical Expert Group (EFRAG SR TEG)

TOPICS COVERED	MEETING DATE
ESRS simplification (closed): • Outreach activities plan for Amended ESRS • Workplan Amended ESRS until November 2025 ISSB guide on transition plans and Q&A (public)	8 September 2025
ESMA status of digitalisation (closed) VSME update (public) SASB Standards Enhancement consultation (public)	11 September 2025
SASB Standards Enhancement consultation (closed) IFRS- ESRS interoperability (closed)	23 September 2025

On 8 September 2025, the EFRAG Secretariat together with the ISSB representative presented in a public session the ISSB guide on transition plans followed by a Q&A for EFRAG SR TEG members. This guidance supports the application of IFRS S2 by providing educational material. As one of the levers of the amendments of the ESRS is to enhance interoperability with ISSB Standards, this session was key to understand and discuss the differences and commonalities in Disclosure Requirements of ESRS (E1-1 Transition plan for climate change mitigation) and ISSB Standards. As the transition plan for climate change mitigation is linked with other topics of Disclosure Requirements (e.g. target setting, scenario analysis, etc.), this session allowed EFRAG SR TEG members to ask questions on interoperability at a broader level.

On 11 September 2025, the EFRAG Secretariat presented the report on mapping of platforms and calculators regarding VSME, and the technical analysis performed by the Secretariat so far on the SASB Standards Enhancement consultation.

The next EFRAG SR TEG meeting will be held on [21 October 2025](#).

3.9 Friends of EFRAG

For information on the advantages, conditions and how to apply to become a [Friends of EFRAG – Sustainability Reporting](#), please visit our [website](#) or contact us directly at friendsofefrag@EFRAG.ORG.

Entities can also become [Friends of EFRAG – Financial Reporting](#).

For more information, please see the [EFRAG website](#).

VACANCIES¹

Corporate – both pillars

INTERNSHIPS – FINANCIAL AND SUSTAINABILITY REPORTING

EFRAG offers opportunities for university students and recent graduates in the form of internships lasting between six and twelve months. This will allow interns to acquire an understanding of EFRAG's work in the financial reporting and/or sustainability reporting fields.

Applicants for an internship are eager to keep learning to get a taste of professional life, discover how we make an impact that matters, and get ahead in your career!

You will gain:

- An overview of the EFRAG's objectives and activities;
- A first professional and personal experience in the dynamic world of corporate reporting standard setting and the identification of good reporting practices in a European and global environment;
- Working in a dynamic and multi-cultural environment as well as direct interaction with a rich network of corporate reporting stakeholders;
- the opportunity to work closely with experienced professionals and executives;
- exposure to the European and global corporate reporting sectors; and
- Practical knowledge in your area of study.

You will work in the EFRAG offices in Brussels.

Next openings: November 2025 with limited places for Sustainability reporting from March to June. For Financial reporting there is still one opening for a current internship and thereafter from November for internships starting in March.

Financial reporting

EFRAG continues to consider applications from experts with a financial reporting background with a thorough IFRS knowledge. Applications require EEA nationality and reallocation to Brussels/Belgium. Applications, including a letter of motivation and a detailed CV, should be sent to Saskia Slomp, EFRAG CEO, at Rh@efrag.org

For our advertisements, please visit [EFRAG's website](https://www.efrag.org).

¹ Applications, consisting of a letter of motivation and a detailed CV, should be sent via the form below (continuous recruitment). In applying for a function at EFRAG, the applicant agrees that EFRAG can process the data you have provided in your CV, cover letter and any other document. EFRAG will store your CV, cover letter and any other document in its database for one year.

Sustainability reporting

SUSTAINABILITY REPORTING EXPERTS

EFRAG continues to consider applications from sustainability reporting experts, notably from social and human rights specialists (employment and labour rights due diligence) with a senior profile. Positions are based in Brussels and require EEA nationality. All positions are based in Brussels, and require EEA nationality. Applications, including a letter of motivation and a detailed CV, should be sent to Saskia Slomp, EFRAG CEO, at Rh@efrag.org

For our advertisements, please visit [EFRAG's website](#).

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