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Overview of survey feedback and EFRAG Secretariat Response on Support Guide C3 (GHG Reduction targets and climate transition) & C7 (Severe negative human rights incidents)

About this report

1. The objective of this paper is to present to EFRAG SRB and SR TEG the results of the survey on Support Guide C3 & C7 and to provide an overview of how they are incorporated in the draft VSME Support Guide (SG) C3 & C7.
2. This paper focuses on the general and technical aspects of the draft SG C3 & C7. The table below reflects the structure of the survey, with the first section dedicated to the questions on SG C3 (**aim, approach, and technical content**) and the section dedicated to the questions on SG C7 (**aim, approach, and technical content**).
3. The reports on the responses of the SME Forum and VSME Community can be found as agenda paper 04-05 and 04-06.

Support Guide C3 - general considerations

Topic	PREPARERS	USERS	OTHERS	EFRAG SECRETARIAT RESPONSE
Aim of the Support Guide C3 (Q1)	SME FORUM: Preparers	SME FORUM: Users	SME FORUM: Platforms and Observers	<p>The EFRAG secretariat has taken into consideration the overall positive feedback received on the aim of this support guide and where feasible has brought overarching changes and clarifications to the support guide.</p> <p>In particular, on the comments suggesting to change the title of the guide, the EFRAG Secretariat highlights that the support guide is a complementary to disclosure C3 of the VSME, and as such, the naming will remain aligned with the disclosure title.</p> <p>On scope 3, no guidance has been made on this subject as scope 3 emissions remain a ‘consideration’ in the VSME for certain sectors (in line with stakeholders request of being too complex for SMEs). Guide premature for now. Allow graduality, build up skills. Consider in future guidance. Further explanations can be found below at the row: Scope 3 Guidance (Q11).</p> <p>In line with comments on standardisation and proportionality, EFRAG secretariat further simplified the support guide, putting more focus on target setting (1-3 years) and aligning plans with SMEs’ shorter financial planning cycles.</p>
	<p>Most PREPARERS agreed with the aim of the proposed support guides. Additional comments were:</p> <ul style="list-style-type: none"> One national representative organisation suggested revising the guide’s title for consistency, as it currently suggests a focus on emissions <i>reporting</i> rather than helping SMEs <i>develop emission reduction targets</i>. One national representative organisation and one national standard setter pointed out that the question of when to report Scope 3 emissions in relation to paragraphs 50 to 53 should also be answered. One national representative organisation said companies with high climate impact should be supported in making solid and executable transition plans. One European representative organisation proposed separating Targets and Transition Plans. Targets only in the Guidance and Transition plans in the Support Guide. 	<p>Most USERS agreed with the aim of the proposed support guides. Additional comments:</p> <ul style="list-style-type: none"> One organisation suggested distinguishing the guideline into two: one for reporting purposes and one to develop the management system (target setting & developing plans). 	<p>Most PLATFORMS supported the aim of the proposed support guides. Additional comment:</p> <ul style="list-style-type: none"> A respondent suggested simplifying units and values when reporting on targets (e.g. percentages), adding a simplified list of high climate-impact sectors, and including a simplified double materiality analysis to meet C3 requirements. <p>Most OBSERVERS supported the aim of the proposed support guides. Additional comment:</p> <ul style="list-style-type: none"> A national standard setter mentioned that the VSME is vague concerning the disclosures relating to Scope 3 emissions. There is need for more clarification on whether reporting it is voluntary and what are the consequences for certain industries. 	
	VSME COMMUNITY: Preparers	VSME COMMUNITY: Users	VSME COMMUNITY: Academics, international orgs, NGOs	
	<p>Most PREPARERS agreed with the aim of the proposed support guides. Additional comments:</p> <ul style="list-style-type: none"> A majority of comments point out that methodology for data collection is complex and the data that is needed is often unavailable, especially given the limited resources of SMEs. Some respondents said that for many SMEs, making such an effort is disproportionate to the benefit they would receive or their environmental impact. A majority of comments said that a more proportionate and standardised approach with simple and consistent guidance would be more inclusive and effective. A few respondents had questions about defining "high climate impact sectors" and one suggested using a drop-down menu with NACE codes in an online tool to clarify the specific sectors. 	<p>Most of the respondents agreed with the aim of the support guide. No additional comments were presented by any group of users.</p>	<p>Most of OTHER respondents agreed with the aim of the C3 Support Guide. Among the Academics, NGOs, International Organizations, and Non-EU participants categories there were no technical comments that were repeatedly mentioned.</p>	
Approach of linking C2 and C3 (Q7)	SME FORUM: Preparers	SME FORUM: Users	FORUM: Platforms and Observers	<p>On the linkage between the support guides on C3 and C2, the EFRAG Secretariat noted a large agreement on linking C2 practices, policies, and future initiatives to C3’s climate GHG reduction actions. More emphasis was added on this linkage.</p> <p>Despite one SME Forum respondent requesting to add examples of scope 3 emission reductions, the Secretariat has decided to keep the support guide aligned to scope 1 and 2 emissions, given that in VSME scope 3 is a consideration. See row on scope 3 (Q11) for further explanations.</p> <p>Additionally, within the guidance for C2 – part 2, practical case study examples with more in-depth details (including targets) now briefly provide quantified examples of financial aspects.</p>
	<p>Most PREPARER respondents found that the linkage between C3 and C2 to be appropriate. The following remarks were made:</p> <ul style="list-style-type: none"> One European representative organisation suggested a list of options (like a checkbox) and an open field, to facilitate the filling of information and help SMEs to have possible good practices. One European representative organisation suggested making examples more complete and adding sector specific topics/suggestions. One national representative organization recommended being more specific in which initiatives in C2 could be relevant in this matter. 	<p>A majority of USERS found that the linkage between C3 and C2 to be appropriate. The following remarks were made:</p> <ul style="list-style-type: none"> One European representative organisation commented that the example lacks reference to Scope 3 emissions, senior leadership involvement, and clarity on when an SME has the financial means, capability, and timeline to implement the specified actions. 	<p>All PLATFORM respondents found that the linkage between C3 and C2 to be appropriate.</p> <p>A majority OBSERVER respondents found that the linkage between C3 and C2 to be appropriate. The following remarks were made:</p> <ul style="list-style-type: none"> One national standard setter suggested providing Scope 1 examples including estimated effects (e.g. this represents approx. 60 % of scope 1 emissions). A national standard setter proposed including a list of key mitigation actions (e.g., energy efficiency, electrification, renewable energy, supply-chain decarbonisation) linked to Disclosure C2. They also recommended showcasing good practices with details on actions, scope, timelines, expected GHG reductions, and financing sources. 	
	VSME COMMUNITY: Preparers	VSME COMMUNITY: Users	VSME COMMUNITY: Academics, international orgs, NGOs	
	<p>Most PREPARERS agreed that the linkage serves the purpose indicated in the question. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> Some respondents said examples are needed beyond just transport-focused ones. Could add: LED lighting, automation, PV modules, reduction of packaging, or energy efficiency measures. 	<p>A majority of USER respondents agree that the linkage serves the purpose indicated in the question. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> Some respondents asked for clarifications regarding: current practices and future initiatives (C2); Scope 1 and 2 target reduction (C3); logistics; description (it should include also the number of assets). 	<p>A majority of OTHER respondents agreed that the linkage serves the purpose indicated in the question. Those who disagreed from the consultant category mentioned that:</p> <ul style="list-style-type: none"> Practical examples with quantified impacts (include numerical estimates of potential savings) were suggested by some consultant respondents. 	

Topic	PREPARERS	USERS	OTHERS	EFRAG SECRETARIAT RESPONSE
Content				
GHG Reduction Targets				
Flowchart: Target Setting Timeframes & Ambition (Q4)	<p>SME FORUM: Preparers</p> <p>A majority of PREPARERS regarded the flowchart’s steps to be adequate and appropriate. The following remarks were made:</p> <ul style="list-style-type: none"> One European representative organisation suggests that the guide include a more explicit proportionality filter to help SMEs first determine whether such a methodology is truly relevant and necessary for them. One European representative organisation states that a few elements are missing from the proposed additional guidance: <ul style="list-style-type: none"> An option or guidance on setting target type (e.g. intensity based or absolute emissions) Guidance on whether to select market based or location-based scope 2 emissions. Additional actions once a business has set a target, e.g. getting internal buy-in, tracking and communicating progress. A national representative organisation commented that it should be made clearer that companies have flexibility in their choice of baseline and target values and that companies should also be able to set targets relative to their growth. Some respondents seem to assume that the guidance would apply to all of the SMEs. One European representative organisation gave feedback on: <ul style="list-style-type: none"> Step 1: not logically phrased with point 3 proposed to become point 2; Step 2: 1-3 year targets should come first; Step 3: should be made clear that it is optional, and replace ‘undertaking’ with ‘company’; Step 5: consider that GHG mitigation is not adapted to SMEs. 	<p>SME FORUM: Users</p> <p>A few USERS regarded the steps to be adequate and appropriate. The following remarks were made:</p> <ul style="list-style-type: none"> Some respondents question why the guidance is limited to Scope 1 and 2. Some respondents consider the reference to scientific evidence in Step 5 not proportional. Some respondents commented that the cited reduction ranges are not realistic or that the timeframe is too long. Some respondents suggest that setting targets requires a Transition Plan first. One organisation proposes some simplifications: <ul style="list-style-type: none"> Part 1, Step 2: removing short term targets (1-3 year) Part 2, Step 6: mentioning that a linear reduction approach can be adopted instead of current explanation. 	<p>SME FORUM: Platforms and Observers</p> <p>All PLATFORM respondents regarded the steps to be adequate and appropriate.</p> <p>Most OBSERVER respondents regarded the steps to be adequate and appropriate. The following remarks were made:</p> <ul style="list-style-type: none"> A national standard setter suggested expanding the approach to developing a decarbonisation pathway by starting with a GHG emissions inventory and focusing on key mitigation actions (decarbonization levers). They outlined the following steps: <ul style="list-style-type: none"> GHG Inventory: Establish using recognized data and methodologies (aligned with Disclosure B3). Mitigation Actions: Identify actions per emission source, including costs and investments (e.g., energy efficiency, fuel switching). Business Outlook: Factor in expected business developments for medium-sized companies to assess the evolving impact of mitigation actions. Target Setting: Define GHG reduction targets with reference to a reliable base year and a target year. Sensitivity Analyses: Evaluate how changes in key variables (e.g., climate scenarios, customer preferences) may affect outcomes. Context and Guidance: Ensure target credibility by linking financial planning and emissions impact assessments to mitigation actions. Step-specific guidance includes selecting a reference year within the past three years, setting a five-year target aligned with financial plans, and establishing long-term targets supported by intermediate milestones. For GHG targets, express primarily in absolute terms, excluding removals, offsets, or avoided emissions, and use intensity targets for Scope 3 where appropriate. 	<p>The EFRAG secretariat has included most of the additional technical suggestions by stakeholders.</p> <p>Flowchart steps</p> <p>Following various comments requesting to simplify and clarify the flow chart steps, these have been clarified and reduced in number to make the overall flowchart more comprehensible.</p> <p>GHG emissions</p> <p>In particular, guidance on whether to integrate location or market based has been introduced within the guidance. It has been noted that, in line with VSME, location-based scope emissions should in any case be provided.</p> <p>With regards to guidance on communicating GHG reduction targets, the EFRAG Secretariat will only produce guidance relating to structuring and disclosing information on the basis of the VSME and will not expand into corporate communication strategies.</p> <p>On GHG intensity targets, to keep the guidance aligned with the VSME, GHG intensity targets have not been included in the guidance.</p> <p>Additionally on Scope 1 and Scope 2 emissions, the support guide suggests in the transition part of the support guide for the SME to focus only on the primary sources of emissions and to develop targets on those, leaving out the ‘noise’ of additional minor scope 1 and scope 2 emissions that may stem from their operations.</p> <p>Proportionality and filtering</p> <p>On the proportionality filter to help SMEs determine a relevant methodology for them, the Secretariat reiterates that the approach to be taken for C3 is already based on an ‘if applicable’ conditionality. More specifically the transition plan, is applicable only to high climate impact sectors (NACE codes A to H plus M). Additionally, this disclosure is part of the comprehensive module and is therefore not applicable to micros.</p> <p>See row on scope 3 (Q11) for further explanations on scope 3 emissions and targets.</p> <p>Target setting</p> <p>For the comments tackling ‘short-term targets’, please see the row below on ‘Short-Term Target Setting Example’ (Q5).</p> <p>The secretariat has also considered the suggestion to simplify the linear reduction targets guidance and connected it to the concept of aiming towards net zero.</p> <p>GHG Reduction Targets and transition plan</p> <p>Additionally, the steps of the GHG reduction process flowchart have been streamlined. Point 5 of the GHG reduction plans has been removed.</p> <p>The secretariat has also adjusted the approach on scientific methodology for both GHG reduction targets and the transition plan in line with the comments provided, and to ensure proportionality for SMEs.</p> <p>Regarding the financial approach on mitigation actions, the Secretariat, included financial planning of these mitigation actions in the transition plan guide.</p> <p>On the other hand, for GHG reductions, the linkage between support guide C3 and support guide C2 does provide examples for general mitigation action financial planning. For further details see the row on the ‘<i>approach of linking C2 and C3 (Q7)</i>’.</p> <p>Finally, the focus on sensitivity analysis (based on climate scenarios), was deemed too complex by the secretariat for SMEs to deal with. These analyses have not been included in the support guide.</p> <p>The EFRAG secretariat would also highlight that in current context no development of sectorial guides is foreseen, EFRAG secretariat takes notes on the suggestions made to develop such guides.</p>
	<p>VSME COMMUNITY: Preparers</p> <p>A majority of PREPARERS agreed that the steps outlined provide an adequate and proportionate approach. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> Some respondents commented that it is too complicated and lacks links to options and references. It should function as a stand-alone document that does not require the SME to conduct additional research to find the information being referenced. Some respondents commented that flexibility is needed in the approach, particularly for: base year, target timeframes (2030 is too soon), ambition levels (42% reduction by 2030 is unrealistic in some sectors). Some respondents said that scope 3 needs to be addressed more thoroughly. A few respondents said that Step 5 in the flowchart is confusing and needs more information. 	<p>VSME COMMUNITY: Users</p> <p>Some USERS agree that the steps outlined provide an adequate and proportionate approach. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> Some respondents suggested simplifying the methodology for SMEs, as they often lack in-house expertise. A few respondents suggested using short-term rolling targets (1–2, 5, and 10 years) along with a fixed 2030 goal, and to include Scope 3 emissions in the baseline. They also noted that targets beyond 10 years may not be credible for SMEs. Some respondents said that scope 3 should be included in the example. 	<p>VSME COMMUNITY: Academics, international orgs, NGOS and consultants</p> <p>Some OTHER respondents agreed that the steps outlined provide an adequate and proportionate approach. Those who disagreed from the consultant category commented as follows:</p> <ul style="list-style-type: none"> Some consultant respondents commented that sector-specific guidance is needed. Some consultants commented that Step 5 is too vague: include specific details and links to referenced information. 	

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Short-Term Target Setting Example (Q5)	<p>SME FORUM: Preparers</p> <p>A majority of PREPARER respondents regarded the example to be clear enough. The following remarks were made:</p> <ul style="list-style-type: none"> One European representative organisation noted that reducing Scope 1 emissions typically involves more than just switching to electric vehicles, it requires examining production processes, technological changes, and systemic shifts. They suggested including a more detailed example to capture this complexity. A few respondents cautioned against underestimating the economic cost of the decarbonisation measures and not oversimplifying the financial aspect. 	<p>SME FORUM: Users</p> <p>A majority of USER respondents regarded the example to be clear enough. The following remarks were made:</p> <ul style="list-style-type: none"> A national representative organisation noted that Scope 1 emissions are more complex than depicted, requiring deeper analysis of production processes, technological changes, and systemic factors. They also questioned whether the figures provided account for potential trade-offs, suggesting the example should clarify how the reductions are achieved. A few respondents suggested providing guidance for the development of targets and the calculation of these figures, accompanied by a free tool. Consider also adding a Scope 3 example. 	<p>FORUM: Platforms and Observers</p> <p>Most PLATFORM respondents regarded the example to be clear enough. The following remarks were made:</p> <ul style="list-style-type: none"> One respondent noted a conflict in the definition of 'short-term target.' While VSME ED describes it as one year, Section 221 defines it as one to three years. They recommended that the guidance clearly and consistently define short-, medium-, and long-term targets. <p>A majority of OBSERVER respondents regarded the example to be clear enough. The following remarks were made:</p> <ul style="list-style-type: none"> One national standard setter suggested providing clearer explanations of % changes when the baseline and current report differ. They recommended clarifying when to set short-, medium-, or long-term targets, outlining the factors to consider, and including brief definitions for more technical terminology. A national standard setter recommended providing a table to track progress on emissions reduction (percentage) between year n-1 and year n for better comparison over time. Furthermore, the short-term target in the example is set for 2030, while Step 2 of the flowchart suggests short-term targets should be 1-3 years from now, not 4. 	<p>EFRAG secretariat has included most of the additional technical suggestions by stakeholders.</p> <p>With regards to the short-term targets and the description provided in paragraph 221 VSME guidance, the 1-3 years time frame is aligned to EBA's ESG pillar 3 template 3 Banking Book climate change transition risk definition (as requested in VSME public consultation). If feasible undertakings are also encouraged to include targets that have a 2050 timeframe.</p> <p>Setting 1-3 years targets ensures proportionality for the reporting SMEs, as longer-term targets (10+ years) are often not feasible for SMEs.</p> <p>The Secretariat also notes that GHG accounting tools, will not be developed by EFRAG but EFRAG secretariat is mapping existing GHG calculators and report soon to be published.</p> <p>With regards to comparative information within (from year n and year n-1), the VSME takes this into account within paragraph 12 of the VSME. Therefore, undertakings shall report comparative information in respect of the previous year except when disclosing metrics for the first time.</p> <p>On the comment related to the SME size, and sectors, see the row 'Flowchart: Target Setting Timeframes & Ambition (Q4)'.</p>
	<p>VSME COMMUNITY: Preparers</p> <p>A majority of PREPARERS agreed that the example is clear and useful. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> A national accountant/ auditor respondent said that the share of emissions included in the target and units would be expected in the table as well. A few commented that SMEs that have already started their GHG reduction efforts but have not yet started reporting may find the short-term reduction targets difficult to meet. Guidance should be provided on what to do. 	<p>VSME COMMUNITY: Users</p> <p>A majority of USER regarded the example to be clear and useful. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> Some respondents suggested that the example should be aligned with capabilities of the undertaking (size, industry and available resources) and/or sector-specific benchmarks. 	<p>VSME COMMUNITY: Academics, international orgs, NGOS and consultants</p> <p>A majority of OTHER respondents agreed that the example is clear and useful. Those who disagreed from consultant category commented as follows:</p> <ul style="list-style-type: none"> Some consultants suggested that scope 3 should be included as it is the main contributor of GHG emissions, even for companies that are not in high climate impact sectors. Some consultants said that although the example is clear, SMEs need additional guidance on how to calculate expected reductions from specific measures. 	
Long-Term Target Setting Example (Q6)	<p>SME FORUM: Preparers</p> <p>A majority of PREPARER respondents regarded the example to be clear enough. The following remarks were made:</p> <ul style="list-style-type: none"> A few European representative organisations pointed out that a linear approach may not be realistic or useful for all companies. One respondent explained that the conception of CO2 emission reduction targets in absolute terms generates an important problem in terms of companies experiencing significant organic growth. One European representative organisation suggested explaining how reductions will be achieved within the example. One national representative organisation asked for clarifications on whether the target is calculated in “%” or in “absolute values”. 	<p>SME FORUM: Users</p> <p>Some USER respondents regarded the example to be clear enough. The following remarks were made:</p> <ul style="list-style-type: none"> A national representative organisation noted the lack of a clear connection between Scope 1 and Scope 2 targets, emphasizing that reductions depend on the timing and type of actions, production levels, site locations, and other operational factors. They suggested merging this with point 7 to better explain how the reductions will be achieved. One European representative organisation noted the real challenge being the calculation (quantification, estimation and projection) and the reporting of the targets. A national representative organisation suggested introducing a table that guides the setting of targets. One user suggested including a qualitative column to disclose the actions to reduce GHG emissions (in line with C3 53 (e)). 	<p>FORUM: Platforms and Observers</p> <p>A majority of PLATFORM respondents regarded the example to be clear enough. The following remarks were made:</p> <ul style="list-style-type: none"> One respondent commented that it should be explained when which method of targeted setting (linear decrease or not) is to be selected. One respondent suggested including an example of an entity within a sector with high climate impact to illustrate Scope 1 and 2 (e.g. a transportation company). <p>A majority of OBSERVER respondents regarded the example to be clear enough. The following remarks were made:</p> <ul style="list-style-type: none"> One national standard setter suggests explaining better the % change when the baseline and current report differ, providing some context. Furthermore, the rationale behind the proposed linear decrease was challenged as reality is not linear. A national standard setter suggested that GHG emission reduction targets should be set over a five-year period, supported by a technical and financial plan. They noted that longer-term targets (e.g., to 2050) focus on cumulative reductions but carry more uncertainty, as they are not directly tied to financial reporting within shorter timeframes. The same national standard setter suggests including the figure from the Commission Delegated Regulation (EU) 2023/2772, ESRS AR.31 of Metrics and targets, Disclosure Requirement E1-4 – Targets related to climate change mitigation and adaptation. This figure provides examples combining targets and decarbonisation levers, and it could be adapted in the frame of VSME and included in the Support Guide. 	<p>EFRAG secretariat has included most of the additional technical suggestions by stakeholders. The linear approach was preserved to highlight to SMEs that such a simplified approach is acceptable as it is also proposed by for example the streamlined guidance by SBTi for SMEs. Additional guidance was added to stress that other target setting approach are also acceptable depending on the situation of the SME but to avoid complication of the guide, it was decided to add no further examples.</p> <p>EFRAG secretariat also took into account the request for more realistic ambition levels for the long-term target which was changed to a net-zero target as this provides more flexibility to SMEs.</p> <p>As mentioned in the row on 'Short-Term Target Setting Example (Q5)', the reference to 'short' and 'long' has been removed within the guidance, instead the focus has been placed on setting 1-3 year targets and if feasible longer term ones (ideally striving towards a net zero scenario).</p> <p>Setting 1-3 years targets ensures proportionality for the reporting SMEs, as longer-term targets (10+ years) are often not feasible for SMEs.</p> <p>The example was expanded to include more information on how a target can be achieved, the request for an example for high climate impact has been implemented in the transition plan.</p> <p>Other more technical requests on decarbonisation levers or cumulative reductions were also implemented in the transition plan.</p>
	<p>VSME COMMUNITY: Preparers</p> <p>A majority of PREPARERS agreed that the example is clear and useful. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> A few respondents questioned whether linear targets make sense, since reductions will be the result of concrete actions at a given point in time. This is particularly the case for smaller SMEs. A few comments mentioned that Scope 3 is missing from the example. A few respondents found the targets to be too ambitious, particularly for scope 1 emissions. This might discourage SMEs to begin the process. 	<p>VSME COMMUNITY: Users</p> <p>A majority of USER respondents found the example clear and useful. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> Some respondents suggested making it more practical—e.g., including asset changes, removing formulas in favour of specific data and actions, or setting only a percentage reduction by 2030. [e.g., Schneider Electric] Some wanted clearer definitions of short and long-term targets (2030 and 2050), with one proposing to calculate annual reduction rates and to encourage stronger early cuts to offset delays or fluctuations. 	<p>VSME COMMUNITY: Academics, international orgs, NGOS and consultants</p> <p>Some OTHER respondents agreed that the steps outlined provide an adequate and proportionate approach. Those who disagreed from the Academics, NGOs, International Organization and Non-EU Participants mentioned:</p> <ul style="list-style-type: none"> A few respondents questioned how realistic it is to use a long-term target of 0 emissions in Scope 1 and 2, potentially discouraging SMEs. It was suggested to provide more realistic targets. 	

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Climate Transition Plan				
Financial Impacts Example of a CTP (Q8)	SME FORUM: Preparers	SME FORUM: Users	FORUM: Platforms and Observers	<p>EFRAG secretariat has included most of the additional technical suggestions by stakeholders.</p> <p>Primarily, the transition plan guide has been revised significantly, providing better and more detailed and realistic examples, along with a clearer step by step process that covers the scope of the plan, the responsibilities and roles, the key actions (from the GHG reduction targets section) and their related financial impacts, and a roadmap and monitoring of progress. A significant effort has also been placed on ensuring clarity and simplicity in the language used. To do this, more visuals and graphics have been inserted in the draft support guide.</p> <p>All of the aspects related to GHG target setting and their corresponding actions are tackled in the first section of this guide (GHG Reduction Targets).</p> <p>On the comment related to sectors, please see the previous EFRAG secretariat response in the row for Q4.</p>
	<p>A majority of PREPARERS found example provided was sufficiently clear and useful. The following remarks were made:</p> <ul style="list-style-type: none"> One European representative organisation noted that this is a not a typical example of what an actual transition plan looks like. They suggested using an actual transition plan (anonymised) or at least an example that looks like a real company's transition plan. A European representative organisation stated that SMEs should be aware that they need to have quantified emissions before talking about the financial effect of it. One National representative organisation felt it lacks realism in certain areas. For Low-Carbon Transport, factors like fleet ownership and Capex should be considered, as access methods impact emissions and costs. In point 2, flexibility was seen as relating to cost savings rather than actual energy efficiency and may conflict with labour rights if not aligned with regulations. Regarding point 3, applying the supplier code uniformly is unrealistic, many clients value sustainability but are unwilling to cover the added costs, affecting profitability rather than just sales. A more nuanced approach is recommended. One European representative organisation commented that the formulation is not very clear and too technical for an SME. 	<p>Some USERS found example provided was sufficient. The following remarks were made:</p> <ul style="list-style-type: none"> A few respondents making the example more concrete by including specific actions for Transition Plans, along with guidance on how to calculate (quantify, estimate, and project) and report targets. One European representative organisation found Example 3 unclear and too academic, with vague references to CoC, financial impacts and general measurements, making it complicated to understand the alignment with emission targets. A more complete example with disclosure requirements, relevant data and outline of the reporting process is recommended. 	<p>All PLATFORM respondents found example provided was sufficient.</p> <p>A majority of OBSERVER respondents found example provided was sufficient. The following remarks were made:</p> <ul style="list-style-type: none"> One national standard setter remarked that the positive effects should also be quantified. One national standard setter suggested noting amounts with K, not in millions, and better aligning the language with SME's capabilities. It was also noted that policy documents might be more useful for finance partners than value chain partners. Narrative information is valued less than quantitative. One national standard setter suggested providing an exhaustive list of examples of strategic actions to implement in their Climate Transition Plan, similar to the scroll-down menu in C2. 	
	VSME COMMUNITY: Preparers	VSME COMMUNITY: Users	VSME COMMUNITY: Academics, international orgs, NGOS and consultants	
	<p>A majority of PREPARERS consider the example sufficiently clear and useful. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> Some respondents said the examples could be more clear and complete: the contribution to the GHG reduction pathway is not clear, measurements are very superficial. Some commented that more guidance is needed on calculating impact. A few said that this does not sound like a real-life situation for most SMEs. 	<p>A majority of USERS respondents consider the example sufficiently clear and useful. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> One national public sector respondent recommended including the expected GHG reductions for each action as well as an expected time horizon and financial impact. 	<p>A majority of OTHER respondents consider the example sufficiently clear and useful. Those who disagreed from the consultant category mentioned:</p> <ul style="list-style-type: none"> A few respondents mentioned the need for simple, sector-specific examples are needed for different sized SMEs. A few respondents suggested the use of tables, graphics and more visual formats rather than text-heavy descriptions. 	
Creating a Transition Plan Example (Q9)	SME FORUM: Preparers	SME FORUM: Users	SME FORUM: Platforms and Observers	<p>EFRAG secretariat has included most of the additional technical suggestions by stakeholders.</p> <p>The examples have been redrafted to include a better illustration of the specific steps to be taken. The aim of these examples is to set a concrete expectation of what the SME should disclose for a transition plan. Within the examples, it is clearly mentioned that Scope 3 is not considered – see row on 'Scope 3 Guidance (Q11)' for further information.</p> <p>The aspect of decarbonisation levers has been simplified, focusing the examples solely on the key GHG source of GHG reduction actions that are most pertinent for the SME in the example. This is especially important as the VSME only suggests creating a climate transition plan for high climate impact sectors.</p> <p>The examples do not provide an exhaustive list of examples of decarbonisation levers, rather these can be based on the actions from the support guide on disclosure C2; see the row on the 'Approach of linking C2 and C3 (Q7)' for further information on the linkages.</p> <p>With regards to these levers, the examples also include CO2 reductions/ savings and a timeframe for each lever.</p> <p>The examples also clearly define Opex and Capex considerations.</p> <p>On the comment related to sectors and GHG reduction targets in general, please see the previous EFRAG secretariat response in the row for Q4.</p>
	<p>A majority PREPARERS found the approach was sufficiently clear and useful. The following remarks were made:</p> <ul style="list-style-type: none"> One European representative organisation noted that for small undertakings the estimation of expected costs may be challenging due to limited resources. One European representative organisation said the goals are appropriate, but asked how the undertaking will come up with them? And is it necessary to illustrate that specific actions and policies are required to support their implementation? One national representative organisation commented that the example didn't address other decisive issues for a company like CapEx needs. 	<p>Some USERS found the approach was sufficient. The following remarks were made:</p> <ul style="list-style-type: none"> One national representative organisation noted that for small undertakings the estimation of expected costs may be challenging due to limited resources. One national representative organisation asked for clarifications on how to come up with the goals and whether it is necessary to illustrate that specific actions and policies are required to support their implementation. One European representative organisation raised concerns on the SMEs' abilities to prepare a VSME Report without the assistance of an external advisor. One European representative organisation noted the difficulty for an SME to calculate (quantify, estimate and project) and report these figures. 	<p>Most PLATFORM respondents found the approach was sufficient. The following remarks were made:</p> <ul style="list-style-type: none"> One respondent pointed out that presenting only long-term goals may make it impossible to see what investments are planned in the near future (next 3 years). <p>A majority of OBSERVER respondents found the approach was sufficient. The following remarks were made:</p> <ul style="list-style-type: none"> One national standard setter mentioned that it would be useful to explicitly state which examples are scope 1, 2 or 3. One national standard setter suggested providing more information on how to measure the indicators in a specific sector, alongside with providing some tools. One national standard setter requested for an exhaustive list of examples of decarbonisation levers that companies can use to provide their Climate Transition Plan on the model of the scroll-down menu in Guide C2. 	
	VSME COMMUNITY: Preparers	VSME COMMUNITY: Users	VSME COMMUNITY: Academics, international orgs, NGOS and consultants	
	<p>A majority of PREPARERS consider the approach sufficiently clear and useful. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> A few respondents commented on the need for a clear structure and clearly defined terms (e.g., OpEx vs CapEx). A few respondents asked for additional examples for different sectors (e.g., agriculture, light manufacturing, services). 	<p>A majority of USER respondents consider the approach sufficiently clear and useful. Those who disagreed commented as follows:</p> <ul style="list-style-type: none"> One European representative organisation respondent found the examples too similar to progress indicators rather than actions, and suggests providing specific examples. 	<p>A majority of OTHER respondents consider the approach sufficiently clear and useful. Those who disagreed from the Academics, NGOs, International Organization and Non-EU Participants category mentioned:</p> <ul style="list-style-type: none"> A few respondents suggested adding concrete examples, such as detailed financial projections with expected annual CO₂ savings, and visuals like a table organizing actions by timeframe, with indicators and editable, step-by-step guidance for easy replication. 	

Topic	PREPARERS	USERS	OTHERS	EFRAG SECRETARIAT RESPONSE
Additional Topics				
FAQs in Support Guide (Q10)	SME FORUM: Preparers	SME FORUM: Users	SME FORUM: Platforms and Observers	Following discussions at Secretariat level, the FAQ section was removed as the points were deemed to be covered already within the body of the support guide or are covered in the VSME standard (including guide part).
	Most PREPARERS found adding FAQs useful. The following remarks were made: <ul style="list-style-type: none"> One national representative organisation proposed additional questions, supplemented by tables or databases to convert raw material use into CO2 equivalents. A national representative organisation suggested the following topics: What is included in scope 1-3 emissions, what are CO2 equivalents? One European representative organization agreed on the goals but found benefit in demonstrating how these can be achieved and whether specific actions and policies are necessary to support their implementation. One European representative organisation pointed-out that for SMEs to set formal science-based targets is not feasible. 	A majority of USER respondents found the questions useful. The following remarks were made: <ul style="list-style-type: none"> One national representative organisation noted that estimating expected costs can be challenging, and suggested showing how these can be achieved, including whether specific actions or policies are needed to support implementation. One European representative organisation suggested having clear, understandable and complete examples in the Standard. The FAQ should be short, structured and meaningful. Another respondent gave similar notes on the FAQ, adding that it should be relevant to companies in different sectors. Examples assessing feasibility of target achievement and how to identify necessary actions to achieve the targets should also be included. The same respondent suggested keeping (a) but removing (b) and (c) to make the VSME ready to be implemented. 	Most PLATFORM respondents found the questions useful. The following remarks were made: <ul style="list-style-type: none"> One respondent doubted the added value of these question as they have already been answered in the VSME guidance. Most OBSERVER respondents found the questions useful. The following remarks were made: <ul style="list-style-type: none"> One national standard setter suggested providing definition of terms that could be more complex, as well as making the FAQ separately accessible. One national standard setter found useful focusing on FAQs that are not answered in the main Guidance as well as providing examples of sector-specific decarbonisation pathways adapted to SMEs. 	
	VSME COMMUNITY: Preparers	VSME COMMUNITY: Users	VSME COMMUNITY: Academics, international orgs, NGOS and consultants	
	Most PREPARERS consider useful to add these questions to the Support Guide. Those who disagreed commented as follows: <ul style="list-style-type: none"> A few commented that it would be better to have everything in one document (the VSME Standard). 	Most USER respondents consider useful to add these questions to the Support Guide. <ul style="list-style-type: none"> Some of those who disagreed felt it would add too much complexity. 	Most OTHER respondents consider the approach sufficiently clear and useful. Among the Academics, NGOs, International Organizations, and Non-EU participants categories there were no technical comments that were repeatedly mentioned.	
Scope 3 Guidance (Q11)	SME FORUM: Preparers	SME FORUM: Users	SME FORUM: Platforms and Observers	On scope 3, no guidance has been made on this subject as scope 3 emissions remain a ‘consideration’ in the VSME. Scope 3 was carefully introduced in the VSME as a ‘consideration’ only for specific sectors. Due to the difficulties and complexity that were provided by stakeholders during the public consultation. For this reason, it will not be included in the guidance and will potentially be evaluated in the future when SMEs will gain knowledge and preparedness on sustainability topics.
	Most PREPARERS agreed that the Support Guide should offer more guidance on scope 3. The following remarks were made: <ul style="list-style-type: none"> A few respondents proposed mentioning and explaining the 15 Scope 3 categories identified by the GHG Protocol, as well as providing guidance on scope 1 and 2 as these contain the basic data usually requested from SMEs. A few respondents argued that the current approach is insufficient as Scope 3 emissions are complex to assess and manage. The Support Guide must go beyond high-level references and offer concrete, simplified tools or examples tailored to their context (practical case studies, and step-by-step simplified approaches that reflect proportionality). One European representative organisation commented on the need for more guidance on Scope 3 GHG emissions by providing concrete examples of actions that could guide targets. Additionally, other standards should be referenced, including the whole standards or information. A few respondents suggested advising SMEs to focus on upstream emissions as downstream can be very difficult for them, as well as focusing on tier 1 suppliers as this is much more achievable. This could be done by providing a set of questions to address the value chain. One national representative organisation raised concerns on the complexity of the topic, that despite the Guide’s efforts, it remains difficult to be approached without consultants/experts. One European representative organisation proposed translating the VSME documentation into all EU languages once it will be adopted by the European Commission. 	All USERS agreed. The following remarks were made: <ul style="list-style-type: none"> A few respondents suggested providing more practical examples to make the Guide less technical. A few respondents asked for more guidance on the calculation of Scope 3 emissions with step-by-step examples or referring to other standards, like the 15 Scope 3 categories identified by the GHG Protocol. 	All PLATFORMS agreed. The following remarks were made: <ul style="list-style-type: none"> A few respondents suggested providing more guidance for the calculation of Scope 3 GHG emissions accompanied by examples and templates. A respondent noted that the VSME lacks guidance on how SMEs should handle their value chain, including technical aspects and the 15 types of emissions to monitor. The same respondent noticed that the current references to GHG Protocol documents may be overwhelming or too technical without SME-focused simplifications. All OBSERVERS agreed that the Support Guide should offer more guidance. The following remarks were made: <ul style="list-style-type: none"> A few respondents suggested providing more guidance with examples, calculation methods, visuals and tools to estimate Scope 3 GHG emissions. 	
	VSME COMMUNITY: Preparers	VSME COMMUNITY: Users	VSME COMMUNITY: Academics, international orgs, NGOS and consultants	
	A majority of PREPARERS think that the Support Guide should offer more guidance on Scope 3 emissions. Those who agreed commented as follows: <ul style="list-style-type: none"> Some respondents say Scope 3 is a challenge for any enterprise, particularly SMEs. Despite this, they represent the largest portion of the SME's carbon footprint. Some respondents say SMEs require comprehensive step-by-step guidance that goes beyond what is in the current guide. A few respondents say good examples for scope 3 calculations can lead to increased clarity on the topic for SMEs and a more harmonised approach to the topic. 	A majority of USER respondents think that the Support Guide should offer more guidance on Scope 3 emissions. Those who agreed commented as follows: <ul style="list-style-type: none"> Most of those who commented stressed the need to include Scope 3 emissions, along with a clear definition, calculation methods (e.g., GHG Protocol), supplier data strategies, science-based targets, and examples like sustainable procurement and supplier engagement. 	A majority of OTHER respondents consider the approach sufficiently clear and useful. Those who disagreed commented as follows: <p><u>Academics, NGOs, International Organization and Non-EU Participants categories</u></p> <ul style="list-style-type: none"> A few respondents stated SMEs need more support calculating Scope 3—e.g., sample calculations for a dummy SME by sector and size, and links to open-source databases for emissions data. <p><u>Consultant category</u></p> <ul style="list-style-type: none"> There's a need for a simplified and standardised approach to calculation method of Scope 3 emissions 	

Support Guide on Disclosure C7 – para. 62(c)

Aim and Need of SG C7 (including educational aspects) (Q1 & Q4)

<p>Aim and Need of SG C7 (including educational aspects) (Q1 & Q4)</p>	<p>SME FORUM: Preparers</p> <p>A majority of PREPARERS agreed with the aim and need of Support Guide C7. The following remarks were made:</p> <ul style="list-style-type: none"> A few European and national representatives said the development of other guides should take priority. One respondent commented that OECD member countries, often already have robust legal frameworks and enforcement mechanisms for protecting human rights. One European representative organisation suggested that in practice this is for SMEs with extremely constrained resources and little influence over suppliers to ascertain processes. If it exists, reference should be made to internationally available resources from trade associations in at risk sectors that could help SMEs establish whether their supply chain is at risk for these issues. One respondent emphasized the importance of highlighting the positive contributions of SMEs. <p>Most PREPARERS found that the support guides should include educational aspects, with the following comments:</p> <ul style="list-style-type: none"> One European representative organisation stated that SMEs should focus on complying with existing regulations making them anticipate any other violation would be adding another burden. Should provide step-by-step guidance, accessible explanation, and real-life examples to help SMEs identify, assess, and address risks of severe negative impacts This will help SMEs move from compliance to engagement. One national representative organisation said any material should be closely linked to the expected trickle-down effects from the CSDDD. Guidance for key-sectors would be beneficial A few said that any materials should be careful not to overburden SMEs. 	<p>SME FORUM: Users</p> <p>A majority of USERS agreed with the aim and need of SG C7. The following remarks were made:</p> <ul style="list-style-type: none"> One European representative organisation suggested providing more guidance on the purpose of the data point, which would later help SMEs describe better the impact of incidents. One European representative organisation suggested that Point (c) should only be applicable to SMEs which are in the scope of the Whistle-blower Directive. One European representative organisation pointed out that SMEs are less likely to have a formal process to treat incidents arising within their own operation, much less from external stakeholders. Therefore, it was recommend having a similar guidance for C7 62 (a) for their own workforce. <p>All USERS found that the support guides should include educational aspects. The following remarks were made:</p> <ul style="list-style-type: none"> One European representative organisation suggested that SMEs should focus on complying with existing regulations, as additional requirements would be burdensome. Another European representative organisation noted that for companies with <250 employees it is very complex to have information related to their value chain. A few respondents stressed the need for educational elements in support guides, highlighting that many SMEs lack human rights policies. They called for guidance to help SMEs prevent serious negative impacts on workers, communities, and consumers. A European representative organisation noted that while the VSME targets European SMEs, perceived human rights risks are low overall, though higher in sectors like cleaning and construction. They suggested including high-risk sector data, DEI-related incidents, and best practices to better address these concerns. 	<p>FORUM: Platforms and Observers</p> <p>Most PLATFORMS agreed with the aim and need of SG C7. The following remarks were made:</p> <ul style="list-style-type: none"> One responded pointed out that it should also be stated whether the incidents were assessed internally or externally. <p>Most PLATFORMS found that the support guides should include educational aspects. The following remarks were made:</p> <ul style="list-style-type: none"> One respondent suggested providing examples about due diligence processes. One respondent noted that it is crucial to make VSME understand where potential harm could arise in their operations or value chains. One respondent proposed providing practical tools, stakeholder mapping guidance, and simple templates for identifying vulnerabilities and setting up basic grievance or communication channels. <p>Most OBSERVERS agreed with the aim and need of SG C7. The following remarks were made:</p> <ul style="list-style-type: none"> One national standard setter noted that SMEs rarely have subsidiaries outside Europe and their non-EU value chains are less developed than those of larger companies. Moreover, as EU social regulations help prevent human rights incidents it is recommend expanding guidance on other social topics in the VSME, such as working conditions and equal treatment. <p>All OBSERVER respondents found that the support guides should include educational aspects. The following remarks were made:</p> <ul style="list-style-type: none"> One national standard setter suggested providing guidance on due diligence assessment, visuals, example, and links to learning videos. One national standard setter suggested quick access to information and materials at the point in which they are required. One respondent suggested providing templates for SMEs to report severe negative human rights incidents in a structured and consistent manner. Also providing a completed example to guide SMEs. One respondent suggested providing detailed steps on how SMEs can respond to and remediate severe negative human rights incidents, and examples of successful remediation actions taken by other SMEs. One national standard setter suggested information on training programs and workshops that SMEs can attend to better understand human rights issues and how to address them. One European representative organisation proposed avoiding referring to other support tools, and give clarification on terms such “severe negative human rights incident” and “confirmed incident”. A European representative organisation suggested providing advice on how SMEs can engage with stakeholders (e.g. employees, suppliers, local communities) to identify and address human rights issues. One European representative organisation recommended consulting the following source: https://www.rvo.nl/sites/default/files/2025-01/ESRS_Navigator_januari_2025.pdf 	<p>Based on the comments, the S-team suggests to:</p> <ul style="list-style-type: none"> Utilise and distribute the educational video as supplementary learning material to enhance understanding
	<p>VSME Community: Preparers</p> <p>Most PREPARERS agree with the aim and need of this support guide.</p> <ul style="list-style-type: none"> One association of preparers said SMEs need better guidance on the purpose of the data point to better guide their disclosures. <p>A majority of PREPARERS found that the support guides should include educational aspects. The following remarks were made:</p> <ul style="list-style-type: none"> Some respondents said it is important to take a preventative approach to the topic (including risk identification), since it is easier that reporting and remediation after an incident. Some suggested step-by-step guidance and practical tools will help SMEs. A few said that sector-specific educational content is appropriate and can be done by associations or online tools. One association of preparers said guidance on 62 (a) and (b) would useful to SMEs. 	<p>VSME COMMUNITY: Users</p> <p>Most USER respondents agree with the aim and need of this support guide. The following remark was made:</p> <ul style="list-style-type: none"> One association of enterprises and users pointed out that SMEs may be reluctant to disclose this information publicly. <p>A majority of USERS found that the support guides should include educational aspects. The following remark was made:</p> <ul style="list-style-type: none"> Some respondents recommended integrating educational elements such as the SME Compass into the Support Guide to transform it from a compliance-focused document into a capacity-building resource. One respondent said that SMEs often lack the awareness, tools, and capacity to avoid certain issues (e.g., child labour). A few respondents recommend case studies of both prevention as well as lessons learned from past incidents. 	<p>VSME COMMUNITY: Academics, international orgs, NGOS and consultants</p> <p>Most OTHER respondents agree with the aim and need of this support guide. The one who disagreed commented as follows:</p> <ul style="list-style-type: none"> A few respondents pointed out that direct questions will lead to lack of disclosure as it is hurtful to their image. <p>A majority of OTHER respondents found that the support guides should include educational aspects. The following remarks were made:</p> <ul style="list-style-type: none"> A few respondents agreed that of the need to help SMEs move from reactive reporting to proactive risk identification. As SMEs lack internal human rights expertise it useful to provide simplified tools, examples of early warning signs, as well as sector specific case studies, and training links (SME Compass, CSR Europe and UN Global Compact Guide). 	

Confirmed Incident Examples (Q2)	SME FORUM: Preparers	SME FORUM: Users	SME FORUM: Platforms and Observers	<u>Based on the comments, the S-team suggests to:</u> The feedback received can be classified into two groups: definition of confirmed incidents and types of examples. Clarity on the scope of confirmed incidents is provided through the examples that hint to operationalise this concept from paragraph 238 of VSME. In relation to the examples, we note that this is a very specific piece of guidance linked to human rights due diligence which is not mandatory for SMEs in Europe. Hence, the examples provided have been chosen to be the bridge between potential cases that the SMEs may face within EU (i.e. affected communities and consumers) and outside the EU (i.e. workers in the value chain) to provide a range of cases and situations. We acknowledge that we could identify further cases but the additional value may be limited for the purpose of this guidance.
	Some PREPARERS found examples sufficiently comprehensive and clear. The following remarks were made:	A few USERS found examples sufficient. The following remarks were made:	All PLATFORMS found examples sufficient. No additional comments were made.	
	<ul style="list-style-type: none"> A few respondents questioned the definition of “confirmed incident”, as it is unclear whether the idea of a public denouncement is sufficient to be considered as an incident. Who must confirm the incident: the undertaking or an independent organization? One respondent pointed out that it is important that users of the guide have the opportunity of familiarising themselves with the full catalogue of human rights resulting from UN Guiding Principle no. 12. A few respondents suggested considering the inclusion of examples in which the SME has little leverage power on their supplier, implying that investigative and remedial actions may be limited or non-existent. One respondent suggested providing examples about discrimination, which is more frequent in the EU. The EU and Member States legislations are more protective on other issues (child labour, forced labour, human trafficking). One respondent raised deep concerns on giving examples that could imply the stigmatization of certain territories (e.g. Spain), in order not to create prejudice. One respondent mentions that examples 1 and 2 are not realistic and that the latter also does not refer to human rights. 	<ul style="list-style-type: none"> A few respondents questioned the definition of a 'confirmed incident,' seeking clarity on whether public denouncement qualifies, who is responsible for confirmation (the undertaking or an independent body), and whether incidents should be reported even if a court rules in the undertaking’s favour. One European representative organisation recommended clearer guidance on the cause-effect relationship of incidents to ensure companies disclose how they are impacted. They also noted that the example for affected communities does not illustrate a confirmed incident and should be revised. 	<p>Most OBSERVERS found examples sufficient. The following remarks were made:</p> <ul style="list-style-type: none"> One respondent found useful to add examples for consumers and end-users’ cases, as they are the ones SMEs interact with the most. 	
	VSME COMMUNITY: Preparers	VSME COMMUNITY: Users	VSME COMMUNITY: Academics, international orgs, NGOS and consultants	
A majority of PREPARERS believe that the examples are sufficiently clear. Those who disagreed commented as follows:	A majority of USER respondents believe that the examples are sufficiently clear. Those who disagreed commented as follows:	Most OTHER respondents believe that the examples bring enough awareness to the dealt topics. The one who disagreed commented as follows:		
<ul style="list-style-type: none"> A few respondents raised the following concern: international examples may not be relatable to most SMEs. The following suggestions were made (one comment each): split complaint and actions taken into separate sections, illustrate how to present cases in sustainability reports, systematically include mention of the specific human rights being violated. 	<ul style="list-style-type: none"> A majority of those who commented said incident examples should be clearer and more detailed—showing affected stakeholders, rights violations, confirmation methods, context (e.g. region or sector), evidence, company involvement, and response. Some also suggested including cases involving the company’s own workforce. 	<ul style="list-style-type: none"> A few respondents noted that the examples could be further expanded to cover a wider range of possible non-conformities that SMEs may encounter, including other types of incidents relevant to different sectors. 		