

Targeted Consultation Key Messages from Forum and Community + Secretariat Response on Supporting Guides on disclosure C3 (GHG reduction targets and climate transition)

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About this report

1. EFRAG has conducted a targeted consultation to collect feedback from the SME Forum and VSME Community on the draft targeted consultation version of the Supporting Guides to disclosures C3 (GHG reduction targets and climate transition).
2. This targeted consultation was composed of 30 questions. A total of 33 out of 47 SME Forum members responded to the Survey. 175 VSME Community members also responded to this survey. This document, analyses the responses differentiating between SME Forum and VSME Community members' comments.
3. SME Forum feedback is marked in black, while VSME Community feedback is marked in red.
4. This report uses the following terms to describe the extent to which particular feedback was shared by respondents (both when referring to total respondents or a subset of respondents).

All: 100% of respondents
Most: 80% to 99% of respondents
A majority: 50% to 79% of the respondents
Some: 20% to 49% of the respondents
A few: 1% to 19% of respondents
None: 0% of respondents

Supporting Guide on disclosure C3 – Key messages

Topic	Targeted Consultation Input (Forum + Community)	EFRAG SECRETARIAT RESPONSE
Clarity and conciseness of introductory paragraphs and definitions	<p>Recurring Suggestions/ comments:</p> <p>a. The guide is clear and useful, much better suited for SMEs (Platform, Association of enterprises of preparers, platform, Banks and investment organisation users). It could be condensed a little more and still appears complex (12 pages) for some SMEs (non-listed SMEs (preparers), “non-polluting SMEs” (European association).</p> <p>b. make sure that references to other parts of guidance aid in understanding and do not complicate task (National association of SMEs):</p> <p>a. shortening the instruction to a small reference with clear reference through direct link (e.g. providing a direct link to the definition of Scope 1, 2, 3 (Observer/Institution, non-listed SMEs, Association of enterprises of preparers)</p> <p>c. Suggestions to simplify the format and the guide, by:</p> <p>a. Provide a visual overview of the process (e.g., a decision tree or timeline) to make the steps more intuitive. (Accountants/Auditors (proxy preparers)</p> <p>b. consider not mixing definitions and instructions (Academics), but to also clarify in support guide, e.g.:</p> <p>1. the definition of targets (Observer/Standard Setter, National association of large undertakings, Academics) and “high impact sector”, rephrasing and emphasizing the text with some reference with the ESRS (Observer/Standard Setter)</p> <p>2. definitions of GHG removals and avoided emissions (Consultants, Academics)</p> <p>3. short definitions section for Scope 1, 2, and 3, preferably with visual support (Accountants/Auditors (proxy preparers)</p> <p>d. Suggestions on the organisation of the introduction:</p> <p>a. request to remove “For greater transparency (... and the terms)”. It doesn’t improve clarity. (National association of SMEs)</p> <p>b. put the explanation of the structure first and then the explanation of the introduction (Banks and investment organisations)</p> <p>c. put paragraph on GHG removals and avoided emissions as footnotes (Association of enterprises of preparers)</p> <p>d. clarify introductory paragraphs VSME Standard, 3 - 7. (European Association, association, Observer/Standard Setter, Banks and investment organisation)</p> <p>e. Improve accessibility for SMEs, by adding real-world examples, making it more actionable., e.g. by offering a "basic" and "advanced" path for SMEs, depending on their size and capacity (the Case Studies in C2 do this well) (non-listed SMEs, Banks and investment organisation, Association of enterprises of preparers)</p> <p>f. Need of:</p> <p>a. GHG emission methodology and standardized tools for emission calculations or conversion form energy to GHG emissions (National association of SMEs, National bank representative, European bank representative, Community users)</p> <p>b. Information on Scope 3 emissions (European association)</p> <p>c. references to the development of ESRS/CSRD following the Omnibus proposal (Observer/Standard Setter)</p> <p>d. “Extra Reading” section with references to further sources (Platform)</p> <p>e. to add second table for SMEs not disclosing for the first time, with a column added (Observer/Standard Setter)</p>	<p>a. Many of the subsequent comments suggest clarifications and simplifications. Applicability and proportionality insights can be stressed more clearly. It seems it is already clear in the guidance at the beginning 'SMES that have decided to adopt and disclose GHG emissions reduction targets and CMTP'</p> <p>b. Introduce one approach to referencing, ideally with reference to exact quote in standard</p> <p>a. Partially implemented – in the Glossary</p> <p>c.</p> <p>a. Not implemented: The stepwise visualization is considered sufficient while not losing any content.</p> <p>b. Implemented (almost, direct links still to be done): Added glossary, and direct links where relevant</p> <p>a. Ok, implemented – new Glossary</p> <p>b. Ok, implemented – new Glossary</p> <p>c. Ok, implemented – new Glossary</p> <p>d.</p> <p>a. Implemented, part has been moved to the Glossary</p> <p>b. Implemented</p> <p>c. Partially implemented in the Glossary</p> <p>d. Implemented, clarified the paragraphs.</p> <p>e. Not implemented, as the idea of C2 Guide is to provide the concrete examples and actionable parts.</p> <p>f.</p> <p>a. Implemented (almost), EFRAG provided a recent statement on tools for emission calculators.</p> <p>b. Implemented, in paragraph 4: Added Scope 3, but will not be discussed in this guide but follows the same reasoning as it remains a Consideration in VSME.</p> <p>c. Not implemented, considered not relevant for the guide currently</p> <p>d. Not implemented, the implementation of this requests would imply that SMEs are expected to do more than what this guide lays out</p> <p>e. Not implemented, EFRAG currently publishes the excel sheet to support organisations who already want to report but do not have access to market tools as these are not available yet. As this is the first year of reporting, no reporting in line with the standard can be reported yet</p>
Clarity on the step-by-step guide of GHG reduction targets	<p>Recurring Suggestions/ comments:</p> <p>(Para 8, step 2) Suggestion to avoid inconsistencies between instructions on base year and target year. (Some Forum and Community respondents), amongst others:</p> <p>a. that GHG reduction target are not relevant for all entities (National association of SMEs) target year considerations:</p> <p>b. differs from the standard where long-term target for 2050 is recommended if feasible</p> <p>c. stated that the target year should be 2030, but says on para 9 "no later than 2050"</p> <p>d. states that "the target year may range from one year to three years from the base year" but also states that "companies are encouraged to set the target year as 2030)</p> <p>e. the view that the SME is encouraged to set 2030 as the target year, but also that the target year is the year that an undertaking reaches net-zero</p> <p>f. review the diagram to ensure consistency with time span relevance, target boundaries, intermediate target clarity, four-year interval in diagram vs. 1-3 years recommendation</p> <p>Additional suggestions:</p> <p>a. clearly state that the base year must be a completed year with verifiable data (Accountants/Auditors (proxy preparers)</p> <p>b. to set one short-term target (e.g. from three years after the baseline year up to 2030) and one long-term target (e.g. 2050), eventually with intermediary milestones (Observer/Standard Setter, Observer/Standard Setter)</p> <p>c. that given 2030 is now only 5 years away, it may be worth rewording this to "it is good practice for companies to set near term scope 1-3 targets for 5-10 years in the future" (European Association)</p> <p>d. to remove the statement "companies are encouraged to set the target year as 2030" and instead point out, as the final point in the list, that 2030 could be a good target year, but the target year can be freely defined by the company. (European association)</p> <p>e. to reformulate “Current year”, as it is interpreted as “the current year is not yet completed and therefore cannot be verifiable” and change it to “Set the previous full calendar year as the standard base year in the absence of prior reporting.” (Accountants/Auditors (proxy preparers))</p> <p>f. to make Step 2 the base year value and then have step 3 and 4 discuss the target dates and value (Accountants/Auditors (proxy preparers))</p> <p>g. to add example with figures, eventually alongside the steps, of a company aiming to decrease emissions between 2026 and 2030 in a linear way to reach -40%. It might be clearer than the table 1. (Accountants/Auditors (proxy preparers), Banks and investment organisation users)</p> <p>h. to allow justification in the event of different reference years/target years for scopes 1, 2 and 3: 'Ideally, apply the same base year to all scopes or justify the difference in the base years' (Accountants/Auditors (proxy preparers))</p>	<p>Implemented, the text has been redrafted according to the following components:</p> <p>a. Implemented, added in the yellow box</p> <p>b. Implemented in step 2</p> <p>c. Implemented in step 2</p> <p>d. Implemented in step 2</p> <p>e. Not implemented, the definition in the standard is clear</p> <p>f. Implemented</p> <p>To be confirmed:</p> <p>a. Implemented</p> <p>b. Partially implemented, long-term targets are clearly mentioned, intermediate milestones are not stressed</p> <p>c. Not implemented, the current text makes clear distinction between short- and long-term targets</p> <p>d. Implemented via reordering</p> <p>e. Implemented, changed “current” to “reporting”</p> <p>f. Implemented</p> <p>g. Not implemented, graph was reviewed but no new visuals added</p> <p>h. Not implemented, to avoid contradiction in the text</p> <p>i. Not implemented, the definition is already clear</p>

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	<div><div>i. that base year should be chosen based on 2 aspects (1) data availability and accuracy (2) representativeness (Observer/Standard Setter)</div><div>j. the target should be defined over a five-year period, based on a credible technical and financial business plan. This five-year period aims to establish a direct link with the financial reporting. (Observer/Standard Setter)</div><div>k. adding clarifications/orientations on "interim targets", the recommended frequency, any useful guidance documents, ... For a long-term reduction path, how many sub-targets are advised? (Every 3 years, 5 years? Do you recommend additional annual monitoring?) (Observer/Institution)</div></div> <p>(Para 8, step 2 / Para 9) Request to add the option of proposing reduction targets in terms of carbon intensity (Observer/Standard Setter, National bank representative, Other consultants, Academics):</p> <div><div>a. to explicitly acknowledged the limitation that fast-growing companies are likely to face challenges in setting meaningful targets as assumptions related to organic growth are not addressed</div><div>b. to include recommendations on how SMEs can calculate emissions in terms of physical intensity when possible and to:</div><div><div>1. to indicate how activity growth is treated</div><div>2. provide a sufficient level of detail to ensure the definition of a common denominator</div><div>3. a mention of "kWh/output" or "t Co2/output" modelling pathway for GHG reduction would be useful to SMEs</div><div>4. to indicate whether the target is absolute or intensity-based</div><div>5. typically, absolute targets (in tCOe) are used for scopes 1 and 2, while intensity targets are more commonly applied to scope 3</div></div></div> <p>(Para 8) Provide more information and accuracy on Scope 3 aspects (European association, Observer/Standard Setter, National bank representative, Academics, Community Others):</p> <div><div>a. in the figure on net zero reduction path, a scope 3 path does not show up</div><div>b. clarify why scope 3 is missing, or to add scope 3 in the ambition level or adjust the textbox as it states "it is good practice for companies to set Scope 1,2, and 3 targets for 2030"</div><div>c. to emphasise again Scope 3 is often unfeasible to report and should be expected of the SME (Banks and investment organisation users)</div><div>d. reporting on Scope 3 should be presented as an optional element, more appropriate in the context of a transition plan. (International organisations, governments, and standard setters)</div></div> <p>(Para 9) Review and clarify target value setting</p> <div><div>a. The SME is provided with the view that the targets established by the company are ideally derived from a net-zero target, while net-zero should not be compulsory (European Association, European association)</div><div>b. Request to avoid vague statements, e.g. 'Set interim targets in an ambitious but realistic timeframe' (Banks and investment organisation users)</div><div>c. clarify through more examples/diagrams the non-linear approach of setting targets. E.g.: When 'greening' the transportation fleet this will likely happen in waves: The financial position of a company may only allow for a step-by-step change to more sustainable assets.</div><div>d. that offsetting should not be included in the targets (Observer/Standard Setter)</div></div> <p>(Para 9) Consider clarifying "net zero" target guidance (Observer/Standard Setter, Other consultants), as:</p> <div><div>a. An explanation of what net zero means is needed, make clear that this does not mean that gross GHG emissions are reduced to zero, but rather that they are drastically reduced and that the remaining emissions are balanced by removals</div><div>b. when GHG removals and avoided emissions should not be included in the undertaking's gross GHG emission reduction targets, promoting a "net zero carbon" target does not seem meaningful</div><div>c. the graph is inaccurate, as it depicts GHG emissions falling to zero by 2050</div><div>d. It is not the same as a long-term target, eventually differentiate target year and "net-zero target year"</div></div> <p>(Para 10) Suggestion to include for Scope 2:</p> <div><div>a. definition of market-based (at the start of the guidance). (Observer/Standard Setter, Community Others, Association of enterprises of preparers)</div><div>b. a paragraph explaining and clearly illustrating the difference between location-based Scope 2 and market-based Scope 2 should be added (National bank representative, Association of enterprises of preparers, Accountants/Auditors (proxy preparers), Community users)</div><div>c. more examples (National association of SMEs, Banks and investment organisation users)</div><div>d. note that the table showing and discussing the market-based values, contradicting values in table and text are found, and that the presentation of the totals is confusing. (Observer/Standard Setter, Non-EU participants, other consultants, Academics)</div></div> <p>(Para 11) Request to change example to:</p> <div><div>a. align with 1-3 year interval (National association of large undertakings, Banks and investment organisation users)</div><div>b. show different target year than 2030, although it is the recommended target year. For example with green energy as of 2028 instead of 2030. More sense of urgency. (National association of large undertakings, Banks and investment organisation users)</div><div>c. suggestion to change base year to 2025 (Observer/Standard Setter)</div><div>d. improve clarity by explaining the organizational boundaries and the base year of the example (Academics)</div><div>e. show the standard wording (e.g., "reduce Scopes 1+2 by X% by YYYY from base year BBBB") and list 2 or3 levers of the plan (efficiency, electrification, renewable electricity purchases). (Academics)</div><div>g. (Para 11, and further) Suggestion to:</div></div>	<div><div>j. Implemented in steps</div><div>k. Not implemented, Decision to remove interim targets from target setting guidance to avoid complexity</div></div> <p>The previous guide included a Q&A on this topic, and it is agreed that this is a useful indicator for many SMEs, for the sake of conciseness, following proposal:</p> <div><div>a. Implemented</div><div>b. Not implemented, as it would add complexity</div></div> <div><div>1. Not implemented, as it would add complexity</div><div>2. Not implemented, as it would add complexity</div><div>3. Not implemented, as it would add complexity</div><div>4. Not implemented, as it would add complexity</div><div>5. Not implemented, as it would add complexity</div></div> <div><div>• Not implemented, Scope 3 was omitted as it remains premature to add in the guidance as in the VSME Scope 3 was carefully introduce 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</div><div>• Implemented, as for previous explanation.</div><div>• Implemented, as for previous explanation.</div><div>• Implemented, as for previous explanation.</div></div> <p>Not implemented, as net zero was eliminated from the guide</p> <div><div>a. Implemented, clarified statement</div><div>b. Partially implemented as it is only present in the transition plan</div></div> <p>Implemented</p> <div><div>a. Partially implemented, Net zero term was eliminated to avoid confusion.</div><div>b. Partially implemented, Net zero term was eliminated to avoid confusion.</div><div>c. Partially implemented, Net zero term was eliminated to avoid confusion.</div><div>d. Partially implemented, Net zero term was eliminated to avoid confusion. (point a.)</div></div> <div><div>a. implemented in the glossary</div><div>b. implemented in the glossary</div><div>c. Not implemented, to keep the guidance short no examples were added</div><div>d. Implemented and clarified</div></div> <div><div>a. Not implemented, as the example is set at 2030 as this is encouraged by the standard</div><div>b. Not implemented but available in transition plan</div><div>c. Not implemented, as this depends on the undertaking</div><div>d. Implemented, improved clarity</div><div>e. Implemented</div></div> <div><div>7.</div><div>a. As sustainability progresses within the market, this guide will be updated to reflect the greater preparedness of SMEs</div><div>b. As sustainability progresses within the market, this guide will be updated to reflect the greater preparedness of SMEs</div></div>

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	<div><div><div>a. keep the logic of the C2 case studies differentiating between small & medium so that for medium to include an example of Scope 3 emissions might encourage broader awareness, especially for medium-sized SMEs in value chains.</div><div>b. to broaden examples beyond issues related to electrification, such as replacing fixed combustion elements that use gas (natural gas or LPG as fossil fuels) with biogas. (Other Consultants, Non-EU participants)</div></div><div>(para 12) Suggestion to add a simple sentence to highlight the idea of shifting emissions between Scope 1 and Scope 2, which is an important point (e.g. "this helps SMEs see how emissions may shift as operations change") and would make it easier for less technical readers. (Banks and investment organisation users)</div><div>(Para 13) Remark that the note about procuring green energy is particularly helpful and could be highlighted more as a low-effort, high-impact example. (Banks and investment organisation users)</div><div>(Para 14) Suggestion to explain in the example in more detail the reasoning a company should use. (National association of SMEs, Association of enterprises of preparers), e.g.<div><div>a. provide guidance on the effectiveness of listed actions in terms of GHG emission reductions, disaggregated by emission scopes. (Large undertakings)</div><div>b. add how SMEs might estimate these figures (e.g. based on electricity bills or fuel use) to support those without detailed data systems. (Banks and investment organisation users)</div></div></div><div>(Para 16) what is operational boundary - operational or financial leasing? (European Association)</div><div>(Para 16) provide better context on scope categorization provided and C2 (Other consultants)</div><div>(Para 17) mention why 1.5C, esp source (Banks and investment organisation users, European association)</div><div>(Box 1) Suggestion to add target year/timeline in line with the step-by-step guidance. (Observer/Standard Setter)</div><div>Include explanations for: scopes of emissions, CO2eq and GHG removals, gross GHG reduction targets, avoided emissions (Large companies – users, Banks and investment organisation users)</div></div>	<div>Implemented, see target setting examples</div> <div>Implemented and clarified</div> <div>a. Not implemented: the suggestion could make the paragraph too complex, and it would be against the suggestion to make them easier b. Implemented</div> <div>Not implemented: the comment asks more detailed information that would create the example too complex Implemented in the glossary</div> <div>Implemented in the transition plan as per definition</div> <div>Not implemented, the previous structure has been kept</div> <div>Implemented in the glossary and via reference</div>
<div>Clarity on the step-by-step guide of a Climate Transition Plan</div>	<div><div>Recurring Suggestions/ comments:</div><div>a. (Para 19) Suggestion to put this paragraph and table 1 first, before the details (Observer/Standard Setter, Non-EU participants)</div><div>b. (Para 20) Suggestion to:<div><div>a. remove this paragraph as it is only setting the scene and is also included in para 25 (European association, National association of large undertakings)</div><div>b. clarify what means: “allow users of the VSME report to assess the ambition and robustness of the transition plan” (and not only in case study). (Observer/Standard Setter)</div><div>c. consider making a link to “value chain cap”, esp. which elements of the transition plan are of interest to reporting companies (Observer/Standard Setter)</div></div></div><div>c. (Para 21) Suggestion to clarify whether the plan covers Scopes 1-3 (Academics)</div><div>d. (Para 22) Suggestion to add who approves the plan and the reporting cadence (e.g., quarterly) and eventually move to a step 0 (Observer/Standard Setter, Academics)</div><div>e. (Para 22?) Suggestion to include an example of planned actions that rely on uncertain future developments and might not be implemented. (Observer/Standard Setter)</div><div>f. (Para 23 Step 1) Suggestion to (Observer/Standard Setter, Academics):<div><div>a. note that this seems beyond disclosure requirements of standard (“the scope of the plan must correspond to the full scope”)</div><div>b. explain what is meant by limited? Only scope 1,2 and/or 3?</div><div>c. align with VSME para 53(d) which only requires disclosure of the share of Scopes 1-3 covered by the plan.</div><div>d. clarify how it coordinates with Section 1 on goal setting</div><div>e. clarify the difference between the monitoring of the plan as mentioned in step 4 and the persons/body responsible for monitoring in step 2. E.g. with an example (Observer/Standard Setter)</div></div></div><div>g. (Para 24) Suggestion to ensure well-targeted key actions; include expected reduction (tCO2e) per action for prioritization. (Academics)</div><div>h. (Para 25) Suggestion to<div><div>a. reframe the statement that the SME's emissions will decline by more than 90% before 2050 and at the same time refers to an absence of long-term strategy. (Observer/Standard Setter, Academics)</div><div>b. rephrase the expectation that the 2ies of the plan are laid out clearly. It is difficult to understand how the entity is expected to explain how the limitations affect the entity's ability to reach its targets. (National association of SMEs)</div><div>c. explain on boundaries that those change with opening the second cafe or covering a new area for food delivery (Other consultants)</div><div>d. distinguish CapEx/OpEx, funding sources, and payback periods. (Academics)</div></div></div><div>i. (Para 26) Suggestion to rephrase the paragraph for the smaller SME (Observer/Standard Setter , Observer/Institution, Platform)</div><div>j. (Para 28) Please consider adding an annex with an overview of decarbonization levers and which actions would fall under these (Banks and investment organisation users)</div><div>k. (Para 30) The case study is not entirely clear, e.g. the part of electricity generation: where does the -400 CO2 come from? (European Association, Banks and investment organisation users)</div><div>l. (Para 31) Suggestion to review:<div><div>a. several figures in the tables cannot be derived from the context given, e.g. legend, scopes, we do not know what is "not in plan" (European Association, Observer/Institution, Other consultants, Academics)</div><div>b. review the totals on page 11 and 12 to ensure these are correct, also in figure. (Accountants/Auditors (proxy preparers))</div></div></div></div>	<div>1.Agreed and implemented</div> <div>2.To be discussed:<div>Moved the paragraph to 22. To be evaluated. Moved the setting the scene part of the case study to STEP 1: implemented but to review Changed to "assess planned GHG reductions, timelines and financial impacts": Implemented and moved to para 22. This document is in support of the VSME Value chain cap, seems self-referential.</div></div> <div>3. Mentioned in para 25 : implemented</div> <div>4.Added to diagram in STEP 2: implemented</div> <div>5.Added to para 21: implemented</div> <div>6.<div><div>a. STEP 1. in the diagram was reformulated as: "Boundaries of the plan" / "Does the plan apply to the full undertaking and does it cover all GHG emissions scopes?" / "If not, explain and motivate the plan's boundaries": Implemented</div><div>b. See previous point: Implemented</div><div>c. This is covered. Note that the guidance states that an explanation is required on boundaries.: Not implemented</div><div>d. Step 0. mentions this clearly, as does paragraph 24: Not implemented</div><div>e. Reformulated STEP 2: Implemented</div></div></div> <div>7.While technically correct, the example prefers to draw up this part of the discussion with % to enhance clarity: Not implemented</div> <div>8.<div><div>a. The explanation is indeed confusing and has been reformulated "the current GHG emission reduction target for 2030 implies a further decline of the SMEs emissions by more than 90% before 2050, if it would decide to decarbonize at the same rate": Implemented</div><div>b. Agreed. Changed to "as well as in terms of undertaking sites, activities or installations, as in time, and whether all emission scopes are considered, and provides an explanation of why these boundaries were considered (e.g. the majority of GHG emissions happen within these boundaries, undertaking did not agree on targets beyond Scope 2 yet, ...). ": Implemented</div><div>c. Discussed under monitoring of plan: Implemented but moved</div><div>d. The CAPEX / OPEX box was expanded to include payback period and IRR: Implemented but moved</div></div></div> <div>9.Redrafted</div> <div>10.We added a reference to C2 categories for climate change as a non-exhaustive list: Implemented</div> <div>11.The calculation tables were reviewed and simplified: Implemented</div> <div>12.<div><div>a. Updated</div><div>b. The totals are correct, but the table is confusing, clarified.: updated: Implemented</div><div>c. see a.</div><div>d. See a</div><div>e. Good point but would complicate the example. Added a consideration on monitoring progress (last paragraph of case study), e.g. "Additionally, considering the current growth cycle the</div></div></div>

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	<div><div>c. a more explanatory and step by step explanation is needed (Banks and investment organisation users)</div><div>d. what are the electrification of production plant numbers (2025 base year)? (Observer/Institution, Banks and investment organisation users)</div><div>e. to consider mentioning that most companies increase in emissions the first years after the plan is set, due to planned increase in production before the effect of decarbonization levers come into effect. (Observer/Standard Setter)</div><div>f. the link to the financial table should be further described when it comes to the amounts selected for scope 2, and the 2030 scenario which related amounts are not that easily deducted (Observer/Institution)</div><div>m. to clarify:</div><div>1. why ‘SME further states that Scope 3 emissions are currently not considered.’ (Banks and investment organisation users)</div><div>2. what means “not in plan”? (Observer/Standard Setter)</div><div>n. Suggestion for “STEP 2: Has the plan been approved?”:</div><div>a. this is not a responsibility or role (Academics)</div><div>b. disclose internal incentives to the management board to achieve the transition plan could be useful to be added. (National bank representative)</div><div>c. The governance and organisation for conducting the transition plan should be more detailed. For example: propose a RACI, or a steering committee dedicated to the conduct of the transition plan and linked to the board. The identification of the main stakeholders (whether in terms of decision making or operational process is key) (Academics, Other consultants)</div><div>o. Following additional suggestions to:</div><div>a. (page 8, “important box”) that it should not be implied that a transition plan must be drawn up by SMEs on a regular basis and be clearer about what it means that transition plans are continuously evolving e.g. updating them periodically, say every 2-3 years, or after a big organisational change. (European Association, Association of enterprises of preparers, Banks and investment organisation users)</div><div>b. consider that the illustration (case study) currently placed under Step 2 actually belongs to Step 3 (Accountants/Auditors (proxy preparers), Other consultants)</div><div>c. mention that a detailed breakdown of economic activities can be found in the NACE v2.1 classification. (Accountants/Auditors (proxy preparers))</div><div>d. consider bolding or bulleting the expected elements of a transition plan for skimmability (e.g., targets, actions, timeframe, etc.). (Banks and investment organisation users)</div><div>e. clarify that the main sections that make up the complete content of a reduction plan and those that are sufficient as a summary to understand its efforts (Other consultants)</div><div>f. to add template in appendix and to encourage SMEs to include indicators for each action (Academics)</div><div>g. like para 23, combine other paragraphs also in a single table, showing all steps of the plan with a more graphic view. (NGOs)</div><div>p. Request to clarify concepts via glossary:</div><div>a. "GHG reduction targets," "transition planning," and "ambition levels" are commonly understood in the sustainability context but might not be clear for smaller SMEs. (Banks and investment organisation users)</div><div>b. Terms such as "decarbonisation levers," "CapEx/Opex," "Scope 1 and 2," and "GHG removals" are used without simple definitions. These may be familiar to sustainability professionals but not to the target SME audience. Phrases like "disaggregated GHG emissions reductions" or "tentative outlook to 2030" could be replaced with simpler, more actionable language (e.g., "expected emission reductions," "future estimates"). (Banks and investment organisation users)</div><div>q. Remark that the illustrations help structure the process but would be even more helpful if they to make clearer link between a transition plan and C2 and ensure consistency between all guidance (Academics, Accountants/Auditors (proxy preparers))</div></div>	<div><div>company is enjoying, the MD will evaluate on an annual basis whether the plan has to include additional installations or sites to ensure to stay on track to achieve the target commitments.":</div><div>Implemented</div><div>f. see a.</div><div>13.</div><div>a. Ok, changed to: "SME A further states that Scope 3 emissions are currently not disclosed in the plan as no reduction targets have been set for Scope 3. ": Implemented</div><div>b. See iv. Above: Implemented</div><div>14.Has been implemented (para 23): Implemented</div><div>a. Has been implemented (para 23): Implemented</div><div>b. This is not suggested by the standard, not included.: Not implemented</div><div>c. This is covered in paragraph 26, added to "roles" "roles and steering groups". The guide does not detail operational processes for implementation: Implemented (partially)</div><div>15.</div><div>a. Added "and may be reviewed periodically": Implemented</div><div>b. Implemented</div><div>c. Implemented</div><div>d. Partially implemented</div><div>e. Not implemented, as this is done in the case studies</div><div>f. Not implemented, it would add complexity</div><div>g. Not implemented, the steps are considered clear by most of the comments</div><div>16.Efrag created the glossary and the definitions, integrating them from external resources</div><div>17. the difference between C2 and C2 have been highlighted and the examples used in C3 are similar to the examples in C2</div></div>