

As part of the adoption of Omnibus I, the thresholds defining the scope of companies subject to the reporting requirements have been increased. As a result, the number of companies required to report has decreased. In this context, it is important to review, simplify and clarify the voluntary indicators framework. This is necessary both to ensure the availability of data consistent with the simplified ESRS standards and to provide companies with fewer than 1,000 employees that wish to report on relevant and comparable sustainability indicators with a European standard framework.

AFG welcomes the initiative to review the voluntary standards (VS) indicators. However, AFG supports the view that VS should reflect a minimum of datapoints in line with the ESRS standards. Therefore, we welcome the Commissions efforts to draft voluntary standards by aligning EFRAG's VSME disclosures to the definitions or approaches of the revised ESRS. Even few sentences and terms still need to be aligned with the revised ESRS (as ANC suggest on their table).

We believe the Commission should have made further developments on the Voluntary Standards disclosures. **First of all, we would expect large companies – not falling out of CSRD scope - to apply voluntary standards at the very minimum under the basic and comprehensive modules**, the “basic module only” being an option for small (non-listed) companies only.

Also, we consider that the proportionality threshold set at 10 employees is too low. Reversely, we would find more proportionate raising the 10 employees threshold to 50 employees.

In addition, VS datapoints may be insufficient for investor's needs even in including the comprehensive module. We would **welcome further technical work from EFRAG and the EC about few additional voluntary datapoints to obtain the necessary data set for companies with more than 250 employees** that are capable of producing this information but have recently been excluded from the CSRD scope by Omnibus I. This would avoid large issuers facing parallel questionnaires from data providers or users of ESG data (not subject to the value chain cap) and reduce the dependency of users upon ESG data providers' estimations. Such an approach would enable genuine simplification of reporting requirements while also ensuring consistency in the analysis of companies across the market.

Indeed, as investors, we are not affected by the Value Chain Cap. It is thus important to maintain an incentive for a certain number of companies to disclose information that goes beyond the VCC, in order to properly address investors' needs. This could align with the list of all indicators under the Voluntary Standards, complemented by additional investor-relevant indicators that are not included in the current list or that may not be captured due to the scope limitations of the VCC.

In this context, the removal of the Basic and Comprehensive modules **for one full combined module** would be a first step to incentivize large companies to make all the data available.

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