



COMPARATIVE TABLE OF TEXTS

ESRS 1

GENERAL
REQUIREMENTS



DECEMBER 2025



EFRAG



Comparative Table: ESRS as enacted in 2023, Exposure Draft ESRS, and Draft Amended ESRS – ESRS 1 *General Requirements*

Disclaimer: The ‘Comparative Table: ESRS as enacted in 2023, Exposure Draft ESRS, and Draft Amended ESRS’ accompanies but is not part of the draft amended ESRS issued by EFRAG on 3 December 2025. It is a non-binding document which complements and should be read in conjunction with the Basis for Conclusions and Log of Amendments, where descriptions and illustrations of the main changes to the Standards can be found. This document does not reflect the position of the European Union or the European Commission DG Financial Stability, Financial Services and Capital Markets Union (DG FISMA).

Introduction

1. This document illustrates the text of each of the following three versions of ESRS 1: ESRS 1 as enacted in 2023 (Column 1), Exposure Draft ESRS 1 (Column 2) and Draft Amended ESRS 1 (Column 3).
2. This document is purely illustrative and does not offer explanations for changes to ESRS 1. The Basis for Conclusions and the relevant Log of Amendments should be consulted for an explanation of draft amended ESRS 1.
3. By reading each row, the reader can understand how each paragraph of ESRS 1 has changed across the three versions of ESRS listed above. The starting point is Column 1, the text of the ESRS 1 as enacted in 2023.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>DISCLAIMER: The following are items not addressed in ESRS 1 Exposure Draft (ED), as due to the fact that they are currently under discussion for possible amendments in the level 1 regulation, as part of the Omnibus discussions:</p> <ol style="list-style-type: none"> 1. definition of value chain for financial institutions; 2. possible exemption to consolidate subsidiaries by undertakings that are financial holdings; 3. relief for omission of confidential/sensitive information; 4. phasing-in provisions (maintained as in the 2023 Delegated Act); 5. clarification of the meaning of 'compatibility with 1.5 degrees' for the Transition Plans disclosure (maintained as in the 2023 Delegated Act). 	
Objective	Objective	Objective
1. The objective of European Sustainability Reporting Standards (ESRS) is to specify the sustainability information that an undertaking shall disclose in accordance with Directive 2013/34/EU of the European Parliament and of the Council, as amended by Directive (EU) 2022/2464 of the European Parliament and of the Council. Reporting in accordance with ESRS does not exempt undertakings from other obligations laid down in Union law.	1. The European Sustainability Reporting Standards ('ESRS') specify the information that an undertaking shall disclose about sustainability matters and/or factors, as stipulated by Directive 2013/34/EU of the European Parliament and of the Council, as amended by Directive (EU) 2022/2464 of the European Parliament and of the Council.	1. The European Sustainability Reporting Standards (ESRS) specify the sustainability information that undertakings are required to disclose in accordance with the Accounting Directive (Directive 2013/34/EU of the European Parliament and of the Council), as amended by the Corporate sustainability Reporting Directive (Directive (EU) 2022/2464 of the European Parliament and of the Council)).

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>2. Specifically, ESRS specify the information that an undertaking shall disclose about its material impacts, risks and opportunities in relation to environmental, social, and governance sustainability matters. ESRS do not require undertakings to disclose any information on environmental, social and governance topics covered by ESRS when the undertaking has assessed the topic in question as non-material (See Appendix E of this Standard 'Flowchart for determining disclosures to be included'). The information disclosed in accordance with ESRS enables users of the sustainability statement to understand the undertaking's material impacts on people and environment and the material effects of sustainability matters on the undertaking's development, performance and position.</p>		<p>2. ESRS require the undertaking to disclose information about its material impacts on people and the environment and about its material sustainability-related risks and opportunities (collectively 'impacts, risks and/or opportunities'). Reporting under these two perspectives constitutes the double materiality principle (see Chapter 3).</p>
	<p>2. The ESRS use the term sustainability 'topic' or 'sub-topic' to be understood as synonymous with sustainability matters and/or factors. Disclosures in the ESRS are structured into topics. A topic is further disaggregated into sub-topics. In the ESRS, the term 'topic' is used to indicate either a topic or a sub-topic, depending on the most appropriate level of granularity needed to meet the respective disclosure objective.</p>	<p><i>This para from the ED was moved to Paragraph 14 of the final technical advice (Nov. 2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>3. The objective of this Standard (ESRS 1) is to provide an understanding of the architecture of ESRS, the drafting conventions and fundamental concepts used, and the general requirements for preparing and presenting sustainability information in accordance with Directive 2013/34/EU, as amended by Directive (EU) 2022/2464.</p>	<p>3. The objective of sustainability reporting prepared in accordance with the ESRS is to present fairly (see Chapter 2) the undertaking's material impacts on people and environment, as well as the material sustainability risks and opportunities (collectively referred to as 'impacts, risks and opportunities') in relation to environmental, social and governance <i>topics</i>. Reporting under these two perspectives constitutes the double materiality principle. An ESRS sustainability statement covers governance, strategy, policies, actions, targets and metrics for topics related to material impacts, risks and opportunities.</p>	<p>3. The objective of the sustainability statement, taken as whole, is to present fairly (see Chapter 2) all the undertaking's sustainability-related material impacts, risks and opportunities and how the undertaking manages them. The reported information shall be decision-useful for the users of general-purpose sustainability statements.</p>
	<p>4. The ESRS require the undertaking to disclose information that is useful to the users of general purpose sustainability statements, which are:</p> <p>(a) primary users of general purpose financial reporting, such as existing and potential investors, lenders and other creditors, including asset managers, credit institutions and insurance undertakings; and</p> <p>(b) other users of general purpose sustainability statements, such as the undertaking's business partners, trade unions and social partners, civil society and non-governmental organisations, governments, analysts and academics. Civil society, non-governmental organisations and trade unions as users are proxies for affected stakeholders.</p>	<p>4. Users of general-purpose sustainability statements are:</p> <p>(a) primary users of general-purpose financial reports, such as existing and potential investors, lenders and other creditors, including asset managers, credit institutions and insurance undertakings; and</p> <p>(b) other users of general-purpose sustainability statements, such as the undertaking's business partners, trade unions and social partners, civil society and non-governmental organisations.</p>
	<p>5. The ESRS do not mandate behaviour but set Disclosure Requirements ('DRs') regarding topics related to material impacts, risks or opportunities connected with the undertaking's own operations, products or services and through business relationships in its upstream and downstream value chain. Reporting in accordance with the ESRS does not exempt the undertaking from other obligations laid down in EU law.</p>	<p><i>This para from the ED was moved to Paragraph 6 of the final technical advice (Nov. 2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>6. This [Draft] Standard Amended ESRS 1 <i>General Requirements</i> explains drafting conventions and sets out general requirements for identification of the undertaking's material impacts, risks and opportunities, as well as for preparing and presenting information about the topics related to them. It also sets out general requirements for the basis of the preparation of a sustainability statement.</p>	<p><i>This para from the ED was moved to Paragraph 7 of the final technical advice (Nov. 2025)</i></p>
		<p>5. In its sustainability statement, the undertaking shall disclose information about the material impacts, risks and opportunities organised under topics to which they relate. This information shall cover the following reporting areas: (a) governance, (b) strategy including financial effects, (c) impacts, risks and opportunities management, through policies and actions, and (d) metrics and targets.</p>
		<p>6. ESRS do not mandate behaviour except for behaviour specifically related to the reporting of sustainability information. Reporting in accordance with ESRS does not exempt the undertaking from other obligations laid down in EU law.</p>
		<p>AR 1 for para. 4 (General-purpose) The terms 'general-purpose financial reports' and 'general-purpose sustainability statements' refer to reports that:</p> <ul style="list-style-type: none"> (a) are addressed to users with a reasonable knowledge of the general subject matters of such reports; and (b) consider the information needs of groups of users.
1. Categories of ESRS Standards, reporting areas, and drafting conventions	1. ESRS Standards, reporting areas and drafting conventions	1. ESRS Standards and drafting conventions

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
1.1 Categories of ESRS Standards, reporting areas and drafting conventions	1.1 ESRS standards, reporting areas and entity-specific disclosures	1.1. ESRS standards and entity-specific disclosures
		7. ESRS 1 <i>General Requirements</i> explains drafting conventions and sets out general requirements for identifying the undertaking's material impacts, risks and opportunities , and for preparing and presenting information to be reported. It also sets out general requirements for the basis of preparation of the sustainability statement .
	7. The undertaking shall apply this Standard in conjunction with [Draft] Amended ESRS 2 <i>General disclosures</i> (both referred to as 'cross-cutting standards') and with topical standards. The requirements of this Standard are accompanied by mandatory Application Requirements (ARs), presented at the end of each chapter.	8. The undertaking shall apply this Standard in conjunction with ESRS 2 General Disclosures (both referred to as 'cross-cutting standards') and with the topical standards.
4. There are three categories of ESRS: (a) cross-cutting standards;		
(b) topical standards (Environmental, Social and Governance standards); and		
(c) sector-specific standards.		
Cross-cutting standards and topical standards are sector-agnostic, meaning that they apply to all undertakings regardless of which sector or sectors the undertaking operates in.		
5. The cross-cutting standards ESRS 1 General requirements and ESRS 2 General disclosures apply to the sustainability matters covered by topical standards and sector-specific standards.		Moved to Paragraph 8

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
6. This standard (ESRS 1) describes the architecture of ESRS standards, explains drafting conventions and fundamental concepts, and sets out general requirements for preparing and presenting sustainability-related information.	Moved to Paragraph 6	Moved to Paragraph 7
7. ESRS 2 establishes Disclosure Requirements on the information that the undertaking shall provide at a general level across all material sustainability matters on the reporting areas governance, strategy, impact, risk and opportunity management, and metrics and targets.	8. [Draft] Amended ESRS 2 <i>General disclosures</i> establishes Disclosure Requirements (DRs) on the information that the undertaking shall provide for topics related to material impacts, risks and opportunities on the reporting areas of (i) governance, strategy, impact, risk and opportunity management, as well as (ii) policies, actions, targets and metrics .	9. ESRS 2 <i>General Disclosures</i> establishes Disclosure Requirements (DRs) on the information that the undertaking shall provide at a general level across all the topics to which its material impacts, risks , and opportunities relate, covering the reporting areas listed in paragraph 5.
8. Topical ESRS cover a sustainability topic and are structured into topics and sub-topics, and where necessary sub-sub-topics. The table in Application Requirement 16 (AR 16) to this standard provides an overview of the sustainability topics sub-topics and sub-sub-topics (collectively 'sustainability matters') covered by topical ESRS.	9. Topical standards address topics and sub-topics and reflect the same reporting areas as [Draft] Amended ESRS 2 <i>General disclosures</i> . The table in Appendix A <i>List of topics</i> provides an overview of the topics and sub-topics covered by topical ESRS.	10. Topical standards address topics and sub-topics, complementing the requirements provided in ESRS 2 <i>General Disclosures</i> , and encompass the reporting areas listed in paragraph 5. The table in Appendix A <i>List of topics</i> provides an overview of the topics and sub-topics covered by topical standards.
9. Topical ESRS can include specific requirements that complement the general level Disclosure Requirements of ESRS 2. ESRS 2 Appendix C Disclosure/Application Requirements in topical ESRS that are applicable jointly with ESRS 2 General Disclosures provides a list of the additional requirements in topical ESRS that the undertaking shall apply in conjunction with the general level disclosure requirements of ESRS 2.		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
10. Sector-specific standards are applicable to all undertakings within a sector. They address impacts, risks and opportunities that are likely to be material for all undertakings in a specific sector and that are not covered, or not sufficiently covered, by topical standards. Sector-specific standards are multi-topical and cover the topics that are most relevant to the sector in question. Sector-specific standards achieve a high degree of comparability.		
11. In addition to the disclosure requirements laid down in the three categories of ESRS, when an undertaking concludes that an impact, risk or opportunity is not covered or not covered with sufficient granularity by an ESRS but is material due to its specific facts and circumstances, it shall provide additional entity-specific disclosures to enable users to understand the undertaking's sustainability-related impacts, risks or opportunities. Application requirements AR 1 to AR 5 provide further guidance on entity-specific disclosures.	10. If the undertaking concludes that a <i>topic</i> related to one or more material <i>impacts, risks or opportunities</i> is not covered, or not covered with sufficient granularity by an ESRS, it shall provide additional entity-specific disclosures on that topic. This may be the case due to sectorial specificities and/or other facts and circumstances relevant to the undertaking itself. Depending on the undertaking's facts and circumstances, there may be topics other than those covered in ESRS topical requirements that the undertaking shall cover, following its <i>materiality</i> assessment, such as where its <i>business model</i> and strategy are associated with material impacts, risks and opportunities that do not correspond to the ESRS topics.	11. If the undertaking concludes that a <i>topic</i> related to material <i>impact, risk or opportunity</i> , is not covered, or not covered with sufficient granularity, by an ESRS, it shall provide entity-specific disclosures taking account of the provisions on fair presentation in Chapter 2. This may be the case due to sectorial specificities or other facts and circumstances relevant to the undertaking itself.
	11. When developing its entity-specific disclosures, the undertaking shall consider comparability over time and with other undertakings that operate in the same sector(s). For this purpose, it may use available best practices and/or available frameworks or reporting standards, such as IFRS industry-based guidance and GRI Sector Standards.	12. When developing its entity-specific disclosures, the undertaking shall consider comparability over time and with other undertakings that operate in the same sector(s).
		APPLICATION REQUIREMENTS – ARs

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>AR 2 for para. 11 (Entity-specific topics) Depending on the undertaking's facts and circumstances, there may be topics other than those covered in ESRS topical requirements that the undertaking shall cover following its materiality assessment. This may be the case where its business model and strategy are associated with material impacts, risks and opportunities that do not correspond to ESRS topics</p>
	<p>AR 1 for para. 11 (Entity-Specific Disclosures) When developing entity-specific disclosures, the undertaking shall ensure they:</p> <ul style="list-style-type: none"> (a) meet the qualitative characteristics of information as set out in Chapter 2; and (b) include material information related to the reporting areas of governance, strategy, impact, risk and opportunity management (i.e. polices and actions), and metrics and targets (see [Draft] Amended ESRS 2). 	<p>AR 3 for para. 11 (Requirements for entity-specific disclosures) When developing entity-specific disclosures, the undertaking shall ensure that:</p> <ul style="list-style-type: none"> (a) they meet the qualitative characteristics of information set out in Appendix B; and (b) where material impacts, risks or opportunities are not covered, or not covered with sufficient granularity by the ESRS, the disclosures include the material information needed for the relevant reporting areas listed in paragraph 5.
	<p>AR 2 for para. 11 (Entity-Specific Disclosures) When determining the usefulness of metrics for inclusion in its entity-specific disclosures, the undertaking shall consider whether:</p> <ul style="list-style-type: none"> (a) its chosen performance metrics provide relevant information about the material impacts, risks and opportunities; (b) the measurement does not involve an excessive number of assumptions and unknowns that would render the metrics too arbitrary to provide a faithful representation; and (c) it has provided sufficient contextual information. 	<p>AR 4 for para. 11 (Entity-specific disclosures and metrics) When determining the usefulness of metrics for inclusion in its entity-specific disclosures, the undertaking shall ensure that:</p> <ul style="list-style-type: none"> (a) its chosen metrics provide relevant information about material impacts, risks or opportunities; (b) the measurement ensures faithful representation based on information and assumptions that are reasonable, supportable, and verifiable; and (c) it has provided sufficient contextual information.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>AR 5 for para. 12 (Sources for entity-specific disclosures)</p> <p>In developing its entity-specific disclosures, the undertaking may use available best practices, frameworks or reporting standards, such as IFRS industry-based guidance and GRI Standards (including GRI topic and sector standards).</p>
1.2 Reporting Areas and minimum content disclosure requirements on policies, actions, targets and metrics		
12. The Disclosure Requirements in ESRS 2 in topical ESRS and in sector-specific ESRS are structured into the following reporting areas: (a) Governance (GOV): the governance processes, controls and procedures used to monitor, manage and oversee impacts, risks and opportunities (see ESRS 2, chapter 2 Governance); (b) Strategy (SBM): how the undertaking's strategy and business model interact with its material impacts, risks and opportunities, including how the undertaking addresses those impacts, risks and opportunities (see ESRS 2, chapter 3 Strategy); (c) Impact, risk and opportunity management (IRO): the process(es) by which the undertaking: i. identifies impacts, risks and opportunities and assesses their materiality (see IRO-1 in section 4.1 of ESRS 2), ii. manages material sustainability matters through policies and actions (see section 4.2 of ESRS 2). (d) Metrics and targets (MT): the undertaking's performance, including targets it has set and progress towards meeting them (see ESRS 2, chapter 5 Metrics and targets).		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
13. ESRS 2 includes: (a) in section 4.2 Minimum Disclosure Requirements regarding policies (MDR-P) and actions (MDR-A); (b) in section 5 Minimum Disclosure Requirements regarding metrics (MDR-M) and targets (MDR-T).		
The undertaking shall apply the minimum disclosure requirements regarding policies, actions, metrics and targets together with the corresponding Disclosure Requirements in topical and sector-specific ESRS.		
1.3 Drafting conventions	1.2 Drafting conventions	1.2 Drafting conventions
14. In all ESRS: (a) the term 'impacts' refers to positive and negative sustainability-related impacts that are connected with the undertaking's business, as identified through an impact materiality assessment (see section 3.4 Impact materiality). It refers both to actual impacts and to potential future impacts (b) The term 'risks and opportunities' refers to the undertaking's sustainability-related financial risks and opportunities, including those deriving from dependencies on natural, human and social resources, as identified through a financial materiality assessment (see section 3.5).	12. In all ESRS, the terms: (a) impacts refer to actual and potential, positive and negative impacts; and (b) ' risks ' and ' opportunities ' refer to the undertaking's financial risks and opportunities, including those deriving from the undertaking's impacts and dependencies on natural, human and social resources, as identified through a financial materiality assessment (see Chapter 3.3.2).	Moved to Paragraph 15 Moved to Paragraph 15
Collectively, these are referred to as 'impacts, risks and opportunities' (IROs). They reflect the double materiality perspective of ESRS described in section 3.		
15. Throughout ESRS, the terms that are defined in the glossary of definitions (Annex II) are put in bold italic, except when a defined term is used more than once in the same paragraph.	13. Throughout the ESRS, the terms that are defined in the Glossary of Definitions (Annex II of Delegated Regulation (EU) 2023/2772) are denoted in bold italic , except when a defined term is used more than once in the same paragraph.	13. Throughout ESRS, the terms that are defined in the Glossary of Definitions (Annex II of Delegated Regulation (EU) 2023/2772) are denoted in bold italic , except when a defined term is used more than once in the same paragraph.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>14. ESRS use the terms sustainability 'topic' and 'sub-topic' understood as synonymous with the terms 'sustainability matters' or 'sustainability factors' as used in the Accounting Directive (Directive 2013/34/EU). Disclosures in ESRS are structured into <i>topics</i>. A topic is further disaggregated into sub-topics. In ESRS, the term <i>topic</i> (in <i>bold italic</i>) is used to indicate either a topic or a sub-topic depending on the most appropriate level of granularity needed to meet the respective disclosure objectives.</p>
		<p>15. In all ESRS:</p> <p>(a) '<i>impacts</i>' refers to actual and potential, positive and negative impacts on people and the environment; and</p>
		<p>(b) '<i>risks</i>' and '<i>opportunities</i>' refer to the undertaking's <i>sustainability-related risks</i> and opportunities that affect (or could reasonably be expected to affect) the undertaking's financial performance, financial position, cash flows, access to finance or cost of capital over the short, medium or long term.</p>
		<p>16. Material <i>impacts</i>, <i>risks</i> and <i>opportunities</i> reported in the <i>sustainability statement</i> are understood to be the same as the undertaking's principal impacts, risks and opportunities referred to in the Accounting Directive (Directive 2013/34/EU).</p>
16. ESRS structure the information to be disclosed under Disclosure Requirements. Each Disclosure Requirement consists of one or more distinct datapoints. The term 'datapoint' can also refer to a narrative sub-element of a Disclosure Requirement.	14. The structure of information in ESRS is based on DRs, which consists of one or more distinct datapoints. They are introduced by the term 'shall disclose' to indicate that the provision is prescribed, subject to <i>materiality</i> of information (see Chapter 3.1).	17. The structure of information in ESRS is based on 'Disclosure Requirements' (DRs). Each DR consists of one or more distinct datapoints. DRs are signaled by the terms 'shall disclose', 'shall include', 'shall report', 'shall describe' and 'shall explain' to indicate that an information is prescribed, subject to <i>materiality</i> of information (see paragraphs 23 and 24).

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
17. In addition to Disclosure Requirements most ESRS also contain Application Requirements. Application Requirements support the application of Disclosure Requirements and have the same authority as other parts of an ESRS.	15. In addition to DRs per se, [Draft] Amended ESRS 2 <i>General disclosures</i> and topical standards contain mandatory 'Application Requirements' relating to DRs, included within boxed text. Its content supports the preparation of information and/or disclosures that meet the qualitative characteristics of information (see Appendix B) and has the same authority as other parts of a standard. ARs also include text where the term 'shall consider' is used to indicate issues, resources or methodologies that the undertaking is expected to take into account or to use in the preparation of a given disclosure. They also include presentation options, indicating that a given piece of information may be provided in a tabular form or in narrative text, or other types of options.	18. ESRS contain mandatory 'Application Requirements' (ARs) that support the application of, and have the same authority as, the requirements prescribed in the main body of the standards. ARs in ESRS 2 <i>General Disclosures</i> and in topical standards support the preparation of disclosures that meet the qualitative characteristics of information (see Appendix B). ARs use the term 'shall consider' to indicate issues, resources or methodologies that the undertaking is expected to take into account or to use in the preparation of a given disclosure. ARs also include presentation options, indicating that a given piece of information may be provided in tabular form, as narrative text or in other types of presentation options.
18. ESRS use the following terms to distinguish between different degrees of obligation on the undertaking to disclose information: (a) 'shall disclose' – indicates that the provision is prescribed by a Disclosure Requirement or datapoint; (b) 'may disclose' – indicates voluntary disclosure to encourage good practice.	Moved to Paragraph 14	Moved to Paragraph 17
In addition, ESRS use the term 'shall consider' when referring to issues, resources or methodologies that the undertaking is expected to take into account or to use in the preparation of a given disclosure if applicable.	Moved to Paragraph 15	Moved to Paragraph 18
2. Qualitative characteristics of information	2. Fair presentation and qualitative characteristics of information	2. Fair presentation and qualitative characteristics of information

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	16. Fair presentation requires disclosure of relevant information that meets the conditions in paragraph 21, about the undertaking's material impacts, risks and opportunities in accordance with Chapter 3, and their faithful representation in accordance with the requirements set out in this Standard.	19. Fair presentation requires disclosure of relevant information about the undertaking's material impacts, risks and opportunities in accordance with Chapter 3 and their faithful representation in accordance with the requirements set out in this Standard (for relevance and faithful representation see Appendix B). To achieve faithful representation, the undertaking shall provide a complete, neutral and accurate depiction of its material impacts, risks and opportunities.
		20. Fair presentation also requires that the undertaking discloses: <ul style="list-style-type: none"> (a) information that is comparable, verifiable and understandable (see Appendix B); and
		<ul style="list-style-type: none"> (b) entity-specific information when applying ESRS is not sufficient to enable users to understand the undertaking's material impacts, risks and opportunities and how the undertaking manages them (see paragraph 3).
19. When preparing its sustainability statement, the undertaking shall apply: <ul style="list-style-type: none"> (a) the fundamental qualitative characteristics of information, i.e. relevance and faithful representation; and 	17. Applying the ESRS is presumed to result in a sustainability statement that achieves a fair presentation.	21. Applying ESRS, including the materiality filter as set out in paragraph 24, and with entity-specific disclosures, when necessary (see paragraph 11), is presumed to result in a sustainability statement that achieves fair presentation.
	18. Fair presentation requires the undertaking to apply the qualitative characteristics of information, as defined and described in Appendix B, i.e.: <ul style="list-style-type: none"> (a) relevance and faithful representation (fundamental characteristics); and 	

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
(b) the enhancing qualitative characteristics of information, i.e. comparability, verifiability and understandability.	(b) comparability, verifiability and understandability (enhancing characteristics).	
	19. To achieve faithful presentation, the undertaking shall provide information that meets the conditions in paragraph 21 and that is necessary for a complete, neutral and accurate depiction of its material impacts, risks and opportunities .	<i>This para from the ED was moved and amended to Paragraph 19 of the final technical advice (Nov. 2025)</i>
20. These qualitative characteristics of information are defined and described in Appendix B of this Standard.	Moved to Paragraph 18	Moved to Paragraph 20
		APPLICATION REQUIREMENTS – ARs
		<p>AR 6 for paras. 19 – 20 (Information considered as a whole) To meet the objective of its sustainability statement set out in paragraph 3, the undertaking shall consider the overall picture of the reported information. This can result in the addition of entity-specific information, as well as the implementation of the provision in paragraph 24, by using the criteria for information materiality in paragraph 23.</p>
		<p>AR 7 for para. 20(b) (Additional information in other reporting frameworks) Other reporting frameworks refer to 'additional information' as the content that an undertaking shall disclose beyond the requirements provided in the standards to ensure a fair presentation. In ESRS, the term 'entity-specific disclosures' serves the same purpose.</p>
3. Double materiality as the basis for sustainability disclosures	3. Double materiality as the basis for sustainability reporting	3. Double materiality as the basis for sustainability reporting

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
21. The undertaking shall report on sustainability matters based on the double materiality principle as defined and explained in this chapter.	20. The undertaking shall report on topics based on the double materiality principle as defined in paragraph 3 and explained in this Chapter.	22. The undertaking determines the information to be disclosed based on its double materiality assessment (see paragraph 2) and based on the provisions for determining the information to be reported, as explained in this Chapter.
	3.1 Materiality of information as a general filter for reported information	3.1 Assessing information to be reported
		3.1.1. Information materiality
	21. The sustainability statement shall include material information. Information is material when:	23. Information is material when omitting, misstating or obscuring that information could reasonably be expected to influence:
	(a) omitting, misstating or obscuring that information could reasonably be expected to influence decisions that primary users of general-purpose financial reports make based on those reports, including financial statements and the sustainability statement; or	(a) decisions that primary users of general-purpose financial reports make based on those reports, including financial statements and the sustainability statement , relating to providing resources to the undertaking; or
	(b) it is necessary for users of general-purpose sustainability statements to understand the undertaking's material impacts, risks and opportunities and how it identifies and manages them.	(b) decisions, including informed assessments, that other users of 'general-purpose' sustainability statements make based on the sustainability statement regarding the undertaking's material impacts, risks and opportunities and how the undertaking manages them.
		24. The undertaking is not required to disclose information prescribed by an ESRS DR if that information is not material
	AR 3 for para. 21: The term 'general purpose' refers to interests and viewpoints assessed based on groups of users .	<i>This AR from the ED was moved to AR 1 in the final technical advice (Nov.2025)</i>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 4 for para. 21: Material <i>impacts, risks and opportunities</i> identified under the <i>double materiality</i> principle and therefore reported on in the <i>sustainability statement</i> are understood to be the same as the undertaking's principal impacts, risks and opportunities referred to in the CSRD (Directive (EU) 2022/2464). Some existing standards and frameworks also use the term 'most significant impacts' when referring to the threshold used to identify the impacts that are described in the ESRS as 'material impacts'.</p>	<p><i>Last sentence of AR 4 for para 21 in the ED was moved to AR 19 in the final technical advice (Nov. 2025)</i></p>
3.1 Stakeholders and their relevance to the materiality assessment process		
22. Stakeholders are those who can affect or be affected by the undertaking. There are two main groups of stakeholders: (a) affected stakeholders: individuals or groups whose interests are affected or could be affected – positively or negatively – by the undertaking's activities and its direct and indirect business relationships across its value chain; and	Moved to paragraph 33	Moved to paragraph 43
(b) users of sustainability statements: primary users of general-purpose financial reporting (existing and potential investors, lenders and other creditors, including asset managers, credit institutions, insurance undertakings), and other users of sustainability statements, including the undertaking's business partners, trade unions and social partners, civil society and non-governmental organisations, governments, analysts and academics.	Moved to paragraph 21 (a)	Moved to paragraph 23 (a)
23. Some, but not all, stakeholders may belong to both groups referred to in paragraph 22.		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
24. Engagement with affected stakeholders is central to the undertaking's on-going due diligence process (see chapter 4 Due diligence) and sustainability materiality assessment. This includes its processes to identify and assess actual and potential negative impacts, which then inform the assessment process to identify the material impacts for the purposes of sustainability reporting (see section 3.4 of this Standard).	Moved to AR 11	Moved to paragraph 43
	3.2 Interaction between topics to be reported and material impacts, risks and opportunities	
	22. The undertaking shall report on a given <i>topic</i> when the topic relates to one or more material <i>impacts, risks</i> and <i>opportunities</i> , as identified through its <i>double materiality</i> assessment. The information shall be presented either at topical level or at impacts, risks and opportunities level, depending on what provides the most relevant information, such as reflecting their nature or the way they are managed (refer to the general requirement on level of disaggregation in Chapter 3.7).	<i>This para from the ED was deleted in the final technical advice (Nov. 2025)</i>
	23. The ESRS are structured on the basis of 10 topical standards. Each topical standard covers a number of related <i>topics</i> and is organised as a series of DRs. The topics addressed in the ESRS topical standards are set out in Appendix A. In addition, paragraph 10 requires the undertaking to report on entity-specific material topics related to one or several material <i>impacts, risks</i> and <i>opportunities</i> that are not covered, or not sufficiently covered, by these topical standards (refer to AR 21 for the application of this requirement when only a sub-topic is material).	<i>This para from the ED was deleted in the final technical advice (Nov. 2025)</i>
3.2 Material matters and materiality of information		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		3.1.2. Steps in determining the information to be reported
		<p>25. The undertaking determines the information to be reported in two steps:</p> <ul style="list-style-type: none"> (a) it identifies topics related to its material impacts, risks or opportunities (see Chapters 3.2.1 and 3.2.2); and then, (b) it determines the information to be reported on each of those topics (see paragraphs 29, 30 and 31 of this Standard).
		<p>26. With respect to the identification of topics, the undertaking shall report material information for a topic or sub-topic when it relates to one or more material impacts, risks or opportunities identified based on the criteria in Chapters 3.2.1. and 3.2.2.</p>
		<p>27. Without prejudice to the criteria in 3.2.1 and 3.2.2, the undertaking may derive a conclusion, without further assessment, on the materiality or non-materiality of its impacts, risks or opportunities for a topic or sub-topic, on the basis of an analysis of its strategy and business model including its sector(s) of operations, its geographies, and the features of its upstream and downstream value chain ('top-down' approach to materiality assessment). In this approach, if the materiality or non-materiality of one or more impacts, risks or opportunities is not evident on the basis of the above analysis, the undertaking shall perform a specific assessment of them.</p>
		<p>28. Without prejudice to the criteria in 3.2.1 and 3.2.2, the undertaking may also rely on a materiality assessment conducted only at the level of impacts, risks and opportunities ('bottom-up' approach to materiality assessment).</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
25. Performing a materiality assessment (see sections 3.4 Impact materiality and 3.5 Financial materiality) is necessary for the undertaking to identify the material impacts, risks and opportunities to be reported.	Moved to paragraph 24	
26. Materiality assessment is the starting point for sustainability reporting under ESRS. IRO-1 in section 4.1 of ESRS 2, includes general disclosure requirements about the undertaking's process to identify impacts, risks and opportunities and assess their materiality. SBM-3 of ESRS 2 provides general disclosure requirements on the material impacts, risks and opportunities resulting from the undertaking's materiality assessment.		
27. The Application Requirements in Appendix A of this Standard include a list of sustainability matters covered in topical ESRS, categorised by topics, sub-topics and sub-sub-topics, to support the materiality assessment. Appendix E Flowchart for determining disclosures to be included of this Standard provides an illustration of the materiality assessment described in this section.		
28. A sustainability matter is 'material' when it meets the criteria defined for impact materiality (see section 3.4 of this Standard) or financial materiality (see section 3.5 of this Standard), or both.		
29. Irrespective of the outcome of its materiality assessment, the undertaking shall always disclose the information required by: ESRS 2 General Disclosures (i.e. all the Disclosure Requirements and data points specified in ESRS 2) and the Disclosure Requirements (including their datapoints) in topical ESRS related to the Disclosure Requirement IRO-1 Description of the process to identify and assess material impacts, risks and opportunities, as listed in ESRS 2 Appendix C Disclosure/Application Requirements in topical ESRS that are applicable jointly with ESRS 2 General Disclosures.		29. With respect to the information to be reported, the undertaking shall: (a) apply ESRS 2 <i>General Disclosures</i> ;

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
30. When the undertaking concludes that a sustainability matter is material as a result of its materiality assessment, on which ESRS 2 IRO-1, IRO-2 and SBM-3 set disclosure requirements, it shall:	Moved to paragraph 50	<p>(b) about a topic or sub-topic related to its material impacts, risks and opportunities:</p> <p>(i) apply ESRS 2 General Disclosures GDR-P, GDR-A, GDR-M, and GDR-T for policies, actions, metrics and targets;</p>
(a) disclose information according to the Disclosure Requirements (including Application Requirements) related to that specific sustainability matter in the corresponding topical ESRS; and	Moved to paragraph 50	<p>(ii) disclose information for the DRs (including ARs) relevant to the specific topic or sub-topic in the topical standards; and</p>
(b) disclose additional entity-specific disclosures (see paragraph 11 and AR 1 to AR 5 of this Standard) when the material sustainability matter is not covered by an ESRS or is covered with insufficient granularity.	Moved to paragraph 50	<p>(iii) add entity-specific information where necessary under paragraph 11.</p>
		30. When a material impact, risk or opportunity concerns a sub-topic, the undertaking shall report only the material information for that sub-topic concerned.
		31. When using ESRS reliefs, the undertaking shall disclose the information prescribed in Sub-Chapters 5.4, 7.3, 7.4, and 7.7.
		<p>AR 8 for para. 27 ('Top-down' approach)</p> <p>Following a top-down approach, the materiality conclusion can be reached at topic level for combined impacts, risks and opportunities.</p>
		<p>AR 9 for paras. 27 – 28 (Combining approaches)</p> <p>The undertaking may combine a 'top-down approach' for some topics with a 'bottom-up' analysis for others.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>AR 10 for para. 27 (Geographies)</p> <p>Geographies or geographic contexts can be analysed at different levels (country, region, county, water basin, ecosystem or site) according to their relevance for the assessment.</p>
		<p>AR 11 for para. 29 (ESRS 2 General Disclosures DRs)</p> <p>The DRs in ESRS 2 General Disclosures are fundamental in nature and therefore likely to result in material information for all undertakings.</p>
		<p>3.1.3. Bases for assessing materiality</p>
		<p>32. In its <i>double materiality</i> assessment, the undertaking:</p> <ul style="list-style-type: none"> (a) shall use reasonable and supportable evidence available to the undertaking at the reporting date without undue cost or effort (see Chapter 7.4); (b) it is not required to assess every possible <i>impact, risk or opportunity</i> across all areas of its operations and upstream and downstream value chain, but shall focus on areas where material impacts, risks or opportunities are deemed likely to arise based on the undertaking's strategy and <i>business model, geographies, sectors, business relationships</i>, nature of the activities, or other factors.
		<p>33. For <i>geographies</i> identified under paragraph 32(b), the undertaking shall consider the specific context to assess the <i>materiality of impacts, risks, or opportunities</i>.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>34. The undertaking may be able to conduct the materiality assessment regarding upstream and downstream value chain without direct input from value chain actors, using instead average regional data, sector data or generally available information about the existence of impacts, risks and opportunities in the context in question.</p>
		<p>AR 12 for para. 32 (Reasonable and supportable information and identifying impacts, risks and opportunities)</p> <p>In accordance with the use of reasonable and supportable information that is available to the undertaking at the reporting date without undue cost or effort (Chapter 7.4):</p> <p>(a) the use of quantitative information or quantitative scoring is not required in all cases. A qualitative analysis may be sufficient for the undertaking to reasonably conclude on materiality of impacts, risks or opportunities related to a given topic; and</p> <p>(b) the undertaking is not required to perform an exhaustive search for information to identify material impacts, risks or opportunities.</p>
		<p>AR 13 for para. 32 (Usual internal and external sources)</p> <p>The undertaking may consider the following usual internal and external sources to support the materiality assessment: the undertaking's sustainability due diligence and general risk management processes; its engagement with affected stakeholders; peer experience; reports and statistics, scientific data, and expert advice.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>AR 14 for para. 32 (Time horizon and characteristics of severity)</p> <p>When conducting its materiality assessment (see paragraphs 27 and 32), the undertaking need not analyse:</p> <ul style="list-style-type: none"> (a) separately each characteristic of severity (see Chapter 3.2.1), unless further assessment is necessary, such as when the conclusion of the analysis of severity on that basis is unclear; and (b) every time horizon for each impact, risk or opportunity, unless further assessment is necessary, such as when the undertaking expects that the impact, risk or opportunity evolves overtime.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>AR 15 for para. 33 (Level of the materiality assessment)</p> <p>The following paragraphs support the determination of the level at which the materiality assessment takes place. For the determination of the level of aggregation or disaggregation adopted for reporting purposes, see Chapter 3.3.2.</p> <p>For environmental topics, factors that influence the existence of negative impacts in a specific context of the geography include, among others: local air, water and soil quality; water availability in water-risk areas; and presence of threatened species and ecosystems in biodiversity-sensitive areas.</p> <p>As it relates to nature-related impacts and dependencies, the first three steps of the LEAP approach (locate, evaluate, assess) provide a valuable reference for how to:</p> <ul style="list-style-type: none"> (a) locate where, within own operations and upstream and downstream value chain, interfaces with nature occur; (b) evaluate the related dependencies and impacts; and (c) assess the associated risks or opportunities. <p>For social topics, factors that influence the existence of negative impacts in a specific context of the geography include, among others: conflict-affected and high-risk areas, and the presence of vulnerable populations such as Indigenous people or migrant workers.</p>
		3.1.4. Periodicity of the double materiality assessment

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>35. At each reporting date, the undertaking shall consider whether significant changes have occurred that could affect the conclusions of the <i>materiality</i> assessment conducted in previous reporting periods. If such changes are identified, the undertaking shall review and update the assessment. Changes may relate to the undertaking's activities, structure, <i>business relationships</i>, understanding of <i>impacts, risks or opportunities</i>, assessment methodologies, or the external environment.</p>
<p>31. The applicable information prescribed within a Disclosure Requirement, including its datapoints, or an entity-specific disclosure, shall be disclosed when the undertaking assesses, as part of its assessment of material information, that the information is relevant from one or more of the following perspectives:</p>		
<p>(a) the significance of the information in relation to the matter it purports to depict or explain; or</p>		
<p>(b) the capacity of such information to meet the users' decision-making needs, including the needs of primary users of general-purpose financial reporting described in paragraph 48 and/or the needs of users whose principal interest is in information about the undertaking's impacts.</p>		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>32. If the undertaking concludes that climate change is not material and therefore omits all disclosure requirements in ESRS E1 Climate change, it shall disclose a detailed explanation of the conclusions of its materiality assessment with regard to climate change (see ESRS 2 IRO-2 Disclosure Requirements in ESRS covered by the undertaking's sustainability statement), including a forward-looking analysis of the conditions that could lead the undertaking to conclude that climate change is material in the future. If the undertaking concludes that a topic other than climate change is not material and therefore it omits all the Disclosure Requirements in the corresponding topical ESRS, it may briefly explain the conclusions of its materiality assessment for that topic.</p>		
<p>33. When disclosing information on policies, actions and targets in relation to a sustainability matter that has been assessed to be material, the undertaking shall include the information prescribed by all the Disclosure Requirements and datapoints in the topical and sector-specific ESRS related to that matter and in the corresponding Minimum Disclosure Requirement on policies, actions, and targets required under ESRS 2. If the undertaking cannot disclose the information prescribed by either the Disclosure Requirements and datapoints in the topical or sector-specific ESRS, or the Minimum Disclosure Requirements in ESRS 2 on policies, actions and targets, because it has not adopted the respective policies, implemented the respective actions or set the respective targets, it shall disclose this to be the case and it may report a timeframe in which it aims to have these in place.</p>		
<p>34. When disclosing information on metrics for a material sustainability matter according to the Metrics and Targets section of the relevant topical ESRS, the undertaking:</p>		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
(a) shall include the information prescribed by a Disclosure Requirement if it assesses such information to be material; and		
(b) may omit the information prescribed by a datapoint of a Disclosure Requirement if it assesses such information to be not material and concludes that such information is not needed to meet the objective of the Disclosure Requirement.		
35. If the undertaking omits the information prescribed by a datapoint that derives from other EU legislation listed in Appendix B of ESRS 2, it shall explicitly state that the information in question is 'not material'.		
36. The undertaking shall establish how it applies criteria, including appropriate thresholds, to determine:	Moved to paragraph 28	Moved to paragraph 38
(a) the information it discloses on metrics for a material sustainability matter according to the Metrics and Targets section of the relevant topical ESRS, in accordance with paragraph 34; and	Moved to paragraph 28	Moved to paragraph 38
(b) the information to be disclosed as entity-specific disclosures.	Moved to paragraph 28	Moved to paragraph 38
3.3. Double materiality	3.3. Double materiality assessment	3.2. Double materiality assessment: Impact materiality and financial materiality
	24. Performing a materiality assessment (see Chapters 3.3.1 and 3.3.2) is necessary to identify the undertaking's material impacts, risks and opportunities and the related topics to be reported.	<i>This paragraph from the ED was deleted in the final technical advice (Nov.2025)</i>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
37. Double materiality has two dimensions, namely: impact materiality and financial materiality. Unless specified otherwise, the terms 'material' and 'materiality' are used throughout ESRS to refer to double materiality.	25. Double materiality has two dimensions: impact materiality and financial materiality , which are interrelated. These interdependencies shall be considered in the assessment. An impact may be financially material from inception or become financially material when it could reasonably be expected to affect the undertaking's financial position, financial performance, cash flows, its access to finance or cost of capital over the short, medium or long term. Impacts are captured by the impact materiality perspective irrespective of whether or not they are financially material.	36. Double materiality has two dimensions: impact materiality and financial materiality and the undertaking shall consider how they interact. An impact can be financially material from the start or become financially material, when it is reasonably expected to affect the undertaking's financial performance, financial position, cash flows, its access to finance or the cost of capital over the short, medium or long term. Impacts can be material exclusively from an impact perspective, irrespective of whether they are financially material.
38. Impact materiality and financial materiality assessments are inter-related and the interdependencies between these two dimensions shall be considered. In general, the starting point is the assessment of impacts, although there may also be material risks and opportunities that are not related to the undertaking's impacts. A sustainability impact may be financially material from inception or become financially material, when it could reasonably be expected to affect the undertaking's financial position, financial performance, cash flows, its access to finance or cost of capital over the short-, medium- or long-term. Impacts are captured by the impact materiality perspective irrespective of whether or not they are financially material.	Moved to paragraph 25	Moved to paragraph 36
39. In identifying and assessing the impacts, risks and opportunities in the undertaking's value chain to determine their materiality, the undertaking shall focus on areas where impacts, risks and opportunities are deemed likely to arise, based on the nature of the activities, business relationships, geographies or other factors concerned.	Moved to paragraph 45	Moved to paragraph 32

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
40. The undertaking shall consider how it is affected by its dependencies on the availability of natural, human and social resources at appropriate prices and quality, irrespective of its potential impacts on those resources.	Moved to paragraph 41	Moved to paragraph 50
41. An undertaking's principal impacts, risks and opportunities are understood to be the same as the material impacts, risks and opportunities identified under the double materiality principle and therefore reported on in its sustainability statement.	Moved to AR 4	Moved to paragraph 16
	26. In general, the starting point is the assessment of impacts , although there may also be material risks and opportunities that are not related to the undertaking's impacts.	37. In general, the starting point is the assessment of impacts . The undertaking shall as well evaluate whether there are material risks or opportunities that are not related to the undertaking's impacts, such as physical risks .
42. The undertaking shall apply the criteria set under sections 3.4 and 3.5 in this Standard, using appropriate quantitative and/or qualitative thresholds. Appropriate thresholds are necessary to determine which impacts, risks and opportunities are identified and addressed by the undertaking as material and to determine which sustainability matters are material for reporting purposes. Some existing standards and frameworks use the term "most significant impacts" when referring to the threshold used to identify the impacts that are described in ESRS as "material impacts."	27. The following are usual internal and external sources of evidence and information that the undertaking may use in conducting a materiality assessment: the undertaking's sustainability due diligence and risk management processes; engagement with affected stakeholders ; industry and peer group experience; external ratings, reports and statistics and scientific data; experts' engagement.	<i>This para from the ED was moved to AR 13 of the final technical advice (Nov. 2025)</i>
	28. When applying the criteria set under Chapters 3.3.1 and 3.3.2, the undertaking shall set appropriate qualitative and/or quantitative thresholds to determine which impacts , risks and opportunities are identified and assessed by the undertaking as material and, as a result, to determine the topics to be reported (refer to AR 17 for the option to adopt a top-down approach in performing the double materiality assessment).	38. The undertaking shall determine which impacts , risks or opportunities are material, based on the criteria in Chapters 3.2.1 and 3.2.2, and supported by appropriate qualitative considerations and quantitative thresholds

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>29. The undertaking shall update the conclusions of the materiality assessments conducted in the previous reporting periods to take into account changed circumstances and/or assumptions. Because of changes in its individual circumstances or in the external environment, some types of information included in its ESRS sustainability statement for prior periods might no longer be material; conversely, some types of information not previously disclosed might become material.</p>	<p><i>This para from the ED was moved to para. 35 of the final technical advice (Nov. 2025)</i></p>
3.4 Impact materiality	3.3.1 impact materiality assessment	3.2.1 impact materiality assessment
		<p>39. The impact materiality assessment identifies the undertaking's material impacts.</p>
<p>43. A sustainability matter is material from an impact perspective when it pertains to the undertaking's material actual or potential, positive or negative impacts on people or the environment over the short-, medium- or long-term.</p> <p>Impacts include those connected with the undertaking's own operations and upstream and downstream value chain, including through its products and services, as well as through its business relationships. Business relationships include those in the undertaking's upstream and downstream value chain and are not limited to direct contractual relationships.</p>	<p>30. The impact materiality assessment corresponds to the identification of information that relates to the undertaking's material actual or potential, positive or negative impacts on people or the environment over the short, medium or long term. Impacts include those connected with its own operations, products, or services, including through business relationships in its upstream and downstream value chain. Business relationships are not limited to direct contractual relationships.</p>	<p>40. The undertaking shall report information about a given topic from an impact perspective if that topic relates to the undertaking's material actual or potential, positive or negative impacts on people or the environment over the short, medium or long term. Impacts include those connected with the undertaking's own operations and its upstream and downstream value chain, including through its products and services, as well as through its business relationships in its upstream and downstream value chain. Business relationships are not limited to direct contractual relationships.</p>
44. In this context impacts on people or the environment include impacts in relation to environmental social and governance matters.		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>45. The materiality assessment of a negative impact is informed by the due diligence process defined in the international instruments of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. For actual negative impacts, materiality is based on the severity of the impact, while for potential negative impacts it is based on the severity and likelihood of the impact. Severity is based on the following factors:</p> <p>(a) the scale;</p>	<p>31. For actual negative impacts, materiality shall be based on the severity of the impact. For potential negative impacts, it shall be based on a combination of the severity and likelihood of the impact. Severity shall be based on the following factors: the scale, scope and irremediable character of the impact. In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood.</p>	
<p>(b) scope; and</p>	<p>Moved to paragraph 31</p>	
<p>(c) irremediable character of the impact.</p>	<p>Moved to paragraph 31</p>	
<p>In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood.</p>	<p>Moved to paragraph 31</p>	
<p>46. For positive impacts, materiality is based on:</p> <p>(a) the scale and scope of the impact for actual impacts; and</p>	<p>32. For actual positive impacts, materiality shall be based on the scale and scope of the impact, while for potential impacts based on scale, scope and likelihood of the impact.</p>	<p>42. For actual positive impacts, materiality shall be assessed based on the scale and scope of the impact. For potential positive impacts, materiality shall be assessed based on the scale, scope and likelihood of the impact.</p>
<p>(b) the scale, scope and likelihood of the impact for potential impacts.</p>	<p>Moved to paragraph 32</p>	
	<p>33. The results of the engagement with affected stakeholders provides a key input to the impact materiality assessment. Such engagement is central to the ongoing sustainability due diligence. Affected stakeholders are individuals or groups whose interests are affected or could be affected – positively or negatively – by the undertaking’s activities and its direct and indirect business relationships across its upstream and downstream value chain.</p>	<p>43. The results of engagement with affected stakeholders carried out in the context of ongoing sustainability due diligence activities is a key input to the impact materiality assessment. Affected stakeholders are individuals or groups whose interests are affected or could be affected by the undertaking’s activities and its direct and indirect business relationships in its upstream and downstream value chain. Civil society, non-governmental organisations and trade unions as users can be proxies for affected stakeholders.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>34. When assessing the materiality of actual negative impacts—those that occurred during the reporting year or in prior years—the severity of the impact shall be evaluated considering the outcomes of any mitigation or prevention measures implemented before the impact occurred. Actual impacts in the reporting period include both newly arisen impacts and those persisting from previous periods. If the undertaking has taken remediation actions during the reporting period to address actual negative impacts, these actions shall not be considered when assessing the materiality of the impact. Where the impact is deemed material based on this assessment, the undertaking shall disclose the remediation actions undertaken and their expected or actual outcomes.</p>	<p>44. The following applies in determining how to consider prevention, mitigation and remediation policies and actions in the materiality assessment:</p> <p>(a) the severity of actual negative impacts – those that manifest during the reporting year - shall be assessed as they actually manifested during the reporting year. Actual impacts include those that have originated in the previous reporting periods and continue to exist in the current reporting period. Their severity is assessed based on the current reporting period, i.e. taking into account how they were mitigated in the previous periods.</p> <p>Remediation of impacts realised during the reporting period shall not be considered;</p>
	<p>35. When supportable evidence exists that mitigation or prevention actions taken reduce the severity and/or likelihood of potential negative impacts (i.e. those that could occur in the future), the effect of these actions is considered in assessing the materiality of the impacts. However, if the undertaking needs to maintain significant ongoing mitigation and/or prevention actions, to contain the severity and/or likelihood of occurrence of the potential impact below a materiality level, the impact shall be assessed without considering the mitigation and/or prevention actions. Future remediation actions and policies are not considered in the materiality assessment of potential impacts.</p>	<p>(b) the severity and likelihood of potential negative impacts – those that may manifest in the future - shall be assessed taking into account only implemented prevention and mitigation policies and actions if those policies and actions can reasonably be assumed to effectively reduce the severity or likelihood. Actions or policies that have not yet been implemented shall not be considered; and</p>
		<p>(c) the information about impacts and how the undertaking manages them through policies and actions may be decision-useful to users, irrespective of how effectively the undertaking manages them or irrespective of how effectively the corresponding topics are regulated. In these cases, the materiality assessment needs to take this into account.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>36. The undertaking's positive impacts shall be assessed in their own right and shall not be netted off against its negative impacts. The results of the undertaking's mitigation or remediation actions on negative impacts caused by or contributed to by its compliance with law and regulation are not positive impacts. However, if its business activities, products and services mitigate or remediate negative impacts of another party, this is considered a positive impact of the undertaking.</p>	<p>45. Positive impacts shall be assessed on their own, without netting against negative impacts. The results of prevention, mitigation or remediation actions to address negative impacts the undertaking is connected to, or compliance with law and regulation, are not positive impacts. Positive impacts include effects of the undertaking's business activities, products or services that mitigate or remediate another party's negative impacts, when the undertaking is not connected to those impacts.</p>
		<p>AR 16 for paras. 39 – 40 (Examples of impacts connected)</p> <p>The following are two examples of impacts that are connected with the undertaking:</p> <p>(a) if the undertaking uses cobalt in its products, that is mined by using child labour, the negative impact that arises is connected with the undertaking's products through the tiers of business relationships in its upstream value chain. These business relationships include the suppliers, the smelter and minerals trader and the mining enterprise that uses child labour; and</p> <p>(b) if the undertaking provides financial loans to an undertaking for business activities that, in breach of agreed environmental standards, result in the contamination of water and land surrounding the operations, this negative impact is connected with the undertaking through its relationship with the undertaking it provides the loans to.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>AR 17 for paras. 39 – 40 (Qualitative considerations and quantitative thresholds)</p> <p>In the ‘top-down’ approach, qualitative considerations may be sufficient to derive a conclusion on materiality. In a ‘bottom-up’ approach the undertaking may use either qualitative considerations or quantitative thresholds, depending on the nature of the impact, available data and other circumstances.</p>
	<p>AR 5 for para. 30 (Steps of impact materiality assessment)</p> <p>The undertaking shall consider the following steps in the impact materiality assessment process, but it may implement either a top-down or bottom-up approach, as described in AR 17 below, through:</p> <ul style="list-style-type: none"> (a) understanding the context in relation to its impacts, including its activities, business relationships, and stakeholders; (b) identifying actual and potential impacts (both negative and positive); and (c) assessing the materiality of actual and potential impacts and determining the topics to be reported. In this step, the undertaking shall adopt thresholds to determine which impacts will be covered in its sustainability statement. 	<p>AR 18 for paras. 39 – 40 (Steps in the impact materiality assessment)</p> <p>The undertaking shall consider the following steps in impact materiality assessment:</p> <ul style="list-style-type: none"> (a) understand (activities, business relationships and stakeholders); (b) identify actual and potential impacts (negative and positive); and (c) assess the materiality of actual and potential impacts and determine the topics to be reported, based on the outcome of the assessment.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 6 para. 30 (Impacts connected with the undertaking)</p> <p>The following are two examples of impacts that are connected with the undertaking:</p> <ul style="list-style-type: none"> (a) if the undertaking uses cobalt in its products, which is mined by using children labour, the negative <i>impact</i> that arises from <i>child labour</i> (i.e. impact on the health and well-being of children) is connected with the undertaking's products through the tiers of <i>business relationships</i> in its upstream <i>value chain</i>. These business relationships include the undertaking's sup- pliers and their workers, smelter and minerals trader and the mining enterprise that uses <i>child labour</i>; and (b) if the undertaking provides financial loans to an undertaking for business activities that, in breach of agreed environmental standards, result in the contamination of water and land surrounding the operations, this negative <i>impact</i> is connected with the undertaking through its relationship with the undertaking it provides the loans to. 	<p><i>This AR from the ED was moved to AR 16 in the final technical advice (Nov. 2025)</i></p>
		<p>AR 19 for paras. 39 – 40 (Terms used in other reporting frameworks)</p> <p>The term 'most significant impacts' is used in some existing reporting frameworks to refer to <i>impacts</i> that are described in ESRS as 'material impacts'.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 7 for para. 31 (Characteristics of severity)</p> <p>The severity is assessed based on a combination of its factors, i.e. scale, scope and irremediable character. The undertaking shall also take into account the practical considerations mentioned in AR 18(b):</p> <ul style="list-style-type: none"> (a) scale: how serious the negative <i>impact</i> is or how beneficial the positive impact is for people or the environment; (b) scope: how widespread the negative or <i>positive impacts</i> are. In the case of environmental <i>impacts</i>, the scope may be understood as the extent of environmental damage or a geographical perimeter. In the case of impacts on people, the scope may be understood as the number of people adversely affected; and (c) irremediable character: whether and to what extent the negative impacts could be remediated, i.e. restoring the environment or affected people to their prior state. 	<p>AR 20 for para. 41 (Scale, scope and irremediable character)</p> <p>The severity of an impact is assessed based on its scale, scope and irremediable character:</p> <ul style="list-style-type: none"> (a) scale: how serious the negative impact is or how beneficial the positive impact is for people or the environment; (b) scope: how widespread the negative or positive impacts are. In the case of environmental impacts, 'scope' may be understood as the extent of environmental damage or as a geographical perimeter. In the case of impacts on people, 'scope' may be understood as the number of people negatively affected; and (c) irremediable character: whether and to what extent the negative impacts could be remediated, i.e. by restoring the environment or affected people to their prior state.
	<p>AR 8 for para. 31 (Characteristics of severity)</p> <p>Any of the three characteristics (scale, scope and irremediable character) can make a negative <i>impact</i> severe.</p> <p>The undertaking shall also take into account the practical consideration mentioned in AR 18(b).</p>	<p>Any of the three characteristics (scale, scope and irremediable character) can make a negative impact severe.</p>
	<p>AR 9 for para. 31 (Assessing actual and potential impacts for materiality)</p> <p>Appendix C provides an overview for assessing actual and <i>potential impacts</i> for materiality.</p>	<p><i>This AR from the ED was deleted in the final technical advice (Nov.2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 10 for para. 33 (Stakeholders and their relevance to the materiality assessment)</p> <p>Common categories of affected stakeholders are: employees and/or workers' representatives, suppliers, consumers or end-users, affected communities and persons in vulnerable situations.</p> <p>Nature may be considered a silent affected stakeholder.</p>	<p>AR 21 for para. 43 (Stakeholders)</p> <p>The typical categories of affected stakeholders of an undertaking are: workers and workers' representatives in the undertaking's own workforce and in its upstream and downstream value chains, communities affected by its business operations or upstream and downstream value chain activities, and consumers and end-users of its products and services. Consideration of affected stakeholders requires particular attention to the stakeholders within these categories who are in particularly vulnerable situations.</p> <p>Nature may be considered a silent affected stakeholder.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 11 for para. 33 (Stakeholders and their relevance to the materiality assessment)</p> <p>If the undertaking engages with affected stakeholders as part of its due diligence process to identify, assess and address negative impacts, the results of this engagement will provide a critical input to its materiality assessment, without necessarily putting in place a separate engagement process for the materiality assessment. However, the undertaking may also seek direct input into its materiality assessment from affected stakeholders or their representatives (such as employee representatives or trade unions), as well as users of sustainability reporting and other experts. This includes feedback on the undertaking's conclusions regarding the identification of material impacts, risks and opportunities, as well as regarding the topics to be reported. Under the CSRD, the management of the undertaking shall inform the workers' representatives at the appropriate level and discuss with them the relevant information and the means of obtaining and verifying sustainability information. The workers' representatives' opinion shall be communicated, where applicable, to the relevant administrative, management or supervisory bodies.</p>	<p>AR 22 for para. 43(Engagement with affected stakeholders)</p> <p>If the undertaking engages with affected stakeholders as part of its due diligence process (if any) to identify, assess and address negative impacts, the results of this engagement provide a valuable input to its materiality assessment, without necessarily putting in place a separate engagement process for the materiality assessment. However, the undertaking may also seek direct input into its materiality assessment from affected stakeholders or their representatives (such as employee representatives or trade unions), as well as users of sustainability reporting and other experts. This includes feedback on the undertaking's conclusions regarding the identification of material impacts, risks or opportunities, as well as regarding the topics to be reported.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>AR 23 for para. 43 (Workers' representatives)</p> <p>In accordance with the Accounting Directive (Directive 2013/34/EU of the European Parliament and of the Council), as amended by the Corporate Sustainability Reporting Directive (Directive (EU) 2022/2464 of the European Parliament and of the Council), the management of the undertaking shall inform workers' representatives at the appropriate level and discuss with them the relevant information and the means of obtaining and verifying sustainability information. Such a process and, where applicable, the related communication to the relevant administrative, management and supervisory bodies constitute a valuable element of engagement with stakeholders.</p>
		<p>AR 24 for para. 44(a) (Consideration of implemented policies and actions)</p> <p>As an illustration, for the consideration of implemented policies and actions in the materiality assessment in relation to paragraph 44(a), when an oil spill occurs, the effort to contain the spill is considered as mitigation, while the repair of the damage or harm that was caused by the spill is considered as remediation.</p>
	<p>AR 12 for paras. 34/35 (Assessing actual and potential impacts for materiality)</p> <p>In this context, the reference to actions taken shall be understood to also include aspects of the corresponding implemented policies, as policies are implemented through actions.</p>	<p><i>This AR from the ED was deleted in the final technical advice (Nov.2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 13 for para. 35 (Assessing actual and potential impacts for materiality)</p> <p>If <i>potential impacts</i> are assessed as material, disclosing significant planned or ongoing/ implemented <i>remediation actions</i> – if any – and their expected effects shall be considered material information that needs to be reported in accordance with DRs on actions and [Draft] Amended ESRS 2 GDR-A.</p>	<p><i>This AR from the ED was deleted in the final technical advice (Nov.2025)</i></p>
		<p>AR 25 for para. 44(b) (Policy in isolation) If a policy implies future actions to ensure that it is effective in reducing severity or likelihood, the existence of that policy and of the related future actions shall not be considered in assessing the materiality of impacts.</p>
		<p>AR 26 for para. 44(c) In the cases described in paragraph 44(c), the undertaking shall adapt its approach to the <i>materiality</i> assessment as appropriate to meet the information needs of users, as described in paragraph 23</p>
3.5 Financial materiality	3.3.2 Financial materiality assessment	3.2.2 Financial materiality assessment
47. The scope of financial materiality for sustainability reporting is an expansion of the scope of materiality used in the process of determining which information should be included in the undertaking's financial statements.	Moved to paragraph 38	Moved to paragraph 47

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>48. The financial materiality assessment corresponds to the identification of information that is considered material for primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. In particular, information is considered material for primary users of general-purpose financial reports if omitting, misstating or obscuring that information could reasonably be expected to influence decisions that they make on the basis of the undertaking's sustainability statement.</p>	<p>37. The financial materiality assessment corresponds to the identification of information that is considered material for primary users of general purpose financial reports in making decisions relating to providing resources to the undertaking. In particular, information is considered material for primary users of general purpose financial reports if omitting, misstating or obscuring that information could reasonably be expected to influence decisions that they make on the basis of its sustainability statement.</p>	<p>46. The financial materiality assessment corresponds to the identification of information that is considered material for primary users of general-purpose financial reports in making decisions relating to providing resources to the undertaking (see paragraph 23(a)).</p>
<p>49. A sustainability matter is material from a financial perspective if it triggers or could reasonably be expected to trigger material financial effects on the undertaking. This is the case when a sustainability matter generates risks or opportunities that have a material influence, or could reasonably be expected to have a material influence, on the undertaking's development, financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term. Risks and opportunities may derive from past events or future events. The financial materiality of a sustainability matter is not constrained to matters that are within the control of the undertaking but includes information on material risks and opportunities attributable to business relationships beyond the scope of consolidation used in the preparation of financial statements.</p>	<p>38. The scope of financial materiality for sustainability reporting is an expansion of the scope of materiality used in the process of determining which information shall be included in the undertaking's financial statement. The financial materiality of a topic is not constrained to topics that are within the control of the undertaking but includes information on material risks and opportunities attributable to business relationships beyond the scope of consolidation used in the preparation of financial statements.</p>	<p>47. The scope of financial materiality for sustainability reporting is an expansion of the scope of materiality used in the process of determining which information shall be included in the undertaking's financial statements on the basis of the applicable recognition and measurement rules. The financial materiality of a topic is not limited to material risks or opportunities affecting entities that are within the control of the undertaking, but includes information on material risks and opportunities attributable to business relationships in the upstream and downstream value chain (see paragraph 63).</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>39. A topic shall be reported from a financial perspective if it triggers or could reasonably be expected to trigger material financial effects on the undertaking. This is the case when the risks or opportunities related to a topic have or could reasonably be expected to have a material influence on its development, financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium or long term. Risks and opportunities may derive from past or future events.</p>	<p>48. The undertaking shall report information on a topic from a financial materiality perspective, if it triggers, or could reasonably be expected to trigger, material financial effects. This is the case when the risks or opportunities related to a topic have, or could reasonably be expected to have, a material influence on its development, financial position, financial performance, cash flows, access to finance or cost of capital over the short, medium or long term.</p>
<p>50. Dependencies on natural, human and social resources can be sources of financial risks or opportunities. Dependencies may trigger effects in two possible ways:</p> <p>(a) they may influence the undertaking's ability to continue to use or obtain the resources needed in its business processes, as well as the quality and pricing of those resources; and</p> <p>(b) they may affect the undertaking's ability to rely on relationships needed in its business processes on acceptable terms.</p>	<p>40. Material risks and opportunities derive from the undertaking's:</p> <p>(a) material impacts, as identified through the impact materiality assessment;</p> <p>(b) dependencies on natural, human and social resources; and</p>	<p>49. Risks and opportunities may arise from past or future events. Material risks and opportunities arise from the undertaking's:</p> <p>(a) material impacts identified in the impact materiality assessment;</p> <p>(b) dependencies on natural, human and social resources; and</p>
	Moved to paragraph 41	Moved to AR 28
	(c) other factors, such as exposure to climate hazards or changes in regulation that address systemic risks .	(c) other factors, such as exposure to climate hazards or regulatory changes addressing systemic risks .
	<p>41. The undertaking shall consider how it is affected by its dependencies, irrespective of its potential impacts on those resources. Dependencies may influence its ability to continue to use or obtain the resources needed in business processes, as well as the quality and pricing of those resources, and the ability to rely on relationships needed in its business processes on acceptable terms.</p>	<p>50. When identifying risks and opportunities, the undertaking shall consider dependencies as sources of financial effects, either in terms of cash flows or in terms of resources not recognised in financial statements. Dependencies may be sources of risks or opportunities regardless of potential impacts on the natural, human and social resources relied on.</p>
<p>51. The materiality of risks and opportunities is assessed based on a combination of the likelihood of occurrence and the potential magnitude of the financial effects.</p>	<p>42. The materiality of risks and opportunities is assessed based on a combination of the likelihood of occurrence and the potential magnitude of the financial effects.</p>	<p>51. The materiality of risks and opportunities is assessed based on a combination of the likelihood of occurrence and the potential magnitude of the financial effects.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>AR 27 for para. 49 (Internal risk management)</p> <p>The internal risk management framework is a valuable input to materiality assessment of risks and opportunities. For credit institutions and insurance undertakings, consistency is expected with the applicable prudential regulatory frameworks.</p>
	<p>AR 14 for para. 42 (Identification of risks and opportunities, likelihood and magnitude)</p> <p>In the identification of <i>risks</i> and <i>opportunities</i>, the undertaking shall consider its <i>dependencies</i> as sources of <i>financial effects</i>, either in terms of cash flows or in terms of resources not recognised in financial statements.</p>	<p><i>This AR was deleted in the final technical advice (Nov 2025)</i></p>
		<p>AR 28 for para. 49 (Dependencies)</p> <p>Dependencies may affect:</p> <ul style="list-style-type: none"> (a) the undertaking's ability to use or obtain the resources needed in its business processes; (b) the quality and pricing of those resources; or the ability to rely on acceptable terms in relationships needed for business processes

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 15 for para. 42 (Identification of risks and opportunities, likelihood and magnitude)</p> <p>In assessing risks and opportunities for materiality, the undertaking shall consider their contribution to financial effects in the short, medium and long term based on:</p> <ul style="list-style-type: none"> (a) scenarios/forecasts that are deemed likely to materialise; and (b) anticipated financial effects that are not (or are not yet) reflected in financial statements and that arise from material impacts, risks and opportunities and related topics. This may derive from situations that do not yet lead to the recognition of assets/liabilities, or income/expenses, in financial statements, in accordance with the accounting recognition criteria. 	<p>AR 29 for para. 49 (Contribution to financial effects)</p> <p>When assessing materiality of risks and opportunities, the undertaking shall consider their contribution to financial effects over short, medium and long term using:</p> <ul style="list-style-type: none"> (a) likely scenarios/forecasts; and (b) anticipated financial effects that are not (or are not yet) reflected in financial statements and arise from material risks and opportunities. This may derive from situations that do not yet lead to the recognition of assets and liabilities or income and expenses in financial statements in accordance with the accounting recognition criteria.
	<p>AR 16 for para. 42 (Identification of risks and opportunities)</p> <p>Internal risk management processes are a critical source of input for the materiality assessment of risks. Leveraging them contributes to the consistency of financial and sustainability reporting.</p>	<p><i>This AR from the ED was moved to AR 27 for para. 49 (Internal risk management) in the final technical advice (Nov. 2025)</i></p>
3.6 Material impacts or risks arising from actions to address sustainability matters	3.4 Material impacts or risks arising from actions to address other topics	3.3 Specific circumstances
		3.3.1 Material impacts or risks arising from actions to address impacts or risks related to other topics

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>52. The undertaking's materiality assessment may lead to the identification of situations in which its actions to address certain impacts or risks, or to benefit from certain opportunities in relation to a sustainability matter, might have material negative impacts or cause material risks in relation to one or more other sustainability matters. For example:</p> <p>(a) an action plan to decarbonise production that involves abandoning certain products might have material negative impacts on the undertaking's own workforce and result in material risks due to redundancy payments; or</p> <p>(b) an action plan of an automotive supplier to focus on the supply of e-vehicles might lead to stranded assets for the production of supply parts for conventional vehicles.</p>	<p>43. The undertaking's materiality assessment may lead to the identification of situations in which its actions to address certain impacts or risks, or to benefit from certain opportunities in relation to a topic, might have negative material impacts or cause material risks in relation to one or more other topics.</p>	<p>52. The materiality assessment may identify situations where the undertaking's actions taken to address certain impacts, risks, or opportunities, related to one topic may create material negative impacts or material risks for one or more other topics. In such situations, the undertaking shall present its disclosure in a way that facilitates the understanding of the connections between different topics.</p>
<p>53. In such situations, the undertaking shall:</p> <p>(a) disclose the existence of material negative impacts or material risks together with the actions that generate them, with a cross-reference to the topic to which the impacts or risks relate; and</p> <p>(b) provide a description of how the material negative impacts or material risks are addressed under the topic to which they relate.</p>	<p>44. In such situations, the undertaking (Chapter 9.2 applies):</p> <p>(a) discloses under the other topic the negative material impacts or material risks together with the actions that cause them, with a cross-reference to the related topic; and</p> <p>(b) provides a description of how the material negative impacts or material risks are addressed under the topic to which they relate.</p>	<p>AR 30 for para. 52 (Impacts or risks arising from actions)</p> <p>The following is an illustration of such situations. The climate-mitigation transition plan results in negative material impacts or risks related to own workforce. To promote connected information (see Chapter 9.2), the undertaking:</p> <p>(a) discloses under own workforce the material negative impacts or risks resulting from the transition plan, including the actions that cause them, with a cross-reference to the climate disclosure; and</p> <p>(b) provides a description in the climate disclosure of how the climate-related material negative impacts or risks are addressed.</p>
	<p>3.5 Practical considerations in determining the material impacts, risks and opportunities and their related topics to be reported</p>	

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>45. In conducting its <i>double materiality</i> assessment, the undertaking is expected to:</p> <p>(a) focus the assessment of the undertaking's own operations and upstream and downstream <i>value chains</i> on areas where material <i>impacts, risks</i> and <i>opportunities</i> are deemed likely to arise based on the <i>business model</i>, the nature of the activities, <i>business relationships</i>, geographies or other factors; and</p> <p>(b) use reasonable and supportable evidence to estimate the levels of severity and likelihood of impacts and the likelihood and magnitude of <i>financial effects</i> of risks and opportunities.</p>	<p><i>This para from the ED was deleted in the final technical advice (Nov. 2025)</i></p>
	<p>46. The undertaking is not required to assess every possible <i>impact, risk</i> and <i>opportunity</i> across all areas of its operations and upstream and downstream <i>value chains</i> to identify the <i>topics</i> to be reported.</p>	<p><i>This para from the ED was moved to para. 32(b) of the final technical advice (Nov. 2025)</i></p>
	<p>47. To identify material <i>impacts, risks</i> and <i>opportunities</i>, the undertaking shall use reasonable and supportable information that is available without undue cost or effort (see Chapter 7.3). Information that is used by the undertaking in preparing its financial statements, operating its <i>business model</i>, setting its strategy, conducting its sustainability due diligence, and managing its impacts, risks and opportunities is considered available to the undertaking without undue cost or effort.</p>	<p><i>This para from the ED was moved and amended to para. 32 of the final technical advice (Nov. 2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>48. The undertaking may avoid unnecessary complexity:</p> <p>(a) by starting from the topics or sub-topics for which a conclusion on the materiality of its impacts, risks and opportunities can be derived on the basis of its business model, upstream and downstream value chain, peer analysis and the strategic and business priorities, and therefore no further investigation is necessary to include or exclude them from the sustainability statement; and</p> <p>(b) by subsequently addressing topics or sub-topics related to other impacts, risks and opportunities, noting that for those likely to be material, a limited further assessment may be sufficient.</p>	<p><i>This para from the ED was moved and amended to para. 27 of the final technical advice (Nov. 2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 17 for para. 48(a) (Practical considerations)</p> <p>The undertaking may adopt a top-down or a bottom-up approach to perform its materiality assessment. In the top-down approach, the undertaking starts from the topic (topic or when appropriate sub-topic in Appendix A or entity-specific topic) unless an assessment at the individual level of impacts, risks and opportunities is needed to conclude on their materiality. Once the undertaking concludes on the necessity to report on a topic, it needs to identify the related material impacts, risks and opportunities, which will be presented in accordance with [Draft] Amended ESRS 2 IRO-2.</p> <p>In the bottom-up approach, the starting point is the level of material potential impacts, risks and opportunities, which are assessed for materiality. Once identified as material, they are aggregated into topic(s) for reporting purposes, unless not appropriate.</p> <p>Adopting a top-down approach may be more pragmatic and reduce the complexity of the process, and is expected to lead to the same outcome of the materiality assessment as the bottom-up approach.</p>	<p><i>This AR from the ED was moved and amended to para. 27 of the final technical advice (Nov. 2025)</i></p>
	<p>AR 18 for para. 48 (Practical considerations)</p> <p>Unless more investigation is necessary to be able to determine that an impact, risk, or opportunity is material, the undertaking does not need: to analyse every time horizon for all impacts, risks and opportunities; (for impacts) to analyse separately each characteristic of severity (see Chapter 3.3.1).</p>	<p><i>This AR from the ED was moved and amended to AR 14 of the final technical advice (Nov. 2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 19 for para. 48 (Practical considerations)</p> <p>The use of quantitative information or quantitative scoring is not required in all cases. A qualitative analysis may be sufficient for the undertaking to reasonably conclude that the impacts, risks and opportunities related to a given topic are material or not material.</p>	<p><i>This AR from the ED was moved and amended to AR 12 of the final technical advice (Nov. 2025)</i></p>
	<p>3.6. Determining the information to be reported in accordance with [Draft] Amended ESRS 2 and topical standards</p>	
	<p>49. The sustainability statement shall include general material information in accordance with [Draft] Amended ESRS 2 and, when necessary, on an entity-specific basis.</p>	<p><i>This paragraph from the ED was Moved to paragraph 29 in the final technical advice (Nov.2025)</i></p>
	<p>50. In addition, in accordance with paragraph 22, it shall include topical material information by: applying the provisions in [Draft] Amended ESRS 2 GDR-P, GDR-A, GDR-M, and GDR-T when reporting on material information about policies, actions, metrics and targets; disclosing material information in accordance with the DRs (including ARs) related to that specific topic or sub-topic in the corresponding topical ESRS; and disclosing any material entity-specific information (see paragraph 10 and related ARs).</p>	<p><i>This paragraph from the ED was Moved to paragraph 29 (b) in the final technical advice (Nov.2025)</i></p>
	<p>AR 20 for para. 49 and 50 (ESRS 2 datapoints and GDR-P, GDR-A, GDR-M, GDR-T)</p> <p>The DRs in ESRS 2 (including GDR-P, GDR-A, GDR-M, GDR-T) are fundamental in nature and therefore likely to result in material information for all undertakings.</p>	<p><i>This AR from the ED was Moved to AR 11 in the final technical advice (Nov.2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 21 For para. 50 (Determining the information to be reported at sub-topic level)</p> <p>When a material impact, risk or opportunity relates to a particular sub-topic, the undertaking needs only to report the material information related to that sub-topic within the relevant topical standard.</p>	<p><i>This paragraph from the ED was Moved to paragraph 30 in the final technical advice (Nov.2025)</i></p>
3.7 Level of disaggregation	3.7 Level of aggregation, disaggregation and group reporting	3.3.2 Level of aggregation and disaggregation
54. When needed for a proper understanding of its material impacts, risks and opportunities, the undertaking shall disaggregate the reported information: (a) by country, when there are significant variations of material impacts, risks and opportunities across countries and when presenting the information at a higher level of aggregation would obscure material information about impacts, risks or opportunities; or (b) by significant site or by significant asset when material impacts risks and opportunities are highly dependent on a specific location or asset.	51. The undertaking shall aggregate or disaggregate the reported information to reflect the level at which significant variations of material impacts, risks or opportunities arise, such as by topic , sector, subsidiary, country, location , water basin, site , asset or other appropriate level of aggregation/disaggregation. (54 amended). In doing so, the undertaking shall consider relevant facts and circumstances in line with its materiality assessment to determine the appropriate level of aggregation.	53. The undertaking shall aggregate or disaggregate the information in a way that reflects the level at which significant variations of material impacts, risks or opportunities arise, such as by topic , sector, subsidiary, geography , asset. The undertaking shall consider relevant facts and circumstances to determine the level of aggregation that supports faithful representation of its impacts, risks or opportunities.
55. When defining the appropriate level of disaggregation for reporting, the undertaking shall consider the disaggregation adopted in its materiality assessment. Depending on the undertaking's specific facts and circumstances, a disaggregation by subsidiary may be necessary.		Amended and moved to para. 55
56. Where data from different levels, or multiple locations within a level, is aggregated, the undertaking shall ensure that this aggregation does not obscure the specificity and context necessary to interpret the information. The undertaking shall not aggregate material items that differ in nature.	52. The undertaking shall ensure that the level of aggregation and disaggregation does not obscure information that is material.	54. The undertaking shall ensure that the level of aggregation and disaggregation does not obscure material information.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>55. The disaggregation used to present a given disclosure shall reflect the level that provides the most relevant information to <i>users</i>, i.e. <i>topic</i>, group of <i>impacts, risks</i> or <i>opportunities</i>, individual impact, risk or opportunity. This should reflect factors such as the nature of the impacts, risks or opportunities in question or the way the undertaking manages them.</p>
	<p>53. When the undertaking is reporting at a consolidated level, it shall perform its assessment of material <i>impacts, risks</i> and <i>opportunities</i> for the entire consolidated group regardless of its group's legal structure. It shall ensure that all subsidiaries are covered in a way that allows for the unbiased identification of material impacts, risks and opportunities at group level.</p>	<p>56. When reporting at a consolidated level, the undertaking shall carry out the assessment of material <i>impacts, risks</i> and <i>opportunities</i> for the consolidated group regardless of the group's legal structure. It shall ensure that the activities of its subsidiaries are covered in a way that allows for the unbiased identification of material impacts, risks and opportunities at group level.</p> <p>If the undertaking identifies significant differences between material impacts, risks or opportunities at group level and material impacts, risks or opportunities of one or more of its subsidiaries, it shall disaggregate and present information in a way that allows an adequate understanding of the material impacts, risks and opportunities, of the subsidiary or subsidiaries concerned. If a material impact, risk or opportunity determined at group level is not relevant for all subsidiaries or activities in the group, the information may be provided at a disaggregated level, covering only the subsidiaries or activities for which the impact, risk or opportunity is relevant (see also the reliefs for <i>metrics</i> in paragraph 94).</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>57. When the undertaking presents information disaggregated by sectors, it shall adopt the ESRS sector classification to be specified in a delegated act adopted by the Commission pursuant to article 29b(1) third subparagraph, point (ii), of Directive 2013/34/EU. When a topical or sector-specific ESRS requires that a specific level of disaggregation is adopted in preparing a specific item of information, the requirement in the topical or sector-specific ESRS shall prevail.</p>		
	<p>AR 22 for para. 51 (criteria for aggregation for locations)</p> <p>Information on material impacts, risks and opportunities related to specific locations may be appropriately aggregated where they share common characteristics and the activities to which they are associated with affect the same ecological area – such as water basin, region, ecosystem, or landscape. The appropriate level of aggregation or disaggregation shall not obscure systemic interactions or specific local drivers of impacts.</p>	<p><i>This AR from the ED was deleted in the final technical advice (Nov. 2025)</i></p>
	<p>AR 23 for para. 52 (criteria for disaggregation)</p> <p>The undertaking shall consider disaggregating reported information by location—such as by site, water basin or local ecosystem—when material impacts, risks or opportunities are highly dependent on local context, in line with [Draft] Amended ESRS 1 paragraph 51.</p>	<p>AR 31 for para. 53 (Material geographies)</p> <p>The undertaking shall consider disaggregating reported information by material geographies (see AR 10) at appropriate level, when the severity of the underlying material impacts is highly dependent on the characteristics of the context of those geographies, or when there are significant differences in the undertaking's activities affecting those geographies. The adopted level of aggregation shall not obscure systemic interactions or drivers of impacts that exist in specific geographic contexts.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 24 for para. 52 (difference between group level and subsidiaries)</p> <p>Where the undertaking identifies significant differences between material <i>impacts</i>, <i>risks</i> or <i>opportunities</i> at group level and material impacts, risks or opportunities of one or more of its subsidiaries, it shall disaggregate and present information in a way that allows an adequate understanding of the impacts, risks and opportunities, as appropriate, of the subsidiary or subsidiaries concerned. Conversely, if a material impact, risk or opportunity determined at group level is not relevant for all subsidiaries or activities in a group, the information can be provided at a disaggregated level reflecting only the activities for which the impact, risk or opportunity is relevant.</p>	<p><i>This AR from the ED was moved to para. 56 of the final technical advice (Nov. 2025).</i></p>
	<p>AR 25 for para. 52 (obscuring by aggregation of disaggregation)</p> <p>Information may be obscured where an inappropriate level of aggregation could be reasonably expected to influence the decision of primary <i>users</i> of general purpose financial statements and/or the ability of users of general purpose <i>sustainability statements</i> to understand the undertaking's <i>impacts</i>. An inappropriate level of aggregation of impacts, <i>risks</i> and <i>opportunities</i> may result from aggregating those which do not have shared characteristics or disaggregating those which have shared characteristics. Information may also be obscured as a result of material information being hidden by immaterial information.</p>	<p>AR 32 for para. 54 (Inappropriate level of aggregation)</p> <p>Information may be obscured where an inappropriate level of aggregation could influence the decision of primary <i>users</i> of general-purpose financial statements or the decisions including assessments of other users of the general-purpose <i>sustainability statements</i>. An inappropriate level of aggregation of <i>impacts</i>, <i>risks</i> and <i>opportunities</i> may result from aggregating those which do not have shared characteristics or disaggregating those which have shared characteristics. Information is obscured when material information is hidden by immaterial information.</p>
4. Due diligence	4. Due diligence	4. Due diligence

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>58. The outcome of the undertaking's sustainability due diligence process (referred to as 'due diligence' in the international instruments mentioned below) informs the undertaking's assessment of its material impacts, risks and opportunities. ESRS do not impose any conduct requirements in relation to due diligence; nor do they extend or modify the role of the administrative, management or supervisory bodies of the undertaking with regard to the conduct of due diligence.</p>	<p>Moved to Paragraphs 55 and 56</p>	<p>Moved to Paragraphs 58 and 59</p>
<p>59. Due diligence is the process by which undertakings identify, prevent, mitigate and account for how they address the actual and potential negative impacts on the environment and people connected with their business. These include negative impacts connected with the undertaking's own operations and its upstream and downstream value chain, including through its products or services, as well as through its business relationships. Due diligence is an on-going practice that responds to and may trigger changes in the undertaking's strategy, business model, activities, business relationships, operating, sourcing and selling contexts. This process is described in the international instruments of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.</p>	<p>54. Due diligence is the process by which the undertaking identifies, prevents, mitigates, remedies and brings to an end actual and potential negative impacts on people and the environment connected with its business. The description of such a process is available in the international instruments of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Due diligence is an ongoing practice that responds to and may trigger changes in the undertaking's strategy, business model, activities, business relationships, operating, sourcing and selling contexts.</p>	<p>57. Due diligence is the process by which the undertaking identifies, prevents, mitigates, remedies and brings to an end actual and potential negative impacts on people and the environment connected with its business. The description of such a process is available in the international instruments of the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Due diligence is an ongoing practice that responds to and may trigger changes in the undertaking's strategy, business model, activities, business relationships, operating, sourcing and selling contexts.</p>
	<p>55. The ESRS do not impose any conduct requirements in relation to due diligence, nor do they extend or modify the role of the administrative, management or supervisory bodies of the undertaking with regard to the conduct of due diligence.</p>	<p>58. ESRS do not impose any conduct requirements in relation to due diligence, nor do they extend or modify the role of the administrative, management and supervisory bodies of the undertaking with regard to the conduct of due diligence. The provisions of ESRS are without prejudice of the provisions of the Corporate Sustainability Due Diligence Directive for undertakings in the scope of it.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>56. The outcome of the undertaking's sustainability due diligence process (referred to as 'due diligence' in the international instruments) informs the assessment of its negative material impacts.</p>	<p>59. The outcome of the undertaking's sustainability due diligence process (referred to as 'due diligence' in the international instruments) informs the assessment of its material negative impacts.</p>
<p>60. These international instruments identify a number of steps in the due diligence process, including the identification and assessment of negative impacts connected with the undertaking's own operations and its upstream and downstream value chain, including through its products or services, as well as through its business relationships. Where the undertaking cannot address all impacts at once, the due diligence process allows for action to be prioritised based on the severity and likelihood of the impacts. It is this aspect of the due diligence process that informs the assessment of material impacts (see section 3.4 of this Standard). The identification of material impacts also supports the identification of material sustainability risks and opportunities, which are often a product of such impacts.</p>	<p>57. The international instruments identify a number of steps in the due diligence process. One of these steps is the identification and assessment of negative impacts connected with the undertaking's own operations, products or services, including through business relationships in the undertaking's upstream and downstream value chain. Where the undertaking cannot address all impacts at once, the due diligence process allows for action to be prioritised based on the severity and likelihood of the impacts. It is this aspect of the due diligence process that informs the assessment of material impacts for reporting purposes (see Chapter 3.3). The identification of negative material impacts also supports the identification of material sustainability risks and opportunities, which are often a result of such impacts.</p>	<p>60. The international instruments identify a number of steps in the due diligence process. One of these steps is the identification and assessment of negative impacts connected with the undertaking's own operations, products or services, including through business relationships in the undertaking's upstream and downstream value chain. Where the undertaking cannot address all impacts at once, the due diligence process allows for action to be prioritised based on the severity and likelihood of impacts. The impact identification and assessment steps in the due diligence process inform the assessment of material impacts for reporting purposes (see Chapter 3.2.1). The identification of material negative impacts also supports the identification of material sustainability risks and opportunities, which are often a result of such impacts.</p>
<p>61. The core elements of due diligence are reflected directly in Disclosure Requirements set out in ESRS 2 and in the topical ESRS, as illustrated below:</p> <p>(a) embedding due diligence in governance, strategy and business model. This is addressed under:</p> <p>i. ESRS 2 GOV-2: Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies;</p> <p>ii. ESRS 2 GOV-3: Integration of sustainability-related performance in incentive schemes; and</p> <p>iii. ESRS 2 SBM-3: Material impacts, risks and opportunities and their interaction with strategy and business model.</p>	<p>AR 26. for paragraph 57</p> <p>The due diligence steps laid out by the international instruments detailed in paragraph 57 are: embedding due diligence in governance, strategy and business model; engaging with affected stakeholders; identifying and assessing negative impacts on people and the environment; taking action to address negative impacts on people and the environment; and tracking the effectiveness of these efforts.</p>	<p>AR 33 for para. 60 (Due diligence steps)</p> <p>The due diligence steps laid out by the international instruments detailed in paragraph 60 are: embedding due diligence in governance, strategy and business model; engaging with affected stakeholders; identifying and assessing negative impacts on people and the environment; taking action to address negative impacts on people and the environment; and tracking the effectiveness of these efforts.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
(b) engaging with affected stakeholders. This is addressed under: i. ESRS 2 GOV-2; ii. ESRS 2 SBM-2: Interests and views of stakeholders; iii. ESRS 2 IRO-1; iv. ESRS 2 MDR-P; and v. Topical ESRS: reflecting the different stages and purposes of stakeholder engagement throughout the due diligence process.		
(c) identifying and assessing negative impacts on people and the environment . This is addressed under: i. ESRS 2 IRO-1 (including Application Requirements related to specific sustainability matters in the relevant ESRS); and ii. ESRS 2 SBM-3;		
(d) taking action to address negative impacts on people and the environment . This is addressed under: i. ESRS 2 MDR-A; and ii. Topical ESRS: reflecting the range of actions, including transition plans, through which impacts are addressed.		
(e) tracking the effectiveness of these efforts . This is addressed under: i. ESRS 2 MDR-M; ii. ESRS 2 MDR-T; and iii. Topical ESRS: regarding metrics and targets.		
5 Value chain	5 Reporting undertaking and upstream and downstream value chain	5. Reporting undertaking and upstream and downstream value chain
5.1 Reporting undertaking and value chain	5.1 Reporting undertaking and own operations	5.1. Reporting undertaking and own operations

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>62. The sustainability statement shall be for the same reporting undertaking as the financial statements. For example, if the reporting undertaking is a parent company required to prepare consolidated financial statements, the sustainability statement will be for the group. This requirement does not apply where the reporting undertaking is not required to draw-up financial statements or where the reporting undertaking is preparing consolidated sustainability reporting pursuant to Article 48i of Directive 2013/34/EU.</p>	<p>58. The sustainability statement shall be for the same reporting undertaking as for the financial statements. If the parent undertaking prepares a consolidated financial statement, the sustainability statement shall be for the same consolidated group. This requirement does not apply if the undertaking is not required to prepare financial statements, or if its consolidated sustainability reporting is prepared in accordance with Article 48(i) of Directive 2013/34/EU.</p>	<p>61. The sustainability statement shall be for the same reporting undertaking as for the financial statements. If the parent undertaking prepares consolidated financial statements, the sustainability statement shall be for the parent and its subsidiaries in accordance with the applicable accounting requirements. This does not apply if the undertaking is not required to prepare financial statements or if its consolidated sustainability reporting is prepared in accordance with Article 48(i) of Directive 2013/34/EU.</p>
	<p>59. In the case of group reporting, the reporting undertaking usually considers as part of its own operations: the assets and liabilities, income and expense of the parent undertaking and its subsidiaries, located in or outside the EU, as determined in accordance with the applicable accounting requirement. Paragraphs 60 to 73 provide further provisions and exceptions for determining the reporting boundaries of own operations and upstream and downstream value chain. The undertaking may exclude from the sustainability reporting boundary a subsidiary that has been excluded from the scope of the consolidated financial statements due to its non-materiality from a financial perspective, unless there are specific facts and circumstances that expose the group to material impacts, risks and opportunities arising from such subsidiary</p>	<p>62. In the case of group reporting, the reporting undertaking usually - except for specific circumstances, such as leasing and assets that are held by the undertaking's long-term employee benefit schemes - considers as part of own operations: the assets, liabilities, revenues and expenses of the parent undertaking and its subsidiaries, located in or outside the EU, as determined in accordance with the applicable accounting requirements. Paragraphs 63 to 76 provide further provisions and exceptions for determining the reporting boundaries of own operations and upstream and downstream value chain. In addition, the undertaking may exclude from the sustainability reporting boundary a subsidiary that has been excluded from the scope of the consolidated financial statements due to its non-materiality from a financial perspective, unless there are specific facts and circumstances that expose the group to impacts arising from such subsidiary, that meet the group's materiality thresholds.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 27 for para. 59</p> <p>The undertaking may include subsidiaries with different reporting periods in the consolidated report, by adopting the applicable accounting provisions providing relief in those circumstances.</p>	<p>AR 34 for para. 62 (Subsidiary with different reporting period)</p> <p>When including subsidiaries with different reporting periods in the consolidated sustainability statement, the undertaking may make use of applicable accounting provisions that deal with those circumstances.</p>
		<p>AR 35 for para. 62 (Joint operations share)</p> <p>Without prejudice to the relief in paragraph 93, the undertaking shall classify as 'own operations' the impacts, risks and opportunities connected with the share of its joint operation's assets, liabilities, revenues and expenses recognised in the financial statements.</p>
	<p>5.2 Inclusion of upstream and downstream value chain information</p>	<p>5.2. Inclusion of upstream and downstream value chain information</p>
<p>63. The information about the reporting undertaking provided in the sustainability statement shall be extended to include information on the material impacts, risks and opportunities connected with the undertaking through its direct and indirect business relationships in the upstream and/or downstream value chain ('value chain information'). In extending the information about the reporting undertaking, the undertaking shall include material impacts, risks and opportunities connected with its upstream and downstream value chain:</p>	<p>60. The reported information shall be extended beyond own operations to cover material impacts, risks and opportunities connected with the undertaking through its direct and indirect business relationships in the upstream and/or downstream value chain ('value chain information'). This shall be done, based on reasonable and supportable information that is available without undue cost or effort, when this is necessary to allow an understanding of the undertaking's material impacts, risks and opportunities and to meet the qualitative characteristics of information (see Appendix B).</p>	<p>63. To the extent necessary for an understanding of the undertaking's material impacts, risks and opportunities and to meet the qualitative characteristics of information (see Appendix B), the reported information shall be extended beyond own operations to cover material impacts, risks and opportunities connected with the undertaking through its direct and indirect business relationships in the upstream and downstream value chain (value chain information), without prejudice to the relief on acquisitions in Chapter 5.4.</p>
<p>(a) following the outcome of its due diligence process and of its materiality assessment; and</p>	<p>Moved to Paragraph 61</p>	<p>Moved to Paragraph 64</p>
<p>(b) in accordance with any specific requirements related to the value chain in other ESRS.</p>	<p>Moved to Paragraph 61</p>	<p>Moved to Paragraph 64</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		64. The undertaking shall include material upstream and downstream value chain information in accordance with the outcome of its double materiality assessment as described in this standard and any specific requirements related to the upstream and downstream value chain in other ESRS.
64. Paragraph 63 does not require information on each and every actor in the value chain, but only the inclusion of material upstream and downstream value chain information. Different sustainability matters can be material in relation to different parts of the undertaking's upstream and downstream value chain. The information shall be extended to include value chain information only in relation to the parts of the value chain for which the matter is material.	Moved to Paragraph 64	65. Applying paragraph 64 does not require information on each and every actor in the upstream and downstream value chain but only the inclusion of material information. Moved to Paragraph 68
65. The undertaking shall include material value chain information when this is necessary to: (a) allow users of sustainability statements to understand the undertaking's material impacts, risks and opportunities; and/or (b) produce a set of information that meets the qualitative characteristics of information (see Appendix B of this Standard).	61. The undertaking shall include material upstream and downstream value chain information: (a) following the outcome of its materiality assessment as informed by any due diligence process in place; and (b) in accordance with any specific requirements related to the upstream and downstream value chain in the ESRS.	Moved to Paragraph 64 Moved to Paragraph 64

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>62. In the identification of material impacts, risks and opportunities that are connected with the undertaking through its business relationships in the upstream and downstream value chain, and when reporting on metrics that comprise of upstream and downstream value chain information, the undertaking may use information collected directly from counterparties in the upstream and downstream value chain, or estimates, depending on practicability and reliability considerations related to the necessary input. When developing estimates, it may use internal and external information, such as data from indirect sources, sector-average data, sample analyses, market and peer groups data, other proxies or spend-based data.</p>	<p>66. To identify material impacts, risks or opportunities that are connected with the undertaking through its business relationships in the upstream and downstream value chain, and to report on them, the undertaking may use information collected directly from counterparties in the upstream and downstream value chain, or it may use estimates, depending on practicability and reliability considerations related to the necessary input. When developing estimates, the undertaking may use internal and external information, such as data from indirect sources, sector-average data, sample analyses, market and peer groups data, spend-based data or other proxies.</p>
	<p>63. In this context, the information required by the ESRS to be obtained from undertakings in the upstream and/or downstream value chain shall not exceed the limit set by the relevant EU law and regulation. This limitation also applies to non-EU undertakings</p>	<p>67. When applying paragraph 66, the undertaking is not expected to collect from other undertakings in its upstream and downstream value chain information that exceeds any limits set by relevant EU law and regulation. This limitation also applies to non-EU undertakings in the upstream and downstream value chain of the reporting undertaking.</p>
	<p>64. Paragraph 60 does not require information on each and every actor in the value chain, but only the inclusion of material upstream and downstream value chain information. Different impacts, risks or opportunities can be material in relation to different parts of the undertaking's upstream and downstream value chain. The information shall be extended to include upstream and downstream value chain information only in relation to the parts of the value chain for which material impacts, risks or opportunities exist or are likely to exist (in line with paragraph 31).</p>	<p>68. Different impacts, risks or opportunities can be material in relation to different parts of the undertaking's upstream and downstream value chain.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>65. The materiality assessment regarding upstream and downstream value chain may be conducted without direct information from counterparts, using average regional or sector data, or generally available information about the incidence of impacts, risks and opportunities in the given context. Where the materiality of specific impacts, risks or opportunities remains unclear, the undertaking may need to seek additional information from entities in its value chain</p>	<p><i>This para was moved to para. 34 of the final technical advice (Nov 2025)</i></p>
<p>66. When determining at which level within its own operations and its upstream and downstream value chain a material sustainability matter arises, the undertaking shall use its assessment of impacts, risks and opportunities following the double materiality principle (see chapter 3 of this Standard).</p>	<p>66. When determining at which level within its own operations and its upstream and downstream value chain a material impact, risk or opportunity arises, the undertaking shall use its assessment of impacts, risks and opportunities following the double materiality principle (see Chapter 3.3).</p>	
<p>67. When associates or joint ventures, accounted for under the equity method or proportionally consolidated in the financial statements, are part of the undertaking's value chain, for example as suppliers, the undertaking shall include information related to those associates or joint ventures in accordance with paragraph 63 consistent with the approach adopted for the other business relationships in the value chain. In this case, when determining impact metrics, the data of the associate or joint venture are not limited to the share of equity held, but shall be taken into account on the basis of the impacts that are connected with the undertaking's products and services through its business relationships.</p>	<p>Moved to paragraph 69</p>	<p>Moved to paragraph 71</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>67. The information reported about policies, actions, and targets shall include upstream and/or downstream value chain information only when (and to the extent that) those policies, actions and targets address material impacts, risks and opportunities in the value chain. With reference to metrics, in many cases, in particular for environmental topics for which proxies are available, the undertaking may be able to comply with the reporting requirements by using an estimate without collecting data from the actors in its upstream and downstream value chain, especially from SMEs, such as, for instance, when calculating its greenhouse gas ('GHG') Scope 3 emissions (see Chapters 7.2, 7.3 and 7.4).</p>	<p>69. The information reported about policies, actions and targets shall include upstream or downstream value chain information only to the extent that the value chain is within the scope of the undertaking's policies, actions and targets.</p>
	<p>68. Business relationships include shareholding positions in associates or joint ventures, as well as other investments.</p>	<p>70. Investments, including shareholding positions in associates and joint ventures, are treated as business relationships.</p>
	<p>69. In some cases, associates or joint ventures that are accounted for under the equity method are also part of the undertaking's upstream and downstream value chain beyond the shareholding relationship, such as when they are also suppliers or customers. In these cases, the undertaking shall include information related to the supply/customer relationship with them, in accordance with paragraph 60, consistent with the approach adopted for the other similar business relationships in the value chain. In these cases, when determining metrics, the data of the associate or joint venture is not limited to the share of equity held but it shall reflect the impacts that are connected with the undertaking through the supply relationships and the related risks and opportunities. This means that the undertaking considers both its relationship as investor and its supply/customer relationship in calculating the relevant metrics, while avoiding double counting.</p>	<p>71. Without prejudice to the relief in paragraph 93, in some cases, associates or joint ventures that are accounted for under the equity method are also part of the undertaking's upstream and downstream value chain beyond the shareholding relationship, such as when they are also suppliers or customers. In these cases, the undertaking shall disclose information related to these supply or customer relationship, in accordance with paragraph 63, consistent with the approach adopted for similar business relationships. In these cases, when determining metrics, the data of the associate or joint venture is not limited to the share of equity held, but it shall reflect the impacts, risks and opportunities that are connected with the undertaking through the supply or customer relationship. This means that the undertaking considers both its relationship as investor in the associate or joint venture and its supply or customer relationship with them.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 28 for para. 67</p> <p>Metrics in topical ESRS do not require inclusion of upstream and downstream value chain data, with the exception of GHG emissions Scope 3. For the following items, the standardised metric in ESRS is limited to own operations, however the disclosure is able to inform about aspects of the value chain: removals of GHG ([Draft] Amended ESRS E1-9), secondary microplastic ([Draft] Amended ESRS E2-4), substances of very high concern in procured components or articles ([Draft] Amended ESRS E2-5), and waste ([Draft] Amended ESRS E5-5). When necessary, in accordance with paragraph 10 the undertaking shall on an entity-specific basis, include upstream and downstream value chain data when disclosing on metrics.</p>	<p>AR 36 for para. 63 (Metrics and value chain)</p> <p>The undertaking is required to include entity-specific metrics to cover its upstream and downstream value chain, when this is necessary in accordance with paragraph 11, as the metrics defined in ESRS topical standards only cover own operations, with the exception of GHG emissions (ESRS E1-8).</p>
5.2 Estimation using sector averages and proxies		
68. The undertaking's ability to obtain the necessary upstream and downstream value chain information may vary depending on various factors, such as the undertaking's contractual arrangements, the level of control that it exercises on the operations outside the consolidation scope and its buying power. When the undertaking does not have the ability to control the activities of its upstream and/or downstream value chain and its business relationships, obtaining value chain information may be more challenging.		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
69. There are circumstances where the undertaking cannot collect the information about its upstream and downstream value chain as required by paragraph 63 after making reasonable efforts to do so. In these circumstances, the undertaking shall estimate the information to be reported about its upstream and downstream value chain, by using all reasonable and supportable information, such as sector-average data and other proxies.	Moved to paragraph 62	Moved to paragraph 66
70. Obtaining value chain information could also be challenging in the case of SMEs and other upstream and/or downstream value chain entities that are not in the scope of the sustainability reporting required by Articles 19a and 29a of Directive 2013/34/EU (see ESRS 2 BP-2 Disclosures in relation to specific circumstances).	Moved to paragraph 62 and 66	Moved to paragraph 66 and 67.
71. With reference to policies, actions and targets, the undertaking's reporting shall include upstream and/or downstream value chain information to the extent that those policies, actions and targets involve actors in the value chain. With reference to metrics, in many cases, in particular for environmental matters for which proxies are available, the undertaking may be able to comply with the reporting requirements without collecting data from the actors in its upstream and downstream value chain, especially from SMEs, for example, when calculating the undertaking's GHG Scope 3 emissions.	Moved to paragraph 67	Moved to paragraph 69
72. The incorporation of estimates made using sector-average data or other proxies shall not result in information that does not meet the qualitative characteristics of information (see chapter 2 and section 7.2 Sources of estimation and outcome uncertainty of this Standard).		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	5.3 Provisions and exceptions for determining the respective reporting boundaries of own operations and value chain	5.3. Provisions and exceptions for determining the respective reporting boundaries of own operations and value chain
	70. Impacts, risks and opportunities arising from the use of a leased asset do not depend on whether the asset is legally owned or leased. The lessee is causing and contributing to the impacts of the leased asset, therefore reports the impacts and related risks and opportunities in its own operations, during the lease period. The lessor is directly connected with the impacts of the leased asset; therefore, it reports the impacts and related risks and opportunities as part of its downstream value chain .	72. Impacts, risks and opportunities relating to a leased asset might have different sources, depending on whether they result from the use of the asset or from its ownership. The lessee is using the leased asset, and shall report the impacts connected with the use of the asset in its own operations during the lease period. The lessor provides the right to use the asset to the lessee, and shall report the impacts connected with the use of the asset as part of its downstream value chain. Whether risks and opportunities relating to a leased asset, as well as impacts other than those connected with the use of the leased asset, accrue to the lessor or the lessee depends on the provisions of the lease contract, which should be reflected in the reported information.
	71. The impacts, risks or opportunities arising from assets that are held by an undertaking's long-term employee benefit fund are connected with the undertaking through its business relationship in the upstream value chain .	73. The impacts, risks or opportunities arising from assets that are held by the undertaking's long-term employee benefit schemes are connected with the undertaking through its business relationships in the value chain .
		74. The provisions of paragraph 72 and 73 take precedence over topical standards including over the provisions in ESRS E1-8.
		AR 37 for para. 72 (Leased assets) For example, the lessor is not the one causing pollution , using energy or consuming water in a leased factory, but rather the lessee. The lessee therefore assesses the material impacts connected with the use of the leased assets in its own operations.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	5.4. Relief for acquisitions and disposals	5.4. Relief for acquisitions and disposals
	<p>72. When the undertaking acquires a subsidiary or a business in the reporting period, it may defer the inclusion of the subsidiary or business in the materiality assessment and in the sustainability statement to the subsequent reporting period. Similarly, when it loses control over a subsidiary or business in the reporting period, it may adjust the scope of the materiality assessment and the reporting boundaries from the beginning of the current reporting period.</p>	<p>75. If the undertaking acquires a subsidiary or a business in the reporting period, it may defer the inclusion of the subsidiary or business in the materiality assessment and in the sustainability statement to the subsequent reporting period. If the undertaking loses control over a subsidiary or business in the reporting period, it may adjust the scope of the materiality assessment and the reporting boundary as from the beginning of the current reporting period.</p>
	<p>73. If the undertaking uses this relief for major acquisitions (disposals) and based on available information, it shall disclose significant events that affected the acquired (sold) subsidiary or business between the date of acquisition and the end of the reporting period (between the start of the reporting period and the date of disposal), when they could have an effect on the subsidiary's or business's exposure to material impacts, risks and opportunities.</p>	<p>76. If the undertaking uses the relief of paragraph 75, it shall use available information to disclose significant events that affected during the reporting period the subsidiary or business acquired or sold since acquisition or until disposal, if this has an effect on the group's exposure to material impacts, risks and opportunities.</p>
6. Time Horizons	6. Reporting period, base year and time horizons	6. Reporting period, base year and time horizons
6.1 Reporting period	6.1 Reporting period and base year	6.1. Reporting period and base year
73. The reporting period for the undertaking's sustainability statement shall be consistent with that of its financial statements.	74. The reporting period for the undertaking's sustainability statement – including for the calculation of metrics – shall be consistent with that of its financial statements	77. The reporting period for the undertaking's sustainability statement – including for the calculation of metrics – shall be consistent with that of its financial statements.
6.2 Linking past, present and future		
74. The undertaking shall establish appropriate linkages in its sustainability statement between retrospective and forward-looking information, when relevant, to foster a clear understanding of how historical information relates to future-oriented information.		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
6.3 Reporting progress against base year		
75. A base year is the historical reference date or period for which information is available and against which subsequent information can be compared over time.	75. A base year is the historical reference date or period for which information is available and against which subsequent information can be compared over time.	78. A base year is the historical reference date or period for which information is available and against which subsequent information can be compared over time.
76. The undertaking shall present comparative information in respect of the base year for amounts reported in the current period when reporting the developments and progress towards a target, unless the relevant Disclosure Requirement already defines how to report progress. The undertaking may also include historical information about achieved milestones between the base year and the reporting period when this is relevant information	76. The undertaking shall present comparative information in respect of the base year for <i>metrics</i> reported in the current period when reporting the progress towards a <i>target</i> , unless the relevant DR specifically defines how to report progress. It may also include historical information about achieved milestones between the base year and the reporting period.	79. The undertaking shall present comparative information in respect of the base year for <i>metrics</i> reported in the current period when reporting progress towards a <i>target</i> unless the relevant DR specifically requires otherwise. If milestones between the base year and the reporting period have been reached, reporting about these achievements is useful contextual information.
6.4 Definition of short-, medium- and long-term for reporting purposes	6.2 Time horizon: definition of short-, medium- and long-term for reporting purposes	6.2. Time horizon: definition of short, medium and long term for reporting purposes
77. When preparing its sustainability statement, the undertaking shall adopt the following time intervals as of the end of the reporting period: (a) for the short-term time horizon: the period adopted by the undertaking as the reporting period in its financial statements; (b) for the medium-term time horizon: from the end of the short-term reporting period defined in (a) up to 5 years; and (c) for the long-term time horizon: more than 5 years.	77. When preparing its <i>sustainability statement</i> , the undertaking shall adopt the following time intervals as of the end of the reporting period: (a) short-term time horizon: the length of the period adopted for its financial statements; (b) medium-term time horizon: from the end of the short-term period up to five years; and (c) long-term time horizon: more than five years.	80. When preparing its <i>sustainability statement</i> , the undertaking shall adopt the following time intervals as of the end of the reporting period: (a) short-term time horizon: the length of the period adopted for its financial statements; (b) medium-term time horizon: from the end of the short-term period up to five years; and (c) long-term time horizon: more than five years.
78. The undertaking shall use an additional breakdown for the long-term time horizon when impacts or actions are expected in a period longer than 5 years if necessary to provide relevant information to users of sustainability statements.	78. The undertaking shall use additional breakdowns for a long-term time horizon when <i>impacts</i> or <i>actions</i> are expected in a period longer than five years and adding such a breakdown provides relevant information.	81. The undertaking shall use additional breakdowns for a long-term time horizon if <i>impacts</i> or <i>actions</i> are expected over a period longer than five years as adding such a breakdown provides relevant information.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
79. If different definitions of medium- or long-term time horizons are required for specific items of disclosure in other ESRS, the definitions in those ESRS shall prevail.		
80. There may be circumstances where the use of the medium- or long-term time horizons defined in paragraph 77 results in non-relevant information, as the undertaking uses a different definition for (i) its processes of identification and management of material impacts, risks and opportunities or (ii) the definition of its actions and setting targets. These circumstances may be due to industry-specific characteristics, such as cash flow and business cycles, the expected duration of capital investments, the time horizons over which the users of sustainability statements conduct their assessments or the planning horizons typically used in the undertaking's industry for decision-making. In these circumstances, the undertaking may adopt a different definition of medium- and/or long-term time horizons (see ESRS 2 BP-2, paragraph 9)	79. The undertaking may adopt a different definition for medium- and/or long-term time horizons when the use of the medium- or long-term horizons defined in paragraph 77 results in non-relevant information. This may happen when the undertaking uses a different definition for (i) its processes of identification and management of material impacts, risks and opportunities or (ii) its actions and targets . These circumstances may be due to industry-specific characteristics, such as cash flow and business cycles, the expected duration of capital investments, the time horizons over which the users conduct their assessments, or the planning horizons typically used in their industry for decision-making.	82. The undertaking may adopt a different definition for medium- or long-term time horizons if the use of medium- or long-term horizons defined in paragraph 80 results in non-relevant information. This may happen if the undertaking uses a different definition for (a) its processes of identification and management of material impacts, risks and opportunities or (b) its actions and targets . These circumstances may be due to industry-specific characteristics, such as cash flow and business cycles or planning horizons typically used in the sector for decision-making, the expected duration of capital investments, the time horizons over which users conduct their assessments.
81. References to 'short-term', 'medium-term', and 'long-term' in ESRS refer to the time horizon as determined by the undertaking according to the provisions in paragraphs 77 to 80.	80. References to 'short-term', 'medium-term' and 'long-term' in the ESRS refer to the time horizon as determined by the undertaking in accordance with the provisions in paragraphs 77 to 79.	83. References to 'short term', 'medium term' and 'long term' in ESRS refer to time horizons as determined by the undertaking in accordance with the provisions in paragraphs 80–82.
7. Preparation and presentation of sustainability information	7. Preparation and presentation of sustainability information	7. Preparation of sustainability information
82. This chapter provides general requirements to be applied when preparing and presenting sustainability information.		
7.1 Presenting comparative information	7.1 Presenting comparative information	7.1. Comparative information

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
83. The undertaking shall disclose comparative information in respect of the previous period for all quantitative metrics and monetary amounts disclosed in the current period. When relevant to an understanding of the current period's sustainability statement, the undertaking shall also disclose comparative information for narrative disclosures	81. The undertaking shall disclose comparative information in respect of the previous period for all quantitative metrics and amounts. When relevant to an understanding of the current period's sustainability statement , it shall also disclose comparative information for narrative disclosures.	84. The undertaking shall disclose comparative information in respect of the previous period for all quantitative metrics and amounts. If relevant to an understanding of the current period's sustainability statement , it is also required to disclose comparative information for narrative disclosures.
84. When the undertaking reports comparative information that differs from the information reported in the previous period it shall disclose: (a) the difference between the figure reported in the previous period and the revised comparative figure; and (b) the reasons for the revision of the figure.	Moved to paragraph 84	Moved to paragraph 88
		85. The definition and calculation of metrics, including metrics used to set targets and monitor progress towards those targets, shall be consistent over time. The undertaking shall provide contextual information and revised comparative figures unless it is impracticable to do so if it has: (a) redefined or replaced a metric or target; or
		(b) identified new information in relation to the estimated figures disclosed in the preceding period, and the new information provides evidence of circumstances that existed in the preceding period.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>85. Sometimes, it is impracticable to adjust comparative information for one or more prior periods to achieve comparability with the current period. For example, data might not have been collected in the prior period(s) in a way that allows either retrospective application of a new definition of a metric or target, or retrospective restatement to correct a prior period error, and it may be impracticable to recreate the information (see ESRS 2 BP-2). When it is impracticable to adjust comparative information for one or more prior periods, the undertaking shall disclose this fact.</p>	<p>82. When it is impracticable to adjust comparative information for one or more prior periods, the undertaking shall disclose this fact.</p>	<p>86. If it is impracticable to revise comparative information for metrics for one or more prior periods, the undertaking shall disclose this fact.</p>
<p>86. When an ESRS requires the undertaking to present more than one comparative period for a metric or datapoint, the requirements of that ESRS shall prevail.</p>	<p>83. When an ESRS requires the undertaking to present more than one comparative period for a metric or datapoint, the requirements of that ESRS shall prevail.</p>	<p>87. When an ESRS requires the undertaking to present more than one comparative period for a metric or datapoint, the requirements of that ESRS shall prevail.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>84. For metrics and monetary amounts:</p> <p>(a) when the undertaking reports comparative amounts that significantly differ from the information reported in the previous period, it shall provide the reasons for the change and the difference between the amounts reported in the previous period and the revised amounts;</p> <p>(b) the undertaking is not required to present comparative information for new material impacts, risks and opportunities or related new reported topics for the reporting period where they are reported for the first time;</p> <p>(c) when necessary to provide an understanding of the progresses against a target, following a major acquisition or disposal, the undertaking shall adjust the base year and the comparative information provided. When the undertaking applies the relief for acquisitions (or disposals) in paragraph 72, the timing of this adjustment shall reflect the timing adopted for the inclusion (exclusion) of the subsidiary in the sustainability statement.</p>	<p>88. For metrics and monetary amounts:</p> <p>(a) if the undertaking reports comparative amounts that significantly differ from the information reported in the previous period, it shall provide the reasons for the change and the difference between the amounts reported in the previous period and the revised amounts;</p> <p>(b) if the undertaking reports on a topic or on material impacts, risks and opportunities for the first time, it is not required to present comparative information related to them in the current reporting period (i.e. if they have not been reported in prior sustainability statements of the undertaking); and</p> <p>(c) without prejudice to the relief on acquisitions (see Chapter 5.4), when necessary to provide an understanding of progress towards meeting a target following a major acquisition or disposal, the undertaking shall describe how the transaction affects the progress towards meeting the target.</p>
7.2 Sources of estimation and outcome uncertainty		<p>AR 38 for para. 85(b) (Revise comparatives) The undertaking is not required to revise the comparative figure for new information received, if the revised comparatives do not provide useful information, such as when the estimation methodology for the relevant metric relies systematically at the reporting date on an input of the previous period.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
87. When quantitative metrics and monetary amounts, including upstream and downstream value chain information (see chapter 5 of this Standard), cannot be measured directly and can only be estimated, measurement uncertainty may arise.		
88. An undertaking shall disclose information to enable users to understand the most significant uncertainties affecting the quantitative metrics and monetary amounts reported in its sustainability statement.	<p>85. The undertaking shall disclose information to enable users to understand:</p> <ul style="list-style-type: none"> (a) the judgements it makes that have the most significant effect on the reported information; (b) the significant uncertainties affecting the qualitative information, quantitative information, metrics and monetary amounts presented, including whether they rely on estimates; and (c) significant assumptions and limitations in the estimates. 	<p>89. The undertaking shall disclose information to enable users to understand:</p> <ul style="list-style-type: none"> (a) the judgements it makes that have the most significant effect on the reported information; (b) the significant uncertainties affecting the information presented, including whether it relies on estimates; and (c) significant assumptions and limitations in the estimates.
	<p>86. Some ESRS require the disclosure of information such as explanations about possible future events that have uncertain outcomes. In judging whether information about such possible future events is material, the undertaking shall refer to the criteria in Chapter 3.3.2 and consider:</p> <ul style="list-style-type: none"> (a) the anticipated financial effects of the events (the possible outcome); (b) the severity and likelihood of the potential impacts on people or the environment resulting from possible future events; and (c) the range of possible outcomes and the likelihood of the possible outcomes within that range 	<p>90. Some ESRS require the disclosure of information that have uncertain outcomes, such as explanations about possible future events. In judging whether information about such possible future events is material, the undertaking shall refer to the criteria in Chapter 3.2.2 and consider:</p> <ul style="list-style-type: none"> (a) the anticipated financial effects of the events (the possible outcomes); (b) the severity and likelihood of the potential impacts on people or the environment resulting from possible future events; and (c) the range of possible outcomes and the likelihood of the possible outcomes within that range.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>89. The use of reasonable assumptions and estimates including scenario or sensitivity analysis is an essential part of preparing sustainability-related information and does not undermine the usefulness of that information provided that the assumptions and estimates are accurately described and explained. Even a high level of measurement uncertainty would not necessarily prevent such an assumption or estimate from providing useful information or meeting the qualitative characteristics of information (see Appendix B of this Standard).</p>	<p>Moved to AR 30</p>	<p>Moved to AR 40</p>
	<p>AR 29 for para. 85 (About judgements)</p> <p>In preparing its sustainability statement, the undertaking makes various judgements, beyond those involving estimations, that can significantly affect the reported information such as when:</p> <p>(a) identifying material impacts, risks and opportunities, associating them to the relevant topic(s), and assessing whether an update of the materiality assessment is necessary (see paragraph 29);</p> <p>(b) identifying material information to include in the sustainability statement.</p>	<p>AR 39 for para. 89 (About judgements)</p> <p>In preparing its sustainability statement, the undertaking makes various judgements, beyond those involving estimations, that can significantly affect the reported information, such as when:</p> <p>(a) identifying material information to include in the sustainability statement (see paragraph 23); and</p> <p>(b) identifying material impacts, risks or opportunities, associating them to the relevant topic(s), and assessing whether an update of the materiality assessment is necessary (see Chapter 3).</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 30 for para. 85 (Use of reasonable and supportable assumptions and estimates)</p> <p>The use of reasonable and supportable assumptions and estimates, including when in developing <i>scenario</i> or sensitivity analysis, is an essential part of preparing the undertaking's <i>sustainability statement</i>. It does not undermine the usefulness of that information, provided that the significant assumptions and estimates are accurately explained. Even a high level of measurement uncertainty would not necessarily prevent such an assumption or estimate from providing useful information or meeting the qualitative characteristics of information (see Appendix B).</p>	<p>AR 40 for para. 89 (Use of reasonable and supportable assumptions and estimates)</p> <p>The use of reasonable estimates, including when developing <i>scenario</i> or sensitivity analysis, is an essential part of preparing the undertaking's <i>sustainability statement</i>. It does not undermine the usefulness of that information provided that the significant assumptions and estimates are explained. Even a high level of measurement uncertainty would not necessarily prevent such an assumption or estimate from providing useful information or meeting the qualitative characteristics of information (see Appendix B).</p>
	<p>AR 31 for para. 85 (Use of reasonable and supportable assumptions and estimates)</p> <p>The requirement in paragraph 85(b) for the undertaking to disclose information about the uncertainties affecting the reported amounts relates to the estimates that require the most difficult, subjective or complex judgements.</p>	<p>AR 41 for para. 89 (Use of reasonable and supportable assumptions and estimates)</p> <p>The requirement in paragraph 89 relates to the estimates that require the most difficult, subjective or complex judgements.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 32 for para. 86 (Future events that have uncertain outcomes)</p> <p>When assessing the possible outcomes, considerations for the undertaking include the relevant facts and circumstances, including information about low-probability and high-impact outcomes, which, when aggregated, could become material. The undertaking might be exposed to several impacts or risks, each of which could cause the same type of disruption, such as disruptions to its upstream value (supply) chain. Information about an individual source of risk might not be material if disruption from that source is highly unlikely to occur. However, information about the aggregate risk of supply chain disruption from all sources might be material.</p>	<p><i>This AR from the ED was deleted in the final technical advice (Nov. 2025)</i></p>
90. Data and assumptions used in preparing the sustainability statement shall be consistent to the extent possible with the corresponding financial data and assumptions used in the undertaking's financial statements.	Moved to paragraph 116	Moved to Paragraph 117
91. Some ESRS require the disclosure of information such as explanations about possible future events that have uncertain outcomes. In judging whether information about such possible future events is material the undertaking shall refer to the criteria in Chapter 3 of this Standard and consider: (a) the potential financial effects of the events (the possible outcome); (b) the severity and likelihood of the impacts on people or the environment resulting from the possible events taking account of the factors of severity specified in paragraph 45; and (c) the full range of possible outcomes and the likelihood of the possible outcomes within that range.	Moved to paragraph 86	Moved to Paragraph 90

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
92. When assessing the possible outcomes the undertaking shall consider all relevant facts and circumstances including information about low-probability and high-impact outcomes which when aggregated could become material. For example the undertaking might be exposed to several impacts or risks each of which could cause the same type of disruption such as disruptions to the undertaking's supply chain. Information about an individual source of risk might not be material if disruption from that source is highly unlikely to occur. However information about the aggregate risk of supply chain disruption from all sources might be material (see ESRS 2 BP-2).	Moved to AR 32	
	7.3 Use of reasonable and supportable information that is available without undue cost or effort	7.3. Reliefs for preparing the ESRS sustainability statement
		91. The undertaking may exclude activities from metric calculations if, due to their nature, they are not a significant driver of the impacts, risks or opportunities that the metric purports to represent, and if their exclusion from the calculation is not expected to impair the relevance and faithful representation of the reported information. The undertaking shall disclose if this relief is used and include any relevant information to enable users to understand the scope limitations resulting from it.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>92. Except when reporting ESRS E1-8 metrics, if the undertaking can provide without incurring undue cost or effort reliable direct or estimated data only for an objectively defined part of its own operations or its upstream or downstream value chain, it shall disclose that it has identified material impacts, risks or opportunities but that the corresponding metric can currently only be reported on a partial reporting scope or for a subset of the value chain. In this circumstance, the undertaking shall disclose the actions it has taken to increase the coverage and quality of reported information in future periods and the progress made compared to the previous period. The coverage of reported information is expected to increase over time, particularly for metrics in own operations. This paragraph applies without prejudice to the applicability of the provisions in Sub-Chapter 7.4.</p>
		<p>93. The undertaking may exclude joint operations over which it does not have operational control from the scope of the calculation for environmental metrics reported in accordance with <i>ESRS E2 Pollution, ESRS E3 Water, ESRS E4 Biodiversity and Ecosystems and ESRS E5 Resource Use and Circular Economy</i>. The undertaking shall disclose if this relief is being used and include any relevant information to allow an understanding of the scope limitations resulting from it. In this circumstance, the undertaking shall disclose the actions it has taken to increase the coverage and quality of reported information in future periods and the progress made compared to the previous period.</p>
		<p>AR 42 for para. 92 (Relief and scope 3 GHG emissions) Within the boundaries of GHG emissions as set in this standard, the provisions for the calculation of scope 3 in the GHG Protocol can be considered in accordance with ESRS E1 Climate Change.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>87. The undertaking shall use reasonable and supportable information available at the reporting date without undue cost or effort (see paragraph 90):</p> <ul style="list-style-type: none"> (a) to identify material <i>impacts, risks and opportunities</i>; (b) to determine the scope of its upstream and downstream <i>value chain</i>, including its breadth and composition, in relation to material impacts, risks and opportunities; (c) when extending the information to include upstream or downstream value chain information, as required by paragraph 60 and to determine the scope of its <i>value chain</i>, including its breadth and composition, in relation to material impacts, risks and opportunities; and (d) to prepare information on <i>metrics</i>. 	<p><i>This para from the ED was moved to para. 94 of the final technical advice (Nov. 2025)</i></p>
	<p>88. Reasonable and supportable information shall cover factors that are specific to the undertaking, as well as general conditions in the external environment. Reasonable and supportable information includes information about past events, current conditions and forecasts of future conditions.</p>	<p><i>This para from the ED was deleted in the final technical advice (Nov. 2025)</i></p>
	<p>89. The assessment of what constitutes undue cost or effort depends on the undertaking's specific circumstances and requires a balanced consideration of the costs and efforts for the undertaking and the benefits of the resulting information for users. That assessment can change over time as circumstances change.</p>	<p><i>This para from the ED was moved to para. 95 of the final technical advice (Nov. 2025)</i></p>
	<p>7.4 Reliefs for metrics</p>	<p>7.4. Reasonable and supportable information that is available without undue cost or effort</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>94. The undertaking shall use all reasonable and supportable information that is available to the undertaking at the reporting date without undue cost or effort:</p> <ul style="list-style-type: none"> (a) to identify material <i>impacts, risks or opportunities</i>; (b) to determine the scope of its upstream and downstream value chain, including its breadth and composition, in relation to material impacts, risks or opportunities; (c) when extending the information to include upstream and downstream value chain information, as required by paragraph 63; (d) to prepare information on <i>metrics</i>; and (e) to report on current and <i>anticipated financial effects</i>.
		<p>95. The assessment of what constitutes undue cost or effort depends on the undertaking's specific circumstances and requires a balanced consideration of the costs for the undertaking and the benefits of the resulting information for <i>users</i>.</p>
		<p>96. Reasonable and supportable information that is available to the undertaking without undue cost or effort is subject to reassessment for each reporting period. It reflects the results of the undertaking's past actions to improve data availability or the higher availability of external information. As a result, availability of information is expected to improve over time.</p>

		<p>AR 43 for para. 94 (Reasonable and supportable information available without undue cost or effort)</p> <p>Reasonable and supportable information covers factors that are specific to the undertaking, as well as general conditions in the external environment. Reasonable and supportable information includes information about past events, current conditions and forecasts of future conditions.</p> <p>When assessing whether the preparation of a disclosure would involve undue cost or effort at the reporting date, the undertaking shall consider, individually or jointly, criteria such as:</p> <ul style="list-style-type: none"> (a) its size, resources and technical readiness in relation to the scale and complexity of its upstream and downstream value chain; and (b) the availability of tools to access and share information, including digital tools. <p>The undertaking is not required to carry out an exhaustive search for such information.</p> <p>In identifying information that is reasonably available, the undertaking:</p> <ul style="list-style-type: none"> (a) shall use internal and external information that is available to the undertaking at the reporting date, acknowledging that the availability at the reporting date reflects the improvements in data gathering implemented since the previous period; and (b) is expected to consider available without undue cost or effort the information deriving from: <ul style="list-style-type: none"> (i) internal resources, such as: the undertaking's risk management processes; information that is used by the undertaking in preparing its financial statements, operating its business model, setting its strategy, conducting its sustainability due diligence and managing its impacts, risks and opportunities; and (ii) external resources, such as sector or peer group experience, and scientific research.
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ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>90. Activities within the undertaking or group may be excluded from metric calculations if, due to their nature, they are not expected to be a significant driver of the impacts, risks and opportunities the metric purports to represent, and their exclusion from the calculation is not expected to impair the relevance or faithful representation of the reported information.</p>	<p><i>This para from the ED was moved to para. 91 of the final technical advice (Nov. 2025)</i></p>
	<p>91. Except for [Draft] Amended ESRS E1-6 GHG Emissions, when without undue cost and effort the undertaking is able to use reliable direct or estimated data only for part of the scope of the relevant reporting boundary (or part of the value chain), the undertaking shall specify, when relevant, that it has identified material impacts, risks and opportunities in its own operations or value chain, but the corresponding metric can currently only be partially estimated. In this circumstance, the undertaking shall disclose the actions it has taken to increase the coverage and quality in future reporting periods, and the progress compared to the previous reporting period. The undertaking shall also assess at the subsequent reporting dates whether reliable data or input to be used in the estimate has become available, and if this is the case, adjust the estimates and the disclosure accordingly.</p>	<p><i>This para from the ED was moved to para. 92 of the final technical advice (Nov. 2025)</i></p>
	<p>92. The undertaking may exclude joint operations over which it does not have operational control from the calculation scope of environmental metrics reported in accordance with [Draft] Amended ESRS E2 <i>Pollution</i>, [Draft] Amended ESRS E3 <i>Water</i>, [Draft] Amended ESRS E4 <i>Biodiversity and ecosystems</i> and [Draft] Amended ESRS E5 <i>Resource use and circular economy</i>.</p>	<p><i>This para from the ED was moved to para. 93 of the final technical advice (Nov. 2025)</i></p>
7.3 Updating disclosures about events after the end of the reporting period	7.5 Updating disclosures about events after the end of the reporting period	7.5. Updating disclosures about events after the end of the reporting period

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
93. In some cases the undertaking may receive information after the reporting period but before the management report is approved for issuance. If such information provides evidence or insights about conditions existing at period end the undertaking shall where appropriate update estimates and sustainability disclosures in the light of the new information.	<p>93. When the undertaking receives information after the reporting period but before the management report is approved for issuance, providing evidence or insights about:</p> <ul style="list-style-type: none"> (a) conditions existing at end of the reporting period, the undertaking shall, where appropriate, update estimates and sustainability disclosures in the light of the new information; and (b) material transactions, other events and conditions that arise after the end of the reporting period, the undertaking shall, where appropriate, provide narrative information indicating the existence, nature and potential consequences of these post year-end events 	97. If, after the reporting period but before the management report is authorised for issue, the undertaking receives information providing evidence or insights about conditions that existed at the end of the reporting period, the undertaking shall update its disclosures in light of the new information.
94. When such information provides evidence or insights about material transactions other events and conditions that arise after the end of the reporting period the undertaking shall where appropriate provide narrative information indicating the existence nature and potential consequences of these post-year end events.	Moved to paragraph 93 (b)	98. The undertaking shall disclose information about material transactions, other events and conditions that occur after the end of the reporting period but before the date on which the management report is authorised for issue and provide narrative information indicating the existence, nature and potential consequences of these post-year events.
7.4 Changes in preparation or presentation of sustainability information	7.6 Changes in preparation or presentation of sustainability information	7.6. Reporting errors in prior periods
95. The definition and calculation of metrics including metrics used to set targets and monitor progress towards them shall be consistent over time. The undertaking shall provide restated comparative figures unless it is impracticable to do so (see ESRS 2 BP-2) when it has:	<p>94. The definition and calculation of metrics, including metrics used to set targets and monitor progress towards those targets, shall be consistent over time. The undertaking shall provide contextual information and restated comparative figures unless it is impracticable to do so when it has:</p> <ul style="list-style-type: none"> (a) redefined or replaced a metric or target; and 	Moved to Paragraph 85

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
(b) identified new information in relation to the estimated figures disclosed in the preceding period and the new information provides evidence of circumstances that existed in that period.	(b) identified new information in relation to the estimated figures disclosed in the preceding period, and the new information provides evidence of circumstances that existed in that period (change in estimate).	Moved to Paragraph 85
7.5 Reporting errors in prior periods	7.7 Reporting errors in prior periods	
96. The undertaking shall correct material prior period errors by restating the comparative amounts for the prior period(s) disclosed unless it is impracticable to do so. This requirement does not extend to reporting periods before the first year of application of ESRS by the undertaking.	95. The undertaking shall correct material prior period errors by restating the comparative amounts for the prior period(s) disclosed, unless it is impracticable to do so. This requirement does not extend to reporting periods before the first year of application of ESRS by the undertaking.	99. The undertaking shall correct material prior period errors by restating the comparative amounts for the prior period(s) disclosed unless it is <i>impracticable</i> to do so. This requirement does not extend to reporting periods before the first year of application of ESRS by the undertaking.
97. Prior period errors are omissions from and misstatements in the undertaking's sustainability statement for one or more prior periods. Such errors arise from a failure to use or misuse of reliable information that: (a) was available when the management report that includes the sustainability statement for those periods was authorised for issuance; and (b) could reasonably be expected to have been obtained and considered in the preparation of sustainability disclosures included in these reports.	Moved to AR 33	Moved to AR 44
98. Such errors include: the effects of mathematical mistakes in applying the definitions for metrics or targets oversights or misinterpretations of facts and fraud.	Moved to AR 33	Moved to AR 44

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
99. Potential errors in the current period discovered in that period are corrected before the management report is authorised for issuance. However material errors are sometimes only discovered in a subsequent period	96. Potential errors in the current period discovered in that period are corrected before the management report is authorised for issue. In case of material errors discovered in a subsequent period, when it is impracticable to determine the effect of an error on all prior periods presented, the undertaking shall restate the comparative information to correct the error from the earliest date practicable.	100. Potential reporting period errors discovered in the same reporting period are corrected before the sustainability statement is authorised for issue. However, material errors are sometimes not discovered until a subsequent period. In case of material errors discovered in a subsequent period, if it is impracticable to determine the effect of an error on all prior periods presented, the undertaking shall restate the comparative information to correct the error from the earliest date practicable.
100. When it is impracticable to determine the effect of an error on all prior periods presented the undertaking shall restate the comparative information to correct the error from the earliest date practicable. When correcting disclosures for a prior period the undertaking shall not use hindsight either in making assumptions about what the management's intentions would have been in a prior period or in estimating the amounts disclosed in a prior period. This requirement applies to correction of both backward-looking and forward-looking disclosures.	Moved to paragraph 96	Moved to Paragraph 100
101. Corrections of errors are distinguished from changes in estimates. Estimates may need to be revised as additional information becomes known (see ESRS 2 BP-2)	97. Corrections of errors are distinguished from changes in estimates. Estimates may need to be revised as additional information becomes known.	Moved to AR 44

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 33 for para. 95 (Prior Period Errors)</p> <p>Prior period errors are omissions from, and misstatements in, the undertaking's sustainability statement for one or more prior periods. Such errors arise from a failure to use, or the misuse of, reliable information that:</p> <p>(a) was available when the management report that includes the sustainability statement for those periods was authorised for issuance; and</p> <p>(b) could reasonably be expected to have been obtained and considered in the preparation of sustainability disclosures included in these reports.</p>	<p>AR 44 for para. 99 (Prior period errors)</p> <p>(97) Prior period errors are omissions from, and misstatements in, the undertaking's sustainability statement for one or more prior periods. Such errors arise from a failure to use, or the misuse of, reliable information that:</p> <p>(a) was available when the management report that includes the sustainability statement for those periods was authorised for issue; and</p> <p>(b) could reasonably be expected to have been obtained and considered in the preparation of sustainability disclosures included in these reports.</p> <p>(98) Such errors include: the effects of mathematical mistakes, mistakes in applying the definitions for metrics or targets, oversights or misinterpretations of facts, and fraud.</p> <p>(101) Corrections of errors are distinguished from changes in estimates. Estimates may need to be revised as additional information becomes known.</p>
	<p>AR 34 for paragraph 95 (Prior Period Errors)</p> <p>Such errors include: the effects of mathematical mistakes, mistakes in applying the definitions for metrics or targets, oversights or misinterpretations of facts, and fraud.</p>	<p><i>This AR from the ED was moved to AR 44 of the final technical advice (Nov. 2025),</i></p>
7.6 Consolidated reporting and subsidiary exemption		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
102. When the undertaking is reporting at a consolidated level, it shall perform its assessment of material impacts, risks and opportunities for the entire consolidated group, regardless of its group legal structure. It shall ensure that all subsidiaries are covered in a way that allows for the unbiased identification of material impacts, risks and opportunities. Criteria and thresholds for assessing an impact, risk or opportunity as material shall be determined based on chapter 3 of this Standard.	Moved to paragraph 53	Moved to paragraph 56
103. Where the undertaking identifies significant differences between material impacts, risks or opportunities at group level and material impacts, risks or opportunities of one or more of its subsidiaries, the undertaking shall provide an adequate description of the impacts, risks and opportunities, as appropriate, of the subsidiary or subsidiaries concerned.	Moved to AR 24	Moved to paragraph 56
104. When assessing whether the differences between material impacts, risks or opportunities at group level and material impacts, risks or opportunities of one or more of its subsidiaries are significant, the undertaking may consider different circumstances, such as whether the subsidiary or subsidiaries operate in a different sector than the rest of the group or the circumstances reflected in section 3.7 Level of disaggregation.	Moved to AR 23	Moved to paragraph 56
7.7 Classified and sensitive information, and information on intellectual property, know-how or results of innovation	7.8 Classified and sensitive information, and information on intellectual property, know-how or results of innovation	7.7. Omission of information in accordance with applicable Union law and regulations

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		101. The undertaking is relieved from disclosing qualitative and quantitative information required by an ESRS if applicable Union law and regulations prohibits the undertaking from disclosing or allows the undertaking to omit such disclosure. If the undertaking omits material information for that reason, it shall identify the type of information not disclosed and explain the source of the restriction.
105. The undertaking is not required to disclose classified information or sensitive information, even if such information is considered material.	98. The undertaking is not required to disclose classified information or sensitive information even if such information is considered material.	
106. When disclosing information about its strategy, plans and actions, where a specific piece of information corresponding to intellectual property, know-how or the results of innovation is relevant to meet the objective of a Disclosure Requirement, the undertaking may nevertheless omit that specific piece of information if it: (a) is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question;	99. When disclosing information about its strategy and action plans , where a specific piece of information corresponding to intellectual property, know-how or the results of innovation is relevant to meet the objective of a DR, the undertaking may omit that specific piece of information if it: (a) is secret in the sense that it is not, as a body or in the precise configuration and assembly of its components, generally known among or readily accessible to persons within the circles that normally deal with the kind of information in question;	
(b) has commercial value because it is secret; and	(b) has commercial value because it is secret; and	
(c) has been subject to reasonable steps by the undertaking to keep it secret.	(c) has been subject to reasonable steps by the undertaking to keep it secret.	
107. If the undertaking omits classified information or sensitive information, or a specific piece of information corresponding to intellectual property, know-how or the results of innovation because it meets the criteria established in the previous paragraph, it shall comply with the disclosure requirement in question by disclosing all other required information.	100. If the undertaking omits classified information or sensitive information or a specific piece of information corresponding to intellectual property, know-how or the results of innovation because it meets the criteria established in the previous paragraph, it shall comply with the DR in question by disclosing all other required information.	102. If the undertaking omits information in accordance with paragraph 101, it shall comply with the DR in question by disclosing all other required information. The undertaking shall make every reasonable effort to ensure that beyond this omission, the overall relevance of the disclosure in question is not impaired.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
108. The undertaking shall make every reasonable effort to ensure that beyond the omission of the classified information or sensitive information, or of the specific piece of information corresponding to intellectual property, know-how or the results of innovation, the overall relevance of the disclosure in question is not impaired.	101. The undertaking shall make every reasonable effort to ensure that beyond the omission of the classified information or sensitive information , or of the specific piece of information corresponding to intellectual property, know-how or the results of innovation, the overall relevance of the disclosure in question is not impaired.	
	<p>AR 35 for para. 98 (Member state option on impending developments and other)</p> <p>The CSRD leaves to the Member States ('MS') an option to provide the following relief, which is therefore available to undertakings in MS that have exercised this option. The undertaking may limit information relating to impending developments or matters in the course of negotiation in exceptional cases where, in the duly justified opinion of the members of the administrative, management and supervisory bodies, acting within the competences assigned to them by national law and having collective responsibility for that opinion, the disclosure of such information would be seriously prejudicial to the commercial position of the undertaking, provided that such omission does not prevent a fair and balanced understanding of the undertaking's development, performance and position, and the impact of its activity.</p> <p>If the undertaking elects to use this exemption, disclosing this fact provides useful information.</p>	<p>AR 45 for para. 101 (Member states option)</p> <p>(105-108) The CSRD leaves to the Member States the option to provide the following relief, which is therefore available to undertakings in Member States that have exercised this option:</p> <p>The undertaking may limit information relating to impending developments or matters in the course of negotiation in exceptional cases where, in the duly justified opinion of the members of the administrative, management and supervisory bodies, acting within the competences assigned to them by national law and having collective responsibility for that opinion, the disclosure of such information would be seriously prejudicial to the commercial position of the undertaking, provided that such omission does not prevent a fair and balanced understanding of the undertaking's development, performance and position, and the impact of its activity.</p> <p>If the undertaking elects to use this exemption, disclosing this fact provides useful information.</p>
7.8 Reporting on opportunities	7.9 Reporting on opportunities	7.8. Reporting on material opportunities

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>109. When reporting on opportunities, the disclosure should consist of descriptive information allowing the reader to understand the opportunity for the undertaking or the entire sector. When reporting on opportunities, the undertaking shall consider the materiality of the information to be disclosed. In this context, it shall consider, among other factors:</p> <p>(a) whether the opportunity is currently being pursued and is incorporated in its general strategy, as opposed to a general opportunity for the undertaking or the sector; and</p> <p>(b) whether the inclusion of quantitative measures of anticipated financial effects is appropriate, taking into account the number of assumptions that it could require and consequential uncertainty.</p>	<p>102. When reporting on opportunities, the disclosure shall consist of descriptive information allowing the reader to understand the opportunity. The undertaking shall not report general opportunities for the sector but only opportunities that are currently being pursued or incorporated in its general strategy. The provisions on financial effects in [Draft] Amended ESRS 2 apply when reporting on material opportunities.</p>	<p>103. When reporting on material opportunities, the disclosure shall consist of descriptive information allowing users to understand the opportunities. The undertaking shall not report general opportunities for the sector but only opportunities that are currently being pursued or incorporated in its general strategy. The provisions on financial effects in ESRS 2 <i>General Disclosures</i> apply when reporting on material opportunities.</p>
8. Structure of the sustainability statement	8. Presentation requirements and structure of the sustainability statement	8. Presentation requirements and structure of the sustainability statement
		8.1. General presentation requirement, structure and content of the sustainability statement
<p>110. This chapter provides the basis for the presentation of the information about sustainability matters prepared in compliance with Articles 19a and 29a of Directive 2013/34/EU (i.e., the sustainability statement) within the undertaking's management report. Such information is presented in a dedicated section of the management report identified as the sustainability statement. Appendix F Example of structure of ESRS sustainability statement of this Standard provides an illustrative example of a sustainability statement structured according to the requirements of this chapter.</p>		<p>104. The undertaking shall present all the disclosures required by ESRS within a dedicated section of the management report identified as the undertaking's sustainability statement which also includes those incorporated by reference in accordance with Chapter 9.3.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
8.1 General presentation requirement	8.1 General presentation requirement, structure and content of the sustainability statement	
	103. The undertaking shall present all the disclosures required by the ESRS within a dedicated section of the management report identified as the undertaking's sustainability statement except for those incorporated by reference in accordance with Chapter 9.3.	<i>This para from the ED was moved to para. 104 of the final technical advice (Nov. 2025)</i>
111. Sustainability information shall be presented: (a) in a way that allows a distinction between information required by disclosures in ESRS and other information included in the management report; and (b) under a structure that facilitates access to and understanding of the sustainability statement, in a format that is both human-readable and machine-readable.	104. Sustainability information shall be presented: (a) in a way that allows for clear identification of information required by the ESRS and other information included in the management report; and (b) under a structure that facilitates access to and understanding of the sustainability statement in a format that is both human-readable and machine-readable.	105. Sustainability information shall be presented: (a) in a way that allows for clear identification of information required by ESRS from other information included in the management report; and (b) under a structure that facilitates access to and understanding of the sustainability statement in a format that is both human-readable and machine-readable.
	105. The undertaking shall structure its sustainability statement in four parts in the following order: general information, environmental information, social information and governance information. It may use appendices or separate sub-parts in accordance with paragraphs 107 – 110.	106. The undertaking shall structure its sustainability statement in four parts in the following order: general information, environmental information, social information and governance information. It may use appendices or separate sub-parts in accordance with paragraphs 108 – 112.
	106. If the undertaking prepares disclosures pursuant to Article 8 of Regulation (EU) 2020/852 of the European Parliament and the Council and to the Commission Delegated Regulations, it shall include them in its sustainability statement , and it may include them in a separate appendix.	107. If the undertaking prepares disclosures pursuant to Article 8 of Regulation (EU) 2020/852 of the European Parliament and the Council and to the Commission Delegated Regulations, it is required to include them in its sustainability statement , and may do so in a separate appendix within the management report. These disclosures are not subject to the provisions of ESRS, with the exception of this paragraph.
8.2 Content and structure of the sustainability statement	8.2 Presentation of additional information included in the sustainability statement	8.2 Presentation of supplementary information included in the sustainability statement

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
112. Except for the possibility to incorporate information by reference in accordance with section 9.1 Incorporation by reference of this Standard, the undertaking shall report all the applicable disclosures required by ESRS in accordance with chapter 1 of this Standard, within a dedicated section of the management report.	Moved to Paragraph 103	Moved to Paragraph 104
113. The undertaking shall include in its sustainability statement the disclosures pursuant to Article 8 of Regulation (EU) 2020/852 of the European Parliament and the Council and to the Commission Delegated Regulations that specify the content and other modalities of those disclosures. The undertaking shall ensure that these disclosures are separately identifiable within the sustainability statement. The disclosures relating to each of the environmental objectives defined in the Taxonomy Regulation shall be presented together in a clearly identifiable part of the environmental section of the sustainability statement. These disclosures are not subject to the provisions of ESRS, with the exception of this paragraph and the first sentence of paragraph 115 of this standard	Moved to Paragraph 106	Moved to Paragraph 107
114. When the undertaking includes in its sustainability statement additional disclosures stemming from (i) other legislation which requires the undertaking to disclose sustainability information, or (ii) generally accepted sustainability reporting standards and frameworks, including non-mandatory guidance and sector-specific guidance, published by other standard-setting bodies (such as technical material issued by the International Sustainability Standards Board or the Global Reporting Initiative), such disclosures shall:	107. The undertaking may include in its sustainability statement additional disclosures stemming from (i) other legislation which requires the undertaking to disclose sustainability information, or (ii) generally accepted sustainability reporting standards and frameworks, including non-mandatory guidance and sector-specific guidance, published by other standard-setting bodies (such as technical material issued by the International Sustainability Standards Board or the Global Reporting Initiative). Such disclosures shall:	108. The undertaking may include in its sustainability statement supplementary information stemming from (i) other legislation which requires it to disclose sustainability information, or (ii) generally accepted reporting standards or frameworks, including non-mandatory guidance and sector-specific guidance, published by other standard setting bodies (such as by the Global Reporting Initiative), even if that information is not material. Such information shall be clearly identified with an appropriate reference to the related legislation, standard or framework.
(a) be clearly identified with an appropriate reference to the related legislation, standard or framework (see ESRS 2 BP-2, paragraph 15);	(a) be clearly identified with an appropriate reference to the related legislation, standard or framework; and	Moved to Paragraph 108

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
(b) meet the requirements for qualitative characteristics of information specified in chapter 2 and Appendix B of this standard.	(b) meet the requirements for qualitative characteristics of information specified in Chapter 2 and Appendix B.	
	<p>108. The undertaking may include in its sustainability statement additional disclosures that do not relate to a topic to be reported following the materiality assessment, such as when this information is needed by a specific user. In these cases, the additional disclosures shall:</p> <p>(a) be clearly identified and presented in a way that they do not obscure material information; and</p>	<i>This para from the ED was deleted in the final technical advice (Nov. 2025)</i>
	(b) provide a faithful representation of the relevant item of information.	<i>This para from the ED was moved to para. 110 of the final technical advice (Nov. 2025)</i>
		109. If needed to meet the data demands of a specific user , the undertaking may include in its sustainability statement supplementary disclosures that are not material. Such information shall be clearly identified as not resulting from the materiality assessment.
		110. Disclosures made in accordance with paragraphs 108 and 109 shall provide a faithful representation of the aspects they intend to represent and shall be presented in a way that does not obscure material information.
	8.3 Options in presenting information across parts of the sustainability statements	8.3 Options for presenting information across parts of the sustainability statement

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>109. The undertaking may provide an executive summary in the sustainability statement which includes the key messages about its material environmental, social and governance impacts, risks or opportunities and their management. The content and presentation of this executive summary shall meet the qualitative characteristics of information. It may also incorporate information by reference to an executive summary placed outside its sustainability statement, such as in another section of the management report, provided that it meets the conditions for incorporation by reference.</p>	<p>111. The undertaking may provide an executive summary in the sustainability statement which includes the key messages about its material environmental, social and governance impacts, risks or opportunities and their management. The content and presentation of this executive summary shall meet the qualitative characteristics of information and is an integral part of the sustainability statement prepared in accordance with the provisions of ESRS. Alternatively, the undertaking may incorporate information by reference to an executive summary placed outside its sustainability statement, such as in another section of the management report, provided that it meets the conditions for incorporation by reference (see Sub-Chapter 9.3).</p>
	<p>110. The undertaking may use appendices or separate sub-parts in its sustainability statement:</p> <ul style="list-style-type: none"> (a) to present more detailed information related to any of the four parts; (b) to facilitate readability with content indices, tables mapping different disclosures, or cross-reference tables; (c) to present the additional information prepared in accordance with Chapter 8.2 above. 	<p>112. The undertaking may use appendices or separate sub-parts in its sustainability statement:</p> <ul style="list-style-type: none"> (a) to present more detailed information related to any of the four parts; (b) to facilitate readability with content indices, tables mapping different disclosures or cross-reference tables; and (c) to present supplementary information prepared in accordance with Sub-Chapter 8.2 above.
	<p>AR 36 for para. 109 (Presentation of more detailed information)</p> <p>The undertaking may present more detailed information about the calculation of its reported GHG emissions in a dedicated appendix or section of its sustainability statement, with an internal cross-reference to the environmental disclosures.</p>	<p><i>This AR from the ED was deleted in the final technical advice (Nov. 2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 37 for para. 109 (Presentation of more detailed information)</p> <p>Similarly, the undertaking may use internal references across different parts or sub-parts (including appendices in the sustainability statement) to facilitate the understanding of linkages that exist between the respective contents. These internal references are not incorporation by reference; see Chapter 9.</p>	<p>AR 46 for para. 111 (Presentation of more detailed information)</p> <p>The undertaking may use internal references across different parts or subparts (including appendices) in the sustainability statement to facilitate the understanding of linkages that exist between different items of information. These internal references are not incorporation by reference.</p>
115. The undertaking shall structure its sustainability statement in four parts, in the following order: general information, environmental information (including disclosures pursuant to Article 8 of Regulation (EU) 2020/852), social information and governance information. Respecting the provision in section 3.6 Material impacts or risks arising from actions to address sustainability matters of this Standard, when information provided in one part contains information to be reported also in another part, the undertaking may refer in one part to information presented in another part, avoiding duplications. The undertaking may apply the detailed structure illustrated in Appendix F of this Standard.	Moved to Paragraph 105	Moved to Paragraph 106
116. The disclosures required by sector-specific ESRS shall be grouped by reporting area and, where applicable, by sustainability topic. They shall be presented alongside the disclosures required by ESRS 2 and the corresponding topical ESRS.		
117. Where the undertaking develops material entity-specific disclosures in accordance with paragraph 11 it shall report those disclosures alongside the most relevant sector-agnostic and sector-specific disclosures.		
9. Linkages with other parts of corporate reporting and connected information	9. Connected information and linkages with other parts of corporate reporting	9. Connected information and linkages with other parts of corporate reporting

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	9.1 Connected information	9.1 Connected information
118. The undertaking shall provide information that enables users of its sustainability statement to understand the connections between different pieces of information in the statement, and the connections between the information in the sustainability statement and other information that the undertaking discloses in other parts of its corporate reporting.	111. The undertaking shall provide information that enables <i>users</i> of its <i>sustainability statement</i> to understand the connections: (a) within the sustainability statement; and (b) between the sustainability statement and other corporate reporting documents published by the undertaking, including its related financial statements.	113. The undertaking shall provide information that enables <i>users</i> of its <i>sustainability statement</i> to understand the connections: (a) within the sustainability statement; and (b) between the sustainability statement and other corporate reporting documents published by the undertaking, including its financial statements.
	112. Repeating the same content in two or more parts (including appendices) of the <i>sustainability statement</i> may obscure material information and impair the provision of concise and understandable information. When the same information is relevant to more than one DR in the ESRS, the undertaking may present the information where it considers it to be more appropriate and refer to that <i>location</i> in the other part.	114. Repeating the same information within the <i>sustainability statement</i> may obscure material information and impair the provision of concise and understandable information. If the same information is relevant to more than one DR, the undertaking may present the information where it considers it to be most relevant and cross-refer to that location as appropriate.
	113. If the description of the material <i>impacts, risks</i> and <i>opportunities</i> prepared in accordance with [Draft] Amended ESRS 2 IRO-2 is not presented alongside the respective <i>policies, actions</i> and <i>targets</i> , the undertaking shall make explicit which policies, actions and targets relate to which material impacts, risks, or opportunities, in accordance with paragraph 22.	<i>This para from the ED was moved and amended to AR 47 (b) of the final technical advice (Nov. 2025).</i>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	<p>AR 38 for paragraph 111 (a). (Connections within the sustainability statement)</p> <p>Connections within the sustainability statement include those between the general disclosures on governance and strategy and the disclosures about a specific topic, as well as those between material impacts, risks and opportunities management and the respective policies, actions, targets and metrics.</p>	<p>AR 47 for para. 113(a)</p> <p>Connections within the sustainability statement include:</p> <p>(a) those between the general disclosures on governance and strategy and the disclosures about a specific topic; and</p> <p>(b) those between the information about material impacts, risks and opportunities in accordance with ESRS 2 General Disclosures (SBM 3 and IRO 2) and the respective policies, actions, targets and metrics.</p>
	<p>AR 39 for paragraph 113. (Presenting connected information about policies, actions and targets)</p> <p>The undertaking that covers environmental and social topics in the same policy may report on the policy in its environmental disclosures and cross-refer to it from the relevant social disclosures, or vice versa.</p>	<p><i>This AR from the ED was deleted in the final technical advice (Nov. 2025)</i></p>
	<p>9.2 Direct/indirect connectivity with financial statements and consistency of assumptions</p>	<p>9.2. Direct and indirect connectivity with financial statements, including consistency of assumptions</p>
	<p>114. The undertaking may cross-refer to its financial statements when reporting on monetary amounts or other quantitative information presented in the financial statements ('direct connectivity').</p>	<p><i>This AR from the ED was deleted in the final technical advice (Nov. 2025)</i></p>
	<p>115. If the sustainability statement includes monetary amounts or other quantitative datapoints that are either an aggregation of, or a part of, monetary amounts or quantitative data presented in the undertaking's financial statements ('indirect connectivity'), the undertaking may explain how these amounts or datapoints relate to the most relevant amounts presented in the financial statements.</p>	<p><i>This para was moved to para. 115 of the final technical advice (Nov. 2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
	116. Data and assumptions used in preparing the sustainability statements shall be consistent to the extent possible with the corresponding data and assumptions used in preparing the financial statements; to support the understanding of significant data and assumptions, the undertaking shall explain the level of consistency.	<i>This para was moved to para. 116 of the final technical advice (Nov. 2025)</i>
9.1 Incorporation by reference	9.3 Incorporation by reference	
119. Provided that the conditions in paragraph 120 are met, information prescribed by a Disclosure Requirement of an ESRS, including a specific datapoint prescribed by a Disclosure Requirement, may be incorporated in the sustainability statement by reference to: (a) another section of the management report;	117. Provided that the conditions in paragraph 118 are met, information or a specific datapoint prescribed by a DR may be incorporated in the sustainability statement by cross-reference to: (a) another section of the management report;	Moved to Paragraph 118
(b) the financial statements;	(b) the financial statements;	Moved to Paragraph 118
(c) the corporate governance statement (if not part of the management report);	(c) the corporate governance statement (if not part of the management report);	Moved to Paragraph 118
(d) the remuneration report required by Directive 2007/36/EC of the European Parliament and of the Council;	(d) the remuneration report required by Directive 2007/36/EC of the European Parliament and of the Council;	Moved to Paragraph 118
(e) the universal registration document, as referred to in Article 9 of Regulation (EU) 2017/1129; and	(e) the universal registration document, as referred to in Article 9 of Regulation (EU) 2017/1129; and	Moved to Paragraph 118
(f) public disclosures under Regulation (EU) No 575/2013 of the European Parliament and of the Council (Pillar 3 disclosures). If the undertaking incorporates by reference information from Pillar 3 disclosures, it shall ensure that the information matches the scope of consolidation used for the sustainability statement by complementing the incorporated information with additional elements as necessary.	(f) public disclosures under Regulation (EU) No 575/2013 of the European Parliament and of the Council (Pillar 3 disclosures). If the undertaking incorporates by reference information from Pillar 3 disclosures, it shall ensure that the information matches the scope of consolidation used for the sustainability statement by complementing the incorporated information with additional elements as necessary.	Moved to Paragraph 118

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
120. The undertaking may incorporate information by reference to the documents, or part of the documents, listed in paragraph 119, provided that the disclosures incorporated by reference:	118. The undertaking may incorporate information by reference to the documents, or part of the documents, listed in paragraph 117, provided that the information incorporated by reference:	Moved to Paragraph 119
(a) constitute a separate element of information and are clearly identified in the document concerned as addressing the relevant Disclosure Requirement, or the relevant specific datapoint prescribed by a Disclosure Requirement;	(a) constitutes a separate element of information clearly identified in the source document as addressing the relevant ESRS DR or datapoint;	Moved to Paragraph 119
(b) are published before or at the same time as the management report;	(b) is published before or at the same time as the management report;	Moved to Paragraph 119
(c) are in the same language as the sustainability statement;	(c) is in the same language as the sustainability statement ;	Moved to Paragraph 119
(d) are subject to at least the same level of assurance as the sustainability statement; and	(d) is subject to at least the same level of assurance as the sustainability statement (i.e. the information incorporated by reference is considered as part of the ESRS sustainability statement subject to assurance, not to the entire document referred to); and	Moved to Paragraph 119
(e) meet the same technical digitalisation requirements as the sustainability statement.	(e) meets the same technical digitalisation requirements as the sustainability statement.	Moved to Paragraph 119
121. Provided that the conditions established in paragraph 120 are met, information prescribed by a Disclosure Requirement of an ESRS, including a specific datapoint prescribed by a Disclosure Requirement, may be incorporated in the sustainability statement by reference to the undertaking's report prepared according to EU Eco-Management and Audit Scheme (EMAS) Regulation (EU) No 1221/2009 . In this case, the undertaking shall ensure that the information incorporated by reference is produced using the same basis for preparation of ESRS information, including scope of consolidation and treatment of value chain information.	119. Provided that the conditions established in paragraph 118 are met, information prescribed by an ESRS DR or datapoint may be incorporated in the sustainability statement by reference to the undertaking's report prepared in accordance with EU Eco-Management and Audit Scheme ('EMAS') Regulation (EU) No 1221/2009. In this case, the undertaking shall ensure that the information incorporated by reference is produced using the same basis for preparation of ESRS information, including scope of consolidation and treatment of upstream and downstream value chain information.	Moved to Paragraph 120

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
122. In the preparation of its sustainability statement using incorporation by reference, the undertaking shall consider the overall cohesiveness of the reported information and ensure that the incorporation by reference does not impair the readability of the sustainability statement. Appendix G Example of incorporation by reference of this Standard is an illustrative example of incorporation by reference (See ESRS 2 BP-2).	120. The undertaking shall consider the overall cohesiveness of the reported information and ensure that the incorporation by reference does not impair the readability of the sustainability statement .	Moved to Paragraph 121
9.2 Connected information and connectivity with financial statements		
123. The undertaking shall describe the relationships between different pieces of information. Doing so could require connecting narrative information on governance, strategy and risk management to related metrics and targets. For example, in providing connected information, the undertaking may need to explain the effect or likely effect of its strategy on its financial statements or financial plans, or explain how its strategy relates to metrics and targets used to measure progress against performance. Furthermore, the undertaking may need to explain how its use of natural resources and changes within its supply chain could amplify, change or reduce its material impacts, risks and opportunities. It may need to link this information to information about current or anticipated financial effects on its production costs, to its strategic response to mitigate such impacts or risks, and to its related investment in new assets. The undertaking may also need to link narrative information to the related metrics and targets and to information in the financial statements. Information that describes connections shall be clear and concise.		
		9.2. Direct and indirect connectivity with financial statements, including consistency of assumptions

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>124. When the sustainability statement includes monetary amounts or other quantitative data points that exceed a threshold of materiality and that are presented in the financial statements (direct connectivity between information disclosed in sustainability statement and information disclosed in financial statements), the undertaking shall include a reference to the relevant paragraph of its financial statements where the corresponding information can be found.</p>		<p>115. If the sustainability statement includes monetary amounts or other quantitative information also presented in the undertaking's financial statements, the undertaking shall cross-reference to its financial statements ('direct connectivity').</p>
<p>125. The sustainability statement may include monetary amounts or other quantitative datapoints that exceed a threshold of materiality and that are either an aggregation of, or a part of, monetary amounts or quantitative data presented in the undertaking's financial statements (indirect connectivity between information disclosed in sustainability statement and information disclosed in financial statements). If this is the case, the undertaking shall explain how these amounts or datapoints in the sustainability statement relate to the most relevant amounts presented in the financial statements. This disclosure shall include a reference to the line item and/or to the relevant paragraphs of its financial statements where the corresponding information can be found. Where appropriate, a reconciliation may be provided, and it may be presented in a tabular form.</p>	<p>Moved to paragraphs 114 and 115</p>	<p>116. If the sustainability statement includes amounts that are an aggregation or part of amounts presented in the undertaking's financial statements ('indirect connectivity'), the undertaking shall explain how these amounts relate to the most relevant ones presented in the financial statements.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>126. In the case of information not covered by paragraphs 124 and 125, the undertaking shall explain, based on a threshold of materiality, the consistency of significant data, assumptions, and qualitative information included in its sustainability statement with the corresponding data, assumptions and qualitative information included in the financial statements. This may occur when the sustainability statement includes:</p> <p>(a) monetary amounts or other quantitative data linked to monetary amounts or other quantitative data presented in the financial statements; or</p>		Content moved and amended to paragraph 117
<p>(b) qualitative information linked to qualitative information presented in the financial statements.</p>		
<p>127. Consistency as required by paragraph 126 shall be at the level of a single datapoint and shall include a reference to the relevant line item or paragraph of notes to the financial statements. When significant data, assumptions and qualitative information are not consistent, the undertaking shall state that fact and explain the reason.</p>		<p>117. Data and assumptions used in preparing the sustainability statement shall, to the extent possible, be consistent with the corresponding data and assumptions used in preparing the financial statements. To support the understanding of significant data and assumptions, the undertaking shall explain any significant differences in assumptions between those used in preparing the sustainability statements and those used in preparing the financial statements.</p>
<p>128. Examples of items for which the explanation in paragraph 126 is required, are:</p> <p>(a) when the same metric is presented as of the reporting date in financial statements and as a forecast for future periods in the sustainability statement; and</p>		
<p>(b) when macroeconomic or business projections are used to develop metrics in the sustainability statement and they are also relevant in estimating the recoverable amount of assets, the amount of liabilities or provisions in financial statements.</p>		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
129. Topical and sector-specific ESRS may include requirements to include reconciliations or to illustrate consistency of data and assumptions for specific Disclosure Requirements. In such cases, the requirements in those ESRS shall prevail.		
		<p>AR 48 for para. 115</p> <p>For monetary amounts the undertaking shall use the same currency as in the financial statements.</p>
		9.3. Incorporation by reference
		<p>118. Provided that the conditions in paragraph 119 are met, information or a specific datapoint prescribed by a DR may be incorporated in the <i>sustainability statement</i> by cross-reference to:</p> <ul style="list-style-type: none"> (a) another section of the management report; (b) the financial statements; (c) the corporate governance statement (if not part of the management report); (d) the remuneration report required by Directive 2007/36/EC of the European Parliament and of the Council; (e) the universal registration document, as referred to in Article 9 of Regulation (EU) 2017/1129; and (f) public disclosures under Regulation (EU) No 575/2013 of the European Parliament and of the Council (Pillar 3 disclosures). In this case, the information shall match the scope of consolidation used for the sustainability statement by complementing the incorporated information with additional elements as necessary.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>119. The undertaking may incorporate information by reference to the documents, or part of the documents, listed in paragraph 118, provided that the information incorporated by reference:</p> <ul style="list-style-type: none"> (a) constitutes a separate element of information clearly identified in the source document as addressing the relevant ESRS DR or datapoint; (b) is published before or at the same time as the management report; (c) is in the same language as the sustainability statement; (d) is subject to at least the same level of assurance as the rest of the sustainability statement. In this case it is not required that the entire document containing the information is subject to assurance; and (e) allows the same technical digitalisation requirements as the other information in the sustainability statement.
		<p>120. Provided that the conditions established in paragraph 119 are met, information prescribed by an DR or datapoint may be incorporated in the sustainability statement by reference to the undertaking's report prepared in accordance with the EU Eco-Management and Audit Scheme Regulation (EU) No 1221/2009. In this case, the undertaking shall ensure that the information incorporated by reference is produced using the same basis for preparation of ESRS information, including scope of consolidation and treatment of upstream and downstream value chain information.</p>
		<p>121. The undertaking shall consider the overall cohesiveness of the reported information and ensure that the incorporation by reference does not impair the readability of the sustainability statement.</p>
10. Transitional provisions	10. Transitional provisions	10. Transitional provisions

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>122. Unless otherwise stated, the transitional provisions in this Chapter apply from the first financial year the undertaking is subject to the preparation and publication of a sustainability statement as required by Directive 2013/34/EU. Accordingly, earlier voluntary application of ESRS does not limit the use of the reliefs in this chapter and does not trigger the start of the phase-in provisions. In this chapter financial year refers to the reporting period of an undertaking's sustainability statement starting on or after January 1 of the respective year.</p>
		<p>123. 'Wave-one' undertakings are those that were scheduled to report on sustainability for the first time for financial year 2024, irrespective of whether the corresponding Member State transposed the Directive (EU) 2022/2464 (CSRD). They are defined in Article 5(2), first subparagraph, point (a), and third subparagraph, point (a), of the CSRD.</p>
10.1 Transitional provision related to entity-specific disclosures		10.1. Transitional provision related to Chapter 7.1 Comparative information
130. The extent to which sustainability matters are covered by ESRS is expected to evolve as further Disclosure Requirements are developed. Therefore, the need for entity-specific disclosures is likely to decrease over time, in particular as a result of the future adoption of sector specific standards.		
	<p>121. The transitional provisions in this chapter apply only from the first financial year the undertaking is subject to the preparation and publication of a sustainability statement as required by Directive 2013/34/EU.</p>	<p><i>This para of the ED was moved and amended to para. 122 of the final technical advice (Nov. 2025)</i></p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>131. When defining its entity-specific disclosures, the undertaking may adopt transitional measures for their preparation in the first three annual sustainability statements under which it may as a priority:</p> <p>(a) introduce in its reporting those entity-specific disclosures that it reported in prior periods, if these disclosures meet or are adapted to meet the qualitative characteristics of information referred to under chapter 2 of this Standard; and</p> <p>(b) complement its disclosures prepared on the basis of the topical ESRS with an appropriate set of additional disclosures to cover sustainability matters that are material for the undertaking in its sector(s), using available best practice and/or available frameworks or reporting standards, such as IFRS industry-based guidance and GRI Sector Standards.</p>		
10.2 Transitional provision related to chapter 5 Value chain	10.1 Transitional provision related to chapter 5 Value chain	
<p>132. For the first 3 years of the undertaking's sustainability reporting under the ESRS, in the event that not all the necessary information regarding its upstream and downstream value chain is available, the undertaking shall explain the efforts made to obtain the necessary information about its upstream and downstream value chain, the reasons why not all of the necessary information could be obtained, and its plans to obtain the necessary information in the future.</p>	<p>122. For the first three years of preparation of the sustainability statement under the ESRS, in the event that not all the necessary information regarding its upstream and downstream value chain is available, the undertaking shall explain the efforts made to obtain the necessary information, the reasons why not all of the necessary information could be obtained and its plans to obtain the necessary information in the future.</p>	

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
133. For the first 3 years of its sustainability reporting under the ESRS, in order to take account of the difficulties that undertakings may encounter in gathering information from actors throughout their value chain and in order to limit the burden for SMEs in the value chain: (a) when disclosing information on policies, actions and targets in accordance with ESRS 2 and other ESRS, the undertaking may limit upstream and downstream value chain information to information available in-house, such as data already available to the undertaking and publicly available information; and	123. For the first three years of preparation of the sustainability statement under the ESRS, to take account of the difficulties that the undertaking may encounter in gathering information from actors throughout its upstream and downstream value chain and to limit the burden for SMEs in the value chain : (a) when disclosing information on policies, actions and targets in accordance with [Draft] Amended ESRS 2 and other ESRS, the undertaking may limit upstream and downstream value chain information to information available in-house, such as data already available and publicly available information; and	
(b) when disclosing metrics, the undertaking is not required to include upstream and downstream value chain information, except for datapoints derived from other EU legislation, as listed in ESRS 2 Appendix B.	(b) when disclosing metrics , it is not required to include upstream and downstream value chain information except for datapoints derived from other EU legislation, as listed in [Draft] Amended ESRS 2, Appendix A.	
134. Paragraphs 132 and 133 apply irrespective of whether or not the relevant actor in the value chain is an SME.	124. Paragraphs 123 and 124 apply irrespective of whether the relevant actor in the upstream and downstream value chain is an SME.	
135. Starting from the fourth year of its reporting under the ESRS, the undertaking shall include upstream and/or downstream value chain information according to paragraph 63. In this context, the information required by ESRS to be obtained from SME undertakings in the undertaking's upstream and/or downstream value chain will not exceed the content of the future ESRS for listed SMEs.	125. Starting from the fourth year of reporting under the ESRS, the undertaking shall include upstream and/or downstream value chain information in accordance with paragraph 60.	
10.3 Transitional provision related to section 7.1 Presenting comparative information	10.2 Transitional provision related to section 7.1 Presenting comparative information	

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>136. To ease the first-time application of this Standard, the undertaking is not required to disclose the comparative information required by section 7.1 Presenting comparative information in the first year of preparation of the sustainability statement under the ESRS. For disclosure requirements listed in Appendix C List of phased-in Disclosure Requirements, this transitional provision applies with reference to the first year of mandatory application of the phased-in disclosure requirement.</p>	<p>126. To ease the first-time application of this Standard, the undertaking is not required to disclose the comparative information required by Chapter 7.1 in the first year of preparation of the sustainability statement under the ESRS. For disclosure requirements listed in Appendix D, this transitional provision applies with reference to the first year of mandatory application of the phased-in DR.</p>	<p>124. 'Wave one' undertakings, as defined in paragraph 123, are not required to disclose comparative information as required by Chapter 7.1 for the financial year 2024. Other undertakings that are subject for the first time to reporting under ESRS based on the provisions of the CSRD are not required to disclose comparative information as required by Chapter 7.1 for their first reporting period.</p>
<p>10.4 Transitional provision: List of Disclosure Requirements that are phased-in</p>	<p>10.3 Transitional provision: List of Disclosure Requirements that are phased-in <small>[CHANGES AND CONSIDERATION DUE TO DELEGATED "QUICK FIX" NOT REFLECTED HERE]</small></p>	<p>10.2. Transitional provision: List of DRs that are phased in</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
		<p>125. ‘Wave-one’ undertakings may omit in their sustainability statement:</p> <p>(a) all the DRs of ESRS E4 Biodiversity and Ecosystems, ESRS S2 Workers in the Value Chain, ESRS S3 Affected Communities, and ESRS S4 Consumers and End-users for their financial years prior to financial year 2027;</p> <p>(b) all information about anticipated financial effects, required in paragraph 27 of ESRS 2 General Disclosures and in ESRS E1-11 for their financial years prior to financial year 2027, with the exception of ESRS E1-11 paragraph 38(a)(b) and 39 (a)(b);</p> <p>(c) quantitative information about anticipated financial effects, required in paragraph 27 of ESRS 2 General Disclosures and in ESRS E1-11 for their financial years prior to financial year 2030, with the exception of ESRS E1-11 paragraph 38(a)(b) and 39 (a)(b);</p> <p>(d) quantitative information related to substances of concern (SoC) prescribed by ESRS E2-5, for their financial years prior to financial year 2030; and</p> <p>(e) ESRS S1-6, S1-7 for non-EEA countries, S1-10, S1-11, S1-12, S1-13 datapoints paragraph 40(d)(e) and non-employees datapoints, and S1-14 for their financial years prior to financial year 2027.</p>
137. Appendix C List of phased-in Disclosure Requirements in this Standard sets phase-in provisions for the Disclosure Requirements or datapoints of Disclosure Requirements in ESRS that may be omitted or that are not applicable in the first year(s) of preparation of the sustainability statement under the ESRS.	127. Appendix D sets phase-in provisions for the DRs or datapoints in the ESRS that may be omitted or that are not applicable in the first year(s) of mandatory application of the ESRS in the preparation of the sustainability statement .	
Appendix A Application Requirements		
This appendix is an integral part of ESRS 1 and has the same authority as the other parts of the Standard.		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
Entity specific disclosures AR 1. The entity-specific disclosures shall enable users to understand the undertaking's impacts, risks and opportunities in relation to environmental, social or governance matters.	Moved to AR 1	
AR 2. When developing entity-specific disclosures, the undertaking shall ensure that: (a) the disclosures meet the qualitative characteristics of information as set out in chapter 2 Qualitative characteristics of information; and	Moved to AR 1	Moved to AR 3
(b) its disclosures include, where applicable, all material information related to the reporting areas of governance; strategy; impact, risk and opportunity management; and metrics and targets (see ESRS 2 chapters 2 to 5).	Moved to AR 1	Moved to AR 3
AR 3. When determining the usefulness of metrics for inclusion in its entity-specific disclosures, the undertaking shall consider whether: (a) its chosen performance metrics provide insight into: i. how effective its practices are in reducing negative outcomes and/or increasing positive outcomes for people and the environment (for impacts); and/or ii. the likelihood that its practices result in financial effects on the undertaking (for risks and opportunities);	Moved to AR 2	Moved to AR 4
(b) the measured outcomes are sufficiently reliable, meaning that they do not involve an excessive number of assumptions and unknowns that would render the metrics too arbitrary to provide a faithful representation; and	Moved to AR 2	Moved to AR 4
(c) it has provided sufficient contextual information to interpret performance metrics appropriately, and whether variations in such contextual information may impact the comparability of the metrics over time.	Moved to AR 2	Moved to AR 4

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
AR 4. When developing its entity-specific disclosures, the undertaking shall carefully consider: (a) comparability between undertakings, while still ensuring relevance of the information provided, recognising that comparability may be limited for entity-specific disclosures. The undertaking shall consider whether the available and relevant frameworks, initiatives, reporting standards and benchmarks (such as technical material issued by the International Sustainability Standards Board or the Global Reporting Initiative) provide elements that can support comparability to the maximum extent possible; and	Moved to paragraph 11	Point (a) moved to AR 5 and paragraph 12. The rest is deleted
(b) comparability over time: consistency of methodologies and disclosures is a key factor for achieving comparability over time.	Moved to paragraph 11	Moved to paragraph 12
AR 5. Further guidance for developing entity-specific disclosures can be found by considering the information required under topical ESRS that addresses similar sustainability matters.		
Double materiality Stakeholders and their relevance to the materiality assessment process AR 6. In addition to the categories of stakeholder listed in paragraph 22, common categories of stakeholders are: employees and other workers, suppliers, consumers, customers, end- users, local communities and persons in vulnerable situations, and public authorities, including regulators, supervisors and central banks.	Moved to AR 10	Moved to AR 21
AR 7. Nature may be considered as a silent stakeholder. In this case, ecological data and data on the conservation of species may support the undertaking's materiality assessment.	Moved to AR 10	Moved to AR 21

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
AR 8. Materiality assessment is informed by dialogue with affected stakeholders. The undertaking may engage with affected stakeholders or their representatives (such as employees or trade unions), along with users of sustainability reporting and other experts, to provide inputs or feedback on its conclusions regarding its material impacts, risks and opportunities.	Moved to AR 11	Moved to AR 22
Assessment of impact materiality AR 9. In assessing impact materiality and determining the material matters to be reported, the undertaking shall consider the following three steps: (a) understanding of the context in relation to its impacts including its activities, business relationships, and stakeholders;	Moved to AR 5	Moved to AR 18
(b) identification of actual and potential impacts (both negative and positive), including through engaging with stakeholders and experts. In this step, the undertaking may rely on scientific and analytical research on impacts on sustainability matters;	Moved to AR 5	Moved to AR 18
(c) assessment of the materiality of its actual and potential impacts and determination of the material matters. In this step, the undertaking shall adopt thresholds to determine which of the impacts will be covered in its sustainability statement.	Moved to AR 5	Moved to AR 18
Characteristics of severity AR 10. The severity is determined by the following factors: (a) scale: how grave the negative impact is or how beneficial the positive impact is for people or the environment;	Moved to AR 7	Moved to AR 20

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
(b) scope: how widespread the negative or positive impacts are. In the case of environmental impacts, the scope may be understood as the extent of environmental damage or a geographical perimeter. In the case of impacts on people, the scope may be understood as the number of people adversely affected; and	Moved to AR 7	Moved to AR 20
(c) irremediable character: whether and to what extent the negative impacts could be remediated, i.e., restoring the environment or affected people to their prior state.	Moved to AR 7	Moved to AR 20
AR 11. Any of the three characteristics (scale, scope, and irremediable character) can make a negative impact severe. In the case of a potential negative human rights impact, the severity of the impact takes precedence over its likelihood.	Moved to AR 8	Moved to AR 20
Impacts connected with the undertaking AR 12. As an illustration: (a) if the undertaking uses cobalt in its products that is mined using child labour, the negative impact (i.e., child labour) is connected with the undertaking's products through the tiers of business relationships in its upstream value chain. These relationships include the smelter and minerals trader and the mining enterprise that uses child labour; and	Moved to AR 6	Moved to AR 16
(b) if the undertaking provides financial loans to an enterprise for business activities that, in breach of agreed standards, result in the contamination of water and land surrounding the operations, this negative impact is connected with the undertaking through its relationship with the enterprise it provides the loans to.	Moved to AR 6	Moved to AR 16

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
Assessment of financial materiality AR 13. The following are examples of how impacts and dependencies are sources of risks or opportunities: (a) when the undertaking's business model depends on a natural resource – for example water – it is likely to be affected by changes in the quality, availability and pricing of that resource;		
(b) when the undertaking's activities result in negative impacts, e.g., on local communities, the activities could become subject to stricter government regulation and/or the impact could trigger consequences of a reputational nature. These might have negative effects on the undertaking's brand and higher recruitment costs might arise; and		
(c) when the undertaking's business partners face material sustainability-related risks, the undertaking could be exposed to related consequences as well.		
AR 14. The identification of risks and opportunities that affect or could reasonably be expected to affect the undertaking's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term is the starting point for financial materiality assessment. In this context, the undertaking shall consider: (a) the existence of dependencies on natural and social resources as sources of financial effects (see paragraph 50);	Moved to AR 14	

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>(b) their classification as sources of:</p> <p>i. risks (contributing to negative deviation in future expected cash inflows or increase in deviation in future expected cash outflows and/or negative deviation from an expected change in capitals not recognised in the financial statements); or</p> <p>ii. opportunities (contributing to positive deviation in future expected cash inflows or decrease in deviation in future cash outflows and/or positive deviation from expected change in capitals not recognised in financial statements).</p>	Moved to AR 14	
<p>AR 15. Once the undertaking has identified its risks and opportunities, it shall determine which of them are material for reporting. This shall be based on a combination of (i) the likelihood of occurrence and (ii) the potential magnitude of financial effects determined on the basis of appropriate thresholds. In this step it shall consider the contribution of those risks and opportunities to financial effects in the short-, medium- and long-term based on:</p> <p>(a) scenarios/forecasts that are deemed likely to materialise; and</p>	Moved to AR 15	Moved to AR 29

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Draft Amended ESRS 1
<p>(b) anticipated financial effects related to sustainability matters deriving either from situations with a below the ‘more likely than not’ threshold or assets/liabilities not, or not yet, reflected in financial statements. This includes:</p> <ul style="list-style-type: none"> i. potential situations that following the occurrence of future events may affect cash flow generation potential; ii. capitals that are not recognised as assets from an accounting and financial reporting perspective but have a significant influence on financial performance, such as natural, intellectual (organisational), human, social and relationship capitals; and iii. possible future events that may have an influence on the evolution of such capitals. 	<p>Moved to AR 15</p>	<p>Moved to AR 29</p>
<p>Sustainability matters to be included in the materiality assessment</p> <p>AR 16. When performing its materiality assessment, the undertaking shall consider the following list of sustainability matters covered in the topical ESRS. When, as a result of the undertaking’s materiality assessment (see ESRS 2 IRO-1), a given sustainability matter in this list is assessed to be material, the undertaking shall report according to the corresponding Disclosure Requirements of the relevant topical ESRS. Using this list is not a substitute for the process of determining material matters. This list is a tool to support the undertaking’s materiality assessment. The undertaking still needs to consider its own specific circumstances when determining its material matters. The undertaking, where necessary, also shall develop entity-specific disclosures on material impacts, risks and opportunities not covered by ESRS as described in paragraph 11 of this Standard.</p>	<p>This Appendix is an integral part of [Draft] Amended ESRS 1 and provides non-binding guidance to support the application of provisions in this Standard.</p> <p>The following table provides the list of topics and sub-topics covered by topical ESRS as one of the inputs to the double materiality assessment. The undertaking needs to consider its own specific circumstances when determining the topics or sub-topics to be reported. Where necessary, it shall consider topics or sub-topics not covered by the ESRS to develop entity-specific disclosures on material impacts, risks and opportunities as described in paragraph 11. Chapter 3.5 provides practical considerations to support the materiality assessment process.</p>	<p>This Appendix is an integral part of ESRS 1 <i>General Requirements</i> and provides non-binding guidance to support the application of provisions in this Standard.</p> <p>The following table provides the list of topics and sub-topics covered by topical standards as one of the inputs to the double materiality assessment. The undertaking needs to consider its own specific circumstances when determining the topics or sub-topics to be reported. Where necessary, it shall consider topics or sub-topics not covered by ESRS to develop entity-specific disclosures on material impacts, risks and opportunities, as described in paragraph 11.</p>

ESRS 1 as enacted in 2023				Exposure Draft ESRS 1		Amended ESRS 1	
Topical ESRS	Sustainability matters covered in topical ESRS			Topics	Sub-topics	Topics	Sub-topics
	Topic	Sub-topic	Sub-sub-topics				
ESRS E1	Climate change	Climate change mitigation		Climate change ([Draft] Amended ESRS E1)	Climate Change Mitigation	Climate Change (ESRS E1)	Climate change mitigation
		Climate change adaptation			Climate Change Adaptation		Climate change adaptation
		Energy			Energy		Energy
ESRS E2	Pollution	Pollution of air		Pollution ([Draft] Amended ESRS E2)	Pollution of air	Pollution (ESRS E2)	Pollution of air
		Pollution of water			Pollution of water		Pollution of water
		Pollution of soil			Pollution of soil		Pollution of soil
		Pollution of living organisms and food resources			Substances of concern, including substances of very high concern		Substances of concern, including substances of very high concern
		Substances of concern			Microplastics		Microplastics
		Substances of very high concern			Water withdrawals		Water use, which include withdrawal, consumption, discharges and storage
		Microplastics			Water consumption		Water use, which include withdrawal, consumption, discharges and storage
ESRS E3	Water and marine resources	Water	Water consumption	Water ([Draft] Amended ESRS E3)	Water discharges	Water (ESRS E3)	Water use, which include withdrawal, consumption, discharges and storage
			Water withdrawals		Water storage		Water use, which include withdrawal, consumption, discharges and storage
			Water discharges		Drivers of biodiversity and ecosystem change (terrestrial and marine habitat change, invasive species)		Drivers of biodiversity and ecosystem change (terrestrial and marine habitat change, invasive species)
			Water discharges in the oceans		State of species		State of species
		Marine Resources	Extraction and use of marine resources	Biodiversity and ecosystems ([Draft] Amended ESRS E4)	The extent and condition of terrestrial and marine ecosystems	Biodiversity and Ecosystems (ESRS E4)	The extent and condition of terrestrial and marine ecosystems
ESRS E4	Biodiversity and Ecosystems	Direct impact drivers of biodiversity loss	Climate Change		Ecosystem services		Ecosystem services
			Land-use change, fresh water-use change and sea-use change		Resource inflows		Resource inflows
			Direct exploitation		Resource outflows related to products and services		Resource outflows related to products and services
			Invasive alien species		Resource outflows (waste)		Resource outflows (waste)
			Pollution				
			Others				
		Impacts on the state of species	Examples: Species population size Species global extinction risk				
ESRS E5	Circular Economy	Impacts on the extent and condition of ecosystems	Examples: Land degradation Desertification Soil sealing	Circular economy and resource use ([Draft] Amended ESRS E5)		Circular Economy and Resource Use (ESRS E5)	
		Impacts and dependencies on ecosystem services					
		Resources inflows, including resource use					

ESRS S3	Affected communities	Communities' economic, social and cultural rights	Adequate housing	Affected communities ([Draft] Amended ESRS S3)	Communities' economic, social and cultural rights (land-related impacts, security-related impacts, adequate housing and food, water and sanitation)	Affected Communities (ESRS S3)	Communities' economic, social and cultural rights (including land-related impacts, security-related impacts, adequate housing and food, water and sanitation)
			Adequate food		Communities' civil and political rights (freedom of expression, freedom of assembly, impacts on human rights defenders)		Communities' civil and political rights (including freedom of expression, freedom of assembly, impacts on human rights defenders)
			Water and sanitation		Rights of indigenous peoples (free, prior and informed consent ('FPIC'), self-determination, cultural rights)		Rights of indigenous peoples (including free, prior and informed consent (FPIC), self-determination, cultural rights)
			Land-related impacts				
			Security-related impacts				
		Communities' civil and political rights	Freedom of expression	Consumers and end users ([Draft] Amended ESRS S4)	Information-related impacts for consumers and/or end users (privacy, access to information, freedom of expression)	Consumers and End-users (ESRS S4)	Information-related impacts for consumers or users (including privacy, access to information, freedom of expression)
			Freedom of assembly		Personal safety of consumers and/or end users (health and safety, protection of children, security of a person)		Personal safety of consumers or end-users (including health and safety, protection of children, security of a person)
			Impacts on human rights defenders		Social inclusion of consumers and/or end users (access to products and services, responsible marketing practices, non-discrimination)		Social inclusion of consumers or end-users (including, access to products and services, responsible marketing practices, non-discrimination)
		Rights of indigenous peoples	Free, prior and informed consent		Corporate culture (including anti-corruption and bribery, protection of whistle-blowers and animal welfare)	Business Conduct (ESRS G1)	Corporate culture, including anti-corruption and bribery, the protection of whistle-blowers and animal welfare
			Self-determination		Political influence and lobbying activities		Political influence, including lobbying activities
			Cultural rights		Management of relationships with suppliers, including (unfair) payment practices		Management of relationships with suppliers, including payment practices especially late payment to small- and medium-sized undertakings (SMEs)
ESRS S4	Consumers and end-users	Information-related impacts for consumers and/or end-users	Privacy				
			Freedom of expression				
			Access to (quality) information				
		Personal safety of consumers and/or end-users	Health and safety				
			Security of a person				
			Protection of children				
		Social inclusion of consumers and/or end-users	Non-discrimination				
			Access to products and services				
			Responsible marketing practices				
ESRS G1	Business Conduct	Corporate culture	Prevention and detection including training				
		Corruption and bribery	Incidents				
		Protection of whistle-blowers					
		Animal Welfare					
		Political engagement and lobbying activities					
		Management of relationships with suppliers including payment practices					

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
<p>Estimation using sector averages and proxies AR 17. When the undertaking cannot collect upstream and downstream value chain information as required by paragraph 63 after making reasonable efforts to do so, it shall estimate the information to be reported using all reasonable and supportable information that is available to the undertaking at the reporting date without undue cost or effort. This includes, but is not limited to, internal and external information, such as data from indirect sources, sector-average data, sample analyses, market and peer groups data, other proxies or spend-based data.</p>	Moved to Chapter 7.3.	Moved to Paragraph 32
<p>Content and structure of the sustainability statement AR 18. As an illustration for paragraph 115 in section 8.2 Content and structure of the sustainability statement of this Standard, the undertaking that covers environmental and social matters in the same policy may cross-refer. That means that the undertaking may report on the policy in its environmental disclosures and cross-refer to it from the relevant social disclosures or vice versa. Consolidated presentation of policies across topics is allowed.</p>	Moved to AR 39	
Appendix B	Appendix B	Appendix B
This appendix is an integral part of ESRS 1 and has the same authority as the other parts of the Standard. This appendix defines the qualitative characteristics that the information presented in the sustainability statement prepared according to ESRS shall meet.	This Appendix is an integral part of [Draft] Amended ESRS 1 and has the same authority as the other parts of the Standard. This Appendix defines the qualitative characteristics that the information presented in the sustainability statement prepared in accordance with the ESRS shall meet, as outlined in Chapter 2 of [Draft] Amended ESRS 1.	This appendix is an integral part of ESRS 1 General Requirement and has the same authority as the other parts of the Standard. This appendix defines the qualitative characteristics that the information presented in the sustainability statement prepared according to ESRS 1 General Requirement shall meet.
Relevance	Relevance	Relevance

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
<p>QC1. Sustainability information is relevant when it may make a difference in the decisions of users under a double materiality approach (see chapter 3 of this Standard).</p> <p>QC2. Information may make a difference in a decision even if some users choose not to take advantage of it or are already aware of it from other sources. Sustainability information may impact decisions of users if it has predictive value, confirmatory value or both. Information has predictive value if it can be used as an input to processes employed by users to predict future outcomes. Sustainability information does not need to be a prediction or forecast to have predictive value, but rather has predictive value if employed by users in making their own predictions.</p>	<p>QC1. Sustainability information is relevant when it may make a difference in the decisions of <i>users</i> under a double materiality approach (see Chapter 3).</p> <p>QC2. Information may make a difference in a decision even if some <i>users</i> choose not to take advantage of it or are already aware of it from other sources. Sustainability information may impact decisions of users if it has predictive value, confirmatory value or both. Information has predictive value if it can be used as an input to processes employed by users to predict future outcomes. Sustainability information does not need to be a prediction or forecast to have predictive value but rather has predictive value if employed by users in making their own predictions.</p>	<p>QC1. Sustainability information is relevant when it may make a difference in the decisions of users under a double materiality approach (see chapter 3).</p> <p>QC2. Information may make a difference in a decision even if some users choose not to take advantage of it or are already aware of it from other sources. Sustainability information may impact decisions of users if it has predictive value, confirmatory value or both. Information has predictive value if it can be used as an input to processes employed by users to predict future outcomes. Sustainability information need not be a prediction or forecast to have predictive value, but rather has predictive value when employed by users in making their own predictions.</p>
<p>QC3. Information has confirmatory value if it provides feedback about (confirms or changes) previous evaluations.</p>	<p>QC3. Information has confirmatory value if it provides feedback about (confirms or changes) previous evaluations.</p>	<p>QC3. Information has confirmatory value when it provides feedback about (confirms or changes) previous evaluations.</p>
<p>QC 4. Materiality is an entity-specific aspect of relevance based on the nature or magnitude or both of the items to which the information relates as assessed in the context of the undertaking's sustainability reporting (see chapter 3 of this Standard)</p>	<p>QC4. Materiality is an entity-specific aspect of relevance based on the nature or magnitude or both of the items to which the information relates, as assessed in the context of the undertaking's sustainability reporting (see chapter 3)</p>	<p>QC 4. Materiality is an entity-specific aspect of relevance based on the nature or magnitude or both of the items to which the information relates as assessed in the context of the undertaking's sustainability reporting (see chapter 3)</p>
Faithful representation	Faithful representation	Faithful representation
<p>QC5. To be useful, the information must not only represent relevant phenomena, it must also faithfully represent the substance of the phenomena that it purports to represent. Faithful representation requires information to be (i) complete, (ii) neutral and (iii) accurate.</p>	<p>QC5. To be useful, the information must not only represent relevant phenomena; it must also faithfully represent the substance of the phenomena that it purports to represent. Faithful representation requires information to be (i) complete, (ii) neutral and (iii) accurate.</p>	<p>QC5. To be useful, the information must not only represent relevant phenomena, it must also faithfully represent the substance of the phenomena that it purports to represent. Faithful representation requires information to be (a) complete, (b) neutral and (c) accurate.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
<p>QC6. A complete depiction of an impact, a risk or an opportunity includes all material information necessary for the users to understand that impact, risk or opportunity. This includes how the undertaking has adapted its strategy, risk management and governance in response to that impact, risk or opportunity, as well as the metrics identified to set targets and measure performance.</p>	<p>QC6. A complete depiction of an impact, a risk or an opportunity includes all material information necessary for the users to understand that impact, risk or opportunity. This includes how the undertaking has adapted its strategy, risk management and governance in response to that impact, risk or opportunity, as well as the policies and actions in place to manage it, and the metrics identified to set targets and measure performance.</p>	<p>QC6. A complete depiction of an impact, a risk or an opportunity includes all material information necessary for the users to understand that impact, risk or opportunity. This includes how the undertaking has adapted its strategy, risk management and governance in response to that impact, risk or opportunity, as well as the metrics identified to set targets and measure performance.</p>
<p>QC7. A neutral depiction is without bias in its selection or disclosure of information. Information is neutral if it is not slanted, weighted, emphasised, de-emphasised or otherwise manipulated to make it more likely that the users will receive that information favourably or unfavourably. It shall be balanced, so as to cover favourable/positive and unfavourable/negative aspects. Both negative and positive material impacts from an impact materiality perspective as well as material risks and opportunities from a financial materiality perspective shall receive equal attention. Any aspirational sustainability information, such as targets or plans, shall cover both aspirations and factors that could prevent the undertaking from achieving these aspirations in order to have a neutral depiction.</p>	<p>QC7. A neutral depiction is without bias in its selection or disclosure of information. Information is neutral if it is not slanted, weighted, emphasised, de-emphasised or otherwise manipulated to make it more likely that the users will receive that information favourably or unfavourably. It shall be balanced so as to cover favourable/positive and unfavourable/negative aspects. Both negative and positive material impacts from an impact materiality perspective as well as material risks and opportunities from a financial materiality perspective shall receive equal attention. Any aspirational sustainability information, for example, targets or plans, shall cover both aspirations and factors that could prevent the undertaking from achieving these aspirations in order to have a neutral depiction.</p>	<p>QC7. A neutral depiction is without bias in its selection or disclosure of information. Information is neutral if it is not slanted, weighted, emphasised, de-emphasised or otherwise manipulated to make it more likely that the users will receive that information favourably or unfavourably. It shall be balanced, so as to cover favourable/positive and unfavourable/negative aspects. Both negative and positive material impacts from an impact materiality perspective as well as material risks and opportunities from a financial materiality perspective shall receive equal attention. Any aspirational sustainability information, such as targets or plans, shall cover both aspirations and factors that could prevent the undertaking from achieving these aspirations in order to have a neutral depiction.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
<p>QC8. Neutrality is supported by the exercise of prudence which is the exercise of caution when making judgements under conditions of uncertainty. Information shall not be netted or compensated to be neutral. The exercise of prudence means that opportunities are not overstated and risks are not understated. Equally, the exercise of prudence does not allow for the understatement of opportunities or the overstatement of risks. The undertaking may present net information, in addition to gross values, if such presentation does not obscure relevant information and includes a clear explanation about the effects of the netting and the reasons for the netting.</p>	<p>QC8. Neutrality is supported by the exercise of prudence, i.e. caution when making judgements under conditions of uncertainty. Information shall not be netted or compensated to be neutral. The exercise of prudence means that opportunities are not overstated and risks are not understated. Equally, the exercise of prudence does not allow for the understatement of opportunities or the overstatement of risks. The undertaking may present net information, in addition to gross values, if such presentation does not obscure relevant information and includes a clear explanation about the effects of the netting and the reasons for the netting.</p>	<p>QC8. Neutrality is supported by the exercise of prudence which is the exercise of caution when making judgements under conditions of uncertainty. Information shall not be netted or compensated to be neutral. The exercise of prudence means that opportunities are not overstated and risks are not understated. Equally, the exercise of prudence does not allow for the understatement of opportunities or the overstatement of risks. The undertaking may present net information, in addition to gross values, if such presentation does not obscure relevant information and includes a clear explanation about the effects of the netting and the reasons for the netting.</p>
<p>QC9. Information can be accurate without being perfectly precise in all respects. Accurate information implies that the undertaking has implemented adequate processes and internal controls to avoid material errors or material misstatements. As such, estimates shall be presented with a clear emphasis on their possible limitations and associated uncertainty (see section 7.2 of this Standard). The amount of precision needed and attainable, and the factors that make information accurate, depend on the nature of the information and the nature of the matters it addresses. For example, accuracy requires that:</p>	<p>QC9. Information can be accurate without being perfectly precise in all respects. Accurate information implies that the undertaking has implemented adequate processes and internal controls to avoid material errors or material misstatements. As such, estimates shall be presented with a clear emphasis on their possible limitations and associated uncertainty (see Chapter 7.2). The amount of precision needed and attainable, and the factors that make information accurate, depend on the nature of the information and the nature of the topics it addresses. For example, accuracy requires that:</p>	<p>QC9. Information can be accurate without being perfectly precise in all respects. Accurate information implies that the undertaking has implemented adequate processes and internal controls to avoid material errors or material misstatements. As such, estimates shall be presented with a clear emphasis on their possible limitations and associated uncertainty (see section 7.2). The amount of precision needed and attainable, and the factors that make information accurate, depend on the nature of the information and the nature of the topics it addresses. For example, accuracy requires that:</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
<ul style="list-style-type: none"> (a) factual information is free from material error; (b) descriptions are precise; (c) estimates, approximations and forecasts are clearly identified as such; (d) no material errors have been made in selecting and applying an appropriate process for developing an estimate, approximation or forecast, and the inputs to that process are reasonable and supportable; (e) assertions are reasonable and based on information of sufficient quality and quantity; and (f) information about judgements about the future faithfully reflects both those judgements and the information on which they are based. 	<ul style="list-style-type: none"> (a) factual information is free from material error; (b) descriptions are precise; (c) estimates, approximations and forecasts are clearly identified as such; (d) no material errors have been made in selecting and applying an appropriate process for developing an estimate, approximation or forecast, and the inputs to that process are reasonable and supportable; (e) assertions are reasonable and based on information of sufficient quality and quantity; and (f) information about judgements about the future faithfully reflects both those judgements and the information on which they are based. 	<ul style="list-style-type: none"> (a) factual information is free from material error; (b) descriptions are precise; (c) estimates, approximations and forecasts are clearly identified as such; (d) no material errors have been made in selecting and applying an appropriate process for developing an estimate, approximation or forecast, and the inputs to that process are reasonable and supportable; (e) assertions are reasonable and based on information of sufficient quality and quantity; and (f) information about judgements about the future faithfully reflects both those judgements and the information on which they are based.
Comparability	Comparability	Comparability
<p>QC10. Sustainability information is comparable when it can be compared with information provided by the undertaking in previous periods and, can be compared with information provided by other undertakings, in particular those with similar activities or operating within the same industry. A point of reference for comparison can be a target, a baseline, an industry benchmark, comparable information from either other undertakings or from an internationally recognised organisation, etc.</p> <p>QC11. Consistency is related to, but is not the same as, comparability. Consistency refers to the use of the same approaches or methods for the same sustainability matter, from period to period by the undertaking and other undertakings. Consistency helps to achieve the goal of comparability</p>	<p>QC10. Sustainability information is comparable when it can be compared with information provided by the undertaking in previous periods and can be compared with information provided by other undertakings, in particular those with similar activities or operating within the same industry. A point of reference for comparison can be a target, a baseline, an industry benchmark, comparable information from either other undertakings or from an internationally recognised organisation, etc.</p> <p>QC11. Consistency is related to, but is not the same as, comparability. Consistency refers to the use of the same approaches or methods for the same topic from period to period by the undertaking and other undertakings. Consistency helps to achieve the goal of comparability.</p>	<p>QC10. Sustainability information is comparable when it can be compared with information provided by the undertaking in previous periods and, can be compared with information provided by other undertakings, in particular those with similar activities or operating within the same sector. A point of reference for comparison can be a target, a baseline, a sector benchmark, comparable information from either other undertakings or from an internationally recognised organisation, etc.</p> <p>QC11. Consistency is related to, but is not the same as, comparability. Consistency refers to the use of the same approaches or methods for the same sustainability matter, from period to period by the undertaking and other undertakings. Consistency helps to achieve the goal of comparability</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
<p>QC12. Comparability is not uniformity. For information to be comparable, like components shall look alike and different components shall look different. Comparability of sustainability information is not enhanced by making unlike things look alike any more than it is enhanced by making like things look different.</p>	<p>QC12. Comparability is not uniformity. For information to be comparable, like components shall look alike and different components shall look different. Comparability of sustainability information is not enhanced by making unlike things look alike any more than it is enhanced by making like things look different.</p>	<p>QC12. Comparability is not uniformity. For information to be comparable, like components shall look alike and different components shall look different. Comparability of sustainability information is not enhanced by making unlike things look alike any more than it is enhanced by making like things look different.</p>
Verifiability	Verifiability	Verifiability
<p>QC13. Verifiability helps to give users confidence that information is complete, neutral and accurate. Sustainability information is verifiable if it is possible to corroborate the information itself or the inputs used to derive it.</p>	<p>QC13. Verifiability helps to give <i>users</i> confidence that information is complete, neutral and accurate. Sustainability information is verifiable if it is possible to corroborate the information itself or the inputs used to derive it.</p>	<p>QC13. Verifiability helps to give users confidence that information is complete, neutral and accurate. Sustainability information is verifiable if it is possible to corroborate the information itself or the inputs used to derive it.</p>
<p>QC14. Verifiability means that various knowledgeable and independent observers could reach consensus, although not necessarily complete agreement, that a particular depiction is a faithful representation. Sustainability information shall be provided in a way that enhances its verifiability, for example:</p>	<p>QC14. Verifiability means that various knowledgeable and independent observers could reach consensus, although not necessarily complete agreement, that a particular depiction is a faithful representation. Sustainability information shall be provided in a way that enhances its verifiability, for example:</p>	<p>QC14. Verifiability means that various knowledgeable and independent observers could reach consensus, although not necessarily complete agreement, that a particular depiction is a faithful representation. Sustainability information shall be provided in a way that enhances its verifiability, for example:</p>
<p>(a) including information that can be corroborated by comparing it with other information available to users about the undertaking's business, about other businesses or about the external environment;</p> <p>(b) providing information about inputs and methods of calculation used to produce estimates or approximations; and</p> <p>(c) providing information reviewed and agreed by the administrative, management and supervisory bodies or their committees.</p>	<p>(a) including information that can be corroborated by comparing it with other information available to <i>users</i> about the undertaking's business, about other businesses or about the external environment;</p> <p>(b) providing information about inputs and methods of calculation used to produce estimates or approximations; and</p> <p>(c) providing information reviewed and agreed by the administrative, management and supervisory bodies or their committees.</p>	<p>(a) including information that can be corroborated by comparing it with other information available to users about the undertaking's business, about other businesses or about the external environment;</p> <p>(b) providing information about inputs and methods of calculation used to produce estimates or approximations; and</p> <p>(c) providing information reviewed and agreed by the administrative, management and supervisory bodies or their committees.</p>

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
QC15. Some sustainability information will be in the form of explanations or forward-looking information. Those disclosures can be supportable by faithfully representing on a factual basis for example the strategies, plans and risk analyses of the undertaking. To help users decide whether to use such information, the undertaking shall describe the underlying assumptions and methods of producing the information, as well as other factors that provide evidence that it reflects the actual plans or decisions made by the undertaking.	QC15. Some sustainability information will be in the form of explanations or forward-looking information. Those disclosures can be supportable by faithfully representing on a factual basis, for example, the strategies, plans and risk analyses of the undertaking. To help <i>users</i> decide whether to use such information, the undertaking shall describe the underlying assumptions and methods of producing the information, as well as other factors that provide evidence that it reflects the actual plans or decisions made by the undertaking.	QC15. Some sustainability information will be in the form of explanations or forward-looking information. Those disclosures can be supportable by faithfully representing on a factual basis for example the strategies, plans and risk analyses of the undertaking. To help users decide whether to use such information, the undertaking shall describe the underlying assumptions and methods of producing the information, as well as other factors that provide evidence reflecting the actual plans or decisions made by the undertaking.
Understandability	Understandability	Understandability
QC16. Sustainability information is understandable when it is clear and concise. Understandable information enables any reasonably knowledgeable user to readily comprehend the information being communicated.	QC16. Sustainability information is understandable when it is clear and concise. Understandable information enables any reasonably knowledgeable <i>user</i> to readily comprehend the information being communicated.	QC16. Sustainability information is understandable when it is clear and concise. Understandable information enables any reasonably knowledgeable user to readily comprehend the information being communicated.
QC17. For sustainability disclosures to be concise, they need to (a) avoid generic 'boilerplate' information, which is not specific to the undertaking; (b) avoid unnecessary duplication of information, including information also provided in financial statements; and (c) use clear language and well-structured sentences and paragraphs. Concise disclosures shall only include material information. Complementary information presented pursuant to paragraph 114 shall be provided in a way that avoids obscuring material information	QC17. For sustainability disclosures to be concise, they need to (a) avoid generic 'boilerplate' information, which is not specific to the undertaking; (b) avoid unnecessary duplication of information, including information also provided in financial statements; and (c) use clear language and well-structured sentences and paragraphs. Concise disclosures shall only include material information. Complementary information presented pursuant to paragraph 106 shall be provided in a way that avoids obscuring material information	QC17. For sustainability disclosures to be concise, they need to (a) avoid generic 'boilerplate' information, which is not specific to the undertaking; (b) avoid unnecessary duplication of information, including information also provided in financial statements; and (c) use clear language and well-structured sentences and paragraphs. Disclosures are concise if they include material information. Supplementary information presented pursuant to Subchapter 8.2 shall be provided in a way that avoids obscuring material information

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
QC18. Clarity might be enhanced by distinguishing information about developments in the reporting period from 'standing' information that remains relatively unchanged from one period to the next. This can be done, for example, by separately describing features of the undertaking's sustainability-related governance and risk management processes that have changed since the previous reporting period compared to those that remain unchanged.	QC18. Clarity might be enhanced by distinguishing information about developments in the reporting period from 'standing' information that remains relatively unchanged from one period to the next. This can be done, for example, by separately describing features of the undertaking's sustainability-related governance and risk management processes that have changed since the previous reporting period compared to those that remain unchanged.	QC18. Clarity might be enhanced by distinguishing information about developments in the reporting period from 'standing' information that remains relatively unchanged from one period to the next. This can be done, for example, by separately describing features of the undertaking's sustainability-related governance and risk management processes that have changed since the previous reporting period compared to those that remain unchanged.
QC19. The completeness, clarity and comparability of sustainability disclosures all rely on information being presented as a coherent whole. For sustainability disclosures to be coherent, they shall be presented in a way that explains the context and the connections between the related information. Coherence also requires the undertaking to provide information in a way that allows users to relate information about its sustainability-related impacts, risks and opportunities to information in the undertaking's financial statements	QC19. The completeness, clarity and comparability of sustainability disclosures all rely on information being presented as a coherent whole. For sustainability disclosures to be coherent, they shall be presented in a way that explains the context and the connections between the related information. Coherence also requires the undertaking to provide information in a way that allows users to relate information about its sustainability-related impacts, risks and opportunities to information in the undertaking's financial statements	QC19. The completeness, clarity and comparability of sustainability disclosures all rely on information being presented as a coherent whole. For sustainability disclosures to be coherent, they shall be presented in a way that explains the context and the connections between the related information. Coherence also requires the undertaking to provide information in a way that allows users to relate information about its impacts, risks and opportunities to information in the undertaking's financial statements
QC20. If sustainability-related risks and opportunities discussed in the financial statements have implications for sustainability reporting, the undertaking shall include in the sustainability statement the information necessary for users to assess those implications and present appropriate links to the financial statements (see chapter 9 of this Standard). The level of information, granularity and technicality shall be aligned with the needs and expectations of users. Abbreviations shall be avoided and the units of measure shall be defined and disclosed.	QC20. If sustainability-related risks and opportunities discussed in the financial statements have implications for sustainability reporting, the undertaking shall include in the sustainability statement the information necessary for users to assess those implications and present appropriate links to the financial statements (see Chapter 9). The level of information, granularity and technicality shall be aligned with the needs and expectations of users. Abbreviations shall be avoided and the units of measure shall be defined and disclosed.	QC20. If risks and opportunities discussed in the financial statements have implications for sustainability reporting, the undertaking shall include in the sustainability statement the information necessary for users to assess those implications and present appropriate links to the financial statements (see chapter 9). The level of information, granularity and technicality shall be aligned with the needs and expectations of users. Abbreviations shall be avoided and the units of measure need to be defined and disclosed.

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1			Amended ESRS 1
Actual negative impacts				
Impacts that occurred in the reporting year	How to assess and what to report in the reporting year	How to assess and what to report in future years		
If an impact occurred in the reporting period and no remediation action has been taken	Assess and report the impact	Keep reporting the impact for as long as it remains material based on its severity		
If an impact occurred in the reporting period, remediation action has been taken after the impact but before the reporting date, and has reduced the severity of the consequences that could otherwise have occurred		Keep reporting the impact after the remediation action taken, including any on-going significant remediation action, for as long as the impact after remediation actions is material		
If an impact occurred in the reporting period and remediation action is planned or underway that should reduce the severity of its consequences, but the remediation is not yet effective in the reporting year	Assess and report the impact before the remediation action; and report action taken	<p>In the reporting period when the remediation became effective, report the impact before the remediation action taken, and report on the action.</p> <p>In subsequent years (after effectiveness) report the impact after the remediation action taken, for as long as the impact after remediation action is material</p>		DELETED
If an impact occurred in the reporting period and remediation action has been taken, is fully completed and the impact is remediated		In principle, no need to report on the impact, as it is not material.		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1			Amended ESRS 1	
Potential impacts					
Potential impacts that were material in the reporting year	How to assess and what to report in the reporting year	How to assess and what to report in future years			
No prevention or mitigation action has been taken or implemented	Assess and report the potential impact	Assess and report the potential impact, as long as it remains material			
If the potential impact was material within the reporting year, but prevention or mitigation action has been taken before the reporting date such that the impact no longer exists	Assess and report the potential impact before the actions and report actions	In principle, no need to report on the potential impact, as it is not material		DELETED	
If the potential impact was material within the reporting year, and prevention or mitigation action has been taken during the reporting period, but the undertaking has to maintain significant ongoing mitigation and/or prevention actions to contain the severity and/or likelihood of occurrence of the potential impact below a materiality level.		Report the potential impact after prevention or mitigation actions if it remains material, and report the significant ongoing action for as long as it is necessary to manage the residual material impact			
If the potential impact was material within the reporting year and prevention or mitigation action has been taken such that the risk is reduced and no significant ongoing mitigation is required to contain the severity and/or likelihood of occurrence of the potential impact below a materiality level		Report the potential impact after mitigation or prevention actions if it remains material. If it is reduced below the materiality threshold, in principle no need to report the impact, as it is not material			

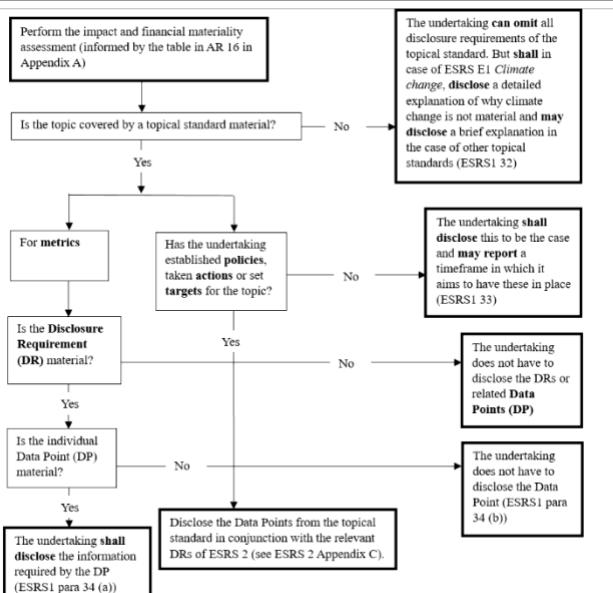
ESRS 1 as enacted in 2023				Exposure Draft ESRS 1				Amended ESRS 1
ESRS	Disclosure Requirement	Full name of the Disclosure Requirement	Phase-in or effective date (including the first year)	[Draft] Amended ESRS	Disclosure Requirement	Full name of the Disclosure Requirement	Phase-in or effective date (including the first year)	Moved to Chapter 10.2
ESRS 2	SBM-1	Strategy, business model and value chain	The undertaking shall report the information prescribed by ESRS 2 SBM-1 paragraph 40(b) (breakdown of total revenue by significant ESRS sector) and 40(c) (list of additional significant ESRS sectors) starting from the application date specified in a Commission Delegated Act to be adopted pursuant to article 29b(1) third subparagraph, point (ii), of Directive 2013/34/EU.	ESRS 2	SBM-3	Interaction of material impacts, risks and opportunities with strategy and business model, and financial effects	The undertaking may omit the information prescribed by [Draft] Amended ESRS 2 SBM-3, paragraph 23(b) (anticipated financial effects), for the first year of preparation of its sustainability statement. The undertaking may comply with ESRS 2 SBM-3, paragraph 23(b), by reporting only qualitative disclosures for the first three years of preparation of its sustainability statement if it is impracticable to prepare quantitative disclosures. [TO BE UPDATED AFTER THE CONSULTATION REFLECTING THE FINAL OUTCOME ON FINANCIAL EFFECTS, I.E. OPTION 1 OR 2]	Moved to Chapter 10.2
ESRS 2	SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	The undertaking may omit the information prescribed by ESRS 2 SBM-3 paragraph 48(e) (anticipated financial effects) for the first year of preparation of its sustainability statement. The undertaking may comply with ESRS 2 SBM-3 paragraph 48(e) by reporting only qualitative disclosures for the first 3 years of preparation of its sustainability statement, if it is impracticable to prepare quantitative disclosures.					
ESRS E1	E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the datapoints on scope 3 emissions and total GHG emissions for the first year of preparation of their sustainability statement.	ESRS E1	E1-8	Gross Scopes 1, 2, 3 emissions	Undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the datapoints on scope 3 emissions and total GHG emissions for the first year of preparation of their sustainability statement.	
ESRS E1	E1-9	Anticipated financial effects from material physical and	The undertaking may omit the information prescribed by ESRS E1-9 for the first year of preparation of its sustainability statement. The undertaking may comply with ESRS E1-9					

		transition risks and potential climate-related opportunities	by reporting only qualitative disclosures for the first 3 years of preparation of its sustainability statement, if it is impracticable to prepare quantitative disclosures.				applicable) may omit the datapoints on scope 3 emissions and total GHG emissions for the first year of preparation of their sustainability statement.	
ESRS E2	E2-6	Anticipated financial effects from pollution-related risks and opportunities	The undertaking may omit the information prescribed by ESRS E2-6 for the first year of preparation of its sustainability statement. Except for the information prescribed by paragraph 40 (b) on the operating and capital expenditures occurred in the reporting period in conjunction with major incidents and deposits, the undertaking may comply with ESRS E2-6 by reporting only qualitative disclosures, for the first 3 years of preparation of its sustainability statement.					
ESRS E3	E3-5	Anticipated financial effects from water and marine resources related risks and opportunities	The undertaking may omit the information prescribed by ESRS E3-5 for the first year of preparation of its sustainability statement. The undertaking may comply with ESRS E3-5 by reporting only qualitative disclosures, for the first 3 years of preparation of its sustainability statement.	ESRS E1	E1-11	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	The undertaking may omit the information prescribed by [Draft] Amended ESRS E1-11 for the first year of preparation of its sustainability statement. The undertaking may comply with [Draft] Amended ESRS E1-11 by reporting only qualitative disclosures for the first three years of preparation of its sustainability statement, if it is impracticable to prepare quantitative disclosures.	
ESRS E4	All disclosure requirements	All disclosure requirements	Undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS E4 for the first 2 years of preparation of their sustainability statement.				Undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of [Draft] Amended ESRS E4 for the first two years of preparation of their sustainability statement.	
ESRS E4	E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	The undertaking may omit the information prescribed by ESRS E4-6 for the first year of preparation of its sustainability statement. The undertaking may comply with ESRS E4-6 by reporting only qualitative disclosures, for the first 3 years of preparation of its sustainability statement.	ESRS E4	All disclosure requirements	All disclosure requirements		

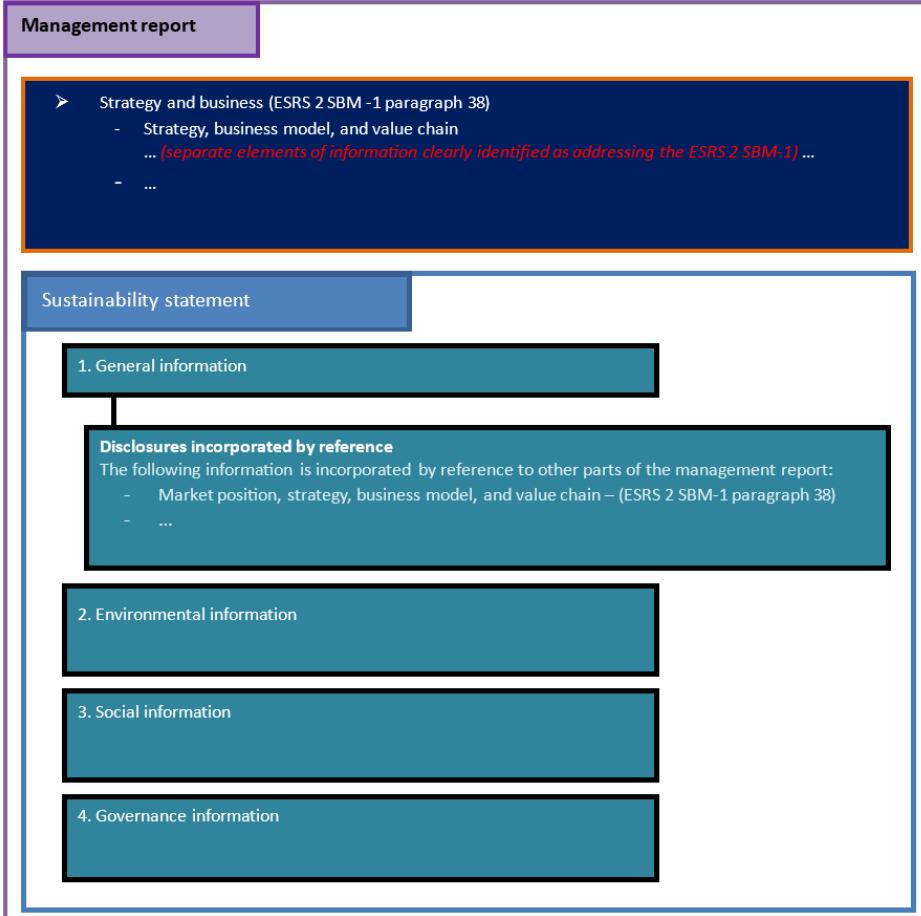
ESRS E5	E5-6	Anticipated financial effects from resource use and circular economy-related risks and opportunities	The undertaking may omit the information prescribed by ESRS E5-6 for the first year of preparation of its sustainability statement. The undertaking may comply with ESRS E5-6 by reporting only qualitative disclosures, for the first 3 years of preparation of its sustainability statement.	ESRS S1	S1-6	Characteristics of non-employee workers in the undertaking's own workforce	The undertaking may omit reporting for all datapoints in this Disclosure Requirement for the first year of preparation of its sustainability statement.	
ESRS S1	All disclosure requirements	All disclosure requirements	Undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS S1 for the first year of preparation of their sustainability statement.	ESRS S1	S1-7	Collective bargaining coverage and social dialogue	The undertaking may omit this Disclosure Requirement with regard to its own employees in non-EEA countries for the first year of preparation of its sustainability statement.	
ESRS S1	S1-7	Characteristics of non employee workers in the undertaking's own workforce	The undertaking may omit reporting for all datapoints in this Disclosure Requirement for the first year of preparation of its sustainability statement.	ESRS S1	S1-10	Social protection	The undertaking may omit this Disclosure Requirement for the first year of preparation of its sustainability statement.	
ESRS S1	S1-8	Collective bargaining coverage and social dialogue	The undertaking may omit this Disclosure Requirement with regard to its own employees in non-EEA countries for the first year of preparation of its sustainability statement.	ESRS S1	S1-11	Persons with disabilities	The undertaking may omit this Disclosure Requirement for the first year of preparation of its sustainability statement.	
ESRS S1	S1-11	Social protection	The undertaking may omit the information prescribed by ESRS S1-11 for the first year of preparation of its sustainability statement.	ESRS S1	S1-12	Training and skills development	The undertaking may omit this Disclosure Requirement for the first year of preparation of its sustainability statement.	
ESRS S1	S1-12	Persons with disabilities	The undertaking may omit the information prescribed by ESRS S1-12 for the first year of preparation of its sustainability statement.	ESRS S1	S1-13	Health and safety metrics	The undertaking may omit the datapoints on cases of work-related ill-health (paragraph 40(d)) and on number of days lost to injuries, accidents and work-related ill health	

ESRS S1	S1-14	Health and safety	The undertaking may omit the data points on cases of work-related ill-health and on number of days lost to injuries, accidents, fatalities and work-related ill health for the first year of preparation of its sustainability statement.				(paragraph 40(e)) for the first year of preparation of its sustainability statement.
ESRS S1	S1-14	Health and safety	The undertaking may omit reporting on non-employees for the first year of preparation of its sustainability statement.	ESRS S1	S1-13	Health and safety metrics	The undertaking may omit reporting on non-employees for the first year of preparation of its sustainability statement.
ESRS S1	S1-15	Work-life balance	The undertaking may omit the information prescribed by ESRS S1-15 for the first year of preparation of its sustainability statement.	ESRS S1	S1-14	Work-life balance metrics	The undertaking may omit this Disclosure Requirement for the first year of preparation of its sustainability statement.
ESRS S2	All disclosure requirements	All disclosure requirements	Undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS S2 for the first 2 years of preparation of their sustainability statement.	ESRS S1 ESRS S2 ESRS S3 ESRS S4	All disclosure requirements	All disclosure requirements	Undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the Disclosure Requirements of [Draft] Amended ESRS S1 for the first year of preparation of its sustainability statement and [Draft] Amended ESRS S2, [Draft] Amended ESRS S3 and/or [Draft] Amended ESRS S4 for the first two years of preparation of their sustainability statement.
ESRS S3	All disclosure requirements	All disclosure requirements	Undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS S3 for the first 2 years of preparation of their sustainability statement.				
ESRS S4	All disclosure requirements	All disclosure requirements	Undertakings or groups not exceeding on their balance sheet dates the average number of 750 employees during the financial year (on a consolidated basis where applicable) may omit the information specified in the disclosure requirements of ESRS S4 for the first 2 years of preparation of their sustainability statement.				

ESRS 1 as enacted in 2023			Exposure Draft ESRS 1	Amended ESRS 1
Appendix D: Structure of the ESRS sustainability statement				
Part of the management report	ESRS codification	Title		
1. General information	ESRS 2	<i>General disclosures</i> , including information provided under the Application Requirements of topical ESRS listed in ESRS 2 Appendix C.		
2. Environmental information	<i>Not applicable</i>	<i>Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)</i>		
	ESRS E1	<i>Climate change</i>		
	ESRS E2	<i>Pollution</i>		
	ESRS E3	<i>Water and marine resources</i>		
	ESRS E4	<i>Biodiversity and ecosystems</i>		
	ESRS E5	<i>Resource use and circular economy</i>		
3. Social information	ESRS S1	<i>Own workforce</i>		
	ESRS S2	<i>Workers in the value chain</i>		
	ESRS S3	<i>Affected communities</i>		
	ESRS S4	<i>Consumers and end-users</i>		
4. Governance information	ESRS G1	<i>Business conduct</i>		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
<p data-bbox="525 287 1298 317">Appendix E: Flowchart for determining disclosures under ESRS</p> <p data-bbox="197 350 1619 743">Materiality assessment is the starting point for sustainability reporting under ESRS. This appendix provides a non-binding illustration of the impact- and financial materiality assessment outlined in chapter 3. IRO-1 in section 4.1 of ESRS 2 includes general disclosure requirements (DR) about the undertaking's process to identify impacts, risks and opportunities and assess their materiality. SBM-3 of ESRS 2 provides general disclosures requirements on the material impact, risks and opportunities resulting from the undertaking's materiality assessment. The undertaking can omit all disclosure requirements in a topical standard if it assessed that the topic in question is not material. In that case it may disclose a brief explanation of the conclusions of the materiality assessment for that topic but <i>shall</i> disclose a detailed explanation in the case of ESRS E1 climate change (IRO-2 ESRS 2). ESRS set disclosure requirements, not behavioral requirements. Disclosure requirements in relation to action plans, targets, policies, scenario analysis and transition plans are proportionate because they are contingent on the undertaking having these, which may depend on the size, capacity, resources, and skills of the undertaking. <i>Note: The flowchart below does not cover the situation in which the undertaking assesses a sustainability matter as material but it is not covered by a topical standard, in which case the undertaking shall make additional entity specific disclosures (ESRS 1 (30 (b)).</i></p>  <pre> graph TD A[Perform the impact and financial materiality assessment (informed by the table in AR 16 in Appendix A)] --> B{Is the topic covered by a topical standard material?} B -- No --> C["The undertaking can omit all disclosure requirements of the topical standard. But shall in case of ESRS E1 Climate change, disclose a detailed explanation of why climate change is not material and may disclose a brief explanation in the case of other topical standards (ESRS1 32)"] B -- Yes --> D[For metrics] D --> E{Is the Disclosure Requirement (DR) material?} E -- Yes --> F{Is the individual Data Point (DP) material?} F -- Yes --> G["The undertaking shall disclose the information required by the DP (ESRS1 para 34 (a))"] F -- No --> H["Disclose the Data Points from the topical standard in conjunction with the relevant DRs of ESRS 2 (see ESRS 2 Appendix C)."] E -- No --> I["The undertaking shall disclose this to be the case and may report a timeframe in which it aims to have these in place (ESRS1 33)"] I --> J["The undertaking does not have to disclose the DRs or related Data Points (DP)"] I --> K["The undertaking does not have to disclose the Data Point (ESRS1 para 34 (b))"] </pre> <p data-bbox="1664 806 1783 859">Moved to NMIG</p>		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
<p>Appendix F: Example of structure of ESRS sustainability statement</p> <p>This appendix complements ESRS 1. It provides a non-binding illustration of the structure of the sustainability statement outlined in section 8.2 of this Standard. In this illustration, the undertaking has concluded that biodiversity and ecosystems, pollution, and affected communities, are not material.</p> <p>Moved to NMIG</p>		

ESRS 1 as enacted in 2023	Exposure Draft ESRS 1	Amended ESRS 1
<p>Appendix G: Example of incorporation by reference</p> <p>This appendix complements ESRS 1. It provides non-binding illustrations of incorporation by reference of another section of the management report into the sustainability statement as outlined in section 9.1 of this Standard.</p>  <p>Management report</p> <ul style="list-style-type: none"> ➤ Strategy and business (ESRS 2 SBM -1 paragraph 38) <ul style="list-style-type: none"> - Strategy, business model, and value chain <ul style="list-style-type: none"> ... <i>(separate elements of information clearly identified as addressing the ESRS 2 SBM-1)</i> ... - ... <p>Sustainability statement</p> <ol style="list-style-type: none"> 1. General information 2. Environmental information 3. Social information 4. Governance information <p>Disclosures incorporated by reference The following information is incorporated by reference to other parts of the management report:</p> <ul style="list-style-type: none"> - Market position, strategy, business model, and value chain – (ESRS 2 SBM-1 paragraph 38) - ... 		Moved to NMIG



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